PORT OF KENNEWICK

Over the years, our port has established a proven history of promoting industry, encouraging job growth, building infrastructure, and making investments to address evolving civic needs. However, as we celebrate Port of Kennewick's 100th anniversary, I can't help but think that 2015 has been our busiest year ever.

Our port remains focused on community-driven economic development; and we have many big and exciting projects underway. We are revitalizing historic neighborhoods. We are improving the community's waterfront. We are bringing new life and purpose to tired properties. And we are partnering to enhance recreation, tourism, and quality of life.

I am excited about all the port is doing to benefit our constituents, and pleased with the projects detailed in this report. We are making strategic investments, and building those products that will establish our region as a truly prosperous, vibrant destination for future generations.

Sincerely,

Don Barnes

President,

Port of Kennewick Board of Commissioners

Port Honored for Vista Field Planning

Transparent Public Process

The port was recognized with the Washington Public Ports Association's first-ever Community Outreach Award because of our extensive work to engage the public in the year-long Vista Field redevelopment planning process.

Transforming Vista Field

Catalyst Facilities & Gathering Places

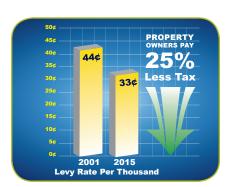
Vista Field redevelopment is perhaps the most significant economic development project undertaken during the Port's 100-year history. Availability of a publicly-owned, unencumbered, environmentally-clean, 103-acre parcel, free of cultural-resource concerns, located in the heart of the region's commercial center, is a truly unique asset. And—since great communities require great planning—the port has undertaken a transparent and inclusive public process in visioning and crafting the Vista Field master plan.

Vibrant cities of the world have prominent central gathering places; and just such a 'town center' was identified in a recent Community Branding Report as a critical missing element for our region. In addition, our citizens have asked for mixed land uses; small city blocks with terminated vistas; phased development; a variety of housing options; green spaces; water features; and walkable, bikeable, transit-oriented neighborhoods.

The Vista Field master plan is a community-driven redevelopment document, focused on creating a sustainable, regional gathering place which seamlessly integrates commercial, residential, shopping, and entertainment areas. The port, which owns the land, has already had significant interest from developers and businesses wishing to locate at Vista Field. There

has been tremendous support for a performing arts facility as one of the first catalyst projects; and port staff is working with the Vista Arts Center to explore options for establishing a regional arts facility as part of phase one.

Currently the draft Vista Field Redevelopment master plan is being refined during meetings with City of Kennewick departmental staff including police, fire, public works, planning, and economic development; and topical presentations have been made to Kennewick City Council. It is hopeful that both port commissioners and city council will approve the final Vista Field master plan by year's end.



Strong Financial Position

Port of Kennewick has worked hard to reduce taxes, and act as responsible stewards of the public's resources. Port of Kennewick has no debt. The port has had 19 years of clean financial audits. Compared to 2001, our citizens are paying 25% less in port taxes. Since 2004, capital assets increased 147% and port liabilities decreased by 57%—all while the port has been constructing new or renovating dated facilities, and buying, improving, or selling land to benefit port district citizens.

Port of Kennewick Public Commission Meetings

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

Photo credits: City of West Richland/MacKay Sposito; Duany Plater-Zyberk; Herath & Associates; kimfetrow photography; Terence L Thornill Architect.



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Village at Island Harbor Sites Readied for Development

The port went out to bid in September on a pedestrian boardwalk, overlook, water feature, and interpretive artwork as phase one for The Village at Island Harbor. This project will preserve and complete public



access on the island's south side; and it readies the site for three future commercial buildings on the island. It is anticipated that the project would be completed next spring and a planned dedication ceremony will serve as the port's final 100th anniversary event. Businesses interested in building or locating on Clover Island should contact Amber Hanchette, port director of real estate & operations, 509-586-1186.

Port Partners with Corps Restoring the Shoreline

The port is partnering with the U.S. Army Corps of Engineers on the Clover Island 1135 (cost sharing)



of Engineers

Ecosystem Restoration Project. This project will create a living shoreline to benefit endangered and threatened fish, and preserve and improve public access to the rivershore. The design/construction phase is expected to begin in 2016. When complete, these improvements will create three north-island parcels ready for future commercial development.

Boat Launch Improvements Underway

Port Adds Public Amenities

In August, the port began improving the Clover Island public boat launch by building a restroom, scenic overlook, picnic areas, landscaping, new boat repair yard, and paved parking. A new art installation, titled Fair Game, depicts two eagles fighting over a salmon. That artwork appears on the cover of this newsletter. The project will be completed by December.



Government to Government

Port & CTUIR Boards Meet

The Port of Kennewick's Board of Commissioners joined the Confederated Tribes of the Umatilla Indian Reservation's (CTUIR) Board of Trustees for the third joint meeting between their respective boards. The port and CTUIR have established a formal Memorandum of Understanding and this partnership has proven instrumental in helping advance the port's Clover Island and Columbia Drive improvement projects.



Badger Mountain Trailhead Park

Recognizing that public trails and parks contribute to our community's livability, the Port of Kennewick is partnering with the City of Richland and Benton County to expand trailhead parking to relieve congestion and increase access to the Friends of Badger Mountain's trail system. A groundbreaking event was held in October, with the new 76-stall, paved parking lot expected to be completed in November.



Port of Kennewick Staff

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Port Land Annexed by West Richland Site Will Serve Wine Industry

In West Richland, the port owns the 93-acre, former racetrack property. That land's proximity to Red Mountain makes it a prime location for future large scale wine-related production, warehouses, manufacturing and services. Since January, port and city staff have been working to annex the site into the city to allow for extension of city utilities. West Richland City Council approved the port's request for annexation and zoning in August; and a development master plan is being prepared.

Port Partners with West Richland

Enhancements Create Public Benefit

The City of West Richland, in partnership with Port of Kennewick and the Washington State Recreation and Conservation Office, is constructing a bicycle and pedestrian-friendly riverfront trail, parking lot, and new public restroom near the Van Giesen Bridge. The Yakima River Gateway Project will

create a riverfront park, preserve public access to the shoreline, and increase recreational use of the Yakima River. Mayor Brent Gerry, City of West Richland stated, "We appreciate the Port of Kennewick's partnership. They



helped us secure the state grant and provided \$200,000 for economic development-a portion of which was applied to this project. Indeed, their support was a catalyst in bringing these amenities forward to construction." The project is scheduled for completion by the end of 2016.

Columbia Gardens Wine Village

Trail Extended, Buildings Next

The port is going out to bid for construction of the first three boutique wine production and tasting room buildings for the Columbia Gardens Wine & Artisan Village on Kennewick's historic downtown waterfront in November. Phase one of





the wine village project is scheduled for completion by fall of 2016. The City of Kennewick already extended the public trail, and added benches and lighted bollards. For information on leasing or future development phases call Amber Hanchette, port director of real estate & operations, 509-586-1186.





Port of Kennewick

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100th Anniversary **Governor Lauds Port Projects**

2015 marks the port's 100th anniversary. Port of Kennewick is the fifth oldest port in Washington State and the very first port district in eastern Washington. The port was formed by citizen vote in 1915 as a fivesquare-mile district; in 1954 a citizen vote expanded the port's district to 485-squaremiles including Richland (south of the Yakima River), all of West Richland, a portion of Benton City, and the eastern half of Benton County. Port of Kennewick has a proven history of promoting industry, encouraging job growth, building infrastructure, and making investments to address evolving community needs. Earlier this year, Governor Jay Inslee and more than 250 community leaders celebrated the Port of Kennewick's accomplishments during a centennial event hosted by the Tri-City Regional Chamber of Commerce, Visit Tri-Cities, and TRIDEC.



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