

# Requests for Letters of Interest Fort Worden State Park Non-Profit Partnership Opportunity Port Townsend, WA



## Introduction

Fort Worden is a 434-acre state park located on Washington's Olympic Peninsula, within the historic city of Port Townsend. Originally a military fort, the Washington State Parks and Recreation Commission dedicated Fort Worden State Park in 1973. Since that time, the park has served the public as a destination for recreation, conferences and arts activities and provides a variety of accommodations and meeting facilities. Fort Worden is listed on the National and State Historic Registers as a Historic District and is the only Washington State Park designated by the U.S. Department of the Interior as a National Historic Landmark.

As a unique site with exceptionally memorable characteristics, Fort Worden State Park has grown over the past 30 years into a successful destination that visitors return to over and over. With its astonishing array of natural areas and historic properties, visitors explore and delight in the park. This success is shown in a variety of ways: return visits; statements and stories of valued experience; percent of costs covered by revenues; the diversity of programs and activities; strong personal interest by the public; and the unusually clear statement of vision and mission.

In September 2008, Washington State Parks completed a four-year, long-range planning effort for Fort Worden. Planning drew extensively on participation by committed and engaged park partner organizations, an active and knowledgeable park advisory committee, a task force on governance, local governments and the general public. The principal outcome of this work was the State Parks and Recreation Commission's adoption of an overarching vision for the park as a *center for life-long learning*. The Commission also authorized its staff to

identify interested non-profit organizations and select the one best suited with which to develop a working relationship and ultimately a long-term agreement to manage aspects of the envisioned life-long learning center.

This *request for letters of interest* includes general information about Fort Worden, its recently completed long-range plans, and the process State Parks will use to select a non-profit partner. Additional information on completed long-range plans is available on-line at [www.parks.wa.gov/plans/ftworden2](http://www.parks.wa.gov/plans/ftworden2) (final documents are posted in stage four of the web page). The deadline to submit letters of interest is January 9, 2009.

## **Fort Worden State Park at a Glance**

### Vision

Fort Worden is a legendary gathering place where people are transformed through retreat, renewal, and discovery.

### Mission

Fort Worden is Washington's state park and conference center for recreation, arts, culture, history, and the environment. It is a confluence of creative learning, recreation, and retreat opportunities, for people of all ages, abilities, and backgrounds.

Fort Worden is a partnership of the Washington State Parks and Recreation Commission, the Washington State Arts Commission, resident cultural institutions and business, and major funders, achieving financial vitality through coordination and collaboration. The partnership

1. promotes personal growth and professional development through conferences, workshops, performances, exhibitions and special events for individuals and groups;
2. develops and manages businesses that fund annual operations;
3. attracts public and private funding for capital projects and endowments; and
4. restores, preserves, and interprets the significant historical, cultural and natural resources of the area.

### Values

*Stewardship* - Fort Worden State Park develops, maintains and manages the park. The park serves visitors, volunteers and donors through sustainable environments and economies. Activities, programs and individual visitor experiences at the park are framed around discovery of, attentiveness to, education about and deep appreciation of its specific natural, cultural and historic environments.

*Integration* - The economic vitality of the park is a direct function of the economic vitality of all Fort Worden State Park partners and the greater Port Townsend community. All businesses, programs and services at the park are dynamically integrated in demonstration of shared and interrelated core values and economic strategies.

*Learning: Creativity & Discovery* - Fort Worden State Park serves individuals and gatherings dedicated to preserving and revitalizing cultural traditions, taking creative risks and generating new practices, ideas and conversations.

*Culture of Hospitality* - Programs, services and facilities are designed, developed and promoted to attract, welcome and provide accessibility to all individuals whose interests are aligned with the missions, visions and values of the park partners.

*Play* - A commitment to individual health, renewal and transformation is enhanced by maintaining open space and facilities for retreat and enjoyment, as well as self-directed and organized outdoor programs that heighten respect for the natural and cultural environment.

## Facts and Figures

- ❑ Army base from 1902-1953
- ❑ Juvenile Diagnostic Center 1953-1970
- ❑ Established as a State Park in 1973 in collaboration with the Washington State Arts Commission and State Superintendent of Public Instruction
- ❑ Approximately 100 buildings and structures in various sizes and conditions totaling more than 400,000 square feet
- ❑ 434 acres / 11,020 feet of saltwater shoreline
- ❑ National Historic Landmark; listed in both State and National Registers of Historic Places
- ❑ One of the most visited state parks in Washington (1.4 million visitors annually)
- ❑ 506 beds that are in the following:
  - 12 duplex houses
  - 6 single houses
  - One 11 room unit
  - 3 dormitories (365 beds)
  - One apartment building with 4 three bedroom units
- ❑ Newly constructed (2004) dining and meeting facility that can seat up to 600
- ❑ Coffee café and convenience store
- ❑ Over 50,000 square feet of meeting room space
- ❑ One theater and one large performance venue (seating for 1,000)
- ❑ Population of Port Townsend has grown 8.7% since 2000 to 9,079 in 2007
- ❑ Population of Jefferson County 29,199 in 2007
- ❑ 1.5 hours from the Seattle metropolitan area
- ❑ Port Townsend is listed in *America's 100 Best Places to Retire* guide (#8 in best small towns) – [www.enjoypt.com](http://www.enjoypt.com); [www.ptchamber.org](http://www.ptchamber.org); [www.ptguide.com](http://www.ptguide.com)

## Current Partnerships and Collaborators

Fort Worden State Park and its partners support more than 200 employees and generate more than \$6 million in annual revenues. In 2005-07, Fort Worden Area Parks (which supports two additional small parks) earned 60% of its \$5.6 million biennial budget. Program providers and business partners include:

- ❑ Centrum – [www.centrum.org](http://www.centrum.org)
- ❑ Commanding Officer's Quarters Museum/Heritage Group
- ❑ Copper Canyon Press – [www.coppercanyonpress.org](http://www.coppercanyonpress.org)
- ❑ Corvidae Press – [www.corvideapress.org](http://www.corvideapress.org)
- ❑ Friends of Fort Worden (gift shop services and financial support) – [www.fwfriends.org](http://www.fwfriends.org)
- ❑ Goddard College – [www.goddard.edu](http://www.goddard.edu)
- ❑ Madrona Mind Body Institute – [www.madronamindbody.com](http://www.madronamindbody.com)
- ❑ Peninsula Community College - [www.pc.ctc.edu](http://www.pc.ctc.edu)
- ❑ Port Townsend Marine Science Center – [www.ptmsc.org](http://www.ptmsc.org)
- ❑ Puget Sound Coast Artillery Museum
- ❑ Olympic Hostels – [www.olympichostel.org](http://www.olympichostel.org)
- ❑ Port Townsend School of Woodworking – [www.ptwoodschool.com](http://www.ptwoodschool.com)
- ❑ Oral History Center
- ❑ Olympic Rhododendron Society
- ❑ Synergy Sound Studio
- ❑ Bon Appetit – food services – [www.cafebonappetit.com/fortworden](http://www.cafebonappetit.com/fortworden)
- ❑ Port Townsend Hospitality – housekeeping and janitorial services for accommodations
- ❑ Several smaller concessions for added services
  - Kayaks and bikes
  - Boat tours
  - Spa services
  - Wedding services

## Planning Process

Long-range planning for Fort Worden began in fall 2004. During the past four years staff worked with the public to complete a series of planning tasks leading to Commission adoption of a facility plan, rehabilitation guidelines, and approach to park governance. 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)

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. 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.

Completion of the above tasks incorporated work by a consulting team led by PROS Consulting, a nationally recognized leisure and recreation-oriented management consulting firm, as well as a multi-staged public planning process. Information on completed long-range plans is summarized below. Additional information is available on-line at [www.parks.wa.gov/plans/ftworden2](http://www.parks.wa.gov/plans/ftworden2) (final documents are posted in stage four of the web page).

### Business and Operations Implementation Plan

The Business and Operations Implementation 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. It was not intended for adoption by the Commission.

### Site and Facilities Use and Development Plan

The Site and Facilities Use and Development Plan accommodates unforeseen uses as Fort Worden grows and evolves by not setting particular building functions/users, but 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).

### Design Guidelines for Rehabilitation

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 adopted by the Commission 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.

## Governance and Management Structure

In fall 2007, the Director of Washington State Parks appointed seven members, three staff members and contracted a Special Assistant Attorney General to the Fort Worden Task Force to evaluate park governance and recommend a management structure best suited to achieving the Commission's vision of Fort Worden as a life-long learning center.

The Task Force's evaluation included three underlying premises: First, the status quo has not produced a satisfactory result – as reflected by slow growth in program development and a continuing overall decline in the condition of facilities – 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 common good and for the good of the park as a whole. Third, the agency alone cannot achieve the Commission's vision for the park, given anticipated funding by the State Legislature. 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. State Parks concurs with this recommendation. However all also understand 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. State Parks 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.

### *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. The Commission has authorized the Director to select a potential non-profit partner through a two-stage process. The first stage will include a national solicitation asking prospective non-profits to submit letters of interest describing characteristics and qualifications of their organization applicable to management of the life-long learning center envisioned for Fort Worden (this solicitation).

Receipt of two or more letters of interest from organizations meeting minimum qualifications (as determined by the Director) will 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.

### *Transition Process*

The Commission-approved process to guide a transition of management authority to a non-profit organization 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 before proceeding with negotiation of a long-term agreement. This systematic approach is modeled after similar government to non-profit transition projects in Seattle such as the Seattle Aquarium, 4Concept and the Woodland Park Zoo.

Through execution of the MOU, the Commission would expect the non-profit to demonstrate it is capable of assuming management of multiple operational areas in which it has an interest (e.g., educational programs, recreational programs, conference booking and support, and operation of accommodations), with various public and private partners. Likewise, the Commission would demonstrate to the prospective non-profit its willingness to transfer management authority for these areas, set necessary policy, and commit adequate resources to achieving the vision.

State Parks has adopted a framework for setting milestones which, once achieved, would demonstrate that both organizations have the capability and capacity necessary for the success of a long-term agreement (see MOU Negotiation Framework below). 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 to approve the final MOU before proceeding.

Both parties would agree that if respective milestones and commitments are met, transfer of management authority and responsibility will be negotiated. Ultimate transfer of management would likely take the form of a long-term lease or management agreement or some other structure that ensures long-term commitment from both sides.

#### *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, describes four scenarios that incorporate management and operation by a non-profit in varying degrees.

Allowing a non-profit substantial 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 State Parks. The adopted MOU Negotiation Framework therefore identifies sideboards to ensure that the park, its staff, and the agency are not significantly impacted through any management transition and risk to the agency is otherwise minimized.

#### *MOU Negotiation Framework*

The Fort Worden Governance Task Force discussed in depth the kind of accomplishments needed to assure the, Governor, Legislature, Washington State Parks Commission 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 Commission adopted the Task Force's MOU Negotiation Framework to guide negotiations with the prospective non-profit organization. The adopted 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.

#### *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.

## Current Status

Washington State Parks and Recreation Commission has authorized further exploration of integrating a non-profit organization into management of Fort Worden State Park to the maximum degree practicable. In this next step, Washington State Parks is seeking qualified non-profit organizations interested in developing a long-term relationship and working towards assuming management responsibility for operation of a Life Long Learning Center at Fort Worden State Park under the transition process described above.

## Letter of Interest Evaluation Criteria

Washington State Parks is seeking letters of interest from non-profit organizations describing their interest in developing a long-term relationship with the agency and ultimately managing aspects of the life-long learning center envisioned for Fort Worden State Park.

Evaluation criteria are intentionally general to foster creative responses. When evaluating letters of interest, Washington State Parks will consider:

- How the non-profit demonstrates its ability to adapt to and align with the vision, mission, and values as adopted for Fort Worden State Park
- How the non-profit views their role with respect to State Parks, park partner organizations, park visitors, and extended community in developing and managing a life-long learning center at Fort Worden State Park.
- The non-profit's capacity and expertise in managing programs and services of the type and extent now offered at Fort Worden and their ability to grow and achieve those envisioned for a life-long learning center as described in long-range planning documents prepared for the park.
- The non-profit's willingness and capacity to achieve the goal of a long-term agreement with State Parks through the process and framework described in this solicitation.

Letters of interest should address evaluation criteria (above) and must also include the following attachments:

- Most recently filed IRS Form 990
- Most recent annual report
- Six references available by telephone (two clients, two individual contributors, two organizational contributors)
- List of current board members and their biographies

Letters should be received by Fort Worden State Park on or before January 9, 2009. Please provide five (5) copies and an electronic copy (pdf) to: Kate Burke, Fort Worden Area Parks Manager 200 Battery Way, Port Townsend, WA 98368.

Questions regarding this request may be directed to Peter Herzog, Parks Planner at 360.902.8652 or at [Peter.Herzog@parks.wa.gov](mailto:Peter.Herzog@parks.wa.gov). To receive updated information on this solicitation prior to the submittal due date, interested organizations should provide contact information to Peter Herzog as soon as possible. Organizations may also arrange a visit to Fort Worden State Park by contacting Kate Burke, Park Manager at 360.344.4401 or [Kate.Burke@parks.wa.gov](mailto:Kate.Burke@parks.wa.gov).