

# ACTION ITEM MEMO

Port of Tacoma Commission



Item No: 6C  
Meeting Date: 5/21/24

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**DATE:** May 9, 2024  
**TO:** Port of Tacoma Commission  
**FROM:** Eric Johnson, Executive Director  
Sponsors: Commissioners McCarthy and Keller  
Project Manager: Leslie Barstow  
**SUBJECT:** Local Economic Development Investment Fund – Investment Approval (Committee Recommendations for 2024)

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**A. ACTION REQUESTED**

Request authorization for the Executive Director, or his designee, to execute Interlocal Agreements with The City of Fife, The City of Orting, The City of Tacoma, Tacoma Metro Parks, and Pierce County and to fund investments to eight Pierce County non-profit organizations at the following amounts, from the Local Economic Development Investment Fund, for a total authorized amount of \$169,200:

City of Fife	\$20,000
City of Orting	\$10,000
City of Tacoma	\$30,700
Foothills Rails To Trails	\$5,000
Foss Waterway Seaport Museum	\$25,000
Gig Harbor Canoe and Kayak Racing Team	\$3,000
Metro Parks	\$2,500
Peninsula Art League	\$2,500
Pierce County Airport	\$10,000
Tacoma Historical Society	\$2,500
Tacoma/Pierce County Chamber	\$5,000
Tacoma Rowing	\$3,000
Western Forest Industries Museum	\$50,000

**Strategic Plan Initiatives:** CC-1, EV-4, TA-3

**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, business retention or recruitment; or
- 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 December 21, 2024, the Port of Tacoma issued a request-for-proposals; 25 applications were received. A review committee composed of Commissioner John McCarthy, Commissioner Deanna Keller, Leslie Barstow, Don Kelley and Matt Mauer reviewed the proposals. The committee recommendations are to make investments in 13 of the projects (listed below). These recommendations total 169,200, which is \$80,800 below the \$250,000 amount budgeted for the Local Economic Development Investment fund in the Port of Tacoma's non-operating budget.

**C. SCOPE OF WORK**

The review committee recommends funding thirteen projects for a total investment of \$169,200 across a wide geographic area of Pierce County.

The committee’s recommendation is as follows:

<b>Organization</b>	<b>Project or Event</b>	<b>Recommended Investment</b>
City of Fife	Economic/Market Analysis Study	\$20,000
City of Orting	Orting’s Celebration of Craft	\$10,000
City of Tacoma Neighborhood Planning	McKinley Overlook Project	\$30,700
Foothills Rails To Trails Coalition	Rainier To Ruston Relay Race	\$5,000
Foss Waterway Seaport Museum	Esplanade Connection Project	\$25,000
Gig Harbor Canoe & Kayak Racing Team	Narrows Challenge Race	\$3,000
Metro Parks	Point Defiance Flower & Garden Festival	\$2,500
Peninsula Art League	Summer Art Festival	\$2,500
Pierce County Airport	2025 Tacoma Narrows Air Show	\$10,000
Tacoma Historical Society	City of Destiny Festival	\$2,500
Tacoma/Pierce County Chamber of Commerce	Tours/Reception for International Businesses w/EDB and WTC	\$5,000
Tacoma Rowing	Indoor Rowing Championships Competition	\$3,000
Western Forest Industries Museum	Railroad Track Expansion Project	\$50,000
	<b>Total 2024 recommended LEDIF Funding</b>	<b>\$169,200</b>

**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 \$250,000 for these investments was included in the 2024 non-operating budget.

<b>Item</b>	<b>Budget Estimate</b>	<b>Estimated 2024 Expenditure</b>
Local Economic Development Investment Fund	\$250,000	\$169,200
<b>TOTAL</b>	<b>\$80,800</b>	<b>\$169,200</b>

F. **ECONOMIC INVESTMENT / JOB CREATION**

N/A

G. **ENVIRONMENTAL IMPACTS / REVIEW**

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

H. **ALTERNATIVE ANALYSIS**

Submitted proposals for recommended investments. Commissioners not serving on the review committee may review the submitted proposals notebook at any time for additional information on the recommended investments.

I. **NEXT STEPS**

N/A