



# SPECIAL JOINT COMMISSION MEETING WITH CITY OF WEST RICHLAND

PORT OF KENNEWICK

MAY 9, 2011 MINUTES

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## CALL TO ORDER

Commission President Skip Novakovich called the meeting to order at 6:30 p.m. at the Sandberg Event Center located at 331 S. 41<sup>st</sup> Street, Richland, Washington 99352.

### The following were present:

<b>Board Members:</b>	Skip Novakovich, President David Hanson, Vice-President Gene Wagner, Secretary
<b>Staff Members:</b>	Tim Arntzen, Executive Director Larry Peterson, Director of Planning & Development Tammy Fine, Director of Finance/Auditor Bridgette Scott, Secretary/Special Projects
<b>City Council Members:</b>	Donna Noski, Mayor Rich Buel, Mayor Pro Tem Gail Brown Ken Dobbin Tony Benegas Merle Johnson Richard Bloom Brent Gerry

Mayor Noski welcomed the public and the Port of Kennewick. Mayor Noski thanked President Novakovich and Tana Bader Inglima for their regular attendance at the West Richland Chamber of Commerce meetings; the Ports attendance is very important to the community.

## PLEDGE OF ALLEGIANCE

Mayor Noski led the Pledge of Allegiance.

## PUBLIC COMMENTS

Mr. Novakovich stated this meeting is a workshop for West Richland; however, it is an official meeting for the Port. He requested anyone wishing to address the Commission speak from the podium and state their name and address for the record. No public comments were made.

## WEST RICHLAND PRESENTATIONS

### *City Economic Development Strategy Plan Overview and Progress; Next Steps, 2011 and Beyond: Yakima Gateway, Red Mountain Gateway, other Anchor Concepts*

Mayor Noski introduced Ruth Swain, Economic Development Director for West Richland. Ms. Swain stated the West Richland Economic Development Strategic Plan was prepared through a grant and matching funds from the Port of Kennewick and Benton Rural Electric,



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and was adopted by City Council in January 2010. The Plan was prepared by Jason Robertson, from J. Robertson & Company. Mr. Robertson brings a wealth of experience from working with communities, ports, and various groups and organizations. Mr. Robertson stated West Richland has a large number of houses and a small number of businesses. Over time, the mix of industrial and commercial lands will need to increase to generate revenue to support the City. Property taxes are capped at 1% and no income tax is available. Retail sales tax is the only source of revenue possible.

Mr. Robertson stated community outreach was utilized to determine the desires of the community. The Economic Development Strategic Plan includes six anchor concepts.

1. Van Geisen Renaissance

The community feels Van Geisen should look better and that it could provide commercially zoned land. Phase 1 was completed for the Renaissance Study in 2010. The Yakima River Gateway and the Red Mountain Gateway could provide opportunities for development. The public desires connectivity between the gateways. A \$254,000 Enhancement Grant for planning was received to develop the Yakima River Gateway. Mr. Robertson is reviewing the City's capacity to participate in public/private partnerships for developing the Yakima River Gateway and developing a tool box for the City's capacity for financing projects.

2. Red Mountain AVA Niche Services Cluster

Ms. Swain stated a map and the "Current Progress Update" are available for review regarding the Wine Niche Services concept. Ms. Swain pointed out there has been two or three accomplishments in this cluster since 2008. Black Heron Distillery was constructed and a wine waste treatment facility feasibility study was completed and an application for construction funding was submitted. The City is on the short list for potential federal funding for a waste treatment facility. Possible funding may also be available through the Public Works Trust Fund.

3. Lewis & Clark Ranch Destination

The Lewis & Clark Ranch is approximately 90 million acres, which is as big as the existing city. A conceptual development plan has been created.

4. I-82 Interchange/UGA Expansion

The Economic Development Strategic Plan identified the City is at a disadvantage because it does not have interstate access. A possible interchange location has been identified near Red Mountain Center. The interchange will open up large tracks of land under single ownership. It is a long-term idea and a proposal has been put together for the Growth Management Hearing Board. The Board denied the request due to the large amount of land the City occupies. Mr. Robertson stated if the issue is taken to court the City will probably win based on the Constitution and the Growth Management Act's allowance of Urban Growth Act expansion for economic development purposes.

Benton County Commissioner Leo Bowman has indicated there is approximately \$350,000 in the State Budget, which has yet to be adopted, that is marked for the





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- intersection at Benton City for engineering, surveying and pre-design work.
5. In-Fill Development Initiative  
West Richland has 100,000 square feet of available/vacant office space for lease. Staff works throughout the year to recruit commercial development and to respond to TRIDEC industrial leads.
  6. Micro-Enterprise Services & Support  
Ms. Swain stated micro-enterprise is incubating and enhancing the environment to help new businesses grow.

## PORT OF KENNEWICK PRESENTATIONS

### *Introduction, Branding, Port Activities, Investments in West Richland, and Strategic Vision/Activities*

Mr. Novakovich thanked the City Council for the opportunity to explain who the Port of Kennewick is, what they do, and some of the current projects and ideas. This year, the Port is celebrating its 96<sup>th</sup> anniversary. The Port of Kennewick was the fourth port district formed in the State of Washington and began as a small five mile district focused on river commerce. The Port has expanded to 485 square miles and is involved with river, rail, air, roads, business incubators, business parks, tourism and quality of life projects. Everything the Port does focuses on helping strengthen and diversify our local economy by creating new jobs, helping business expand and attracting new business through strategic partnerships. The Port works very closely with our cities and the county as economic development partners.

The Port's district includes all of Kennewick, parts of Richland, all of West Richland, a portion on Benton City, and unincorporated areas of Benton County. The Port has found that our name causes significant confusion regarding why we are working on projects, purchasing property, or investing in activities to spur economic development outside of "Kennewick". This confusion can cause the Port to miss opportunities when developers or future tenants or project partners do not understand that the Port might have property outside of "Kennewick". This misunderstanding keeps the Port from acting as the best stewards of the public's trust and resources. The Port Commissioners agreed to do the research necessary to determine if there is a brand that would better reflect who the Port is and what they do, and to better represent the entire district. The Commissioners want to do the research necessary to ensure that if the Port is rebranded, that the best possible brand, brand promise, and story be presented, so that the Port is once again representing stakeholders and gaining the best possible return for our district. The Port established a Brand Development Team, which includes representatives from each of the city and county partners. Mr. Novakovich thanked Brent Gerry for his participation as West Richland's liaison, to the Brand Development Team.

The Port takes their responsibility as a taxing entity very seriously and works hard to carefully invest Port resources. Mr. Novakovich stated the Port has been able to steadily decrease Port property taxes. For example, taxes on a \$150,000 home were \$66 a year in 2001 and in 2011 is \$51 a year, which is a decrease in the district levy rate of 23%. At the same time, the Port's equity has more than doubled.



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The Port partnered with the City of Richland to create Spaulding Business Park; supports the City of Kennewick in continued development of Southridge Village and has made investments in Kennewick's waterfront and Clover Island.

The Port has partnered with the City of West Richland on master planning; helped attract the Black Heron Distillery; extended city services and Keene Road to the Port's Red Mountain Wine Estates; supported West Richland with funding to help adjust the Urban Growth Area; and supports the City of West Richland and Benton County with the process of creating a new interchange at Red Mountain to serve the City of West Richland.

Mr. Novakovich thanked the Council for their partnership.

### **PUBLIC COMMENTS**

No public comments were made.

Mayor Noski applauds the Port's efforts on the brand initiative and feels it is the right thing to do. She stated it is important to identify who and what the Port is and would like to see the name be broader than "Port of Kennewick".

Mayor Noski recommended holding a yearly joint meeting and suggested an Ad Hoc Committee be formed to discuss economic development and strategic planning as needed. The Port Commission gave consensus to form a joint committee. The committee will consist of Donna Noski, Ruth Swain, Brent Gerry, Skip Novakovich, Tim Arntzen and Larry Peterson. A joint resolution will be prepared and presented to the Commission and City Council for approval.

### **ADJOURNMENT**

With no further business to bring before the Board; the meeting was adjourned at 7:35 p.m.

***APPROVED:***

**PORT of KENNEWICK**

**BOARD of COMMISSIONERS**

  
Skip Novakovich, President

  
David Hanson, Vice President

  
Gene Wagner, Secretary