



PORTofKENNEWICK
Open for Business!

2019-2020 WORK PLAN

Public Meeting
Port Commission Chambers
September 25, 2018 2:00 p.m.

Approved by Resolution 2018-XX
October 9, 2018

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P R O S P E C T I V E V I S I O N

- **Follow direction established by 2016 Comprehensive Scheme of Development and Harbor Improvements as amended in October 2017**
- **The Port is an economic development entity focused on redevelopment**
- **Undertake Vista Field Redevelopment**
- **Continue with Kennewick Waterfront District projects: Columbia Drive — Wine Village Phase 2 and Clover Island - Shoreline Improvements "1135 Program"**
- **Pursue projects with development partners demonstrating support (match funding, political support and enthusiasm)**
- Pursue fewer projects while selecting projects with the greatest benefit to the community
- Realize & support economic development opportunities with wine, culinary & tourism industry
- Continue to secure grant funding opportunities
- Remain focused on containing operational expenses
- A strong focus must be placed on successfully running daily Port operations
- Remain solidly focused on the Port's core business and established priorities; not swayed by the oscillating influence of external entities

ACHIEVEMENTS (Oct, 1 2016—Sept. 30 2018)**PRIORITY PROJECTS****VISTA FIELD REDEVELOPMENT**

- ☒ Coordinated with City staff on the creation of the new Urban Mixed Use (UMU) zoning district regulations and support City adoption, which occurred in October 2017
- ☒ Coordinated with City staff on Comprehensive Land Use amendments and zoning changes to establish UMU zoning on the Vista Field site, which occurred in December 2017
- ☒ Completed master planning process and received City Council approval in December 2017
- ☒ Prepared development agreement and received City Council approval in December 2017
- ☒ Prepared biddable construction documents and submitted for City permit approval
- ☒ Obtained 2018 Governors Smart Partnership award
- ☒ Secured contractor for brand development
- ☒ Secured \$5,000,000 infrastructure financing

KENNEWICK WATERFRONT**CLOVER ISLAND**

- ☒ Gathering Place project and Willow Fish Basket completed
- ☒ U.S.A.C.E. 1135 Program MOU executed and hydrology work completed
- ☒ Awarded \$500,000 ALEA grant funds for shoreline enhancement
- ☒ Marina at 93% occupancy

COLUMBIA DRIVE

- ☒ Wine Village Phase #1 buildings completed
- ☒ Wrote joint application with the City of Kennewick and obtained Rural County Capital Fund for Phase #2 improvements (+1,100,000)
- ☒ Wrote application and obtained HAEIF funds Phase #2 improvements (+1,500,000)
- ☒ Promptly responded to 211 building collapse (excessive snow load) and negotiated beneficial settlement from insurance carrier (+\$911,000)
- ☒ Negotiated City of Kennewick funding support for joint use parking lot improvements (+\$200,000)
- ☒ Obtained 2017 Governors Smart Partnership award
- ☒ Phase #2A loop roadway, utility, parking lot & food truck plaza improvements designed, permitted, bid and under construction (construction 60% Complete)
- ☒ Completed design of Phase #2B tasting room building and submitted for permit approval
- ☒ Completed design of Phase #2C artwork installation and preparing final bid documents
- ☒ Obtained 2018 WPPA Creative Partnership award

ACHIEVEMENTS (Oct. 1, 2016—Sept. 30, 2018)**RICHLAND PROJECT**

- ☑ **Closed .53 ac Land Sale (Tri-City Chaplaincy) - \$137,500**
- ☑ Secured Interlocal Agreement with City of Richland to change out and accept Spaulding Business Park streetlights and Columbia Park Trail streetscape improvements

WEST RICHLAND PARK

- ☑ **Closed 12.00 ac Land Sale (Red Mountain Wine Estates) - \$149,000**
- ☑ Removal of K.I.D. Flood Water Inundation Clause on West Van Giesen/Raceway property
- ☑ Obtained WSDOT and BPA approval for West Van Giesen/Raceway site roadway network

OTHER PROJECTS/PROPERTIES**OAK STREET INDUSTRIAL PARK**

- ☑ Development Buildings A, B & C 80% occupancy. Bath Fitter recently graduated away from Oak Street into a larger, private sector building with a retail showroom.

FINLEY / HEDGES / TWIN TRACKS INDUSTRIAL

- ☑ **Closed 34.66 ac Land Sale (Pronghorn LLC) - \$154,000**

DISTRICT WIDE

- ☑ Washington State Auditor issued another clean audit report with no findings for the Port of Kennewick
- ☑ Secured Interlocal Agreement with Benton City to support city shoreline planning within Port district boundaries
- ☑ Recognized CTUIR as the Friend of the Port—strengthening the relationship with our MOU partner

WORK IN PROGRESS**PRIORITY PROJECTS****VISTA FIELD REDEVELOPMENT**

- Phase #1A - Complete City construction plan approval process
- Phase #1A - Complete Benton PUD construction plan approval process
- Phase #1A - Develop street name recommendation and seek City approval
- Phase #1A - Preparation of construction documents (plans & specs) for bid
- Property Maintenance Organization - Refine process and necessary documentation
- Finalize Vista Field branding

**KENNEWICK HISTORIC WATERFRONT DISTRICT
CLOVER ISLAND**

- U.S.A.C.E. 1135 Program coordination & participation
- RCO grant coordination for shoreline improvements
- Coordinate RCCF application for City of Kennewick support of 1135 project

COLUMBIA DRIVE

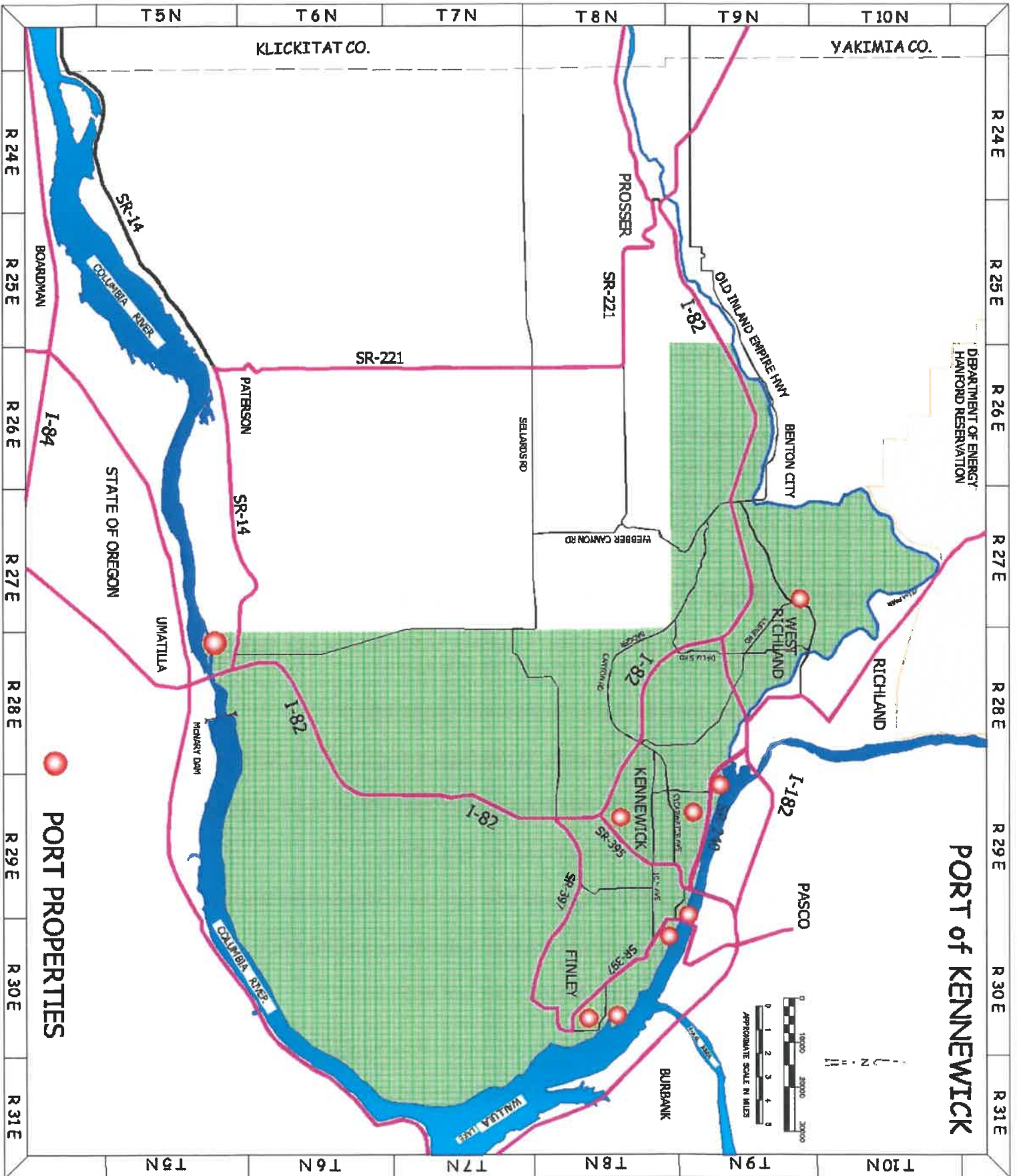
- Phase #2A - Complete loop roadway, utility & joint-use parking lot improvements
- Phase #2A - Initiate Food Truck cluster operation
- Phase #2B - Complete City construction plan approval process
- Phase #2B - Preparation of construction documents (plans & specs) for bid
- Phase #2C - Preparation of construction documents (plans & specs) for bid
- HAEIFAC grant coordination for Phase 2 improvements
- Coordinate joint City of Kennewick and Port RCCF application for Willows infrastructure

RICHLAND PROJECT

- Coordination of R.C.C.F. application for Columbia Park Trail corridor improvements

WEST RICHLAND INDUSTRIAL PARK

- Finalize negotiations for roadway access across private property



VISTA FIELD REDEVELOPMENT

- 103± Acres Combined
- Zoning: UMU (Urban Mixed Use)
- Municipal Services Available

STRENGTHS

- Centrally located in the Tri-Cities, surrounded by vibrant commercial district
- Adjacent to the Three Rivers Entertainment District (Toyota Center Coliseum, Three Rivers Convention Center and Tri-Cities Business & Visitor Center)
- Flat land, consolidated ownership with all utilities available
- No known cultural resources or environmental concerns

CHALLENGES

- ✱ Undertaking massive redevelopment effort while balancing district-wide objectives
- Limited financial resources
- Establishing a new plan use and development paradigm in the community

SUGGESTED WORK & PROPERTY MANAGEMENT PLAN

- ☐ **Complete Phase #1A improvements (roadway, utilities, & water feature) - \$7,200,000 (\$6,925,000 carryover from 2017/2018 budget) ®**
- ☐ **Vista Field Redevelopment-Loan Repayment - \$550,000 ®**
- ☐ **Vista Field Redevelopment-Property Maintenance Organization fund - \$150,000 ®**
- ☐ **Vista Field Redevelopment-Traffic Mitigation/Central Park fund - \$100,000 ®**
- ☐ **Vista Field Redevelopment-Town Planner - \$85,000 ®**
- ☐ **Market properties & review proposals through the Collaborative Design Process ®**
- ☐ **Prepare Phase #1B improvements (hangar improvements) for bid ®**
- ☐ **Determine feasible “vibrancy” action plan and implement ®**

Obligation
Support Previously Expressed
 ® **Revenue Generation Potential**



KENNEWICK HISTORIC WATERFRONT DISTRICT (Clover Island & Columbia Drive)

- Clover Island 16 Acres; Columbia Drive 15.32 acres
- Zoning: Clover Island CM (Commercial Marina); Columbia Drive UMU (Urban Mixed Use)
- Municipal Services: water, sewer, electricity, natural gas and wireless coverage

STRENGTHS

- Unique waterfront property
- City, County & Port partnership formation for Columbia Drive Wine Village Development
- Tourism Opportunities - lighthouse, gateway, marine, public plazas, shoreline trails & public art amenities with mixed use, commercial & recreational opportunities

CHALLENGES

- ✱ Balancing focus on both Kennewick waterfront and Vista Field redevelopment priority projects
- Clover Island Shoreline work must be completed before private sector development occurs
- Surrounded by blighted neighborhoods consisting of residential, low-income, commercial-general and light industrial business-use properties

SUGGESTED WORK & PROPERTY MANAGEMENT PLAN

OVERALL AREA

- ☐ Master Plan of Port's Historic Waterfront District properties - \$175,000

CLOVER ISLAND

- ☐ Shoreline Restoration design assistance & construction matching funds (USACE 1135 Program) - \$1,500,000 (\$500,000 RCO grant & \$1,000,000 City of Kennewick RCCF allocation-dependent upon Benton County approval)
- Hold Clover Island properties until completion of Port's overall waterfront plan

COLUMBIA DRIVE

- ☐ Complete construct of Phase #2A (loop roadway, utilities, parking lot & food truck plaza), Phase #2B (tasting room building & parking lot) and Phase #2C (artwork installations) - \$2,350,000 (\$2,250,000 carryover from 2017/2018 budget) ®
- ☐ Construction contingency for Phase #2 projects - \$500,000 ®
- ☐ Willows infrastructure - \$1,000,000 (\$500,000 RCCF & \$500,000 City of Kennewick RCCF allocation-both dependent upon Benton County approval) ®
- ☐ Eagle Pond (formerly known as Duffy's Pond) Restoration - \$150,000
- ☐ Explore potential and complementary private sector development (sale or lease) ®

Contractual Obligation
Support Previously Expressed
® **Revenue Generation Potential**



RICHLAND PROJECT (ISLAND VIEW AREA)

- 31.65 acres sold (all parcels sold)
- Zoning: City of Richland - C2 (Central Business)
- Municipal Services: water, sewer, electricity, natural gas, wireless coverage

STRENGTHS

- Waterfront area prime for redevelopment
- Central location between two interchanges on SR-240 (Columbia Center Boulevard and Columbia Park Trail) with freeway visibility

CHALLENGES

- * Kennewick waterfront and Vista Field redevelopment priority projects require most of Port resources
- Buffered between aging residential, transitional properties and new professional businesses
- Success of the Spaulding Business Park has led to increased value/expectation of current

SUGGESTED WORK & PROPERTY MANAGEMENT PLAN

- ☐ Coordinate RCCF application for Columbia Park Trail corridor improvements- **\$800,000**
(\$800,000 RCCF-dependent upon Benton County approval)
- ☐ Explore opportunities to create regional linkages to and from Vista Field, including Island View

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WEST RICHLAND INDUSTRIAL

- Keene Road: 2 acres
- West Van Giesen/former Raceway property: 92+ Acres (45 acres leased to Alexander Farms)
- Zoning:
 - Keene Road LI (Light Industrial)
 - West Van Giesen/former Raceway CLI (Combined Commercial/Light Industrial)
- Municipal Services:
 - Keene Road—water, sewer, industrial sewer electricity serve parcels;
 - West Van Giesen/former Raceway— electricity serves the parcels and water, sewer, industrial sewer and natural gas are within the general vicinity

STRENGTHS

- Close proximity to world-renowned Red Mountain AVA
- Ideally suited for wineries and Red Mountain AVA ancillary businesses
- West Van Giesen/Raceway property within City of West Richland UGA and city limits
- Within Wine Effluent Treatment System service area
- Future (2021) major intersection near properties

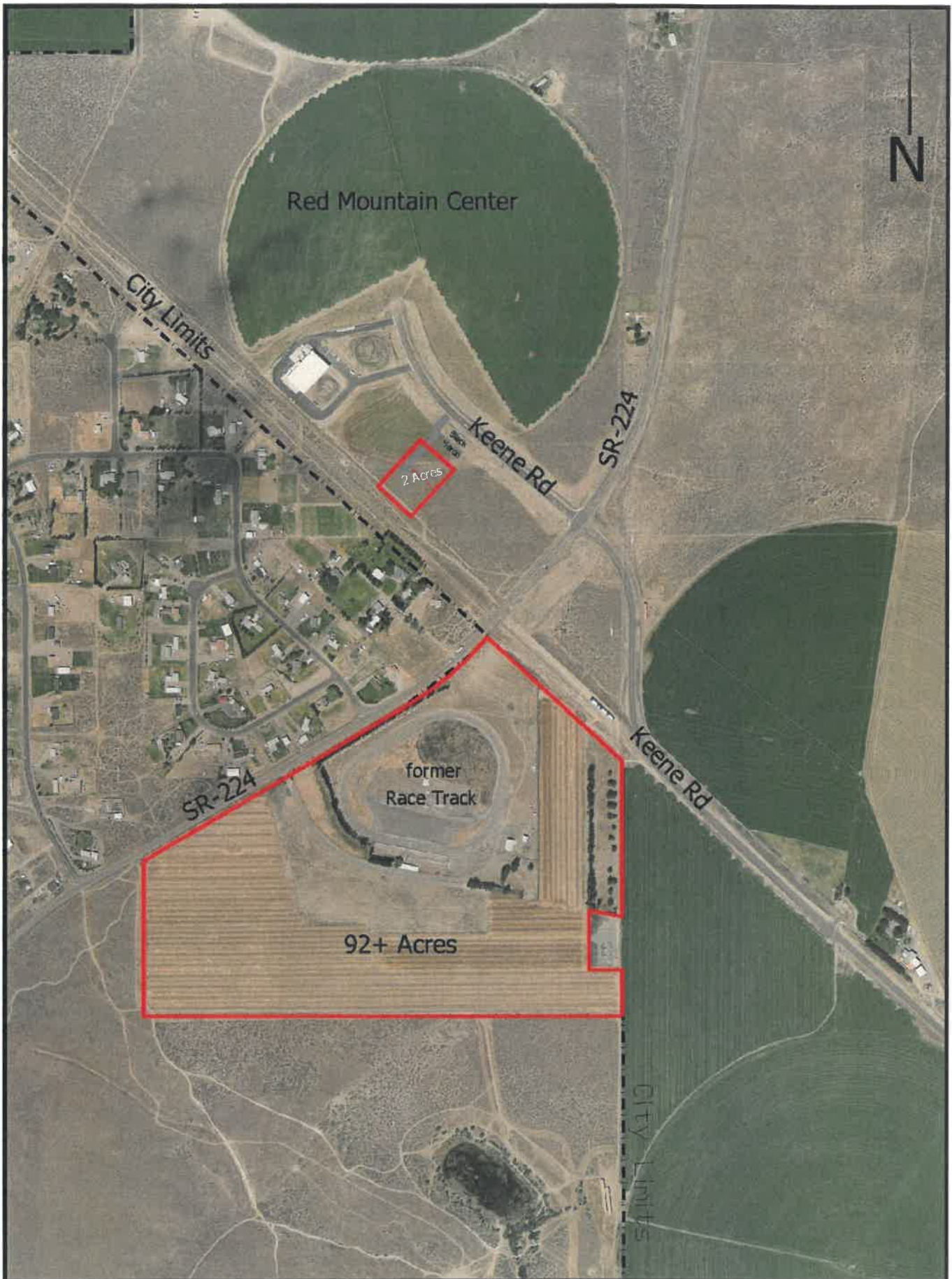
CHALLENGES

- ✱ Kennewick waterfront and Vista Field redevelopment priority projects require most of Port resources
- Municipal utilities presently unavailable to West Van Giesen/former Raceway property {\$750,000+ extension cost}
- Catalyst development needs to be initiated to spur ancillary businesses in immediate vicinity
- Excessive supply of readily available private sector land in the immediate vicinity
- Perceived as isolated

SUGGESTED WORK & PROPERTY MANAGEMENT PLAN

- ☐ **Finalize agreement with private owner for access to Keene Road - \$25,000** *(carryover from 2017/2018 budget)* ®
- ☐ **Reservation for future grant fund match for on-site infrastructure improvements at former Racetrack site - \$100,000** ®
- ☐ Ordinary property maintenance activities during 2019-2020 period
- **Respond to Keene Road parcel inquiries (Lots 3 & 4)** ®
- **HOLD West Van Giesen/Raceway property** ®

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Support Previously Expressed
 ® **Revenue Generation Potential**



OAK STREET INDUSTRIAL PARK

- 74+ Acres
- Zoning: City of Kennewick - IH (Industrial Heavy)
Benton County - LI (Light Industrial)
- Municipal Services: water, sewer and electricity available

STRENGTHS

- Close to SR 397; flat topography; all municipal utilities available to incorporated parcels

CHALLENGES

- ✱ Kennewick waterfront and Vista Field redevelopment priority projects require most of Port resources
- Poor visibility; no rail access; high ground water; perceived as isolated
- Municipal utilities unavailable to land located in county

SUGGESTED WORK & PROPERTY MANAGEMENT PLAN

- ☐ Continue to actively market Development Buildings A, B, C & D as available ®
- Market for sale all vacant/ag parcels ®
- ☐ Ordinary property maintenance activities during 2019-2020 period

Contractual Obligation

Support Previously Expressed

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VISTA FIELD DEVELOPMENT BUILDINGS

- 3.73 acres
- Zoning: City of Kennewick - IL (Industrial Light)
- All municipal services available

STRENGTHS

- Centrally located in the Tri-Cities, surrounded by vibrant commercial district
- VFDF-A Building rehabilitation/remodel work completed September 2016

CHALLENGES

- ✱ Kennewick waterfront and Vista Field redevelopment priority projects require most of Port resources

SUGGESTED WORK & PROPERTY MANAGEMENT PLAN

- ☐ Continue to actively market Development Buildings A & B as available ®

Contractual Obligation
Support Previously Expressed
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SOUTHRIDGE

- 8.50 acres
- Zoning: City of Kennewick - CC (Commercial Community)
- All municipal services available

STRENGTHS

- Adjacent to Trios Hospital development
- Interstate 82/Highway 395 accessibility; Southern gateway entrance into Kennewick
- Prime commercial, mixed use and residential development area

CHALLENGES

- ✱ Kennewick waterfront and Vista Field redevelopment priority projects require most of Port resources
- Excessive quantity of developed land available
- Topography challenges

SUGGESTED WORK & PROPERTY MANAGEMENT PLAN

- Market for sale 8.50+ acre parcel and utilize proceeds for Vista Field Redevelopment®

Obligation
Support Previously Expressed



FINLEY (TWIN TRACKS & HEDGES LAGOON)**TWIN TRACKS:**

- 113.48 acres; Zoning: Benton County - HI (Heavy Industrial) was
- Utility Services: ground well, electricity and natural gas available

HEDGES LAGOON:

- 55.35 acres (of which 3.65 acres above ordinary high water line)
- Zoning: upland Benton County - HI (Heavy Industrial); aquatic NA
- Utility Services: electricity available (upland)

STRENGTHS

- Current dual rail service (Twin Tracks)
- Inter-Tie and Piert Road project improves access Interstate 82/Highway 397

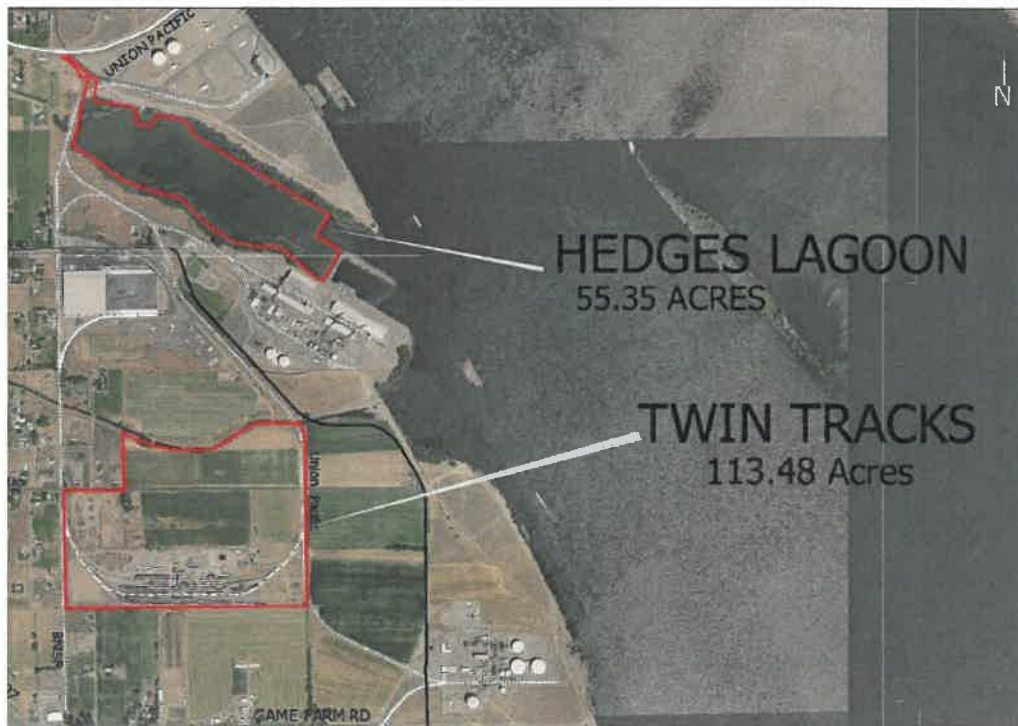
CHALLENGES

- * Kennewick waterfront and Vista Field redevelopment priority projects require most of Port resources
- No municipal utilities and adjacent to existing & expanding residential (Twin Tracks)

SUGGESTED WORK & PROPERTY MANAGEMENT PLAN

- ☐ Ordinary property maintenance activities during 2019-2020 period

Contractual Obligation
Support Previously Committed
® **Revenue Generation Potential**



PLYMOUTH INDUSTRIAL

- 157+ Acres (Zoning: Benton County - P (Park District) and HI (Heavy Industrial))
- Municipal Services: ground wells and power available

STRENGTHS

- Near Interstate 82 and State Route 14
- Natural Gas - 1,000 feet from site
- Substantial electrical service in immediate vicinity

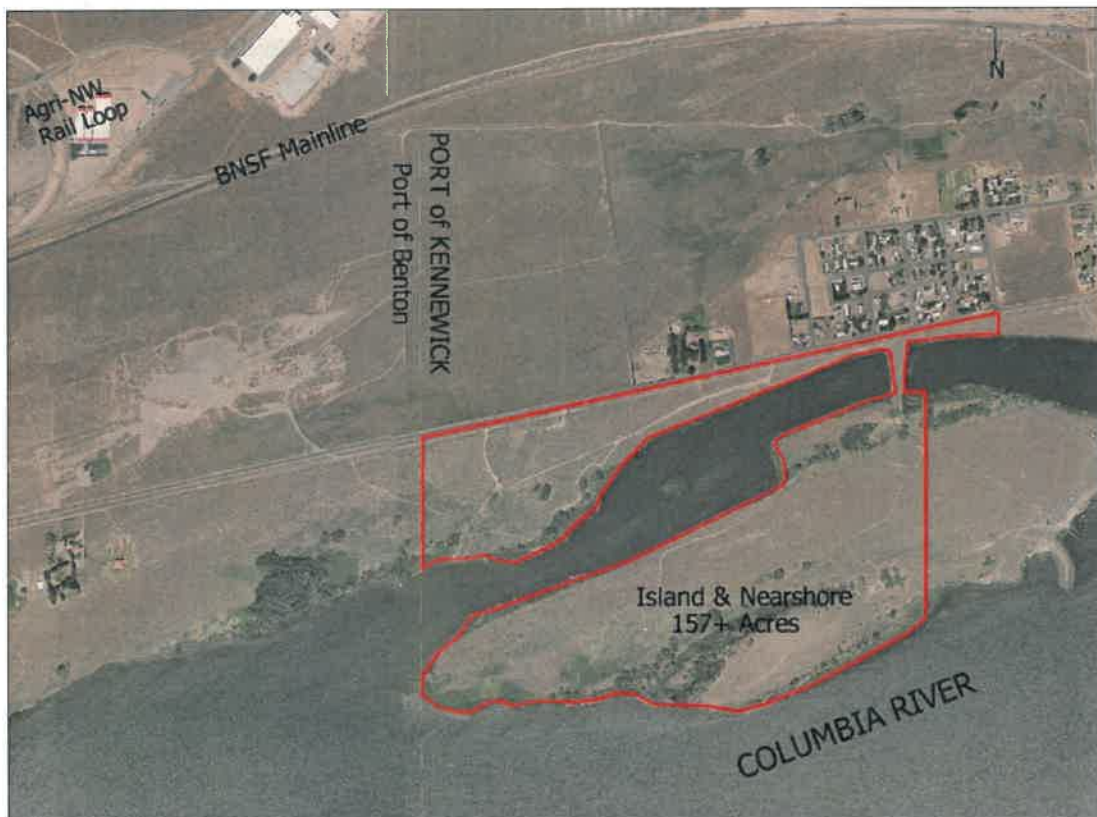
CHALLENGES

- ✱ Kennewick waterfront and Vista Field redevelopment priority projects require most of Port resources
- Cultural resource protections on island areas and nearshore
- No Municipal Water or Sewer

SUGGESTED WORK & PROPERTY MANAGEMENT PLAN

- ☐ Ordinary property maintenance activities during 2019-2020 period

Contractual Obligation
Support Previously Expressed
® **Revenue Generation Potential**



DISTRICT-WIDE WORK PLAN PROJECTS

SUGGESTED WORK PLAN

- ☐ Remain focused on the day-to-day efforts to operate a successful Port District
- ☐ Complete projects authorized in 2017-2018 Budget
- ☐ Pursue grant funding as appropriate ®
- ☐ Return-On-Investment analysis & capital reserve for ROI project - \$1,000,000 ®
- ☐ Port asset replacement program (building upkeep & annual maintenance) - \$500,000 ®
- ☐ Opportunity fund for yet to be identified small projects (either Port or outside agency) - \$100,000 ® [dependent upon project(s) selected]
- ☐ Miscellaneous capital - \$100,000
- ☐ Continue strengthening governmental relationships with CTUIR
- ☐ Continue strengthening governmental relationships with jurisdictional partners: City of Kennewick, City of Richland, City of West Richland, City of Benton City, Benton County

Contractual Obligation
Support Previously Expressed
® **Revenue Generation Potential**

