

Hearing: December 20, 2024,  
1:00 pm  
Hon. Brandon Mack

**IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON  
IN THE COUNTY OF JEFFERSON**

KITSAP BANK,

Plaintiff,

vs.

FORT WORDEN LIFELONG LEARNING  
CENTER PUBLIC DEVELOPMENT  
AUTHORITY, WASHINGTON, a Washington  
Public Corporation,

Defendants.

NO. 24-2-00199-16

RESPONSE OF CENTRUM  
FOUNDATION IN SUPPORT OF  
MOTION OF WASHINGTON  
STATE PARKS AND RECREATION  
COMMISSION

Centrum Foundation, a party in interest in the above-captioned matter, through its undersigned counsel, supports the motion brought by the Washington State Parks and Recreation Commission (“State”) to vacate the Court’s December 2, 2024, ex parte order granting the Receiver an extension of time to assume or reject a lease, for the following reasons:

As described below, Centrum Foundation (“Centrum”) is a key lessee at the Fort Worden facility, under two leases with the Fort Worden Lifelong Learning Center Public Development Authority (“PDA”) as lessor. The PDA’s receivership has created substantial uncertainty for Centrum, which relies for its operations on the facilities the PDA leases from the State.

1 While Centrum is not a party to the master lease between the State and the PDA that is the  
2 subject of the State’s motion, the permission given to the Receiver via the Court’s December 2 order  
3 to delay a decision to assume or reject the master lease has a substantial adverse effect on Centrum.  
4 Centrum needs to make decisions regarding its 2025 operations by the end of 2024. Because its  
5 mission relies on booking facilities and holding events throughout the calendar year, with on-campus  
6 residential programs beginning March 2, 2025, Centrum cannot afford to wait until early March 2025  
7 to know whether there will be a PDA or some successor to the PDA who is able and willing to  
8 perform under its leases with Centrum.

9 Centrum Foundation is a non-profit organization that was formed in 1973 to produce public  
10 programs in the performing, literary, and visual arts at the Fort Worden facility. Now in its 52nd year  
11 of operation, Centrum annually produces workshops, concerts, readings, performances, exhibits, and  
12 artist residencies that attract participants internationally. Centrum serves a global constituency of  
13 artists and learners from ages four to 98 annually, from 17 countries, all 50 states, and 30 of  
14 Washington State’s 39 counties. Declaration of Robert Birman in Support of Response of Centrum  
15 Foundation (“Birman Dec.”) ¶ 2.

16 In 2024 alone, Centrum provided programs and services to 10,477 audience members, 1,643  
17 workshop participants, 191 teaching faculty, and 118 artists-in-residence through 14 workshop weeks  
18 and 48 public performances, generating more than \$1 million in direct business regarding leases, rent,  
19 hospitality services, and utility reimbursements on the Fort Worden campus. Birman Dec. ¶ 3.

20 Centrum’s ability to provide these valuable cultural and educational services rests on two  
21 leases between Centrum as lessee and the PDA as lessor for certain facilities on the Fort Worden  
22 campus. These leases, effective on September 1, 2022, and running for a 25-year term, generally  
23 provide that Centrum will operate the facilities leased from the PDA and deliver the public benefits

1 required under the master lease, with costs of operations borne by either lessor or lessee as set forth in  
2 the leases. Under these leases, the PDA is obligated to provide access to Centrum and to the  
3 constituencies Centrum serves, including a full complement of facility rentals, meeting rooms,  
4 dormitories, and housing. Birman Dec. ¶ 4.

5 Centrum's activities cover approximately 20% of all facilities rentals between PDA tenants  
6 and the PDA on an annual basis. Centrum's presence on the Fort Worden campus has been critical in  
7 the past to the PDA's ability to fulfill its mission as a lifelong learning center. Birman Dec. ¶ 5.

8 Unless and until the Receiver assumes the master lease, however, Centrum has no assurance  
9 that *anyone* will be providing facilities access to Centrum as tenant in 2025. The PDA, to the extent it  
10 is not already in breach of its leases with Centrum, will assuredly be in breach unless it assumes the  
11 master lease and is ready to perform its functions as landlord.

12 Lodging, food, and beverage services for participants have been provided by Fort Worden  
13 Hospitality, which has recently announced that it foresees being unable to continue operating due to  
14 the PDA receivership. Centrum has no understanding or assurance that the Receiver is in a position to  
15 promptly contract with a replacement hospitality service. Birman Dec. ¶ 6.

16 To accommodate the planning needs of Centrum's international faculty and program  
17 participants, Centrum opens enrollment on or about January 2 of each year. This early date is  
18 necessary for Centrum to secure and compete for its customer base for events that happen primarily in  
19 the spring and summer months. To entertain any prospect of continuing business for 2025 in Port  
20 Townsend, Centrum thus needs to open its enrollment with a clear understanding of the cost basis for  
21 operations at the beginning of January 2025, or two months prior to the Receiver's current deadline  
22 for making decisions about the master lease. Birman Dec. ¶ 7.

1 Centrum’s staff and board of directors have no confidence that the Receiver will be in a  
2 position to reach an agreement with the State, contract with a company for hospitality services, be  
3 ready to keep the campus open 365 days per year (as required by the master lease) for public access  
4 and use as a lifelong learning center, and do all of that to the satisfaction of Kitsap Bank, within any  
5 reasonable period of time. Birman Dec. ¶ 8.

6 Prolonging the current state of uncertainty until early March 2025, whereupon it seems  
7 obvious that the Receiver will either seek an additional extension or will reject the master lease,  
8 works a hardship on Centrum and presumably all other tenants of the Fort Worden facilities. Centrum  
9 may be forced to cancel its 2025 programming as a result. Birman Dec. ¶ 9. The Court should  
10 recognize—after hearing from stakeholders rather than considering the matter on an *ex parte* basis—  
11 that an extension of time to assume or reject the master lease will have an adverse effect on tenants at  
12 the campus.

13 For these reasons, respectfully the Court erred by granting the Receiver’s motion to extend the  
14 time to assume or reject, and especially erred by doing so on an *ex parte* basis. It should vacate or  
15 reconsider the extension order. Centrum therefore supports the State’s position on the pending  
16 motion.

17 DATED December 17, 2024.

18 WENOKUR RIORDAN PLLC

19  
20 /s/ Alan J. Wenokur  
21 Alan J. Wenokur, WSBA # 13679  
22 Attorneys for Centrum Foundation  
23

1  EXPEDITE

2  No Hearing Set

3  Hearing is Set

4 Date: December 20, 2024

5 Time: 1:00 p.m.

6 Judge/Calendar: The Honorable Brandon Mack

7  
8 **IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON**  
9 **IN THE COUNTY OF JEFFERSON**

10 KITSAP BANK,

11 Plaintiff,

12 vs.

13 FORT WORDEN LIFELONG LEARNING  
14 CENTER PUBLIC DEVELOPMENT  
15 AUTHORITY, WASHINGTON, a Washington  
16 Public Corporation,

17 Defendants.

NO. 24-2-00199-16

CERTIFICATE OF SERVICE

18 I certify that on the 17th day of December 2024, I caused a true and correct copy  
19 of and this **RESPONSE OF CENTRUM FOUNDATION IN SUPPORT OF MOTION OF**  
20 **WASHINGTON STATE PARKS AND RECREATION COMMISSION, DECLARATION**  
21 **OF ROBERT BIRMAN IN SUPPORT, and CERTIFICATE OF SERVICE** to be served  
22 upon the parties herein, in the above-entitled action, as indicated below:  
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CERTIFICATE OF SERVICE

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<p>Alexandra Kenyon Antoinette Mattox Kenyon Disend PLLC 11 Front St. S Issaquah, WA 98027 alexandra@kenyondisend.com antoinette@kenyondisend.com</p> <p><i>Counsel for City of Port Townsend</i></p>	<p><input type="checkbox"/> U.S. Mail Postage Prepaid <input type="checkbox"/> Certified Mail Postage Prepaid <input type="checkbox"/> State Campus Mail <input type="checkbox"/> Hand Delivered <input type="checkbox"/> ABC Legal Messenger <input type="checkbox"/> FedEx Overnight <input checked="" type="checkbox"/> Email</p>

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DATED December 17, 2024.

WENOKUR RIORDAN PLLC

/s/ Danielle Roberts  
Danielle Roberts  
Legal Assistant