

Evaluation of Marina and Park Options



Presented by Malcolm Fleming,
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Item/ Issue or Assumptions	Port/City Anticipated Plan (9.8 acre Park)	Marina with 20 Acre Park(1)	Fill Lagoon For 37 acre Park
<u>Total Capital Cost</u>	<u>\$55.5-57.5 million</u>	<u>\$86-88 million</u>	<u>\$101 million</u>
<u>User Fee Revenues</u>	\$35-37 million(2)	\$35-37 million(2)	\$0
<u>MTCA Revenues</u>	\$17 million (2)	\$17 million (2)	\$17 million (2)
Total City Capital Costs (from Taxes)	\$3.5 million	\$34 million	\$84 million

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Cleanup of 350,000 cu yards of industrial waste. Assumption: all options must provide cleanup to same environmental protection standards (remove contamination and dispose in permitted landfill)	\$34 million paid from moorage fees 50% and MTCA 50% (2)	\$34 million paid from moorage fees 50% and MTCA 50% (2)	\$34 million paid from City taxes 50% and MTCA 50% (2)
Property/ Improvements Acquisition Costs	\$0, within overall GP acquisition	Unknown costs for City lease of DNR property to create a new park outside of the lagoon	\$36 million for City to acquire existing breakwater from the Port (3)

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Marina Development Capital Costs	\$18 - \$20 million (from moorage fees) (2)	\$18 - \$20 million (from moorage fees) (2)	\$?? million more to acquire another site, secure permits, construct a breakwater, dredge the marina for boats and construct upland support facilities (from moorage fees)

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Park Development Capital Costs	\$3.5 million (from taxes) (4)	Over \$28 million total for a 20 acre park, including an estimated \$15 million to add to the existing breakwater, \$8 million for fill, and \$5.5 million for site development (all from City taxes)(5)	Over \$29 million total, including \$14 million for fill and \$15 million to develop (all from City taxes) (6)
Operations and Maintenance (Marina)	From moorage fees	From moorage fees	It is unknown whether costs for operating a marina in a different location would be different

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Operations and Maintenance (Park)	\$10,000/ year from taxes (passive use)	\$20,000/ year from City taxes (passive use)	\$250,000/ year from City taxes (active use)
Habitat Construction	\$0, included within marina costs	\$5 million to construct replacement habitat for that lost under expanded park (20 acres @ \$250,000/acre); plus significant additional transaction costs to permit and implement this action.(7)	\$7 million to construct replacement habitat for that planned in marina (28 acres @ \$250,000/acre) ; plus significant additional transaction costs to permit and implement this action.(7)

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Satisfies Moorage?	Yes	Yes	Not without constructing marina elsewhere
Park Space	9.8 acres (2)	20 acres (1) (9)	37 acres (8) (9)
Miles of Trails	1.0 mile	1.5 miles	2.0 miles

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Permits	<p>Permitting is likely because the environmental damage is already done and the project will make it better, not worse.</p>	<p>Would be more difficult to get the permits to enclose and fill aquatic lands. It will take several agencies, including the City of Bellingham.</p>	<p>Would be more difficult to get the permits to enclose and fill aquatic lands. It will take several agencies, including the City of Bellingham. In addition, there is also the significant issue of getting a permit somewhere else in Bellingham Bay to create a new jetty and marina on aquatic lands</p>

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Park Use	Would create an area about twice the size as Zuanich Point Park in addition to other parkland planned for the New Whatcom redevelopment area	Would create a new park area about 5 times larger than Zuanich Point Park (9)	Would create a new park about 9 times larger than Zuanich Point Park (9)
Job Creation and Economic Impact	59 new jobs; \$10 million annual output (2)	59 new jobs; \$10 million annual output (2)	Unknown

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Feasibility	Feasible; project is included in Port and Department of Ecology near term budgets and workplans	Difficult to permit, expensive to construct, financing questionable	Virtually impossible because it would require: land transfer between the Port and the City; City assuming responsibility for cleanup permitting and liability; acquiring another site elsewhere for a marina, securing other aquatic habitat mitigation lands and incurring additional expense; City incurring over \$84 million in cleanup and capital expense and imposing taxes to pay for those costs; permitting is uncertain at best

KEY

(1)	This is assumed to be the approximate size of the park recommended by the Planning Commission
(2)	Port estimate
(3)	Port estimate of replacement cost of breakwater and improvements
(4)	Estimate based on \$8.00/SF development cost and \$30.00/LF trail cost for 1.0 mile trail
(5)	Estimate based on cost to construct new breakwater outside the existing breakwater that is based on the Port estimate of the value of the existing breakwater (roughly 2,000 lineal feet at \$7,500 per foot) and rough calculation of 20 acres of fill, 25 feet deep (806,667 cubic yards at \$10.00/cy). Development and trail costs (1.5 miles) estimated at \$6.00/SF and \$30.00/LF respectively.
(6)	Estimate based on development and trail costs (2.0 miles) estimated at \$6.00/SF and \$30.00/LF respectively and assuming 29 acres of fill 30 feet deep = 1.4 million cubic yards at \$10.00/cy
(7)	The \$250,000 figure is an "industry average" estimate of costs
(8)	This acreage is based on the exterior dimensions of the existing breakwater.
(9)	Given the costs associated with constructing the parklands proposed under these scenarios and the limitations on bonding capacity and tax revenue to support this activity, it would be reasonable to assume that there would be less parkland constructed elsewhere on the waterfront and perhaps elsewhere in the City.