

Fort Worden PDA Reorganization: A Possible Path Forward



A Possible Path Forward

Organizational Challenges and Opportunities

CHALLENGES:

COVID-19 Impacts
Shutdown
Reopening Plan
Undisclosed Finances
Restricted Operations under COVID-19
Regular Maintenance Expenses
Unexpected Deferred Maintenance

OPPORTUNITIES:

Possibilities Brought by Change
New Leadership
New Service Delivery Models
New Partnerships
Renewed Partnerships
Restoring a Financial Future



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Financial Capital Challenges and Opportunities

CHALLENGES

Loans outstanding:

- \$1.5m Makers Square due 12/2020
 - Project completion underway; \$404k diverted to operations
- \$2.0m Glamping due Q1 2021
 - Project Incomplete; \$600k diverted to operations
- \$1.6m Energy Efficiency
 - Project Incomplete; \$334k diverted for operations

OPPORTUNITIES

Loans outstanding:

- Renegotiate new loan terms
- Restore diverted funds
- Ensure project completion
- Can advance other Fort needs and opportunities

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Operations Challenges and Opportunities


CHALLENGES

Reopening Plan:

- Operations were unsustainable and operating losses accrued under COVID restrictions, public perceptions, and environmental factors such as wildfire smoke
- \$250k deficit and growing monthly

OPPORTUNITIES

Reopening Plan:

- Launch full reopening by July 1, 2021
 - Seek to maintain minimum operations until July 1, 2021
 - Necessary to raise \$1.5 million in start-up funds to reach July 1, 2021
 - Possibility to obtain \$1 million start-up loan
 - \$200,000 already obtained
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Fort Worden PDA Reorganization

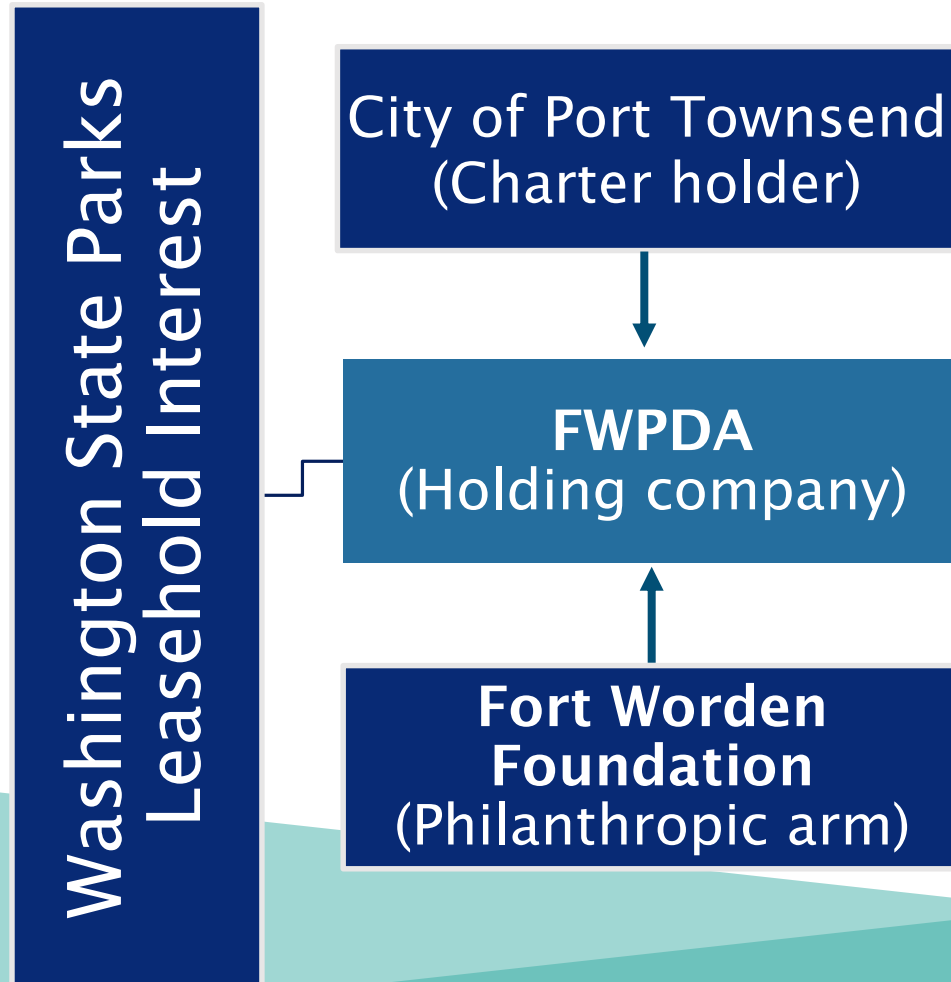
This concept is based upon a belief that the role of the Fort Worden Public Development Authority needs to empower a ***partnership management model*** that encompasses the varied activities and needs of the Fort Worden campus.



A Possible Path Forward: Reorganization Diagram

Campus Management

Governance



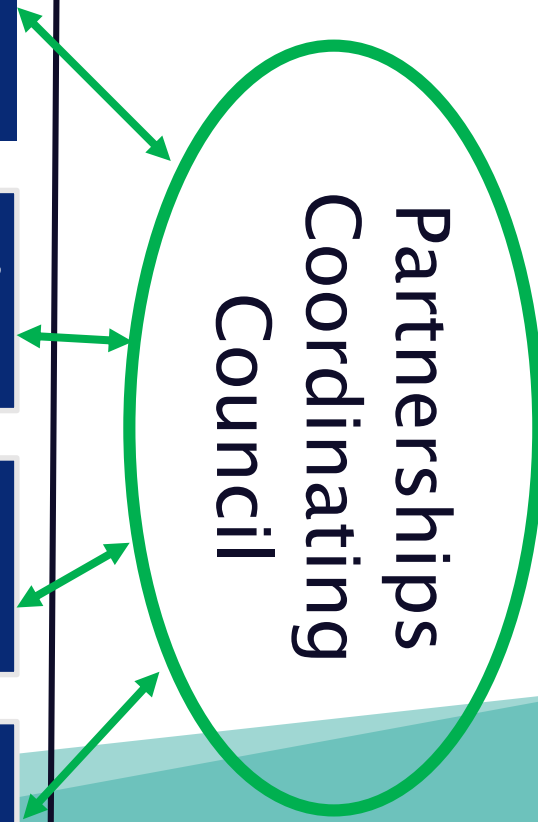
Separate Management Contracts

Asset Management



Programming & Coordination

Partnerships
Coordinating
Council



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PDA Reorganization: Partnership Management

Partners comprise or advise the separate management entities that involve their interests:

- Centrum
 - Coast Artillery Museum
 - Copper Canyon Press
 - Corvidae Press
 - Friends of Fort Worden
 - Fort Worden Advisory Committee
 - Goddard College
 - Jefferson County Historical Society
 - KPTZ
 - Madrona MindBody
 - Peninsula College
 - Port Townsend Marine Science Center
 - Port Townsend School of the Arts
 - Port Townsend School of Woodworking
 - Others/New Partners
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PDA Reorganization: PDA and Parks Lease

FWPDA and WSP negotiate modifications to lease terms to meet reorganization objectives. Role of FWPDA is to act as a “holding company” of the Master lease and oversight of the sub-lease partnership organizations created to implement the reorganization

Washington State Parks
Leasehold Interest

PDA will be downsized to a small administrative support group with a modified governing body

FWPDA
(Holding company)

Partnerships

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PDA Reorganization: PDA and City of Port Townsend

City of Port
Townsend modifies
FWPDA Charter to
conform to new
reorganization role

City of Port Townsend
(Charter Holder)



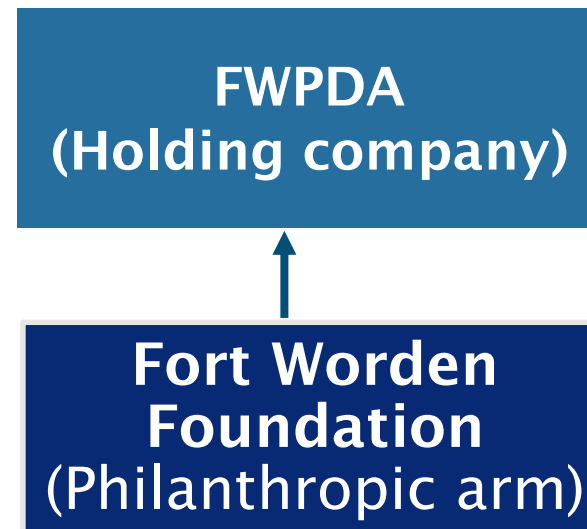
FWPDA
(Holding company)

Partnerships

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PDA Reorganization: PDA and FW Foundation

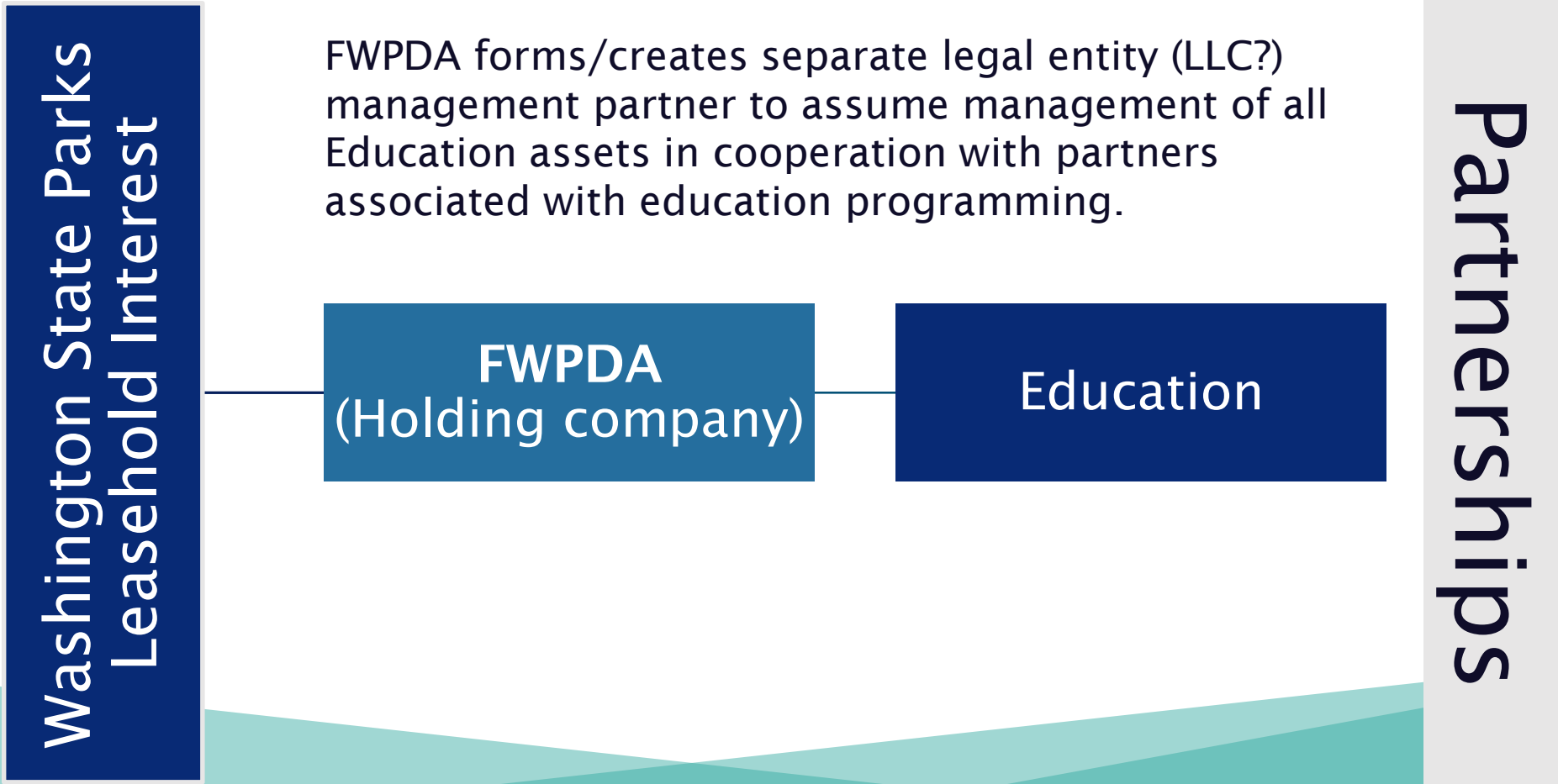
FWPDA and FW Foundation develop new terms to maintain support of Fort Worden via philanthropic means



Partnerships

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PDA Reorganization: Education



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PDA Reorganization: **Hospitality Services Entity**

Washington State Parks
Leasehold Interest

FWPDA creates new LLC to operate as a enterprise service provider for all Food/Beverage/Hospitality Services. All hospitality elements are assigned under a long-term agreement. Excess earned income is shared to support partner programs under separate agreements.

FWPDA
(Holding company)

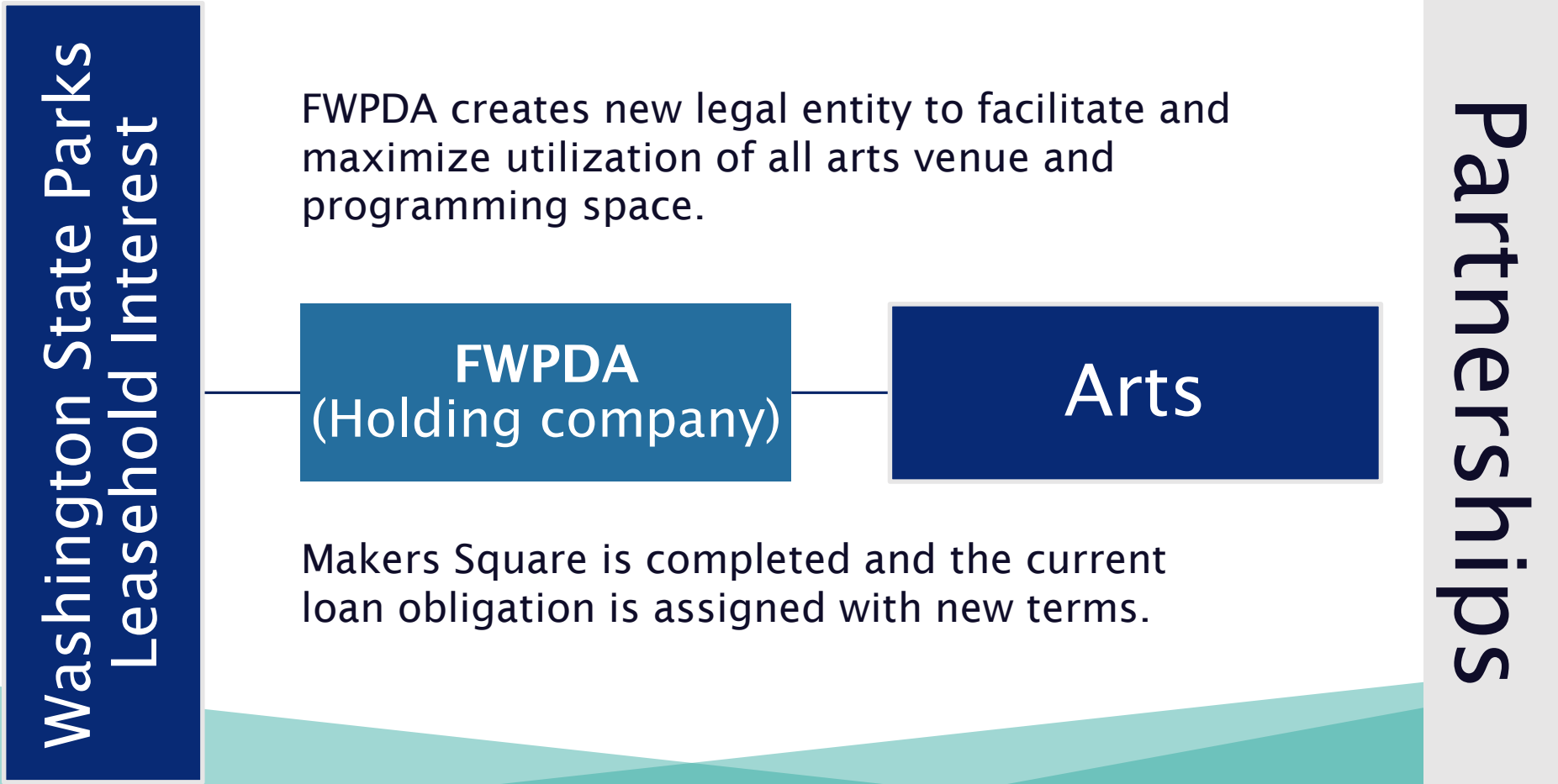
Hospitality Services

Glamping and Energy investments are completed and capital debt for glamping and energy efficiency is assigned to Hospitality Services under new loan terms.

Partnerships

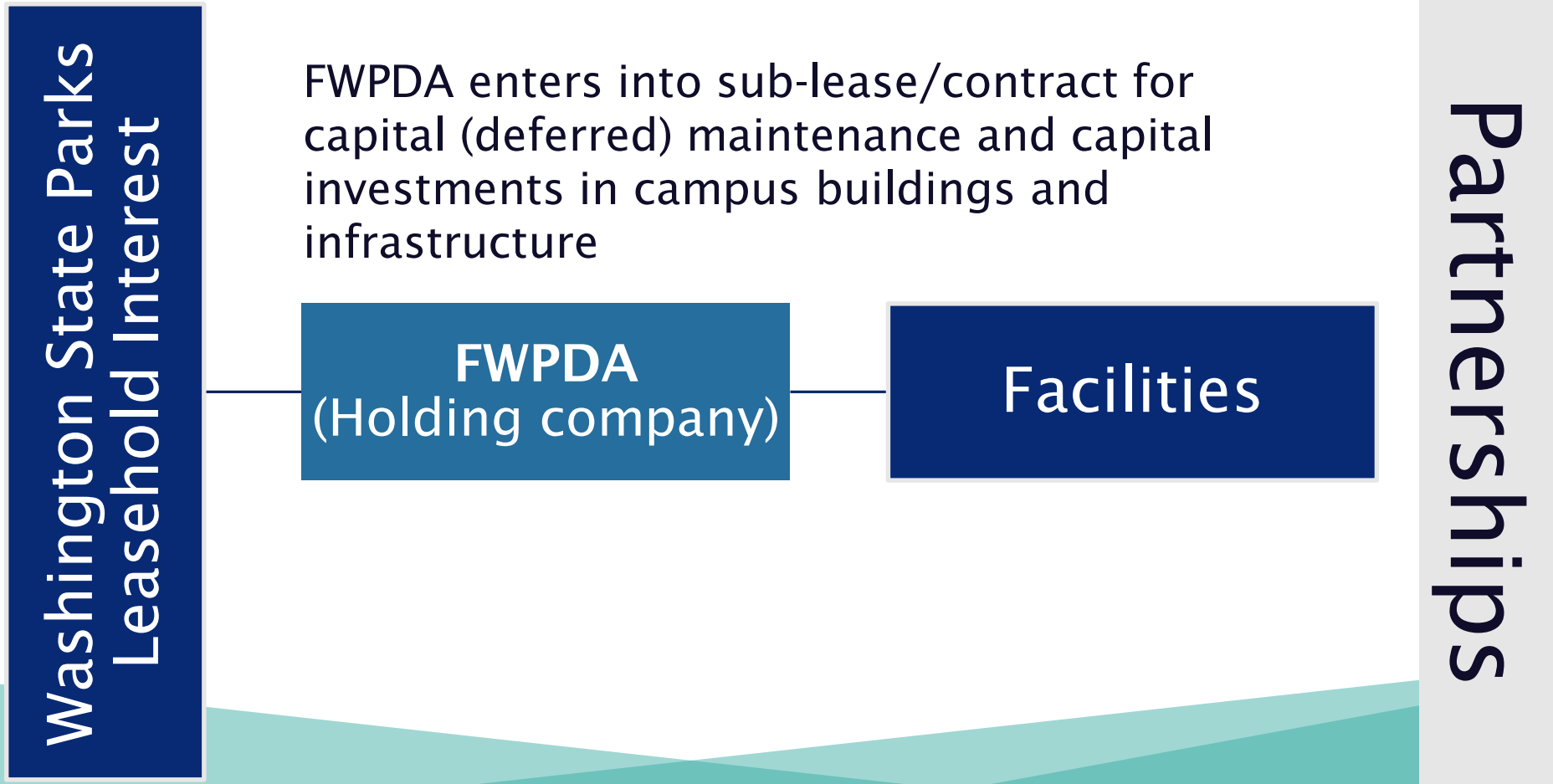
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PDA Reorganization: **Arts Entity**



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PDA Reorganization: **Contract for Deferred Maintenance & Capital investments**



A Possible Path Forward: **QUESTIONS?**

Campus Management

