



Oak Harbor, Washington

Waterfront Redevelopment, Branding & Marketing Program



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Whidbey Island stretches approximately sixty miles through Puget Sound from Deception Pass in the north to Clinton in the south, offering one of the most scenic pastoral, forested, and maritime environments in the state of Washington. The City of Oak Harbor nestles on the northeast part of the island, situated on the waterfront of the protected harbor, providing views of Puget Sound and the Cascade Mountains.

A small town with Irish and Dutch heritage, Oak Harbor saw rapid growth when the U.S. Navy established its presence there in 1941. The Naval Air Station has influenced the growth and economy of Oak Harbor ever since, and the city has grown from a town of 600 residents to a city of over 20,000.

NAS Whidbey is the largest economic force on north Whidbey Island. As such, the community has seen the need for a greater diversification of the economy, and increasing tourism spending is one means to help accomplish this.

The original commercial center of Oak Harbor still contains many historic turn-of-the-century buildings, and the area between downtown and the harbor includes a waterfront park and marina. However, as the population has grown over the years, much of the commercial and retail growth has occurred along Highway 20, effectively pulling people away from the old downtown. The community has long seen the need to revitalize the downtown, preserving its heritage and turning it into a focal point for both the community and visitors to shop, gather, enjoy the arts and outdoor activities, and appreciate the spectacular setting that is Oak Harbor.

To achieve the goal of increasing visitor spending to enhance the quality of life and economic vitality of Oak Harbor, the Oak Harbor Mayor, City Council, and Administrator saw the need for an action plan which would address both product development and marketing. Destination Development, Inc. was selected for the project.

The Tourism Development and Marketing Plan includes an overall assessment of the community in terms of tourism, its marketing efforts (past and present), branding, signage, and product development. Leadership and stakeholder interviews were held, and existing community planning efforts were reviewed to ensure that the plan would dovetail with the goals of previous plans, signage and zoning ordinances, and economic development efforts.

SCOPE OF WORK

Part I. Marketing Effectiveness Assessment

Two staff members planned a trip to the general area of Washington, performing research, and finding locales where they would want to stay. They then looked specifically at Oak Harbor, contacting local tourism organizations to determine the effectiveness of the marketing materials and websites.

Part II. On-site Assessment

A two day on-site assessment of the community was conducted, which included wayfinding, signage, beautification, attractions mix, visitor amenities and services, ease of getting around, local business offerings, friendliness, general appeal.

Dozens of photographs were taken and incorporated into a two-hour multi-media workshop where the findings were presented to the community. Suggestions were offered for remedying shortcomings or challenges.

Part III. Stakeholder Interviews

Once the visitor assessment was completed, actual recommendations were developed, in conjunction with interviews with key leaders and stakeholders in the community. Meetings were held to determine priorities, community visions, opportunities, funding issues, marketing, signage, development, zoning and land use issues, etc. Community input was heard through in-person meetings, telephone conversations, and e-mail correspondence.

Part IV. Research

Demographic and visitor research of the area was conducted to determine target markets. Previous studies and plans were read and reviewed, and lodging tax receipts and expenditures were reviewed. Downtown property along Pioneer Way was researched to determine property owners and assessed valuation of each parcel. Research into various funding sources was conducted, including various taxes that are available, federal grant programs, state grant programs, PFD funding options,

New Market Tax Credits availability, .08 Rural County Tax options, CDBG programs, Tax Increment Financing, Business Improvement Districts, and private grant sources.

Part V. Development of the Program

Results of the marketing assessment, the on-site assessment, the stakeholder interviews, and the research were used to develop the recommendations in the plan. Designs of proposed product development projects were created, and sketches drawn to illustrate the concepts for the public. Costs for construction were estimated, and possible funding sources matched to projects.

Design of a new logo was created, and the Oak Harbor brand was defined. Prototype designs for signage and wayfinding were created.

The plan includes recommendations regarding the following:

Marketing issues:

- Website, brochures and other marketing materials
- Advertising, sales efforts, public outreach
- Logos and other “branding” icons and images
- Overall “brand” – branding strategy

Community:

- Curb appeal, beautification
- Ease of getting around
- Signage
- Visitor amenities, public attractions
- Zoning and land use (downtown core area)
- Streets
- Branding in terms of “theme” or character of the community’s infrastructure

Business:

- Lodging, dining, entertainment options
- Private attractions and amenities
- Business signage and curb appeal issues

Product Development:

- Types of tourism attractions and amenities that should be considered or recruited to Oak Harbor
- Fit to the community’s economic development and comprehensive planning efforts

Financial:

- Alternatives, and available opportunities for funding recommendations
- Public/private partnership opportunities
- Budgets (approximate costs) for recommended items

Marketing/PR:

- Marketing plan to include internet, print advertising, sales promotion, media channels
- Public relations
- Branding, marketing partnerships, image development, repositioning

Timelines:

- Priorities and timelines related to implementing each item
- To-do lists

Part VI. Final Program

After receiving comments and edits regarding the draft plan, refinements, edits, additions were made to the plan. The final plan is presented to the City Council for adoption.

Two common conceptions about the travel industry are 1.) tourism creates low-wage, seasonal jobs, and 2.) the destination community subsidizes visitors. Does this conventional wisdom ring true?

Bandon, Oregon, was fast declining in the 1970s, the aging buildings of its historic downtown becoming derelict, and local businesses moving to the highway. Set on the Pacific Ocean, Bandon's natural beauty drew new arrivals into the town, bringing fresh viewpoints and an appreciation for the setting and the small town atmosphere. As "hippie" artists and craftsmen discovered the area, setting up shop in the old downtown buildings, the Port began some renovations next to downtown, investing \$4 million into a boat basin for commercial fishing to replace the declining lumber shipping industry. The port officials decided to make the waterfront tourist friendly, and added fishing and crabbing docks.

Visitors began to be more attracted to the small town, and residents and tourists alike saw the budding opportunities for opening their own businesses. Galleries and shops opened up in downtown, the buildings renovated, and more visitors have been drawn to the area.

When Bandon Dunes Golf Resort opened in 1999, the small town began seeing private jets bringing celebrities to visit the town, play golf, and enjoy the ocean beaches.

Revitalization of the downtown core continues with new sidewalks and streetlights, plus a Port project with a boardwalk, enclosed picnic shelter, and amphitheater at the waterfront.

Population in Bandon had grown by a third in the decade from 1990 to 2000. Median family income had climbed 67 percent to \$37,188 a year, and 28 percent of the city's homes had been built since 1990. The shopkeepers, hoteliers, construction workers, and golf course operators in Bandon have found that tourism has provided them with successful, living-wage employment. Plus, they are able to live in a spectacular setting with a vibrant downtown and waterfront – one that other people travel to in order to enjoy.

Bandon, Oregon, is one example of a town that has become a successful tourist destination. Visitors, by spending money in the town, have contributed financially to the revitalization and prosperous economy that residents of Bandon now enjoy.

As an economic development activity in Washington State, tourism generates sales in lodging, food service, recreation, transportation, and retail. Total direct travel spending in Washington was \$11.6 billion in 2004, a 7.4 percent increase over 2003. International visitors accounted for 10 percent of all visitor spending in the state, and residents of other states accounted for 47 percent of all travel spending. Tourism is an export-related industry, in that it brings cash from other localities into the community.

Travel spending in Washington state directly supported 140,200 jobs, with earnings of \$3.7 billion during 2004. It generated the greatest number of jobs in arts, entertainment and recreation, food services, and accommodations.

The travel industry generates a large number of entry-level positions and opportunities for small business ownership. The majority of tourism-associated businesses are small enterprises, offering opportunities for entrepreneurs. Seventy-eight percent of travel industry gross state product consists of payments to employees, higher than any other industry except aerospace.

No other industry in Washington generates as high a proportion of tax revenue in relation to its gross state product (11 percent) as tourism. Visitors pay most of these taxes, and many of these taxes go directly into the local government's coffers.

The travel industry has shown the most stable growth over the last twelve years of any industry in the state, in spite of the effects of 9/11. The growth of the travel industry has historically been strong.

In Island County, travel spending also provides a very strong impact on the economy, with total direct spending reaching \$106.7 million in 2003. Visitors spent \$14.6 million on accommodations; \$33.1 million in food and beverage services;

\$8.4 million at food stores; \$7.4 million for ground transportation and motor fuel; \$18.8 million on arts, entertainment and recreation; and \$24 million on retail sales. This spending resulted in direct local tax receipts of \$1.7 million and state tax receipts of \$6.6 million; and it created 2,310 jobs in Island County.

The tourism industry, by importing cash to a community, provides the opportunity for a variety of employment, small businesses, and entrepreneurs. The wages paid to these travel industry workers becomes part of the economy of the community when they, in turn, spend their wages on rent, food, clothing, gas, etc.

As an economic development diversification strategy, tourism contributes greatly to a healthy local economy and quality of life for the residents of a community.

This Oak Harbor Waterfront & Downtown Redevelopment, Branding and Marketing Program, which began as a tourism development plan, is the key to Oak Harbor's success in further developing the tourism industry, and in recruiting non-tourism businesses to the city.

The heart of Oak Harbor revolves around its waterfront - from Freund Marsh stretching all the way around the bay to the Oak Harbor Marina. The projects detailed in this plan include further development of Freund Marsh, the waterfront trail system, redevelopment of City Beach Park, major downtown revitalization projects, and the development of a special events center - a facility that the entire island is sorely missing.

These projects total \$32 million: The event center will cost approximately \$10 million, City Beach and Flintstone Park redevelopment (from the marina to Freund Marsh) will cost approximately \$10 million, the Pier project \$6.2 million, downtown revitalization projects \$4.3 million, and Freund Marsh trails and interpretive center \$1.7 million.

The projects would be funded through a variety of sources including local, state and federal grants, in-kind services, foundation funding sources, city general fund revenues, lodging tax receipts, low-interest loans, and through the formation of public private partnerships.

Implementation of the plan will take approximately seven years to accomplish, but will dramatically enhance Oak Harbor's lackluster image, and will spur redevelopment and revitalization in other areas of Oak Harbor.

This program includes the following recommendations:

1. Hiring assistance to implement this plan. This is a huge undertaking and will require additional support for city staff. We recommend this be done through the hiring of contracted services, as opposed to hiring additional city staff.
2. Branding: To develop and foster a maritime/nautical theme in the brand identity (logo), downtown revitalization facade and streetscape design, decorative wayfinding signage, visitor information kiosks, and in the marketing materials and website development.
3. In the short-term, the City, working with the Chamber of Commerce, would focus on marketing Oak Harbor as the "hub for the Whidbey Island experience." Oak Harbor would be marketed as the place to stay, eat and shop, with day trips promoted to Deception Pass, Ebey's Landing, Greenbank Farms, Langley, Coupeville, Fort Casey, etc.
4. Implementation of a decorative wayfinding signage system to identify attractions, amenities, and services.
5. To develop a Special Events Center that will bridge City Beach Park with the core downtown area.
6. To recruit private investment to downtown Oak Harbor. Specifically, this would include an RV park developer, hotel developer (perhaps a public/private partnership with the Event Center), additional mixed-use retail/office/condo development in downtown, and reinvestment in existing downtown buildings.
7. To form a Business Improvement District or Association and funding solutions for downtown revitalization efforts, including funding options from the building/business owners downtown.
8. Redevelopment of City Beach Park (changed to Windjammer Park) into a first-class waterfront park that will include a redesigned and larger lagoon and beach areas (Spinnaker Lagoon), expanded and longer promenade, visitor information kiosks, interpretive and historical displays (Historical Trail, Walk of Honor), an amphitheater, a plaza area for special events (Celebration Gardens), expanded lawn-based exhibition area (Scuttlebutt Park), a family play area (Knockabout Park), relocation of the existing RV park, A-6 aircraft, and the sewer treatment facility, and the addition of concession spaces for activity-based rentals (canoes, kayaks, bicycles, strollers) and sales (kites, treats, sundries, etc.).
9. A newly developed upscale RV park.
10. Continued development and fund-raising for the pier project, a major connection between the water, the marina and downtown Oak Harbor.
11. As these new capital projects come on-line, the marketing effort, while still promoting all of Whidbey Island, will begin to focus on making Oak Harbor the destination for reunions, meetings, events produced by outside organizations, conferences and conventions, trade shows, and as a great shopping, dining and entertainment destination.

The following outlines what happens first, and by whom:

1. MANAGEMENT OF THE PROGRAM

After the plan is adopted, the first order of business will be to secure professional services to assist in implementing the plan. This is a huge job, and city staff, with already full plates, does not have the additional hours available to manage this project. We recommend that professional services be secured to work with staff and council on implementation. Work will include:

- Writing and applying for grants: local county funding, state, and federal sources (a full-time job in itself.)
- Writing and advertising RFPs and RFQs for professional marketing, architectural, engineering and other services.
- Working with the "Waterfront Redevelopment Committee" or WRC on a monthly basis as the advisory committee to the City Council and staff.
- Managing the selection process, entering into contract negotiations, terms and conditions, with a variety of vendors and consulting services.
- Working with the Finance Department regarding funding and budget issues on a monthly and annual basis
- Managing and working with a variety of state and federal agencies regarding permitting and development issues.
- Managing consultants, planning professionals, and contractors throughout the process, including follow-up on deliverables and timelines.
- Meeting with local sub-committees (marina, pier, marketing, downtown, etc.) acting as a liaison between organizations, the city, and local citizens.

This person or firm should be multidisciplinary with expertise in project management, marketing, branding, theme development, public facilitation, grant writing, and possess expertise in negotiating and securing public/private partnerships.

2. MARKETING, BRANDING & SIGNAGE

While the city concentrates on capital improvements (product development), the Chamber of Commerce would be charged with marketing Oak Harbor as the hub of activity for Whidbey Island visitors. There are a number of projects the chamber is charged with in this plan including development of a new tourism website, creation of an Activities Guide, press kit and public relations program, development of a professional photo library, managing and updating kiosks, distribution of marketing materials, billboard and other outdoor advertising, managing visitor information centers, etc. The chamber, working with the City, will also implement the wayfinding signage program detailed herein. The signage program should be one of the first elements of the plan implemented.

These programs are being funded from lodging tax revenues, which by state law is to be used for the promotion and development of tourism.

3. MAJOR CAPITAL PROJECTS

The top economic development tool for Whidbey Island's tourism industry is the development of a Special Events Center. This facility, approximately 45,000 square feet, would fill a huge gap by attracting large groups to the island as well as providing a venue for entertainment, art shows, trade shows, exhibitions, banquets and local organizational meetings, and reunions. The Center would become the missing "anchor" for the downtown revitalization effort, and it will spur additional investment in downtown Oak Harbor.

Capital projects include extending the trail system from the marina to Freund Marsh, development of historical and environmental displays, enhanced family play areas, and total redevelopment of City Beach Park.

This is an aggressive program that will take a concerted effort and dedication to implement. Funding will likely come from dozens of different sources, and will require some creating thinking and financing. A dedicated effort for a number of years will be needed in order to achieve success. Oak Harbor, with its stunning setting, can become a model for communities around the country looking to breathe new life in their downtowns and park systems.



The area within the red boundary lines showcase the geographic area which has become the focal point for the recommendations in this program. If you will, this area encompasses Oak Harbor's "crown jewels" or best assets in terms of tourism, economic development, and community enhancement. While this program concentrates on this area, the signage program encompasses all of Oak Harbor, as does the marketing effort detailed herein. Once these projects have been implemented, the next steps will include periodic updates to the program where completed items can be replaced with new projects extending the effort along Midway Boulevard, along Highway 20, and other areas of Oak Harbor.

One area not addressed in this plan is the Oak Harbor marina. The marina could be an incredible economic development tool for Oak Harbor and its connection to downtown is of critical importance. The marina needs much larger slips so it can compete with other area marinas, redevelopment of the upland property, and better transportation connections to downtown lodging, dining, shopping, and entertainment.

- 1** Freund Marsh trails & interpretive center
 - 2** Proposed location for a new RV park
 - 3** Windjammer Park (City Beach Park redevelopment area)
 - 4** Proposed location for the Special Events Center and hotel
- 5** Downtown revitalization extending along Pioneer Way from City Beach Street to Midway
 - 6** The pier project (Windjammer Pier)
 - 7** The Walk of Honor historical walk honoring the Navy heritage of the area
 - 8** The Oak Harbor marina