Exhibit B

Packwood Corridor Plan **October 2022**
Planning Grant - Project Narrative

1. Overview

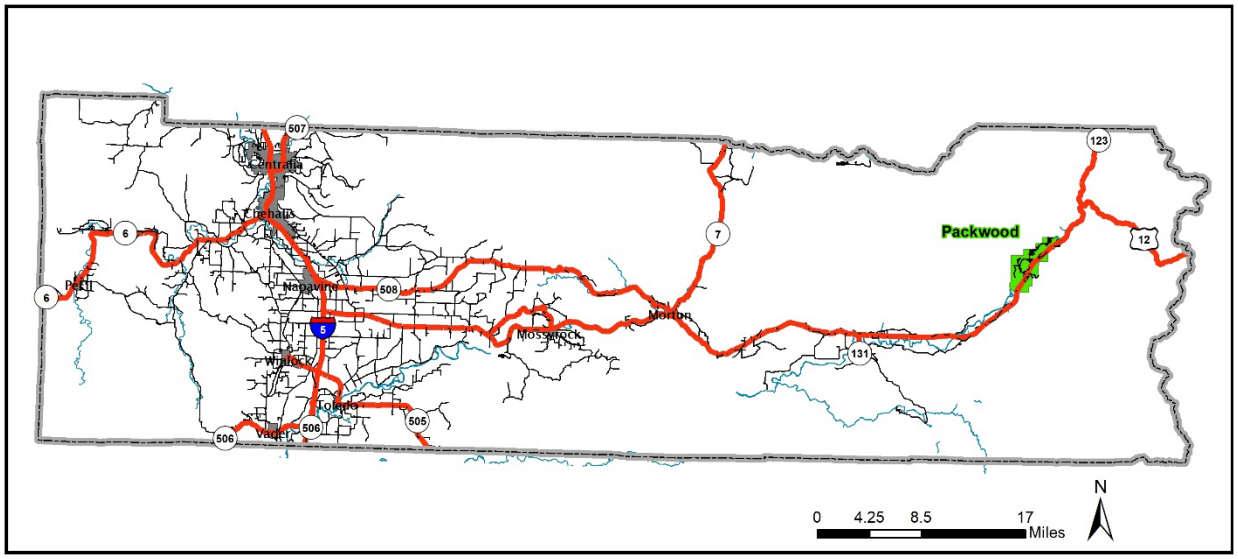
A. Purpose

The purpose of this project is to develop a corridor plan for Highway 12 in Packwood, Washington. Incorporating an approach anchored in practical solutions and Transportation Systems Management and Operation (TSMO), this project will develop a long-term plan to determine the type of transportation network Highway 12 should support and how Highway 12 interacts with surrounding land uses. The intent of the plan is to address improvements related to traffic speeds, congestion, pedestrian access, bike routes, on street parking and access to businesses along Highway 12 and neighborhoods within walking distance of the highway. The plan will incorporate meaningful community engagement, analyze existing and future conditions, identify near, mid- and long-term needs and a wide range of TSMO solutions and strategies to address them.

Lewis County, in partnership with Washington State Department of Transportation (WSDOT) Southwest Region, decided to study this corridor to facilitate strategic decision-making for all road users because Packwood has become a significant national and international tourist destination and is experiencing significant growth and development, which is anticipate to continue for the next 10 to 20 years.

B. Packwood, Washington

Packwood is located in Lewis County, WA (Map 1).



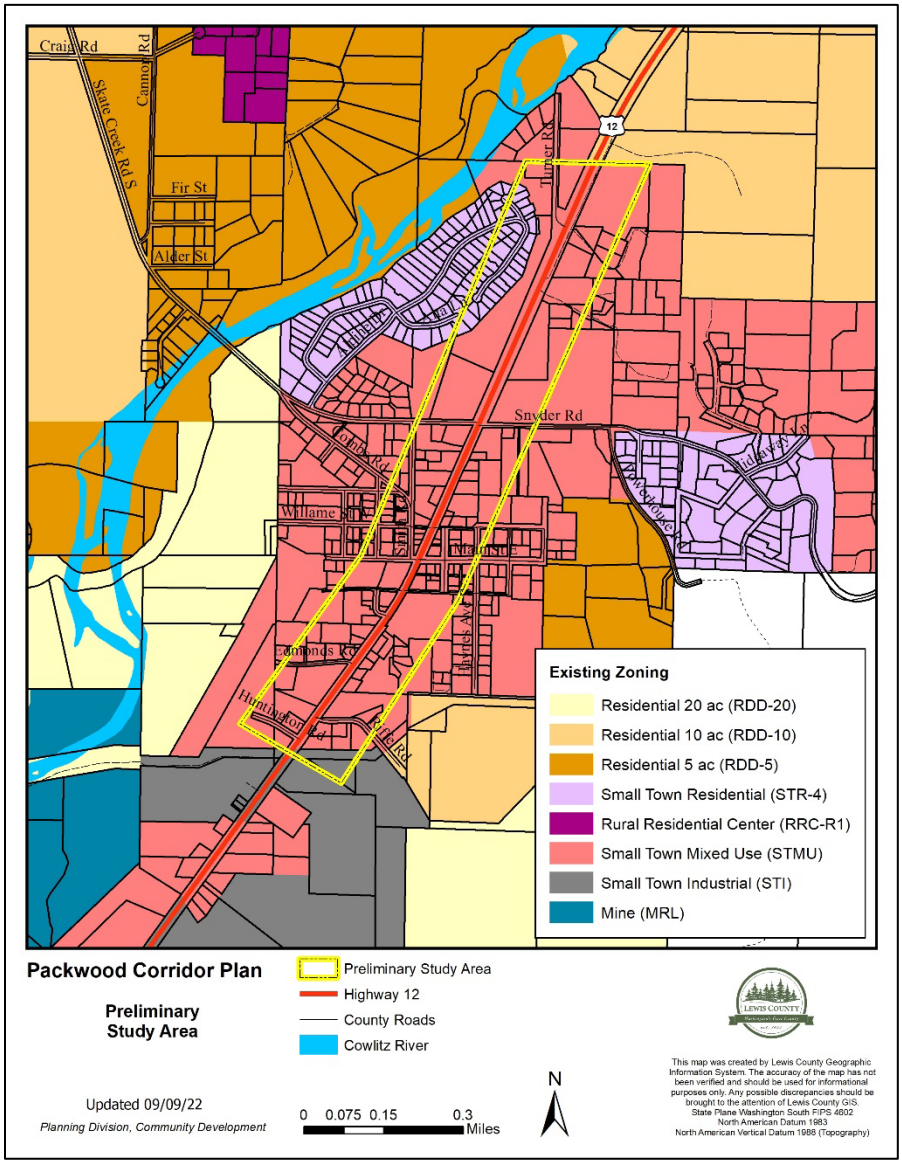
Map 1: Packwood Vicinity Map Lewis County, Washington

Packwood originally developed in the 1900's as a timber town, but it never incorporated as a city. Packwood is an isolated town center located more than 30 miles from the nearest

incorporated city (Morton, WA). Packwood is also a "gateway community" located between Mt Rainier National Park, White Pass Ski Resort and the Goat Rocks Wilderness. The population of full time residents in 2020 was 1,073. Although the population has started to increase in the past 10 years, Packwood is still roughly 500 residents short of what is needed to incorporate. This means that Lewis County provides governance and services to Packwood including transportation.

2. Location and Map

The study area includes 1.25 miles of Highway 12 from approximately Huntington Road in the south to Turner Road in the north and includes land uses and local access streets within approximately one block of the highway. Map 2 shows the preliminary study area. The exact corridor study area will be determined early in the corridor planning process.



Map 2: Packwood Corridor Plan Preliminary Study Area

There are many undeveloped pieces of property in the study area and even more that have only one residence and could be subdivided. Table 1 shows the vacant parcels of land in each zoning designation applied to Packwood in total. The study area and surrounding neighborhoods are zoned Small Town Mixed Use (STMU) and highlighted in the table. STMU allows residential development, including single family residences, duplexes and accessory dwelling units, as well as commercial uses, including hotels, grocery stores, gas stations, restaurants, etc. Minimum density is currently based on site size and septic requirements (the area already has municipal water) and is typically one unit per 6,000 square feet. Therefore, there is significant capacity for development of vacant lands in and within walking distance of the study area.

Table 1: Vacant Lands in Packwood

Zone	Title	Allowed Density	Parcel Count	Total Acres	Vacant Parcels	Vacant Acres
RRC-R1	Rural Residential Center 1	1 unit / 1 acre	1,660	1,143	213	177
RRC-R2	Rural Residential Center 2	1 unit / 2 acre	31	158	9	53
STR-4	Small Town Residential 4	4 units / 1 acre	193	134	25	33
STMU	Small Town Mixed Use	N/A	423	704	111	195
STI	Small Town Industrial	N/A	16	122	2	1.5

Lewis County received a state appropriation in 2022 to design and construct a sewer project that includes the study area. The sewer, once constructed (anticipated 2026), will increase the allowed density of future development in the areas zoned STMU. Sewer will support development of multifamily housing and will help alleviate the lack of affordable housing options for residents employed in the tourism and service industries in Packwood. Development will also increase traffic and pedestrian use of the corridor and put additional pressures on parking, thus increasing the need for a corridor plan.

The study area includes two churches, a library, a museum, the Packwood Community Hall, the Packwood Senior Center, a community park, a post office, four hotels, an RV Park, a grocery store, two gas stations, a sporting goods store, an auto body shop, a hardware store, multiple restaurants and other businesses. There is one transit stop located at the senior center. Adjacent to the study area is the Packwood Airport and the East Lewis County Business Park, as well as developed residential neighborhoods.

Highway 12 in Packwood lacks designated pedestrian and bike paths. There is only one striped crosswalk in the study area and no traffic calming mechanisms (e.g. roundabouts, stop signs). There is no designated on-street parking. The wide right-of-way results in haphazardly nose-in parking. This is particularly dangerous given the amount of heavy truck traffic that uses Highway 12 as a primary distribution route across Washington State.

3. Response to Merit Criteria

A. Equity, Environmental Justice, and Community Engagement

I. Community Engagement Plan

Lewis County will partner with the community to develop the Packwood Corridor Plan. The community engagement process facilitates the scope of the plan and will continue regularly throughout the process to ensure that community members and interested parties have a meaningful role in the discussions, deliberations, decision-making and implementation of the Packwood Corridor Plan. The principles below represent the framework that Lewis County uses to establish consistent, effective and high-quality community engagement:

- **Partnership:** Community members have a right to be involved in decisions that affect them. Participants can influence decision-making and receive feedback on how their input was used. The public can recommend issues for government consideration.
- **Early Involvement:** Public involvement is an early and integral part of issue and opportunity identification, concept development, design, and implementation of visions, goals, policies, and programs.
- **Building Relationships and Community Capacity:** Public involvement processes invest in and develop long-term, collaborative working relationships and learning opportunities with community partners and stakeholders.
- **Inclusiveness and Equity:** Public dialogue and decision-making processes identify, contact, and encourage participation of the community in its full diversity. Processes respect a range of values and interests and the knowledge of those involved. Historically excluded individuals and groups are included authentically in processes, activities, and decision- and policy-making. Impacts, including costs and benefits, are identified and distributed fairly.
- **Good Quality Process Design and Implementation:** Public involvement processes and techniques are well-designed to appropriately fit the scope, character, and impact of a policy or program. Processes adapt to changing needs and issues as they move forward.
- **Transparency:** Public decision-making processes are accessible, open, honest, and understandable. Members of the public receive the information they need, and with enough lead time, to participate effectively.
- **Accountability:** County leaders and staff are accountable for ensuring meaningful public involvement in the work of county government.

An example of a typical community engagement plan for Lewis County is the Packwood Subarea Plan – Public Participation Plan (December 2021).

II. Environmental Justice

The community engagement plan for the Packwood Corridor Plan will be consistent with Washington State Bill 4141 Environmental Justice/HEAL Act, which is intended to reduce environmental and health disparities and improve health of all Washington State community members. Lewis County is not a "covered agency" within the HEAL Act; however, WSDOT, who is a partner in this project, is required to comply with the act. Lewis County will work with WSDOT to be consistent with their Community Engagement Plan, which will identify and prioritize overburdened communities, develop best practices for outreach and engagement with

those communities, and processes to facilitate inclusion of impacted community members in agency decision making.

III. Native American Engagement

In the early 1800's, the Packwood area was home to a band of Táytnapam known to settlers as "Poniah's band" after the name of the village headman. Táytnapam descendants are today members of both the Cowlitz Indian Tribe and the Confederated Tribes and Bands of the Yakama Nation. A large map hand-drawn in 1821, and now in the British Library, shows a native village in the vicinity of Packwood. The population of the village is not known.

A census by the Washington Superintendent of Indian Affairs in 1879 recorded 105 people, described as the "Upper Cowlitz Klickitat" living in the area; the census recorded 71 people in 1880. The federal census in 1900 identified 35 Native American people living in the upper Cowlitz River area. This sharp decrease in population was likely because of outmigration due to dispossession of lands by settlers, racism, economic incentives to work in other places and the effects of the Dawes Act.

On June 16, 1914, the government opened more than 23,000 acres of Rainier National Forest for settlement. The area included what today is the housing developments around Packwood such as Goat Rocks, High Valley Park, Packwood Heights, Skate Creek Terrace, Skyline and Timberline Village. Many new Europeans came into the area at that time. The road to Packwood was U.S. Route 410 and was added to the federal highway system in 1926. In 1931, the road was added to the Washington State highway system (Highway 12). This increased the ability of people to reach the area and increase economic development; however, it further displaced native people.

Today Lewis County has a strong relationship with Cowlitz Indian Tribe and the Confederated Tribes and Bands of the Yakama Nation. Members of the Cowlitz Indian Tribe have participated in a Community Advisory Committee and as technical experts for development of the Packwood Subarea Plan (draft anticipated to be adopted in spring 2023). The Community Engagement Plan for the Packwood Corridor Plan will include early conversations with both the Cowlitz Indian Tribe and Yakama Nation to determine the level of engagement each would like to have in the plan process and Lewis County will honor their desired level of engagement.

IV. Economic Displacement

Between 1969 and 1976, as a result of the National Environmental Protection Act and the National Forest Management Act, forest management practices shifted the focus of the area from timber production to ecosystem management. The decline in harvest, increased mill mechanization, and foreign competition ultimately played a role in the closure of the Packwood Lumber Mill in November 1998. The Packwood community lost 220 jobs at the mill and resulted in the out-migration of a large number of younger working families. By the year 2000, the year-round population of the Packwood community was estimated at about 645 people; approximately half of the houses in the community were converted to either seasonal rentals or vacation homes. With the loss of population came the closure of the Packwood Elementary School, the pharmacy,

and two restaurants. The Packwood Ranger Station permanently closed in 2003. The estimated number of full time residents in 2010 was down to 342. Today, Lewis County is designated a "Distressed County" pursuant to Chapter 82.14.370 RCW to receive economic development financial assistance.

Since the 2010's Packwood has seen an increase in the tourism industry. Between 2019 and 2022 the Packwood Visitor Center saw a fourfold increase in attendance from 1,903 visitors to estimated 8,000 (based on actual attendance of 6,530 as of September 6, 2022). Representatives of the Visitor Center believe only 1% of tourist come to the center, meaning the annual visitorship in Packwood may exceed 800,000 people. Mount Rainier National Park tracks traffic counts northbound on Highway 123, which is the park entrance located 7 miles from Packwood. In 2019, there were 98,037 trips, increasing to 114,334 trips in 2021. This increase in tourism has resulted in significant traffic congestion and safety concerns on Highway 12 in Packwood.

Tourism has bolstered the economy of Packwood; however, at the same time property values have increased significantly. Between 2012 and 2022, Packwood saw a 300% increase in sale price of houses. By 2022, there were 216 short term rentals. At the time of this application there were only two houses for long term rental in Packwood.

The cost of housing and lack of long term rentals means there is insufficient affordable housing for employees. Nikia Hernandez, Cowlitz Valley Ranger, said "We typically try to hire 25-30 seasonal employees every summer. If we cannot find candidates who live within a commuting distance it is quite common for applicants to turn down a position if there is no affordable housing available to them." Kathleen Goyette, White Pass Ski Area, said "lack of affordable rental properties available seasonally is of great concern to us and to our current and prospective employees." Along with planned land use changes and adding sewer, improved transportation facilities as a result of the Packwood Corridor Plan will increase affordable housing options as well as making Packwood safer for residents and tourists.

Lewis County has fostered strong relationships with the residents, business owners and employees in Packwood. Staff routinely attend the Packwood Business Organization Committee and the Packwood Improvement Club. Staff also have a relationship with Fire District 10 and the White Pass School District. The Community Engagement Plan for the Packwood Corridor Plan will include early conversations with the community, through existing organizations and relationships, to engage each in the plan process.

B. Mobility and Community Connectivity

The Packwood Corridor Plan is intended to improve mobility and connectivity by reducing traffic speeds, reducing congestion, establishing pedestrian facilities, creating bike routes, designating on street parking, and improving access to businesses along Highway 12 and neighborhoods within walking distance of the highway. This will reconnect communities from one side of Highway 12 to the other to live, work, play, and move freely and safely.

Highway 12 in Packwood is a significant barrier to connectivity. The right-of-way is 100 feet wide and there is one crosswalk across the highway throughout all of Packwood. Speed limits leading to Huntington Road in the south and Turner Road in the north are 55 mph and the speed limit within the study area is 35 mph. There are no traffic lights, stop signs or traffic calming facilities on Highway 12 in the study area. There is no striped parking or parking signs. There are no sidewalks. There is no accessibility for people who are not fully able-bodied. There is very limited lighting. The results of all of these factors are that people cannot easily and safely access both sides of the highway.

In the study area there are dozens of business, multiple hotels/motels, churches, grocery store and community amenities (e.g., library, post office, museum, community centers, parks). Often people will park in front of one business and then drive a block or two to the next business because there are no sidewalks or crosswalks. This has a negative impact on businesses and the community. A recent study, Why Walkable Streets are More Economically Productive, demonstrates that making streets more accessible to pedestrians is beneficial to the local businesses.

C. Community-based Stewardship, Management, and Partnerships

The Packwood Corridor Plan will begin with community engagement, as describe in 3.A.I. The community-centered approach will identify barriers to connectivity and possible solutions to be evaluated. While tourism is a key driver of the need for the Packwood Corridor Plan, of primary concern is the ability for residents and employees to easily and safely access businesses, such as the grocery store, community amenities, such as the library and post office, and places of employment in the study area. The main industry providing jobs in Packwood is tourism, which means most employees are working at restaurants and stores.

Another goal of the Packwood Corridor Plan is to help spur development of multifamily housing with access to pedestrian and bicycle facilities along Highway 12. Lewis County is currently completing the Packwood Subarea Plan, which includes a Future Land Uses Map that envisions mixed uses with ground floor commercial/retail and second story apartments along the Highway 12 within the study area. The subarea area is being developed by a 35-member Community Advisory Committee and facilitated by Lewis County staff. This same approach to community engagement will be taken for the Packwood Corridor Plan.

Lewis County is partnering with WSDOT on the Packwood Corridor Plan. This is a formal partnership because WSDOT operates and maintains Highway 12 and a corridor plan must meet the state requirements and specifications. WSDOT has provide a letter of commitment (attached).

Lewis County is also partnering with the White Pass Scenic Byway, a non-profit organization that promotes the intrinsic assets of the Byway's (Highway 12) natural, historical and cultural resources, and enhances the assets and resources. The Byway designated Packwood as "Major Community Gateway" and provides a Packwood Main Street Plan. The plan says "US 12 is the

community of Packwood's main street and the community faces a range of challenges that accompany having a major highway in a community center. Currently, parking for downtown businesses is head-in angle parking, requiring vehicles to back into highway traffic as they exit. There is … no sidewalk or other designated pedestrian areas. To enhance its tourism economy, improve highway safety, and improve quality of life for Packwood's residents, a downtown plan needs to be developed that focusses on [highway] design improvements to create a livable downtown with a unique local flavor." The White Pass Scenic Byway has provide a letter of commitment (attached).

D. Equitable Development and Shared Prosperity

In December 2021, Lewis County formed the Packwood Subarea Plan Community Advisory Committee (CAC) which includes 35 residents, business owners, employees, and property owners in Packwood as well as the Cowlitz Indian Tribe. The CAC has been working for 10 months to produce a "subarea plan" for Packwood. A subarea plan is a vision, goals and policies that will guide growth over the next 20-years. The draft Packwood Subarea Plan is anticipated to be adopted by the Lewis County Board of County Commissioners in early 2023. The plan includes goals and policies for land use, housing, economic development and transportation. The CAC's transportation goals and policies are:

Transportation Goal 1 – Make the streets more accessible and safe for bicyclists and pedestrians.

Highway 12 is used by pedestrians, and to a lesser extent bicyclists, to access businesses in Downtown Packwood. During the peak seasons with a high volume of tourists, streets should be safe and accessible. Traffic needs to be travelling at slow speeds when approaching downtown.

Policies

TR1.1: Create pedestrian and bicycle routes along Highway 12 in Downtown Packwood and along Skate Creek Road from Highway 12 to Cannon Road.
TR1.2: Add crosswalks at main intersections that cross Highway 12 in Downtown Packwood.
TR1.3: Add lighting along Highway 12 in Downtown Packwood.
TR1.4: Add traffic calming along Highway 12 between Skate Creek Road and Huntington Road.
TR1.5: Reduce the speed limit to 25 mph on Highway 12 in Downtown Packwood.
TR1.6: Improve snow removal to maintain safe walkways and adequate parking in Downtown Packwood.

Transportation Goal 2 – Improve street connectivity in and near Downtown Packwood.

The local transportation system is incomplete and lacks pedestrian and bicycle facilities. Not all properties have adequate roads for fire and EMA vehicles.

Policies

TR2.1: Maintain and expand historic block pattern near Downtown Packwood.
TR2.2: Add streets near Downtown Packwood to improve neighborhood connectivity and emergency vehicle access.

TR2.3: Designate parking within the Highway 12 right-of-way in Downtown Packwood.

Transportation Goal 3 – Designated appropriate and safe parking options in Downtown Packwood to support businesses, residents and tourists.

Policies
TR3.1: Require on-site residential parking for new development.
TR3.2: Require covered residential parking including garages and carports to be flush or behind the front face of the house.
TR3.3: Require new surface parking for business facing Highway 12 to be located behind the primary building.
TR3.4: Establish designated on-site parking for Highway 12.

Packwood has just began to transition out of a recession and to plan for affordable housing and economic development. The CAC identified the following goal and policies in the subarea plan:

Housing Goal 1 – Provide a range of affordable housing for residents at all income levels.
Affordable housing is a primary concern of residents and business owners. Affordable housing means everyone in Packwood is able to find housing that meets their income constraints. In practice, that means ensuring a wide range of housing types that meet the needs of minimum to median wage earners. A diversity of housing types can be designed to fit the rural character of Packwood.

Policies
HS1.1: Encourage high and medium density housing in and near Downtown Packwood that is designed to fit small town character.
HS1.2: Provide design guidelines that allowed multiple dwelling units to be included within a single structure that looks like a traditional single family home.
HS1.3: Encourage a diversity of single family housing types including duplexes, tiny home villages and accessory dwelling units throughout Packwood.
HS1.4: Encourage similar residential development patterns and lot sizes between established neighborhoods.

Economic Development Goal 1 – Support a range of locally owned businesses to meet the needs of residents and tourists.
Residents need many services during their everyday lives including grocery, medical, dental, pharmacy, banking, electrician, plumber, clothing, salon, etc. When these essential services are located a long away (20+ miles) it can result in people leaving Packwood and choosing to live in another community or results in many vehicle trips that are costly and contribute to climate change. Locating services where people live have many benefits that support families living in Packwood and people being able to age in place.

Policies

ED1.1: Increase commercial uses in Downtown Packwood and at the historic mill site.
ED1.2: Create a new master planned resort, focused on tourist amenities (e.g., hotel, cabins, golf course, spa, etc.).
ED1.3: Provide infrastructure that supports grocery, restaurants, medical, dental, veterinarian and other specialty services.
ED1.4: Discourage franchise businesses that can outcompete locally owned businesses.
ED1.5: Create a mentoring program between new and existing business owners.

Economic Development Goal 2 – Support employment options that provide living wage jobs.
In 2021, a living wage job in Washington State was roughly $42,000 per year or $20 per hour. In 2022, the minimum wage was $14.49 per hour. Affordable rent or mortgage for someone making a living wage is $1,260 per month; for minimum wage affordable rent is $750 per month. Most service industry jobs (e.g., restaurant server, house cleaner, etc.) pay a minimum wage not a living wage.

Policies
ED2.1: Work the Economic Development Alliance to draw new medical, dental, pharmacy, veterinarian, banking, electrician, plumber and other skilled labor.
ED2.2: Provide support to the East County Public Development Authority to provide commercial rental space.

Community Goal 1 – Support families living, working and playing in town.
Families are an important part of any town because the adults are of prime working age and the children are enrolled in schools and extracurricular activities. Families support the local economy as well as invest in social capital including sports and clubs. Since the 1990's Packwood has lost families due to the closure of the mill followed by closure of the elementary school in town. To support families moving back to and staying in Packwood there needs to be educational opportunities including high quality schools and libraries, community spaces for recreation and gathering, youth-oriented activities, employment that pays a living wage and affordable housing options. In addition, families need safe walking and biking paths in town.

Policies
CM1.1: Support White Pass School District and Timberland Regional Libraries.
CM1.2: Increase local childcare options.
CM1.3: Preserve public open space and enhance with youth-oriented facilities including but not limited to play structures and ball fields.
CM1.4: Encourage indoor family-oriented facilities including but not limited to a gym, movie theater and arcade.
CM1.5: Increase the diversity of services including but not limited to medical, dental, veterinarian and barber.
CM1.6: Support new retail options that provide clothing, shoes, books, crafts, etc.