



# REGULAR COMMISSION MEETING

PORT OF KENNEWICK

JANUARY 22, 2013 MINUTES

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## CALL TO ORDER

Commission President Skip Novakovich called the 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  
Don Barnes, Vice-President  
Gene Wagner, Secretary

**Staff Members:** Tim Arntzen, Executive Director  
Tana Bader Inglima, Director of Governmental Relations & Marketing  
Larry Peterson, Director of Planning & Development  
Teresa Hancock, Real Estate Analyst & Project Specialist  
Bridgette Scott, Executive Assistant  
Lucinda Luke, Port Counsel

## PLEDGE OF ALLEGIANCE

Kristi Phil led the Pledge of Allegiance.

Mr. Novakovich commented that tomorrow night's Special Commission meeting is to allow Duany Plater-Zyberk and Company (DPZ) to present the Draft Vista Field Planning, Environmental and Economic Analysis with Integrated Environmental Impact Statement (DEIS) to the Commission. DPZ will discuss their process and answer any questions the Commissioners may have since they will not be attending the public hearing on Thursday, January 24, 2013 at Tri-Cities Visitor and Convention Bureau (TCVCB). Since there has been some discussion about this issue potentially becoming a ballot issue, Commissioners will not take any position on Vista Field today or tomorrow night and will not be weighing in, either for or against, any of the alternatives. Mr. Novakovich requested the audience understand the Commission is waiting for the findings of the final report and ask that the public also not advocate for a preferred alternative at this time. Please understand that DPZ has scheduled a public hearing to receive comments on Thursday, January 24, 2013 at TCVCB beginning at 7:00 p.m. It would be appropriate for the public and interested parties to share their comments with the consultant at the public hearing, or by sending comments by email to [VistaField@PortofKennewick.org](mailto:VistaField@PortofKennewick.org) Comments will be received through 5:00 p.m., February 11, 2013. The comments will be added to the final EIS report.

## PUBLIC COMMENT

No public comments were made.



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## CONSENT AGENDA

The consent agenda consisted of the following:

**A. Approval of Direct Deposit and Warrants Dated January 15, 2013**

Direct Deposit totaling \$42,772.43 and Expense Fund Voucher Numbers 33950 through 33953 totaling \$4,179.85; for a grand total of \$46,952.28.

**B. Approval of Warrant Registers Dated January 15, 2013**

Construction Fund Voucher Number 3385 in the amount of \$4,832.00.

**C. Approval of Warrant Registers Dated January 23, 2013**

Expense Fund Voucher Numbers 33954 through 33996 totaling \$105,181.59.

Construction Fund Voucher Numbers 3386 through 3393 totaling \$62,307.02.

**MOTION:** *Commissioner Wagner moved approval of the consent agenda; Commissioner Barnes seconded. With no further discussion motion carried unanimously. All in favor 3:0.*

## REPORTS COMMENTS AND DISCUSSION ITEMS

**A. Vista Field Update**

Mr. Peterson reviewed a memo and spreadsheet that provides summary information related to jobs and economic output, the aviation activity, taxpayer revenues from an operational standpoint, private/public sector investment, etc., from the DEIS report: The spreadsheet illustrates the differences between the alternatives and how the numbers relate to each other. (EXHIBIT 1)

The public hearing on January 24, 2013 is legally required as part of the EIS process. Mr. Peterson explained that elected bodies do not typically attend the hearings during the EIS process; the consultant and staff gather the public input and bring the information to the elected body for consideration.

Mr. Peterson commented that depending on the number in attendance, the public comments may be limited to three minutes. Mr. Novakovich reiterated if people have additional questions after the hearing, can they submit an email to [VistaField@PortofKennewick.org](mailto:VistaField@PortofKennewick.org) through February 11, 2013 at 5:00 p.m.

Mr. Arntzen explained at the January 23, 2013 Special Meeting, Mr. Mehaffy will give a 30-40 minute overview of the entire DEIS. At the conclusion of presentation Mr. Mehaffy will ask if the Commissioners have any questions about the content of the report. The Commissioners will not request Mr. Mehaffy's opinion on the alternatives. Mr. Mehaffy will not be addressing the public's comments at the January 23, 2013 meeting because the general public would not hear the information if they only attended the public hearing on January 24, 2013. Mr. Arntzen commented it is a fine line between sharing the information with the public and including only a limited number of people receiving the information. The laws regarding the EIS process state agencies are not allowed to give only a certain segment of the population additional information or answer questions. The attorneys have provided verification of the public hearing process.





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Mr. Novakovich shared his appreciation for staff working through the process and keeping the Commission at-bay during the process. Mr. Peterson assured him the Commission will become heavily involved upon completion of the EIS.

Mr. Novakovich reiterated that until the final report is complete, the Commissioner's will not take a position, or make comments to that affect. The Commissioners will only state facts, direct the public to the report, and/or invite the public to meetings.

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

Commissioners reported on their respective committee meetings.

**C. *Non-Scheduled Items***

1. Mr. Arntzen thanked Ms. Phil for the article in today's newspaper. Mr. Arntzen will interview with KONA radio tomorrow.
2. Mr. Arntzen is working with City Manager Marie Mosley and scheduled a joint trip to Berkeley, California, February 6-8, 2013. Professor Black will explain the pattern language theory and the group will tour the 4<sup>th</sup> Street development.

## PUBLIC COMMENTS

Steve Mallory, 5822 W. Yellowstone, Kennewick. Mr. Mallory stated people are continually inquiring about the Columbia Drive project. All of their comments are very positive and they are interested in project. Mr. Mallory thanked the Commission for decorating the Christmas tree.

Anita Young, 1808 S. Ione, Kennewick. Ms. Young inquired about the dates for the Berkeley trip. Staff confirmed the travel dates are February 6-8, 2013.

Tim Dalton, 124 W. Kennewick Avenue, Kennewick. Mr. Dalton commended the Port for staying focused. The Port has a variety of active diverse projects. He is glad that Columbia Drive has not been moved aside due to the Vista Field project. Mr. Dalton shared that Dutch Bros is opening an espresso stand, and locating their office, on the corner of Washington and Columbia Drive. He feels there are positive things happening in this area. Mr. Dalton is glad that the City of Kennewick Mayor and City Manager are traveling to Berkeley with the Port.

Ed Kennan, 5504 W. 11<sup>th</sup> Avenue, Kennewick. Mr. Kennan commented most cities do not have a chance to have an airport downtown, where people can to fly into the best part of the city. This is an opportunity most cities do not get. Mr. Kennan reviewed the spreadsheet which lists \$390,000 of expenses at the airport. As far as he can see, the Port put a tarmac out there for Pacific Cataract, and had some weeds removed. He does not believe those two things add up to \$390,000. Mr. Kennan inquired how the figure was determined. Mr. Novakovich suggested Mr. Kennan ask this question on Thursday night.

No further public comments were made.



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Mr. Novakovich anticipates the Executive Session to last approximately 30 minutes for Potential Litigation, per RCW 42.30.110(1)(i), with no action anticipated. Mr. Novakovich asked the public to notify Port staff if they will return after the executive session. Mr. Novakovich recessed the meeting at 2:37 p.m., for approximately 3 minutes.

Mr. Novakovich reconvened the meeting into Executive Session at 2:44 p.m. for 30 minutes.

## EXECUTIVE SESSION

### *A. Potential Litigation, per RCW 42.30.110(1)(i)*

The regular meeting reconvened at 3:13 p.m.

## ADJOURNMENT

With no further business to bring before the Board; the meeting was adjourned at 3:13 p.m.

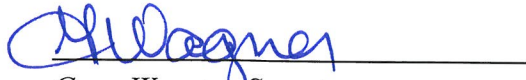
### **APPROVED:**

**PORT of KENNEWICK**

**BOARD of COMMISSIONERS**

  
Skip Novakovich, President

  
Don Barnes, Vice President

  
Gene Wagner, Secretary

Memorandum

To: Tim Arntzen  
From: Larry Peterson  
Date: January 18, 2013  
Re: Vista Field DEIS Summary of Economic Factors (Expansion, Redevelopment, No-Action)

The Draft "Vista Field Planning, Environmental and Economic Analysis with Integrated Environmental Impact Statement" was issued/released at 5:00pm January 10, 2013. The document reviews the planning, environmental and economic impacts of the following three scenarios:

**Alternative 1, "Expansion"** would be improved and/or would see adjacent, airport-related co-development including:

- New 15,000 sq. ft. "Fixed Base Operator" facility and Visitors Center
- New hangar facilities for 140 aircraft, as well as other new mixed-use buildings
- New streets, sidewalks and infrastructure, landscaping, public spaces, artwork
- 120,000 sq. ft. of new commercial/retail, office & industrial space on 5.1 acres

**Alternative 2, "Redevelopment"** would see a phased closure and site redevelopment over time including:

- New commercial, office, residential and industrial buildings
- New streets, sidewalks and infrastructure, public transportation facilities
- New parks, plazas, water features and landscaped areas
- 1,065,000 sq. ft. of new commercial/retail, office & industrial space on 75.0 acres
- New residential units (400 condos & 1,000 apartments)

**Alternative 3, "No Action"** is required as a "baseline" for the SEPA EIS process with the 2011 Vista Field master plan remaining in effect, including efforts by the Port to recruit private investment, although to date there has been a lack of response.

Alternatives #1 and #3 are similar in the aspect that both require a majority of the site be utilized for the airport runway, taxi-lanes, aircraft aprons and aircraft hangars. Alternative #1 includes utilizing the 16.6 acres of the runway protection zones (RPZ) for parks/open space/vineyards with 5.1 acres for the development of 120,000 sq. ft. of retail, office & industrial flex space. Alternative #2 includes 9.0 acres of public parks and 75.0 acres for the development of 1,065,000 sq. ft. of retail, office & industrial flex space.

Key economic factors of the three Alternatives are identified on the attached spreadsheet with the "bottom line" financial numbers listed below.

Factor/Item	Alternative 1 Expansion	Alternative 2 Redevelopment	Alternative 3 No-Action
Public Spending	-\$43,510,188	-\$11,897,833	-\$1,947,750
Proceeds from Land Sales	\$956,000	\$15,613,750	\$0
Net Public Cost or Profit	-\$42,554,188	\$3,715,917	-\$1,947,750
Annual Operation Cost or Profit	-639,528	\$0	-\$390,143
Private Sector Spending	\$19,341,000	\$460,125,782	\$0
New Aircraft Hangars/FBO (sq. ft.)	215,000	0	0
New Retail, Office, Industrial (sq. ft.)	120,000	1,065,000	0
Aviation - Runway, taxi-lane, clear-zones (acres)	69.9	0.0	69.9
Aviation - Parks/Vineyards (RPZ) (acres)	16.6	0.0	33.0
Aviation - Building areas (acres)	9.1	0.0	0.0
Roadways (acres)	12.1	28.8	0.0
Non Aviation - Building areas (acres)	5.1	75.0	9.9
Non-Aviation - Parks	0.0	9.0	0.0
TOTAL AREAS	112.8	112.8	112.8

## VISTA FIELD ECONOMIC ANALYSIS - SUMMARY of VARIOUS ECONOMIC FACTORS

Factor/Item	Alternative 1 Expansion	Alternative 2 Redevelopment	Alternative 3 No-Action
<b>JOBS &amp; WAGES</b>			
Gross-Jobs on Site	450.0	3,383.0	5.2 *
Gross Economic Output	\$29,700,000	\$258,600,000	not factored
Net-Jobs (attributed to Aviation Visitors)	2.7	-0.5	0.0
Net-Jobs on Site (attributed to Aviation Businesses)	9.5	0.0	0.0
Net-Jobs on Site (attributed to Office & Retail uses)	13.0	159.1	0.0
Net-Jobs (attributed to residential uses)	0.0	56.0	0.0
Net-Jobs	25.2	214.6	0.5 *
Net Economic Output	\$1,485,000	\$11,996,000	\$0
<b>OPERATIONAL EXPENSES &amp; AIRCRAFT COUNTS</b>			
<b>AVIATION ACTIVITY &amp; SPENDING</b>			
Based Aircraft	140	n/a	43
Annual Operation (take off or landing)	56,000	n/a	12,900
Operations per Based Aircraft (annual)	400	n/a	300
Visitors due to Vista Field Airport (annual)	20,160	n/a	4,000
Visitor Spending due to Vista Field Airport (annual)	\$1,646,400	n/a	\$379,260
<b>PORT/TAXPAYER AIRPORT Profit &amp; Loss</b>			
Airport Revenues	\$1,154,592	n/a	\$75,229
Airport Expenses	-\$960,787	n/a	-\$281,804
Net Airport P&L before Depreciation	\$193,805	n/a	-\$206,575
Net Airport P&L including Depreciation	-\$639,528	n/a	-\$390,143
<b>CONSTRUCTION ACTIVITY</b>			
<b>PUBLIC/TAXPAYER SPENDING</b>			
Public Spending	-\$43,510,188	-\$11,897,833	-\$1,947,750
Proceeds from Land Sales	\$956,000	\$15,613,750	\$0
Net Public Cost or Profit	-\$42,554,188	\$3,715,917	-\$1,947,750
<b>PRIVATE SECTOR SPENDING</b>			
Total Private Sector Spending	\$19,341,000	\$460,125,782	\$0
Infrastructure (non-taxable)	\$1,821,000	\$51,525,782	\$0
Buildings (taxable)	\$17,520,000	\$408,600,000	\$0
<b>BUILDING SIZE &amp; LAND USE</b>			
<b>BUILDING Sq. Ft. or Units</b>			
Aircraft Hangars (Sq. Ft.)	200,000	n/a	0.0
FBO/Visitors Center	15,000	n/a	0.0
Industrial (Flex) Sq. Ft.	40,000	200,000	0.0
Office (Sq. Ft.)	40,000	185,000	0.0
Commercial Retail (Sq. Ft.)	40,000	680,000	0.0
Residential-Multi-Family/Apartments (Units)	n/a	1,000	n/a
Residential-Single-Family/Condos (Units)	n/a	400	n/a
<b>LAND USE (Acres)</b>			
Aviation - Runway, Taxi-lanes	69.9	n/a	69.9
Aviation - Parks/Open Space/Vineyards (runway clear zones)	16.6	n/a	33.0 **
Aviation - Buildings (includes auto parking & landscaping)	9.1	n/a	0.0
Roadways (serving all uses)	12.1	28.8	n/a
Non Aviation - Buildings (includes parking & landscaping)	5.1	75.0	9.9
Non-Aviation - Parks	n/a	9.0	n/a
<b>TOTAL Acres</b>	<b>112.8</b>	<b>112.8</b>	<b>112.8</b>

**NOTES:**

\* Employment numbers of Alternative #3 already factored into totals of Alternatives 1 and 2. Attempts to add/subtract these numbers from Alternative 1 or 2 would result in double counting

\*\* Alternative #3 area serves as Clear Zone/Runway Protection Zone, does not include park improvements