

Port of Kennewick Amended Comprehensive Scheme Update

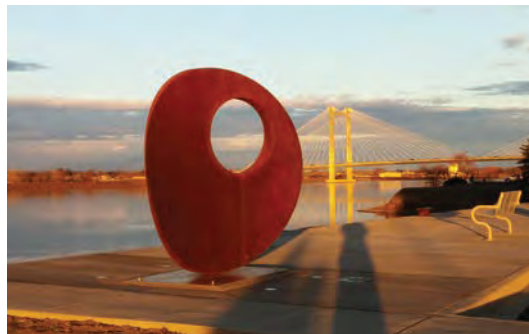




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INTRODUCTION

The Port of Kennewick (Port) has updated its Comprehensive Scheme of Development (Comprehensive Scheme) for 2016 consistent with Washington State requirements. The update process began in 2015 and has continued through 2016. It has included public meetings and meetings with Port development partners, in addition to several meetings with Port staff and Commissioners. A Port Commission retreat was held in fall 2016 to confirm priorities and directions in the Comprehensive Scheme for the next several years. It is expected the Port Commission will revisit these priorities every few years and make updates and course adjustments as appropriate. Every 2 years, the Port budgeting process will also establish a more detailed implementation plan for the priorities and projects identified in the Comprehensive Scheme.

In recent years, the Port has evolved into an agency focused on urban revitalization and redevelopment. Consistent with Port Commission direction, for the next several years, the Port expects to focus on projects for the Kennewick waterfront and Vista Field, while advancing the West Richland former Tri-City Raceway redevelopment property and the Richland Island View area plans and development activities. Kennewick waterfront urban revitalization includes activities on Clover Island and along Columbia Drive. The Port will also continue to own, manage, and maintain its other holdings and properties.

Comprehensive Scheme Process

The Revised Code of Washington (RCW) 53.20.010 requires ports in Washington to adopt a comprehensive scheme of harbor improvements and identify existing and future capital improvements. The requirements for a comprehensive scheme differ from the Washington State Growth Management Act (GMA) planning efforts. Therefore, this document does not qualify as a master plan or other GMA plan.

The Port has flexibility in what to address in the Comprehensive Scheme. The RCW requires Ports to identify improvements in the Comprehensive Scheme, and provide opportunity for public input on these improvements before implementing actions. Although the RCW language is specific to harbor improvements, the Port is addressing all major improvements planned during the next several years within this document.

Stakeholder and Public Participation

Ports are required to involve the public in the planning process by making the draft Comprehensive Scheme available for public comment. In accordance with Washington State regulations, the Port has involved agency partners and the public in the scheme planning process. In 2015, the Port (and members of the consultant team who are supporting the Comprehensive Scheme update) held meetings and conference calls, and conducted a qualitative survey with representatives from the Cities of Kennewick, Richland, West Richland, Benton City, Benton County, and the Ports of Benton and Pasco. At these meetings, agency representatives provided input on potential Port development goals, plans, and opportunities for the properties or opportunity areas within each jurisdiction. Appendix B includes a summary from these meetings (Appendix A include a list of abbreviations used in the document).



The Port held four public workshops in spring 2015 to receive public input on the focus and direction of the updated Comprehensive Scheme. Meetings were held in West Richland, Richland, and Kennewick. Additionally, the Port held a retreat in September 2016 focused on Comprehensive Scheme priorities, held workshops on updated plan elements, and conducted a public hearing in November 2016 to accept and consider additional public comment on the 2016 draft Comprehensive Scheme. The public meetings, retreat, workshops, and hearing were advertised extensively. Notes from the public meetings, retreat, workshops, and hearing are provided in Appendix B.

Port Mission and Goals

The Port's mission in recent years, and as reaffirmed in this Comprehensive Scheme, is to identify and implement sound urban revitalization and redevelopment opportunities that create jobs and/or improve the quality of life for citizens of the Port District. To carry out this mission, the Port plans to take the following actions:

- Undertake Vista Field redevelopment.
- Continue with Kennewick waterfront urban revitalization projects: Clover Island – Shoreline improvements “Gathering Place” and U.S. Army Corps of Engineers (USACE) 1135 program improvements; and Columbia Drive – Wine Village Phases 1 and 2.
- Pursue fewer projects while selecting projects with the greatest benefit to the community.
- Focus on waterfront development/redevelopment.
- Realize and support economic development opportunities with wine, culinary, and tourism industry.
- Continue to secure grant funding opportunities.
- Remain focused on containing operational expenses.
- Remain solidly focused on the Port’s core redevelopment business lines and established priorities; not swayed by the oscillating influence of external entities.
- Maintain a strong focus on successfully running daily Port operations.

Consistent with Port Commission direction, for the next several years, the Port will focus on redevelopment projects for the Kennewick waterfront and Vista Field, while advancing the West Richland Tri-City Raceway redevelopment and the Richland Island View area plans and development activities (PoK 2016). The Port will continue to own, manage, and maintain many of its other holdings and properties, and also encourage sustainable business and commercial development District-wide. Port budgets, staffing assignments, and other resources will be aligned with the redevelopment direction established by the Port Commission.

Through this Comprehensive Scheme, the Port Commission also reaffirms primary elements of resolution (No. 2014-31) with budget and financing goals for Port projects. This resolution included the following elements:

- Pursuing fewer projects and selecting projects with the greatest return to the Port and taxpayers
- Pursuing projects with development partners who demonstrate support (i.e., matching funds, political/citizen/taxpayer support, and enthusiasm)
- Working toward closing an existing operating gap between operational revenue coming in and expenses



The Port intends to apply these principles in Port financial decisions, capital expenditure, and management activities for Port operations and properties.

Port History

The Port was created in 1915. In 1916, the Port held a public hearing and adopted its first Comprehensive Scheme document, which needed voter approval before any funding could be expended. Included in the Comprehensive Scheme were modest proposed improvements to the Ivy Street Terminal, a suggested concept to close off the upstream end of the channel between the shoreline and Clover Island, and dredge to create a boat basin. The Port's budget was \$2,000 in 1916 and \$1,800 in 1917.

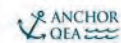
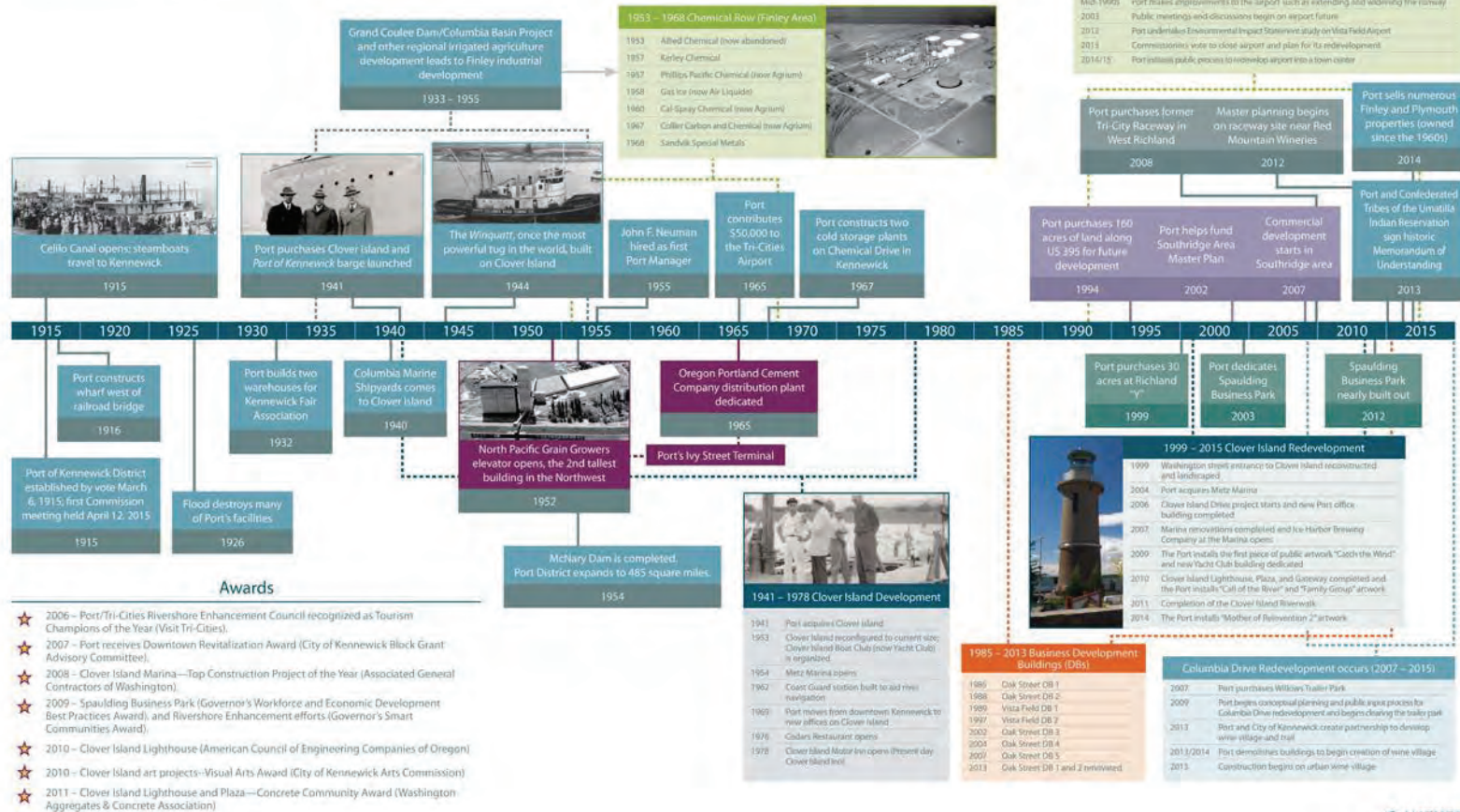
Since 1915, the Port's mission and services have evolved as the local economy has grown—what started out as a small Port District providing docking and terminal facilities for steamboats has grown to a large Port District with a mission focused on urban revitalization and redevelopment and serving the cities of Kennewick and West Richland, and portions of the City of Richland, Benton City, and Benton County. Highlights of this history are provided in the timeline in Figure 1.

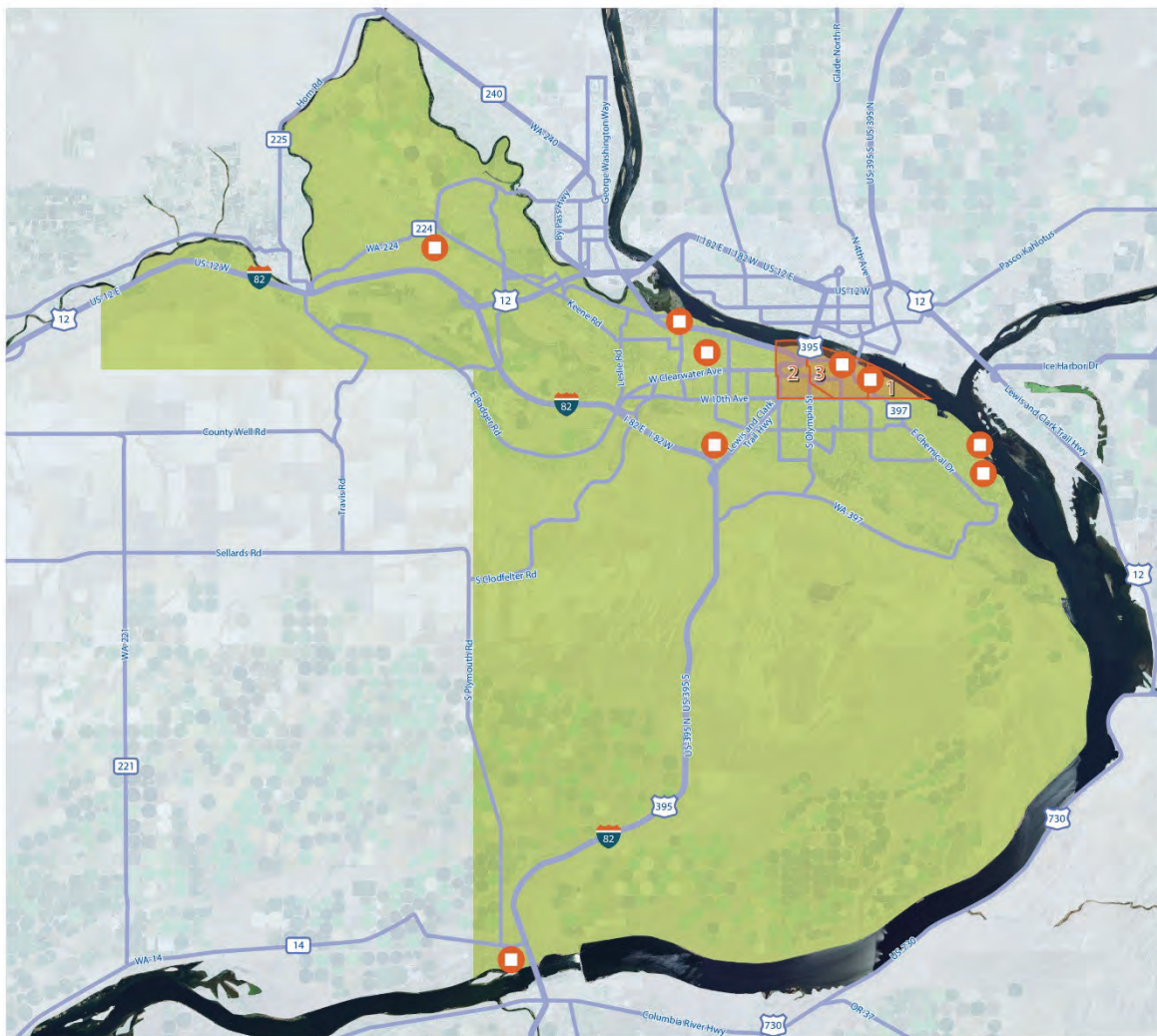
The Port has achieved several notable successes during its 100-year history, including success in barging, warehousing, rail services, and industrial development. The Port has fostered the creation of thousands of jobs in the Port District boundaries, stimulating Clover Island and Spaulding Business Park redevelopment, and helping businesses such as TiLite, GBW Railcar Services, and Pacific Rim Estates grow. In recent years, Port investments and land sales (from 2007 through 2015) have resulted in the creation of more than 800 jobs, and private-sector investments of more than \$60 million. What started out as a modest Port beginning focused on just a few services has grown to a multi-faceted organization providing redevelopment services in the Port District and for the region. Appendix C includes a Port history throughout the last 100 years, highlighting in greater detail the many accomplishments achieved by the Port, as well as its development partners through the years. This action enlarged the Port District to the current boundaries identified in Figure 2.



Port of Kennewick Highlights (1915 – 2015)

2015 Board of Commissioners: Don Barnes, President; Skip Novakovich, Vice President; Thomas Moak, Secretary
Executive Director: Tim Arntzen





■ Current Port Properties
 ■ Current Port Boundaries
 ■ 1915 Boundaries

FIGURE 2. SITE MAP

Recent Transition to Urban Revitalization and Redevelopment

In recent years, the Port has started to concentrate its efforts on urban revitalization and redevelopment. In the mid-2000s, redevelopment focus areas included the Spaulding Business Park in Richland and Clover Island. Other redevelopment opportunities have emerged in recent years with the Port Commission decision to close Vista Field Airport in 2013, expand redevelopment beyond Clover Island to include other areas of the Kennewick waterfront, and acquire and redevelop the former raceway property in West Richland. Objectives for redevelopment include:

- Reconnect community areas to water, where possible.
- Concentrate investment in developed areas.
- Complement existing public and private investments.
- Encourage economic sustainability.



PORT URBAN REVITALIZATION AND REDEVELOPMENT PRIORITIES

This section is an overview of the Port's existing redevelopment priority properties as established by the Port Commission, including recent development initiatives and future plans for the properties. For the next several years, the Port will focus on redevelopment projects for Vista Field and the Kennewick waterfront, while advancing the West Richland former Tri-City Raceway redevelopment property and the Richland Island View area plans and development activities (PoK 2016). The Port will manage its other projects to support successful implementation of the redevelopment priorities. This would include, but not necessarily be limited to, continuing operations and maintenance of facilities but not making additional investments in other properties, selling, or otherwise divesting of other properties (such as the Southridge, Plymouth, or Hedges properties) and other activities. The Port will also continue to monitor local and regional economic conditions and make adjustments accordingly. A summary of current economic conditions is provided in Appendix D.

Vista Field Redevelopment Area

The Vista Field Airport is in the heart of the Tri-Cities metropolitan area within the Kennewick city limits, between Grandridge Boulevard and Deschutes Avenue. It is adjacent to the Three Rivers Entertainment District (Toyota Center Coliseum, Three Rivers Convention Center, and Tri-Cities Business & Visitor Center).

In fall 2012, the Port Commissioners decided to conduct a comprehensive planning effort to obtain additional information to use in making a final decision. The planning effort included preparing a comprehensive economic analysis and Environmental Impact Statement. The Port initiated this additional planning effort, which included evaluating three alternatives for Vista Field: 1) further develop and enhance the airport for aviation and associated commercial development; 2) close and redevelop the airport properties; or 3) retain Vista Field as an operating airport with an annual subsidy. The planning effort provided significant opportunity for public input, and included environmental review for alternatives 1 and 2 through the preparation of an Environmental Impact Statement, with associated economic analysis.

On April 17, 2013, the Port Commissioners unanimously voted to close and redevelop the airport. The decision was based on the additional financial information and findings of the latest planning and analysis effort, which clearly showed Vista Field redevelopment was economically advantageous to the regional economy and the Port financial operations, compared to the limited revenue opportunities without Federal Aviation Administration funding and costs of maintaining airport operations or making additional airport investments. The Vista Field property is highly visible due to its central location in the City of Kennewick's entertainment district.





FIGURE 3. VISTA FIELD REDEVELOPMENT AREA

The property encompasses approximately 103 acres (Figure 3). The parcels are zoned Commercial Regional. Municipal services are available to the site. The Port owns several buildings at Vista Field, including the Fixed Base Operations building (6,600 square feet); corporate hangars (13,500 square feet); and two “T” hangars (21,000 square feet).

In 2014, a citizen committee chose the firms Integrated Structures Incorporated (ISI) and Duany Plater-Zyberk (DPZ) to help develop a master plan for Vista Field redevelopment, a process that includes actively seeking public input to plan and redevelop this site into a modern urban center that creates jobs, attracts businesses, and provides a central gathering place for generations to come. A pattern-language and

charrette process was used by DPZ, ISI, and Port staff, with nearly 300 people attending meetings and providing comments. The community showed an interest in small-scale city blocks with open spaces and transit-oriented, pedestrian-friendly neighborhoods with a mix of locally unique shops, restaurants, and workspaces as critical elements. Connectivity with existing public facilities and high-traffic intersections, as well as stakeholder participation, were deemed essential to realizing the site’s full potential.

DPZ refined the community’s input, and in February 2015, they presented the draft plan for additional public comment. Since 2015, that plan has been refined and evaluated regarding cost, feasibility, and community support. A traffic study was prepared in November 2015. Next phases of the plan include an update of codes and standards with the City of Kennewick, development of internal documents, and development of a Phase 1 detailed development plan. The revised plan is expected to be adopted in early 2017.



City of Kennewick Waterfront

The Port currently has two urban revitalization priorities for the Kennewick waterfront, including the Columbia Drive Urban Revitalization Area and Clover Island.

Columbia Drive

Columbia Drive is located adjacent to the Columbia River and Duffy's Pond in the City of Kennewick's historic downtown. The property includes three areas, Willows, Columbia Gardens, and Cable Greens, which total 15.6 acres (Figure 4). Zoning is Commercial General (CG), and the properties have all municipal services, as well as wireless Internet coverage.

The Columbia Drive area faces development challenges, including aged development and inconsistent city development

standards; however, it also has many desirable qualities. Most prominent is proximity to the Columbia River and Duffy's Pond, which allow for tourism opportunities. The area is also near historic downtown Kennewick and easily accessible by several major Tri-Cities roads. It is within a few minutes of Columbia Center Boulevard, Richland, Pasco, and West Kennewick.

Redevelopment in the early phases will support creation of an urban wine and artisan village within the historic Columbia Gardens and Willows neighborhoods. The vision is to create a place where residents can stroll among wine, craft brew, and distillery tasting rooms, as well as galleries, restaurants, and boutique shops, and enjoy outdoor concerts, public art, and wildlife along a scenic nature trail.

Part of this effort has included purchasing mobile homes and assisting tenants with relocation, and demolishing vacant homes. The Port has improved its Columbia Drive properties by removing undesirable



FIGURE 4. COLUMBIA DRIVE URBAN REVITALIZATION AREA SITE MAP



buildings, making limited infrastructure improvements, grading sites, and establishing development conditions and covenants.

The Port and the City of Kennewick have signed an agreement to kick start development of the Columbia Gardens area by making at least \$2.6 million in improvements. In Phase 1, the City of Kennewick is extending the public trail and adding streetscaping to the site, with the Port constructing three buildings to accommodate boutique-production wineries. The Port of Kennewick broke ground on this project in spring 2016. Phase 2 will include designing and constructing a loop road and joint-use parking, as well as making utility improvements at the Willows area. As the phases are implemented, the Port will continue to explore potential and complementary private-sector partnerships, including property sales and leases. The Port has also established a development agreement with the City of Kennewick and Columbia Basin College to create a Culinary Art Institute in the Columbia Gardens area.

Clover Island

Clover Island is in the City of Kennewick along the southern shore of the Columbia River at river mile 329, and is connected to the mainland by a causeway. The Port owns all but 1 acre of the approximately 18-acre property. The U.S. Coast Guard also owns approximately 1 acre on the southeast portion of the island.

Zoning is Commercial Marina (CM) and available utilities include water, sewer, electricity, and natural gas. Current Port-owned buildings at this site include the previous administrative office, administrative office/retail space, yacht club/office space, Clover Island Marina, and a lighthouse.

Clover Island is a mixed-use development area centered on waterfront access and amenities. The island is home to the Clover Island Marina, which was relocated and completely rebuilt in 2007 to 2008. The Port developed the marina into the premier boat moorage facility in the Tri-Cities as a portal for citizens and visitors to experience the Columbia and Snake rivers, as well as a place for Tri-Cities residents to fish and enjoy river views. In addition to the marina, Clover Island supports many businesses, including two restaurants (Cedars restaurant and Ice Harbor Brewing Company), a 150-room hotel that includes a bar and grill (Clover Island Inn), and the Clover Island Yacht Club, which is located on the west side of the island.

In the past several years, the Port has steadily made additional improvements on the island. These Port investments have been guided by a 2005 Clover Island Master Plan (Makers 2005) and subsequent planning and design documents characterizing projects in greater detail (HDJ 2008). The 2005 Clover Island Master Plan and associated updates are incorporated by reference for this comprehensive scheme document. In 2009, the former single-use Yacht Club site was completely redeveloped as a mixed-use facility. A parking lot was built just east of the Yacht Club, and an outdoor seating and railing area was added outside of Ice Harbor Brewing Company restaurant. The Port also constructed a lighthouse and gateway to the island, along with the Metz Family Plaza and placement of several public art displays. Paths and viewing locations, along with a statue and other improvements, provide public access and enhancements to the waterfront. In 2016, the Port constructed a boat launch parking lot and restrooms with grant and Port funding. The Port is also partnering with USACE through their 1135 program to plan shoreline improvements that improve nearshore habitat functions and shoreline aesthetics. The nearshore environment enhancement includes improving substrate, large woody debris, and refugia for salmonids in designated areas around the island. Riparian enhancement consists of removing concrete along the shoreline and enhancing riparian vegetation through native plantings. These improvements will reduce



predatory impacts on species such as steelhead trout and Chinook salmon, and will provide additional rearing opportunities.

The Port intends to continue Clover Island enhancements to develop a mixed-use waterfront village, including retail, condominium housing, and restaurants. The Port will continue to foster tourism and economic development on Clover Island by implementing projects outlined in the Clover Island Master Plan (Makers 2005; HDJ 2008) and in this Comprehensive Scheme. The following are the upcoming projects that the Port has planned for Clover Island:

- Complete construction of the “Gathering Place” and remove the former Port office and Ranney Collector structure in the northwest corner of the island.
- Construct shoreline improvements in partnership with USACE.

The Port will continue to market properties on Clover Island as these improvements are completed.

Richland Island View

In 1999, the Port purchased approximately 30 acres in the Richland Island View area (also known as Richland Wye; Figure 5), where the Yakima River enters the Columbia River. The land was named the Spaulding Business Park in 2003 after Gene Spaulding, who had been a Port Commissioner for almost 36 years. Since 2006, several medical, professional, and other commercial developments have occurred in the park, resulting in the creation of more than 335 jobs and more than \$40 million in private capital investments. The development has been so successful that the Port has sold all but a .5-acre parcel within the business park. Private development has steadily occurred on adjacent property, including a large apartment complex and several office buildings. The Port’s early investment has tipped the former tired neighborhood into desirable waterfront commercial property.



FIGURE 5. RICHLAND ISLAND VIEW AREA SITE MAP



The park received a Governor's Best Practice and Smart Community Award for Workforce & Economic Development in 2009.

In addition to marketing the last remaining parcel in the Spaulding Business Park, the Port will continue to work with the City of Richland to develop the Richland Island View area, building off the successful Spaulding Business Park redevelopment and consistent with the City's Comprehensive Plan. Throughout the next several years, the Port will work with the City to identify, support, and/or implement one or more projects that further spur redevelopment efforts in the Richland Island View area.

West Richland

The Port owns two areas in the City of West Richland—Keene Road (14 acres) and the former Tri-City Raceway redevelopment property (93 acres; Figure 6). The Keene Road site is served by municipal services, including water, sanitary and industrial sewer, power, and other utilities. The former Tri-City Raceway redevelopment property has a well and septic system, plus power and other utilities, with City water and sewer (sanitary and industrial) nearby, but not yet extended to the park.

These properties are located near several world-renowned wine makers located in the Red Mountain American Viticultural Area (AVA), and the Port believes they are ideally suited for wineries and AVA ancillary businesses. This area is also expected to benefit from the future Interstate 82/Red Mountain interchange. Additionally, the City of West Richland Urban Growth Area (UGA) expansion, which includes the former Tri-City Raceway redevelopment property, was finalized in December 2014, and the City annexation was completed in 2015. This will allow extension of City utilities



FIGURE 6. WEST RICHLAND SITE MAP



within the site. The Port and City are master planning the property and envision an industrial hub to support the nearby Red Mountain AVA. The City of West Richland has recently invested in an industrial wastewater treatment plant for treating winery and other related food-processing effluent.

The Keene Road property is occupied by Pacific Rim Winery and Black Heron Distillery, with two additional 1-acre parcels ready for business development. The Port continues to market these properties.

The former Tri-City Raceway redevelopment property was recently annexed to the City of West Richland and is zoned Commercial/Light Industrial (CLI). Current Port-owned buildings at this site include the bathroom building and the Racetrack Shop on the racetrack property.

Overall, during the next several years, the Port will work to remove a Kennewick Irrigation District (KID) inundation clause from the former raceway site, and complete master planning. The Port is also pursuing a 10-year joint development agreement with the City of West Richland, and expects to implement one or more projects during the next several years consistent with this agreement. Development of the former raceway site depends on certain triggers or conditions coming about, such as the removal of the KID inundation clause, completion of the Interstate 82 interchange, or significant private-sector and/or City investment. Private-sector holdings in the area are substantial, so the Port expects development to occur on a longer term schedule for the former Tri-City Raceway redevelopment property.

The Port is also working with the City to identify shorter term development priorities to focus on from 2017 through 2020, while the longer-term work is being conducted for the former Tri-City Raceway redevelopment property. This shorter term strategy will be approved by the City and Port prior to implementation and will be incorporated by amendment to this Comprehensive Scheme.



Other Port Properties

Oak Street

The Oak Street site is in northeast Kennewick off East Third Street and State Route 397. The site is approximately 74 acres and segregated into five pieces of land (Figure 7). Zoning includes Heavy Industrial (IH) in the City of Kennewick) for four development buildings and the former Joe Schmidt building, and Industrial Light (IL) for the remainder of the site, which includes incorporated and unincorporated areas. All unincorporated properties are within the City of Kennewick UGA. These properties are served by City of Kennewick water, but sewer is provided through on-site septic systems. The Port owns seven buildings, which cumulatively total 87,900 square feet. In 2013, two of the development buildings were renovated.

In recent years, the Port sold land to the City (to support future wastewater treatment plant upgrades) and to the Humane Society.

Throughout the past several years, the Port has averaged close to 100% occupancy in the development buildings. Oak Street businesses include manufacturing, specialty metals, warehousing, and construction, along with the Humane Society. This area's strengths include close proximity to rail service, city and transportation corridors, and State Route 397. Oak Street has flat topography. A challenge for this area is the Floodplain Designation "A," which exists due to infrequent pools of groundwater ranging from 2 to 4 inches in depth. This challenge has been overcome through site design with building finished floors elevated 1 foot above the surrounding grade.

The Port intends to hold the improved Oak Street properties for the foreseeable future and divest vacant and agriculture properties to support its redevelopment priorities.



FIGURE 7. OAK STREET SITE MAP



Vista Field Development Facilities

Near Vista Field, the Port owns 3.7 acres of industrial property, including Port-owned Vista Field Development Facilities (VFDF) A and B (Figure 8). VFDF rehabilitation and remodeling work was completed in September 2016. This area is fully served by municipal services. Throughout the next several years, the Port will continue to market the development buildings as space within them is available.



FIGURE 8. VISTA FIELD DEVELOPMENT FACILITIES SITE MAP

Southridge

The Port's Southridge property is located at the southern entrance to Kennewick, which has developed into a prime commercial, mixed-use, and residential area. The Port has played an important historical role in acquiring and selling property in this area to help catalyze the development that has and continues to occur in this vibrant part of Kennewick.

The remaining Port property encompasses four parcels totaling approximately 8.5 acres (Figure 9). Zoning is Commercial Community (CC), and all municipal services are available to this property. A Municipal Utility Extension is required for this site for infrastructure improvements through the City of Kennewick's Local Revitalization Funding Program. As a part of this program, tax revenues from the area were pledged by many agencies, including the Port, to retire the debt on these improvements.

The Port intends to sell this property and use proceeds from the sale for the Vista Field Redevelopment project.





FIGURE 9. SOUTHRIDGE PROPERTY SITE MAP

Finley Property (Twin Tracks and Hedges Lagoon)

In recent years, the Port has divested much of its Finley holdings. It currently owns two remaining properties—Twin Tracks and Hedges Lagoon—located close to the Columbia River in unincorporated Benton County about 8 miles southeast of Kennewick (Figure 10).

The Twin Tracks property is 148 acres and zoned IH. Available utilities include well, power, and natural gas. The area is served by Union Pacific (UP) and Burlington Northern Santa Fe (BNSF) railroad lines. Potable water is available only through exempt wells, and sewer is provided only through on-site septic systems. Fire protection is provided by facility-specific fire-suppression systems consistent with requirements in the International Fire Code as adopted by Benton County (Benton County Code 3.18.035). These independent systems typically consist of wells, storage, and fire sprinklers for the facility. Surrounding these properties are chemical manufacturing facilities, large- and small-acreage farms, residential development, and open-space recreational areas.

A portion of the Twin Tracks property (40 acres and 8,000 linear feet of rail line) is currently occupied by GBW Railcar, Inc., for rail car refurbishing, with other parcels leased for agriculture uses. The site is unique in that it is served by UP and BNSF rail, and is large enough to be able to accommodate a rail loop for unit freight train setup and loading. The Port has marketed this site with this potential, and will continue to market the parcels lying east of the UP rail spur for industrial development.



The Hedges Lagoon property is 55 acres and zoned IH, with all but 3.65 acres below the ordinary high water mark. This property has electricity only. The Port could find a public agency such as the Washington State Department of Natural Resources or other resource management agency interested in owning or managing this property for recreation and/or habitat protection purposes. The Port would also want to ensure the arrangement that is proposed would be supported by the Confederated Tribes of the Umatilla Indian Reservation (CTUIR) per the Port/CTUIR Memorandum of Understanding (MOU), if the property were to be transferred or sold to another agency.



FIGURE 10. FINLEY SITE MAP (TWIN TRACKS AND LAGOON PROPERTIES)

Plymouth Waterfront and Island

The Plymouth site is in southern Benton County near Interstate 82 and State Route 14 (Figure 11). The property originally encompassed three parcels, totaling approximately 250 acres. Two parcels, totaling approximately 93 acres, were sold in 2014 to AgReserves Inc. The remaining Port-owned property totals 157.10 acres, and includes river frontage and island property, and has limited development opportunity, even though the northern parcel is zoned HI. The southern portion of the parcel is zoned Park District. Substantial electrical service is available in the immediate vicinity and natural gas is within 1,000 feet of the site. The property does not have municipal water service, sewer service, or interior roads. Water could potentially be available from the nearby Plymouth Water District. The Port has no plans for the Plymouth parcel and is open to divesting this property to an organization(s) acceptable to Native American tribes and consistent with the Port/CTUIR MOU for permanent protection of cultural and natural resources, and to provide for continued public recreation opportunities.



FIGURE 11. PLYMOUTH SITE MAP



REVENUES, EXPENSES, AND CAPITAL IMPROVEMENT PLAN

This section includes a summary of Port revenues, expenses, and Capital Improvement Plan for the next 10 years, along with a policy and process for evaluating future investment opportunities.

Current Revenues and Expenses

In 2015, the combined property tax revenue received from Port-owned properties in Kennewick, Richland, Benton County, West Richland, and Benton City amounted to \$3,669,499. The majority of that revenue (50.7%) came from property within the Port District in the City of Kennewick, followed by property owned in Richland (20.8%), Benton County (19.4%), West Richland (9%), and Benton City (0.044%).

Additional, ongoing Port revenues include operating income from industrial, building, and agricultural leases; operating income from marina leases; and interest income. The Port is also starting to receive funding from Benton County through the Rural County Capital Fund, which is a funding source of approximately \$3 million total, expected to be received by the Port as reimbursements for approved projects through 2023. Other revenues include land sales and grants, which vary year to year and by project. Average Port annual revenues in recent years have been around \$5 million.

Port expenses include general and administration expenses (e.g., salaries, benefits, and partner agency dues), general lease property operations and maintenance, building and equipment replacement, non-operational costs (Port funding provide to projects sponsored by Port partners), and marina operations and maintenance. Average annual Port expenses in recent years have been around \$3 million.

The difference between annual average revenues (\$5 million) and annual average expenses (\$3 million) is approximately \$2 million. This is the amount available on an average basis to support Port projects each year. As noted above, this amount can be supplemented by grants, property sales, and other funding sources.

The Port has developed cash-flow projections for the 2016 to 2026 period, as provided in Appendix E, Table E-1. This table projects beginning cash balances and reserves, less planned expenditures, including capital projects. The capital projects are summarized below and identified in Appendix E, Table E-2. The cash flow projection is based on current operations and current capital assets. A \$2.5 million reserve is also accounted for each year. This projection is reviewed regularly and updated, at least annually, by the Port. The Port develops a detailed 2-year operating budget. The current Port budget period will end December 31, 2016, and the next budget period is 2017 to 2018.



Capital Improvement Plan

The following capital improvements are planned at the various Port-owned properties, consistent with Port priorities, during the next 10 years:

- **Vista Field Redevelopment** – \$5.9 million in infrastructure and other improvements consistent with the master plan expected to be finalized in early 2017. Land sale revenues from Vista Field are being reinvested in Vista Field redevelopment.
- **Kennewick Waterfront Urban Revitalization** – \$2.9 million, including \$1.3 million to construct and maintain shoreline improvements at Clover Island, in partnership with USACE, and \$1.6 million to continue work at the Columbia Gardens site.
- **Richland Island View** – \$1.9 million to support infrastructure and other potential improvements, with specific projects to be identified in partnership with the City of Richland.
- **West Richland former Tri-City Raceway Redevelopment Site** – \$500,000 to support funding for extending infrastructure to the site and providing on-site improvements.
- **Return on Investment (ROI) Project** – \$6 million on one or more projects to bring in additional operating revenues for the Port.
- **Port Facilities Asset Replacement Program** – \$2.6 million (approximately \$250,000 per year) to support renewal and replacement of Port facilities, with specific projects identified in the Port 2-year operations budget.
- **Opportunity Fund** – \$500,000 (\$50,000 per year) for partnership opportunities. These will include funding requests for community programs or smaller community or Port projects emerging outside of the Port budgeting process. Once funding is allocated for a budgeting period, additional proposals will be considered during the next budgeting period.
- **Rural County Capital Funds Project** – \$1.2 million for an additional project to be funded through this source. This project will be identified in coordination with one or more development partners and selected consistent with the Process for Evaluating Future Investment Opportunities below.
- **Miscellaneous Capital** – \$570,000 for smaller capital expenditures, such as equipment, on Port properties that are expected to emerge during each 2-year budgeting period.

Total capital improvements for the 10-year period (2017 to 2026) add up to \$28.8 million. Table E-2 in Appendix E includes these capital projects on a 10-year timeline. The Capital Improvement Plan is expected to be reviewed annually and updated every 2 years by the Port. The latest version of the Port's Capital Improvement Plan is included by reference to the Comprehensive Scheme.

The extent of funding available for capital improvements varies substantially from year to year and depends on multiple sources of funds for implementation, as described in Port Revenues and Expenses above, and as outlined in the 2017 to 2026 One-time Revenues in Table E-2. The outside sources of revenue include grant funds from the state and federal government, local partnering agencies' contributions for economic development, and private contributions. The one-time revenues include expected land sales from Port properties. These outside revenues and property sales, when combined with the annual revenue available to the Port and less Port annual operating expenses, provide the funds for capital improvements. As noted in Port Revenues and Expenses, the Port brings in approximately



\$5 million annually, and has \$3 million in operating expenses, leaving approximately \$2 million per year, plus grants and funding from land sales and Rural County Capital Funding to fund capital improvements.

The Port will comprehensively evaluate capital improvements every 2 years in the budgeting process and review the plan annually, with adjustments made as necessary based on any changes in land sale or other assumptions, partner commitments, and other relevant information updates.

Capital Improvement Plan Assumptions

The Capital Improvement Plan serves as a long-term financial plan for the Port and is not a budget. A detailed 2-year budget is developed every 2 years.

The Port's Capital Improvement Plan is based on the following assumptions:

1. The Port obtains a bank loan in the amount of \$5 million in 2017 to help fund improvements for Vista Field redevelopment.
2. The projected land sales occur generally as assumed in timing and sales amount. Changes in land sales assumptions could substantially affect the project's implementation schedule.
3. The Port receives the full amount of Rural County Capital Funding (projected at \$2,950,000 through 2023) from Benton County.
4. The Port Commission adopts a policy on how to disburse funds from the "Opportunity Fund," which is a small funding amount set aside each year to support projects proposed by development partners.
5. The Port hires another maintenance technician and another staff person for Vista Field in 2018.
6. Operating revenues increase by at least 2% per year.
7. Operating expenses increase by no greater than 4% per year.
8. Non-operating expenses increase by no greater than 5% per year.
9. Property tax revenues increase by at least 4% per year.
10. The analysis does not factor in the acquisition of any additional properties by the Port. If the Port wanted to modify the Capital Improvement Plan by acquiring, for example, one or more additional properties, then other adjustments in the plan would need to be made to offset the impact. Similarly, as another example, delays in expenditures could also result in plan adjustments.

Process for Evaluating Future Investment Opportunities

Overview

Consistent with the Port Mission and Goals described above, including the referenced resolution (No. 2014-31) describing Port objectives for budget and financing goals for future Port projects, the Port Commission adopts the following additional policy as part of the 2016 Comprehensive Scheme update. The Port intends to use this process to identify, evaluate, prioritize, and implement its most important future capital projects. The Port Commission recognizes the numerous opportunities regularly proposed for Port consideration must be balanced against available resources, including availability of staff and availability of financial resources. The main components of the Port's Capital Project Prioritization Policy are:

- *Project Identification – Projects will be identified through various sources, including:*
 - The adopted Comprehensive Scheme of Harbor Improvements
 - The adopted biennial budget and work plans
 - Discussions with jurisdictional partners and staff, and the public



- *Project Evaluation* – With the assistance of staff, the Port Commission will prioritize projects based on cost estimate evaluation, cost/benefit analysis, and public demand and other, less easily quantified factors, including jurisdiction priorities, emerging needs and opportunities, supplemental funding for projects partially funded, and public input received.

Organizational Considerations

Review will be conducted to evaluate if the project is consistent with the Port's mission and priorities established in the Comprehensive Scheme and associated documents adopted by reference. Additional considerations would also include:

- Does the project meet an identified need?
- Does the project support Port, community, and/or private-sector economic development objectives?
- Does the project serve multiple user groups?
- Does the project foster or enhance a public/private or public/public partnership?

Fiscal Considerations

Fiscal considerations will also be reviewed as part of determining whether the Port will invest in future opportunities:

- What are the costs of the project, including initial costs, maintenance costs, and lifecycle costs?
 - How were costs calculated and by whom (finance director, Certified Public Accountant, Certified Financial Planner, economic planner, or others)?
- Does the Port have the financial and organizational capacity to undertake and manage the project?
- Can the project leverage public or private resources with other partners and funds to maximize benefits?
- Does the project have a positive ROI?
- Would the project increase the tax base, increase revenues to the Port, contribute to the vitality of the community, and help attract regional and national tourism?

Social/Environmental/Legal Considerations

Social, environmental, and legal considerations will also be reviewed:

- Is the community involved and supportive of this project?
- If the project is not implemented, will a strategic opportunity be lost?
- Is the project appropriate for the proposed site's natural systems, topography, and/or neighboring land uses?
- Are there potential adverse impacts associated with the project?
- Does the project comply with all federal, state, or local government laws or regulations?

Project Design, Planning, and Readiness

Design, planning, and project readiness considerations will also be reviewed:

- Does the site or project require extraordinary or unique purchase cost, architectural/engineering, or other efforts or commitments of financial or staffing resources?
- Is the project ready (e.g., design completed and permits in hand)?
- Is there a reasonably foreseeable user for the project (i.e. "bird in hand")?

Project Evaluation

Initial project screening shall begin with staff providing a brief description of each project. The Port Commission shall then review, evaluate, and rank each project based on the above criteria. High-priority projects shall be incorporated into the draft work plan.



FUTURE COMPREHENSIVE SCHEME REVISIONS

Future Comprehensive Scheme document review and update is planned every 5 years. The next comprehensive update is planned to begin in late 2020 and be finalized by the end of 2021.

Review and updates that result in more minor adjustments to certain elements of the Comprehensive Scheme are planned every 2 years, in parallel with the Port budgeting process, to incorporate new information and adjust strategy changes in redevelopment priorities and changes in policy that could occur. The updated budgets and Capital Improvement Plans will supersede the financial projections included in this 2016 Comprehensive Scheme, in effect amending the financial components of the Comprehensive Scheme every 2 years. The next review is planned for 2018, in preparation for the 2019 to 2020 budget period.



REFERENCES

HDJ (Hopper Dennis Jellison), 2008. Clover Island Shoreline Improvement Plan. Available from:
<http://portofkennewick.org/documents/080122CIShoreline-FinalDraft.pdf>. January 2008.

Makers (Makers Architecture and Urban Design), 2005. Clover Island Master Plan.

PoK (Port of Kennewick), 2016. Port of Kennewick September 10, 2016 retreat meeting minutes.



An aerial photograph of a rural landscape. The foreground and middle ground show a patchwork of agricultural fields, some with distinct patterns of crops or irrigation. A network of roads and a railway line are visible, crisscrossing the area. In the distance, a small town or village is nestled among more fields. The overall scene is a typical representation of a rural or semi-rural area from a mid-20th-century perspective.

Appendix A

List of Abbreviations

LIST OF ABBREVIATIONS

AVA	American Viticultural Area
BNSF	Burlington Northern Santa Fe
CC	Commercial Community
CG	Commercial General
CLI	Commercial/Light Industrial
CM	Commercial Marina
Comprehensive Scheme	Comprehensive Scheme of Development
CTUIR	Confederated Tribes of the Umatilla Indian Reservation
DPZ	Duany Plater-Zyberk
GMA	Growth Management Act
IH	Heavy Industrial
IL	Industrial Light
ISI	Integrated Structures Incorporated
KID	Kennewick Irrigation District
MOU	Memorandum of Understanding
PNNL	Pacific Northwest National Laboratory
Port	Port of Kennewick
RCW	Revised Code of Washington
ROI	return on investment
UGA	Urban Growth Area
UP	Union Pacific
USACE	United States Army Corps of Engineers
VFDF	Vista Field Development Facilities
WESD	Washington State Employment Security Department



An aerial photograph of a rural landscape. The foreground and middle ground show a patchwork of agricultural fields, some with distinct patterns of crops or irrigation. A network of roads and a railway line are visible, crisscrossing the landscape. In the distance, a small town or village is visible, with a cluster of buildings and a prominent tower or lighthouse. The background shows a vast, flat expanse of land, possibly a marsh or a large field, leading to a distant horizon.

Appendix B

Partner, Public Meeting, and Port Commission Retreat Summaries

MEMORANDUM

To:	Tom Moak, Port Commissioner Larry Peterson, Director of Planning and Development Port of Kennewick	Date:	June 2015
From:	Ben Floyd, Anchor QEA, LLC	Project:	140691-01.01
Cc:	Port Public Partners		
Re:	2015 Comprehensive Scheme of Development Update – Partner Meeting Summaries		

In March and April 2015, Port of Kennewick (Port) leaders met with representatives from the cities of Benton City, Kennewick, Richland, and West Richland, and the Ports of Benton and Pasco, in preparation for the 2015 Comprehensive Scheme update. A summary of the discussions from these meetings is provided in this memorandum. A summary of meeting dates and attendees are provided in Table 1.

Table 1
Port Public Partners Meetings

Date	Public Partners	Attendees	Port of Kennewick Attendees
3/13/2015	Benton City	Mayor Lloyd Carnahan, Stephanie Haug, City Clerk	Larry Peterson, Planning Director Ben Floyd, Anchor QEA
3/13/2015	Benton County	Commissioner Jim Beaver Adam Fyall, Parks and Recreation Director	Larry Peterson, Planning Director Ben Floyd, Anchor QEA
3/13/2015	City of West Richland	Mayor Brent Gerry Aaron Lambert, Comm. Dev. Director Roscoe Slade, Public Works Director	Larry Peterson, Planning Director Ben Floyd, Anchor QEA
3/27/2015	Port of Pasco	Randy Hayden, Executive Director Gary Ballew, Director of Economic Development and Marketing	Tom Moak, Port Commissioner Larry Peterson, Planning Director Ben Floyd, Anchor QEA
4/10/2015	Port of Benton	Scott Keller, Executive Directors	Tom Moak, Port Commissioner Larry Peterson, Planning Director Ben Floyd, Anchor QEA

Date	Public Partners	Attendees	Port of Kennewick Attendees
4/10/2015	City of Richland	Bill King, Deputy City Manager Brian Moore, Redevelopment Project Supervisor Pete Rogalsky, Public Works Director	Tom Moak, Port Commissioner Larry Peterson, Planning Director Ben Floyd, Anchor QEA
Multiple dates	City of Kennewick	Several City staff	Several Port staff

Benton City – March 2015

- City is working on appraisal for Washington Department of Natural Resources (DNR) lands south of I-82; issue with federal Bureau of Land Management ownership and ability to transfer out of federal ownership.
- Port of Kennewick could potentially assist with infrastructure on I-82 sites.
- City still needs to coordinate with the Kennewick Irrigation District (KID) on the land they own at the I-82 site to see how they might participate as a potential development partner.
- Planned interchange improvements that would be beneficial to the City:
 - Phase 1 – Round-about improvements (potential for construction in Fall 2018).
 - Phase 2 – Red Mountain Road freeway interchange.
- Considering development potential in the downtown area.
- Redevelopment with historic building structures.
- The wine barrel manufacturing business is doing well.
- Business in town that manufactures steel tanks for the wine industry is doing well (producing 100 to 200 tanks per year).
- Benton City retail competes with Queensgate development in Richland.
- Relies on up to 15,000 in population within the school district.
- The City wondered whether the Port had experience with commercial kitchens. They were considering whether there was an opportunity to use an existing kitchen in a restaurant.

Benton County – March 2015

Vista Field

- Send follow-up email to Commissioner Beaver regarding monthly meetings.
-

- Discussed the possibility of a proposed driving aisle through the County's Justice Center parking that would improve connection between Vista Field and Columbia Center.
- The Port is coordinating with Ben Franklin Transit.
- Explore opportunities to connect the Richland Museum District/Hanford Reach Center with Vista Field.

Badger Mountain Trailhead Parking

- The County appreciates the support the Port provided of \$150,000 to help improve trailhead parking.

Two Rivers Park

- The County is considering pursuing grant funding for a boardwalk with viewing platform. Port could potentially be a partner to provide support for the County's grant funding request.

City of West Richland Meeting Summary – March 2015

- The City is pursuing a Recreation and Conservation Office (RCO) grant for a trail connecting up with Van Giesen and extending around the perimeter of the West Richland golf course.
 - Racetrack and Red Mountain Center Master Planning:
 - Started in late January 2015.
 - Starting to discuss transportation improvement and changes in road alignments.
 - Zoning changes to have similar development standards.
 - Development targets include wine and spirit-focused businesses.
 - Comprehensive Economic and Development Strategy (CEDS) will include proposed improvements for roads, as well as water/sewer line extensions from planned effluent treatment facility to racetrack.
 - Potential Port partnership on pursuing federal Economic Development Administration (EDA) grant application; seeking \$1.7 million.
 - Submit application by June 2015.
-

- EDA application is triggered if the City received outside funding to help identify equitable ways to distribute funds.
 - State Representative Sharon Brown requesting state funding of \$500,000 in local matching funds.
- Belmont Road Property includes a 10-acre site with city shops, and city is developing design standards.
- Washington State Department of Ecology (Ecology) is looking at wineries on Red Mountain for phased permitting.

Port of Pasco Meeting Summary – March 2015

General:

- Avoid duplication of work.
- Consider ways to increase access and connectivity between East Pasco and East Kennewick (e.g., water taxi?):
 - Promote collaboration between entities.
 - Enlist congressional support and broaden vision for addressing federal levees.
 - Hold joint commissioners' meetings, followed by tour of East Pasco and East Kennewick.
 - Explore opportunity to share visions and lessons learned.
- 75th Anniversary is in August 2015:
 - Celebration event will be held on August 4.
- Port will continue to look for opportunities to develop heavy industrial properties.
- Partnering with Connell on dairy processing feasibility and wastewater analysis.
- Support rail interchange for better access.
- Food manufacturing is a future target industry.

Marine Terminal Redevelopment

- Maul Foster Alongi is conducting a \$200,000 plan, including offices and retail space with some back-area production, all centered around a market square.
 - The plan envisions an upscale development with southwestern-themed styles similar to examples in San Diego and San Antonio developments.
 - Wineries were not considered in this plan.
 - Consider synergy between Columbia Gardens and the Marine Terminal sites.
-

- Development timeframe is 10 to 15 years.

Big Pasco Industrial Center and Osprey Pointe

- The industrial center is currently at 65% occupancy.
- Building roofs have been replaced and dock maintenance and replacements will occur next.
- Big warehouse capacity is available.
- Large space is more limited for rail lay-down yard needs.
- Parsons invested in some facility updates.
- Flood elevation is 2-feet higher on this site (a Letter of Map Revision has been approved by the Federal Emergency Management Agency for Osprey Point and Big Pasco)].

Tri-Cities Airport

- The airport is very important for growth and development.
- Port is seeing a 3% increase in air services (number of seats filled).
- Working to secure American Airlines service to Los Angeles.
- Grant application submitted by the Port to Washington State Department of Transportation requesting \$200,000 in funding to support improvements at airport.
- There is a marketing emphasis on northeast Oregon.
- Airport remodel is going well and on schedule to be completed within the 20-year build-out timeframe.
- Airport appearance at the gateway will be improved.

Airport Business Park

- The site includes 75 acres and includes airport tenants and retail at the major intersections.

Port of Benton Meeting Summary – April 2015

- Port is helping support the Wine Science Center at WSU Tri-Cities:
 - Center is enrolling 180 to 200 new students.
 - Dormitories constructed next to the starch plant just north of the branch campus.
-

- New developments in North Richland includes a new brew pub, GESA Credit Union, and three apartment complexes.
 - 3000 Area property transferred to the Port using the federal Maritime Act:
 - Under this authority, Port cannot sell land.
 - Working on getting deed release so they can sell.
 - Potential industries include research and development, business incubator space, and commercial development.
 - Historical Port policy is not to sell land, but present policy allows selling or leasing:
 - Charge \$3 to \$5 a square foot sale price.
 - There are 100 acres available in North Richland.
 - There are 750 acres in the Manufacturing Mall.
 - There are 71 acres in the 3000 area.
 - There are 200 acres of Hanford property.
 - The Port has begun buying old buildings and fixing them up. For example, there are two older building in Benton City that could be fixed up.
 - The Port receives \$4 to \$5 million a year of rental income (\$1.9 million in taxes), which is covering operation costs.
 - Richland Airport site:
 - Consists of 40 acres.
 - Has a 300-aircraft capacity.
 - Fixed Base Operator does a good job.
 - Prosser Development:
 - Businesses include:
 - Chukar Cherry
 - Prosser Airport (doing well)
 - Milne Fruit
 - Fruit Smart
 - Vintners I (built out)
 - Vintners II (not selling as quickly as Port had expected)
 - Crow Butte Park (breaking even):
 - Port receiving positive feedback for taking over the Park.
-

- \$250,000 in Port property tax revenue per year received from agriculture lands around Crow Butte.

City of Richland – April 2015

Island View

- Smaller residential parcels need to be consolidated, along with an updated street grid, which is built at a finer scale than needed.
 - Consider coordinating redevelopment planning for this area with the planned City infrastructure improvements:
 - Columbia Park Trail has improvements planned and supported by Transportation Improvement Board funds.
 - Stormwater discharge to the river – funding from Ecology and potential matching Port funds (\$100,000 to \$300,000).
 - Multi-family and mixed-use redevelopment potential.
 - Pedestrian overpass over Highway 240 – Align on Center Parkway or connect to the Island View or Hanford Reach Center.
 - West Columbia Park:
 - Land to south is private.
 - Connect Fowler to Reach Road as part of a Museum District plan.
 - Columbia Center North – Could be potential for mixed use?
 - C2 (current) zoning does not encourage mixed use.
 - Zoning in this area is still residential (and under diverse ownership).
 - Perhaps the Port would consider purchasing vacant properties to south of Hanford Reach Center?
 - Mid- to long-term outlook for Island View:
 - Partner on road project improvements.
 - Develop and begin implementing a strategy for assembling smaller properties.
 - Redevelop Columbia Center North into mixed-use development.
 - Biggest impact opportunity could be to purchase Sleater triangle (triangle next to Highway 240/Columbia Park Trail exit).
 - Parcel record and property boundaries search might prove helpful.
-

- Potential for a restaurant district, similar to Rainey Street district in Austin, Texas, in the small houses near SagePort Grille?
- The City has zoning in place in the Central Business District to encourage the kind of development desired.
- A Memorandum of Understanding (MOU) is in process to address zoning and street vacations, and identify the strategic plan. MOU to be updated following completion of ownership study.

City of Kennewick

Kennewick Waterfront and Vista Field

- The Port meets regularly with City of Kennewick officials on the two redevelopment projects underway within the City to discuss partnerships, future land use, and infrastructure improvements.
-

MEMORANDUM

To:	Tom Moak, Port Commissioner Larry Peterson, Director of Planning and Development Port of Kennewick	Date:	June 2015
From:	Ben Floyd, Anchor QEA, LLC	Project:	140691-01.01
Cc:	Port Public Partners		
Re:	2015 Comprehensive Scheme of Development Update – Port of Kennewick: Public Meetings		

In March and April 2015, in preparation for the 2015 Comprehensive Scheme update, the Port of Kennewick (Port) hosted four public meetings to solicit public input on future use and development plans for the Port properties. Meetings were held in West Richland on March 12, Richland on April 6, and Kennewick on April 9 and 20. A summary of the discussion from these meetings is provided in this memorandum.

Comments:

General:

- Development approaches:
 - Take the time to do it right versus “ready, fire, aim” approach.
 - Consider return for communities in cost/benefit analysis methods.
 - Consider demographic trends; younger demographics are not staying in the area.
 - Clearly identify Port District Commission boundaries.
 - Consider relationship of Port actions to other Ports and regional benefits.
 - Preserve railroad right-of-way for rail purposes.
 - Confirm the mix of projects and properties seems like a “great mix.”
 - Port should weigh in on proposed changes in Benton County land use and zoning that could limit urban sprawl.
 - Industrial areas provide assets.
-

Vista Field:

- Opportunities:
 - Work with the Public Facility District (PFD) or performing arts to establish a “cornerstone” in the northwest area.
 - Consider parking or outdoor storage opportunities in the vicinity of the existing runway.
 - Identify other development catalyst opportunities.
- General Considerations:
 - Consider 50 to 60 years out for visioning.
 - The old Amera building is not consistent with the Port’s vision.
 - The southeast area of the Vista Field is in an industrial setting.
 - Develop a memorandum of understanding (MOU) with the City of Kennewick/PFD.
 - Get the Vista Field plan moving with an anchor business/catalyst.
 - Consider how Vista Field redevelopment can affect quality of life for the area.
 - Vista Field Stages 1 and 2 has received kudos.
- Business/Industry Considerations:
 - Performing Arts facility:
 - Conceptual Design for Stage 1 of the facility can provide a development catalyst for Vista Field.
 - The timing for this facility development is approximately 2 to 3 years out, giving the Port time to develop more detailed master plan for Vista Field.
 - The facility is believed to be financially feasible, although funds are not yet secured.
 - Mid-Columbia Symphony is a big asset for the Tri-cities.

Island View:

- Opportunities:
 - Small lots that can be reconfigured.
 - Several rental properties currently exist.
-

- There is an opportunity to provide connectivity between Island View and Vista Field.
 - Center Parkway extension is also an opportunity to provide a connection to Island View.
 - The property is located near the Ben Franklin transit center on Columbia River Trail.
 - A future step is to consolidate/reconfigure lands under private ownership.
 - Trail system ideas and comments for connecting Columbia Center, Vista Field and Island View include:
 - o Connections to provide for bicycle/pedestrian access.
 - o Conceptual Plan is needed.
 - o Determine how to provide for a pedestrian bridge on Highway 240 on the Center Parkway alignment.
 - o Vista Field can be connected to the Hanford Reach Center.
 - o Trolley bus line could be a first step to an ultimate physical connection between Vista Field, the Reach Center, and Island View area.
 - Concerns:
 - Compare sprawl associated with greenfield development versus in-fill development that could occur at Island View.
 - Evaluate if there are water quality issues with shoreline.
 - Business/Industry considerations:
 - An investment the Port should consider for development is a Performance and Visual Arts Center.
 - Consider potential development opportunities at Kiona along I-82 south of Benton City.
 - Locust Grove exit and property owned by Trios could be an opportunity area. Potential for trading land with Trios?
 - Small unit nuclear facilities could be an opportunity.
 - General comments:
 - Focus on Island View opportunities.
 - Capture/utilize benefits that can come from a locally, highly educated workforce.
-

- Explore opportunities at Badger Mountain South, supporting a North Richland Bridge, and look at other areas too.
- U.S. Army Corps of Engineers involvement opportunities:
 - Lower levees.
 - Relocate Columbia Park Trail.
 - Redevelop Columbia Center North.
 - Approval to relocate road away from the Columbia River by Hanford Reach Center, opening up more shoreline area for potential development.
 - Approval for developing area around Duffy's Pond.

Questions and Answers

Q: What is the western boundary of the Port district?

A: The Port District extends to an area just west of Benton City and near the Yakitat Road exit on I-82, and then along the northern edge of the Horse Heaven Hills just south of I-82, and then in a line roughly along South Plymouth road south to the Columbia River. The Port has a boundary map available with additional detail.

Q: Is the Oak Street industrial area still owned by the Port?

A: Yes.

Q: What is the change in the Urban Growth Area (UGA) boundary in West Richland versus Kennewick?

A: The City of West Richland UGA was extended to include the Port's Light Industrial business park (former Tri-Cities Raceway). Kennewick sought a UGA expansion south of I-82 near Locust Grove Road, but this extension has not been approved.

Q: Is the Port providing comments on Benton County's zoning/land use revisions intended to reduce sprawl?

A: The Port provides comments to the County when necessary.

Q: What will happen to the old Port office?

A: It will be removed as part of Clover Island redevelopment.

Q: What type of Clover Island hotel improvements would occur and what would be the length of the lease agreement?

A: The Port has been in discussions periodically with Clover Island Inn on potential improvements and expects continued discussions in the future.

Q: Are there plans to breach the causeway?

A: Federal permitting agencies are not likely to approve a causeway breach, so the Port has stopped pursuing this idea. Additionally, the costs for breaching the causeway could cost several million dollars.

Q: How much parking could be provided on Columbia Drive?

A: Up to 1.5 acres could be available for parking

Q: Is there private sector interest for Vista Field?

A: Yes, there is private-sector interest, but the Port is holding off on engaging private-sector investment until a development strategy has been established.

An aerial photograph of a coastal town and harbor. The town is built on a peninsula or near a large body of water, with a grid-like street pattern. A prominent railway line runs through the town. The harbor area is visible in the background, with ships and docks. The foreground shows a mix of residential buildings and open land.

Appendix C

Port of Kennewick History



History Highlights *of the* Port *of* Kennewick

Prepared for

Port of Kennewick
350 Clover Island Drive, Suite 200
Kennewick, Washington 99336

Prepared by

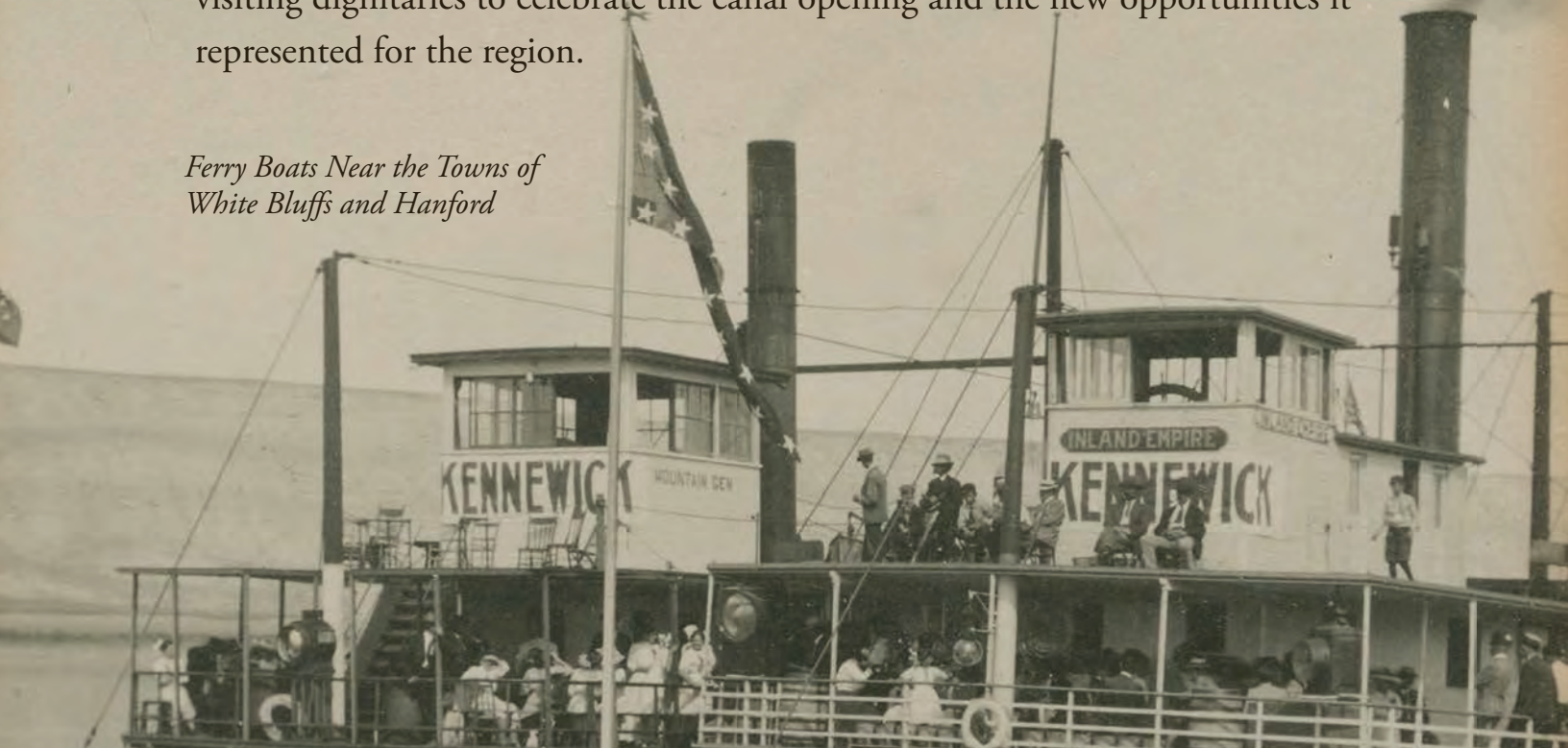
Anchor QEA, LLC
8033 W. Grandridge Blvd., Suite A
Kennewick, Washington 99336

March 2015

Port Created March 6, 1915

Creation of the Port of Kennewick was initiated by the Kennewick Commercial Club, which wanted to capitalize on the Celilo Falls navigation canal (Celilo Canal) opening in May of 1915. The Port creation had strong community support, with 282 out of 379 voters (75 percent) supporting the Port's creation. The opening of the canal allowed river traffic from Portland through the Cascade Canal and Locks and from the Celilo Canal to the upper Columbia and Snake rivers. A grand banquet was held in Kennewick for visiting dignitaries to celebrate the canal opening and the new opportunities it represented for the region.

*Ferry Boats Near the Towns of
White Bluffs and Hanford*



"It is not only opportune, but absolutely imperative that Kennewick should be awake and doing her share of this toiling, hoping, progressing. The first step to take is the creation of a port district."

Kennewick Courier-Reporter Editorial, March 1915



Celebration of Celilo Falls Canal opening in Kennewick

The Port of Kennewick immediately began to operate docks, approach and landing facilities, leasing these facilities from the Kennewick Improvement Corporation (a private entity that had organized in 1909 to develop the facilities) for \$1 per year. By the summer of 1915, shipments of cargo and passengers were leaving from and arriving at Kennewick's docks.

In 1916, the Port held a public hearing and adopted its first Comprehensive Scheme document, which needed voter approval before any funding could be expended. Included in the Comprehensive Scheme were modest proposed

improvements to the Ivy Street Terminal, a suggested concept to close off the upstream end of the channel between the shoreline and Clover Island, and dredging to create a boat basin. The comprehensive scheme was approved by a small majority (118 to 97), with some controversy regarding whether the public or private sector should be paying for proposed improvements.

The Port's budget was \$2,000 in 1916 and \$1,800 in 1917. During this time, the Port constructed the Ivy Street Terminal for handling cargo and passengers, and also authorized the building of a new warehouse next to the

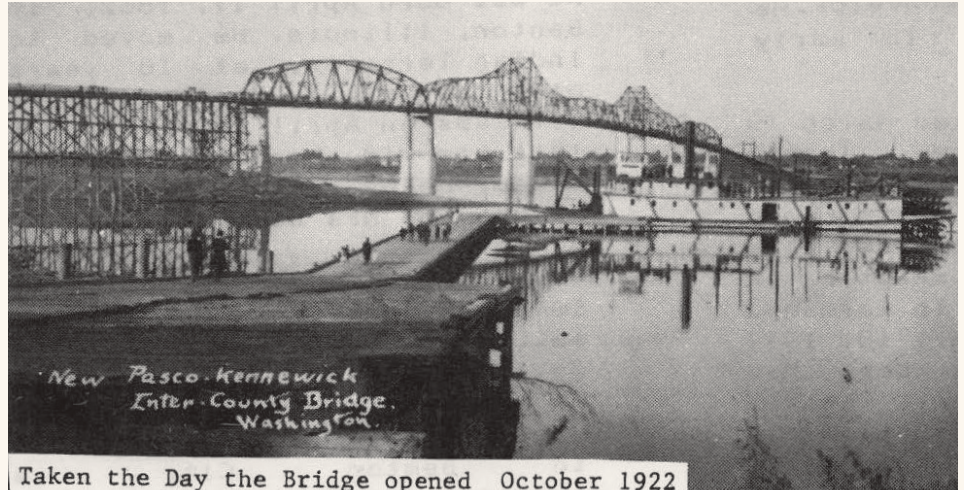
waterfront to handle record-setting cargo volumes. In 1917, the Port purchased the previously leased land and assets from the Kennewick Improvement Corporation for \$1,200. The following year, steamboat activities came to a halt due to rail competition and barges, which began replacing the less efficient steamboats.

The drop in steamboat traffic and rises in rail and motor vehicle traffic spurred the Port to refocus its activities. For the next several years, the Port concentrated on building rail- and water-transfer facilities and warehouses.

Docking and Loading Facilities for Boats and Barges

In the early 1900s, the Port of Kennewick provided docking and terminal facilities for steamboats, as a direct result of the opening of Celilo Falls navigation canal. The *Inland Empire* was one of the boats that travelled to Kennewick, where it served as a local ferry for several years, moving goods and people in and around the area from the Port's docking and terminal facilities. A significant flood occurred in 1926 that severely damaged the Port's dock and loading facilities, causing a period of Port inactivity until the 1940s.

In the early 1940s, World War II stimulated docking and loading activities in the Port. In 1941, the Port acquired a portion of Clover Island and leased property to Columbia Marine Shipyards for a barge-building site on the island. This barge-building site complemented the Port-constructed bulk grain conveyer and elevator, and a dock extending more than 390 out into the Columbia River from the mainland just downstream of Clover Island.



Taken the Day the Bridge opened October 1922

Port dock facility in 1922, just downstream of Clover Island



Port of Kennewick Facilities circa 1920



Ivy Street Terminal (Port of Kennewick 1941)



The Winquatt tugboat and Port of Kennewick barge were constructed on Clover Island on Port-leased land

Two 175-foot barges were built and launched at Kennewick in the 1940s, and one was christened the *Port of Kennewick*. In 1944, the *Winquatt*, once known as the most powerful tugboat in the world, was also built at Clover Island.

Another large flood occurred in 1948 that caused significant

damage to Port barge and boat loading facilities, and this ended the Port's involvement in these type of facilities in the vicinity of Clover Island.

After the Port District boundary expanded in 1954, the Port constructed a dock and waterway at the Hedges Industrial Area

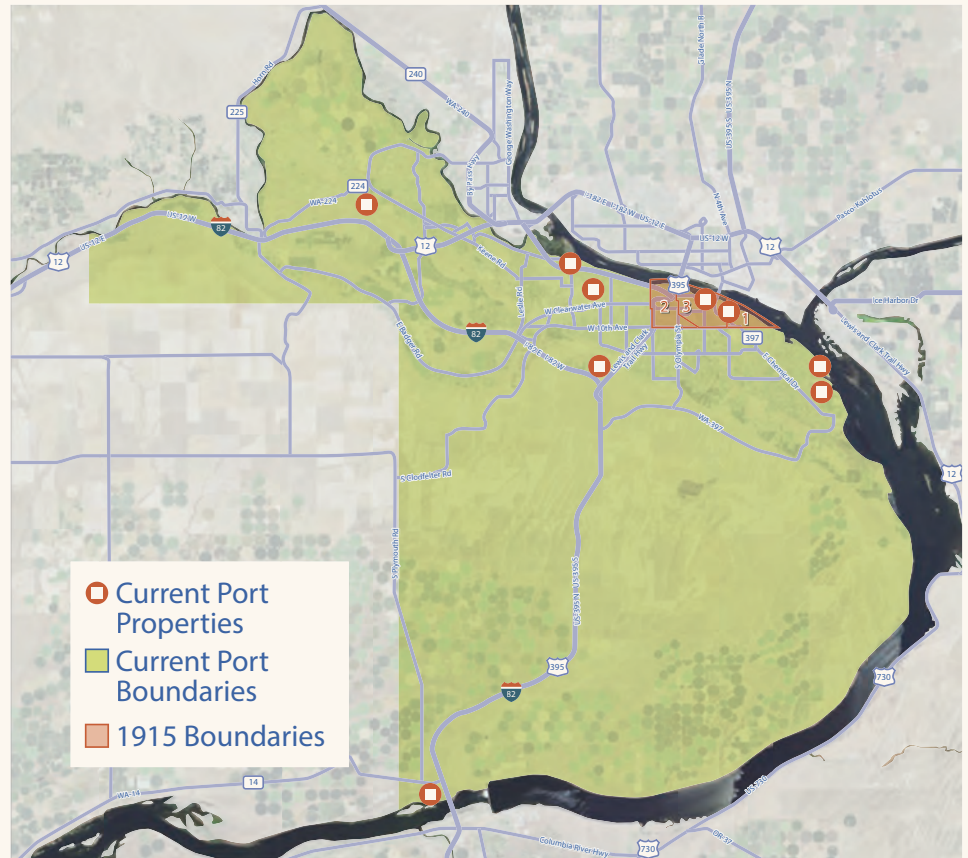
in Finley to serve the chemical manufacturing businesses beginning to locate in that area. In 1967, the Port sold the Hedges land and presumably the associated water facilities to the Collier Carbon Chemical or other industrial businesses in the area, ending the Ports involvement in dock and barge loading facilities.



Port Commissioners, A.I. Smith, George R. Turner, and Harry A. Linn attend a barge launch

Historical and Current Port District Boundaries

The Port of Kennewick District boundary originally extended south from the Columbia River at the middle of the present-day Columbia Park Golf Course, to the intersection of US 395/10th Avenue, and then due east along 10th Avenue to the Columbia River. In 1954, after seven years of construction, the McNary Dam was finished, which provided flood control along the Columbia River and improved navigation to the Tri-Cities area. The dam created new opportunities for the Port of Kennewick, with improved navigation and more river-accessible land in the City of Kennewick and Benton County. These opportunities led to an expansion of the Port District, additional Clover Island development, and heavy industrial development in the Finley and Hover areas of east Benton County. Property acquired by the U.S. Army Corps of Engineers and associated with McNary Dam construction was designated for



Port of Kennewick current boundaries

industry, recreation, and habitat, and industrial land was made available to public agencies. This additional industrial land was made available to the Port, which led to a proposal to expand the Port District.

In November 1954, 75 percent of voters approved the expansion of the Kennewick Port District to include an area constituting 485 square miles and comprising the eastern half of Benton County.

Port Supports the Navy During World War II and Later Invests in Rail in Downtown Kennewick



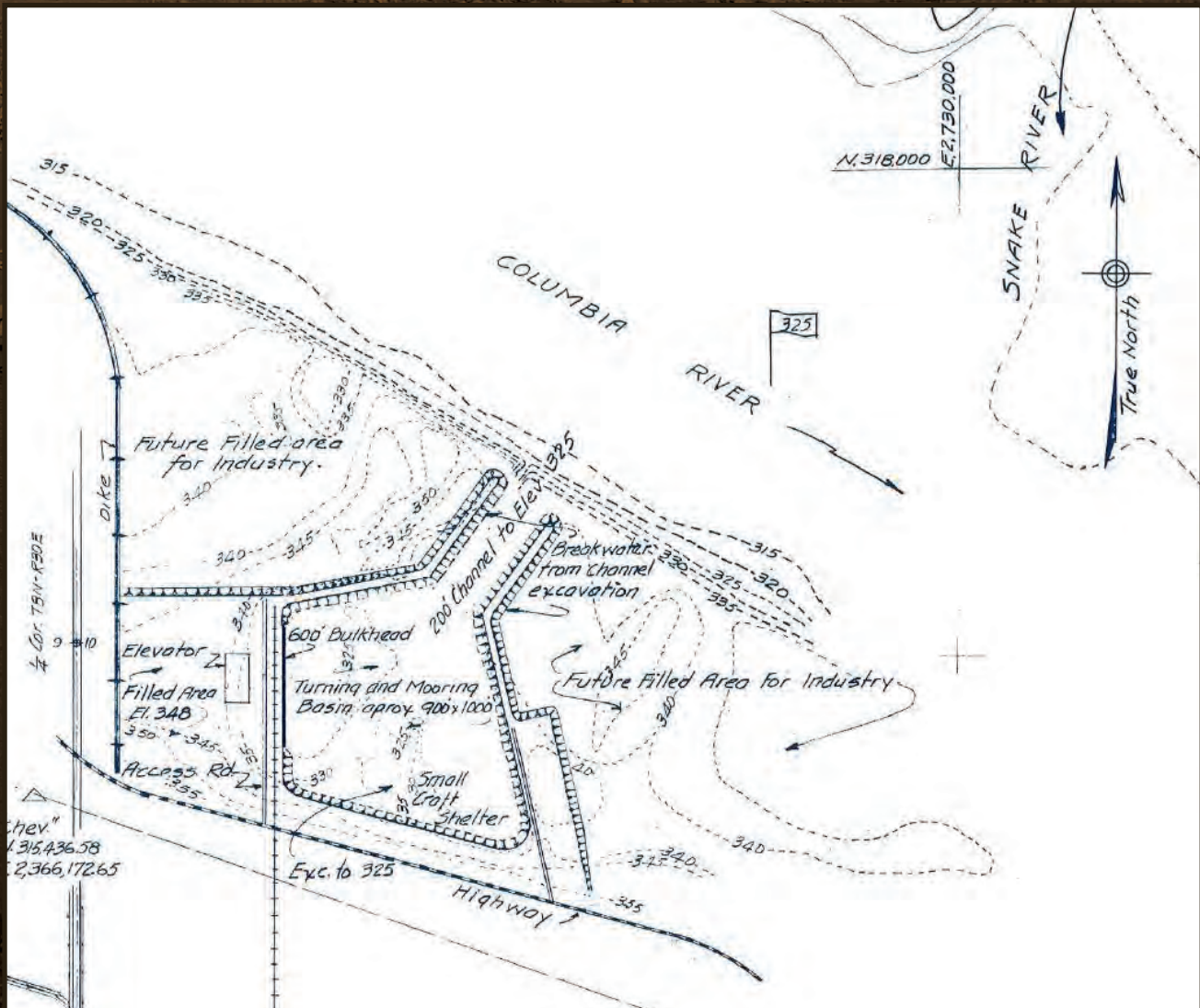
In 1942, representatives of the United States Navy called on the Port of Kennewick Commission to support the war effort by relinquishing to the Navy supplies of railroad steel and ties the Port had on hand for completion of a railroad spur track to Port facilities. The Port Commission felt duty-bound and obliged the Navy's request.

Rail was a primary means of moving products to and from the Port of Kennewick and other industrial properties in Kennewick during the 1940s. In 1941, Kennewick was served by three transcontinental railroads and originated thousands of railcars filled with frozen foods, canned goods, dressed poultry, asparagus, grape juice, cherries, and other commodities.

The Port had plans to develop additional rail spurs in the industrial areas of downtown Kennewick, but in 1942, the Port, in response to a request from the Navy, supported the war effort by donating steel and railroad ties.

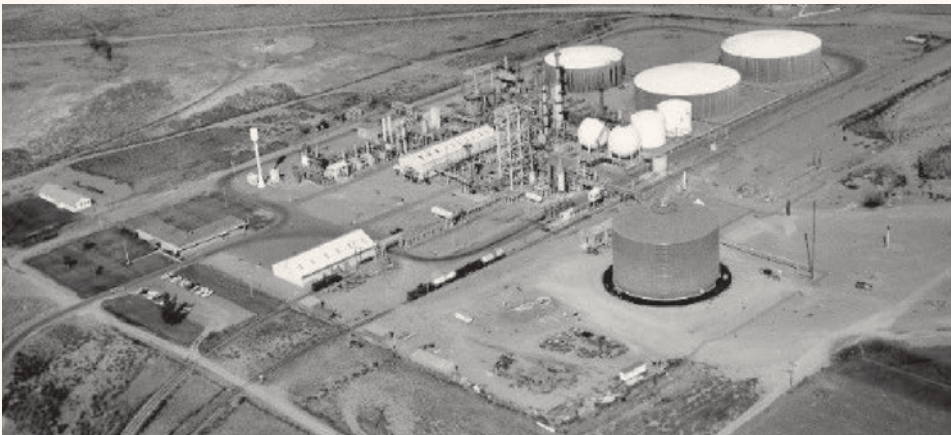
Rail development plans were placed on hold until after the war, and the Port made substantial rail investments in downtown Kennewick during the 1950s.

Present-day Two Rivers Park was once identified as a Port industrial site for barge-loading facilities.



Schematic from 1955 Comprehensive Scheme for Development Plan illustrating Camp Two Rivers (present-day Benton County Two Rivers Park)

1950s and 1960s Industrial Development (Chemical Row)



The Port acquired several industrial properties during the 1950s and 1960s in the Finley area. In 1956, after McNary Dam was constructed, the Port leased 314 acres of Columbia River waterfront land for development from the U.S. Army Corps of Engineers. Between 1953 and 1968, seven major firms established industrial operations in Finley, and the area became known as Chemical Row. These operations supported the U.S. Department of Energy Hanford Site Operations and produced fertilizer inputs to support the growing agricultural industry. A good example of this development occurred in 1957 when the Phillips Pacific Chemical Company built a \$15-million plant to produce anhydrous ammonia. The plant employed nearly 100 people and was considered

the area’s largest private industrial development at the time.

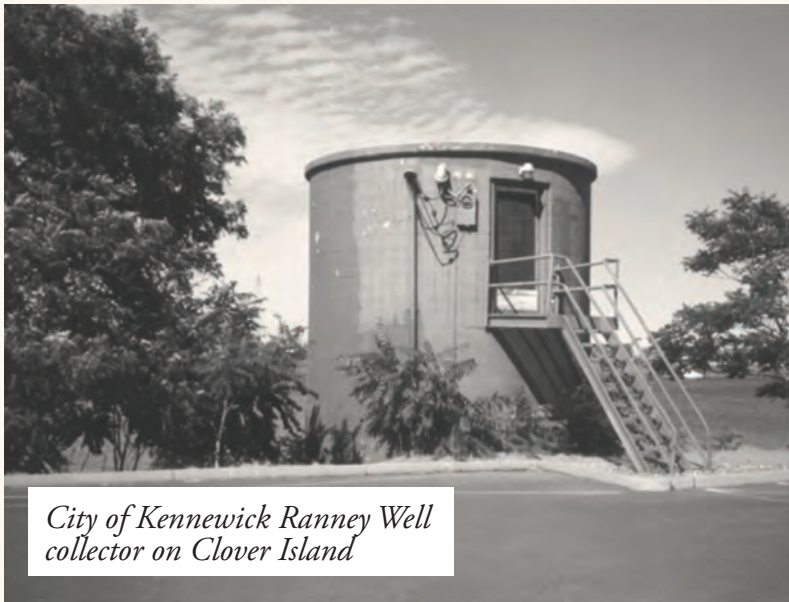
The Chemical Row area was known for its central location, ample transportation, low-cost power, and plentiful water. Total private investment in the Finley area from 1952 to 1964 exceeded \$23 million and resulted in approximately 250 new jobs. Most of these plants are still in operation today. Sandvik Special Metals also located in the Finley area and is currently a thriving business.

The Collier Carbon and Chemical Corporation bought a 40-acre site from the Port of Kennewick for \$140,000 at the present-day Hedges Industrial Area (now owned by Agrium), and the plant was finished in 1967.

1953 to 1968 Chemical Row Finley Area

1953	Allied Chemical (now Abandoned)
1957	Kerley Chemical
1957	Phillips Pacific Chemical (now Agrium)
1958	Gas Ice (now Air Liquide)
1960	Cal-Spray Chemical (now Agrium)
1967	Collier Carbon and Chemical Corporation (now Agrium)
1968	Sandvik Special Metals

City of Kennewick Water-Supply Facilities on Clover Island



City of Kennewick Ranney Well collector on Clover Island

Ranney Well converted to a viewing platform on Clover Island

The City of Kennewick had water-supply facilities on Clover Island from the 1950s through 1980. The first system was a filter bed in the “notch” area of the island, with pump stations just upstream, which were installed in 1952. This

system only lasted a few years before failing. Then, in the late 1950s, the City installed three Ranney Well collectors housed in round, concrete structures. These were located on the northern-side (river side) of the island. In

2002, two of the three Ranney well pumps were removed and the collectors were leveled and capped with concrete slabs. Safety railings were added, turning the slabs into viewing platforms.



Spaulding Business Park

In 1999, the Port of Kennewick purchased approximately 30 acres in the Richland Wye area, where the Yakima River enters the Columbia River. The land would be the future home of the Spaulding Business Park, which was named after the late Gene Spaulding, who had been a Port Commissioner for almost 36 years and retired in 1999. After spending \$610,000 preparing the land for sale, including the addition of roads, utilities, and street lights, the Port had a dedication ceremony for the new Spaulding Business Park in January 2003. Since the park's opening, the following businesses have located in the park: the Walker-Heye-Meehan

attorney office; New Edge; Reliance Medical; Vista Engineering; Arc of Tri-Cities; Eden Medical Center; Tri-City Chaplaincy; CV Development Medical Office; Dermahealth; Willamette Dental; and the Telquist Ziobro McMillen law firm. The Port has sold all but a 1-acre parcel within the business park, and private development has steadily occurred on adjacent property, including a large apartment complex and several office buildings. The Port's early investment tipped that tired neighborhood into desirable waterfront. Since 2007, private investment in the Spaulding Business Park resulted in a new building space worth \$32 million

in assessed property value and more than 300 new jobs.

Spaulding Business Park development is a good example of the Port's expanded redevelopment focus built on the guiding principles of achieving economic sustainability through revitalization, capitalizing on existing public sector infrastructure investments, and reconnecting communities to the rivers. In 2009, the Port received a Governor's Award for Workforce and Economic Development Best Practices for the Spaulding Business Park development.

Business Development Buildings

In addition to the Port of Kennewick's 100th anniversary, 2015 also marks the 30-year anniversary of the Development Building Program the Port launched in 1985, to provide start-up or expanding businesses with scalable spaces to meet their needs. The program was started based on findings from a business trip Port Commissioner Gene Spaulding made to New York City. Upon his return, he successfully pitched the idea to his fellow commissioners, and the Port constructed or acquired development buildings in its Oak Street Industrial Park and later at Vista Field, for a total of seven development buildings.

Notable businesses that have participated in this program include TiLite, PERSEUS Gourmet Products, Amara Cosmetics, Innovative Technology Lab, the Ag Engineering and Development Company, and others. These businesses created hundreds of jobs. TiLite is one of the most prominent Port success stories. During its time at the Oak Street Industrial Park, TiLite grew from a small, startup company into a thriving, 140-employee enterprise, before moving into a company-owned building. At Vista Field, development buildings have housed high-tech businesses such as Staveland Instruments (now Olympus),

Systek, Scitec, One World Telecommunications, ESTeem Wireless Communications, and Bruker. Bruker is an example of a local business using a Hanford technology spun off for private sector application. Bruker has become one of the world's leading analytical instrumentation companies.

Two of the five Oak Street buildings were recently renovated, and the Port is also upgrading Vista Field Development Building A. The Port continues to provide development space today.



Oak Street Development Building signage



TiLite Facility

Southridge Area Development

The Dickerson “Southridge” property was purchased from the Washington State Department of Natural Resources in 1994. The property was named after Dave Dickerson, who served as Port Commissioner from 1977 until 1992, when he passed away. The original site included 160 acres, a majority of which were located on the west side of US 395. In 2002, the Port co-funded the Southridge Area Master Plan for a 2,500-acre area with the City of Kennewick, Benton Public Utility District, Kennewick General Hospital, and Kennewick School District. The City completed the Southridge Master Plan in 2004, which identified nearly all of the Port’s land for future commercial development. Realizing the land would not remain zoned for industrial uses as originally intended, the Port traded a portion of the site to Trios Health for a new hospital site. The Port also collaborated with the City of Kennewick to establish a local revitalization financing arrangement (commonly known as tax-increment financing) to support Southridge development. This partnership allowed local tax revenues generated in the revitalization area to fund infrastructure investments at Southridge.



Southridge Village

Development at Southridge has continued at a steady pace, including the development of Southridge High School, restaurants, retail shops, single- and multi-family housing, the City of Kennewick sports complex, the

Carousel of Dreams, and the new Trios Health hospital. Several hundred jobs have been created as a result of development in Southridge, and the area continues to grow.

Port Commissioners and Executive Directors

During the last 100 years, 36 Commissioners represented the Port of Kennewick, with Gene Spaulding having the longest tenure (36 years, from 1963 to 1998). James E. Magnuson served as a Port Commissioner for 21 years—serving from 1953 to 1973. Of the remaining Commissioners, six served more than ten years, including A. I. Smith (1931 to 1942), Paul G. Richmond (1943 to 1954), Ray F. Hamilton (1955 to 1966), Dave Dickerson (1977 to 1991), George Jones (1986 to 1997), and Gene Wagner (2002 to 2013).

Other Commissioners included: Ingwall Smith (1917 to 1924); G.R. Bradshaw (1924 to 1931); Willard Campbell (1931 to 1939); Jay Perry (1931 to 1939); George R. Turner (1940 to 1942); Harry A. Linn (1940 to 1942); Ralph E. Reed (1943 to 1944); Alfred C. Amon (1945 to 1952); Walter M. Knowles (1945 to 1952); Edward H. Weber (1953 to 1956); John H. Grigg (1957 to 1962); Wayne L. Rogers (1967 to 1973); Charles F. Markham (1974 to 1976); Gilbert J. Ackerman (1974 to 1978); Ray L. Elmgren (1979 to 1985); Paul L. Vick (1992 to 2001); Sue Frost (1998 to 2002); Norm Engelhard (1999 to 2001); John Olson (2000 to 2005); Dave Hanson (2003 to 2012); Linda Boomer (2006 to 2008); and Calvin Dudney (2008 to 2009).

The very first Commissioners were G. M. Annis (1915 to 1916), M. H. Church (1915 to 1924), and W. R. Weisel (1915 to 1923). Currently, the Board of Commissioners includes: Don Barnes, President; Skip Novakovich, Vice-President; and Thomas Moak, Secretary.



*Don Barnes,
President
(2012 to current)*



*Skip Novakovich,
Vice President
(2009 to current)*



*Thomas Moak,
Secretary
(2014 to current)*

Port Executive Directors

The Port has had six Executive Directors: John Neuman (1955 to 1973), Robert “Hank” Thietje (1974 to 1976), Art Colby (1974 to 1979), Sue Watkins (Frost) 1979 to 1997, John Givens (1997 to 2004), and Tim Arntzen (2004 to current).

A tall, tan-colored lighthouse with a dark blue top section and a glass-enclosed lantern room. It stands on a paved area with some young trees and a stone wall in the foreground. In the background, a body of water and a bridge are visible under a cloudy sky.

Port Achievements

The Port of Kennewick has achieved several notable successes during its 100-year history, including the creation of thousands of jobs in the District boundaries, stimulating Clover Island and Spaulding Business Park development, and helping many businesses grow. In recent years, Port investments and land sales (from 2007 through 2013) have resulted in the creation of more than 800 jobs, and private-sector investments of more than \$60 million. What began as a modest port focused on just a few services has grown to a multi-faceted organization providing a variety of economic development services in the Port District for the region.

Today, the Port's mission is to facilitate trade and economic development and to promote tourism. The Port owns and operates two industrial parks, Clover Island Marina, and other facilities and lands. It is also redeveloping several properties, including the former Vista Field Airport, Clover Island, the former Tri-City Raceway in West Richland, and properties along Columbia Drive in Kennewick.

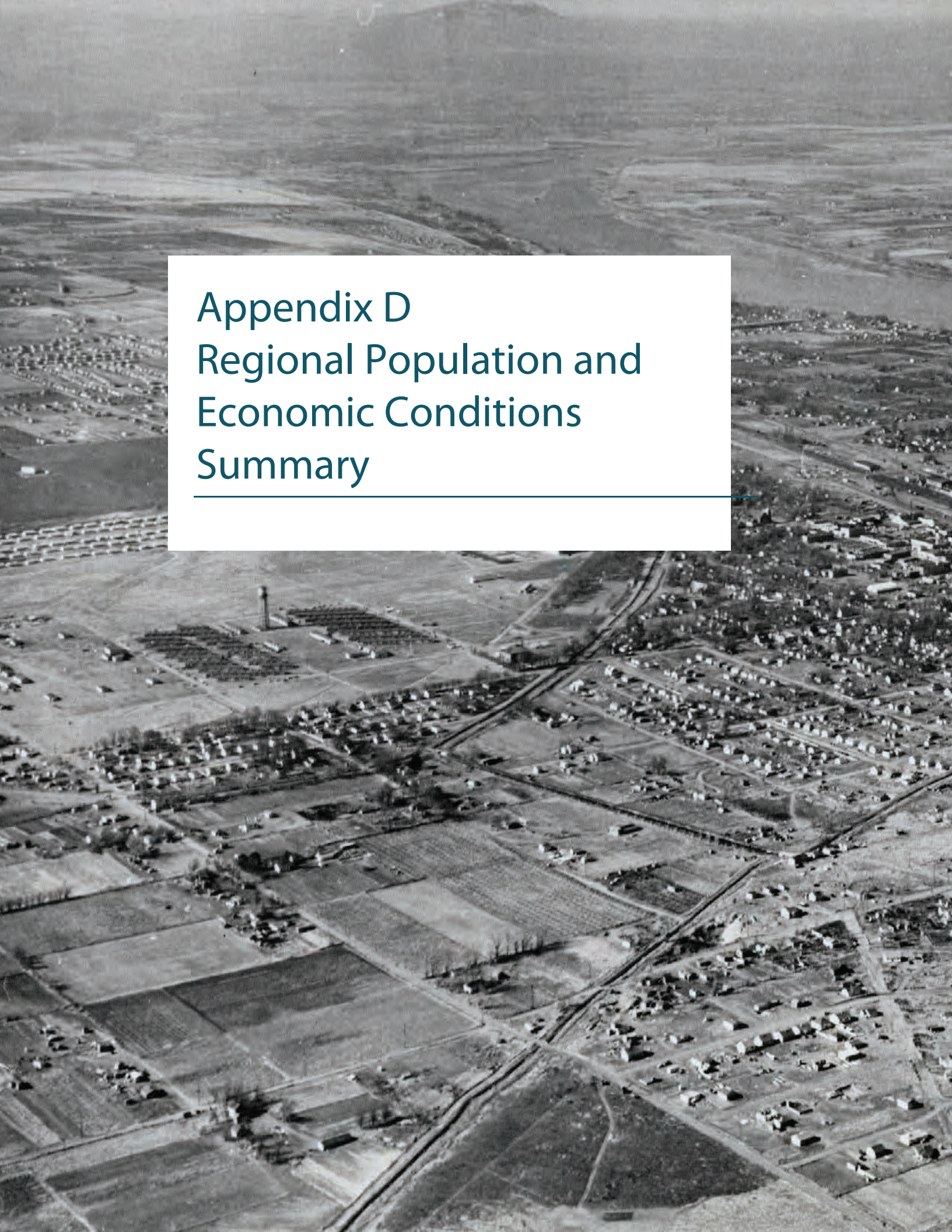
Port leaders are championing urban renewal efforts, investing in recreation and shoreline enhancement activities, and fostering the expansion of Washington's wine industry.

The future is bright for the regional economy. The Port is well-positioned to provide economic development services in close coordination with public and private-sector partners, and capitalize on market opportunities during the next 100 years.

Clover Island Lighthouse
Photo by Brian Gomez

Copyright 2015
Port of Kennewick



An aerial photograph of a rural landscape, likely in the Midwest, showing a grid of agricultural fields and scattered farmhouses. A prominent road or railway line runs diagonally across the lower half of the image. The text is overlaid on a white rectangular box in the upper left quadrant.

Appendix D Regional Population and Economic Conditions Summary

INTRODUCTION

An important consideration for the Comprehensive Scheme of Development (Comprehensive Scheme update) for the Port of Kennewick (Port) is industry growth trends in the region. As a property owner and economic development entity, the Port strives to meet the needs of the business community and the broader general community by providing properties, infrastructure, and (where appropriate) facilities, which help support economic growth needs. In turn, providing these items leads to the creation of jobs and an expanded tax base. Population and economic growth trends help inform the planning for future opportunities. Although population growth is not directly related to economic growth, population trends will drive economic growth and economic needs over time. Economic growth trends highlight the industries creating jobs and where potential Port development opportunities might exist in the foreseeable future.

Methodology

In projecting population and economic growth trends, historical growth rates were reviewed and linear regressions developed. Population linear regressions were developed using the historical time frame of 2000 to 2010 using U.S. census data (U.S. Census Bureau 2010a, 2010b) and Washington State Office of Financial Management estimates from 2010 to 2015 (OFM 2015a). Regressions for economic growth were developed by identifying the ten largest growing subsectors of the Tri-Cities regional economy by North American Industry Classification System codes. Those industries were identified using Washington Employment Security Department (WESD) historical data between 2010 and 2015 (WESD 2015), and linear regressions were developed from those data to project jobs in those industries out to 2040. In all cases (employment and population), regressions that identified a range of outcomes were developed. On the low end of the range were growth numbers that are likely to be met or exceeded 95% of the time. Numbers in the middle are the expected growth value of jobs (50%) created. High-end growth numbers are those that can only be expected to be met or exceeded in 5% of all cases. These ranges were developed to provide the Port with a broad picture of what growth in the community and in the identified industries could look like at the high and low end, as well as what the expected results are projected to be.

Economic Overview of the Tri-Cities Region

For the past 70 years, the economy of the Tri-Cities region can be summed up in two words: atoms and agriculture. Agriculture was the most important industry in the region until the creation of the Hanford Site in the 1940s. The site maintains an important and stable role in the region today. Prior to 1940, farming was the basis of nearly the entire economy because the region grew through the growth in agriculture fueled by the Columbia Basin Project, which irrigates nearly 700,000 acres of land in the region. The growth in farming activity peaked in the late 1960s and, though some growth has continued (particularly in wine grapes), the major boom era of agriculture effectively ended by the 1970s with the end of the Columbia Basin Project. That growth in arable farmland fueled growth in the value-added services sector for farm products, including that of chemical fertilizers such as Agrium, food processors such as Con-Agra Foods, and other agricultural support businesses. However, as the agricultural industry has reached maturity, the growth in those support businesses has also flattened. Since 1940, the overall



economy of the Tri-Cities region, which the Port serves, has been driven by the atomic work at the Hanford Site and by agriculture throughout the region, including the growing of wheat, potatoes, apples, asparagus, and (most recently) wine grapes. The overall work-shed for the area stretches from Hermiston-Umatilla to the south, to the Prosser area to the west, to the Wallula region to the east, and ultimately to the Connell area 40 miles north. According to WESD historic seasonally adjusted data, there are 133,922 individuals in the regional Tri-City metropolitan area labor force as of March 2016; of those, more than 124,903 are employed (WESD 2016). This gives the region an unemployment rate of 6.7%, above the state average of 5.8%. The region was largely protected from the 2008 recession impacting the rest of the nation due to expenditures at the Hanford Site, and the push to complete the construction of a vitrification plant for treating nuclear waste at the Hanford Site. During the past 20 years, the growing and processing of wine grapes has become one of the most important economic drivers in the region. Currently, health care and professional services are also some of the biggest economic drivers in the economy, in addition to the Hanford Site.

Some of the major private employers in the area include Con-Agra Foods, the Battelle Memorial Institute (which operates the Pacific Northwest National Laboratory [PNNL]), Mission Support Alliance, CH2M Hill, Tyson Foods, Areva, Lampson International, and Simplot Fine Foods. Several hospitals serve the area including Trios Health (former Kennewick General Hospital), Kadlec Medical Center, and Our Lady of Lourdes, making the area a regional medical center. On the public side, companies such as the Benton and Franklin Public Utility Districts, Energy Northwest, and the U.S. Department of Energy dominate the overall economy. All three school districts, i.e., Kennewick, Pasco, and Richland, are also three major employers in the region.

Population

Population data show the broader Tri-Cities region (Benton-Franklin counties) is one of the strongest growing population areas in Washington. Between 2000 and 2010, the region grew by nearly 61,500 people (OFM 2015a), and estimates from the Office of Financial Management show population growth of more than 22,000 between 2010 and 2015 (OFM 2015b). Forecasting population growth in the region during the next 20 years shows the overall population of the Benton-Franklin county area growing from 275,740 in 2015 to between 290,000 and 524,000. Figure D-1 shows the population growth analysis in the area using the 2012 Growth Management Act (GMA) provisional population projections (OFM 2012, 2015b).



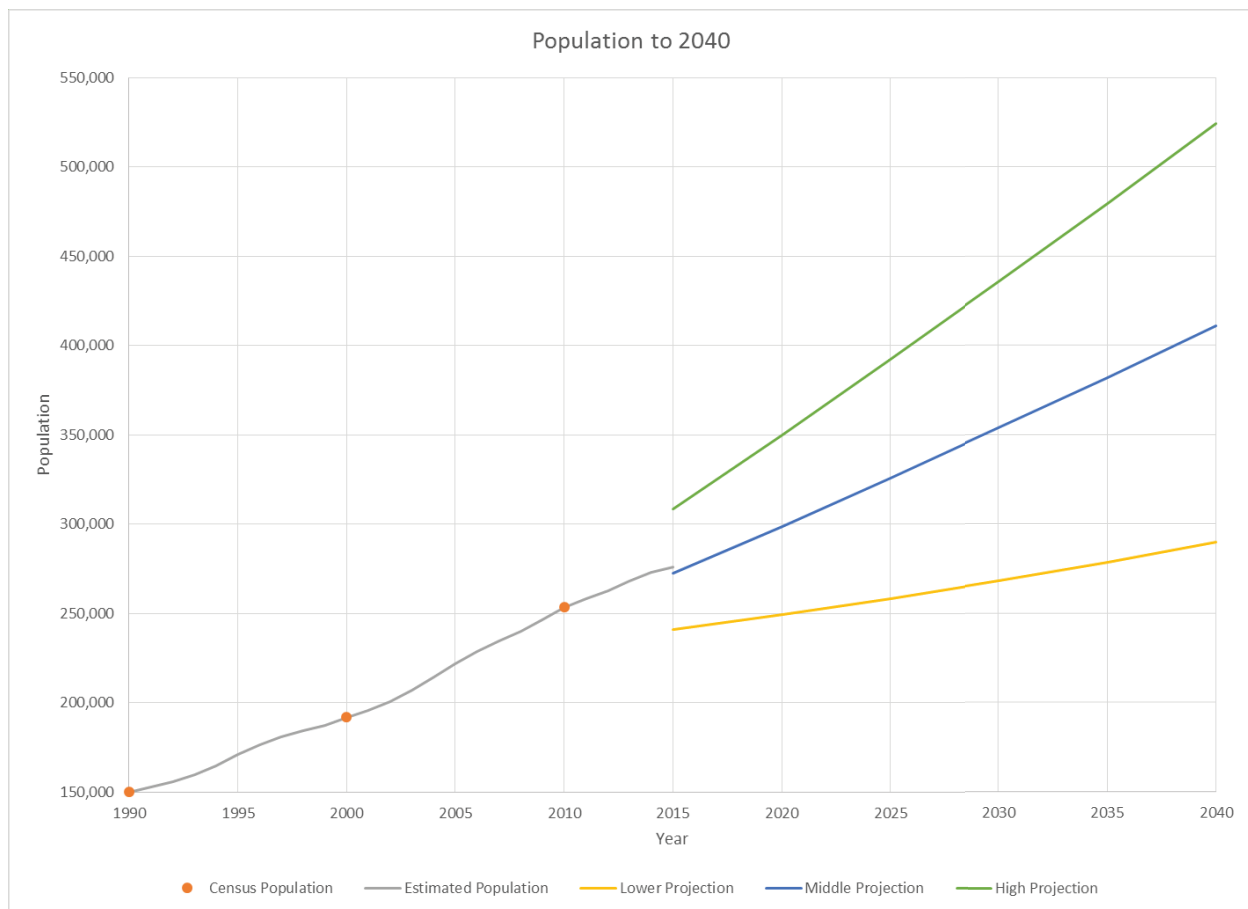


FIGURE D-1. POPULATION GROWTH REGRESSION ANALYSIS FOR THE TRI-CITIES REGION

As indicated, the Benton-Franklin county region has shown steady growth during the past 25 years, and there is no indication the growth will slow because the community continues to see significant activity at the Hanford Site, as well as growth in the broader community, including a continuing rise in the number of retirees moving into the region, which has driven the growth in the medical services industry and provides support for the retail, hospitality, and tourism sectors.

In Table D-1, Benton-Franklin County population growth is compared with other counties in the state. The annual average projected growth for Benton-Franklin counties exceeds that of all other counties in Washington for the expected growth, including neighboring Yakima and Walla Walla counties (OFM 2012).



TABLE D-1. BENTON-FRANKLIN COUNTIES POPULATION GROWTH COMPARED TO OTHER AREAS

County	Annual Average Percentage Growth 2010 to 2040		
	High	Expected	Low
Benton-Franklin	3.57%	2.07%	0.48%
Clark	2.31%	1.25%	0.00%
Grant	2.98%	1.84%	0.79%
King	1.65%	0.84%	0.22%
Pierce	1.61%	1.04%	0.29%
Spokane	2.06%	0.86%	0.22%
Walla Walla	1.17%	0.50%	-0.04%
Yakima	2.22%	1.03%	0.19%

Hanford Site Activities

One caveat to any growth projections for the region is the Hanford Site's remediation funding. Although not expected, if funding at the site significantly declined, it would affect employment in the region, adjusting it downward, which could delay timing of property investments and other development.

Hanford Site cleanup efforts do not take into account any job creation or loss related to work at the PNNL (Olds and French 2010). PNNL is the single largest employer in the Tri-Cities and provides an additional 4,000-plus jobs in the local economy.

However, history has shown that Hanford Site projects are often completed well after the original estimated completion date due to their complexity and the evolving regulatory environment in which the projects are delivered. The current vitrification plant provides a case in point. The plant (as originally scheduled) would be operating and processing nuclear waste in 2011. However, due to complications related to scope of work and budget constraints, the plant is now scheduled to go online in 2019 or later. These types of delays are consistent throughout the Hanford Site's cleanup history and should be considered in future development investment planning.

Agriculture Activities

The region has seen more growth in agriculture than all other industries throughout the past 10 years in terms of total job creation. Between 2005 to 2014, in Benton and Franklin counties, agricultural growth has outpaced all other industries, at 2.5% growth rate compared to 1.8% growth rate in all other industries (Suljic 2016). Agriculture grew rapidly in the 1960s and 1970s as the Columbia Basin project was completed. That growth was not only in agricultural production, but also in the value-added areas such as food processing and the development of chemical fertilizers to support the growth of the industry. Between 2005 and 2014, agricultural employment increased from 9,352 jobs to 12,029 jobs. Major contributors to this growth are agricultural support activities, with 8%, and crop production with 0.9% employment growth rates (Suljic 2016).



Employment

One benefit the consistent growth in the region has brought to the community is consistent employment growth. According to WESD, total non-farm employment in the region has grown much faster than the state rate in the last decade, with an annual average growth rate of nearly 2.15%, compared to the state average of 1.07% (WESD 2016). Much of this growth has been fueled by work at the Hanford Site and by local government growth. Currently, the WESD is forecasting an annual average growth rate of 1.86% between 2013 to 2023 for Benton-Franklin counties, compared to a growth rate of .8% for the nation, and .79% growth for the state of Washington between 2018 and 2023 (WESD 2015; U.S. Census Bureau 2014).

The recession that began in 2008 moderated some of this projected growth. To date, Benton-Franklin counties have largely been passed over in the recession due to a large influx of government money into the Hanford Site.

WESD is forecasting all industries in Benton-Franklin counties to have a positive growth rate between 2014 and 2024. Short-term non-farm growth is projected at 1.9% between 2014 and 2019, and 1.31% between 2019 and 2024. Although all industries are projected to grow during the next 8 years, construction industry is projected to grow at a higher rate than all other industries in the short term at 2.99% between 2014 and 2019. But this will drop significantly to 0.81% in the long term between 2019 and 2024 due to an estimated slowdown of overall growth in the region. Table D-2 identifies top sectors.

TABLE D-2. TOP GROWTH INDUSTRY SECTORS AND GROWTH RATES IN THE REGION

Major Growth Sectors	Growth Rate Short Term (2014 to 2019)	Major Growth Sectors (2019 to 2024)
Construction	2.99	0.81
Financial, professional, and business occupations	2.58	2.13
Education and health care	2.26	1.8
Leisure and hospitality	1.9	1.6
Wholesale trade	2.31	1.06

Source: Suljic (2016)

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An aerial photograph of a rural landscape. The foreground shows a patchwork of agricultural fields, some with crops and others bare. A network of roads and a railway line crisscross the area. In the middle ground, there is a small town or village with numerous houses and buildings. The background features rolling hills and more fields under a clear sky.

Appendix E Cash Flow Projection and Capital Improvements Plan

TABLE E-1
PROJECTED CASH FLOW 2016 TO 2026

Summary of Cash Flow Before Beginning Cash and Capital		Beginning Cash 1/1	Less Net Capital and Land Revenues and Lease	Adjusted Ending Cash 12/31	Reserve (Less \$2.5M Contingency)
2016	\$957,000	\$10,675,000	\$(7,697,000)	\$3,934,000	\$1,434,000
2017	\$928,000	\$3,934,000	\$(2,217,000)	\$2,645,000	\$145,000
2018	\$1,489,000	\$2,645,000	\$(1,230,000)	\$2,905,000	\$405,000
2019	\$1,484,000	\$2,905,000	\$(1,468,000)	\$2,921,000	\$421,000
2020	\$1,476,000	\$2,921,000	\$(19,000)	\$4,378,000	\$1,878,000
2021	\$1,466,000	\$4,379,000	\$(722,000)	\$5,122,000	\$2,622,000
2022	\$1,453,000	\$5,122,000	\$(2,313,000)	\$4,262,000	\$1,762,000
2023	\$1,437,000	\$4,262,000	\$(882,000)	\$4,818,000	\$2,318,000
2024	\$1,418,000	\$4,818,000	\$(851,000)	\$5,378,000	\$2,878,000
2025	\$1,395,000	\$5,378,000	\$(1,322,000)	\$5,451,000	\$2,951,000
2026	\$1,369,000	\$5,451,000	\$(4,615,000)	\$2,205,000	\$(295,000)

Cash Flow Projection Assumptions:

- * Operating revenues are projected to increase at 2%.
- * Operating expenses are projected to increase at 4%.
- * Non-operating expenses are projected to increase at 5%.
- * Property taxes are projected to increase at 4%.
- * Accounts for net future land sales.
- * Accounts for future operation and maintenance on new projects in 2017 to 2026 capital budget (see Table E-2).
- * Analysis includes 2017 to 2026 capital project costs in Table E-2.
- * Analysis is based on current operations and current capital assets.



TABLE E-2: 2017 TO 2026 CAPITAL IMPROVEMENTS AT PORT PROPERTY

	17/18 Budget	19/20 Budget	21/22 Budget	23/24 Budget	25/26 Budget	Total
2017 to 2026 Capital Projects						
Vista Field	\$5,880,000 ^a	\$985,000 ^b	\$990,000 ^b	\$995,000 ^b	\$4,100,000 ^b	\$12,950,000
Clover Island Shoreline 1135	\$875,000	\$100,000 ^c	\$100,000 ^c	\$100,000 ^c	\$100,000 ^c	\$1,275,000
Kennewick Waterfront Revitalization (Clover Island/Columbia Drive)	\$1,100,000	\$500,000				\$1,600,000
Richland Island View Infrastructure	\$400,000	\$600,000		\$450,000	\$450,000	\$1,900,000
West Richland Racetrack	\$200,000	\$200,000	\$100,000			\$500,000
ROI Project/Consultant	\$700,000	\$1,400,000	\$1,950,000		\$1,950,000	\$6,000,000
Port Facilities (Asset Replacement Program)	\$550,000	\$500,000	\$500,000	\$500,000	\$500,000	\$2,550,000
Opportunity Fund	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000
Rural County Capital Funds Project (TBD)	\$-	\$-	\$800,000	\$435,000	\$-	\$1,235,000
Miscellaneous Capital Projects	\$100,000	\$115,000	\$115,000	\$120,000	\$120,000	\$570,000
Total	\$9,905,000	\$4,500,000	\$4,655,000	\$2,700,000	\$7,320,000	\$28,780,000
2017 to 2026 One-time Revenues						
Vista Field	\$5,000,000	\$1,700,000	\$1,700,000	\$2,000,000	\$2,000,000	\$12,400,000
Rural County Capital Funds	\$1,450,000	\$600,000	\$600,000	\$300,000	\$-	\$2,950,000
Richland Land	\$-	\$-	\$-	\$-	\$500,000	\$500,000
West Richland Racetrack West	\$-	\$-	\$-	\$400,000	\$800,000	\$1,200,000
Richland/Keene Road	\$100,000	\$-	\$-	\$-	\$-	\$100,000
Columbia Drive	\$-	\$400,000	\$-	\$-	\$-	\$400,000
Southridge	\$-	\$2,000,000	\$1,000,000	\$-	\$-	\$3,000,000
Total	\$6,550,000	\$4,700,000	\$3,300,000	\$2,700,000	\$3,300,000	\$20,550,000

General note:

The source of capital improvement projects listed above for Clover Island is the Clover Island Master Plan (Makers 2005) and associated updates.

Specific notes:

a = Includes a \$5-million loan to be secured in 2017.

b = These are debt service payments and not for new infrastructure at Vista Field.

c = This includes ongoing maintenance for shoreline improvements.

N/A = not applicable

TBD = to be determined



PORT OF KENNEWICK
Resolution No. 2016-33

***A RESOLUTION OF THE BOARD OF COMMISSIONERS
OF THE PORT OF KENNEWICK ADOPTING AN UPDATE TO ITS
COMPREHENSIVE SCHEME OF DEVELOPMENT***

WHEREAS, RCW 53.20 requires Port districts to adopt a Comprehensive Scheme of Development and Harbor Improvements which serves as the guide for future Port investment and actions; and

WHEREAS, the Port adopted a Comprehensive Scheme of Development in 2011 which has been implemented over the last five years and amended in 2013 to reflect the closure and redevelopment of the former Vista Field Airport; and

WHEREAS, the Port of Kennewick has and will continue to play a role in accommodating economic growth by acquiring, developing, selling and leasing land; and

WHEREAS, as required by law, the Board of Commissioners conducted a public hearing on the question of whether or not its Comprehensive Scheme of Development should be updated at a meeting of the Board of Commissioners held in the Commission Chambers of the Port Offices located at 350 Clover Island Drive, Kennewick, Washington at 2:00 pm on November 8, 2016; and

WHEREAS, notice of such hearing was given as provided by law (copy of said notice attached hereto as "Exhibit 1" and "Exhibit 2" and such public hearing was held at such time and place and on said date; and

WHEREAS, after discussion and consideration of the proposed update to said Comprehensive Scheme, the Board of Commissioners determined that said scheme should be updated.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Board of Commissioners of the Port of Kennewick that after and pursuant to a public hearing held on the 8th day of November 2016, after notice thereof duly given in the manner required by law, the Board of Commissioners of the Port of Kennewick does hereby adopt the Update to the Comprehensive Scheme of Development as identified as "Exhibit 3".

BE IT FURTHER RESOLVED that previous versions of the Comprehensive Scheme and resolutions amending the previous Comprehensive Schemes are superseded by this new Comprehensive Scheme Update document.

ADOPTED by the Board of Commissioners of Port of Kennewick on the 8th day of November, 2016.

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

By: 
SKIP NOVAKOVICH, President

By: 
THOMAS MOAK, Vice President

By: 
DON BARNES, Secretary

10B

TRI-CITY HERALD

WEDNESDAY NOVEMBER 2 2016

IS expected to be
the District's Board of Commissioners.
#2716292 10/26 & 11/02/2016

PORT OF KENNEWICK
PUBLIC HEARING NOTICE

NOTICE IS HEREBY GIVEN that a Public Hearing will be held on Tuesday, November 8, 2016 at 2:00 p.m., or as soon thereafter as possible, in the Commission Chambers at the Port of Kennewick, 350 Clover Island Drive, Kennewick, Washington, to receive statements for and against adopting the port's Comprehensive Scheme of Development and Harbor Improvements (commonly known as Comp Scheme). The public is welcome and encouraged to attend.

/s/ Skip Novakovich,
President, Board of Commissioners
Port of Kennewick

Notice Dated: October 31, 2016

Please Direct Questions to:

509.586.1186

#2763688 11/02/2016

WASHINGTON STATE DEPARTMENT

SUNDAY NOVEMBER 6 2016
TRICITYHERALD.COM

Tri-City Herald

PORT OF KENNEWICK PUBLIC HEARING NOTICE



NOTICE IS HEREBY GIVEN that a Public Hearing will be held on Tuesday, November 8, 2016 at 2:00 p.m., or as soon thereafter as possible, in the Commission Chambers at the Port of Kennewick, 350 Clover Island Drive, Kennewick, Washington, to receive statements for and against adopting the port's Comprehensive Scheme of Development and Harbor Improvements (commonly known as Comp Scheme). The public is welcome and encouraged to attend.

/s/

Slav Novakovich,
President, Board of Commissioners
Port of Kennewick

Notice Dated: October 31, 2016

Please Direct Questions to: 509.586.1186

PORT OF KENNEWICK

Resolution No. 2017-19

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE PORT OF KENNEWICK AMENDING ITS COMPREHENSIVE SCHEME OF DEVELOPMENT AND HARBOR IMPROVEMENTS

WHEREAS, RCW 53.20 requires port districts to adopt a Comprehensive Scheme of Development and Harbor Improvements (Comp Scheme) which serves as the guide for future Port investment and actions; and

WHEREAS, the Port adopted a Comprehensive Scheme of Development by Resolution 2016-33 on November 8, 2016; and

WHEREAS, the Port of Kennewick has and will continue to play a role in accommodating economic growth by acquiring, developing, selling and leasing land; and

WHEREAS, input from the public and City of West Richland regarding the future redevelopment of the former Tri-City Raceway was obtained throughout the planning process; and

WHEREAS, the Port of Kennewick adopted the former Tri-City Raceway Master Plan by Resolution 2017-07 on March 28, 2017; and

WHEREAS, input from the public and the City of Kennewick regarding the redevelopment of Vista Field was obtained throughout the planning process; and

WHEREAS, the Port of Kennewick adopted the Vista Field Redevelopment Master Plan by Resolution 2017-17 on October 24, 2017; and

WHEREAS, on Tuesday, October 24, 2017, after public notice, as required by law, the Board of Commissioners conducted a public hearing, held in the Commission Chambers of the Port Offices located at 350 Clover Island Drive, Kennewick, WA to amend the Comp Scheme to include the following documents: the former Tri-City Raceway Master Plan, the Vista Field Redevelopment Master Plan and the Vista Field Development Agreement; and

WHEREAS, notice of such hearing was given as provided by law (copy of said notice attached hereto as "Exhibit 1" and "Exhibit 2" and such public hearing was held at such time and place and on said date; and

WHEREAS, after discussion and consideration of the proposed amendment to said Comprehensive Scheme, the Board of Commissioners determined that said scheme should be updated.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Board of Commissioners of the Port of Kennewick that after and pursuant to a public hearing held on the 24th day of October 2017, after notice thereof duly given in the manner required by law, the Board of Commissioners of the Port of Kennewick does hereby adopt the Update to the Comprehensive Scheme of Development as identified as "Exhibit 3".

BE IT FURTHER RESOLVED that previous versions of the Comprehensive Scheme and any resolutions amending the previous Comprehensive Schemes are superseded by this new Comprehensive Scheme Update document.

ADOPTED by the Board of Commissioners of Port of Kennewick on the 24th day of October, 2017.

**PORT OF KENNEWICK
BOARD OF COMMISSIONERS**

By:


SKIP NOVAKOVICH, *President*

By:


THOMAS MOAK, *Vice President*

By:


DON BARNES, *Secretary*

CLASSIFIED LEGALS

PORT OF KENNEWICK PUBLIC HEARING NOTICE

NOTICE IS HEREBY GIVEN that a Public Hearing will be held on Tuesday, October 24, 2017 at 2:00 p.m., or as soon thereafter as possible, in the Commission Chambers at the Port of Kennewick, 350 Clover Island Drive, Kennewick, Washington, to receive statements for and agains adopting the port's Comprehensive Scheme of Development and Harbor Improvements (commonly known as Comp Scheme). The public is welcome and encouraged to attend.

/s/Skip Novakovich,
President, Board of Commissioners
Port of Kennewick

Notice Dated: October 5, 2017

Please Direct Questions to:

509.586.1186

#3326484 10/15, 10/18, &

10/22/2017

NOTICE OF PUBLIC HEARING FOR REISSUANCE OF A TAX-EXEMPT SPECIAL FUND REVENUE BOND BY THE WASHINGTON HEALTH CARE FACILITIES AUTHORITY

The Washington Health Care Facilities Authority (the "Authority") will hold a public hearing on November 2, 2017, at 9:00 a.m. at its office at 410 - 11th Avenue S.E., Suite 201, Olympia, Washington 98504, regarding the proposed reissuance by the Authority of a tax-exempt special fund revenue bond in the reissued principal amount of not to exceed \$4,658,440. The bond was originally issued on March 22, 2007 (the "Original Bond") and the proceeds of the Original Bond were loaned to Yakima Valley Farm Workers Clinic ("YVFWC"), a Washington nonprofit corporation and a "501(c)(3) organization," to provide part of the funds necessary to finance costs of acquiring, designing, constructing and equipping the medical office building owned by YVFWC and located at 820 Memorial Street, Prosser, Washington 99350.

All interested persons are invited to attend and testify at this hearing, or to submit written comments to the Authority at the above address to be received no later than the time of the hearing. The Authority is committed to providing equal access to individuals with disabilities, consistent with the Americans with Disabilities Act and other state and federal laws prohibiting discrimination against individuals with disabilities. Anyone requiring an accommodation to participate in this hearing or to obtain information subject to this notice should contact the Authority, at least 24 hours prior to the time of the hearing, at (360) 753-6185.

#3337707 10/18/2017

Services

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PORT OF KENNEWICK PUBLIC HEARING NOTICE REGARDING THE 2018 REGULAR PROPERTY TAX LEVY

PUBLIC NOTICE IS HEREBY GIVEN that the Port of Kennewick Commissioners and staff will hold a public hearing to discuss the 2018 Regular Property Tax Levy at 2:00 p.m., or soon thereafter, Tuesday October 24, 2017 in the Commission Chambers, located at 350 Clover Island Drive, Suite 200, Kennewick, Washington.

The purpose of the meeting is to confirm the 2018 property tax levy, according to Resolution 2016-26 adopting the 2017-2018 Budget. The public is welcome and encouraged to attend. For more information, please call the Port of Kennewick at 509.586.1186.

#3340365 10/18 & 10/22/2017

REQUEST FOR BIDS

NOTICE IS HEREBY GIVEN that the intention of the Board of Benton County Commissioners to purchase for the Benton County Road Department ONE NEW CURRENT PRODUCTION MODEL MATERIAL STACKER-CONVEYOR BELT. Sealed bids to provide this equipment will be received by the Benton County Engineer, P. O. Box 1001, Prosser, Washington 99350-0954, or Benton County Courthouse, 620 Market St., Prosser, Washington until 11:00 a.m., Local Time, Tuesday October 31, 2017. NO BIDS WILL BE ACCEPTED AFTER THAT DATE AND TIME.

Instructions, Specifications and Bid Proposal form may be obtained by contacting the Benton County Engineer at the above address, or by telephone at (509)736-3084 (Tri-Cities) or (509)796-5611 (Prosser) or on the County website at www.co.benton.wa.us. Bids will be opened at 11:00 a.m., Local Time, Tuesday, October 31, 2017 in the Road Department Conference Room, Benton County Courthouse, 620 Market St., Prosser, Washington.

DATED this 17th day of October 2017.

/s/Matt Rasmussen
County Engineer

#3339811 10/18 & 10/26/2017

10C

TRI-CITY HERALD

SUNDAY OCTOBER 22 2017

CL

#3346878 10/22/2017

**PORT OF KENNEWICK
PUBLIC HEARING NOTICE**

NOTICE IS HEREBY GIVEN that a Public Hearing will be held on Tuesday, October 24, 2017 at 2:00 p.m. or as soon thereafter as possible, in the Commission Chambers at the Port of Kennewick, 350 Clover Island Drive, Kennewick, Washington, to receive statements for and against adopting the port's Comprehensive Scheme of Development and Harbor Improvements (commonly known as Camp Scheme). The public is welcome and encouraged to attend.

/s/ Skip Novakovich,
President, Board of Commissioners
Port of Kennewick

Notice Dated: October 5, 2017

Please Direct Questions to:

509.586.4186

#3326484 10/16, 10/18, &
10/22/2017

Tri-City Raceway Redevelopment Master Plan

Port of Kennewick

March 28, 2017

Prepared by

Oneza & Associates

With assistance from

JUB Engineers, HDR Inc., RCECM

Adopted March 28, 2017 by Resolution 2017-07

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southwest of the Black Heron Spirits site for sale for appropriate business enterprises. The Port could then direct proceeds of these sales to fund its utility infrastructure project. The City has indicated grant applicant assistance could be provided.	23
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Introduction

The Port of Kennewick (Port) intends to develop a master layout for an approximately 92 acres of property located in the City of West Richland (City). The property is currently owned by the Port. The site was the former raceway locally known as Tri-City Raceway. The planning process for this site has been triggered by the Port of Kennewick's overall goal of creating jobs in the Tri-Cities area. The Port purchased the property in 2008, four years after the raceway operation had been closed.

The site is located on the southwest intersection of Keene Road and SR 224. The proposed Red Mountain Interchange on SR 224 would be about quarter mile to the west. The site is just outside of the Red Mountain AVA boundary.

Plan Background

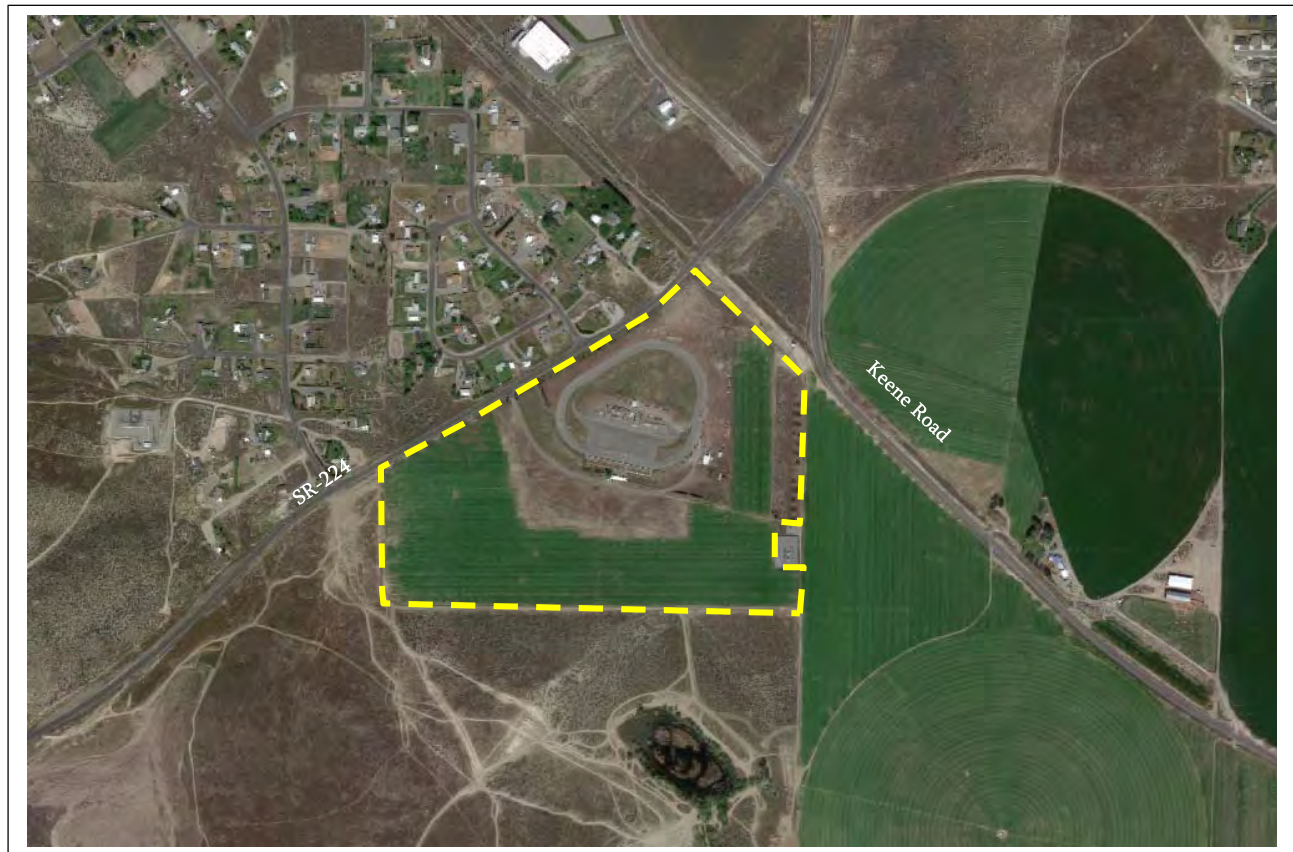
The plan provides a framework for future development of the area consisting primarily of industrial and wine related uses in multiple phases. A Phase 1 study completed in 2012 identified the strengths, weakness and opportunities for developing the site for wine related industrial development. The Phase 1 study also analyzed the job and economic outcomes. The site was in unincorporated Benton County during the Phase 1 study. The analysis indicated a higher economic benefit from developments utilizing urban infrastructure. As a result, the City and the Port collaboratively pursued the Urban Growth Area (UGA) expansion process. After this area was included in the West Richland UGA, the City annexed it into the city limits in December 2015.

The proposed development plan takes into consideration current market trends, surrounding land uses, and infrastructure capacity. A market analysis was performed as part of this plan (Exhibit E) that indicates current and future trends of wine related industries in this area. The plan considers potential accesses, parcel sizes, site configuration, utilities and phasing for future development.



View of the site

Aerial Map



Northern perimeter

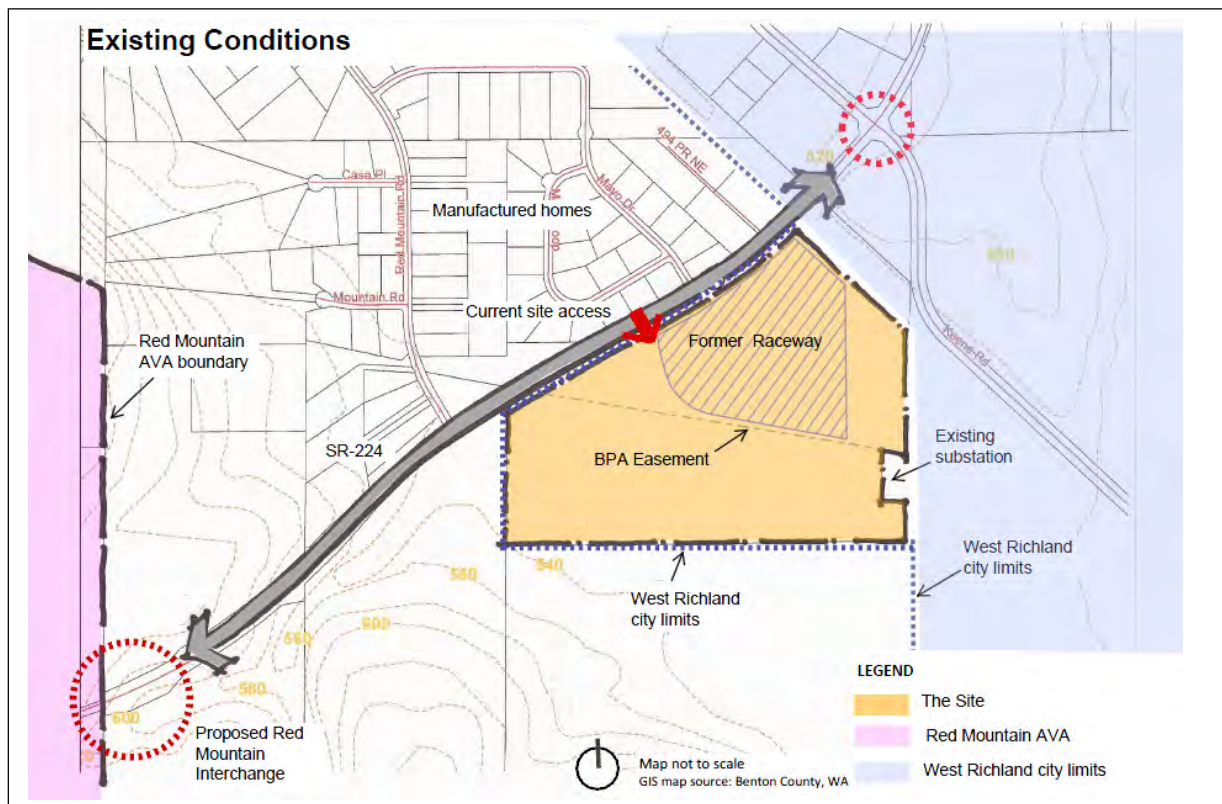


Existing internal roadway

Existing Conditions

Land Use and Vicinity

The southern 45 acres of the site is in agriculture production (hay) and the remainder is vacant. Current zoning is Commercial, Light Industrial (CLI). The former racetrack tri-oval track, pit and grandstands are located on the northern part of the property. There are two wells on the property. Bonneville Power Administration (BPA) has east-west powerline within its 100 ft. right-of-way with five poles on the site. Benton Rural Electric Association's one acre parcel abuts the southeast boundary of the property.



Land use north of SR-224 is mostly residential consisting of manufactured homes. Pacific Rim winery is located north of SR-224 abutting Keene Road. Property east of the current site is used for agricultural purposes by Alexander Farms. Much of the south side is vacant and un-irrigated. Lost Lake to the south is a drainage basin of the Kennewick Irrigation District's water runoff.

Topography

The topography of the site is generally flat with slight variation from north to the south. The racetrack area has elevation ranging from 510 ft. to 520 ft. The topography changes to a higher elevation on the southwest side to about 540 ft. Topographic variation occurs in an expanded area resulting in mostly gentle slopes within this 92 acres site.

Access

The site abuts important regional road connections. As mentioned above, SR 224 borders the northern boundary of the site. Keene Road and SR 224 intersection is located on the northeast side of the property. Both Red Mountain and Mayo Roads are accessed from SR 224. There is no access to the area from the south. The future Red Mountain/I-82 Interchange is planned approximately 1½ miles to the southwest and would enhance access once constructed and extension from SR-224 is completed.

Infrastructure

The site currently is not served by the City's water, sanitary sewer or industrial wastewater pre-treatment facility. The City infrastructure (water and sanitary sewer) are available at the Keene Road intersection. Two wells are located on the site with certified water rights (certificates G4-26382C and G4-28319C) secured by the Port. Current Port owned buildings at this site include the bathroom building and the racetrack shop on the track area. Benton Rural Electric Association has a 20 Mega Watt substation on the southeast side outside the property. Electricity is available from Benton REA with services currently available around the track.

Opportunities and Constraints

The area is strategically located close to the Tri-Cities metropolitan area and the Red Mountain AVA. The site has a close proximity to Interstate-82 and SR-224. The proposed Washington State Department of Transportation Red-Mountain Interchange is about half a mile west of the site which would benefit the entire region as well as the area Red Mountain AVA with convenient regional interstate access. A relatively flat topography for the most part of the site provides an easy-to-develop opportunity. The economic growth in the agricultural and construction industries in the Tri-Cities metro area has resulted in a stable and available labor force and entrepreneurship in this region. Development of the site could offer opportunities for new businesses as well as expansion of existing local businesses. The current public ownership of the site by the Port of Kennewick and the collaborative approach between the City and the Port offers further assurance to the private sector for future development.

Multiple opportunities exist for developing the site such as collaboration with public and private entities, tapping into the existing market for wine related industry, making it a regional center for wine related industries, and taking advantage of the area as a western gateway to the City of West Richland and the Tri-Cities metropolitan area.

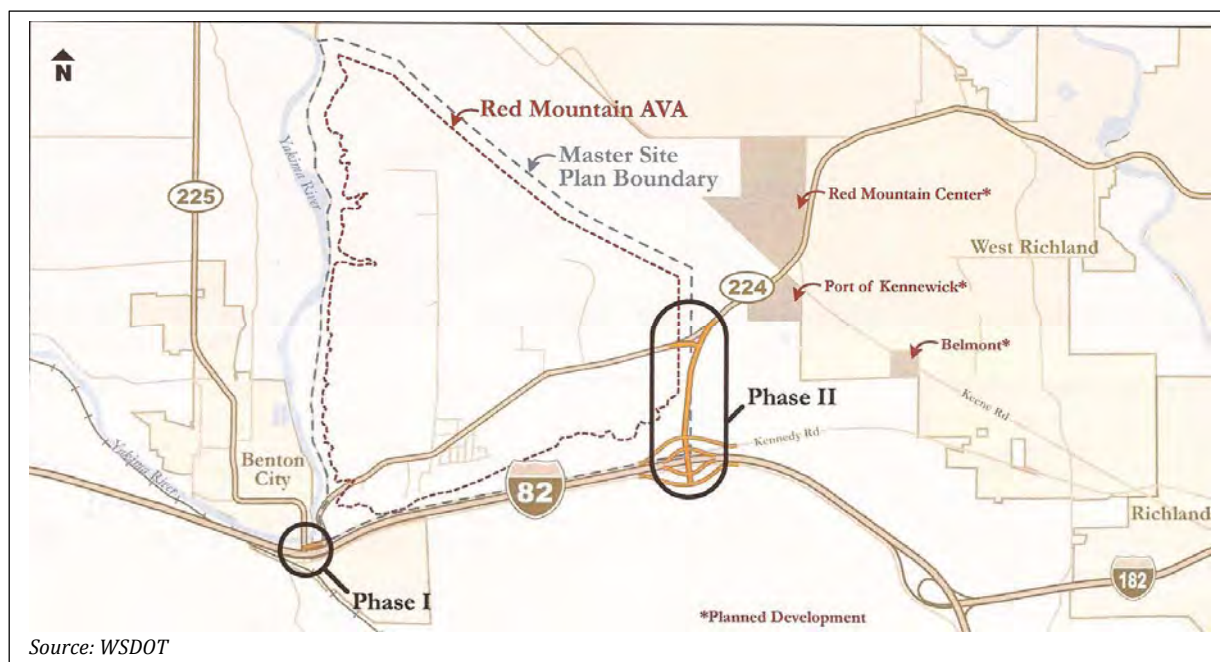
The Port and the City have been working towards removing the development challenges. One of those was the Urban Growth Area expansion and annexation of the site that occurred in 2015. This benefits the site with the potential connection to City infrastructure yielding efficient urban scale development. The existing 100 foot Bonneville Power Administration easement and power lines across the site pose development challenges. BPA allows certain uses within its right of way,

however, building structures are not allowed within the right of way. The site is currently not being served by the Kennewick Irrigation District water. However, in 1957 KID established a right of way to flow “any and all wastewater” on the land resulting from the operation of Badger East Lateral. The Port and KID have agreed on the Port acquiring this right of way and the formal process is underway.

Proximity to Red Mountain AVA

Several opportunities are reviewed more closely for proposing specific uses in the site, such as proximity to the Red Mountain AVA and easy access from highway and state route.

Red Mountain AVA consists of approximately 4,040 acres of land. The AVA consists of more than 15 wineries, and many other Washington wineries source grapes from Red Mountain’s premium



growers (Washington State Wine, 2016). A Red Mountain Master Plan was developed and approved by Benton County in 2012. The plan outlines various land uses, ownership patterns and infrastructure crucial for the success of the AVA. Land use includes vineyards, wineries, support facilities, educational opportunities, visitors’ facilities, etc. The plan indicates a village center and tourism facilities at the center of the AVA. The wine village will be the welcoming center for Red Mountain where visitors can learn about Red Mountain and experience related amenities.

Because of its unique combination of geology, gentle south slope, consistent winds and optimum heat profile, grapes produced in this area are highly desired for quality red wine production (Red Mountain AVA Alliance, 2016). However, it is one of the smallest AVAs with such high quality of soil. It is important that grape production in this land is maximized by limiting other usages within the AVA. One way could be to move some of the processing and ancillary facilities outside of the AVA boundary.

The proposed Red Mountain Interchange by WSDOT includes access improvement in two phases; in Phase 1, the I-82 corridor near Benton City and in Phase 2, from I-82 to SR 224 and Red Mountain/West Richland. The Benton City interchange was completed in Summer 2016. At present, construction for the I-82 to SR 224 and Red Mountain/West Richland interchange is planned to begin early 2020. They both address traffic congestion and safety issues. According to WSDOT, construction of these interchange improvements will result in a significant increase to commercial and industrial development and improve local economy.

Market Analysis

The market analysis (Appendix E) prepared for this plan analyzes the growth of the wine industry in the region, global consumption trends, and development options for wine related businesses on the site. The analysis indicates that between 2010 and 2013, the number of wineries in Benton/Franklin County has grown by 27%, outpacing the growth in Walla Walla. The value of sales in U.S. manufactured wine has tripled from \$11 billion in 1993 to nearly \$35 billion in 2012. The total economic impact of the Washington State wine industry was \$4.8 billion in 2013, up from \$3.5 billion in 2009 (Washington State University, 2016).

The market analysis indicates that Washington wine industry is growing with a mix of large and boutique wineries. In many cases, smaller wineries join together in partnerships or get purchased outright by larger business interests. This makes the processing capacity an issue as the wine makers ramp-up their production.

Given the growth of the Washington wine industry and the growth in the Tri-Cities region, an industrial complex of wine, brewery and distillery related facilities to serve large production wineries users would make sense in the subject site. The site should focus on providing two services to the industry at the outset. One of these services should focus on the development of climate controlled warehouse flex space which could be used for barrel aging of wine, or for case storage. The other facility could be to provide warehouse space. Non-industrial wine-related facilities (retail and hospitality) could also be considered as supporting uses at a later phase.

Proposed Development Plan

Key Principles

The Port of Kennewick's primary focus for developing the site is to create jobs in the Tri-Cities area. Both the City and the Port are collaborating for economic development opportunities. It is anticipated that development of the site will be phased and occur over time. Following key aspects are necessary for development of this site:

- **Partnership**

- Partnership between public agencies (such as the City, WSDOT, BPA, KID, Benton County, Benton REA etc.). The Port and the City are already working with WSDOT on access improvements on SR-224, and BPA on the use of the easement. The Port and KID are resolving an inundation clause that will eliminate some title restrictions on the property. The Port seeks investment from its development partners throughout the process.
- Public-Private partnership such as partnering with Red Mountain AVA Alliance and other interested entrepreneurs in the area.

- **Public catalyst for private sector investments**

The Port will encourage the City participation in constructing necessary infrastructure. The City has completed a wine effluent pre-treatment facility on SR-224 approximately ½ mile to the east of the site. This plant will enhance the ability for existing and prospective grape producers and wine makers to remain competitive. The City has indicated extension of utilities to the boundary of the site would be the responsibility of other parties. The Port is planning to develop necessary infrastructure on the site. These public sector commitments will offer predictability and enhance private sector investments.

- **Avoid direct competition with private developers**

The Port has been evaluating intent and trends of private sector developers within the area for the past few years. The port staff has discussed with Alexander Farms, a major land owner in the vicinity who has not shown any interest specific to developing their properties for similar uses. The City indicates Alexander Farms specifically requested the CLI zoning as it is in line with their future development plans. The Port intends to review market conditions in order to avoid direct completion with the private sector.

- **Focus on large scale wine production and support facilities**

The intent of the development is to promote large industrial scale wine production facilities on the site. Market analysis indicates that the area is most suitable for large scale wine production, processing and warehousing.

- **Support agri-tourism and the surrounding agricultural and wine industry**

The overall plan and design of the site should be reflective of the local agricultural and wine industry. Site design should include features to promote agri-tourism.

- **Phased or incremental development**

The area will be developed in multiple phases based on the local market conditions and other investments as they become available such as interchange improvements by WSDOT, or as improvement becomes financially feasible and consistent with the Port's Comprehensive Scheme. The City's investment for future infrastructure improvement will also affect the phasing of developments.

- **Non competing clause**

Development investments in this area will not be in competition with other investments made by the port in other jurisdictions. For example, the Port's investments in this area largely intended for industrial scale of wine processing and support facilities will not be in conflict with its investment on small scale boutique wineries and retail uses in other jurisdictions.

Proposed Land Uses

Based on the opportunity and constraints analysis, and the past trends of development of the wine industry in the region, the site is suitable for wine, beer and spirits related and wine, beer and spirits support businesses with primary focus on:

- Wine processing industrial uses, and
- Warehouses oriented to the wine, beer, spirits and specialty food industries.

The market analysis indicates the need for warehousing facilities. Winery warehouses can be developed for bulk wine storage, material storage and case goods. In general, most of the factors needed for construction of winery warehouses currently exist on the site and in the vicinity:

- Proximity to transportation routes, SR -224
- Proximity of production sites and markets, e.g. proximity to Red Mountain AVA and Seattle and Portland markets
- Available services to be provided by the City
- Proximity to labor market which will utilize the agricultural and manufacturing labor force of the Tri-Cities area
- Allowance for future expansion to be considered in the site layout
- Truck movement around the site to be considered in the site layout

Future development should also focus on development of climate controlled warehouse flex space which could be used for barrel aging of wine or for case storage. Non-industrial wine-related facilities could also be considered as supporting uses at a later phase specifically in conjunction with enhanced access provided by the future Red Mountain/I-82 interchange. Development of primarily wine related manufacturing and warehouse facilities would protect limited agricultural land in the Red Mountain AVA by offsetting the industrial processing away from the AVA.

There can be other industrial and support uses complementing the primary uses such as packaging and printing, marketing, logistics etc. Development in this area should cater to multiple businesses in the related industry.

Overall land use distribution

Proposed Uses	% of the total
Industrial uses (wineries, food processing, manufacturing)	40%
Warehouse	20%
Miscellaneous (accessory retail, food)	20%
Roads, utilities	20%
Total	100%

Site Planning

The site layout has been developed with the following principles:

- Flexibility – the plan layout is designed to provide a variety of choices and flexibility in order to meet the need of multiple business types. It offers a range of lots and development sizes which could cater to different sizes of businesses.
- Scalability – The lots are flexible enough to add on additional lot area or building area.
- Layout is intended for multiple types and sizes of businesses including large to mid-size wine manufacturing.

Access and Circulation

The site will be accessed primarily from SR-224 opposite of Mayo Drive. This access needs to meet WSDOT standards and a preliminary review of SR-224 access design was completed by WSDOT in 2016. This access is stretched to the south to the Alexander Farm. Another access to the site is designed from Keene Road to the east, a portion paralleling the BPA easement and is stretched to the west end of the property. The City is planning to designate the north-south (SR-224 to SE corner of the site) road as an arterial road. The future Red Mountain/I-82 Interchange is planned approximately 1½ miles to the southwest and would enhance access once constructed and extension from SR-224 is completed.

Infrastructure

Upon extensions of industrial sewer main lines, the City's wine effluent pre-treatment facility on SR-224 will serve the site. The City's water and sanitary sewer services are available at the north end and will be extended to serve the site.

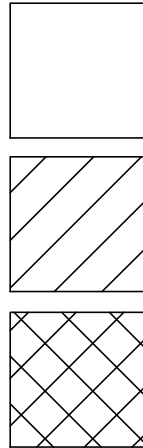
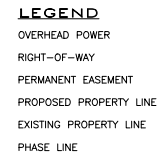
Overall Layout and Lot Sizes

Lot sizes are based on the capacity of manufacturing need. The relationship between wine production capacity and required building square footage largely varies due to the facts such as types of wine produced (red vs white), equipment used for the production, efficiency in the production process etc. Although there is not an industry adopted building sq.-ft./case ratio this plan is based upon on 1 sq.-ft. of building area required to produce 2 cases of wine. This could be modified based on the need of

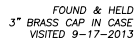
the industry during the time of development. The minimum size of a winery in the subject area is identified as the one having a maximum capacity of producing 30,000 cases a year. Based on this, the minimum building size for such use can be 15,000 sq.-ft.

Following are examples of capacities in some of the local wineries:

- Terra Blanca
 - Produces – 30,000 cases
 - Capacity – 75,000 cases
- Pacific Rim
 - Produces – 300,000 cases
 - Capacity – 600,000 cases
- Bookwalter
 - Produces – 30,000 cases



PHASE 3



J-U-B ENGINEERS, INC.
2810 W. Clearwater Ave.
Suite 201
Kennewick, WA 99336
Phone: 509.783.2144
Fax: 509.736.0790
www.jub.com

PRELIMINARY PLANS


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[illegible]

CONCEPT LAYOUT #1
TRI-CITY RACEWAY REDEVELOPMENT MASTER PLAN

CITY OF WEST RICHLAND, BENTON COUNTY, WASHINGTON
 TOWNSHIP 3 NORTH, RANGE 27 EAST, W.M.

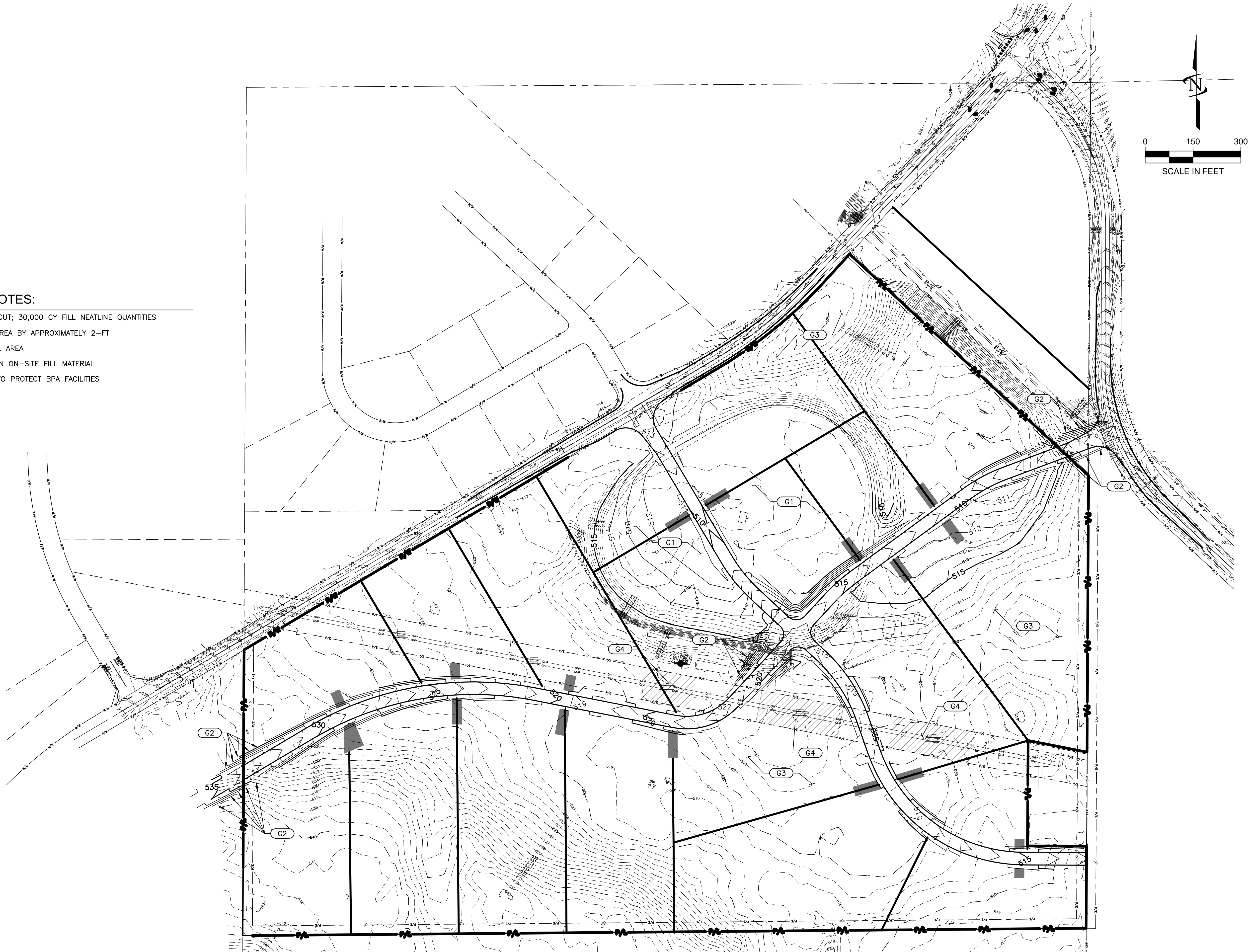
FILE: 30-13-077-C-SPA
 SUB PROJ. #: 30-13-071
 DRAWN BY: DFG
 DESIGN BY:
 CHECKED BY: JJS

 AT FULL SIZE, IF NOT ONE
 INCH, SCALE ACCORDINGLY
 LAST UPDATED: 12/28/2016
 SHEET NUMBER:
C-001

Plot Date: 12/28/2016 11:02 AM Plotted By: Darrel Moore
Date Created: 12/28/2016 10:44 AM Project: JUB03-13-077 ONEZA TRI-CITY RACEWAY MASTER PLAN PH 2 CAD SHEET 30-13-077 C-101.DWG

GRADING KEYED NOTES:

* EARTHWORK: 30,000 CY CUT; 30,000 CY FILL NEATLINE QUANTITIES

- G1 FILL IN OLD RACE WAY AREA BY APPROXIMATELY 2-FT
G2 POSSIBLE RETAINING WALL AREA
G3 POSSIBLE AREA TO OBTAIN ON-SITE FILL MATERIAL
G4 NO GRADING THIS AREA TO PROTECT BPA FACILITIES



JUB
J-U-B ENGINEERS, INC.
J-U-B ENGINEERS, INC.
2810 W. Clearwater Ave.
Suite 201
Kennewick, WA 99336
Phone: 509.783.2144
Fax: 509.736.0790
www.jub.com

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NO.	REVISION	DESCRIPTION	DATE

TRI-CITY RACEWAY REDEVELOPMENT MASTER PLAN
CONCEPTUAL ROADWAY GRADING

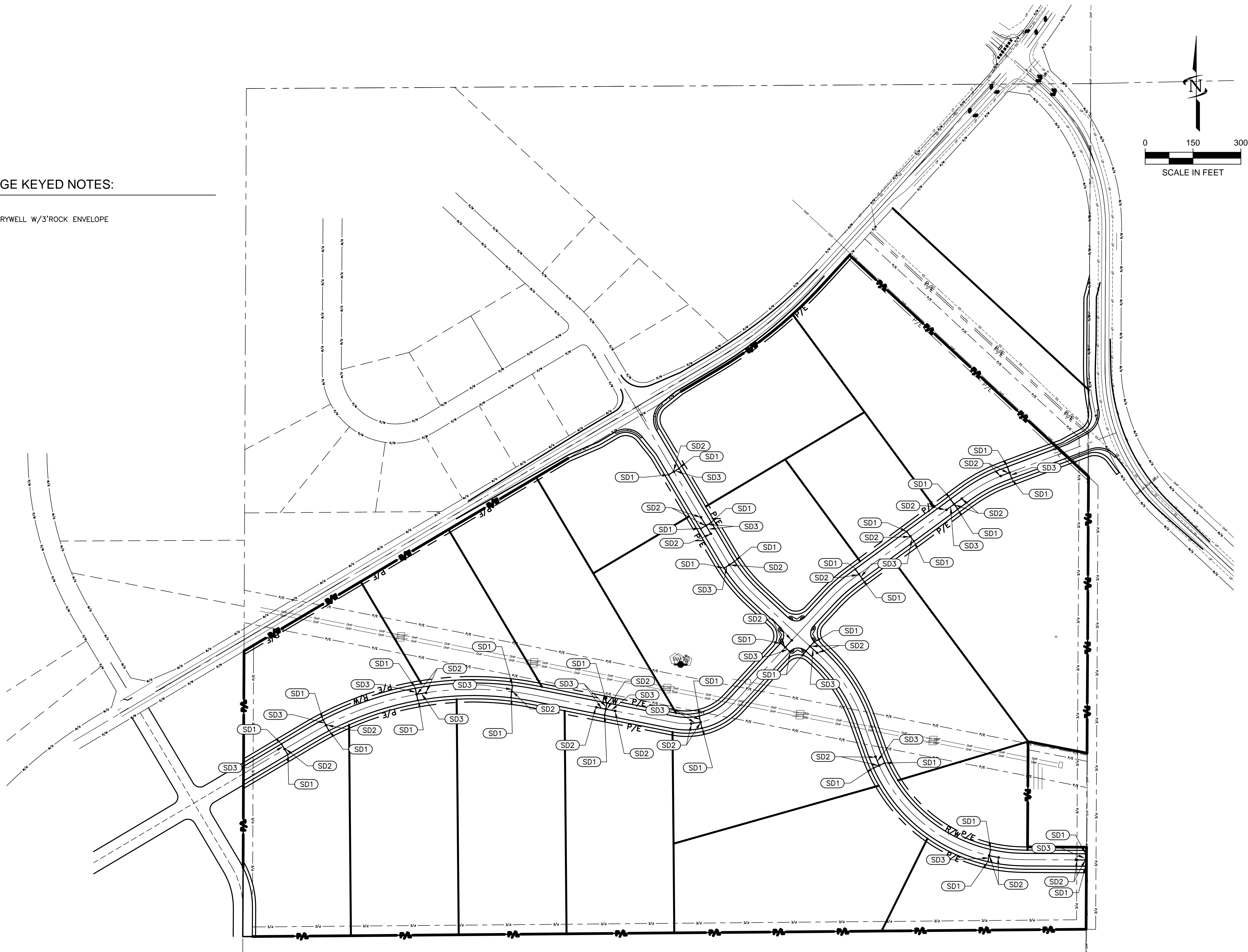
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JUB PROJ. #: 30-13-077
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DESIGN BY:
CHECKED BY: ###
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INCH, SCALE ACCORDINGLY
LAST UPDATED: 12/28/2016
SHEET NUMBER:

C-101

Plot Date: 12/29/2016 11:04 AM Plotted By: Darrel Moore
Date Created: 7/1/2016 J:\MK\FILES\PROJECTS\PROJECTS\JUB\30-13-077-ONEZA TRI-CITY RACEWAY MASTER PLAN PH 2\CAD\SHEET\30-13-077 C-102.DWG

STORM DRAINAGE KEYED NOTES:

- (SD1) CATCH BASIN
(SD2) STORM DRAINAGE DRYWELL W/3'ROCK ENVELOPE
(SD3) 12" SD PIPE



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TRI-CITY RACEWAY REDEVELOPMENT MASTER PLAN
CONCEPTUAL STORM DRAINAGE

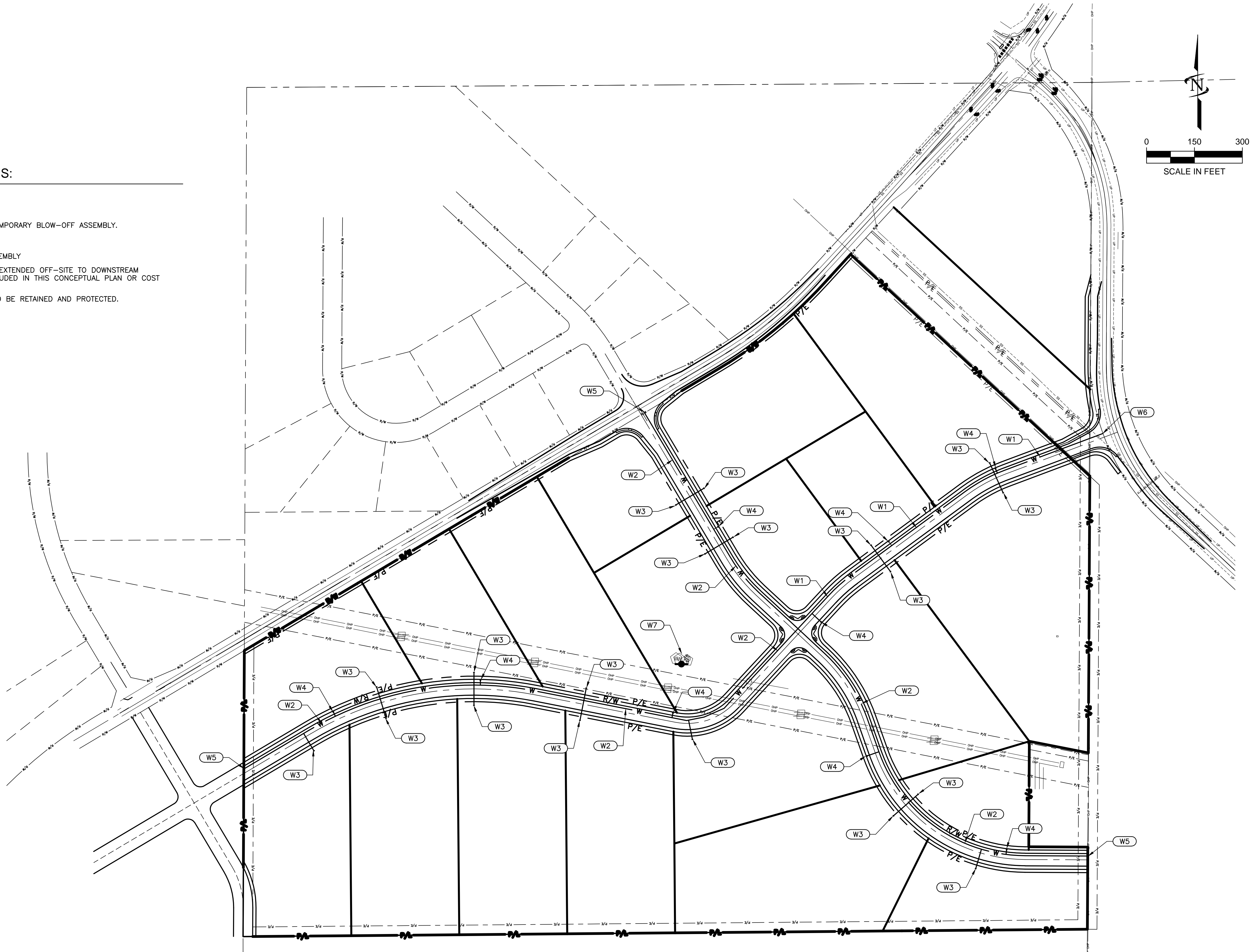
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DESIGN BY: ###
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AT FULL SIZE, IF NOT ONE
INCH SCALE ACCORDINGLY
LAST UPDATED: 7/1/2016

SHEET NUMBER:
C-102

Plot Date: 12/29/2016 11:07 AM Plotted By: Darrel Moore
Date Created: 7/1/2016 \\MKF\FILES\PUBLIC\PROJECT\JUB\30-13-077 - ONEZA TRICITY RACEWAY MASTER PLAN PH 2\CAD\SHEET\30-13-077 C-103.DWG

WATER KEYED NOTES:

- (W1) 14" DI WATER MAIN
(W2) 12" DI WATER MAIN
(W3) 8" DI WATER SERVICE W/TEMPORARY BLOW-OFF ASSEMBLY.
(W4) FIRE HYDRANT ASSEMBLY
(W5) TEMPORARY BLOW-OFF ASSEMBLY
(W6) 14" DI WATER MAIN TO BE EXTENDED OFF-SITE TO DOWNSTREAM CONNECTION TBD. NOT INCLUDED IN THIS CONCEPTUAL PLAN OR COST ESTIMATE.
(W7) EXISTING ON-SITE WELLS TO BE RETAINED AND PROTECTED.



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NO.	REVISION	DESCRIPTION	BY	DATE

TRI-CITY RACEWAY REDEVELOPMENT MASTER PLAN

CONCEPTUAL WATER PLAN

FILE: 30-13-077 C-103
JUB PROJ. #: 30-13-077
DRAWN BY: ###
DESIGN BY: ###
CHECKED BY: ###
AT FULL SIZE, IF NOT ONE
INCH SCALE ACCORDINGLY
LAST UPDATED: 7/1/2016

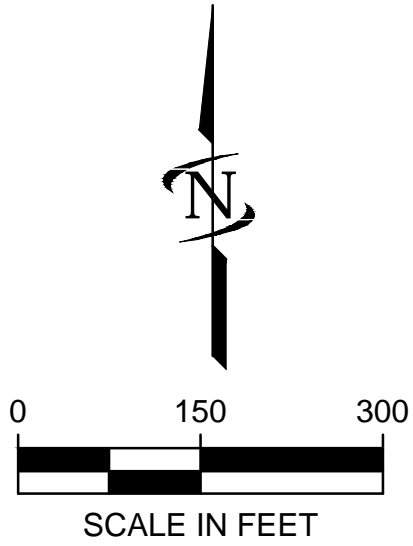
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C-103

Plot Date: 12/28/2016 2:47 PM Plotted By: Darral Moore
Date Created: 7/1/2016 File: PROJECT\JUB\30-13-077 - ONEZA TRLCITY RACEWAY MASTER PLAN PH 2\CAD\Sheet\30-13-077 C-104.DWG

SANITARY SEWER KEYED NOTES:

- (S1) 8" INDUSTRIAL WASTE SANITARY SEWER MAIN
- (S2) 15" SANITARY SEWER MAIN
- (S3) 8" SANITARY SEWER MAIN
- (S4) SANITARY SEWER MANHOLE
- (S5) INDUSTRIAL COATED SANITARY SEWER MANHOLE
- (S6) 8" INDUSTRIAL WASTE SEWER SERVICE
- (S7) 8" SANITARY SEWER SERVICE
- (S8) 15" SANITARY SEWER MAIN TO BE EXTENDED OFF-SITE TO DOWNSTREAM CONNECTION TBD. NOT INCLUDED IN THIS CONCEPTUAL PLAN OR COST ESTIMATE.
- (S9) 8" INDUSTRIAL WASTE SANITARY SEWER MAIN TO BE EXTENDED OFF-SITE TO DOWNSTREAM CONNECTION TBD. NOT INCLUDED IN THIS CONCEPTUAL PLAN OR COST ESTIMATE.



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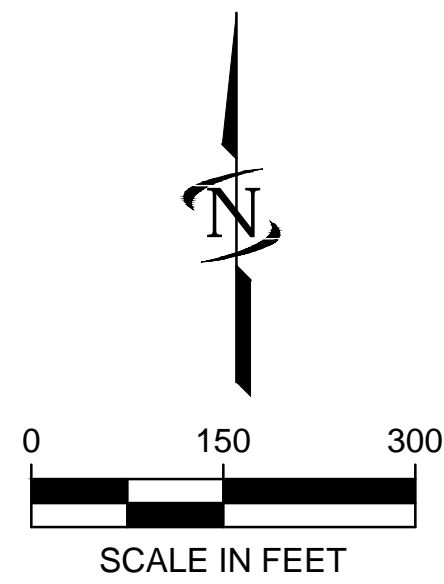
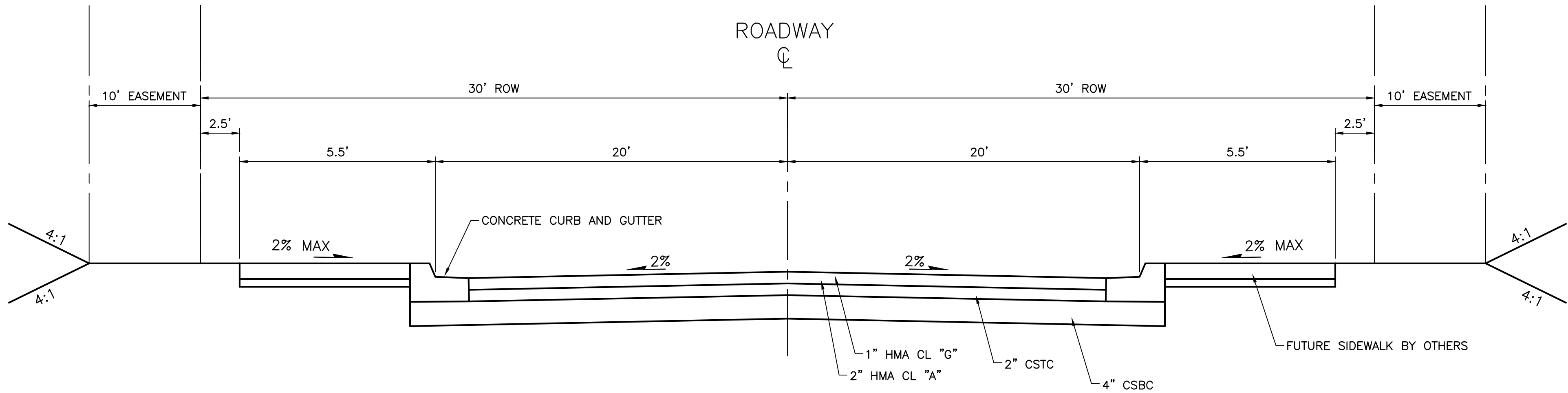
REVISION		BY	DATE
NO.	DESCRIPTION		

TRI-CITY RACEWAY REDEVELOPMENT MASTER PLAN

CONCEPTUAL INDUSTRIAL AND SANITARY SEWER PLAN

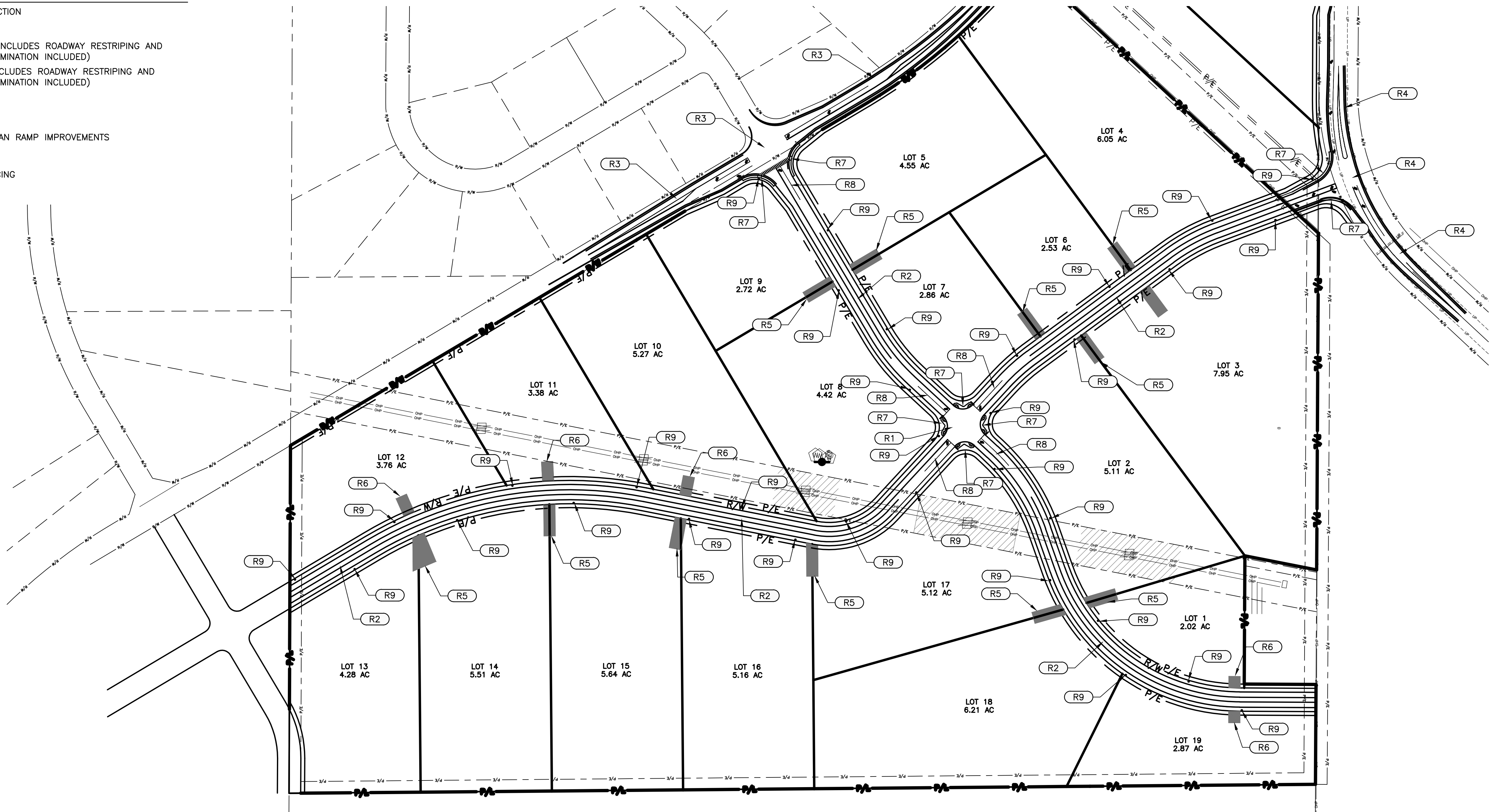
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JUB PROJ #: 30-13-077
DRAWN BY: ###
DESIGN BY: ###
CHECKED BY: ###
ONE INCH
AT FULL SIZE, IF NOT ONE
INCH, SCALE ACCORDINGLY
LAST UPDATED: 7/1/2016
SHEET NUMBER:
C-104

Plot Date: 12/29/2016 11:13 AM Plotted By: Darrel Moore
Date Created: 7/1/2016 \\MKF\FILES\PROJECTS\JUB\08-13-077-ONEZA TRI-CITY RACEWAY MASTER PLAN PH 2\CA\DWG C-105.DWG



ROADWAY KEYED NOTES:

- (R1) 4-WAY STOP CONTROLLED INTERSECTION
- (R2) CENTER TURN LANE
- (R3) SR-224 ROADWAY IMPROVEMENTS. INCLUDES ROADWAY RESTRIPING AND SHOULDER IMPROVEMENTS (NO ILLUMINATION INCLUDED)
- (R4) KEENE ROADWAY IMPROVEMENTS. INCLUDES ROADWAY RESTRIPING AND SHOULDER IMPROVEMENTS (NO ILLUMINATION INCLUDED)
- (R5) 30-FT WIDE SHARED DRIVEWAY
- (R6) 30-FT DRIVEWAY
- (R7) CONCRETE SIDEWALK AND PEDESTRIAN RAMP IMPROVEMENTS
- (R8) 100-FT LEFT TURN POCKET
- (R9) ROADWAY LIGHTING @ 150-FT SPACING



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TRI-CITY RACEWAY REDEVELOPMENT MASTER PLAN

CONCEPTUAL ROADWAY LAYOUT

FILE: 30-13-077 C-105
JUB PROJ. #: 30-13-077
DRAWN BY: ##
DESIGN BY: ###
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INCH SCALE ACCORDINGLY
LAST UPDATED: 7/1/2016
SHEET NUMBER:

C-105

Design Standards

Purpose of the design standards is to create an aesthetically pleasing urban industrial environment while meeting the functional requirements. Design standards should address design of the site, landscaping, building orientation, and building design.

Overall Site design

Each lot should consider the following site design principles when feasible considering the topography and location of the lot:

- Locate buildings close to the street, and parking and service areas on the back side of the property
- Maintain shared driveways
- Provide adequate truck turnaround area on the site
- Maintain sustainability principles in the overall site and building design

Building design

- Buildings abutting SR-224 should create a welcoming environment in the building massing and placement
- Westerly lots (lots 11 and 12) should be designed with gateway features to West Richland and the Tri-Cities area
- Buildings should use modulation to break down the massive look

Signage and Landscaping

- Utilize low maintenance landscaping
- Use xeriscape principles using native plants
- Utilize existing topography and storm water drainage as part of the site and landscape design

Cost Estimate

A cost estimate is prepared based on the proposed lot layout road plans. The cost includes development of the roadway, water, sanitary sewer, industrial wastewater collection and storm drainage systems, and dry utilities. Excluding demolition of the racetrack and off-site utility extensions, the total estimated cost for developing the entire site is over \$6 million.

Cost Estimate

Improvements	Cost \$
Roadway (5,200 LF)	2,000,000
Sanitary Sewer	350,000
Industrial Waste Collection System	235,000
Domestic Water	535,000
Storm Drainage	285,000
Dry Utilities	100,000
Subtotal with sales tax (8.6%)	3,800,000
Contingency (40%)	1,520,000
Design engineering, construction admin, testing, staking, permit fees (28%)	1,065,000
Total Estimate Cost	6,385,000

Implementation Strategies

Timing and Financing

As discussed above, the area will be developed in multiple phases based on private sector interest and infrastructure investments as they become available. Financing will be dependent on multiple development partners such as the Port, the City and private developers, and assuring the Port's investment is consistent with the Comprehensive Scheme. Developers will pay exaction fees and share of development costs for site specific improvements. The long term and short term development strategies identified by the joint Port/West Richland Economic Development Committee are stated below.

Long Term Strategy (4-7 Years)

The jurisdictions recognize that the likely "start" of racetrack site redevelopment is 4-7 years into the future. This depends upon economic and other factors, including the construction of the interchange, which will be an economic catalyst for the area. Additionally the Port will need to establish a funding mechanism for the first phase of development on-site, including roads and utilities. The Port may seek grant funding for the on-site infrastructure.

By establishing this 4-7 year timeframe, various objectives which are important to the jurisdictions will have a chance to materialize, for example:

- The jurisdictions can use this time frame to foster development at Red Mountain Center by encouraging wineries to hook up to the effluent treatment plant (and trunk lines) which the city recently completed. Private parties can seek to realize their investments by developing or selling properties for wineries with the effluent treatment plant being a competitive advantage for the city.
- Additionally, time will allow the jurisdictions to accumulate funds to construct and extend from the current off-site locations to the boundary of the property. Establishing utilities at the boundary of the site will be the catalyst needed to facilitate the development of the site, as utilities to the boundary of the site are a prerequisite to development on-site. Thus, the Port has identified, as the short-term strategy, the creation of a funding and construction plan for getting utilities to the property boundary. The Port will encourage the City participation in the short term strategy. However, the City has clearly indicated they would not consider infrastructure extensions in advance of private sector investment.

Short Term Strategy (1-4 Years)

The Port will work with the City to formulate a strategy for constructing and installing utilities from their current terminus to the boundary of the property. This strategy could consist of a funding component, whereby the city would pledge 2/3 of the necessary funding; and the Port the remaining 1/3. Under such a strategy, the Port would market its two parcels of undeveloped real property

southwest of the Black Heron Spirits site for sale for appropriate business enterprises. The Port could then direct proceeds of these sales to fund its utility infrastructure project. The City has indicated grant applicant assistance could be provided.

Utilities

Currently city utility infrastructure (i.e. water, sewer and wine effluent discharge) is not available to the boundaries of the Project Area. Typically the Port of Kennewick invests in properties where city services are available. This philosophy recognizes the substantial up front, on-site costs incurred by the port when it develops property. This philosophy also recognizes that the financial return from property development often takes years to materialize and only marginally offsets development costs. Fortunately, the port's economic development model emphasizes the overall benefits of the project, which are distributed community-wide including new tax revenue to jurisdictional partners, job creation and community vibrancy, over net income to the port.

The port's development philosophy does, however, assume participation by the jurisdiction in which the development is sited. Jurisdictional participation usually consists of, at a minimum, the extension of municipal infrastructure to the boundary of the site. This philosophy has produced positive results on various port projects, including several projects located in City of Kennewick as well as partnerships on projects with the City of Richland, the US Army Corps of Engineers, the Confederated Tribes of the Umatilla Indian Reservation and others. In fact, the City of Kennewick has not only provided infrastructure to the boundary of port sites, but has also participated in the funding of on-site infrastructure. This long-standing policy of mutual participation continues to place each of the port's jurisdictional partners on equal footing, ensuring that each partner both receives the benefit of port development while also supporting development within its jurisdictional boundaries.

Phasing

Phase one will include accesses from SR-224 and Keene Road. A majority of the north-south access road from SR-224 and the east half of the east-west access road from Keene Road will be developed in phase one. Phase two road will abut the Benton REA property and connect Alexander Farm to the east. It will also extend a segment of the east-west road to the west. The last phase will be completed with the development of the east-west road providing access to lots 12, 13 and 14.

Marketing Plan

The Port will develop a marketing plan to reach out to the producers to make the site available to potential users. The Port may also consider contracting out the management of the site to a facilities management firm.

Appendices

Appendix A – Proposed access road at Keene Road

Appendix B – Proposed SR-224 and Mayo Road intersection

Appendix C –Cost estimate

Appendix D – Agri-tourism ideas

Appendix E – Market analysis

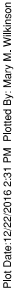
Appendix F – City of West Richland comments (March 15, 2017)

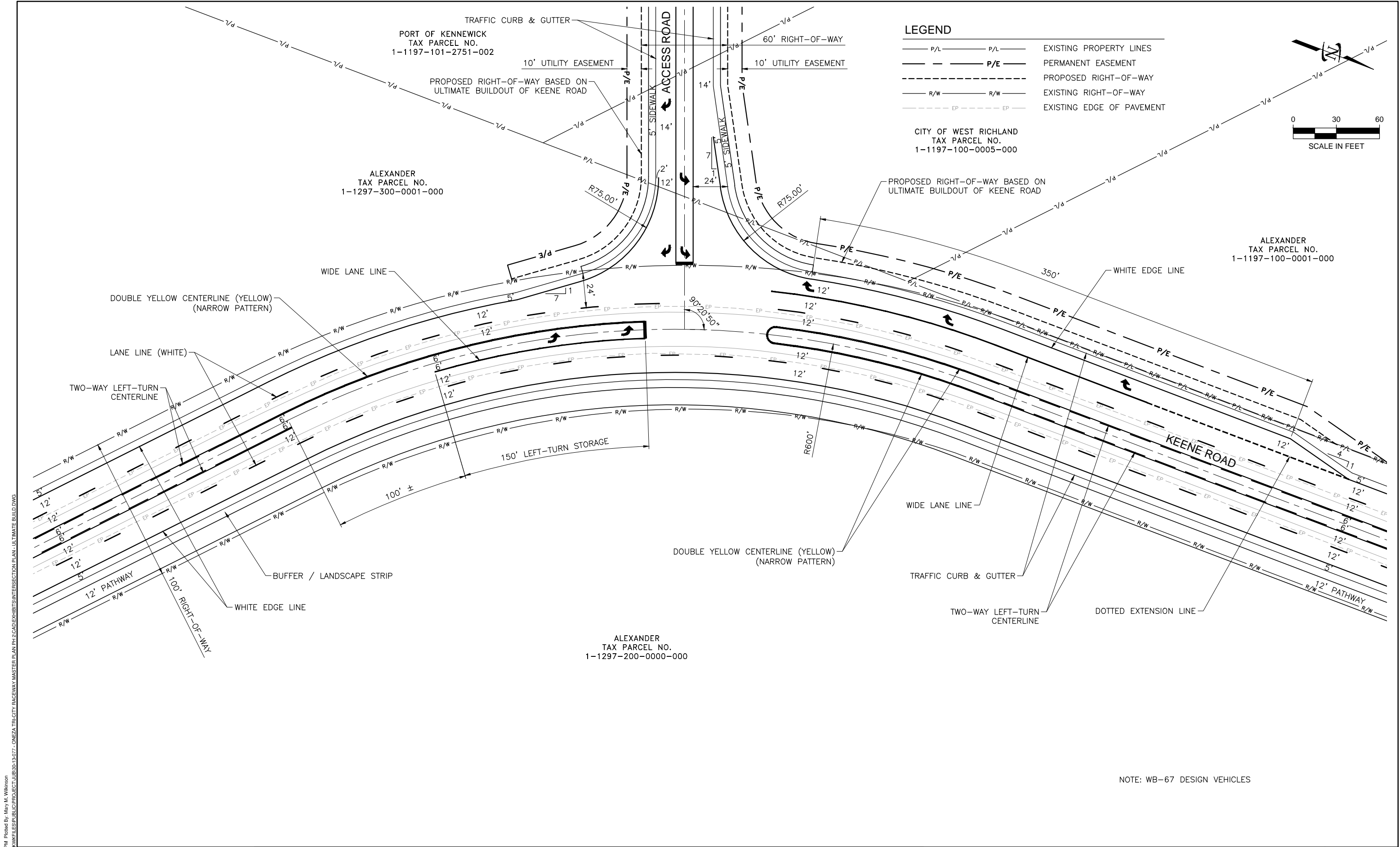
References

Washington State Wine, 2016. Available on: <https://www.washingtonwine.org/wine/facts-and-stats/regions-and-avas/red-mountain>. Accessed on April 28, 2016

Red Mountain AVA Alliance, 2016. Available at: <http://redmountainava.com/theava/>. Accessed on: April 28, 2016

Washington State University, 2016. Available at: <http://wine.wsu.edu/research-extension/2015/09/new-study-shows-growing-economic-impact-for-washington-states-wine-industry/>. Accessed on April 28, 2016





Plot Date: 12/22/2016 2:30 PM Plotted By: Mary M. Wilkinson
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 FILE: INTERSECTION PLAN - ULTIMATE BUILD



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KEENE ROAD AT PROPOSED ACCESS ROAD

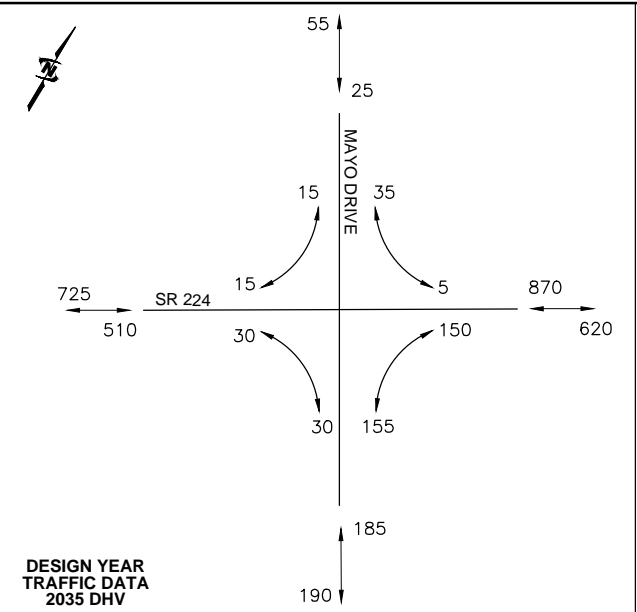
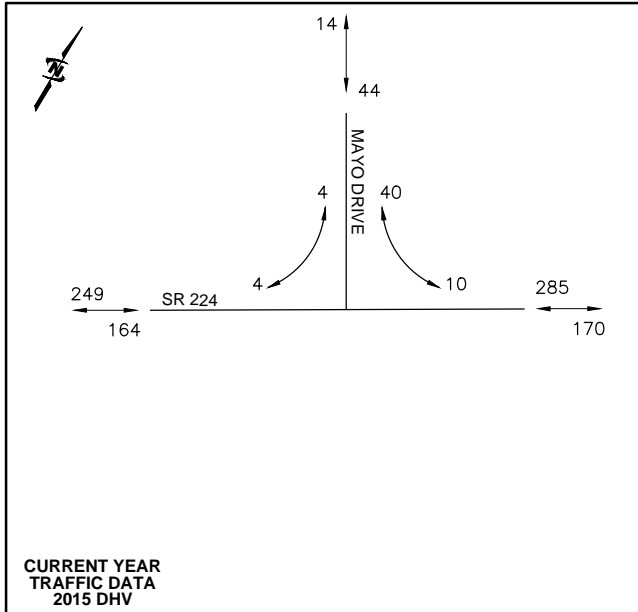
TRI-CITY RACEWAY REDEVELOPMENT MASTER PLAN

INTERSECTION PLAN
ULTIMATE BUILDOUT OF KEENE RD

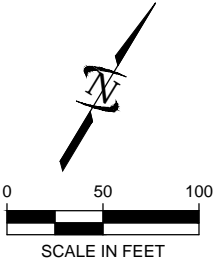
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2

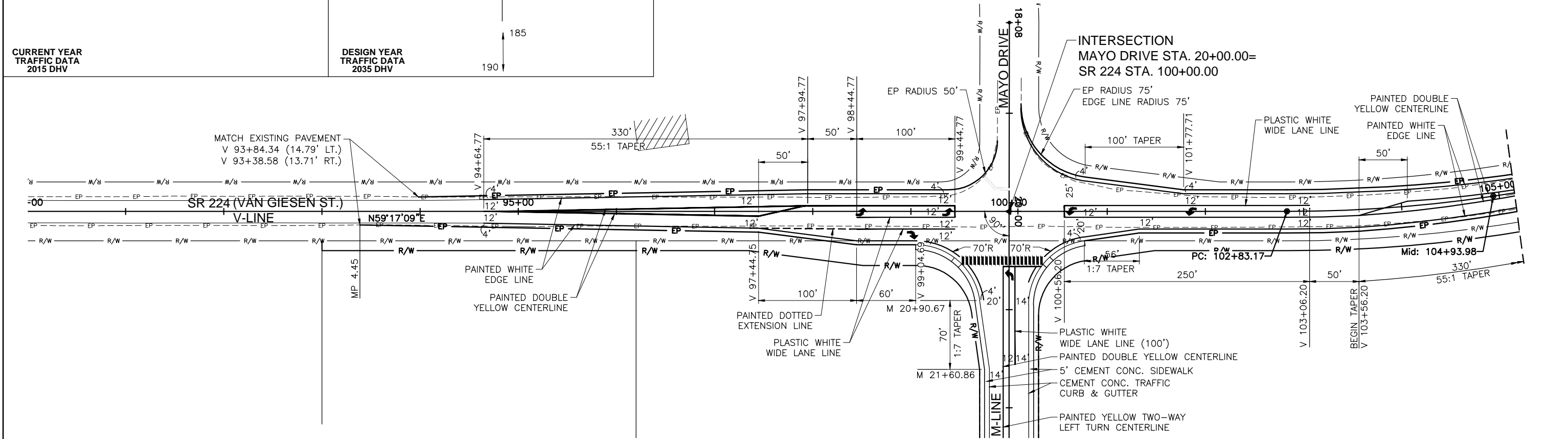
NOTE: WB-67 DESIGN VEHICLES



T. 9N. R. 27E. SEC. 11 W.M.
SR 224 & MAYO DRIVE
BENTON COUNTY



DESIGN DATA	
ROAD	SR 224
HIGHWAY DESIGN CLASSIFICATION	FULL : URBAN COLLECTOR
CROSSROAD DESIGN CLASS	FULL : COLLECTOR
ACCESS CONTROL	MANAGED CLASS 3
LAND USE	COMMERCIAL / RESIDENTIAL
ADT (CURRENT YEAR 2015)	4,200
ADT (DESIGN YEAR 2035)	12,900
PERCENT TRUCKS	10
DESIGN VEHICLE	WB-67
POSTED SPEED / DESIGN SPEED	55 MPH / 60 MPH



CURVE DATA					
P.I. STATION	DELTA	RADIUS	TANGENT	LENGTH	S
V 104+93.98	16°51'51"	1432.50'	212.35'	421.64'	N/A

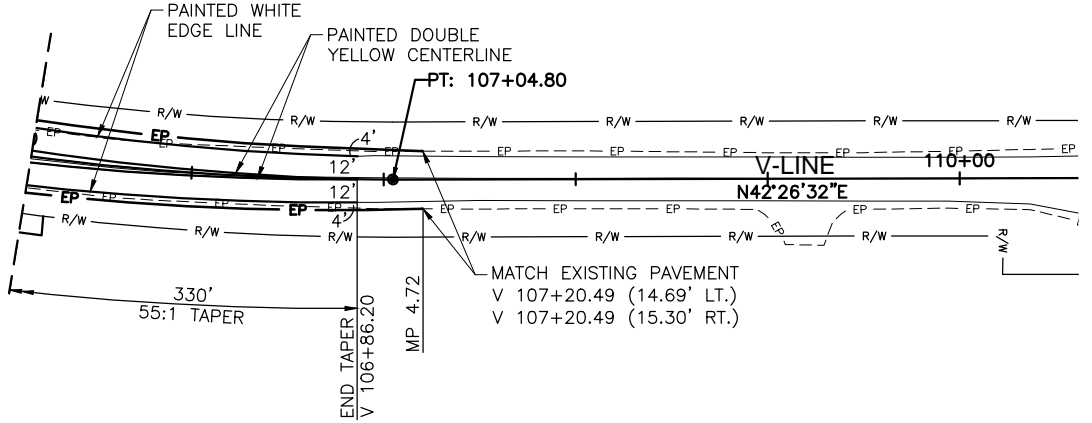
APPROVED BY:

ASSISTANT REGIONAL ADMINISTRATOR FOR DEVELOPMENT

DATE

SIGNATURE

CHANNELIZATION LEGEND	
	CEMENT CONC. CURB RAMP TYPE PARALLEL A
	PLASTIC TRAFFIC ARROW TYPE 2L
	PLASTIC TRAFFIC ARROW TYPE 2R
	PLASTIC TRAFFIC ARROW TYPE 3R
	EXISTING EDGE OF PAVEMENT
	PROPOSED EDGE OF PAVEMENT
	EXISTING SKIP PAINT LINE
	EXISTING RIGHT-OF-WAY
	PROPOSED RIGHT-OF-WAY



FILE NAME \\KWKFILES\PUBLIC\PROJECT\JUB\30-13-077 - ONEZA TRI-CITY RACEWAY MASTER PLAN PH 2\CAD\SHEET\30-13-077_INTERSECTION PLAN.DWG																		Plot 1	
TIME	2:30:03 PM				REGION NO.	STATE	FED.AID PROJ.NO.								TRI-CITY RACEWAY		PLAN REF NO		
DATE	12/22/2016				10	WASH									REDEVELOPMENT MASTER PLAN		IP1		
PLOTTED BY	Mary M. Wilkinson				JOB NUMBER										SR 224		SHEET		
DESIGNED BY	BEH				30-13-077								M.P. 4.58		1				
ENTERED BY	MMW				CONTRACT NO.		LOCATION NO.								OF				
CHECKED BY	TAM														1				
PROJ. ENGR.															SHEETS				
REGIONAL ADM.		REVISION		DATE	BY					DATE		DATE		J-U-B ENGINEERS, INC.		INTERSECTION PLAN			
					P.E. STAMP BOX						P.E. STAMP BOX								

PROJECT:

TRI-CITY RACEWAY MASTER PLAN

PROJECT DESCRIPTION:

Conceptual Roadway and Utility Infrastructure

DATE:**8/18/16**

Coloring indicates a
difference from JUB
estimate

CLIENT: Port of Kennewick

CLIENT PROJ. NO.

ITEM

NO. DESCRIPTION

SCHEDULE OF VALUES			
JUB Original			
Qty	UNIT	UNIT RATE	Cost

SCHEDULE OF VALUES			
RCECM Estimate			
Qty	UNIT	UNIT RATE	Cost

ROADWAY (5,200 LF)

1 Mobilization	1 LS	\$50,000	\$50,000	1 LS	\$50,000	\$50,000
2 Temporary Erosion and Sediment Controls	1 LS	\$20,000	\$20,000	1 LS	\$20,000	\$20,000
3 Traffic Control	1 LS	\$30,000	\$30,000	1 LS	\$30,000	\$30,000
4 Shoring and Trench Safety	1 LS	\$10,000	\$10,000	1 LS	\$10,000	\$10,000
5 Clearing and Grubbing	1 LS	\$15,000	\$15,000	1 LS	\$15,000	\$15,000
6 Roadway Excavation	30,000 CY	\$6	\$180,000	30,000 CY	\$12	\$360,000
7 Roadway Embankment	30,000 CY	\$10	\$300,000	30,000 CY	\$10	\$300,000
8 HMA Cl. 3/8 in, PG 64-28 (3-IN)	4,122 TON	\$95	\$391,590	4,926 TON	\$95	\$467,970
9 Crushed Surfacing Top Course (2-IN)	2,603 TON	\$25	\$65,075	2,503 TON	\$25	\$62,575
10 Crushed Surfacing Base Course (4-IN)	5,053 TON	\$22	\$111,166	5,003 TON	\$22	\$110,066
11 Concrete Curb and Gutter	10,400 LF	\$22	\$228,800	10,400 LF	\$25	\$260,000
12 Soil Residual Herbicide	23,111 SY	\$1	\$23,111	23,111 SY	\$1	\$23,111
13 Roadway Striping	17,000 LF	\$2.50	\$42,500	17,000 LF	\$2.50	\$42,500
14 Directional Arrows	14 EA	\$350.00	\$4,900	14 EA	\$350.00	\$4,900
15 Roadway Signage	19 EA	\$300	\$5,700	19 EA	\$300	\$5,700
16 Sawcut Asphalt	1,000 LF	\$3	\$3,000	1,000 LF	\$3	\$3,000
17 Roadway Illumination System	1 LS	\$132,000	\$132,000	1 LS	\$132,000	\$132,000
18 Roadway Monumentation	17 EA	\$750	\$12,750	17 EA	\$750	\$12,750
19 Concrete Sidewalk	350 SY	\$40	\$14,000	350 SY	\$40	\$14,000
20 Pedestrian Ramps	8 EA	\$2,500	\$20,000	8 EA	\$2,500	\$20,000
21 Segmental Block Retaining Walls	1 LS	\$50,000	\$50,000	1 LS	\$50,000	\$50,000
			\$1,709,592			\$1,993,572

SANITARY SEWER

1 8" PVC Sanitary Sewer Pipe	2,240 LF	\$35	\$78,400	2,280 LF	\$35	\$79,800
2 15" PVC Sanitary Sewer Pipe	3,100 LF	\$58	\$179,800	3,090 LF	\$58	\$179,220

ITEM NO.	DESCRIPTION	SCHEDULE OF VALUES				SCHEDULE OF VALUES			
		JUB Original				RCECM Estimate			
		Qty	UNIT	UNIT RATE	Cost	Qty	UNIT	UNIT RATE	Cost
3	Sanitary Sewer Manhole 48" Dia.	24 EA		\$3,200	\$76,800	24 EA		\$3,200	\$76,800
4	Cap and Mark Sewer Service	19 EA		\$500	\$9,500	19 EA		\$500	\$9,500
					\$344,500				\$345,320
INDUSTRIAL SEWER									
1	8" PVC Sanitary Sewer Pipe	4060 LF		\$35	\$142,100	4170 LF		\$35	\$145,950
2	Industrial Coated Sanitary Sewer Manhole 48"	19 EA		\$4,200	\$79,800	19 EA		\$4,200	\$79,800
3	Cap and Mark Sewer Service	16 EA		\$500	\$8,000	16 EA		\$500	\$8,000
					\$229,900				\$233,750
DOMESTIC WATER									
1	8" DI Pipe	1,000 LF		\$42	\$42,000	975 LF		\$42	\$40,950
2	12" DI Pipe	4,030 LF		\$60	\$241,800	4,065 LF		\$60	\$243,900
3	14" DI Pipe	1,150 LF		\$72	\$82,800	1,155 LF		\$72	\$83,160
4	14"x12" Reducer	1 EA		\$1,800	\$1,800	1 EA		\$1,800	\$1,800
5	14"x8" Tee	4 EA		\$1,500	\$6,000	4 EA		\$1,500	\$6,000
6	12"x8" Tee	15 EA		\$1,200	\$18,000	15 EA		\$1,200	\$18,000
7	12" Cross	1 EA		\$1,200	\$1,200	1 EA		\$1,200	\$1,200
8	14" Butterfly Valve	4 EA		\$2,200	\$8,800	4 EA		\$2,200	\$8,800
9	12" Butterfly Valve	10 EA		\$1,600	\$16,000	10 EA		\$1,600	\$16,000
10	8" Gate Valve	19 EA		\$900	\$17,100	19 EA		\$900	\$17,100
11	Fire Hydrant Assembly	10 EA		\$3,500	\$35,000	9 EA		\$3,500	\$31,500
12	6" DI Pipe	280 LF		\$36	\$10,080	280 LF		\$36	\$10,080
13	Cap and Mark Water Service	19 EA		\$500	\$9,500	19 EA		\$500	\$9,500
14	Temporary Blow-Off Assembly	22 EA		\$1,300	\$28,600	22 EA		\$1,300	\$28,600
15	Miscellaneous Fittings and Bends	20 EA		\$750	\$15,000	20 EA		\$750	\$15,000
					\$533,680				\$531,590
STORM DRAINAGE									
1	Catch Basin	36 EA		\$1,000	\$36,000	36 EA		\$1,000	\$36,000
2	72" Dia. SD Drywell w/3-FT Rock Env.	31 EA		\$5,800	\$179,800	32 EA		\$5,800	\$185,600
3	12" SD Pipe	1,110 LF		\$40	\$44,400	1,560 LF		\$40	\$62,400
					\$260,200				\$284,000
DRY UTILITIES									
1	2" Communication Conduit	5,200 LF		\$4	\$20,800	5,200 LF		\$4	\$20,800
2	Primary Electrical Power Trenching (BREA)	5,200 LF		\$6	\$31,200	5,200 LF		\$6	\$31,200
3	Trenching for Electrical Vaults/Transformers	16 EA		\$1,500	\$24,000	16 EA		\$1,500	\$24,000
4	4" Sch 80 PVC Conduit Roadway Crossings	1,400 LF		\$15	\$21,000	1,400 LF		\$15	\$21,000

ITEM
NO.

DESCRIPTION

SCHEDULE OF VALUES			
JUB Original			
Qty	UNIT	UNIT RATE	Cost
			\$97,000

SCHEDULE OF VALUES			
RCECM Estimate			
Qty	UNIT	UNIT RATE	Cost
			\$97,000

Subtotal		\$3,117,233	Subtotal			\$3,485,232
Sales Tax	8.60%	\$268,082	Sales Tax	\$268,082	8.60%	\$299,730
Subtotal		\$3,385,315	Subtotal			\$3,784,962
Contingency	20%	\$677,063	Contingency	\$677,063	40%	\$1,513,985
Design			Design			
Engineering	8%	\$270,825	Engineering	\$270,825	8%	\$302,797
Construction			Construction			
Admin.	8%	\$270,825	Admin.	\$270,825	8%	\$302,797
Materials			Materials			
Testing	2%	\$67,706	Testing	\$67,706	2%	\$75,699
Construction			Construction			
Staking	5%	\$169,266	Staking	\$169,266	5%	\$189,248
Permit Fees	5%	\$169,266	Permit Fees	\$169,266	5%	\$189,248
Total			Total			
Estimated			Estimated			
Costs		\$5,010,266	Costs			\$6,358,736

Notes: Pipe and fittings assume all pipe trenching, backfill, compaction, pipe bedding, trench safety and testing is included in unit price
Assumes no off-site domestic water or sanitary sewer utility extenctions to downstream faciliites
Assumes no utility service connection fees
Excludes any irrigation and landscaping
Excludes any demolition and/or remediation of existing raceway facility
Assumes a gravity sanitary sewer
Excludes off-site utility extensions

Tri-City Raceway Site Development: Agri-Tourism Ideas

Purpose

The purpose of analyzing agri-tourism as a planning component for the Tri-City Raceway development is to evaluate the options of agri-tourism to be incorporated in the Raceway site planning process. Agriculture relating to the wine industry plays a vital role for the Tri-Cities' economy. Over the past four years the number of wineries in Benton/Franklin County has grown by 27%, outpacing the growth in Walla Walla in both percentages and in real numbers (HDR, 2014). This has brought tourists in the region from all over the state. Statewide, wine tourism is estimated to account for 3,307 jobs and total wages of more than \$98 million (Stonebridge, 2012). Tourists and visitors spent \$398.2 million in 2013 in Tri-Cities (Visit Tri-Cities, 2015). Therefore, it is important that developments related to the wine industry consider the essence of agriculture and tourism in the planning.

Agriculture and Agri-Tourism

Four distinct characteristics of agriculture in community planning have been discussed by Andres Duany & DPZ (Andres Duany & DPZ, 2012). These are:

1. Agricultural Retention, where techniques are employed to save existing farmland;
2. Urban Agriculture, refers to agricultural practices within urban areas;
3. Agricultural Urbanism, where agriculture is associated with the community, but not socially integrated. Few residents participate in the productive activities, but anyone may visit, volunteer and learn from the farms;
4. Agrarian Urbanism, refers to a deeper integration between agriculture and the society. The society is involved in agricultural activities and settlements reflect that characteristics of the society.

Agri-tourism is a subset of tourism industry that attracts tourists to areas where agricultural products are available and are of interest to tourists. Generally, the tourist attraction to agricultural areas is based on factors such as, sustainable agricultural practices, uniqueness of the agricultural product, and agriculture based economy. Agri-tourism includes



Appendix D

activities such as family visit to the farm or agricultural production areas, experience the agricultural ambience, visit winemaking and tasting facilities etc. Farm or production areas provide amenities and activities for tourists based on the production cycle, for example, harvesting, processing of food etc. (Virginia Tech, 2009).

Developments on the Tri-City Raceway site could be consistent with Agricultural Urbanism and Agrarian Urbanism. The vicinity, e.g. the Red Mountain AVA area is socially and economically integrated with the Tri-Cities community. However, the community and its settlements are not entirely involved in agricultural activities. A combination of agricultural aspects and increased demand for wine industry in the Tri-Cities area makes the agri-tourism a desirable component for the area. Therefore, development on the Tri-City Raceway site may reflect some of the agri-tourism components.



Source: Great Wine News

It is to note that because of the limited size of the site in comparison with its surrounding agricultural areas, the full potential of agri-tourism may not be applicable in the site development. Development on the site could be supplementary to the agri-tourism as it intends to support of the wine industry. This includes wine production and processing while the main agricultural uses, i.e. grape production remain in the vicinity. Therefore, the idea of agri-tourism within the site may include tourism component reflecting a hybrid of agricultural production and processing activities.

Design Principles

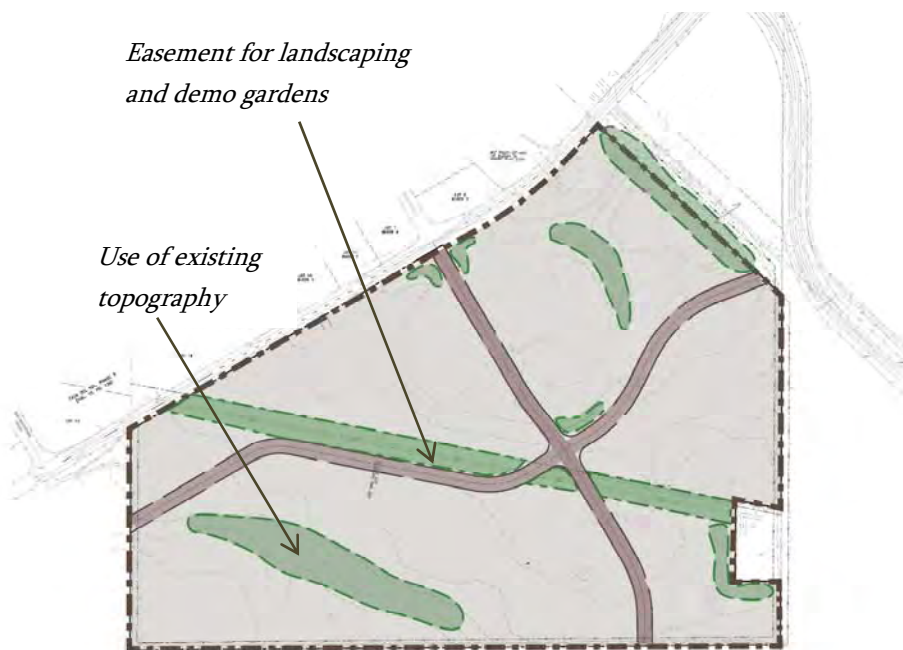
Design of the Raceway site can include the following principles for agri-tourism. These may include identifying some niche areas for the wine and agricultural industry.

- Be supportive and reflective of the surrounding agricultural and wine industry. The development should use design elements that make wine businesses and industries attractive to customers.
- Promote production of wine from sustainable agricultural practices. This may include showcasing some of the wineries in the Red Mountain AVA that use sustainable

practices, and use such practices on the site while processing wine. This could include wine processing from organic grapes.

- Use demonstration gardens. The site may use demonstration gardens as a way to create a tourists' experience. This could include demonstration gardens on portions of existing lots, as well as utilization of existing utility corridors that are otherwise hard to utilize.
- Use of landscaping. Appropriate landscaping could set the transition between different types of uses within the site.
- Utilize existing topography and storm water drainage as part of the site design.
- Agricultural retention. Ensure that uses in the development supports the agricultural uses in the vicinity, and protects valuable agricultural land in the Red Mountain AVA from being used for wine production or processing.

Fig. 1 - Potential landscaping and demonstration garden areas



References

Andres Duany & DPZ, 2012. Garden Cities: Theory and Practice of Agrarian Urbanism.

HDR Engineering Inc., 2014 Tri-Cities Raceway Site Development Plan: Market Analysis.

Stonebridge Research Report, 2012. The Economic Impact of Washington State Wine and Grapes. Prepared for Washington State Wine Commission. Available from:

Appendix D

[http://www.wawgg.org/files/documents/2012 Economic Impact WA Wine-Grapes.pdf](http://www.wawgg.org/files/documents/2012_Economic_Impact_WA_Wine-Grapes.pdf)

Visit Tri-Cities, Washington. Available at: <http://www.visittri-cities.com/media/media-research/stats-and-facts/>. Accessed on June 17, 2015.

Virginia Tech, 2009. Agri-Tourism. Virginia Cooperative Extension, Virginia Tech, Virginia State University. Available at: <https://pubs.ext.vt.edu/310/310-003/310-003.html>. Accessed on May 20, 2015

Tri-Cities Raceway Site Development Plan

Market Analysis

Prepared by HDR Engineering Inc.
In partnership with Oneza & Associates

July 7, 2014

I. Wine Industry Growth

In looking at when and how to develop the former Tri-City Raceway site the Port of Kennewick asked Oneza and Associates to review the economic growth in the Washington (and regional) wine industries over the past decade. In order to determine the feasibility of development of an industrial wine center or something similar, the wine industry would have to be strong and growing in order to support such activity. This study looked at a number of different factors to determine the levels of growth in the industry and determined that by any standard the industry is growing, and in fact, it may not be growing enough.

By Year	Washington Wineries
2003	240
2004	300
2005	360
2006	460
2007	540
2008	562
2009	620
2010	709
2011	748
2012	773
2013	796
Source: Washington State Liquor Control Board, Washington Wine Commission	
Note: 2010 data based on Oct. 2010 licenses, 2013 data based on Sept. 2013 licenses.	

Table 1 shows wineries licensed by the State over time and there is definitely a growth trend as you look at the number of licenses.

Over the past decade the number of wineries in the State of Washington has grown by 330%, averaging about 56 new winery licenses per year over that time.

In addition, grape production over that time has also risen

Table 1
significantly, not only in Washington, but in the other major wine producing states as well. A review of statistics from the United States Department of Agriculture revealed the extent of that growth over the past five years, which shows not only have the quantity of grapes harvested grown, but they have also held their overall value in the market, making the production of wine a more profitable endeavor (Table 2)

U.S. Grape Production 2008-2012										
Year	Tons Produced					Average Price				
	2008	2009	2010	2011	2012	2008	2009	2010	2011	2012
California	3,015,000	3,703,000	3,589,000	3,347,000	3,700,000	\$610	\$612	\$574	\$578	\$666
Washington	145,000	156,000	160,000	142,000	188,000	\$1,030	\$989	\$1,040	\$987	\$1,040
Oregon	34,700	40,200	31,200	41,500	46,000	\$2,050	\$1,910	\$2,030	\$1,950	\$2,050
Other States	89,520	81,600	87,800	92,610	79,070	\$900	\$924	\$959	\$956	\$995
United States	3,284,220	3,980,800	4,269,530	4,153,660	4,413,120	\$574	\$599	\$746	\$675	\$895

Table 2

In reviewing production by gallons of wine, there is also dramatic growth in the Washington wine industry over the past decade. Table 3 shows that between 2002 and 2010 (latest data available) the Washington wine industry increased

its total output by 4.6 million gallons. That translates into an increase of over 1.9 million cases of wine in an eight year period. (one case of wine is approximately 2.4 gallons)

WA Wine Production	2002	2003	2004	2005	2006	2007	2008	2009	2010
Gallons Produced (millions)	15.5	17.7	17.3	16.5	19	20	21.4	25	20.1
Source: Washington Wine Commission Report on Economic Impacts of the Washington Wine Industry by Stonebridge Research LLC									

Table 3

In addition, over the past four years the number of wineries in Benton/Franklin County has grown by 27%, outpacing the growth in Walla Walla (table 4) in both percentages and in real numbers. Though the number of wineries between 2012 and 2013 is unchanged, significant growth in the industry occurred in both 2011 and 2012 which lends credence to the idea of supporting the industry in its growth efforts.

If you take a look at wine sales in a broader sense growth in the industry is also quite clearly defined. Over the past 20 years the value of sales in U.S. manufactured wine has tripled from \$11 billion in 1993 to nearly \$35 billion in 2012, and since 2002 sales have jumped from \$21.8 billion to nearly \$35 billion. In 2008 and 2009 the Great Recession did impact the wine industry as it saw reductions in sales volume two years straight.

Benton/Franklin Wineries	2010	2011	2012	2013
By Year	48	53	61	61
Includes licenses in Pasco, Kennewick, Richland, West Richland, Benton City and Paterson				
Source: Washington State Liquor Control Board, Washington Wine Commission				
Note: 2010 data based on Oct. 2010 WSLCB licenses, 2013 based on Sept. 2013 licenses.				
Walla Walla Wineries	2010	2011	2012	2013
By Year	132	138	139	139
Source: Washington State Liquor Control Board, Washington Wine Commission				
2013 licenses.				

Table 4

In fact, those two years were the only two years in the past 20 when either the quantities of cases sold (in the millions) or the sales value did not increase (Table 5). As this table clearly shows, the sale of wine in the United States is not only profitable, but it continues to grow at a fairly rapid pace, increasing by over 100 million cases between 2002 and 2012.

WINE SALES IN THE U.S.—2002 to 2012 in millions of 9-liter cases					
<i>(Wine shipments from California, other states and foreign producers entering U.S. distribution)</i>					
Year	Table Wine ¹	Dessert Wine ²	Sparkling Wine/ Champagne	Total Wine	Total Retail Value ³
2012	314.9	27.5	17.7	360.1	\$34.6 billion
2011	304.4	29.8	17.4	351.5	\$32.9 billion
2010	286.4	27.9	15.4	329.7	\$30.0 billion
2009	280.1	26.9	14	321.1	\$28.7 billion
2008	273.2	27.2	13.4	313.8	\$30.0 billion
2007	272	26.3	13.8	312.1	\$30.4 billion
2006	264	24.1	13.6	301.6	\$27.8 billion
2005	256.2	21.9	13	291.1	\$25.8 billion
2004	247.7	18.9	13	279.7	\$24.0 billion
2003	239.7	16.8	12.1	268.8	\$22.3 billion
2002	232.2	15.6	11.8	259.5	\$21.8 billion
WINE SALES IN THE U.S.—2002 to 2012 in millions of 9-liter cases (Wine shipments from California, other states and foreign producers entering U.S. distribution) - Source: www.wineinstitute.org at http://www.wineinstitute.org/resources/pressroom/04082013					
Sources: Volume—Wine Institute, Department of Commerce, Estimates by Gomberg, Fredrikson & Associates. Preliminary. History revised.					
Totals may not add up exactly due to rounding. Excludes exports. To convert cases to gallons, multiply cases by 2.3775					
¹ Includes all still wines not over 14 percent alcohol; excludes Canadian malt coolers.					
² Includes all still wines over 14 percent alcohol and sake. History revised based on TTB reports.					
³ Estimated retail value includes markups by wholesalers, retailers and restaurateurs.					

Table 5

While this bodes well for the industry as a whole, one has to wonder where the growth in the wine market is coming from. The answer to that is fairly simple, growth in population in the United States is driving some of that, with a drinking age population of nearly 257 million Americans. But a change in the tastes of Americans is the bigger factor.

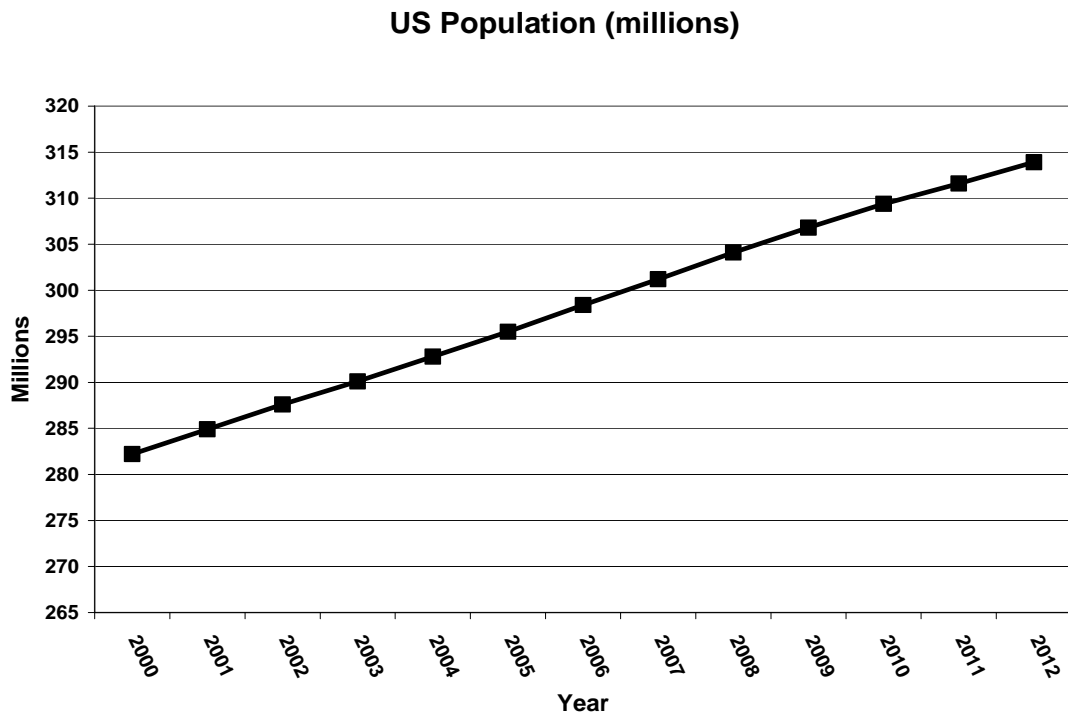


Chart 1

As Chart 1 shows, the U.S. population is growing, albeit at a relatively slow pace. Since 2000 the U.S. has seen a growth of 31 million residents, none of which are old enough to legally drink alcohol. However if you go back to 1990 and look at similar trends, the nation is adding approximately between 3 and 4 million new members every year and each year another cohort of that population reaches drinking age. More importantly, approximately 60% of those who are 21 or older drink alcohol at least occasionally according to a Gallup poll conducted in July of 2013. More importantly than the growth in population, is what those who do drink choose to drink. Gallup, as part of its annual Consumption Habits poll, has found that much of the growth driving the wine industry is a change in the consumption habits of the drinking public (Chart 2).

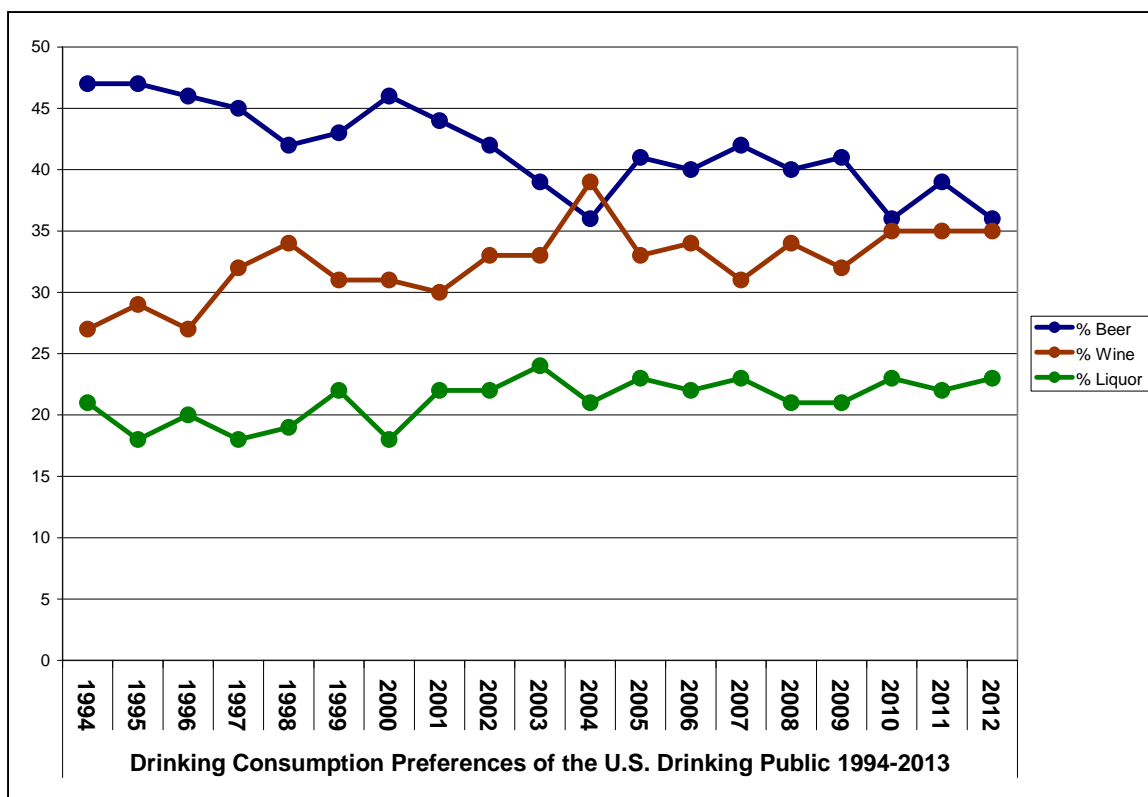


Chart 2

As the chart shows, wine has become the alcoholic drink of choice for many Americans compared to just 20 years ago. In the early 1990s beer was the beverage of choice for over 45% of Americans while wine lagged well back at 27%. Today the two are almost identical which has added significant growth to the bottom line of the wine industry. More importantly, young drinkers are turning to wine more than ever before.

<i>Preferred Drink, by Age</i>			
Based on those who drink alcohol			
	% Beer	% Wine	% Liquor
18- to 29-year-olds			
1992-1994	71	14	13
2012-2013	41	24	28
Change	-30	+10	+15
30- to 49-year-olds			
1992-1994	48	31	17
2012-2013	43	29	24
Change	-5	-2	+7
50+			
1992-1994	28	37	30
2012-2013	29	46	19
Change	+1	+9	-11
GALLUP®			

Table 6

In the early 1990s fully 71% of adults under 30 said they drank beer most often, today that number has fallen to 41%

In addition to gaining ground among younger drinkers, Gallup also discovered that wine has gained significant ground among older Americans, with those who prefer wine with their dinner rising from 37% in the 1992-94 time frame, up to 46 percent in 2012-13, a nine percentage point increase. With gains at both the top and bottom end of the scale, wine is well positioned for growth now and well into the future as the drink of choice for a significant number of Americans.

That growth is also reflected in the consumption numbers, as well. Not only are more Americans drinking wine that in the past, they are consuming it in greater quantities.

When taken together these numbers would appear to show that growth in the wine industry is inevitable and that the Port, given its economic development mission should do as much as it can to assist the industry in its growth. One particularly intriguing statistic is that surrounding wineries and production throughout the United States. This data (table 8), as much as any other, shows the tremendous potential for growth in the Washington wine industry going forward. In 2010 the northwest (Oregon and Washington) accounted for 16 percent of all the wineries in the country, but only 3.7 percent of the total production of wine. That would indicate that the wineries in the northwest are underrepresented in the marketplace, a situation which is beginning to right itself as word spreads about

Year	Total Wine per Resident 1	Total Wine Gallons	Total Table Wine Gallons 2
2012	2.73 gals	856 million	749 million
2011	2.68 gals	836 million	724 million
2010	2.53 gals	784 million	681 million
2009	2.49 gals	763 million	666 million
2008	2.45 gals	746 million	650 million
2007	2.46 gals	742 million	647 million
2006	2.40 gals	717 million	628 million
2005	2.34 gals	691 million	609 million
2004	2.26 gals	665 million	589 million
2003	2.20 gals	639 million	570 million
2002	2.14 gals	617 million	552 million
2001	2.01 gals	574 million	512 million
2000	2.01 gals	568 million	507 million
1999	2.02 gals	543 million	475 million
1998	1.95 gals	526 million	466 million
1997	1.94 gals	519 million	461 million
1996	1.89 gals	500 million	439 million
1995	1.77 gals	464 million	404 million
1994	1.77 gals	459 million	395 million
1993	1.74 gals	449 million	381 million
1992	1.87 gals	476 million	405 million
1991	1.85 gals	466 million	394 million
1990	2.05 gals	509 million	423 million

¹All wine types including sparkling wine, dessert wine, vermouth, other special natural and table wine. Based upon Bureau of the Census estimated resident population. Per capita consumption will be higher if based on legal drinking age population.

²Because of changes in reporting, these numbers include all still wines not over 14 percent alcohol. History revised.

Source: <http://www.wineinstitute.org/resources/statistics/article86>

Table 7

Percentage of Wineries and Wine Production by Geographic Region – 2010		
Region	Wineries	Production*
Northeast	10.2	4.1
South	13.3	1.2
Midwest	12.6	0.8
Mountain	3.8	0.2
California	44.1	89.5
Northwest	16	3.7
Total	100	99.5

Source: Based on data obtained from the U.S. Treasury Alcohol and Tobacco Tax Trade Division via <http://ita.doc.gov/td/ocg/wine2011.pdf>

*Production may also included non grade wine production. Data doesn't total 100% due to incomplete state data

Table 8

the quality of Washington and Oregon wines compare to those of California. As the table shows, California (as should be expected, is king with over 44% of the wineries in the country, which account for nearly 90% of all production. As in most cases the California wine industry dwarfs the rest of the country in its size and capacity for production. However, water, land and overall costs are starting to drive many of the established California wineries into looking outside of the state for both land and production facilities.

Gary Black, President of Integrated Structures Inc., a Berkeley California Architecture and Engineering firm that specializes in winery-related development said that he is seeing more interest in expansion from established California wineries, but that land costs and water issues in his state are forcing them to look into other areas. A prime example of this broadening of their search for land outside of California occurred in March of 2013 when Jackson Family Wines (makers of Kendall Jackson and LaCrema brands) purchased nearly 400 acres of vineyards in Oregon. The company purchased the properties in order to produce Pinot Noir wines.

II. Consumption is Driving Global Shortages

One major area where Washington wines and wineries can capitalize is being driven by consumption. A recent study of the industry performed by Morgan Stanley Research shows that global consumption of grapes (including those for non-wine use) has remained relatively stable over the past decade, while grape production has dropped precipitously since 2005.

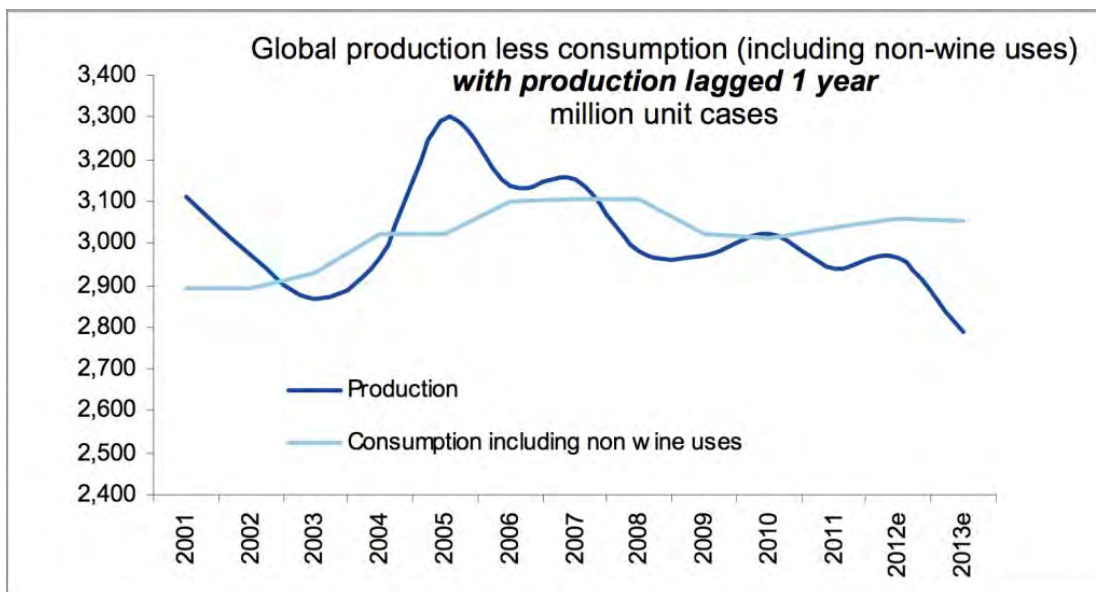
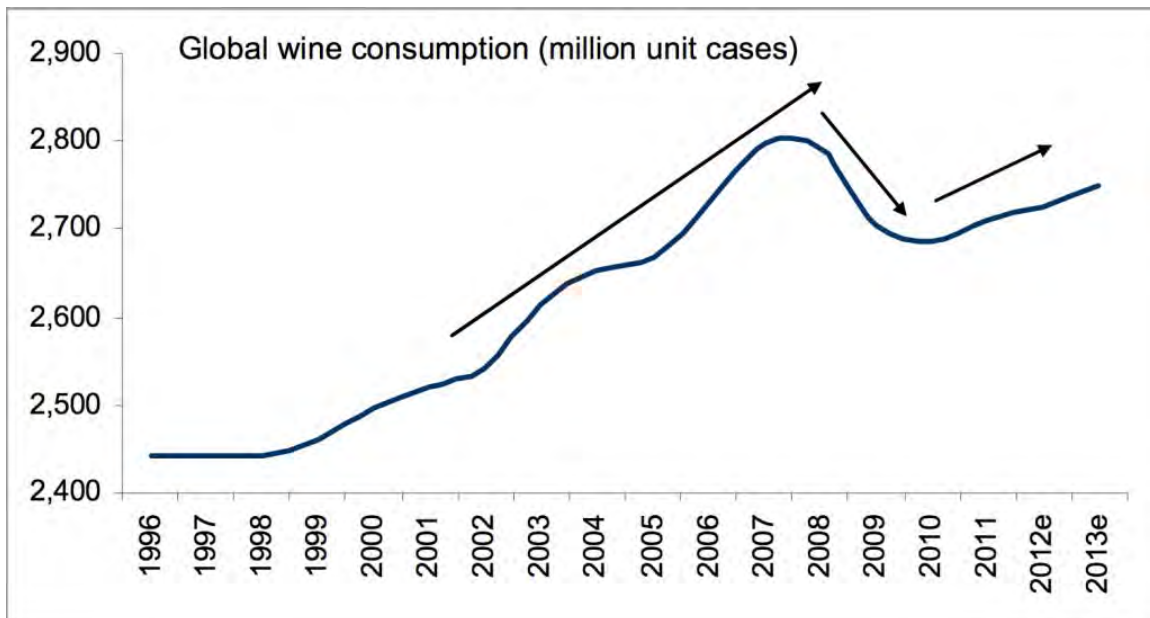


Chart 3

This change in production does not bode well for wine drinkers, but it definitely presents a market opportunity for wine makers in the northwest. As traditional wine production has fallen off in France, Italy and Spain a global undersupply of

about 300 million cases of wine is forecast within the next year or two. This could potentially open markets for Washington wine that have traditionally been untapped, including markets within the United States.

As seen earlier, U.S. consumers are drinking ever more wine compared to the past, and given that the U.S. currently consumes 12% of the world's wine, and that (per capita) consumption has doubled since the turn of the century, that provides ample opportunity for Washington wines to make inroads in non-traditional markets such as the east coast. China is another market for the state winemakers to target. Chinese wine consumption has doubled, not once, but twice in the past five years, making it the world's fifth biggest market for wine.

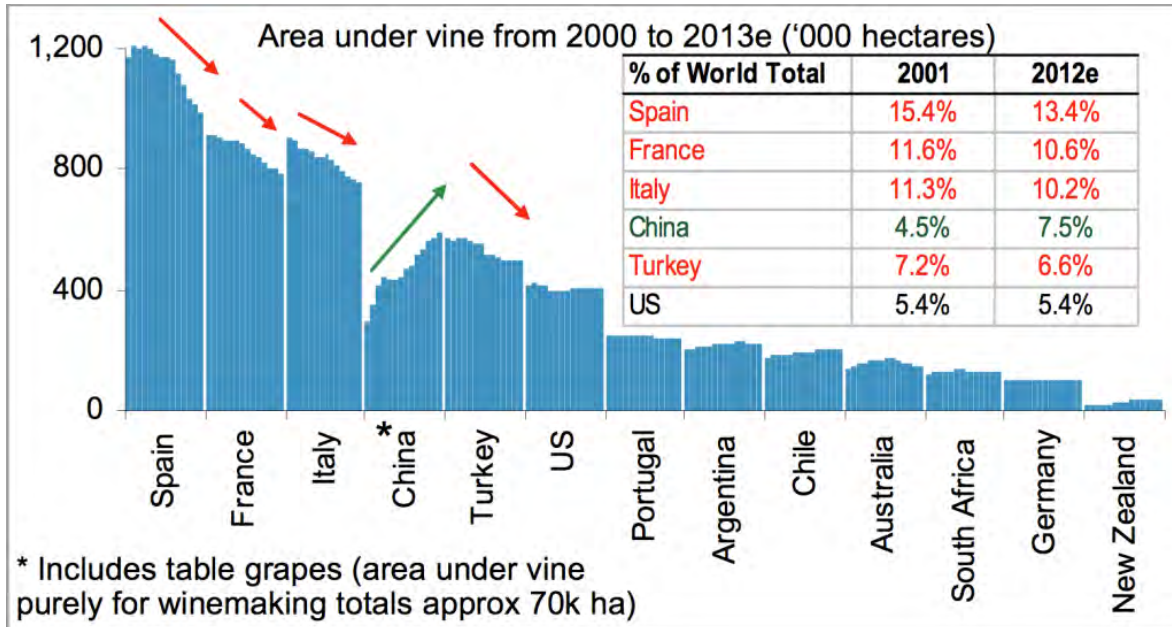


Morgan Stanley Research

Chart 4

While consumption has been steadily rising (other than during the economic collapse following the 2008 market crash), production has failed to keep up. Wine production estimates for 2012 have global production at its lowest level since 1995. With consumption up and production down there is a distinct market advantage and opportunity for companies which can increase production to fill the void. The main question would be where is the under production? Fortunately for Washington winemakers that underproduction is largely being seen from competitor countries as the big three (Italy, France and Spain) have all seen reduced production while consumption continues to grow.

According to the International Organization for Wine and Vine, 2013 was a very good year for winemakers after a weak harvest in 2012 and only modest harvests for the five years prior. However, one year can not reverse the long term downward trend in production globally as seen in Chart 5.



Morgan Stanley Research

Chart 5

As this chart shows, U.S. production is a relatively small portion of overall world production and California, which is the 300 pound gorilla of U.S. production, is relatively built out leaving states such as Washington and Oregon in a prime position to gain ground and add to the overall total of wine grape and wine production in the world.

In order to take advantage of this changing market Washington wineries will need to move quickly. The United States and China alone are projected to consume roughly 400 million cases of wine each (800 million total) by 2016, and unless production picks up to match consumption levels there will be significant shortages.

III. Are Washington Wineries Growing

While growth in the overall wine industry is pretty obvious, one of the more difficult questions to answer is whether Washington wineries, particularly smaller wineries, are growing along with the industry. This question, is of a more qualitative nature insofar as some wineries, particularly boutique wineries, may choose to not grow as they are able to demand a premium price for their product, thus maximizing their profits while minimizing risk and cost.

According to the "Economic Impact of Washington State Wine and Grapes" study performed by Stonebridge Research Group for the Washington Wine Commission in 2012, fully 90 percent of Washington wineries produce less than 30% of Washington wine. This data would seem to hold up in light of an article in the Puget Sound Business Journal which showed that Ste. Michelle Wine

Estates sold over 14 million gallons of wine in 2012 while the next largest producer, Walla Walla Wine Works sold just 1.5 million. In fact, the rest of the top 10 wineries in Washington, when combined, sold just 38% of Ste. Michelle sold in 2012.

Walla Walla Wine Works and the Ste. Michelle Brands may well be on the front end of a trend toward partnerships and mergers that will allow the overall industry to grow in Washington (and grow its national/global footprint) while helping the smaller producers who want to grow slowly do so without pressure to grow too quickly, but they may also end up as casualties (albeit profitable ones) who are bought out by trend to merger and conglomeration in the industry right now.

Tom Hedges, owner of one of the most successful independent wineries in the state, and the largest winery on Red Mountain said that the industry is beginning to conglomerate as smaller wineries join together in partnerships or get purchased outright by larger business interests. Hedges feels that is the way the industry is trending right now, making processing capacity more of an issue as wine makers ramp up to ever-larger quantities of production.

Hedges, who has property near the Pacific Rim winery near the racetrack, has put that property on the market because he would rather have a long-term building lease or production contract for his crush than own. Hedges even indicated that if the Port were to build a facility for industrial processing that he, and others, would likely make use of it.

Larry Pearson of Taptail Winery echoed Hedges noting that the size of a winery on Red Mountain is somewhat limited due to wastewater treatment, so that a facility which provides capacity to the industry would likely be viewed as beneficial. Pearson indicated that while not everyone would use a crush processing facility, many would.

John Bookwalter of Bookwalter Winery wines indicated that while they may not need to use a processing facility, there are other needs the industry has which could be met by a wine-manufacturing industrial park.

Bookwalter indicated that one type of infrastructure his business is seeking is climate controlled storage, particularly for wine barrels during the aging process. Bookwalter indicated that a lack of climate controlled facilities in the area impacts his business because an inability to control the temperature of a storage facility leads to significant wine loss. Bookwalter said in a temperature controlled environment the winemaker only loses about a gallon per barrel to evaporation while in a non-climate controlled environment that number can exceed two gallons, which is the equivalent of six bottles of wine

Bookwalter, and ReNae Pilgrim of Terra Blanca Winery indicated that while the smaller wineries are growing, their growth is somewhat tempered by the high capital cost of expansion and a strong aversion in the industry to risk.

Bookwalter said that many wineries want to grow their business, as does he. However, scaling up in the wine business is risky due to the capital-intensive nature of growth in the business. Bookwalter, who produced about 30,000 cases of wine in 2012, is looking to grow slowly, adding between 2,000 and 5,000 cases per year.

He also indicated that now is a good time to grow because Washington wines hold under 5% of the market nationally. That small percentage of market share makes it possible, but as he indicated, expansion is capital intensive and how you get that capital makes a difference in how you grow. Adding investors adds pressure and removes control, while staying internal can slow or even stall growth.

Pilgrim indicated that Terra Blanca is in much the same position as Bookwalter, in both production size and in its mindset that growth should come in a risk-averse manner. Terra Blanca made a significant investment a few years ago, adding capacity to its production and storage facilities so that it can scale up to between 50,000 and 75,000 cases annually. Right now the firm is at 30,000 and growing between 2,000 and 5,000 cases per year. Like Bookwalter, the growth at Terra Blanca is measured and largely focused on slowly scaling up production without overextending the firm.

Tim Hightower at Hightower winery is also growing slowly, and he has turned to Vintners Logistics for much of his industrial support, particularly in the bonded-warehouse storage area. Still, he indicated that he needs additional storage space off site if he wants to expand his production much beyond where it is today, and he indicated that he feels wastewater treatment is going to become an issue for wineries moving forward so that any additional treatment capacity in the Red Mountain area would be welcomed.

While some of the local vintners indicated that new capacity would be welcomed, the largest of the Washington wine producers didn't see any benefit to additional capacity – at least not immediately. Rob McKinney, Vice-President of Operations for Chateau Ste. Michelle wineries (which includes Columbia Crest, 14 Hands, Snoqualmie and other wines) indicated that his company would have no use for a custom crush facility or additional processing capacity at this time. McKinney said that his company has several long term relationships with partners who have the capacity to expand to meet the company's needs, noting that the firm can add up to 15,000 tons of processing capacity in the next 5 to 10 years. However, he indicated that those relationships may not be enough to meet growth needs in the longer term.

McKinney also noted that the location of the Port property is on the geographic edge of making sense for his company, but that Col Solare, which is the Chateau Ste. Michelle brand at Red Mountain has more than enough capacity to produce the volume of wine it is set up to produce.

However, the announcement that Duckhorn Vineyards, of St. Helena CA. plans to set up shop on Red Mountain, along with the recent auction of 670 acres of land on Red Mountain by the Kennewick Irrigation District could provide additional customers for such crush and storage facilities within a couple years.

While these wineries may not be a fully representative sample, history can also be a guide as wineries such as Hedges, Badger Mountain, and Maryhill have all scaled up slowly but are now among the top 10 wine producers in the State.

So growth, as Bookwalter indicated, is relative. Companies such as Leonetti Vineyards, and Cayuse Winery remain small boutique wineries producing between 5,000 and 10,000 cases annually and selling them exclusively to club members based on their reputation as top-shelf wines. However, many wineries have eschewed the premium only approach and are poised for growth, as the capital becomes available.

Bookwalter indicated that the Ports approach to assisting the industry is a good step toward assisting in expansion by reducing some of the capital costs associated with scaling up in size.

Hedges seemed to hint that the Port approach would provide some relief for winemakers looking to grow, indicating that he thinks the Port is on the right track. He said that his company, and others are looking for facilities to process and that having wastewater treatment capacity would help drive business to facilities that have that capacity.

McKinney also felt the Port was headed in the right direction, indicating that he felt what the Port was planning was worthwhile and it would be able to get customers.

As Gary Black said, the Port is sitting in an “if you build it” situation and that by solving some of the capital cost issues with expansion such as waste treatment and fire suppression will help to drive winemakers looking to expand into the facilities for no other reason than it minimizes the up-front capital costs of expansion.

IV. Development Options

Given the growth of the Washington wine industry generally, and the growth in the Port district specifically it would seem that development of the former Tri-City Raceway into an industrial complex for wine makers would make sense.

However, one must decide how to best develop such a site (in terms of development order).

As the Port plans the development of the site it should focus on providing one of two services to the industry at the outset. The first of these services should focus on the development of climate controlled warehouse flex space which could be used for barrel aging of wine, or for case storage. That may mean the Port would have to have a bonded warehouse, particularly for case storage, but for barrel aging of wines it may not need to. This type of facility is needed in the region as indicated by both Bookwalter and Hightower. Space such as this in close proximity to Red Mountain may well provide value to the winemaking community, particularly in such close proximity to the mountain itself, and with winemaker Pacific Rim nearly next door the facility may lend itself to meeting storage needs of a current Port client.

If the Port opts for warehouse space at first it should be because there is a need, and because this type of space is one of the less expensive to develop and provide service to. This would also provide the Port with some early “anchor” tenants that it could use to begin developing additional properties, particularly the industrial processing facilities that would tie into the City of West Richland wastewater treatment system.

If the city treatment system were currently at the capacity it is seeking, the recommended development for the Port would flip with the recommended focus being the industrial processing facilities. However, because of time and capacity constraints, and because of the lack of treatment capacity at current, this slips into a second position behind warehousing space for the industry. However, it may be wise for the Port to meet with large producers such as Hedges and the Chateau Ste. Michelle brands to determine if the additional production capacity such a facility would provide is something they would use immediately if it were available. This specific determination may also influence the position of an industrial crush facility relative to warehousing space.

The development of any retail or non-industrial wine-related uses on the property should definitely be considered, but they should not be considered until later in the development of the property for several reasons. First and foremost the Port needs to hold off on any of this type of development until the proposed development of such facilities on Red Mountain are fully exhausted. The reasons for this are twofold, first the Mountain has a master plan for development of a wine village that lends itself well to Red Mountain and its vintners so the Port should hold off on this type of development in order to not derail the development before it can begin. Secondly, the property in question does not currently lend itself to the development of retail facilities. Located in an undeveloped area, retail or restaurants would not be able to draw the type of foot traffic needed to support that type of facility at current, so development of such facilities would likely end in failure.

SOURCES

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2012 Economic Impact Study of Washington Grapes and Wine –
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www.washingtonwine.org

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<http://qz.com/140602/a-global-wine-shortage-could-soon-be-upon-us/>

R. Gary Black, President Integrated Structures – Telephone interview on Sept. 26, 2013

John Bookwalter, President and Winemaker, Bookwalter Wines – Telephone Interview on Sept. 24, 2013

ReNae Pilgrim, President of Terra Blanca Wines – Telephone Interview on Sept. 25, 2013.

Tom Hedges, Founder of Hedges Winery – Email Interview on Oct. 31 and Nov. 1, 2013.

Christophe Hedges, Marketing Director Hedges Winery – Email Interview on Oct. 31 and Nov. 1, 2013.

Larry Pearson, President of Tapteil Vineyards – Phone Interview on Nov. 2, 2013.

Tim Hightower, Owner of Hightower Cellars – Phone Interview on Nov. 4, 2013.

Rob McKinney, Vice-President of Global Operations for Chateau Ste. Michelle Cellars – Phone Interview on Nov. 14 & 15, 2013.



3801 W. Van Giesen Street West Richland, WA 99353 www.westrichland.org
Community Development Department (509) 967-5902

March 15, 2017

Larry Peterson
Port of Kennewick
350 Clover Island Drive
Suite 200
Kennewick, WA 99336

RE: Comments to the Tri-City Raceway Draft Redevelopment Master Plan dated 12/30/16

Dear Mr. Peterson:

We appreciate the opportunity to review and comment on the final draft of the Tri-City Raceway Master Plan prior to adoption by the Commissioners. The Port property will be the gateway westerly entrance to the city and will be even more important given the future development of the I-82 Red Mountain interchange. Our comments generally focus on considering multiple opportunities with the development beyond just the wine industry. Conditions have changed considerably in the vicinity of the property with the Richland School District's construction of a new middle school, land purchased for a future high school and the city's development of the Industrial Wastewater Pre-Treatment Facility (I-Plant). Being dynamic and considering other opportunities based on market conditions should be referenced in the report. Additionally, the city is requesting the Port consider opportunities that may arise to initiate development of the property prior to the four to seven year timeframe outlined in the report.

Finally, my comments are noted below with the specific page number and sections cited for reference. Your consideration of the city's comments is appreciated and we look forward to the future cooperative development of this unique property.

If you have any questions or comments please feel free to contact me at 509-967-5902.

Sincerely,

Aaron Lambert
City of West Richland
Community Development Director

Tri-City Raceway Draft Redevelopment Master Plan – December 30, 2016

Pg. 6, Infrastructure – No reference of the future Red Mountain Interchange and the opportunity that presents. No reference to the city's \$3.1 mil Industrial Wastewater Pre-Treatment Facility (I-Plant).

Pg. 7, 1st paragraph – Reference the city's financial contribution to the inundation clause.

Pg. 9, Last paragraph – Warehousing may not be the highest & best use given the opportunity to utilize the city's I-Plant. Be dynamic and not limiting to large production wineries. Note that the I-Plant can process effluent from creameries, breweries & distilleries.

Pg. 10, Public catalyst for private sector investment – The city invested significantly with the development of the I-Plant which was initially slated for the Port property. The Port should be responsible for cost of extending infrastructure.

Pg. 10, Avoid direct competition with private developers – Alexander Farms specifically requested the CLI zoning as it is in line with their future development plans.

Focus on large scale wine production and support facilities – See comment from page 9.

Pg. 11, 2nd Paragraph, Non competing clause – This does not allow the opportunity to seize development opportunities that may present themselves. How is the raceway a competitor to Columbia Gardens? The Port should have the best interest of all of the jurisdictions in mind and not favor one over another. This clause puts West Richland as well as other cities at a competitive disadvantage to Kennewick.

Pg. 11, Proposed Land Use – Why so limiting to wine and warehousing? The CLI zoning district has a full suite of allowed uses. Be responsive to market conditions, particularly with the Red Mountain Interchange.

Last paragraph – Why consider development at a later phase? Should the market demand development, retain the ability to be responsive.

Pg. 12, Overall land use distribution – 30% of land area for warehousing appears high, particularly given this is a gateway entrance to the city.

Site Planning – Again, why only catering to the wine industry?

Access and Circulation – No mentioned of the Red Mountain Interchange. Note that the city will assist the port in federally classifying the east/west road.

Infrastructure – Extension of the infrastructure is a Port lead project. The city was willing to partner to extend the infrastructure when the I-Plant was initially planned for this property. The Port reallocated the funds budget for the extension which is why the city developed the I-Plant on city property and without the Port's participation.

Pg. 21, Cost Estimate – Include cost of demolition for the former raceway. Include cost of offsite extension of water & sewer.

Pg. 22, Timing and Financing –Remove the sentence “This will include the City’s potential investment for infrastructure improvements.

Long Term Strategy, last sentence, 1st paragraph – Note that off-site infrastructure is also necessary.

Last paragraph – The city won’t extend infrastructure to a vacant lot.

Short Term Strategy – The city will assist the port with grant applications. Is this property being marketed currently by the Port?

Pg. 23, Utilities – The city does not serve the site as it was formerly located in the county. The city has not historically extended infrastructure to vacant land unless a main was planned to go beyond a vacant parcel. The city expected the utilities to be extended to the I-Plant which was initially planned to be sited at the property.

Marketing Plan – The plan should consider other uses as permitted by the CLI zoning district and be responsive to the market conditions.

Pg. 3, Conceptual Roadway and Utility Infrastructure, Notes – Assumptions should include cost of utility extensions and payment of connection fees.



Memorandum

Date: March 20, 2016

To: Larry Peterson, Director of Planning & Development, Port of Kennewick

From: Ferdouse Oneza, Oneza & Associates

Re: Response to City of West Richland's March 15, 2017 Comments on Tri-City Raceway Master Plan

Pg. 6, Infrastructure – No reference of the future Red Mountain Interchange and the opportunity that presents. No reference to the city's \$3.1 mil Industrial Wastewater Pre-Treatment Facility (I-Plant).

Response: Text referencing Red Mountain Interchange opportunity and I-Plant added.

Pg. 7, 1st paragraph – Reference the city's financial contribution to the inundation clause.

Response: Comment noted. However, no modification made due to conceptual/non-contractual status of potential City contribution.

Pg. 9, Last paragraph – Warehousing may not be the highest & best use given the opportunity to utilize the city's I-Plant. Be dynamic and not limiting to large production wineries. Note that the I-Plant can process effluent from creameries, breweries & distilleries.

Response: Text added referencing breweries and distilleries along with reference to commercial and hospitality uses due to future Red Mountain Interchange access.

Pg. 10, Public catalyst for private sector investment – The city invested significantly with the development of the I-Plant which was initially slated for the Port property. The Port should be responsible for cost of extending infrastructure.

Response: Text added to reflect City's position regarding funding of utility extensions

Pg. 10, Avoid direct competition with private developers – Alexander Farms specifically requested the CLI zoning as it is in line with their future development plans. Focus on large scale wine production and support facilities – See comment from page 9.

Response: Text added to reflect City's understanding of Alexander Farm's future plans

Pg. 11, 2nd Paragraph, Non competing clause – This does not allow the opportunity to seize development opportunities that may present themselves. How is the raceway a competitor to



Columbia Gardens? The Port should have the best interest of all of the jurisdictions in mind and not favor one over another. This clause puts West Richland as well as other cities at a competitive disadvantage to Kennewick.

Response: Comment noted

Pg. 11, Proposed Land Use – Why so limiting to wine and warehousing? The CLI zoning district has a full suite of allowed uses. Be responsive to market conditions, particularly with the Red Mountain Interchange.

Last paragraph – Why consider development at a later phase? Should the market demand development, retain the ability to be responsive.

Response: Additional non-wine, non-effluent generating uses added to text

Pg. 12, Overall land use distribution – 30% of land area for warehousing appears high, particularly given this is a gateway entrance to the city.

Site Planning – Again, why only catering to the wine industry?

Access and Circulation – No mentioned of the Red Mountain Interchange. Note that the city will assist the port in federally classifying the east/west road.

Infrastructure – Extension of the infrastructure is a Port lead project. The city was willing to partner to extend the infrastructure when the I-Plant was initially planned for this property. The Port reallocated the funds budget for the extension which is why the city developed the I-Plant on city property and without the Port's participation.

Response: Land use table modified to reflect reduction in warehouse allocation to support wine industry and increase in retail and hospitality uses. Reference to future Red Mountain Interchange and City assistance pursuing federal classification of future internal roadways.

Pg. 21, Cost Estimate – Include cost of demolition for the former raceway. Include cost of offsite extension of water & sewer

Response: Text added to identify these items as additional development costs beyond those listed in the table.

Pg. 22, Timing and Financing – Remove the sentence “This will include the City’s potential investment for infrastructure improvements.

Long Term Strategy, last sentence, 1st paragraph – Note that off-site infrastructure is also necessary. Last paragraph – The city won’t extend infrastructure to a vacant lot.

Short Term Strategy – The city will assist the port with grant applications. Is this property being marketed currently by the Port?



Response: Text modified to remove reference to potential City infrastructure investment and expense of off-site infrastructure extension. Text modified to reference City assistance with grant application.

Pg. 23, Utilities – The city does not serve the site as it was formerly located in the county. The city has not historically extended infrastructure to vacant land unless a main was planned to go beyond a vacant parcel. The city expected the utilities to be extended to the I-Plant which was initially planned to be sited at the property.

Marketing Plan – The plan should consider other uses as permitted by the CLI zoning district and be responsive to the market conditions.

Response: Comment noted.

Appendix C, Pg. 3, Conceptual Roadway and Utility Infrastructure, Notes – Assumptions should include cost of utility extensions and payment of connection fees.

Response: Text added to Page 21 table and Appendix C to reference these additional development costs.

PORT OF KENNEWICK
Resolution No. 2017-07

***A RESOLUTION OF THE BOARD OF COMMISSIONERS
OF THE PORT OF KENNEWICK ADOPTING THE MASTER PLAN FOR
REDEVELOPMENT OF THE FORMER TRI-CITY RACEWAY PROPERTY***

WHEREAS, the former Tri-City Raceway property in the City of West Richland provides an economic development opportunity for the Port of Kennewick and the City of West Richland; and

WHEREAS, Oneza & Associates was contracted to assist the Port with preparation of the Tri-City Raceway Redevelopment Master Plan; and

WHEREAS, public input regarding the future redevelopment of the Tri-City Raceway was obtained throughout the planning process; and

WHEREAS, the Board of Commissioners has reviewed the Tri-City Raceway Redevelopment Master Plan throughout the planning process; and

WHEREAS, the Board of Commissioners directed the draft plan be forwarded to the City of West Richland for review and comments which occurred on January 3, 2017; and

WHEREAS, the City of West Richland provided review comments on March 15, 2017; and

WHEREAS, revision comments received from the City of West Richland have been incorporated into the Tri-City Raceway Redevelopment Master Plan.

NOW THEREFORE, BE IT RESOLVED that the Port of Kennewick Board of Commissioners hereby approves and adopts the Tri-City Raceway Redevelopment Master Plan as prepared and revised by Oneza & Associates.

ADOPTED by the Board of Commissioners of Port of Kennewick on the 28th day of March, 2017.

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

By:


SKIP NOVAKOVICH, President

By:

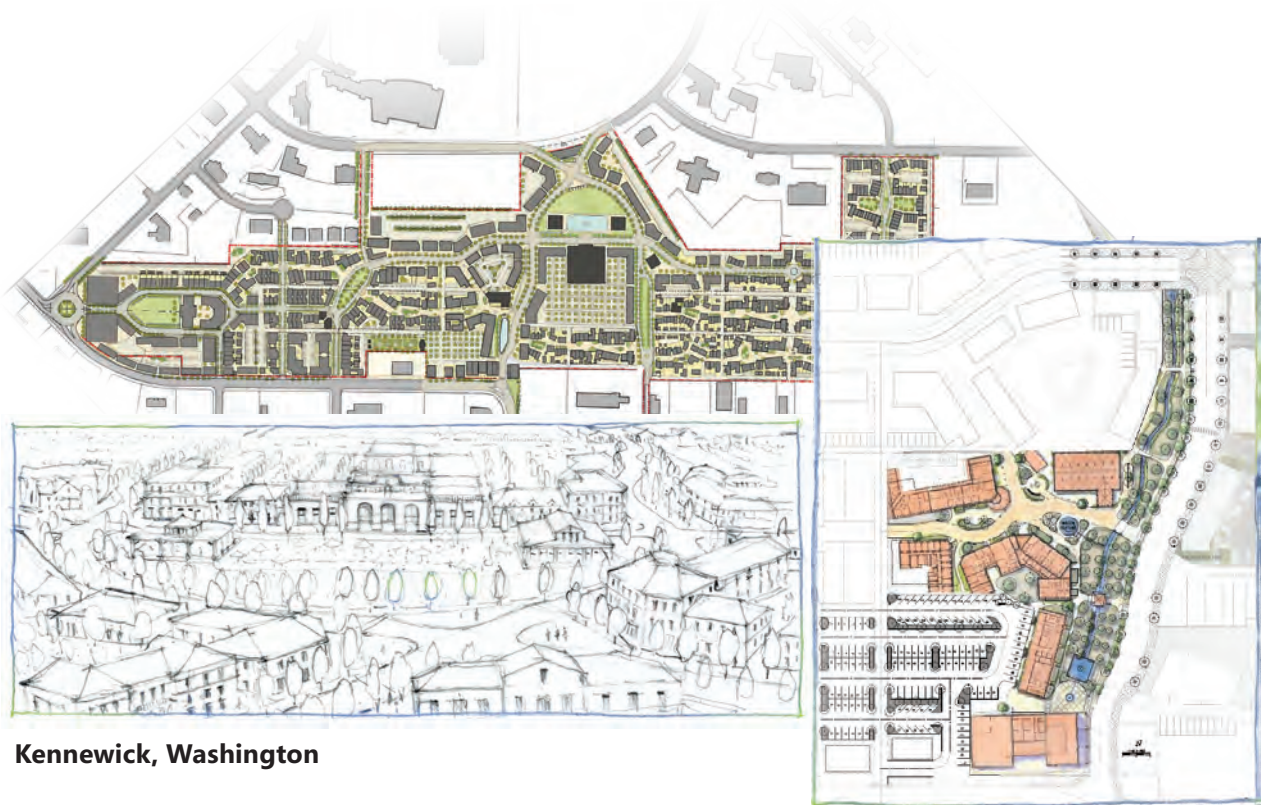

THOMAS MOAK, Vice President

By:


DON BARNES, Secretary

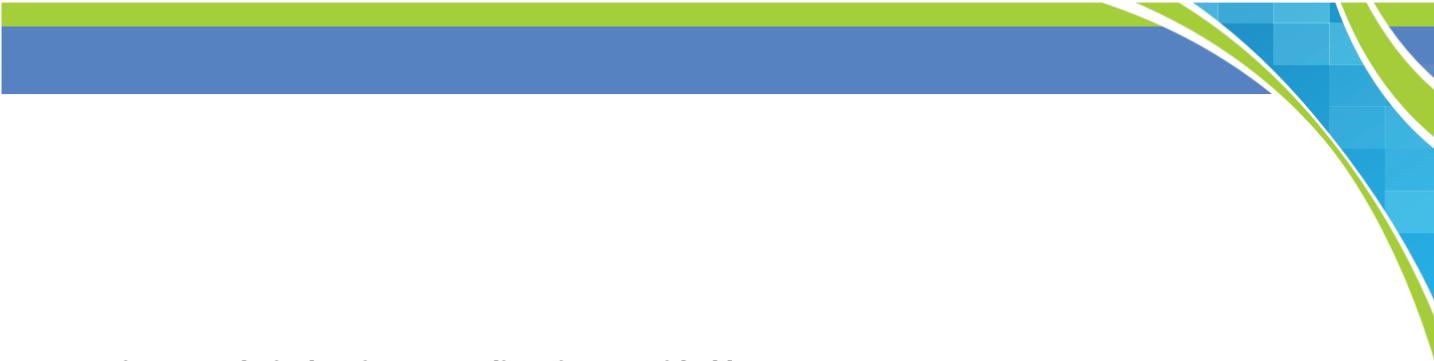
VISTA FIELD REDEVELOPMENT MASTER PLAN 2017

An opportunity initiated by the Port of Kennewick in collaboration with
the City of Kennewick and guided by the citizens of the Tri-Cities.



Prepared in partnership with
Duany Plater-Zyberk & Company
(Architects and Town Planners)

October 6, 2017




Primary technical assistance & direction provided by:

Duany Plater-Zyberk & Company (Architects and Town Planners)
Michael W. Mehaffy, Structura Naturalis Inc. (Planning Consultant)
Laurence Qamar, Qamar & Associates Inc. (Engineering Consultant)
Parametrix (Transportation Consultants)
ECONorthwest (Economic Analysis Consultants)
R. Gary Black, Integrated Structures Inc. (Construction Consultant)

Additional technical assistance provided by:

Confederated Tribes of the Umatilla Indian Reservation (Cultural Resources)
SWCA (Environmental Consultants)
Strategic Construction Management (Project Development Consultants)
HDJ Design Group, A Division of PBS (Design Consultants)



***We believe great places add to the sum
of human happiness...economically and
environmentally resilient communities
foster physical and social well-being."***

- Duany Plater-Zyberk & Company





STAKEHOLDER PARTICIPANTS

Port of Kennewick

Board of Commissioners

Skip Novakovich, President
Thomas Moak, Vice President
Don Barnes, Secretary

Tim Arntzen, Chief Executive Officer
Tana Bader-Inglima, Deputy Chief Executive Officer
Larry Peterson, Director of Planning & Development
Amber Hanchette, Director of Real Estate & Operations
Nick Kooiker, Chief Financial Officer/Auditor
Tammy Fine, Advisor/CPA, CFE
Michael Boehnke, Facilities Manager
Michael Melia, Maintenance Technician
Jennifer Roach, Accounting/Administrative Assistant
Bridgette Scott, Executive Assistant
Lisa Schumacher, Special Projects Coordinator
Kandy Yates, Office Assistant/Marina Manager

City of Kennewick

City Council

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Don Britain, Mayor Pro-Tem
Matt Boehnke, Councilman
Gregory Jones, Councilman
Paul Parish, Councilman
Bob Parks, Councilman
John Trumbo, Councilman

Marie Mosley, City Manager
Vincent Beasley, Fire Chief
Ken Hohenberg, Chief of Police
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Greg McCormick, AICP, Community Planning Director
Anthony Muai, AICP, Senior Planner
John Deskins, Traffic Safety Engineer
Terry Walsh, Economic Development Director
Emily Estes-Cross, Economic Development Manager



Vista Vision Task Force

Rich Cummins, Task Force President, Citizen at Large/Education
Don Britain, Task Force Vice President, City of Kennewick
Carl Adrian, TRIDEC
Jim Beaver, Benton County Commissioner
Kyle Cox, Citizen at Large/Young Professionals of the Tri-Cities/Mid-Columbia Libraries/Arts
Charlie Drader, Citizen at Large/Young Professionals of the Tri-Cities/Finance
Chuck Freeman, Kennewick Irrigation District
Ed Frost, Citizen at Large/Public Transportation
Traci Jao, Citizen at Large/Young Professionals of the Tri-Cities/Business Development
Barb Johnson, Columbia Center Mall/Kennewick Public Facilities District
Lori Matson, Tri-Cities Regional Chamber of Commerce
Vicki Monteagudo, Commercial & Residential Real Estate
Austin Neilson, Citizen at Large/Young Professionals of the Tri-Cities/Business
Justin Raffa, Citizen at Large/Young Professionals of the Tri-Cities/Arts
Steve Simmons, Citizen at Large/Business
Dennis Solensky, Ben Franklin Transit
Gary Spanner, Citizen at Large/PNNL/Economic Development
Derrick Stricker, Commercial Real Estate/Young Professionals of the Tri-Cities
Kris Watkins, Visit Tri-Cities
Kirk Williamson, Citizen at Large/Communications

Acronym/Second Reference List

City (City of Kennewick)
CTUIR (Confederated Tribes of the Umatilla Indian Reservation)
DPZ (Duany Plater-Zyberk & Company)
FEIS (Final Environmental Impact Statement with Integrated Economic Analysis)
LOS (Level of Service)
Port (Port of Kennewick)
SWCA (SWCA Environmental Consultants)
TSIE (Transportation System Impact Evaluation)
UMU (Urban Mixed Use)
VVTF (Vista Vision Task Force)



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EXECUTIVE SUMMARY

Transforming the 103-acre Vista Field into a vibrant, pedestrian-focused regional town center is no small task.

Vista Field is a former general aviation airfield located at the core of Tri-Cities, Washington, near the Columbia Center Mall, and adjacent to the City of Kennewick's (City) Vista Entertainment District, which includes the Three Rivers Convention Center and the Toyota Center.

The Port closed the airfield at the end of 2013, and runway closure activities commenced in early 2014. In the years since, the Port and its partners have been working diligently on every detail of the Vista Field Redevelopment Master Plan.

Following the airfield's closure, the Port began a multi-year effort to involve the public in the planning for the future of this very unique asset. This public involvement process utilized surveys; meetings; a pattern-language workshop; a week-long public charrette series; and a citizen oversight committee, to gather comprehensive input about what the community desired to see at the site. Through these efforts, citizens identified and advocated for Vista Field to become a lively, urban core. Small-scale city blocks with pedestrian-friendly neighborhoods, a mix of work and open spaces, restaurants, and shops were identified as essential elements.

The concepts and details included in the Vista Field Redevelopment Master Plan are the result of the community's substantial and valuable feedback, and the close collaboration between the Port, City of Kennewick, other partners, and the public throughout the planning process.

For several years, the Port and City have worked meticulously on every detail of the redevelopment to produce a functional versus conceptual master plan. Each section of the plan has been refined during public meetings with City departmental staff including Public Works, Planning, Police, Fire, and Economic Development.

These efforts tested original concepts and assumptions, and validated that the Vista Field concept is sustainable and will provide a positive return on investment for taxpayers.

The Vista Field model is very different from typical developments seen in many cities. As envisioned, Vista Field will be redeveloped using a New Urbanism model—a neighborhood-scale planning approach focused on mixed-uses, vibrant public spaces, private amenities, and multi-modal access.

Once complete, the site will have many distinctive features and look more like city blocks found within historic downtown areas; with diverse local businesses, cozy neighborhoods and public plazas. These types of town center developments, that meld cultures and bring vibrancy to communities, are sought after and the Port heard very clearly from citizens that this type of development is what they want.

Plans include a network of small-scale streets, focusing on walking, biking, public transit, and interconnecting a variety of neighborhoods within the development. Dotted with green spaces, waterways, pathways, civic buildings, and public facilities (such as an arts center), Vista Field will be filled with unique shops and local restaurants, cafes, and offices. There will be places for shopping and dining. There will be areas focused on entertainment and open public spaces. There will be areas that recognize and celebrate local history. And throughout, there will be a mix of residential options appealing to a variety of ages and incomes including single family homes, condos, multi-family housing, spaces for mother-in-law cottages, and even opportunities for places to live above and work below.

These features and amenities will foster visitation, entrepreneurial ventures, and a city-center lifestyle, as well as create new jobs, new living options, and develop civic amenities that everyone can enjoy.

This New Urbanism planning approach, requires revising City codes. The City has already undertaken modification of existing regulations and creation of new codes, which will allow Vista Field to evolve as intended by the community. This plan is based upon the ultimate adoption of those regulations.

Beyond establishing an urban core in the Tri-Cities, the redevelopment of Vista Field will add both taxpayer equity and value to this community and the broader region. The private sector also benefits. The site is projected to attract \$400,000,000 in private investment at full buildout. That new private development will generate more tax revenues to support police, fire, hospitals, and libraries, and other municipal services—without any increase in taxes or cost to existing taxpayers.

MASTER PLAN HIGHLIGHTS

New Urbanism concepts will transform Vista Field into a vibrant, walkable, bikeable, transit-oriented urban core for the Tri-Cities.

103-acre site

8 phases of development

1 community-driven design

4 years

of public involvement featuring a citizen task force, pattern-language process, a charrette, public meetings, and surveys

10-foot-wide

sidewalks and small-scale streets focusing on walking, biking, public transit, and inclusion of all modes of transportation

2.5-acre

central plaza, 1-acre open parks, and smaller, hidden-gem public spaces

750,000

square feet of retail, office, service and entertainment uses

800-seat

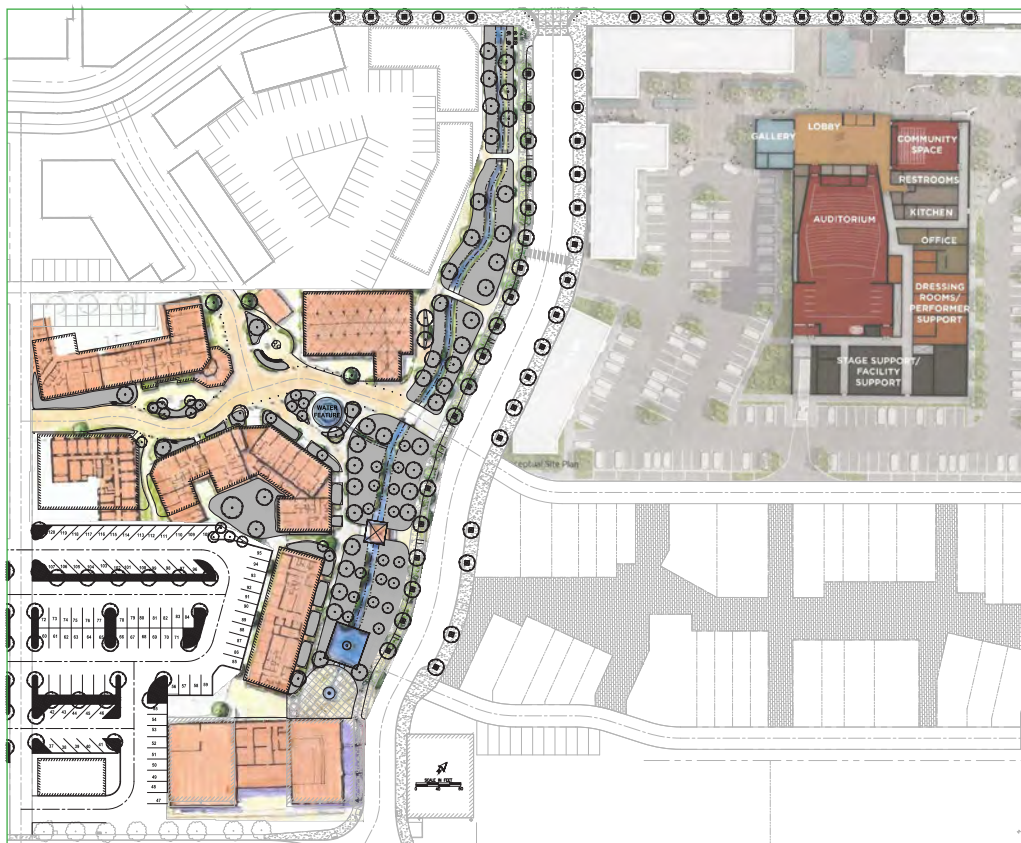
privately-funded performing arts center by the Arts Center Task Force

1,100

residential units ranging from single family homes on urban-sized lots to condominium and apartments

The Vista Field Redevelopment Plan is broken into eight phases. The Port is following its customary practice of enhancing the community without asking for new taxes. Instead, the Port is focusing on fiscally sound development, following a pay-as-you-go approach, and working to leverage existing Port revenues and land sales, with stakeholder funding, grants, and private investment dollars.

The Vista Field Redevelopment Master Plan honors the community's vision for an urban place. The plan provides the framework for transformation of the former airfield land including identifying specific infrastructure (streets, water, sewer, electrical, fire-flows, traffic impacts, and storm drainage, etc.), program, design elements, and other ingredients of the final buildout. It is a strategic blueprint for implementation as much as it is a physical design of the urban development.



Proposed Phase 1 development, and showing the location for the privately funded Vista Arts Center (right).



INTRODUCTION

PROJECT OVERVIEW

The Port of Kennewick (Port) intends to redevelop the 103-acre former Vista Field Airport site, located in the City of Kennewick (City) at the geographic and commercial heart of the Tri-Cities, Washington, into a vibrant urban place. Redevelopment at Vista Field provides the unique strategic opportunity to create a special place in the core of the community.

This former municipal airport ceased operations in December 2013, yet the decades of airport operations effectively preserved the site for urban-scale development at a later time. That time has arrived.

The concepts and details included in this master plan are the result of substantial public input over a period of four years, and close coordination and partnership with the City to enable the community's vision to be realized. This master plan is essentially a summary of key elements from numerous citizen involvement meetings, planning sessions, site investigations, and economic and engineering documents generated since 2012.

Vista Field has unparalleled potential. The site is adjacent to the region's sports and convention venues, within 0.5 mile of the communities' commercial and hospitality center; and it benefits from well-established transportation and utility systems.

Deciding the redevelopment direction for the site was based upon several factors including citizen input, market considerations and environmental conditions. The urban place that the citizens requested not only fills a void in the Tri-Cities but also makes economic sense for the Port, City and private sector.

Based upon the proven principals of New Urbanism—which involves a planning methodology focused on adding vibrant public spaces, private amenities, and multi-modal access—the Vista Field development plan calls for public open spaces ranging from small hidden-gem areas to a 2.5-acre central plaza; nearly 1,100 residential units ranging from single family homes on urban sized lots to condominium and apartments; and approximately 750,000 square feet of retail, office, service and entertainment uses all tied together by a network of small-scale streets focusing on walkability and inclusion of all modes of transportation.

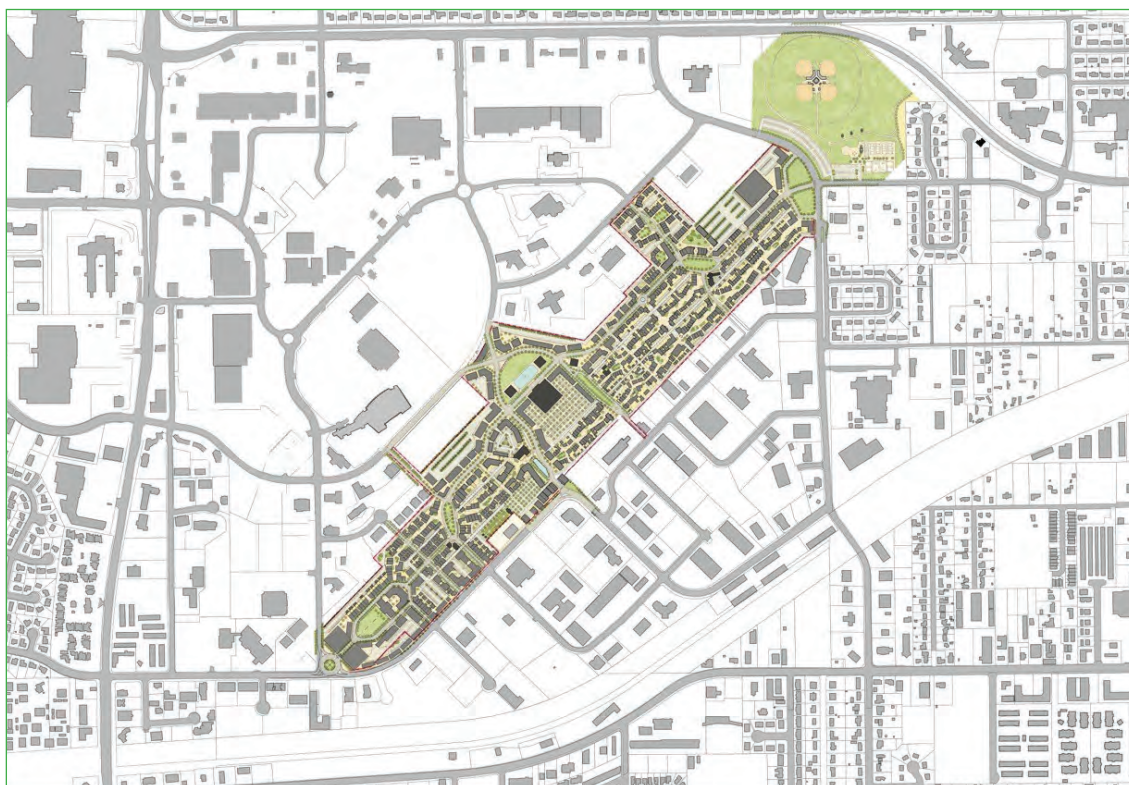
Typical master plan documents address land use and transportation issues in separate compartmentalized sections; however, redevelopment of Vista Field is not a typical project where these elements are segregated. New Urbanism development, upon which Vista Field is modeled, necessitates a different approach and perspective: where land use and transportation elements are carefully and strategically considered together.

Streets within Vista Field are to become more than just transportation conduits, they must be considered intrinsic to the public realm. Buildings are more than just a place to escape the elements, they must be connected in purpose and function to the public realm if successful placemaking is to occur.

Given the New Urbanism neighborhood-scale planning approach, revising City codes to allow for the community's concept of Vista Field is required. The City has already undertaken modification of existing regulations and creation of new codes, which will allow Vista Field to redevelop as envisioned by the community. This plan is based upon the ultimate adoption of those regulations.

Moreover, mixing land uses in Vista Field must be more than just authorized—land uses must be judiciously mixed to create vibrancy and avoid a perception that the sidewalk is rolled up at 5 p.m. Therefore, the City crafted the Urban Mixed Use (UMU) zoning district and adjusted other land use regulations to allow development as envisioned in this master plan. Beyond allowing numerous uses to intermix, special focus was directed to assure that the public realm along pivotal corridors becomes, and remains, attractive to pedestrians. This is accomplished by avoiding the typical street classification based upon intended vehicle volumes (arterial, collector, local). Instead, the plan identifies A and B streets, where land use regulations strive to assure A streets are lively and interesting public realms, while B streets allow for functional activities such as parking and utility service.

VISTA FIELD REDEVELOPMENT PLAN



A larger version of this image is on page 22.



HISTORY, PROCESS & PLAN CREATION

The Vista Field Airport started operations in the 1940s and continued under the ownership of the Kennewick Irrigation District and the City of Kennewick until 1991, at which time the Port purchased the airport and surrounding lands from the City. Two decades later, with users continuing to decline and expenses continuing to increase, the Port wrestled with the future of airport operations.

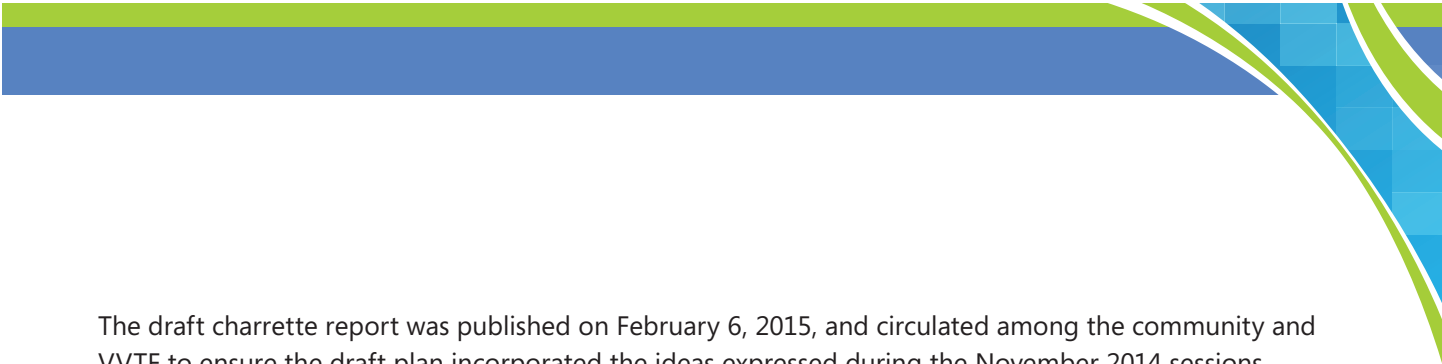
In September 2012, the Port decided to undertake a detailed analysis of the environmental and economic implications of several options including airport expansion, closure and redevelopment, and no change scenarios. The world-renowned firm Duany Plater-Zyberk & Company (DPZ) was selected to assist the Port with this task, and resulted in the March 8, 2013, Vista Field Final Environmental Impact Statement with Integrated Economic Analysis (FEIS).

Substantial stakeholder input occurred over a six-month period, culminating in a public hearing on April 13, 2013. At that hearing, the Port Commission unanimously decided that closure and redevelopment of the Vista Field Airport was in the best interest of the community. The redevelopment concept contained within the FEIS generated substantial public interest in the potential that Vista Field redevelopment offered. However, that early concept lacked the detail necessary for implementation.

The Port Commission set a course toward redevelopment of the site under the principles of New Urbanism, and decided the public should share in crafting the master plan. The Port first created a formal citizens advisory team, the Vista Vision Task Force (VVTF). This volunteer group was composed of individuals from multiple backgrounds including education, government, economic development, marketing, arts and entertainment, young professionals, real estate, finance, and transportation. VVTF members and the numerous citizens attending the task force meetings, helped refine and direct recommendations for redevelopment.

The Port Commission also decided that the redevelopment opportunity necessitated a public involvement and planning process unlike any previous efforts in the Tri-Cities. The Port again engaged the services of DPZ and its subconsultants, Parametrix and ECONorthwest, along with R. Gary Black of Integrated Structures Inc., to conduct a weeklong interactive design workshop.

On November 10, 2014, design began, with Gary Black leading a one-day pattern language process, which identified many crucial elements for inclusion in the master plan. DPZ then transitioned public involvement efforts into a five-day community design charrette that brought stakeholders and experts together to propose, evaluate, and refine concepts for the redevelopment within an open and actively engaged public process. The charrette sessions allowed rapid development, testing and refining of ideas with the participation of community members, as well as technical experts.



The draft charrette report was published on February 6, 2015, and circulated among the community and VVTF to ensure the draft plan incorporated the ideas expressed during the November 2014 sessions.

As of June 2015, the planning effort had evolved from a concept into a revised and viable draft master plan. A number of philosophical questions were explored during a summer 2015 work session, such as possibly transferring the entire project to the private sector for implementation; how housing for all economic levels would be assured; and what were the Port's expectations regarding project return on investment.

From fall of 2015 through summer 2017, the Port closely coordinated with the City to understand and evaluate potential impacts to the City's existing transportation and utility infrastructure. Also, discussions with the City's Community Planning Department helped identify code changes necessary to develop Vista Field as envisioned in the community-driven master plan. Additionally, because the Vista Field redevelopment was anticipated to be substantially different than traditional development patterns, the City's Fire and Police Departments were engaged to ensure a careful, thoughtful design from an emergency services perspective.

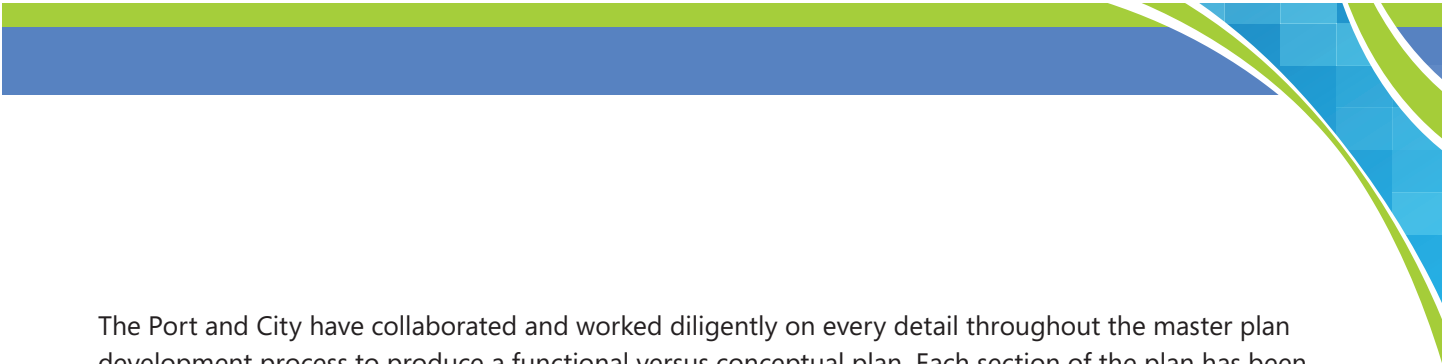
Indeed, since Vista Field development differs significantly from traditional projects undertaken within the Tri-Cities during the past 40-plus years, the Vista Field Master Planning effort sought strategic input from citizens, stakeholders, real estate professionals, financial sectors, and the City staff – not just as a regulator or utility provider – but as a true partner in transformative development.

This master plan and the supporting documents represent the outcome of extensive public involvement and years of collaboration with the City and other partners. The plan provides the frameworks for redevelopment of the airfield including infrastructure, program, design elements, and other ingredients of the final buildout. It is a strategic plan for implementation as much as it is a physical design of the urban development.

COLLABORATION & PLAYERS

Starting as a Port-driven question regarding the future of the airport, this effort quickly grew into a broad stakeholder discussion about the future of our regional community, and how Vista Field could address a previously identified major deficiency—the lack of an urban core.

Starting with the EIS in 2012, continuing through planning and the concept refinement process occurring in 2014 and 2015, then moving to the details consideration stage in 2016 and 2017, this effort is truly a community-driven project. Individuals from different backgrounds attended numerous meetings and continuously provided ideas on how Vista Field could become a special place; all volunteering their time to help guide the future of this community asset.



The Port and City have collaborated and worked diligently on every detail throughout the master plan development process to produce a functional versus conceptual plan. Each section of the plan has been refined during public meetings with City departmental staff including Public Works, Community Planning, Police, Fire, and Economic Development.

Without the energy and support of City Manager Marie Mosley, Mayor Steve Young, and Mayor Pro-Tem Don Britain, this unique redevelopment endeavor could have been lost to the details. Moreover, many City staff members (Fire Chief Vince Beasley, Police Chief Ken Hohenberg, Cary Roe, Greg McCormick, Anthony Muai, John Deskins, Terry Walsh, and Emily Estes-Cross) have been integral to shaping this plan.

In addition to the strong partnership with the City, this process and project have drawn the interest of multiple agencies focused on what development of an urban center could mean to the future growth, vibrancy, and economic sustainability of our region. These agencies include Arts Center Task Force, Ben Franklin Transit, Benton County, Kennewick Public Facilities District, Tri-Cities Chamber of Commerce, TRIDEC, Visit Tri-Cities, and Young Professionals of the Tri-Cities.

Attempting to list all those who participated would surely result in an unintended omission. However, special acknowledgement to the VVTF volunteer members including Chairman Rich Cummins, pattern language participants, and the 200-plus charrette participants is warranted, and for their participation, Port Commissioners and staff are grateful.

The Port Commission (Skip Novakovich, Thomas Moak and Don Barnes) extends its sincere thanks and appreciation to all who participated and provided their time, ideas, suggestions, input, and guidance during this multi-year master planning process. The broad consensus by those involved is that, *it is far superior to plan with the community, rather than for the community.*



DEVELOPMENT PLAN

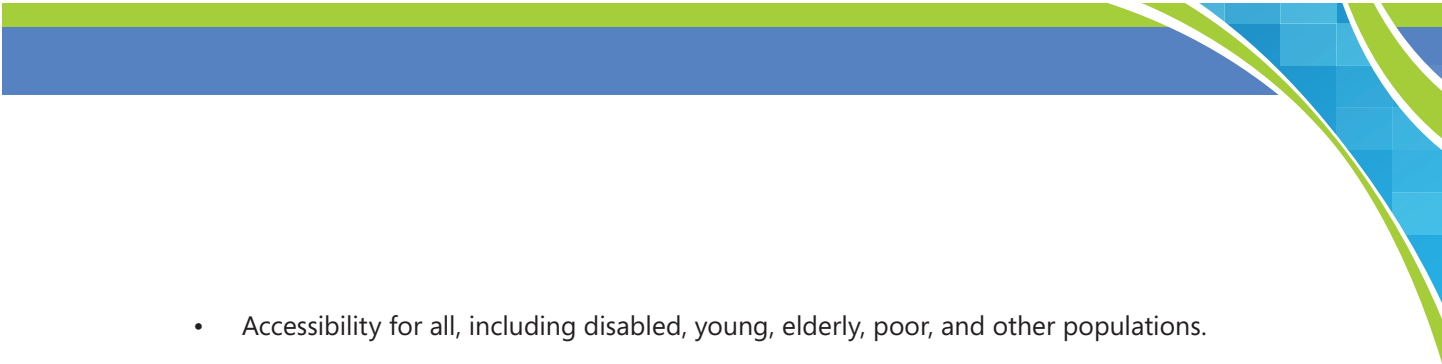
PLAN PRINCIPLES - NEW URBANISM FOUNDATION

New Urbanism is a neighborhood-scale planning approach that is centered on vibrant public spaces, with adjacent private amenities that are easily accessible through a variety of modes of travel, especially walking. The layouts of these types of developments often follow traditional small-town patterns and characteristics, which appeal to a significant percentage of the population. There is a growing market demand for these developments, but very few New Urbanism options are currently available within the Tri-Cities.

The trend toward New Urbanism came as a response to perceived limitations of typical automobile-dependent development. While many people enjoy the benefits of automobile-based urban form, the patterns of 20th Century planning have tended to eliminate choice for many people, including the choice to enjoy a walkable, mixed-use neighborhood with close-by amenities and small-town livability. Too often the pattern of auto-dependent development is followed by traffic congestion, visual blight, chain-store homogeneity, and less active lifestyles in less livable neighborhoods. For many people, this represents a loss of what cities and towns offered to previous generations.

In practice, the design of New Urbanist communities generally includes the following characteristics:

- A small-scale network of streets, allowing easy walkability as well as slow, even driving with minimal congestion.
- Good connectivity at the edges, to allow percolation of traffic without major congestion points, and without freeway-like arterials that only accommodate fast-moving cars. (These can be integrated into the planning but require special treatment.)
- Walkable, convenient, attractive streets and public spaces, connected into a coherent system.
- Buildings that give the streets and other public spaces shape and definition, and provide activities at the edges.
- Placemaking - that is, places for people to enjoy and spend time, rather than places meant to impress architects or solve purely technical problems (e.g. maximum speed for cars).
- Human-scale design, especially at the level of the streetscape, and the details and sequences of experiences that pedestrians enjoy.
- Mixed use—living, working and playing all in one area, instead of segregated zones that require automobile travel between them.
- Compactness, sufficient to allow convenient walking. This is often confused with density, which is a more abstract idea, and can be unpleasant when density is very high.
- Transportation choices, including walking, biking, public transit, and driving.
- Adequate parking, including on-street parking, but also ample provisions for walking, biking and transit.

- 
- Accessibility for all, including disabled, young, elderly, poor, and other populations.
 - A design approach that places primary emphasis on experiences at the street level, including a sense of enclosure, prospect views, elements that are in view at a distance along a street (so-called terminated vistas), and other elements of traditional urban design, which heighten the enjoyment of people in the neighborhood, especially pedestrians.



CHARACTER/PLACEMAKING

Character is a key element that must be established within Vista Field, but it must not be interpreted as a mandate that all buildings must have the same character. In fact, repetition and replication only serve to reduce character.

It is unexpected elements, such as a hidden courtyard, a crooked street, an oddly shaped building, a water feature, or an iconic art installation that develop the character of a place. Considering the vast size of the 103-acre site, and the surrounding land uses ranging from public facilities to the northwest and industrial uses to the southeast, Vista Field could and should contain multiple character areas, possibly taking cues from these surrounding uses.

Vista Field is intended to become the urban center of the Tri-Cities and tendencies to apply suburban strip mall, apartment, or single-family home treatments must be resisted. Not all lots will be rectangles, and not all front doors and walls will be parallel to the adjacent streets. Building setbacks can and hopefully will vary, with some businesses establishing café seating along the 10-foot-wide public sidewalks abutting the streets. Buildings may include unusual angles or overhangs. Irregular balconies may overlook the street below. All of these opportunities for unique elements are intentional, not an oversight in the UMU zoning. These elements are intended to help establish the character and soul of the place that is Vista Field.

Public open space is identified throughout the site, with a 2.5-acre central plaza located near its core, 1-acre open areas located at the southwest and northeast entrances, and 0.25-acre pocket parks sprinkled throughout. These open spaces will include improved elements appropriate for an urban area, such as fountains, plazas, trees, pathways, seating areas, and similar amenities. These open space areas are intended for heavy use by the public including the possibility of street fairs, small scale concerts, or community gatherings. These areas are not intended to become large grassy areas serving as supplemental sports fields, as those areas presently exist throughout the community. These open space areas are intended to become well-loved urban “outdoor rooms.”



LAND USE

The Urban Mixed Use (UMU) district allows mixing of residential, commercial and entertainment uses, both vertically and horizontally, while requiring all off-street parking to be located behind the buildings. All rules, regulations and covenants are crafted with the focus on placemaking. Building height and setback restrictions are intentionally relaxed to allow greater flexibility, while assuring vehicle parking demands are addressed.

Implementation of the Vista Field Redevelopment Master Plan is not dependent upon structured parking to realize the density of development identified in the plan. Ample surface parking for vehicles is identified, however parking areas are located behind the buildings rather than in front of the buildings. This simple change results in A streets with no driveways along the frontage, which creates an uninterrupted public realm while also enhancing pedestrian safety. On-street parallel parking is included throughout most of the Vista Field site, and that parallel parking will be credited toward individual development project when determining required parking.

Land uses include a broad range of activities, while excluding uses only at either end of the spectrum such as large lot single-family homes, and warehousing and industrial activities. Allowed activities within Vista Field include residences ranging from single family homes on urban-sized lots to live-work spaces, townhomes, condominiums, and apartments, as well as commercial uses such as offices, service businesses, retail, hotels, restaurants, theaters, breweries, wineries, and distilleries.

Present allocation of those land uses throughout the 103-acre site results in nearly 1,100 residential units, approximately 750,000 square feet of commercial uses, public open spaces ranging from small hidden gem spaces to a 2.5-acre central plaza. Although the UMU zoning allows nearly unlimited combinations of land use configurations, a general tendency to cluster restaurant uses around the focal public spaces, and shielding but not isolating, single family homes from hectic activity was considered when drafting the land use layout plans. Sustainability of an urban area is dependent upon a significant mix of residential uses. The Port is mindful that as the project evolves and prospects arise, a blend of commercial and residential rooftops is critical for the success of the entire project.

An 800-seat privately-funded performing arts center and the necessary off-street parking are designed into the middle of the project. Situated directly across from the 2.5-acre central plaza and at the crossroads of the major north/south and east/west roads, this project, when developed, will serve as a main feature of Vista Field. Proximity to the Public Facilities District campus benefits both sites. The Grandridge Boulevard entrances are intended to focus attention onto the performing arts center, therefore building and site design that serve this purpose carry significant importance.

LAND USE & BUILDING SIZE BY TYPE**TOTAL**

Residential Single Attached (small lots)	495	Units ¹
Residential Condo	250	Units ²
Residential Apartments (low-rise)	350	Units ²
Single Family Building (SF)	990,000	SF ¹
Residential Condo Units	250,000	SF ²
Residential Apartment (low-rise)	350,000	SF ²
Dwelling Units	1,095	Units
TOTAL Multi-Family Building (SF)	600,000	SF
Commercial – Retail	155,000	SF
Commercial – Restaurant	75,000	SF ³
Commercial – Grocery	60,000	SF
Commercial – Office	320,000	SF
Performing Arts Center	45,000	SF ⁴
Neighborhood Civic	40,000	SF
Educational	45,000	SF
TOTAL Commercial/Institutional Building (SF)	740,000	SF
TOTAL Building (SF)	2,330,000	SF
Park/Open Space by Phase (SF)	273,000	SF

SUMMARY

Total Residential Units	1,095	Dwelling Units
Total Multi-Family Buildings	600,000	sq. ft.
Total Commercial/Institutional (SF)	740,000	sq. ft.
Total Mixed Use Buildings	1,340,000	sq. ft.
Total Park	273,000	sq. ft. or 6.3 Acres

Notes:

1 Average 2,000 sq. ft.

2 Average 1,000 sq. ft.

3 Average 3,000 sq. ft.

4 30,000 sq. ft. footprint plus mezzanine



DESIGN CONTROLS

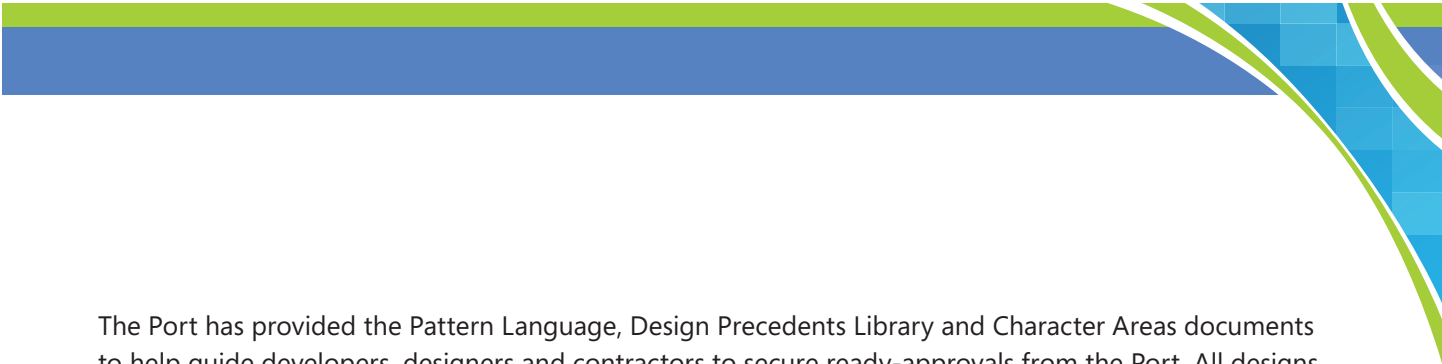
Vista Field is a novel and varied new district that must have a special architectural character. A cohesive approach to architectural form, as a framework for fine-grained variations of expression, will best promote the appeal and value of the district for all stakeholders. As a result of extensive workshops, meetings, other community planning processes, including a charrette, an architectural character has emerged with the following compelling features:

1. **Traditional and pedestrian-scaled architecture.** Vista Field is not meant to have overwhelming statement buildings, large-scale institutional facades, or aggressively contemporary structures. Instead a premium is placed on exacting details, plantings and support structures, spatial enclosures, and simple but well-appointed volumes (trim, details, rafter tails, corbels, etc.).
2. **Eclectic architecture.** At the same time, the district needs to have variety and even quirkiness. Structures that are made from surprising materials, offbeat forms, and creative mixtures of materials demonstrating subtle and small, neighborhood-scale varieties, are encouraged.
3. **Climate-appropriate architecture.** The district strongly encourages light-colored masonry forms, shading structures, courtyards with verandas, and structures that integrate water features.
4. **A sense of local context and history.** Forms that reflect the culture of the region and the history of the site are encouraged.

To accomplish the goal of a cohesive yet varied architecture, the Port has developed several guidance documents for all designers, contractors and property developers. Those documents include:

1. **Pattern Language.** This document was produced during the November 2014 community charrette and includes a number of desired large-scale features of the Vista Field district.
2. **Design Precedents Library.** This document was developed by the Port following the public sessions, and includes examples of design practices that are both highly favored as well as strongly discouraged.
3. **Character Areas.** This document outlines the differences of character within the Vista Field district, as the architecture transitions from primarily commercial to residential areas, from civic to private, and from more intensely urban, active areas to less active areas.

In addition, the City requires conformance with a Design Standards document for the area, functioning as a form-based code. This document governs how buildings address the street, how parking is handled (generally at the rear of buildings), where entrances are located, and other basic planning and layout considerations. The City has established the Urban Mixed Uses (UMU) zoning code for the district, specifying allowable uses and its requirements.



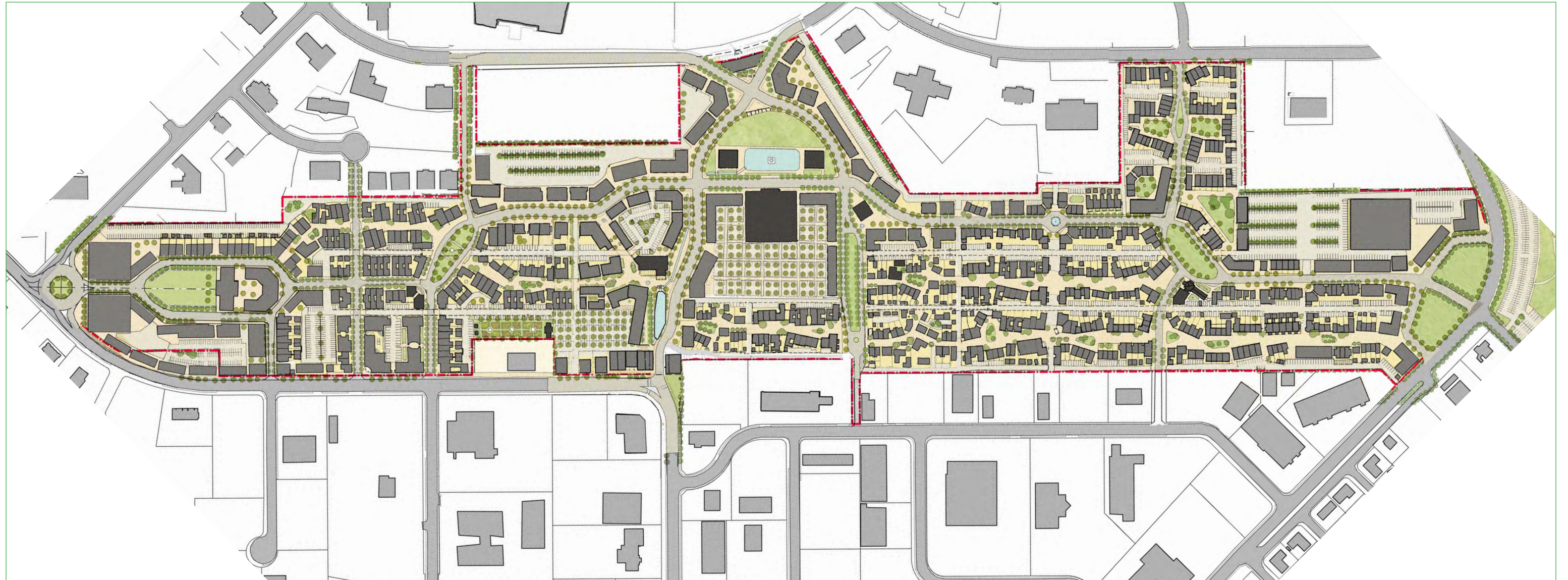
The Port has provided the Pattern Language, Design Precedents Library and Character Areas documents to help guide developers, designers and contractors to secure ready-approvals from the Port. All designs are subject to design review. The guides are intended to put everyone on the same page, and help the development process go smoothly for all parties.

The City will also review and approve all designs subject to the UMU zoning code and City-adopted Design Standards contained within the code. The Port can advise applicants on the requirements during the early planning stage, so the process is efficient for all concerned.

ARTIST'S RENDERINGS OF PROPOSED VISTA FIELD REDEVELOPMENT



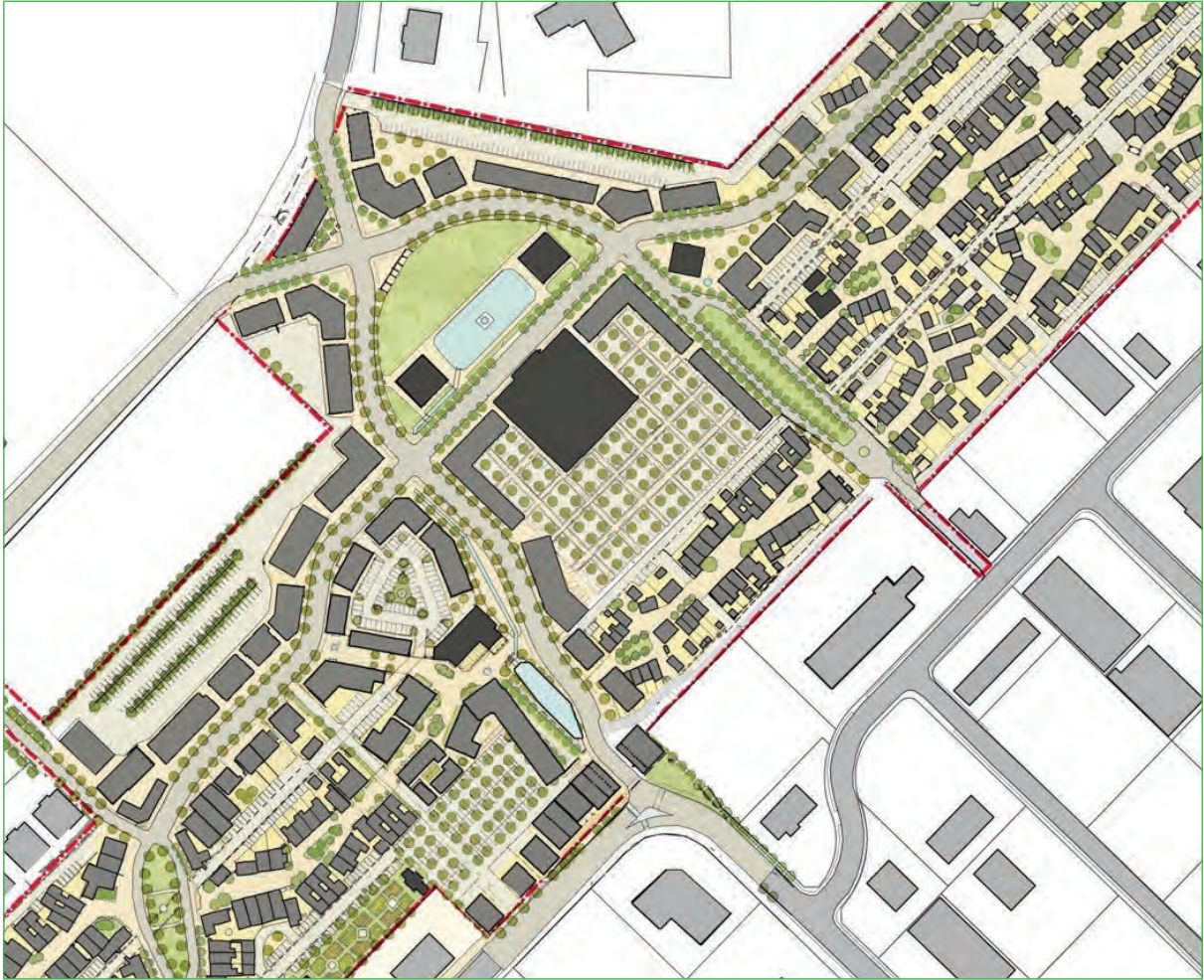
Vista Field Full-Site Redevelopment Plan



Vista Field Full-Site Redevelopment Plan



Vista Field Southwest View



Vista Field Core



Vista Field Northeast View



TRANSPORTATION NETWORK

The road network within the Vista Field site includes public streets with differing levels of enhancement (A & B streets), private shared residential streets and private alleys. Design efforts intentionally slow vehicles allowing for safe bicycle travel on the roadways without the need for dedicated lanes. Slowly moving (20-to-25 miles per hour) traffic throughout the entire project with relatively short block spacing, results in a roadway that both bikes and vehicles can share and pedestrians can comfortably and safely cross. This slower moving design is also conducive to Ben Franklin Transit service as the acceleration and deceleration rates of transit buses have far less impact when all vehicles are moving at slow speeds.

None of the streets in Vista Field are intended to provide a quick bypass from east to west or north to south. However, the multiple connections to the existing City street network do provide transportation options to travelers within the Vista Field area. The internal street network was designed following applicable national standards resulting in three-way and four-way stop sign intersections, with the occasional incorporation of a traffic circle (which are traditionally smaller than the modern roundabout), or divided roadway section.

Vista Field should be thought of as a destination, with multiple low-speed network paths through the new community. In other words, the street system forms a permeable grid, with multiple ways in and out. Because it is a low-speed zone with a permeable grid, Vista Field is a suitable locale for some unusual street design features that might not be considered appropriate in other locales. Traffic-calming street elements such as pedestrian tables, islands, and other features all tend to slow vehicle movement. Irregular street geometries are designed for low-speed traffic where it is acceptable and even desirable to have non-standard deflections, curb radii, intersection spacing, and similar features.

The A and B streets differ little in any way from each other when solely focused on the improvements (curb, gutter, sidewalk, pavement, and lighting) within the right-of-way. These are two-lane, two-way streets with parallel parking spaces adjacent to each lane, and sidewalks ranging from 8-feet to 10-feet in width. Street trees and street lighting are spaced at tighter intervals than along arterial streets in other city developments. These A and B streets will be dedicated to the City as public rights-of-way, assuring the key element of the public realm remains public.

The reason for distinguishing A and B streets relates to the land uses and the intended purpose of these public realms. Building setbacks, façade and parking locations are purposely controlled along A streets to allow a pleasant streetscape from all perspectives (vehicle, transit, bicycle, and pedestrian). The use of B streets provides for the necessary interconnectivity of the transportation network without the unrealistic approach that all streets be lined with building facades from corner to corner. The image on the following page identifies the A and B streets within Vista Field (A streets are blue, B streets are red).

VISTA FIELD ROAD NETWORK

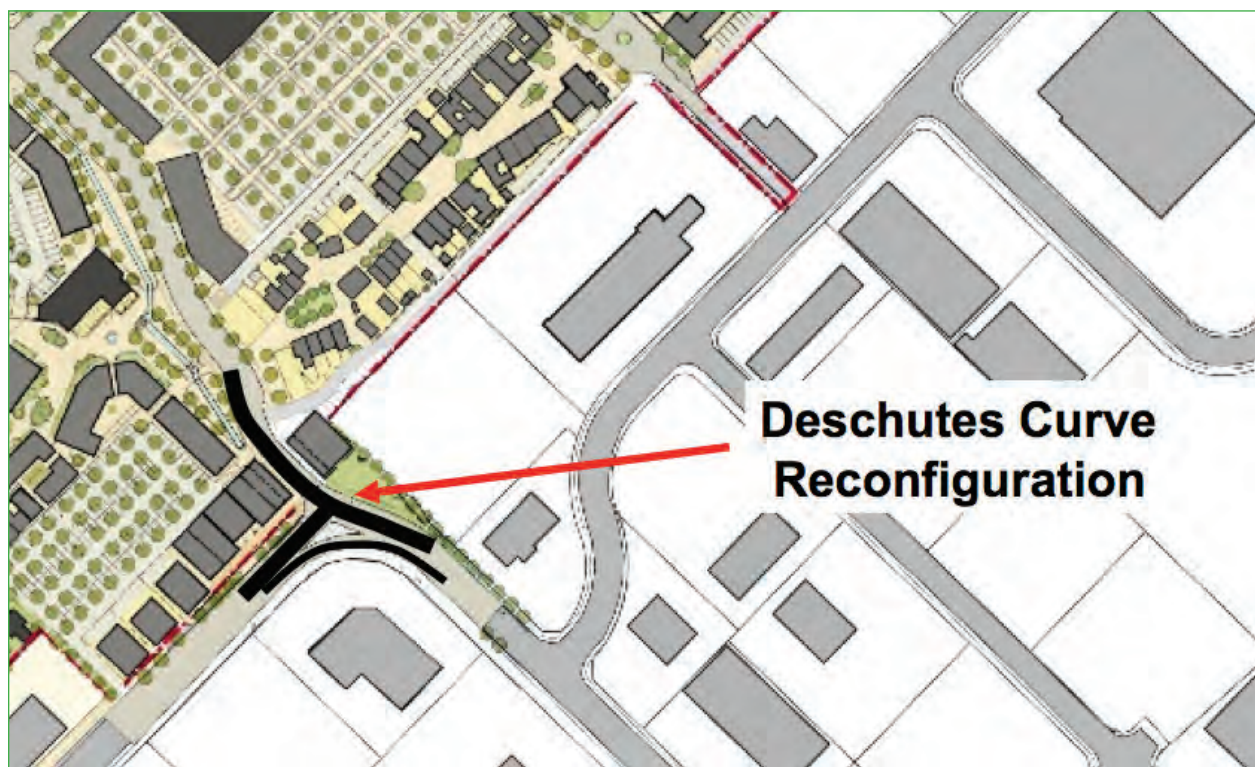


A streets are blue, B streets are red.

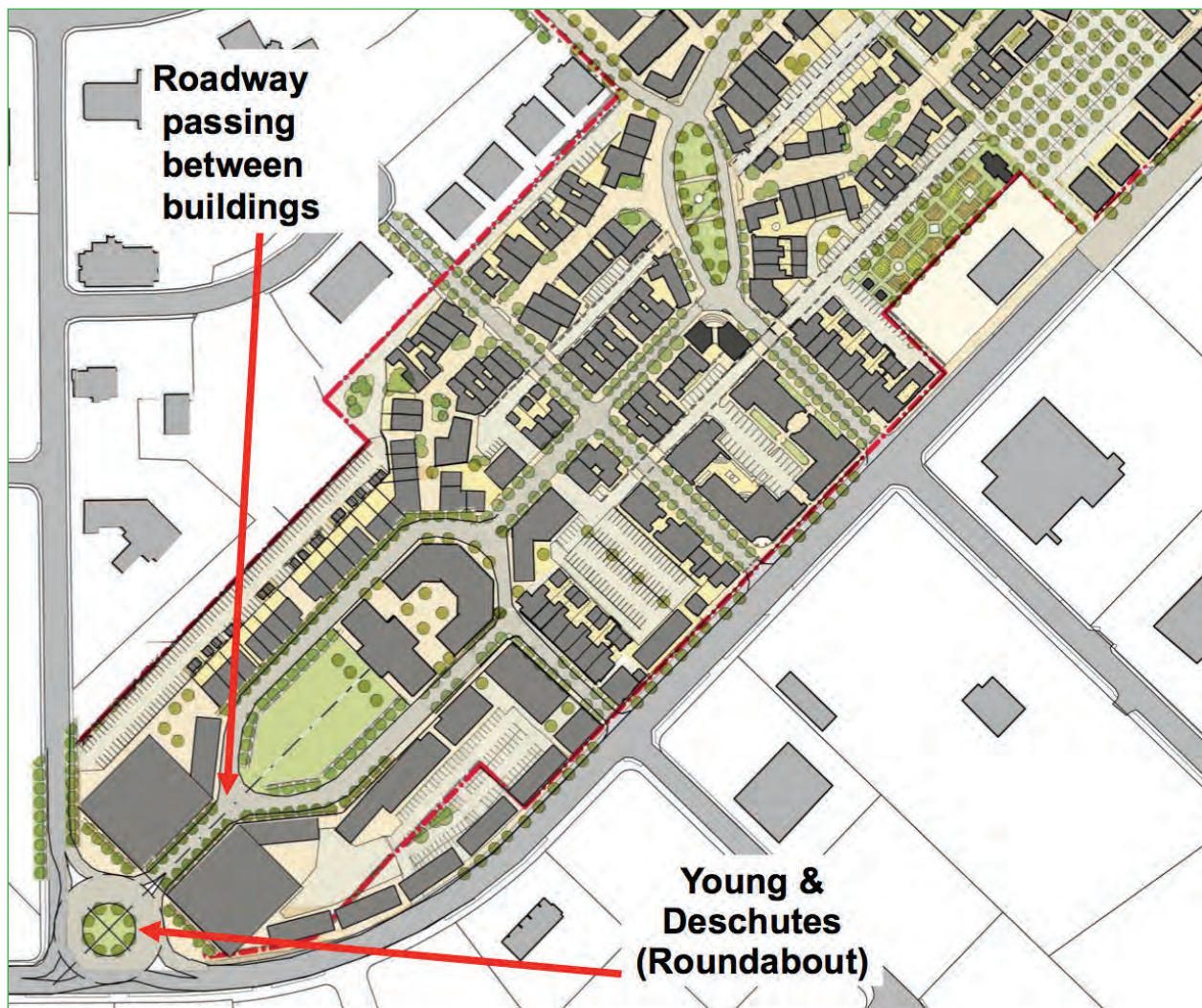
Notable connections to the abutting City streets include converting the 90-degree curve on Deschutes Avenue into a T intersection, installation of a large radius roundabout at the intersection of Deschutes Avenue and Young Street, establishing a four-way signalized intersection at Kellogg Street and Quinault Avenue, and connection to and reconfiguration of Grandridge Boulevard. Each proposed revision differs from the other, however, each has a specific purpose beyond simply allowing vehicle, bicycle, pedestrian and transit vehicle movement.

The remaining connections to the existing street network along Okanagan Avenue, Deschutes Avenue, Rio Grande Avenue, and the former Vista Field Airport office drive aisle from Grandridge Boulevard are still essential to the overall project, however the design of each connection is a typical street intersection.

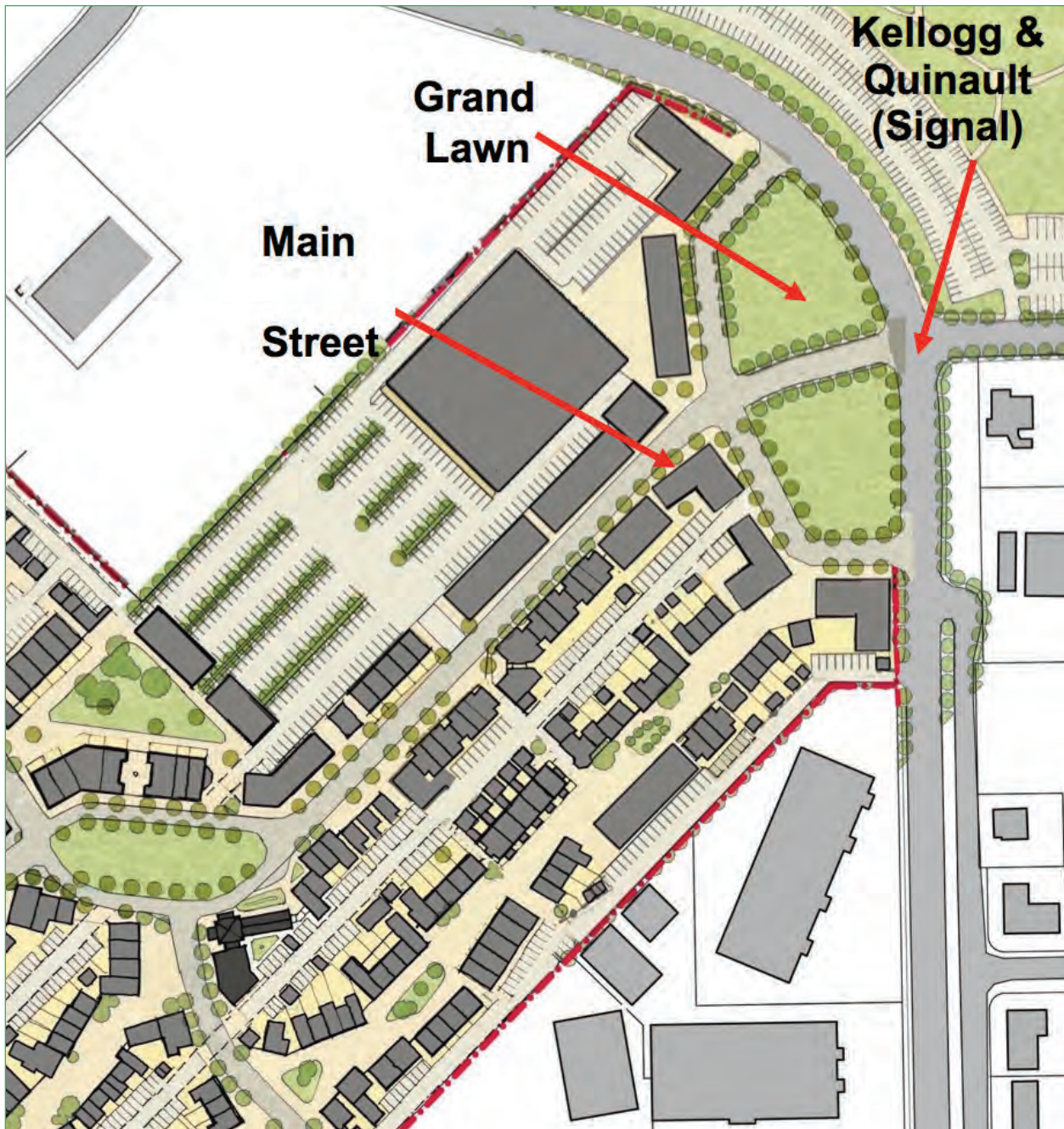
The proposed Deschutes Avenue T intersection design is both a cost-conscious design solution and a way to incorporate a sense of arrival into Vista Field. The new leg extending into Vista Field from the current curve will route vehicles and pedestrians between two existing aircraft hangar buildings, immediately giving a sense that something is different. This design serves to slow traffic transitioning from the standard 35-miles-per-hour street into Vista Field, and conversely provides a transition from the intentionally slower moving Vista Field street network back onto the traditional street system.



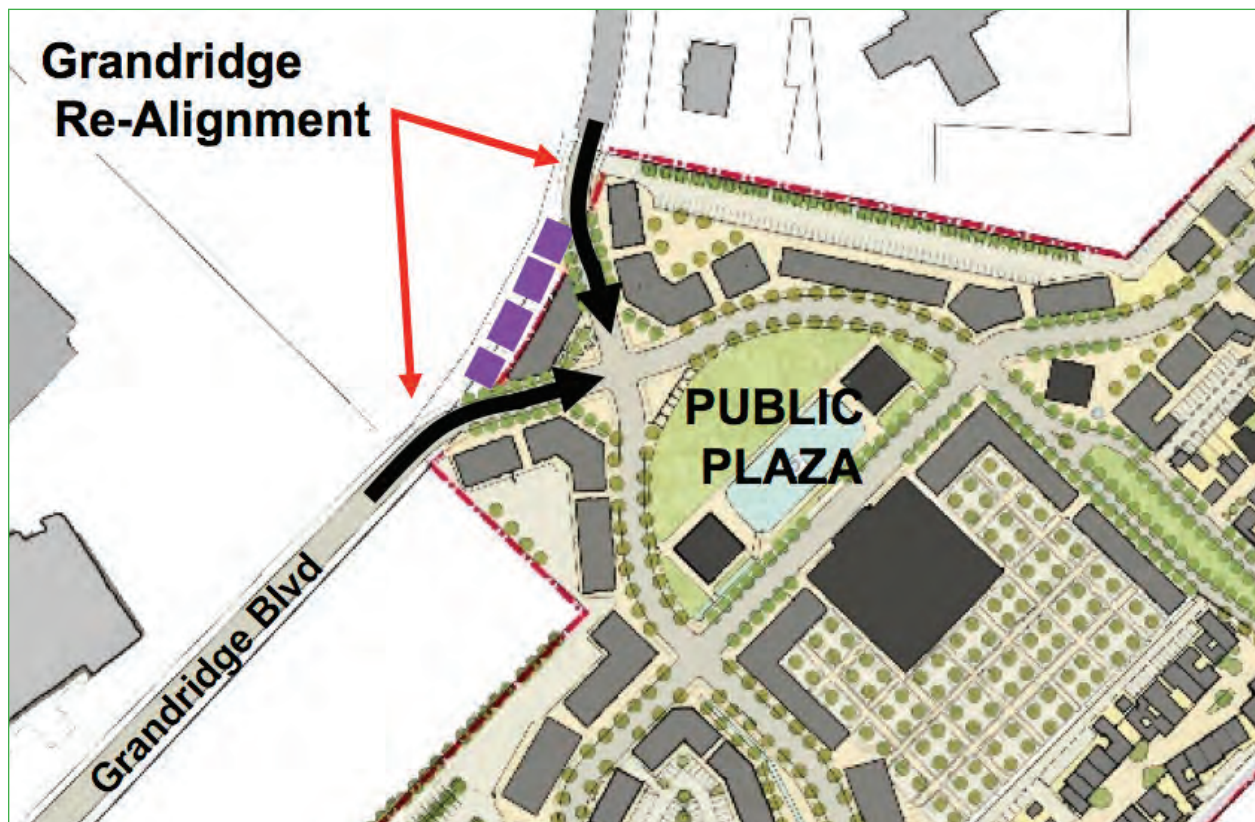
The large diameter roundabout at the Deschutes Avenue and Young Street intersection functions to move the existing and potential increased truck traffic, generated by existing industrial and warehouse uses, to the south of Vista Field while also providing a substantial gateway into the southwestern end of the project.



Signalization of the Kellogg Street and Quinault Avenue intersection allows connection to the existing transportation network, and provides another gateway site at the northeastern edge; all while enhancing safety of the entire area.



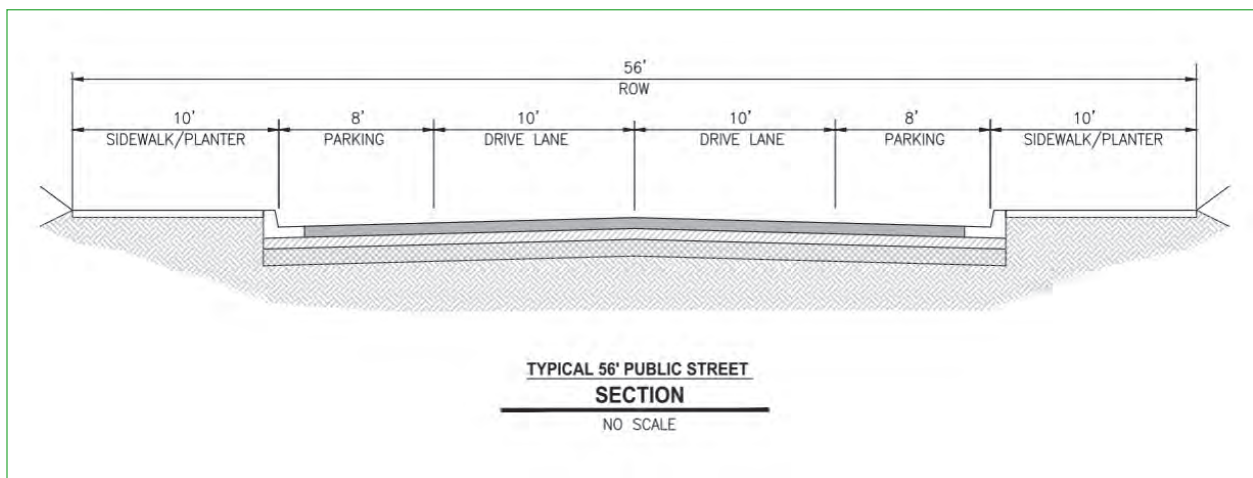
The connection to Grandridge Boulevard might appear simpler in nature than the three other site entrances, however this revision has the most intricate connection. Presently Grandridge Boulevard separates Vista Field from the City's Public Facilities District campus (Three Rivers Convention Center & Toyota Center) with a 30 mile per hour roadway. The new connection into Vista Field is more than just a driveway from Grandridge into the site. Grandridge Boulevard will be realigned and "pulled" into Vista Field, which is beneficial from a traffic movement standpoint and creates a linkage between the Public Facilities District and the urban district at Vista Field.



STREET DESIGN STANDARDS

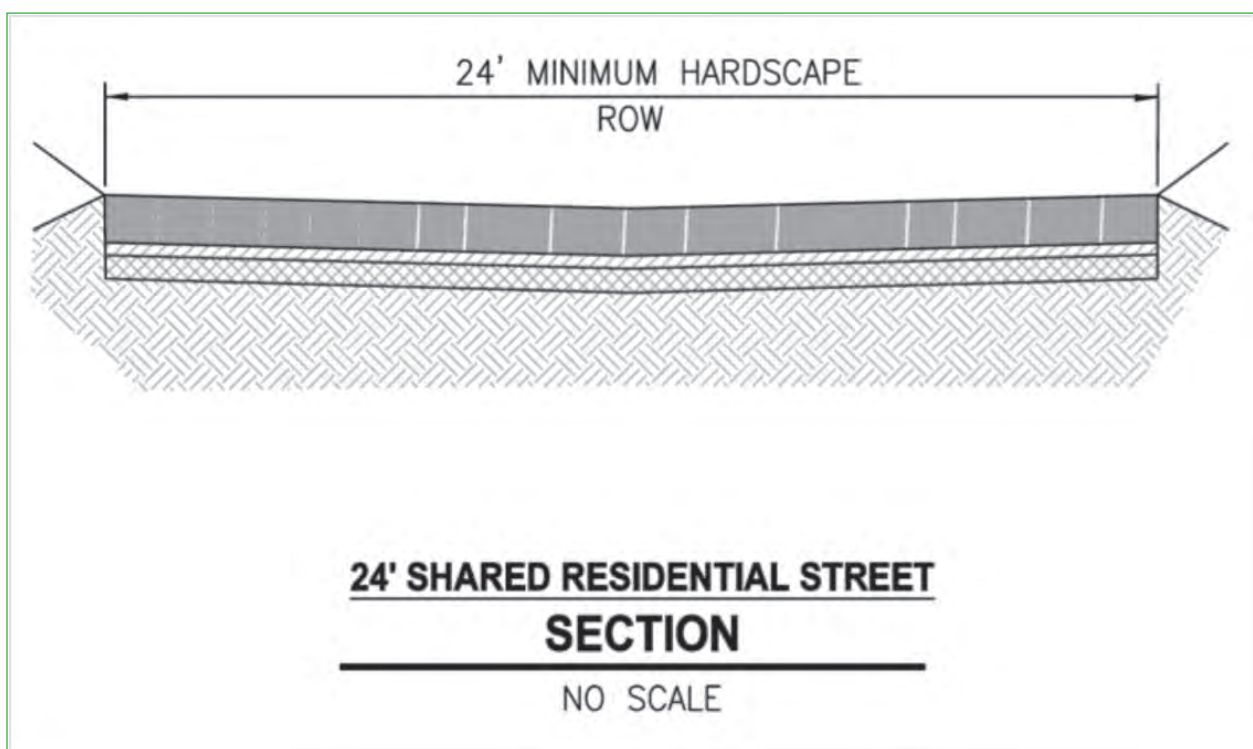
A and B streets consist of one, 10-foot travel lane in each direction; 8-foot parallel parking spaces adjacent each lane; and sidewalks ranging from 8-feet to 10-feet in width with street trees spaced at no more than 50-foot intervals. Basic intersection design elements such as 10-foot turning radii effectively slow traffic throughout the entire site.

Street lighting along the A and B streets is designed to provide adequate lighting for the roadway width and speed limits, yet differentiate Vista Field from other areas in the City. These light standards need not be elaborate (a quality which makes blending with abutting buildings less challenging). However, the scale must differ from the standard 35-foot cobra head pole typically used to light streets. Vista Field streetlights should be at heights between 16- to 20-feet and of such a design to further distinguish Vista Field as a special place.

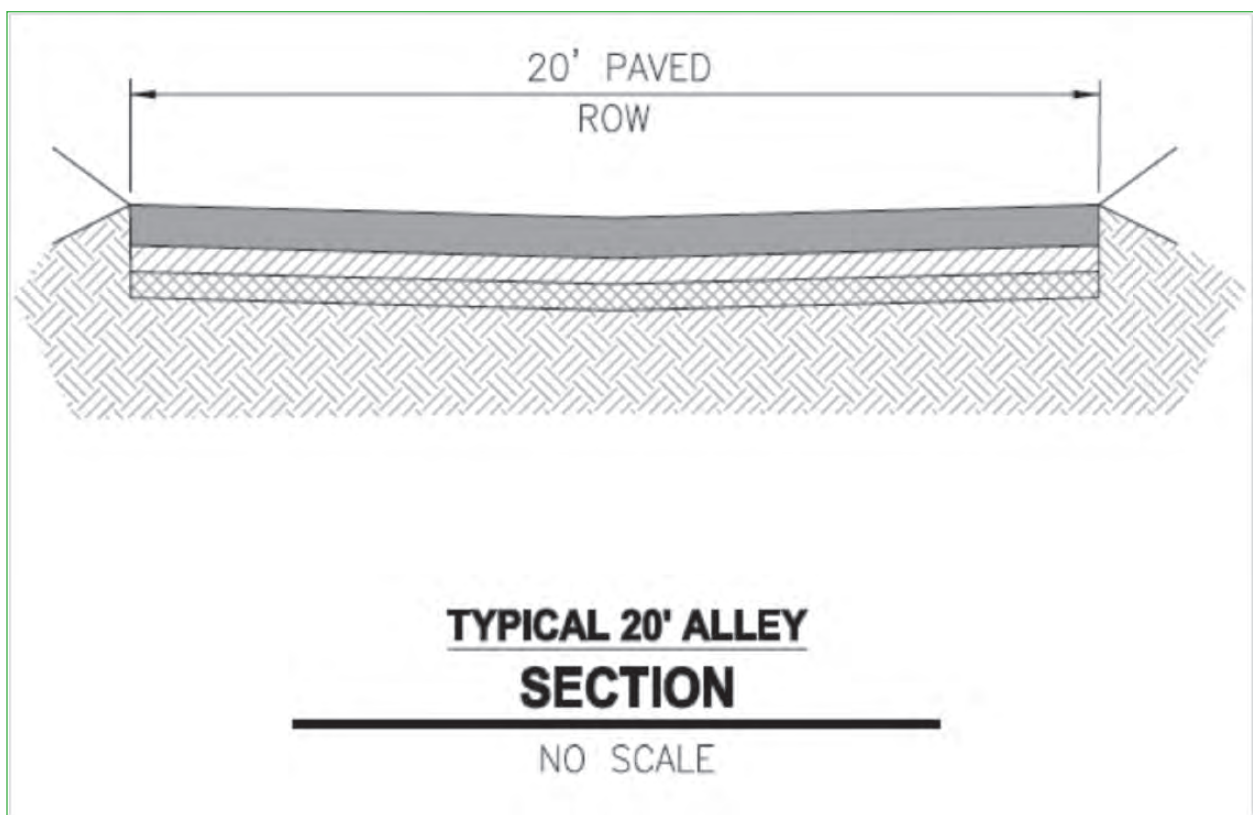


Shared residential streets are designed as informal meandering routes equally shared by all modes of transportation (vehicle, bicycle and pedestrian). The meandering design is best suited to the pedestrian, which forces vehicles to move very slowly through this atypical street. Although seemingly random in design, a minimum travel clearance of 20-feet is maintained to allow passage of emergency service vehicles.

The name, shared residential streets, was adopted for the Vista Field project and used predominately in residential areas in the master plan. However, a few enclaves of intermixed commercial and higher density residential uses are also served by this type of street. The surface treatment will include standard asphalt, concrete, pavers and stone, and lighting will be 6- to 10-feet in height. Additional lighting will be provided by the front lights on all structures abutting this type of street. Due to the varied nature of these shared residential streets they will be developed and maintained as private streets.



Alleyways are included within each block in the Vista Field Redevelopment Master Plan layout and serve a crucial, yet underappreciated role as both utility corridors and off-street parking lot access points. The alleys are essential to the overall layout; for without the alleys the prohibition of driveway access from the A streets would be impractical. The general design of the alley is a 20-foot-wide inverted asphalt section capturing all storm drainage thereby foregoing the need for curb and gutter improvements. Due to their unique nature, alleyways will be developed and maintained as private streets.





EMERGENCY SERVICES

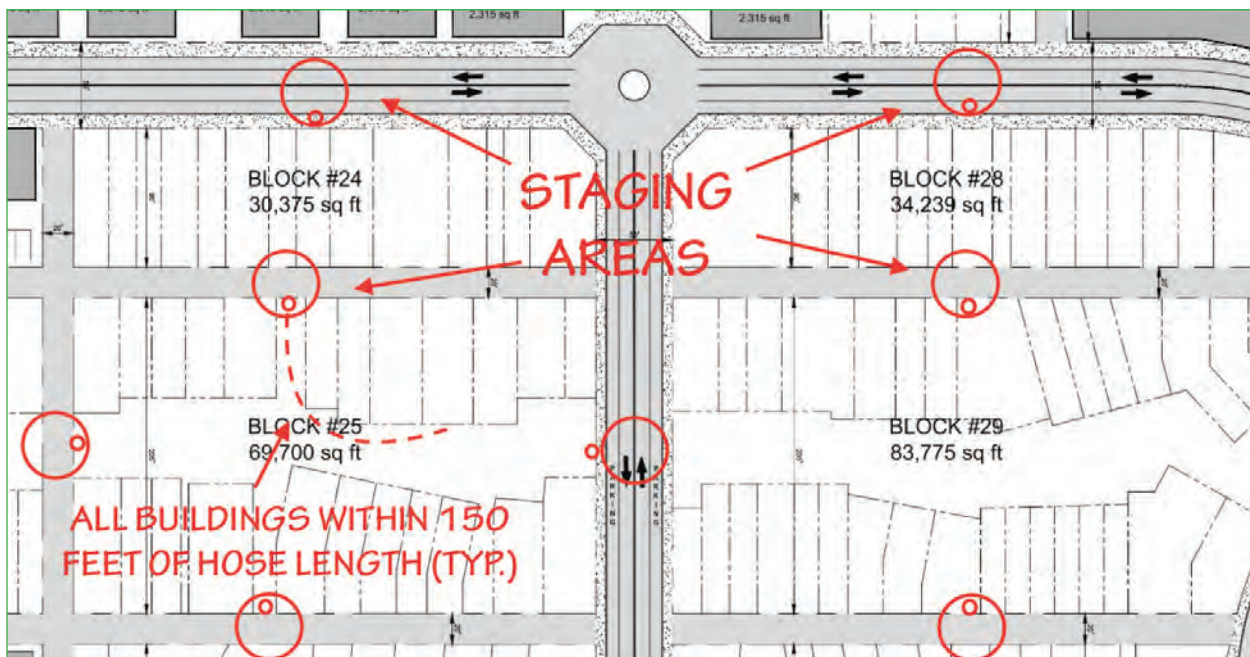
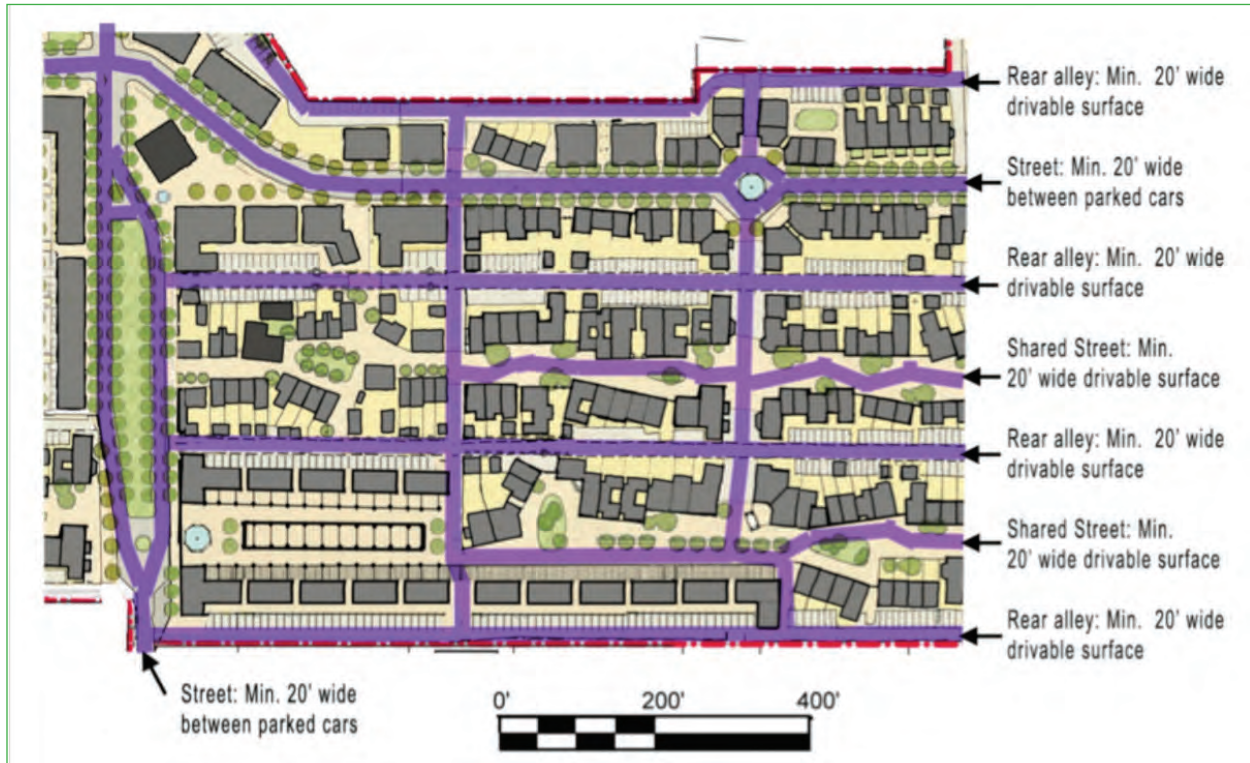
The City Fire Department typically has access to wide streets with large radii intersections and spacious vehicle turn-around areas. However, the road network and design envisioned for Vista Field differs substantially from traditional street design, which necessitated discussion with the City Fire Department leaders to address needs related to emergency services and to ensure the new UMU zoning would not compromise public safety.

Upon detailed review of the street arrangement it was determined that the proposed network of interconnected roadways would actually aid emergency access by providing redundant travel paths. In fact, there will be no cul-de-sacs in Vista Field and block sizes are relatively small, especially when compared to the super-blocks surrounding the Vista Field district. The inclusion of alleyways throughout the site allow structure incidents to be attacked from multiple approaches. As a result, specific design requirements were incorporated to provide emergency responders with a much greater level of accessibility, even when lower speeds limits are applied to the local streets.

The key safety design considerations include:

1. All buildings shall be maximum 150-feet from a fire truck staging location as measured along streets, pedestrian passages, or other publicly accessible open space to the farthest corner of a building.
2. Fire truck staging areas shall be minimum 20-feet-wide in order to allow sufficient room for emergency workers to move around the fire truck with hoses and other emergency response equipment. Frequent intersections of streets, alleys, and shared streets allow for 20-foot-wide staging areas throughout the development.
3. The minimum 20-foot-wide staging areas can be the space between parked cars, buildings, landscaping, curbs, bollards, fences, or other immovable objects. They can also be at locations in which the emergency vehicle sets up in the middle of a two-way street or intersection for the duration of the emergency response.
4. Turning radii into side streets will meet local standards as measured from the driving lane of one street into the side street (not the actual radius of the street curb).
5. The rear access service alleys behind all private parcels, as well as fire truck accessible streets in the fronts, will provide full emergency response staging areas to all buildings within the maximum 150-foot distance.

SAFETY DESIGN FEATURES





PROJECT CONSIDERATIONS

ECONOMIC

The March 2013 FEIS contained an economic analysis prepared by ECONorthwest that identified upon full build-out Vista Field represented nearly \$500 million (2013 dollars) of investment. Some of that investment would be non-taxable (roads and utilities), however more than \$400 million was identified as adding to the community's taxable value. The estimates contained within the FEIS are based upon slightly higher densities (1,100 residents now versus 1,400), yet the overall positive impact remains basically unchanged. And furthermore, Vista Field at full build-out would represent less than 1 percent of the housing stock within the Tri-Cities.

The basic economic question is not whether the Tri-Cities could absorb another 1,100 residential units or 750,000 square feet of commercial space during the next 20 years. The question revolves around demand for product (housing & commercial space) significantly differently than what is currently available in the market. There is a growing market demand for this kind of development, but very little that is available at present within the Tri-Cities.

Vista Field is purposely different and the economic analysis concluded an unmet demand exists for different housing, commercial, office, hospitality, and entertainment opportunities. The public planning process during the last three years has only confirmed the community's deep interest in this locally unprecedented development.

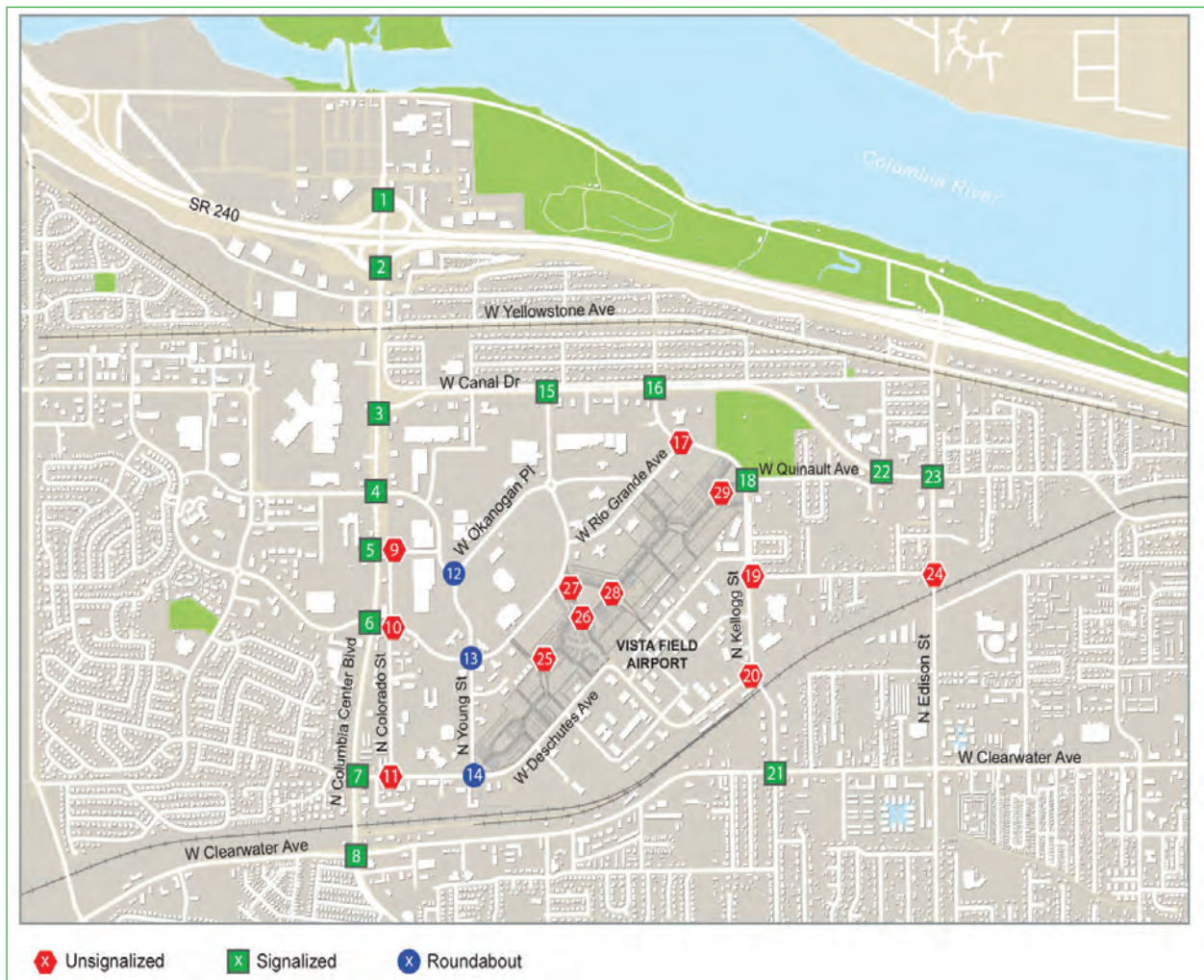
The New Urbanism development model provides significant economic advantages to both the municipal service providers as well as those investing with the project. The density included in Vista Field yields more taxable square footage, utility customers, and revenue generation per acre, than typical suburban sprawl projects. This also translates to stronger interest from the development community as more can be developed on the same acre than in a suburban oriented project.

Additional analysis of the revenue implications is included in the ECONorthwest report dated December 5, 2016, and contained in Appendix B.

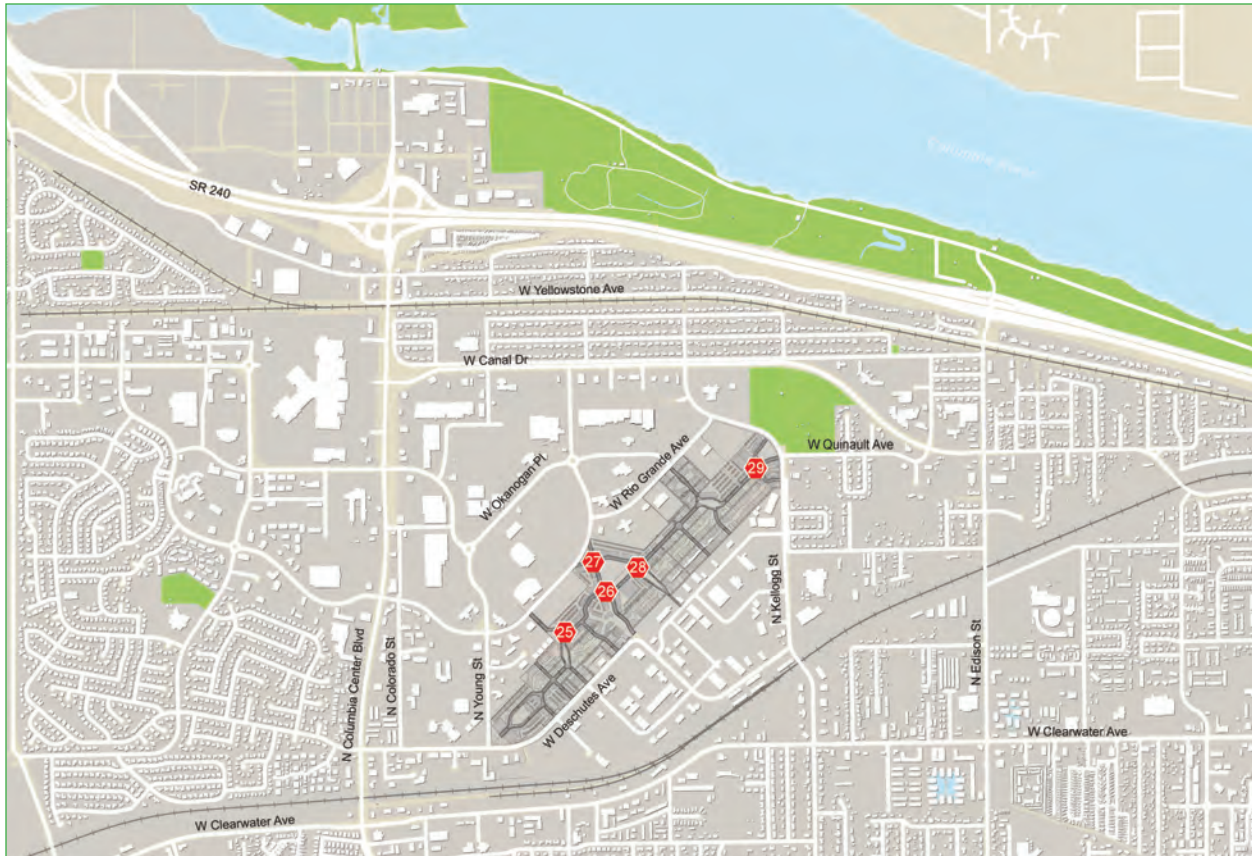
TRANSPORTATION IMPACT MITIGATION

Vista Field connections to the existing network at Grandridge Boulevard, Deschutes Avenue, Young Street and Kellogg Street, as well as the impacts to major off-site arterials such as Columbia Center Boulevard, Canal Drive, Clearwater Avenue, and State Route 240, were analyzed by Parametrix in close coordination with the City's Public Works Director and Traffic Engineer.

The Transportation System Impact Evaluation (TSIE) studied 22 offsite intersections in the surrounding area and two existing intersections abutting the site. The TSIE also identified likely impacts and developed mitigation solutions and approximate cost estimates, and allocated costs to the properties creating the identified impacts. Additionally, five internal intersections were analyzed to assure the proposed stop sign control at each of those intersections would be appropriate.



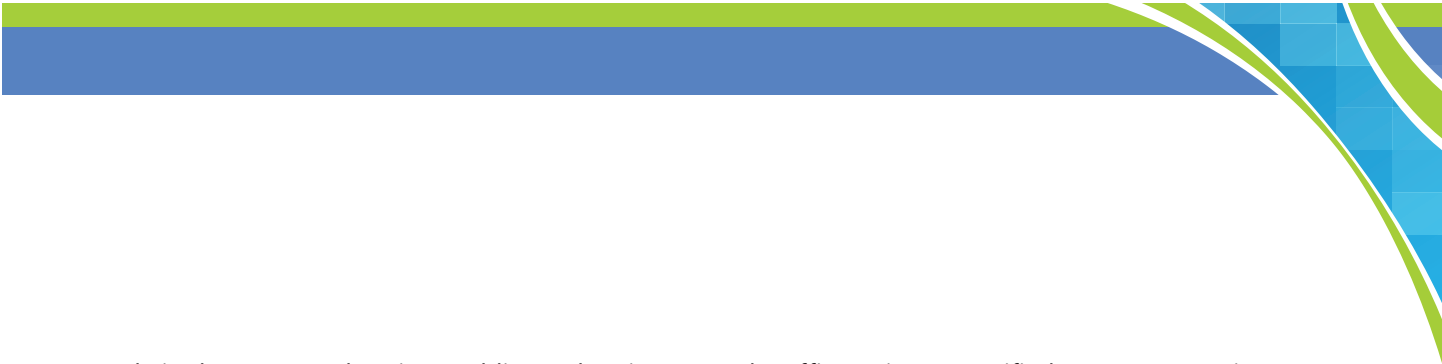
Transportation System Impact Evaluation Intersections Off-Site



Transportation System Impact Evaluation Intersections On-Site

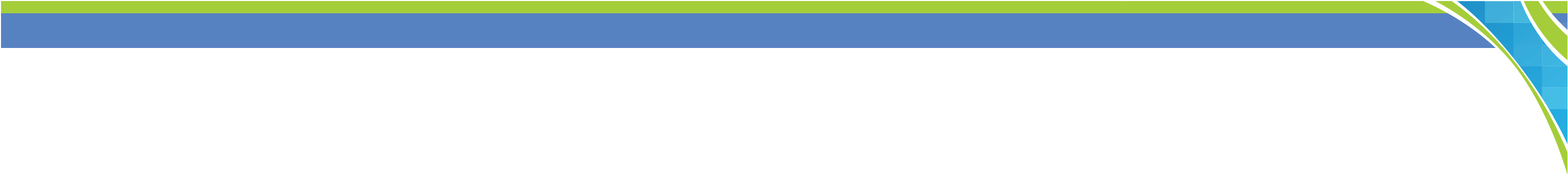
The analysis covered the full buildout of the 103-acre site and factored into consideration that the Vista Field project differs substantially from other auto-dependent developments in the community. The multimodal focus of New Urbanism projects such as Vista Field means consideration for pedestrian, bicycle and transit movement was incorporated into the overall analysis. Terms such as pass by (34 percent), diverted link (26 percent) and internal capture (13 percent) were applied when considering the transportation impacts Vista Field might pose upon completion.

Simply stated it is acknowledged that both residents and visitors may arrive at Vista Field by a mode other than a personal vehicle; and once at Vista Field, they may walk or peddle between places. This consideration is based upon data collected nationwide and supported by sound transportation engineering. This Level of Service (LOS) focused analysis identified impacts attributed to the redevelopment, and for the TSIE purposes, Vista Field was considered as being the first-half development (Phase 1), followed by a full buildout (Phase 2) of the site.



Early in the process, the City's Public Works Director and Traffic Engineer specified, as an unwavering requirement: the need to identify, address, and mitigate for potential, future, intersection failures caused by Vista Field development, thus prompting a Transportation System Impact Evaluation (TSIE) Report. A Vista Field Transportation Mitigation summary table (included in Appendix B and on the following page) synthesized the resulting data (LOS, proposed solution, cost estimates, and the mitigation percentages) into one comprehensive document. And although cost estimates are included, the true mutually determined elements are those mitigation solutions (signal, roundabout, turn lane, etc.) and percentages attributed to the Vista Field project. In addition, City staff recognized that it would be inappropriate to implement triggered mitigation too far in advance of likely impacts. Therefore, triggers for improvement are based upon LOS thresholds and not tied to arbitrary calendar deadlines or building permit counts.

New intersections, which would not exist except for Vista Field, require the Vista Field development to bear all of the associated costs. Examples of these situations are the Deschutes Avenue 90-degree curve conversion into a T intersection, Grandridge Boulevard realignment, and Young Street and Deschutes Avenue connection to the existing Rio Grande Avenue and Okanagan Place intersection.



PHASE 1 TRANSPORTATION SYSTEM IMPACT EVALUATION

		2035 Volumes			2035 Operations				Mitigation			Estimated Total Mitigation Cost (\$)	AGREED MITIGATION FACTORS		Currently (2016) TIF Eligible	Notes	
		No Build	Build	% Difference	No Build	Build			Mitigation	2035 Operations	Port of Kennewick (%)		Port of Kennewick (\$)				
Phase 1																	
6	Columbia Center Boulevard & Grandridge Boulevard		4102	4573	10.3%	C	31	D	41		D	36					
	Eastbound		616	663	7.1%	D	52	D	55	-Add a WB left-turn lane -Signal modification	D	48	\$518,800	40%	\$207,520	Yes	Add WB Left Turn Signal Modification
	Westbound		384	646	40.6%	E	64	E	78		D	46					
	Northbound		1463	1545	5.3%	C	22	C	29		C	33					
	Southbound		1639	1719	4.7%	C	22	C	33		C	31					
10	Colorado Street & Grandridge Boulevard		901	1365	34.0%												
	Eastbound		325	527	38.3%	A	8	A	9	-Restrict north-south movements to right-in /right-out only but allow east-west left and right-turns by placing curb along Grandridge -Striping/C-curb	A	9	\$32,500	55%	\$17,875	Yes	Striping/C-Curb
	Westbound		234	496	52.8%	A	8	A	8		A	8					
	Northbound		216	216	0.0%	E	44	F	>300		B	11					
	Southbound		126	126	0.0%	C	15	E	38		B	13					
23	Edison Street & Canal Drive		4581	5015	8.7%	D	48	E	58		D	39					
	Eastbound		1143	1328	13.9%	C	34	E	57	-Add a second eastbound left-turn lane -Add a southbound right-turn lane -Signal modification	D	40	\$864,800	25%	\$216,200	No	EB LT SB RT Signal Modification
	Westbound		787	834	5.6%	C	25	D	36		C	34					
	Northbound		920	981	6.2%	E	61	E	76		D	45					
	Southbound		1731	1872	7.5%	E	61	E	58		D	38					
New Intersection - Deschutes & Hangar area																	
	Eastbound		Intersection was not included as a study area intersection so volumes were not developed.			Intersection was not included as a study area intersection so operations results were not calculated.			-New intersection with all-way stop control and eastbound right-turn bypass lane.		\$325,000	100.0%	\$325,000	No	Intersection Retrofit		
	Northbound																
	Southbound																
NOTES										Subtotal Costs - Tier 1 (TIF Eligible)		\$1,416,100		\$441,595			
										Subtotal Costs - Tier 1 (Non-TIF Eligible)		\$325,000		\$325,000			
#1) Movements highlighted in yellow with text in red and bold exceed City LOS thresholds;										Subtotal Costs - Tier 1 (Total)		\$1,741,100		\$766,595			

NOTES

- #1) Movements highlighted in yellow with text in red and bold exceed City LOS thresholds;
- #2) Mitigation cost share calculations used critical approach volume difference (cells highlighted in bold and orange) as the basis for all intersections except roundabouts, which used the overall intersection volume difference. Instances of increased Port share due to impacts identified only in the "Build" scenario and/or when LOS failure in No-Build" scenario involved simple, less expensive solution;
- #3) Port Request Intersection identified as NO in the Currently (2016) TIF Eligible column be Reclassified as TIF Eligible AND City agreed to consider this request during upcoming TIF update;
- #4) Tier 1 and Tier 2 project listed by intersection mitigation priority.

COST ASSUMPTIONS (All costs estimates in 2016 dollars)

- Right-of-Way acquisition costs are included and assumed at \$12/SF
- Design costs are included and assumed to be 15% of construction costs
- Construction costs & construction management (including survey) assumed to be 15% of construction cost
 - One Lane Roundabout Construction Cost - \$500,000
 - New Signal Construction Cost - \$300,000
 - Adding New Approach Lanes Cost - \$250,000
 - Adding Multiple New Lanes Per Approach Cost - \$200,000

PHASE 2 TRANSPORTATION SYSTEM IMPACT EVALUATION

		2035 Volumes			2035 Operations			Mitigation			Estimated Total Mitigation Cost (\$)	AGREED MITIGATION FACTORS		Currently (2016) TIF Eligible	Notes			
		No Build	Build	% Difference	No Build	Build	Mitigation	2035 Operations	Port of Kennewick (%)	Port of Kennewick (\$)								
Phase 2																		
4	Columbia Center Boulevard & Quinault Avenue	5124	5669	9.6%	D	47	E	57										
	Eastbound	892	940	5.1%	E	74	E	74	-No mitigation proposed because the overall intersection and each individual approach are forecast to meet City LOS thresholds.		\$986,400	0%	\$0	Yes	EB Through WB Left Turn Signal Mod			
	Westbound	626	756	17.2%	D	46	E	58										
	Northbound	1693	1872	9.6%	D	40	D	49										
	Southbound	1913	2101	8.9%	D	42	E	57										
7	Columbia Center Boulevard & Deschutes Avenue	4395	4840	9.2%	C	30	D	40										
	Eastbound	526	564	6.7%	C	34	D	49	-Add a second WB left-turn lane	C	34	\$677,600	25%	\$169,400	Yes	WB Left Turn WB Right Turn Signal Modification		
	Westbound	653	853	23.4%	E	69	F	92									E	60
	Northbound	1568	1691	7.3%	C	21	C	20	C	20								
	Southbound	1648	1732	4.8%	C	23	C	30	C	33								
14	Young Street & Deschutes Avenue	901	1349	33.2%			A	7		A	7							
	Eastbound	288	443	35.0%	A	8	A	7	-Install a roundabout	A	7	\$650,000	100%	\$650,000	No	Install roundabout		
	Westbound	376	386	2.6%	na	na	A	6									A	6
	Southbound	237	310	23.5%	C	17	A	10									A	10
	Southwestbound	0	210	100.0%	na	na	A	7									A	7
18	Kellogg Street & Quinault Avenue	1479	1821	18.8%			B	13		A	10							
	Eastbound	0	273	100.0%	na	na	C	28	-Install a signal	B	11	\$390,000	75%	\$292,500	No	Install Signal		
	Westbound	162	303	46.5%	F	87	C	27									A	10
	Northbound	674	643	-4.8%	na	na	A	6									B	10
	Southbound	643	602	-6.8%	A	10	A	6									A	9
19	Kellogg Street & Metaline Avenue	1240	1519	18.4%						A	7							
	Eastbound	41	41	0.0%	D	29	F	75	-Install a signal	B	12	\$390,000	75%	\$292,500	No	Install Signal		
	Westbound	105	199	47.2%	D	26	F	80									A	10
	Northbound	534	572	6.6%	A	9	A	9									A	6
	Southbound	560	707	20.8%	A	9	A	10									A	6
20	Kellogg Street & Deschutes Avenue	1684	2141	21.3%						C	27							
	Eastbound	410	529	22.5%	F	52	F	242	-Install a signal	D	48	\$585,000	75%	\$438,750	No	Install Signal Integrate with Rail		
	Northbound	569	771	26.2%	B	10	B	12									B	12
	Southbound	705	841	16.2%	na	na	na	na									C	28
21	Kellogg Street & Clearwater Avenue	3678	4092	10.1%	C	33	D	44		C	33							
	Eastbound	1048	1066	1.7%	B	18	C	29	-Add a second southbound left-turn lane	C	29	\$453,800	20%	\$90,760	Yes	SB Left Turn Signal Modification		
	Westbound	1233	1318	6.4%	C	32	D	37									D	37
	Northbound	348	404	13.9%	D	40	E	68	C	34								
	Southbound	1049	1304	19.6%	D	46	E	55	C	32								
24	Edison Street & Metaline Avenue	1806	2023	10.7%														
	Eastbound	100	223	55.2%	D	26	F	114	-Add a refuge area for left-turns from Edison St.	C	25	\$26,000	55%	\$14,300	No	Striping Only		
	Northbound	725	772	6.1%	B	11	B	12									B	12
	Southbound	981	1028	4.6%	na	na	na	na									na	na

- NOTES
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 - One Lane Roundabout Construction Cost - \$500,000
 - New Signal Construction Cost - \$300,000
 - Adding New Approach Lanes Cost - \$250,000
 - Adding Multiple New Lanes Per Approach Cost - \$200,000

TOTAL PROJECT COSTS (TIF Eligible)	\$3,533,900
TOTAL PROJECT COSTS (Non-TIF Eligible)	\$2,366,000
TOTAL PROJECT COSTS	\$5,899,900

\$701,755
\$2,013,050
\$2,714,805
Port
Total Mitigation
Cost Estimate

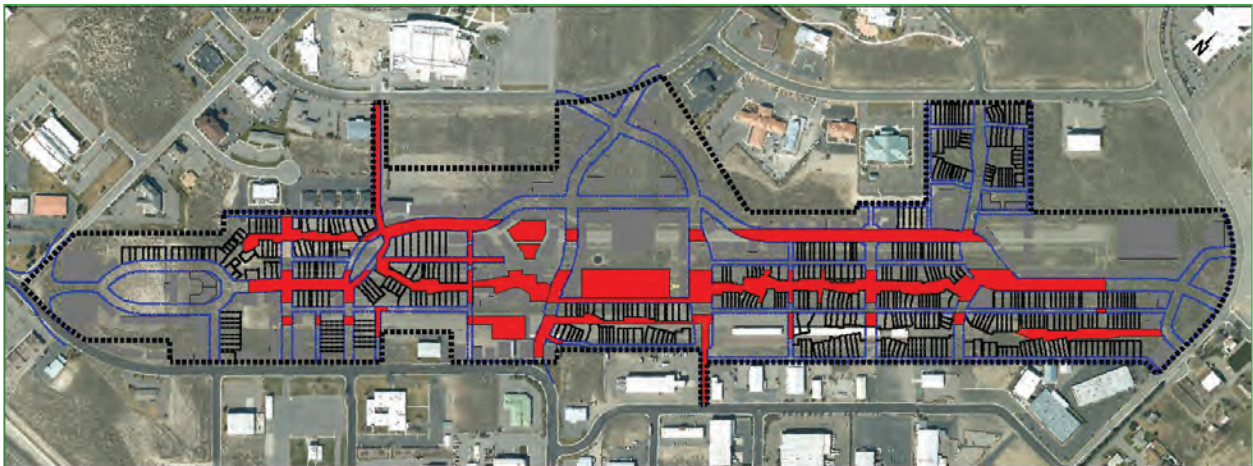
PAVEMENT REUSE

Originally conceived at the November 2014 charrette, the idea of reusing the pavement for streets, alleyways, and parking areas was investigated. Analysis prepared by the HDJ Design Group reviewed the pavement reuse concepts from both practical and feasibility perspectives. Runway and taxi lane base material, much of which was established rapidly in 1942/1943 for the U.S. Navy's purposes, does not comply with the current City criteria for public rights-of-way (design loads for commercial streets require supporting 100,000-plus pound emergency services vehicles, such as fire trucks).

However, the report recommends considering reuse of the pavement and base material when developing the new roads within Vista Field. Some of the materials used for taxi-lanes construction after 1970 may be suitable with crack sealing and overlays for utilizations in parking lots. Some of these taxi lanes could also potentially meet the criteria for retention in alleyways, however, the overall Vista Field design involves substantial excavation of the alley alignments for placement of utilities and storm drainage.

The existing 38-acres of asphalt surface cannot simply be reused in place with a simple crack and seal coat. But these existing pavement improvements are still an asset to the Vista Field redevelopment. Any material that is ground or pulverized, and reused on-site, is environmentally responsible and reduces costs by avoiding the import of new material; and reuse of the general alignment reduces costs associated with grubbing and grading raw land.

The map below highlights existing pavement alignments retained in the Vista Field redevelopment plan.



Vista Field Redevelopment Reuse of Runway & Taxi-Lane Alignments



HOUSING AFFORDABILITY

The Vista Field project involves approximately 1,100 residential units including rental apartments, condos with ownership options, and attached single family housing. The focus on placemaking adds value to the area when appropriately applied. As the vibrancy at Vista Field builds into a desirable urban center, the demand to live in the neighborhood and a corresponding escalation in values is anticipated. Inherent price variations would exist due to unit sizing; therefore, some range of options will exist. However, most urban areas have seen the values of desirable places escalate based upon place, not square footage of the unit, which can leave many out of the market.

Assuring all income spectrums have a place in Vista Field could mean less than maximum value is extracted from each square foot of residential construction. Market demands solely driving the type and size of each unit likely would result in sale and lease rates at the upper end of the current housing market range, well beyond the median household price point.

The mixed use nature of the New Urbanism model at Vista Field will integrate different unit types, sizes, and values, block by block and within each building. A separate silos mentality where all one of type of housing/price point is in Building A and another type/price point is in Building B is not what is being discussed and is contrary to the entire concept of mixing uses.

The Port Commission formally decided in its Resolution 2015-22 that steps should be taken to assure that housing within Vista Field is affordable to all within the community. Engineering a solution before housing disparity becomes a problem involves applying lessons learned from other urban communities. The solutions to this likely future problem have yet to be established, however this concern is identified and would be addressed as Vista Field blossoms.



CULTURAL & HISTORIC PRESERVATION

Cultural and historical preservation considerations at the site were addressed in the 2012/2013 FEIS process. The conclusion drawn at that time was further review and study was warranted before construction began. Therefore, in summer 2016, SWCA Environmental Consultants (SWCA), working in conjunctions with the Confederated Tribes of the Umatilla Indian Reservation (CTUIR), was tasked with completing a Cultural Resources Assessment of the Vista Field project area encompassing the entire 103-acre site. This effort involved identification and evaluation of significant archaeological, built environment, landscape, and traditional use resources. The assessment stated if any significant resources are found, the Port of Kennewick will assess potential project impacts, and offer recommendations for management or mitigation.

Background research initially included a review of recorded archaeological and built-environment resources in the project vicinity held by the Washington Department of Archaeology and Historic Preservation, as well as previous geotechnical studies conducted in the area. The CTUIR and the Yakama Nation were contacted to determine if they had concerns about cultural resources in or near the project area. The project historian also initiated a review of federal records on Vista Field held at the National Archives and Records Administration in Seattle; and visited various other repositories around the region, (including the University of Washington Libraries, Washington State Archives in Bellevue, Olympia, and Ellensburg, East Benton County Historical Society, Washington State University Tri-Cities, Benton County Assessor, and Mid-Columbia Libraries), to locate additional primary materials, photographs, maps, newspapers, and other materials related to the early ownership, land use, and historic development of the project vicinity.

SWCA partnered with the CTUIR Cultural Resources Protection Program to conduct an archaeological survey. The archaeological team conducted a pedestrian survey and excavation of 47 shovel probes between October 4 and October 6, 2016. Project staff recorded detailed notes on standard field forms of shovel probe content and sediments encountered. The probes contained very little cultural material, with all identified material occurring near the surface or within very disturbed soils.

No significant prehistoric or historic cultural remains were found. Elements of the airport that were less than 50 years old were also noted across the project area, including utility boxes, lighting fixtures, concrete footings, aircraft tie downs, and asphalt paving, but no evaluation was necessary.

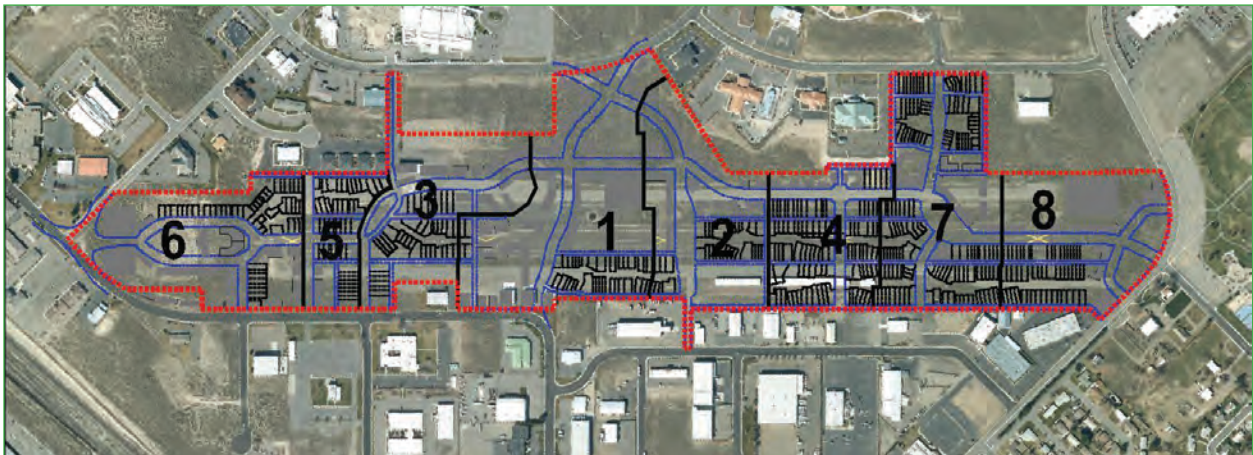
The SWCA architectural historian also visited the site to further assess historic buildings, structures, and features in the project area. The recorded structures included T-hangars (A and B), corporate hangars (A and B and C) as well as the remaining pieces of steel matting at the site (aircraft carrier practice flight deck). The steel matting is likely a rare example of a prototype matting field tested at a naval training facility. The matting was meant to be a portable feature at the site and has consequently been moved. Therefore, retaining elements of this resource in the current locations is not a concern. Also recorded, were portions of decommissioned Runway 2/20, which was originally built during World War II and was not included in the previous archaeological site form for Vista Field. None of the hangars were significant based on National Register of Historic Places criteria and the historian recommended them not eligible.

IMPLEMENTATION STRATEGIES

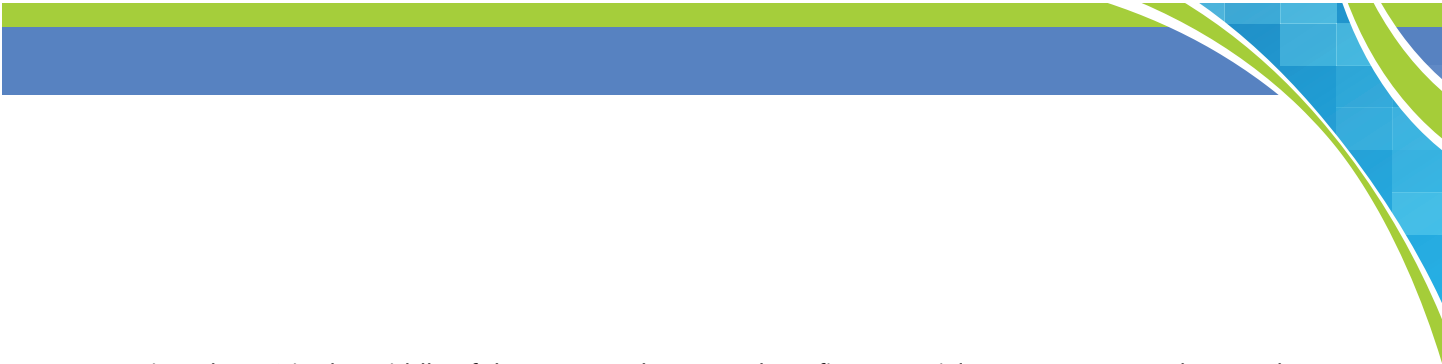
PHASING

Economic analysis of this project indicated full build-out of the site would occur over a 20-year period. Phasing of the project is necessary from both a capital availability and market demand perspective. And phasing is just as important from a vibrancy standpoint. Developing compact phases allows concentrating activities to a central area upon which the urban feel can be established. Opening up a large segment of the site could result in individual developments occurring sporadically throughout Vista Field without yielding an initial, interconnected urban feel.

The 103-acre site is envisioned as eight phases, with Phase 1 identified as being the core of the site. Rather than work towards the best piece over time, it was determined that building an urban place in a presently vacant area required selecting and investing in the segment that provides the best opportunity for vibrancy from the onset. The simple principle being that each and every subsequent development adds vibrancy to the neighborhood and builds momentum for the next development.



Vista Field Redevelopment Proposed Phasing



Starting Phase 1 in the middle of the property has many benefits. Essential cross-runway roadway and utility connections can be established from the onset, which will forever alter the feel of the entire Vista Field area. No longer will the runway and fencing be a mile-long barrier, which existed for 30 years before Columbia Center Mall was constructed in the early 1970s. Necessary utility connections, which establish redundant loops in the water system and secondary electrical service routes, are also a benefit of starting at the center of the site.

Phase 1 contains sites for public and quasi-public improvements identified as crucial in establishing an urban core. Sites for the eventual central plaza and gathering place, comprising approximately 2.5 acres, as well as areas for an urban water course, tying the remodeled aircraft hangars to the central plaza, are included in this phase. Additionally, the site for the privately-funded, 800-seat performing arts center (Vista Arts Center) proposed by the Arts Center Task Force is included in the Phase 1 development.

Proximity to desirable surrounding land uses is yet another benefit to starting in the core of the site. The daytime population of the nearly 600,000 square feet of industrial and warehouse uses directly to the southeast of the site, provides significant daytime populations in the immediate vicinity; affording great prospects for restaurants. Directly to the northwest, the Public Facilities District, when active, involves hundreds and at times thousands of people adjacent to Vista Field—creating options for those seeking experiences before, during and after events scheduled at the Three Rivers Convention Center/Toyota Center.

Another benefit of starting in the middle, is the flexibility to add subsequent phases building upon that established core. The phase map (see map on previous page), identifies logical expansion units, each building upon connections to Phase 1 and that existing street network. Although numbered from Phase 1 to Phase 8, the approximate boundaries should receive more consideration than the number assigned. Other than leapfrogging over vacant ground to start another phase, the development will progress from the center to the edges. However, the sequencing may be shifted to accommodate market demand. Surely lessons will be learned from each phase and then applied as the project evolves.

Due to the mixed-use nature of the underlying UMU zoning, each phase contains the potential for all types of uses. Segments of the site abutting existing, higher traveled roadways (southwest and northeast segment) are better positioned to accommodate commercial uses servicing both the Vista Field site and overall area. Other phases, with less prominent exposure, are oriented towards residential developments in varying densities. While some phases seemingly appear best suited and/or predetermined to become condo or apartment areas, it is important to remember an intermixing of uses is fundamental to the success of this urban project.

The land use table on the following page was generated based upon the overall site development scenario that was previously established being applied to the master site plan. The square footage and residential unit counts should be considered estimates, not absolutes.

LAND USE & BUILDING SIZE BY TYPE & PHASE

	Phase 1	Phase 2	Phase 3	Phase 4	Phase 5	Phase 6	Phase 7	Phase 8	TOTAL	
Residential Single Attached (small lots)	45	60	55	105	40	50	85	55	495	Units 1
Residential Condo	50	20	10	15	25	50	50	30	250	Units 2
Residential Apartments (low-rise)	75	40	50	0	0	85	50	50	350	Units 2
Single Family Building	90,000	120,000	110,000	210,000	80,000	100,000	170,000	110,000	990,000	SF 1
Residential Condo Units	50,000	20,000	10,000	15,000	25,000	50,000	50,000	30,000	250,000	SF 2
Residential Apartment (low-rise)	75,000	40,000	50,000	0	0	85,000	50,000	50,000	350,000	SF 2
Dwelling Units	170	120	115	120	65	185	185	135	1,095	Units
TOTAL Multi-Family Building (SF)	125,000	60,000	60,000	15,000	25,000	135,000	100,000	80,000	600,000	SF
Commercial – Retail	35,000	15,000	10,000	0	5,000	40,000	10,000	40,000	155,000	SF
Commercial – Restaurant	20,000	15,000	10,000	0	0	15,000	5,000	10,000	75,000	SF 3
Commercial – Grocery	5,000	0	0	0	0	35,000	0	20,000	60,000	SF
Commercial – Office	100,000	75,000	20,000	5,000	5,000	65,000	30,000	20,000	320,000	SF
Performing Arts Center	45,000	0	0	0	0	0	0	0	45,000	SF 4
Neighborhood Civic	10,000	5,000	5,000	5,000	0	5,000	5,000	5,000	40,000	SF
Educational	25,000	0	0	0	0	20,000	0	0	45,000	SF
TOTAL Commercial/Institutional Building (SF)	240,000	110,000	45,000	10,000	10,000	180,000	50,000	95,000	740,000	SF
TOTAL Building (SF)	455,000	290,000	215,000	235,000	115,000	415,000	320,000	285,000	2,330,000	SF
Park/Open Space by Phase (SF)	100,000	30,000	41,000	3,000	1,000	24,000	22,000	52,000	273,000	SF

SUMMARY

Total Residential Units	1,095 Dwelling Units of which	495 are Single Family Dwelling Units
Total Multi-Family Buildings	600,000 sq.ft.	600 Multi-Family Dwelling Units
Total Commercial/Institutional (SF)	740,000 sq.ft.	
Total Mixed Use Buildings	1,340,000 sq.ft.	
Total Park	273,000 sq.ft. or	6.3 Acres (does not include other open space plazas, community gardens, etc.)

Notes:

- 1 Average 2,000 sq. ft.
- 2 Average 1,000 sq. ft.
- 3 Average 3,000 sq. ft.
- 4 30,000 sq. ft. footprint plus mezzanine



FINANCING

The Port had considered simply obtaining necessary land use approvals and marketing the entire site to one master developer. However, after receiving recommendations from the VVTF, which were echoed by the public, the Port Commission concurred with the recommendation to proceed in the role of master developer. This decision required the Port to strategically sequence not only anticipated capital expenses associated with Vista Field redevelopment but also the impact of Port funded projects throughout the district. The Port positioned Vista Field as the number one priority when establishing districtwide planning and capital expenses for 2017 through 2026.

Phase 1 infrastructure, site amenities, and aircraft hangar remodel costs, are estimated at \$5 million. The Port is quite strong from a financial perspective with no existing debt and adequate reserves. However, the magnitude of the Vista Field improvements exceed the annual capital capabilities of the Port. The Port Commission had approached capital projects during the last decade with a pay-as-you-go approach, funding improvements only when financial resources became available, and the Port remains committed to that objective.

The Port concluded that initiating the Vista Field project required consideration of financing options. As a result, the Port is taking steps to secure the initial \$5 to \$7 million in estimated funding necessary to start the project. Beyond this initial financial investment, future Port-funded improvements at Vista Field will be dependent upon revenues obtained from the lease and/or sale of parcels improved in Phase 1.

Although this might seem to limit further expansion of the project, it truly functions to assure additional land is not brought online until warranted. This financial approach coincides with the phasing rationale of focusing development into a compact core and only expanding the project when development activity surpasses the availability of existing improved parcels.

Formation of a Business Improvement District or similar mechanism is another crucial component of the overall financing plan. Once completed, some improvements will be dedicated to the City (A & B streets) for perpetual maintenance, while other elements (water features, central plaza, custom lighting, and shared residential streets) would become the shared responsibility of all owners within the Vista Field area. Creating vibrancy in urban areas extends beyond the design of the streets and buildings, it also requires programming of the public spaces (live music, street festivals, art shows, family-oriented activities, etc.), and cooperative marketing is often necessary. This financing structure, separate from the Port, will be established in conjunction with developing Phase 1.



CONCLUSION

This Vista Field Redevelopment Master Plan honors the community's vision for an urban place, and provides a framework for transformation of the former airfield land into a walkable, bikeable, transit-oriented town center with city-center-lifestyle amenities.

The concepts and details included in the master plan are the result of the community's substantial and valuable feedback, and a close collaboration between the citizens, Port, City of Kennewick, and Duany Plater-Zyberk & Company.

We are grateful for City staff's support and involvement in the planning process, and for their championing this unique development opportunity. City leadership and their staff worked cooperatively to evaluate potential impacts of the redevelopment vision; and then worked proactively to help create a viable plan long-term. Unquestionably, the master plan documents are stronger and more sustainable as a result of City involvement.

During the evaluation process, the Vista Field redevelopment concepts and assumptions were tested, and the Master Plan's sustainability validated. Consequently, it was ultimately determined that transforming the 103-acre Vista Field site will provide opportunities for positive returns to taxpayers and economic benefits to the region.

APPENDIX A (Graphic-Based Resources)

- I. Vista Field Charrette Report (February 6, 2015), 110 pages
- II. Vista Field Project Pattern Language (February 9, 2015), 120 pages
- III. Design Precedents Library (September 16, 2016), 40 pages
- IV. Architectural Character Areas (September 16, 2016), 5 pages

APPENDIX B (Technical-Based Resources)

- I. Vista Field Transportation System Impact Evaluation Volume I (May 2016), 320 pages
- II. Vista Field Transportation System Impact Evaluation Volume II (May 2016), 66 pages
- III. Vista Field Cultural Resource Assessment (April 13, 2017), 75 pages
- IV. Vista Field Vision Scenario Impact Analysis (December 5, 2016), 10 pages
- V. Vista Field Master Plan Duany Plater-Zyberk & Company White Papers, 58 pages
- VI. Vista Vision Task Force Meeting Information (August 2014-May 2015), 125 pages
- VII. Vista Field Master Plan Comments Citizen Comments, 62 pages
- VIII. Vista Field Master Plan Comments Student Comments, 24 pages
- IX. Vista Field Pavement Reuse Analysis (June 11, 2015), 60 pages
- X. Vista Field Final Environmental Impact Statement Volumes I & II (March 8, 2013), 928 pages

PORT OF KENNEWICK
Resolution No. 2017-17

***A RESOLUTION OF THE BOARD OF COMMISSIONERS
OF THE PORT OF KENNEWICK ADOPTING THE MASTER PLAN FOR
REDEVELOPMENT OF THE VISTA FIELD PROPERTY***

WHEREAS, the former Vista Field Airport property in the City of Kennewick provides an economic development opportunity for the Port of Kennewick and the City of Kennewick; and

WHEREAS, DPZ Partners, were contracted to assist the Port with preparation of the Vista Field Redevelopment Master Plan; and

WHEREAS, public input regarding the future redevelopment of Vista Field was obtained throughout the planning process; and

WHEREAS, the Board of Commissioners has reviewed the Vista Field Redevelopment Master Plan throughout the planning process; and

WHEREAS, the Board of Commissioners directed the draft plan be forwarded to the City of Kennewick for review and comments which occurred on March 14, 2017; and

WHEREAS, the City of Kennewick provided review comments on June 19, 2017; and

WHEREAS, revision comments received from the City of Kennewick have been incorporated into the Vista Field Redevelopment Master Plan (Exhibit 1).

NOW THEREFORE, BE IT RESOLVED that the Port of Kennewick Board of Commissioners hereby approves and adopts the Vista Field Redevelopment Master Plan as prepared and revised by DPZ, Partners.

ADOPTED by the Board of Commissioners of Port of Kennewick on the 24th day of October, 2017.

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

By: 
SKIP NOVAKOVICH, *President*

By: 
THOMAS MOAK, *Vice President*

By: 
DON BARNES, *Secretary*