



Fort Worden

— PORT TOWNSEND —
A HISTORIC GATHERING PLACE

APPROVED Minutes
Executive Committee Meeting
Fort Worden Public Development Authority (FWPDA)
Tuesday, June 18, 2019 | 9 a.m. to 11 a.m.
Commons Building 210, Room B, Fort Worden

- ❖ Motion to approve the May 14, 2019 Executive Committee Minutes: **Unanimously Approved**

Regular Executive Committee Meeting:

- I. Call to Order:** 9:00 a.m.
- II. Roll Call**
Committee Members: Gee Heckscher, Jane Kilburn, Norm Tonina, Jeff Jackson (by phone)
Immediate Past President: Cindy Finnie (by phone)
Other Board Members: Todd Hutton
Staff: Rufina Garay, Diane Moody, Joan Rutkowski, David Beckman
Public: David Goldman, Lane DeCamp
- III. Changes to the Agenda**
- IV. Review of Draft June 26, 2019 Board Meeting Agenda**
Staff and the Committee reviewed the draft board agenda. An update on major events was added to the agenda. Additionally, Rufina Garay noted that the Hospitality Leadership Certificate effort, which will be discussed at the board meeting, is in collaboration with Peninsula College. The goal is to meet the hospitality training needs of the PDA and the broader community, including those of the Jamestown S’Klallam Tribe, she said.
- V. Review of May Cash Flow Report**
Diane Moody reviewed the April Cash Flow report (see packet). She noted that the PDA is in a better position for June than predicted because of revenue gains in May. Also, \$167,000 was paid in May to finish paying off a line of credit, she said. In July and August the PDA will begin paying back a fund used to help cover payroll. Moody will provide a corrected report to update report totals.
- VI. Review and Approval of May 14, 2019 Executive Committee Minutes**
Unanimously Approved
- VII. Staff Update & Board Discussion**

- **Pier Project**

David Beckman summarized feedback from State Park's June 10 public meeting in which planners presented the preliminary recommendation for improving the Fort Worden shoreline environment and recreational opportunities. Beckman noted that attendees were largely divided into two camps regarding the need for a boat launch for motorized boats. Concerns are about the aesthetics of the elevated ramp and impact of motorized boat traffic in the family-friendly, pedestrian-oriented area. Todd Hutton stated that he is very uncomfortable with the design and the potential impact of an increased number of large trucks and trailers in the area.

The State's current preferred alternative for the pier temporarily retains the Port Townsend Marine Science Center's (PTMSC) aquarium building and a portion of the pier while the new pier is built. Then, the current building and deteriorating pier would be demolished. Beckman shared that PTMSC has asked the PDA to consider relocating Canteen operations so the aquarium can use that space, which is next to their orca museum building. He stated that this is an ongoing conversation, nothing has been decided, and the pier project isn't yet funded. The Executive Committee and PDA staff affirmed the need to work closely and collaboratively with the PTMSC.

- **Glamping Update/Alpha Ledger**

David Beckman reported on construction plans for the glamping sites. Nordland Construction is starting the site survey and anticipates breaking ground on July 1, he said. Nordland is fully aware of the PDA's needs for site security and timely updates on construction schedules, Beckman added.

Moody shared information about Alpha Ledger, a cryptocurrency asset management firm that Kitsap Bank is working with during Alpha Ledger's pilot phase. Kitsap Bank has asked the PDA to consider putting the glamping bond through Alpha Ledger's portal as part of their testing, she said. Moody stated that the PDA has not taken any action and she only is reporting on a conversation she had with Kitsap Bank. Alpha Ledger's goal is to increase local financing of bonds through a streamlined and open relationship between bond issuers and investors. Target percentage goals can be set for local investment through the portal.

- **Makers Square Construction Planning**

Beckman reported that Clark Construction is establishing the construction site with fencing and will soon begin demolition of some portions of buildings. He will be providing PDA partner-tenants information about construction logistics and road impacts on an ongoing basis.

Beckman noted that KPTZ's costs for work in the basement of 305 has been reduced by shifting items that more clearly belong in the PDA's base building budget. The PDA is working with Clark Construction to find opportunities for value engineering to bring the overall budget down, Beckman said. Rufina Garay added that the PDA is working with KPTZ on a memo of understanding and lease terms, and she informed the committee that the KPTZ antennae will not be moving to Fort Worden. Moody shared that Taps at the Guardhouse will soon offer a beer that Port Townsend Brewing Co. created to help KPTZ raise money for its new home at Makers Square. A portion of the proceeds from Fortifier APA will be donated to KPTZ.

- **Makers Square Cash Flow Report**

Moody summarized the current cash balance for Makers Square. As of April 30, \$10.8 million had been raised for the approximately \$13 million project and additional fundraising efforts are underway.

- **Major Events**

Rufina Garay shared the schedule for the Old School 4th of July event, which includes a performance by NANDA and a laser light show. Centrum's blues and jazz events will be held on campus in late July and early August, and PDA staff are clarifying the financial details for hosting these events on campus, Moody said.

Garay also provided an update on plans for THING, the two-day arts and music festival happening August 24th and 25th at Fort Worden. Seattle Theater Group (STG), the festival producer, is now offering volunteer opportunities, she said. Garay said those who volunteer for four hours will receive free admission for the rest of the day. STG also is developing an area that will showcase nonprofit organizations from the community. Norm Tonina noted that about one-third of the tickets sold to date have been to residents in Port Townsend and nearby Olympic Peninsula communities, which indicates a positive level of local support.

- **Neighborhood Advisory Committee**

STG staff met with the Neighborhood Advisory Committee on June 13th to discuss plans for controlling traffic and mitigating noise levels for large-scale events, Garay reported. STG's traffic mitigation efforts will include signage to direct traffic to and from the event and establishing parking lots for bus shuttle services to and from Fort Worden. Garay noted that the City of Port Townsend is also considering installing long-term signage that will designate Cherry Street for local traffic use only. Garay said this would help with the PDA's Good Neighbor Traffic policy, which requires staff to use Redwood Street instead of Cherry to travel to and from Fort Worden. Staff and board members talked about the need to help people understand which traffic controls are in the City's domain and what the PDA can and can't control.

- **Branding Committee**

Jane Kilburn noted that the Branding Committee has met and will meet again soon. Committee members have decided that they are not going to hire a consultant to work on the tagline and will do that work themselves. She noted the need to make sure the website update is not in conflict with the branding work.

- **Gray Wolf Ranch**

Garay shared that Gray Wolf Ranch has recently been acquired by Newport Academy. Newport Academy has treatment centers in several locations around the United States that are designed to treat individuals, ages 14-20, who are struggling with depression, anxiety, eating disorders, trauma, and/or substance abuse issues. Garay has been working with Newport Academy leaders on the transfer of Gray Wolf's lease agreement with the PDA to Newport Academy and developing a side letter agreement for a trial period. She said the PDA is asking Newport Academy to increase involvement in the Fort Worden partner-tenant community and provide opportunities for the general public to learn more about mental health issues. After the 12-month trial period the PDA can determine whether Newport

Academy is providing a public benefit in line with the lifelong learning center mission, Garay said. Staff and board members discussed how well a private treatment center fits in with the PDA's lifelong learning center. It was noted that the board approved the lease with Gray Wolf Ranch. PDA staff will invite Newport Academy leaders to present to the board later in the year.

Side notes:

Tonina talked about the process to establish market-based lease rates along with possibilities for earnbacks and capital investment incentives consistent across all partners. The hope is to have more specific information at the next executive committee meeting, he said.

Kilburn asked that board members be present for a meeting between the PDA, partners, and Port Townsend city staff. The meeting will likely occur in the fall, and Barry Mitzman has been asked to facilitate it.

VIII. Public Comment

David Goldman expressed concern about the fit between a private treatment center that largely serves wealthy individuals and the PDA's mission as a lifelong learning center for the general public.

IX. Adjourned: 10:52 a.m.