



**Port of Port Townsend
Public Workshop
Wednesday, April 14, 2021, 9:30 AM**

Via Zoom <https://zoom.us/>

or call (253) 215-8782 – and use Webinar ID: 862 6904 3651, Password: 911887

This meeting will only be accessible remotely, as per Governor's Proclamation 20-28.

AGENDA

- Economic Development goals & work product objectives
- Commission Roundtable

Attachment: March 21, 2021 ADO RFP Concept Paper from Board of County Commissioners

This workshop is open to Commissioners, Management, other Port staff, consultants, and the public. It is not the opportunity to give public testimony, but if the Commissioners request input from individuals in the audience, those people may speak. The principal purpose of the workshop is to allow Port staff and the Board of Commissioners to communicate with each other and/or Consultants, answer Commission questions, and get the Commission's opinions and input regarding the subject topic(s).

Final Concept Paper - County Request For Proposals (rev 3/22/21)
to be Jefferson County's Associate Development Organization for the Next Biennium

Issue: The County must designate an Associate Development Organization (ADO) to the Washington State Department of Commerce to perform economic development services in Jefferson County over the next State Biennium (7/1/'21-6/30/'23). We must make the designation by the end of April or shortly thereafter. In the event the Port of Port Townsend notifies the County it seeks ADO designation in lieu of the EDC Team Jefferson, the existing ADO, Commissioners and staff will be preparing a Request For Proposals (RFP) which outlines the decision-making process and timeline, priorities for consideration of proposals and application components required.

If the County determines it needs to issue an RFP, it anticipates receiving at least two requests for the ADO designation - one from EDC Team Jefferson (the current ADO) and one from the Port of Port Townsend. Other proposals would be welcome as well.

The Board of County Commissioners (BOCC) is pleased that two or more organizations are committed to economic development. Additionally, we see a need to implement changes and improvements to current economic development efforts. We would prefer to receive joint proposals from entities, which draws from the different strengths of each and demonstrates a willingness to collaborate, by maintaining the current strong base of business volunteers from across economic sectors (such as those that have been working with the EDC), and adding additional capacity and organizational infrastructure (such as could be provided by the Port or other larger organization).

An RFP can help guide the shape of ADO proposals and services to best meet community needs.

Current Priorities of the BOCC: In discussions throughout February and early March - and informed by separate joint staff discussions between the County, City, PUD, Port and EDC - the BOCC has identified priorities that it wishes to carry into the upcoming ADO biennium. We welcome additional input on these by COB Friday, March 19.

In addition to compliance with RCWs (included below) and Commerce contracting, these priorities include:

- **Creation of a shared Economic Development Framework:** The ADO will work with the Intergovernmental Collaborative Group (ICG) and Administrators to develop a shared framework for economic development that supports and builds upon the unique character of our different communities and economic centers that will guide and align the work of the ADO and other governmental and community organizations. A multi-party agreement between the ADO and funding organizations may be amended to reference and incorporate the Economic Development Framework once it has been adopted;
- **Increased communication & accountability:** Create a governance structure with input and reporting to key stakeholders and funders. Demonstrate leadership free from conflicts of interest. Maintain transparency, including recurring reports of business projects/prospects while protecting confidential business information utilizing code names, if appropriate; strengthen communication and metrics out of the ADO on its activities, its effectiveness and outcomes, such as number of family-wage jobs created or retained;

- **Diverse representation:** Ensure that key economic sectors from the private and non-profit business community are involved in decision-making. Include geographic representation from throughout the county including some from each of the three county commissioner districts. Strive for diverse demographic participation in governance and services. Expand the ADO Board to maintain broad business sector representation as the majority of the Board, adding a seat each for the County, City, Port and PUD. Maintain the Public Sector Cabinet;
- **Bring added capacity:** Demonstrate a plan to increase the ADO’s budget, staffing, collaborations & partnerships, and services beyond those existing today, better sized to deliver on an expanded mission and suite of services. Work with the County to forge a multi-party agreement on funding, work program and accountability, aligned to the Economic Development Framework to align resources and expectations;
- **Enhance partnership:** Build on existing programs and volunteerism, generate “buy-in” from the business community, identify opportunities to enhance partnerships with the Port, Chambers, Main Street, NODC, CIE, Jefferson Community Foundation and other economic development partners, with a goal of catalyzing an Economic Development Network of economic development partners, each with a clearly defined role;
- **Communicate a clear vision for economic development:** While the ICG and key stakeholders will work with the ADO to develop an Economic Development Framework, the ADO should be able to articulate a clear vision for the economic future of Jefferson County in its Proposal, including post-COVID recovery.
- **Expand scope:** Identify emergent opportunities in economic development. Partner on key regional efforts identified as priorities by governing board;
 - **Responsive assistance** – responding to requests from businesses and non-profits with BRE meetings; respond to requests for help in navigating financing, permitting and other activities
 - **Proactive services** – continue to offer classes (Lean, Business Plans, etc) and expand the offerings to address business needs, equip small established businesses to take the next steps to grow to become mid-sized, proactively identify and contact retiring or closing businesses to offer assistance in finding new owners; convene related businesses to enhance local supplies chains and promote value added processing of local products. Create and maintain an updated portfolio of business opportunities in the different regions of the County. Concentrate on proactive and strategic opportunities for specific business sectors, including ways for public agencies to unlock, enhance and/or accelerate economic development; be future focused and anticipate trends in the economy, businesses, and employment.
 - **Expand business infrastructure, supports and services** – seek to expand LION and work with local financial institutions to offer enhanced access to business financing; cultivate lists of local business supports (legal, accounting, etc) and seek to fill gaps in those services. Participate in regional efforts to increase the supply of worker housing and childcare for working families.
 - **Pursue opportunities to actively attract or incubate businesses** – in accordance with an adopted Economic Development Framework, work with planning departments and local governments, realtors and property owners to identify and ready buildings and land for businesses to expand or locate, including incubators for compatible

start-ups, help coordinate opportunities to marshal public and private infrastructure investments to ripen those opportunities in the County’s diverse economic centers. Develop a strategic approach to compliment local business creation and expansion with strategic efforts to recruit businesses that will fit the surrounding community to locate here from elsewhere.

- **Provide economic data:** Be an accessible resource for current economic data – both on-line and in person. Increase partnerships with the Jefferson County Library and Port Townsend Library to share and increase access to business information resources.

CRITERIA: Proposals from organizations wishing to be designated as Jefferson County’s ADO for the next Biennium will be evaluated using the following criteria:

1. Quality and thoroughness of the Proposal.
2. Degree to which Proposal demonstrates an ability to meet all of the mandated elements of RCW [43.330.080](#) and RCW [43.330.082](#).
3. Degree to which Proposal demonstrates responsiveness to the BOCC’s Priorities.
4. The organization has a demonstrated history in economic development, consistent with the responsibilities of an ADO
5. Proposals where the organization seeking the ADO designation can demonstrate a partnership commitment for the biennium with one or more economic development organizations with complementary strengths is strongly preferred.

TIMELINE:

Draft Schedule

Week	Date/Activity
1	M 3/15 BoCC Discussion w/ Karen Affeld of NODC
	T 3/15-16 Preliminary Concept Draft for RFP distributed to stakeholders
	F 3/19 feedback on Preliminary Concept Paper for RFP is due
2	M 3/22 Meeting of the BoCC to consider the feedback & finalize Concept Paper
	W 3/24 Port meeting to consider whether to submit its previously approved letter requesting ADO designation
	F 3/26 (only if the Port affirms its intent to request ADO designation) RFP sent out, published on 3/28
4	F 4/9 Proposal Responses due
5	M 4/12 BoCC interviews each applicant, deliberates
	W 4/14 Special Meeting BoCC sets terms for award
7	M 4/26 Report back on negotiations, motion to award ADO designation

State Statutes on Associate Development Organizations

RCW [43.330.080](#) Coordination of community and economic development services— Contracts with county-designated associate development organizations—Scope of services— Business services training.

(1)(a) The department must contract with county-designated associate development organizations to increase the support for and coordination of community and economic development services in communities or regional areas. The contracting organizations in each community or regional area must:

- (i) Be broadly representative of community and economic interests;
- (ii) Be capable of identifying key economic and community development problems, developing appropriate solutions, and mobilizing broad support for recommended initiatives;
- (iii) Work closely with the department to carry out state-identified economic development priorities;
- (iv) Work with and include local governments, local chambers of commerce, workforce development councils, port districts, labor groups, institutions of higher education, community action programs, and other appropriate private, public, or nonprofit community and economic development groups; and
- (v) Meet and share best practices with other associate development organizations at least two times each year.

(b) The scope of services delivered under the contracts required in (a) of this subsection must include two broad areas of work:

(i) Direct assistance, including business planning, to companies throughout the county who need support to stay in business, expand, or relocate to Washington from out of state or other countries. Assistance must comply with business recruitment and retention protocols established in RCW [43.330.062](#), and includes:

(A) Working with the appropriate partners throughout the county including, but not limited to, local governments, workforce development councils, port districts, community and technical colleges and higher education institutions, export assistance providers, impact Washington, the Washington state quality award council, small business assistance programs, innovation partnership zones, and other federal, state, and local programs to facilitate the alignment of planning efforts and the seamless delivery of business support services within the entire county;

(B) Providing information on state and local permitting processes, tax issues, export assistance, and other essential information for operating, expanding, or locating a business in Washington;

(C) Marketing Washington and local areas as excellent locations to expand or relocate a business and positioning Washington as a globally competitive place to grow business, which may include developing and executing regional plans to attract companies from out of state;

(D) Working with businesses on-site location and selection assistance;

(E) Providing business retention and expansion services throughout the county. Such services must include, but are not limited to, business outreach and monitoring efforts to identify and address challenges and opportunities faced by businesses, assistance to trade impacted businesses in applying for grants from the federal trade adjustment assistance for firms program, and the provision of information to businesses on:

- (I) Resources available for microenterprise development;
- (II) Resources available on the revitalization of commercial districts; and
- (III) The opportunity to maintain jobs through shared work programs authorized under chapter [50.60](#) RCW;
- (F) Participating in economic development system-wide discussions regarding gaps in business start-up assistance in Washington;
- (G) Providing or facilitating the provision of export assistance through workshops or one-on-one assistance; and
- (H) Using a web-based information system to track data on business recruitment, retention, expansion, and trade; and
- (ii) Support for regional economic research and regional planning efforts to implement target industry sector strategies and other economic development strategies, including cluster-based strategies. Research and planning efforts should support increased living standards and increased foreign direct investment, and be aligned with the statewide economic development strategy. Regional associate development organizations retain their independence to address local concerns and goals. Activities include:
 - (A) Participating in regional planning efforts with workforce development councils involving coordinated strategies around workforce development and economic development policies and programs. Coordinated planning efforts must include, but not be limited to, assistance to industry clusters in the region;
 - (B) Participating with the state board for community and technical colleges as created in RCW [28B.50.050](#), and any community and technical colleges in the coordination of the job skills training program and the customized training program within its region;
 - (C) Collecting and reporting data as specified by the contract with the department for statewide systemic analysis. In cooperation with other local, regional, and state planning efforts, contracting organizations may provide insight into the needs of target industry clusters, business expansion plans, early detection of potential relocations or layoffs, training needs, and other appropriate economic information;
 - (D) In conjunction with other governmental jurisdictions and institutions, participating in the development of a countywide economic development plan.
- (2) The department must provide business services training to the contracting organizations, including but not limited to:
 - (a) Training in the fundamentals of export assistance and the services available from private and public export assistance providers in the state; and
 - (b) Training in the provision of business retention and expansion services as required by subsection (1)(b)(i)(E) of this section.

[[2014 c 112 § 111](#); [2012 c 195 § 1](#); [2011 c 286 § 2](#); [2009 c 151 § 10](#); [2007 c 249 § 2](#); [1997 c 60 § 1](#); [1993 c 280 § 11](#).]

RCW [43.330.082](#) Contracting associate development organizations—Performance measures and summary of best practices—Remediation plans—Report.

(1)(a) Contracting associate development organizations must provide the department with measures of their performance and a summary of best practices shared and implemented by the contracting organizations. Annual reports must include the following information to show the contracting organization's impact on employment and overall changes in employment: Current employment and economic information for the community or regional area produced by the employment security department; the net change from the previous year's employment and economic information using data produced by the employment security department; other relevant information on the community or regional area; the amount of funds received by the contracting organization through its contract with the department; the amount of funds received by the contracting organization through all sources; and the contracting organization's impact on employment through all funding sources. Annual reports may include the impact of the contracting organization on wages, exports, tax revenue, small business creation, foreign direct investment, business relocations, expansions, terminations, and capital investment. Data must be input into a common web-based business information system managed by the department. Specific measures, data standards, and data definitions must be developed in the contracting process between the department and the contracting organization every two years. Except as provided in (b) of this subsection, performance measures should be consistent across regions to allow for statewide evaluation.

(b) In addition to the measures required in (a) of this subsection, contracting associate development organizations in counties with a population greater than one million five hundred thousand persons must include the following measures in reports to the department:

(i) The number of small businesses that received retention and expansion services, and the outcome of those services;

(ii) The number of businesses located outside of the boundaries of the largest city within the contracting associate development organization's region that received recruitment, retention, and expansion services, and the outcome of those services.

(2)(a) The department and contracting associate development organizations must agree upon specific target levels for the performance measures in subsection (1) of this section. Comparison of agreed thresholds and actual performance must occur annually.

(b) Contracting organizations that fail to achieve the agreed performance targets in more than one-half of the agreed measures must develop remediation plans to address performance gaps. The remediation plans must include revised performance thresholds specifically chosen to provide evidence of progress in making the identified service changes.

(c) Contracts and state funding must be terminated for one year for organizations that fail to achieve the agreed upon progress toward improved performance defined under (b) of this subsection. During the year in which termination for nonperformance is in effect, organizations must review alternative delivery strategies to include reorganization of the contracting organization, merging of previous efforts with existing regional partners, and other specific steps toward improved performance. At the end of the period of termination, the department may contract with the associate development organization or its successor as it deems appropriate.

(3) The department must submit a final report to the legislature by December 31st of each even-numbered year on the performance results of the contracts with associate development organizations.

[[2014 c 112 § 112](#); [2012 c 195 § 2](#); [2011 c 286 § 3](#); [2009 c 518 § 15](#); [2007 c 249 § 3](#).]