



**TO:** T.C. Broadnax, City Manager  
**FROM:** Martha Anderson, Assistant Director, Community and Economic Development  
Ricardo Noguera, Community and Economic Development  
**COPY:** City Council; City Clerk  
**SUBJECT:** **Resolution - Modification of the Third Operating Agreement with the Foss Waterway Development Authority - November 3, 2015**  
**DATE:** October 12, 2015

---

**SUMMARY:**

The City entered into its Third Operating agreement with Foss Waterway Development Authority (FWDA) on January 19, 2011. The City and THA would like to amend the agreement to extend the term until December 31, 2020 and align FWDA budget submittal with the City's budgeting schedule and requirements.

**STRATEGIC POLICY PRIORITY:**

This project is aligned with the following Council strategic policy priority:

- Foster a vibrant and diverse economy with good jobs for all Tacoma residents

**BACKGROUND:**

The FWDA has been operating under the terms of the Third Operating Agreement for approximately four years. The current agreement has an initial term of four years with an automatic extension of two years unless the City gives notice of its intent to terminate the agreement. The FWDA's work program will extend beyond this initial six year term. The desire is to extend the term to align with completion of a substantial portion of the work program.

In addition, the current agreement requires submittal of the FWDA capital budget request no later than September 15 of each year. This section is being changed to state that the FWDA will submit its budget in accordance with the City budgeting schedule and requirements as these may change with each budget cycle.

**ISSUE:**

The FWDA has requested additional time to complete a large portion of its work program and to clarify that it will submit its budgets in alignment with the normal City process.

**ALTERNATIVES:**

Not granting an extension to the term will reduce the FWDA's effectiveness in planning for long-term capital and development projects and programs.

**RECOMMENDATION:**

It is recommended that the City Council approve this extension and the change the budget submittal requirement.

**FISCAL IMPACT:**

This amendment will not have a fiscal impact. FWDA budgets are reviewed and approved as part of the City's biennial budget cycle.