

AGENDA

*Port of Kennewick
Regular Commission Business Meeting
Port of Kennewick Commission Chambers
350 Clover Island Drive, Suite 200, Kennewick, Washington*

Tuesday, October 11, 2011
2:00 p.m.

- I. CALL TO ORDER**
- II. PLEDGE OF ALLEGIANCE**
- III. PUBLIC COMMENT** *(Please state your name and address for the public record)*
- IV. CONSENT AGENDA**
 - A. Approval of Direct Deposit and Warrants Dated September 30, 2011
 - B. Approval of Warrant Registers Dated October 11, 2011
 - C. Approval of 2011 Fall Travel Schedule
- V. PRESENTATIONS**
 - A. City of West Richland Survey, Ruth Swain & Jason Robertson
 - B. City of Kennewick Artwork, Barb Carter
 - C. Comp Scheme Workshop
- VI. OLD BUSINESS**
 - 2012 Work Plan; Resolution 2011-39
- VII. BREAK, IF NEEDED**
- VIII. REPORTS, COMMENTS AND DISCUSSION ITEMS**
 - A. Clover Island Cedars Parking Lot Project Update
 - B. Redistricting Workshop
 - C. Commissioner Meetings (formal and informal meetings with groups or individuals)
 - D. Non-Scheduled Items
- IX. PUBLIC COMMENT** *(Please state your name and address for the public record)*
- X. ADJOURNMENT**

PLEASE SILENCE CELL PHONES

PORT OF KENNEWICK

Resolution No. 2011-39

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE PORT OF KENNEWICK ADOPTING THE 2012 WORK PLAN

WHEREAS, the Port of Kennewick Commission conducted a Planning Workshop at its Regular Meeting on Tuesday, September 27, 2011, to receive public input and discuss in open session proposed plans and development policies to be undertaken and implemented in calendar year 2012; and

WHEREAS, following input from the public and discussion amongst the Commission, the Commission requested additions and modifications to the work plan and policies presented by staff; and

WHEREAS, the requested additions and modifications have been incorporated into the document titled "Port of Kennewick 2012 Work Plan";

NOW, THEREFORE, BE IT HEREBY RESOLVED the Board of Commissioners of the Port of Kennewick hereby adopt the 2012 Work Plan as identified in the document titled "Port of Kennewick 2012 Work Plan" herein attached hereto and identified as "Exhibit A".

ADOPTED by the Board of Commissioners of the Port of Kennewick this 11th day of October, 2011.

***PORT of KENNEWICK
BOARD of COMMISSIONERS***

By: _____
SKIP NOVAKOVICH, President

By: _____
DAVID HANSON, Vice President

By: _____
GENE WAGNER, Secretary



AGENDA REPORT

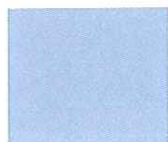
TO: Port Commission

FROM: Tim Arntzen, Executive Director

MTG. DATE: October 11, 2011

AGENDA ITEM NO.: Resolution 2011-39, 2012 Work Plan, As Amended

- I. REFERENCE(S):** Resolution 2011-39 attached.
- II. FISCAL IMPACT:** As detailed in the Work Plan and budget.
- III. DISCUSSION:** The Port of Kennewick Commission conducted a Planning Workshop at its Regular Meeting on Tuesday, September 27, 2011, to receive public input and to discuss in open session proposed plans and development policies to be undertaken and implemented in calendar year 2012. Following input from the public and discussion amongst the Commission, the Commission requested additions and modifications to the work plan and policies presented by staff and the requested additions and modifications have been incorporated into the document.
- Adopting of Resolution 2011-39 would signify formal acceptance of the 2012 Amended Work Plan.
- V. ACTION REQUESTED OF COMMISSION:**
Motion: I move approval of Resolution 2010-39, approving the 2012 Work Plan.



PORT **of** KENNEWICK *Open for business!*

2012 WORK PLAN

October 11, 2011 **AMENDED**
2:00 P.M.
Commission Chambers

350 Clover Island Drive
Suite 200
Kennewick, WA 99336

Tel: (509) 586-1186
Fax: (509) 582-7678

www.PortofKennewick.org

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West Richland Industrial	Page 14
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Southridge "Dickerson"	Page 20
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PROSPECTIVE VISION

- ☐ Realize the Vista Field Airport Economic and Transportation Potential
- ☐ Continue to Maximize Economic Efforts by Obtaining Strategic Real Property
- ☐ Focus on Waterfront Development/Redevelopment
- ☐ Realize & Support Economic Development Opportunities with Wine & Tourism Industry
- ☐ Provide Additional Development Building Space Throughout the Port District
- ☐ Continue to Secure Grant Funding Opportunities
- ☐ Operational Expenses Offset By Operational Incoming—"Close the Gap" (Cost Benefit Analysis)
- ☐ Fund Projects with Resources In-Hand, Not with Bond or Loan Financing
- ☐ Pursue Projects with Development Partners Demonstrating Support; i.e Matching Funding, Political Support and Enthusiasm
- ☐ Pursue Fewer Projects While Selecting Projects with the Greatest Return to the Port and the District Taxpayers

A C H I E V E M E N T S (2010—September 2011)

• CLOVER ISLAND

- ☑ Construction Project—Metz Family Plaza Trellis & Artwork Installation (100% Complete)
- ☑ Construction Project—Causeway West (100% Complete)
- ☑ Construction Project—Cedars & Hotel Parking Lot Reconstruction (10% Complete)
- ☑ Marina at 100% Occupancy

• COLUMBIA DRIVE

- ☑ Asbestos Removed from Beaver Building (100% Complete)
- ☑ Demolition & Clearing of 205 E. Columbia Drive (100% Complete)
- ☑ Option Obtained on Mejia Properties (Chieftain Motel , Labor Ready, The Pawn Shop)

• SPAULDING BUSINESS PARK

- ☑ Construction Project—Updated & Enhanced Entrance Signage (100% Complete)
- ☑ Design & Construction Project—Replacement/Upgrade of Light Poles (50% Complete)
- ☑ Pending 1.58ac Land Sale (Willamette Dental) - \$230,000

• WEST RICHLAND INDUSTRIAL PARK

- ☑ Construction Project—Landscaping Enhancement on Keene Road Frontage Adjacent Black Heron Distillery (100% Complete)
- ☑ Partnered with City of West Richland, Benton County, Benton REA & WSDOT To Support the West Richland Red Mountain Interchange Project

A C H I E V E M E N T S (2010—September 2011)

- **VISTA FIELD AIRPORT & VISTA FIELD INDUSTRIAL PARK**

- ☑ Vista Field Airport Master Plan (100% Complete)
- ☑ Vista Field Comprehensive Plan & Zoning Changed to Public Facilities Designation
- ☑ Pending 3.50ac Land Sale (Pacific Cataract & Laser Institute) - **\$470,000**
- ☑ Vista Field Closure/Redevelopment Cost Analysis (100% Completed)
- ☑ 100% Occupancy - T Hangars
- ☑ 100% Occupancy - VFDF A and VFDF B
- ☑ Pending 5.27ac Land Sale (Vista Field II—VFIP II LLC) - **\$490,000**

- **OAK STREET INDUSTRIAL PARK**

- ☑ Obtained HAEIFAC Grant For Rehabilitation of DB#1 & DB#2 - **\$75,000**

- **FINLEY / HEDGES / TWIN TRACKS INDUSTRIAL**

- ☑ Continued Partnership Efforts with Benton County Commission for Pier Road Extension

WORK IN PROGRESS

CLOVER ISLAND

- Construction Project—Cedars & Hotel Parking Lot Reconstruction
- Village at Island Harbor Site & Building Design
- Permitting of Overwater Coverage for Riverboat, Pier & Additional Moorage
- Yacht Club Site Improvement Causeway Shoreline Enhancement Project Underway

COLUMBIA DRIVE

- Pattern Language Design Process For the Willows Area
- Manage and Maintain Properties

SPAULDING BUSINESS PARK

- Continue to Promote Park to Medical, Professional and Office Industry
- Market Appraisals

WEST RICHLAND INDUSTRIAL PARK

- Marketing 1-Acre Parcel Adjacent Black Heron Distillery
- Development Building Conceptual Design and Feasibility Analysis

VISTA AIRPORT & VISTA FIELD INDUSTRIAL PARK

- Review of Fixed Based Operation (FBO) Proposals for Airport Operation
- Marketing Former Verizon Site

OAK STREET INDUSTRIAL PARK

- Manage and Maintain Port Properties to Enhance Rental Revenues
- Clean Up and Rehabilitation of Former Ti-Sports Vacancy to Reduce Period of Vacancy

DICKERSON INDUSTRIAL PARK (SOUTHRIDGE)

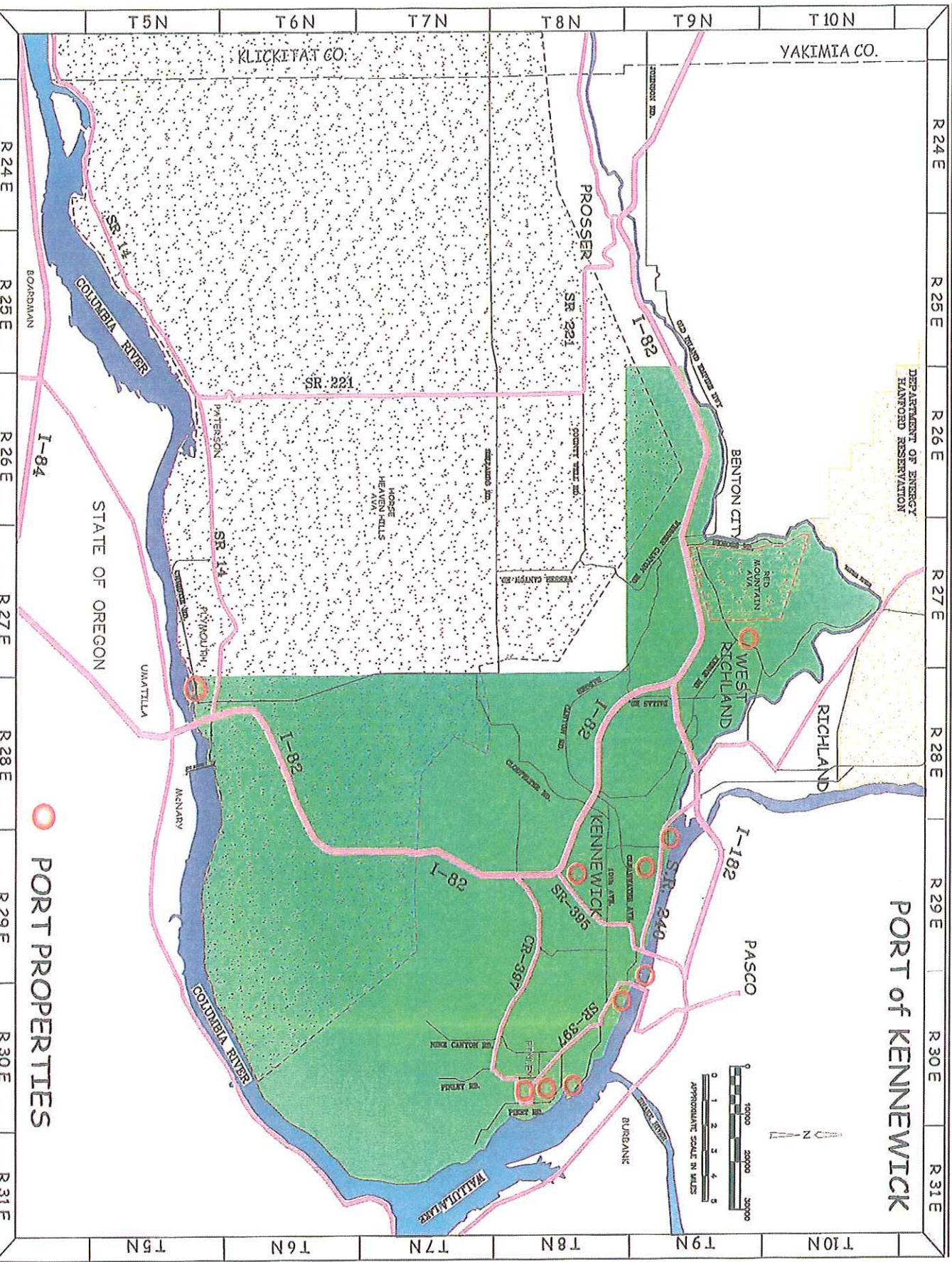
- Monitor City's Local Revitalization Financing (LRF) Project Progress
- Monitor KGH Progress

FINLEY / HEDGES / TWIN TRACKS INDUSTRIAL

- Remain Active in Pierf Road Extension Process

OTHER

- Comprehensive Scheme Update



DEPARTMENT OF ENERGY
HANFORD RESERVATION

PORT of KENNEWICK

PORT PROPERTIES

PROPERTY PORTFOLIO

CLOVER ISLAND

- 17 Acres
- City of Kennewick—CM (Commercial Marina) Zoning
- Municipal Services—Water, Sewer, Electricity & Natural Gas

STRENGTHS

- Unique, Waterfront Property, Lighthouse, Gateway, Public Plazas, Shoreline Trails
- Brand New Moorage, Premier Food Service & Hospitality Amenities
- Newly Constructed 12,200sf Yacht Club / Office Building
- Tourism, Mixed Use, Commercial & Recreational Opportunities
- Exciting Improvements to Public Spaces, Both Existing and Under Construction

CHALLENGES

- Lack of Curb Appeal on Approach to Island
- Inconsistent Design Development Standards for Main Arterial Road to Island
- Minimal Directional Signage Options
- Corp of Engineers Approval Process Cumbersome

SUGGESTED WORK & PROPERTY MANAGEMENT PLAN

- ☐ Continue to Fund Shoreline Restoration (4 Years) —\$4,000,000 (Only w/Grant Funding)
- ☐ **Complete Cedars Replacement Parking Lot—\$250,000 (2010/2011 Budget Funds) ®**
- ☐ **Construct Village at Island Harbor Phase 1—\$1,500,000 ®**
- ☐ **Site Improvements at Yacht Club/Office Building —\$45,000 (2011 Budget Funds) ®**
- ☐ Shoreline Improvements (Erosion & Vegetation Replacement) —\$50,000
- ☐ Implement Public Art Project (Confederated Tribes of the Umatilla Indian Nation)—\$120,000
- ☐ Implement Public Art Projects (Mother of Reinvention & Eagle)—\$25,000
- ☐ **Design, Permit & Install floating Seating Within Marina for Ice Harbor Brewery—\$125,000 ®**
- ☐ Recoat/Recolor Marina West Parking Lot —\$35,000
- ☐ **Design & Permits for Overwater Coverage (Boardwalk, Riverboat, Moorage) —\$90,000 ®**
- ☐ **Pursue Removal of Corp Restrictions on Corner Parcel ®**

☐ Hold Corner Parcel Until Entitlement Issues Resolved

® Revenue Generation Potential

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COLUMBIA RIVER

LIGHTHOUSE
2009-2010

ROAD & UTILITIES
2006

REPLACEMENT PARKING
2009

PARKING RECONSTRUCTION
2011

SHORELINE
ENHANCEMENT
2010-2011

YACHT CLUB &
OFFICE BUILDING
2008-2009

GATEWAY
2009-2010

Cedar's

C.I. Inn

USCG

ADMIN/RETAIL
BUILDING
2005-2006

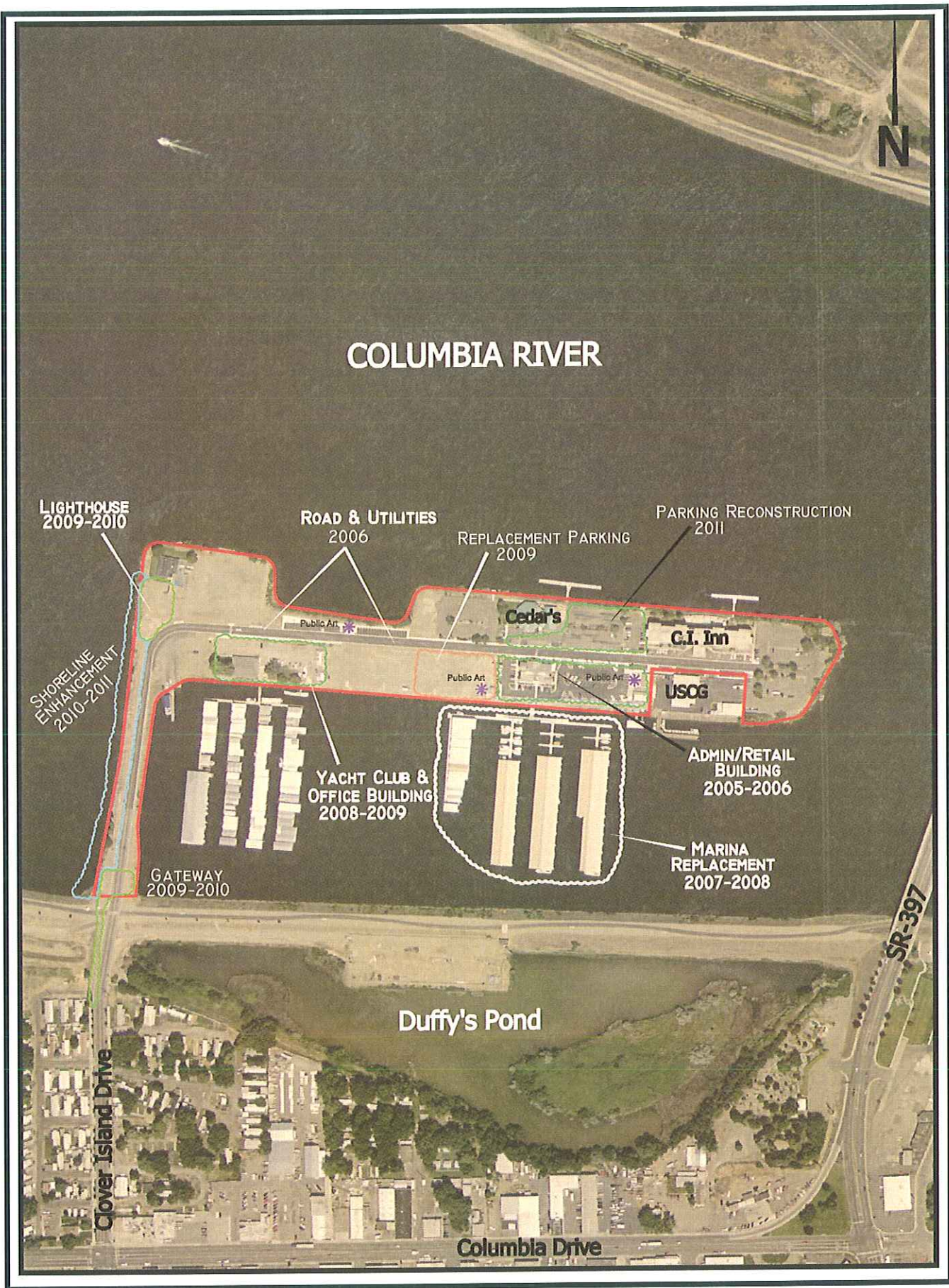
MARINA
REPLACEMENT
2007-2008

Duffy's Pond

Clover Island Drive

Columbia Drive

SR-397



COLUMBIA DRIVE URBAN REVITALIZATION AREA

- 13.21 Acres
- City of Kennewick—CG (Commercial General) Zoning
- All Municipal Services; Including Wireless Coverage

STRENGTHS

- Columbia Drive and Clover Island Drive Exposure
- Tourism Opportunities—Within River Proximity For Trails / Recreation
- Near Historic Downtown Kennewick
- Within Minutes of Columbia Center Blvd, Richland, Pasco and West Kennewick

CHALLENGES

- Blighted Neighborhood Consisting of Residential, Low-Income, Commercial-General and Light Industrial Business-Use Properties
- Inconsistent City Development Standards for Neighboring Properties
- High volume of Truck Traffic

SUGGESTED WORK & PROPERTY MANAGEMENT PLAN

- ☐ Exercise Option to Purchase Mejia Property (Chieftain Motel, Labor Ready & Pawn Shop) Upon City Demonstrating Strong Partnership—\$425,000 ®
- ☐ Ready Site for Redevelopment (Demolish Structures, Clear Properties) - \$60,000 ®
- ☐ Complete Willows Pattern Language Design Process —\$120,000 (2011 Budget Funds) ®
- ☐ Hold Properties Until Planning Process Complete, City of Kennewick Demonstrates Strong Partnership & Currently Owned Sites Cleared for Redevelopment
- ☐ Consider Leasing Existing Buildings for a Short-Term/Interim Basis

® Revenue Generation Potential

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COLUMBIA RIVER

Duffy's Pond

Clover Island Drive

6.7 ACRES

MEJIA
OPTION

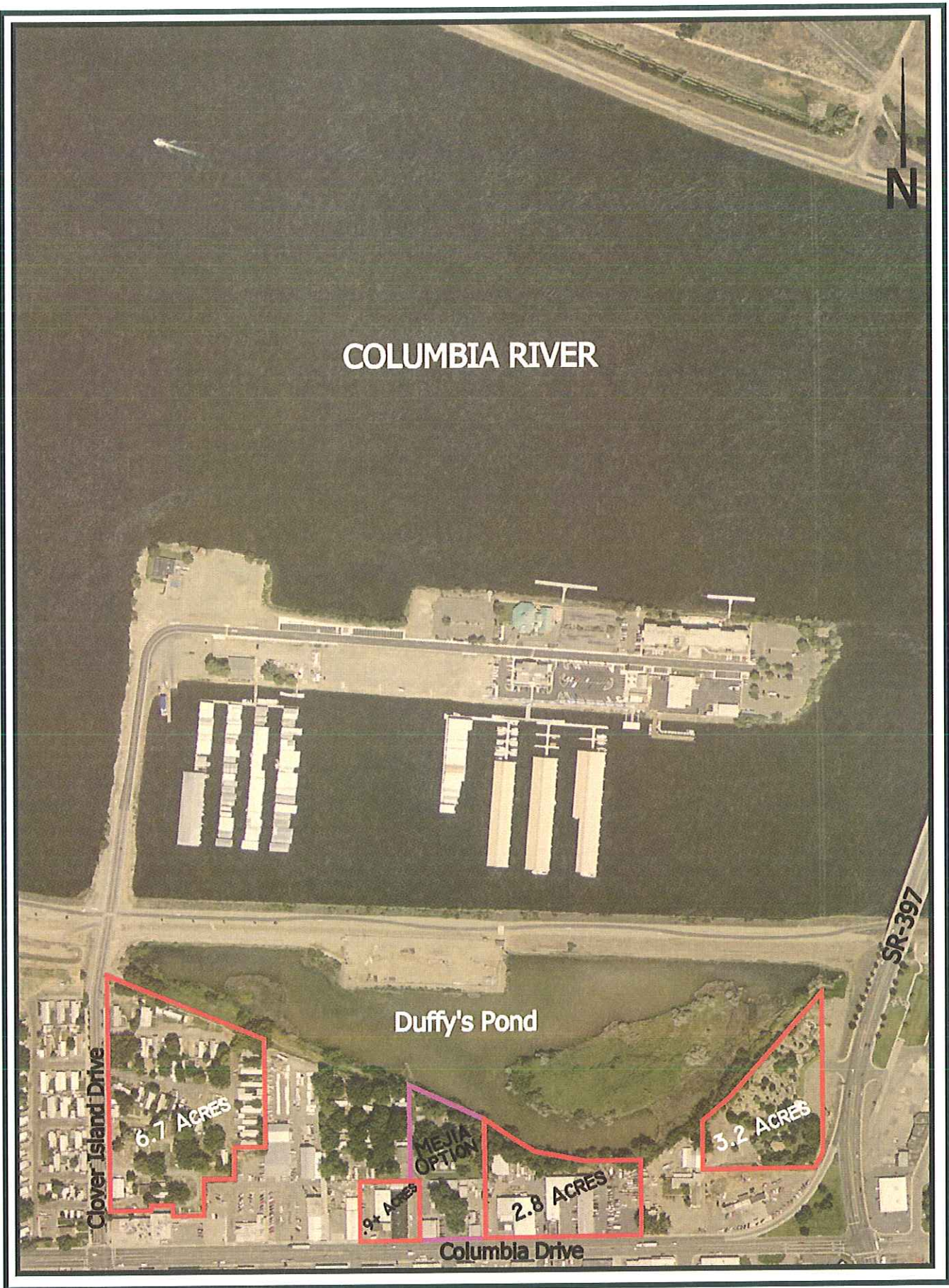
9+ ACRES

2.8 ACRES

3.2 ACRES

Columbia Drive

SR-397



SPAULDING BUSINESS PARK

- 23+ Acres Sold
- 8.60 Acres Available
- City of Richland—C2 (Central Business) & C3 (General Business) Zoning
- All Municipal Services; Including Wireless Coverage

STRENGTHS

- Central Location Between Two Interchanges On SR-240 / Columbia Center Boulevard/Columbia Park Trail SE
- Freeway Frontage Exposure
- Ideally Suited for Professional, Medical, Office & Retail Businesses
- Tourism Opportunities—Within River Proximity for Trails / Recreation
- Recorded Covenants, Conditions and Restrictions (CCRs)

CHALLENGES

- Buffer Between Aging Residential, Transitional Properties and New Professional Businesses.
- Inconsistent Development Standards with Surrounding Properties

SUGGESTED WORK & PROPERTY MANAGEMENT PLAN

- ☐ Review / Revise Spaulding and Island View Street Lighting—\$50,000 (2011 Budget Funds)
- ☐ Pursue Acquisition of Additional Sites Adjacent SBP—\$300,000 (Land Sale Proceeds)
- ☐ Continue Marketing Available Properties ®

® Revenue Generation Potential



WEST RICHLAND

- 14 Acres Incorporated [12 Acres Leased / 2 Acres Available]
- 92+ Acres Unincorporated Raceway Property (45 Acres Leased to Alexander Farms)
- West Richland (Industrial) Zoning; Benton County (Light Industrial) Zoning
- Water, Sewer & Electricity Available to Keene Road Parcels

STRENGTHS

- Ideally Suited for Wineries & AVA Ancillary Businesses
- Planned Major Intersection Adjacent to Property
- Between Two Rapidly Growing Community Areas
- Close Proximity to World Renowned Wine Makers: Terra Blanca, Hedges, Pacific Rim, Goose Ridge Vineyards, Gamache Vintners, Col Solare & Fidelitas and Black Heron Distillery

CHALLENGES

- "Pioneer" Development Needs to be Initiated to Spur Ancillary Businesses in Immediate Vicinity
- Perceived As Isolated
- Municipal Utilities Presently Unavailable to Raceway Property
- Urban Growth Boundary

SUGGESTED WORK & PROPERTY MANAGEMENT PLAN

- ☐ Design & Permit Development Building (10,000 sq. ft.) —\$165,000 ®
- ☐ Yakima Gateway Partnership with City (Master Planning, Façade Improvement, Signage & Recruitment Programs/Marketing) —\$100,000
- ☐ Construction Management Assistance—\$50,000
- ☐ CERB Loan Matching Funds —\$25,000

- ☐ HOLD Racetrack Parcel ®
- ☐ Hold Rear 1-Acre Parcel (Lot 4) for Future Development Building Site ®
- ☐ Market 1-Acre Middle Parcel (Lot 3) ®

® Revenue Generation Potential

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MacKay & MacDonald
Red Mountain Center

City Limits

SR-224

Pacific Rim
12 Acres

2 Acres

Keene Rd

Race Track
92+ Acres

Keene Rd

SR-224



VISTA FIELD AIRPORT & INDUSTRIAL PARK DEVELOPMENT

- 125± Acres Combined
- City of Kennewick— IL (Industrial Light) Zoning and CR (Commercial Regional)
- Municipal Services Available

STRENGTHS

AIRPORT LAND:

Centrally Located In Entertainment District
Toyota Center Coliseum, Three Rivers Convention Center
and Tri-Cities Business & Visitor Center Professional Office
Highly Visible
Active General Aviation Airport

Recreation & Transportation Terminal
Central Location with Utilities Available

CHALLENGES

AIRPORT LAND:

Aviation Restrictions & Currently Ineligible For FAA Funding
Encroachment Issues & Limited Expansion Capability
Limited Number of Based Aircraft

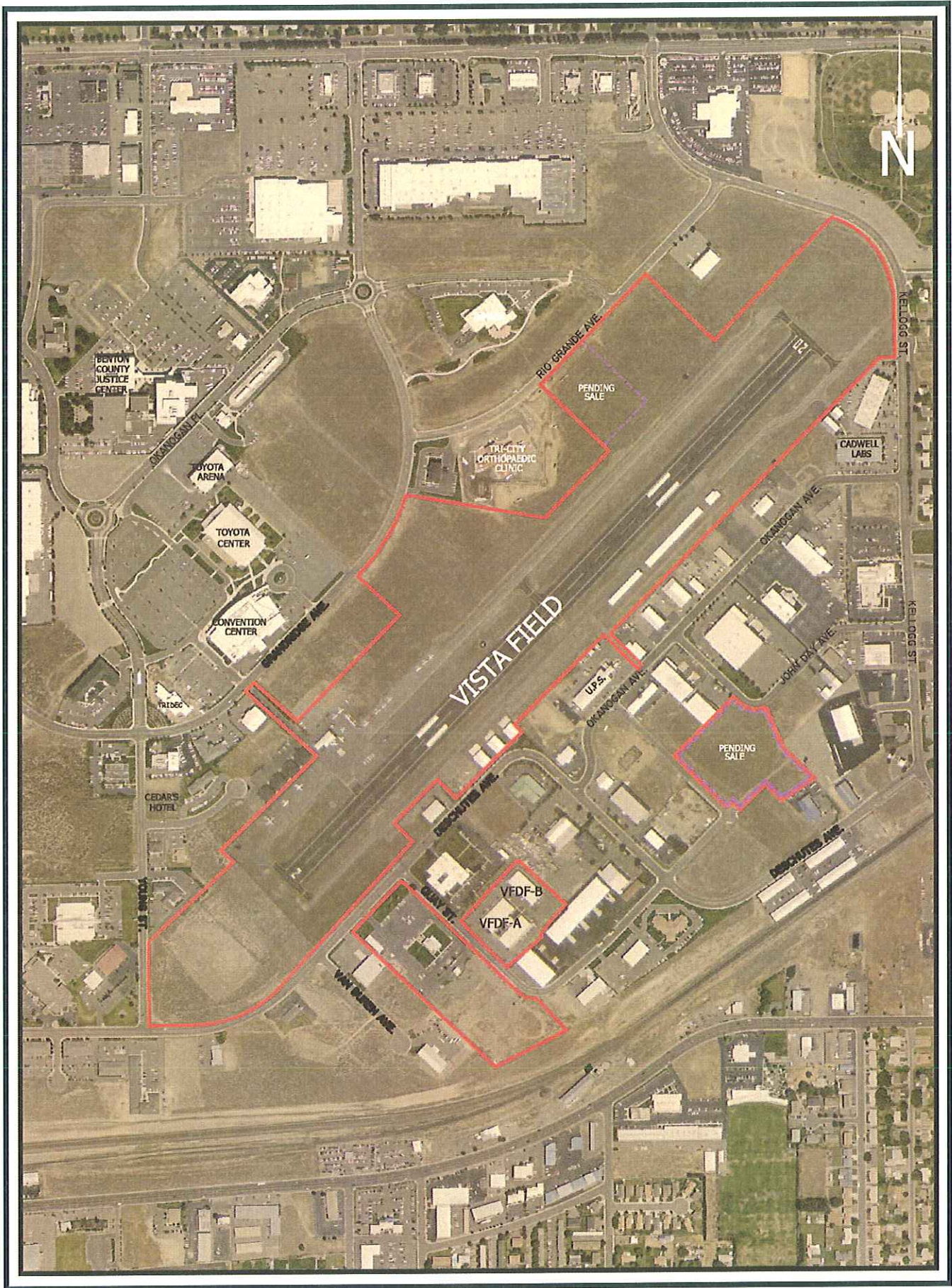
INDUSTRIAL PARK:

Aviation Restrictions
Limited Expansion Capability
High Traffic Area for Industrial Trucks

SUGGESTED WORK & PROPERTY MANAGEMENT PLAN

- ☐ Secure FBO Operator
- ☐ Continue to Implement Master Plan
- ☐ Slurry Seal Taxiway & Apron Areas—\$158,000 (\$140,500 WSDOT Grant Funding) **\$17,500 2011 Budgeted Funds)**
- ☐ Infrastructure Design & Construction in Conjunction with Private Sector Hangar Development—\$200,000 [®]
- ☐ Utility Improvements for Hangar Development—\$200,000 (Land Sale Funding) [®]
- ☐ Relocate Fencing in Conjunction with Private Sector Hangar Development—\$35,000
- ☐ Apply for State Aviation Grants as Appropriate
- ☐ Support 2013 Air Race Classic as Appropriate
- ☐ Parking Lot & Site Improvements to VFDF Buildings —\$50,000 [®]
- ☐ Consider Sale/Lease of Airport Properties When Consistent with Master Plan [®]
- ☐ Market Industrial Parcels—\$5,000 [®]

[®] Revenue Generation Potential



OAK STREET INDUSTRIAL

- 55± Acres
- Zoning: City of Kennewick: IH (Industrial Heavy)
Benton County: I2 (Industrial Heavy)
- Water, Sewer & Electricity Available

STRENGTHS

- Close to City and Transportation Corridors—SR 397 Nearby
- Flat Topography
- Municipal Utilities
- 40,000 sq. ft. Available Due to Ti-Sport "Graduating" Development Buildings

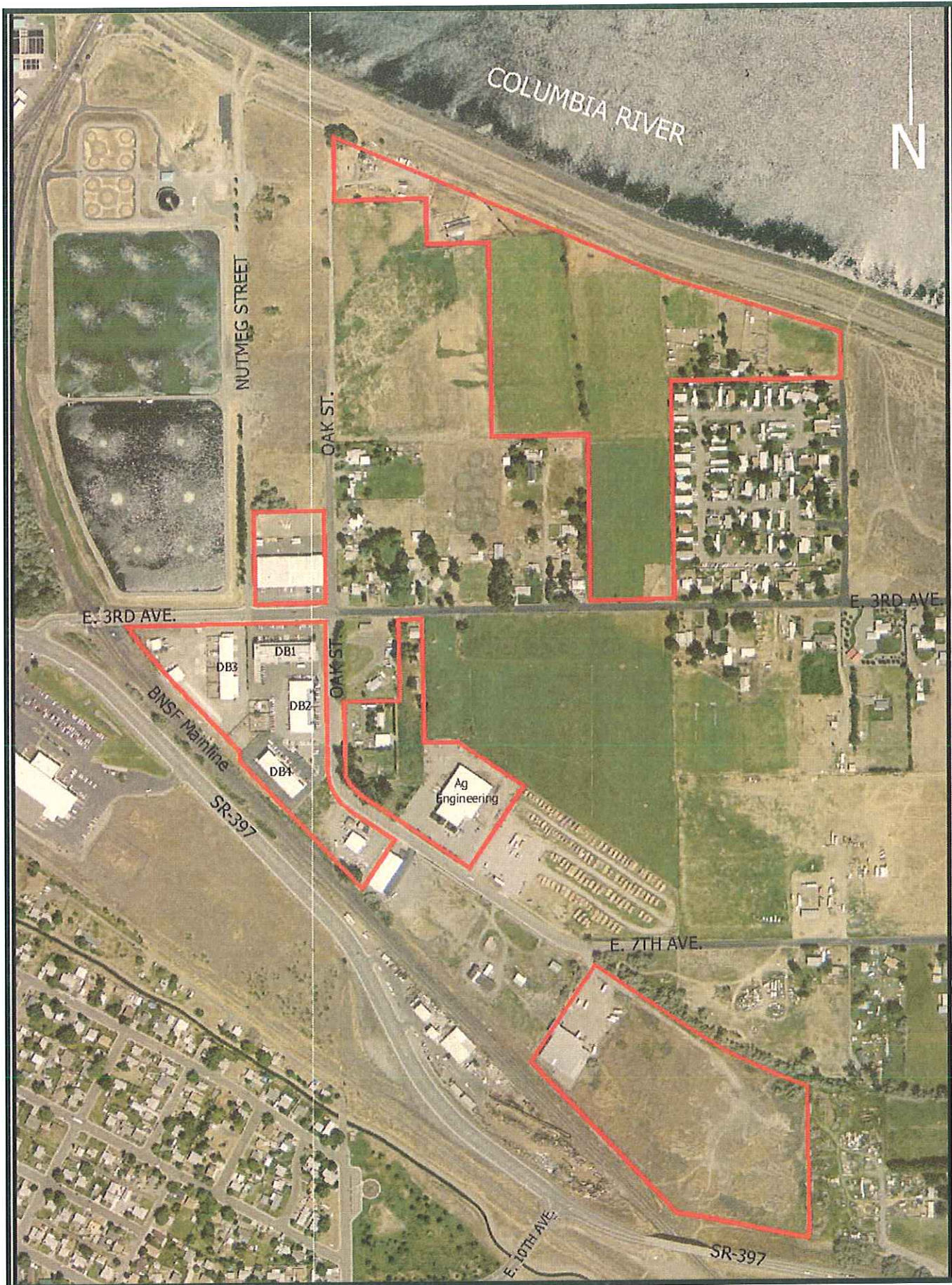
CHALLENGES

- Poor Visibility
- No Rail Access At Present
- High Ground Water
- Poor Maintenance of Aging Area; Lacks Curb Appeal
- Municipal Utilities Unavailable to Un-Incorporated Portion of Site
- 40,000 sq. ft. Vacancy Due to Ti-Sport "Graduating" Development Buildings

SUGGESTED WORK & PROPERTY MANAGEMENT PLAN

- ☐ Improvements to Former Ti-Sports Occupancy—\$200,000 (\$75,000 HAEIFAC, \$125,000 2011 Budgeted Funds) ®
- ☐ Improvements to DB#3, DB#5 and Ag Engineering Buildings—\$100,000 ®
- ☐ Complete Contract Modifications on Kist leasing (San Juan Pools) Site
- ☐ Hold Vacant Property Southeast of Roth Until Roadway Completed
- ☐ Consider Selling Leased Parcels from DB 4 to Roth Warehouse ®

® Revenue Generation Potential



SOUTHRIDGE "DICKERSON"

- 8.50 Ac
- City of Kennewick CC (Commercial Community) Zoning

STRENGTHS

- South Gateway Entrance into Kennewick
- Highly Visible
- Interstate 82/Highway 395 Accessibility
- Prime Commercial, Mixed Use & Residential Development Area
- Subject To LRF Development Funding Assistance
- Adjacent To Future KGH Hospital Development

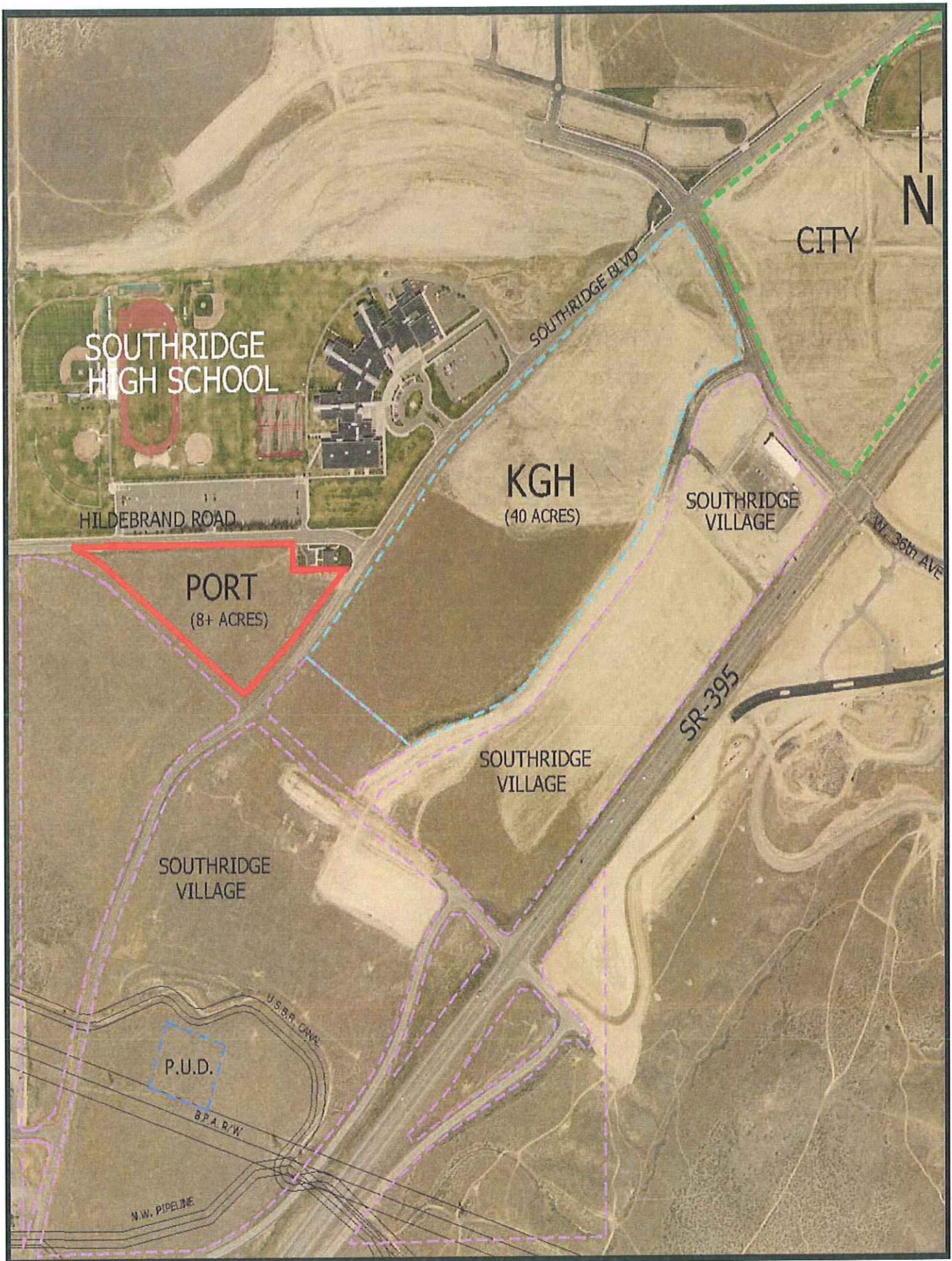
CHALLENGES

- Municipal Utility Extension Required
- Topography Challenges
- Adjacent To High School and High-End Expanding Residential
- City Redirecting LRF Funds Originally Designated for Abutting Road (Ridgeline Dr)

SUGGESTED WORK & PROPERTY MANAGEMENT PLAN

- ☐ Monitor / Report on Development and LRF Improvements
- ☐ Establish Vision & Marketing Criteria for 8.50 Acres [®]
- ☐ Hold 8.50 Acre Parcel Until KGH Construction Well Underway [®]

[®] Revenue Generation Potential



FINLEY - HEDGES—TWIN TRACKS

FINLEY:

- 121 Acres
- ZONING: Benton County— IL (Industrial Heavy)
- Ground Wells, Electricity & Natural Gas Available

HEDGES: (LEASE ONLY)

- 42 Acres
- ZONING: Benton County— IL (Industrial Heavy)
- Electricity Available

TWIN TRACKS: (LONG TERM LEASE ONLY)

- 145 Acres
- ZONING: Benton County— IL (Industrial Heavy)
- Ground Well, Electricity & Natural Gas Available

STRENGTHS

- Current Dual Rail Service (Twin Tracks)
- Possible Dual Rail Loop Track Development (TT)
- Barge Potential (Hedges)
- Flat Topography
- Inter-Tie and Pier Road Project Improves Access I-82 / Hwy 397

CHALLENGES

- No Municipal Water And Sewer Availability (All)
- Parcel Configuration Creates Internal Circulation Difficulties (Hedges)
- Poor Road Access (Hedges)
- Realizing Barge Potential (Hedges)
- Adjacent To Residential (Twin Tracks)
- Expanding Residential (All)

SUGGESTED WORK & PROPERTY MANAGEMENT PLAN

- Hold Dual Rail Served Properties
- Market Remaining Parcels Consistent with Benton County Land Use & Zoning ®

® Revenue Generation Potential

N

HEDGES
42+ ACRES

TWIN TRACKS
145+ ACRES

FINLEY
121+ ACRES



PLYMOUTH INDUSTRIAL SITE

- 251+ Acres— 3 Segregated Parcels
- ZONING: Benton County—I1 (Industrial Light) & I2 (Industrial Heavy)
- Ground Wells, & Power Available

STRENGTHS

- Near Interstate 82 & SR14
- BNSF Rail Service
- Natural Gas—1,000 Feet From Site
- Substantial Electrical Service in Immediate Vicinity

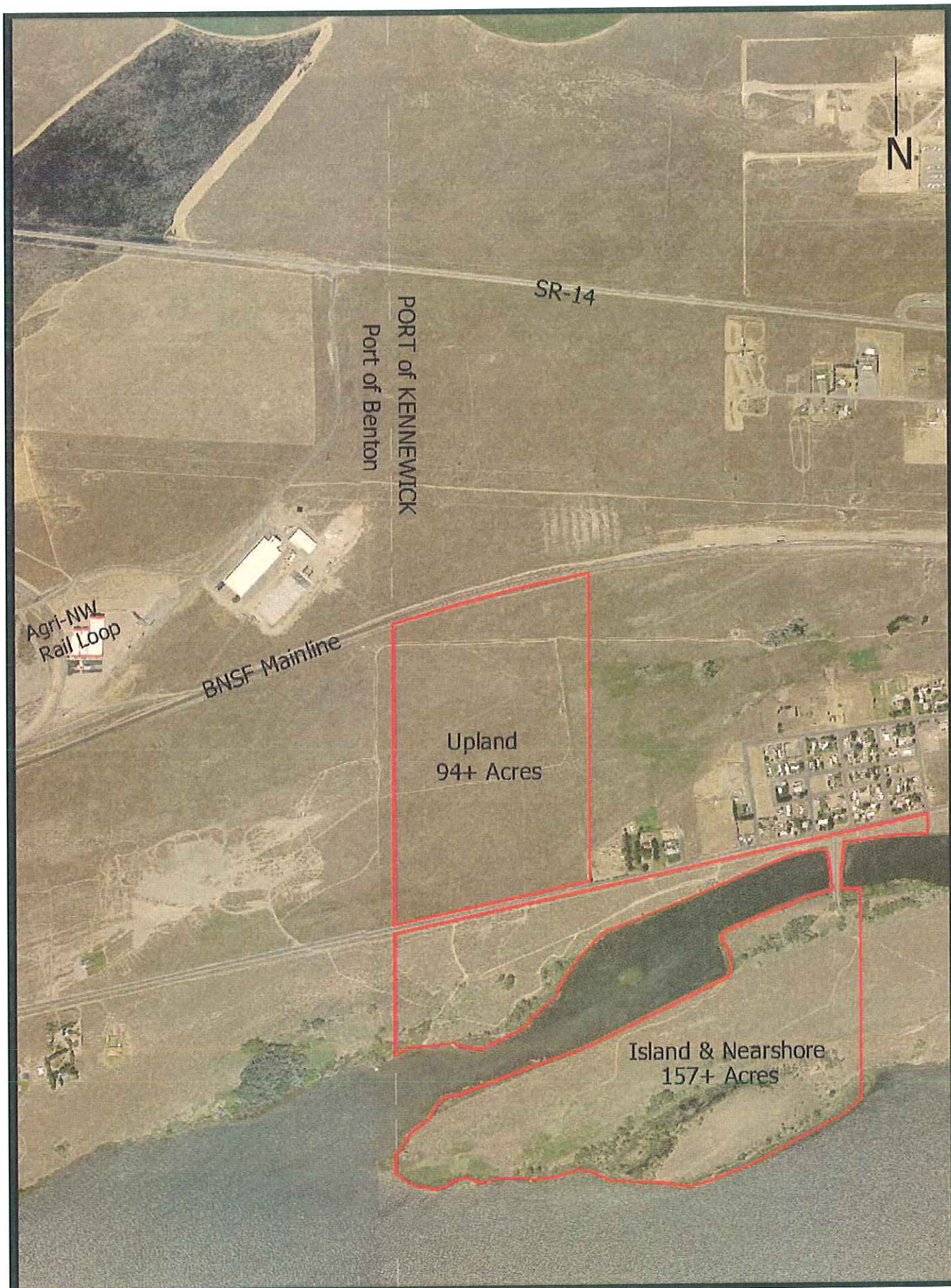
CHALLENGES

- Cultural Resource Protection On River Front Areas and Island
- No Municipal Water or Sewer
- Upwind of Residential Neighborhood; Buffer Required
- No Interior Roads

SUGGESTED WORK & PROPERTY MANAGEMENT PLAN

- ☐ Address Leads As Appropriate
- ☐ Hold Island and Review Options To Assure Protection of Habitat & Cultural Resources
- ☐ **Market Remaining Area Consistent with Benton County Land Use & Zoning®**

® Revenue Generation Potential



ADDITIONAL WORK PLAN PROJECTS

SUGGESTED WORK PLAN

- ☐ Complete Projects Authorized In 2011 Budget
- ☐ Complete Update of Comprehensive Scheme
- ☐ **Acquire Additional Property for Port Portfolio ®**
- ☐ **Pursue Grant Funding as Appropriate ®**
- ☐ **Work to Close Operating Gap ®**
- ☐ **Governmental Relationship Efforts for Clover Island & Vista Field —\$60,000 ®**
- ☐ Benton County Red Mountain West Richland Interchange Partnerships
- ☐ Divest of Railroad Track Asset Inventory
- ☐ Miscellaneous Building Repairs / Upgrades

® *Revenue Generation Potential*

ADDITIONAL NOTES: