



**Fort Worden Lifelong Learning Center
Operations, Management and Governance
Strategic Analysis**

**Briefing and Feedback Sessions
May 29, 2024**





Why We Are Here Today



Where We Are Today



What is the Purpose of This Plan

- Better understand and crystallize the major issues that need to be addressed
- Develop a robust strategy for the long-term success of Fort Worden State Park
- Define the implementation steps to achieve the desired outcomes of that strategy
- Ensure Fort Worden remains accessible and a high-quality public asset

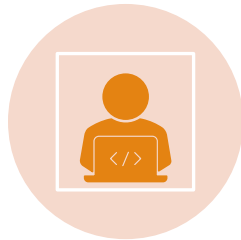
What Are Our Core Values and Mandates



**Preserve and
Steward**



**Public
Recreational
Access**



**Centrum /
Programming**



**Conference
Center**



The Questions We Are Here To Answer

- Why do we need a Primary Operating Partner?
- Why does the Primary Operating Partner need to be something other than a typical operating concessionaire?
- Of our options, which is the best and / or simplest strategy that sets us up for success?

Objectives of This Study

- **Engage key partners and stakeholders** to understand the vast operational needs and opportunities at Fort Worden State Park.
- **Evaluate current operational conditions, management strategies, and governance structures.**
- **Hold no bias** towards any existing conditions or organization, including that of the FWPDA.
- **Develop recommendations** that are **unique to Fort Worden State Park** and **founded on state and national best practices.**



Process of the Project

- Engage key partners, stakeholders, and subject matter experts
- Conduct a market analysis of primary, secondary and extended service markets of Fort Worden
- Perform a case study analysis of similar type destinations to glean recommendations and best practices
- Review the existing agreements
- Conduct organizational, governance, and financial analyses of FWPPDA and FWH
- Conduct operational performance analysis of FWPPDA and FWH
- Collaboratively develop recommendations and strategies

Foundation of Stakeholder Engagement

- FWPDA staff and Board of Directors
- Washington State Parks Commission and staff
- City of Port Townsend
- Jefferson County
- Fort Worden Hospitality
- Centrum
- Fort Worden Foundation
- Port Townsend Marine Science Center
- Friends of Fort Worden State Park
- Madrona Mindbody Institute
- Peninsula College
- Port Townsend School of Woodworking
- Puget Sound Coastal Artillery Museum
- Copper Canyon Press
- Northwind Arts
- Rainshadow Recording
- KPTZ 91.9 FM Community Radio
- United Earth Networks
- Gerry Johnson, Pacifica Law Group
- Kitsap Bank
- Bridgeton Hospitality
- Fort Vancouver Historic Trust
- Michael Boland, Presidio Trust
- Jamestown S’Klallam Tribe
- Port Gamble S’Klallam Tribe



Headlines of Stakeholder Engagement

- Strong shared commitment to success
- Strong support for lifelong learning center vision
- Agreements have always been and remain a challenge
- Deep concern over lease payments
- Relationship challenges and mistrust
- Operating in an environment of “scarcity”
- Consensus on facility condition challenges

Key Issues and Constraints

1. Facility and infrastructure integrity
2. Previous iterations of the PDA were not optimally led
3. Hospitality must be a viable enterprise
4. Poorly structured agreements; organizational accountability is blurry and not financially aligned
5. No collaborative branding, fundraising, or calendaring



Framing the Economic Value of Fort Worden

- Jefferson County = \$83,814, 417 annually
- Washington State = \$167,275,796 annually
- Consumer Surplus = \$80,645,651 annually

Jefferson County

County	Employment	Labor Income	Output	Value Add	State Tax	Federal Tax
Direct	229	\$7,622,672	\$35,725,683	\$2,906,852	\$0	\$0
Indirect	31	\$1,447,609	\$6,556,822	\$3,514,951	\$0	\$0
Induced	26	\$1,106,679	\$4,234,818	\$15,157,325	\$0	\$0
Total	286	\$10,176,960	\$46,517,324	\$21,579,128	\$2,689,375	\$2,851,630

Washington State (incl. Jefferson County)

County	Employment	Labor Income	Output	Value Add	State Tax	Federal Tax
Direct	328	\$10,766,718	\$48,317,909	\$21,031,762	\$0	\$0
Indirect	113	\$7,072,301	\$27,647,777	\$13,043,351	\$0	\$0
Induced	73	\$3,989,318	\$13,490,416	\$8,701,865	\$0	\$0
Total	515	\$21,828,337	\$89,456,101	\$42,776,978	\$6,329,191	\$6,885,191

An aerial photograph of a dense forest with varying shades of green and brown, suggesting different tree species or seasonal changes. A semi-transparent white rectangular box is centered over the middle of the image, containing the text 'Key Recommendations' in a bold, white, sans-serif font.

Key Recommendations

Key Recommendation #1

There Should Remain a Primary Operating Partner to State Parks

- It is likely that a public entity or quasi-public entity will be better suited for receiving public funding support
- A non-profit organization or conservancy are considerably easier to operate and have better success in private sector fundraising

	Ease of Formation	Ease of Operation	Ease of Governance	Ease of Flow of Public Funding Support	Ease of Private Sector Fundraising	Opportunity for Public Operational Funding Support	Likely Willingness of State Parks to Transfer Ownership	TOTALS
Public Development Authority	1	1	1	2	1	0	1	7
Public Facilities District	0	1	1	2	1	2	1	8
Non-Profit / Conservancy	2	2	2	1	2	0	0	9

0 = Low value

1 = Moderate value

2 = Strong value

Key Recommendation #2

Hospitality Services Needs to be Revamped

- The intended value of the split between FWPDA and FWH has not been realized and in fact has likely hurt the overall enterprise.
- Partner rate/room agreements should be re-evaluated.
- Pricing strategies should be more sophisticated and follow industry best practices.
- Need for additional management/leadership expertise in destination resort operations.
- Need to evolve a dedicated sales and marketing initiative across all channels and demand segments to drive revenue to address the "revenue problem".
- This plan provides two things:
 - Guidance on how hospitality could operate better and from less of a defensive position, and
 - Recommends the exploration of other opportunities with a well capitalized hospitality services operator.

Key Recommendation #3

Fix the Agreements and Operating Model

- Determine the Paradigm of Operations
 - Viability of Lifelong Learning Center concept
 - Broader definition of appropriate facility uses
- Establish a Stronger Operating Model
 - Clearly define lines of responsibility, authority, and accountability
 - More clear definitions of Operating Partners, Program Partners, Tenants, and Concessions



Key Recommendation #4

Multi-pronged Approach to Facility Investment

Federal

- U.S. Army Remediation Funds
- Department of Commerce, Economic Development Administration
- Department of Housing and Urban Development
 - Community Development Block Grants Program
 - Affordable Housing Development Grants Program
- House and Senate Congressionally Directed Spending

State of Washington

- Washington State Parks Commission Capital Budget Requests
- House of Representatives Capital Budget Committee
- Senate Ways and Means Committee

Private Sector

- Foundation and Institutional Funding Opportunities
- Individual Major Donors
- Lease/Build/Operate Agreements
- Private Sell of Facilities to Generate Capital
- Enabling and Managing Partner-led Investments

Establish:

1. Value Proposition
2. Sense of Responsibility

Key Recommendation #5

Viabile and Productive Fundraising Partner

- Private major and mid-level donors
- Institutional funding
- Governmental grants
- Fundraising events
- Donor onboarding and management
- Coordinate collaborative fundraising



Key Recommendation #6

Prioritize Placemaking – Energize the Campus

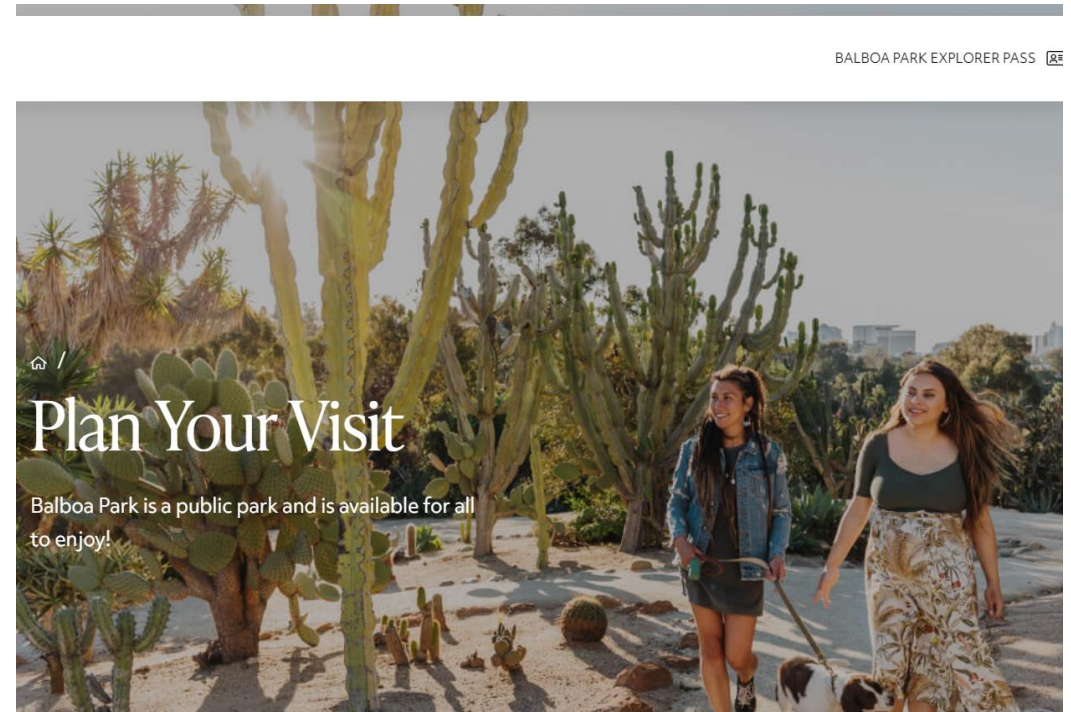
- Alternative uses of facilities
- Commercial offices and spaces
- Alternative housing options
- Attract and recruit new partners
- Visitor services
- Retail
- Professional services



Key Recommendation #7

Collaborative Branding, Programming and Fundraising

- **New brand identity**
 - The sense of place
 - Indigenous histories
 - Environmental and regional uniqueness
 - A sense of renewal and spirituality
 - Health, wellness, and personal growth
 - An institute of innovation, thoughtfulness, and exploration
 - The integration of science, art, culture, and the environment
- **Collaborative program planning and calendaring**
- **Collaborative fundraising, partnered initiatives**





Briefing timeline/next steps

- Wednesday, May 29 – Washington State Parks Commission
- Friday, May 31 – Partners – Board and staff leadership
- Friday, May 31 – draft report sent to Parks Commission, FWPDA board, FWH and Centrum boards, and City Manager in advance of public release
- Monday, June 3 – City of Port Townsend City Council
- June 4 – draft report posted on FWPDA website for public comment
- June 4-18 – Public comment period
- July 1 – Final report published



Discussion

