

VISION

P O R T O F K E N N E W I C K

The Port of Kennewick is accomplishing important community projects and investing in sound economic development opportunities—all while lowering tax rates for its citizens, and expanding their quality of life. Port officials are leading the way in establishing open, transparent government operations. More specifically, the Port's investments are creating jobs, building infrastructure, fostering tourism and improving the waterfront for future generations.

Port property taxes are down considerably. In fact, the Port District levee rate has decreased 15% from \$0.41 in 1997 to \$0.35 per \$1,000 assessed value in 2008. In essence, a taxpayer with a \$150,000 house in 1997 would have paid \$61.65 to support the Port District; in 2008 that taxpayer paid only \$52.65, or \$9.00 less.

In addition, the Washington State Auditor's office just gave the Port another clean audit—for the 13th consecutive year! This is an outstanding record of stewardship and

indicates the Port is working hard to uphold the highest integrity in all its operations.

While we are juggling a number of projects, the Port remains in a healthy financial position. We are carefully examining development opportunities, and investing in selected projects which diversify and strengthen our future economy. Partnerships with West Richland, Benton City, Benton County, Richland, and Kennewick will accommodate the growing wine industry; and a cooperative approach to existing assets will bring urban renewal to older commercial neighborhoods.

I am pleased to present this edition of Vision, the Port's newsletter, and am honored to serve as your 2009 Port Commission President.

David Hanson
President

Port of Kennewick Commission

S P R I N G 0 9

Southridge Development

The Southridge Village development along Highway 395 in south Kennewick is rapidly taking shape. The community recently celebrated completion of the Vista del Sol building, and opening of the AVA Wine Rooms. The Port sold 150 acres of the site to create the new development which is bringing wineries, retail stores, offices, hotels and restaurant facilities to Kennewick.

Yacht Club

New Boat Houses at the Marina

Port officials provided Clover Island Yacht Club members with space to construct two new boathouses which were recently lifted off Clover Island and floated into moorage space at the Clover Island Yacht Club marina.

New Lobby Art

The Port's office lobby received an artistic makeover. Small business owner and local photographer Gary White created a photo montage on the lobby wall to showcase Port properties and tenants. This newsletter's cover image and the CorkWest photo were also taken by Mr. White.

Port Staff Visits Sacramento, California and Washington, D.C.

Participation Generates Business Leads & New Ideas

As part of its efforts to foster the wine industry, Port staff attended the 14th annual Unified Wine & Grape Symposium where staff developed contacts and business leads for barrel, bottle, cork, label, glass makers, and machinery, equipment and testing services. Knowing that local winemakers have identified a need for barrel making and repair, Port staff also toured a California cooperage to learn more about these services.

In addition, Executive Director Tim Arntzen, and Director of Governmental Relations and Marketing Tana Bader Inglima, participated in the Pacific Northwest Waterways Association

"Mission to Washington," where they met with legislators and presented the Clover Island Shoreline Restoration Project. During that trip, Port staff also visited Baltimore Harbor and National Harbor to understand the waterfront facilities and services which are driving economic development and urban renewal in those communities.

"The Port's role is to help create jobs and improve the quality of life," stated Arntzen. "The contacts we develop and ideas we get from these places are vital to bringing new vision and prosperity to our community."

CorkWest Begins Operations

Port officials recently leased space in their Oak Street Industrial Park to CorkWest, a cork manufacturing company contacted at the Unified Wine & Grape Symposium tradeshow. CorkWest took over equipment the Port inherited when Corticas Janosa ceased operations in 2006. The Port had numerous offers from companies wanting to purchase this equipment and move it to other states. However, the Port held out for a company that would lease the equipment. "Our mission was to find a manufacturer who would use the equipment to create local jobs and promote economic development through an expanded wine industry here at home," stated the Port's Director of Operations, Dan Cryer. "This is the only regional wine cork maker outside California's Napa Valley so it's an important step in helping lower delivery costs for northwest winemakers."



Seguin Moreau Napa Cooperage

Port of Kennewick Public Commission Meets

Meetings are held the second and fourth Tuesdays of each month. The meetings begin at 2:00 p.m. in the Commission Chambers at the Port of Kennewick offices, 350 Clover Island Drive, Suite 200, Kennewick, unless otherwise posted in the Tri-City Herald or Port of Kennewick website, www.portofkennewick.org. We would love to have you attend!

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Vista Field Airport

Port Officials Studying Alternatives

One of the biggest challenges facing Port leadership is determining Vista Field Airport's future. The airport is identified as an essential public facility by both the City of Kennewick and the State of Washington; creating both restrictions and legal implications for any closure or expansion alternative. The Port has a contractual commitment to operate the airport through 2020. They've accepted Washington State Aviation airport improvement grants which may have to be repaid if operations cease; and there are questions regarding the costs of environmental remediation and redevelopment. In addition, an increased demand for Very Light Jets may change market opportunities for a centrally-located urban airport. And, of course, a significant number of airport-related jobs must be considered.

Port officials are researching the viability of alternatives including: expanding to entice private, airport-related investment or closing and redeveloping the property into a commercial and entertainment destination. The Port commissioners are awaiting a Washington State Long-Term Air Transportation Study (LATS), and are interested in addressing this matter as part of the Port's comprehensive plan update. "Regardless of outcome, the Port is committed to a fair, transparent process which gives voice to citizen concerns and priorities," stated Tim Arntzen, the Port's executive director.



Port Gets Clean Audit

13th Consecutive Year

The Port of Kennewick's most recent financial, accountability and legal compliance audits were completed last month. According to Kent Zirker, audit manager for the Washington State Auditor's office, this marks the 13th consecutive year the Port received no audit findings. Stated Zirker, "this is an outstanding record for the Port of Kennewick, and is evidence that they work hard to be diligent and transparent in their operations." Each year, the Auditor's office reviews the Port's records to ensure complete and accurate reporting, that tax dollars are spent properly, there is no misuse of public funds, and that the organization follows state, local and federal laws, along with its own policies and procedures.

"A clean audit is key to assuring taxpayers the Port takes its responsibilities seriously and their tax dollars are being used to benefit the community," stated Tammy Fine, Port of Kennewick director of finance.

Port Tenants Receive Awards



Tri-Cities Area Journal of Business General Manager Melanie Schmitt and Port Commissioner Gene Wagner present the Manufacturer of the Year award to Neil Cornia of Ag Engineering.

Electronic Systems Technology received an Export Achievement Award from the U.S. Commercial Service; and Company Founder Tom Kirchner was presented with the 2009 Sam Volpentest Entrepreneurial Award. The company specializes in the manufacturing and development of ESTeem wireless modems from a building in the Port's Vista Field Development Facility.

Ag Engineering and Development was named the SmartMap Expo 2008 Manufacturer of the Year. They manufacture and distribute a variety of farming equipment from a facility in the Port's Oak Street Industrial Park.

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Revitalizing the Waterfront at Clover Island

The Port is implementing the Clover Island Shoreline Master Plan and received letters from the Confederated Tribes of the Umatilla Indian Reservation supporting those efforts. The former Clover Island Yacht Club building was torn down and the Port began constructing a two-story facility to house the yacht club and professional office space. That building should be completed by late summer.

The City of Kennewick will provide Community Development Block Grant funding to help the Port extend a shoreline path from Washington Street to the Sacagawea Heritage Trail and existing Clover Island sidewalks. The Port will also add a gateway feature at the island's entrance, and a public



Artist rendering of Yacht Club and professional office space.

plaza and lighthouse to the Island's west end. In addition, grant funding from the Washington State Arts Commission and the Kennewick Centennial Finance Committee are helping the Port bring public art installations to the island. And a new parking lot and landscaping project will be completed this year.

"This is a great partnership in the continued renewal of Clover Island," said Larry Peterson, the Port's director of planning and development. "These improvements should help attract additional private dollars and future development to downtown Kennewick."



Artist rendering of elevation view of proposed Lighthouse on Clover Island.

Northwest Boaters Discover Clover Island Marina

The Port's Clover Island Marina is gaining a reputation among northwest boat owners as a great place to visit and keep their boats overnight, especially since the public dock can accommodate very large vessels. The Star 7, a



90-foot motor yacht from Portland, recently docked at the Port's marina on its way to Clarkston.

Port Dismantles Trailers Making Way for Future Development

The Port recently removed a number of vacant mobile homes from Willows Trailer Park to make way for future redevelopment. The goal is to help transform the Clover Island shoreline neighborhood into a vibrant mixed-use, tourism destination.



Developing assets to create sustainable family wage jobs, user friendly transportation systems and quality of life enhancements for visitors and residents of the Port of Kennewick.



PORTofKENNEWICK

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Open for Business!