

COMMISSION AGENDA

Item: 7F

Meeting: 5/19/22

DATE: May 2, 2022

TO: Port Commission

FROM: Eric Johnson, Executive Director

Sponsor: Local Economic Development Committee: Commissioner John McCarthy, Commissioner Kristin Ang, Matt Mauer, and Leslie Barstow

Project Manager: Leslie A. Barstow, Community Relations Manager and Matthew Mauer, Local Government Affairs Manager

SUBJECT: Local Economic Development Investment Fund Program

A. ACTION REQUESTED

Request authorization for the Executive Director, or his designee, to execute interlocal agreements with the cities of Gig Harbor, Tacoma, and Pacific and to fund investments to four Pierce County non-profit organizations at the following amounts, from the Local Economic Development Investment Fund, for a total authorized amount of \$118,000:

| | |
|------------------------------|----------|
| City of Edgewood | \$15,000 |
| City of Orting | \$25,000 |
| City of Sumner | \$ 7,500 |
| Foss Waterway Seaport Museum | \$ 2,500 |
| Museum of Glass | \$ 3,000 |
| Tacoma Refugee Choir | \$15,000 |
| Youth Marine Center | \$50,000 |

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:

- (1) Local Economic Development Investment Fund
- (2) 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 6, 2022, the Port of Tacoma issued a request-for-proposals; 19 applications were received. A review committee composed of Commissioner John McCarthy, Commissioner Kristin Ang, Leslie Barstow, and Matt Mauer reviewed the proposals. The committee recommendations are for funding 7 of the 19 projects and are listed below. These recommendations fall \$132,000 below the \$250,000 budgeted for the program within the Port of Tacoma's non-operating budget.

C. SCOPE OF WORK

The review committee recommends funding seven projects for a total investment of \$118,000 across a wide geographic area of Pierce County. The committee's recommendation is as follows:

| Organization | Project | Requested | Total Project | Recommended Award |
|------------------------------|--|-----------|---------------|-------------------|
| City of Edgewood | Interurban Trail Phase III | \$20,000 | \$6,550,000 | \$15,000 |
| City of Orting | Highway 160 Pedestrian Bridge | \$60,000 | \$9,500,000 | \$25,000 |
| City of Sumner | Ryan House Renovation | \$15,380 | \$1,406,225 | \$7,500 |
| Foss Waterway Seaport Museum | Rails-To-Sails Interactive Exhibit | \$6,000 | \$18,785 | \$2,500 |
| Museum of Glass | 20 th Anniversary Marble Event | \$6,000 | \$12,000 | \$3,000 |
| Tacoma Refugee Choir | Heart of Tacoma Festival | \$15,000 | \$60,050 | \$15,000 |
| Youth Marine Center | Training aids and start-up costs of new vessel | \$50,000 | \$525,000 | \$50,000 |

D. TIMEFRAME / PROJECT SCHEDULE

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

E. FINANCIAL SUMMARY

Funding of \$118,000 for these investments was included in the 2022 non-operating budget.

| Item | Budget Estimate | Estimated Expenditure |
|--|------------------|-----------------------|
| Local Economic Development Investment Fund | \$250,000 | \$118,000 |
| TOTAL | \$250,000 | \$118,000 |

F. 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. CONCLUSION

Request approval of funding recommendations provided by the Local Economic Development Investment Fund review committee for 2022, for a total authorized amount of \$118,000.

I. ATTACHMENTS TO THIS REQUEST

Please refer to the submitted proposals notebook (one can be made available to Commissioners not serving on the review committee) for additional information on the recommended investments.