

Date: May 1, 2014
To: Commissioners Omdal, Shuler and Ware
From: Patsy Martin, Executive Director
Re: ADMIN: Strategic Planning (2014)
Action Requested: COMMISSION APPROVE THE 2014 STRATEGIC PLANNING
RETREAT SUMMARY

Background

Economic Opportunity Growth Goal - Develop, communicate and implement economic development initiatives that increase sustainable community wage jobs, commerce and trade in the Skagit Valley.

Strategy Adopted:

1. Better understand and support the needs of the Valley's existing businesses and associated business infrastructure and remove barriers to their growth and innovation.
 - Seek and understand business needs
 - Find business solutions
 - Develop lease strategies to implement business plans
 - Work with all stakeholders to complete business plans

2. Actively recruit new businesses, services and customers to the valley that existing businesses believe would improve their sustainability and productivity. Particular focus is on the aerospace, marine and value-added agricultural sectors.
 - Small business development and retention
 - Expansion and support
 - Recruitment and marketing

In addition, port staff will be reaching out to city and town staff to understand the business infrastructure available in those communities and will actively refer new businesses, services and customers to the most appropriate location within the Skagit Valley.

- Market competitive lease rates
- Find funding opportunities
- Attend trade shows
- Establish relationships with outside stakeholders

3. Encourage innovative local and regional businesses to start up in the Skagit Valley using the positive attributes of the valley (e.g. fertile soils, innovative culture, fiber optic communication capabilities, well-educated and well-financed populations within 100 miles of I-5 and Highway 20 transportation corridors).

4. Community Business Readiness / Leadership and Advocacy

Continue to lead efforts to create positive economic opportunities throughout the Skagit Valley.

- Northern State
- Innovation Partnership Zone (IPZ)
- Food Lab
- Industrial Lands Survey (Next Steps)
- Brewing Incubator
- Food processing

Community Outreach – Maintain and/or enhance public support by communicating the mission, vision, purpose, values and actions of the Port to enhance citizens’ participation and understanding of the Port’s value to the community.

Strategy Adopted:

1. Proactive media

- News release
- Website
- Social Media
- Annual Report
- Quarterly Newsletter
- Targeted Advertising
- Media Relations

2. Port / Community Involvement

- Coffee with Commissioners
- Port Events
- EDASC
- 5 Chambers of Commerce
- Tulip Festival
- Service Organizations
- Mount Vernon and Sedro-Woolley Leadership Groups

3. Community Awareness

- Port website
- Social Media
- Press Releases

Placemaking – Grow and sustain the Bayview Business Park, La Conner Marina and Skagit Regional Airport as a premier destination (Placemaking) to attract more happy customers. The airport, business park and marina are tools to generate jobs and commerce in the valley.

Strategy Adopted:

- Hire a Facilities Project Administrator to focus on facility project planning and implementation.
- Develop a facilities maintenance action plan.
- Develop project packages for the annual budget process that offer cost-efficiency and get more work done with each project.
- Develop service contracts for routine contracted maintenance work.
- Maintain a high level of customer service for tenants and develop standards for building modifications to streamline the work.
- Build a maintenance team that has the resources to meet the desired level of service.
- Highly professional standard - nice, neat and tidy.
- La Conner Marina – achieve 10 more years of useful life in the south basin understanding that the cost will be approximately \$2 million. Evaluate current rates; determine increase necessary to offset cost at roughly 4% interest.

Long Term Plan of Finance – sustain the port’s financial health by developing long-term (fifty year) budgets, policies and business plans for the Port and each enterprise. The long term financial plan is our path towards a financially stable future.

Strategy Adopted:

1. Identify resources to address the identified maintenance needs along with other identified port priorities.
 - Use bonding/line of credit
 - Maximize tax funding (show specific need)
 - Identify and sell under-performing assets producing (less than 7.5% rate of return, e.g. La Conner Marina)
 - Increase net income by:
 - a) leasing land to private sector to build buildings
 - b) leasing buildings the port builds
 - c) buy tenant buildings and lease out
2. Set a target to budget 10% of operating revenue to meet deferred and current maintenance needs.

Benchmarks

1. Increase port tenant employment 5% annually.
2. Increase business park revenue 5% annually.
3. Recruit one new land lease tenant annually.

Benchmarks

1. Budget 10% of operating revenue to maintain facilities and address deferred maintenance needs.
2. Increase net income by 1% annually.
3. Continue to move each business unit into a self-supporting financial position.

Recommendation

Staff recommends commission approve the 2014 Strategic Planning Retreat Summary.

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