

Report prepared for:
MASON COUNTY LODGING
TAX ADVISORY BOARD

NW EVENT ORGANIZERS, INC.
Shelton, WA | July 2021

MASON COUNTY WELCOME CENTER

JULY 2021 | **FEASIBILITY STUDY**





ACKNOWLEDGMENTS

NEO Inc. prepared this report for Mason County Lodging Tax Board and the Board Of County Commissioners. This project is supported by Lodging Tax funds.

NEO would like to thank Mason County, WA State DOT, Williams Architecture, Mason County EDC, Arcadia Drilling, PUD#3, Wenstob & Associates, Olympic Peninsula Tourism Commission, Senator Tim Sheldon, Representative Drew MacEwen, Representative Dan Griffey, and Board of County Commissioners for your assistance.

For more information about this report contact:

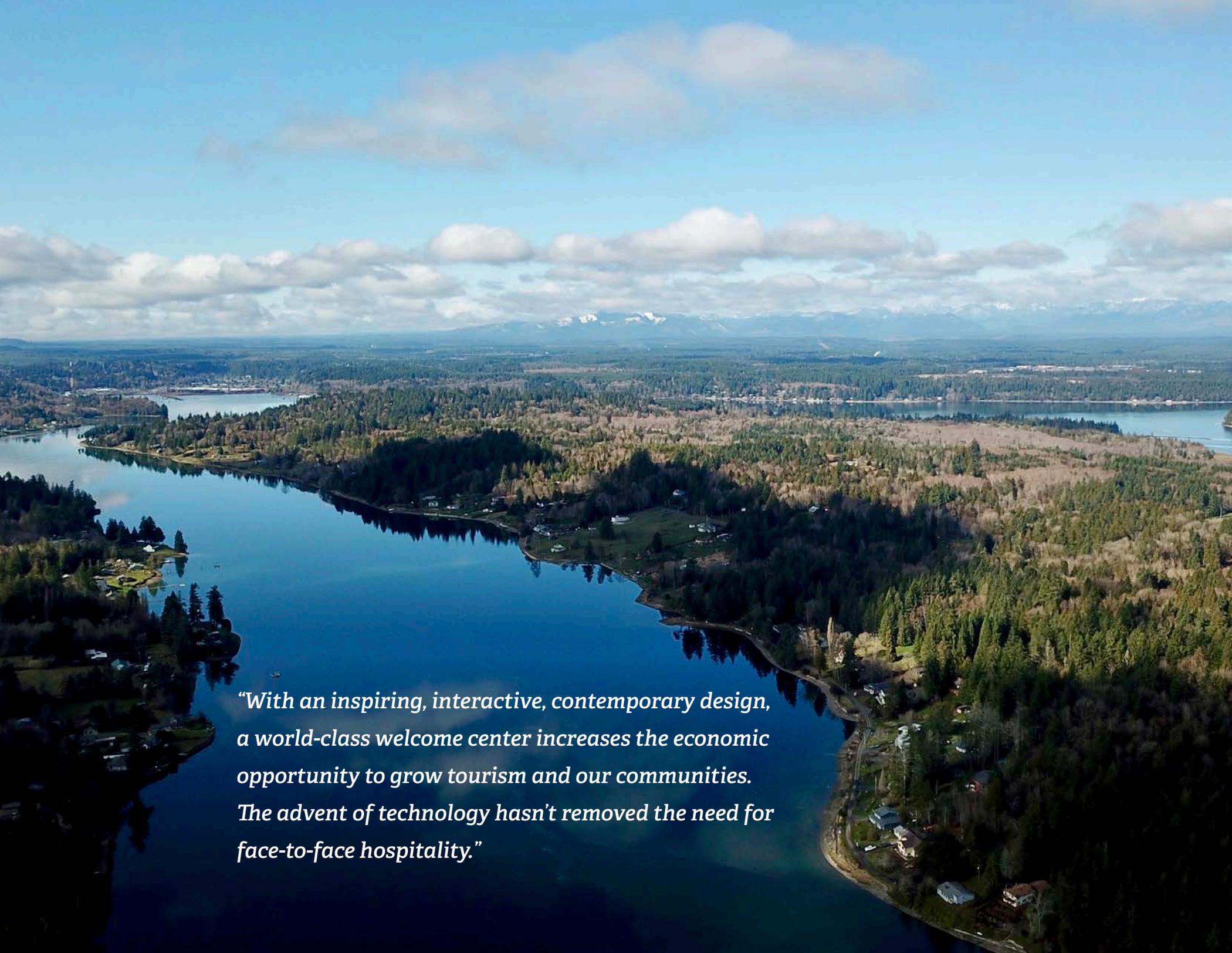
NORTHWEST EVENT ORGANIZERS, INC.
nwevent.org | 360-427-5599
Shelton, WA 98584

CONTENTS

I. Introduction	5
II. Focus of Tourism Opportunities	7
2.1 Tourism Area Impact	
2.2 Our Tourism Assets	
2.3 Tourism Visitation Data	
2.4 Visitor Center Relevancy	
2.5 Concierge Advocate Support	
III. Site & Building Characteristics	13
3.1. Project Overview	
3.2 Site Criteria	
3.3 Potential Site Locations	
3.4 Building Characteristics	
IV. Project Cost Analysis.....	21
4.1 Overview	
4.2 Property Cost & Zoning	
4.3. Site Work	
4.4 Utilities	
4.5 Construction Costs	
V. Sustainable Business Model for Mason County	23
5.1 Overview	
5.2 Operating Assessment	
5.3. Thinking “Outside the Box”	
5.4 Sustainable Revenue Sources	
VI. Funding & Operation Strategies.....	27
6.1 Overview	
6.2 Funding of Capital Development	
6.2 Operation Strategies	
VII. Conclusion & Recommendations	31
7.1 Overview	
7.2 Recommendations	
7.3 Next Step	
Appendix	37
A. Visitor Center Counts Olympic Peninsula	
B. LTAC Revenues Olympic Peninsula	
C. Dean Runyan Report Mason County	
D. Letter of Support Drew MacEwen	



© GEORGE STENBERG

An aerial photograph of a large, winding lake surrounded by dense forests. The water is a deep blue, reflecting the sky. The surrounding land is covered in a mix of evergreen and deciduous trees, some of which are bare, suggesting a late autumn or winter setting. In the distance, a range of mountains with snow-capped peaks is visible under a blue sky with scattered white clouds. The overall scene is a beautiful, natural landscape.

“With an inspiring, interactive, contemporary design, a world-class welcome center increases the economic opportunity to grow tourism and our communities. The advent of technology hasn’t removed the need for face-to-face hospitality.”



I. Introduction

Overview

Mason County Lodging Tax Advisory Board has contracted with NW Event Organizers Inc (NEO) to examine the feasibility of a Welcome Center in Mason County. The county currently funds stand-alone visitor information centers (VICs) in Belfair, Union, Hoodspout and three locations in Shelton. The Board will determine if a comprehensive facility –regionally oriented and partnering with community stakeholders –could reach visitors more effectively, operate more economically, and provide enhanced services that would improve tourism sustainability in Mason County.

The purpose of this “gateway” center is to welcome travelers into the area and serve as a conduit for information about activities, events and amenities available in the area. The intent is to design a highly visible entry point on Hwy 101, and provide visitors and residents alike with an inspiring, beautiful, popular facility that is emblematic of the place.

The Welcome Center must also be a destination in its own right, offering interesting activities and learning experiences.

The proposed facility will provide a welcoming experience that embodies and protects and showcasing Mason County’s rich timber and aquaculture heritage and our natural resources, while providing inspiration and guidance for tourism asset operators, event coordinators and explorers to create memorable adventures and stories.

Additionally, a Welcome Center that incorporates multiple tourism partners results in substantial regional spin-off benefits in terms of additional visitor spending in the area.

Assessing the Need

According to a Dean Runyan study¹ (July 2020), travelers who stopped at Oregon’s eight gateway welcome centers demonstrate greater engagement by utilizing in- person services and considering recommendations from the welcome center staff. This engagement shows in the average spending as well. According to the report, on average, visitors to welcome centers spend 68% more on their trip in the state than other types of visitors. In actual amounts this equates to an average spend of \$492 per trip versus \$293 per trip.

¹Travel Oregon Welcome Centers “VISITOR SPENDING CALENDAR YEAR 2019” (July 2020)

According to the DRA evaluation, Welcome Center staff anecdotally report visitors adjusted their plans to visit additional attractions, stay longer, or plan a return trip based on engagement with the staff. ¹ These centers serve as an opportunity to connect with visitors who like and expect/need personal concierge services. Without a welcome center, they will seek services elsewhere.

Welcome Center Model

Welcome or “gateway” centers cater to different markets than internal VICs:

- Located on major through-way, in this case Hwy 101, Welcome Centers provide area first impression. The appearance and overall experience should reflect the destination’s brand or character;
- Top reasons to visit centers are to use restroom facilities followed by obtaining brochures and highway maps, stretch legs, walk pets, and to purchase refreshments and picnic;
- Centers that reflect regional heritage and culture through architecture and rotating displays become visitor “attractions.”

Beyond the Toilets

The restroom is the #1 (*literally*) reason visitors stop at a Welcome Center. By creating a highly visible center with convenient ingress and egress as well as plenty of parking, the facility will serve travelers *basic* as well as inspirational needs.

The proposed Welcome Center will be home to a diverse array of uses including rotating heritage exhibits, educational facilities, small and larger gathering areas, and will be an ideal location for community partners to share these amenities. The surrounding grounds will accommodate walking trails and overflow parking. Ultimately the surrounding acreage can accommodate the needs of area agricultural events and festivals.

The Mason County Welcome Center is proposed for one of several possible locations on Hwy 101 after Milepost 352.60 A (between Hwy 108 and Shelton’s exit to Hwy 3). This section of highway is the busiest on the entire Olympic Peninsula with WSDOT’s Traffic GeoPortal displaying 29,000 -31,000 daily vehicles (2019 AADT) before the traffic is diverted to routes around the county and upper peninsula.

This concentration of traffic makes it the ideal location for a WSDOT partnered rest stop on this southern I-5 connecting gateway stopover to serve tourism partners throughout the region.



Mason County
Annual Average Daily Traffic (2019 AADT)

- 0 - 2,500
- 2,501 - 5,000
- 5,001 - 10,000
- 10,001 - 20,000
- 20,001 - 40,000
- 40,001 - 80,000

¹The data in this report reflects average spending only and does not imply causality between incremental spending due to welcome center experiences.

II. Focus of Tourism Opportunities

1. *Tourism Area Impact*

An evaluation of the tourism opportunities for the communities and the role of Visitor Centers in promoting opportunities is essential in the context of discovering feasibility of a Welcome Center.

The main attractions of the area will continue to be nature-oriented recreation. Perched along the saltwater waterways of Puget Sound and Hood Canal, surrounded by countless pristine lakes, rivers and streams and shadowed by forested mountains, Mason County offers unparalleled outdoor recreation opportunities.

The area is also renowned for its hiking and back county solitude and access to the southerly entrance to the Olympic National Park & Forest. Additional recreation opportunities include the Ridge Motorsports, Vance Creek Railriders, and Kapowsin Skydive facilities.

A limitation to the destination market is the deficiency of lodging. Post-COVID travel demands have led to a surge in Short Term Rental (STR) availability, translating to an emerging trend in accommodation demand that is unlike anything that we have ever seen or may have predicted.



2. *Our Tourism Assets*

Mason County is composed of seven geographic locations – Hood Canal North, Hood Canal South, North Mason, Allyn-Grapeview, Shelton, Kamilche, and Matlock. Each region has a unique tourism profile. Hood Canal North includes the communities of Potlatch, Hoodspout, Lake Cushman, Lilliwaup, and Eldon as well as access to the Olympic National Park recreation areas. There is an active VIC serving the Hoodspout region with a seasonal park ranger on site.

The Hood Canal south area hosts a seasonal VIC at Hunter Farms. This self-serve location is staffed weekends during the summer. This area is popular for its scenic drive along Hood Canal with views of the Olympics as they appear to rise directly from the fjord. North Mason County hosts a Visitor Information within the Chamber office in Belfair; Allyn and Grapeview on Case Inlet feature paddling, waterfront parks and unique short term rentals. There is no VIC in this region.

Tourism assets in the area:

- Olympic National Park (Staircase Entrance) 79,529 visitors (2020);
- Olympic National Forest 3.4 million visitors (2017)
- Washington State Parks (7) 1,380, 703 visitors /year (2020);
- Mason County Parks (20)
- Public golf courses (5);
- Extensive trail system – land and water – for road biking, mountain biking, hiking, walking, horseback riding, and paddling
- Agitourism – land and sea, including Shellfish Trail with public harvesting regularly stocked
- Festivals and events with good growth potential for some;
- Sports fishing & hunting recreation
- Resources for bird watching;
- Boating and water-based activities;
- Ridge Motorsports Course - hosts roughly 400 events annually drawing 100,000 participants and spectators;
- Skydive Kapowsin – operation handles estimated 30,000 jumps annually;
- Scuba diving/unique underwater biomes on Hood Canal;
- Timber and rail heritage.

Shelton is the only incorporated city in Mason County. This area has amenities and tourism attractions but is deficient on accommodations. Research indicates that this region would be the most successful location for a focus service hotel in Mason County given the displaced demand and projected growth. Kamilche, on the southern reaches of the County hosts the Little Creek Casino and Resort, a 190 room facility with 80-85% occupancy (2018). Nearby Matlock/Dayton region is forest orientated with a few rural short term rentals. Here there is potential for growth with sustainable outdoor and historical rail tourism.

Our Weakness is our Strength

These regions provide a diverse product that is both difficult and advantageous to promote. Sustainable tourism strategies that spotlight our regions' unique attribute as well as those of surrounding counties will benefit from a Welcome Center situated on a traffic concentrated section of Hwy 101. This central location is perfectly positioned to promote this vast dilution of assets and identify guest's itinerary needs. With trained staff to speak articulately on the entire region and financing support provided by a myriad of tourism partners, this location is ideally situated to offer services that benefit the entire peninsula.

Arts, culture and heritage offer potential for Mason County but do not appear to be developed from a tourism perspective yet. There are two small community historical museums in the area as well as the Squaxin Island Tribe Museum Library & Research Center located just south of the proposed locations. The area would seem to be natural for attracting arts and culture activity and there is a wealth of heritage stories that can be interpreted and told in different ways. There are opportunities for the Squaxin and Skokomish tribes to increase their involvement given the strategic location and strong consumer interest in first nation culture.



3. Tourism Visitation Data

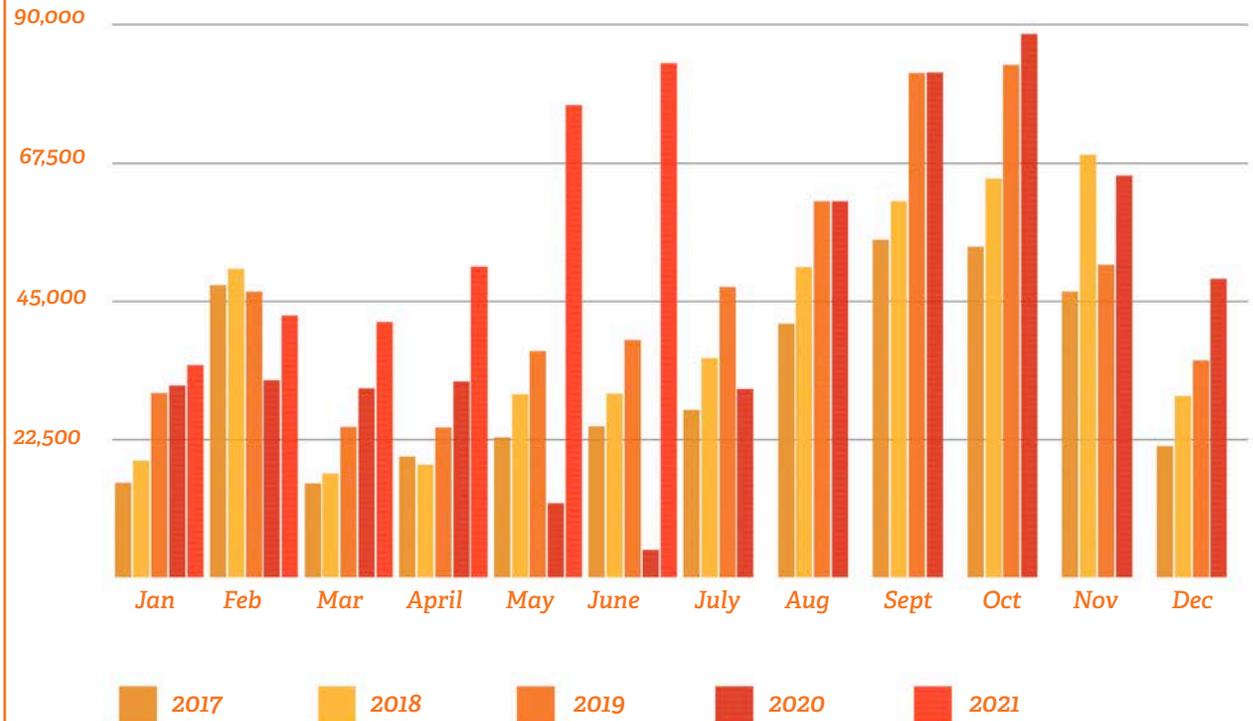
Tourism visitation in Mason County has been on an upward trend since 2017. In 2018 total direct travel spending in the county was reported at \$128.6 million/annum. This number equates to 1340 jobs and average spending for overnight guests at \$172/day (Dean Runyan, 2018 - Appendix B).

Until recently visitors who stayed in private homes typically comprised the largest share of overnight visitor volume. However, recent lodging tax revenue trends illustrate that although there is little movement in hotel room inventories in Mason County, there has been rapid growth in short term rental (STR) availability.

One can speculate that the rapid growth in lodging revenues over recent years can be attributed to this increase in STR availability. From 2017 to 2019 this reflects a 43% increase in revenues. The downturn during the pandemic closure (spring 2020) has corrected itself with revenues in 2021 up 66% over 2019 (MTD). The City of Shelton experienced a 50%+ increase in MTD lodging tax revenues in 2021 as well.

According to a AIRDNA report (June 2021), “the short-term rental sector has strengthened consumer trust and sentiment during the pandemic, which will only speed its recovery rates compared to its lodging counterparts.”

Mason County Lodging Tax Revenues | 2017-2021 (June)



An increase in visitation in recent years is acutely reflected in Washington State Park usage as well. Mason County hosts seven State Parks: Belfair, Hope Island, Jarrell Cove, McMicken Island, Potlatch, Schafer, and Twanoh. With the exception of McMicken Island, which can only be accessed by boat or extreme low tide, these parks support overnight camping/lodging facilities. In 2019 the parks reported 1,210,080 users with 83,749 overnight users. In 2020 this number was increased to 1,380,703 users with an overnight count of 89,127.

The Olympic National Park and Olympic National Forest are reporting similar increases in recent years and are set to break visitation records in 2021. Another factor that can determine Mason County's tourism visitation data is an evaluation of the trends supporting the visitor website, explorehoodcanal.com and social media accounts. These channels demonstrated strong growth, each reflecting interaction with demographic sectors endemic to the media channel.

Explore Hood Canal had over 150,000 visitors in 2020. Visits in 2021 have grown by 20% (MTD). The social media channels and website show consistent correlation with website conversion. In 2021 website traffic is over 50% search-based, lending credibility to the content and indicating that the 2020 “inspirational” marketing focus is paying off.

Sustaining the Trend

The increase in visitation in the last year can be attributed to Washington’s “Stay Home” orders and travel bans. Close proximity to urban hubs, including Tacoma, Seattle, and, Portland, naturally led to an increase of visitors to our county. Despite the anomaly caused by the pandemic, it may be noted that there has been an upward trend since 2017. It is projected that the trend will continue as demand increases. Planning for responsible management of this demand should begin now. In order to sustain growth and meet the displaced demand (those seeking accommodations outside Mason County) there is an urgent need for additional infrastructure. This includes dining, focus service lodging, meeting and event facilities and place-based attractions.

“A Welcome Center will offer resources to help solidify & support infrastructure expansion in Mason County.”

4. Visitor Center Relevancy

Visitor Centers provide information to visitors at a destination. Websites (explorehoodcanal.com) and outreach events play an integral role in the prospective visitors level of awareness of the destination and assist in their selecting, planning and booking. Visitor Centers supply information (filling in the gaps) and inspire guests to stay longer, spend more, try new things, and encourage them to return again at a future date.

Technology and other tourism industry trends require destinations to constantly enhance their methods of delivery to ensure they meet the evolving needs and expectations of both potential and actual visitors. The “24/7” quality of websites is resulting in guests beginning to expect the same from communication, feedback and other services. It is increasingly important for tourism operators to imagine how, when, where and why travelers use technology in order to define how they can or need to support travelers information needs and what type of information to present.

Port Townsend VIC introduced a “bot” named *Lena* during the pandemic closures to act as a “Community Concierge” while the offices were closed. Owing to her success and 24/7 availability, they have opted to keep her on and even have visitors asking to speak with her when they stop in the now open Visitor Center.



Visitor Centers with strong local knowledge are mediators between web information and reducing uncertainty for visitors whose information needs cannot be fully met through an online search.

- Services at VICs include the following:
- Travel guides, maps and printed pieces available for tourism partners and visitors
 - Front line staff offering concierge and booking support for providers and visitors
 - Hosts, Local guides and ambassadors
 - Phone support, web and mail support
 - Updated information, press releases and trip follow-up methods
 - Experiences through interpretive displays.

5. Concierge Advocate Support

In 2021 visitor information services in Mason County incorporated concierge advocates or “Wild Side Guides.” The project includes a curated binder within which lodging operators, restaurant staff, shop owners, or real estate agents can find answers efficiently. The section are organized for access to static information including history, geography, area highlights, and maps. Delve further for non-static information: harvest maps, hours, dining, events and other seasonal information. These pages can be downloaded via QR codes and shared with guests and visitors by smartphone.

Mason County’s tourism website, explorehood-canal.com, will also include a login area for Wild Side Guides with events, maps and press releases. Establishing a forum for tourism stakeholders to share information will elevate the quality of visitor experiences in Mason County. Up to 50 marked Wild Side Guide locations have been identified throughout Mason County. Of these, three or four in each region will be selected as advocates and provided branding support including 3D maps, flag banners, and window clings identifying “Wild Side Guide” locations as well as a network they can refer to answer questions. Ultimately this support service will evolve into the Welcome Center – available to stakeholders and visitors with personnel to assist with bookings, itineraries, and coordination of events and activities.

The time we have to connect with visitors and the time we have as visitors is limited. Accurate, confident, and welcoming information is the paper thin difference between an experience and an amazing one.

Location, Location, Location.

Shelton’s Hwy 101 access (northbound) is a logical location for a Welcome Center catering to tourist market service for the entire Olympic Peninsula. Primary tourism draws for the region include trails, wilderness and water-based activity (waterfall viewing, boating, swimming, paddling, and fishing) as well as hiking, and camping. Agri-tourism (including shellfish), golf, biking, racing, skydiving, and sport tourism offer opportunities as well.

However, shortage of basic infrastructure is a hurdle to future tourism growth. Emphasis will need to be placed on these shortcomings over the next few years to ensure the area can fully capitalize on the opportunities presented with the growing demand. The Welcome Center will allow Mason County to position itself as a key access point to the Olympic Peninsula.

Situating the Welcome Center gives consideration to visibility, access, attractions, services, as well as the future of festivals and events. Events create compelling time sensitive motivation for visitors to travel to Mason County and they result in attention to the unique assets of the area.

A location on Hwy 101 that enables multiple uses and enhances opportunities for private as well as public partnerships beneficial to increase and ensure relevancy the Center, as well as generate revenue to offset operational costs. The Welcome Center’s goal in design and implementation is to meet the changing needs of the tourism industry and be financially sustainable as well as an economic generator for the region.





III. Site & Building Characteristics

1. Welcome Center Overview

The proposed Welcome Center will embody an authentic experience of nature & timber heritage. Situated in a forested landscape shadowed by “first impression” views of the Olympic Mountains as visitors head north following Hwy 101, the center will form a strong image and becomes a landmark along this stretch of highway otherwise marked by fueling stations and rural retail.

The building will remain relevant by featuring rotating exhibits that showcase history and natural resources while complementing the function of the facility. A multi-purpose great room will incorporate fixed displays spanning from the early inhabitants of Mason County to current practices in forestry and aquaculture. These will both engage and inform visitors and create a sense of pride for residents. Along with visitor services, the proposed building will serve as a community gathering space for events and educational workshops.

The campus will be designed with sustainability applied at a fundamental level – native plants and water elements with structures of wood, rock, concrete, and sentinel timbers connected by expanses of glass.

Elements will include rustic logs, hand stained concrete floors featuring natural images and a map of the Olympic Peninsula; as well as glass doors designed to expand the indoors onto terrace areas.

The strategic siting of paths, courtyard, and building and terrace structure the sequence of visitor experience for a visceral immersion in the landscape that will serve to be both captivate and inspire – *as well as be highly functional.*

Along with incorporating modern technology and sustainable design, the center will pay homage to the historical characteristics and rural honesty of the region, embracing the timber past and the community’s welcome to unite and share.



2. Site Criteria

The initial requirement for siting the Welcome Center is a highly visible, high traffic location. The highway frontage between Hwy 108 and the Shelton exit to Hwy 3 has an average of 29,000 - 31,000 vehicles passing each day (north and south) and is the most active section of road on the entire Olympic Peninsula, suggesting it as an ideal location for a gateway center.

Throughout the investigation of this project we have come to determine that a coordinated effort with WSDOT to create ingress and egress is required. The addition of a travelers rest area near the siting of the Welcome Center should cover 20 to 22 acres. The surrounding campus will include: terraces, walking trails, outdoor covered exhibits, and picnic areas.

Site Access

Convenient vehicular access is paramount to the project's success. Many of the users of the center will be outdoor recreationists given the resources in the area and outdoor access. It is therefore encouraged that the site allow for EV charging, individual cars, vans, SUV's and a pull-through for RV's and trailered boats.

Currently there is no ideal access to the proposed site and its possible alternates but it is anticipated that a collaboration with other agencies could



create a mutually beneficial arrangement to provide safe ingress and egress to the Welcome Center. Preliminary discussions with Washington State Department of Transportation (WSDOT) and state representatives have identified the project as a candidate for a possible local jurisdiction Rest Area.

Safety Rest Area

Commercial motor vehicle parking shortages are a national safety concern. With 64.3 percent of freight in Washington transported by truck, it is crucial that drivers have safe parking options to fulfill state and federal law rest requirements. A survey of the national highway system, required by the Federal 2012 Jason's Law, found Washington has some of the most severe truck parking challenges in the nation ranking it 44 out of 50 in availability of truck rest parking areas.

According to WSDOT's GeoPortal (2019) nearly 9% of the traffic after Milepost 350.38 (Hwy 3 exit) is single (5.02%), double (3.2%) and triple (0.42%) truck units. An inadequate supply of commercial parking may result in tired drivers continuing to drive because they have difficulty finding parking or choosing to park at unsafe locations, such as on the shoulder of the road or exit ramps. According to the American Trucking Association, time spent looking for available truck parking costs the average driver about \$5,500, or a 12% cut in annual pay. Truck drivers give up an average of 56 minutes of available drive time per day to park early rather than risking not being able to find parking down the road.¹

Site Features

Picnic areas and walking trails are important to work into the site plan. It is also advisory to consider that the festivals and events that may draw large attendance be accommodated in the parking and site areas. An open grassed area with gravel parking areas would serve well as an exhibit grounds until the phasing in of more permanent structures. A campground facilities could be added to the campus offering hook-ups and power or simply dry camping areas.

¹ www.talkbusiness.net/2021/06/

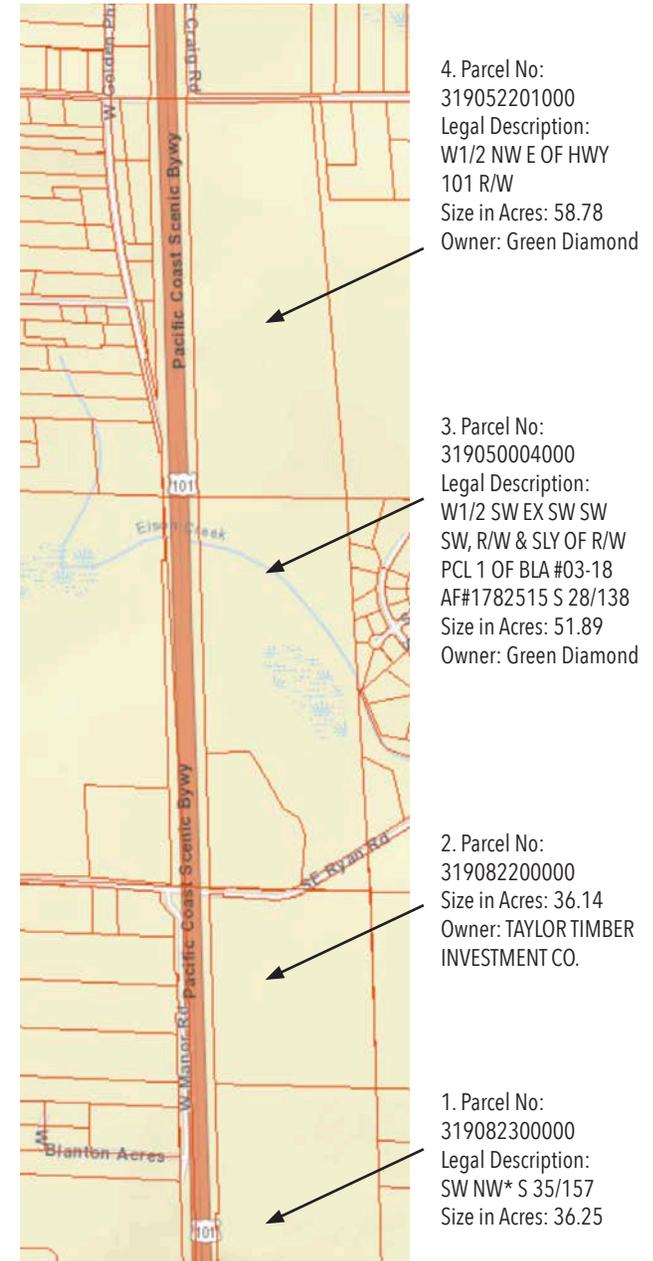
3. Potential Site Locations

The County currently owns four lots located on Hwy 101 at the Dayton/Matlock Road. The cost of this property is currently at \$108,000/acre. Although this property has highway access and frontage, it is located in an area where traffic counts are considerable less than those south of the Hwy 3 access to Shelton (WSDOT GeoPortal 2019). For these reasons we have identified a selection of possible site locations on Hwy 101 between Hwy 108 and Shelton Hwy 3 exit. The graphic to the right shows property locations and relativity.

This area has been identified as ideal for the Welcome Centers based upon traffic counts, lot sizes, access and visibility. In general, the site location should have high visibility and be adjacent to major travel corridors. We have selected four possible parcels along Highway 101 that match selection criteria:

1. **Parcel No: 319082300000**, owned by Green Diamond, has excellent visibility and geographic attributes that may add to the “park” aspect.

Table 1: Site Evaluation Criteria	
SUBJECT	SPECIFIC CRITERIA
Parcel size and usable area	Size appropriate for program needs
Site development challenges	Physical limitations, costs for construction
Power, communication/ sewer/ water	Ease/cost to provide/ water rights and needs
Ease of access	Distance and difficulty of route from road to site
Visibility	Ability to draw highway travelers
Views	Mountains, forest, open space, etc.
Traffic	Average daily traffic by site
Zoning, regulatory issues	Site use changes or challenges
Ownership	Difficulty of establishing site control
Land use context	Impact of setting, adjoining uses, neighbors
Cost	Cost of land acquisition/ cost of development



Proposed Welcome Center Sites

However, given the close proximity to the Taylor Town exit, this would likely not be a candidate for an additional entrance off Hwy 101. Access would be established by connecting to existing side road.

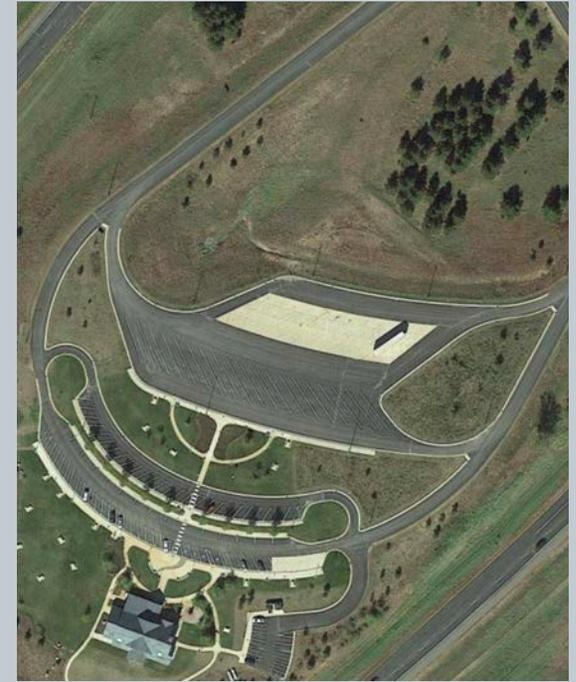
2. Parcel No: 31908220000, owned by Taylor Timber Investments has excellent visibility both from the road and of the Olympic range for building placement. The land is relatively flat and although sparsely reforested it is mostly clear. The land is just over 36 acres which is an adequate size for the Welcome Center as well as desired axillary uses. The parcel currently has ingress and egress from both north and south Hwy 101 via Ryan Road. An established housing development shares this access. A traffic impact analysis would be necessary, however, preliminary discussions with a WSDOT advisory team indicated that, despite this being an established access, the additional traffic generated by the Center may cause safety issues for motorists. Ryan Rd is identified as possibly an overpass candidate, but this is not a near term priority.

3. Parcel No: 319050004000, Green Diamond, is traversed by Elson Creek which may cause issues in land use. The property is adjacent to a residential area which also may have impact issues. Access could be established via Hwy 101 yet the topography of the acreage may could cause possible space issues in establishing safe ingress and egress.

Case Study: Truck Parking at Welcome Center, Brainerd, MN

The Minnesota DOT partnered with Brainerd Lakes Chamber of Commerce, Crow Wing County, the Minnesota Department of Natural Resources and the Minnesota State Patrol to create a Welcome Center on U.S. 371 that includes truck parking. The partnership between the DOT, counties, and State agencies is unique. Truck drivers enter and exit the area within the right of way, while the Chamber operates the facility which has a lounge with snacks, bathrooms, a giant Paul Bunyan, and WiFi access. A shop featuring local products helps fund the operation of the facility.

https://ops.fhwa.dot.gov/freight/infrastructure/truck_parking/workinggroups/parking_capacity/product/row.pdf



4. Parcel #319052201000, Green Diamond, features a relatively flat site with a slight rise on the back acreage. The area has a good soil profile that will allow for cost effective construction and easy site grading. A traffic impact analysis is necessary but preliminary discussions with WSDOT have identified #31905201000 as a viable candidate for Hwy 101 access and supports the concept of a local jurisdiction managed Rest Area at this location. The 58.78 acres allows for multiple uses including exhibit area, park and walking trails, camping, Rest Area as well as the Welcome Center.



Existing trees that can be utilized for privacy and highway noise mitigation.



Mason County Visitor Welcome Center

PRELIMINARY SITE PLAN

Parcel No: #31905201000 | Green Diamond





3. Building Characteristics

The objective of the Welcome Center is to attract, inform and retain visitors to the area. However, to achieve operational sustainability it should be adaptable to multiple uses beyond visitor information services. The goal should be to use space efficiently and to limit building operation costs by co-locating components.

Use Driven Design

Usable space of the current visitor centers in the area range from 100 sf to 600 sf. Common features include information counter and brochure display. The current trend in the industry is to decrease dependence on brochures and increase capability to meet technological advancements. In combination with personal concierge service the space design will be flexible to allow for additional change in capacity beyond WiFi, mapping, screens, or electronic device recharging.

Centers that support a multi-purpose facility using technological integration and open concept display with gathering areas and visitor services are generally more “welcoming” and engaging. Similar concept models ranges from 2500 sf to 11,000 sf depending upon uses. The Mason County Welcome Center is proposed at 4500 sf with options for expansion should the need arise for Phase 2 planning.

The building should incorporate multiple uses including but not limited to:

- Visitor concierge services
- Rotating exhibits as well as fixed exhibits
- Integration of gathering & exhibit areas
- Open floor plan with access to outdoor space
- Offices & storage areas (in adjoining structures)
- Excellent restroom capabilities.

Architectural Characteristics

The design embraces natural attributes of the landscape with use of timber, rock and glass “walls” to bring the outdoors inside. Effort will be made to source dramatic “trees” to create visual natural columns in entrance and common areas.

Paths will be illuminated with crushed oyster shells and landscaping will be composed of vegetation that incorporates existing established evergreens and natural topography of the space as well as celebrates native plant display and traditional uses – *beargrass, katniss and cedars come to mind*. The goal is to create a Welcome Center showcasing natural elements that is so striking in design it is a destination in itself. Displays and interpretive material will be themed within the open main space to complement architectural attributes.

WALK WAY OVER POND

2" x 4" POSTS AND CORBEL BRACE POSTS

ROLLING GLASS DOORS

DESIGN STAINED CONC. FLOOR EL. 190.0'

STONE

HAND RAIL EL. 195'

STAINED CONC. FLOOR

LADIES

H.C.

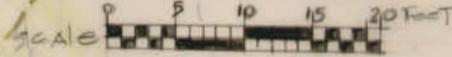
MENS

H.C.

AREA HAD IMAGE CUT + STAINED IN CONC. FLOOR EL. 195'

COVERED ENTRY

FLOOR PLAN



Mason County
Welcome Center
FLOOR PLAN

IV. Project Cost Analysis

1. Overview

This section provides estimates for the project using information gathered in comparative estimation and through discussions with stakeholders, contractors, as well as design and engineering professionals. An area of approximately 22 acres has been designated to house the development within the whole site which includes ingress, buildings, park areas, egress, and a travelers' Rest Area for northbound cars, trailers, and commercial traffic. The estimate breaks out costing on the Welcome Center component and the Rest Area. Once the site is secured and a detailed building program developed, more precise cost estimations can be completed.

2. Property Cost & Zoning

Value for undeveloped land has fluctuated greatly recent months. Since many variable can affect evaluation, the comparable range is as high as \$108,900/acre (Mason County, 36.59 acres, #420021390080) to as low as \$9,000 an acre (Hwy 108 agricultural, 38 acres #41927-33-00010). Apart from #420021390080 at Dayton Road, there are no properties abutting Hwy 101 of similar size on the market. Anecdotally, although timber lands are selling as high as \$30,000 acre, based upon recent sales of large parcels, the value of undeveloped land over 10 acres is estimated at \$11,000 to \$15,000 per acre. This could change as land prices correct and if market demands are satisfied. Parcel #31905201000, is zoned Designated Forest Land and is assessed at \$ 213,140.00. This property would need to be re-zoned Rural Commercial 3 to suit change of use. It is viewed as a good candidate for recommendation but it changes are subject to public and BOCC review.

3. Land Preparation

Parcel #31905201000 has an existing maintained access road off Craig Road. The road substrate suggests that material for the base was acquired on site. Preliminary test holes on the property indicate fair drainage with medium quality soil composed of boulders, cobbles, as well as silt and fine sand. The property has been reforested and supports healthy mature firs (approximately 35 years old) with some cedars, alders, spruce, and big leaf maples.

The forest floor is composed of shrubs (salah, thimble berry, huckle berry, oregon grape, goat's beard); ground covers; ferns(sword, deer, and maidenhair); and other native plants. These will be selectively removed or transplanted to allow for as much natural vegetation as possible within undeveloped areas. The vegetation is open allowing assessment of land grade and expansive views. There is a light grade incline (East to West) but it is aesthetic rather than a site preparation deterrent.

Landscaping

As previously mentioned, campus landscaping will focus on native plant display. The "pond" area that accents the front portion of the center will act as a bioswale with a series of swales creating "waves" viewable from the highway. Mass plantings of the native *Sagittaria latifolia*, (katniss, wapato) a traditionally significant plant found in shallow wetlands, will create interest.

Rest Area Parking

The car, truck, and RV parking, access roads and bathroom facility will be built according to WA State DOT specifications and standards. Charging stations, trails and vending machines will be minimum requirements beyond restrooms and adequate parking. Additional funding may be available from trucking associations if there are additional amenities for commercial vehicles. This will require further study. Preliminary discussions have indicated that this may be a good candidate for funding through the Transportation budget.

4. Utilities

Parcel #31905201000 is located adjacent to Craig Road allowing for excellent access to utilities. With a vault connection each 500' span, PUD #3 estimates that installation of Single Phase 220 power at \$18,000 for hard costs with ditch excavation estimated at \$2000. If the determined power needs increase to Phase 2 or above, costs will increase.

5. Construction Costs

Construction estimates are based on an average construction cost per square foot of \$345 - \$385, which is comparable to current market ranges for public spaces. Since this property will require considerable cooperation from local resource managers it is anticipated that modifications can be made to adapt to local materials which will help maintain control of costing. Cost estimates assume that the center will be constructed on a relatively flat site and have a wood timber structural system. Other assumptions include that the facility will have stained concrete floors, large areas of glazing and will be designed with regional, contemporary flair utilizing natural materials. To mitigate the highway noise triple glazing will likely be necessary. Industry estimates equate construction soft costs fees to approximate 16% of the construction costs. LEED Certification adds a 10% costs premium to the construction costs. This is not added to the estimate as it is only necessary for funding on buildings over 5,000 sf.

Table 2: Project Capital Cost Estimate

	Low estimate	High estimate
Land Acquisition (58.78 acres)	881,700	1,763,400
<i>Re-zoning, survey, timber taxes & fees/Environmental Site Assessment (ESA)</i>	TBD	TBD
Welcome Center Estimate		
Site preparation - <i>clearing and grubbing</i>	84,000	96,000
Asphalt @ \$6/sf 25,000 sf (parking and access roads)	120,000	150,000
Utility extension & septic/ well	140,000	160,000
Exterior landscaping , lighting,and trails	55,000	75,000
Building Construction costs @ \$345/sf – \$385/sf	1,552,500	1,732,500
Design + Project Development Costs	248,400	277,200
<i>Total Welcome Center Costs</i>	\$2,199,900	\$2,490,700
Rest Area & Truck Parking		
Site preparation - <i>clearing and grubbing</i>	85,000	100,800
Road base/services	120,000	140,000
Asphalt @ \$6/sf 162,,000 sf (parking and access roads)	900,000	972,000
Washroom structure and kiosk & septic	210,000	240,000
Misc lighting, EV/ utilities/ park prep/ landscaping	150,000	170,000
<i>Rest Area & Truck Parking Costs</i>	\$1,465,000	\$1,622,800
Total Project Estimate	\$4,546,600	\$5,876,900



V. A Sustainable Business Model for Mason County

1. Overview

The purpose of this study is to describe the findings of a feasibility analysis of a prospective Visitor Welcome Center. It should be noted that a current financial feasibility assessment takes into consideration the volatility of determining factors caused by the recent pandemic and the market reaction. Some of the business assumptions require a level of precision that cannot be ascertained therefore a range is given based upon possible scenario outcomes. This business analysis should be viewed as a framework highlighting areas of further assessment which can be a basis for discussions with identified partners and stakeholders.

2. Operating Assessment

The following presents visitor forecasts, estimate annual operating costs and offers possible scenarios for facility operations and income. This analysis determines that by incorporating a variety of uses to generate financial self-sufficiency, the Welcome Center is financially feasible.

Visitor Projections

NEO employed an aggregate of novel as well as traditional data to project visitor traffic at the Welcome Center. It is assumed that visitation will follow travel patterns for areas throughout the Olympic Peninsula. It will likely be seasonal, with a summer peak.

Tracking the number of visitors enables the Center to determine impact and to adjust its hours to fit times of demand.

The first method used was with Mason County's tourism social media data collected since August 2018. Taking an audience who viewed at least 3 seconds of tourism videos targeted while traveling in the area, the campaign logged 51,777 viewers over a 24 month period.

The resulting statistics show the area where they originate (Table 3). Approximately 70% travelers interested in Explore Hood Canal traveled from out of state (18K/annum) indicating that they would likely be good candidates for the Rest Area and Visitor Center. The difficulty (and the benefit) with this method is statistics are specific to viewers of the Mason County media and relies on the fact that they are actively on social media while in the area and have adequate service on their devices to view videos. This information adds to the "picture" but does not complete it.

Table 3: Video View Analysis

51,777 views in (June 2019 - June 2021)

CALIFORNIA		29%
	Los Angeles	10%
	Sacramento	5 %
	San Francisco	5 %
	Remaining CA cities/areas	9%
OREGON		41%
	Portland	32%
	Eugene	5 %
	Remaining OR cities/areas	4 %
WASHINGTON		28%
	Seattle/ Tacoma	19%
	Yakima	7 %
	Remaining WA cities/areas	2 %
OTHER AREAS		2%

A comparative study of regional visitor centers (Table 4) can be applied to estimate visitor count for the Mason County Welcome Center. With 2020 interruptions caused by the pandemic, NEO calculated ratio using 2019 counts. Based on performance of regional centers this method anticipates the range of visitors at the Welcome Center is between 78,000 and 120,000 per year. As a designated rest area the Center would likely draw visitors at the high end of the estimate.

Operating Costs

Expenditures for the operation of the Welcome Center include labor, utilities, janitorial, maintenance, and insurance among other costs.

Modeling public facilities in the Northwest, similar in size and nature, we can assume:

Expense	Annual
Utilities	14,500
Labor/tax ¹ (supervisor +1 or 2 PT)	115,000
Insurance (including event/grounds)	15,000
Janitorial	9,600
Maintenance/grounds	18,000
Office/ VIC supplies	12,000
Total	\$184,100

¹ Comparative VIC 2020/2021 Olympic Gateway (45,500 tax/med); Hoodspport VIC (\$67,700 tax/med); Forks VIC (\$41,250 no benefits)

Table 4: Area Visitor Centers

Annual visitor counts vs average annual traffic to calculate visitor center “drop in) ratio

Visitor Center	2019 Count ¹	AADT ²	Annual Traffic	Drop in Ratio
Port Angeles Visitor Center	50,168	13,000	4,745,000	1%
Port Townsend VIC	9,225	7,600	2,774,000	.33%
Olympic Peninsula Gateway Center	6,949	6,300	2,299,500	.30%
Forks	38,124	6,400	2,336,000	1.6%
Sequim Visitor Information	13,214	15,000	5,475,000	.24%
Quilcene/Brinnon VIC (USFS Ranger Station)	30,168	5,100	1,861,500	1.6%
Shelton Chamber VIC (Caboose /Chamber Office)	3,538	4,300	1,569,500	.22%
North Mason Chamber VIC/Union VIC (May-Oct)	1,799	18,000	6,570,000	.02%
Hoodspport Visitor Information	15,844	4,400	1,606,000	.98%
Average Annual Count to Average Daily Traffic Ratio				.69%
Mason County Welcome Center	78,073	31,000	11,315,000	.69%

¹ See Appendix 1 for Olympic Peninsula VIC counts attachment.

² Traffic numbers captured from WSDOT GeoPortal. Traffic variance on outlying sites- example: Sequim VIC is located off highway, AADT is on Hwy 101.

It is essential to acknowledge that obtaining ongoing operations revenue can be more difficult than securing the initial capital funding.

Additionally, funders are interested in knowing that the project will be sustainable – over many years. With this in mind, it is necessary to consider a range of programs that can aid in reducing costs and increasing revenues. A realistic budget of costs and income is generally more useful.

Models show that regional centers providing “a reason to stop” beyond the bathrooms are not only successful but also financially autonomous. Following are some possible options that will help a revenue-neutral visitor information services be sustainable.

3. Thinking “Outside the Box”

The following case study highlights the Wenatchee Visitor Center. Housed in a historic building, its showpiece is an authentic agricultural truck that has been sliced and converted into a wine bar where trained staff serve samples from local wineries as well as dish up information on events, attractions, and services. The tasting room is open daily and is a popular meeting place for locals as well as a first stop for visitors and convention attendees. The Wenatchee Visitor Center has gone beyond bathrooms and brochures to offer not only a reason to stop but also a logical *first* stop by leveraging relationships with local wineries and businesses to provide touch points for visitors. In training staff to be licensed to pour alcohol, they minimize operating costs and creating relevancy as well as an income source for the facility.

With multiple wineries throughout the region as well as four breweries and an award winning destination distillery in the county itself, Mason County also has an added draw that no other area has focused on— *unparalleled seafood resources*. The two pair perfectly together.

People either love oysters or hate them. Ardent supporters will go to great lengths to increase their experiences. And bring friends.



Case Study: Wenatchee Visitor Center Tasting Room

Inspired by Wenatchee’s agricultural history, the Center hosts a wine bar, info center, conference room and event space.

“The Wenatchee Chamber continues to think out-of-the-box to expand their tourism market reach,” reports travel writer, Lisa Traum, “and advocate for local small businesses.”

Each staff member is state-certified to pour wine, making it convenient to drop in for a taste or to purchase a bottle anytime during business hours.

Open daily, the center accommodates local theater patrons and out-of-area visitors.

A strategy includes sharing our local products by offering a unique tasting experience and insight into our assets. How successful would this campaign be? Imagine what the Wenatchee Valley accomplished with wine and Leavenworth with Bavarian heritage tourism. Mason County is home to three of the largest shellfish farms and many small farms, and has an excellent epicurean reputation. Marketing shellfish would not only be “out of the box” it would be logical.

Explore Hood Canal’s web and social media statistics show that posts about “oysters” perform well above other topics. The blog, “*Ten Myths and Facts about Oysters*,” has had a conversion rate of over 35,000 unique visitors in just the last year. This interest will only increase as consumers become more selective in their travel choices.



The County's www.shellfishtrail.org website increased by 276% over previous year's visits (11,840) and has already topped 10,000 visits in the first half of 2021. This emerging trend indicates that a tasting room highlighting our shellfish farms at Mason County's Welcome Center would serve to increase center revenues and support local businesses and shellfish events.

Touching on the theme of shellfish, an additional revenue source for this facility would be through events. From small gatherings in the Welcome Center itself to larger events hosted in the open spaces around the facility, events like the recently displaced and wildly popular OysterFest, would be able to count on a facility that could cater to their unique requirements. Currently this event that attracts over 30,000 visitors from all over Western United States during our shoulder season is facing extinction because of lack of facility to host it in Mason County. Bluegrass From the Forest is celebrating its 16th year in tents between the sprinkler heads at the local soccer park. These events, and many others, bring visitors and their wallets to Mason County off peak season – *it's time for us to return the favor*,

The event center would be very important to the community and bring in revenue that would support the Welcome Center.

These revenues could be direct or indirect. Direct revenues implies that staff at the Welcome Center facility also managed the event center and collected revenues as well as assumed costs of operation. However, with an indirect revenue the Welcome Center could receive revenues from event rentals including buildings and covered exhibit areas as well as parking fees.

Another source of revenue for the facility would be office or retail tenants. It would be important to ensure that the tenants reflect the mission of the new facility. The currently budgeted 4500 sf Welcome Center building has some space for retail but it would be more suitable placed in adjoining buildings as indicated on the site plan. These could be constructed at a much lower rate (\$160-220/sf) and be designed to suit the tenants needs.

The Welcome Center would additionally derive operating funds from annual LTAC revenues and could gain financial support by partnering with neighboring counties, tribes, and tourism stakeholders (hotels, attractions, events) to provide tourism services advertising the entire Olympic Peninsula. As a "gateway center" this facility is ideally positioned to provide a narrative for the whole region.

VI. Funding & Operation Strategies

1. Overview

The question that is in everyone's mind is— how do you pay for it? Where do you find the capital to build such a facility. This is by far is the most intriguing challenge in preparing this report. The recent pandemic has had one unanticipated benefit. It has allowed us to consider creative solutions to solve problems that before only had one answer. In the next few pages we will examine funding strategies that are conventional as well as unique. Since this property is essentially a blank canvas, it offers many opportunities for the Lodging Tax Advisory to consider in creating the best options to position Mason County's tourism future.

Operation revenue will not provide enough money to fund land purchase and construction of the Mason County Welcome Center. Other area visitor centers rely heavily on both public grants and private funding to operate and to fund capital costs. Public funds - from federal, state, or local governments - are necessary to support a low-margin community development.

2. Capital Funding

The following is an outline of some of the funding sources that may be available to finance capital costs of the project.

CERB Planning Program

CERB provides funding for public infrastructure which supports business growth and expansion. Eligible projects include public buildings. Funding is used for site-specific studies: economic feasibility, environmental impacts, capital facilities, permitting, marketing, engineering, site planning

and broadband. Eligible applicants include public jurisdiction entities including cities, counties, tribes and Port districts. CERB offers grants for planning projects up to 80% of the total project cost, not to exceed \$50,000. The applicant must match CERB's funding with at least 20% of the total project cost. In-kind match is not allowed for this program. commerce.wa.gov

Building Communities Fund

Also available through the WA Department of Commerce are capital facilities grants for community-based projects. The Building Communities Fund program awards grants to organizations to defray up to 25 percent or more of eligible capital costs to acquire, construct, or rehabilitate non-residential community and social service centers. There is no minimum or maximum grant award amount. commerce.wa.gov

Rural Community Facilities Direct Loan & Grant

The USDA awards grants to community facilities in rural areas. Funds can be used to purchase, construct, and/or improve community facilities, purchase equipment, and pay related project expenses. Eligible borrowers include: government, non-profit corporations, and tribes. Project must demonstrate substantial community support. rd.usda.gov

Qualified Opportunity Zones

The area of the proposed project is located in a Qualified Opportunity Zone as defined by the Internal Revenue Service. These are designed to spur economic development by providing tax incentives for investors who invest new capital in businesses operating in an "opportunity zone."

The process works by investors deferring tax on any prior eligible gain by investing it in a the Opportunity Zone. If the investment is held for at least 5 years, there is a 10% exclusion of the deferred gain. If held for at least 7 years, the 10% exclusion becomes 15%. If the investor holds the investment in the for at least 10 years, the investor is eligible for an adjustment in the basis of the investment to its fair market value on the date that the investment is sold or exchanged. As a result of this basis adjustment, the appreciation in the Opportunity Zone investment is never taxed. A similar rule applies to exclude the investor's share of gain and loss from sales of Opportunity Zone assets. [irs.gov](https://www.irs.gov)

EDA's Public Works and Economic Adjustment Assistance

Projects funded by these programs will support work in Opportunity Zones and will support the mission of the Department by, among other things, leading to the creation and retention of jobs and increased private investment, Counties are eligible to apply for these grants and there is no submission deadlines. Grants and cooperative agreements made under these programs leverage existing regional assets and support the implementation of economic development strategies that advance new ideas and creative approaches for economic prosperity in distressed communities, eda.gov

Heritage Capital Projects

Incorporating a partnership with the Mason County Historical Society for rotating exhibit displays of heritage item would allow the project to be eligible for a Heritage Capital Projects (HCP) grant. This grant is for capital projects that provide public access to history. Since 1995, HCP has distributed more than \$80 million to more than 300 community history projects. The minimum grant request is \$10,000 and the maximum grant is \$1 million. [washingtonhistory.org](https://www.washingtonhistory.org)

Direct Appropriation

With the inclusion of the Rest Area and Truck Parking there are opportunities for the Center to gain funding through Transportation Bill sponsored by State legislators. The Welcome Center may also be a candidate for a one time capital funding inclusion from the State.

Regional Funding

Tourism efforts are traditionally funded locally through LTAC revenue. There is some reserve funds within Mason County's budget that could be used as capital to fund the visitor center. Additionally, private or non-profit funding could be an option for local funding.

Scenic Byways Program

Nonprofits, state and local government agencies, or political subdivisions may apply for projects along designated state and national byways. Scenic Byway Grants can be used for developing corridor management plans, safety improvements, byway facilities that interpret or enhance the intrinsic qualities of the scenic byway. Applications are accepted on an annual basis. In 1994 Scenic Byways funds were used to construct the Hwy 101: Discovery Bay Rest Area (\$451,922) and in 2003 the Olympic Coastal Corridor Visitor Center (\$129,633). [scenic.org](https://www.scenic.org)

The Kresge Foundation

Kresge's giving program is in particular focused on "Bricks and Mortar" projects championed by non-profit organizations. Their mission through their grant program is to build facilities and to challenge private giving. [kresge.org](https://www.kresge.org)

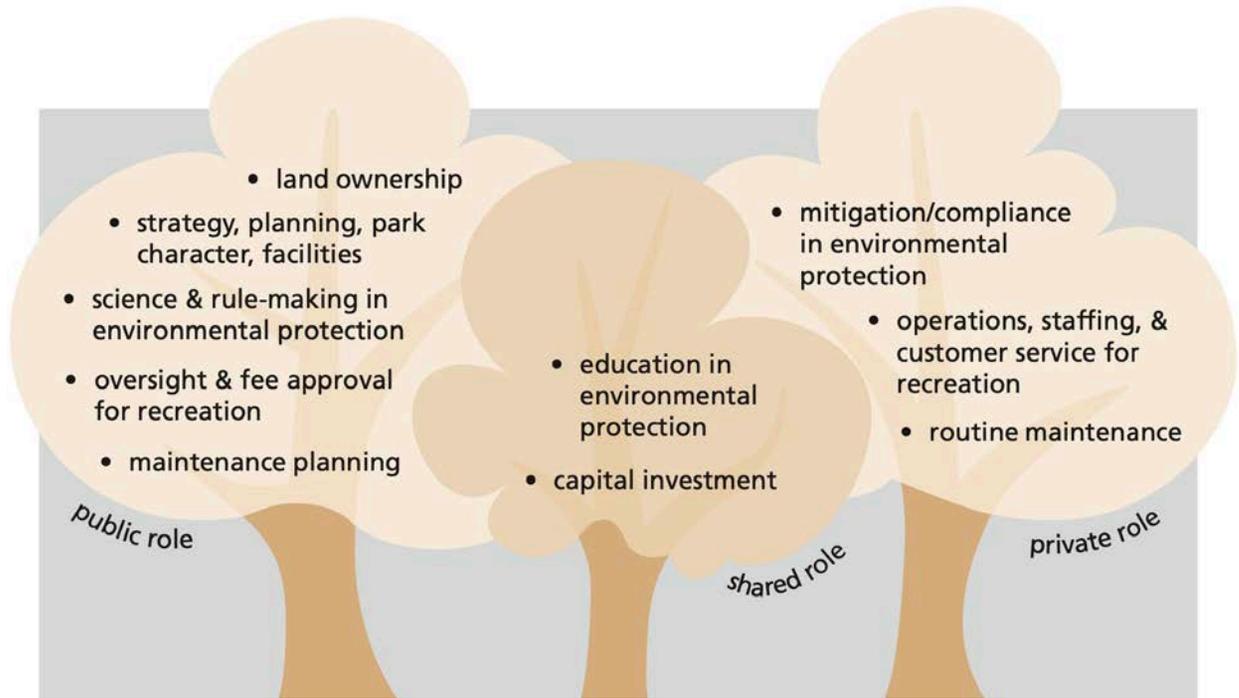
3. Operation Strategies

The comparable public use buildings studied as part of this preliminary feasibility study are leased/owned and operated by a government agency, nonprofit entity, or some combination of the two. Some are run by non-profit groups (e.g., Mason County Historical Society, Chamber of Commerces or Jefferson Historical Society). In cases where there is a partnership amongst government and nonprofit entities, an agency may own the facility with a nonprofit managing it.

With government ownership of the facility to allow for capital funding and State partnership on rest area management, it would be most effective to have a single entity manage the entire facility.

Public-Private Partnerships (PPPs)

A PPP (also called P3) is an agreement between a public agency and a private entity that facilitates greater private-sector participation in the provision of a public service. Increasingly Federal, State and local jurisdictions are turning to PPP models of operation of public facilities for a range of benefits including financial sustainability, optimization of staffing and operations, enhanced risk management, accountability for outcomes, and proper facility maintenance.



Source: Adapted from Warren Meyer, Recreation Resource Management, Presentation to Arizona State University Symposium on the Private Management of Public Parks in Arizona, November 9, 2010.

According to a study compiled by Gilroy, Kenny and Morris (2013): “Fiscal challenges governments have faced in recent years have placed significant pressures on park systems, which compete for stretched funds alongside education, healthcare, and other—often higher—spending priorities.” In some states this led to maintenance issues that threatened the sustainability of these assets. California’s state parks accumulated over \$1 billion in deferred maintenance prompting policymakers to reconsider approaches to park operation.

Public-private partnerships (PPPs) allow parks to stay open without cost to taxpayers. The U.S. Forest Service kept many recreation areas open and maintained under “whole park” concession agreements. Colorado, California, Oregon and Washington have 100s of USFS recreation areas and campgrounds operated by PPP partnerships. In this context, the government agency enters into a long-term lease (up to 30 years) of the entire operation of a property in a performance-based contract with a private management company.

In the case of California park system, 79 faced closure and the state offered operation to private companies for an annual rental rate or 3% of gross revenues - whichever was greater. The option was originally offered to cities and nonprofits but it was determined that local jurisdictions faced similar operation challenges as the state while the nonprofits generally did not have the capital or operational expertise to keep state parks open for the long term. In the end, California re-awarded contracts to private companies.

In this scenario, the public entity retains control over appearance and service level at the privatized facility, and have procedures in place for terminating contracts where private companies under-perform the standards. Long term leases allow the private entity to take on maintenance and capital improvements.

Design Build Operate Maintain

In a design-build-operate-maintain (DBOM) contract a jurisdiction enters into a single contract for the design and construction, maintenance and operation of a facility over a contractually defined term, and for which public funds are appropriated. This project delivery approach is also known as “turnkey” procurement and build-operate-transfer (BOT). With a DBOM contract, the public sector secures the project’s financing independently and retains the operating revenue risk.

The advantage of this is that it combines responsibility for functions and allows partners to take advantage of efficiencies with combining tasks and removes the government body from having to manage the project. The team’s detailed knowledge of the project design and uses allows it to develop an operation plan that anticipates needs as they occur.

Strata Management

Another commercial management strategy to consider is comparable to “common-interest development” (CID). Agreements, similar to resort property management contracts, allows real property ownership with one overseeing LLC managing revenue and maintenance. This specialist area of property management involves control of property that is jointly owned and comprises multiple units, common areas and common facilities. It is derived from an Australian concept of property law called strata title (administration of common ownership on multiple levels, or ‘strata’).

The advantage of this unique model for the Welcome Center is that with multiple uses – Rest Area, Welcome Center, campground, event facility, retail, and possibly hotel or other complementary function, jointly-owned property allows for division of these assets and an overall management company responsible for the administrative and financial aspects of the property as well as main-

tenance and management of common areas such as roads, bathroom facilities, and grounds. In this model, non-profits or businesses could invest in certain aspects and derive a return on investment when the facility is used or rented. For example, if a stage was funded by one group, each time it was “rented” the management company would provide a portion of those rents to the funder.

Welcome Center Management

Staffing and operations could be managed through a contract with a partnering non-profit. The Welcome Center would require two full time staff seven days a week. Neighboring Visitors Centers cover staffing and management with LTAC funds. The Gateway Visitor Center is owned and maintained by Jefferson County and managed through a contract with Jefferson Historical Society (\$72,500/annually). They are open 363 days a year. The Kalaloch Ranger Station is staffed May t- June (five days a week), June 18 - September 30, seven days a week (\$64, 000). North Hood Canal Chamber has a formal agreement with the US Forest Service for use of Quilcene’s Ranger Station facilities to provide VIC services staffing of one supervisor and five part time employees. (\$50,500).

All examples are financed by Jefferson County LTAC and were asked to return approximately 30% of LTAC funds in 2020 due to the reduced hours caused by COVID closures.

VII. Conclusion & Recommendations

1. Overview

The over reaching question in this Welcome Center feasibility study is – “does it make sense” and, if so, how will it be done? The pages of information and data and has likely raised as many questions as it has answered. Outlined below are the key investigation tasks presented to NEO and conclusions and recommendations developed based upon these findings.

Potential locations

Having surveyed Visitor Information Centers throughout the Olympic Peninsula and assessing performance and visitor impact, NEO confirmed that Visitor Centers located at “end destination” (Hurricane Ridge, Forks, Port Angeles) and located in highly visible, high traffic areas, had the most impact. Highway frontage between Hwy 108 and the northbound Shelton exit to Hwy 3 is the most active section of road on the Olympic Peninsula. Using comparative ratios it was determined that a site in this area could attract between 78,000 and 120,000 visitors. The parcel selected for consideration, #31905201000, is owned by Green Diamond Resource Co. The property is over 58 acres. Discussions with WSDOT indicate that this is a candidate for a rest area and could be the means in which to gain access on a limited access highway. The parcel selected could accommodate the Welcome Center, park and trail areas, safety parking for recreational vehicles as well as parking for commercial traffic.

Additionally, the property has potential to host an exhibit area for events with overflow parking, campground area. The plan could also possibly support retail or lodging facilities. Conversations with Marissa Watson, Senior Planner, Mason County, determine this parcel may be a good candidate for re-zoning to Rural Commercial 3 which would accommodate all these uses. A pre-application process would be the next step to assess viability.

Cost Analysis

NEO consulted with development professionals and stakeholders and, using comparative public buildings, calculated preliminary cost estimates for the Welcome Center and rest area. A breakdown of these findings can be found starting page 20 of this report. The evaluation is broken into three components – land acquisition and re-zoning/fees, Welcome Center, and the travelers’ rest area.

The subject land is owned by Green Diamond Resource Co. and is an active forestry resource. Green Diamond is not opposed to selling the parcel and is interested in the mission of the project. They have a long term investment in the well-being of Mason County and would be supportive of a community effort that benefited sustainable growth and improved quality of life. Negotiations are subject to the Board’s decision to proceed in this process and the price is yet to be determined.

In evaluating similar size/scope visitor center and in stakeholder conversations, the Welcome Center was proposed at 4500 sf with a focus on the “wow” factor. While being dramatic and a “destination,” it would also be functional and adaptable to a multitude of uses. The cost for Welcome Center building is valued at \$2.2 - \$2.5 million.



<https://www.deainc.com/project/crissey-field-park-and-welcome-center>

Case Study: Crissey Field Welcome Center

Opened in 2008, the 55 acre site is less than a mile from the Oregon-California border and fully embraces the natural surrounds of the area. A former airstrip, the land was acquired through an private timber company exchange. This \$2.4 million building showcases a number of sustainable practices aimed at reducing environmental impacts, including geothermal heating and cooling and solar panels. The Welcome Center lobby highlights the use of local wood products and an abundance of natural light while the west face is dominated by windows and a roof form defining an outdoor space with views to the site and Pacific Ocean. The center is open daily April to October and Monday-Friday November to March. The parking area and restrooms are open year-round from 8 AM. to one-half hour after sunset. There are picnic tables on the back terraces of the visitor center.

The location of the property requires coordination from WSDOT to implement safe and efficient ingress and egress. The addition of a rest area for travelers and commercial vehicles is estimated at \$1.46 – 1.62 million including land clearing, grubbing, utilities, washrooms, asphalt, striping, signage, charging stations, and vending kiosks.

Capital Funding Sources

Community and state discussions have introduced scenarios that offer opportunities for funding eligibility. Direct appropriation of funds for a rest area serving the Olympic Peninsula would be essential to finance the infrastructure. Representatives Tim Sheldon, Drew MacEwen and Dan Griffey have expressed their support for the Welcome Center.

Mason County would also be eligible for a variety of grants that support the project’s rural economic growth profile. Opportunities exist through a public/private partnership as the property is located in a Qualified Opportunity Zone.

A description of some of potential funding sources available can be found on page 27. There are many other grant sources that should be explored for eligibility if the County elects to proceed with this project.

Cost to Operate

Operation costs of the Welcome Center include staffing, utilities, janitorial, maintenance, insurance, and day-to-day administration expenses. Modeling comparative public facilities costs are estimated at \$184,000/annually. With revenue neutral operation it is assumed that cost to operate could be funded through Lodging Tax revenues.

Revenue and cost estimates vary depending upon operation scenario adopted. NEO has identified a sampling of revenue strategies (pages 24-26) as well as outlined possible creative operation structures (pages 29-30).

2. Recommendations

In this study we have outlined current tourism trends that demonstrate a need for infrastructure development for the growing and unmet needs of Mason County's tourism industry. The County has displayed strong visitor growth, 2017-2021, and it is logical to assume this will continue. Now is the prudent time to develop resources and methods to anticipate and welcome this growth.

The location of the Mason County Welcome Center would serve the needs of the entire Olympic Peninsula. This regional approach could help with funding as well as county collaboration.

If the Welcome Center was tasked with services such as wine and oyster tasting, costs would increase but so would the revenues and public call to action. Revenue and operation strategies will require further investigation and analysis.

Potential Stakeholders

This project has a wide spectrum of potential stakeholders who have a vested interest in success. Through this process, NEO identified groups and individuals who would benefit by participating in the Welcome Center project and offer input to create a facility that fills current needs while anticipating future growth and remaining relevant and sustainable.

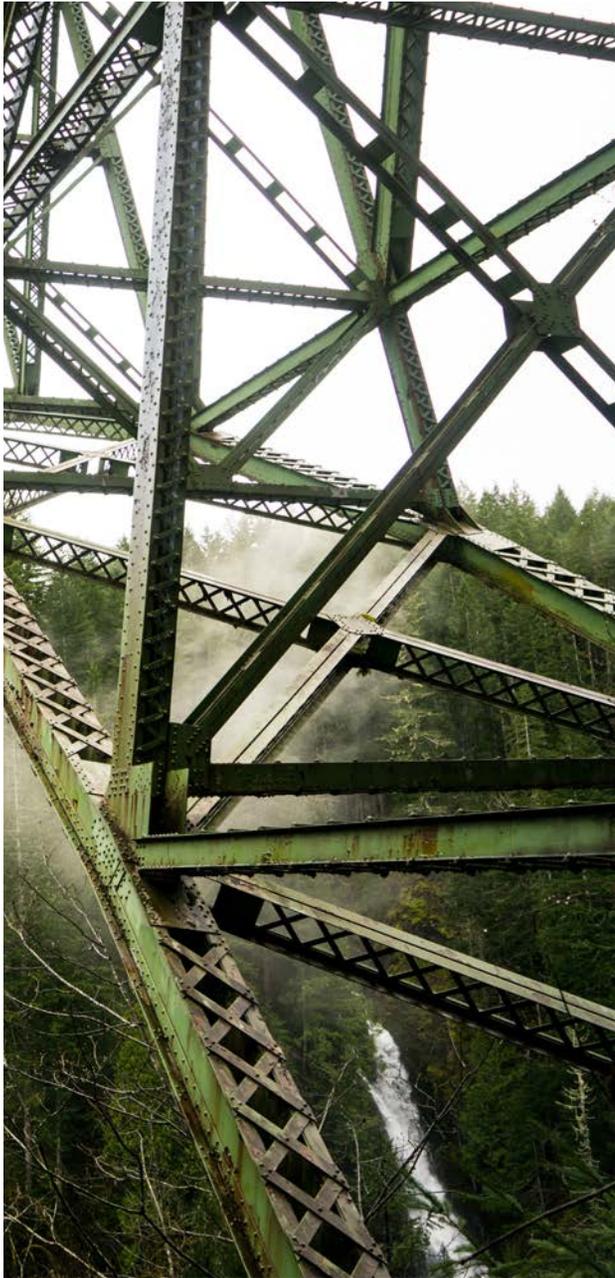
Visitors to our area do not care about county lines when it comes to experiences. Visitors to welcome centers spend an average of 68% money in an area (Dean Runyan, 2018) and with that engagement are likely to stay longer and to return again.

The addition of the rest area would offer another reason to stop and may inspire infrastructure support for this project. The interpretive trails and natural features would provide a welcome to the County as visitors walked dogs and wandered with their families through the historical and cultural exhibits in the Center itself.

Potential Stakeholders

Stakeholders include but are not limited to:

- City of Shelton
- EDC Mason County
- Hood Canal Events
- Green Diamond
- Kristmas Town Kiwanis
- Local agi-tourism including shellfish industry
- Manke Lumber
- Mason County Forest Festival
- Mason County Historical Society
- Mason County Rodeo Association
- North Mason Chamber of Commerce
- Peninsular Railway & Lumbermen's Museum
- Port of Shelton
- Ridge Motorsports
- Shelton Kiwanis
- Shelton Mason Chamber of Commerce
- Sierra Pacific
- Simpson Railroad
- Skookomish Tribe
- Skookum Rotary
- Skydive Kapowsin
- Squaxin Tribe
- Taylor Shellfish
- Vance Creek Railriders
- WSDOT
- WSU Extension



The community would benefit from owning a monumental architectural gateway to their world class public gathering facility and having access to an event space with enough area, parking and camping to host events the size of OysterFest.

“Does it Make Sense?”

Yes. Now is the perfect time to examine tourism options and assess the needs of the community. Public funding is available to support capital costs to build this facility and whether the decision is made to add revenue sources to the facility or not, there are funds available in the County’s Lodging Tax Revenues to support operations.

In order for the community to have access to public funds for the Welcome Center, park, and rest area it would be necessary for the facility to be owned by Mason County or other public entity. Operations could be contracted to a nonprofit or private entity.

The County may choose to find a private entity to construct and manage the Center. This would have to be a creative process in which the revenue neutral Visitor Center mission is balanced with revenue generating income for the county and all parties involved. A long term lease is necessary to secure a private entity investing marketing, staff capital improvements, and passion for success.

Using the models described in Section VI, a hybrid plan could be implemented in which the parcel is subdivided before re-zoning. The subdivision could reflect four zones with different ownership:

- 1. Welcome Center, park and Rest Area** (20 acres) Owned by government agency; managed in long term “whole park” agreement in which agency retains control and receives proceeds from revenues.
- 2. Lodging facility** (5 acres) Owned by private entity and supporting mission of the campus. Shared grounds and maintenance agreement. Possible Opportunity Zone funding.
- 3. Campground** (12 acres) Owned by private entity and supporting mission of the campus. Shared grounds and maintenance agreement.
- 4. Event exhibit area** (21 acres) Owned by public entity, non-profits, private entity or group that might utilize private sponsorships or non-profit funds to construct stages, exhibit halls, arenas, etc. Large parking lot, grounds on other properties could be rented by users to provide additional overflow areas as needed.

VIII. What is the Next Step?

The next step is to secure property for further investigation. Conversations with Patti Case, Green Diamond Resource Co., indicate that the company is open to a mutually acceptable consideration. A written agreement is necessary so that the pre-application re-zone may begin. Environmental issues and regulatory factors affecting the parcel will be revealed at this stage. However, early review of the site has indicated that the project falls within the area uses and is a good candidate for advisory approval.

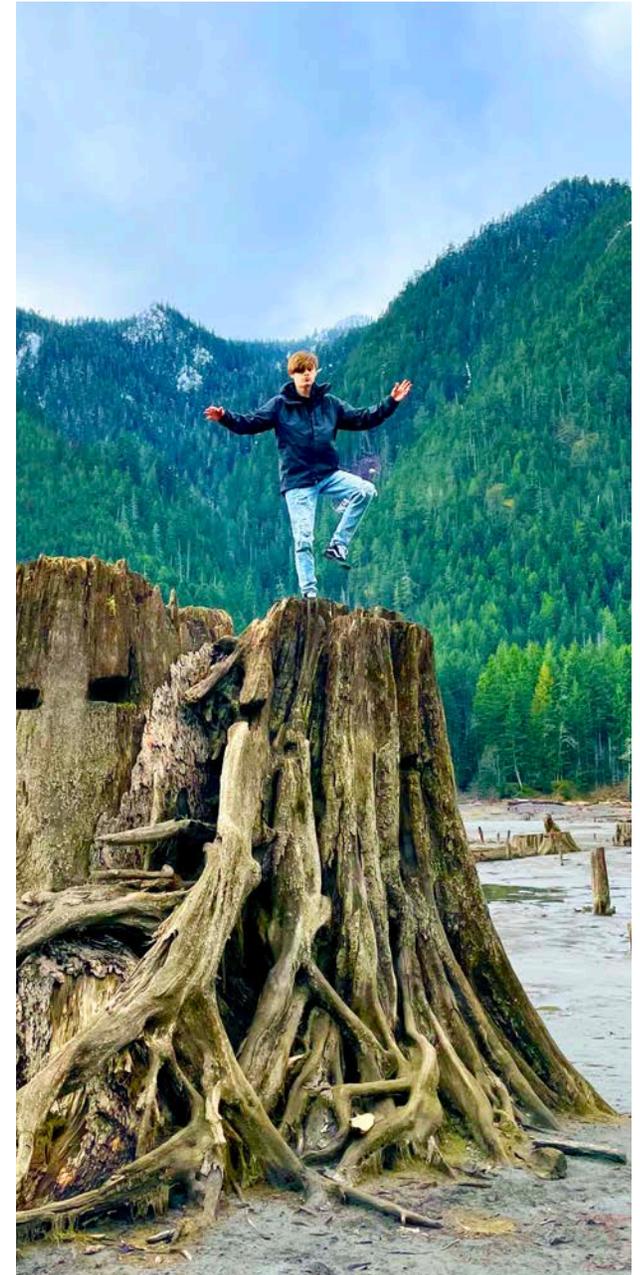
After successful pre-application and planning advisory process the re-zone will be recommended to the Board of County Commissioners for review. This process takes approximately 45 days for zoning review and 5-6 weeks, with public hearing process, for the Board to vote. NEO stresses involvement with stakeholders and community is important at this point as the *“most successful re-zones are the applicants that have done outreach.”*

If the property meets requirements and project is acceptable to proceed, engineered drawings of ingress and egress will be coordinated with the WSDOT advisory team and final architectural plans of the Welcome Center will be coordinated with considerations devised from stakeholder and community collaborative sessions. Support of a legislative level is dependent upon security of property and support of the community.

Further investigations and state level discussions will be necessary to determine possible capital funding. Coordination with commerce agencies and further definition of operation goals will reveal other sources. For example, cooperation with the historical society to create rotating historical displays in the Welcome Center may show eligibility on new funds.

With regards to the exhibit grounds, at this point in the process a phased plan will be adopted with festival planners and local groups to best design to suit their long term needs.

Thank you for the opportunity to investigate the feasibility of the Mason Count Welcome Center. We hope that this report has displayed that the project has the potential for success and economic growth to our community.



Page intentionally left blank.

Appendix A: Visitor Center Counts | Olympic Peninsula

2020 VISITOR COUNT REPORT*

*WA "Stay at Home" order in effect 3/26/2020 - 5/31/2020

OLYMPIC NATIONAL PARK*

	2019	2019	%	2020	2020	%
		YTD	Change		YTD	Change
Jan	72,725	72,725	-41.37%	74,888	74,888	2.97%
Feb	73,756	146,481	-33.42%	76,248	151,136	3.18%
Mar	113,720	260,201	-22.08%	116,314	267,450	2.79%
Apr	159,983	420,184	-15.12%	40,297	307,747	-26.76%
May	307,426	727,610	-9.14%	0	307,747	-57.70%
Jun	499,728	1,227,338	-2.85%	186,034	493,781	-59.77%
Jul	517,058	1,744,396	-0.64%	510,073	1,003,854	-42.45%
Aug	737,996	2,482,392	2.94%	719,170	1,723,024	-30.59%
Sep	399,907	2,882,299	4.55%	334,249	2,057,273	-28.62%
Oct	182,944	3,065,243	3.89%	188,318	2,245,591	-26.74%
Nov	108,204	3,173,447	4.37%			
Dec	72,359	3,245,806	4.55%			

PORT ANGELES VISITOR INFORMATION CENTER

	2019	2019	%	2020	2020	%
		YTD	Change		YTD	Change
Jan	1,170	1,170	-17.78%	1,233	1,233	5.38%
Feb	1,084	2,254	-18.51%	1,773	3,006	33.36%
Mar	2,392	4,646	-18.96%	766	3,772	-18.81%
Apr	3,035	7,681	-12.10%	0	3,772	-50.89%
May	4,712	12,393	-9.74%	0	3,772	-69.56%
Jun	6,254	18,647	-15.18%	0	3,772	-79.77%
Jul	8,424	27,071	-14.72%	0	3,772	-86.07%
Aug	9,011	36,082	-14.21%	0	3,772	-89.55%
Sep	6,143	42,225	-13.67%	0	3,772	-91.07%
Oct	4,165	46,390	-13.73%	704	4,476	-90.35%
Nov	1,861	48,251	-12.53%	0	4,476	-90.72%
Dec	1,917	50,168	-12.44%	0	4,476	-91.08%

PORT TOWNSEND VISITOR INFORMATION CENTER**

	2019	2019	%	2020	2020	%
		YTD	Change		YTD	Change
Jan	408	408		505	505	23.77%
Feb	298	706		5,426	5,931	740.08%
Mar	542	1,248		446	6,377	410.98%
Apr	642	1,890		0	6,377	237.41%
May	878	2,768		0	6,377	130.38%
Jun	926	3,694		399	6,776	83.43%
Jul	1,312	5,006		758	7,534	50.50%
Aug	1,348	6,354		722	8,256	29.93%
Sep	896	7,250		950	9,206	26.98%
Oct	804	8,054		776	9,982	23.94%
Nov	680	8,734				
Dec	491	9,225				

OLYMPIC PENINSULA GATEWAY VISITOR CENTER

	2019	2019	%	2020	2020	%
		YTD	Change		YTD	Change
Jan	258	258	8.86%	185	185	-28.29%
Feb	171	429	-19.66%	277	462	7.69%
Mar	423	852	-14.71%	157	619	-27.35%
Apr	454	1,306	-15.47%	0	619	-52.60%
May	634	1,940	-17.38%	8	627	-67.68%
Jun	968	2,908	-14.37%	0	627	-78.44%
Jul	1,208	4,116	-12.52%	772	1,399	-66.01%
Aug	1,119	5,235	-13.56%	653	2,052	-60.80%
Sep	706	5,941	-12.76%	365	2,417	-59.32%
Oct	502	6,443	-11.23%	203	2,620	-59.34%
Nov	289	6,732	-11.13%	137	2,757	-59.05%
Dec	217	6,949	-11.43%	141	2,898	-58.30%

FORKS VISITOR INFORMATION CENTER

	2019	2019	%	2020	2020	%
		YTD	Change		YTD	Change
Jan	1,042	1,042	18.01%	886	886	-14.97%
Feb	622	1,664	-21.55%	1,098	1,984	19.23%
Mar	2,039	3,703	-8.34%	685	2,669	-27.92%
Apr	2,105	5,808	-9.87%	0	2,669	-54.05%
May	3,518	9,326	-4.55%	0	2,669	-71.38%
Jun	5,230	14,556	-4.46%	1,754	4,423	-69.61%
Jul	7,611	22,167	-7.64%	4,450	8,873	-59.97%
Aug	6,931	29,098	-7.66%	5,588	14,461	-50.30%
Sep	4,528	33,626	-9.52%	3,669	18,130	-46.08%
Oct	2,261	35,887	-9.22%	2,532	20,662	-42.42%
Nov	1,287	37,174	-8.96%	1,138	21,800	-41.36%
Dec	950	38,124	-8.92%	904	22,704	-40.45%

SEQUIM VISITOR INFORMATION CENTER

	2019	2019	%	2020	2020	%
		YTD	Change		YTD	Change
Jan	478	478	4.60%	280	280	-41.42%
Feb	250	728	-17.83%	492	772	6.04%
Mar	699	1,427	-14.50%	35	807	-43.45%
Apr	868	2,295	-8.96%	0	807	-64.84%
May	1,200	3,495	-15.42%	0	807	-76.91%
Jun	1,648	5,143	-15.22%	120	927	-81.98%
Jul	3,223	8,366	-15.94%	560	1,487	-82.23%
Aug	2,066	10,432	-16.15%	469	1,956	-81.25%
Sep	1,275	11,707	-17.57%	354	2,310	-80.27%
Oct	635	12,342	-18.25%	474	2,784	-77.44%
Nov	408	12,750	-18.49%	165	2,949	-76.87%
Dec	464	13,214	-17.91%	153	3,102	-76.52%

**North Mason Chamber of Commerce
2019 VISITOR COUNTS**

In person 958
 Phone 611
 Email 562
 Packets 100
 2231

Union VIC (May-October)
 In person 841

Belfair Licensing
 In person 33,390

**Shelton Mason County Chamber
2019 VISITOR COUNTS**

Hoodsport VIC 15844
 Chamber Office 1016
 (Shelton Railroad Ave)
 Caboose VIC 1522
 (Shelton Post Office)

Appendix B: LTAC Revenues

June 2021 Room Tax Report

Cial. Co	January	February	March	April	May	June	July	August	September	October	November	December	YTD	MTD	% Change
2021	\$41,234.47	\$52,664.55	\$73,732.76	\$71,384.48	\$114,540.40	\$130,026.22							\$483,582.88	\$483,582.88	203.86%
2020	\$32,556.07	\$37,693.92	\$40,679.21	\$39,731.36	\$6,289.26	\$2,198.56	\$43,110.81	\$102,444.89	\$160,075.87	\$132,469.30	\$124,311.26	\$66,996.65	\$788,557.16	\$159,148.38	-38.38%
2019	\$21,055.74	\$43,046.43	\$37,244.32	\$28,807.02	\$63,079.64	\$65,055.68	\$93,931.88	\$135,017.28	\$156,745.60	\$152,906.83	\$131,121.09	\$63,596.63	\$991,608.14	\$258,288.83	13.02%
2018	\$20,039.32	\$58,345.54	\$25,978.70	\$29,671.08	\$49,322.91	\$45,182.11	\$73,573.25	\$113,039.12	\$115,085.98	\$169,643.01	\$173,853.16	\$44,337.19	\$918,071.37	\$228,539.66	-6.09%
2017	\$19,737.28	\$57,889.40	\$26,236.56	\$21,010.60	\$39,746.00	\$78,751.14	\$78,136.72	\$98,096.40	\$105,764.40	\$102,560.50	\$114,945.08	\$45,556.24	\$788,430.32	\$243,370.98	37.25%
2016	\$13,263.38	\$65,009.50	\$17,598.01	\$23,695.61	\$25,665.70	\$32,083.65	\$45,697.55	\$84,901.82	\$92,816.54	\$89,289.74	\$105,454.70	\$32,063.98	\$627,540.18	\$177,315.85	28.93%
2015	\$18,498.56	\$53,383.94	\$11,472.80	\$11,450.60	\$22,313.46	\$20,414.18	\$37,880.30	\$74,184.70	\$77,758.62	\$77,149.30	\$93,570.32	\$27,540.36	\$525,617.14	\$137,533.54	37.27%
2014	\$11,771.08	\$35,207.04	\$11,804.76	\$7,593.68	\$15,679.20	\$18,135.80	\$32,462.00	\$62,142.66	\$78,442.28	\$84,382.62	\$95,224.36	\$26,640.72	\$479,486.20	\$100,191.56	
P.A.	January	February	March	April	May	June	July	August	September	October	November	December	YTD	MTD	% Change
2021	\$29,706.66	\$27,669.61	\$34,779.78	\$35,259.89	\$55,570.09	\$68,735.54							\$251,721.57	\$251,721.57	74.00%
2020	\$34,334.66	\$30,426.63	\$28,744.11	\$31,752.03	\$14,023.82	\$5,387.68	\$21,148.05	\$37,748.92	\$85,301.46	\$100,138.89	\$71,138.54	\$47,848.92	\$507,993.71	\$144,668.93	-26.36%
2019	\$29,107.95	\$31,261.66	\$26,222.34	\$22,065.27	\$39,640.08	\$48,157.01	\$72,624.87	\$96,293.39	\$142,359.68	\$144,375.36	\$94,453.64	\$52,463.96	\$799,025.21	\$196,454.31	8.87%
2018	\$18,643.30	\$30,612.54	\$22,886.34	\$24,066.14	\$36,654.61	\$47,586.77	\$71,125.43	\$94,107.25	\$144,298.29	\$142,047.88	\$93,364.80	\$43,459.70	\$768,853.05	\$180,449.70	10.86%
2017	\$21,593.26	\$26,565.78	\$19,321.88	\$24,119.06	\$30,060.44	\$41,111.18	\$59,074.38	\$89,816.42	\$135,072.98	\$137,473.32	\$97,199.10	\$50,434.30	\$731,842.10	\$162,771.60	-11.81%
2016	\$22,540.80	\$24,679.86	\$40,770.18	\$21,386.50	\$34,065.92	\$41,124.80	\$58,782.14	\$81,170.00	\$124,299.26	\$124,232.32	\$93,031.74	\$39,689.48	\$705,773.00	\$184,568.06	34.13%
2015	\$16,653.42	\$19,918.77	\$14,892.19	\$20,395.22	\$25,115.84	\$40,632.02	\$52,646.16	\$71,411.98	\$108,977.36	\$111,495.74	\$75,321.88	\$39,369.22	\$596,829.80	\$137,607.46	11.23%
2014	\$19,230.84	\$17,842.26	\$16,970.75	\$17,177.66	\$25,267.30	\$27,223.00	\$42,532.48	\$57,037.06	\$99,010.60	\$113,034.82	\$68,014.86	\$33,528.92	\$536,870.55	\$123,711.81	
Sequim	January	February	March	April	May	June	July	August	September	October	November	December	YTD	MTD	% Change
2021	\$16,542.54	\$15,096.62	\$20,862.28	\$27,091.77	\$28,950.88	\$41,323.43							\$149,867.52	\$149,867.52	78.11%
2020	\$14,435.53	\$16,706.72	\$17,118.28	\$15,188.08	\$8,791.47	\$15,904.01	\$16,176.22	\$24,528.28	\$58,171.52	\$36,833.06	\$38,134.39	\$25,872.15	\$283,859.71	\$84,144.09	-21.71%
2019	\$15,982.29	\$14,533.37	\$13,513.48	\$13,753.99	\$24,683.51	\$25,005.68	\$38,439.35	\$45,097.27	\$68,994.24	\$63,544.40	\$42,190.78	\$34,093.55	\$399,831.91	\$107,472.32	2.09%
2018	\$14,979.30	\$14,306.04	\$14,275.72	\$16,544.24	\$19,538.77	\$25,626.37	\$35,058.87	\$41,486.18	\$66,161.67	\$83,245.17	\$20,197.47	\$26,663.96	\$378,083.76	\$105,270.44	7.92%
2017	\$15,121.34	\$14,273.08	\$11,956.78	\$14,553.62	\$18,402.28	\$23,241.58	\$30,288.04	\$37,489.36	\$58,883.36	\$59,745.86	\$42,810.06	\$22,808.58	\$349,573.94	\$97,548.68	17.92%
2016	\$12,320.30	\$11,062.18	\$10,295.50	\$13,785.16	\$14,694.88	\$20,566.52	\$26,855.20	\$36,098.82	\$54,558.06	\$54,962.02	\$37,840.56	\$19,486.14	\$312,525.34	\$82,724.54	6.14%
2015	\$12,223.02	\$8,997.22	\$9,977.34	\$12,747.28	\$15,260.98	\$18,731.34	\$24,306.76	\$30,220.78	\$48,815.56	\$48,365.04	\$30,543.20	\$18,946.94	\$278,935.46	\$77,937.18	23.15%
2014	\$10,659.60	\$7,762.24	\$8,007.00	\$9,720.66	\$12,616.24	\$14,969.88	\$21,398.42	\$30,294.38	\$42,455.40	\$45,955.44	\$26,739.06	\$15,725.32	\$238,853.64	\$63,285.62	
Forks	January	February	March	April	May	June	July	August	September	October	November	December	YTD	MTD	% Change
2021	\$11,870.47	\$9,868.20	\$13,837.32	\$13,862.82	\$27,560.75	\$29,628.50							\$106,628.06	\$106,628.06	137.25%
2020	\$9,609.28	\$7,984.88	\$8,996.30	\$8,947.36	\$8,756.91	\$648.59	\$7,845.14	\$17,587.44	\$33,530.16	\$42,082.24	\$30,870.12	\$21,251.12	\$198,109.54	\$44,943.32	-28.15%
2019	\$8,841.54	\$6,178.36	\$8,335.22	\$11,118.42	\$11,925.56	\$16,154.91	\$26,893.64	\$33,349.29	\$41,329.82	\$42,993.27	\$30,125.36	\$16,484.04	\$253,729.43	\$62,554.01	10.56%
2018	\$7,914.92	\$7,290.66	\$6,511.72	\$9,384.98	\$13,887.94	\$11,590.67	\$19,384.22	\$26,460.48	\$37,428.29	\$31,991.26	\$26,305.63	\$13,359.95	\$211,510.72	\$56,580.89	10.05%
2017	\$6,965.82	\$6,271.14	\$8,455.22	\$7,215.28	\$10,891.28	\$11,614.02	\$18,080.80	\$23,388.14	\$29,879.18	\$30,043.92	\$27,283.60	\$12,806.26	\$192,894.66	\$51,412.76	9.10%
2016	\$6,575.86	\$4,898.52	\$5,706.10	\$8,351.92	\$10,945.72	\$10,646.16	\$13,559.28	\$20,214.66	\$24,558.54	\$30,176.72	\$16,871.16	\$17,082.96	\$169,587.60	\$47,124.28	13.01%
2015	\$6,534.86	\$5,148.50	\$5,559.40	\$6,994.62	\$8,381.54	\$9,081.26	\$10,161.34	\$15,510.16	\$23,789.04	\$29,235.40	\$20,273.02	\$10,446.24	\$151,115.38	\$41,700.18	5.36%
2014	\$4,963.18	\$6,876.88	\$4,767.52	\$6,791.86	\$8,104.04	\$8,075.02	\$10,632.56	\$13,505.82	\$23,021.02	\$24,611.16	\$16,927.24	\$8,337.28	\$136,613.58	\$39,578.50	
Jeff. Co	January	February	March	April	May	June	July	August	September	October	November	December	YTD	MTD	% Change
2021	\$38,925.82	\$45,229.94	\$46,407.13	\$43,406.48	\$65,961.50	\$69,432.85							\$309,363.72	\$309,363.72	131.40%
2020	\$31,208.52	\$33,263.68	\$28,921.38	\$28,566.17	\$11,196.91	\$533.76	\$22,715.37	\$41,591.37	\$75,131.03	\$78,437.33	\$75,232.02	\$54,415.58	\$481,213.12	\$133,690.42	-32.39%
2019	\$28,817.97	\$40,024.49	\$24,277.10	\$21,724.70	\$40,545.40	\$42,349.77	\$47,889.57	\$69,624.83	\$87,495.61	\$59,893.26	\$64,163.76	\$41,780.75	\$568,587.21	\$197,739.43	6.42%
2018	\$22,594.98	\$45,060.38	\$18,799.70	\$23,064.24	\$40,396.57	\$35,892.03	\$43,754.88	\$64,217.70	\$68,130.01	\$64,462.13	\$62,351.70	\$45,163.84	\$533,888.16	\$185,807.90	4.15%
2017	\$19,177.76	\$52,819.70	\$16,661.22	\$20,633.70	\$37,946.58	\$31,161.52	\$38,074.08	\$64,460.32	\$56,181.88	\$58,058.42	\$68,607.38	\$32,423.26	\$496,205.82	\$178,400.48	11.05%
2016	\$18,366.50	\$50,911.43	\$14,393.60	\$18,348.78	\$29,298.50	\$29,333.88	\$33,479.14	\$56,188.52	\$53,334.68	\$59,800.36	\$57,837.62	\$25,904.24	\$447,197.25	\$160,652.69	22.48%
2015	\$17,011.22	\$36,086.78	\$14,242.40	\$14,983.04	\$23,824.36	\$25,021.90	\$27,653.98	\$48,796.64	\$44,665.06	\$49,122.12	\$49,494.00	\$25,149.24	\$376,050.74	\$131,169.70	22.81%
2014	\$13,530.84	\$30,316.36	\$12,683.40	\$12,399.06	\$19,122.32	\$18,759.16	\$24,510.86	\$37,504.38	\$42,318.96	\$43,628.44	\$46,845.70	\$33,825.30	\$335,444.78	\$106,811.14	
Port T.	January	February	March	April	May	June	July	August	September	October	November	December	YTD	MTD	% Change
2021	\$21,393.25	\$20,252.85	\$19,399.19	\$21,639.46	\$38,131.79	\$35,371.78							\$156,188.32	\$156,188.32	27.69%
2020	\$32,168.38	\$29,943.18	\$25,007.02	\$18,176.86	\$12,145.41	\$4,877.35	\$10,074.67	\$32,855.52	\$40,203.86	\$45,121.84	\$56,031.27	\$32,941.20	\$339,546.56	\$122,318.20	-32.13%
2019	\$31,064.06	\$25,832.94	\$26,895.65	\$21,384.31	\$34,548.20	\$40,498.09	\$47,394.37	\$60,561.56	\$82,013.38	\$89,017.30	\$61,722.25	\$43,381.46	\$564,313.57	\$180,223.25	3.96%
2018	\$28,204.18	\$27,142.20	\$21,658.80	\$28,774.07	\$31,927.59	\$35,658.03	\$43,446.89	\$55,747.64	\$75,133.29	\$79,021.22	\$65,074.84	\$42,396.64	\$534,185.39	\$173,364.87	5.44%
2017	\$29,274.20	\$26,849.56	\$18,613.82	\$23,770.60	\$30,209.64	\$35,699.90	\$40,149.94	\$54,029.42	\$76,065.76	\$72,230.96	\$61,921.74	\$39,687.46	\$508,503.00	\$164,417.72	2.02%
2016	\$21,856.56	\$26,262.20	\$22,215.10	\$21,765.76	\$33,626.90	\$35,431.84	\$41,061.44	\$52,450.84	\$62,436.86	\$64,688.96	\$62,230.28	\$30,911.64	\$474,938.38	\$161,158.36	9.09%
2015	\$21,452.72	\$20,000.48	\$16,992.86	\$34,899.20	\$26,768.04	\$27,612.58	\$33,825.32	\$48,143.06	\$66,770.66	\$62,099.52	\$50,745.46	\$34,548.38	\$443,858.28	\$147,725.88	31.40%
2014	\$18,038.90	\$20,248.36	\$14,390.74	\$16,016.08	\$21,515.20	\$22,217.46	\$23,867.80	\$29,349.4							

M. Co	January	February	March	April	May	June	July	August	September	October	November	December	YTD	MTD	% Change
2021	\$34,594.19	\$42,724.13	\$41,657.39	\$50,623.94	\$75,985.97	\$83,727.89							\$329,313.51	\$329,313.51	130.37%
2020	\$31,314.22	\$32,150.44	\$30,791.06	\$31,993.26	\$12,187.26	\$4,516.34	\$30,770.14	\$61,326.82	\$82,275.33	\$88,480.56	\$65,498.51	\$48,699.22	\$520,003.16	\$142,952.58	-29.01%
2019	\$30,095.47	\$46,595.52	\$24,616.02	\$24,443.49	\$36,924.43	\$38,702.51	\$47,304.43	\$61,277.03	\$82,197.42	\$83,452.47	\$50,981.86	\$35,411.70	\$562,002.35	\$201,377.44	22.40%
2018	\$19,030.90	\$50,294.72	\$16,998.28	\$18,402.06	\$29,843.96	\$29,951.42	\$35,749.74	\$50,591.09	\$61,325.21	\$64,961.27	\$68,876.48	\$29,646.15	\$475,671.28	\$164,521.34	12.88%
2017	\$15,420.46	\$47,592.24	\$15,385.16	\$19,868.54	\$22,837.26	\$24,647.22	\$27,315.00	\$41,386.28	\$54,988.44	\$53,916.36	\$46,572.74	\$21,414.84	\$391,344.54	\$145,750.88	0.59%
2016	\$24,818.36	\$46,063.39	\$13,115.38	\$16,701.38	\$22,100.68	\$22,095.28	\$25,022.74	\$42,973.50	\$48,172.94	\$49,750.48	\$41,043.10	\$21,242.46	\$373,099.69	\$144,894.47	15.26%
2015	\$13,126.58	\$43,614.66	\$14,206.64	\$11,992.52	\$25,323.62	\$17,448.70	\$21,007.98	\$39,511.70	\$39,319.62	\$48,552.72	\$41,499.56	\$20,160.36	\$335,764.66	\$125,712.72	16.34%
2014	\$13,825.60	\$38,558.08	\$11,829.48	\$10,738.64	\$16,608.54	\$16,498.68	\$19,479.94	\$36,813.32	\$40,167.80	\$46,290.50	\$37,869.76	\$6,744.82	\$295,425.16	\$108,059.02	
Shelton	January	February	March	April	May	June	July	August	September	October	November	December	YTD	MTD	% Change
2021	\$3,507.72	\$2,979.00	\$3,617.06	\$3,167.68	\$4,748.30	\$4,787.16							\$22,806.92	\$22,806.92	59.18%
2020	\$3,579.84	\$2,937.72	\$2,817.24	NA	\$1,877.78	\$3,115.18	\$3,446.58	\$4,007.32	\$4,361.12	\$5,695.20	\$4,310.88	\$4,195.34	\$40,344.20	\$14,327.76	-32.25%
2019	\$3,549.69	\$3,176.13	\$3,680.30	\$3,468.74	\$2,158.72	\$5,113.21	\$4,313.81	\$4,940.31	\$5,584.00	\$5,682.24	\$5,100.66	\$4,091.58	\$50,859.39	\$21,146.79	25.33%
2018	\$2,446.48	\$2,526.80	\$2,095.86	\$2,430.56	\$3,971.49	\$3,401.39	\$3,807.18	\$4,156.45	\$5,025.72	\$6,109.92	\$4,660.20	\$3,866.84	\$44,498.89	\$16,872.58	-14.22%
2017	\$3,597.32	\$3,699.68	NA	\$3,560.56	\$4,727.04	\$4,085.90	\$4,707.54	\$4,934.98	\$6,950.62	\$5,984.72	\$4,890.66	\$3,007.16	\$50,146.18	\$19,670.50	-11.09%
2016	\$3,454.04	\$4,555.12	\$2,804.10	\$3,003.04	\$3,834.14	\$4,474.58	NA	\$4,677.66	\$5,417.56	\$5,117.98	\$5,824.88	\$4,195.54	\$47,358.64	\$22,125.02	29.71%
2015	\$2,745.02	\$3,321.68	\$2,660.12	\$2,784.52	\$2,628.02	\$2,917.88	\$3,915.84	\$4,684.30	\$4,719.40	\$5,285.28	NA	\$3,775.94	\$39,438.00	\$17,057.24	22.54%
2014	\$2,439.70	\$2,417.54	\$1,786.76	\$2,218.60	\$2,543.08	\$2,513.64	\$3,622.98	\$3,657.90	\$5,410.22	\$5,411.08	\$4,426.26	\$3,638.78	\$40,086.54	\$13,919.32	

Figures are acquired from the Dept. of Revenue (www.dor.wa.gov) and are two months behind. Figures are the total of both "State Shared Hotel/Motel" and "Additional Local Hotel/Motel" taxes combined. Percentage is the amount changed from one year (month to date) to the next (month to date). Clallam, Jefferson, Grays Harbor, and Mason County figures refer to all lodgings within county borders excluding the major towns already listed. Clallam County figures experienced lower than predicted growth due to three specific lodgings that changed ownership in 2015.

Appendix C: Dean Runyan Report

Mason County County Travel Impacts and Visitor Volume

Visitor Spending Impacts

Amount of Visitor Spending that supports 1 Job	\$91,361
Employee Earnings generated by \$100 Visitor Spending	\$34
Local Tax Revenues generated by \$100 Visitor Spending	\$2.88

Visitor Volume

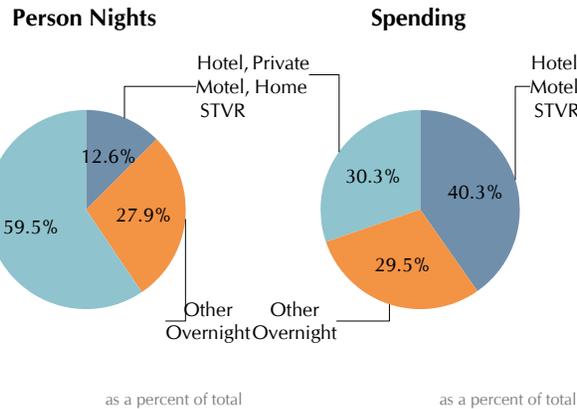
Additional visitor spending if each resident household encouraged one additional overnight visitor (in thousands)	\$3,004
Additional employment if each resident household encouraged one additional overnight visitor	33

Visitor Shares

Travel Share of Total Employment (2017)*	6.3 %
Visitor Share of Taxable Sales (2017)**	12.3 %
Overnight Visitor Share (2018p)***	7.5 %

Overnight Visitor Spending and Volume

*Source: Bureau of Economic Analysis and Bureau of Labor Statistics. Estimates by Dean Runyan Associates.
**Annual Overnight Visitor Days divided by (Resident Population) *365.



	Person Trips (000)	Person Nights (000)	Visitor Spending (\$Millions)
Hotel, Motel, STVR	143.8	225.6	38.8
Private Home	494.4	1,067.3	29.2
Other Overnight	187.4	500.2	28.4
All Overnight	825.6	1,793.1	96.4

Note: Person Trips and Person Nights are in Thousands. Visitor Spending is in \$Millions. Details may not round to total due to rounding

Visitors who stay in private homes typically comprise the largest share of overnight visitor volume. Visitors who stay overnight in commercial lodging typically have the greatest economic impact. There is substantial variation among destinations, however. Most rural and suburban areas have high shares of private home visitation. Urban areas tend to have greater shares of hotel/motel stays.

Mason County Direct Travel Impacts, 2010-2018p

	2010	2012	2014	2016	2017	2018	17-18	10-18	Ave. Annual Chg.
Spending									
Total (Current \$)	97.4	107.0	109.7	115.5	124.0	128.6	3.7%	3.5%	
Other	6.0	7.1	6.5	4.8	5.7	6.6	16.1%	1.3%	
Visitor	91.4	99.9	103.2	110.7	118.3	122.0	3.1%	3.7%	
Non-transportation	80.8	87.5	91.7	101.0	107.1	109.6	2.3%	3.9%	
Transportation	10.7	12.4	11.5	9.7	11.2	12.3	10.5%	1.8%	
Earnings									
Earnings (Current \$)	27.2	29.5	31.7	35.8	37.2	41.1	10.6%	5.3%	
Employment									
Employment	1,170	1,260	1,300	1,330	1,290	1,340	4.2%	1.7%	
Tax Revenue									
Total (Current \$)	8.7	9.3	9.7	11.1	11.6	11.9	2.6%	3.9%	
Local Tax Receipts	2.6	2.8	2.9	3.4	3.4	3.5	2.3%	3.8%	
Visitor	1.4	1.5	1.6	1.8	2.0	2.0	2.1%	4.7%	
Business or Employee	1.2	1.2	1.3	1.5	1.5	1.5	2.5%	2.8%	
State Tax Receipts	6.1	6.5	6.8	7.7	8.1	8.3	2.7%	3.9%	
Visitor	4.6	4.9	5.0	5.7	6.1	6.3	2.7%	4.0%	
Business or Employee	1.5	1.6	1.8	2.1	2.0	2.1	2.6%	3.9%	

Other spending includes resident air travel, travel arrangement and reservation services, and convention and trade show organizers. **Non-transportation visitor spending** includes accommodations, food services, retail, food stores, and arts, entertainment & recreation. **Visitor transportation spending** includes private auto, auto rental, other local ground transportation and one-way airfares.

Earnings include wages & salaries, earned benefits and proprietor income.

Employment includes all full- and part-time employment of payroll employees and proprietors.

Local tax revenue includes lodging taxes, sales taxes, auto rental taxes and airport passenger facility charges paid by visitors, and the property tax payments and sales tax payments attributable to the travel industry income of employees and businesses.

State tax revenue includes lodging, sales and motor fuel tax payments of visitors, and the income tax and sales tax payments attributable to the travel industry income of businesses and employees.

Federal tax revenue includes motor fuel excise taxes and airline ticket taxes paid by visitors, and the payroll and income taxes attributable to the travel industry income of employees and businesses.

Travel Impacts, 2010-2018p

Total Direct Travel Spending (\$Million)

	2010	2012	2013	2014	2015	2016	2017	2018
Destination Spending	91.4	99.9	102.4	103.2	108.4	110.7	118.3	122.0
Other Travel*	6.0	7.1	6.7	6.5	5.0	4.8	5.7	6.6
Total	97.4	107.0	109.1	109.7	113.4	115.5	124.0	128.6

Visitor Spending By Commodity Purchased (\$Million)

	2010	2012	2013	2014	2015	2016	2017	2018
Accommodations	13.1	14.2	15.0	15.6	17.3	18.2	19.2	19.5
Food Service	27.3	30.0	31.5	32.1	34.9	36.4	39.5	41.1
Food Stores	13.0	14.3	14.4	14.7	15.5	15.4	15.9	16.1
Local Tran. & Gas	10.7	12.4	12.0	11.5	10.1	9.7	11.2	12.3
Arts, Ent. & Rec.	12.4	13.1	13.3	13.3	14.1	14.4	15.2	15.4
Retail Sales	15.0	15.9	16.0	15.9	16.5	16.6	17.3	17.4
Total	91.4	99.9	102.4	103.2	108.4	110.7	118.3	122.0

Industry Earnings Generated by Travel Spending (\$Million)

	2010	2012	2013	2014	2015	2016	2017	2018
Accom. & Food Serv.	13.2	15.2	16.0	17.4	19.1	20.0	20.2	23.2
Arts, Ent. & Rec.	8.3	8.3	8.3	8.0	8.9	9.1	9.6	10.1
Retail**	4.2	4.5	4.7	4.8	5.1	5.1	5.5	5.7
Ground Tran.	1.3	1.4	1.4	1.4	1.5	1.5	1.7	1.9
Other Travel*	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.2
Total	27.2	29.5	30.5	31.7	34.7	35.8	37.2	41.1

Industry Employment Generated by Travel Spending (Jobs)

	2010	2012	2013	2014	2015	2016	2017	2018
Accom. & Food Serv.	530	610	630	650	680	660	620	670
Arts, Ent. & Rec.	410	410	400	400	410	410	400	410
Retail**	180	180	190	190	200	200	210	210
Ground Tran.	50	50	50	50	50	40	50	50
Other Travel*	10	10	10	10	10	10	10	10
Total	1,170	1,260	1,270	1,300	1,350	1,330	1,290	1,340

Tax Receipts Generated by Travel Spending (\$Million)

	2010	2012	2013	2014	2015	2016	2017	2018
Local Tax Receipts	2.6	2.8	2.9	2.9	3.3	3.4	3.4	3.5
Visitor	1.4	1.5	1.6	1.6	1.8	1.8	2.0	2.0
Business or Employee	1.2	1.2	1.3	1.3	1.5	1.5	1.5	1.5
State Tax Receipts	6.1	6.5	6.7	6.8	7.3	7.7	8.1	8.3
Visitor	4.6	4.9	5.0	5.0	5.4	5.7	6.1	6.3
Business or Employee	1.5	1.6	1.7	1.8	2.0	2.1	2.0	2.1
Total Local & State Receipts	8.7	9.3	9.6	9.7	10.6	11.1	11.6	11.9

STATE REPRESENTATIVE
35th LEGISLATIVE DISTRICT
DREW MAC EWEN
ASSISTANT FLOOR LEADER

State of
Washington
House of
Representatives

COMMERCE & GAMING
RANKING MEMBER
APPROPRIATIONS
ASSISTANT RANKING
MEMBER



July 14, 2021

Re: Support for Mason County Visitor Welcome Center

To whom it may concern,

I would like to offer my support for the proposed Mason County Visitor Welcome Center. This project is something that Mason County has needed for many years. Following the closure of the Mason County Fairgrounds suitable locations for income generating events such as Oyster Fest and the Mason County Forest Festival have been difficult to achieve. With the completion of this proposed project the needs of events, as above mentioned, and others can be raised to the highest standard.

In addition, with Mason County being the gateway to the Olympics and the significant number of visitors traveling through our community this center will provide all coming through with great information for activities, lodging and dining. I am also pleased this center will be able to provide valuable information, not only for Mason County but for all counties in the 35th district, as well as information about activities in our neighboring districts.

Lastly, the simple convenience of having a full-time rest area for the tens of thousands of people who travel through this corridor will provide much needed relief for our residents, tourists, and commercial transport drivers. I look forward to the evaluation and future completion of the Mason County Visitor Welcome Center as it will provide greatly needed services for our community and those who visit the beautiful 35th district.

With kind regards,

Drew MacEwen
State Representative 35th legislative district