



STATE OF WASHINGTON  
WASHINGTON STATE PARKS AND RECREATION COMMISSION

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September 25, 2008

**Item E-7: Fort Worden Long Range Plan II - Requested Action**

**EXECUTIVE SUMMARY:** This item asks the Commission to adopt *Guidelines for Rehabilitation* and a *Site and Facilities Use and Development Plan* for Fort Worden State Park. The item also seeks Commission approval of a framework and process to guide transition of carefully selected portions of park management functions to a non-profit organization and authorization to proceed with initial steps. This item complies with our Centennial 2013 Plan element, "Our Commitment – Facilities & Financial Strategy" and with our core values.

**SIGNIFICANT BACKGROUND INFORMATION:**

Long-range planning for Fort Worden State Park (Fort Worden) began in the fall of 2004. During the past four years staff worked with the public to complete a series of planning tasks leading to the facility plan, rehabilitation guidelines, and approach to park governance recommended in this agenda item. Long-range planning included three prior Commission actions:

- Adoption of a vision and mission statement for Fort Worden (March 2005)
- Approval of a roadmap and assumptions to guide long range planning (August 2005)
- Adoption of land classifications, long-term boundary, value statements, and park use and development principles (January 2007)

Commission Direction

As part of its January 2007 action, the Commission refined its vision for the park, seeking to establish Fort Worden as a center for life-long learning (Appendix 1). The Commission directed staff to complete several additional tasks towards achieving this vision including:

1. Prepare a *business and operations implementation plan* to guide program development, financial management, and operation of a life-long learning center;
2. Prepare a *site and facilities use and development plan* to guide long-term use and development of the park and complete related environmental review;
3. Prepare *design guidelines* to guide on-going rehabilitation of structures and landscapes and ensure protection of the Fort Worden National Historic Landmark; and



4. Assemble a volunteer task force to evaluate park governance and recommend a management structure best suited to achieving the Commission's life-long learning center vision.

### Planning Process

The effort to complete the above tasks incorporated work by a consulting team led by PROS Consulting, a nationally recognized leisure and recreation-oriented management consulting firm. Planning followed four general stages:

- Stage 1: Assessment of existing conditions,
- Stage 2: Exploration of alternatives,
- Stage 3: Development of preliminary recommendations, and
- Stage 4: Preparation of final recommendations for Commission action.

For each stage, staff posted documents to the agency's website, met with individuals and organizations, and held workshops to present information and receive input. Planning has included extensive participation by the Fort Worden Advisory Committee, directors and staff of Fort Worden's non-profit and business partners, the City of Port Townsend, park visitors, staff, neighbors, and interested members of the public. Participants also provided follow-up input by mail and e-mail.

In August 2008, staff provided the Commission a report on progress towards completing directed tasks. This report provided the Commission with preliminary recommendations in the areas of business and operations implementation, site and facilities use and development, guidelines for rehabilitation, and park governance. The report also described issues raised through the planning process and staff's approach to addressing them. Written input from public workshops and follow-up correspondence was also provided to the Commission.

### **STAFF RECOMMENDATION:**

Staff recommendations for the Site and Facilities Use and Development Plan, Guidelines for Rehabilitation and park governance are outlined below.

Staff also prepared a Business and Operations Implementation Plan (Appendix 2) as directed. This plan is intended as a working document to guide implementation of the life-long learning center vision in a manner that is financially feasible and sustainable. Because it is a working document, staff does not anticipate seeking its adoption by the Commission.

### Site and Facilities Use and Development Plan

Staff recommends the Commission adopt the Site and Facilities Use and Development Plan as included in Appendix 3. To accommodate unforeseen uses as Fort Worden grows and evolves, the plan avoids setting particular building functions/users and instead assigns each building a use category. This approach provides flexibility, yet still allows planning for infrastructure, circulation, transportation, and other park-wide systems.

Working with the City of Port Townsend Planning Department, staff hopes to propose adoption of the plan by the City Council into its zoning code. This will require additional environmental review and adoption of a “Planned Action” under the State Environmental Policy Act (SEPA).

#### *Recommendations for Upper Campground Expansion*

The upper campground currently provides thirty hookup sites. Expansion of this facility would allow existing park host sites to be relocated out of the main campus’ historically significant landscape. Aside from improving the appearance of the main campus, relocating host sites to the upper campground puts them in closer proximity to restrooms, showers, trash receptacles, and other RV-related support facilities and amenities.

The forested areas surrounding the upper campground and the Peace Mile Trail provide a significant natural experience in an otherwise largely developed campus. Consequently, staff recommends limiting development of new sites in the upper campground to the existing footprint and previously disturbed areas. Expansion should target ten to twelve additional sites to replace host sites removed from the main campus.

Addition of host campsites to the upper campground may require removal of vegetation. A number of public planning participants have expressed specific concern over this possibility. Consequently, staff will work with interested members of the public during the design of campground improvements to minimize removal of trees and vegetation, limit cut and fill of slopes, and potentially reroute the Peace Mile Trail to maintain its natural experience.

If site constraints preclude adding ten to twelve additional campsites to the upper campground, an alternative could construct a small number of additional sites in conjunction with development of staff housing on the south slope of Artillery Hill. This would require retention of some host sites in their present location until new staff housing that incorporates necessary support facilities (e.g., restrooms and showers) is constructed.

#### *Recommendations for Park Entrance Relocation*

The City of Port Townsend suggested moving the park’s main entrance from Fort Worden Way to a reconfigured west gate entrance (from Admiralty Street). This would encourage visitors to access the park via San Juan Avenue where the City has completed sidewalks and other safety improvements. Staff received considerable public input urging the entrance not be moved. Issues included potential impacts to natural features and nearby trail experiences caused by increased traffic and related roadway improvements. Rerouting traffic would also have external effects, relocating traffic from one residential neighborhood to another.

Staff recommends that in order to give these issues consideration due, decisions regarding entrance relocation should be conducted as a separate, more detailed planning process. The City of Port Townsend and Fort Worden staff should work together to complete a full evaluation of the advantages, disadvantages, and environmental impacts associated with changing the main entrance. This should include an evaluation of

physical constraints, safety, cost, and effects on nearby neighborhoods. Proposed actions resulting from this evaluation will require additional environmental review and consequently, the public will have opportunities to provide additional input.

#### Guidelines for Rehabilitation

Staff recommends the Commission adopt the Guidelines for Rehabilitation as included in Appendix 4. By Commission policy, work on historic structures and landscapes at Fort Worden must adhere to the US Department of Interior Secretary's Standards for the Treatment of Historic Properties. While these standards provide guidance on the treatment of historic properties in general, they provide little specific direction on how to preserve the integrity of a particular historic property. The Guidelines for Rehabilitation recommended by staff provide a critical intermediate step between the Secretary's Standards and design of specific improvements at Fort Worden.

The guidelines provide architects, builders, property managers, tenants, maintenance staff and others with parameters on how much change can be introduced in adapting a site, building, or feature to a new use. Their overall purpose is to ensure that Fort Worden retains its authenticity and historical integrity while allowing flexibility to adapt the site and structures to address evolving needs of the park.

#### *Recommendations for Interpretation of Guidelines and Plan Review*

The State Parks Historic Preservation Officer (SPHPO) should provide on-going interpretation and plan review for proposed projects if or until such time as a Commission-approved non-profit management entity appoints a qualified on-site preservation official to fulfill this function. Alternatively, the Commission may choose to appoint a qualified on-site preservation official without approving a non-profit management entity. The qualifications for the on-site historic preservation official should be agreed upon in a Memorandum of Understanding or other formal agreement between the Commission and the non-profit management entity.

Appointment of an individual, as opposed to a committee, is preferred to promote responsive, timely and predictable decision-making. A review committee may be formed at the discretion of the SPHPO or appointed on-site preservation official, but should only serve in an advisory capacity.

Staff proposes to develop a formal process for review and approval of proposed new construction and rehabilitation projects at Fort Worden. Staff will prepare this process for approval by the Director within six months of Commission adoption of the Guidelines for Rehabilitation. The approved process should include a "pre-application meeting" where the SPHPO or on-site historic preservation official can meet with a project proponent and identify any technical investigation necessary to proceed (e.g., Historic Structure Report, see National Park Service Preservation Brief #43) and establish review requirements, schedule, and other considerations related to the proposed project.

The approved review process should also set a series of review thresholds based on a project's magnitude and the extent of change to historic structures, landscapes, or small-

scale features expected to result. This should include a minimum threshold under which no formal review is necessary for work completed by someone with basic training in historic preservation (e.g., routine maintenance and minor improvements). Intermediate and higher thresholds requiring review by the on-site historic preservation official, SPHPO, the Commission, or others should also be established where helpful in fostering predictability, efficiency, or timeliness of review while ensuring the park's historical integrity is preserved.

#### *Recommendations for Revisions and Additions to the Guidelines*

Historic preservation is not a static endeavor. The Guidelines for Rehabilitation will likely require revision to reflect significant changes in the Commission's historic preservation policies, accepted preservation practices, accessibility requirements, and other mandates, or to correct any errors or omissions. Putting the guidelines into actual practice may also reveal situations where additional or more refined guidance on appropriate rehabilitation is necessary or where guidelines lead to an erroneous result.

To ensure they retain their usefulness and remain state of the art, the guidelines should be reviewed on a two-year cycle. As part of regular review, the Fort Worden State Park Manager or non-profit management entity should solicit input from stakeholders (e.g., Advisory Committee, Partners, and City departments/boards) and transmit proposed amendments through the historic preservation officer (either the SPHPO or on-site preservation official) to the State Parks Director and ultimately to the Commission for approval. Commission approval will require an opportunity for public comment as well as environmental review in compliance with SEPA.

Any amendment of the guidelines will require close coordination with the City of Port Townsend, particularly once the City adopts the guidelines into its zoning code as envisioned. Proposed amendments may require separate approval by the City. Amendment of the guidelines will also include consultation with the National Park Service National Historic Landmark Program to ensure consistency with and retention of Fort Worden's National Historic Landmark designation.

In extraordinary circumstances, changes to the guidelines necessary to respond to an emergent issue/need may be proposed for Commission approval outside of the regular review cycle.

#### Governance

In fall 2007, the Director appointed seven members to the Fort Worden Task Force to evaluate park governance and recommend a structure best suited to achieving the Commission's life-long learning center vision. Agency staff, a member of Centrum's staff, and a Special Assistant Attorney General appointed specifically for this project, supported the work of the Task Force. Appendix 5 describes the composition of the Task Force, its evaluation process, and its recommendations.

The Task Force's evaluation included three underlying premises: First, the status quo has not produced a satisfactory result and does not appear financially sustainable over the

long-term. Second, the current management structure tends to isolate partner organizations and creates little incentive for them to work together for the good of the park as a whole. Third, the agency alone cannot achieve the Commission's vision for the park. A vibrant, sustainable life-long learning center will require the park and its non-profit and business partners to work together effectively – sharing resources, expanding program offerings, caring for facilities, building financial support, and better collaborating with one another.

The Task Force concluded that management by a non-profit is the structure best suited to achieving the life-long learning center vision. Staff concurs with this recommendation, however understands that implementation will require resolution of significant and challenging issues – particularly those related to safeguarding employment and benefits of park staff and committing the agency to set levels of financial support.

Ultimately, negotiation of long-term agreement may stop short of transferring lead management authority to a non-profit (see Extent of Non-Profit Management below). Nevertheless, staff believes that engaging non-profit participation in management to the greatest extent practicable creates the best chance of achieving the Commission's vision for Fort Worden.

Staff therefore recommends that the Commission pursue integration of a non-profit in management and operation of Fort Worden State Park through the processes and framework outlined below.

#### *Recommended Non-Profit Selection Process*

Perhaps most critical to achieving the life-long learning center vision is the selection of the best-suited non-profit organization with which to partner. Staff recommends that the Commission authorize the Director to select a potential non-profit partner through a two-stage process. The first stage should include a national solicitation asking prospective non-profits to submit a letter of interest describing characteristics and qualifications of their organization applicable to management of the life-long learning center envisioned for Fort Worden.

Receipt of two or more letters of interest from organizations meeting minimum qualifications (as determined by the Director) should initiate a second stage of selection that includes a formal Request for Qualifications (RFQ) or Request for Proposal (RFP) solicitation. With a response from only one qualified organization, the Director may elect to begin negotiations immediately with that organization.

#### *Recommended Transition Process*

The Fort Worden Task Force developed a process to guide a transition to a non-profit management structure. The recommended transition process is purposefully methodical and could take several years to accomplish. The first step involves formulating a Memorandum of Understanding (MOU) with the selected non-profit organization. Not an end agreement in itself, the MOU would set forth a process through which both State

Parks and the non-profit would earn each other's confidence and build a working relationship that could lead to a long-term agreement.

Through the MOU, the Commission would ask the non-profit to demonstrate it is capable of assuming management responsibility. Likewise, the Commission would demonstrate to the prospective non-profit its willingness to transfer significant management authority, set necessary policy, and commit adequate resources.

The Task Force developed a framework for setting milestones for each party that once achieved, would demonstrate the organizational capability and capacity necessary for the success of a long-term agreement. Measurable milestones and commitments negotiated between the parties would form the basis of the MOU. Both the Commission and the non-profit's board would be asked approve the final MOU before proceeding.

Both parties would agree that if respective milestones and commitments are met, transfer of management authority and responsibility would be negotiated. Ultimate transfer of management would likely take the form of a long-term lease or management agreement.

Staff recommends that the Commission authorize the Director to negotiate a MOU with the selected non-profit organization for approval by the Commission. Negotiation of the MOU should be guided by the management transition process recommended by the Fort Worden Task Force in Appendix 5 and as described above.

#### *Recommended MOU Negotiation Framework*

The Fort Worden Task Force discussed at length the kind of accomplishments needed to assure the Commission, Governor, Legislature, and the public that a non-profit could manage Fort Worden in the public interest – and achieve the life-long learning center vision. To that end, the Task Force developed a framework to guide negotiation of an initial MOU between the Commission and prospective non-profit. The framework includes provisions in the following areas: Leadership and Governance; Business Development; Program and Partner Development; Operating Funding; Capital Funding; Community and Constituent Relations; and Employee Relations.

Staff recommends the Commission approve the framework as recommended by the Task Force in Appendix 5 to guide negotiation of a MOU with the selected non-profit organization.

#### *Extent of Non-Profit Profit Management*

The extent and specific areas of management and operation appropriate for the Commission to transition to a prospective non-profit remains for the two parties to negotiate and determine through the MOU process and ultimately a long-term agreement. The Fort Worden Business and Operations Implementation Plan – Consultant Recommendations (Appendix 2), describes four scenarios that incorporate management and operation by a non-profit in varying degrees.

Allowing a non-profit greater participation in park management and operation creates an incentive for it to commit its efforts and resources to achieving the life-long learning center vision. With greater participation by a non-profit, however comes proportionately less administrative control by the agency. The recommended MOU Negotiation Framework therefore identifies sideboards to ensure that the park, its staff, and the agency are not adversely impacted through any management transition and risk to the agency is otherwise minimized.

Staff recommends that the Commission direct staff to negotiate the MOU with the ultimate goal of integrating the non-profit into park management to the greatest extent practicable within limits specified in the approved MOU Negotiation Framework. Staff also recommends that negotiation of issues related to employment and benefits include close coordination and consultation with employees and their representatives.

**SUPPORTING INFORMATION:**

- Appendix 1: Excerpts from Fort Worden Long Range Plan – Conceptual Facilities, Programs, and Services Recommendations December 2006
- Appendix 2: Fort Worden Business and Operations Implementation Plan – Consultant Recommendation *August 2008*
- Appendix 3: Fort Worden Site and Facilities Use and Development Plan – Staff Recommendation *August 2008*
- Appendix 4: Fort Worden Guidelines for Rehabilitation – Staff Recommendation *August 2008*
- Appendix 5: Fort Worden Task Force Recommendations on Governance *June 2008*

**REQUESTED ACTION OF COMMISSION:**

*That the Washington State Parks and Recreation Commission:*

1. Thank members of the Fort Worden Task Force for their passion, care, insight, and service to the Commission and the public in preparing their recommendations and successfully completing their charter;
2. Adopt the staff recommended Fort Worden Site and Facilities Use and Development Plan included as Appendix 3;
3. Adopt the staff recommended Fort Worden Guidelines for Rehabilitation included as Appendix 4;
4. Authorize the Director to select a non-profit organization with which to negotiate a Memorandum of Understanding (MOU) for Commission approval, guided by the selection process and management transition process recommended by staff and the Fort Worden Task Force;
5. Approve the MOU Negotiation Framework as recommended by staff and the Fort Worden Task Force;
6. Direct staff to negotiate the MOU with the ultimate goal of integrating the selected non-profit organization into park management and operation to the greatest extent practicable within limits specified in the approved MOU Negotiation Framework and in a manner that does not result in significant financial impacts to the rest of the state park system;

7. Direct staff to consult with park employees and their representatives on any issues related to employment and benefits during negotiation of the MOU; and
8. Direct staff to provide the Commission regular progress reports on the status of MOU negotiations.

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**Reviewer(s):**

**Chris Regan, SEPA Review:** Following review, staff prepared separate environmental checklists and "threshold determinations" on August 6, 2008 for the *updated preliminary recommendation – site and facilities use and development plan* and *updated preliminary recommendation – guidelines for rehabilitation* finding that the action proposed by the Commission staff was minor and the environmental effects not significant.

Copies of these documents have been provided to members of the Commission, and will be made available to other interested parties upon request.

**Hene Frisch, Fiscal Impact Review:** The agency's 2009-2011 budget submittals includes operating and capital requests for Fort Worden State Park. It also dedicates additional revenue earned as a result of these new projects to paying some of their operational expenses. The proposal to competitively select a non-profit organization to manage the life long learning center when completed will not negatively impact the agency or its employees.

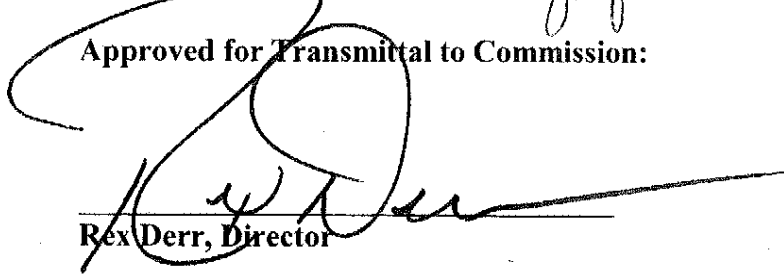
**Jim Schwartz, AAG Review:** 8/26/08

**Gerry Johnson, SAAG Review:** 8/25/08

**Larry Fairleigh, Assistant Director**

**Judy Johnson, Deputy Director:**  \_\_\_\_\_

**Approved for Transmittal to Commission:**

  
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**Rex Derr, Director**

## APPENDIX 1

### EXERPT FROM FORT WORDEN LONG RANGE PLAN – CONCEPTUAL FACILITIES, PROGRAMS, AND SERVICES RECOMMENDATIONS *December 2006*

#### Life-Long Learning Center Program Description

As a life-long learning center, Fort Worden State Park is envisioned as a “learning laboratory” where the site – historic buildings and grounds, natural areas and waterfront – should be a focal point for exploring our place in the world. As a center for life-long learning, it would represent a confluence of creativity and experimentation. Hallmarks of the park should be coordinated cooperation among the resident organizations; integration with the community of Port Townsend and a deep commitment to stewardship of the natural and cultural resources. Through activities in the arts, environmental education, history, recreation, stewardship and sustainability, the park should address the “whole person.”

As a complement to the life-long learning activities presented by resident organizations, the park should continue to host retreats and special events presented by non-resident organizations and also provide short-term accommodations for vacationers in the various available rental units and the campground. In addition, to round out offerings and opportunities for multi-day visitors and park users, commercial providers could be contracted for such amenities as kayak rental, Internet access, exercise facilities and other services.

The life-long learning model should provide the park and the resident organizations a once-in-a-lifetime opportunity to develop an integrated economy, dramatically increasing their overall capacities through coordination, centralization, and consolidation of marketing, fundraising, and business management functions.

Three to five anchor partners would be the key to success of this business model. These anchor partners should develop and promote a broad range of programming to ensure that the mission and vision of Fort Worden State Park are carried out to make the park financially sustainable. Partnerships between anchor partners and other mission-consistent programs and organizations should bring additional audiences and resources to the park.

Integral to the concept of the park addressing the “whole person” should be the development of a more sophisticated food service provider, with an emphasis on local and regional growers and healthy menus. Shifting from concessionaire to anchor partner, food services and culinary production could also become a “learning laboratory,” where the provider would generate educational programs revolving around stewardship, sustainability, healthy eating and other culinary programs.

Resident organizations willing to increase their own organizational capacities to support the financial viability of the Life-long Learning Center and have the ability to work in an integrated fashion with one another should be given priority in terms of scheduling facility use. The economic viability of Fort Worden State Park would require a delicate balance of programming and creation of opportunities for entrepreneurial undertakings that can help support the mission of the park. These entrepreneurial activities would include camping, family vacation lodging rentals and annual events facility use similar to what is currently offered. Expanded and improved accommodations would serve audiences and workshop and seminar participants, as well as a wider range of users oriented toward passive recreation and individual learning. Demands for space and specialized facilities should change as opportunities for expansion are more fully defined.

Each phase of the Long Range Plan should be implemented looking through a lens of sustainability of the natural environment, the economics of the park and the relationship to the community to ensure that Fort Worden State Park is available for future generations to enjoy.

### Target Market & Activities

#### *Target Market*

As a Life-long Learning Center, Fort Worden State Park should partner with cultural and educational institutions to present programs involving performing and visual artists, the environment and natural resources, historic preservation and interpretation, culinary arts, stewardship practices and educational training. Individuals and small groups from around the country seeking a variety of educational opportunities would find the learning center inviting.

Using its site on the promontory of the Strait of Juan de Fuca, the park would be a pre-eminent center for the study of marine sciences and associated terrestrial environmental systems education.

With its exemplary park features and a broad range of facility uses, the learning center would also welcome visitors from around the country, the state, the Pacific Northwest region, and local communities seeking traditional park experiences. Individuals could stay several days discovering all that the park has to offer. Those visiting the grounds for a day or a performance, lecture or film would be enticed to return for a longer stay.

#### *Activities*

In addition to the traditional park opportunities currently provided, the park should offer programs for intensive experiences in the arts, humanities, environmental education, marine sciences, culinary arts, stewardship and sustainability designed to engage participants of all ages. Nationally recognized organizations could present multi-day and seasonal programs that could include performances, lectures, presentations, exhibitions and festivals attracting the public. School-age children could be able to participate in multi-day educational programs with an emphasis on experiential learning.

Artists, writers, scientists, environmentalists, musicians, recreational users, dancers, chefs, farmers and historians would find the park a place where improbable alliances could be forged and unique ideas come to fruition. The park should support people desiring to step out of their daily routines to brainstorm new ideas. This unique environment would provide room for remarkable things to happen.

Interpretation of the rich natural and historical environments is critical in understanding and appreciating the park. Evaluation and implementation of current interpretive methods and museums would increase the overall success of the park. Consolidation of interpretive programs under unified management could inspire new opportunities and create technological advancements and techniques that could ultimately increase exposure of interpretive programming to more visitors and guests.

A full version of the Fort Worden Long Range Plan - Conceptual Facilities, Programs and Services Recommendations (December 2006) is available for download at:

<http://www.parks.wa.gov/plans/ftworden/>

**APPENDIX 2****FORT WORDEN BUSINESS AND OPERATIONS  
IMPLEMENTATION PLAN  
CONSULTANT RECOMMENDATIONS  
*August 2008***

Electronic versions of Appendix 2 are available for download at:

<http://www.parks.wa.gov/plans/ftwordenII/>

Hard copy available on request only. Contact Nata Hurst, Washington State Parks Planning and Research Program, P.O. Box 42650, Olympia, WA 98504-2650, call (360) 902-8638, or E-mail: [nata.hurst@parks.wa.gov](mailto:nata.hurst@parks.wa.gov)

**APPENDIX 3****FORT WORDEN SITE AND FACILITIES USE AND  
DEVELOPMENT PLAN  
STAFF RECOMMENDATION  
*August 2008***

Electronic versions of Appendix 3 are available for download at:

<http://www.parks.wa.gov/plans/ftwordenII/>

Hard copy available on request only. Contact Nata Hurst, Washington State Parks Planning and Research Program, P.O. Box 42650, Olympia, WA 98504-2650, call (360) 902-8638, or E-mail: [nata.hurst@parks.wa.gov](mailto:nata.hurst@parks.wa.gov)

**APPENDIX 4****FORT WORDEN GUIDELINES FOR REHABILITATION  
STAFF RECOMMENDATION  
*August 2008***

Electronic versions of Appendix 4 are available for download at:

<http://www.parks.wa.gov/plans/ftwordenII/>

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## APPENDIX 5

### FORT WORDEN TASK FORCE RECOMMENDATIONS ON GOVERNANCE

*June 2008*

In 2007, the State Parks and Recreation Commission (Commission) adopted a publicly supported vision for Fort Worden as a center for life long learning. As envisioned, Fort Worden will become a full-service, year-round destination providing a diverse array of meaningful experiences for people of all ages, backgrounds, skills, and interests through its programs, events, services, and facilities. A multitude of resident partners will create a shared economy that supports state of the art programming in the arts and culture, health and wellness, natural science, outdoor recreation, and historic preservation. With a variety of conference facilities and accommodations ranging from camping to residences and single guest rooms, plus high-quality food service focused on locally grown ingredients, the new Fort Worden will allow visitors to design their stay around their needs and preferences.

As part of its adoption of the life-long learning center vision, the Commission recognized that it alone did not have the resources required to achieve the vision. It needed to find a way for non-profits and businesses operating at the Fort to participate fully – sharing resources, expanding program offerings, caring for facilities, building financial support, and better collaborating with one another.

#### Task Force Composition

As a first step toward this vision, the Commission chartered a task force to evaluate applicable governance structures and recommend the one best suited to manage a life-long learning center. The Director appointed members to the Fort Worden Task Force experienced in organizational development and governance and from a variety of organizational perspectives including:

- State Parks and Recreation Commission Member
- State Arts Commission Staff/Commissioner
- County Commissioner/City Councilmember
- Fort Worden Advisory Committee (2)
- Experienced Former State Legislator
- Philanthropic Community
- Washington Federation of State Employees (WFSE)

#### Evaluation Process

In developing its recommendation, the Task Force first identified characteristics and capabilities necessary or desirable to manage and develop the envisioned life-long learning center. Identified characteristics and capabilities fell into four major areas: Mission-Related; Structural; Resources and Operations; and External Relations.

#### Mission-Related

- Achieve life long learning center vision
- Nurture and sustain programming
- Effectively address state priorities in government

### Structural

- Relative ease to establish
- Focus on Fort Worden
- Agility and Flexibility

### Resources and Operations

- Partner with State
- Achieve predictability in state resources
- Behave entrepreneurially
- Generate capital and operating funds (public, philanthropic, enterprise)
- Embrace socially responsible business practices

### External Relations

- Attract and integrate partner organizations
- Incentive to address statewide constituency
- Collaborate with local community

The Task Force then evaluated the status quo and a range of applicable governance structures in relation to identified management characteristics and capabilities to determine the best fit. Applicable governance structures included:

#### General Purpose Government

- State (status quo)
- Local (e.g., City Parks Department)

#### Special Purpose Government

- State Chartered (e.g. State Trade and Convention Center, Safeco Field Public Facilities District, or Qwest Field Public Stadium Authority)
- Locally Chartered (e.g., Pike Place Market Public Development Authority)

#### Non-Profit Corporation

- Public Benefit Organization (e.g., Educational or Scientific Institutions, Arts and Culture Organizations, Churches, and Charities)

A for-profit corporation and a limited charitable foundation were two additional potential governance structures ultimately not considered by the Task Force for lead management at Fort Worden. The previous phase of conceptual planning specifically eliminated a for-profit corporation in the lead management role. A limited charitable foundation was considered best suited to a supporting role to the other governance structures under consideration.

### Task Force Recommendation

From its analysis, the Fort Worden Task Force recommends that a non-profit corporation is best suited to manage a life-long learning center (Table 1). This management structure combines the fund raising capability and flexibility of non-profits with the potential for investment by private

enterprise, and the financial capacity, stability and public accountability of state government. Lead management by a non-profit also breaks down isolation among the Fort’s resident partners and creates an incentive for them to work together and share in the long-term care of the park and its facilities.

| ISSUES/ATTRIBUTES   | General Purpose Government |                  | Special Purpose Government     |                   | Not-For-Profit Corporation      |
|---|----------------------------|------------------|--------------------------------|-------------------|---------------------------------|
|   | State                      | Local            | State Chartered                | Locally Chartered |                                 |
|   | (Status Quo)               | (City or County) | (WSCTC; Safeco PFD; Owest PSA) | (PDA; PFD)        | Education Inst; Charity; Church |
| <b>STRUCTURAL:</b>  |                            |                  |                                |                   |                                 |
| How Established/Relative Ease   | X                          |                  |                                |                   | X                               |
| Ability to Prioritize/Focus on Fort Worden  |                            |                  |                                |                   | X                               |
| Flexibility/Agility in Responding to New Opportunities or Changed Circumstances                 |                            |                  |                                |                   | X                               |
| Ability/Incentive to Operate Transparently and Accountably                                      | X                          |                  | X                              |                   | X                               |
| <b>MISSION:</b>   |                            |                  |                                |                   |                                 |
|   | X                          |                  |                                |                   |                                 |
| Ability to Develop and Implement 3LC Vision/Mission/Business Plan                               |                            |                  |                                |                   | X                               |
| Ability to Nurture/Sustain Programming  |                            |                  |                                |                   | X                               |
| <b>RESOURCES/OPERATIONS:</b>  |                            |                  |                                |                   |                                 |
| Ability to Effectively Partner with State   |                            |                  |                                |                   | X                               |
| Ability to Achieve Predictability in State Resources  |                            |                  | X                              |                   |                                 |
| Capital   | X                          |                  | X                              |                   |                                 |
| Operating   |                            |                  | X                              |                   |                                 |
| Ability/Incentive to Behave Entrepreneurially   |                            |                  |                                |                   | X                               |
| Ability to Generate Resources   |                            |                  |                                |                   | X                               |
| Private   |                            |                  |                                |                   | X                               |
| Enterprise  |                            |                  | X                              |                   | X                               |
| Capital   |                            |                  | X                              |                   | X                               |
| Operating   |                            |                  |                                |                   | X                               |
| Philanthropic   |                            |                  |                                |                   | X                               |
| Capital   |                            |                  |                                |                   | X                               |
| Operating   |                            |                  |                                |                   | X                               |
| Other Public  |                            |                  | X                              |                   | X                               |
| Capital   |                            |                  | X                              |                   |                                 |
| Operating   |                            |                  |                                |                   | X                               |
| Ability/Incentive to Embrace Socially Responsible Business Practices, Including Employee Issues |                            |                  |                                |                   | X                               |
| <b>EXTERNAL RELATIONS:</b>  |                            |                  |                                |                   |                                 |
| Ability to Attract and Integrate Partner Stakeholders   |                            |                  |                                |                   | X                               |
| Ability/Incentive to Address Desires of Statewide Constituency                                  | X                          |                  |                                |                   | X                               |
| Ability to Collaborate with Local Community   |                            |                  |                                |                   | X                               |
| Public Users  |                            |                  |                                |                   | X                               |
| Volunteers  |                            |                  |                                |                   | X                               |
| Local Governments   |                            |                  |                                |                   | X                               |
| Local Businesses  |                            |                  |                                |                   | X                               |

**Table 1: Fort Worden Task Force Governance Evaluation Matrix**

While the Task Force recommends that a non-profit is best suited to manage, it is important to assure the public that Fort Worden will always remain a state park and operate according to the vision, mission, values, and principles the Commission has adopted for Fort Worden State Park.

Recommended Management Transition Process

Should State Parks leadership and ultimately the Commission concur with the Task Force’s recommendation, the Commission would then direct agency staff to identify a prospective non-profit organization with which to negotiate a formal memorandum of understanding (MOU) to guide management transition. During the transition, the Commission would expect the non-profit to demonstrate it is capable of assuming management responsibility. Likewise, the Commission must demonstrate to the prospective non-profit that it would be willing to transition significant management authority and has put in place financial commitments and administrative provisions needed to help realize the Commission’s and public’s vision for Fort Worden. This may take several years to accomplish (Table 2).

| Task   | 2008      |         |          |          | 2009    |          |       |       |     |      |      |        | 2010 through 2013 |         |          | 2014     |  |  |  |
|--|-----------|---------|----------|----------|---------|----------|-------|-------|-----|------|------|--------|-------------------|---------|----------|----------|--|--|--|
|  | September | October | November | December | January | February | March | April | May | June | July | August | September         | October | November | December |  |  |  |
| Commission adopts facility plans and authorizes preparation of MOU       |           |         |          |          |         |          |       |       |     |      |      |        |                   |         |          |          |  |  |  |
| State Parks staff identifies prospective non-profit                      |           |         |          |          |         |          |       |       |     |      |      |        |                   |         |          |          |  |  |  |
| Staff negotiates MOU with prospective non-profit                         |           |         |          |          |         |          |       |       |     |      |      |        |                   |         |          |          |  |  |  |
| Commission and non-profit board approve MOU for execution by staffs      |           |         |          |          |         |          |       |       |     |      |      |        |                   |         |          |          |  |  |  |
| State Parks and non-profit staffs work to achieve milestones in MOU      |           |         |          |          |         |          |       |       |     |      |      |        |                   |         |          |          |  |  |  |
| State Parks and non-profit staffs negotiate long-term lease (or similar) |           |         |          |          |         |          |       |       |     |      |      |        |                   |         |          |          |  |  |  |
| Commission and non-profit board approve long-term lease (or similar)     |           |         |          |          |         |          |       |       |     |      |      |        |                   |         |          |          |  |  |  |

**Table 2: Approximate Transition Timing**

Staff should ask the Commission to authorize execution of a MOU with specific, measurable commitments that it and the prospective non-profit must satisfy in order for a management transfer to occur. Similarly, the non-profit’s board of directors should also be asked to authorize execution of the MOU, thereby committing itself to the transition. Both the Commission and the non-profit’s board must approve the final MOU.

Both parties would agree that if respective milestones and commitments are met, transfer of management authority and responsibility would be negotiated. Ultimate transfer of management would likely take the form of a long-term master lease.

MOU Negotiation Framework

The Task Force spent a lot of time discussing the kind of accomplishments needed to assure the Commission, Governor, Legislature, and the public that a non-profit could manage Fort Worden in the public interest – and achieve the life-long learning center vision. To that end, the Task Force recommends that a MOU between the Commission and prospective non-profit include provisions in the following areas: Leadership and Governance; Business Development; Program and Partner Development; Operating Funding; Capital Funding; Community and Constituent Relations; and Employee Relations, some elements of which are summarized below.

***Program and Partner Development (Life-Long Learning Center)***

The non-profit will:

1. Work with all organizations operating at the Fort to adopt a classification system and selection criteria to guide recruitment, retention, and development of long-term contractual relationships with non-profit and business partners.
2. Coordinate and manage new program offerings by *new* and *existing* partners to a level to be determined consistent with the life-long learning center vision.
3. Develop with all partners a marketing and communications (media) plan that promotes “Fort Worden” as a unifying brand.

***Leadership and Governance***

The non-profit will:

1. Develop organizational capabilities and capacities necessary to enter into a long-term master lease with the Commission, including hiring an executive team with skills/experience in management of a historic facility and the envisioned programs of a life-long learning center.
2. Recruit board members with widely recognized profiles, appropriate business acumen, and philanthropic capacity, and including a State Park representative.

3. Establish opportunities for engagement by partners in management of the Fort.
4. Put in place administrative and reporting systems that ensure management of the Fort is conducted fairly, ethically and transparently, consistent with State and Commission policy.

The Commission will work with the non-profit to establish ways for the public to continue to provide meaningful input into management and development of the Fort.

### ***Business Development***

The non-profit will:

1. Develop and implement a start-up business plan that is informed by the Business and Implementation Plan completed by PROS.
2. Develop and manage equitable means for all partner organizations to contribute to the long-term sustainability of programs and facilities.
3. Adopt a business strategy to develop and manage accommodations.
4. Work with the Commission to develop and implement a park-wide information management system.
5. Work with partners to align their organizational planning with that of overall Fort Worden program goals.
6. Increase concession and other earned revenues to levels to be determined.

The Commission will:

1. Confirm authority to establish long-term business relationships (e.g., long-term lease terms that encourage capital investment and concession agreements of longer than seven years).
2. Work with the non-profit to develop and implement the park-wide information system.
3. Work with the non-profit to develop a funding strategy for transition activities (i.e., completing milestones outlined in this document).

### ***Operations Funding***

The non-profit will:

1. Secure from all partners increased commitments that meaningfully contribute to on-going operation of the Fort (includes both monetary and non-monetary commitments to a level to be determined).
2. Complete a fund raising feasibility analysis/plan and secure donations to levels over time to be determined.
3. Assist individual partner organizations in raising donated funds.
4. Establish operating reserves, endowment and/or line of credit to demonstrate long-term financial stability.

The Commission will remain committed to the financial stability of Fort Worden and explore mechanisms through which it can provide it a predictable level of on-going operations support, provided this support does not result in significant financial impacts to the rest of the state park system.

***Capital Funding***

The Commission and the non-profit will:

1. Develop a shared long-term facility development plan that combines philanthropic, enterprise, and state funding.
2. Prepare 10-year capital plan approved by OFM to help ensure a multi-biennium capital and planned maintenance commitment to Fort Worden State Park.

***Community/Constituent Relations***

The non-profit will:

1. Develop park-wide data collection system to inform business decision making.
2. Develop and enhance volunteer and docent opportunities to a level to be determined.

The Commission will:

1. Work with City of Port Townsend to complete requisite environmental review for adoption of Fort Worden's Site and Facilities Use and Development Plan and Design Guidelines into the City's zoning code (SEPA Planned Action).
2. Work with the non-profit and City of Port Townsend and other local jurisdictions to address development of the transportation and utility infrastructure serving the fort.

***Employee Relations***

The Commission and non-profit will:

1. Work with current state employees at Fort Worden and their representatives to achieve mutually acceptable resolution of any employment and benefit issues associated with the management transition.
2. Create an organization plan that includes coordinating the working relationship between state employees and employees of the non-profit.