

AGENDA

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

Tuesday, November 12, 2013
10:00 a.m.

- I. CALL TO ORDER**
- II. PLEDGE OF ALLEGIANCE**
- III. PUBLIC COMMENT** *(Please state your name and address for the public record)*
- IV. PRESENTATION**
2014 Planning Workshop
- V. PUBLIC COMMENT** *(Please state your name and address for the public record)*
- VI. ADJOURNMENT**

PLEASE SILENCE CELL PHONES



DRAFT



2014 WORK PLAN

PRELIMINARY

November 12, 2013

10:00 a.m.

Commission Chambers

350 Clover Island Drive
Suite 200
Kennewick, WA 99336

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PROSPECTIVE VISION

- **Follow vision established by 2011 Comprehensive Scheme of Development**
- **Undertake Vista Field Airport Redevelopment visioning & planning process with broad community involvement**
- **Columbia Gardens Wine Village Phase 1 development**
- Pursue Fewer Projects While Selecting Projects with the Greatest Benefit to the District Taxpayers
- Pursue Projects with Development Partners Demonstrating Support (Match Funding, Political Support and Enthusiasm)
- Focus on Waterfront Development/Redevelopment
- Realize & Support Economic Development Opportunities with Wine & Tourism Industry
- Continue to Secure Grant Funding Opportunities
- Remain Focused on Containing Operational Expenses
- Fund Projects with Resources In-Hand, Not with Bond or Loan Financing
- Continue to Maximize Economic Efforts by Obtaining Strategic Real Property
- Provide Additional Development Building Space throughout Port District

ACHIEVEMENTS (2012—October 2013)

- **CLOVER ISLAND**

- ✓ Obtained \$238,000 R.C.O. Grant for Boat Launch Facility Improvements (Effort to secure Grant 100% Complete)
- ✓ Marina at 94% Occupancy
- ✓ Pursued removal of Corps of Engineers Corner Parcel Deed Restriction Removed through WRDA process (98% Complete)
- ✓ Negotiate New Lease with Clover Island Inn (100% Complete)

- **COLUMBIA DRIVE**

- ✓ Columbia Gardens Partnership Interlocal Agreement with City of Kennewick
- ✓ Closed 1.88 ac Land Acquisition (Chieftain/Mejia) - \$ 800,000
- ✓ Demolished to Grade (14) Dilapidated Motel Units 305 E. Columbia Drive (100% Complete)
- ✓ Pattern Language 2nd Phase (100% Complete)
- ✓ Initiated Efforts to Relocate the 115kV Power Line aAong Duffy's Pond
- ✓ Coordinated Volunteer Efforts to Remove and Recycle 184 tons of Concrete from the Wil-lows site

- **VISTA FIELD AIRPORT**

- ✓ **Undertook and Completed Vista Field Planning, Environmental and Eco-nomic Analysis with Integrated Environmental Impact Statement (EIS) (100% Complete & No Legal Challenge of Process or Final Report)**
- ✓ Negotiated Settlement with State Department of Transportation Aviation Division for Re-payment of WSDOT Grant Funds
- ✓ Negotiated Settlement with PCLI for return of pre-paid Through-the-Fence and Apron Us-age Fees which the Port Collected in Conjunction with PCLI Land Sale
- ✓ Applied for and Received City of Kennewick Approval to Change the Comprehensive Land use Designation from Public Facility to Commercial

- **VISTA FIELD INDUSTRIAL PARK**

- ✓ 100% Occupancy - VFDF A and VFDF B
- ✓ **Benton PUD Energy and Lighting Rebate for VFDF Buildings (100% Complete) - \$19,650**
- ✓ **Closed 5.27 ac Land Sale (VFIP II LLC) - \$490,000**

ACHIEVEMENTS (2012-October 2013)

- **OAK STREET INDUSTRIAL PARK**

- ✓ Development Buildings A & B Renovations (100% Complete)
- ✓ **Obtained Benton PUD LEEP Rebate for Lighting Upgrades DB-A & DB-B- \$17,380**
- ✓ **Obtained Benton PUD LEEP Rebate for Lighting Upgrades Ag Engineering- \$11,490**
- ✓ **Closed 2.45 ac Land Sale (Donald L. Becker) - \$119,600**
- ✓ **Closed 2.20 ac Land Sale (Julie Luke) - \$96,000**

- **WEST RICHLAND INDUSTRIAL PARK**

- ✓ Planning- Racetrack Concept Development Plan Phase I (100% Complete)
- ✓ Planning- Racetrack Concept Development Plan Phase II (50% Complete)
- ✓ Partnered with City of West Richland on Urban Growth Boundary amendment request
- ✓ Partnered with City of West Richland on two (2) Interlocal Agreements supports planning and development efforts
- ✓ Partnered with City of West Richland, Benton County, Benton REA and WSDOT in Support of the West Richland Red Mountain Interchange Project
- ✓ Negotiated Lease with Alexander Farms to Continue Perfecting Water Rights

- **SPAULDING BUSINESS PARK**

- ✓ Design and Construction Project - Replacement/Upgrade of Light Poles (80% Complete)
- ✓ **Closed 5.65 ac Land Sale (Blair Sampson) - \$990,000**

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

- ✓ Obtained all necessary Entitlement for Hedges Peninsula Site Sale (100% Complete)
- ✓ Surveyed and Updated Finley & Hedges Parcel Holdings (100%)
- ✓ Reconfigure Property Rail Holdings For Divestment

- **DISTRICT WIDE**

- ✓ Conducted Joint Meetings with Development Partners
- ✓ Memorandum of Understanding Finalized with CTUIR
- ✓ Undertake Comprehensive ROI Analysis of Port Assets and Projects
- ✓ Responded to Several Complex Public Records Requests
- ✓ Evaluated Staffing Levels, Duties and Responsibilities to Create Restructured Workforce
- ✓ Partnered With Local and Regional Fire, SWAT and Police Agencies for Training
- ✓ Transferred Rail Spurs to Private Sector

WORK IN PROGRESS

CLOVER ISLAND

- Village at Island Harbor Site and Building Design
- Yacht Club Building & Site Improvements
- Design Effort for Completion of RCO Grant Funded Boat launch Facility improvements

COLUMBIA DRIVE

- Columbia Garden Partnership Interlocal Agreement with City of Kennewick
- Building Renovation Design Work at 211 & 421 E. Columbia Drive buildings

SPAULDING BUSINESS PARK

- Continue Promoting Park to Medical, Professional and Office Industry

WEST RICHLAND INDUSTRIAL PARK

- Market 1 Acre Parcels Adjacent to Black Heron Distillery
- Refine Racetrack Development Concept Plan

VISTA AIRPORT & VISTA FIELD INDUSTRIAL PARK

- Implement Commission's Resolution 2013-16 related to Airport Closure Decision
- Market Former Verizon Facility Parcels

OAK STREET INDUSTRIAL PARK

- Market Renovated Development Buildings A & B to Attract Industrial Businesses and Obtain Lease Income
- Pursue Vacating ROW Easement Between Development Building-C (formerly known as DB#4) and Rizzuto Lease Lot 1 for Possible Sale

SOUTHRIDGE (formerly known as DICKERSON INDUSTRIAL PARK)

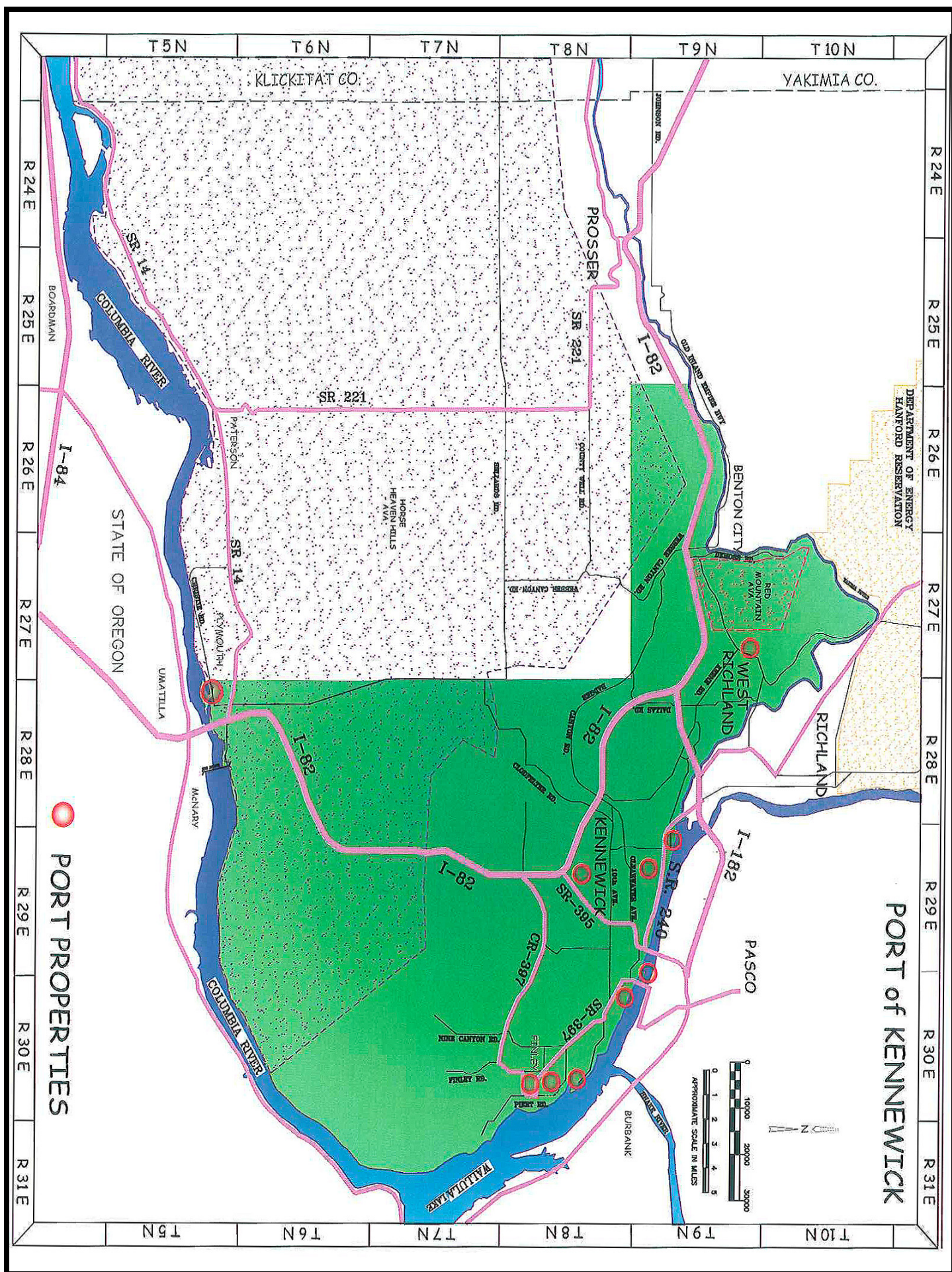
- Monitor City's Local Revitalization Financing (LRF) Project Progress
- Monitor Trios Health (formerly KGH) Hospital Construction Progress

FINLEY / HEDGES / TWIN TRACKS INDUSTRIAL

- Remain Active in Piert Road Extension Process
- Update Parcel Surveys for Lease and Sale Potential
- Obtain current Survey & Appraisals information for Agricultural lease properties

OTHER

- Pursue Grant Funding as Appropriate



PROPERTY PORTFOLIO

CLOVER ISLAND

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

STRENGTHS

- Unique, Waterfront Property
- Lighthouse, Gateway, Public Plazas, Shoreline Trails & Public Art Amenities
- Brand New Moorage, Premier Food Service & Hospitality Amenities
- Newly Constructed 12,200sf Yacht Club/Office Building
- Tourism, Mixed Use, Commercial & Recreational Opportunities

CHALLENGES

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

SUGGESTED WORK & PROPERTY MANAGEMENT PLAN

- ☐ Design & Construction of Boat Launch Improvements - \$600,000 (\$238,000 RCO Grant)
- ☐ Implement Public Art Project—\$90,000 (Confederated Tribes of the Umatilla Indian Reservation -CTUIR \$ 89,000; Eagle Artwork \$1,000)
- ☐ **Contracted Improvements at Yacht Club/Office Building - \$ 45,000 ®**
- ☐ **Reconfigure 2nd Floor of Yacht Club Professional Office Building - \$90,000 ®**
- ☐ Reconfigure Administrative Office to address original design compromises - \$60,000
- ☐ Enhance Marina Security (Gates & Security Cameras) - \$60,000
- ☐ Village at Island Harbor A/E - \$55,000
- ☐ Village at Island Harbor Boardwalk & Site Improvements - \$250,000
- ☐ Shoreline Restoration & Stabilization Phase III A&E - \$75,000
- ☐ Continue to Fund Shoreline Restoration (4 Years) - \$4,000,000 (Only w/Grant Funding)
- ☐ **Market Basin Frontage Parcel for development consistent with Village at Island Harbor Design Concept ®**
- **HOLD Corner Parcel For Complementary Development Project ®**

® *Revenue Generation Potential*

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COLUMBIA RIVER

LIGHTHOUSE
2009-2010

SHORELINE
ENHANCEMENT
2010-2011

ROAD & UTILITIES
2006

REPLACEMENT PARKING
2009

PARKING RECONSTRUCTION
2011

Public Art

Cedar's

G.I. Inn

USCG

ADMIN/RETAIL
BUILDING
2005-2006

MARINA
REPLACEMENT
2007-2008

YACHT CLUB &
OFFICE BUILDING
2008-2009

GATEWAY
2009-2010

Duffy's Pond

Clover Island Drive

Columbia Drive

SR-397

COLUMBIA DRIVE

- 15.32 Acres
- Zoning: City of Kennewick - CG (Commercial General)
- Municipal Services: Water, Sewer, Electricity, Natural Gas and Wireless Coverage

STRENGTHS

- Unique Waterfront Property
- City & Port Partnership Formation for Columbia Gardens Wine Village Development (
- Columbia Drive and Clover Island Drive Exposure
- Tourism Opportunities - Within River Proximity For Trails/Recreation
- Near Historic Downtown Kennewick
- Within Minutes of Columbia Center Boulevard, 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
- State Highway and High Volume Truck Route

SUGGESTED WORK & PROPERTY MANAGEMENT PLAN

- ☐ **Complete Planning & Design Work on Phase 1 Columbia Gardens Wine Village Area—\$113,075 ®**
- ☐ **Undertake Renovation of 211 E. Columbia Drive Building for Wine Effluent Treatment Facility and for Tenant Spaces - \$ 450,000 ®**
- ☐ **Undertake Renovation of 421 E. Columbia Drive building for Wine/Food Orient businesses - \$ 800,000 ®**
- ☐ **Undertake design of Wine Production Buildings & Proceed to Construction if Funding Allows ®**
- HOLD Properties Until Planning Process Complete, However Market the Concept to Refine Final Stage of Planning with Market Influences

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COLUMBIA RIVER

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Duffy's Pond

Clover Island Drive

6.69 ACRES

5.40 ACRES

3.23 ACRES

Columbia Drive

SR-397

VISTA FIELD AREA— AIRPORT REDEVELOPMENT & INDUSTRIAL PARK

- 116± Acres Combined
- Zoning: City of Kennewick - PF (Public Facilities), CR (Commercial Regional) and IL (Industrial Light)
- Municipal Services Available

STRENGTHS

REDEVELOPMENT SITE:

- Centrally Located in the Tri-Cities, Surrounded by Vibrant Commercial District
- Adjacent to the Three Rivers Entertainment District (Toyota Center Coliseum, Three Rivers Convention Center and Tri-Cities Business & Visitor Center)
- Flat, Consolidated Ownership with All Utilities Available

CHALLENGES

AIRPORT REDEVELOPMENT SITE:

- Refining Community Input into a Viable Redevelopment Effort
- Undertaking Massive Redevelopment Effort while Balancing District-Wide Objectives
- Establishing Connection to Transportation Network and adjacent Anchors (Columbia Center Mall & Three-Rivers Entertainment District) while Balancing District-Wide Objectives

SUGGESTED WORK & PROPERTY MANAGEMENT PLAN

- ☐ Vista Field Airport Redevelopment - Master Planning Including the Pattern Language Process - \$ 250,000
- ☐ Vista Field Airport Redevelopment - Contractual Property Acquisition - \$400,000
- ☐ **Vista Field Industrial Park - VFDF Building Improvements/Common Area and Landscaping - \$ 800,000 ®**
- HOLD Former Vista Field Airport Properties Until Completion of Community Visioning & Master Planning Process
- HOLD Northern Portion of the Verizon Industrial Site Until Vision and Plan for Airport Redevelopment Site is Formulated, then Market Consistent with Established Vision
- ☐ **Market Southern Portion of the Verizon Industrial site ®**

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OAK STREET INDUSTRIAL PARK

- 74+ Acres
- Zoning: City of Kennewick - IH (Industrial Heavy)
Benton County - I2 (Industrial Heavy)
- Municipal Services: Water, Sewer and Electricity Available

STRENGTHS

- Close to City and Transportation Corridors - SR 397 Nearby
- Flat Topography
- Municipal Utilities
- 30,000sf Available Following 2013 Renovation of Development Buildings A & B

CHALLENGES

- Poor Visibility
- No Rail Access
- High Ground Water
- Aging Area; Comparable Buildings/Site Situated in “Perceived” Superior Locations
- Municipal Utilities Unavailable to Land Located in County

SUGGESTED WORK & PROPERTY MANAGEMENT PLAN

- ☐ **Market renovated Development Buildings A & B** (formerly known as DB1# & DB#2) **spaces and complete tenant specific improvements as appropriate - \$60,000 ®**
- ☐ **Pursue Right-of-Way Easement Vacate Resolution with City of Kennewick for Possible Adjacent Land Sale Consideration ®**
 - HOLD Vacant Property Southeast of Luke warehouse Until Roadway Completed
 - **Consider Selling .8 Acre Leased Parcel Once Easement Resolved ®**

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COLUMBIA RIVER

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NUTMEG STREET

OAK ST.

E. 3RD AVE.

E. 3RD AVE.

BNSF Mainline
SR-397

DB3

DB-A

DB-B

DB-C

OAK ST.

Ag
Engineering

E. 7TH AVE.

E. 10TH AVE.

SR-397



WEST RICHLAND INDUSTRIAL

- 14 Acres Incorporated (12 Acres Leased)
- 92+ Acres Unincorporated Raceway Property (45 Acres Leased to Alexander Farms)
- Zoning: West Richland (Industrial) and Benton County (Light Industrial)
- Municipal Services: Water, Sewer and Electricity Available to Keene Road Parcels

STRENGTHS

- Ideally Suited for Wineries and Red Mountain AVA Ancillary Businesses
- Planned Major Intersection Adjacent to Property
- Between Two Rapidly Growing Community Areas
- Close Proximity to World Renowned Wine & Spirits: Hedges, Pacific Rim, Goose Ridge Vineyards and Black Heron Distillery

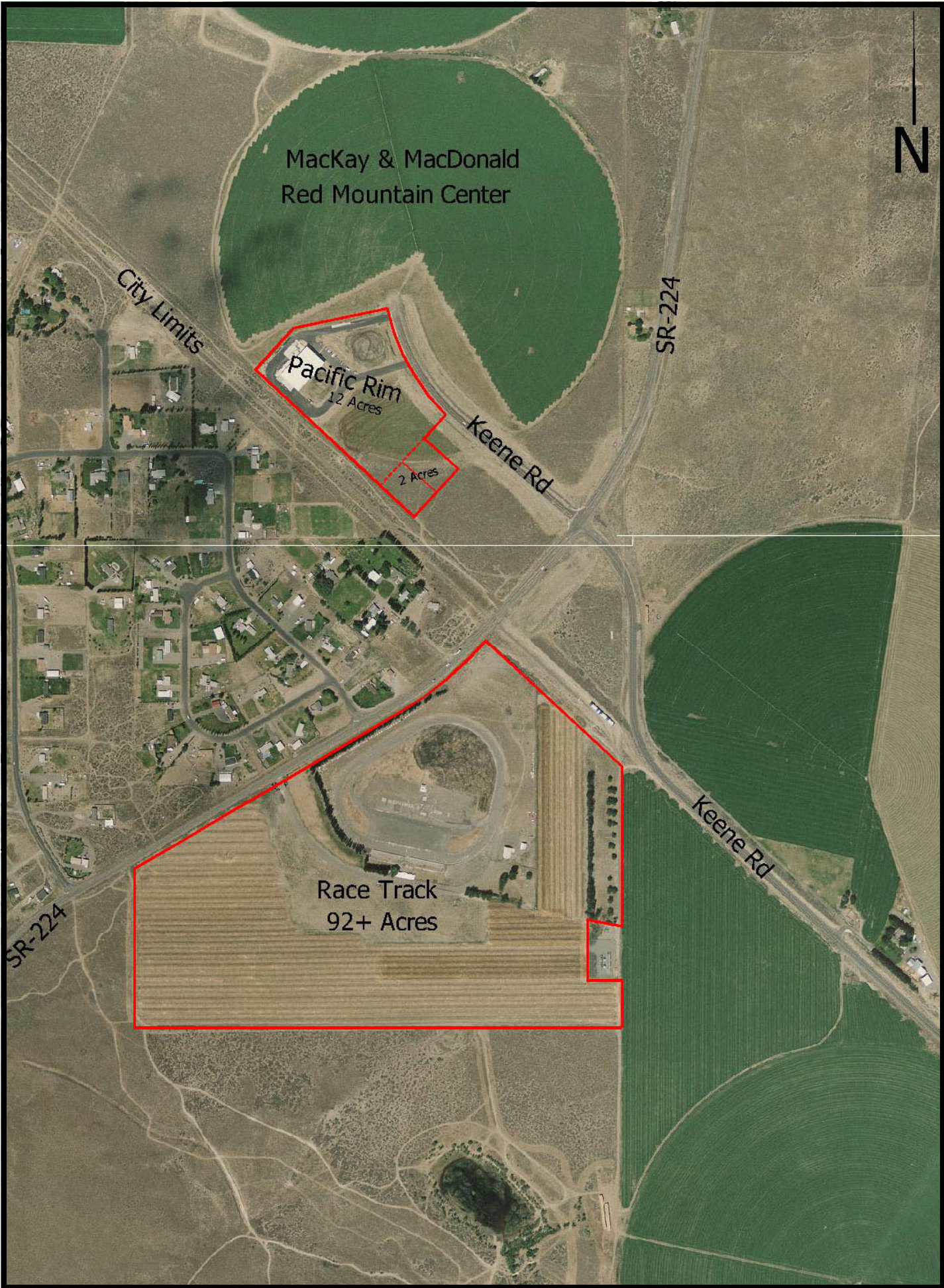
CHALLENGES

- “Pioneer” Development Needs to be Initiated to Spur Ancillary Businesses in Immediate Vicinity
- Presently Perceived as Isolated
- Municipal Utilities Presently Unavailable to Raceway Property
- Outside City of West Richland Urban Growth Boundary

SUGGESTED WORK & PROPERTY MANAGEMENT PLAN

- ☐ **Complete Racetrack Phase II Master Planning - \$49,000 ®**
- ☐ Monitor 2012 & 2013 Interlocal Agreements - Yakima Gateway Partnership with City (Master Planning and Construction Management, Façade Improvement, Signage and Recruitment Programs/Marketing)
- ☐ **Market Both Keene Road Lots (Lots 3 & 4) However Only Release 2nd Lot Following Successful UGB Expansion Resulting in Entire Inclusion of Racetrack Property ®**
- **HOLD Racetrack Property ®**

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MacKay & MacDonald
Red Mountain Center

City Limits

Pacific Rim
12 Acres

2 Acres

Keene Rd

SR-224

Race Track
92+ Acres

Keene Rd

SR-224

SPAULDING BUSINESS PARK

- 30.35 Acres Sold
- 1.29 Acre Parcel Available
- Zoning: City of Richland - C2 (Central Business)
- Municipal Services: Water, Sewer, Electricity, Natural Gas, Wireless Coverage

STRENGTHS

- Central Location Between Two Interchanges on SR-240 (Columbia Center Boulevard and Columbia Park Trail)
- Freeway Frontage Visibility
- Ideally Suited for Professional, Medical, Office & Retail Business
- Recorded Covenants, Conditions and Restrictions (CCRs)

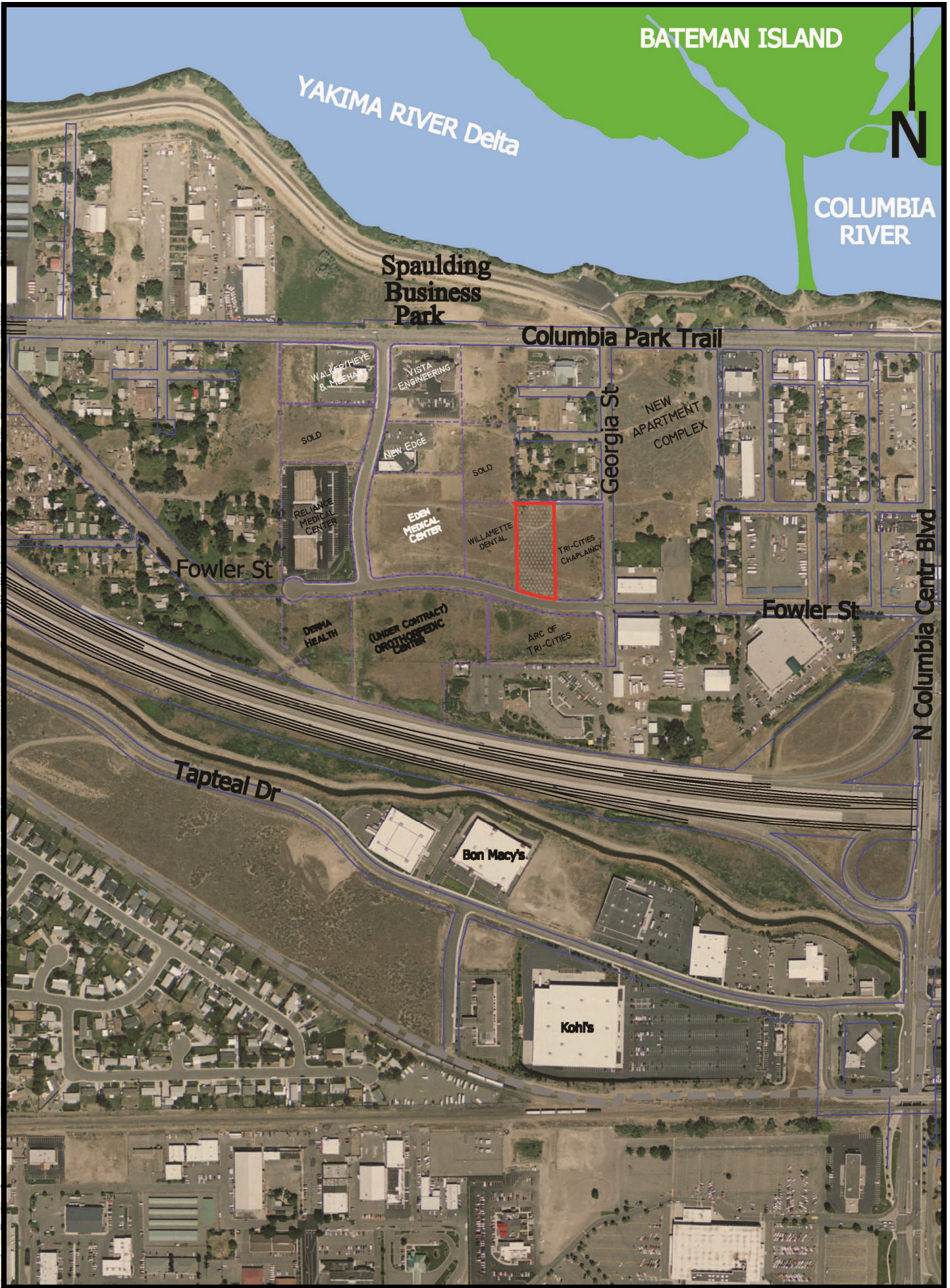
CHALLENGES

- Buffered Between Aging Residential, Transitional Properties and New Professional Businesses
- Inconsistent Development Standards Between Surrounding Properties

SUGGESTED WORK & PROPERTY MANAGEMENT PLAN

- ☐ Pursue Acquisition of Additional Sites Within Richland - \$ 100,000 (1st year of potential 3-year \$750,000 contract purchase)
- **Continue Marketing 1.29 Acre Parcel** ®

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SOUTHRIDGE "DICKERSON"

- 8.50 Acres
- Zoning: City of Kennewick - CC (Commercial Community)
- Municipal Services Available

STRENGTHS

- South Gateway Entrance into Kennewick
- Highly Visible
- Interstate 82/Highway 395 Accessibility
- Prime Commercial, Mixed Use and Residential Development Area
- Subject to LRF Development Funding Assistance
- Adjacent to Trios Health (KGH) Hospital Development

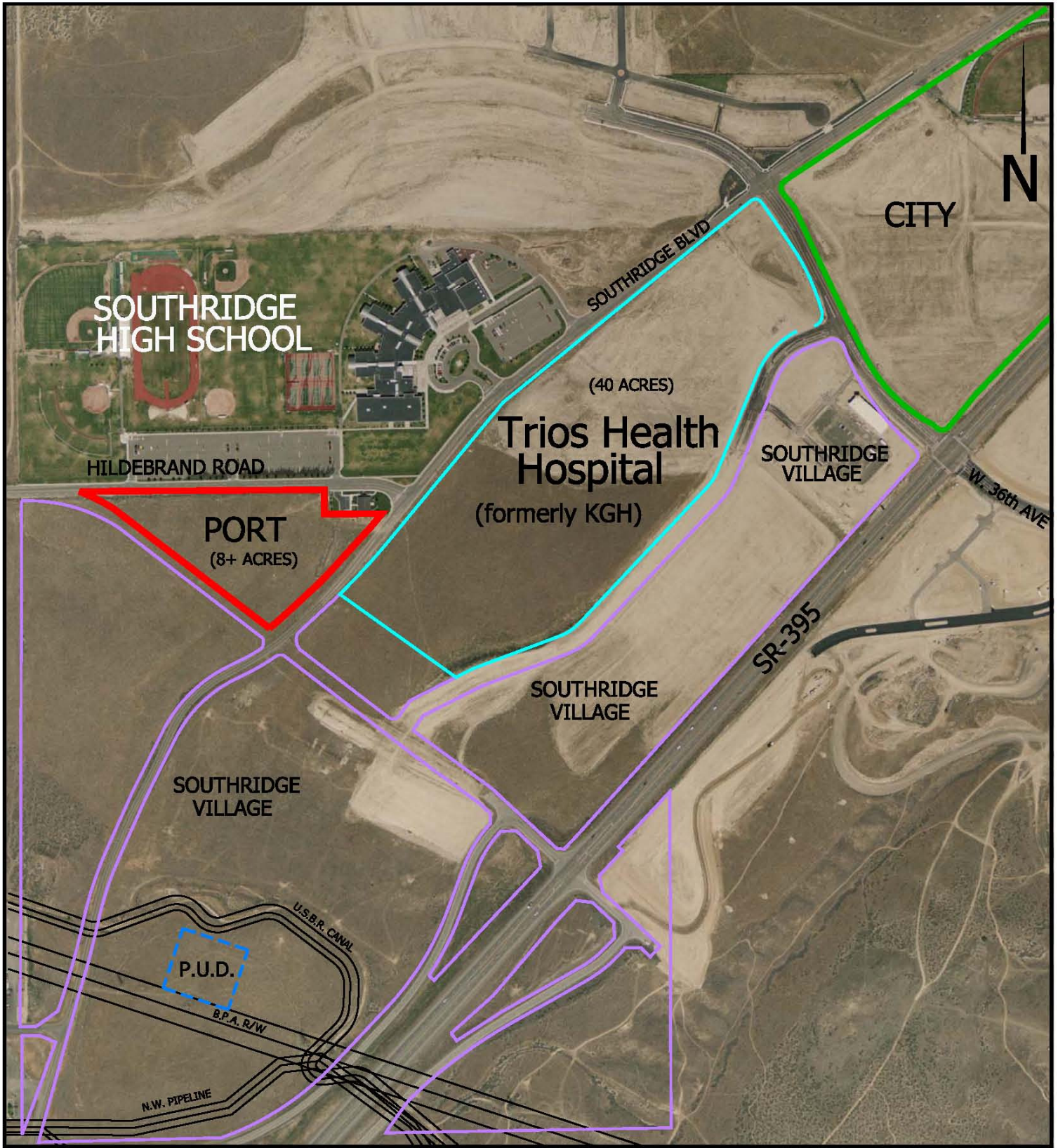
CHALLENGES

- 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 Drive)

SUGGESTED WORK & PROPERTY MANAGEMENT PLAN

- ☐ Monitor and Report on Development and LRF Improvements
- **HOLD 8.50 Acre Parcel at least 18 months after Trios Health (formerly KGH) Hospital Construction completion** ®

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**SOUTHRIDGE
HIGH SCHOOL**

HILDEBRAND ROAD

PORT
(8+ ACRES)

(40 ACRES)

**Trios Health
Hospital**
(formerly KGH)

**SOUTHRIDGE
VILLAGE**

W. 36th AVE

SR-395

**SOUTHRIDGE
VILLAGE**

**SOUTHRIDGE
VILLAGE**

P.U.D.

U.S.B.R. CANAL

B.P.A. R/W

N.W. PIPELINE

CITY

N

FINLEY—HEDGES—TWIN TRACKS

FINLEY:

- 149.82 Acres
- Zoning: Benton County - IL (Industrial Heavy)
- Municipal Services: Ground Wells, Electricity and Natural Gas Available

HEDGES:

- 37.43 Acres
- Zoning: Benton County - IL (Industrial Heavy)
- Municipal Services: Electricity Available

TWIN TRACKS: (LONG TERM LEASE ONLY)

- 160.74 Acres
- Zoning: Benton County - IL (Industrial Heavy)
- Municipal Services: Ground Well, Electricity and Natural Gas Available

STRENGTHS

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

CHALLENGES

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

SUGGESTED WORK & PROPERTY MANAGEMENT PLAN

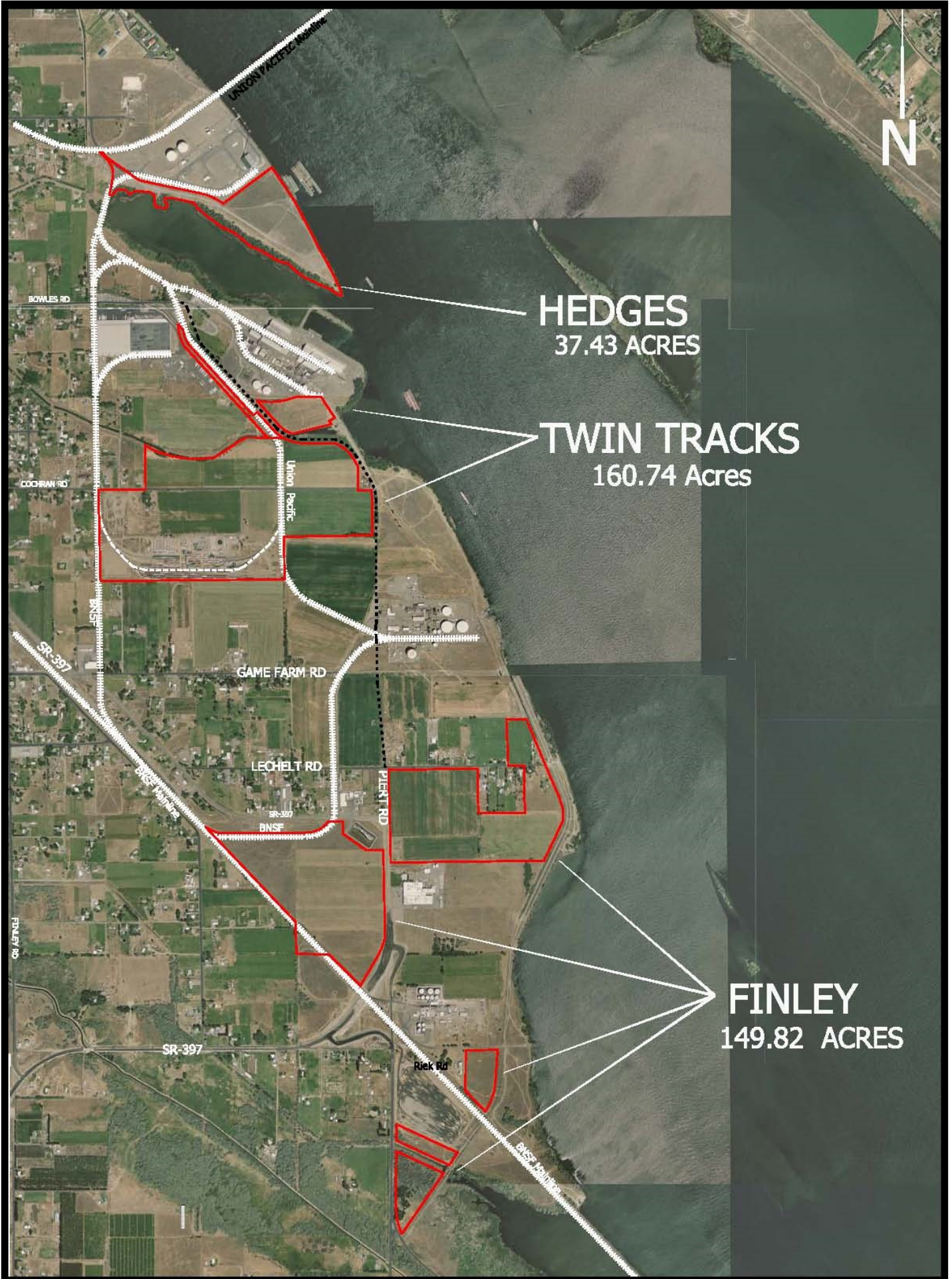
- ☐ **Obtain Fair Market Value of Surplus Ag Properties for Possible Sale ®**
- **Market Remaining Parcels Consistent with Benton County Land Use & Zoning ®**
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HEDGES
37.43 ACRES

TWIN TRACKS
160.74 Acres

FINLEY
149.82 ACRES



PLYMOUTH INDUSTRIAL

- 251+ Acres (3 Segregated Parcels)
- Zoning: Benton County - I1 (Industrial Light) and I2 (Industrial Heavy)
- Municipal Services: Ground Wells and Power Available

STRENGTHS

- Near Interstate 82 and State Route 14
- BNSF Rail Service
- Natural Gas - 1,000 Feet From Site
- Substantial Electrical Service in Immediate Vicinity

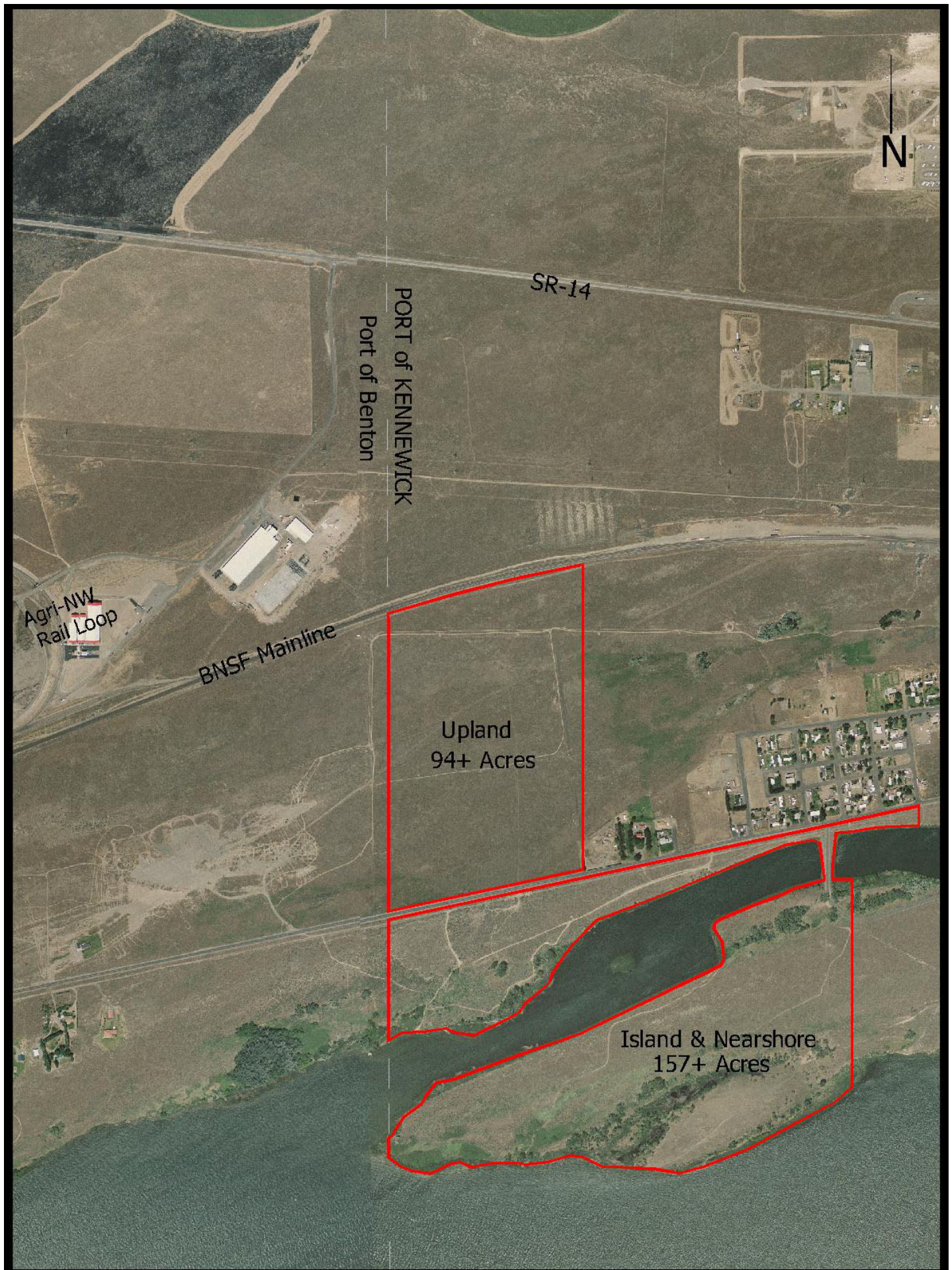
CHALLENGES

- Cultural Resource Protection on Island Areas and Nearshore
- No Municipal Water or Sewer
- Upwind of Residential Neighborhood; Buffer Area
- No Interior Roads

SUGGESTED WORK & PROPERTY MANAGEMENT PLAN

- ☐ Address Leads As Appropriate
- HOLD Island, Consult with CTUIR, and Consider Options to Assure Protection of Habitat and Cultural Resources
- **Market Upland Area Consistent with Benton County Land Use & Zoning ®**

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SR-14

PORT of KENNEWICK
Port of Benton

Agri-NW
Rail Loop

BNSF Mainline

Upland
94+ Acres

Island & Nearshore
157+ Acres

ADDITIONAL WORK PLAN PROJECTS

SUGGESTED WORK PLAN

- ☐ Complete Projects Authorized in 2013 Budget
- ☐ **Acquire Additional Property for Port Portfolio** ®
- ☐ **Pursue Grant Funding as Appropriate** ®
- ☐ **Engage Federal Governmental Relations Firm for Urban Renewal, Shoreline Enhancement, Permitting, Agency Relationships and Advising on Federal Funding Opportunities - \$60,000** ®
- ☐ Benton County Red Mountain West Richland Interchange Partnerships
- ☐ Continue Strengthening Governmental Relationships with CTUIR
- ☐ Continue Strengthening Governmental Relationships with Jurisdictional Partners: City of Kennewick, City of Richland, City of West Richland, City of Benton City, Benton County
- ☐ Miscellaneous Building Demolition, Repairs/Upgrades

NOTES

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