

Defense Community Compatibility Account 2020 Legislative Report



Per Chapter 404, Laws of 2019 (SSB 5748)

**GROWTH MANAGEMENT
SERVICES**

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REPORT TO THE LEGISLATURE

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Table of Contents

Executive Summary	2
Defense Community Compatibility Account 2019/2020 Prioritized Project List	7
2019-2020 Project Profile Summaries	9
Project Profile Summary: #1	10
Project Profile Summary: #2	11
Project Profile Summary: #3	12
Project Profile Summary: #4	13
Project Profile Summary: #5	14
Project Profile Summary: #6	15
Project Profile Summary: #7	16
Appendix	17
Appendix A: 2021-2022 Future Project Summaries	18
Appendix B: Background	21
Appendix C: Program Phases and Methodology	26

Executive Summary

Enacted in the 2019 legislative session, [Substitute Senate Bill 5748](#) created the Defense Community Compatibility Account (DCCA) to support necessary infrastructure near Washington military installations. The purpose of the account is to provide funds for compatible development projects that affect the economy, environment, or quality of life opportunities for local communities. The statute directs the Department of Commerce (Commerce) to administer the account through the development of a new program, including a project solicitation and prioritization process.

Reporting Requirements

(1) The department must produce a biennial report identifying a list of projects to address incompatible developments near military installations.

- The list must include a description of each project, the estimated cost of the project, the amount of recommended state funding, and the amount of any federal or local funds documented to be available to be used for the project.
- Projects on the list must be prioritized with consideration given to:
 - The recommendations of the recent U.S. Department of Defense Base Realignment and Closure (BRAC) processes, joint land use studies, or other federally initiated land use processes; and
 - Whether a branch of the U.S. Armed Forces has identified the project as increasing the viability of military installations for current or future missions.
 - Priority must be given for grant applications accompanied by express support from nonprofit community or neighborhood-based organizations, public development authorities, federally recognized Indian Tribes in the state, or other community partners.
- The department may consult with the commanders of U.S. military installations in Washington to understand impacts and identify the viability of community-identified projects to reduce incompatibility.

(2) The department must submit the report to appropriate committees of the House of Representatives and the Senate, including the joint committee on veterans' and military affairs and the House of Representatives capital budget committee, by Jan. 1, 2020, and every two years thereafter.

Civilian-Military Compatibility

Compatibility planning points to the shared challenges and opportunities that communities and military operations experience as neighbors address land use decisions and needs. [The Washington State Guidebook on Military and Community Compatibility](#) defines "compatibility" as a generic term to describe a multi-directional relationship among civilian and military neighbors.

Compatibility-related projects address land uses where military and civilian activities overlap. Adverse impacts are two-way in nature – civilian and military activities impact each other – posing challenges to health, safety, property values, quality of life, and national security. Increased density in areas where the military relies upon existing conditions at a lower level of development can result in cumulative degradation of a base's ability to

safely and efficiently function or adapt to mission changes. Also, when people are exposed to new operations, or military activities increase or change, community residents can experience adverse impacts.¹

Program Development

The Defense Community Compatibility Account (DCCA) marks the first statewide effort aimed at funneling the numerous civilian-military land use projects through a central evaluation process to present the Legislature with a list of vetted, eligible projects ready to address compatibility issues across the state. With the development of this program, Washington joins 19 other states that provide funding to promote compatibility between the military and their host communities.

DCCA promotes land use compatibility between communities and military installations by providing consistent and programmatic framework for soliciting and evaluating civilian-military compatibility projects. The state has made investments to promote compatibility projects before; however, this program marks the first opportunity with a clear path for communities seeking funding. The new program and account create an investment strategy that provides communities predictability when seeking funding for their project.

Project solicitation and evaluations help identify and prioritize needs from numerous communities that are affected by military activities and can facilitate coordination between military installation commanders and local government planners by providing funding support for the implementation of compatible land use solutions.

Outreach

July through September 2019 marked the initial stages of the program development and stakeholder engagement period. Outreach was conducted with both broad and targeted stakeholder communication to increase program awareness. A program [fact sheet](#), webpage, newsletter articles, and in-person presentations were conducted to broaden awareness and support project development from interested parties throughout the state. Materials developed include a thorough set of program guidelines and an application form with detailed descriptions on applicant eligibility, match requirements, program timelines, application deadlines and requirements, the scoring criteria and evaluation process, and eligible project activities.

A newly published [web page](#) houses program resources further guiding applicants to applicable program information. Technical assistance provided during the solicitation process included question-and-answer periods with results summarized and posted on the program webpage. See [Appendix B](#) for additional program background information and [Appendix C](#) for details on program phases and the methodology used for ranking and vetting projects.

Call for Projects

September and October 2019 marked the program's initial application window, formally soliciting applications for projects that promote compatible development near military installations in Washington. A wide variety of compatibility-related projects are eligible for the program, including the following list of project activities per SSB 5748:

- Acquisition of real property or real property interests to eliminate an existing incompatible use.

¹ Washington State Guidebook on Military and Community Compatibility, Washington State Department of Commerce, (2019), <https://www.commerce.wa.gov/serving-communities/growth-management/growth-management-topics/military-base-land-use/>

- Projects to jointly assist in the recovery or protection of endangered species dependent on military installation property for habitat.
- Projects or programs to increase the availability of housing affordable to enlisted military personnel and nonmilitary residents in the local community.
- Projects to retrofit existing uses to increase their compatibility with existing or future military operations.
- Projects to enable local communities heavily dependent on a nearby military installation to diversify the local economy so as to reduce the economic dependence on the military base.
- Projects that aid communities to replace jobs lost in the event of a reduction of the military presence.
- Projects that improve or enhance aspects of the local economy, environment, or quality of life impacted by the presence of military activities.

From the onset of the program, numerous stakeholders, organizations, and jurisdictions from across the state communicated a high degree of interest in the DCCA program. Program applicability was suitable for a broad range of project types, however, despite many application inquiries not all of the organizations that expressed interest were able to meet the timeline for submitting an application. The condensed program deadline for soliciting and reviewing projects resulted in applications only from those applicants with projects already well-developed. Prospective applicants indicated that their community would benefit from this program and fully anticipate submitting applications in future grant rounds. A sample of the types of projects to expect in the next round is in [Appendix A](#).

Project Evaluation

With the support of a project review team, applications were evaluated based on several categories including: project scope, leveraged funds, need and priority, readiness to proceed, and organizational capacity. A total of **seven** projects were received during the application window. Projects were prioritized using an [evaluation matrix](#) and prioritization process in accordance with the requirements and recommendations outlined in the authorizing statute. A more detailed project list, including project descriptions and additional funding information, is provided on [page 7](#), followed by individual project profile summaries, beginning on [page 9](#).

2019/2020 Prioritized Project List

1. South Sound Military Communities Partnership, Housing, \$70,600
2. South Sound Military Communities Partnership, Land Acquisition, \$1.4 million
3. Lakewood Water District, Public Health, \$5.5 million
4. South Sound Military Communities Partnership, Transportation, \$1.5 million
5. City of Lakewood, Transportation, \$1.92 million
6. Center for Natural Land Management, Species Recovery, \$464,034
7. Center for Natural Land Management, Conservation/Stewardship, \$124,047

Next Steps

Commerce program staff intend to pursue the following key findings and steps in developing the DCCA program. These enhancements allow for improved program administration and program development with well-defined parameters for interested applicants in future grant cycles. In recognition of the limited response during this initial grant cycle, Commerce intends to conduct extensive outreach and technical assistance to support project development for civilian-military land use compatibility projects across the entire state.

- **Technical assistance:** Provide technical assistance to prospective applicants to further support project development for the next round of project solicitations. See [Appendix A](#) for a list of example projects for future application rounds.
- **Advisory Committee:** Form an advisory committee to further develop and refine objective scoring criteria to be used to review project applications going forward.
- **Outreach:** Develop a robust communications and outreach plan to further disseminate program information to interested parties and stakeholders throughout the state. Conduct workshops, host presentations, and continue ongoing outreach activities to raise program awareness.
- **Rulemaking:** Develop Washington Administrative Code (WAC) rules to clarify program information, application processes, eligibility and to support the implementation of the statute.
- **Federal match:** Develop guidelines, program messaging and additional program development to further raise awareness for the potential of DCCA program funds to be used as a state match for the federal Defense Critical Infrastructure Program.
- **Eligible activities:** More clearly define and describe eligible activities that impact quality of life opportunities, the environment, and economy as generally referred to in the statute. For example, child care and spousal employment are common themes associated with quality of life for military personnel and their spouses, but are not currently referenced. Provide clear descriptions and guidelines to support eligible program development for future grant rounds.
- **Operating and Capital project activities:** Program guidelines will be updated with clear descriptions to support eligible program development for future grant rounds. The program's wide call for civilian-military compatibility projects brought forth a variety of project submittals, spanning from construction and property acquisition to habitat restoration and job training. As a result, some projects are most aligned with typical operating expenses while others are more appropriate for capital funding. Because both types of projects further efforts to address compatibility impacts throughout the state, DCCA will consider planning, information and service-related projects, and capital construction projects as eligible project activities.

Recommendations

The suggested recommendations indicate areas where the program could benefit from additional clarification and guidance at the legislative level.

- **Fund program operations:** The 2020-2021 biennial budget did not include any funding for program operations. The statute includes procedural requirements and additional program development work. Commerce cannot continue work on an unfunded program. Continued program operations require funding for one FTE to operate the program.
- **Clearly define eligible applicants:** Include a definition for eligible applicant, including a definition for 'entities' and 'local government'. The 2019 DCCA grant cycle generated a lot of interest from a variety of organizations. However, many potential applicants raised questions related to the eligibility criteria established in SSB 5748. The statute does not provide a definition for "local government" or "entities". Additionally, the bill does not grant Commerce the authority to make eligibility determinations.
 - Federally recognized Indian tribes are important partners on compatibility issues throughout the state, often with tribal land impacted and located within close proximity to military installations and their activities. Commerce recommends clarifying tribal eligibility.
 - The statute limits eligibility to entities that have entered into an agreement with a military installation in the state under the U.S. Department of Defense Readiness and Environmental Protection Integration Program. There are many additional programs and planning mechanisms established to promote and implement compatibility projects, including Joint Land Use Studies, Air Installation Compatible Use Zone Planning (AICUZ), Army Compatible Use Buffer Program (ACUB), and Sentinel Landscapes Partnerships. Commerce recommends expanding the list of qualifying agreements that entities may participate in for eligibility to the program.
- **Align Project list with biennial budget:** The current timeline for report and prioritized project list submittals aligns with the short session and supplemental budget period. With reports due on a biennial basis, the timeline for submittals will continually fall during the supplemental budget period, rather than the beginning year of a new budget cycle. Commerce recommends adjusting the report due date to coordinate and align with the development of the biennial budget.
- **Establish grant funding parameters:** The statute does not specify minimum or maximum funding awards. A well-defined maximum and/or minimum funding award provides clear direction to applicants as they develop project applications. Without a clear minimum or maximum available for program funding, project applicants have struggled to identify the best approach for funding requests. Many projects are large-scale and may be best implemented in phases. Applicants would benefit from having parameters related to funding requests to ensure the appropriateness of their project for the DCCA program.
- **Establish match requirements:** The statute does not explicitly define applicant funding match requirements. Project solicitation and evaluation efforts would benefit from specific match requirements for both federal, local and applicant funds.

Defense Community Compatibility Account 2019/2020

Prioritized Project List

The program's wide-call for civilian-military compatibility projects brought forth a variety of project submittals, spanning from construction and property acquisition to habitat restoration and job training. As a result, some projects are most aligned with typical operating expenses while others are more appropriate for capital funding. Due to this variety, the table of priority projects highlights both operating and capital projects.

The following list reflects the ranking and evaluation outcomes for projects received in the initial DCCA project solicitation. More in-depth project details are provided in the following pages with project profile summaries for each project submittal. See [Appendix A](#) for a sample of the types of projects to expect in the next round.

2019/2020 Prioritized Project List

Rank	Applicant	Project Name	Project Description	DCCA Funding Request	Leveraged Funds	Total Project Cost
1	South Sound Military and Communities Partnership	Coordinating development of accessory dwelling units as affordable housing for JBLM	Establish a process for coordination between JBLM and neighboring communities to provide adequate rental housing for service members.	\$70,600 *Operating budget	\$4,800 Federal \$37,550 Local	\$112,950
2	South Sound Military and Communities Partnership	JBLM, McChord North Clear Zone	Acquire properties and relocate businesses located in North Clear Zone to improve public and flight safety.	\$1.4M *Capital budget	\$5.35M Federal \$600,000 Local	\$6.8M
3	Lakewood Water District	Scotts Wellfield PFAS Removal Treatment Plant	Construction of a water treatment facility to remove PFAS contamination from Lakewood Water District drinking water wells.	\$5.5M *Capital budget	\$20,000 Local	\$5.52M
4	South Sound Military and Communities Partnership	JBLM, I-5 Exit, 41st Division Drive	Develop a streamlined access route between JBLM Main and JBLM North to reduce traffic congestion and improve safety.	\$1.5M *Capital budget	\$0	\$1.5M

Rank	Applicant	Project Name	Project Description	DCCA Funding Request	Leveraged Funds	Total Project Cost
5	City of Lakewood	Northgate Road/Edgewood Avenue Improvements	Implement roadway improvements in order to address the traffic and safety issues developing from current and future expansion of the North Fort portion of JBLM.	\$1.92M *Capital budget	\$480,000 Local	\$2.4M
6	Center for Natural Lands Management	South Puget Sound Listed Species Recovery	Share the responsibility for protecting populations of federally listed endangered species on property adjacent to JBLM to promote military readiness.	\$464,034 *Operating budget	\$125,000 Federal \$38,000 Local	\$627,034
7	Center for Natural Lands Management	Building strategic support for JBLM Sentinel Landscape	Provide business development, private landowner stewardship, and multi-partner conservation opportunities.	\$125,047 *Operating budget	\$14,800 Federal \$82,400 Local	\$222,247

2019-2020 Project Profile Summaries

The following section includes project profile summaries that provide further detail and information related to each of the project applications received during the 2019 project solicitation window. The profiles are listed in the order of their final ranking score.

Each profile includes the primary details of the application, including:

- Applicant and project name
- Project site map
- Brief project description
- Estimated total project cost
- Total DCCA state funds requested
- Total federal, local and applicant leveraged funds
- Project partners
- Project contact

Project Profile Summary: Rank

South Sound Military and Communities Partnership (SSMCP)

Joint Base Lewis McChord: North Clear Zone Project

Project Location



Project Description:

This project will support efforts to ensure public and air safety by bringing the McChord Field North Clear Zone (NCZ) into compliance with federal guidelines. The NCZ is a federally-designated 3,000 by 3,000 foot safety area adjacent to the north end of the McChord Field runway. It is partly within Joint Base Lewis McChord (JBLM) and partly within the City of Lakewood. The project area located in Lakewood includes many light industrial business uses on privately-held properties. Based on federal guidelines, these uses pose public and flight safety risks and are incompatible with runway operations. The desired end state for the NCZ is compliance with FAA and DOD safety guidelines for Clear Zones. Based on these guidelines, there should be minimal or no human presence or structures other than air navigation aids in the NCZ.

Total project cost:
\$6.2 million

Total state funds requested:
\$550,000

Total leveraged funds:
Federal: \$4.5 million
Local: \$1.2 million

Project county:
Pierce

Project partners

- Joint Base Lewis McChord
- City of Lakewood
- Pierce County
- South Sound Military & Communities Partnership

Project contact

John Caulfield
CITY MANAGER
City of Lakewood
Jcaulfield@cityoflakewood.us
Phone: 253-983-7703

Project Profile Summary: #1

South Sound Military and Communities Partnership (SSMCP) Coordinating Development of Accessory Dwelling Units as Affordable Housing for JBLM

Project Site



Project Description:

In order to create the development of accessory dwelling units (ADUs) as an affordable rental housing option for Joint Base Lewis McChord (JBLM) service members, SSMCP seeks to secure funds to:

- Create a tracking system of adopted ADU authorization and regulation in Pierce and Thurston County jurisdictions;
- Collect and/or coordinate the drafting of model ADU zoning and code language for local governments in Pierce and Thurston Counties, where most JBLM service members and their families live, to consider adopting; and
- Develop online and written model training materials for property owners with ADUs to explain the benefits to renting to service members and their families.

Total project cost:

\$112,950

Total state funds requested:

\$70,060

Total leveraged funds:

Federal: \$4,800

Local: \$37,550

Project location:

Pierce and Thurston Counties

Project timeline:

October 2019 - May 2021

Project partners:

- City of Lakewood
- Joint Base Lewis McChord
- City of Lacey

Project contact:

Sarah Luna
PROGRAM COORDINATOR

South Sound Military and
Communities Partnership

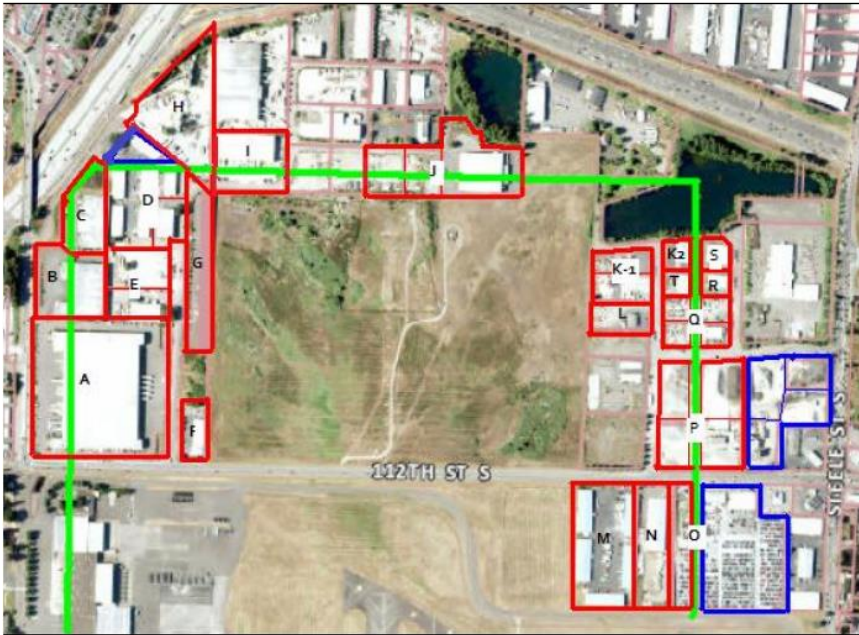
Email: sluna@cityoflakewood.us

Phone: 253-983-7774

Project Profile Summary: #2

South Sound Military and Communities Partnership (SSMCP) Joint Base Lewis McChord North Clear Zone

Project Site



Project Description:

This project sets the foundation for the entire Joint Base Lewis McChord (JBLM) North Clear Zone (NCZ) project. Completion of the NCZ project is planned to take 15-20 years. The project supports efforts to ensure public and air safety by bringing the McChord Field NCZ into compliance with federal guidelines. The NCZ is a federally designated 3,000 by 3,000 foot safety area adjacent to the north end of the McChord Field runway. It is partly within JBLM and partly within the City of Lakewood.

The project area includes many light industrial business uses on privately held properties. Based on federal guidelines, these uses pose public and flight safety risks and are incompatible with runway operations. The desired end state for the NCZ is compliance with Federal Aviation Administration and Department of Defense safety guidelines for clear zones. Based on these guidelines, there should be minimal or no human presence or structures other than air navigation aids in the NCZ.

Total project cost:

\$6.8M

Total state funds requested:

\$1.4M

Total leveraged funds:

Federal: \$5.35M

Local: \$600,000

Project location:

Joint Base Lewis McChord and City of Lakewood

Project timeline:

Ongoing

Project partners:

- Joint Base Lewis McChord
- City of Lakewood
- Pierce County
- South Sound Military & Communities Partnership

Project contact:

John Caulfield
CITY MANAGER

City of Lakewood

Jcaulfield@cityoflakewood.us

Project Profile Summary: #3

Lakewood Water District (LWD) Scotts Wellfield PFAS Removal Treatment Plant

Project Site



Project Description:

LWD began a program of testing and monitoring for perfluorinated compounds (PFAS) and discovered that PFAS contaminants were present in six of LWD's wellfields. The Scotts wellfield is a major source of drinking water for the customer of LWD, providing 20 percent of the district's overall supply. These compounds present health risks, especially to infants and pregnant or nursing women.

This project involves building a water treatment facility to remove PFAS contamination from LWD's drinking water wells. Scope includes:

- Pre-design and design of a water treatment facility to remove PFAS contaminants
- Permitting and environmental compliance for the project
- Bidding, construction and commissioning of the project

Total project cost:

\$6.9M

Total state funds requested:

\$5.5M

Total leveraged funds:

Federal: \$0

Local: \$1.42M

Project location:

Lakewood Water District Service Area: Lakewood, Steilacoom, Spanaway, and surrounding communities

Project timeline:

July 2020 - August 2022

Project partners:

- City of Lakewood

Project contact:

Don Stanley
DEPARTMENT HEAD,
PUMPING/WATER TREATMENT

Lakewood Water District

dstanley@lakewoodwater.org

Project Profile Summary: #4

South Sound Military and Communities Partnership (SSMCP)

Joint Base Lewis McChord: I-5 Exit 120, 41st Division Drive

Project Site



Project Description:

This project will develop a streamlined access route between Joint Base Lewis McChord (JBLM) Main (Garrison District) and JBLM Lewis North. This mission-impacting project will reduce ramp queues backing up onto mainline I-5, resulting in a reduction of collisions, risk of being struck by trains at the newly updated high speed at-grade rail crossing, and force protection concerns which exist on 41st Division Drive.

The project concept will funnel all traffic currently moving from the highway to JBLM Lewis North to the JBLM Lewis main gate. Commuters will have options to continue through the Garrison District or "fly-over" I-5 and the high-speed rail, then drop into the JBLM Lewis North side of the base.

Total project cost:

\$1.5M

Total state funds requested:

\$1.5M

Total leveraged funds:

Federal: \$0

Local: \$0

Project location:

Pierce County

Project timeline:

July 2020 - Dec. 2021

Project partners:

- U.S. Army Corps of Engineers
- Joint Base Lewis McChord
- Sound Transit
- WA State Department of Transportation

Project Contact:

Charles Markham
DEPUTY FOR
PROGRAMS/OPERATIONS

JBLM Public Works Directorate

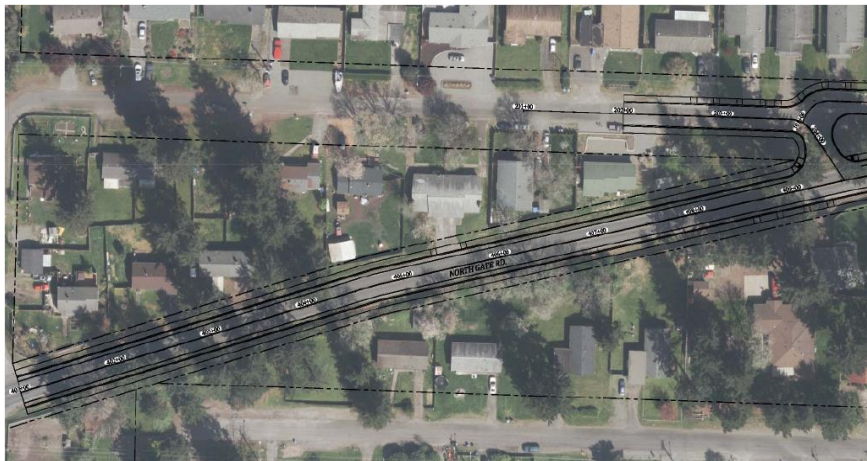
Charles.s.markham2.civ@mail.mil

Project Profile Summary: #5

City of Lakewood

Northgate Road/Edgewood Avenue Improvements

Project Site



Project Description:

Northgate Road and Edgewood Avenue are arterial streets connecting the North Fort of Joint Base Lewis McChord (JBLM) with points to the north and east via Washington Boulevard and Gravelly Lake Drive. As North Fort has expanded, these roads have become increasingly congested.

The project will be conducted in phases. The complete project will reduce congestion at all intersections and increase safety for motorized and non-motorized commuters. The first phase will construct roundabouts along with complete roadway reconstruction, illumination, and curb, gutter and sidewalks for pedestrian and cyclist safety.

Bike lanes, landscape planters, street lighting and sidewalks on both sides of the street are features that allow better access for the military community to and from North Fort of JBLM and improves the quality of life for the residential community that is directly served by these roads.

Total project cost:

\$2.4M

Total state funds requested:

\$1.92M

Total leveraged funds:

Federal: \$0

Local: \$480,000

Project location:

City of Lakewood

Project timeline:

July 2020 - June 2021

Project Contact:

Troy Pokswinski
CITY ENGINEER, PROGRAM
MANAGER

City of Lakewood

Email:
tpokswinski@cityoflakewood.us

Phone: 253-983-7729

Project Profile Summary: #6

Center for Natural Lands Management (CNLM) South Puget Sound Listed Species Recovery

Project Site



Project Description:

This project proposes to conduct off-base conservation actions that will contribute to both the successful establishment of new populations and the expansion of pre-existing populations of listed species, specifically the Taylor's checkerspot butterfly and Mazama pocket gopher. Significant populations of these species occur over a large portion of Joint Base Lewis McChord's (JBLM) primary training lands and open-grass prairies.

The project includes habitat restoration to make grasslands more suitable for the species, and captive rearing to provide the butterflies needed to establish a new population. These efforts also require monitoring to verify success and allow for improvements through adaptive management.

These actions are intended to substantially improve the status of two of the three endangered species that have impacts on JBLM, by providing off-base habitat for listed species.

Total project cost:

\$627,034

Total state funds requested:

\$464,034

Total leveraged funds:

Federal: \$125,000

Local: \$38,000

Project location:

Thurston County

Project timeline:

July 2020 - June 2022

Project partners:

- Washington Department of Fish and Wildlife
- Washington Department of Natural Resources
- Joint Base Lewis McChord

Project Contact:

Patrick Dunn

PROGRAM DIRECTOR, SOUTH PUGET SOUND PROGRAM

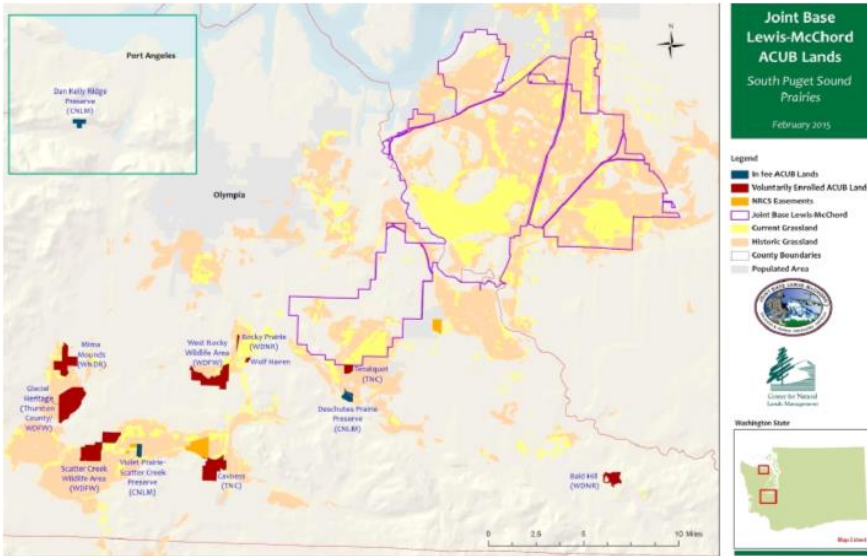
Center for Natural Lands Management

Email: pdunn@cnlm.org

Project Profile Summary: #7

Center for Natural Lands Management (CNLM) Building Strategic Support for JBLM Sentinel Landscape

Project Site



Total project cost:

\$222,247

Total state funds
requested:

\$125,047

Total leveraged funds:

Federal: \$14,800

Local: \$82,400

Project location:

Pierce and Thurston Counties

Project timeline:

July 2020 - June 2022

Project Description:

- Expand and extend business education that targets veterans and other underserved communities with training and business development assistance to further the "restoration economy" in Pierce and Thurston counties.
- Result in veteran-owned and run businesses that further the goals of the Sentinel Landscapes Partnership by improving the agricultural economy and enhancing the stability and quality of life in communities surrounding Joint Base Lewis McChord (JBLM).
- Support voluntary stewardship activities on properties with habitat that support JBLM species recovery efforts.
- Facilitate implementation of priorities and host workshops that align with species recovery and conservation efforts to recover JBLM-related threatened species among public and private partners.

Project partners:

- Thurston County Conservation District
- Washington Department of Natural Resources
- Enterprise for Equity
- Sentinel Landscape Partnership

Project Contact:

Patrick Dunn
PROGRAM DIRECTOR, SOUTH PUGET
SOUND PROGRAM

Center for Natural Lands Management

Email: pdunn@cnlm.org

Appendix

Appendix A: 2021-2022 Future Project Summaries

Appendix B: Background

Appendix C: Program Phases and Methodology

Appendix A: 2021-2022 Future Project Summaries

The following three project summaries represent a variety of well-suited potential projects for the DCCA program. However, these projects are still in development. While they are not ready for the 2019 application solicitation process, the project summaries provide an at-a-glance view of the overall interest in this program from jurisdictions and organizations across the state. Projects included here highlight several opportunities for continued land use compatibility efforts and the types of projects to expect for the 2021 grant cycle.

Commerce will provide technical assistance to support further project development for anticipated projects during the 2020-2021 outreach and solicitation process.

Examples of future projects, include:

1. The Trust for Public Land, Hood Canal REPI Program Area - Thorndyke Headwaters Forest, \$5 million
2. City of Spokane, West Plains Water System Upgrades for Fairchild Air Force Base, \$17 million
3. City of Airway Heights, Fairchild Protection and Community Empowerment Project, \$14.7 million

Future Sample Projects

Applicant and Project Title	Estimated Total Project Cost and DCCA Funds Requested	Project Description	Project Partners	Project Location
<p>The Trust for Public Land (TPL)</p> <p>Hood Canal REPI Program Area - Thorndyke Headwaters Forest</p>	<p>\$5M DCCA funds</p> <p>\$10M - Navy REPI leveraged funds</p> <p>Total: \$15M</p>	<p>In a 3-4 phase project, over approximately 5 years, TPL and its partners will purchase a U.S. Navy REPI easement of 12,000 +/- acres, protecting both the land as working forest and the traditional forest-related jobs. This will prevent encroachment for both Naval Base Kitsap-Bangor and its working range in Hood Canal. The project will protect habitat around Thorndyke Creek and its tributaries.</p>	<p>Jefferson Land Trust US Navy</p>	<p>Jefferson County, Washington</p>
<p>City of Spokane</p> <p>West Plains Water System Upgrades for Fairchild Air Force Base</p>	<p>\$17M DCCA funds</p> <p>\$16M local funds</p> <p>Total: \$33M</p>	<p>The main water supply to Fairchild Air Force Base (FAFB) is located 11 miles to the east. The pipe conveying the water is in need of repair and/or replacement. FAFB needs a redundant water supply during construction. The City of Spokane will provide a new intertie to the base, but capital improvements are needed to supply the water.</p> <p>Capital improvements include:</p> <ul style="list-style-type: none"> ○ SIA Reservoir #3 with connecting pipeline (\$19M) ○ New Plains Booster Pump Station (\$5M) ○ West Plains 24-inch transmission main (\$4M) ○ New Thorpe Booster Pump Station (\$5M) 	<p>City of Spokane Fairchild Air Force Base</p>	<p>Spokane County</p>

Applicant and Project Title	Estimated Total Project Cost and DCCA Funds Requested	Project Description	Project Partners	Project Location
<p>City of Airway Heights</p> <p>Fairchild Protection and Community Empowerment Project</p>	<p>\$14.7M DCCA funds</p> <p>Total: \$14.7M</p>	<p>Initiated by the City of Airway Heights and several partners in 2012, the project is designed to remove an encroachment on the operation of Fairchild Air Force Base (FAFB) and to move residents from substandard and dangerous housing in mobile home parks in the APZ.</p> <p>The focus of the project concerns the housing density in an area known as the Accident Potential Zone (APZ 2). The housing in this area consists of approximately 280 mobile homes, three apartment complexes, and 16 stick-built homes. The homes located within the eastern approach/departure of APZ 2 contain a density that is inconsistent with Department of Defense Air Installation Compatible Use Zones (AICUZ) regulations. The density is incompatible and an encroachment to FAFB. In addition to the health and safety risks due to FAFB overflight operations, the housing conditions in APZ 2 are substandard.</p>	<p>Spokane County</p> <p>Greater Spokane Incorporated</p> <p>Community Frameworks</p> <p>Habitat for Humanity</p> <p>Fairchild Air Force Base</p>	<p>City of Airway Heights, Washington</p>

Appendix B: Background

Program implementation is strengthened due to previous efforts completed as part of Commerce's programs targeted to summarize and assess our state's needs as they relate to compatibility-related infrastructure, projects, programs, and policies.

For several years, Commerce has developed and implemented a statewide strategy to improve civilian-military land use compatibility. This effort was a main goal of the Washington's sector-based economic development strategy. DCCA rests on a strong foundation of established work to address land use compatibility issues in Washington State.

Growth Management Services Background in Civilian-Military Land Use Compatibility



2015-2016:

Beginning in 2015 Commerce conducted a review of nationwide best practices in promoting civilian military land use compatibility. In 2016 the Legislature commissioned the development of a strategic plan. This work was partially funded by a grant from the Department of Defense Office of Economic Adjustment. Commerce published the [Civilian-Military Land Use Study](#) with state-level recommendations for compatible planning to the Legislature.

2017:

The [Washington State Military and Community Compatibility Strategy](#) developed for Commerce in 2017 by the consulting firm, The Spectrum Group, identified several implementation strategies to support a statewide program for civilian-military land use compatibility. A key strategy in the report included funding strategies for community-identified compatibility initiatives, which identified the need for a statewide framework to fund compatibility projects and establish priorities for capital budget requests, reducing reliance on direct appropriations as the sole source of funding.

Additionally, the document included budget considerations for compatibility enhancing initiatives, noting that significant investments have been made in mission-supportive infrastructure, most notably on transportation projects. Projects have most commonly been funded through direct appropriations, pointing to the need for a predictable source and a systematic process for communities to access state funding for investments in

compatibility-related infrastructure. The report also suggested that scoring and ranking criteria be used to consider investments that support a mission and enhance compatibility.²

2018:

Most recently, in 2018-2019, Commerce produced [The Washington State Guidebook on Military and Community Compatibility](#), a technical assistance guidebook that provides guidance to both military and civilian planners on local government and military planning frameworks and processes. The guidebook includes case studies, resources and descriptions of the planning processes undertaken by the various branches of the U.S. Armed Forces. The guidebook is intended as a resource for military and local government planners to effectively work together toward compatibility efforts.

Building on previous work within Growth Management Services' Civilian-Military Compatibility Program, DCCA furthers compatibility efforts by establishing a statewide process and framework for evaluating and prioritizing projects to be considered for funding by the legislature. Using the technical expertise garnered from the last several compatibility planning efforts conducted by Commerce's Growth Management Services' Civilian-Military Compatibility Program, DCCA can use these resources to effectively develop and manage program objectives.

Alignment with the Growth Management Act

Within the Growth Management Act, [RCW 36.70A.530](#) states that comprehensive plans and development regulations should not allow development in the vicinity of a military installation that is incompatible with the installation's ability to carry out its mission requirements, by supporting land use projects.

The Revised Code of Washington has been amended to reflect the topic of land use compatibility. DCCA aligns with the intent of the statute by requesting additionally, the DCCA program requests applicants provide documentation to demonstrate that a project has been identified to increase the viability of military installations for current or future missions. Applications that include expressed support from partners and military installation commanders further the goals of RCW 36.70A.530 by promoting communication between communities conducting planning and military personnel to ensure incompatible development is avoided, and project goals and mission viability are maintained.

RCW 36.70A.530 also requires cities and counties hosting military installations located within or adjacent to their borders to notify the commander of comprehensive plan and development regulation amendments. DCCA program guidelines further support this requirement by requesting that applicants include letters of support from nearby military installation commanders expressing the ways in which the project will further support mission readiness and viability.

Military Bases in Washington State

For many areas in Washington state, military bases and personnel have been a part of the community for generations. Washington state hosts multiple military service branches, including armed forces serving at the federal and state level. The following military sites are hosted throughout our state: Joint Base Lewis-McChord (JBLM), Fairchild Air Force Base (FAFB), Yakima Training Center (TYC), Naval Air Station Whidbey Island (NASWI), Naval Magazine Indian Island (NAVMAGII), Naval Base Kitsap (NBK), Naval Station Everett (NSE),

² The Washington State Military and Community Compatibility Strategy, The Spectrum Group and Washington State Department of Commerce, 2017, <https://www.commerce.wa.gov/serving-communities/growth-management/growth-management-topics/military-base-land-use/>

Northwest Training Range Complex (NWTRC), Camp Murray, University of Washington Applied Physics Lab, Pacific Northwest National Laboratory (PNNL), Federal Training Center and U.S. Coast Guard District 13 (USCG-D13).



Source: Washington State Guidebook on Military and Community Compatibility, Washington State Department of Commerce, (2019), <https://www.commerce.wa.gov/serving-communities/growth-management/growth-management-topics/military-base-land-use/>

State Programs

With the development of DCCA, Washington joined several other states in providing loans and grant programs for civilian-military land use projects. The following states offer similar programs:

Alaska Military Facility Zones: Municipalities in military facility zones may receive priority consideration for financial assistance on projects in the zone.

Arizona Military Installation Fund: Established to fund the acquisition of real estate and infrastructure projects that are vital to the preservation of a military installation.

California Infrastructure State Revolving Fund Program: Finances military infrastructure projects conducted by public agencies and non-profit corporations.

Florida Defense Reinvestment Grant Program: Supports community-based activities that implement economic diversification strategies and reuse closed installations and infrastructure planning. **Defense Infrastructure Grant Program:** Provides grant funding for infrastructure projects that benefit communities and military installations.

Georgia Job Tax Credit Program: Provides job tax credits in areas adjacent to a military base and designated as military zones.

Maryland BRAC Revitalization and Incentive Zone Program: Provides funding to local governments for infrastructure projects in BRAC revitalization and incentive zones.

New York Military Base Retention Grant: Provides funding to nonprofit organizations and municipalities to promote, enhance, and protect New York's military bases.

Oklahoma Military Strategic Planning Commission Incentive Fund: Provides funds to local governments for public projects necessary to protect the interest of the community in areas affected by potential military closures or mission changes.

Texas Military Value Revolving Loan Fund: Provides financial assistance to defense communities for job creation, economic development, and infrastructure projects. **Texas Defense Economic Adjustment Assistance Grant Program:** Provides grant funding for infrastructure projects to assist military host communities with impacts associated with changes in defense contracts.

Utah Military Installation Development Authority: Supports planning and land development in designated project areas on military land and public or private land.

States with Funding to Purchase Property or Development Rights near Military Installations



Source: National Council of State Legislatures, *Minimizing Encroachment and Incompatible Land Use near Military Installations*, 2019, <http://www.ncsl.org/research/military-and-veterans-affairs/minimize-encroachment-on-military-installations.aspx>

Federal Programs

Defense Community Infrastructure Program:

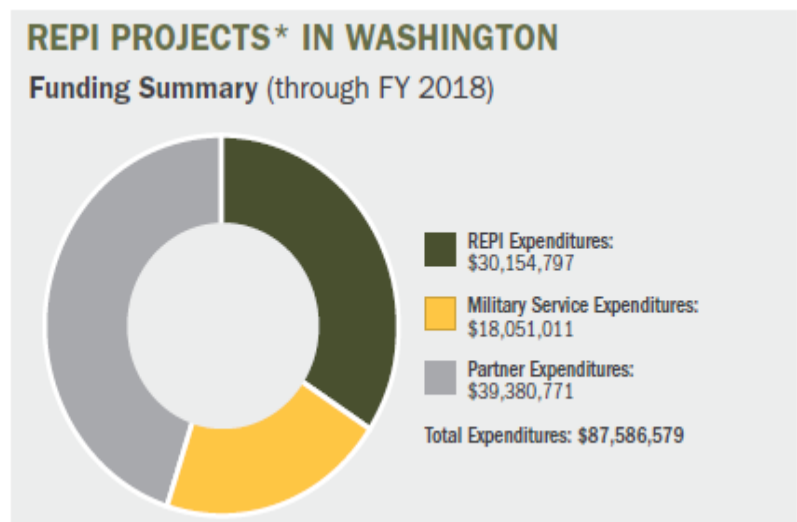
Recognizing that local governments often bear the costs of developing and maintaining infrastructure that supports military installations needs, the federal government authorized the Defense Community Infrastructure Program (DCIP) in the 2019 National Defense Authorization Act. The intent of DCIP is to complement efforts at the state level with a federal program that provides matching funds for civilian-military land use compatibility projects.

Often the cost of infrastructure projects is more than a local government can afford. Through state, local and federal partnerships, the potential of a new source for leveraged funds through DCIP promotes infrastructure projects, including transportation, public safety, joint services such as schools and community support facilities, and utilities and telecommunications. The intention of this program is to leverage federal funds to support local projects affecting bases throughout the country. The 2020 National Defense Authorization Act authorized \$75 million for DCIP within the Office of Economic Adjustment. The Defense Community Compatibility Account can provide state matching funds to further leverage the federal program and fund high-priority projects identified by local communities.

Readiness and Environmental Protection Integration Program:

The U.S. Department of Defense also administers the Readiness and Environmental Protection Integration Program (REPI) as a federal tool for addressing compatibility issues by helping remove or avoid land use conflicts near military installations. REPI uses partnerships with state and local governments to share the costs of land acquisitions and conservation efforts through regional partnerships. As of 2018, 586,665 acres were protected as a part of the REPI program nationwide, with 12,867 acres at Naval Base Kitsap, 2,026 acres at Joint Base Lewis McChord, 1,073, and at Naval Outlying Field Coupeville and Naval Air Station Whidbey Island.³

REPI is an important compatibility tool recognized in SSB 5748, which states that Commerce may consider the degree to which projects are compatible with the criteria established in the REPI program.



Source: Readiness and Environmental Protection Integration Program Washington State Profile, 2019, https://www.repi.mil/Portals/44/2019%20General%20Fact%20Sheets/NEW%202019%20State%20Fact%20Sheets/Washington_StateFacts_040819.pdf?ver=2019-04-10-120605-710

³ REPI 2019 13th Annual Report to congress, 2019, https://www.repi.mil/Portals/44/2019%20General%20Fact%20Sheets/2019_REPI_Report_to_Congress_FINAL_5FEB.pdf?ver=2019-03-05-095918-767

Appendix C: Program Phases and Methodology

Phase 1

Due to the narrow six-month timeline before the deadline of the first report required by SSB 5748 and to meet the initial biennial reporting requirement by Jan.1, 2020, Commerce implemented DCCA using a phased approach. The first phase included program development, including outreach materials, stakeholder engagement, an initial call for projects, and the evaluation of application submittals.

While the program was well-received by communities all over Washington, only a few jurisdictions and organizations were able to apply during this initial round. Future application rounds will provide program staff with more time to conduct outreach and more time for interested parties to complete project development.

Program Outreach

Commerce recognizes the importance of community and stakeholder input for effective project solicitation and implementation. Due to the condensed timeline for developing the program and conducting project solicitation and ranking processes, program staff could not initiate a formal communications plan and outreach agenda that would include travel throughout the state, workshops, the development of an advisory commission, and additional program materials. During the six-month window allotted for this grant round, outreach was conducted through the many channels of communication made available through the agency's website, news releases, and email stakeholder lists.

Outreach included:

- Published a program [web page](#) with access to program information, resources, and important dates and announcements relevant to the application process.
- Program application solicitation announcements on Commerce Growth Management Services webpage and on Commerce open grants and loans webpage.
- Program updates were provided on a monthly basis to the Growth Management Services newsletter recipients, which includes local governments throughout the state.

Program Phases

Phase 1: August 2019

- Program Launch
- Initiate ongoing program outreach

Phase 1: Sept. 3 - Nov.1, 2019

- Initial application window
- Question-and-answer period

Phase 1: Nov. 1 - Jan. 1, 2020

- Evaluate and rank projects
- Submit initial biennial report and project list to the legislature by Jan. 1, 2020

Phase 2: 2020

- Form advisory commission
- Conduct rule making
- Develop and review ranking criteria
- Solicit call for projects

Phase 2: 2021 - Jan. 1, 2022

- Evaluate and rank projects
- Submit biennial report and project list due to the legislature by Jan. 1, 2022

- Numerous announcements to agency email subscribers consisting of a wide range of individuals, stakeholders, organizations, local governments, state agencies' representatives, and Tribal governments. Approximately 9,000 recipients were included in this targeted outreach approach.
- Direct contact with a multitude of interested parties throughout the program development and application stage.
- Presentations to stakeholder groups to introduce the program and its components.
- Question-and-answer opportunity made available to interested applicants during the program application window.

With future program development beginning with the next cycle of project preparation, ongoing outreach will be conducted with a variety of representatives from federal agencies, U.S. Department of Defense installations in Washington, federally recognized Indian tribes in the state, city, county, and state governments, associations, advocacy and nonprofit organizations, elected officials, neighborhood-based organizations, public development authorities, and other interested parties. Program staff will develop a communications and outreach plan to target stakeholders and disseminate information to raise program awareness. Opportunities for engagement will be announced throughout the program outreach schedule.

Application Solicitation Process

The DCCA application window extended from Sept. 3 to Nov.1, 2019, marking the program's first solicitation opportunity.

A total of **seven** projects were received during the application window. Projects were evaluated using a scoring matrix and prioritization process in accordance with the requirements and recommendations outlined in the authorizing statute.

Question-and-Answer Period

The first three weeks of the application window included a question-and-answer period, providing applicants with the opportunity to submit questions to program staff in order to clarify information about the application and review process. Questions and responses were posted on the DCCA program [web page](#) throughout the question-and-answer window as an additional resource to guide project application development.

Evaluation Criteria

Project applications were evaluated on an established set of objective ranking criteria, including the following categories. In addition to the five evaluation categories listed, applicants may receive up to 15 additional bonus points for meeting specific priorities as stated in SSB 5748.

- **Project scope:** Project applications were evaluated for the quality of their project scope, considering feasibility of the work plan and project milestone worksheet, description of activities, and the associated timeline.
- **Leveraged funds:** Project applications were evaluated based on funding-based categories, including total project costs, project budget, leveraged funding and resources available, and overall project match.

- **Need and priority:** Project applications were evaluated for their demonstrated need and priority based on described urgency, local conditions, need addressed, community need, need and priority supportive documentation, and local priority.
- **Project readiness:** The project was evaluated for its demonstration of readiness to proceed for a timely and successful completion, including risk assessment, expediency, project site control, environmental and cultural resources review, zoning, and project phases.
- **Organizational capacity:** Project applications were evaluated on the applicant's capacity to complete and maintain all project components. Applicants needed to demonstrate capacity to perform and manage the proposed activities – both during the completion of development and ongoing operations of the project, including project sustainability, and program and process management.

Bonus points awarded for:

- **BRAC, JLUS, REPI Recommendation:** Recommendations of the U.S. DOD Base Realignment and Closure (BRAC) processes, Joint Land Use Studies (JLUS), or other federally initiated land use processes, including the U.S. DOD Readiness and Environmental Protection Integration Program (REPI).
- **Mission Viability:** Whether a branch of the U.S. Armed Forces identified the project as increasing the viability of military installations for current or future missions.
- **Community Support:** Applications accompanied by express support from nonprofit community or neighborhood-based organizations, public development authorities, federally recognized Indian Tribes in the state, or other community partners.

Evaluation Matrix

Project applications were evaluated using fair and unbiased criteria following the recommendations and priorities as established in SSB 5748.

The evaluation team members’ analysis of the applications and accompanying materials provided the basis for establishing the prioritized project list presented in this report. Applications were scored individually and collectively using the project evaluation matrix and scoring framework.

Evaluators awarded points for each evaluation category based on their interpretation of the quality and effectiveness of the applicant’s response to each requirement. Their external experience with, or perception of, the application was not a factor in this evaluation.

The following evaluation matrix was used to review and score applications received. Points were awarded based on the standards described.

POINTS	DESCRIPTION	DISCUSSION
8-10	Exceeds Minimum Requirements	The applicant has demonstrated an above-average capability, approach, or solution and has provided a complete description of the capability, approach, or solution, showing superior capability.

POINTS	DESCRIPTION	DISCUSSION
4-7	Meets Minimum Requirements	The applicant has an acceptable capability to meet this criterion and has described its approach in sufficient detail.
1-3	Below Minimum Requirements	The applicant has established some capability to perform the requirement, but descriptions regarding their approach are not sufficient to demonstrate the applicant will be fully able to meet the requirements.
0	No Value	The applicant has omitted any discussion of this requirement, or the information provided is of no value.

Phase 2

Starting in 2020, the second phase will include broader and more extensive program development, including the formation of a stakeholder community advisory commission, additional project scoping and planning, development of permanent objective project ranking criteria, and further refinement of ongoing program messaging, outreach and engagement efforts, including opportunity for public hearings. Rulemaking may be conducted to update the Washington Administrative Code with clarifying information to support implementation.

Implementation of all statutory requirements calls for additional program work between the biennial reports, including outreach with military installations in the state, local governments, and other entities eligible for future grant rounds.

Commerce will form a citizen’s advisory commission composed of community stakeholders to develop objective criteria for the evaluation and ranking of future project applications. Additionally, a program staff member will dedicate time to helping applicants with project development to assure projects are ready to proceed, build relationships with defense communities, and provide assistance with ongoing land use compatibility work at the local level.

Phase two implements all statutory elements listed in SSB 5748 and will serve as the foundation for program standards going forward. Project application opportunities will take place on a biennial basis. Commerce will submit the second legislative report to the legislature by Jan. 1, 2022.