

**JEFFERSON COUNTY
BOARD OF COUNTY COMMISSIONERS**

REGULAR AGENDA REQUEST

**TO: Board of County Commissioners
Philip Morley, County Administrator**

FROM: Al Scaf, DCD Director

DATE: May 24, 2010

SUBJECT: JOINT ECONOMIC DEVELOPMENT PLANNING AGREEMENT

STATEMENT OF ISSUE:

This Agenda Request is a follow up to the briefing held on May 10 before the BOCC on the proposed Joint Economic Development Planning Agreement between Jefferson County, the City of Port Townsend and the Port of Port Townsend.

The City Council unanimously approved the Joint Agreement on May 10 and the Port Commissioners unanimously approved it May 14. Staff recommends that the County Commissioners consider and approve the Joint Agreement as well.

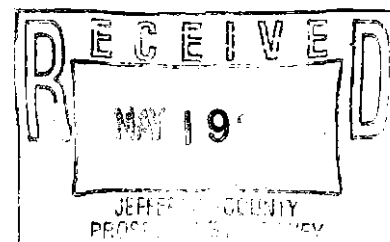
ANALYSIS/STRATEGIC GOALS:

On February 16, 2010 the County entered into a Memorandum of Understanding (MOU) with the City and the Port. This MOU outlined tasks and timelines to prepare a Joint Economic Development Planning Agreement to further economic development opportunities for our community.

Since February, representatives from the three jurisdictions including County Commissioner David Sullivan, Mayor Michelle Sandoval, and Port Commissioner John Collins met together with staff of Team Jefferson, our designated Associate Development Organization, to develop the proposed Joint Economic Development Planning Agreement.

This Agreement represents a significant step forward in inter-jurisdictional cooperation by the three governments to forge a shared economic development vision and strategy to benefit all the citizens of Jefferson County.

The Agreement describes the roles and responsibilities of all parties, objectives for the economic development planning process, desired outcomes of the planning process and outlines the role of a professional economist.



Objectives and outcomes of the Joint Economic Development Planning Agreement include, among others,

- Identify industry sectors most likely to generate business, employment and income growth;
- Analyze our region's strengths, weaknesses, opportunities and threats to economic development;
- Propose a geographic distribution of identified sectors and uses that is coordinated and complimentary;
- Specific implementation actions to facilitate the growth of the targeted industry sectors, including the respective roles and responsibilities for the County, City, Port and others;
- An action plan to support the private sector in realizing the shared economic development strategy;
- Creation of a rapid response and business retention team to assist existing and prospective businesses;
- A mechanism to track our success in implementing the shared strategy, and to respond to new and emerging conditions.

An elected working group comprised of the Chair of the Board of County Commissioners, the Mayor of Port Townsend, and the President of the Port Commission will oversee the planning process. An inter-local staff team including senior management from the three jurisdictions and Team Jefferson will perform the work with assistance from an economist. In addition, Team Jefferson will facilitate critically important involvement and input from the county's business communities.

On May 10, 2010, the Port Townsend City Council voted unanimously authorizing Mayor Sandoval to execute the proposed Joint Agreement. On May 14, the Port of Port Townsend Commissioners unanimously authorized President Collins to execute the Joint Agreement as well.

FISCAL IMPACT:

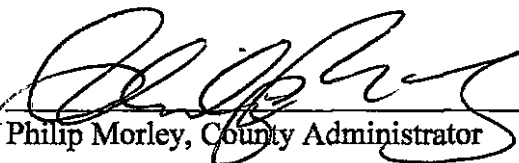
The professional service and staff resources dedicated to this program will be allocated from the approved 2010 Jefferson County budget.

Adequate funds are budgeted in line item 001270000.51479.41.0000 PROFESSIONAL SERVICES to pay for Jefferson County's \$10,600 share of the expense for a professional economist under the Agreement.

RECOMMENDATION:

Staff recommends the BOCC adopt a motion to authorize the Chair to execute the Joint Economic Development Planning Agreement.

REVIEWED BY:


Philip Morley, County Administrator

5/19/10
Date

CONTRACT REVIEW FORM

10-109

CONTRACT WITH: The City of Port Townsend & Port of Port Townsend
(Contractor)
CONTRACT FOR: Joint Economic Development Planning **TERM:** _____

COUNTY DEPARTMENT: County Administrator
For More Information Contact: Philip Morley
Contact Phone: X 383
RETURN TO: Raina @ BOCC **RETURN BY:** ASAP

AMOUNT: _____ **PROCESS:** Exempt from Bid Process
 Consultant Selection Process
 Cooperative Purchase
 Competitive Sealed Bid
 Small Works Roster
 Vendor List Bid
 RFP or RFQ

Revenue: _____
Expenditure: _____
Matching Funds Required: _____
Source(s) of Matching Funds: _____

Step 1: REVIEW BY RISK MANAGEMENT
Review by: [Signature]
Date Reviewed: 5/20/10
 APPROVED FORM Returned for revision (see comments)
Comments: _____

Step 2: REVIEW BY PROSECUTING ATTORNEY
Review by: ALVAREZ David Alvarez
Date Reviewed: 5/20/10
 APPROVED AS TO FORM Returned for revision (See comments)
Comments: _____

- Step 3: DEPARTMENT MAKES REVISIONS**
Have contractor sign appropriate number of originals.
- Step 4: SUBMIT TO PROSECUTING ATTORNEY FOR FINAL SIGN OFF**
- Step 5: SUBMIT TO BOCC FOR APPROVAL**
Submit original Contract and Agenda Request Form along with 9 copies of Contract and Review Form.
Place "Sign Here" markers on all places the BOCC needs to sign.
MUST be submitted to BOCC Office by 5 p.m. TUESDAY for the following Monday's agenda.

(This form to stay with contract throughout the contract review process.)

JOINT ECONOMIC DEVELOPMENT PLANNING AGREEMENT

This three-party Joint Economic Development Planning Agreement (“Joint Planning Agreement,” “JPA” or “this Agreement”) is entered into as of May ___, 2010, by and between Jefferson County, a political subdivision of the State of Washington, having offices for the transaction of business at 1820 Jefferson Street, Port Townsend, Washington 98368 (the “County”), the City of Port Townsend, a municipal corporation of the State of Washington, having offices for the transaction of business at 250 Madison Street, Port Townsend, Washington 98368 (the “City”), and the Port of Port Townsend, a special purpose district of the State of Washington, having offices for the transaction of business at 375 Hudson Street, Port Townsend, Washington 98368 (the “Port”), jointly referred to hereinafter as the “parties.”

A. On February 16, 2010, the parties entered into a three-party Memorandum of Understanding (MoU) in which they committed to collaboratively negotiate and approve an agreement for Joint Economic Development Planning and Implementation.

B. The MoU affirmed the parties’ intent to address three substantive topics within a subsequent Joint Economic Development Planning Agreement:

1. Data collection and analysis;
2. Development of a common economic development vision (hereinafter “Economic Development Direction Statement”); and
3. Development of coordinated and complimentary economic development goals, policies and implementation actions (hereinafter “Joint Economic Development Strategy”).

C. In March and April of 2010, County, City and Port staffs met regularly to develop a set of suggested objectives and a proposed process for Joint Economic Development Planning, consistent with the terms of the earlier MoU.

D. On April 8, April 23, and April 30, 2010, the Chair of the Jefferson County Board of Commissioners, the Mayor of Port Townsend, and the President of the Port Commission met with the staffs of the parties to review and discuss the proposed objectives of, and process for, the planning effort, and directed the staffs of the parties to prepare a draft agreement to memorialize the understanding between the parties.

E. The parties are committed to effectively collaborating to develop a strategy for sustainable countywide economic development that is consistent with the Growth Management Act (GMA), the Countywide Planning Policies (CPPs) for Jefferson County, and which will serve as a guiding document for periodic updates to locally adopted comprehensive and capital improvement plans.

F. To promote intergovernmental collaboration regarding economic development, and to promote productive relations between the parties, the parties enter into this Joint Economic Development Planning Agreement to guide the preparation and implementation of a coordinated economic development strategy.

NOW, THEREFORE, for and in consideration of the mutual obligations hereinafter set forth, the parties agree as follows:

1. Joint Economic Development Planning Objectives. The Joint Economic Development Planning Process authorized by this Agreement will seek to achieve the following objectives:

A. To clearly identify the industry sectors most likely to generate local business, employment, and income growth over the coming decades.

B. To identify which industry sectors should be the specific strategic focus and responsibility of the County, City and Port, respectively. In assigning individual or shared responsibility for certain industry sectors, the parties agree to give consideration to the following:

(1) Ensuring that the identified industry sectors are consistent with the economic, environmental and social values of the community; and

(2) Ensuring a coordinated and complimentary geographic distribution of identified sectors and uses.

C. To identify the particular land use and infrastructure needs of the targeted industry sectors, as well as current deficiencies.

D. To identify and achieve agreement as to the specific implementation actions to be undertaken by each of the parties and others to facilitate the growth of targeted industry sectors. Such actions may include, but shall not necessarily be limited to the following:

(1) Policy and regulatory amendments that will reduce or eliminate barriers to desired forms of economic development (e.g., changes in zoning, use classifications, and specific development standards), while maintaining compliance with the GMA (Chapter 36.70A RCW);

(2) Discrete capital infrastructure improvements that will directly support targeted industry sectors and clusters (e.g., broadband improvement projects); and

(3) Specific steps to improve the available "soft" infrastructure within the community (e.g., policy and regulatory changes or capital improvements that will encourage the provision of more affordable housing and high quality public schools; means to encourage local lenders to make financing available for desired industry sectors).

E. Development of an action plan to strengthen the county's Associate Development Organization (ADO) and its capacity to support the private sector in implementing and shaping future revisions to the Joint Economic Development Strategy; such an action plan could include strategies to strengthen and sustain the ADO as a viable organization to provide assistance, training and outreach to specific businesses and industry sectors, as well as assistance in stimulating existing and targeted sectors through grant writing, research and development.

2. Desired Joint Planning Process Outcomes. In addition to the potential policy and regulatory amendments, capital improvements and other implementation measures identified as planning objectives in §1, supra, the parties intend that the planning process will help to build a long-term institutional culture of County, City and Port economic development collaboration and coordination. The parties agree to discuss techniques to foster a long-term culture of inter-jurisdictional cooperation that may include, but shall not necessarily be limited to the following:

A. Creation of a “rapid response and business retention” team to assist existing and prospective businesses identify potential site locations, available infrastructure, and permitting requirements;

B. Periodic Joint Economic Development Strategy updates conducted by the county’s Associate Development Organization (ADO);

C. Annual “economic summits” jointly hosted by the County, City and Port to share ideas about how to improve and develop local business, infrastructure, the local workforce, and the health and well-being of the community; and

D. Formalization of a process to systematically review and, if necessary, revise the Joint Economic Development Strategy in advance of the periodic comprehensive plan and development regulation updates required under RCW 36.70A.130.

3. Joint Economic Development Planning Process. The parties agree to undertake the preparation, review and adoption of a Joint Economic Development Strategy by following the planning process delineated in Exhibit “A,” which is attached hereto and incorporated herein by this reference.

4. Consultant Assistance.

A. *Data Collection, Analysis & Recommendations.* The parties agree to contract with a qualified economic consultant to objectively and impartially provide the following services in preparing the Joint Economic Development Strategy:

(1) Collection and analysis of available relevant economic data;

(2) Analysis of the regional and local market position of Jefferson County, the City of Port Townsend and the Port of Port Townsend, building off existing studies and information;

(3) Identification of economic data gaps and updates to information where critically necessary to ensure sound economic development strategy recommendations;

(4) Preparation of a Strengths, Weaknesses, Opportunities and Threats (SWOT) Analysis of the local economy;

(5) Preparation of an “Existing Conditions” report summarizing the data and global, regional and local trends;

(6) Preparation of Key Findings and Recommendations including existing or future industry sectors most likely to generate local business, employment, and income growth to inform the preparation of the

Draft Economic Development Direction Statement and Coordinated Economic Development Strategy;

(7) Presentation of the Analysis, Findings and Recommendations at public meetings; and

(8) Providing support, information, and critical feedback to the staffs of the parties (the "Inter-Local Staff Team") in the preparation of the Joint Economic Development Strategy.

B. *Consultant Scope of Services.* The parties agree that the Scope of Services set forth in Exhibit "B," which is attached hereto and incorporated herein by this reference, shall guide the consultant, and may be revised with the approval of the parties.

C. *Budget & Apportionment of Costs.* The parties agree to share in the funding of the consultant services specifically outlined in Exhibit "B," up to a total cost not to exceed \$31,800. Costs shall be apportioned between the parties as follows: Jefferson County 33.3%; City of Port Townsend 33.3%; and Port of Port Townsend 33.3%. The County shall be responsible for contracting with the economic consultant. The County shall make payments due the consultant consistent with the terms of the consultant contract, and shall provide billing statements to the City and Port consistent with the cost apportionment provisions set forth above, with payment due the County by the City and Port within thirty (30) days of receipt of statements.

5. Key Roles & Responsibilities. The parties agree that a clear delineation of the roles and responsibilities of the parties is necessary in order to guide the intergovernmental interactions and ensure the development of useful, high quality work products that serve the public interest. To this end, the entities, elected bodies and committees set forth in the process flowchart depicted in Exhibit "A" shall have the following roles and responsibilities under this Agreement:

A. *Elected Working Group.* Comprised of the Chair of the Board of County Commissioners, the Mayor of Port Townsend, and the President of the Port Commission, the Elected Working Group shall be responsible for overseeing the planning process adopted under this Agreement and shall also:

(1) Review and consider the work products prepared by the consultant, along with input received during Focus Group Sessions, and provide direction to Team Jefferson in developing the Draft Economic Development Direction Statement;

(2) Provide direction to the Inter-Local Staff Team in developing the draft Joint Economic Development Strategy;

(3) Review and approve all draft work products prior to public distribution; and

(4) Meet as deemed necessary and appropriate to supervise progress under this Agreement, discuss the current economic environment, and to exchange information and ideas regarding new economic opportunities and challenges as they arise.

B. *Inter-Local Staff Team.* Comprised of the County Administrator, City Manager, the Port Executive Director, the Executive Director of Team Jefferson, and their respective staffs, the Inter-Local Staff Team shall:

- (1) Manage and support the work of the consultant;
- (2) Collaborate with Team Jefferson to develop a Draft Economic Development Direction Statement;
- (3) Develop the draft Coordinated Economic Development Strategy;
- (4) Keep the Elected Working Group apprised of progress in implementing this Agreement; and
- (5) Organize and staff all public meetings.

C. *Team Jefferson.* Team Jefferson will support the Joint Planning Process by undertaking the following responsibilities:

- (1) Working with both the Elected Working Group and the Inter-Local Staff Team to define and facilitate the involvement of the local business community in the process;
- (2) Formulating a recommended list of local business interests to be invited by the Elected Working Group to participate in Economic Development Focus Group Sessions;
- (3) Moderating and facilitating the Economic Development Focus Group Sessions in order to: a) inform participants as to the key findings and recommendations of the consultant; b) present the results of the Team Jefferson Business Sector Sessions; c) solicit group feedback as to the opportunities for, and barriers to, local economic development; d) formulate a Draft Economic Development Direction Statement factoring both the consultant's findings and recommendations and Focus Group feedback; e) review and provide critical feedback on the draft Joint Economic Development Strategy prior to its wider public release; and
- 4) Providing additional facilitation support and public meeting moderation as deemed necessary by the Elected Working Group.

D. *Joint Growth Management Steering Committee (JGMSC)* - The JGMSC will serve as a public forum in which to present and provide information to the public regarding key deliverables prepared under the JPA, and to accept informal public comment. The JGMSC is not intended to be the exclusive public forum and sounding board under the planning process described in this Agreement.

6. Joint Workshops & Hearings. Following preparation of the draft Joint Economic Development Strategy, the parties agree to conduct a several joint sessions involving the Board of Commissioners, City Council and the Port Commission to review, discuss, accept formal public testimony, revise and adopt the Strategy. These joint sessions may take, but shall not necessarily be limited to, the following forms:

A. One (1) or more Workshops to review, discuss and ask questions about the draft Joint Economic Development Strategy, as well as accept questions and comments from the public;

B. At least one (1) Public Hearing to receive formal public comment and direct changes to the Strategy; and

C. At least one (1) Public Meeting to review changes and approve the Joint Economic Development Strategy.

7. Timelines and Tasks. The parties agree to exercise good faith and best efforts to comply with the following list of assignments and deadlines leading to the preparation and adoption of the Joint Economic Development Strategy:

September 3, 2010: Completion of consultant data review, analysis and key recommendations.

November 19, 2010: Completion of draft Economic Development Direction Statement.

February 28, 2011: Completion of draft Joint Economic Development Strategy.

March - April 2011: Joint public meetings, workshops and hearings conducted.

May 2011: Joint Economic Development Strategy adopted.

The parties agree to extend the foregoing deadlines from time to time as is reasonably necessary and for good cause.

8. Effect. This Joint Economic Development Planning Agreement shall be binding upon the parties and the parties shall be held responsible to the agreed upon deadlines.

9. Term. This Agreement shall continue in full force and effect until the timelines and tasks set forth in Exhibit "A" are met and a Joint Economic Development Strategy is adopted by the parties.

10. Modification. This Agreement may be modified by further written agreement upon mutual acceptance by the parties.

11. Hold Harmless. Each party to this Agreement shall defend, indemnify and hold the other party, its appointed and elected officers and employees, harmless from claims, actions, injuries, damages, losses or suits including attorney fees, arising or alleged to have arisen directly or indirectly out of or in consequence of the performance of this Agreement to the extent caused by the fault or negligence of the indemnitor, its appointed or elected officials, employees, officers, agents assigns, volunteers or representatives.

12. Dispute Resolution. The parties agree that any dispute arising out of this Agreement shall first be submitted for non-binding mediation. The County, City and Port shall jointly designate one person mutually acceptable to all three parties to serve as mediator. The costs of mediation shall be allocated equally between the parties.

13. Applicable Law and Venue. This Agreement shall be construed and interpreted in accordance with the laws of the State of Washington. In the event that a dispute cannot be resolved through the use of mediation, such dispute shall be litigated in the Superior Court of Jefferson County, Washington.

14. Non-Discrimination. The parties shall not discriminate in any manner related to this Agreement on the basis of race, color, national origin, sex, religion, age, marital status or disability in employment or provision of services.

15. Severability. If any provision of this Agreement or its application to any person or circumstance is held invalid, the remainder of the provisions and the application of the provisions to other persons or circumstances shall not be affected if such remainder would then continue to serve the purposes and objectives of all parties.

16. Entire Agreement. This Agreement constitutes the entire Agreement between the parties concerning Joint Economic Development Planning. Any modifications to this Agreement shall be in writing and shall be signed by each party.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed effective the date and year first mentioned hereinabove.

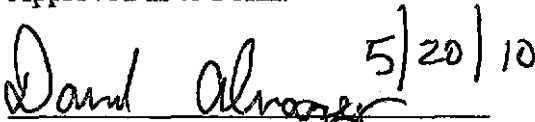
JEFFERSON COUNTY

David Sullivan, Chair of the Board of Commissioners

Attest:

Erin Lundgren, Deputy Clerk of the Board of Commissioners

Approved as to Form:

 5/20/10

David Alvarez, Deputy Prosecuting Attorney

THE CITY OF PORT TOWNSEND

By: _____
Michelle Sandoval, Mayor

Attest:

Pamela Kolacy, City Clerk

Approved as to Form:

John Watts, City Attorney

PORT OF PORT TOWNSEND

John N. Collins, Port Commission President

Approved as to Form:

Carolyn Lake, Port Attorney