



Washington State Parks and Recreation Commission

Marine Park Study | JULY 2014

Executive Summary

The Washington State Parks and Recreation Commission offers buoy and float moorage and other amenities at nearly 50 marine parks in Puget Sound and the San Juan Islands. Funding for these parks is increasingly tenuous as General Fund support for the park system has decreased sharply by 90 percent in recent years.

In May 2014, State Parks conducted research on sustainable funding for its marine park program. A cornerstone of the study included outreach to the boating community with two goals:

- Seek a better understanding of who is using marine parks and their needs and satisfaction with services.
- Seek ideas for making marine park funding more sustainable.

Agency staff attended several boating stakeholder meetings to announce the pricing review and to gather anecdotal feedback. The effort was also announced via news release, a television interview and through the agency's social media channels.

Due to time and financial constraints, much of the outreach was conducted using an online survey that quickly and inexpensively aggregates feedback. The Marine Park study was not a scientific survey and hence results cannot be extrapolated to characterize boater opinion in general. However, the public outreach and 839 responses were sufficient to reveal general areas of concern that lend themselves to more rigorous study in the future.

The marine park review produced several noteworthy themes:

1. Marine parks should compare prices to private marinas, but should not attempt to match marina prices.
2. Moorage infrastructure is underfunded; boating taxes should support marine parks.
3. Boaters appreciate park facilities and staff but expressed concerns about other boaters.

The lack of adequate tax support for marine park infrastructure and services—particularly because boaters pay boating-related taxes—undermines the potential for additional fee increases to improve marine parks. Many people expressed concern that taxes and fees were threatening the ability of middle- and low-income families to boat. Respondents often mentioned that they were not rich but sacrificed so that they could afford to boat, which many people called one of the Northwest's greatest pleasures.

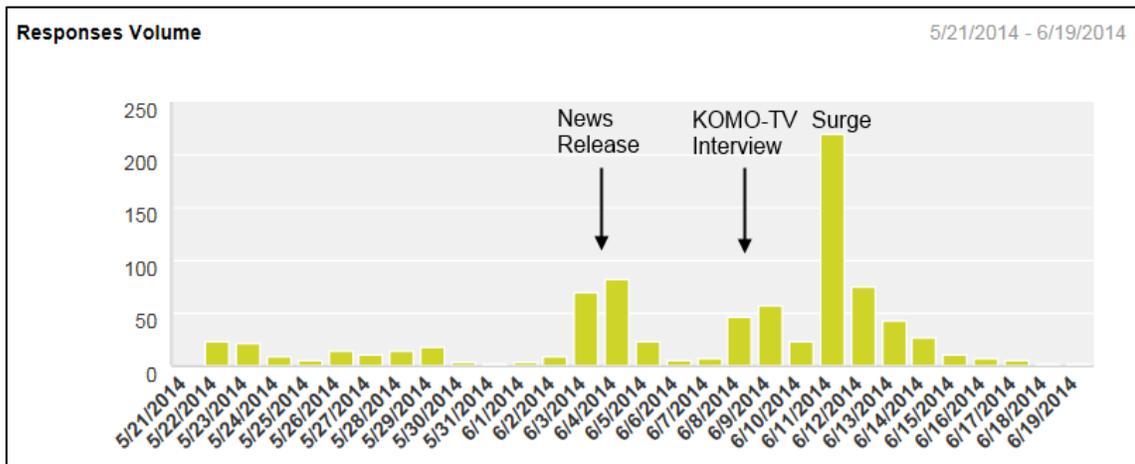
Overview

A cornerstone of the review of moorage fees was outreach with two goals:

- Seek a better understanding of who is using marine parks and their needs and satisfaction with services.
- Seek ideas for making marine park funding more sustainable.

Due to time and financial constraints, much of the outreach was conducted using an online survey service rather than a scientific random-sample canvas. The effort received 839 responses by the established deadline of June 19, 2014. The online survey tool quickly and inexpensively aggregates feedback; however, findings are not from a traditional random-sample survey, notably:

- Where there is a split of opinion, the proportions of opinion are not truly representative of the population as a whole, as in a random-sample survey. On the other hand, where there is an overwhelming preponderance of opinion in one direction, one could surmise that the majority opinion is in that direction. (For example, the fact that 94 percent of respondents reported being Washington residents makes it unlikely that the majority of all boaters in Washington actually came from other states.)
- Responses spiked on three occasions:
 1. Around June 3, when the news release was issued
 2. Around June 8 when Parks appeared in a KOMO-TV news story
 3. Around June 11 when an external organized campaign took effect, as evidenced by the surge of replies, lack of media activity in the same time frame and similarity of talking points used in open-ended comments. Nearly half the responses came during the week beginning June 11 (shown in the chart below).



Nevertheless, the public outreach and 839 responses were sufficient to identify general areas of concern that lend themselves to more rigorous study in the future. The goal of better understanding all boating customers was unfortunately diminished by the organized campaign, but the outreach was still successful in seeking ideas for making marine park funding more sustainable and for increasing awareness of the marine park funding predicament.

Because the organized campaign made quantitative results unreliable, the qualitative responses to open-ended questions are the most important part of the survey results, particularly as to feasibility.

The frequency of particular comments (especially after June 11) must be discounted due to the organized response.

Major Findings

The study began with the premise that people could accurately be charged in advance for the amount of moorage used each year. That turned out to be a tenuous proposition because the amount of use is variable. People can't predict how much moorage they will consume, and moorage (which is non-reservable) is not always available when and where desired. There are also some boaters who do not pay for moorage (especially buoy moorage) due to the difficulty of reaching the land-based fee payment station and/or simply testing the odds of not being caught.

A few major findings presented themselves:

1. **Marine parks should compare prices to private marinas but should not attempt to match marina prices.** The study started with a premise that marine park fees should use private marina fees as a point of reference in pricing decisions. It is true that marina fees are a 'comparable' point of reference in that they are often alternative places to visit or moor during boating trips. However, marine parks are not private marinas. To some people marinas have more amenities and should cost more, while other boaters think of marina amenities as a negative, preferring the quiet and rustic park experience as the one of higher value. Parks approaches pricing with a nuanced understanding of the marketplace.

Recurring themes related to fees:

- The study sought opinion on whether marine park rates should approximate the \$1.00/foot charge of many marinas. (The current state park rate is \$0.60/foot.) The response was that rates of \$0.80 to \$1.00 would be excessive, but there was support for a more nominal increase in fees.
- Discontent about taxes and distrust of government for the current (non-boating) use of boating excise taxes and sweeping of boating accounts suppresses the potential for increasing fees for boating services such as moorage.
- Some boaters object to the argument that marine park moorage fees should be comparable to charges at marinas. One of the approaches that State Parks takes to establish 'fair market value' and ensure its rates are appropriate is to compare rates, services and value with that of other providers of overnight moorage. The goal is not necessarily a 1:1 match. Not surprisingly (because of the campaign), most responses on this topic opposed the comparison. They cite the provision of utilities and other amenities as a reason for marinas to cost more than marine parks. Some other respondents cite those same amenities as negatives in comparison to the rustic conditions and quiet starry nights enjoyed at marine parks.
- We received many comments about the proposed percentage increase over one year, notwithstanding that fees have not been revised for market value (or even adjusted) in nearly three years. The percentage increase is more defensible when annualized for the total amount of time between increases.

- There were recurring comments that the park system does not now collect all the money to which it is entitled from moorage customers. Although park rangers regularly patrol moorage to ensure compliance, they may not make it to every site every day due to budget and staffing limitations, so the program relies to some degree on voluntary compliance. Many comments explained the difficulty of traversing from buoys to going ashore to make payment in Iron Rangers (metal payment safes).
- For that reason, many people appreciate the opportunity to buy the annual permit, so payment is accomplished before arrival. This is also advantageous to the agency, since there is a cost to the collection, processing and accounting for cash.
- Many people predicted that an increase in fees would cause them to use marine parks less, or to anchor more often. Some noted that they prefer not to anchor to avoid damaging eel grass habitat important to salmon and other fish. Do to the very limited amount of moorage space, it is considered likely that moorage activity and revenue would not decrease markedly from a modest fee increase.

2. **Moorage infrastructure is underfunded; boating taxes should support marine parks.**

People already pay a lot to go boating, often sacrificing a great deal to afford their passion. Unfortunately, boaters do not generally see a direct benefit from the extra boating-related taxes they pay. The annual excise tax of one-half of one percent is deposited into the state's General Fund for general government purposes, and that tax is not assessed to other big-ticket recreational vehicles like RVs and airplanes, which creates iniquity. The sales/use tax on the purchase of new and used boats is also deposited into the State General Fund. A portion of the fuel tax may be used to acquire and improve marine lands, but these have recently been subject to legislative redirection to other purposes.

Recurring themes related to taxes:

- Many boaters cited payment of taxes in general as a reason why marine park fees should not be increased, or even charged. They may not be aware that General Fund support of State Parks has dropped by 90 percent in the past six years or that boaters are not being charged the use fee (Discover Pass) put in place to recover lost funding.
- Boaters are universally upset about boating taxes going to the State General Fund. A frequent talking point in the responses pointed out that boaters pay approximately \$17 million annually in excise taxes (in lieu of property tax) and the proceeds are deposited in the state's General Fund for basic government operation. This excise tax was repealed for other recreational vessels (cars, planes, RVs, campers). Some dedicated boating taxes are earmarked for invasive species and derelict vessel programs. Sales and use taxes are similarly deposited into the General Fund, without a direct benefit to boaters. Even gas tax proceeds earmarked for marine area improvements have occasionally been redirected to other purposes (including once to State Parks). Consequently, boaters appear to be less likely to support new or additional taxes or user fees to fund boating programs without receiving a direct benefit.

- The boating industry also notes that there is a lid on dedicated non-highway-purpose recreation accounts that results in diversions of some of this funding into the Motor Vehicle Fund (transportation budget). Under state law, fuel purchased at the pump by boaters, ORV riders and snowmobilers is supposed to go into dedicated infrastructure accounts that support those activities. However, only 23 cents of the 37.5 cents of gas tax paid by those users goes to recreation infrastructure, while the other 14.5 cents is diverted to the Transportation Budget's Motor Vehicle fund as a result of 2003 and 2005 legislative actions.

3. Park Facilities and Staff

Respondents were largely appreciative of the existing marine park infrastructure, with some calling it the best part of life in the Pacific Northwest.

Recurring themes related to facilities and staff:

- Moorage is often hard to find during peak season, and many people asked for more buoys and floats. There were various comments about the condition of buoys; they are all scheduled for replacement this biennium.
- Several comments suggested better parking management at floats, making boats park directly behind each other so that more boats could fit on docks, and making boats remove dinghies so that other boats could fit. Some suggested that larger boats (but under the 45-foot maximum) be made to anchor or park on buoys rather than docks, because they can access the shore by dinghy. Smaller boats that are not self-contained have problems using buoys because if they leave the buoy to use the park restroom they may lose their moorage.
- Boaters were largely complimentary about state park staff. The only criticism noted was the lack of robust enforcement activity to collect fees in some parks.
- Many of the strongest comments had to do with undesirable behaviors of other boaters, including non-payment of fees, overstaying moorage periods at floats and buoys and larger boats tying up to docks but never going ashore.
- Researchers concluded that the agency's marine park program may benefit from a more centralized management approach for better coordination and performance, subject to further analysis.

Conclusion

The lack of adequate tax support for marine park infrastructure and services—when boaters pay boating taxes—undermines the potential for additional fee increases to improve marine parks. Many people expressed concern that taxes and fees were threatening the ability of middle- and low-income families to boat. Many commenters mentioned that they were not rich but sacrificed so that they could afford to boat, which many people called one of the Northwest's greatest pleasures. In the words of one boater: *“It’s hard to specify one reason [for using marine parks]. Certainly cost is a major factor, but the experience of being at some of our state parks is equally important. That includes hiking, walking beaches, using picnic sites and generally relaxing aboard our boat.”*