

COMMISSION AGENDA

Item No: 9A

Meeting: 4/15/21

DATE: March 31, 2021

TO: Port Commission

FROM: Eric D. Johnson, Executive Director
Sponsor: Eric D. Johnson, Executive Director
Project Manager: Deirdre Wilson, Senior Planning Manager

SUBJECT: Project Authorization for work associated with the Final Port of Tacoma Strategic Plan

A. ACTION REQUESTED

Today we are requesting approval of the final 2021-2026 Strategic Plan by Resolution 2021-09-PT.

B. BACKGROUND

The Commission authorized work to begin on the Strategic Plan in December 2019, with a target completion in December 2020.

Work on the Strategic Plan was extended to the Spring of 2021 to accommodate communication challenges and workplan adjustments due to the global pandemic.

C. FINANCIAL SUMMARY

The total project cost including all stages is estimated at \$350,000. To date, approximately \$320,000 has been spent. Some of the remaining funds will be used to support creation the Implementation Plan.

D. ENVIRONMENTAL REVIEW

State Environmental Policy Act (SEPA) non-project review was undertaken, resulting in the issuance Determination of Non-significance on April 12, 2021.

E. ATTACHMENTS

2021-2026 Port of Tacoma Strategic Plan

F. NEXT STEPS

The Strategic Plan is a living document and may be amended based on new information and continuous improvement.

Updates to the Strategic Plan will be coordinated with the Port's annual budget process.

The Port will create and utilize an Implementation Plan that promotes momentum and alignment aiming to achieve the foundational goals of the Strategic Plan.

Resolution 2021-09-PT



A Resolution of the Port of Tacoma Commission adopting the Port of Tacoma's 2021-2026 Strategic Plan.

WHEREAS, the purpose of the plan is to:

1. Create a roadmap for the next five years, laying out the Port's goals in key priority areas, along with specific strategies to help us achieve these goals.
2. Determine the use of resources to maintain, improve and grow our operations in a fiscally and environmentally responsible manner — key components of the Port's business model as we continue to drive prosperity for our stakeholders and community.
3. Make strategic investments that enhance the Port's infrastructure (waterways, terminals, roads, rail, industrial properties) that create the most efficient, productive and cost-effective system possible to move our customers' freight to the marketplace.
4. Provide strong fiscal stewardship of public funds, active marketing and development of Port assets to promote business growth and jobs, environmental remediation of Port-owned properties, and building stronger relationships with our customers, partners, and the community.

WHEREAS, the Port received and thoughtfully considered input during the development of the Strategic Plan through several "virtual" channels, including an online open house, our website, remote public and community meetings and other direct communication; and

WHEREAS, the Port will create and utilize an Implementation Plan that promotes continuous momentum and alignment aiming to achieve the foundational goals of the Strategic Plan; and

WHEREAS, the Strategic Plan is a living document to be updated in 2026 and may be amended based on new information and continuous improvement as part of the Port's annual budget process; and

WHEREAS, State Environmental Policy Act (SEPA) review was undertaken, resulting in the issuance Determination of Non-significance on April 12, 2021; and

WHEREAS, the Port recognizes that as we work to reach our Strategic Plan goals through the implementation of a variety of strategies, ultimately, the key to this Plan's success is through collaborative partnerships with our business, public agency and community stakeholders; and

WHEREAS, the Port's Comprehensive Scheme of Harbor Improvements is referenced herein to acknowledge that future port actions and acquisitions will be guided by the 2021-2026 Strategic Plan; and

NOW, THEREFORE, be it resolved that: the 2021–2026 Strategic Plan is adopted, as set forth in Exhibit "A" attached to this resolution and by this reference incorporated herein, for the purpose of establishing the future direction of the Port of Tacoma.

ADOPTED by a majority of the members of the Port of Tacoma Commission at a regular meeting held on the **15th day of April 2021**, a majority of the members being present and voting on this resolution and signed by the Commission Officers in authentication of its passage this 15th day of April, 2021.

PORT OF TACOMA COMMISSION

Richard Marzano, President

Donald Meyer, Vice-President

Deanna Keller, Secretary

Kristin Ang, 1st Assistant Secretary

John McCarthy 2nd Assistant Secretary

draft

Draft dated March 22, 2021

DRAFT



Strategic Plan

2021-2026



Kristin Ang
Commissioner



Deanna Keller
Commissioner



Dick Marzano
Commissioner



John McCarthy
Commissioner



Don Meyer
Commissioner



Eric D. Johnson
Executive Director

Charting a vision for the future.

Together with the Port of Tacoma Commissioners, we are pleased to share the Port’s 2021-2026 Strategic Plan. This new Plan is our roadmap for the next five years, laying out the Port’s goals in key priority areas, along with specific strategies to help us achieve these goals.

We would like to thank the entire Port commission for their leadership and support of this project, in addition to the many staff members who dedicated their expertise to the development of this plan.

Port staff will use this Strategic Plan to determine the use of resources to maintain, improve and grow our operations in a fiscally and environmentally responsible manner — key components of the Port’s business model as we continue to drive prosperity for our stakeholders and community.

For over 100 years, the Port of Tacoma has served greater Pierce County by providing world-class marine and industrial facilities. Today, the combined ports of Tacoma and Seattle, with maritime operations managed by The Northwest Seaport Alliance (NWSA), are a key gateway for Asia-Pacific trade, providing manufacturers and agricultural producers throughout the region and the nation, valuable access to foreign markets. The Port is committed to strong fiscal stewardship of public funds, active marketing and development of Port assets to promote business growth and jobs, environmental remediation of Port-owned properties, and building stronger relationships with our customers, partners, and the community.

This Plan is the culmination of many hours of work over the past year by the Port Commissioners, Port staff, and many community stakeholders. Due to the pandemic, new approaches were needed to connect with our partners and the community. The Port received input through several “virtual” channels, including an online open house, our website, remote public and community meetings and other direct communication. We thoughtfully considered and truly appreciate the input and feedback we received.

As we work to reach our Strategic Plan goals through the implementation of a variety of strategies and our annual Implementation Plan, we recognize that, ultimately, the key to this Plan’s success is through collaborative partnerships with our business, public agency and community stakeholders. We are grateful for these partnerships and proud to be part of the Pierce County community.

Dick Marzano
Commission President, Port of Tacoma

Eric D. Johnson
Executive Director, Port of Tacoma





About the Port of Tacoma

History

The Port of Tacoma was established by Pierce County voters on November 5, 1918.

The Port started out on 240 acres of land in the Tacoma Tideflats.

The Edmore, a commercial steamship that arrived March 25, 1921, to pick up lumber bound for Japan, was the first vessel to call at the Port.

For more than 100 years, the Port has served as an economic engine that generates jobs throughout Pierce County and connects our region to a world of opportunity.

The Port of Tacoma

The Port is an independent municipal corporation that operates under Title 53 of the Revised Code of Washington. The Port serves greater Pierce County by promoting trade, supporting family-wage jobs, and improving the environment.

The Port's trade customers move goods from all corners of Washington and the United States through the Tideflats to people all over the world. We value our relationships with the community, customers, the NWSA, the Port of Seattle, municipal governments, the Puyallup Tribe of Indians, Joint Base Lewis-McChord (JBLM), and our regional economic development partners.



STRATEGIC SEAPORT: The Port of Tacoma is a formally federally-designated Strategic Seaport to coordinate efficient port operations during peacetime and national emergencies. The Port is a key support facility for JBLM.

Organizational Structure

The Port's five Commissioners are elected by Pierce County voters and serve as the board of directors for the Port. The Commission sets the Port's strategic direction and delegates the implementation of the Strategic Plan to the Port's executive director who, in turn, works closely with Port staff to carry out the goals and strategies contained in the plan.

The Port has nine departments that support the vital role we play in creating and sustaining sound economic development for Pierce County and Washington state. The Port's major departments and function areas are:

- Executive
- Engineering, Environmental, and Planning Services
- Finance, Contracts, Purchasing and Public Records
- Communications and Governmental Affairs
- Human Resources
- Information Technology
- Maintenance (Equipment and Facilities)
- Real Estate
- Security

A detailed organizational chart is available at: www.portoftacoma.com/about/organization





About the Port of Tacoma

The Northwest Seaport Alliance (NWSA)

The NWSA is a partnership between the Port of Tacoma and the Port of Seattle that was created in 2015.

The NWSA markets and manages the container, breakbulk, auto and some bulk terminals in Tacoma and Seattle.

The success of the Port and the NWSA are intertwined. In 2020, about two-thirds of the Port of Tacoma's operating revenue was generated through this partnership.

Major Business Areas

CONTAINER SHIPPING TERMINALS: The Port has five major container terminals where some of the world's largest container shipping lines call. These terminals are managed by the NWSA. The Port licenses about two-thirds of its property in the Tideflats to the NWSA to support this business area.

BREAKBULK AND BULK TERMINALS: Breakbulk cargoes— ranging from John Deere tractors to Caterpillar equipment—also move through Port-owned and operated facilities. The Port also has a grain terminal on Schuster Parkway, which exports corn and soybeans that come to Tacoma by rail from the Midwest.

REAL ESTATE: The Port leases land and buildings to job-creating customers for a wide range of uses including, logistics support, manufacturing, warehousing and distribution. The Port owns and leases space at The Fabulich Center, a five-story office building located in the Tideflats that opened in 1985.

TAX LEVY: The Port of Tacoma levies a property tax (at less than the maximum allowed by law) that is only used for debt repayment, environmental projects and transportation investments. The tax levy is not used for Port operations.





Mission and values

The Port's Strategic Plan is designed to grow the region's economy and connect our community to a world of opportunity.

Our success relies on the ability to achieve strong financial performance from investment decisions and operating results.

A major focus of our Strategic Plan is supporting maritime trade and our customers. A substantial portion of the Port's operating revenue and resulting economic benefits come from maritime trade activities.

Mission and values

Mission

The Port of Tacoma makes strategic investments in our harbor and community to promote prosperity, trade and jobs, while protecting and enhancing our environment.

Values

Integrity and Transparency

The Port conducts all business and decision-making with integrity and transparency, inside and outside the organization.

Excellence

The Port strives for excellence throughout our workplace to best serve the needs of our team, our customers and our community.

Adaptability

As an enterprise government, the Port is committed to adapting to the challenges of a dynamic workplace and market environment.

Stewardship

The Port is a responsible steward of our natural environment and of the public financial resources that are entrusted to us.

Teamwork and Partnerships

The Port is committed to internal teamwork and external partnerships in pursuit of a shared vision for the future.

Health and Safety

The Port is committed to the health and safety of our employees, labor partners, customers and community.

Diversity, Equity and Inclusion

The Port supports the principles of diversity, equity and inclusion throughout our organization and our community.





Five foundational goals

To further our unique and important role in the community and beyond, the Port has established five foundational goals that will guide our priorities through 2026.

Each foundational goal is accompanied by a set of strategies designed to support and achieve the Port's mission.

Central to the Port's mission is promoting economic prosperity through the advancement of maritime trade and growth in the regional economy. A key to that prosperity is the ongoing success of the NWSA.





Foundational goal

The Port is an economic engine that makes strategic investments to generate jobs and promote vitality for our region.

"Making investments that help attract new jobs to Pierce County."

"Serve as an economic engine for the region."

"Growing apprenticeships and internships to make sure that we have a well-trained workforce in the future."

* Quotes included throughout this document are from the Strategic Plan online open house community survey.

Economic Vitality

Advance living-wage job creation and business development opportunities in Pierce County with a focus on marine trade and transportation.



STRATEGIES

EV-1

Strategically acquire and develop real estate to support marine trade activity of the Port and The Northwest Seaport Alliance.

EV-3

Develop and support land use and infrastructure policies that protect the cargo supply chain and promote a robust employment base.

EV-2

Invest in assets that support living-wage job creation throughout Pierce County.

EV-4

Partner with regional organizations to facilitate career development and business growth in Pierce County.





Environmental stewardship is integrated into all aspects of the organization, from our development activities to the ongoing operations of the Port and our customers.

"Ensuring environmental safety of Port operations."

"Protect the climate, natural environment, and the health and safety of the community."

Foundational goal

Environmental Leadership

Protect and enhance the environment of Commencement Bay and the Puyallup River by continuing to clean up contaminated land, improve habitat and water quality, and minimize air emissions from Port operations.



STRATEGIES

EL-1

Remediate contaminated Port properties in a manner that ensures protection of human health and the environment while enabling economic development.

EL-3

Invest in projects that improve the quality of stormwater runoff from Port properties, embody best practices and empower our tenants to comply with complex permits.

EL-2

Reduce the air and climate pollution generated by Port and tenant activities while protecting their operations from the impacts of climate change.

EL-4

Create wetland opportunities and improve fish habitat independent of regulatory obligation.





Foundational goal

The Port and its Commission act as trustees for the best management of the public's assets. To be successful, the Port must create and sustain a productive and safe work environment, continue to focus on its customers, commit to its strategic direction, and for the sake of efficient and effective performance, embrace sound financial practices and internal alignment.

"Being a force for sustainable change, a good neighbor, and great place to work for Port employees."

Foundational goal

Organizational Success

Create and sustain a transparent culture prioritizing the Port's fiduciary role as trustee of public assets and commitment to financial responsibility.



STRATEGIES

- OS-1** Provide continued solid Port financial success and fiduciary performance.
- OS-2** Protect the public's investment by maintaining existing assets and positioning them for future growth.
- OS-3** Ensure the Strategic Plan is the day-to-day roadmap for all decisions and actions by the organization.

- OS-4** Plan, design, and construct a new Port staff workspace that also provides spaces for community engagement and mixed-use opportunities.
- OS-5** Integrate the values of diversity, equity and inclusion, as well as health and safety, into the Port's culture and decision-making framework.
- OS-6** Foster an organizational culture that attracts, develops and retains a diverse, high-performing, and engaged workforce.



Foundational goal

Efficient transportation connections and systems for roads, rail and waterways are essential components of a robust economy.

The Port collaborates with partner agencies on key transportation projects that support freight mobility needs.

"Complete the connection from 167 to I-5 to enable a smooth flow of traffic."

"Establish efficient logistics infrastructure with capacity for growth."

Foundational goal

Transportation Advocacy

Promote road, rail and navigation infrastructure and technology improvements to strengthen the regional maritime industry and economy.



STRATEGIES

TA-1 Support infrastructure projects that increase Port freight mobility, prioritizing the SR 167 Gateway Project, and the Port of Tacoma Road/I-5 interchange.

TA-3 Develop criteria and policies to guide decision-making for Port transportation advocacy efforts and to prioritize infrastructure investments.

TA-2 Advocate for the transportation infrastructure and system management needs of Port-related businesses in the Tideflats and Pierce County.

TA-4 Develop and maintain an understanding of regional transportation projects that support Port-related mobility.





Foundational goal

Building relationships and communicating effectively with people throughout Pierce County is essential to the Port's continued success. Connecting with our community also helps our residents understand the important role trade and commerce play in the economic vitality of our region.

"Making all the residents in Pierce County aware of who the Port is and what they do."

Foundational goal

Community Connections

Engage and advance relationships with the Pierce County community and beyond, in a timely, accessible, and inclusive way.



STRATEGIES

- CC-1** Strengthen, build and maintain relationships with a wide variety of public, community, and business stakeholders through direct engagement.
- CC-2** Strengthen, build and maintain strategic relationships with federal, state and local governments, and with the Puyallup Tribe of Indians.
- CC-3** Develop and implement a comprehensive communication plan to increase community awareness and understanding of the Port's mission and activities.





Plan in action

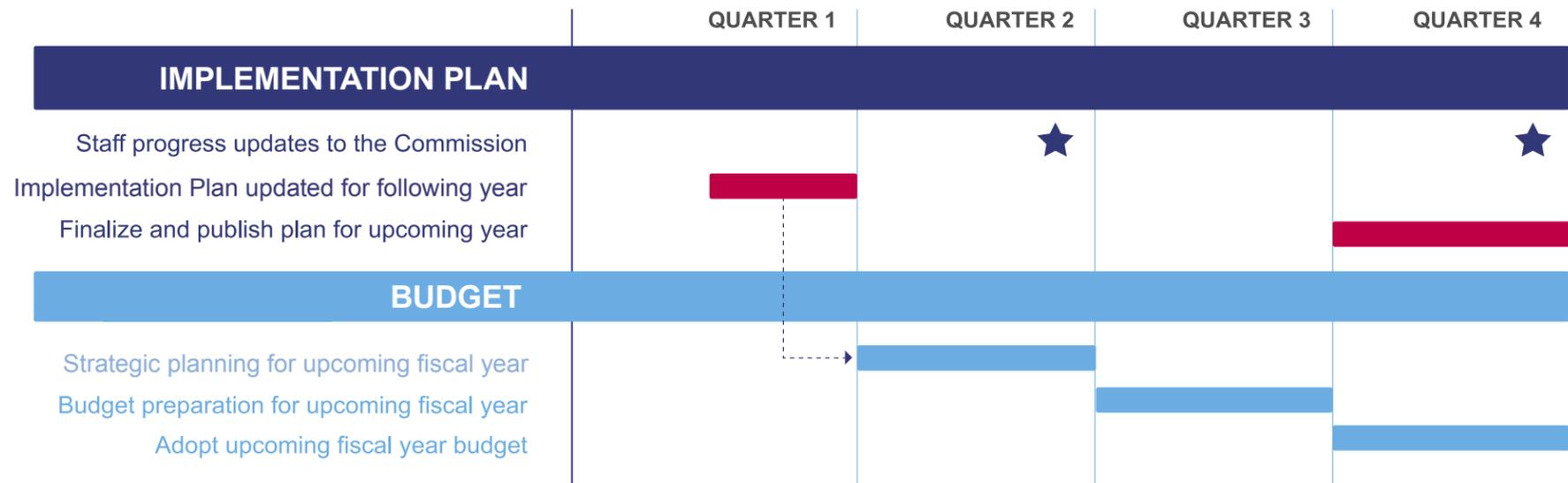
This Strategic Plan guides the Port's priorities and actions through 2026.

Success of this Plan requires intentional integration into the Port's day to day activities. The primary vehicle to do this is the Implementation Plan.

The Port's executive director works continuously with the Commission to develop priorities, and with staff to develop the Implementation Plan.

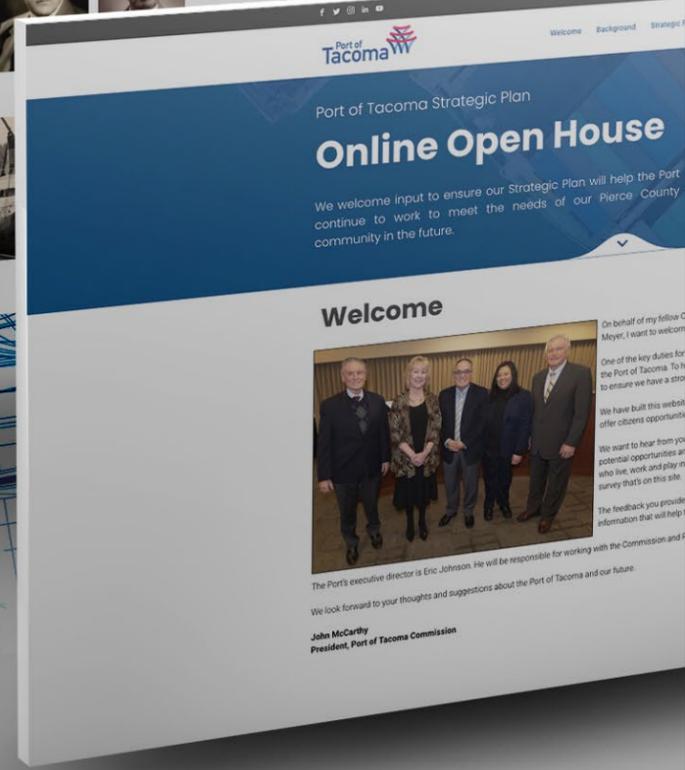
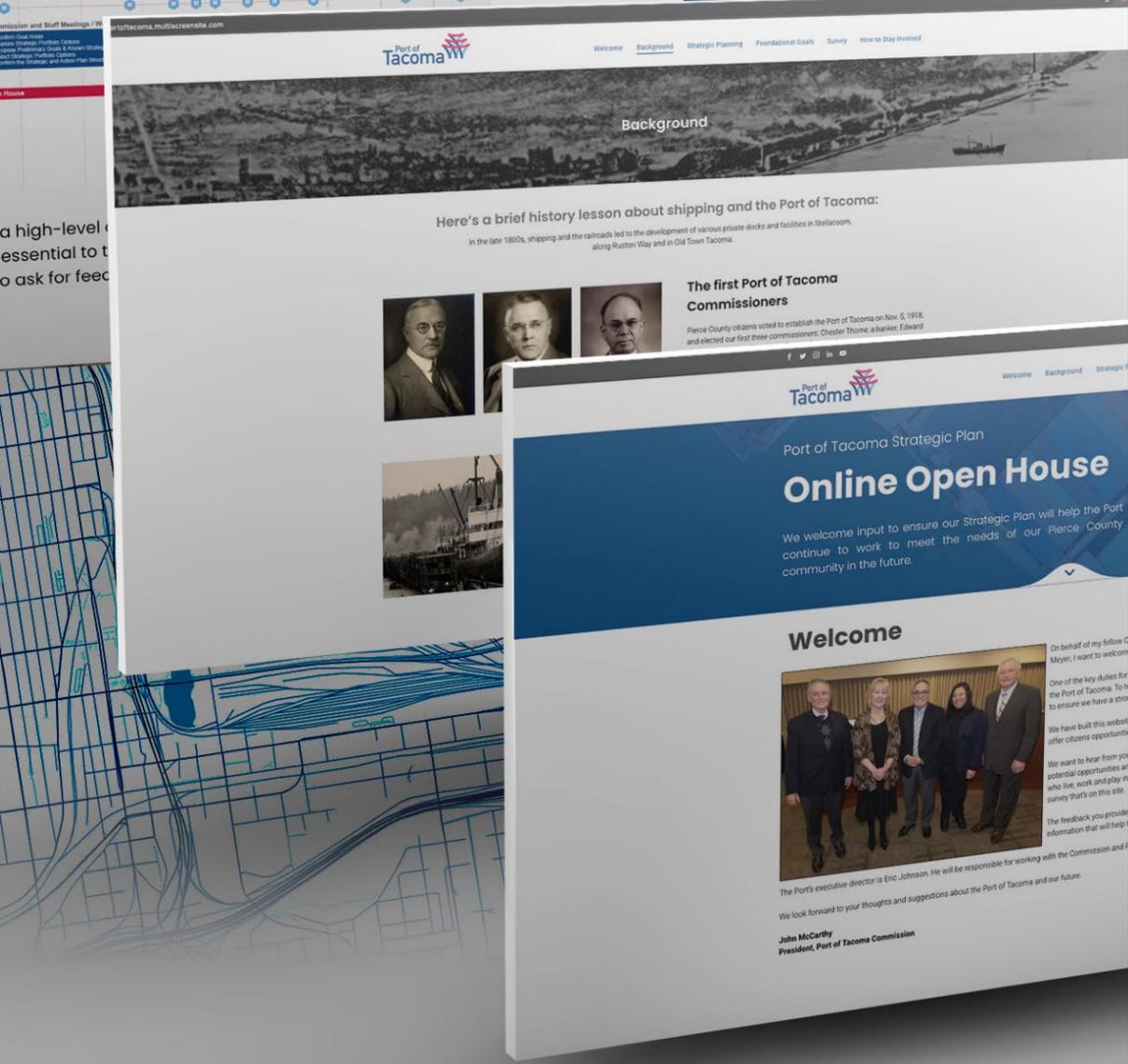
The Port's budget development process is a key tool for clarifying priorities and providing resources needed for the actions contained in the Implementation Plan.

The Implementation Plan is an integral part of this Strategic Plan and will provide details on specific tasks that will be undertaken to advance and measure progress on the foundational goals and supporting strategies. The annual budget will be informed by the Implementation Plan which will include details on timing and resource needs. The graphic below illustrates the relationship between the Strategic Plan and the budget.



THE COMPREHENSIVE SCHEME OF HARBOR IMPROVEMENTS (CSHI): Background & Statutory Requirements Chapter 53.20.010 of the Revised Code of Washington (RCW) requires port districts to prepare and update a "comprehensive scheme" of their proposed capital improvements. To view the most current Port of Tacoma CSHI [visit here](#).





Plan development and outreach

Thank You

The Port thanks the many individuals, organizations, governments and customers that shared their ideas and suggestions about the Port's future direction during our year-long Strategic Plan outreach effort.

We especially want to thank the Port Commission for their involvement and leadership throughout this process.

We also are grateful to our Port employees who are working every day to make this plan a reality.

The process to create the new Strategic Plan began in early 2020, and throughout that year and into 2021, the Port's executive director, strategic planning team and consultant team met regularly to work on its development. This work included consultation and input from Commissioners along with extensive community outreach to obtain feedback and ideas. In July 2020, the Port launched an online Strategic Plan open house that proved to be a key outreach tool during the pandemic when in-person methods were not possible.

Visitors to the online open house were able to learn more about the Port of Tacoma's history, current operations, and the developing foundational goals for the Strategic Plan. In addition, people were encouraged to share their ideas, perspective, and suggestions by completing an online survey.

Highlights from our Strategic Plan outreach efforts include:

- 3,823** visitors to the online open house
- 450** survey responses
- 41** one-on-one interviews with Port Commissioners and key business and community leaders
- 12** presentations and updates at Port Commission meetings
- 50** presentations to local community, business and governmental entities, reaching more than 2,500 people
- 24,000** emails to promote the online open house and survey
- 24** social media posts highlighting progress on the Strategic Plan
- 3** Port staff workshops
- 7** updates at Port all-staff meetings





portinfo@portoftacoma.com | 253-383-5841 | One Sitcum Plaza | Tacoma, WA 98421

FOLLOW US



@portoftacoma



Item No.: 9A
Date of Meeting: April 15, 2021

2021-2026 Strategic Plan Resolution 2021-09-PT

Eric Johnson
Executive Director



2021-2026 Strategic Plan



- Today we are requesting approval of the final 2021-2026 Strategic Plan by Resolution 2021-09-PT
- State Environmental Policy Act (SEPA) non-project review was undertaken, resulting in the issuance Determination of Non-significance on April 12, 2021

2021-2026 Strategic Plan



- The Commission authorized work to begin on the Strategic Plan in December 2019, with a target completion in December 2020
- Work on the Strategic Plan was extended to the Spring of 2021 to accommodate communication challenges and workplan adjustments due to the global pandemic

2021-2026 Strategic Plan



- Despite the pandemic, the Port was able to receive and consider input on the development of the Strategic Plan through several “virtual” channels, including an online open house, our website, remote public and community meetings, and other direct communication.
 - ✓ 3823 visitors to online open house
 - ✓ 460 Survey response
 - ✓ 13 Public commission meetings
 - ✓ 50 local community and business meeting presentations
 - ✓ 24,000 emails
 - ✓ 24 social media posts
 - ✓ 41 one-on-one interviews with subject matter experts

2021-2026 Strategic Plan



Next steps:

- The Strategic Plan is a living document and may be amended based on new information and continuous improvement
- Updates to the Strategic Plan will be coordinated with the Port's annual budget process
- The Port will create and utilize an Implementation Plan that promotes momentum and alignment aiming to achieve the foundational goals of the Strategic Plan

2021-2026 Strategic Plan



Staff requests approval of the
2021-2026 Strategic Plan by
Resolution 2021-09-PT