



REGULAR COMMISSION MEETING

PORT OF KENNEWICK

JULY 26, 2016 MINUTES

CALL TO ORDER

Commission President Skip Novakovich called the Regular Commission meeting to order at 2:00 p.m. in the Port of Kennewick Commission Chambers located at 350 Clover Island Drive, Suite 200, Kennewick, Washington 99336.

The following were present:

Board Members: Skip Novakovich, President
Thomas Moak, Vice-President
Don Barnes, Secretary

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

PLEDGE OF ALLEGIANCE

Mr. Kyle Cox led the Pledge of Allegiance.

APPROVAL OF THE AGENDA

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

PUBLIC COMMENT

Linda Lehman, 505 Bell Avenue, Benton City. Ms. Lehman, Benton City Mayor, thanked the Commission for the invitation to attend today's meeting and offered some background on the waterfront. A few years ago, Ms. Lehman had the great opportunity to work with Michel Mehaffy, of DPZ, pro-bono. Mr. Mehaffy submitted a preliminary assessment regarding development of the waterfront, which is an asset that the City should look at developing. Benton City is creating a brochure that highlights several areas and features the waterfront, downtown and the connection across the railroad bridge to the Red Mountain trails. Ms. Lehman has hired an artist to complete a rendition of what the waterfront could look like with additional features such as a boardwalk. Although this is a small project in terms of what the Port undertakes, Ms. Lehman is hoping the entities can partner on the project in the future.

No further comments were made.

CONSENT AGENDA

Consent agenda consisted of the following:

A. Approval of Direct Deposit and E-Payments Dated July 19, 2016



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Direct Deposit and E-Payments totaling \$46,979.22

B. Approval of Warrant Registers Dated July 26, 2016

Expense Fund Voucher Numbers 38096 through 38148 for a grand total of \$155,615.19

C. Approval of Commission Meeting Minutes Dated July 12, 2016

MOTION: *Commissioner Moak moved for approval of the Consent Agenda, as published; Commissioner Barnes seconded. With no further discussion, motion carried unanimously. All in favor 3:0.*

PRESENTATION

A. Brand Implementation Leadership Team (BILT) Presentation

Ms. Bader Inglima stated several members of the Brand Implementation Leadership Team (BILT) are in the audience: Kyle Cox, Hector Cruz, Gretchen Strother Guerrero, and Emily Estes Cross. Mr. Cox will be updating the Commission on the regional brand and how it is being implemented.

Mr. Cox, Executive Director of Mid-Columbia Libraries, serves on the Brand Implementation Leadership Team (BILT), which is a partnership with Visit Tri-Cities, Tri-Cities Regional Chamber of Commerce, and TRIDEC. In 2014 Kris Watkins, Lori Matson, and Carl Adrian introduced the new regional brand and Mr. Cox will highlight how the brand has been implemented, the implementation goals, and outline ways the Port can take advantage of the regional brand.

Mr. Cox stated the benefits of branding include:

- Puts Tri-Cities on the Map;
- Recognition and Loyalty;
- Image of Quality;
- Distinction from Competitors;
- Build a Culture for Forward Acting;
- Increased Revenues.

Several years ago, Roger Brooks was hired by Visit Tri-Cities, Tri-Cities Regional Chamber of Commerce, and TRIDEC to perform a study that focused on the region. As a result of the study, Mr. Brooks provided thirty-seven recommendations on how to implement the regional Tri-Cities brand. Visit Tri-Cities, Tri-Cities Regional Chamber of Commerce, and TRIDEC immediately began incorporating the brand into their messaging and visual elements. The number one recommendation was to create a Brand Implementation Leadership Team, which is a group of people that represent the community in implementing the Tri-Cities mission:

The mission of the Bolder Brighter Better brand is to help the Tri-Cities create the community we want: To be one of the Northwest's best destinations to live, work, and play by creating a community identity, gathering places and products.

BILT has three committees: marketing, festivals and events, and product development. The marketing committee has completed a brand style guide and is now focusing on a social media campaign and related activities to build local awareness of the brand. The festivals and events committee are encouraging the use of the brand to outside organizations and have met with a



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number of event planners, to cultivate events that reinforce the brand. The product development team has taken an inventory of Tri-Cities assets, identifying primary contacts and providing any necessary support. Furthermore, the group has been tasked with identifying what the Tri-Cities community wants but do not possess. BILT is made up of a diverse cross section of our community and representatives from the cities, ports, counties, and staff from Visit Tri-Cities, Tri-Cities Regional Chamber of Commerce, and TRIDEC.

Mr. Cox stated the marketing materials are focused on visitors and community members and Visit Tri-Cities has included the new brand in their print, online and television marketing campaign for tourism. The brand has been incorporated in local websites and other media by different groups, such as the Tri-Cities Airport, Downtown Kennewick, and Tri-Ports. Mr. Cox stated BILT is reaching out to event planners, festivals and hotels to encourage and incorporate the brand into as many venues and touchpoints as possible. Mr. Cox stated the most important item to consider is BILT does not want promote the visual brand and not have the actual products to reinforce the brand and applauds the Port for moving our community forward.

Mr. Cox indicated additional marketing campaigns could include the following items:

- Marketing Collateral and Messaging;
- Website;
- Tri-Cities Logo;
- Brand Colors;
- Exclamation Points and Fist Pumps;
- Brighter, Bolder, Louder, Smarter;
- Brand Experience in New Products.

Mr. Barnes thanked Mr. Cox for the update and stated the Roger Brooks study pointed out obvious deficiencies in the Tri-Cities and the Port is taking steps to make the region a better place to live and visit. Mr. Barnes is very optimistic that the redevelopment of Vista Field will address the deficiencies the Tri-Cities is lacking. Mr. Barnes thanked BILT team for their efforts and Mr. Moak's work and representation on the BILT team.

Mr. Moak serves on BILT and appreciates the opportunity to represent the Port. Rebranding is a long term project and a number of things have been accomplished, some subtle, some bolder and brighter. Mr. Moak stated places like Vista Field and other economic development opportunities take time and if we believe it will happen overnight, it won't. However, if we don't think it will happen at all, it certainly won't. There are a lot of people who are invested in making the branding successful to highlight the Tri-Cities. Mr. Moak believes the Port plays a big part in implementing many of the recommendations from the Roger Brooks study as well as the cities and counties and private investments. Mr. Moak is proud to be part of it and is excited about the future.

Mr. Novakovich stated anything worthwhile takes time to do it right. Mr. Novakovich inquired if the branding would affect the type of signage used at Vista Field or Columbia Gardens.

Mr. Cox stated wayfinding is part of Mr. Brooks' recommendations and asked Ms. Strother Guerrero to elaborate.



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Ms. Strother Guerrero stated the Tri-City Rivershore Enhancement Council (TREC) has been working on wayfinding and Ms. Bader Inglima serves as the Port representative on TREC. Ms. Strother Guerrero reported the wayfinding consultant developed three initial concepts and presented the concepts for community input. The local entities can incorporate the concepts which can be subtle or bigger and brighter.

Mr. Cox indicated an organizational branding effort takes seven years to implement, however, we are attempting to brand a region and it is a very monumental effort and it will take time to get where we want to be and get the community buy-in.

OLD BUSINESS

A. Vista Field Various Policy Directives

1. Guidelines for Development Proposals; Resolution 2016-20

Mr. Arntzen presented the Guidelines for Development Proposals for Vista Field, Resolution 2016-20. The document includes comments from Commission, staff, counsel and DPZ consultants, Mr. Mehaffy and Mr. Qamar. The Guidelines for Development Proposals addresses the method by which the Port would provide public notice of Vista Field development opportunities and the process by which the Port shall receive, evaluate and accept development proposals.

MOTION: *Commissioner Moak moved for approval of Resolution 2016-20, adopting the Guidelines for Vista Field Development Proposals; Commissioner Barnes seconded.*

Discussion:

Mr. Barnes stated the DPZ Study estimated that Vista Field, at full build out, will be valued at approximately \$500,000,000. This document will be the instrument the Port uses primarily to go from where we are now to full build out. The document is very important because the work at Vista Field will not only be completed by the Port but with our jurisdictional partners and the private sector. Mr. Barnes thanked staff and Ms. Luke for all of their work on the document and this is a great starting point.

Mr. Moak views Vista Field as a premier urban development in the bolder, brighter Tri-Cities and how we move forward and implement is a very new process as well. The Guidelines for Development Proposals is a dynamic process and as the Port moves forward, there will be a lot to learn as we work with developers, and processes may change. This is an exciting time for the Port and the document will allow staff and the town architects to move forward to work with developers and for the Commission approve great projects.

Mr. Novakovich commended the Commission, staff and legal counsel for creating such an excellent and succinct document.



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PUBLIC COMMENT

No comments were made.

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

REPORTS, COMMENTS AND DISCUSSION ITEMS

A. Vista Field Update

Mr. Peterson stated Mr. Mehaffy and Mr. Qamar are completing the final elements that make up the Master Plan and include the Design Precedents, Design Standards, and Zoning Regulations. Mr. Peterson believes the draft should be available for the August 9, 2016 Commission Meeting.

Mr. Moak inquired if the DPZ presentation from the July 12, 2016 meeting was available to view on the Port website and asked Mr. Peterson if he sent an email to the Vista Field distribution list to let them know the presentation was available for viewing and comments were welcome.

Mr. Peterson stated the presentation is available on the Port website and thanked Mr. Moak for the reminder to send an email to the Vista Field distribution list regarding the presentation for public comment.

B. Benton City Riverfront Development

Mr. Arntzen believes there may be a potential opportunity for the Port to partner with Benton City on a small project. Mr. Mehaffy has volunteered his time to Benton City and worked on potential shoreline amenities and Mr. Novakovich has had conversations with the Mayor as well. Mr. Arntzen stated there may be an opportunity to partner with Benton City on a research project that could potentially enhance the rivershore area. Mr. Arntzen reported many of the jurisdictions are eligible for the Benton County Rural Capital funds, which will provide project opportunities to jurisdictions that otherwise may not be funded.

Mr. Novakovich inquired if the Port has entered into joint planning efforts with other jurisdictions.

Mr. Peterson stated the Port previously entered into joint planning efforts with Benton City for the Department of Natural Resources land that is within the Port district and funded the consultant to look at potential opportunities. Mr. Peterson reported the Port has been involved with joint planning opportunities with West Richland and Benton City.

Mr. Novakovich stated this opportunity would fall under the Port 2010 Budget Goals, which states the Port pursues projects with partners who demonstrate support.

Mr. Arntzen stated details have not been discussed, but he believes this is a good opportunity for matching funds.

Mr. Novakovich inquired if the Commission would like staff to pursue further details for a potential project with Benton City.



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Mr. Moak stated the Commission has been interested in partnering with jurisdictions where there is a shared cost and benefit. Mr. Moak holds Mr. Mehaffy in high regard and respects his work and believes the work he would complete for Benton City would benefit everyone. Mr. Moak stated with the Rural Capital County Funds there are opportunities to fund projects in a variety of ways that our own budget does not allow for and to be able to partner with Benton City falls within the scope of what the Port tries to accomplish.

Mr. Barnes is receptive to looking at a joint project with Benton City and all our jurisdictional partners. The Port has several ambitious projects under way, with limited staff and funding resources. Mr. Barnes stated it is important to be balanced and fair across the district and as the Port updates the Comprehensive Scheme and the 2017-2018 Budget, there is an opportunity look at projects throughout the Port District.

The Commission consensus is for staff to pursue a potential joint project with Benton City.

Mr. Arntzen thanked the Commission for the direction and stated he will continue to research additional opportunities. Furthermore, Mr. Arntzen stated if the Port pursues the project with Benton City, staff time would not be utilized, but the bulk of the work would be performed by the consultant.

Mr. Novakovich suggested staff meet with the Benton City Mayor for additional ideas.

C. Columbia Drive

1. Update

Mr. Peterson stated street excavation work will begin next week on Columbia Drive and should last no more than five days. Big D's is scheduled to complete the project on time and the City of Kennewick is currently out to bid for the streetscape, which will be awarded in August and begin in September.

2. Columbia Gardens Wine & Artisan Village Tenant Selection Committee; Resolution 2016-21

Mr. Arntzen stated before the Commission for consideration is Resolution 2016-21 which establishes the Columbia Gardens Wine and Artisan Village Tenant Selection Committee.

MOTION: *Commissioner Moak moved for approval of Resolution 2016-21, formalizing the Columbia Gardens Wine and Artisan Village Tenant Selection Committee; Commissioner Barnes seconded.*

PUBLIC COMMENT

No further comments were made.

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

D. Clover Island Marina Update

Ms. Hanchette reported on July 14, 2016 an individual accessed the Marina's B dock and stole a tenant's boat and subsequently beached the boat on an island. The individual called for help and



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the sheriff and coast guard were deployed. The boat was recovered and the individual was transported Lourdes Hospital and then fled the area. The Kennewick Police Department (KPD) is the lead investigating department on the case and has been working with staff to obtain all pertinent information. The status of the incident is that the individual is a known felon, who is believed to have left the area and the case has been turned over to the Benton County Prosecuting Attorney's Office.

The Port notified tenants of the situation and will send a follow up letter updating tenants on the course of action. Phoenix Patrol has offered to increase nightly patrols of the island at no extra cost for a certain period of time. Mr. Arntzen directed staff to compile budget information on security camera upgrades and other possible security measures. Ms. Hanchette reported several marina tenants shared personal security options such as third party security services, boat cameras, and WIFI hot spots. Furthermore, the marina tenants requested all gate access and that has been approved as well. Ms. Hanchette stated it is a terrible thing that happened and staff is taking it very seriously and supporting KPD.

Mr. Novakovich thanked Ms. Hanchette for her thoroughness and quick response. Mr. Novakovich inquired if the owner left the keys in the boat.

Ms. Hanchette stated it is her understanding that the individual located a set of keys on the boat. Ms. Hanchette has expressed to the tenants the importance of not leaving valuables on the dock, boat or vehicles.

Mr. Novakovich reiterated that he met with Ron Dunning, Port of Walla Walla Commissioner recently and Mr. Dunning spoke with a Clover Island Marina tenant who indicated he was very pleased with the marina and feels the Port has the best public marina around. Mr. Novakovich stated the Port is taking security seriously.

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

Commissioners reported on their respective committee meetings.

F. Non Scheduled Items

1. Mr. Barnes attended a financial update of the Port with Ms. Fine and Mr. Kooiker. Mr. Barnes confirmed with Ms. Hanchette that the West Marina Professional Building is fully occupied and that the Verizon property sale is complete. Mr. Barnes thanked Ms. Hanchette and staff for their work on both properties.

Ms. Hanchette reported the Verizon sale was completed two weeks prior.

2. Ms. Scott stated the July 22, 2016 joint meeting with the Confederated Tribes of the Umatilla Indian Reservation (CTUIR) will be rescheduled. Ms. Scott will be in touch with the CTUIR about a new meeting date and anticipates the meeting will be scheduled for later this fall.
3. Mr. Arntzen attended the Washington Public Port Association Executive Director Conference in LaConner, Washington. The conference was very educational and thirty-seven executive



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directors attended. Mr. Arntzen learned from the experiences of others and it was a good opportunity to exchange information. Mr. Arntzen appreciates the Commission allowing him to attend these conferences.

Mr. Novakovich attended the Benton County Rural Capital Funds press conference last week and Mr. Arntzen stated the County is placing emphasis on allocating funds to two or more jurisdictions working together and moving forward on a joint project. Mr. Arntzen stated the Port is currently working on a potential project with the City of Kennewick and as Mr. Novakovich indicated, the 2010 Port goals speaks to the Port working with partners who have some financial and/or other resources to bring to the table.

Mr. Arntzen has also been working with Cindy Reents, City of Richland City Manager and Pete Rogalsky, Public Works Director, on a potential partnership opportunity that fits within the Rural County Funds allocations and the Port's Budget Goals.

4. Mr. Peterson reported the Big Sky Rally cars were in downtown Kennewick last Thursday and made their way down to Clover Island and Ice Harbor. The cars began their rally in Montana and are headed to the Portland International Speedway.
5. Mr. Kooiker had a recent conversation with a marina tenant who has been with the marina for thirty-five years. She recently had health issues and indicated how she and her husband thoroughly enjoy the marina and appreciate how staff goes above and beyond for them.
6. Ms. Hanchette reported the hot new mobile game Pokemon Go, has many catchable characters on Clover Island and is bringing people of all ages to the Island.

PUBLIC COMMENTS

Justin Raffa, 1214 Gowan Avenue, Richland. Mr. Raffa is here to support Mr. Cox's presentation on the Brand Implementation Leadership Team. The Arts Center Taskforce, with the Mid-Columbia Ballet, the Mid-Columbia Mastersingers, the Mid-Columbia Musical Theatre and the Mid-Columbia Symphony approached BILT about incorporating the regional brand in marketing materials. The Mid-Columbia Performing Arts groups partnered with the design staff from Visit Tri-Cities and created the first ever joint Performing Arts Brochure, which incorporates the various aspects of the new regional brand. The brochure features the Performing Arts Groups and events and the middle section includes a special promotion piece which highlights the future Vista Arts Center that will be located in Vista Field. Mr. Raffa stated the brochure will be used for fundraising efforts by the Arts Center Taskforce for the Vista Arts Center.

No further comments were made.

COMMISSIONER COMMENTS

No comments were made.

Mr. Novakovich anticipates the Executive Session will last approximately 30 minutes, Site Selection per RCW 42.30.110(1)(b) and Real Estate Minimum Price per RCW 42.30.110(1)(c) with no action



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anticipated. Mr. Novakovich asked the public to notify Port staff if they will return after the executive session.

Mr. Novakovich recessed the Regular Commission Meeting at 3:19 p.m. for approximately 6 minutes.

EXECUTIVE SESSION

- A. Real Estate, per RCW 42.30.110(1)(b) – Site Selection*
- B. Real Estate, per RCW 42.30.110(1)(c) – Minimum Price*

Mr. Novakovich convened the meeting into Executive Session at 3:26 p.m. for approximately 30 minutes.

Ms. Hanchette exited the meeting at 3:56 p.m. and extended Executive Session for 10 minutes.

Ms. Hanchette exited the meeting at 4:06 p.m. and extended Executive Session for 10 minutes.

Mr. Novakovich adjourned the Executive Session at 4:16 p.m.

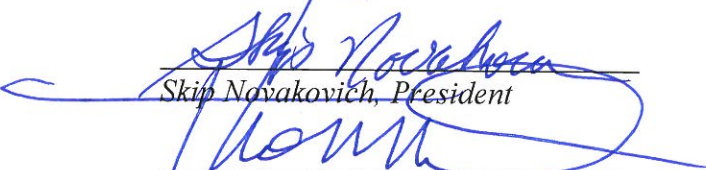
Mr. Novakovich reconvened Regular Commission Meeting at 4:16 p.m.

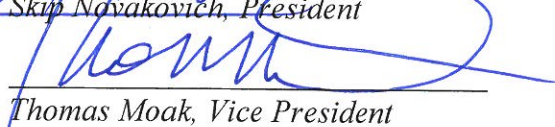
ADJOURNMENT


With no further business to bring before the Board; the meeting was adjourned 4:16 p.m.

APPROVED:

PORT of KENNEWICK
BOARD of COMMISSIONERS


Skip Novakovich, President


Thomas Moak, Vice President


Don Barnes, Secretary

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RESOLUTION 2016-20

A RESOLUTION OF THE BOARD OF COMMISSISONERS OF PORT OF KENNEWICK ADOPTING THE GUIDELINES FOR VISTA FIELD DEVELOPMENT PROPOSALS

WHEREAS, this policy is intended to provide the procedure by which the Port of Kennewick (Port) shall provide public notice of Vista Field development opportunities and the process by which the Port shall receive, evaluate and accept development proposals; and

WHEREAS, the Commission shall evaluate the effectiveness of this policy over time and reserves the right to expand, amend or rescind this policy as appropriate; and

WHEREAS, the Guidelines were prepared in consultation with DPZ architects and legal counsel; and

WHEREAS, the Guidelines have been discussed in several commission meetings and amendments have been offered and incorporated into the final edit, which is presented herewith.

NOW, THEREFORE BE IT RESOLVED, that the Board of Commissioners of the Port of Kennewick hereby approves and adopts the Guidelines for Vista Field Development Proposals as attached in Exhibit A, and directs the Chief Executive Officer (CEO) to take all action necessary to implement these procedures.

ADOPTED by the Board of Commissioners of the Port of Kennewick this 26th day of July, 2016.

PORT OF KENNEWICK BOARD OF COMMISSIONERS

By:


SKIP NOVAKOVICH, *President*

By:


THOMAS MOAK, *Vice President*

By:


DON BARNES, *Secretary*

PORT OF KENNEWICK
GUIDELINES FOR VISTA FIELD DEVELOPMENT PROPOSALS

These guidelines identify the procedure by which the Port of Kennewick (Port) provides public notice of Vista Field development opportunities and the process by which the Port shall receive, evaluate and accept development proposals. The Port Commission shall evaluate the effectiveness of this policy over time and reserves the right to expand, amend or rescind this policy as appropriate.

I. NOTICE OF DEVELOPMENT OPPORTUNITIES

In providing notice of opportunities for Vista Field development, the Port will prepare project information including a description of development-ready site(s); a description of the development types and styles desired; whether sites are for sale or lease; minimum price/terms; and reference to applicable Port planning documents (i.e. master plans, design standards, etc.).

The Port may post notice:

- A. On its website; on the “LoopNet” real estate site; on the MLS service for local real estate (if applicable);
- B. In the Tri-City Herald; Tri-City Business Journal; the Spokane Business Journal; the Puget Sound Business Journal and other similar publications;
- C. With specialty listing services, including:
 - 1. "Bidsync" (<https://www.bidsync.com/>);
 - 2. Urban Land Institute's "Marketplace" (<http://uli.org/programs/marketplace/>);
 - 3. “Findrfp.com” (<https://www.findrfp.com/State-RFP-Bid/Government-RFPS-bids-Washington-WA.aspx>);
 - 4. RFP Database (<http://www.rfpdb.com/>); and
- D. By other methods as appropriate, including making direct contact with potential developers.

II. RECEIPT OF DEVELOPMENT PROPOSALS

A developer wishing to develop available Vista Field property shall submit a Letter of Intent (LOI) describing the developer's experience and the proposed development concept for the site. In describing its experience, the developer shall address its:

- A. Demonstrated experience with municipal planning and permitting processes;
- B. Demonstrated experience with “New Urbanism”, “Smart Growth”, “Green Building” or similar development principles (if any);

- C. Financial capability, as evidenced by a letter of credit or other acceptable means, as confirmation of its ability to complete its proposed development, including a description of funding sources for property acquisition and construction of infrastructure and facilities;
- D. Relevant experience with similar development projects including:
 - 1. Project name, location, and description;
 - 2. Color images or other graphic material depicting the project;
 - 3. Total project budget and budget per phase (if applicable);
 - 4. Budget funding sources – equity partner, development lender, permanent lender, etc.;
 - 5. Total duration of project development and details regarding whether project schedule was met;
 - 6. Brief description of the development process;
 - 7. Consultants and contractors utilized and the role of each; and
 - 8. Major tenants (if applicable).
- E. Price and terms offered;
- F. A list of developer's key personnel anticipated to participate in the development, including a summary of their relevant experience;
- G. A list and short description of all litigation and/or claims that the developer (or any entity or individual named in the developer's proposal) is currently or in the last 10 years was, a named party (if any), including a description of how the litigation and/or claim was resolved;
- H. A list of past community, charitable and/or civic contributions; and
- I. A minimum of three references, one of which shall be a financial institution.

III. EVALUATION OF DEVELOPMENT PROPOSALS

LOIs will be reviewed by the Port CEO. If the LOI demonstrates that the developer possesses the relevant experience, that the development concept is likely to assist with the redevelopment of the property and that the price and terms are reasonable, then the CEO will arrange for the parties to participate in a preliminary collaborative design process described below. If more than one LOI is received by the Port, the CEO shall exercise his discretion as to which proposal(s), if any, shall be referred to the preliminary collaborative design process. The decision of the Port CEO on all matters shall be final and not subject to appeal or review.

- A. Preliminary Collaborative Design Process. The Port and developer (working through each party's design team) shall meet to refine the development concept described in the LOI. Initiation of the collaborative design process may be by telephone conference or other preliminary discussion. The preliminary collaborative design process shall consist of:

1. Pre-Development Meeting. A pre-development meeting shall take place in Kennewick, Washington (or other location mutually agreed upon) where the developer, its design team and principal(s) shall be interviewed, and where the initial project development concept will be reviewed. The parties will endeavor to produce rough project sketches and assemble precedent photographs and other illustrative materials.
 2. Design Workshop. Upon successful completion of the pre-development meeting, a design workshop will be conducted whereby the parties will refine the development concept and the rough sketches in order for the developer to produce a schematic design mutually acceptable to the parties.
- B. Initial Evaluation by Port Commission. Upon successful completion of the preliminary collaborative design process, the CEO, together with appropriate staff and the Town Architect, shall present all relevant project information to the Port Commission for evaluation. The Port Commission may evaluate the proposal utilizing the following criteria:
1. Quality of the project and consistency with Port planning documents;
 2. Price and terms;
 3. Knowledge, financial capability and references of the developer;
 4. Developer's recent experience with similar projects; and
 5. Other factors including but not limited to the developer's past community, charitable and/or civic contributions.

The Port Commission, in its discretion, may interview a developer as part of the review process.

The Port Commission may take any action deemed appropriate with respect to proposal evaluation, including but not limited to requesting the parties to further refine the proposal through the final collaborative design process described below. In this case, the Port Commission shall grant the developer exclusive negotiating rights with respect to the proposal and site for a period of 90 days.

During the exclusive negotiating period, the Port will not accept any other proposal for the site. In the event that the parties are not able to negotiate a purchase and sale agreement for the site within the exclusive negotiating period, the LOI shall terminate and be of no further force and effect, and the Port shall have no further obligations to the developer. In consideration of providing the developer with the exclusive negotiating rights period, developer shall pay to the Port of \$2,500.00 which is intended to reimburse the Port for administrative and other costs.

- C. Final Collaborative Design Process. Provided the parties enter into the final collaborative design process, the developer, at its sole expense, shall produce of a set of drawings acceptable to the Port including site and representative floor plans with elevations for the major elements of the project. Schematic drawings shall also include exterior sections reflecting proposed architectural design and building materials. Substantial emphasis will be placed on exteriors, and especially, elevations facing streets and public spaces. The plans shall include a conceptual site plan and a description of specific noteworthy site features that will be preserved (i.e. trees, etc.). The plans should include a sample or conceptual planting plan for site vegetation.

Additionally, the developer shall describe the components, planning tools and means of implementing the project to completion; the proposed schedule of development; and its ability to secure tenants and market the property to end-users. At this time, the developer shall also develop a project timeline (subdivided into phases, if necessary) identifying the estimated length of time to reach key development milestones, including: commencement and completion of design; financing; commencement and completion of construction; and availability for tenant occupancy. Any contingencies that may affect this timeline shall be identified by developer. The Port may request additional project information.

- D. Final Presentation to Port Commission. Provided the parties successfully complete the final collaborative design process, the CEO shall report to the Port Commission related to the overall progress of the project, including a staff recommendation related to the project, including, under appropriate circumstances whether the proposal should be accepted or rejected by the Port Commission. The Port Commission, in its sole discretion, shall either reject the development proposal or direct the CEO to negotiate a purchase and sale agreement (or ground lease) with the developer related to the site. If the parties are unable to execute a purchase and sale agreement within 45 days, the development proposal shall expire, the Port shall take no further action, and each party shall be relieved of all further obligations related to the proposed development.

IV. POST PURCHASE AND SALE AGREEMENT MATTERS

- A. Project Refinement. Upon execution of a purchase and sale agreement, the developer shall apply to the City of Kennewick (City) for project review and permitting, which shall be the sole and exclusive responsibility of the developer. Should the City require changes to the project, which in the sole discretion of the Port CEO, materially alters the proposed project, the parties will then attempt to negotiate the changes required in order for the developer to receive City approval of its project. If the parties are unable to negotiate changes required in order for the developer to receive City approval of its project within a 45 day period of commencing such negotiations, the development proposal shall expire, the Port shall take no further action and each party shall be relieved of all further obligations related to the proposed development. Any earnest money deposited by the developer shall be refunded to the developer, less any applicable administrative fee.
- B. Construction Progress. The Port CEO, together with assistance of a construction manager or other appropriate professional, will monitor construction and provide periodic updates to the Port Commission.

V. MISCELLANEOUS MATTERS

- A. All discussions between the parties are to explore the developer's qualifications and the viability of a development proposal. A binding obligation shall only be created by a written agreement setting forth all material terms and conditions of the proposed transaction, signed by the parties; and no agreement shall be binding except upon an affirmative vote by a majority of the Port Commission;

- B. The Port may arrange for further action including introducing the concept to the Port Commission or appropriate third parties in order to gather information, analyze proposal feasibility and cost, and to perform due diligence; the parties understand that complete confidentiality cannot be guaranteed;
- C. Each party shall be responsible for all costs it incurs with respect to this matter, including but not limited to professional and attorney's fees and costs;
- D. The Port makes no representations with respect to the property and the developer agrees to exercise all due diligence it deems necessary;
- E. Development proposals may be subject to disclosure under the Washington State Public Records Act. However, any information within a development proposal that is claimed to be proprietary or a trade secret may be marked as "confidential". Prior to disclosure of any such information, the Port will provide the developer statutory notice of developer's right to seek a court order to preclude such disclosure; and
- F. The Port reserves the right to verify developer credentials and to request supplemental information or documents at any time during the process that it determines the necessity therefore.
- G. The Port Commission, in its discretion, may waive any of the requirements set forth herein for small scale developments including the sale of individual residential lots or developments where the total project value, including land price, is expected to be less than \$1,000,000.

PORT OF KENNEWICK

Resolution No. 2016-21

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE PORT OF KENNEWICK APPOINTING THE COLUMBIA GARDENS WINE & ARTISAN VILLAGE TENANT SELECTION COMMITTEE

WHEREAS, staff has proposed the formation of a tenant selection committee to review applications and provide recommendations to the Board of Commissioners for selecting tenants for the Columbia Gardens Wine & Artisan Village; and

WHEREAS, each member of the committee is willing to serve and can provide valuable input during the selection process; and

WHEREAS, the Winery Tenancy Policy, approved during the June 28, 2016 Commission Meeting, defines the evaluation criteria, selection process and the lease term and rental rates for the Columbia Gardens Wine & Artisan Village.

NOW, THEREFORE; BE IT HEREBY RESOLVED the Board of Commissioners of the Port of Kennewick hereby appoints the following members to the Columbia Gardens Wine & Artisan Village Tenant Selection Committee to serve under the terms of the Winery Tenancy Policy, approved by the Commission on June 28, 2016; and further authorizes the Chief Executive Officer to take all action to implement this Resolution.

The following individuals shall comprise the membership of the Gardens Wine & Artisan Village Tenant Selection Committee:

- Amber Hanchette, Port of Kennewick, Director of Real Estate & Operations
- Terry Walsh, City of Kennewick, Executive Director Employee & Community Relations
- Ken Robertson, Port of Kennewick Winery Consultant

ADOPTED by the Board of Commissioners of the Port of Kennewick this 26th day of July, 2016.

PORT OF KENNEWICK BOARD OF COMMISSIONERS

By:


SKIP NOVAKOVICH, President

By:


THOMAS MOAK, Vice President

By:


DON BARNES, Secretary