

**THE PORT DISTRICT OF SOUTH WHIDBEY ISLAND
SPECIAL MEETING**

Held at Port Office Conference Room, 1804 Scott Rd, Freeland, WA
Tuesday, May 28, 2019 at 2:00 p.m.

AGENDA

SPECIAL MEETING CALL TO ORDER and PLEDGE OF ALLEGIANCE (2:00 p.m.)

South Whidbey Harbor Expansion & Funding Options (approx. 2:00 p.m. – 3:00 p.m.)

Creative Arts District (approx. 3:00 p.m. – 3:30 p.m.)

ADJOURNMENT (Approximately 3:30 p.m.)

PORT DISTRICT OF SOUTH WHIDBEY ISLAND

Minutes of the Special Meeting

May 28, 2019

Freeland, Washington

Commissioners Present: Curt Gordon (Clinton), Ed Halloran (Langley) and Jack Ng (Freeland)

Port Staff Present: Stan Reeves (Executive Director) & Molly MacLeod-Roberts (Port Clerk/Accountant)

MEETING CALL TO ORDER: The Special Meeting of the Port District of South Whidbey Island's Board of Commissioners was convened on Tuesday, May 28, 2019, in the Port office conference room at 1804 Scott Rd. in Freeland, WA. As announced, the primary purpose of the Special Meeting was for the Commission to address the items on the Agenda. Although the Meeting was of course open to the public, it was scheduled primarily for Commission consideration, discussion and action on those specific issues and public participation was not on the Agenda.

Commissioner Curt Gordon, President, called the Special Meeting to order at 2:00 p.m., followed by the Pledge of Allegiance.

South Whidbey Harbor Expansion & Funding Options: Executive Director Stan Reeves provided his financial projections for the Port through 2020 and the Port's current outstanding LTGO (Limited Tax General Obligation) Bonds. Consultant Angi Mozer (former Executive Director) attended the meeting via telephone to discuss her research of potential grant opportunities for the expansion. She explained that unfortunately the applications for the US Fish & Wildlife's Boating Infrastructure Grant (BIG) are due on May 1st each year, so the Port would not be able to apply until 2020 and if successful, the funding would not occur until AFTER the Army Corps of Engineers (ACE) permit expires. Mozer said the other most relevant options would be a federal Economic Development Administration (EDA) grant and/or Community Economic Revitalization Board (CERB) funding. The range for EDA grants is \$100,000 to \$3 million, and recent awards were about \$1.5 million so it's a good-sized grant pool. Gordon asked what kinds of projects were funded through the EDA, and Mozer said they were transportation projects. The applications highlighted how many new jobs would be created and how businesses would benefit; similar to the Rural County Economic Development Fund (RCEDF) grant process. She added that the Port of Walla Walla received an EDA grant and she will reach out to them for details, but everything she has researched so far indicates the EDA would be a good fit for the Harbor expansion project.

Gordon asked what it would take to get an extension on the ACE permit. Reeves wasn't sure, but thought it wouldn't be too difficult. Mozer believes if the Port is under contract for the project then it can be extended. Reeves will look into it further to see what "under contract" means and if the Port can ask for an extension based on lack of funding. Gordon suggested the Port may want to apply for both the BIG and the EDA grants. Reeves noted that the current ACE extension letter basically says if more time is needed to complete the activity, the time extension must be submitted at least 30 days prior to expiration. Gordon said the Port could look into the EDA grant now and apply for more funding from the BIG program next May 1st. If the Port does decide to apply for an EDA grant, it would be good to have Paul Sorenson of BST Associates conduct another small economic study so the Port would have up-to-date, accurate numbers to help with the grant application process. The Commission agreed.

Gordon asked if they need to get a grant for a preliminary design in order to have a specified dollar amount. Mozer asked what the scope of the project would be – just the additional G Dock or the full expansion. Reeves noted that the permit is for the full expansion, but Gordon said that design wouldn't work. If the Port does the G Dock expansion, that dock is pinned by pilings (instead of anchor cables). D and E Docks then swing out to have G Dock added at the end and the Port can then expand backwards with finger piers. The original estimate for the G Dock expansion was \$5 million. Gordon hopes that if the Port can

complete the G Dock project, in the future it could then enter into a public/private partnership for funding the finger piers. Commissioner Ed Halloran suggested looking into mooring buoys as well. Mozer explained the key information needed for an economic study is: How many additional people/boats will be able to moor at the Harbor with the expansion?

Gordon allowed the two members from the public (Roger Katz and Tony Puma) to comment. Katz suggested working with the City of Everett to find a way to transport people to/from the Harbor, especially employees in the service or tourist industry which are becoming difficult to find. Gordon noted that the Port had reached out to Hat Island Express and others but hasn't been able to find anyone interested in providing that ferry service.

Returning to the topic, the Commission agreed that Reeves should contact Shannon Kinsella at Reid Middleton to get a current cost estimate for G Dock and for G Dock with finger piers, and information on how many additional boats will be able to moor at the Harbor if expanded.

Tony Puma suggested the Port should get a new drawing, and talk to the City of Langley about getting a chunk of the hotel/motel tax to help pay for the expansion. As a hotel/motel owner, he would prefer that the tax proceeds be dedicated to long-term funding projects rather than an annual "free for all" for the money. The Commission agreed.

Gordon reiterated that he would love to do a public/private partnership with a yacht club, etc. (with prepaid moorage rent for finger piers). Ng noted that Seattle Yacht Club has expressed interest in meeting with the Port; Gordon said they could contact the Club once Reid Middleton has provided the updated design and cost estimates.

Creative District: Reeves distributed the Notes from the "Langley Creates" Creative District Steering Committee provided by Jesse Levesque, Fairgrounds Marketing & Events Coordinator. She also works part-time for the South Whidbey Community Center and it was in that role that she provided the notes. The City of Langley is endorsing the Creative District, but Reeves said there's still not a lot of meat & potatoes to how or if it will work. Halloran noted that WICA (Whidbey Island Center for the Arts) has agreed to handle the administrative portion of the Creative District. Reeves sees the Creative District as a mechanism for a community to pool resources to generate the kinds of documents needed for grant processes and make their grant applications more competitive. There is currently only one Creative District in the State so far – the City of Edmonds; it is actually run by the City rather than a separate entity. Commissioner Jack Ng pointed out that Levesque's Notes identified her as representing the Port AND the South Whidbey Community Center on the Steering Committee. Reeves said she has been given clear guidance that the Port is interested in learning about the Creative District but has not signed up to be a part of it or endorse it yet. Ng said since she is not representing the Port on the Steering Committee, she should remove the reference to her Port position on the Notes.


Halloran thinks there would be "no harm whatsoever, no cash involved" in being part of the Creative District. Gordon noted that there might be limits on what the Port can or cannot do within the Creative District. He has not heard of one specific thing that the Creative District can do for the Port that it can't already do. He's not convinced that being "art specific" wouldn't limit the activities allowed on the Port's Fairgrounds property. He wants to know a) What can the Port gain from being a member of a Creative District, and b) Can the Port be assured that there isn't going to be an economic development-based future use that will be shot down because it is in a Creative District? He needs to know those answers before he will agree to it.

Reeves plans to meet with Gail LaVassar (Executive Director of Readiness to Learn and the South Whidbey Community Center) next week to discuss their shared concerns regarding the issues of control,

funding, overlay district and restrictions. Gordon stressed that although the Fairgrounds “seems Langley-centric to a lot of people,” the Commission needs to make decisions that benefit everybody in the Port District and do what’s right for the whole district and the future use of the Fairgrounds for the whole district. Reeves added that is very leery of involvement that would let any other entity claim any control or ownership of the Port’s property and what can and can’t be done at that property.

ADJOURNMENT: The Special Meeting was adjourned at 3:24 p.m.

Approved:



Commissioner Curt Gordon, Clinton



Commissioner Ed Halloran, Langley



Commissioner Jack Ng, Freeland

Minutes prepared and submitted by:



Molly MacLeod-Roberts, Port Clerk/Accountant

Public Disclosure Statement: The foregoing Meeting Minutes, audio recording and all supporting documents presented are available at the Port of South Whidbey, 1804 Scott Rd., Suite 101, Freeland WA 98249.