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Section:	1100 REAL PROPERTY	Revision Date:	3/2026
Policy:	PUBLIC BENEFIT RATE ADJUSTMENT	Policy No.	1109
Approver:	COMMISSION	Resolution	Yes

1. PURPOSE

The Port of Olympia recognizes that certain nonprofit, governmental, and community-based organizations provide programs and services that advance the Port's statutory purposes, including promotion of tourism and economic development, and deliver measurable public benefits to the community.

This policy authorizes the Port to provide limited adjustments below standard market rates for leases, rentals, and marina moorage when such adjustments represent a strategic investment in public benefit outcomes, rather than a subsidy or donation, and when the Port receives adequate consideration in return.

This policy is intended to:

- Support economic development, workforce development, tourism, maritime access, environmental stewardship, and public access objectives of the Port;
- Ensure transparency, accountability, and consistency in decisions to allow use of Port property at below-market rates; and
- Ensure compliance with Washington law, including constitutional prohibitions on gifts of public funds.

2. LEGAL AUTHORITY

This policy is adopted pursuant to the following authorities:

- **RCW Title 53** (Port Districts)
- **RCW 53.08.245**, which authorizes ports to engage in economic development activities, including contracting with public or private entities to promote employment, training, and economic vitality
- **RCW 53.08.255**, which authorizes ports to expend funds and provide services to promote industrial development, tourism, and related public purposes
- **Washington Constitution, Article VIII, Section 7**
- The Port of Olympia Comprehensive Scheme of Harbor Improvements
- Port of Olympia Vision 2050 and related adopted plans

Nothing in this policy shall be interpreted to authorize the gifting of public funds, lending of public money or credit, or the gratuitous use of Port property.

3. POLICY STATEMENT

The Port of Olympia may approve rate adjustments below standard market rates only when the Port is making a documented investment in public benefit outcomes that advance Port purposes, and where those outcomes constitute measurable consideration to the Port and the community.

Nonprofit status alone does not qualify an organization for a rate adjustment.

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4. APPLICABILITY

This policy applies to Port-owned assets including:

- Marina moorage and slips
- Land leases
- Building or facility rentals
- Other Port-owned real property subject to rental or user fees

This policy does not apply to:

- One-time or short-term event rentals governed by separate fee schedules
- Emergency or disaster response uses
- Uses restricted by federal law, grant conditions, or bond covenants

5. ELIGIBLE ORGANIZATIONS

To be eligible for consideration under this policy, an applicant must:

- Be a 501(c)(3) nonprofit organization, tribal government, or public agency
- Be in good standing with applicable state and federal authorities and legal requirements
- Primarily serve residents within Thurston County
- Demonstrate organizational and financial capacity to perform the proposed public benefit activities
- Meet all Port insurance, indemnification, and risk-management requirements

6. QUALIFYING PUBLIC BENEFIT CATEGORIES

Rate adjustments may be granted only when the proposed use advances one or more of the following public benefit categories, consistent with RCW 53.08.245 and RCW 53.08.255:

A. Economic Development

- Activities that support local industry, small business development, or maritime commerce
- Programs that stimulate economic activity or job creation

B. Workforce Development

- Job training, certification, or apprenticeship programs
- Maritime career pathways or skills development aligned with Port-related industries

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C. Tourism and Visitor Economy

- Programs or uses that promote tourism, cultural activity, or visitor engagement consistent with Port objectives

D. Youth Maritime Education and Safety

- Sailing, boating, seamanship, or water safety education
- Programs with scholarships or reduced-cost access for underserved populations

E. Public Access and Community Programming

- Free or low-cost public access to maritime or waterfront experiences
- Programs that broaden equitable access to Port facilities

F. Environmental Stewardship

- Environmental education, clean marina practices, or marine resource stewardship

7. RATE ADJUSTMENT STANDARDS

A. Maximum Rate Adjustment

- Rate adjustments shall not exceed 50% below the standard rate
- Any adjustment exceeding 50% requires express Commission approval with written findings identifying why the reduction is necessary and consistent with the Port's public benefit objectives

B. Term

- Initial agreement term shall not exceed five (5) years
- Renewals are not automatic and require performance review

C. Proportionality

Rate adjustments must be proportionate to:

- The documented public benefit provided
- The scope and duration of required deliverables
- The value of foregone Port revenue

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8. REQUIRED CONSIDERATION & DELIVERABLES

Each approved rate adjustment shall be supported by specific, measurable deliverables, which may include:

- Number of participants served annually
- Number of public or low-cost events or scholarships that further the Port's public benefit objectives
- Workforce training or educational outcomes
- Environmental or stewardship activities
- Reporting requirements and verification methods

Failure to meet required deliverables may result in:

- Reversion, including retroactively, to standard rates
- Termination of the agreement
- Other contractual remedies

9. APPROVAL AUTHORITY

A. Commission Approval Required

Commission approval is required for:

- Any agreement exceeding one (1) year in duration; and/or
- Any agreement with an estimated annual public benefit value exceeding \$10,000

B. Staff Approval

The Executive Director may approve agreements below Commission approval thresholds, provided:

- All policy requirements are met; and
- Written documentation of compliance with this Policy is secured and maintained

10. DOCUMENTATION REQUIREMENTS

For each approved rate adjustment, staff shall prepare and retain written documentation including:

- Standard rate or fair market value baseline
- Discounted rate

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- Annual value of foregone revenue
- Public purpose and statutory justification
- Required deliverables and reporting schedule
- Term, renewal, and termination provisions

11. OVERSIGHT, TRACKING & REPORTING

- The value of all approved rate adjustments shall be tracked annually
- Staff shall provide an annual report to the Commission summarizing:
 - Participating organizations
 - Nature of public benefits provided
 - Total value of foregone revenue
 - Performance and compliance status

This reporting is intended to ensure transparency and accountability and to reinforce that the Port is investing in public benefit outcomes, not subsidizing private organizations.

12. ADMINISTRATION

The Executive Director is authorized to adopt procedures consistent with this policy to implement application, evaluation, monitoring, and reporting requirements.