



PORT OF KENNEWICK REGULAR COMMISSION MEETING

MAY 11, 2021 MINUTES

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Commission President Commissioner Don Barnes called the Regular Commission Meeting to order at 2:00 p.m. via GoToMeeting Teleconference.

ANNOUNCEMENTS AND ROLL CALL

The following were present:

Board Members: Commissioner Don Barnes, President (via telephone)
Skip Novakovich, Vice-President (via telephone)
Thomas Moak, Secretary (via telephone)

Staff Members: Tim Arntzen, Chief Executive Officer (via telephone)
Tana Bader Inglima, Deputy Chief Executive Officer (via telephone)
Amber Hanchette, Director of Real Estate and Operations (via telephone)
Nick Kooiker, Chief Finance Officer (via telephone)
Larry Peterson, Director of Planning and Development (via telephone)
Lisa Schumacher, Special Projects Coordinator
Bridgette Scott, Executive Assistant (via telephone)
Lucinda Luke, Port Counsel (via telephone)

PLEDGE OF ALLEGIANCE

Commissioner Barnes led the Pledge of Allegiance.

APPROVAL OF THE AGENDA

MOTION: Commissioner Novakovich moved to approve the Agenda as presented; Commissioner Moak seconded. With no further discussion, motion carried unanimously. All in favor 3:0.

PUBLIC COMMENT

Ms. Scott read the following public comments into the record.

Ron Swanby, 110 S. McKinley Place, Kennewick. (EXHIBIT A)

"I have questions about the Willows Resolution.

1) Is this resolution included in the Historic Waterfront District Master Plan by Makers? If not, I would ask that the commissioners refrain from moving forward until the Plan is completed and received.

2) Is this the best location for low income housing? After doing some research, there have been locations on 10th Avenue and 13th offered by the City for low income housing.

3) Does this meet the Port's original vision for this property, or, is this because Federal funding has been made available and you feel this is something that you must do to get "grant monies"?

4) What kind of effect do you think this will have on potential investors for the surrounding properties you plan to sell?

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5) Will this increase or decrease the values of surrounding properties and longtime businesses?

6) Have the surrounding neighborhoods and businesses been considered or informed? I understand everyone has the same opportunity as I do to review the meetings, agendas, and be informed. In the real day to day grind, I would guess that less than 2% of our community pays any attention until after the decisions have been made, and that percentage might be on the high side. Out of all the meetings I have either attended or listened to, the most common attendee is a Richland man who lives on Snyder Street. This does not change my desire or interest in growing my business in Columbia Gardens. I do agree we have an epidemic for affordable housing in our city. I believe this is admirable that you would be inclined to consider this endeavor. Millions of dollars have already been spent on cleaning up the area, which entailed removing a low income area in the same location. I understand how other businesses think, whether I agree or disagree with them, and I truly believe this will pose as a hindrance for reaching the right investors to complete the vision of the revitalization of this area. Thank you for your time, Ron Swanby”

Andrew S. Klein, Klein Griffith Properties Group, LLC, 2 Rose Court, Pasco. (EXHIBIT B)

“I am writing today to voice my concern for the potential harms to the area of Historic Downtown Kennewick posed by a suggested partnership with the Kennewick Housing Authority (KHA) at the proposed “Willows” development. I am opposed to their project as described in their letter attached to today’s agenda. While I am a firm believer in the work that is completed in our community to provide safe, and affordable housing to those of modest means, their proposal for the Willows is not the right fit for an area of our community that is rapidly developing into a prime retail and residential jewel in the Tri-Cities. Significant private and public investment has already been made in the Historic Downtown and there is a clear trajectory the neighborhood is following to complete re-vitalization. Removing significant amounts of available development property from the community and granting those lands to a government agency has the potential to slow, if not halt, the momentum that Downtown Kennewick is experiencing. I would encourage the Port to instead consider partnering with like-minded private developers who have Kennewick’s economic development as their first priority. Thank you, Andrew S. Klein”

No further comments were made.

PRESENTATION

A. Kennewick Historic Waterfront District Master Plan Update

Mr. Peterson gave a brief history of the work completed on the Kennewick Historic Waterfront District (KHWD) Master Plan by Makers. Today, Makers will present an update on the KHWD draft Master Plan and provide recommendations. Mr. Peterson introduced Julie Bassuk, Erica Bush, and Beth Batchelder.

Ms. Bassuk presented an overview of the KHWD draft Master Plan and outlined the community priorities and the economic analysis (EXHIBIT C).

Ms. Bush presented the six zones for the KHWD draft Master Plan:

- Clover Island West: celebration space;
- Central Clover Island: activity hub;
- Clover Island East: connected gathering space;

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- Columbia Drive West: residential cornerstone;
- Columbia Drive Central: energetic commercial core;
- Columbia Drive East: district supporting development.

Ms. Bassuk summarized the implementation strategy for the KHWD:

- Near term: market development parcels focusing on The Willows and Columbia Gardens;
- Medium term: build on momentum to market parcels for development on Clover Island, The Willows and Columbia Gardens and add parking and amenities;
- Long term: secure development of Cable Greens and remaining parcels at The Willows and attract signature development on Clover Island.

Commissioner Novakovich thanked the Makers team for the exciting KHWD draft master plan; however, he expressed his concern over the contradiction of the alignment of the vision of the KHWD draft Master Plan and Resolution 2021-06, which may approve future infrastructure in The Willows and a partnership with the Kennewick Housing Authority (KHA). Commissioner Novakovich asked if additional public outreach should be done for The Willows infrastructure project and discuss the potential direction the Port is going, which is a drastic change to what Makers is proposing. Commissioner Novakovich does not believe it is the right use for the project and thinks Makers vision is the correct use and what the community expects from the Port. Commissioner Novakovich inquired how the Port should handle the upcoming Resolution 2021-06.

Ms. Bassuk stated she cannot address directly whether this new development is in alignment with the vision, as she has not reviewed the information and it was not part of the process. Ms. Bassuk stated the KHWD draft Master Plan sets up general visions, goals, and targets of what we hope the development of The Willows will do to support what the Port and community see for the overall development. Ms. Bassuk offered a few comments for the Commission to evaluate the proposed Resolution 2021-06. One of the critical pieces for The Willows is to generate a near term stream of revenue and activity. The Willows is the most developable parcel, that is easily accessible and flexible and critical to drive increased activity to Columbia Gardens and Clover Island. The Willows needs to be inviting and welcoming to a diverse mix of the community and create support for the other businesses. Makers did not discuss in detail how to position the housing but talked about the values that would drive it. Ms. Bassuk stated bringing activity to the area that would support other businesses and generating a level of revenue for the Port funds all of the other investments that are desired, which are not revenue producing in the district.

Commissioner Novakovich stated he has been transparent throughout this process and wondered if the Port should go back and ask the public what they think about the KHA plan for affordable housing in The Willows, as opposed to sticking with the Makers draft plan.

Ms. Bassuk stated what the Master Plan should do is help the Port to make good decisions as this and many future opportunities may be considered. Ms. Bassuk cautioned on extending the Master Plan process just to respond to this specific development and stated if the Commission wants to evaluate whether this specific development is the right fit, then that is a separate question that needs to be asked.

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Commissioner Moak inquired if there have been any changes to the presentation or if this is a finalization of ideas.

Ms. Bassuk stated the scale of the development was reduced to make some of the targets more flexible.

Further discussion commenced regarding the KHWD draft Master Plan with the Makers team.

Commissioner Barnes addressed Commissioner Novakovich's concerns regarding The Willows and thinks the work that has been put into the KHWD draft Master Plan has been methodical and community driven and will provide a great tool for the Port going forward. Commissioner Barnes stated the Port needs to listen to the recommendations laid out by Makers and appreciates the time to review the document.

Mr. Peterson stated the Commission will have additional opportunities to review and discuss the KHWD draft Master Plan at the May 25th and June 8th Regular Commission Meetings.

OLD BUSINESS

A. *Clover Island Shoreline 1135 Update*

Ms. Bader Inglima reported the U.S. Army Corps of Engineers (USACE) division office concurred with the Walla Walla District for additional funding for the 1135 project and is now estimated at \$7,240,000, up from the 2016 estimate of \$5,000,000. Mr. Arntzen and the Walla Walla District Commander signed an amended cost-share agreement, and the State Recreation and Conservation Office extended our Aquatic Lands Enhancement grant, which allowed the Port to retain the \$500,000 for Clover Island. USACE requires the local sponsor's matching funds before they go out to bid on a project. Ms. Bader Inglima stated there is a check for \$1,654,000 on Consent Agenda A for the Port's match, which was identified and set aside for the project. After 13 years, our desire to restore the Clover Island shoreline and extend the recreational pathway to enhance the environment and bring new economic opportunities to east Kennewick's waterfront is very close. This payment enables the USACE to go out to bid in time to meet the winter 2021-2022 in-water work window.

B. *Community Project Direct Appropriations Funding Applications*

Ms. Bader Inglima stated Resolutions 2021-05 and 2021-06 address the Congressional appropriations request that the Commission directed staff to submit to secure federal funding. Resolution 2021-05 would bring Electrical Vehicle Charging stations to Clover Island, Columbia Gardens, and Vista Field.

Resolution 2021-06 is for The Willows infrastructure, which, if the Commission recalls, was originally deemed for infrastructure to prepare lots for the private sector. However, in vetting that project with Senator Murray's staff for funding under Biden's Build Back Better plan, they suggested that we look at working with Lona Hamer and the Kennewick Housing Authority (KHA) as a way of helping to meet a critical need for assisted housing for families transitioning out of poverty, for seniors, homeless and female veterans. The Commission agreed and directed staff to secure a letter from KHA, which is included in the Agenda packet (EXHIBIT D).

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Ms. Bader Inglima stated the appropriations process requires each project to have a letter of support and the Port received general letters of support from the Historic Downtown Kennewick Partnership, TRIDEC and the City of Kennewick; and another letter from the Visit Tri-Cities in support of the charging stations. Ms. Bader Inglima believes passing a formal resolution for each project will help strengthen our application. Ms. Bader Inglima inquired if the Commission had any questions regarding Resolution 2021-05 or 2021-06.

Commissioner Novakovich inquired if the Commission were to approve 2021-06, is the Port committed to the proposal from the KHA or can the Port do whatever we want with the infrastructure if the project is funded.

Ms. Bader Inglima stated the application would have strength as a partnership and collaboration to meet the critical needs for housing as identified with KHS and other agencies within the community. Senator Murray's office encouraged the collaboration to meet the housing needs for the application; however, there is no guarantee of funding. Ms. Bader Inglima stated the Commission directed staff to submit the application in collaboration with the KHA. It is the Commission's discretion on how they would like staff to submit the application.

Commissioner Novakovich reiterated his concern that Resolution 2021-06 does not agree with the KHDW draft Master Plan and the community vision.

Commissioner Moak thought it was the Port's plan and asked the KHA to support The Willows project.

Ms. Bader Inglima stated the Port is requesting funding for infrastructure with the support of the KHA to meet and identify need for the type of housing as identified by KHA and other agencies. Commissioner Moak stated he is chairman of the KHA and believes the intent of what is envisioned in The Willows plan was a mixed income project and the KHA was supporting a certain part of the mix. Commissioner Moak confirmed that this does not prohibit the ability of the Port to have other types of housing.

Ms. Bader Inglima stated all of the details have not been worked out. Staff was approaching the appropriations request for the infrastructure and Commission directed staff to work with Ms. Hammer to pursue options, but those options have not been fully vetted, given the deadline to submit the application.

Mr. Arntzen stated a lot of details need to be worked out, but it is important to recognize that this project has transitioned into a partnership with the KHA.

Commissioner Barnes stated if the Port were to receive appropriations funding through Senator Murray's office, it may not be in line with the envisioned Master Plan.

Further discussion commenced between the Commission and staff regarding Resolution 2021-06.

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1. Electrical Vehicle Charging Stations

MOTION: Commissioner Novakovich moved to approve Resolution 2021-05 approving submittal of a Congressional Appropriations request for the Bringing Electrical Vehicle Charging Stations to Kennewick's Historic Waterfront and Vista Field project and further authorizing the Port's Chief Executive Officer to execute all documents necessary to submit the application package; Commissioner Barnes seconded.

PUBLIC COMMENT

No comments were made.

With no further discussion, motion carried unanimously. All in favor 3:0.

2. The Willows Infrastructure

MOTION: Commissioner Moak moved to approve Resolution 2021-06 approving submittal of an appropriations Congressional Appropriations request for The Willows Infrastructure Project in collaboration with the Kennewick Housing Authority and further authorizing the Port's Chief Executive Officer to execute all documents necessary to submit the application package; Commissioner Barnes seconded.

PUBLIC COMMENT

Lona Hammer, 2200 East 8th Place, Kennewick. Ms. Hammer fully supports the Port's Master Plan for The Willows project. The KHA partnered with the Port, because it is a great project and the Port indicated that it would be mixed income, mixed use project. Ms. Hammer believes mixed income means all levels of income and thinks it is worthwhile across communities across our nation. Ms. Hammer stated if the KHA purchased property from the Port to build, they would use those developer fees on other projects; it would not be a shared appreciation or partnership. The KHA makes money receiving a developer fee for building units and then rolls those funds over to a new project. That would only happen if the KHA were able to purchase a piece of property in The Willows from the Port; however, based on the location and the prices in community, she believes the prices will be too high. Then, KHA looks at other affordable housing options, as indicated in the letter. Ms. Hammer proposed 5% is set aside for low income within each of the developer contracts that the Port signs. Which totals 7 affordable units out of 138 units, which Ms. Hammer does not believe is a huge ask. Ms. Hammer mulled if having affordable units would be seen as disincentive to a developer. Ms. Hammer outlined the Health-In-Choice voucher program and Washington state law regarding housing discrimination. Ms. Hammer stated the KHA did not envision being the developer on the project and believes there are many for-profit developers aching to develop this community. Ms. Hammer thinks having a modest 5% of affordable units would be a great compromise and would also enrich the community. Ms. Hammer does not want to offer support to the Port and then be cast aside. Furthermore, she does not want to sully her reputation with the Senator's office and would like to keep those relationships solid. Ms. Hammer stated if the Port needs to withdraw her letter of support, she is fine with that. Ms. Hammer stated there will not be an issue with her relationship with staff and the Port. Ms. Hammer understands where the Commission is coming and KHA wants to help, and she thinks affordable housing and housing across

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the spectrum in our community is important.

Boyce Burdick, 414 Snyder Street, Richland. Mr. Burdick disagrees with the earlier comments sent in via email. Mr. Burdick stated taking care of Kennewick's less privileged and most vulnerable citizens is more important than economic development. Mr. Burdick applauds the Port of Kennewick's adjoining with the KHA for providing supportive housing for moderate income, for Veteran's, and other less privileged people. Furthermore, Mr. Burdick believes Resolution 2021-05, which provides electric charging stations, is welfare for people who can afford a \$70,000 Tesla.

Ken Hohenberg, 3900 South Green Street, Kennewick. Mr. Hohenberg appreciates all the comments and would like to go on record and say how much he appreciates the KHA. They have brought a lot of great projects to the City of Kennewick and other areas that they serve. Mr. Hohenberg believes that affordable housing is important; however, he goes back to some of the concerns Commissioners have brought up about the original Master Planning and the public input. Earlier today, Mr. Peterson stated how much public comment has gone into this planning process. At the end of the day, Mr. Hohenberg encouraged the Commission to make sure they consider that in their decision.

No further comments were made.

Discussion:

Commissioner Moak would like to go back to original efforts in The Willows and the Port looking for funding for infrastructure. Several years ago, we thought we had a plan for infrastructure, but that fell through. The Port does not have the money to install the infrastructure, but as we know, Makers stated one of the important items that need to be completed is getting The Willows project off the ground and one way to do that is to install the infrastructure. The Port has opportunities on the federal side to do some things in The Willows and work with Senator Murray. When we work with the Federal or State government, we need listen to their concerns, and work to try to address those concerns to get support from the federal government. One of the things Senator Murray would like to see is a partnership dealing with housing. Commissioner Moak does not think the draft Master Plan said The Willows should benefit the priciest real estate, but rather, the waterfront is for everybody and that includes the KHA. Commissioner Moak stated there are details to be worked out if things happen with Senator Murray's office, yet those details have not been determined yet. The Commission heard from Ms. Hammer that the KHA does not have a plan to take over this project, but rather, they are interested in partnering on a great project with the Port. Commissioner Moak does not think affordable housing is the boogie man nor is it true that the Port is returning The Willows into a low-income housing project. What is true is that the Port is taking an opportunity to partner with KHA to get some great housing in The Willows and for the Port to sell some property, so that we may be able to work on the rest of the waterfront project. Commissioner Moak stated it would certainly help if the Port had support from the federal government to do that. If we had support from KHA and others, he thinks it would create a great neighborhood for all. Commissioner Moak believes forwarding this project to Senator Murray's office, to get assistance with The Willows would be a good thing.

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Commissioner Novakovich would agree with Ms. Hammer and Commissioner Moak regarding usage; however, there are too many unknowns. The perception right now is that the Port would partner based on the KHA's mission and he would have to vote against it because of the unknowns. Commissioner Novakovich stated if the roles and responsibilities were defined, then he would support it. Commissioner Novakovich agrees with Commissioner Moak and thinks that it would be nice to have money to complete the infrastructure; however, as it stands, the perception and appearance is that the Port is doing something that is not in compliance of community Master Plan.

Commissioner Barnes appreciates Ms. Hammer's comments and believes the Port is in the very early stages of this project and a lot of details can be worked out. Commissioner Barnes heard clearly from Ms. Hammer that it is her intention to help the Port conform to our master plan and work within those guidelines. In a situation like this, the Port should show good faith and we need to believe we can work with a solid partner in our community, and we can overcome obstacles and differences and perceptions. Commissioner Barnes believes it would be a tremendous boost to The Willows project to have Senator Murray's office assist the Port in obtaining funding for the infrastructure. After hearing the discussion and comments, this is going to be a mixed income development with an appropriate, suitable mix, that will conform with the Master Plan.

With no further discussion, motion carried. All in favor, 2:0:1. Ayes (Commissioners Barnes and Moak) Abstain (Novakovich).

RECESS

Commissioner Barnes called for a recess at 4:19 p.m. for 5 minutes.

Commissioner Barnes reconvened the Regular Commission meeting at 4:23 p.m.

CITIZEN COMPLAINT-REQUEST FOR REIMBURSEMENT OF LEGAL FEES

A. Resolution 2021-07

Mr. Kooiker stated before the Commission is Resolution 2021-07, reimbursing Commissioner Barnes for legal fees and inquired if the Commission had any questions.

Commissioner Barnes stated Mr. Kooiker pointed out there are some redactions in the invoices that were submitted to the Port, and he called attention to the transmittal email from his attorney, Joel Comfort. The transmittal email from Mr. Comfort to Ms. Luke, dated March 26, 2021, reads as follows:

"Dear Lucinda, Commissioner Barnes requested that I send you unredacted copies of the invoices, see attached. There are a couple of remaining redactions in here that are necessary for attorney client privilege reasons. If you have any questions on any of the items, please do not hesitate to contact me. Signed by attorney Joel Comfort.

Commissioner Barnes stated at the time of submittal, there were still some redactions because of attorney client privileges. Commissioner Barnes believes Steve DiJulio was aware of those redactions.

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Commissioner Moak asked Mr. Kooiker and Ms. Luke how the Commission responds to these concerns and conflicts. Commissioner Moak understands sharing information that is attorney client privileges is confidential, yet, from a finance standpoint, the finance manager needs to verify that it is an expense that the Port has to the ability to pay.

Ms. Luke stated typically in a legal setting, when there is a situation like this, where there is confidential information or a privileged document, an agreement can be reached, wherein information is provided, either under legal setting, if there is a judge involved, the judge reviews the document on camera or there is an agreement, a protective order agreement in which the attorneys agree to attorneys eyes only, that it is not to become a public document; however, in this situation there is the issue with public records, which does allow for attorney client privilege to be redacted. Ms. Luke did not review the documents, they were communicated to Mr. DiJulio, who was the special counsel to the Port on this issue. Ms. Luke thinks the question should be posed to Mr. DiJulio, as he reviewed the documents and redactions and also provided his analysis and recommendations to the Commission and also sent a follow-up document to Mr. Kooiker.

Commissioner Moak stated if he understands Ms. Luke correctly, in order for the Port properly reimburse Mr. Barnes the entire amount that he is owed, the question on those redactions need to be referred back to Mr. DiJulio.

Ms. Luke stated her recommendation is that be worked out by Mr. DiJulio and Mr. Comfort and also to the satisfaction of the Port's Auditor, Mr. Kooiker.

Mr. Kooiker thinks Commissioner Moak hit the nail on the head regarding how the legal issues are interpreted by Mr. DiJulio and Ms. Luke. Mr. Kooiker reviews the information as the auditor for the Port, so for him to sign and authenticate a claim, he needs all the work papers that will show in our records to support the payment. Mr. Kooiker looked at it through a very objective lens and stated any check that leaves the Port follows the same process, regardless of the amount. Mr. Kooiker wanted to disclose that information to the Commission and that was the reason for the statement on the warrant register.

Commissioner Barnes stated when Mr. Comfort submitted these invoices with some invoice's redacted for attorney client privileges reasons, he clearly stated in his email transmittal, "*if you have any questions on any of the items, please do not hesitate to contact me.*" And to the best of Commissioner Barnes' knowledge, no one from the Port reached out to try to resolve these issues. Commissioner Barnes stated the invoices were held and then they came to the Commission with this statement. Commissioner Barnes believes it would have been a simple thing to resolve this issue prior to today. The email was transmitted on March 26, 2021, so a month and a half has gone by since these invoices have been in the hands of the Port. Furthermore, this is the first time that these redactions for attorney client privilege reason have come up as an issue. Commissioner Barnes reiterated that Mr. Comfort has been available and invited any questions on any of these items and to the best of my knowledge, he has not been contacted.

Mr. Arntzen stated staff is in an interesting situation, at the April 13, 2021 Commission Meeting,

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there was a clear directive from the Port Commission to pay this amount; however, Mr. Kooiker is following the established process. Mr. Arntzen knows Mr. Kooiker has been diligent in his outreach to Mr. DiJulio, who has been handling this, so we have done our due diligence. Mr. Arntzen thinks any implication that staff is dragging their feet is incorrect.

Commissioner Barnes inquired if anyone from the Port or Mr. DiJulio's office contracted Mr. Comfort.

Mr. Arntzen stated Mr. Kooiker has been working with Mr. DiJulio and expressing his concerns to Mr. DiJulio. The Commission seems to take great credence in what Mr. DiJulio says, so staff has been working within the best legal advice provided by Mr. DiJulio. Mr. Arntzen thought that this would go right through, because previously, the Port Commission was very unequivocal in the directive to pay this amount. Mr. Arntzen shared that staff is trying to do as the Commission asked and respond to the directive from the Commission. Mr. Arntzen is not sure what more that staff needs to be instructed to do.

Commissioner Barnes stated this Resolution is set up to pay the amount approved previously, and he thinks the amount that was approved previously came right out of a letter from Mr. DiJulio. Commissioner Barnes does not want to be difficult but his has been a long process and he just wants to be made whole. Commissioner Barnes stated a judge found that the complaint against him was unsubstantiated in its entirety. Commissioner Barnes submitted all the invoices to Mr. DiJulio, whereas Mr. DiJulio wrote a letter and made it clear that some of the amounts should not be reimbursed. Commissioner Barnes did not have any argument with that, those amounts were taken out, and then Mr. DiJulio said Mr. Forgette's work should not be included, which he disagreed with. Additionally, Mr. DiJulio said that there should be some rounding down in the due diligence, which Commissioner Barnes addressed at the meeting when this was approved. This amount that is in proposed Resolution came directly from Mr. DiJulio's analysis of these invoices and Commissioner Barnes would respectfully ask for reimbursement from the Port.

Mr. Arntzen stated this has been set up for the Commission to approve the Resolution today and this will matter will be concluded. Mr. Kooiker included the disclosure, and it is up to the Commission to approve. Mr. Arntzen stated if the Commission feels comfortable with what staff presented, the Commission could vote to move forward and authorize the payment and then the issue is in the rearview. If the Commission, in their own review of this matter has further questions, then please lodge them with us, and we will do the necessary amount of work, but we set this up so it could be approved today.

Commissioner Barnes stated thank you and he appreciates that.

Commissioner Moak stated when he made the motion, and it was corrected to the number that was identified in the Resolution, he assumed that all this information regarding the redactions was provided to Mr. Kooiker; however, Mr. Kooiker could only account for \$47,000 instead of \$49,000. Commissioner Moak is hearing that the Port could make it right if Mr. DiJulio gave a go-ahead to agreeing to the redactions. Commissioner Moak believes to adopt the Resolution as

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it is today, invites scrutiny by the Auditor's Office, because there is no documentation for a certain small percentage of that amount. Commissioner Moak believed Ms. Luke stated Mr. DiJulio needs to address those redactions. Commissioner Moak is frustrated, and he hears the frustration of Commissioner Barnes, and the frustration of Mr. Arntzen, and believes anybody else who is on the line, is probably frustrated too. Commissioner Moak thinks there is a right way to get Commissioner Barnes the appropriate amount of money he is owed; however, there is also a proper way, in terms of the bookkeeping of the Port, and to shield us, to try and shield us, from audit issues, if we have that final piece from Mr. DiJulio. If this issue had come up at our last meeting, it would have been nice to have known that at the that time, but we did not have this information. Commissioner Moak believes the only proper way is to defer this to the next meeting and have Mr. DiJulio and Mr. Comfort sign off on the redacted invoices for the Auditor to feel comfortable with cutting the check to Commissioner Barnes and that they meet the Port's high standards.

Commissioner Barnes thanked Commissioner Moak for his comments and stated that would mean another two week delay. Commissioner Barnes believes almost everyone on this call today can understand an inconvenience that a \$50,000 outlay, over an extended period, would pose for anyone. Commissioner Barnes inquired if Mr. Kooiker would be comfortable in approving a lower amount and then we could address the remaining \$1,300.

Mr. Kooiker reported that he received the invoices and support from Foster Garvey on April 28, 2021 and stated staff has not been sitting on this information for a month and a half. Last week, Mr. Kooiker built a spreadsheet and discovered the \$1,300 discrepancy. The Resolution is drafted for the Commission to approve the \$49,282.75 and the Commission can do that; however, Mr. Kooiker cannot certify that full amount, which is fine. Mr. Kooiker does not have the ability to write a check to Commissioner Barnes for \$47,990.25 because it needs to follow the correct process and needs to be an approved warrant by the Commission.

Commissioner Barnes understands that Mr. Kooiker did not get this information until April 28, 2021; however, this information was submitted to the Port of Kennewick on March 26, 2021 at 4:20 p.m. Here we are a month and a half later and Commissioner Barnes is learning for the first time that there are problems with the redacted invoices, which were clearly called out in cover memo upon submittal. It was clearly stated in Mr. Comfort's email that there were some remaining redactions for attorney client privileges. And further, Mr. Comfort stated, *"if you have any questions about any of these items, please do not hesitate to contact me."* Commissioner Barnes has made a good faith effort to get the material in the hands of the Port of Kennewick for reimbursement and now he learns a month and a half later that there are still problems and expressed his frustration.

Commissioner Novakovich asked Ms. Luke if a Commissioner who is asking for reimbursement has the right to vote on their own reimbursement.

Ms. Luke stated she has not looked at that specific issue of the conflict. She has looked at conflict issues generally, but not that specific issue.

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Commissioner Novakovich thinks along with what Commissioner Moak is suggesting, is perhaps we need to look at that as well.

Ms. Luke believes the Commission has already voted on this and that there was a motion previously.

Commissioner Novakovich stated there is a Motion to approve Resolution 2021-07 today.

Ms. Luke stated correct.

Commissioner Novakovich stated when he owned Esprit Printing and even though they were not paid directly by the Port of Kennewick, but through a marketing firm for printing we did for the Port, he recused himself from voting on any monies that would have gone to pay the marketing firm, which in turn, then paid Esprit. Commissioner Novakovich wondered if there is a conflict involved here, that could cause potential problems for Commissioner Barnes.

Commissioner Barnes stated, Commissioner Moak, this is up to you, what is your pleasure, what would you like to do?

MOTION: *Commissioner Moak moved to postpone this issue for another two weeks; Commissioner Novakovich seconded.*

Commissioner Barnes restated the motion and called for discussion:

Discussion:

Commissioner Moak feels Commissioner Barnes' pain and would have preferred to have voted on this much earlier than this and he totally supports Commissioner Barnes efforts to retrieve the money that is owed to him. However, Commissioner Moak also has a duty to the Port, to make sure that the information is verified, and everything fits within the best practices of the Port. Commissioner Moak does not want to delay it another two weeks, either for what he has to say or what Commissioner Novakovich has to say, but he believes it is in the best interest of transparency of the Port, that we do this. Commissioner Moak feels bad for Commissioner Barnes, who put out the money and prevailed in the hearing; and now has to wait another two weeks.

PUBLIC COMMENT

No comments were made.

With no further discussion, motion carried. All in favor, 2:1 Ayes (Commissioners Moak and Novakovich): Nay (Commissioner Barnes).

Commissioner Barnes stated he looks forward to getting this issue behind us someday.

Mr. Kooiker requested direction from the Commission and asked if the Commission wants him to reach out to Mr. DiJulio who will reach out to Mr. Comfort regarding these discrepancies.

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Commissioner Barnes wants Mr. Kooiker to do what he needs to do and does not want to tell him how to proceed, because he gets in trouble when he tells Mr. Kooiker to do what he needs to do. Commissioner Barnes stated Mr. Kooiker is the CFO and Auditor and you need to do what he needs to do to be able to make this reimbursement.

Commissioner Moak believes Mr. Kooiker or Ms. Luke needs to reach out to Mr. DiJulio. Certainly Ms. Luke understood what the issues are, in terms of the redaction and the legal aspects. Maybe Mr. Kooiker does too, Commissioner Moak does not know, but he would like it resolved.

Commissioner Barnes stated additional work from Mr. Comfort will create additional fees to be reimbursed.

Commissioner Moak does not know whether Mr. Comfort needs to be involved or not, he does not know what exactly all the information that has been provided and maybe all that information has been provided somewhere.

Commissioner Barnes stated there were redactions on the invoices, which were highlighted in the submittal email. Commissioner Barnes has copies of the unredacted invoices and stated they are names of individuals that had nothing to do with this matter. Commissioner Barnes stated we consulted with people on issues and he does not believe these people don't need to be named in this matter. Commissioner Barnes stated to answer Mr. Kooiker's question, please do what you need to do, as the Auditor for the Port of Kennewick. And if there is additional work for Mr. Comfort, that will generate a supplemental request for further reimbursement, because this is a related matter.

Mr. Kooiker stated if Mr. Comfort and Mr. DiJulio decide they are going to maintain the attorney client privilege information for the invoices, the same Resolution will be presented at the next meeting because he cannot approve an invoice that is blacked out. Mr. Kooiker will reach out to Mr. DiJulio right now regarding the redacted invoices.

Commissioner Moak thinks there should be some documentation from either Mr. DiJulio or Ms. Luke, as to why the Port approved a payment for which we do not have all the documentation. There should be something in the record that indicates that information was attorney client privilege. Commissioner Moak thinks it is up to the legal team to figure out what needs to be in the file, that provides a satisfactory answer to the Auditor.

Commissioner Barnes outlined Consent Agenda A and stated on Consent Agenda B, which was a single payment reimbursement of legal fee. Commissioner Barnes reviewed the warrant register under Consent Agenda A, and saw there was a payment included on that for reimbursement of legal fees. Commissioner Barnes if Mr. Kooiker if that was a mistake or was that an oversight.

Mr. Kooiker stated Warrant Register A should not include the legal fee reimbursement.

Commissioner Barnes stated but it did in the copy he received via email as a detailed entry.

PORT OF KENNEWICK REGULAR COMMISSION MEETING

MAY 11, 2021 MINUTES

Mr. Kooiker does not see the information Commissioner Barnes is referring to.

CONSENT AGENDA – A

A. Approval of Direct Deposit and E-Payments Dated May 4, 2021

Direct Deposit and E-Payments totaling \$88,646.50

B. Approval of Warrant Register Dated April 27, 2021

Expense Fund Voucher Number 102889 through 102893 and 102895 through 102924 for a grand total of \$1,792,301.07

C. Approval of Regular Commission Meeting Minutes April 13, 2021

MOTION: Commissioner Novakovich moved to approve the Consent Agenda A with the caveat that legal fees paid to Commissioner Barnes are not included in Warrant Register dated May 11, 2021;

Commissioner Barnes stated there are legal fees included in Warrant Register dated May 11, 2021 for other attorneys as well. You may want to modify your motion.

MOTION: Commissioner Novakovich moved to approve the Consent Agenda A with the caveat that legal fees paid to Commissioner Barnes are not included in Consent Agenda A, Warrant Register dated May 11, 2021; Commissioner Moak seconded. With no further discussion, motion carried unanimously. All in favor 3:0.

Commissioner Barnes stated Mr. Kooiker, Consent Agenda Item B, the Commission moved to postpone this topic until the next Meeting and that it is his understanding that it is the only payment on this proposed warrant register, is that correct?

Mr. Kooiker stated yes, that is correct, and for clarification, he misunderstood Commissioner Barnes question. The check register, which has the detail for all the checks is grouped together because that is how the software works. Mr. Kooiker stated Warrant Registers A and B should be separated.

Commissioner Barnes trusts Mr. Kooiker to handle the details, he just noticed it when he read through it and wanted to make sure it was not a mistake.

CONSENT AGENDA – B

With Consensus of the Commission, there will not be action on Consent Agenda B.

EMERGENCY DELEGATION UPDATE

Mr. Arntzen and Ms. Hanchette stated there is nothing to report for emergency delegation.

REPORTS, COMMENTS AND DISCUSSION ITEMS

A. Vista Field

Ms. Hanchette reported that the maintenance team has been preparing the water features for the season. Staff is working on the final documents for close out and dedication to the City of Kennewick. Additionally, the planning and real estate departments are working on a parallel path to develop the map where we can add draft pricing for lots by utilizing the information from our

PORT OF KENNEWICK

REGULAR COMMISSION MEETING

MAY 11, 2021 MINUTES

market research study and the Multiple Listing Service (MLS). Ms. Hanchette stated staff will vet the pricing with an experienced group of real estate agents in the community.

B. Oak Street/Verbena Auction July 20, 2021

Ms. Hanchette reported that the auction will be held on July 20, 2021 and thanked Ms. Scott for coordinating calendars.

C. Letter of Support for City of Kennewick's Direct Appropriations Funding Application

Ms. Bader Inglima reported that the City of Kennewick is seeking to submit an appropriations request for federal funding to make improvements to the intersection at Quinault and Columbia Center Boulevard. Senator Murray's office is requesting that all applications for federal earmarks include letters of support. Ms. Bader Inglima inquired if the Commission had any questions regarding the draft letter of support (EXHIBIT E).

It is the Consensus of the Commission for the CEO to sign the letter of support for the City of Kennewick Congressional Appropriations request.

D. Public Disclosure Commission Reports and No-Conflict Statements

Ms. Scott reported that the deadline to submit the Commission's Public Disclosure Reports and no-conflict statements was April 15, 2021.

All three Commissioners have filed their F-1 Public Disclosure Report, and as of today, two Commissioners have filed their no-conflict statements.

Mr. Arntzen appreciated Commissioner Barnes raising this issue at the last meeting and stated it is always good to have a reminder of the conflict-of-interest issue or the appearance of conflict. Mr. Arntzen stated Port policy, as well as the RCW's, address conflict-of-interest or the appearance of conflict-of-interest issue. The Port policy states the Commission is deemed to know of and abide by all Port policies. Mr. Arntzen stated should the Commission want additional input or a deeper dive into the conflict-of-interest issue or the appearance of conflict-of-interest or the remote interest issue, he would be happy to work with Ms. Luke to present a refresher course on this topic.

Commissioner Barnes inquired if the statement he made at the April 27, 2021 Commission Meeting is sufficient or does staff need the statement in writing.

Ms. Scott stated Commissioner Barnes' statement is sufficient.

E. Commissioner Meetings (formal and informal meetings with groups or individuals)

Commissioners reported on their respective committee meetings.

F. Non-Scheduled Items

Ms. Scott emailed the links for the Washington Public Ports Association Spring Meeting and the Congress of New Urbanism virtual conferences to the Commission, if they would like to attend the conferences.

PORT OF KENNEWICK REGULAR COMMISSION MEETING

MAY 11, 2021 MINUTES

Mr. Kooiker has been working with Dan Legard, Finance Director for the City of Kennewick, finalizing the Interlocal Agreement for the partnership on the Washington Street improvements.

Ms. Hanchette gave a Zoom presentation to networking group regarding Columbia Gardens and recent Port improvements. Additionally, the Port welcomed Non-Fiction by Bookwalter, a new pop-up food truck at the food truck plaza.

Mr. Arntzen met with Ms. Bader Inglima recently and walked Vista Field and reported that the water features are up and running.

Commissioner Moak apologized for the interruption of his phone earlier in the meeting. Furthermore, Commissioner Moak does not have any official conflict of interests and as he identified earlier, he is Chairman of the Kennewick Housing Authority (KHA), which is a volunteer position and there is no additional compensation, no matter what. Additionally, Commissioner Moak is part of the Kiwanis Club project that is trying to install a project in Columbia Gardens, for which he receives no compensation. Commissioner Moak has continued to identify that he is part of those organizations. Commissioner Moak stated officially, he has no conflict of interest.

PUBLIC COMMENTS

No comments were made.

COMMISSION COMMENTS

No comments were made.

ADJOURNMENT

With no further business to bring before the Board; the meeting was adjourned 5:17 p.m.

APPROVED:

PORT of KENNEWICK BOARD of COMMISSIONERS

DocuSigned by:

Don Barnes

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Don Barnes, President

DocuSigned by:

Skip Novakovich

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Skip Novakovich, Vice President

DocuSigned by:

Thomas Moak

A35176A2D2CD413...

Thomas Moak, Secretary

**PORT OF KENNEWICK
Resolution No. 2021-05**

**Bringing Electric Vehicle Charging Stations to
Kennewick's Historic Waterfront and Vista Field**

**A RESOLUTION OF THE PORT OF KENNEWICK AUTHORIZING APPLICATION
FOR FEDERAL APPROPRIATIONS FUNDING FOR TEN (10) LEVEL-2
ELECTRIC VEHICLE (EV) CHARGING STATIONS**

WHEREAS, our organization has an opportunity to seek federal appropriations funding to install 10 Level-2 EV charging stations to help reduce carbon emissions, support clean energy, and foster environmental responsibility; and

WHEREAS, this resolution will demonstrate the Commission's commitment to this endeavor, and acknowledge the Port's ability to obligate federal funding in Fiscal Year 2022; and

WHEREAS, the Board of Commissioners considers it in the best public interest to complete the EV Charging Station project as described in the agenda report.

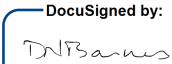
NOW, THEREFORE, BE IT RESOLVED that:


- *The Chief Executive Officer of the Port of Kennewick be authorized to make formal application for a Congressional Appropriations request of \$240,960.*
- *Our organization hereby certifies any required matching funds will derive from the value of the land Port of Kennewick is providing for siting the EV charging stations, and that appropriations funding received would be used for implementation of the project referenced above.*
- *This resolution becomes part of a formal application package.*
- *We provided appropriate opportunity for public comment on this application.*

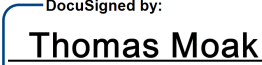
The resolution shall be effective immediately upon passage and signature by the Port of Kennewick Commissioners.

ADOPTED by the Board of Commissioners of Port of Kennewick this 11th day of May 2021 located at Clover Island in Kennewick.

**PORT OF KENNEWICK
BOARD OF COMMISSIONERS**

By: 
Don Barnes, President

By: 
Skip Novakovich, Vice-President

By: 
Thomas Moak, Secretary

**PORT OF KENNEWICK
Resolution No. 2021-06**

The Willows Infrastructure Project

**A RESOLUTION OF THE PORT OF KENNEWICK AUTHORIZING THE
APPLICATION FOR FEDERAL APPROPRIATIONS FUNDING TO DEVELOP
INFRASTRUCTURE AT THE WILLOWS TO SUPPORT MIXED-INCOME/MIXED-USE
HOUSING IN COLLABORATION WITH THE KENNEWICK HOUSING AUTHORITY**

WHEREAS, our organization has an opportunity to seek federal appropriations funding to create shovel-ready parcels for housing and business/employment opportunities within a distressed area that has been designated a Federal Opportunity Zone; and

WHEREAS, the Commission directed staff to collaborate with the Kennewick Housing Authority to explore relevant tools that can connect and build housing (serving individuals and families in transition from poverty following Covid, and homeless and at-risk veterans) following completion of the required road and utility infrastructure; and

WHEREAS, this resolution will demonstrate the Commission's commitment to this endeavor, and acknowledge the Port's ability to obligate federal funding in Fiscal Year 2022; and

WHEREAS, the Board of Commissioners considers it in the best public interest to complete The Willows Infrastructure Project described as follows:

The project will construct water, sewer, storm drainage, roads, sidewalks, streetlights, landscaping, parking areas, and other appurtenances to prepare shovel ready lots on a 6.7-acre site which is owned by the Port of Kennewick and zoned as Urban Mixed Use by the City of Kennewick. In addition, four level-2 electric vehicle (EV) charging stations will be installed. And the project will implement smart regional planning to incorporate transit connections, as well as bicycle and pedestrian pathways and related fixtures to connect The Willows site with the greater Benton-Franklin County region.

NOW, THEREFORE, BE IT RESOLVED that:

- *The Chief Executive Officer of the Port of Kennewick is hereby authorized to make formal application for a Congressional Appropriations request of \$2,416,000.*
- *Our organization hereby certifies that any required share of matching funds derive from investments the port has previously made to acquire the land, clear the site, construct paved public pathways, install perimeter fencing, develop a community-driven master plan, and initiate preliminary design; and that this infrastructure project expands upon an additional \$24 million in public dollars already expended at Clover Island and Columbia Drive to revitalize that distressed neighborhood into a desirable residential waterfront located within a federally designated Opportunity Zone.*

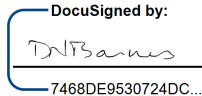
PORT OF KENNEWICK
Resolution No. 2021-06
Page 2

- *That appropriations funding received would be used for implementation of the project referenced above in support of a collaboration with the Kennewick Housing Authority efforts to expand opportunities for affordable housing to serve individuals and families in transition from poverty following Covid, seniors, and homeless and at-risk veterans.*
- *This resolution becomes part of a formal application package.*
- *We provided appropriate opportunity for public comment on this application.*

The resolution shall be effective immediately upon passage and signature by the Port of Kennewick Commissioners.

ADOPTED by the Board of Commissioners of Port of Kennewick this 11th day of May 2021.

PORT OF KENNEWICK
BOARD OF COMMISSIONERS

By:  7468DE9530724DC...

Don Barnes, President

By: ABSTAIN

Skip Novakovich, Vice-President

By:  A35176A2D2CD413...

Thomas Moak, Secretary

From: [Amber Hanchette](#)
To: [Bridgette Scott](#)
Cc: [Tim Arntzen](#)
Subject: FW: The Willows Resolution
Date: Tuesday, May 11, 2021 8:40:02 AM

Ron's public comment for today's commission meeting. ~Amber

From: Ron Swanby <ronswanby@gmail.com>
Sent: Monday, May 10, 2021 8:18 PM
To: Amber Hanchette <amber@portofkennewick.org>
Subject: Re: The Willows Resolution

Yes, that is what I meant.

On Mon, May 10, 2021 at 8:16 PM Amber Hanchette <amber@portofkennewick.org> wrote:

Did you mean "read into the public comment"? Just want to clarify for the record. Thank you for your submission. Amber

Get [Outlook for iOS](#)

From: Ron Swanby <ronswanby@gmail.com>
Sent: Monday, May 10, 2021 8:13:05 PM
To: Amber Hanchette <amber@portofkennewick.org>
Subject: The Willows Resolution

Hi Amber,

I will be unable to attend tomorrow's meeting. I would like my letter read in the pic Lux comments section. If my two minutes run out before it is fully read, I ask that the letter be posted in its entirety under the comments.

My name is Ron Swanby. I live at [110 S. McKinley Place, Kennewick](#).

I have questions about the Willows Resolution.

- 1) Is this resolution included in the Historic Waterfront District Master Plan by Makers? If not, I would ask that the commissioners refrain from moving forward until the Plan is completed and received.
- 2) Is this the best location for low income housing? After doing some research, there have been locations on 10th Avenue and 13th offered by the City for low income housing.
- 3) Does this meet the Port's original vision for this property, or, is this because Federal funding has been made available and you feel this is something that you must do to get "grant monies"?

4) What kind of effect do you think this will have on potential investors for the surrounding properties you plan to sell?

5) Will this increase or decrease the values of surrounding properties and longtime businesses?

6) Have the surrounding neighborhoods and businesses been considered or informed? I understand everyone has the same opportunity as I do to review the meetings, agendas, and be informed. In the real day to day grind, I would guess that less than 2% of our community pays any attention until after the decisions have been made, and that percentage might be on the high side. Out of all the meetings I have either attended or listened to, the most common attendee is a Richland man who lives on Snyder Street.

This does not change my desire or interest in growing my business in Columbia Gardens. I do agree we have an epidemic for affordable housing in our city. I believe this is admirable that you would be inclined to consider this endeavor. Millions of dollars have already been spent on cleaning up the area, which entailed removing a low income area in the same location. I understand how other businesses think, whether I agree or disagree with them, and I truly believe this will pose as a hindrance for reaching the right investors to complete the vision of the revitalization of this area.

Thank you for your time,

Ron Swanby

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Ron Swanby

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Ron Swanby

Klein Griffith Properties Group, LLC
2 Rose Ct.
Pasco, WA 99301

Phone: 509.212.7263
Email: andrew@kgprop.com
www.kgprop.com

Memorandum



May 11, 2021

Port of Kennewick
Commissioner Don Barnes, President
Commissioner Skip Novakovitch, Vice President
Commissioner Thomas Moak, Secretary
350 Clover Island Drive; Suite 200
Kennewick, WA 99336

Honorable Commissioners:

I am writing today to voice my concern for the potential harms to the area of Historic Downtown Kennewick posed by a suggested partnership with the Kennewick Housing Authority (KHA) at the proposed "Willows" development. I am opposed to their project as described in their letter attached to today's agenda.

While I am a firm believer in the work that is completed in our community to provide safe, and affordable housing to those of modest means, their proposal for the Willows is not the right fit for an area of our community that is rapidly developing into a prime retail and residential jewel in the Tri-Cities. Significant private and public investment has already been made in the Historic Downtown and there is a clear trajectory the neighborhood is following to complete re-vitalization. Removing significant amounts of available development property from the community and granting those lands to a government agency has the potential to slow, if not halt, the momentum that Downtown Kennewick is experiencing.

I would encourage the Port to instead consider partnering with like-minded private developers who have Kennewick's economic development as their first priority.

Thank you,

Andrew S. Klein

Andrew S. Klein, P.E.
Klein Griffith Properties Group, LLC

PORT OF KENNEWICK

HISTORIC WATERFRONT DISTRICT MASTER PLAN



Draft Plan Commission Presentation
May 11, 2021

PROJECT PURPOSE AND TODAY'S GOALS

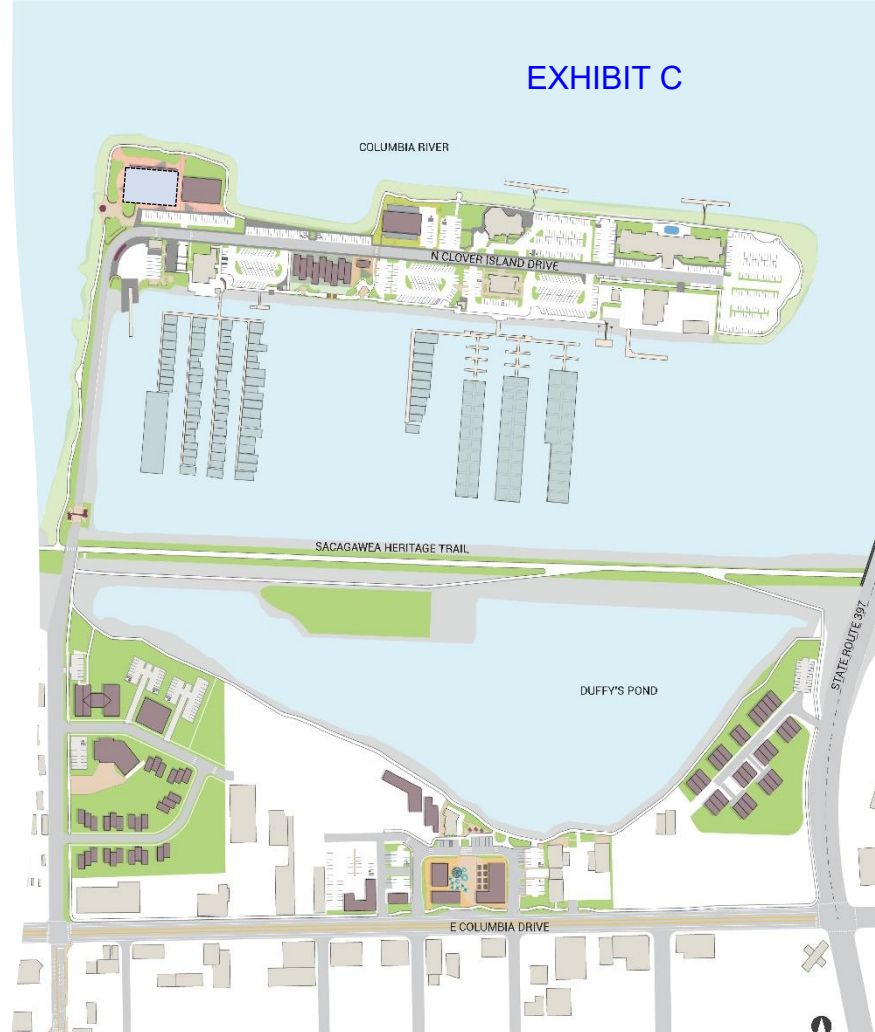
PROJECT PURPOSE

- Update the Clover Island Master Plan and tie into greater district
- Identify future uses of Port-owned property
- Respond to the area's evolving context
- Position the district to meet Port and community objectives

TODAY'S GOALS

- Summarize major outreach take-aways
- Review master plan recommendations

EXHIBIT C



PROJECT OVERVIEW

PHASE I ASSESSMENT

★ Stakeholder interviews

★ Discussion groups

Needs assessment

★ Open House #1 – initial
needs assessment

★ Commission briefing

★ **COMMUNITY ENGAGEMENT**

PHASE 2 ALTERNATIVES

Alternatives development

Economic & transportation
analysis

★ Open House #2 –
alternatives evaluation

★ Commission briefing

★ Preferred concept selection

PHASE 3 MASTER PLAN

Recommendations refinement

Phasing & implementation
strategy

★ Open House #3 – draft
recommendations

★ Commission briefings

Draft and final plan

INNOVATIVE VIRTUAL ENGAGEMENT STRATEGY

TARGETED DISCUSSIONS

- 12 individual interviews
- 6 group interviews
- 4 discussion groups
- **56** total stakeholders

OPEN HOUSES

- 3 virtual open houses
- **2,365** unique users
- **168** comments
- **137** survey responses



COMMUNITY PRIORITIES



WATER

Celebrate views, access, and connection to water



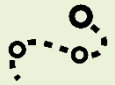
LOCAL AMENITIES

Retain and add amenities with a local focus



SAFETY

Address concern about blight and safety at night



TRAILS & NATURE

Complete and upgrade trails and support connection to nature



PARKING

Concern over increased vehicle and boat trailer traffic with more development



LIVING & VISITING

Add a boutique hotel and appropriately scaled and sited mixed-use residential

ECONOMIC ANALYSIS TAKE-AWAYS

EXHIBIT C

RECOMMENDATIONS

- Emphasize a balance of uses, activated public spaces, and strong circulation network throughout, especially to connect the Willows to Columbia Gardens
- Residential is the most economically viable use in the near term; can be a key revenue-generating and 24-7 activating anchor for the district

CAUTIONS

- “Vertical” stacked mixed use is more expensive, complex, and harder to finance than side-by-side “horizontal” mixed-use



PLAN RESPONSES



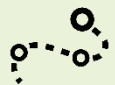
WATER

- Increases areas that accommodate and encourage community gathering and recreation areas near water
- Provides additional river viewpoints



LOCAL AMENITIES

- Adds eateries on Clover Island and at Columbia Gardens
- Builds an artisan market and pop-up retail to highlight local businesses



TRAILS & NATURE

- Completes Clover Island and Duffy's Pond trails and connects to local trail network
- Enhances ecology of Duffy's Pond

EXHIBIT C



Source: Kim Fetrow Photography



PLAN RESPONSES



SAFETY

- Adds trail lighting and increases foot traffic for enhanced safety
- Continues to develop safe walkways and open spaces designed for all ages



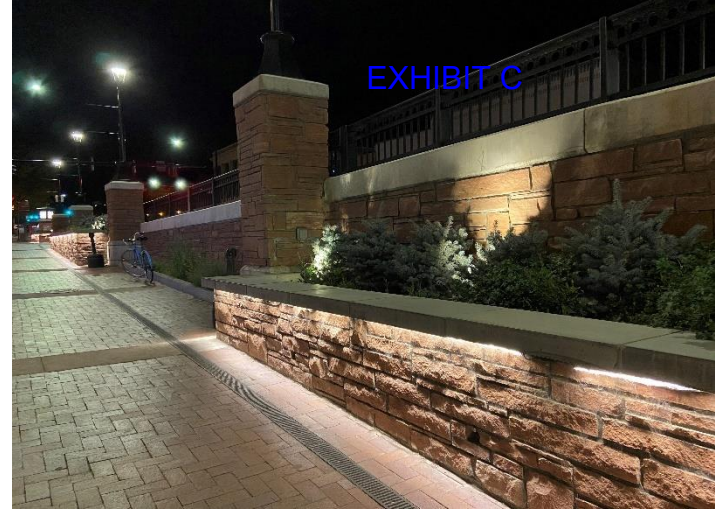
PARKING

- Designates parking around amenities and area trail network
- Increases signage to alternative launch at Columbia Park for peak weekends



LIVING & VISITING

- Reduces scale of planned development and prioritizes retaining river views
- Benefits district with increased patrons and revenue





RECOMMENDATIONS

RECOMMENDATIONS

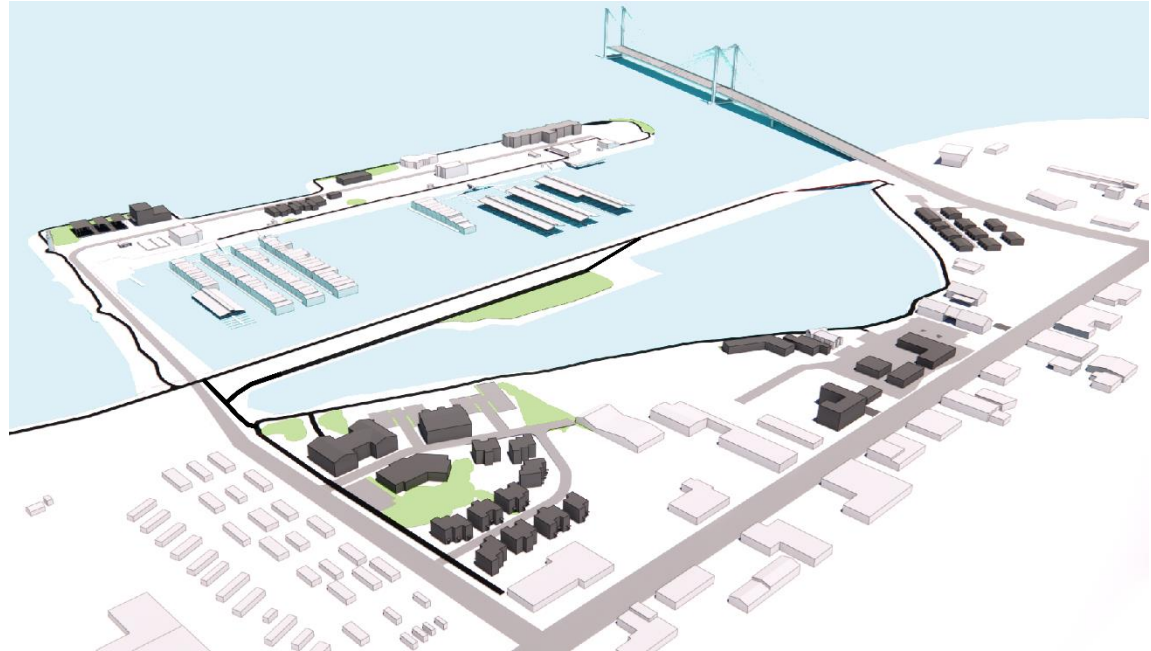
Create a unique waterfront community that provides a dynamic place to live, play, explore, and gather.

CLOVER ISLAND

Enhance programming and amenities and develop a vibrant activity center around a central restaurant cluster

COLUMBIA DRIVE

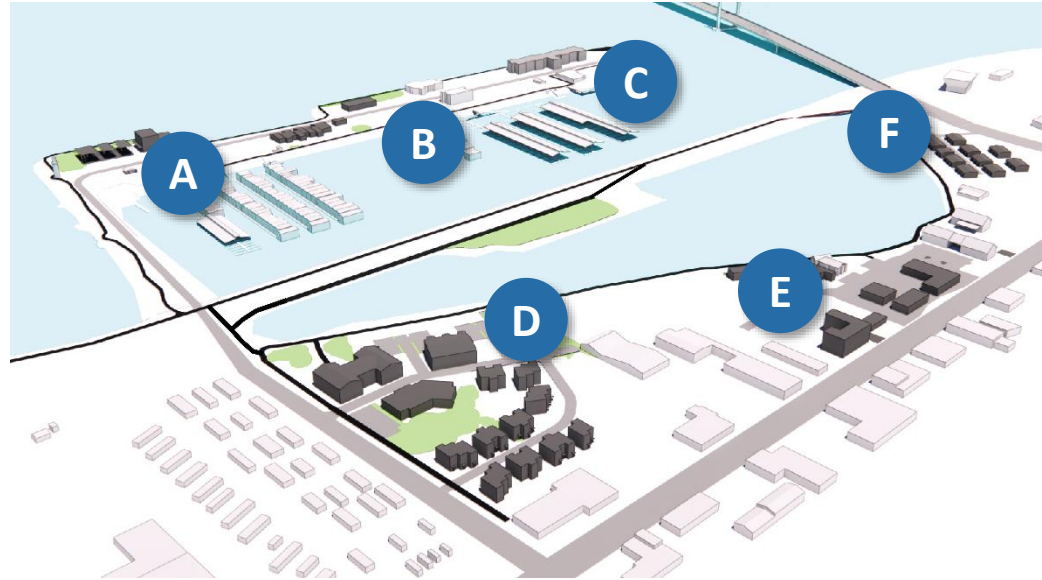
Build on Columbia Gardens as a catalyst for additional destination and revenue-generating opportunities



RECOMMENDATIONS

EXHIBIT C

- Balance public enjoyment spaces and activities with revenue-producing uses
- Invest in activated public spaces and strong connected circulation network
- Create six destination hubs
 - Activate with retail and recreation
 - Provide for all-season enjoyment of river views and district exploration
 - Create visual links that draw people from one hub to the next
 - Provide year-round activities for the community to enjoy



Note: labels denote nodes, draft phasing outlined in plan

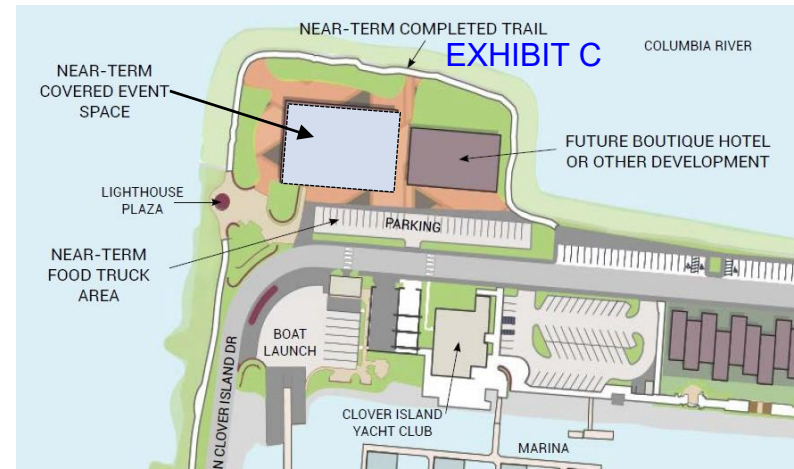
CLOVER ISLAND WEST

CELEBRATION SPACE

Vision: *Leverage the lighthouse to draw people to the island*

- Add rentable, all-season event space to host cultural celebrations, weddings, farmers markets, and other small music/arts events
- Extend plaza and provide park and picnic areas facing waterfront
- Consider event parking shuttles and maps to alternate boat launches for peak weekends

Future Ideas: Market signature development site for a future a multi-story office, residential, or boutique hotel with ground floor celebration space



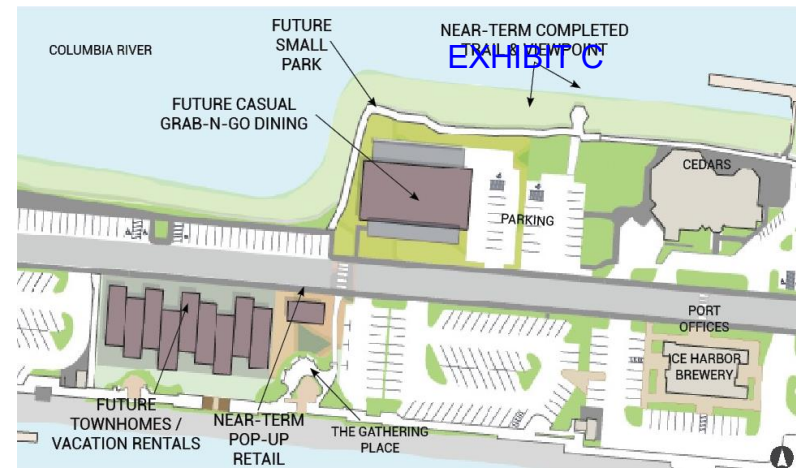
CENTRAL CLOVER ISLAND

ACTIVITY HUB

Vision: *Activated node with inviting gathering spaces*

- Recruit eating options complementary to Cedars and Ice Harbor Brewery capitalizing on water views
- Add gathering space with activities, such as a small splash park
- Pursue seasonal and pop-up retail until demand grows; work toward year-round activity

Future Ideas: Market unique residential location to river enthusiasts



CLOVER ISLAND EAST

CONNECTED GATHERING SPACE

Vision: Entertainment, recreation, and view destination

- Enhance entertainment space to host a wide range of events
- Work with Clover Island Inn to improve exterior and connect to public trail network, especially around lease renewal
- Create eastern viewpoint showcasing Cable Bridge views
- Work with Coast Guard and interested parties to connect trail and add exercise features



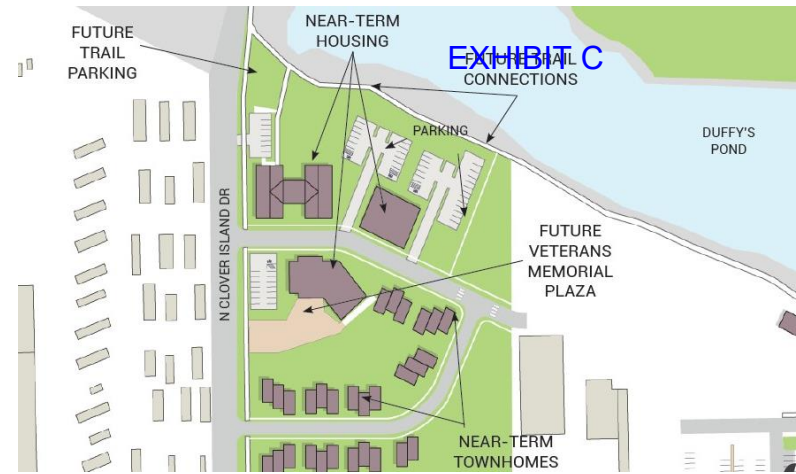
COLUMBIA DRIVE WEST

RESIDENTIAL CORNERSTONE

Vision: *Create thriving community on critical connecting and revenue-generating parcel*

- Develop with medium scale residential; market to those desiring a unique setting and waterfront view
- Provide parking to support visitors and trail users
- Connect to Duffy's Pond from N Clover Island Dr
- Maintain park like atmosphere by retaining healthy trees and adding new plantings

Future Ideas: Continue developing as demand grows, connect internal road, acquire adjacent parcels if opportunities arise



COLUMBIA DRIVE CENTRAL

ENERGETIC COMMERCIAL CORE

Vision: Build on wine village with complementary uses, crafts, and food

- Connect pathways around Duffy's Pond and improve ecology
- Develop incubator space for local artisan market and other open-air retail that builds on brewery/winery culture; distinguish design and offering from recent Port of Pasco development
- Explore option to build a children's playground
- Utilize open spaces for pop-up events and performances

Future Ideas: Attract a restaurant or brewery overlooking Duffy's Pond



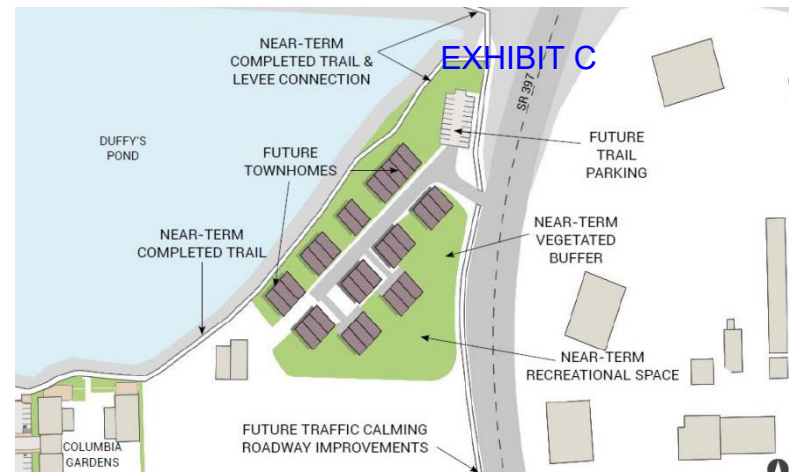
COLUMBIA DRIVE EAST

DISTRICT-SUPPORTING DEVELOPMENT

Vision: Leverage location and park-like quality to attract revenue-generating uses, bring customers, and connect to district amenities

- Explore near term activation options such as a dog park; consider maintenance, potential liability, and potential to set long term expectations
- Evaluate proposals for highest and best use aligned with the district vision
- Designate parking to support district visitors and trail users
- Maintain privacy with a vegetated buffer

Future Ideas: Acquire adjacent parcels if opportunities arise





PLAN IMPLEMENTATION

IMPLEMENTATION STRATEGY

- Focus on key investments on the northwest corner of Clover Island and at Columbia Gardens
- Build partnerships with local organizations to activate district with events, pop-up retail, food trucks, etc.
- Support City efforts to improve Washington Street and Columbia Drive and adopt design standards for the greater area; partner to add wayfinding and improve connections to downtown
- In recognition of its unique setting and community value, maintain ownership of Clover Island and pursue opportunities to acquire district properties
- Consider district marketing, programming, and development when identifying staff priorities and setting future budgets

EXHIBIT C

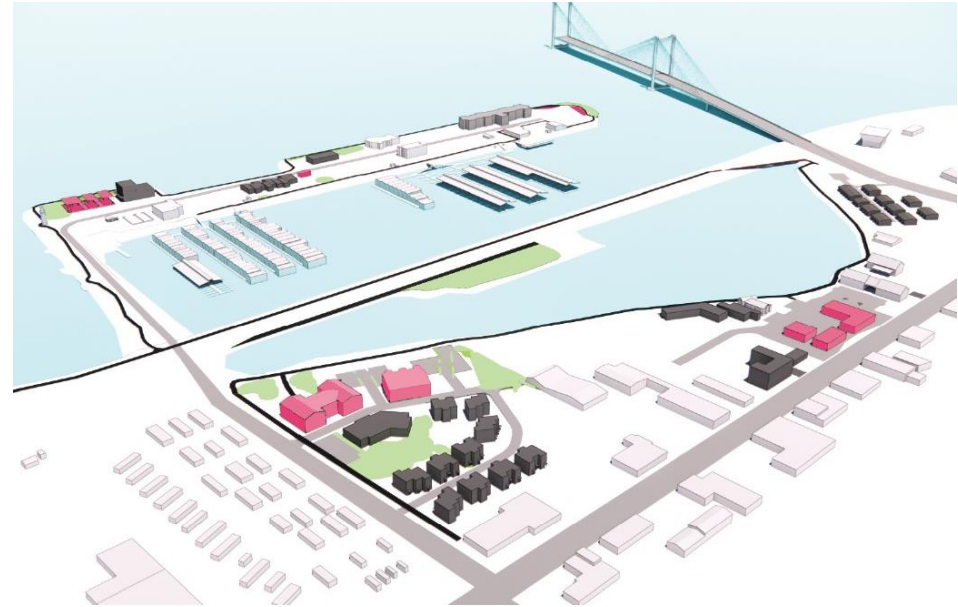


NEAR TERM (2022-2026)

EXHIBIT C



- Raise awareness and create energy and excitement around the district through programming and partnership
- Prioritize investments that attract people to the area including the event spaces and community amenities
- Market development parcels focusing on The Willows and Columbia Gardens
- Support City's roadway safety improvements

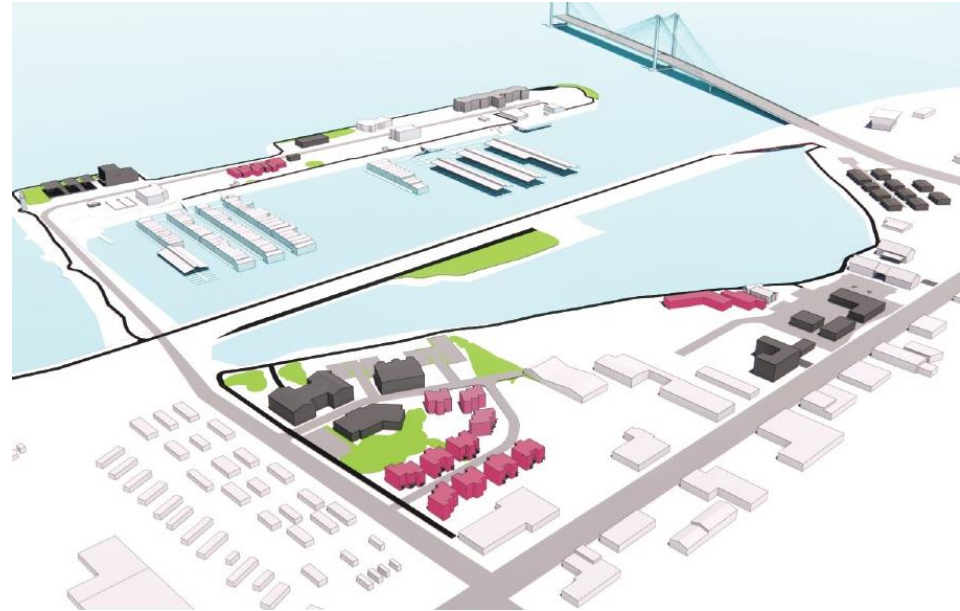


MEDIUM TERM (2027-2031)

EXHIBIT C



- Build on momentum created to market additional parcels for development on Clover Island and at The Willows and Columbia Gardens
- Add parking and amenities

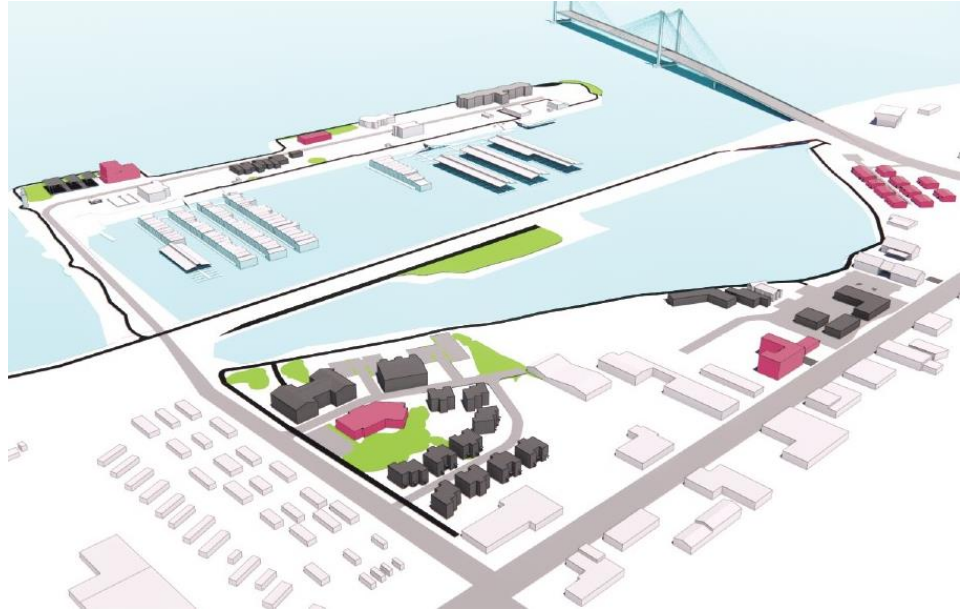


LONG TERM (2032-2041)

EXHIBIT C



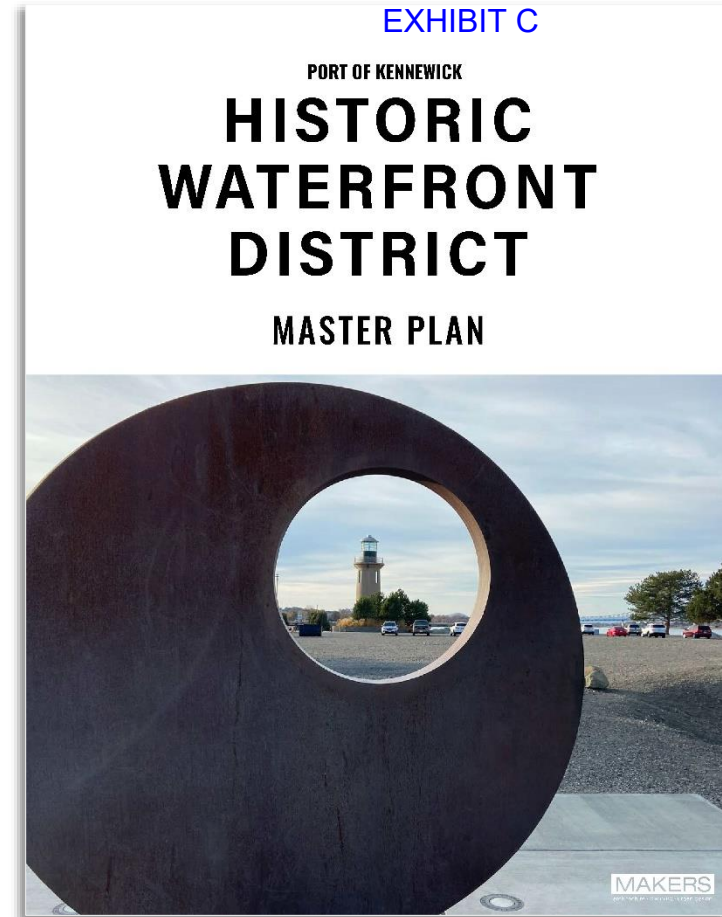
- Attract a casual dining restaurant and signature development on Clover Island
- Secure development of Cable Greens and remaining parcels at The Willow



NEXT STEPS

- Commission briefings
 - May 25th
 - June 8th
- Final master plan

COMMENTS? QUESTIONS?





Housing Authority City of Kennewick

EXHIBIT D



May 4, 2021

The Honorable Patty Murray
United States Senator for Washington
154 Russell Senate Office Building
United States Senate
Washington DC

RE: COLLABORATIVE PARTNERSHIP AND LETTER OF SUPPORT FOR THE WILLOWS PROJECT

Dear Senator Murray:

The Housing Authority City of Kennewick (KHA) is delighted to collaborate and partner with the Port of Kennewick on *The Willows* mixed income/mixed use housing development project located in historic downtown Kennewick. The project is zoned *Urban Mixed Use* which will allow more density than a traditional housing development project in another area within our community. The increased density zoning, coupled with a property located in a federally designated Opportunity Zone, coupled with the site of the property near the river with water views, will make this project an extremely attractive opportunity for the development of a mixed income housing project.

KHA fully embraces the Port of Kennewick's draft Master Plan for this community. The ongoing planning process has previously engaged community members, businesses, partners and other stakeholders. This input has helped the Port of Kennewick identify challenges, opportunities and potential synergies with neighboring plans and projects along Columbia Drive, in downtown Kennewick, across the river on Port of Pasco property and in the broader Tri-Cities community. With this input, the Port has gathered sufficient information with regard to community needs and our community's vision for development along this stretch of waterfront. We are honored to be asked to partner on this project.

KHA has developed three modest income housing projects in the last seven years. These projects target very low to extremely low income individuals and families. Early in 2014, we discussed partnering with the Port of Kennewick at Vista Field on the development of a workforce housing development project (120% area median income and below) and attended the planning and design charrette process. We hope to continue those discussions in a future year. The Willows, I envision, could serve this same population and should include market rate rental and possibly homeownership units as well as a portion of the units being available for low income families.

As KHA develops and refines our affordable housing development strategies, it has become apparent that a broad spectrum of housing development strategies are needed within our community because vacancy rates are extremely low and even families who are at the 80-120% of area median income bands and beyond are struggling to find decent, safe and sanitary housing with affordable rents. Expanding our resources to develop mixed income, mixed use projects in partnership with the Port will also have the added benefit of adding a sustainable revenue source which KHA would then turn around and utilize for the development of additional traditional affordable housing projects on different sites for individuals or families within the lower income bands as well as potentially develop additional micro homes projects for the homeless. Given that KHA is a mission-driven entity; we strive to keep rents affordable for all families regardless of income. With rents set at a reasonable level and the location, I anticipate that the units would have a relatively high rate of occupancy and a long waiting list. Families living in a mixed income

community create vibrant, livable communities. The children thrive and this community, I suspect, would become a community of opportunity.

I envision a project where a third of the units developed are townhomes which are possibly sold to families rather than developed as rental units. There is a potential scenario where the Port could long-term lease the land at a modest cost, and the potential homeowner could purchase the improvements on the land and pay a yearly modest lease payment on the land enhancing overall affordability of the home. The homeownership units could be developed as townhomes which would further drop the cost of construction and enhance affordability for families and fit within the Master Plan goals. The pride of ownership first-time homebuyers will have for their homes would enhance the sense of ownership and stewardship of *The Willows*. The Juneau Land Trust in Alaska is an extremely high-priced market and developed a number of small footprint (~850 sq.ft.), two bedroom homes and this was an extremely effective strategy to develop homes for their first-time homebuyer market. Resale agreements were executed on the improvements which allowed the homes to remain affordable to new owners into the future. This strategy could produce high quality new homes for sale to first-time homebuyers at reasonable prices in a desirable neighborhood just off the river and adjacent to a commercial corridor where perhaps families would live, play and work. In the scenario in Juneau, the Neighborhood Stabilization program (NSP) which was a part of the HERA Act in 2008, provided the seed money for this program. In partnership with the Trust, the state housing finance corporation and the school district the homes were built. With Build Back Better, the FY2022 budget, and other state-funded development programs, similar strategies could be developed that would enhance the development of *The Willows* project as well as other projects throughout our community. A broad, innovative approach is warranted with developers being nimble and responding to local needs and conditions.

Within a mixed income housing project, a portion of the unit rents will be set at market rate, but with a mission-driven partner, unit rents possibly could be set closer to HUD Fair Market Rents and set for sustainability rather than set for profit margin. The units would not have subsidy but would enhance affordability for all levels of resident income. Another strategy could be the use of Housing Choice Vouchers or designated set-aside units within the unit mix developed by team members to make the project accessible for families at all levels of income. Many families with two wage earners who are not low income still struggle to pay market rate rents in our community. Due to the source of income discrimination law that the Legislature enacted a few years ago, a voucher holder who met all criteria, passed a background check, and was otherwise fully qualified and the unit was affordable for the family, would be eligible to rent a market rate unit at this property. Landlords across the state cannot turn away renters solely because a portion of their rent is being paid via a rental voucher, so this project will be a mixed income development. KHA provides over \$500,000 each month in rental assistance to private landlords.

This project also envisions development of senior housing and a Veteran Memorial Plaza on site as well as multiple green spaces, walking paths, possible gardens and community spaces. Expanded veteran housing opportunities are severely needed within our community, especially for female veterans. KHA administers the Veterans Affairs Supportive Housing (VASH) program and we also work directly with the other veteran programs in our area. If this project moves forward we plan to reach out to Columbia Basin Veteran's Coalition and Blue Mountain Council as well as the case management staff at the Veteran's Administration who we work with on a daily basis for input into the potential to have a veteran housing set-aside within this project. KHA is committed to serving veterans as evidenced by our veteran preference and our designation of three set-aside units for veterans in our latest project. In working with the Port on this project, I envision that we would explore how to best incorporate veteran housing and explore best practices in senior housing

development and how to seamlessly blend senior space into the overall project plan. Ridgeline Terrace in Anchorage, Alaska developed by Cook Inlet Housing Authority has successfully melded family housing and senior housing on the same seven acre site.

KHA, if we were a developer as well as a housing assistance provider, would also explore the potential for an ultra-high energy efficiency grant through the Department of Commerce if this program continues to be available. Our current project for the homeless is a net zero project.

In terms of viable partnerships, KHA partnered with the City of Kennewick on a Department of Ecology application for the development of a ten acre site in downtown Kennewick, repurposing from a Procurement Department site to a site for 110 units of affordable housing. We were one of seven grants awarded in the state of Washington and have received environmental clearance and hope to develop the site into affordable housing and possibly respite services and a learning center once the City of Kennewick's staff secure funding to move their services off-site. We plan to have set-asides for veterans, persons with disabilities and the homeless within this community. We are supportive of housing development opportunities in our community for all levels of income. We also have a number of service partnerships in place and are members of the Human Services Coalition and the Continuum of Care.

In terms of development financing strategies, having a piece of property with secured site control, that has infrastructure developed, with a master plan in place, is a dream come true for any developer and makes a substantially "shovel-ready" project which, in turn, increases the potential for access to construction funding through public or private sources. Should the proposed commercial development element become reality, this addition may provide employment opportunities for a portion of the residents.

The Housing Cooperation Law, RCW 35.83, provides opportunities for housing authorities and public entities to work together in the creation of affordable housing. KHA has utilized this law to facilitate zoning changes via ordinance, fee reductions and could be utilized in this project.

With KHA as a partner, at least 5% of all units developed will be handicapped accessible with universal design features and 2% will be fitted with sight/sound features. Sidewalks, common areas and office space will be accessible as well. Within the senior community on this site, the Port and KHA would explore best practices and look at the need for fully accessible units for the majority of units within the senior complex as well as the potential for on-site health/wellness services.

We are so excited about the opportunity to partner on this innovative project. We are fully supportive of the infrastructure project and of the work already done by the Port with regard to the vision for this project. I feel that installation of infrastructure will allow the Port and KHA and other partners to quickly develop a shovel-ready project, bring on additional partners, and allow us to jointly serve families at all levels of income in our community which will, in turn, enhance economic opportunities and revitalize Kennewick's Historic Waterfront District.

Sincerely,



Lona Hammer, PHM
Executive Director



350 CLOVER ISLAND DRIVE, SUITE 200, KENNEWICK WASHINGTON 99336 509-586-1186 WWW.PORTOFKENNEWICK.ORG

May 11, 2021

The Honorable Patty Murray
United States Senate
154 Russell Senate Office Building
Washington, D.C. 20510

Dear Senator Murray:

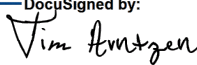
The Port of Kennewick is providing this letter as documentation of our support for City of Kennewick's request for appropriations funding to widen and reconstruct the Quinault and Columbia Center Boulevard intersection which helps serve Vista Field.

Port of Kennewick is working to establish Vista Field as a regional town center by redeveloping a former 103-acre airfield with new living options; visitation and entrepreneurial ventures that create new jobs; and civic amenities, entertainment and recreation opportunities in the heart of the Tri-Cities' commercial core. We very much appreciate the City of Kennewick's efforts to enhance the transportation network that serves and supports the Vista Field District. And the improvements proposed for the Quinault and Columbia Center Boulevard corridor will help our community recover as we transition out of the pandemic.

We understand that the City's project is far along in its design development and is one that can move swiftly to construction. As the regional cluster for retail, entertainment, medical, insurance, and financial agencies, continued efforts to improve the transportation network that supports Vista Field as a critical business center are essential.

We applaud the City of Kennewick's appropriations request as a way to protect and improve our community transportation network, and to sustain and improve our regional economy.

Sincerely,

DocuSigned by:

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Tim Arntzen
Chief Executive Officer