

# COMMISSION AGENDA

Item No.: 7E

Meeting: 11/18/21

**DATE:** October 20, 2021

**TO:** Port Commission

**FROM:** Eric Johnson, Executive Director

**Sponsor:** Local Economic Development Committee, Commissioners John McCarthy, Commissioner Deanna Keller, Darren Arakaki, Matt Mauer, and Leslie Barstow

**Project Manager:** Leslie A. Barstow, Manager, Manager, Community Relations

**SUBJECT:** Local Economic Development Investment Fund Program Request

## A. ACTION REQUESTED

Request authorization for the Executive Director, or his designee, to fund an investment to the Pierce County non-profit organization Sister Cities Council of Tacoma-Pierce County d.b.a. Tacoma Sister Cities, from the Local Economic Development Investment Fund, for a total authorized amount of \$9,900

## B. BACKGROUND

State law grants public port districts a variety of powers to bring economic development to their community. At the Port of Tacoma, economic development occurs in both direct ways—such as through the development of publicly-owned marine terminals, railroads and industrial parks (RCW 53.04.010)—as well as indirect ways through economic development investments (RCW 53.08.245).

The port's Local Economic Development Policy authorizes the port to make investments with local governments and federally registered non-profit organizations that seek to promote Washington state based international trade, tourism, or infrastructure efforts in Pierce County. These investments include reporting requirements on how the contracted organization is performing relative to the measurements identified at the time the award is made.

These investments are made through two programs: the Local Economic Development Investment Fund and Local Economic Development Infrastructure Investment Fund. These programs are matching programs designed to assist non-profit organizations and municipal agencies in Pierce County with eligible economic development projects. The investment focus and priorities are:

- a. Road and freight rail infrastructure projects that create long-term jobs
- b. Marine tourism infrastructure projects intended to attract tourists to Pierce County from outside locations
- c. Planning activities or events promoting international trade
- d. Planning activities or events promoting tourism intended to attract tourists to Pierce County from outside locations.

Activities cannot be political or religious in nature.

Investments shall be limited to county, city, and town government agencies or non-profit organizations in Pierce County and typically will involve the Port as a minority contributor. As a condition of the grant application, municipal entities must agree to enter into the Port of Tacoma's Interlocal Agreement in accordance with § RCW 39.34.

On January 4, 2021, the Port of Tacoma issued a request-for-proposals; 19 applications were received. A review committee composed of Commissioner John McCarthy, Commissioner Deanna Keller, Leslie Barstow, Evette Mason and Darren Arakaki reviewed the proposals. Committee recommendations were for funding twelve of the 19 projects, totaling \$162,000.

For 2021, only two infrastructure project applications were received; as a result, these recommendations fall \$88,000 below the amount budgeted for these investments in 2021.

On August 19, 2021, Sister Cities representative Clare Petrich came before the Port of Tacoma Commission to request \$10,000 for replacement and repair of the Peace Pole and World Globe that celebrates Tacoma's relationship with our Sister Ports and Sister Cities around the world, located in Thea's Park along the Foss Waterway.

**C. SCOPE OF WORK**

The review committee recommends funding this project at the \$9,900 level, subtracting \$100 requested for a Peace Event which has already occurred.

**D. TIMEFRAME/PROJECT SCHEDULE**

The Port's allocation to a project is committed for up to two years and payable on a reimbursement basis.

**E. FINANCIAL SUMMARY**

Funding of \$250,000 for these investments was included in the 2021 non-operating budget. There is currently \$88,000 in the budget left after the previous \$162,000 investments.

Item	Budget Estimate	Estimated Expenditure
Local Economic Development Investment Fund	\$250,000	To Date: \$162,000
Sister Cities Request: \$10,000	\$9,900	\$9,990
<b>TOTAL</b>	<b>\$250,000</b>	<b>\$171,900</b>

**F. ENVIRONMENTAL IMPACTS/REVIEW**

N/A

**G. ECONOMIC INVESTMENT/JOB CREATION**

This program was created to assist local municipalities and non-profits in the creation of economic development and job creation in Pierce County.

**H. ATTACHMENTS TO THIS REQUEST**

Submitted proposals for recommended investments.

**I. PREVIOUS ACTIONS OR BRIEFINGS**

N/A

**J. CONCLUSION**

Request approval of funding recommendation provided by the Local Economic Development Investment Fund review committee for 2021, for a total authorized amount of \$9,900.

**K. ATTACHMENTS TO THIS REQUEST**

The Sister Cities Application is attached