

# Transformation Strategy

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# Washington State Parks and Recreation Commission Transformation Strategy

March 21, 2013

**Adapting to a new way of operating Washington's state parks**



## **Executive Summary**

During State Parks' 98<sup>th</sup> year, the Legislature and Governor made a policy decision to eliminate most General Fund support for the agency and replace it with user fee-based system. Most funding to operate the state park system now comes from sale of annual Discover Passes, daily access permits, camping receipts and other fees. While Discover Pass earnings have been higher than in other states with comparable programs, revenues are about half of what was expected. The Discover Pass alone has not replaced lost General Fund support.

Faced with this reality, State Parks must increase revenues and build other means of support, while continuing to make its case for state funding. This Transformation Strategy aligns current agency philosophy, provides strategic direction, and creates a framework for transforming the agency to a new, more diversified funding model. The strategy includes the following elements:

**Mission statement** – refines the agency's mission statement to emphasize the role of state parks in connecting Washingtonians with their state's natural and cultural heritage.

**Vision statement** – adapts the Commission's Centennial 2013 vision to encourage a diversity of state park opportunities that promote use of state parks and that generate public and private support necessary to operate the state park system.

**Transformation principles** – outlines imperatives that will drive the transformation process.

These principles assert that State Parks must:

- Provide experiences people will choose
- Align all activities with appropriate sources of funding
- Pursue an interdependent relationship with volunteers, friends, and partners
- Base business decisions on adequate and objective information and data
- Embrace innovative practices and technology

**Agency culture and core values** – refines previous core values and describes agency cultural norms that promote organizational change and innovation.

**Transformation strategies and initiatives** – establish strategies and prescribe specific initiatives that will advance agency transformation. Overarching strategies include:

1. Demonstrate that all Washingtonians benefit from their state parks
2. Adopt a business approach to park system administration
3. Provide recreation, cultural, and interpretive opportunities people will want
4. Promote meaningful opportunities for volunteers, friends and donors
5. Form strategic partnerships with other agencies, tribes and non-profits
6. Expand use of land holdings for compatible revenue generating purposes
7. Develop amenities and acquiring lands that advance transformation

**Implementation** – describes next steps towards an actionable and measurable plan to guide implementation of the Transformation Strategy and serve as the agency's new Strategic Plan.

## **A Call to Action**

For 98 years, funds derived from State taxes were the principal source of financial support for Washington's state park system and the institution charged with its development and operation. During the past three decades, as costs have risen and the state's economy has undergone ebbs and flows, budget writers have required State Parks to earn an ever-increasing portion of its operating budget. Increasing need for operating revenue has required the agency to adopt a variety of use fees to meet the budget demands of the day.

During the past ten years, the quest for revenues from fees has intensified. The year 2002 marked the first parking fees, replaced in 2006 with a \$5 voluntary donation to State Parks collected with vehicle license fees. Donations began as a choice to opt in and then were automatically included in license fees unless drivers chose to opt out. Between 2000 and 2010, the percentage of the agency's expenses paid from user fees rose from about 25 percent to more than 40 percent.

In 2008 Washington experienced the largest economic crisis since the Great Depression. The "Great Recession" decimated State sales tax revenues, requiring General Fund budget reductions of historic proportions. In State Parks' 98<sup>th</sup> year, the Legislature and Governor made a policy decision to eliminate most General Fund support for State Parks and replace it with a user fee system. Through an intense, combined effort, State Parks, together with the Department of Fish and Wildlife and the Department of Natural Resources launched the Discover Pass, a \$30 annual and \$10 daily permit to access state parks and other state recreation lands. While Discover Pass earnings have been substantially higher than in many other states with comparable programs, revenues are about half of original projections; far from sufficient on their own to keep Washington's state park system in operation.

Faced with this reality, State Parks has no choice but to fundamentally change how it provides public recreation, while continuing to protect some of the state's most significant natural, cultural, and historical assets. The agency must now transform itself in a way that diversifies its base of financial and public support while remaining true to its basic mission.

But State Parks cannot meaningfully transform all on its own. As the agency turns inward to critically appraise and reform its operations, it also must turn outward for the help necessary to achieve financial stability and to advance the State Parks mission. Meaningful transformation requires a renewed and reinvigorated commitment from those who visit, contribute, and otherwise benefit from the state park system. By embracing the principles and undertaking the strategies and initiatives outlined in this report, State Parks begins a process of transforming and adapting to its new business model. The State Parks and Recreation Commission calls on all Washingtonians to support their state parks in the system's hour of greatest need.

## **Devising the Strategy**

This transformation strategy is the result of extensive public and staff input gained through four main efforts undertaken in response to legislative policy direction: The four efforts included:

- Commission work sessions establishing the philosophical underpinnings of agency transformation
- Preparation of the 2012 State of State Parks Report
- Reorganizing agency staffing
- Developing statewide revenue and efficiency initiatives

### ***Commission Work Sessions***

During the past two years, agency staff has facilitated a series of discussions with the Commission about transformation. Discussions have included a broad examination of values and beliefs. They also included a systematic exploration of the implications of shifting from state tax-based funding toward a more self-supporting “public enterprise.” Such an enterprise would rely on a diversified mix of income and support with substantially greater emphasis on charging fees for services, expanding activities and programs in parks, competing for discretionary spending, developing strategic partnerships, attracting charitable contributions and enhancing volunteer support.

This Transformation Strategy captures essential elements of the Commission’s work session discussions and expresses them as a series of transformation imperatives and principles. These imperatives and principles are intended to provide over-arching, agency-wide guidance and direction.

### ***State of State Parks Report***

In spring 2011, the Governor signed into law Engrossed House Bill 2127 establishing the Discover Pass. EHB 2127 ushered in a new era in which user fees form the principal source of income to fund operation of the state park system. The Discover Pass legislation included a key proviso requiring State Parks to submit a report to the State Office of Financial Management detailing progress towards making the system self-supporting, as well as outlining any additional statutory changes needed for successful implementation.

In satisfying this proviso, agency staff conducted an extensive outreach campaign to share the agency’s financial challenges and to hear the public’s view on funding state parks. Participants weighed in on three funding mechanisms:

- Public financing – some form of general support from taxes or dedicated funds
- User financing – use fees and proceeds from other enterprise activities in parks
- Charitable financing – private philanthropy, volunteer efforts and partnerships with other public and private entities

In workshops and presentations, participants consistently expressed their preference for a combination of all three financing models, with a significant level of public financing supporting those aspects of the State Parks mission that benefit all Washingtonians.

With a clear sense of public sentiment, the Commission concluded in its State of State Parks report that the state park system cannot become 100% self supporting without fundamentally distorting the agency's mission. The Commission asserted that by conserving and protecting the State's natural and cultural heritage, the park system benefits all Washingtonians, whether they visit the parks or not. The state park system and the tourism revenues and jobs it generates for state and local economies further support the position that state parks benefit all of us, by generating more in State general funds than is being asked to run the system.

Therefore, some funding for the system derived from State taxes makes sense – particularly for those conservation and social benefits that don't generate a direct financial return to the agency. The Commission concluded that appropriately funding the state park system includes a blend or “right mix” of public, user, and charitable financing.

This Transformation Strategy draws on the public process used in developing the State of State Parks report to create transformation principles and a series of specific strategies and initiatives that give force to those principles.

#### ***Revenue and Efficiency Task Force***

Facing the specter of losing all or most General Fund support, the Director established a task force to explore potential ways to generate new revenue, to achieve cost-saving efficiencies, and to undertake early-action initiatives that do not require statute, rule, or policy changes.

Enlisting staff from throughout the agency and soliciting input from the public, the Revenue and Efficiency Task Force identified 61 distinct initiatives to generate revenue, build external support, reduce expenses and achieve efficiencies. Twenty-six of the highest priority initiatives are currently being implemented. This Transformation Strategy draws on staff and public input gathered by the task force and incorporates the highest priority initiatives into this report.

#### ***Staffing Reorganization***

Reliance on user fees as the principal source of funding agency operations has already resulted in very real consequences. With revenues from Discover Pass sales not meeting expectations, State Parks was forced to make painful staff and spending reductions to balance the agency's budget. Making reductions was further complicated by a need to keep all parks open and at adequate service levels to retain income from camping and other services and to promote sale of Discover Passes.

To help plan previously unthinkable reductions, agency management turned to field staff for expertise and assistance. Region staffs and park managers participated in work sessions to help devise operating models that would maintain essential services, keep visitors safe, protect sensitive resources and keep parks open for the public – for the time-being. The general direction that emerged was a return to a seasonal staffing model used by the agency in earlier times to preserve staff numbers during the heavy summer use season. Reductions also eliminated and centralized management positions.

Although reductions have been painful, the process and analysis used to guide them has greatly improved the agency's understanding of field operations and how best to allocate resources, achieve efficiencies, and stretch increasingly scarce financial resources. Reorganization also has shone a light on things that remain to be learned. Experience and questions raised through this process are incorporated throughout this document.

### ***One Unified Outcome***

Through the four efforts outlined above, State Parks has completed a thorough investigation of agency transformation that now comprises the basis of this Transformation Strategy. Through these efforts the Commission has:

- Established the need to transform the agency's approach to funding and operations
- Considered options and alternative directions
- Received considerable input from staff and the public
- Arrived at an overarching policy direction

## **State Parks' Transformation Strategy**

In addition to statutory authorizations in law, agency rules, Commission policies and administrative policies and procedures, guidance for managing the state park system is included in statements of the Commission's mission and core values. In preparation for the State Parks Centennial, the Commission also adopted a Centennial 2013 Plan, including a vision statement and 11 goals through which to achieve it. Since 2005, the Centennial Plan has served as State Parks' strategic plan, informing budget requests and measuring the agency's progress towards its goals.

This Transformation Strategy is intended to align agency philosophy, set general direction, and provide a conceptual framework for transforming the agency to a new business model during the next decade. The following elements comprise the Transformation Strategy:

- State Parks Mission
- State Parks Vision
- Transformation principles
- Agency culture and core values
- Transformation strategies and initiatives

The Transformation Strategy together with a prioritized, actionable and measurable plan to implement the transformation strategies and initiatives to be completed in upcoming months will serve as State Parks' new Strategic Plan.

### **□ State Parks Mission**

The Commission's existing mission statement was crafted as part of its 1993 Strategic Plan.

*The Washington State Parks and Recreation Commission acquires, operates, enhances and protects a diverse system of recreational, cultural, historical and natural sites. The Commission fosters outdoor recreation and education statewide to provide enjoyment and enrichment for all and a valued legacy to future generations.*

As State Parks prepares to enter its second century, some refinement could better reflect the Commission's basic policy direction and help to attract the right mix of support in a shift towards greater financial self-sufficiency. While state parks certainly attract and benefit visitors from throughout the world, the mission should clearly emphasize that Washington's state park system belongs to all Washingtonians – all of whom share in its benefits and responsibility for its care. An updated mission statement should also emphasize the central purpose of state parks in connecting Washingtonian's with their natural and cultural heritage. The Commission's mission should therefore be updated as follows:

*The Washington State Parks and Recreation Commission protects Washington's most precious lands, waters, and historic places. In state parks, Washingtonians unite with their state's rich natural, cultural and ethnic heritage. The Commission nurtures recreational and educational*



*experiences that make today's and tomorrow's visitors healthier, happier, and more enlightened people.*

## □ Vision

In 2003, the Commission adopted its Centennial 2013 Vision as a source of inspiration and to set a direction for the agency's Centennial 2013 Plan.

*In 2013, Washington's state parks will be premier destinations of uncommon quality, including state and regionally significant natural, cultural, historical and recreational resources that are outstanding for the experience, health, enjoyment and learning of all people.*

While it remains a noble vision for the State Parks Centennial and much progress was made in the middle years of the campaign, the reality on the ground has changed markedly since 2008. In its application to advance and improve the state park system, the Centennial Vision was considered a litmus test to determine whether a given park or property lived up to the standards set by the Commission's vision. Parks deemed inconsistent with the vision were typically transferred to an interested local government jurisdiction so that they could remain in operation for the public. With greater reliance on user fees to pay for park system operation, meeting a test of regional or statewide significance is now far less important than maintaining a collection of parks the public really cares about, wants to use and is willing to support. Thus, the quality and accessibility of the system of parks, now must take precedence of the singular functions of individual parks. The vision should therefore be adapted to reflect this change.

*Washington's state parks will be premier destinations of uncommon quality that Washingtonians cherish and are proud to support and share with family, friends, and visitors from around the world. The natural, cultural, recreational, artistic, and interpretive opportunities in state parks will capture the hearts and imaginations of all who visit.*

As agency transformation progresses, this vision will be tested. Ultimately, it may require additional updating to reflect changed circumstances and the outcomes of agency transformation.

## □ Transformation principles

With fundamental changes to agency funding, State Parks as an institution must now recognize and accept a new reality: Earned income must pay for the majority costs of operating the state park system. As staff and the Commission have wrestled with how to adapt to this change, several transformation principles have emerged:

***We must provide experiences people will choose:*** With the Discover Pass, camping, and other user fees now comprising the largest source of income, State Parks is now essentially a *public* enterprise. As such, the agency must compete with other public and private recreation providers for the time, attention and money of park visitors. It is now incumbent on State

Parks to adapt and improve its product and offer recreational opportunities and experiences the public will choose to buy.

***We must align everything we do with appropriate sources of funding***: Historically, as an agency mostly supported by funds derived from state taxes, State Parks had considerable discretion to accept and absorb the cost of activities seen as in the public's general interest or as a necessary cost of operating within state government. All agency expenditures must now align with appropriate and available sources of funding. To do this, State Parks needs to differentiate and quantify actual costs associated with the various activities it undertakes and make critical choices about where to place its limited financial resources. Lean finances require the agency to act in an exceedingly businesslike manner. As transformation proceeds, the degree to which funding sources and mechanisms can be developed will ultimately determine the activities the agency can undertake – and those that can no longer be sustained.

***We must pursue an interdependent relationship with our volunteers, friends, and partners***: In order to successfully operate parks, develop and maintain facilities, and expand programs and services that attract paying visitors, the agency will need help and cooperation from like-minded individuals and organizations. The State Parks Foundation can also play an expanded role in securing State financial support by enlisting and coordinating advocacy activity among friends groups, cooperative associations, partners and volunteers. Effective and lasting partnerships, however, require a willingness to give up some measure of control and to respond effectively to the needs of the partner. Consequently, the Commission and staff must adopt a highly collaborative posture, welcome and seek greater participation, and expand support for those who wish to contribute their time and money to improving the care of state parks.

***We must base our business decisions on adequate and objective information and data***: Under the agency's historic business model where general fund support paid for operating the state park system, decision making was driven mostly by soliciting public input, gauging public sentiment, and responding to political influences of the day. With earned income now making up the majority of funding, the agency must make decisions about how best to allocate its staff and financial resources to achieve the return necessary to sustain appropriate care of state parks. Good business decisions, however, require objective data and analytical capabilities the agency largely lacks at this time. State Parks must therefore make strategic investments to develop, refine and continuously apply systems of data collection and analysis to best understand and respond to the needs and preferences of its paying park visitors.

***We must embrace innovation and technology***: For many years parks and recreation providers believed that technology had no place in parks. Providing access to internet and electronic media was considered a distraction and thought to undermine the authenticity of a visitor's park experience. Many believed state parks should remain *technology-free*. While some visitors still prefer to unplug in parks, others prefer the security and convenience provided by their various hand-held devices. Increasingly, park agencies are taking advantage of mobile technologies to provide park-related information, orientation and interpretation. This

technology not only improves flexibility and reduces the cost of providing these services but now is generally accepted or even expected by visitors as a way to facilitate and enhance their park experience.

With staff spread more thinly throughout the state, an ability to collaborate and coordinate work with others within and outside the agency is imperative. Providing tools to access centralized financial and human resource management systems is essential to efficient park system administration. State Parks must therefore make critical investments in its technology infrastructure and the capability of staff, partners and volunteers to use it effectively. Advancing our use of technology, innovative practices, and keeping pace with the needs of our visitors and partners is essential to competing and assuring the state park system's relevance into the future.

### **□ Agency culture and core values**

Transformation requires new staff skills and new ways of working together. Agency culture and values outlined below are intended to refine core values developed several years ago and add a series of expected norms and behaviors to guide interactions both internally and externally. These core values and culture should drive organizational development so people work together effectively and are collectively capable of learning, innovating and adapting to change.

In interacting with one another, the Commission, staff, partners, supporters and volunteers will foster a collaborative culture in which people:

- Maintain a working environment that nurtures innovation
- Recognize a colleague's vulnerability in developing new ideas and support them
- Encourage risk-taking and accept responsibility for the outcome
- Respectfully challenge assumptions and traditions
- Give and accept constructive criticism
- Adopt a 'yes, and' approach in discussions
- Accept conflict between ideas as a necessary step toward finding solutions
- Act with civic courage and the highest ethical standards
- Invest in training and professional and personal development
- Take pride in their work, the mission and the resources we steward

The State Parks and Recreation Commission, its staff, partners, supporters and volunteers share core values that demonstrate a commitment to:

- Stewardship that preserves the state's natural, cultural, and ethnic heritage in perpetuity
- Universal access to recreation, education, artistic, and cultural opportunities in state parks
- Meaningful public engagement and participation in developing and operating the state park system
- Supporting one another as we work together to achieve the agency's mission
- Excellence in all we do

## ❑ Transformation strategies and initiatives

As described earlier, the development of the 2012 State of State Parks report led the Commission to the conclusion that appropriately funding the state park system requires a “right mix” of public, user and charitable support. The strategies and initiatives that follow are designed to generate additional revenues, achieve operating efficiencies, and expand contributed financial and volunteer support for operation of the state park system. Appendix A provides descriptions of the 47 initial transformation initiatives State Parks plans to undertake in transitioning to its new business model.

### **1 - Demonstrate that all Washingtonians benefit from their state parks**

Throughout its 100-year history, funding derived from state taxes has been the principal means to pay for operation of Washington's state parks. Essentially, all who live and spend money in Washington have contributed to development and operation of their state park system. With public support the system now comprises over 100 developed parks that are home to the largest remaining tracts of Puget Sound lowland old growth and mature forests, globally imperiled plant communities, threatened and endangered wildlife, and the finest examples of common natural communities that tell the story of Washington's natural history. State parks are the places where most Washingtonians visit, get to know, respect, and love the natural world.

With contributions from all Washingtonians, State Parks now manages the state's largest, most diverse collection of state and nationally significant historic properties open to the public. State parks are also home to a vast assemblage of traditional cultural properties, archaeological sites, and other cultural sites and landscapes that are significant and sacred to Washington's first inhabitants. State parks are where most Washingtonians connect with their state's history and cultural heritage.

State parks are vital contributors to state and local tourism economies attracting visitors from around the state and nation, creating jobs, and generating taxes that help support the work of state government. Perhaps most important: State parks make Washingtonians healthier and happier. They provide a vast network of recreational opportunities that get people of all ages, abilities, and means off the couch and active in the outdoors, away from the hectic pace of modern life. Innovative health care providers now prescribe park visits to promote the health and wellbeing of their patients.

Washington's state parks benefit all Washingtonians, so all Washingtonians share responsibility for their care. The Commission's stated policy is that some financial support derived from state taxes is fair and appropriate to pay for those conservation, economic, and social qualities that benefit us all. The following strategies and initiatives will help demonstrate these statewide benefits.

**Strategy:** Demonstrate the state park system’s contribution to conserving the state’s natural heritage and biodiversity.

- Natural Heritage Initiative
- Puget Sound Action Agenda Implementation
- Fish Passage Initiative

**Strategy:** Demonstrate the state park system’s contribution to preserving the state’s historical and cultural heritage.

- Cultural Heritage Initiative
- Ethnic Heritage Initiative

**Strategy:** Demonstrate the state park system’s contribution to promoting tourism, economic development, and green industry.

- Tourism and Economic Development Initiative
- Greenhouse Gas Reduction Initiative

**Strategy:** Demonstrate the state park system’s contribution to promoting physical activity, health, and wellbeing of all state residents

- No Child Left Inside Initiative
- Limited income senior citizen, disability, and disabled veteran passes and Foster Family Passes

## 2 - Adopt a business approach to park system administration

With earned income now comprising the majority of agency funding, State Parks is essentially a public enterprise. Informed and strategic business decisions are essential to effectively allocating scarce financial and staff resources, achieving efficiencies, and generating revenues necessary to operate the state park system. The following strategies and initiatives will help the agency create a new business model that is highly analytical and reflects the evolving nature of the agency’s funding.

**Strategy:** Identify, assemble, collect and analyze data necessary to make informed decisions on expenditure of staff and financial resources.

- Data Management Initiative
- Facilities Condition Assessment Initiative

**Strategy:** Seek efficiencies and process improvements in all areas of park system operation, development, and administration.

- LEAN Management Initiative
- Sustainability Initiative

- Park Housing Initiative
- Law Enforcement Analysis
- Maintenance Program Initiative

**Strategy:** Create incentives for local communities, parks, agency work groups, and individual employees to save money and generate new revenues.

- Incentives Initiative

**Strategy:** Transition all fee programs into a market-based system of competitive rates for facilities and services.

- Fees Initiative

**Strategy:** Develop a robust program to market the Discover Pass and the state park system

- Marketing Initiative
- Discover Pass Business Plan Initiative

**Strategy:** Develop expanded opportunities for tasteful and appropriate park and private enterprises in parks.

- Park Enterprise Initiative
- Park Concessions Initiative
- Advertising Initiative

### 3 - Provide recreation, cultural, and interpretive opportunities people will want

With most agency funding now coming from Discover Pass sales and other service-related fees, State Parks must now compete effectively for people's recreation and leisure time and money. Consequently, state parks must provide opportunities that are attractive and relevant to visitors of all ages and abilities. At their core, state parks must be clean, well-maintained, and professionally operated. To attract repeat and new visitors, state parks must also provide a suite of recreation opportunities and programs that are clearly in demand. Simply fixing facilities developed a generation ago may no longer serve tomorrow's visitors. Recreation, interpretation, and arts programs once thought as nice extras are now essential to retaining and attracting park visitors.

The following strategies and initiatives will help create high-quality state park experiences that attract more visitors and help generate user fees necessary to sustain state park operations.

**Strategy:** Provide a suite of recreational, cultural, artistic and interpretive opportunities that are relevant to existing and potential park visitors and that leverage each park's unique qualities.

- Park Level Transformation Initiative

- Park Trails Initiative
- Cabins and Yurts Initiative
- Park Signing Initiative
- Park Events Initiative
- Recreation Programs Initiative
- Interpretation Transformation Initiative

## 4 - Promote meaningful opportunities for volunteers, friends, and donors

The state park system has expanded and evolved considerably during the past century. But throughout its history, state parks have survived and flourished with the contributions and support of generous individuals and institutions.

- About 40% of park lands were donated by other governments, individuals, estates and other private organizations.
- Seventeen independent friends groups raise money, coordinate volunteers, operate interpretive centers and gift shops, hold events and festivals, construct and maintain facilities and otherwise contribute countless hours of service to state parks.
- During the 2012 fiscal year, passionate individuals, cooperative associations, and other volunteer groups contributed 264,769 hours of assistance to state parks. This equals about 127 full time positions valued in excess of \$3.7 million.

In 2001, the Legislature established the Washington State Parks Foundation, an independent non-profit organization, to raise money and support acquisition, development and recreational and educational programming in state parks. With the dramatic budget reductions of the past few years, work of the Foundation has switched into high gear. The agency's 2013 request legislation asks for the authority to expand Foundation functions to include developing support for basic park operations, public awareness and advocating for the state park system.

The following strategies and initiatives will develop meaningful and fulfilling ways for people to contribute their skills, energy and money to maintain and enhance the state park experience.

**Strategy:** Empower, clarify roles and expand collaboration with the State Parks Foundation.

- Governors' State Parks Initiative
- Foundation Membership Initiative
- Park Asset Inventory Initiative
- Sponsorships Initiative

**Strategy:** Work to realize the full potential of volunteers to support and supplement the efforts of state parks staff.

- Friends Development Initiative

- Volunteer Development Initiative

## 5 - Form strategic partnerships with other agencies, tribes, and non-profits

State Parks has actively pursued cooperation with other government agencies, tribes and non-profits for many years. Negotiating agreements has frequently included accepting broader benefits to public recreation or environmental conservation in lieu of specific tangible returns to the agency. Partnerships must now be strategic and consistently result in a cost savings, directly or indirectly generating a financial return, or hold promise for future savings or revenues without incurring unrecoverable up-front expenses.

Partnership is a two-way street. The agency must be willing to cede some control and cultivate trusting relationships for lasting partnerships to develop. This typically involves crafting memoranda of understanding where both parties agree to complete smaller tasks that develop trusting working relationships before entering into more substantive long-term and binding agreements. This process takes time, but benefits to the agency are considerable.

State Parks also has an opportunity to establish itself as a leader in several specialized services and provide them to other agencies for a fee. This approach will allow expansion of these specialized programs and thereby achieve economies.

**Strategy:** Develop formal partnerships with other organizations that are ultimately expected to offset expenses, leverage investment or stimulate activity that directly or indirectly generates a financial return.

- Interagency, Tribal, and Non-Profit Partnerships Initiative

**Strategy:** Provide specialized services required for park system operation to other state and local agencies on a fee basis (e.g., hazard tree assessment and removal, marine facilities maintenance, and interpretation programs and facilities development).

- Specialty Services Initiative

## 6 - Expand use of land holdings for compatible revenue generating purposes

State Parks' land holdings and improvements are the agency's largest physical asset. The estimated value of the agency's land tops \$3 billion. The vast majority of lands are in active use for recreation, natural resource conservation and historic preservation purposes. Most of the agency's lands were acquired with grant funds or with restrictions placed by previous owners that typically limit their use to public outdoor recreation. Any change in use of these lands that is not consistent with these restrictions typically triggers a "conversion" and requires the agency to purchase suitable replacement lands. In some cases, lands were acquired with



reversionary clauses requiring them to be returned to the previous owner if there is a significant change from their intended use.

The balance of agency lands, an estimated 30% - 50% of the agency's 119,000-acre land base, were acquired through donation, transfer, trade, or purchased with unrestricted funds and are therefore their use is not legally restricted solely to park purposes. Once existing recreational uses, resource sensitivities and practical limitations are factored in, approximately 5% of agency lands remain that are suited for use or development that generates revenue.

Under limited circumstances State Parks currently issues leases, permits and easements (LPE's) for compatible, non-recreational uses. LPEs in parks are typically issued for some public benefit (e.g., utility corridors, mountaintop communication sites, or private recreation provider) and generate approximately \$1 million in annual revenues to the agency. Potential remains to increase revenues from existing leases and to identify additional LPE opportunities.

Through the years, State Parks has acquired lands that for various reasons are no longer suitable for state park purposes. When not restricted in their use, these lands have the potential to be used or developed in a manner that generates an ongoing revenue stream.

The following strategies and initiatives will expand compatible revenue generating use of park lands to help pay for long-term operation of the state park system. These initiatives are explicitly not intended to sell lands for a one-time gain, but rather envision depositing proceeds into a managed, interest-generating investment account where the principal remains untouched in perpetuity.

**Strategy:** Wherever possible, expand and renegotiate leases, licenses, permits, and easements on park lands for compatible non-recreational purposes (e.g., utility easements and communication sites)

- Licenses, Permits, and Easements (LPE) Initiative
- Environmental Mitigation Initiative

**Strategy:** Identify and pursue opportunities to generate revenues from sale of conservation easements and development rights and dedicate revenues to state park system operation.

- Property Interest Initiative

**Strategy:** Identify and develop agency-owned lands that are not suitable for state park use and retain them for the purpose of generating revenues to support operation of the state park system.

- Revenue Lands Initiative

**Strategy:** As part of on-going identification and disposal of agency-owned lands that are not suitable for state park purposes, seek to secure various development rights (entitlements) prior to sale of these properties as a means of enhancing their value prior to sale.

- Surplus Lands Initiative

**Strategy:** Establish endowment, trust or similar financial instrument in which to invest proceeds from land leases and sale of surplus lands and dedicate interest/earnings to state park system operation.

- Endowment Initiative

## 7 - Develop amenities and acquire lands that advance transformation

Unlike funding for park system operating expenses, capital development funds derived from issue of tax-exempt bonds are available for construction and replacement of new facilities and park infrastructure, major maintenance and renovation projects and land acquisition. These funds are typically secured through competitive state and federal grants or through direct legislative appropriation. Capital grants and direct appropriations have varied significantly during the past ten years, ranging from about \$20 million to nearly \$95 million for a single biennium.

The following strategies and initiatives will help develop and maintain an attractive, high-quality state park system that people will choose to visit and help leverage capital investment from private partners.

**Strategy:** Emphasize capital facilities and infrastructure development and land acquisition that creates a financial return, attracts present or future visitors, facilitates enterprise activities, supports partners and volunteers and otherwise helps implement transformation strategies and initiatives.

- 10-year Capital Development Transformation Plan
- Grants Coordination Initiative

**Strategy:** Establish and seek funding for an opportunity account to fund capital program staff support and leverage partner-funded park development projects (e.g., design review, permitting, archaeology, and construction supervision).

- Development Partnerships Initiative

## **Implementing the Strategy**

The transformation strategy outlined in this document is intended to align agency philosophy, provide direction, and create a conceptual framework for transforming the agency to a new business model. The Transformation Strategy is intended to provide ongoing direction into the foreseeable future. During the next several months, State Parks will develop an implementation plan that will translate the Transformation Strategy into actionable and measurable steps. The seven overarching strategies, restated below, provide the foundation that will drive transformation initiatives and position the agency to be a more successful public enterprise.

1. Demonstrating that all Washingtonians benefit from their state parks
2. Adopting a business approach to park administration
3. Providing recreation, cultural, and interpretive opportunities people will want
4. Promoting meaningful opportunities for volunteers, friends, and donors
5. Forming strategic partnerships with other agencies, tribes, and non-profits
6. Expanding use of land holdings for compatible revenue generating purposes
7. Developing amenities and acquiring lands that advance transformation

To successfully adapt the agency's funding model to include the right blend of public funding, revenues and contributed support, State Parks will need to build the capacity to thoughtfully and effectively evaluate the cost of all of its programs and activities. The implementation plan will solidify the agency's priorities in the form of forty-seven initial transformation initiatives, summarized in Appendix A. The implementation plan will take these initiatives and establish the following:

- Clear targets and expectations including biennial and long term goals for each initiative
- Specific performance metrics needed to monitor our progress in reaching those goals
- The roles and responsibilities for agency staff charged with overseeing each initiative
- Project costs and expected timelines for completion

The result will be a clear, actionable, and measurable plan for implementing the initiatives that together with the Transformation Strategy will serve as State Parks' new Strategic Plan. This Strategic Plan will enable executive leadership to make decisions that are based on reliable and representative cost and performance data. Staffing capabilities and effort necessary to implement transformation initiatives will also inform any changes to organizational structure and help drive strategic investments in staff hiring, training, and work planning.

As work implementing the Strategic Plan proceeds, executive leadership will take an adaptive management approach to managing the transformation initiatives. Progress on initiatives will be continually assessed and evaluated. Those that are succeeding will be further supported, while those that are failing to achieve results will be adapted or abandoned. It is also

anticipated that through the implementation process, new initiatives will be identified and incorporated into the plan.

Finally, implementation of the Strategic Plan will include regular progress reports to the Commission and provide means through which the Commission, staff, partners, and volunteers can continue to provide input on the plan as it advances and evolves.

## Appendix A: Transformation Initiatives

1 - Demonstrate that all Washingtonians benefit from their state parks	
Initiative	Description
Natural Heritage Initiative	<p>The overarching purpose of this initiative is to develop a systematic plan for protecting and restoring natural plant and animal communities in state parks, conveying their significance to the public, and enlisting the public's participation and support in conserving them. Elements of this initiative include:</p> <ul style="list-style-type: none"> <li>• Assembling field data and assessing the significance, integrity and risks to State Parks' ecological resources</li> <li>• Recommending priorities for treatment of plant and animal communities (e.g., protection, restoration, enhancement)</li> <li>• Identify financial and in-kind resources to accomplish treatments</li> <li>• Develop materials and methods to convey the significance of the state parks resource, the threats it faces, and enlist the public in supporting the agency's stewardship efforts</li> </ul>
Puget Sound Action Agenda Implementation	<p>This initiative implements near-term actions outlined in the Puget Sound Partnership's Action Agenda. Elements for which State Parks is responsible include:</p> <ul style="list-style-type: none"> <li>• Identifying opportunities for nearshore restoration and removal of shoreline hard armoring</li> <li>• Review existing plans and seek funding for interpretive opportunities on Puget Sound ecology, threats, vital signs, and recovery actions in state parks</li> <li>• Working with the Department of Ecology and the Environmental Protection Agency to establish no discharge zones in Puget Sound</li> <li>• Administering federal Clean Vessel grant program that provides grants to local government and private marinas for vessel sewage pump-out stations.</li> </ul>
Fish Passage Initiative	<p>This initiative identifies, evaluates, and corrects barriers to anadromous fish passage in response to a law suit brought by Washington tribes against the state. This involves extensive inventory and evaluation of barriers and design and construction of capital projects to correct them.</p>
Cultural Heritage Initiative	<p>The overarching purpose of this initiative is to develop a systematic plan for treatment and preservation of cultural and historic properties in state parks, conveying their significance and value to the public, and enlisting the public's participation and support in preserving them.</p>
Ethnic Heritage Initiative	<p>This initiative convenes a multi-agency and stakeholder summit to set an agenda for expanding State Parks' role in preserving, interpreting and celebrating Washington's ethnic heritage.</p>
Tourism and Local Economic Development Initiative	<p>This initiative is intended to develop working relationships with local tourism and economic development entities to help market state parks. A second focus of this initiative is to update previous studies of the economic benefits of state parks to state and local economies and to provide this information to State Parks' advocates.</p>
Greenhouse Gas Reduction Initiative	<p>During the past decade the Governor has issued executive orders and the Legislature has enacted several laws requiring state agencies to measure, report, and ultimately reduce greenhouse gas emissions. The Department of Ecology is the agency tasked with coordinating these efforts among all state agencies. This multiagency effort has initially focused on developing tools for agencies to identify sources, estimate and project emissions, develop reporting systems, prescribe reduction strategies. State Parks has completed this initial work and systems are now in place. This initiative is intended to focus on refining and implementing greenhouse gas reduction strategies and undertake a renewed effort to achieve reductions mandated in statute.</p>

No Child Left Inside Initiative	In 2007, the Legislature enacted the outdoor education and recreation grant program. The program’s intent was to: “...establish an outdoor education and recreation program to provide a large number of underserved students with quality opportunities to directly experience the natural world. It is the intent of the program to improve students' overall academic performance, self-esteem, personal responsibility, community involvement, personal health, and understanding of nature...” The program, established in agency rule as “No Child Left Inside” was an important effort conceived to provide a statewide social benefit and was originally funded from the State General Fund. Amidst dramatic budget reductions precipitated by the Great Recession, funding for this program was eliminated. This initiative is intended to secure funding for this program from private sources while continuing to seek financial support from the General Fund or other dedicated State fund source.
Limited income senior citizen, disability, and disabled veteran passes and Foster Family Passes	For decades, State Parks has provided people with limited income, disabilities, and disabled veterans a pass with which to camp at no charge in state parks. In 2008, the Legislature enacted a measure to permit families caring for youth in State foster care to also camp at no charge. More recently, the Legislature included people qualifying in these groups as eligible to receive a Discover Pass to access state parks and state recreation lands at no charge. Providing access to state parks and state recreation lands is clearly an important social benefit not only to individuals in these groups, but to all Washingtonians. This initiative is intended to seek ongoing State General Fund or other dedication State funding to continue this program.

<b>2 - Adopt a business approach to park system administration</b>	
<b>Initiative</b>	<b>Description</b>
Data Management Initiative	Agency staff has developed a plan to assess current data collected and streamline reporting in parks. A data specialist has also been included in the agency’s operating budget request to coordinate data collection and reporting agency-wide.
Facilities Condition Assessment Initiative	Develop a Facilities Condition Inventory (FCI) tool to facilitate reduction of Parks’ deferred maintenance backlog. By systematically assessing and reporting status, we can credibly seek funding and use all of our capital and maintenance funding and capabilities to address our deferred maintenance. The data developed in this initiative would be incorporated into the Commission Capital Program plan.
LEAN Management Initiative	The purpose of this initiative is to look at processes within the Agency and apply Lean philosophies and tools in order to remove non-value added steps. Lean is a systematic approach to continual process improvement in order to remove waste from the Agency. It is applicable to all areas of State Parks including Headquarters, Regions, and the Field.
Sustainability Initiative	In 2009, the Commission adopted an ambitious sustainability plan towards making the agency the greenest state park system in the country. This initiative proposes an expanded effort to analyze agency resource usage (electricity, fuel, water, etc.) and develop a statewide plan that directs specific sustainability measures to achieve efficiencies and reduce costs in ways that maximize return on the agency’s financial investment. It also seeks to identify and secure external sources of funding where available to further the agency’s sustainability goals. This initiative also seeks to plan and develop a series of electric vehicle charging stations in state parks that together form regional travel loops and explores development of electric vehicle charging stations for future agency fleet applications.

Park Housing Initiative	This initiative performs an analysis of role and use of park housing, including related policies to consider cost effectiveness and ensuring the business objectives of the agency are being met with best practices. This will include looking at policies and models in other states, facility assessment, and considering the current needs within parks. This could also result in some housing being made available for rental, new terms of occupancy or even elimination of some structures.
Law Enforcement Analysis	Undergo an analysis of the role of Law Enforcement in State Parks including costs, needs, efficiencies, and comparisons to other systems. Objective is to right size the role of LE in the individual employee, park, area and agency. Evaluate program costs and delivery of service. Significant savings is possible.
Maintenance Program Initiative	Staffing and funding for the agency's maintenance program has been significantly decreased as a result of budget reductions. This initiative will analyze the current maintenance program and needs in order to develop policy and a refined approach to maintenance and preventative maintenance within the agency.
Incentives Initiative	This initiative explores the potential to offer incentives to individual parks and agency work groups for generating additional revenues or achieving efficiencies. For many years local communities have expressed an interest that revenues derived from various enterprise, volunteer, and partnership activities be returned to the park in which they were generated. The Commission's recent policy action on environmental mitigation dedicates proceeds from mitigation projects to stewardship activities in parks where the mitigation site is located whenever practicable. Other state agencies have also experimented providing cash incentives to individual employees who identify ways to save money or generate additional revenue. This initiative will explore means of providing incentives while setting appropriate safeguards to ensure such a program is administered fairly, transparently, and to the benefit of the state park system as a whole.
Fees Initiative	This initiative transitions all agency fee setting into a market-based system of competitive rates for facilities and services. All elements of this initiative support the following goals: <ul style="list-style-type: none"> <li>• Setting service fees and rates based on demand and fair market value.</li> <li>• Creating new market opportunities.</li> <li>• Harmonizing new fee policies with the Discover Pass.</li> <li>• Pricing for exclusivity of the service being offered.</li> <li>• Pricing services at or above the cost of service, except as discounted by Commission policy or state law.</li> <li>• Delegating most fee and rate setting to staff to maximize entrepreneurial approaches in the marketplace.</li> </ul>
Marketing Initiative	The overarching purpose of this initiative is to build and sustain a comprehensive strategic marketing program that can adapt to support agency financial needs and to promote the value of the state park system to the public. Promoting use of state parks should have, as one goal, to stimulate sales of Discover Pass and purchase of other fee-based services. Elements of this program include: <ul style="list-style-type: none"> <li>• Marketing coordinator position.</li> <li>• Marketing team.</li> <li>• Use of contracted assistance as necessary.</li> <li>• Strategic partnerships to enhance reach and effectiveness of activities</li> <li>• Integrated strategies</li> <li>• Best use of free and earned marketing media</li> <li>• Outreach and coordination with friends and volunteers to extend efforts</li> </ul>

Discover Pass Business Plan Initiative	This initiative will implement a Discover Pass Business Plan prepared by Berk Consulting. The Business Plan is a three agency effort to simplify the Discover Pass program, remove customer confusion, increase marketing efforts, and increase sales potential. The Plan looks at redesigning the physical pass, developing a marketing effort within State Parks and with our sister agencies, and rethinking the sales strategy of the Discover Pass with hopes of increasing Pass clarity and revenue.
Park Enterprise Initiative	This initiative enhances retail sales of agency branded items in park gift shops, stores, interpretive centers, and online as part of the agency's digital media strategy. Contract to sell on-demand printed products such as calendars, mugs, books, posters etc. that incorporate both agency and visitor-produced images and content.
Park Concessions Initiative	This initiative offers traditional concession opportunities (equipment rental, food services, and recreational activities) on a regional or statewide level.
Advertising Initiative	This initiative advertises sales of park merchandise and offers marketing promotions to businesses, non-profits, individuals and other entities. Advertising methods include web adds, adds in agency brochures and publications, and temporary in-park promotions. Any introduction of advertising will include a thorough evaluation of any impacts to park aesthetics and the integrity of the state park experience – particularly in sensitive historical and cultural sites.

<b>3 - Provide recreation, cultural, and interpretive opportunities people will want</b>	
<b>Initiative</b>	<b>Description</b>
Park Level Transformation Initiative	<p>This initiative is a multi-phased public planning effort similar to the Classification and Management Plan (CAMP) process that seeks to develop support for individual or assemblages of state parks (e.g., park areas, marine parks, rock climbing parks, and ocean beach parks). Park transformation planning efforts will work with local government and communities to develop:</p> <ol style="list-style-type: none"> <li>1. State capital and operating support</li> <li>2. Park enterprise and business partnerships</li> <li>3. Intergovernmental partnerships</li> <li>4. Philanthropic and volunteer support</li> </ol>
Park Trails Initiative	<p>This initiative aims to better match our trail system up with the kinds of trail opportunities park visitors are seeking. The State Comprehensive Outdoor Recreation Plan consistently ranks trail activities as among the most popular recreational pursuits in Washington, so opportunities exist to increase day-use attendance through improving our trail system. Elements include:</p> <ul style="list-style-type: none"> <li>• Developing accurate trail maps for use online and in a mobile application.</li> <li>• Working with trail user groups to identify ways to improve our trail system to better meet their needs.</li> <li>• Identifying opportunities to improve access to park trails by people with disabilities</li> <li>• Developing and nurturing partnerships to help construct and maintain park trails.</li> <li>• Soliciting and developing partnerships with health care organizations to promote State Park trails as a fun way to improve health and well-being.</li> <li>• Developing a plan to complete the cross-state trail.</li> <li>• Seeking funding to develop trailhead facilities at undeveloped or underdeveloped park properties.</li> </ul>



Cabins and Yurts Initiative	The Cabins Initiative is intended to guide a potential \$3 million capital investment in statewide cabin development and generate revenue to help offset agency operating expenses. Site selection for cabins will draw together information from previous cabin initiatives and current occupancy data. The formula for maximizing revenue is a careful balance of demand factors (consumer interest and ability to rent) and supply factors (shovel-ready available buildable space, utilities, infrastructure, staff, reservation systems, etc.).
Park Signing Initiative	This initiative will develop criteria that can be used by park managers, with assistance from region planners, to evaluate and improve their park signing. Signs are one of the primary ways we communicate with park visitors, and can play a key role in people’s first impressions of our parks. Signs can welcome and guide our visitors, or they can hinder and confuse them. The focus of this initiative will include: <ul style="list-style-type: none"> <li>• Providing clear, concise, and welcoming signing between a park’s entrance and its parking lot(s).</li> <li>• Identifying at least one model park to serve as an example for how to implement the signing criteria.</li> <li>• Consideration of how to develop more universal messaging for those who do not read English.</li> <li>• Consideration of how and when to integrate new technologies into park signs</li> <li>• Developing a plan for reevaluating park signing over time.</li> </ul>
Park Events Initiative	This initiative includes working with Foundation, friends groups, and community groups to hold recreational events, arts performances, and festivals in state parks (e.g., fun runs, triathlons, mountain bike races, concerts, and ethnic festivals). The purpose of this initiative is mainly to entice more people to visit state parks, furthering public service, and encouraging sales of statewide access permits. Elements include: <ul style="list-style-type: none"> <li>• Expanding the agency’s Traditional and Folk Arts in Parks Program</li> <li>• Developing an improved online statewide events calendar</li> <li>• Expanding promotion of events</li> <li>• Preparing an events manual</li> <li>• Planning improvements for performance and event venues in key parks</li> </ul>
Recreation Programs Initiative	This initiative develops recreational programs in parks to help compete with other recreation providers, increase use of parks and promote sale of Discover Passes. Examples of recreational programs under development include: <ul style="list-style-type: none"> <li>• Expanding the agency's Junior Ranger program</li> <li>• Partnering with the National Wildlife Federation to provide Ranger Rick programs in parks.</li> <li>• Developing a statewide geocache program in partnership with Washington State Geocache Association.</li> <li>• Developing a Volkssport challenge in selected state parks.</li> <li>• Developing the first day hikes program as part of national First Day Hikes campaign.</li> </ul>

<p>Interpretation Transformation Initiative</p>	<p>This initiative transforms interpretation into a fundamental element of the state park experience. Modernized interpretive services also provide cost-effective management tools to promote new and repeat visitation, and stewardship of vulnerable state park resources. Key elements include:</p> <ul style="list-style-type: none"> <li>• Diversifying programming and events to expand the demographic of visitors using state parks.</li> <li>• Maintaining and developing relevant self-guided interpretive opportunities that connect visitors to Washington’s diverse human and natural heritage in meaningful ways.</li> <li>• Developing an integrated digital media strategy that leverages technology to deliver cost-effective interpretive services with capacity to transcend state park boundaries.</li> <li>• Organizing a partnership network that nurtures growth of interdependent partnerships at the local, regional, statewide and national level.</li> <li>• Promoting state parks as outdoor classrooms to promote life-long learning within all of Washington’s distinct ecosystems.</li> </ul>
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#### 4 - Promote meaningful opportunities for volunteers, friends, and donors

Initiative	Description
Governors' State Parks Centennial; Initiative	<p>This initiative seeks to engage the current and former Governors' to assist the State Parks Foundation in promoting State Parks' Centennial. Elements included:</p> <ul style="list-style-type: none"> <li>• Enlisting former governors to participate in the initiative</li> <li>• Recording public service announcements to air on television</li> <li>• Holding a fundraising event at the Governor's mansion</li> <li>• Signing a letter asking others to support the state parks system</li> <li>• Supporting agency request legislation</li> </ul>
Foundation Membership Initiative	<p>This initiative seeks to launch a membership program to increase support of parks through engaging Foundation donors, volunteers, and advocates. Elements include:</p> <ul style="list-style-type: none"> <li>• Engaging fundraising consultant assistance to develop a more effective donor engagement strategy</li> <li>• Acquiring software to track and manage contributions by donors and volunteers</li> <li>• Expanding opportunities to participate in Foundation activities</li> <li>• Gaining access to contact information of Discover Pass purchasers to enlist their support of state parks.</li> </ul>
Park Asset Inventory Initiative	<p>This initiative seeks to inventory assets in key state park and identify external opportunities to develop business partnership, new enterprises, and fees.</p> <p>This work expands upon initiatives identified by the State Parks Revenue and Efficiency Task Force. The Foundation hired Calyx Sustainable Tourism to conduct this work and develop reports for six parks.</p>
Sponsorships Initiative	<p>This initiative develops sponsors and sponsorship opportunities in state parks. State Parks has submitted agency request legislation ascribing the leadership role of Foundation in soliciting sponsorships and coordinating and cultivating ongoing relationships with sponsors. State Parks must in turn develop appropriate ways to recognize sponsors without diminishing the experience of park visitors. The Foundation has developed a no-fee contract with a national third party sponsorship firm to identify initial sponsorship opportunities. Similar to the advertising initiative, any introduction of sponsor recognition (e.g., signing) will include a thorough evaluation of any impacts to park aesthetics and the integrity of the state park experience.</p>
Friends Development Initiative	<p>Agency staff and the State Parks Foundation have undertaken a joint Friends Development Initiative and are working to recruit active volunteers and interested community members to establish park friends groups. Where appropriate the Foundation also acts as fiscal agent to friends groups or assists them in obtaining their federal tax exempt status. This initiative is intended to better support existing groups and to recruit eight to ten new groups by June 2013. The initiative also includes holding an annual meeting of friends groups. The 2013 meeting will be combined with a volunteer camp host training</p>
Volunteer Initiative	<p>This initiative is intended to improve recruitment, training, and support for volunteer campground hosts, individual volunteers, and volunteer groups. This includes developing an updated volunteer policy and volunteer manual in collaboration with the Washington Federation of State Employees to clarify the role of volunteers, friends groups, and other cooperative associations. Elements include:</p> <ul style="list-style-type: none"> <li>• Updating the Commission's volunteer policy and the agency's volunteer manual</li> <li>• Expanding recruitment activities</li> <li>• Identifying specific needs suited to volunteer assistance in parks, region offices, and headquarters and improving the matching need with volunteers.</li> <li>• Holding an annual or biennial volunteer and friends group training conference in May 2013 to conduct training, encourage information sharing and networking, and recognize volunteers for their contributions to state parks.</li> </ul>

## 5 - form strategic partnerships with other agencies, tribes, and non-profits

Initiative	Description
<p>Interagency, Tribal, and Non-Profit Partnerships Initiative</p>	<p>This initiative will identify and develop agreements to manage park resources or programs with other government agencies, Native American tribes, and non-profit organizations. These agreements typically bring expertise of the partner to managing a particular resource or program, secures a financial investment by the partner, results in cost savings, or indirectly boost agency revenues.</p> <p>Examples include:</p> <ul style="list-style-type: none"> <li>• Agreement with the Fort Worden Public Development Authority to manage the park's main campus.</li> <li>• Memorandum of Understanding (MOU) with the City of Issaquah to improve Lake Sammamish State Park.</li> <li>• Interagency agreement with the City of Spokane to run recreational programs at Riverside State Park.</li> <li>• Co-management agreement with Swinomish Tribe for the Kukutali Preserve at Kiket Island.</li> <li>• MOU with Nisqually Tribe to assist developing and operating Nisqually State Park</li> </ul>
<p>Specialty Services Initiative</p>	<p>For many years, State Parks has contracted services from other federal, state, and local agencies where the agency lacks in-house capacity or expertise. Contracting rules also require state agencies to give first consideration to other government agencies before contracting services from the private sector. This initiative is intended to identify specialized expertise and capabilities within State Parks that other agencies may need and to develop interagency agreements to provide these services on a fee basis.</p>

## 6 - Expand use of land holdings for compatible revenue generating purposes

Initiative	Description
Licenses, Permits, and Easements (LPE) Initiative	This initiative requires staff to implement market-based principles and to receive fair market values for all agreements authorizing second party's non-recreational uses of park land. The initiative also directs staff to research and resolve all unauthorized uses of park land and bring these uses under modern, State Parks agreements.
Environmental Mitigation Initiative	This initiative sells a temporary interest in designated park properties to allow restoration of natural systems as compensatory mitigation for public and private development projects. This initiative will also develop agreements with private entities wanting to develop mitigation banks where mitigation credits are sold to other public and private entities who need to offset development related impacts to natural systems. A mitigation bank would allow for large-scale restoration of degraded natural features and systems while generating revenue for park purposes. Current Commission policy requires that all proceeds from mitigation agreements be expended only on stewardship-related activities.
Property Interest Initiative	This initiative seeks to generate new revenues from the sale or granting of partial interests in real property including conservations easements, water rights, development rights (specifically including residential density transfers) and a variety of other interests which are appurtenant to real property. Proceeds from sales of property interests would be used to build a permanent endowment or trust fund, the interest from which could be used to support system-wide operating expenses (see Endowment Initiative).
Revenue Lands Initiative	This initiative will identify certain agency-owned lands that are unsuitable for state park use and development and designate them as appropriate for revenue generation as their principal purpose. These lands would be either developed by the agency or offered for lease and development by the private sector within policy limits set by the Commission. Revenues from agency-developed facilities and proceeds from private leases would be used to build a permanent endowment or trust fund, the interest from which could be used to support system-wide operating expense (see Endowment Initiative).
Surplus Lands Initiative	This initiative will continue existing agency practice of identifying certain agency-owned lands that are unsuitable for state park use and development and offering them for sale at auction. This initiative would also explore securing various development rights (entitlements) prior to sale of these properties as a means of enhancing their value prior to sale. By statute, proceeds from sale of any State Park lands must be deposited in the agency's Park Land Acquisition Account and used to purchase replacement lands only. This initiative would also seek to change the Park Land Acquisition Account statute to allow deposit of a portion of the proceeds from land sales (those revenues earned through entitlements) in a permanent endowment or trust fund where interest or investment income is available to pay for system-wide operating expenses (see Endowment Initiative).
Endowment Initiative	This initiative seeks to identify a suitable government or private sector mechanism to establish a permanent endowment or trust fund. The purpose of this fund is to build a corpus (principle) in a trust account from which only the interest or investment income can be expended for agency purposes. Such an endowment or trust requires management and oversight by a board or trustee. Establishing a permanent endowment or trust with proceeds from land transactions ensures that the agency's land assets are not sold to address a short-term operational need.

## 7 - Develop amenities and acquire lands that advance transformation

Initiative	Description
10-year Capital Development Transformation Plan	This initiative will result in the development of an enhanced and comprehensive ranked and prioritized 10-year capital program in support of agency transformation. This refined approach will allow the agency to maximize its capital investment and facilitate the leveraging of private funds and expanded grant resources. It can also be used as an enhanced asset management decision tool to better project and extend capital program life cycle costs. Examples of transformation-related capital development include expanding the number of cabins, vacation rentals, and other rentable structures; improving park day use areas to support special events and festivals, and improving park signing to reflect greater customer focus.
Grants Coordination Initiative	This initiative focuses on developing grant requests that support agency transformation, expanded and better coordinated identification of grant opportunities, and improved grant applications. This initiative also proposes changes to the Washington Wildlife and Recreation Program's State Parks category evaluation criteria and streamlining the evaluation process.
Development Partnerships Initiative	This initiative seeks to set aside funds (operating or capital) to support capital program staff participation in externally funded facilities development projects. In this way, a relatively small investment in agency staff time will leverage much larger investment in park facilities development by friends groups and other government or non-profit partners. This initiative will also update the agency's Community-Based Park Development Procedure to reflect current circumstances.