

FIXING THE PDA

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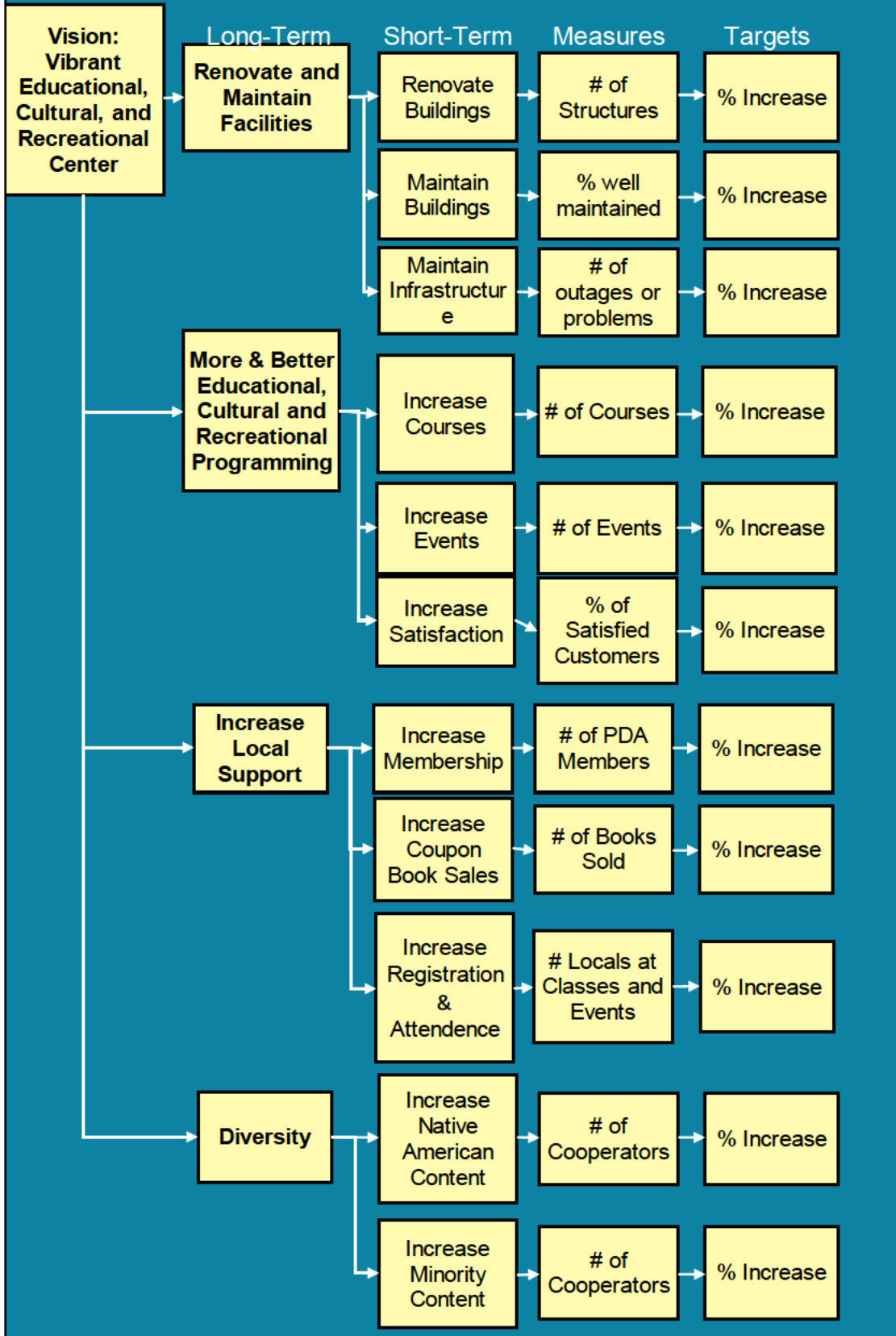
The Fort Worden Public Development Authority's (PDA's) proposed reorganization ignores a fundamental problem: The current Board has not demonstrated it is capable of running or managing anything or even honoring its fiduciary responsibility to keep the organization honest and solvent. What the PDA Board is doing is once again putting the cart before the horse, letting the tail wag the dog, or any other such metaphor you might like. It is focusing again on papering over its money problems rather than rethinking what it should be doing and then figuring out the best organizational structure and business model for doing that. Once again, the PDA Board is saying: "trust us" when they have repeatedly demonstrated such trust has yet to be earned. The real problem is not the diversity of loans obtained or the need to tinker with the operating model. The real problem is the lack of a clear vision for the PDA and coherent set of goals, objectives, and metrics for realizing that vision. Only once these are known does it make sense to talk about organization structure and business models for implementation. Further, only when you know what you are doing can you know if you are spending money wisely. The establishment of goals, objectives and metrics is a Board function and should precede Board approval of operational plans and budgets. Thereafter the Board should monitor the performance of staff to ensure plans are realized and budgets adhered to in accordance with general accepted accounting practices.

What might a clear vision and coherent set of goals, objectives, and metrics for realizing that vision look like? Fortunately, there is a tool, the balanced scorecard, which is widely used by government agencies, non-profits, and businesses. Let's look at what a balanced scorecard for the PDA might look like.

We begin with a vision statement that is likely to be widely endorsed both in Jefferson County and the region and State: Fort Worden should be a vibrant and dynamic educational, cultural, and recreational center for Port Townsend and Jefferson County as well as the larger Northwest region. Given that vision we can identify at least four objectives that also are likely widely endorsed. The first is to renovate and maintain the facilities as without that there is no place for the cultural, educational, and recreational activities to occur. The second is to provide more and better educational, cultural and recreational programming as without that the vision cannot be realized. The third is to increase local support as that clearly is necessary if the Fort is to be a vibrant center for the City and County. It also is a way to increase revenues year-round. Finally, the Fort should embrace the racial, ethnic, and other diversity of our City and County's population and the opportunities that brings for expanding our cultural, educational, and recreational experience as residents of this County.

Given these objectives, we can develop metrics. I suggest some in the graphic depiction of a Balanced Scorecard for the PDA below. The Scorecard is meant to illustrative, not definitive.

Balanced Scorecard



Perhaps it is time for the current Board to admit its failures, including driving the organization into *de facto* bankruptcy while alienating the cooperators. It is time for the Board to take responsibility and resign. The City and other relevant bodies can then reconstitute the PDA as a transparent entity, with a Board that reflects the skills, capabilities, and interests of Port Townsend and Jefferson County and a mission to realize the promise of Fort Worden as a vibrant educational, cultural, and recreational center for the Town, County, and region.

Phyllis Leah Speser holds doctorates in law and political science. She is a Registered Technology Transfer Professional and a certified New Product Development Professional. She has taught public administration, management, and law at universities in the US and abroad; has been the founding chair of two non-profits which remain operational today, one managing buildings and programs in Maryland's Glen Echo Park in suburban Washington DC and the other a sustainable forestry program which became the Northwest Natural Resources Group. She was a Vice President and Board Member of the Jefferson County EDC, a Vice President and Board Member of the Association of University Technology Managers, and a Board Member of the Technology Transfer Society. She was a gubernatorial appointment to the Board of the Washington Technology Center, a state agency funding university-industry cooperative research and development. She is the Board Chair of Foresight Science & Technology, Inc., a global economic development and technology commercialization consultancy.

**Written Public Testimony submitted to the
Special Meeting of the Board of Directors for the
Fort Worden Lifelong Learning Center Public Development Authority
(FWPDA)**

Wednesday, January 27th, at 2 p.m.

I am submitting this written testimony as an enthusiastic supporter and decades long user of Fort Worden State Park. I also write as a concerned representative of more than 200 extended family members who signed a substantial contract for a reunion to be hosted at the Fort Worden State Park in June 2022. Sadly, we signed the contract just days before the FWPDA's financial troubles came to our attention through the local media. My main purpose is to encourage accommodation for situations like ours where individual and families made good faith reservations without the full knowledge of the PDA's imperiled financial condition.

My wife and two children have joined friends and neighbors to celebrate the end of summer over the Labor Day weekend at Fort Worden for more than 20 years. We will cherish these memories for the rest of our lives. They are indelibly connected to the beauty of the Park and the charms of the town of Port Townsend.

It was this love for the Park that moved me to convince my extended family to move our reunion, celebrated more than a dozen times over the last 40 years, from its usual site in Montana to Fort Worden State Park. We were thrilled to book accommodations and substantial catering services for five days in June 2022. Most compelling was the neighborhood feel to the cluster of officers' homes that would allow us informal and intimate ways to reconnect after these many months of social isolation.

I would like to share the questions we are now asking ourselves, in the face of the revelations about the FWPDA's financial crisis, given that our initial deposit is due on March 1:

- Will the FWPDA achieve enough financial certainty to continue operations through 2022 before our \$15,000+ deposit (25% of the total) is due on March 1? If not, will we be released from our contract?
- If we pay the deposit and the financial rescue plan subsequently falters, is our deposit guaranteed or could it be forfeited to other creditors?
- Will the FWPDA Board allow staff to delay deposit due dates until such time as the organization achieves the financial security necessary to honor its contracts?

We encourage the FWPDA Board to address our concerns by either postponing deposit due dates until there is more certainty to ongoing operations of the facilities and/or guaranteeing the return of deposits for contracted services that cannot be delivered. Of course, our strong preference is that the Board's recovery plan will succeed and that we will hold our reunion in June 2022 on the grounds of Fort Worden. Thank you for your careful consideration of our perspective and we look forward to hearing the results of today's deliberations and your responses to the issues we have raised.

[Submitted by Steve Johnson]

January 26, 2021

Fort Worden PDA Board of Directors,

In prior actions the Fort Worden Public Development Authority Board has approved a reorganization plan and created a new nonprofit corporation "Fort Worden Hospitality" to take over operations from the PDA.

The PDA itself proposes to become a more limited body serving only as trustee of the long-term lease with State Parks.

While I respect the effort and commitment to resolve problems that arose under their stewardship, the FWPDA board should not be making these decisions on the future of the Fort on its own.

I am concerned that the PDA process thus far has provided little information to the public about the issues and proposed solutions, no discussion of alternatives, and little opportunity for public input. It has treated questions with long term impacts on a short term, fast-track schedule, understandable to a point because of the urgency of the financial problems, but inadequate given the importance of the Fort in the economy of the region and life of the community.

I ask the Fort Worden PDA Board of Directors to:

- develop a public process to review information, consider alternatives, and approve the final plan.
- allow and encourage public participation in the process, beginning with an open community meeting to identify concerns and seek input as soon as one can be arranged.

Thank you.

Mark Blatter



Port Townsend, WA 98368

Public Comment – Ft Worden PDA meeting January 27, 2021

Bob Gray, Port Townsend

As a lifetime member of the friends of Fort Worden, former member of the Fort Worden advisory group and docent at the commanding officer's quarters, and while on city council voted for the establishment and funding for the PDA and the completion of building 202, I'm concerned about the future of the PDA.

Regardless of what you decide, you need to involve the public more than you are currently doing. You should fully explain the current situation, your plans going forward, and above all, you should seek public participation like what was done when the Fort Worden PDA was created.

Involving the public is difficult especially now so here are a few observations and suggestions. With better meeting announcements and earlier posting of agendas and packets, you can get more people to participate. Have public workshops for discussions only, where decisions are not made. Ask staff, partners, and the consultants to participate in these workshops. Have a public meeting for the audit exit conference, audit committee meetings and for other state auditor and consultant briefings.

Finally, establish a public stakeholder working group for ongoing input and advice. If the city can establish a 10-member public group for the design of upper discovery road, certainly you should have one for these major changes in the PDA. I would be the first to volunteer.

Thanks for this opportunity to participate.

Bob Gray