The Governor's proclamation 20-28 regarding the Open Public Meetings Act and Public Records Act temporarily prohibits in-person public attendance at meetings subject to the OPMA.

A GoToMeeting will be arranged to enable the public to listen and make public comments remotely. To participate remotely, please call-in at: 1-866-899-4679, Access Code: 176-640-509 Or, join on-line at the following link <u>https://global.gotomeeting.com/join/176640509</u>

AGENDA

Port of Kennewick Regular Commission Business Meeting Port of Kennewick Commission Chambers (via GoToMeeting) 350 Clover Island Drive, Suite 200, Kennewick Washington

> January 25, 2022 2:00 p.m.

I. CALL TO ORDER

- II. ANNOUNCEMENTS AND ROLL CALL
- III. PLEDGE OF ALLEGIANCE
- IV. APPROVAL OF AGENDA
- V. PUBLIC COMMENT (Please state your name for the public record)

VI. CONSENT AGENDA

- A. Approval of Direct Deposit and ePayments Dated January 19, 2022
- B. Approval of Warrant Register Dated January 25, 2022
- C. Approval of Regular Commission Meeting Minutes January 11, 2022

VII. NEW BUSINESS

A. State Auditor's Office 2019-2020 Accountability Audit (NICK/TIM) (page 48)

VIII. OLD BUSINESS

- A. Clover Island Housing Project
 - 1. Clover Island Inn, Fortify Holdings, Rob Jacobs and Ziad Elsahili (TIM) (page 66)
 - 2. Clover Island Land Sale Policy; Resolution 2022-05 (TIM) (page 78)
 - 3. Public Comments Regarding Multi-Family Housing Project; Resolution 2022-06 (TIM) (page 154)
- B. Carbitex Lease Amendment; Resolution 2022-03 (AMBER) (page 172)
- C. Oak Street Three Rivers Acquisitions LLC; Resolution 2022-04 (AMBER) (page 196)

IX. PRESENTATIONS

- A. 2021 Friend of the Port (SKIP)
- B. Cable Bridge Lighting Project, Karen Miller, Deborah Culverhouse, and Kathy Lampson (SKIP) (page 202)

AGENDA

Port of Kennewick Regular Commission Business Meeting Tuesday, January 25, 2022 Page 2

X. REPORTS, COMMENTS AND DISCUSSION ITEMS

- A. Kennewick Waterfront
 - 1. Columbia Gardens Land Sale Proposal; Resolution 2022-07 (AMBER) (page 212)
- B. Vista Field
 - 1. Progress & Tasks Status Update (LARRY/AMBER) (page 238)
- C. 2022-2023 Commissioner Committee Assignments (BRIDGETTE) (page 247)
- D. Commission meetings (formal and informal meetings with groups or individuals)
- E. Non-Scheduled Items (LISA/BRIDGETTE/TANA/NICK/LARRY/AMBER/LUCINDA/TIM/KEN/TOM/SKIP)
- **XI. PUBLIC COMMENT** (*Please state your name for the public record*)
- XII. EXECUTIVE SESSION (Ask public if they are staying, and if not, where they can be located if the *Executive Session ends early.*)
 A. Potential Litigation, per RCW 42.30.110(1)(i) (LUCINDA)

XIII. ADJOURNMENT

PLEASE SILENCE ALL NOISE MAKING DEVICES



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JANUARY 11, 2022 MINUTES

Commission Meeting recordings, with agenda items linked to corresponding audio, can be found on the Port's website at: <u>https://www.portofkennewick.org/commission-meetings-audio/</u>

Commission Vice President Skip Novakovich 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: | Skip Novakovich, Vice President (via telephone) Kenneth Hohenberg, Commissioner Elect (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 (via telephone) Bridgette Scott, Executive Assistant Lucinda Luke, Port Counsel |

PLEDGE OF ALLEGIANCE

Commissioner Moak led the Pledge of Allegiance.

ELECTION OF OFFICERS 2022-2023

Commissioner Novakovich stated the Port Commission revised Section 6.1 of the Port Commission Rules of Policy and Procedure, to define the terms of office and the process in which the officers are elected. The process states:

- There shall be three Commission officers: a president, a vice president and a secretary;
- The terms of office for each officer shall be two years or until his/her successor is elected;
- Officers shall be elected at the first regularly scheduled Port Commission meeting in January in even years; and
- Newly elected officers shall take office effective the next regularly scheduled meeting following the election.

<u>MOTION:</u> Commissioner Hohenberg moved for the approval for the following slate of officers for the Port of Kennewick Board of Commissioners for the 2022-2023 years, effective January 1, 2022; President, Commissioner Novakovich; Vice President, Commissioner Hohenberg; and Secretary Commissioner Moak. Commissioner Novakovich seconded. With no further discussion, motion carried. All in favor 2 Ayes (Commissioners Hohenberg and Novakovich):0:1 Abstain (Commissioner Moak).

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Mr. Arntzen stated on behalf of the Port of Kennewick team, we would like to welcome Commissioner Hohenberg as the new Vice President. Mr. Arntzen is thrilled with this new and exciting transition and senses a rebirth at the Port and is excited to see the new majority in action.

Commissioner Novakovich welcomed Commissioner Hohenberg and offered his congratulations on being the Vice President of the Port of Kennewick.

Commissioner Hohenberg appreciated the comments and is excited to get back and focus on the mission and see some great things happen this year.

APPROVAL OF THE AGENDA

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

PUBLIC COMMENT

No comments were made.

CONSENT AGENDA

- A. Approval of Direct Deposit and E-Payments Dated December 17, 2021 Direct Deposit and E-Payments totaling \$65,024.46
- **B.** Approval of Warrant Register Dated December 15, 2021 Expense Fund Voucher Number 103413 for a grand total of \$116,163.87
- C. Approval of Direct Deposit and E-Payments Dated December 30, 2021 Direct Deposit and E-Payments totaling \$83,097.47
- D. Approval of Warrant Register Dated December 30, 2021 Expense Fund Voucher Number 103414through 103443for a grand total of \$119,588.61
- E. Approval of Regular Commission Meeting Minutes December 14, 2021

<u>MOTION:</u> Commissioner Moak moved to approve the Consent Agenda as presented; Commissioner Hohenberg seconded. With no further discussion, motion carried unanimously. All in favor 3:0.

PRESENTATIONS

A. Build Northwest Awards, Shannon Toranzo of Total Site Services

Mr. Peterson introduced Shannon Toranzo from Total Site Services (TSS), the contractor for Vista Field Phase 1A.

Ms. Toranzo stated each year the Inland Northwest Association General Contractors (AGC) awards members of the AGC who build the region's most impressive construction projects. The projects are reviewed by a panel of neutral judges and are selected based on uniqueness, innovation, and overall excellence. In September, TSS submitted the Vista Field project for consideration, and we received notice that we won in the heavy, civil and utilities category. Ms. Toranzo stated there will be an event on February 4, 2022 at the Davenport Grand Hotel in Spokane and invited the Port to attend. Ms. Toranzo stated it was the Port's vision and design and a great team that helped TSS construct an old airport into a future urban city center.

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Commissioner Novakovich thinks that is exciting news and stated it takes teamwork and he is very proud of TSS and the team at the Port and our partners.

Mr. Arntzen stated this is a huge honor and invited Commissioner Novakovich to represent the Port at the event in Spokane.

Commissioner Novakovich would be proud to represent the Port of Kennewick and appreciates everyone's work on this project that earned this prestigious award.

Mr. Peterson stated this AGC is a major award and stated there were many significant projects in our region. Mr. Peterson stated TSS worked with Ms. Bader Inglima on the application, but it was the Port's design that was based on the community's vision for Vista Field to construct a unique development.

B. Fortify Holdings, Rob Jacobs and Ziad Elsahili

Ms. Hanchette introduced Rob Jacobs and Ziad Elsahili of Fortify Holdings, who will be presenting a proposal for the Clover Island Inn.

Mr. Elsahili and Mr. Jacobs presented a proposal to purchase and renovate the Clover Island Inn and create a catalyst for economic development that fits with the Port's Master Plan (*Exhibit A*).

Commissioner Moak thanked Mr. Elsahili and Mr. Jacobs for their presentation and stated in seventy years, the Port has only sold property on the Island to the U.S. Coast Guard. Additionally, Commissioner Moak recalls the Master Plan strongly recommended that the Port maintain the policy of land leases on Clover Island.

Mr. Elsahili and Mr. Jacobs believe it is a great opportunity that could be beneficial to all parties. Fortify currently has projects in the Tri-Cities and stated the City of Kennewick Municipal Code allows for this kind of mixed used development.

Commissioner Hohenberg inquired if Mr. Arntzen has a recommendation of next steps for the Commission to consider.

Mr. Arntzen thanked Mr. Elsahili and Mr. Jacobs for their presentation; however, this is the first opportunity the Port has had to review the proposed project. Mr. Arntzen recommended the Port Commission authorize him to perform some due diligence and engage with a third party to review the proposal, the proposers and the projects, and the proposal consistent with the Master Plan. Additionally, Mr. Arnzen suggested that the Commission engage with the public on this proposal before taking any action.

Mr. Jacobs inquired if Fortify Holdings should start the appraisal process.

Mr. Arntzen stated an appraisal would be a necessary component, but he believes it is a bit premature.

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Commissioner Novakovich believes it would be a game changer for the Port; however, there is a lot to consider. Commissioner Novakovich thinks a renovation of the hotel is a fantastic idea, provided it meets with public approval, per past practice.

Commissioner Hohenberg received an anonymous citizen phone call yesterday expressing their concerns that this would turn the Island into a low income, homeless housing project. Commissioner Hohenberg believes this project should be vetted properly and publicly.

Mr. Jacobs thanked the Commission for their time and looks forward to addressing any comments or concerns that may exist.

Mr. Elsahili stated that Fortify Holdings would be happy to assist the Port in any way and indicated that they do not have any low-income housing projects.

It is the Consensus of the Commission for the Port CEO to move forward with due diligence for the Fortify Holdings proposal.

REPORTS, COMMENTS AND DISCUSSION ITEMS

A. Vista Field

Mr. Peterson outlined the remaining tasks that need to be completed at Vista Field and policy questions for the Commission to consider (*Exhibit B*).

Ms. Hanchette stated the content which Mr. Peterson outlined will be included in a "builder's bible." It will be a roadmap for the builder/buyer to reference information such as the processes for the purchase proposal, design standards, FAQ's, and owners association. This will be a living document and may require revisions as we move through the processes and transactions.

Commissioner Moak appreciates that staff will bring back policies for the Commission to review and to confirm where we are at and make sure we are on board with where the Port is going.

Commissioner Hohenberg is very excited for Vista Field, and it is his number one priority. Commissioner Hohenberg stated the Port has excellent consultants and appreciates Mr. Peterson's insight and vision. Commissioner Hohenberg is ready to get this project moving and focus on the mission without distractions.

Commissioner Novakovich inquired if we need to address the policies in a Special Meeting.

Mr. Peterson would like to see how many policies can be reviewed before making that determination.

B. Governance and Management Audit

Mr. Arntzen outlined the history of the governance and management audit proposal for the Commission and stated before the Commission is Resolution 2022-01 approving or rejecting the governance and management audit as well as Resolution 2022-02 hiring a project manager to oversee the governance and management audit.

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Commissioner Moak cannot support proposed Resolution 2022-01 or Resolution 2022-02 because it does not consider the recommendation made by the 2021 Commission which was to engage Moss Adams to conduct the tier one audit for \$85,000; however, it is up to the 2022 Commission whether it wants to move forward. Commission Moak stated the audit was to review tier one and he does not believe the staff report reflects what the 2021 Commission recommended. Commissioner Moak stated a lot of the policies have been in place for some time and things have changed over the past decade that need to be reviewed. Additionally, Commission Moak stated the staff report states, "a provision of this audit calls for Commissioner Barnes to continue shaping the audit outcome," and he does not believe there has been any discussion on his part that former Commissioner Barnes would have anything to do after December 31, 2021, after he left office. Commissioner Barnes would have anything to do with this.

Mr. Arntzen stated page 6 of the Request for Proposal (RFP) of the governance and management audit states "interviews of current and former elected Commissioners to better define the extent of each task." Mr. Arntzen believes Commissioner Moak is correct in that it was never mentioned, and perhaps it should have been. When Mr. Arntzen reviewed the RFP, he had never seen a situation where a person who left office was still involved. Mr. Arntzen inquired if the Commission would like to move forward with the governance and management audit.

Commissioner Novakovich stated the Commission received the Agenda Reports and Resolutions prior to the Meeting. Commissioner Novakovich believes Commissioner Moak's concern should have been addressed when he received the Draft Agenda.

Commissioner Hohenberg reiterated that he is excited about Vista Field and the Port needs to stay focused, and he sees this as a distraction regardless of whether it is \$85,000 or \$125,000, it is still taxpayer dollars. Prior to being seated in this position, Commissioner Hohenberg stated, you can have the best governance, and you can have the best policies in place, but if you have the wrong people at the table, you will still have issues. One thing Commissioner Hohenberg learned at the New Commissioner Training, is the Commission sets the culture and tone and he has heard loud and clear from constituents across the Port district, that they want the Port to be focused on the mission and to start moving forward.

PUBLIC COMMENT

No comments were made.

<u>MOTION</u>: Commissioner Hohenberg moved that the Port Commission reject the Governance and Management audit proposal from Moss Adams. Commissioner Hohenberg further moves that the Port CEO officially close out the Governance and Management audit process; and that the CEO refrains from expending further staff or financial resources on this matter; Commissioner Novakovich seconded.

With no further discussion, motion carried. All in favor 2 Ayes (Commissioners Hohenberg and

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Novakovich) : 1 Nay (Commissioner Moak).

PUBLIC COMMENT

No comments were made.

<u>MOTION</u>: Commissioner Hohenberg moved that the Port Commission reject all proposals for project management services; Commissioner Novakovich seconded. With no further discussion, motion carried unanimously. All in favor 3:0.

C. CEO Direction Topics

1. Consent Agenda

Mr. Arntzen recommended placing more routine items on the Consent Agenda to keep the meeting flowing and on track and allows the team to focus on more important topics. Additionally, it could reduce the length of the meetings and make them more succinct.

2. Public Comments – revise requirement to not provide home address

Mr. Arntzen stated at the November 9, 2021 Commission Meeting, Commissioner Novakovich informed the Commission that an individual making a public comment does not need to provide their address, only name and city. Mr. Arntzen inquired if the Commission would like to remove the address requirement related to public comment.

3. Meeting length / Time limit per issue

Mr. Arntzen stated the Commission Meetings have been running over three hours as of late and if we utilize the Consent Agenda, our meetings could be shorter and perhaps consider adding a time limit per topic.

Commissioner Moak inquired what items would be placed on the Consent Agenda.

Mr. Arntzen stated routine items that do not require public input or discussion. The Commission always can remove items from the Consent Agenda for further review and discussion.

Ms. Scott stated for example, items the Commission have discussed previously that there is consensus on.

It is consensus of the Commission to utilize the Consent Agenda for routine items, remove the address requirement for Public Comment; and strive to reduce the time limit of the Commission Meetings.

D. 2022-2023 Commissioner Committee Assignments

Mr. Arntzen presented the 2020-2021 Commission Committee Assignments (*Exhibit C*) for Commission review and stated there are several assignments that need to be reassigned. The Commissioners will review the list and approve new assignments at the next meeting.

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E. State of the Port's Luncheon

Ms. Bader Inglima reported that the Tri-Cities Regional Chamber of Commerce invited the port districts to present an annual report and overview of projects at the February 23, 2022 luncheon. Ms. Bader Inglima is confirming with the Chamber if it will be an in-person and/or virtual meeting. Each port will present a video introduction and overview followed by a question and answer period.

F. Commissioner Meetings (formal and informal meetings with groups or individuals) Commissioners reported on their respective committee meetings.

G. Non-Scheduled Items

Ms. Hanchette presented photos from the Clover Island Marina, where a tenant's boat sank on A Dock on January 8, 2022 (*Exhibit D*). Ms. Hanchette stated it was a team effort and we were able to get the situation under control.

The Commission complimented the Port team for their efforts over the weekend and how quickly they were able to resolve the situation.

Mr. Arntzen thanked the Port team for their swift and efficient actions to resolve this matter.

Commissioner Hohenberg thanked Mr. Arntzen and the team for getting him all set up and taking care of things. Commissioner Hohenberg stated this has been a great onboarding experience and he is excited to be moving from many years of public service with a great team to another great team.

Commissioner Moak welcomed Commissioner Hohenberg to the Commission and shared that he has had an opportunity to work with him in the past in a different capacity. Commissioner Moak is looking forward to working with Commissioner Hohenberg and appreciates that he sees Vista Field as our number one priority. Commissioner Moak looks forward to a lot of great things from Commissioner Hohenberg and hopes it is productive for him over the next six years and thinks he will be a very good Commissioner for the Port of Kennewick.

Commissioner Novakovich echoed Commissioner Moak's comments and welcomed Commissioner Hohenberg.

Commissioner Novakovich would like to take a few minutes to first thank all members of the dream team that Mr. Arntzen has assembled at the Port of Kennewick. These are men and women who, in spite of having to work in a hostile work environment created by the past Commission and faced all the issues Covid has brought about, have remained loyal to this organization and dedicated to serving our taxpaying public. To Commissioner Novakovich, they are truly heroes in every sense, and he thanked them for who they are and what they do. Secondly, Commissioner Novakovich wants everyone to know that as of today, the Port of Kennewick will embark on a new path forward. What does that mean? He doesn't know for sure, but he will guarantee it will be far superior and much more enjoyable than the past 3-4 years. Commissioner Novakovich hopes that wherever this new path takes us, and how it is created, is that we can all work together, creating something we enjoy working on and can be thankful and proud of our efforts.

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Commissioner Novakovich has a few thoughts he would like to contribute to this effort.

First, in the over a decade that Commissioner Novakovich has served on this Commission, he has never seen such negativity, unjustified lack of trust, and lack of mutual respect as was created by the Commission over the past four years or so. His assessment is we have been severely wounded, but although the healing process will take some time, it begins right now with what he would like to see from the Commission. He would like to see this Commission take the lead at re-establishing a solid relationship of trust and mutual respect between the Port team members and the Commission. He would like to see this Commission encourage and support team leadership, allowing them to once again become the visionary assets they once were. He would like to see this Commission work with our team to prioritize the Port of Kennewick work, based on available resources both personnel and financial, and not interject new Commissioner assigned tasks, unless properly vetted, approved and allowances are made for the slowing of already assigned tasks. Commissioner Novakovich would like to see Commissioners understand the need to trust team members, allowing them to do their jobs, prioritizing Commission assigned work, deciding what to do, when to do it, and how to do it, based on the ever-changing demands team members encounter daily, that Commissioners may not be aware of. He would like to see Commissioners be required to sign an oath of commitment to adhere to all laws and approved policies and agree to accept the strictest punishment provided by new Port policies and all appropriate local, state, and federal laws. He would like to see Commissioners understand their role does not involve micro-management of the Port. Furthermore, understand that to have an efficiently run Port, the Commissioners must learn to delegate responsibly, then let the executive and his team function in their areas of authority and expertise. Individual Commissioners should not be meddling in team affairs. He would like to see each Commissioner recognize and understand their personal limitations. As Commissioners, we individually have a certain skill set based on our education, work, and life experiences, but our team provides a combined set of professional skills and abilities we as individuals or even all combined Commissioners cannot equal. As Commissioners we need to not only realize this fact but respect it. We may question why and allow for explanations, but we should not try to tell team members how to do their jobs. He would like to see no Commissioners direct the Executive Director to initiate any action, prepare any report, initiate any project or study without the consent of the majority of the Commission. And lastly, Commissioner Novakovich is so proud and blessed to be associated with the team. Our CEO, Tim Arntzen, not only strategically assembled, but has miraculously managed to hold together through extremely trying times. And he pledges to do everything he can and is capable of, to help create a new path forward based on mutual trust, appreciation, thankfulness, and respect.

PUBLIC COMMENTS

Cal Coie, Kennewick. Mr. Coie has attended numerous meetings over the past 20+ years, and heard very similar proposals by numerous individuals and companies that paint a pretty picture like they did today. Mr. Coie applauds the Port for more study and hopefully the Port will come out with a good solution, one way or another. Mr. Coie is also interested in the subject of purchasing land on Clover Island and stated if you do sell the property, then the Commission will open a book for other people to purchase the property as well. Mr. Coie stated a study is tremendous and the Port has three meetings before March 1st, and

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hopefully in that time, the study will provide some type of answer that is beneficial to all above.

No further comments were made.

Commissioner Novakovich anticipates the Executive Session will last approximately 20 minutes, Potential Litigation, per RCW 43.30.110(1)(i) with potential action expected. Commissioner asked the public to notify Port staff if they will return after the executive session so staff can advise if the session concludes early.

RECESS FOR EXECUTIVE SESSION

Commissioner Novakovich recessed the Regular Commission Meeting at 4:01 p.m. and convened the Executive Session at 4:05 p.m. for 20 minutes.

Ms. Schumacher extended the Executive Session for 5 minutes at 4:25 p.m.

Ms. Schumacher extended the Executive Session for 5 minutes at 4:30 p.m.

Ms. Schumacher extended the Executive Session for 5 minutes at 4:35 p.m.

EXECUTIVE SESSION

A. Potential Litigation per RCW 43.30.110(1)(i)

Commissioner Novakovich adjourned the Executive Session at 4:39 p.m.

Commissioner Novakovich reconvened the Regular Commission Meeting 4:39 at p.m.

Ms. Luke stated during Executive Session she discussed the issue of potential litigation pending before the Port involving a tort claim filed by Mr. Arntzen. Ms. Luke requested action be considered by the Commission to authorize the retention of attorney Matt Mensik of Witherspoon Kelley in Spokane as outside counsel to represent the Port in this matter.

<u>MOTION</u>: Commissioner Hohenberg moved that the Port Commission approve the recommendation; Commissioner Moak seconded. With no further discussion, motion carried unanimously. All in favor 3:0.

COMMISSION COMMENTS

No comments were made.

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ADJOURNMENT

With no further business to bring before the Board; the meeting was adjourned 4:41 p.m.

APPROVED:

PORT of KENNEWICK BOARD of COMMISSIONERS

Skip Novakovich, President

Kenneth Hohenberg, Vice President

Thomas Moak, Secretary

PORT OF KENNEWICK

RESOLUTION No. 2022-01

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE PORT OF KENNEWICK REJECTING A GOVERNANCE AND MANAGEMENT AUDIT

WHEREAS, in January 2021 at the urging of former Commissioner Barnes the Board of Commissioners directed that the Port CEO contract with a third party to perform a "governance and management audit"; and

WHEREAS, the record indicates that the "audit" is driven by an ethics complaint lodged against Commissioners Barnes and Moak; and

WHEREAS, the audit will consist of a review of, and potential re-write of port policies and procedures; and

WHEREAS, the audit is expected to cost \$125,000 and up to \$41,500 for project management services; and

WHEREAS, the audit is anticipated to take at least six months to complete; and

WHEREAS, there has been nearly a year's time invested in the audit's "preparatory" phase; and

WHEREAS, the audit calls for former Commissioner Barnes' continued participation, despite him no longer remaining in office; and

WHEREAS, the Moss Adams proposal is the only proposal received pursuant to a Request for Proposals, resulting in a "sole source contract;" and

WHEREAS, sole source contracts are generally disfavored by the legislature.

NOW, THEREFORE, BE IT RESOLVED that the Port of Kennewick Board of Commissioners hereby rejects the Governance and Management audit proposal from Moss Adams in the amount of \$125,000.

BE IT FURTHER RESOLVED that the Port of Kennewick Board of Commissioners hereby directs that the port CEO officially close out the governance and management audit process.

BE IT FURTHER RESOLVED that the port CEO shall refrain from expending further staff or financial resources on this matter.

BE IT FURTHER RESOLVED that the Port of Kennewick Board of Commissioners hereby ratify and approve all action by port officers and employees in furtherance hereof; and authorize the Port Chief Executive Officer to take all action necessary in furtherance hereof.

RESOLUTION No. 2022-01 Page 2

ADOPTED by the Board of Commissioners of Port of Kennewick on the 11th day of January, 2022.

By:

PORT of KENNEWICK BOARD of COMMISSIONERS

By: Skip Novakovich

SKIP NOVAKOVICH, President

DocuSigned by:

Kenneth Hobenberg

KENNETH HOHENBERG, Vice President

By: NAY

THOMAS MOAK, Secretary

PORT OF KENNEWICK

RESOLUTION No. 2022-02

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE PORT OF KENNEWICK RELATED TO PROJECT MANAGEMENT SERVICES (AUDIT RELATED)

WHEREAS, in January 2021 at the urging of former Commissioner Barnes, the Board of Commissioners directed that the Port CEO contract with a third party to perform a "governance and management audit"; and

WHEREAS, associated therewith, the Commission also directed that a Request for Proposals (RFP) be solicited for project management services related to the audit; and

WHEREAS, in response to the RFP, the port received two proposals for project management services.

NOW, THEREFORE, BE IT RESOLVED that the Port of Kennewick Board of Commissioners hereby rejects all proposals for project management services.

BE IT FURTHER RESOLVED that the Port of Kennewick Board of Commissioners hereby ratify and approve all action by port officers and employees in furtherance hereof; and authorize the Port Chief Executive Officer to take all action necessary in furtherance hereof.

ADOPTED by the Board of Commissioners of Port of Kennewick on the 11th day of January, 2022.

| By: | PORT of KENNEWICK BOARD of COMMISSIONERS DocuSigned by: Skip Novakovich |
|-----|---|
| | SKIP NOVAKOVICH, President |
| By: | DocuSigned by: Kenneth Hohenberg 89F77EAC8921416 KENNETH HOHENBERG, Vice President |
| By: | DocuSigned by: Thomas Moak A35176A2D2CD413 THOMAS MOAK, Secretary |

EXHIBIT A

Rejuvenating the Clover Island Inn

Creating a Catalyst for Economic Development January 2022



Decades of Experience Building Communities

WHO WE ARE:

- Oregon based, family-owned real-estate company since 1995; OR, WA, ID, NV, CA properties
- Specialize in improving and operating multi-family housing: More than 6,500 residences, 65 properties (completed or under construction)
- Long term investors with commitment to local community partnerships (never sold a building)
- Large Tri-Cities presence







Clover Island Inn: A \$20 Million Transformation

Purchase

- Fortify Holdings is currently under contract to purchase the Clover Island Inn on or before 3/31/2022.
- The current lease with the Port of Kennewick has extension options through 2034.
- Fortify Holdings would like to work with the Port of Kennewick to purchase the land on which the hotel sits.

Renovation Plan

- Mixed-use property featuring a restaurant, shops, and apartment homes along with other amenities
- Renovations will include complete interior renovations, a new restaurant/bar, new pool area, new landscaping, new exterior elements of the building (paint, siding, architectural elements, artwork, etc.), parking lot upgrades, new signage, and more

Projected Total Investment: \$17 Million - \$20 Million





EXHIBIT A

Why Work with Fortify?

- A CATALYST FOR ECONOMIC DEVELOPMENT
- NEWLY RENOVATED INTERIOR AND EXTERIOR ENHANCING AESTHETICS FOR ISLAND
- PERFECT FIT WITH THE MASTER PLAN
- IMPROVED COMMUNITY SAFETY
- HISTORY OF STRONG PARTNERSHIPS
 AND SUCCESS IN CREATING COMMUNITIES

| | Cri-City Herald |
|-----------|------------------------------------|
| | LOCAL |
| ri-City d | eveloper turning hotels into micro |
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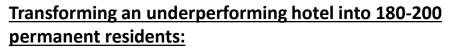
Organizations buy hotels in hopes of helping Oregon fire survivors

LOCAL NEWS





Catalyst for Economic Development



- A renovated Clover Island Inn with 200 permanent residents will enhance commercial activity
- Benefits adjacent businesses (restaurants, breweries, the marina, the wine village, etc.)
- Permanent residents lead to safer neighborhoods

Fortify has been developing multi-family communities for 20 years:

- Our portfolio's average occupancy rate of 98% translates to 200 residents living on the island
- The current hotel has closer to a 50% average occupancy rate



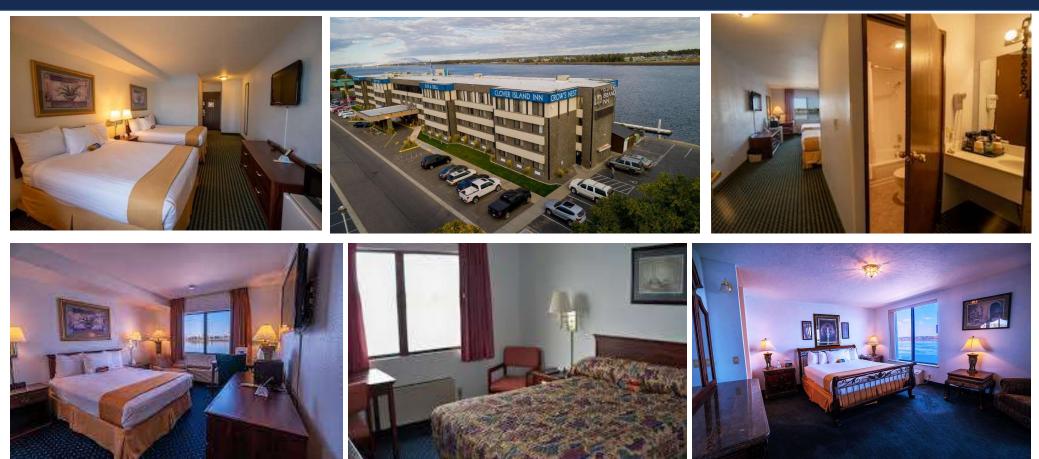






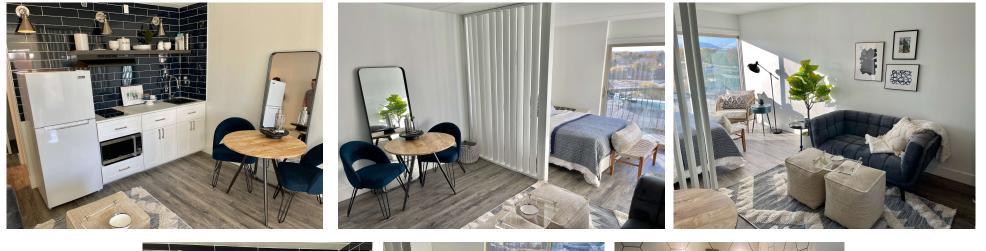
Clover Island Inn Today...





Clover Island Inn Tomorrow...







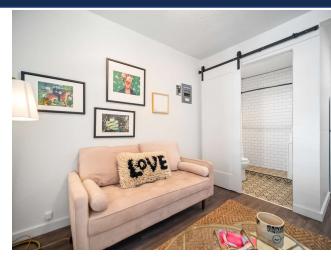




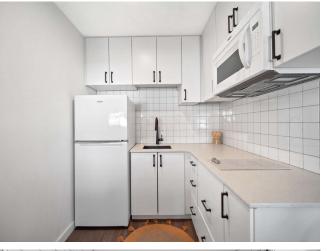
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Clover Island Inn Tomorrow...









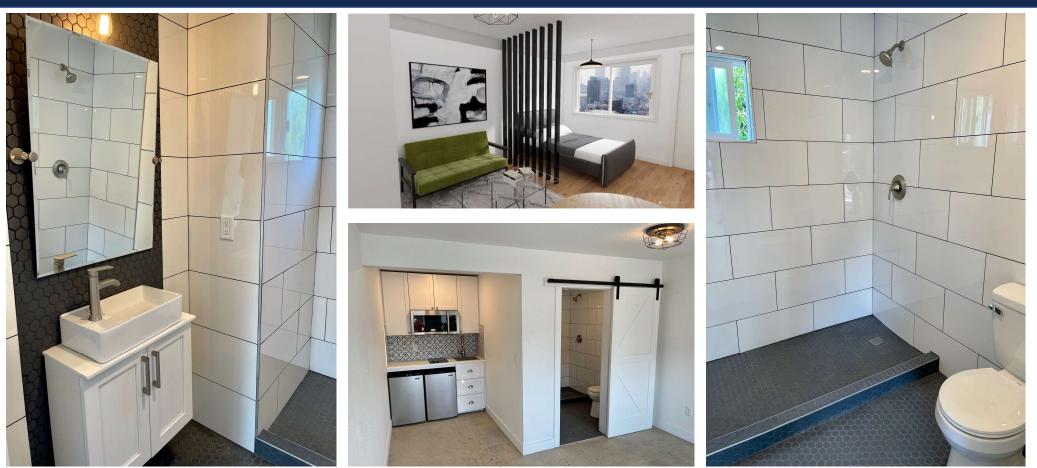






Clover Island Inn Tomorrow...





Advancing the Clover Island Masterplan



After diligently reviewing the Master Plan, we believe our project at the Clover Island Inn fits perfectly into the port's vision for the island. Some key points include......

- Community Feedback 🗹
 - A common theme from the public feedback portion of the Master Plan was to completely upgrade the Clover Island Inn.
- A Place to Call Home
 - Add a residential community to the island
- Architecture and Local Art
 - We will partner with the port to incorporate desired architectural plans for the building and commission local artists to add works of art to the property. See next slide featuring artwork at other Fortify properties.
- Clover Island East An Active District
 - We will work with the port to create an entertainment venue/event space, improved dining and bar experience, water recreation, coherent walking paths, and more.
- Partner with Developers
 - The Master Plan describes working with developers who will champion the port's goals. And in so doing, the Master Plan directs the port to negotiate land sales and/or work on favorable long-term leases to attract development.

Working with Local Artists





A Partner with the Port and the Tri-Cities Community

- Fortify will be a strong partner with the Port of Kennewick
- We would endeavor to develop other parcels on Clover Island and the surrounding district that align with the port's Master Plan

Across all communities where Fortify exists, we create partnerships with local stakeholders to advance interests of all parties.

We are excited to partner with the Port of Kennewick on the Clover Island Inn rehab, and future projects!







Supported by City of Kennewick's Municipal Code

- Clover Island is in the Commercial Marina (CM) zoning district
 - Allows for multi-family residential communities featuring at least 20% commercial
- Our Multi-Use Vision
 - Residences
 - Restaurant
 - Bar
 - Shops
 - Amenities







CONCLUSION



- MAJOR FINANCIAL INVESTMENT
- BOON FOR ECONOMIC DEVELOPMENT
- NEW ARCHITERCTURAL DESIGNS AND ART WORK
- FURTHERS GOALS OF MASTER PLAN
- SUPPORTED BY PUBLIC OPINION
- IMPROVING COMMUNITY SAFETY
- LONG TERM, FINAICIALY VIABLE PARTNERSHIP



With this transformation, Clover Island and the port district will become one of the marquee waterfront communities in the region.

EXHIBIT A

Thank You



Questions / Comments

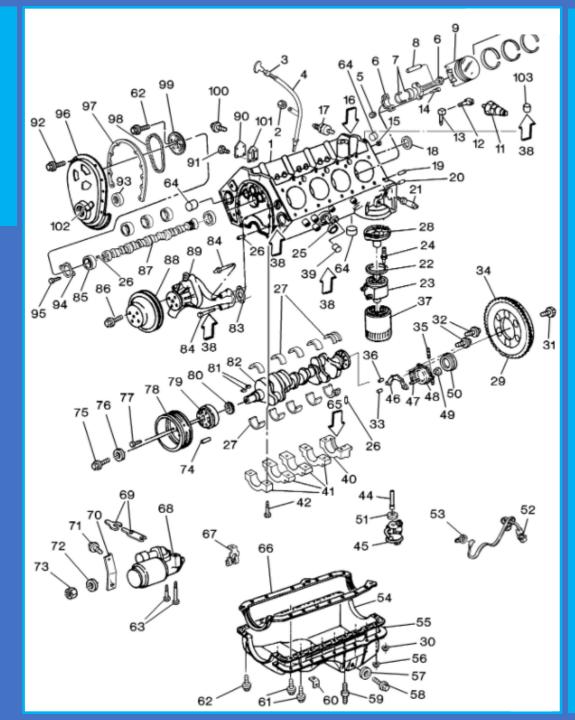


VISTA FIELD Pieces are Coming Together

(January 11, 2022)







Think of the remaining Vista Field tasks as the steps to assembling an engine.

There are an overwhelming number of parts when considered individually, but when grouped into subassemblies (short block, heads, fuel delivery) the puzzle becomes manageable.

Also like an engine many steps must occur in a prescribed order (pistons & rods before heads) and yet whole sub-assemblies can progress separately (heads & carburetor) from the overall progress.



VISTA FIELD Pieces are Coming Together

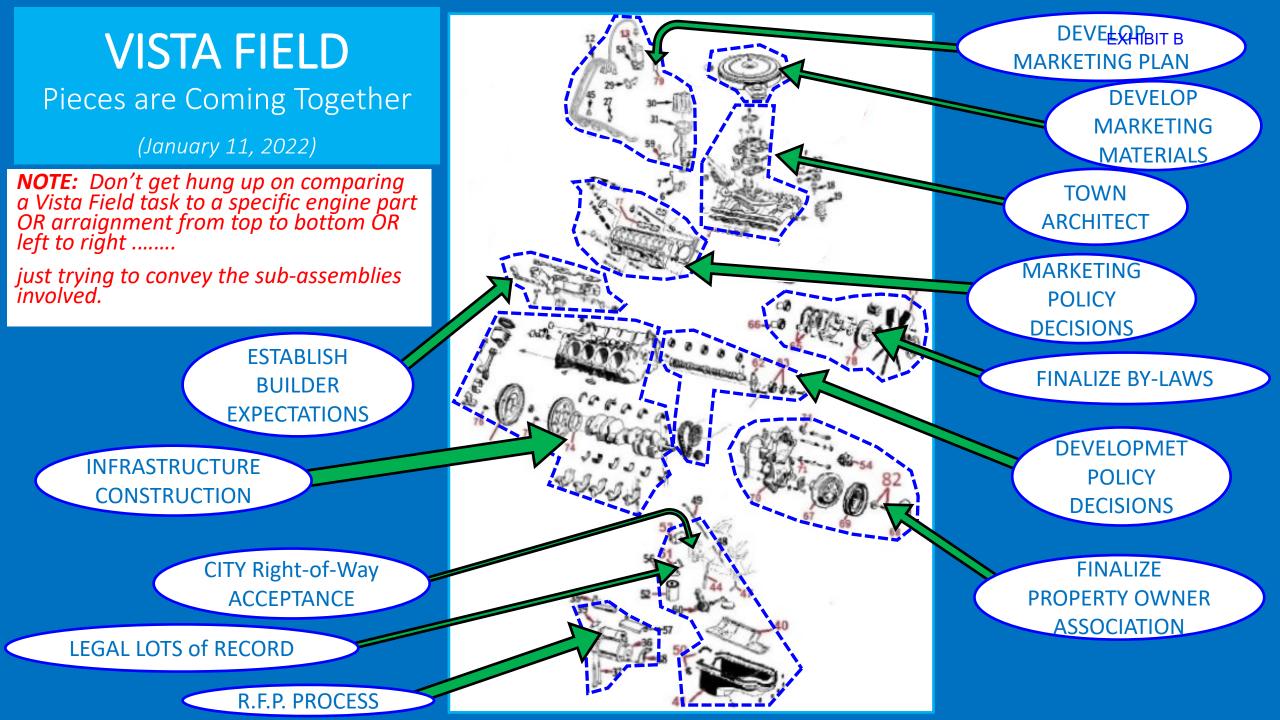
(January 11, 2022)





Representation of MATT & DPZ's influence

EXHIBIT B



VISTA FIELD Pieces are Coming Together

(January 11, 2022)

INFRASTRUCTURE **CONSTRUCTION** DONE! CITY Right-of-Way **ACCEPTANCE** Recording BSP results in City "accepting the Right-of-Way;

EXHIBIT B

LEGAL LOTS of RECORD

Binding Site Plan (BSP) Survey submittal to City;

City Internal & External Review;

Address/Incorporated all Public Works & Utility company comments;

Address/Incorporate all Fire Dept. comments

Obtain signatures on final document;

Record BSP;

VISTA FIELD Pieces are Coming Together

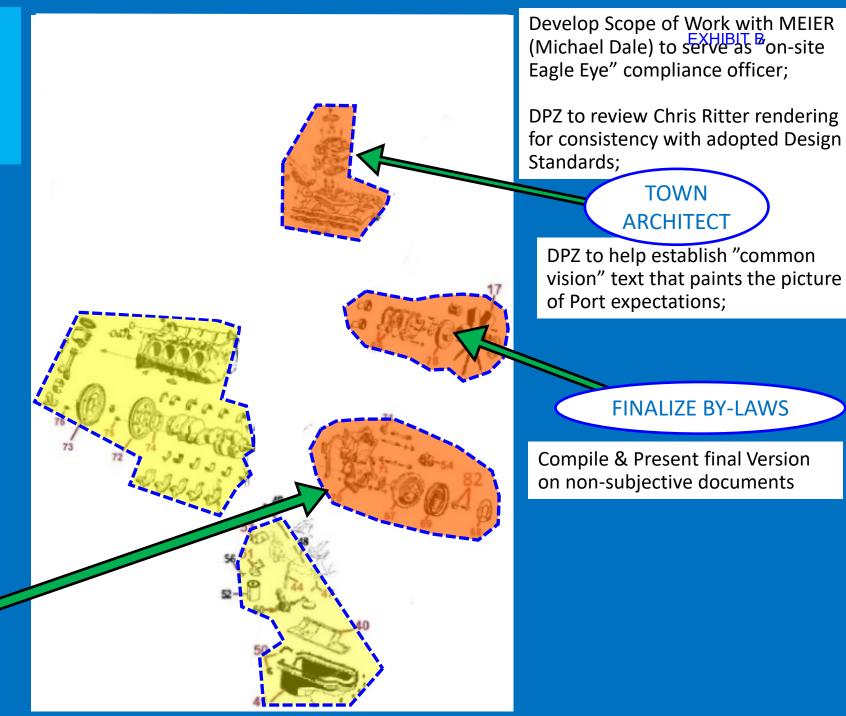
(January 11, 2022)

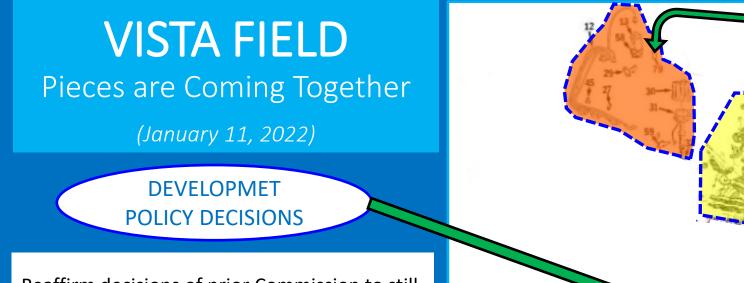
Working to develop initial budget and buildout budget;

Estimates for water feature, woonerfs, alleys, parking lots, landscaping, garbage, sweeping & plowing;

Following pro/con analysis finalize R.F.P for Property Management company;

FINALIZE PROPERTY OWNER ASSOCIATION





Reaffirm decisions of prior Commission to still be current Policy;

Establish clear direction on desired and prohibited uses on a site by site basis;

Compile philosophy and draft policies regarding Port development of joint useparking lots using land sale proceeds;

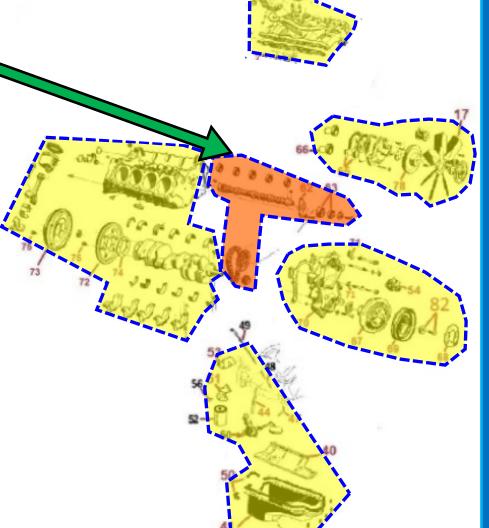
Present philosophy and draft policies to Commission and revise and resubmit as necessary to achieve final decision on issue;

Compile philosophy and applicable code into a "Parking Explained" document consistent with Commission direction;

DEVELAPPBIT B MARKETING PLAN

Establish/confirm Commission marketing expectations;

Establish/confirm Commission timeline expectations;



VISTA FIELD Pieces are Coming Together

(January 11, 2022)

"Run" prospective project(s) through the 2016 Collaborative Design Process mechanism and identify pitfalls;

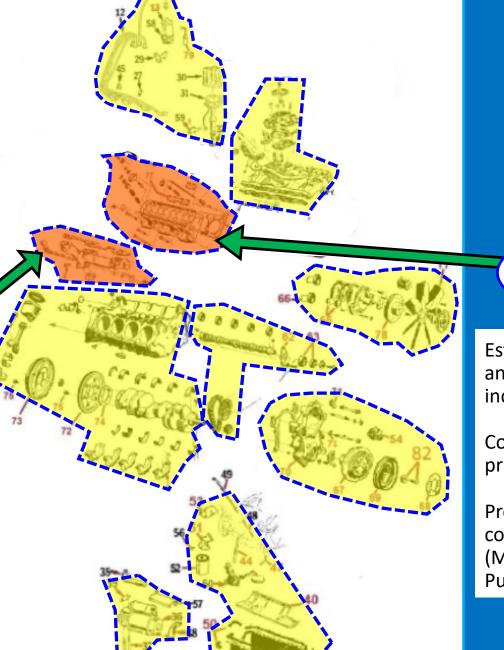
Focus on practicality, realistic expectations, buyer/buyer effort/expense and timeline; Implications of existing mechanism and possible revised mechanism; ESTABLISH

BUILDER EXPECTATIONS

Outreach to Tri-City HBA about proposed process and observe their responses; Address those pitfalls and finalize process;

Create F.A.Q. document based upon above items for prospective buyers/builders;

Create F.A.Q. document based upon above items for general citizens;



MARKETING POLICY DECISIONS

EXHIBIT B

Establish Letter of Intent format and what information must be included;

Confirm/revise price decisions of prior Commission;

Present and seek Commission concurrence on contractual forms (Mutual Intentions Agreement, Purchase & Sale Agreement, etc.)

VISTA FIELD Pieces are Coming Together

(January 7, 2022)

Clear identify "triggers" or date for initial publication/release of RFP;

R.F.P. PROCESS

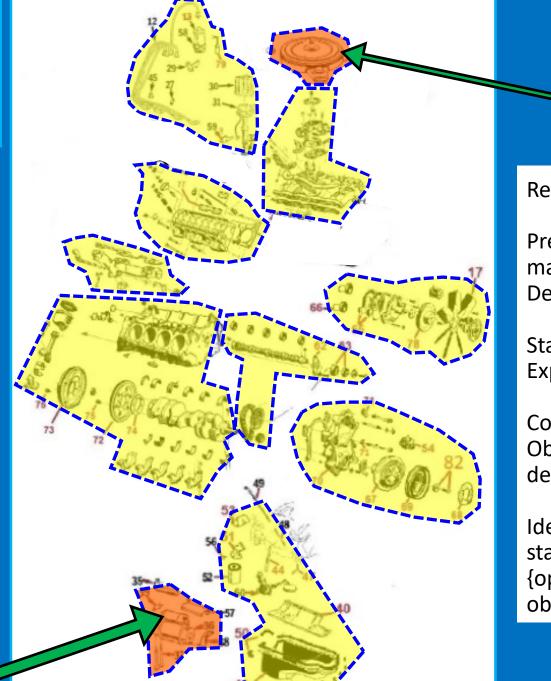


EXHIBIT B

DEVELOP MARKETING MATERIALS

Revisions to website;

Preparation of digital materials including FAQ's, Design

Standards, CC&R's, Parking Explained document, all

Contractual documents, etc.; Obtain parcel dimension details and maps;

Identify missing items (photos, statistics, incentives {opportunity zone}, etc. and obtain as necessary; VISTA FIELD Pieces are Coming Together (January 11, 2022)





(January 11, 2022)

COMMISSION INPUT/DECISIONS

MARKETING POLICY DECISIONS

Establish Letter of Intent format and what information must be included;

Confirm/revise price decisions of prior Commission;

Present and seek Commission concurrence on contractual forms (Mutual Intentions Agreement, Purchase & Sale Agreement, etc.)

Clear identify "triggers" or date for initial publication/release of RFP;

R.F.P. PROCESS

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DEVELATING PLAN

Establish/confirm Commission marketing outreach and marketing timeline expectations;

DEVELOPMET POLICY DECISIONS

Reaffirm decisions of prior Commission to still be current Policy;

Establish clear direction on desired and prohibited uses on a site by site basis;

Compile philosophy and policies regarding Port development of joint use-parking lots using land sale proceeds;

Compile philosophy and codes into a "Parking Explained" document consistent with Commission direction;

EXHIBIT C



PORT of KENNEWICK 2020-2021 COMMISSION ORGANIZATION REPRESENTATION

| NAME | MEETING SCHEDULE | MEETING TIME | MEETING PLACE | CURRENT COMMISSIONER REPRESENTING POK | COMMENTS |
|--|------------------------------------|--------------|---|--|--|
| Benton-Franklin Council of Governments Board of Directors (BOD) | 3rd Friday | 10:00 AM | Benton Franklin Transit Conference Room | Commissioner Skip Novakovich | Alternate: Commissioner Don Barnes |
| Local Good Roads & Transportation Association | 3rd Wednesday every other month | 5:30 PM | Crow's Nest, Clover Island Inn | Commissioner Thomas Moak | Alternate: Commissioner Don Barnes Meets Feb, April, June, August, October, December |
| Confederated Tribes of the Umatilla Indian Reservation (CTUIR) | As Called | | | Commissioner Skip Novakovich | Alternate: Commissioner Thomas Moak |
| Historic Downtown Kennewick Partnership Board Meeting | 4th Friday | 5:30 PM | HDKP Conference Room | Commissioner Thomas Moak | Alternate: Commissoner Don Barnes |
| Historic Downtown Kennewick Partnership Organization Committee | 2nd Friday | 8:00 AM | HDKP Conference Room | Commissioner Thomas Moak | |
| Tri-Cities Hispanic Chamber of Commerce (Luncheon) | 3rd Tuesday | 11:30 AM | Pasco Red Lion | Commissioner Skip Novakovich | Alternate: Commissoner Don Barnes |
| Tri-City Regional Chamber Board of Directors Meeting | 3rd Wednesday every other month | 7:00 AM | Tri-Cities Business & Visitor Center Bechtel Board Room | Commissioner Don Barnes | Alternate: Commissoner Thomas Moak Meets Feb, April, June, August, October, December |
| Visit Tri-Cities (formerly Tri-Cities Visitor & Convention Bureau) (Full Board Meeting) | 4th Wednesday | 7:30 AM | Tri-Cities Business & Visitor Center Bechtel Board Room | Commissioner Don Barnes | Alternate: Commissioner Thomas Moak |
| TRIDEC Board of Directors Meeting | 4th Thursday | 4:00 PM | Tri-Cities Business & Visitor Center Bechtel Board Room | Commissioner Don Barnes | Alternate: Commissioner Skip Novakovich |
| TRIDEC Executive Board Meeting | 2nd Thursday every other month | 4:00 PM | Tri-Cities Business & Visitor Center Bechtel Board Room | Commissioner Don Barnes Port of Kennewick | Tri-Ports Executive Board Rep (Rotates Annually) 2019 - Port of Pasco 2020 - Port of Kennewick 2021 - Port of Benton Meets Feb, April, June, August, October, December |
| West Richland Area Chamber of Commerce (Luncheon) | 1st Wednesday | Noon | The Mayfield Gathering Place | Commissioner Skip Novakovich | Alternate: Commissioner Don Barnes |

EXHIBIT C



PORT of KENNEWICK 2020-2021 COMMISSION ORGANIZATION REPRESENTATION

| NAME | MEETING SCHEDULE | MEETING TIME | MEETING PLACE | CURRENT COMMISSIONER REPRESENTING POK | COMMENTS |
|-------------------------------------|------------------|--------------|---------------|--|---------------------------|
| WPPA Board of Trustees | As Called | | | Commissioner Don Barnes | Alternate: Tim Arntzen |
| WPPA Economic Development Committee | As Called | | | Commissioner Thomas Moak | Alternate: Tim Arntzen |
| WPPA Legislative Committee | As Called | | | Commissioner Skip Novakovich | Alternate: Tim Arntzen |
| WPPA Marina Committee | As Called | | | Commissioner Don Barnes | Alternate: Tim Arntzen |
| WPPA Marketing Committee | As Called | | | Commissioner Skip Novakovich | Alternate: Tim Arntzen |

January 8, 2022



EXHIBIT D

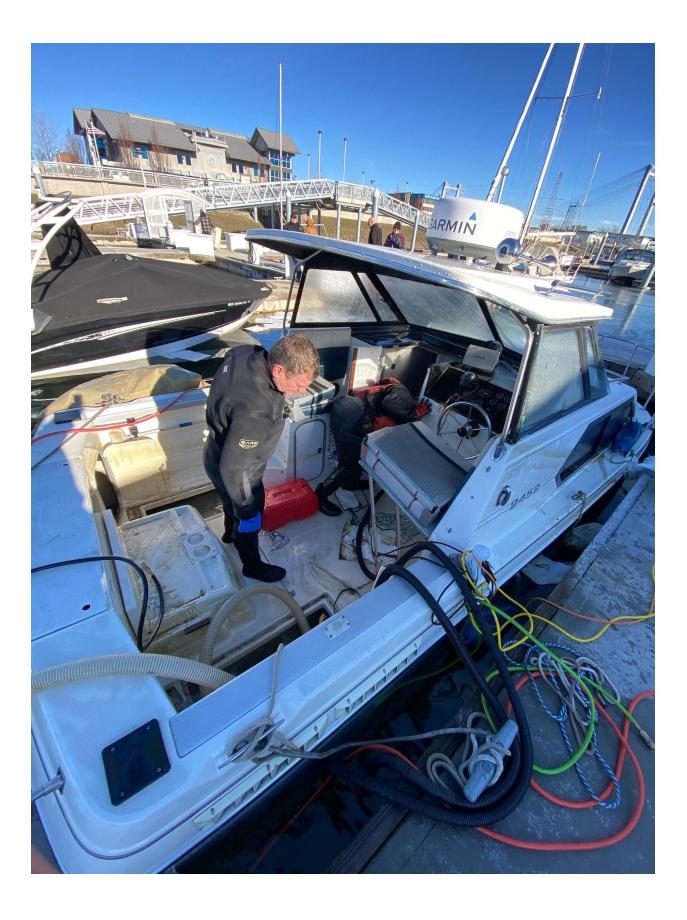
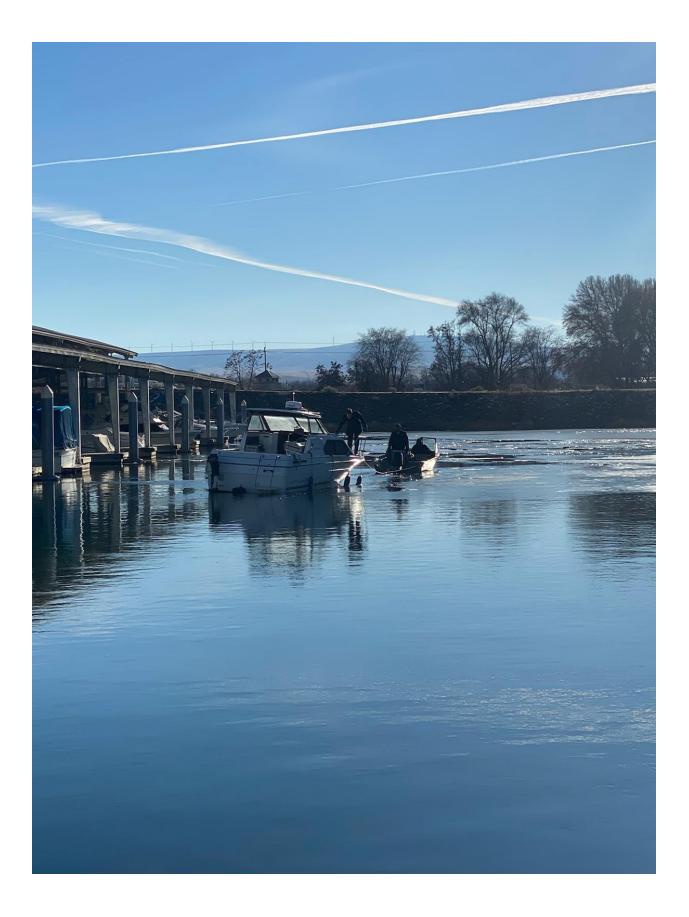


EXHIBIT D





Office of the Washington State Auditor Pat McCarthy

Exit Conference: Port of Kennewick

The Office of the Washington State Auditor's vision is increased trust in government. Our mission is to provide citizens with independent and transparent examinations of how state and local governments use public funds, and develop strategies that make government more efficient and effective.

The purpose of this meeting is to share the results of your audit and our draft reporting. We value and appreciate your participation.

Audit Reports

We will publish the following reports:

• Accountability audit for January 1, 2019 through December 31, 2020 – see draft report.

Recommendations not included in the Audit Reports

Management Letters

Management letters communicate control deficiencies, non-compliance or abuse with a less-than-material effect on the financial statements or other items significant to our audit objectives. Management letters are referenced, but not included, in the audit report. We noted certain matters that we are communicating in a letter to management related to the reimbursement of a Commissioner's legal fees.

Exit Items

We have provided exit recommendations for management's consideration. Exit items address control deficiencies or non-compliance with laws or regulation that have an insignificant or immaterial effect on the entity, or errors with an immaterial effect on the financial statements. Exit items are not referenced in the audit report.

Finalizing Your Audit

Report Publication

Audit reports are published on our website and distributed via e-mail in an electronic .pdf file. We also offer a subscription service that allows you to be notified by email when audit reports are released or posted to our website. You can sign up for this convenient service at: <u>https://portal.sao.wa.gov/SAOPortal</u>.

Management Representation Letter

We have included a copy of representations requested of management.

Audit Cost

At the entrance conference, we estimated the cost of the audit to be \$11,550 and actual audit costs will approximate that amount.

Your Next Scheduled Audit

Your next audit is scheduled to be conducted in 2023 and will cover the following general areas:

• Accountability for Public Resources

The estimated cost for the next audit based on current rates is \$11,850 plus travel expenses. This preliminary estimate is provided as a budgeting tool and not a guarantee of final cost.

If expenditures of federal awards are \$750,000 or more in any fiscal year, notify our Office so we can schedule your audit to meet federal single audit requirements. Federal awards can include grants, loans, and non-cash assistance such as equipment and supplies.

Working Together to Improve Government

Audit Survey

When your report is released you will receive an audit survey from us. We value your opinions on our audit services and hope you provide feedback.

Local Government Support Team

This team provides support services to local governments through technical assistance, comparative statistics, training, and tools to help prevent and detect a loss of public funds. Our website and client portal offers many resources, including a client Help Desk that answers auditing and accounting questions. Additionally this team assists with the online filing of your financial statements.

The Center for Government Innovation

The Center for Government Innovation of the Office of the Washington State Auditor is designed to offer services specifically to help you help the residents you serve at no additional cost to your government. What does this mean? We provide expert advice in areas like Lean, peer-to-peer networking and culture-building to help local governments find ways to be more efficient, effective and transparent. The Center can help you by providing assistance in financial management, cybersecurity and more. Check out our best practices and other resources that help local governments act on accounting standard changes, comply with regulations, and respond to recommendations in your audit. The Center understands that time is your most precious commodity as a public servant, and we are here to help you do more with the limited hours you have. If you are interested in learning how we can help you maximize your effect in government, call us at (564) 999-0818 or email us at Center@sao.wa.gov.

Questions?

Please contact us with any questions about information in this document or related audit reports.

Kelly Collins, CPA, Director of Local Audit, (564) 999-0807, Kelly.Collins@sao.wa.gov

Tina Watkins, CPA, Assistant Director of Local Audit, (360) 260-6411 Tina.Watkins@sao.wa.gov

Ginny Waltman, Audit Manager, (509) 734-7104, <u>Ginny.Waltman@sao.wa.gov</u>

Jose Garcia, Assistant Audit Manager, (509) 581-3969, <u>Jose Garcia@sao.wa.gov</u>

Debbie O'Leary, Assistant Audit Manager, CFE, (509) 581-3973, <u>Deborah.O'Leary@sao.wa.gov</u>



Office of the Washington State Auditor Pat McCarthy

Accountability Audit Report

Port of Kennewick

For the period January 1, 2019 through December 31, 2020

Published (Inserted by OS) Report No. 1029722



Find out what's new at SAO by scanning this code with your smartphone's camera



Office of the Washington State Auditor Pat McCarthy

Issue Date - (Inserted by OS)

Board of Commissioners Port of Kennewick Kennewick, Washington

Report on Accountability

Thank you for the opportunity to work with you to promote accountability, integrity and openness in government. The Office of the Washington State Auditor takes seriously our role of providing state and local governments with assurance and accountability as the independent auditor of public accounts. In this way, we strive to help government work better, cost less, deliver higher value and earn greater public trust.

Independent audits provide essential accountability and transparency for Port operations. This information is valuable to management, the governing body and public stakeholders when assessing the government's stewardship of public resources.

Attached is our independent audit report on the Port's compliance with applicable requirements and safeguarding of public resources for the areas we examined. We appreciate the opportunity to work with your staff and value your cooperation during the audit.

Sincerely,

Tat Marchy

Pat McCarthy, State Auditor Olympia, WA

Americans with Disabilities

In accordance with the Americans with Disabilities Act, we will make this document available in alternative formats. For more information, please contact our Office at (564) 999-0950, TDD Relay at (800) 833-6388, or email our webmaster at <u>webmaster@sao.wa.gov</u>.

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AUDIT RESULTS

Results in brief

This report describes the overall results and conclusions for the areas we examined. In those selected areas, Port operations complied, in all material respects, with applicable state laws, regulations, and its own policies, and provided adequate controls over the safeguarding of public resources.

However, we noted certain matters related to commissioner reimbursement of legal fees that we communicated to Port management and the Board of Commissioners in a letter dated January 19, 2022. We appreciate the Port's commitment to resolving those matters.

In keeping with general auditing practices, we do not examine every transaction, activity, policy, internal control, or area. As a result, no information is provided on the areas that were not examined.

About the audit

This report contains the results of our independent accountability audit of the Port of Kennewick from January 1, 2019 through December 31, 2020.

Management is responsible for ensuring compliance and adequate safeguarding of public resources from fraud, loss or abuse. This includes the design, implementation and maintenance of internal controls relevant to these objectives.

This audit was conducted under the authority of RCW 43.09.260, which requires the Office of the Washington State Auditor to examine the financial affairs of all local governments. Our audit involved obtaining evidence about the Port's use of public resources, compliance with state laws and regulations and its own policies and procedures, and internal controls over such matters. The procedures performed were based on our assessment of risks in the areas we examined.

Based on our risk assessment for the years ended December 31, 2020 and 2019, the areas examined were those representing the highest risk of fraud, loss, abuse, or noncompliance. We examined the following areas during this audit period:

- Accounts payable general disbursements and electronic funds transfers
- Compliance with revenue bond debt covenants
- Payroll gross wages
- IT security policies, procedures, practices and controls protecting financial systems patch management

- Open public meetings compliance with minutes, meetings and executive session requirements
- Financial condition reviewing for indications of financial distress
- Conflict of interest expenditure approvals

RELATED REPORTS

Financial

A financial statement audit was performed by a firm of certified public accountants. That firm's report is available on our website, <u>http://portal.sao.wa.gov/ReportSearch</u>.

INFORMATION ABOUT THE PORT

The Port of Kennewick was formed in 1915 with the primary mission being to foster economic development. The Port boundaries encompass the cities of Kennewick and West Richland, the portion of Richland located south of the Yakima River and the surrounding areas of Benton County.

The Port is governed by an elected, three-member Board of Commissioners. Commissioners serve staggered, six-year terms. The Port's assets include marina facilities, an airport and multiple industrial parks. For fiscal years 2019 and 2020, the Port had about \$1.3 million in total operating revenues and \$4.3 million in tax revenue each year. The Port had \$2.5 million in operating expenditures each year. The Port has 14 full-time employees.

| Contact information related to this report | | |
|--|--|--|
| Address: | Port of Kennewick 350 Clover Island Drive, Suite 200 Kennewick, WA 99336 | |
| Contact: | Nick Kooiker, CFO/Auditor | |
| Telephone: | (509) 586-1186 | |
| Website: | www.portofkennewick.org | |

Information current as of report publish date.

Audit history

You can find current and past audit reports for the Port of Kennewick at <u>http://portal.sao.wa.gov/ReportSearch</u>.

ABOUT THE STATE AUDITOR'S OFFICE

The State Auditor's Office is established in the Washington State Constitution and is part of the executive branch of state government. The State Auditor is elected by the people of Washington and serves four-year terms.

We work with state agencies, local governments and the public to achieve our vision of increasing trust in government by helping governments work better and deliver higher value.

In fulfilling our mission to provide citizens with independent and transparent examinations of how state and local governments use public funds, we hold ourselves to those same standards by continually improving our audit quality and operational efficiency, and by developing highly engaged and committed employees.

As an agency, the State Auditor's Office has the independence necessary to objectively perform audits, attestation engagements and investigations. Our work is designed to comply with professional standards as well as to satisfy the requirements of federal, state and local laws. The Office also has an extensive quality control program and undergoes regular external peer review to ensure our work meets the highest possible standards of accuracy, objectivity and clarity.

Our audits look at financial information and compliance with federal, state and local laws for all local governments, including schools, and all state agencies, including institutions of higher education. In addition, we conduct performance audits and cybersecurity audits of state agencies and local governments, as well as state whistleblower, fraud and citizen hotline investigations.

The results of our work are available to everyone through the more than 2,000 reports we publish each year on our website, <u>www.sao.wa.gov</u>. Additionally, we share regular news and other information via an email subscription service and social media channels.

We take our role as partners in accountability seriously. The Office provides training and technical assistance to governments both directly and through partnerships with other governmental support organizations.

Stay connected at sao.wa.gov

- Find your audit team
- <u>Request public records</u>
- Search BARS manuals (<u>GAAP</u> and <u>cash</u>), and find <u>reporting templates</u>
- Learn about our <u>training workshops</u> and <u>on-demand videos</u>
- Discover <u>which governments serve you</u> — enter an address on our map
- Explore public financial data with the Financial Intelligence Tool

Other ways to stay in touch

- Main telephone: (564) 999-0950
- Toll-free Citizen Hotline: (866) 902-3900
- Email: webmaster@sao.wa.gov



Office of the Washington State Auditor Pat McCarthy

January 19, 2022

Board of Commissioners Port of Kennewick Kennewick, Washington

Management Letter

This letter includes a summary of specific matters that we identified in planning and performing our accountability audit of the Port of Kennewick from January 1, 2019 through December 31, 2020. We believe our recommendations will assist you in improving the Port's compliance in these areas.

We will review the status of these matters during our next audit. We have already discussed our comments with and made suggestions for improvements to Port officials and personnel. If you have any further questions, please contact me at (509) 734-7104.

This letter is intended for the information and use of management and the governing body and is not suitable for any other purpose. However, this letter is a matter of public record and its distribution is not limited.

We would also like to take this opportunity to extend our appreciation to your staff for their cooperation and assistance during the audit.

Sincerely,

Ginny Waltman

Ginny Waltman, Audit Manager

Attachment

<u>Management Letter</u> Port of Kennewick January 1, 2019 through December 31, 2020

Commissioner reimbursement of legal fees

In August 2019, the Port imposed sanctions on one of its Commissioners after an independent investigation found this person's behavior violated the Port's Rules of Policy and Procedure. This Commissioner then pursued arbitration related to the sanctions, incurring legal fees that he paid personally. In 2021, the Commissioner sought reimbursement of the legal fees from the Port.

State law and the Port's Rules of Policy and Procedure allow the Port to provide legal representation to defend a claim or lawsuit filed against Port officials unless they elect to provide their own representation. Because the Commissioner obtained his own representation rather than using a Port-appointed legal counsel, reimbursing the Commissioner's legal fees is not an allowable expense.

In April 2021, two of three Commissioners voted to approve the reimbursement of the Commissioner's legal fees totaling \$49,282.75. One of the two votes approving the reimbursement came from the Commissioner seeking reimbursement. State law does not allow an officer to benefit directly from a contract made through or under the supervision of the officer. The Commissioner seeking reimbursement should not have voted on a matter that directly benefitted him. Instead, the Commissioner should have recused himself from the vote.

We recommend the Port follow its own policy and state law. Further, we recommend the Port conduct additional legal review to determine if any further actions, such as repayment, are necessary or required by law.





USER GUIDE



Log in to Online Services

Note: If you log in using Active Directory and receive an error message, you will have to log in using SAW.

State agencies use Active Directory

- 1. Go to <u>sao.wa.gov</u>.
- 2. Click the **Online Services** button.
- Page 14 of 17

3. Select Log in with Active Directory.

You will automatically be logged into Online Services.

If you receive an error message, you need to log in using SAW.



Local governments use SAW

- 1. Go to <u>sao.wa.gov</u>.
- 2. Click the **Online Services** button.
- 3. Select **Log in with SAW**. This will take you out of the SAO website, to the SAW login page.
- 4. Enter your SAW username and password and click **Submit** to log in.

You will be returned to SAO's website and into Online Services.

If you need to use SAW to log in but don't have an account, you will need to create one following the steps under "**Create a SAW account**."

Note: To find out whether you already have a SAW account, follow steps 1-4 under "**Create a SAW account**," select the **Check Now** button on the Sign up! page and follow the prompts.



If you do not have a SAW account, please create one

1. Go to <u>sao.wa.gov</u>.

- 2. Click the **Online Services** button.
- 3. Select Log in with SAW.
 - This will take you out of the SAO website, to the SAW login page.
- 4. Select **Sign up!**.
- 5. Fill out the form to create an account with a username and password.
- 6. Select the **I am not a robot** box and follow the prompts.
- 7. Click **Submit**.
 - You will receive an email with a link to activate your account.
- 8. Click the link to complete the activation.
- 9. Enter your SAW username and password and click **Submit** to log in.
 - You will be returned to SAO's website and into Online Services.

STEP

After logging into Tracker's online services you can...

View your findings and management letters

- 1. On the Welcome to Online Services page, click the Tracker tab.
- 2. Select your government's name from the dropdown list.
- Note: The list will show only those governments with which you have a confirmed role.
- 3. Click the link for the desired report.

shows you where your audit issues stand

Update your reported status

- 1. In the **Entity Reported Status** column, click the link to the current status for the desired report.
- 2. From the dropdown list, select a different status.
 - If desired, you can add contextual information in one of two ways:
 - a. Type in the text field to describe the corrective action in greater detail.
 - b. Click the **Select** button to upload an attachment.
 - 3. Click Submit.

Who can change my reported status?

Your government or agency will have a primary contact, who will have IT permissions to change the reported status of findings and management letters. Initially, this role will default to the person identified in our system as your Audit Contact (usually the Audit Liaison). If your government wants others to also have this ability, discuss this with the Audit Contact.



P.O. Box 40031 Olympia, WA 98504

www.sao.wa.gov

866-902-3900



Commissioners I Don Barnes I Thomas Moak I Skip Novakovich 350 Clover Island Drive I Suite 200 I Kennewick, WA 99336 509.586.1186 I FAX: 509.582.PORT (7678) I www.PortOfKennewick.org

January 19, 2022

Office of the Washington State Auditor 100 North Morain, Suite 216 Kennewick, WA 99336

To the Office of the Washington State Auditor:

We are providing this letter in connection with your audit of the Port of Kennewick for the period from January 1, 2019 through December 31, 2020. Representations are in relation to matters existing during or subsequent to the audit period up to the date of this letter.

Certain representations in this letter are described as being limited to matters that are significant or material. Information is considered significant or material if it is probable that it would change or influence the judgment of a reasonable person.

We confirm, to the best of our knowledge and belief, having made appropriate inquires to be able to provide our representations, the following representations made to you during your audit. If we subsequently discover information that would change our representations related to this period, we will notify you in a timely manner.

General Representations:

- 1. We have provided you with unrestricted access to people you wished to speak with and made available requested and relevant information of which we are aware, including:
 - a. Financial records and related data.
 - b. Minutes of the meetings of the governing body or summaries of actions of recent meetings for which minutes have not yet been prepared.
 - c. Other internal or external audits, examinations, investigations or studies that might concern the objectives of the audit and the corrective action taken to address significant findings and recommendations.
 - d. Communications from regulatory agencies, government representatives or others concerning possible material noncompliance, deficiencies in internal control or other matters that might concern the objectives of the audit.
 - e. Related party relationships and transactions.
 - f. Results of our internal assessment of business risks and risks related to financial reporting, compliance and fraud.

- 2. We acknowledge our responsibility for compliance with requirements related to confidentiality of certain information, and have notified you whenever records or data containing information subject to any confidentiality requirements were made available.
- 3. We acknowledge our responsibility for compliance with applicable laws, regulations, contracts and grant agreements.
- 4. We have identified and disclosed all laws, regulations, contracts and grant agreements that could have a direct and material effect on the determination of financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.
- 5. Except as discussed with you, we have complied with all material aspects of laws, regulations, contracts and grant agreements.
- 6. We acknowledge our responsibility for establishing and maintaining effective internal controls over compliance with applicable laws and regulations and safeguarding of public resources, including controls to prevent and detect fraud.
- 7. Except as discussed with you, we have established adequate procedures and controls to provide reasonable assurance of safeguarding public resources and compliance with applicable laws and regulations.
- 8. Except as reported to you in accordance with RCW 43.09.185, we have no knowledge of any loss of public funds or assets or other illegal activity, or any allegations of fraud or suspected fraud involving management or employees.
- 9. In accordance with RCW 43.09.200, all transactions have been properly recorded in the financial records, notwithstanding immaterial uncorrected items referenced below.

Tim Arntzen

Tim Ärntzen, CEO

—DocuSigned by: Mck Łooiker

Nick Koolker, CFO/Auditor

A \$20 Million Investment in the Port District

Clover Island Inn: Creating a Catalyst for Economic Development January 2022



Status Update on Fortify and The Clover Island Inn

Status Update

- Fortify plans to close by March 31, 2022 on the Clover Island Inn
- Proposing to purchase the land from the Port of Kennewick in order to invest heavily in building and island
- Due Diligence report has been ordered by Port
- Land appraisal has been ordered by Port
- Proposed Site Plan is complete
- First 3D architectural renderings of Fortify's long term vision for Clover Island Inn available





Fortify plans to purchase the Clover Island Inn regardless of the outcome of the land sale. However, our investment strategy does change dramatically with the purchase of the land:

If Fortify **DOES** purchase the land:

- Major investment to renovate and dramatically enhance entire facility - interior, exterior, and common areas.
- Transformation of existing hotel into high end mixed-use property featuring: short term stays, long term housing (apartments), brand new restaurant, retail spaces, rooftop event venue
- Build a brand new entertainment venue on the island for summer concert series and other events.

If Fortify **DOES NOT** purchase the land:

- Close on purchase of Clover Island Inn.
- Assume lease with Port of Kennewick.
- Maintain existing building as is.
- Operate the building consistently with zoning code and lease terms: as a hotel.
- Minimal additional investment consistent with lease terms.

It is our goal to purchase the land so we can invest and help build the vibrant, fun, clean, safe, and attractive port you desire in your Master Plan.

Renovation Plan and Renderings



Renovation Plan - Update

- Projected Total Investment: \$17 Million \$20 Million
- Mixed-use property featuring a restaurant, shops, and apartment homes along with other amenities
- Renovations will include complete interior renovations, a new restaurant/bar, SUP/kayak rentals, new
 pool area, new landscaping, new exterior elements of the building (paint, siding, architectural
 elements, artwork, etc.), parking lot upgrades, new signage, and more







Social Media Response



- TC Journal of Business Article
 - 116 total comments to article post on Facebook (20% / 50% / 30%)
 - 65 total "Likes" compared to 38 "Dislikes"
- Very positive article and comments in Tri-City Herald
 - <u>https://www.tri-cityherald.com/news/local/article257417442.html</u>
- NOTE: Negative comments are based on incomplete information. We are addressing the concerns and going a step further by including recommendations/solutions in our complete set of plans and will structure the Purchase-Sale-Agreement with the Port to address the pertinent issues.



Addressing Public Feedback



What Kind of Development is this and Who Will be the Renters?

- Our vision is for market rate apartments.
- Targeting a good mix of working professionals (both young and old), retirees, any residents seeking waterfront living.

Improving Public Access

- Improve public access to the building.
- Open the deck, patio, and dock to the public.
- Add walking trails, rooftop event space for banquets and weddings, add a kayak/SUP rental shop (does not currently exist on the island).
- New restaurant/bar.
- Work with the Port to find on-island and off-island parking solutions.

How Will this Help the Island?

- A renovated Clover Island Inn with permanent residents will enhance commercial activity.
- Benefits adjacent businesses (restaurants, breweries, the marina, wine village, etc.).
- Permanent residents = safer neighborhoods.
- Alleviates pressure on the over-stressed housing market.
- Brings in more property tax revenue for the city/county.

Consistent with the Clover Island Master Plan



- Permanent Residents on Island
- Improve the old, outdated Clover Island Inn
- Add Permanent Entertainment Venue
- <u>An Active Community</u>
 - Walking paths, kayak/SUP rentals, public access
- Local Art & Architecture
- Drive Economic Activity
 - New restaurant/bar
 - Kayak/SUP rentals
 - More residents = more commercial activity for the entire port district

The Master Plan: "Reconsider Land Sale Policy"



- Page 54 of the Master Plan specifically addresses the land sale issue in section titled "RECONSIDER LAND SALE POLICY"
 - Discusses how developers must be able to buy land in order to acquire financing and realistically be able to invest large amounts of capital resources
 - This section directs the Port to work on long-term leases with favorable terms for developers if the land sale policy is not updated
 - Port is actively marketing other parcels of land for sale
- PROS
 - Attract serious developers to invest in Port District
 - Use sale proceeds to invest across the Port and accomplish Port goals

Working Together



No matter the outcome of the land sale, Fortify will be a partner of the Port and work to further the Master Plan.

- GOAL (Plan A): Purchase the land, invest \$20 million, partner with port to execute Master Plan.
- Plan B: Purchase the Clover Island Inn, seek assignment of lease, and operate in a similar manner as it is today.

Across all communities where Fortify exists, we create partnerships with local stakeholders to advance interests of all parties.







Questions / Comments



AGENDA REPORT

TO: Port Commission

FROM: Tim Arntzen, CEO

MEETING DATE: January 25, 2022

AGENDA ITEM: Resolution 2022-05; Clover Island Land Sale Policy

I. **REFERENCE(S)**:

May 11, 2021 Agenda Report for Waterfront Master Plan Excerpt of May 25, 2021 Commission Meeting Minutes Waterfront Master Plan, completed June 2021 under Resolution 2021-12 Resolution 2022-05

II. FISCAL IMPACT: N/A

III. DISCUSSION:

Fortify has requested that the Port Commission sell it the land under the hotel. The answer to this question will not only apply to Fortify Holdings LLC, but will also apply to all current tenants of the island and all those who seek to establish a presence on the island in the future. It is a question that is time sensitive and should be definitively answered at this time.

The Waterfront Master Plan, completed June 2021, and adopted by the Port Commission under Resolution 2021-12, indicates that the Port should not sell the land on Clover Island. The Master Plan included a thorough public outreach process, with involvement from 56 direct stakeholders, three public input sessions (Virtual Open Houses) which led to 2,365 unique users; 168 comments, and 137 survey responses received. The applicable provisions of the Master Plan are set forth below:

Page 17 "Retain *ownership of Clover Island* as a distinct environment and special community asset."

Page 25 "Prioritize exterior upgrades, modernization, and/or redevelopment to improve the aesthetic appeal of the Clover Island Inn and grounds **as future leases are negotiated**."

Page 35 "ALIGNED PROPERTY STRATEGY This plan recommends the Port retain ownership of current Clover Island property in recognition of the island's distinct environment and function as a community amenity."

Page 54 "Reconsider Port Land Sale Policy. One hurdle for new development that the Port needs to contend with is the impact that a "no land sale" policy has on prospective developments. In most situations, developers (and their investors) are unwilling to deal with a ground-lease encumbrance. Ground-leases make project financing and sale difficult. Ground-leases are most successful in growth-oriented markets (e.g., big cities). In this case, developers and investors are able to balance the multiple risks of a ground lease situation with the potential profit upside and confidence that they will be able to find a buyer in the future. • *To counter the ground-lease impacts, the Port should offer generous ground-lease terms like low rates, deferred or "step up" payments, and long-term payment schedules with multiple options; they are already doing some of these things."*

The directive to not sell land on Clover Island is consistent with decades old Port policy. Should the Commission wish to change the "no land sale policy," this action would require an amendment to the Master Plan which would include a public outreach process. A formal answer to the land sale question is time sensitive, an answer to which would benefit everyone: Fortify Holdings LLC, the Commission, the port team and the public.

IV. ACTION REQUESTED OF COMMISSION:

Motion: I move approval of Resolution 2022-05 reaffirming and ratifying the policy to not sell any land on Clover Island, to any third party, consistent with the Waterfront Master Plan; and that the Port of Kennewick Board of Commissioners hereby endorse and approve all action by port officers and employees in furtherance hereof; and authorize the Port Chief Executive Officer to take all action necessary in furtherance hereof.



AGENDA REPORT

TO: Port Commission

FROM: Larry Peterson, Director of Planning & Development

MEETING DATE: May 11, 2021

AGENDA ITEMS Kennewick Historic Waterfront District (KHWD) Master Plan

I. **REFERENCE(S):** Kennewick Historic Waterfront District (KHWD) Master Plan – Summary Presentation

- II. FISCAL IMPACT: N/A
- III. DISCUSSION: In March 2020 the Port, with the assistance of MAKERS Architecture & urban design, LLP (MAKERS) undertook a master planning process for the current holdings on Clover Island and Columbia Drive, which through this process was referred to as the Kennewick Historic Waterfront District (KHWD). Only a few days into this effort COVID-19 was deemed to be a worldwide pandemic which required a quick restructuring of the public out-reach process. The public input process moved exclusively to an email, internet, newspaper, and telephone format, which resulted in far more participants than the community's previous high-water mark in public participation, the Vista Field charrette.

Over 40 stakeholders were contacted directly via telephone with several of those contacts resulting from the suggestions from a prior contact. Those directly contacted included Clover Island and Columbia Drive property and business owners, representatives from the City of Kennewick, Historic Downtown Kennewick Partnership (HDKP), Columbia Basin College (CBC), Confederated Tribes of the Umatilla Indian Reservation (CTUIR), United States Army Corps of Engineers (USACE), numerous quasi-government agencies, local realtors, developers, and design professionals and several "engaged" citizens.

Citizen input was broadly captured during a series of three online open-house events conducted in August and October 2020; and February 2021. These open houses included an interactive Idea Wall where citizens could post an idea or concept and others could comment, expound and/or contradict those ideas. Additionally, citizens could add their comments to a mapping tool which also shared the ability for others to build upon those initial comments. Finally, the more traditional tool of a survey was included in these open houses. In total these three open houses were visited/viewed/utilized by 2,365 unique visitors.

The first open house was intended to capture all the citizen's ideas and vision for this area with the second open house grouping those ideas into two differing scenarios; and the third open house presenting a

Page 1 of 4

working vision filtered from the prior open houses. It must be acknowledged that not all ideas shared are contained within the draft plan because in some cases multiple suggestions were made for one site and/or some of the suggestions contradicted one another.

During the plan development and refinement process MAKERS attempted to establish a plan focused on vibrancy and activity while delicately balancing all citizens requests against the market and budget realities. This whole process involved presenting the citizen's input as choices with the intention of establishing the community's shared vision for the Kennewick Historic Waterfront District.

Columbia Basin College being a potential key partner was contacted directly by the MAKERS team to ascertain CBC's intentions to pursue developing a Culinary Institute in the KHWD. Unfortunately, a CBC representative informed MAKERS that due to several factors, the idea of a Culinary Institute was no longer being contemplated. This answer was necessary so land could either be reserved for such a use, or in this case released and contemplated for other uses.

Through this process the citizens asked for many uses and/or activities beyond the uses or scale typically undertaken by port districts. This could be attributed to several factors including the community's growing appreciation of their waterfront, desires for transformative change, and possibly prior successful Port of Kennewick efforts to stretch the bounds of what a port district can accomplish. This seems to result in some tough decisions as balancing the citizens wants with the Port's realities presents a major decision for the Port Commission.

IV. <u>POLICY IMPLICATIONS</u>

Several policy implications are contained in the draft master plan. These policy matters need not be resolved prior to plan adoption yet it seems important to highlight these items which might appear to be buried in the document. Additionally, the Commission is reminded that once adopted, the master plan is intended to serve a 5 to 10-year period, although there is no prohibition of revisiting the master plan these and other district-wide implications are weighed against each another.

Plan recommends the Port "evaluate acquiring additional land as opportunities arise" (*page #17 District-Wide Recommendations*, 3rd bullet)

This recommendation if retained would seem to indicate the Commission would strongly consider allocating future Port expenses and effort for land acquisitions. Does the Commission have interest in acquisition of additional land in and around Columbia Drive? Considering all the Port's current commitments is this a realistic policy, and if so, what other projects might the Port no longer pursue to afford such expenditures?

Visions for the NW corner of Clover Island has implications to the informal seasonal boat trailer parking use. (page #18)

The plan mentions the corner is currently used for overflow boat trailer parking and suggests future interim use of the corner for open-air public events and gatherings, and the eventual development of a boutique hotel or other uses that both activate the site and generate revenues.

Is Clover Island too unique and valuable to retain and preserve the crucial corner parcel for the infrequent free usage for haphazardly parked tow vehicles & boat trailers? The draft master plan is based upon that conclusion. The concept to maximize year-round use of the corner was identified in the 2005 master plan and at the time of adoption the Port's 2001 investment of \$150,000 in the City's project to expand the Columbia Park boat launch to 4-lanes and add a sea of parking was the answer provided when concern arose.

A decision between adopting a plan for reuse of the corner as envisioned by the citizens who provided input over the last year and committing to the boat ramp users, who will likely become vocal at some point regarding the conversion of the beloved free parking area will be required.

The answer considered might be BOTH, so the boutique hotel footprint and covered event space are reduced to allow a portion of the site, allowing the remainder to coexist as a seasonal boat trailer parking area. However, this may or may not be the right answer as a mini parking lot, regardless the size would not be big enough and removing a segment of a relatively small parcel further impedes the development potential for a hotel. This may be a situation where it is all or nothing for both of the uses and a 50/50 split is acceptable to neither.

Competition with Port of Pasco for Artisan Market (page #27)

Plan recommends marketing a portion of Columbia Gardens for an Artisan Market. Although much smaller in scale than the market proposed at the Port of Pasco's (POP) Osprey Point, it seems to raise the policy question about pursing uses deemed best for on POK site versus leaving a "lane open" for the POP project. Would these two markets compete for the same vendors and/or customers or is there enough difference in scale and/or location to avoid concern? If the two markets are deemed to be in direct competition ... is that a bad thing? Should the Port wait a certain amount of time before marketing/pursuing this idea to allow the POP project to blossom and if so, what is that amount of time?

Dog Park Interim Use at Cable Greens (page #28)

The plan suggests a dog park be established at the Cable Greens as an interim use. Is this an undertaking the Port is willing to pursue and fund? Is the Commission concerned that the eventual conversion to the permanent uses would be resisted due to the public's fondness for the interim dog park?

Building Partnerships (page #32)

Plan suggests the Port expand current partnerships and enhance programming activities to help cultivate a thriving district. This policy decision seems to be a fairly straight forward budget-based decision. Should the Port undertake this additional task, possibly through adding additional staff, and if so what other current and future efforts would be forgone?

Plan Recommends Clover Island Properties be Leased Rather than Sold. (*Page #33 Aligned Property Strategy*)

This recommendation is a continuation of both the decades long Port practice and the recommendations contained within the most recent (2005) Clover Island Master Plan. General thought conveyed over the last 17 years has been land leasing allows the Port to retain underlying control as buildings and uses evolve over the decades and allows the private sector to put a larger share of their monies into their buildings and operational efforts.

At present, the land lease revenues are utilized to help offset the annual maintenance costs for the numerous public improvements on the island. Upkeeping extensive and well-groomed landscape areas, unique hard surface areas and numerous works of art require significant amounts of labor. Additionally, expenditures for lighting, litter control and special touches such as holiday lighting require additional funds. Clover Island's "special feeling" is not obtained solely by the existing of unique elements along the waterfront but together with the diligent and constant maintenance of these areas.

It would seem if land sales we contemplated the decision whether a mechanism needs to be established to help assure all (non-federal) island property owners contributed to this perpetual maintenance expense is needed OR whether these maintenance costs would be fully borne by the Port would be required.

Would/could land sale revenues buy enough to fund the pro-rata share of the maintenance costs for the foreseeable future? {since interest rates are at historic lows, banking the principle from land sales and the utilizing the interest to fund the maintenance seems unrealistic}

V. ACTION REQUESTED OF COMMISSION:

- #1) Receive the presentation from the MAKERS team as they walk through the process and product and ask questions of MAKERS, staff, and fellow Commissioners. Any comments, feedback or direction would be helpful as staff and the MAKERS team refine the plan.
- #2) Discuss path to adoption.

PORT OF KENNEWICK REGULAR COMMISSION MEETING

MAY 25, 2021 MINUTES

Novakovich asked this question at last Commission Meeting and did not receive an answer. Commissioner Novakovich pointed out that the Washington State Supreme Court at one time ruled "one cannot vote on his own matter." Commissioner Novakovich stated he was making these comments for the record.

Commissioner Barnes stated some of the questions Commissioner Novakovich raised would have been more appropriately addressed in March of 2019, when an anonymous citizen complaint was authored by one Commissioner against the other two, the minority against the majority. Which resulted, in Commissioner Barnes view, a colossal waste of taxpayer funds. Commissioner Barnes had no other alternative than to defend himself against these accusations that were completely without basis or merit as determined by a judge. Commissioner Barnes is simply seeking to be made whole, to be reimbursed for the funds that he expended. He would also like to note that during this entire time, Commissioner Barnes has been acting within his duties and obligations and responsibilities as a Port of Kennewick Commissioner. Commissioner Barnes stated not once did he receive an outreach from anyone at the Port, including the Port's legal counsel, asking if he needed any help or assistance defending himself in dealing with this. Commissioner Barnes would like to see this put to rest and stated he could vote to recuse himself; he could vote to step aside and then he would be happy to see everyone in Superior Court. Commissioner Barnes is sure that would result in much higher fees and much higher costs to the Port, and he is very confident that he would prevail; however, he does not think that would be in the best interest of the Port. Commissioner Barnes would like to try to and move forward and put this behind us. Commissioner Barnes stated despite Commissioner Novakovich's objections, he will be voting as a Commissioner for the Port of Kennewick to reimburse these legal fees.

Commissioner Moak stated these fees have been agreed to by Special Counsel for the Port and are a result of Commissioner Barnes prevailing over the Port in the hearing related to this complaint. Everything that has been done is in accordance with legal counsel, despite the fact that one Commissioner believes he knows more about the law than legal counsel that has been employed as special counsel by the Port. Commissioner Moak stated there have been several different iterations over the last three meetings to rectify this. Commissioner Moak would rather do it right than right now and stated this is the right thing to do. It is very clear that the payment of legal fees for services rendered for prevailing against the Port in this matter is totally entitled by the law, we employed legal counsel to look at that, and learned legal counsel at that. Commissioner Moak believes we should pay attention to legal counsel rather than try to make our own law.

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

B. Kennewick Historic Waterfront District Master Plan Update

Mr. Peterson presented the draft Master Plan for the Kennewick Historic Waterfront District Master Plan (KHWD) and pointed out several policy related items for Commission discussions.

MAY 25, 2021 MINUTES

PORT OF KENNEWICK REGULAR COMMISSION MEETING

Commissioner Novakovich offered his thoughts regarding the policy questions:

- It is essential for the Port to evaluate acquiring property around Columbia Gardens;
- Consider partnering with the Port of Pasco than competing;
- Continue to lease property rather than sell property on Clover Island.

Commissioner Moak offered his comments:

- Evaluate the pros and cons of acquiring each individual property;
- The Port should consider building on the NW corner of Clover Island;
- The intent of the Wine Village was to include an artisan market and does not believe the Port is looking to compete with the Port of Pasco and if the private sector believes there is a market for an artisan market in Kennewick, then the Port can move forward with the opportunity;
- Makers advised creating an interim use in Cable Greens and stated the Port needs to find the right interim use for the property;
- Continue building partnerships;
- Continue leasing property on Clover Island.

Commissioner Barnes offered his comments:

- Evaluate opportunities on a case-by-case basis;
- Does not believe parking in the NW corner of Clover Island is the highest and best use for the property;
- Port outlined intentions for Columbia Gardens early on and hopes the Port can be complementary to the Port of Pasco's development;
- Cable Greens interim use should be interim only and for a short period of time and complementary to Columbia Gardens;
- Continue leasing property on Clover Island.

Additional Commission discussion commenced regarding the Draft Master Plan.

Mr. Peterson stated if the Draft Master Plan is acceptable to the Commission, staff will post the document on the Port website for additional public comment. Additionally, Mr. Peterson will forward Commission comments to Makers for review and further Commission discussion at the June 8, 2021 Commission Meeting. Mr. Peterson outlined the schedule for the Draft Master Plan consideration.

CONSENT AGENDA – A

- *A. Approval of Direct Deposit and E-Payments Dated May 18, 2021* Direct Deposit and E-Payments totaling \$65,258.71
- *B. Approval of Warrant Register Dated May 25, 2021* Expense Fund Voucher Number 102925 through 102954 for a grand total of \$76,769.88
- C. Approval of Regular Commission Meeting Minutes May 11, 2021

<u>MOTION:</u> Commissioner Novakovich moved to approve the Consent Agenda A; Commissioner Moak seconded. With no further discussion, motion carried unanimously. All in favor 3:0.

PORT OF KENNEWICK

RESOLUTION No. 2021-12

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE PORT OF KENNEWICK ADOPTING THE HISTORIC WATERFRONT DISTRICT MASTER PLAN

WHEREAS, MAKERS Architecture and Urban Design was contracted to assist the Port with preparation of the Historic Waterfront District Master Plan; and

WHEREAS, public input regarding the future redevelopment of the Historic Waterfront District was obtained throughout the planning process; and

WHEREAS, the Board of Commissioners has reviewed the Historic Waterfront District throughout the planning process; and

WHEREAS, the Board of Commissioners conducted a public hearing on June 8, 2021, with proper notification and legal advertisements placed, to receive public comments on the draft plan; and

WHEREAS, revision comments received through the public hearing process have been incorporated into the Historic Waterfront District Master Plan.

NOW, THEREFORE, BE IT RESOLVED that the Port of Kennewick Board of Commissioners hereby approves and adopts the Historic Waterfront District Master Plan as prepared and revised by MAKERS Architecture and Urban Design (Exhibit A).

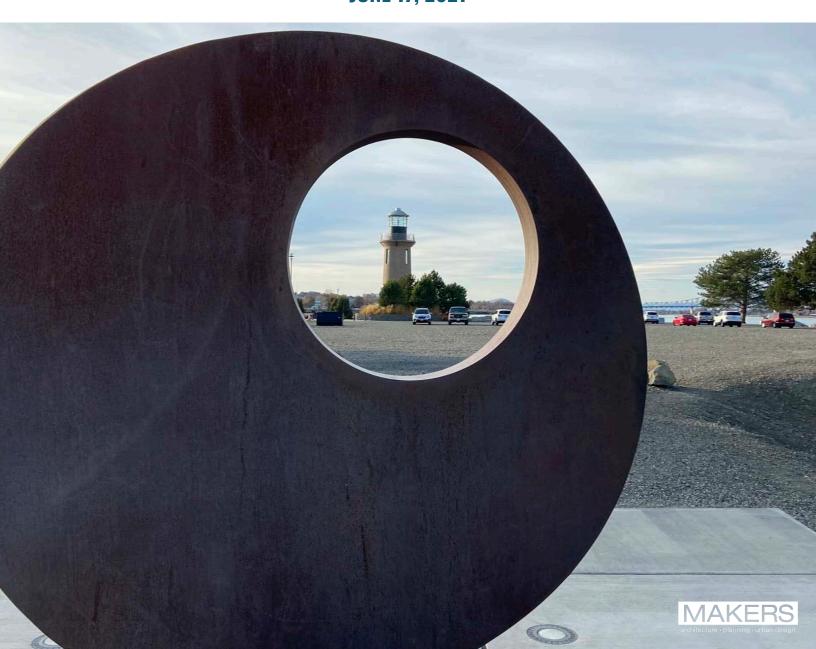
BE IT FURTHER RESOLVED that the Port of Kennewick Board of Commissioners hereby ratify and approve all action by port officers and employees in furtherance hereof; and authorize the port Chief Executive Officer to take all action necessary in furtherance hereof.

ADOPTED by the Board of Commissioners of Port of Kennewick on the 22nd day of June, 2021.

| | PORT of KENNEWICK |
|-----|---------------------------------|
| | BOARD of COMMISSIONERS |
| | DocuSigned by: |
| By: | DABanes |
| | 7468DE9530724DC |
| | DON BARNES, President |
| | DocuSigned by: |
| By: | Skip Novakovich |
| • | 0E53A30E1C8E442 |
| | SKIP NOVAKOVICH, Vice President |
| By: | Thomas Moak |
| 29. | A35176A2D2CD413 |
| | TOM MOAK, Secretary |

2022-05 Agendra Réport and attachments 2 1 - 1 2 Exhibit A

PORT OF KENNEWICK HISTORIC WATERFRONT DISTRICT MASTER PLAN JUNE 17, 2021



ACKNOWLEDGMENTS

PORT OF KENNEWICK

COMMISSION Don Barnes, President Skip Novakovich, Vice President Thomas Moak, Secretary

STAFF

Tim Arntzen, Chief Executive Officer Tana Bader Inglima, Deputy Chief Executive Officer Larry Peterson, Director of Planning & Development Amber Hanchette, Director of Real Estate & Operations

PROJECT TEAM

MAKERS ARCHITECTURE AND URBAN DESIGN Julie Bassuk Erica Bush Beth Batchelder

ECONORTHWEST Matt Craigie Emily Picha

PARAMETRIX Sam Nielson



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Figure 1. Port of Kennewick's Clover Island Marina

INTRODUCTION



Figure 2. Restored shoreline and walkway leading to the Clover Island lighthouse

OVERVIEW & PURPOSE

The Port of Kennewick (Port) developed the Clover Island Master Plan in 2005, which intended to guide transformation of the area into a showcase river-shore development. With the plan as their guide, the Port:

- · Improved the marina and boat launch
- Developed two small mixed-use office, retail, and community buildings with the Clover Island Yacht Club and Port as anchor tenants
- Completed western shoreline restoration and with United States Army Corps of Engineers (USACE) support, is in the process of restoring the northern shoreline
- Added a signature gateway, completed public space enhancements (utilities, sidewalks, lighting) to the central roadway to enhance non-motorized usage, and installed much of the waterfront esplanade
- · Added the iconic lighthouse attraction and plaza
- Installed art and landscaping highlighting local history and culture throughout the island.

Though many improvements have been made, it has yet to yield the private mixed-use investment envisioned by the 2005 master plan. As a result, the Port recognized that integrating the surrounding area into a cohesive district will be critical to leverage their investments on Clover Island, improve the vitality and economic performance of the surrounding area, and better connect this unique waterfront district to downtown Kennewick. In response, the Port purchased and began improving properties along Columbia Drive, and initiated this new master plan which intends to:

- Unify the area between Columbia Drive and Clover Island as the historic waterfront district
- Convey a community-driven vision and desired amenities, connections, and development
- Develop a strategy to create a thriving area for residents and visitors
- Prioritize the next 15-20 years of investments to help realize the greater district vision.

ASSESS NEEDS

EXISTING CONDITIONS NEEDS ASSESSMENT COMMUNITY VISIONING

EVALUATE OPPORTUNITIES

DEVELOPMENT CONCEPTS DRAFT RECOMMENDATIONS

PRIORITIZE INVESTMENTS

PHASING CONSIDERATIONS IMPLEMENTATION STRATEGIES



2022-05 Agenda Report and attachments PLAN ORGANIZATION

This plan begins by introducing the project and reviewing the planning context. It then summarizes key findings and analysis, including community feedback, noting how this insight drove plan development. The recommendations section summarizes investments by location and includes a plan for phased implementation. The plan concludes with design guidelines that intend to create a cohesive district-wide look and feel.

PROCESS

A consultant team led by MAKERS prepared this plan in partnership with the Port of Kennewick and the community. ECONorthwest provided economic analysis and Parametrix provided transportation context.

It should be noted that this plan was developed during an unprecedented world-wide pandemic. As public engagement was crucial to development plan recommendations, the team responded to the COVID-19 context by leading innovative virtual outreach activities. This process and its outcomes are covered in the Key Findings & Analysis chapter as well as Appendix B - Public Engagement Feedback.

The team developed the plan in three phases:

ASSESS NEEDS

The project team reviewed existing information, interviewed key stakeholders, held discussions groups with key community members (see Project Stakeholders on page 11), and conducted a virtual open house with the public to understand district conditions and opportunities.

EVALUATE OPPORTUNITIES

Working with Port staff, the team created and evaluated development concepts that addressed priority areas. The team shared two alternative concepts in an interactive virtual open house, and then incorporated feedback into draft recommendations.

PRIORITIZE INVESTMENTS

The draft concept was presented in a final virtual open house and the public provided feedback through an online survey. The project team worked with the Port to respond to suggestions, developed a phasing and implementation schedule, and highlighted partnership opportunities and strategies for nearterm activation.

REGIONAL CONTEXT

Kennewick Washington's historic waterfront district has an opportunity to play a significant role in meeting the needs for increased public services and amenities in the region. Historically an agricultural area situated at the confluence of the Yakima, Snake, and Columbia rivers, the region is home to a growing high-tech industry largely related to Pacific Northwest National Labs and clean-up efforts of the decommissioned Hanford nuclear production complex.

The Tri-Cities (Richland, Kennewick, and Pasco) anticipates continued growth in population tied to a rising number of retirees and services associated with that population. If trends continue, nearly one-fifth of the Tri-Cities population would be older adults by 2030¹.

HISTORIC WATERFRONT DISTRICT²

Originally part of a natural sedimentary island system used by Native American tribes and early settlers, early commercial use of Clover Island included a barge building site. Subsequently, a portion of the originally 162-acre island was used as fill material to create a smaller footprint remaining above the slack water created by completion of McNary Dam in 1954. Additional fill was added to the island's east end in the 1960s. Today, Clover Island is 16 acres in size.

A constructed levee enclosed part of the original shoreline adjacent to Clover Island and created the retention basin known as Duffy's Pond.

Today, greater Kennewick has transitioned from an industrial focus to a residential community. Just one mile south of Clover Island, historic downtown Kennewick is a center for retail activities, with the auto-oriented commercial and industrial Columbia Drive corridor and the railroad in between.

This plan seeks to unite Clover Island and the adjacent inland area as the historic waterfront district and support the region's unique history, character, and evolution.

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Figure 3. Regional context map (Source: Google Map)



Figure 4. Former footprint of Clover Island and east Kennewick, ca 1942 (Source: Port of Kennewick)



Figure 5. East Kennewick (Source: Google Map)

 [&]quot;The Tri-Cities' Graying Population Will Grow Over Next Decade", Tri-Cities Area Journal of Business, February 2021
 Port of Kennewick

PROJECT ORIENTATION

This plan is intended to convey a community-driven vision and guide development for Clover Island and Port-owned properties within the historic waterfront district. The graphic below indicates the properties owned by the Port included within this plan¹.

CLOVER ISLAND

The Port owns most of Clover Island aside from the U.S. Coast Guard's Aids to Navigation Team Kennewick station (Coast Guard Station). The three sections of Clover Island are currently used in the following manner:

- Clover Island West includes the Clover Island Yacht Club and marina, the lighthouse plaza, a boat launch and open gravel parking area, and the Clover Island Riverwalk
- Clover Island Central includes the Port offices, Ice Harbor Brewing Company at the Marina and Cedars restaurants, and a pocket park known as The Gathering Place
- **Clover Island East** includes the Coast Guard Station, Clover Island Inn, and a temporary event space used to host a summer concert series.

COLUMBIA DRIVE

The Port-owned parcels along Columbia Drive are grouped into three properties:

- **The Willows** is primarily undeveloped open space that includes the Veterans Memorial Christmas Tree
- Columbia Gardens Urban Wine & Artisan Village includes wineries, tasting rooms, and the Food Truck Plaza
- **Cable Greens** consists primarily of undeveloped open space.

¹ Note, this plan focuses on the Port's "upland" assets due to the significant technical, environmental, and financial complexities of in-water development.



Figure 6. Port-owned property in Kennewick's historic waterfront district



Figure 7. Lighthouse Plaza (Source: Port of Kennewick)



Figure 9. Clover Island Inn



Figure 11. Food Truck Plaza at Columbia Gardens (Source: Port of Kennewick)

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Figure 8. Building with Port offices and Ice Harbor Brewing Company at the Marina



Figure 10. Undeveloped land at The Willows (Source: Port of Kennewick)



Figure 12. Trail around Duffy's Pond



Figure 13. Food Truck Plaza at Columbia Gardens (Source: Kim Fetrow Photography)

KEY FINDINGS & ANALYSIS

Community feedback, economic analysis, and urban design principles were the three main drivers that shaped this master plan.

Findings from the community engagement process described on page 12 informed this plan's vision and recommendations. Though traditional in-person outreach was curtailed by the COVID-19 pandemic, the team leveraged virtual tools to connect to hundreds of stakeholders and were inspired by thoughtful suggestions and ideas contributed by the community.

During the needs assessment phase, MAKERS held virtual discussions with over 50 stakeholders and focused on topics ranging from local culture, desired amenities, and hopes for this changing district.

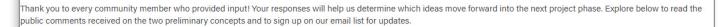
An analysis of the market demand for different types of development further guided the recommendations.

PROJECT STAKEHOLDERS

Port Commissioners and Staff City of Kennewick Staff and Elected Officials Benton County Ben-Franklin Transit Historic Downtown Kennewick Association Tri-City Regional Chamber of Commerce Hispanic Chamber of Commerce Columbia Basin College U.S. Coast Guard U.S. Army Corps of Engineers Local Businesses, Developers, and Architects Tourism and Historical Organizations Community Recreation Groups Engaged Community Members

COMMUNITY PRIORITIES

The community values this area's connection to nature and water and desires more amenities and activities that focus on the area's rich history and culture.



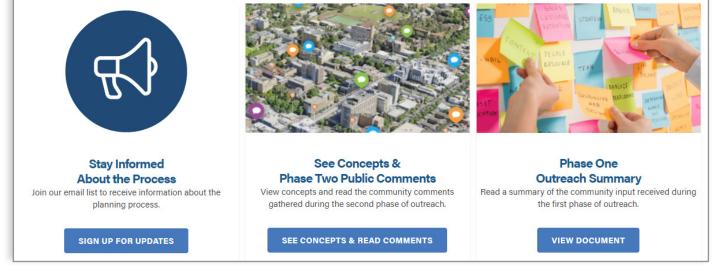


Figure 14. Example of community engagement tools used in project outreach (Source: Port of Kennewick)

FAST FACTS

2,365 unique website visitors

168 comments

137 survey responses



Figure 15. Open house #1 map activity showing location-based feedback

IN-WATER INPUT

Though the master plan focuses on the district's "uplands" or land areas, the community suggested a variety of in-water improvements and activities for Port consideration. These most commonly included adding a fishing pier and providing a safe space to paddle-boat, kayak, or paddle-board.

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OPEN HOUSES

MAKERS hosted three virtual open houses to support plan development. The first asked the community about the area's strengths, weaknesses, and potential. Results showed the community wants an activated district with a variety of amenities for people to recreate, gather, and celebrate and support local culture. The community also expressed concern about the aesthetics of some existing development, such as the Clover Island Inn and nearby residences, limiting development potential. Findings helped to develop preliminary plan concepts for further consideration.

In the second open house, the community provided feedback on two alternative concepts for the district. The first concept focused on creating a new districtwide residential community and the second concept created a local tourism destination rich with amenities and activities.

The community prioritized:

- · Activation: lively public spaces with amenities
- Access: improved boardwalk at Duffy's Pond and trails throughout the district
- Amenities: formal performance area and artisan
 market
- · Residential: small scale and attractive.



Figure 16. Concept B featured in the second open house focused on creating an amenity-rich destination

The community showed interest in Duffy's Pond as a local oasis, waterfowl habitat, and aesthetically defining feature of the district, though it requires ecological improvements to fully integrate as a community amenity.

The community also expressed concerns about residential development that would block views, lack vitality, and be too dense for the area. The planning team incorporated this feedback into plan revisions. The third open house presented the draft plan to the public. Feedback indicated the public remains concerned about residential development and a potential lack of parking in the district. Responses also showed overwhelming support for the plan, noting proposed amenities would benefit the area. Maintaining access to the water and viewpoints and preserving this area's natural habitat remained top community priorities.



Figure 17. Excerpted draft recommendations as summarized for the final open house



Figure 18. Highlighting the area's unique walkable waterfront will be key to the district's success (Source: Kim Fetrow Photography)

HORIZONTAL VS. VERTICAL MIXED-USE

Vertical mixed-use development typically has apartments or condominiums stacked on top commercial development. Horizontal mixed-use development places the two alongside each other, as seen in the picture below.

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ECONOMIC ANALYSIS

Much of the envisioned district development will rely on private sector investment. An economic analysis helped ensure plan recommendations are likely to be economically feasible for private sector partners. This section summarizes major findings from the analysis.

FINDINGS

- Emphasize a **balance of uses, activated public spaces, and strong circulation network** throughout, especially to connect The Willows to Columbia Gardens.
- Consider **medium density residential** as the most economically viable use in the near term, a potential key source of revenue generation, and an activity anchor for the district. **Higher density residential** is more costly to construct and potentially slower to sell or lease.
- Highlight the **unique**, **walkable**, **dynamic waterfront location** and consider demographic trends to guide marketing efforts.
- Begin by pursuing "horizontal" mixed use with medium density residential near retail development. "Vertical" mixed use is more expensive, complex, and harder to finance.
- Consider the development of a **boutique hotel** as not likely viable in the near term (2022- 2026).



Figure 19. Example of horizontal mixed use with retail next to medium density residential

URBAN DESIGN PRINCIPLES

Plan recommendations consider the Port of Kennewick's 2015 Vista Field Project Pattern Language study and incorporate the following urban design principles:

- Provide multiple points of access and egress.
- Create distinct character in each "node" (see page 17) to help people locate where they are within the district.
- Add smaller articulated points of interest on trails to encourage awareness and heighten expectation.
- Cluster a variety of attractions to increase walkability and encourage visitors to spend more time in the district.
- Incorporate design elements inspired by regional qualities and contexts.

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Figure 20. Community input showed interest in more variety of activities for all ages and abilities

FEEDBACK IN ACTION

The team considered community feedback, economic analysis findings, and the urban design principles summarized above to develop the vision for the district and plan recommendations. Recommendations fall into the following three areas of focus.

AN ACTIVE DISTRICT

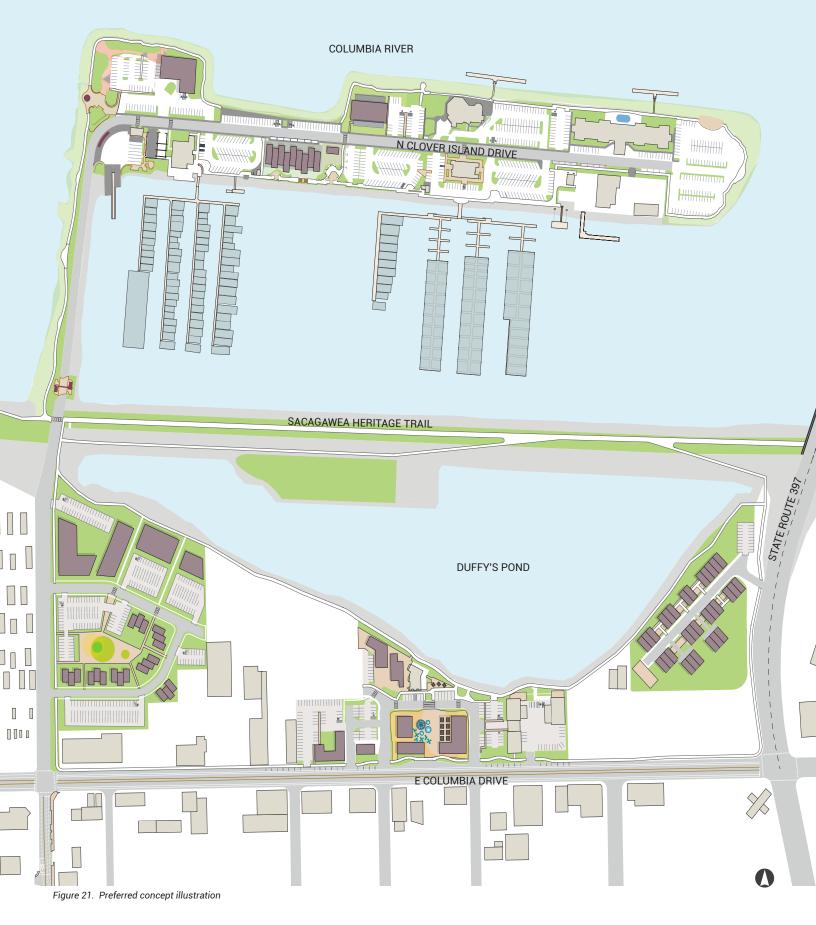
The community desires increased activities and amenities. The plan fosters development of a variety of dining, shopping, and equipment rentals; provides several event spaces; and encourages programming diverse, welcoming, and year-round activities throughout the district.

RECREATION

Plan recommendations reflect the demand for increased recreation opportunities in the area. Completed trails, open spaces, and play areas will connect the district and provide space for users to enjoy the river and rich natural environment.

A PLACE TO CALL HOME

The plan includes residential development as a key revenue generator that can help the Port fund the desired amenities and public spaces. Residential development will also support the district's commercial business activity and increase the feeling of vibrancy and safety. At the same time, the plan reflects community feedback by limiting the scale of residential development and ensuring it is included in a context that welcomes visitors and retains public access to waterfront trails, views, and amenities.



PLAN OVERVIEW



Figure 22. District nodes

This section outlines recommended actions that will help achieve the community's vision for the historic waterfront district and attract complementary investments from district property owners, business owners, tenants, and developers. It first presents a checklist designed to assist the Port staff and commission in using the master plan to guide district development. It then summarizes the vision for each district node across the following three categories:

- · An Active District
- Recreation
- A Place to Call Home.

Site plans and sketches in each section summarize and illustrate recommendations to achieve the vision. Together, these recommendations will create a unified and attractive district that is an enjoyable destination for visitors, a safe and comfortable place for residents, and supports economic recovery, growth, and vitality.

Please note, though specific private development types are described and illustrated, economic conditions and partnership opportunities are evolving and difficult to predict with certainty. Recommendations described in this section are intended to clarify the vision for each node but provide the Port flexibility to evolve with market conditions and respond to opportunities that arise.

DISTRICT-WIDE RECOMMENDATIONS

In addition to the node-specific recommendations that follow, the Port should implement the district-wide actions listed below.

- Use design guidelines to create a cohesive district identity (see "Design Guidelines" on page 41).
- Support the City's efforts to improve the pedestrian and bicycle experience on Washington Street and Columbia Drive. Work with the City to enhance connections to historic downtown Kennewick.
- Evaluate acquiring additional land as opportunities arise.
- Increase the ability for the community to connect with water on site.
- Improve and protect ecology and function as a key district amenity.
- Retain ownership of Clover Island as a distinct environment and special community asset.
- Complete Clover Island shoreline enhancements in partnership with the USACE.
- Pursue private development that contributes to achieving the community's vision and generates revenue to support amenities, economic recovery activities, and year-round event programming.

HOW TO USE THIS PLAN

This master plan is intended as a tool to guide development of the district according to the communitydriven vision. To that end, recommendations have been translated into a checklist to help the Port employ master plan principles to weigh options and make decisions around district development.

OVERALL

How well does the proposal:

- □ Bring people to the district to activate spaces, patronize businesses, and increase the feeling of safety, vibrancy, and comfort?
- Support economic development and local businesses, post-COVID economic recovery, and long-term economic vitality?
- □ Generate revenue to support Port installation, maintenance, and operation of district amenities?
- □ Provide adequate parking for the proposed use?



Figure 23. Supporting local businesses is critical to the district's vitality



Figure 24. The district's natural beauty is a vital community asset (Source: Kim Fetrow Photography)

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The following questions are intended to guide Port review of development proposals, improvement design, parcel marketing, and event programming selection. They can function to evaluate a single action or as a framework to rank competing ideas. The checklist is divided into overall and site-specific considerations.

- Comply with district design standards and embody development of a scale and type consistent with the master plan vision?
- Increase access to district trails, viewpoints, amenities, and recreation opportunities?
- Protect or enhance publicly accessible riverfront and Duffy's Pond views?
- □ Showcase local art and culture to build a unique sense of place?

SITE-SPECIFIC

If located on **Clover Island West**, how well does the proposal:

- Relate to and enhance the iconic lighthouse and civic space?
- □ Support event programming to increase district visibility, economic activity, and build interest and momentum around plan implementation?

If located on **Clover Island Central**, how well does the proposal:

- □ Expand island dining options and complement existing businesses?
- □ Offer boating, recreational, event-oriented, or general supplies to district boaters, visitors, and residents?
- □ Relate to and enhance the central island small park, trails, and civic spaces?

If located on **Clover Island East**, how well does the proposal:

- □ Support event programming to increase district visibility, economic activity, and build interest and momentum around plan implementation?
- □ Improve the aesthetic appeal of the Clover Island Inn?
- □ Improve the perimeter trail and viewpoints on the east end of the island?



Figure 25. Development around Duffy's Pond should be oriented to appreciate and enhance its natural beauty

If located on **Columbia Drive West: The Willows**, how well does the proposal:

- □ Serve as a district gateway by setting a welcoming tone and emphasizing quality public spaces?
- □ Connect to and support the wineries, food purveyors, and other businesses in Columbia Gardens?
- Relate to and enhance the Veterans Memorial Christmas Tree plaza, Duffy's Pond trail, and connections to Columbia Gardens and Clover Island Drive?

If located on **Columbia Drive Central: Columbia Gardens**, how well does the proposal:

- Contribute to creation of a vibrant, welcoming activity hub?
- □ Relate to and enhance the Duffy's Pond trail, civic space, and connections to The Willows and Cable Greens?
- □ Utilize City and Port investments in the wine effluent treatment system?
- □ Support event programming to increase district visibility, economic activity, and build interest and momentum around plan implementation?

If located on **Columbia Drive East: Cable Greens**, how well does the proposal:

- □ Connect to and support the wineries, food purveyors, and other businesses in Columbia Gardens?
- □ Relate to and enhance the Duffy's Pond trail and connections to Columbia Gardens?



Figure 26. New development should help create a vibrant, welcoming activity hub around the wineries at Columbia Gardens



Figure 27. Completing the Duffy's Pond trail is critical to connect the district and regional trail network

CLOVER ISLAND WEST

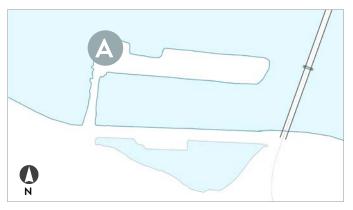




Figure 28. Example of covered rentable space for events and celebrations in New Orleans

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Located in the district's northwest corner, Clover Island West is the most visible of the district's nodes. The island's iconic lighthouse anchors this node and gives visitors a place to enjoy sweeping water views. It currently contains the Clover Island Yacht Club, public boat launch, and has a gravel lot used for overflow and boat trailer parking during peak boating and event season.

VISION

AN ACTIVE DISTRICT

Already well-loved, this node continues to grow in popularity as a community meeting space. Prior to securing a permanent signature development, a new covered open-air event space will host public events, community celebrations, and private gatherings.

Partners will recognize the site's unique advantages and the benefits of locating adjacent to well designed and maintained public amenities. Future development may include a permanent event space, boutique hotel, or other signature development that activates the space and generates revenues to support investments in community amenities.



Figure 29. New covered rentable event space and enhanced lighthouse plaza

RECREATION

An enhanced gathering space and extended perimeter trail showcases the shoreline restoration and expands opportunities to congregate and recreate. The trail wraps around the new event space and future development, connects to the district's circulation network, and provides opportunities to enjoy the area's riverfront location and spectacular views.

RECOMMENDATIONS SUMMARY

- Build a temporary rentable, covered, open-air event space.
- Expand this area's civic space and optimize connectivity between the expanded perimeter trail and future development; design space to accommodate food trucks or other pop-up vendors to support events.
- Market site for private development of a boutique hotel or other compatible use that includes indoor event space, respects and responds to the iconic lighthouse and community gathering area, activates the island, and generates revenues to support Port investments.
- Consider partnering with event providers to provide shuttle service to off-site parking if warranted.



Figure 30. View from lighthouse looking west to the Blue Bridge

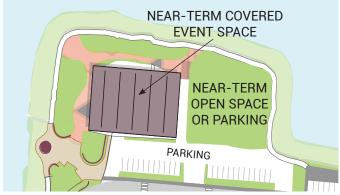


Figure 32. Recommended interim event space

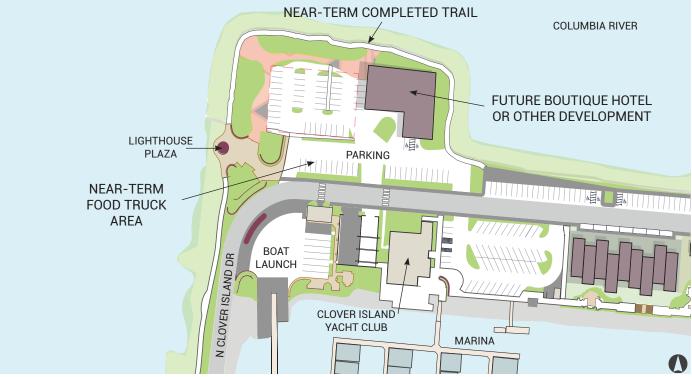


Figure 31. Clover Island West recommendations, private development may vary

CLOVER ISLAND CENTRAL

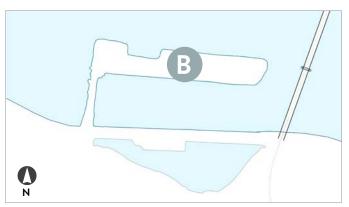




Figure 33. Casual dining opportunities oriented towards river views

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Clover Island Central includes Cedars, an iconic Tri-Cities waterfront restaurant; the Port offices; Ice Harbor Brewing Company at the Marina; and parking, loading, and access for the Port's marina.

VISION

AN ACTIVE DISTRICT

Clover Island Central offers a range of eating options and supplies for the boater, biker, walker, or district resident, and is well-suited for additional food and retail that will help the island draw more customers and become a hub of activity. Clustered around a central open space and linked to island trails, this area hosts year-round activities and highlights local art and culture.

RECREATION

Visitors and trail users can stop in the central node to grab a snack, enjoy views of the river, and relax at picnic tables under covered shade structures. In later phases, the addition of a small play space would be an even greater draw for families.



Figure 34. New amenities and a small unique cluster of housing enhances the existing attractions and brings customers to the core of Clover Island

A PLACE TO CALL HOME

A new residential community offers a unique "island lifestyle" to boaters, water enthusiasts, and others drawn to this special place.

RECOMMENDATIONS SUMMARY

- Market the site for private development of casual grab-and-go dining, small recreational supply shop, and/or other compatible uses that support on-thego or seasonal needs. Attract permanent year-round amenities as demand grows.
- Build a small park, connect to trail, and tie the north and south sides of the island together through a linked series of amenities and connections.
- Orient new commercial development around existing publicly accessible plazas and walkways showcasing local art and culture.
- Market the site for private development of a residential townhouse community or other compatible use.



Figure 35. Grab-and-go casual dining lets visitors enjoy food while they are on the move

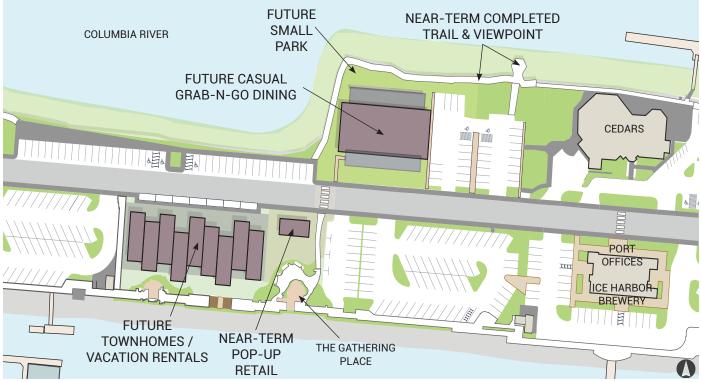
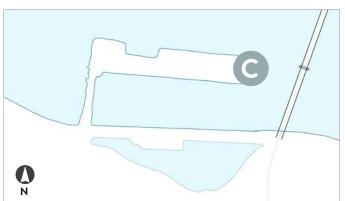
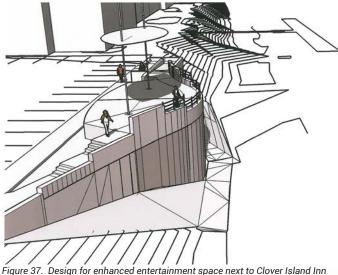


Figure 36. Clover Island Central recommendations, private development may vary

CLOVER ISLAND EAST





Clover Island East contains the Clover Island Inn and parking area, which doubles as concert space with a temporary stage used for seasonal programming. The Coast Guard Station is also located on this end of the island.

VISION

AN ACTIVE DISTRICT

The non-Coast Guard Clover Island East graces the district as an entertainment destination with features such as an improved music pavilion, the refurbished Clover Island Inn, and a landscaped vantage point that boasts unparalleled views up river and to the Ed Hendler Columbia River Bridge (commonly referred to as the Cable Bridge). In partnership with the hotel, visitors will enjoy live performances, artisan fairs, cultural events, weddings, corporate retreats, and other events on Clover Island East.

Figure 37. Design for enhanced entertainment space next to Clover Island Inn (Source: HDJ Design Group, 2009)



Figure 38. A permanent event space, viewpoint, and trail improvements bring people to enjoy great views of the Cable Bridge

RECREATION

The new loop trail along the shoreline will provide active users with continuous connectivity that extends up the river. Physical fitness activity stations or other features add interest along the trail, creating a workout opportunity for Clover Island's Coast Guard Station staff and district residents and visitors.

RECOMMENDATIONS SUMMARY

- Create an enhanced event space near the Clover Island Inn and partner to host events.
- Extend the perimeter trail to create a contiguous loop.
- Add a vantage point similar to others around the island, that is oriented toward the Ed Hendler Bridge.
- Install trail-side physical activity stations or other focal points to add interest throughout the district.
- Prioritize exterior upgrades, modernization, and/or redevelopment to improve the aesthetic appeal of the Clover Island Inn and grounds as future leases are negotiated. Partner to expand walkways near the building to better connect with the island trail.



Figure 39. Workout stations could be placed along the pedestrian trail

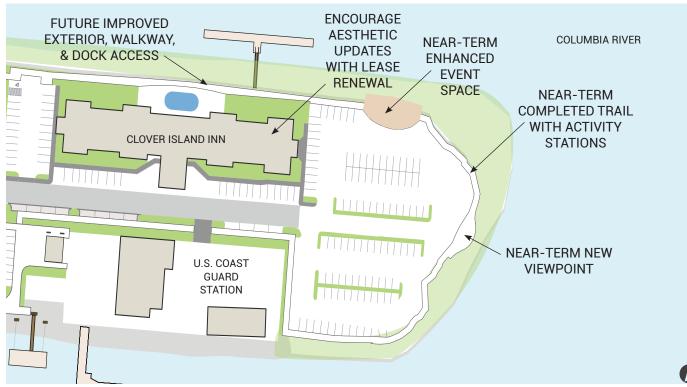


Figure 40. Clover Island East recommendations, private development may vary

COLUMBIA DRIVE WEST: THE WILLOWS

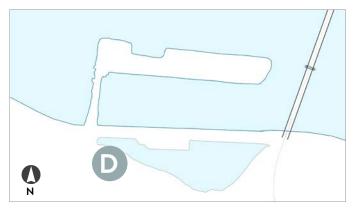




Figure 41. A community garden could be integrated into the residential

The Willows is the land-based gateway to the historic waterfront district. It is primarily undeveloped land with trees, including one designated as a veterans memorial.

VISION

AN ACTIVE DISTRICT

Future residents will have prime access to the activity centers at Clover Island, Columbia Gardens, and downtown Kennewick. Residents will delight in the festive holiday lighting of the Veterans Memorial Christmas Tree and enjoy the plaza as a quiet space for reflection.

RECREATION

The district and regional trail system will converge at The Willows. Improved trails with lighting and wayfinding will encourage use, and parking for regional trail users will be provided.



A PLACE TO CALL HOME

Striking a balance between active uses and natural beauty, this is the district's prime location for new residential development.

The Willows residential community is nestled into a serene tree-lined setting and offers access to nature, local food and beverage options, views of the water, and an easy walk to Clover Island and historic downtown Kennewick. Just off Columbia Drive, The Willows offers easy access to arterials and regional employment centers.

RECOMMENDATIONS SUMMARY

- Market the site for private development of a residential community that supports wineries, food purveyors, breweries, local artisans, and boutique retail; and generates revenues for wider area improvements.
- Create a plaza around the Veterans Memorial Christmas Tree.
- Enhance regional trail connections and add a parking lot near the levee for trail users of all ages and abilities.
- Retain mature trees as feasible and replace failing trees as needed.



Figure 43. A surrounding plaza would complement the Veterans Memorial Christmas Tree



Figure 44. The Willows recommendations, private development may vary

2022-05 Agenda Report and attachments **COLUMBIA DRIVE CENTRAL: COLUMBIA GARDENS**

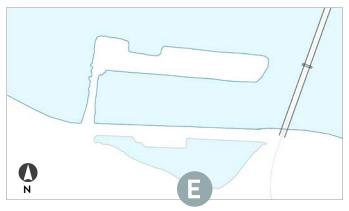




Figure 45. Mid-Columbia Heritage Mural honoring the area's Latino history on display at the wineries (Artist: Andrew Reid)

Columbia Gardens is a thriving center of visitor activity within the waterfront district. This property sits between private property and alongside the center of Duffy's Pond. Existing wineries with ample space for expansion serve as the catalyst for increased economic and social activities. A large mural by Andrew Reid creates a warm, welcoming tone for the area that celebrates the local culture. This portion of the district will benefit from the City of Kennewick's plans for traffic calming and safety improvements along both Washington Street and Columbia Drive.

VISION

AN ACTIVE DISTRICT

This node is a critical area for investment with potential to become a true district hub by adding amenities that support existing wineries, local artisans, and area farms.



Figure 46. Recommendations enhance the thriving winery setting with an artisan market, brewery, and play space

Columbia Garden's informal indoor/outdoor artisan market and new restaurants, winery tasting rooms, shops, brewery and taphouse, and farmers market create a bustling food district. A well-connected and high-quality pedestrian circulation network encourages afternoons and evenings exploring the district, visiting local businesses, and enjoying time with friends and family.

RECREATION

The Duffy's Pond trail connects users of all ages and abilities to the district-wide trail system. A local sports equipment rental and bicycle repair shop serves district visitors and regional and local trail riders.

RECOMMENDATIONS SUMMARY

- Market the site for private development of an indoor/ outdoor artisan market and food and beverageoriented establishments or other compatible use that builds out an activity hub. Distinguish project design and offerings from other similar planned development in the region.
- Continue to coordinate with USACE and the City to improve and protect Duffy's Pond ecology and function as a key district amenity.
- Increase event programming and art installations.



Figure 47. Artisan markets, such as San Francisco's Ferry Building provide space for local artists and vendors to sell their goods

- Support surrounding roadway improvements and work with the City to enhance the connection to historic downtown Kennewick.
- Invest in a quality trail system that integrates the node with other district areas, includes wayfinding and lighting to encourage use, and provides buffers where needed between private properties and public trail users.
- Partner with community organizations to create a play space.



Figure 48. Columbia Gardens recommendations, private development may vary

COLUMBIA DRIVE EAST: CABLE GREENS

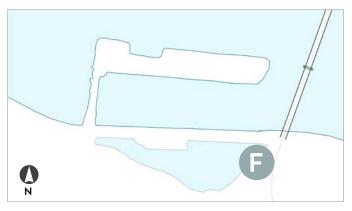




Figure 49. Small townhomes next to the pedestrian trail would provide unique

Cable Greens is a flexible-use area in the southeast section of the district that is currently undeveloped. The City is strongly considering reconfiguring the free rightturn from State Route (SR) 397 onto Columbia Drive which will slow traffic and improve safety in the area.

VISION

AN ACTIVE DISTRICT

As Columbia Gardens evolves, development in this area has the potential to bring more customers and generate revenues to help support trail improvements and amenities throughout the district.

RECREATION

Cable Greens will support pedestrians and bikers with an extensive trail network that connects the regional Sacagawea Heritage Trail to the Duffy's Pond trail and other district pathways. Parking for trail access will be provided. Interim use of the site could build upon the park-like setting with the addition of viewpoints into Duffy's Pond, a community dog park, and/or other interim activities or recreational uses.



Figure 50. Recommendations include opportunities for residential or commercial development adjacent to Duffy's Pond at Cable Greens

A PLACE TO CALL HOME

A future residential community will benefit from this unique setting and convenient location near regional highways and trails, Kennewick's historic downtown, the Columbia River, and the historic waterfront district's many amenities.

RECOMMENDATIONS SUMMARY

- Market the site for private development of a residential community or other use compatible with the district vision.
- In the interim, consider installing a dog park, bicycle course, or other amenity to increase district visibility, use, and vibrancy. Weigh maintenance, liability, and expectations set by interim use proposals against potential benefits before moving forward.
- Secure easements along Duffy's Pond and complete the trail.
- Develop Duffy's Pond trail to connect with the Sacagawea Heritage Trail.



Figure 51. Interim amenities, like art installations, could draw customers, showcase local artists, and add shade to a community plaza

- Incorporate mature trees and other vegetation as a permanent buffer to SR 397.
- Support completion of the SR 397 traffic calming improvements.

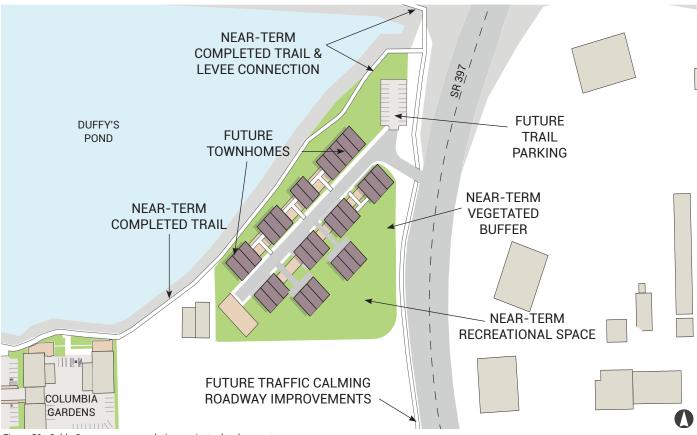


Figure 52. Cable Greens recommendations, private development may vary

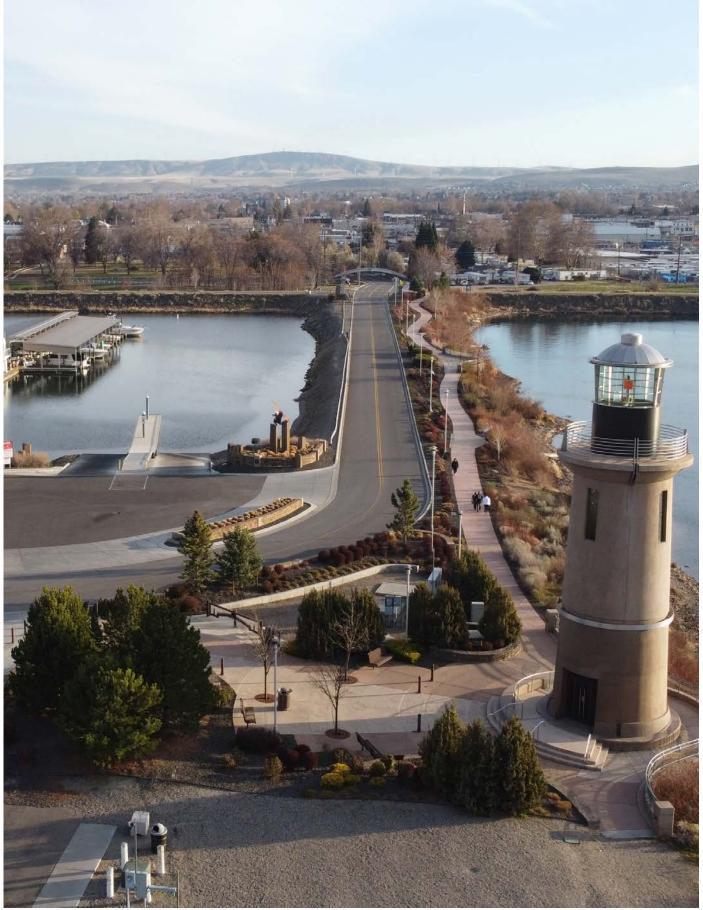


Figure 53. Lighthouse Plaza and restored shoreline

PLAN IMPLEMENTATION



Figure 54. Wiyákuktpa (a.k.a. The Gathering Place) on Clover Island, artists Rodd Ambroson (bronze statues), Tim Park (casting), and Tim Norman (patina)

OVERVIEW

The historic waterfront district is off to a great start, but it will take some key investments and event programming; commitment to building partnerships, interim activations, and marketing; an aligned property strategy; and adequately resourcing staff to achieve the community's vision. Design guidelines to help unify the district as recommendations are implemented over time are provided starting on page 41.

KEY INVESTMENTS

The Port can generate momentum by making relatively low cost key investments that demonstrate its commitment to achieving the community's vision for the district and supporting post-COVID economic recovery.

There are three critical sites to focus investments in the near term: the northwest corner of Clover Island, The Willows, and Columbia Gardens. Investments in these sites will act as catalysts for development of the surrounding parcels and attract greater numbers of users, support businesses, and activate the space. Interim activations are another low cost recommendation in the near term. They are a critical means of increasing awareness and generating excitement for the historic waterfront district. These "activations" can range from supporting pop-up seasonal retail, attracting various food trucks, hosting summer concerts, and programming a variety of events around Columbia Gardens' new artisan market or Clover Island's new events pavilion. The activations can be replaced with more permanent options as demand increases. These activities will build the district's reputation as a unique destination and attract developer and business interest in investing.



Figure 55. Partnering with community organizations to host events in the district will raise awareness and support businesses, such as this event where volunteers built trikes for tots in historic downtown Kennewick

BUILDING PARTNERSHIPS

Coordinating with other governmental, business, and community partners will be critical to realizing the vision. The Port should continue to develop relationships with partners who will bring fun short-term activations to the space. For example, local businesses, like the Columbia Gardens wineries, Clover Island restaurants, or Clover Island Inn, can help with event programming; and recreational groups can help with trail improvements.

The Port should also create a district-wide art plan and partner with local artists to add art installations to new and existing development highlighting local history and culture. Cultivating these partnerships will be critical to increase visibility and build a sense of community ownership of the district.

CITY OF KENNEWICK

The historic waterfront district and downtown Kennewick offer distinct experiences that complement each other, but the sites could be better linked. The Port should support the City's efforts to improve Washington Street and Columbia Drive to reduce traffic speed, improve comfort and safety for pedestrians and bicyclists, and further create a unique district identity. Further, the plan recommends the Port and City identify additional ways to partner to better connect the two areas and increase the economic vitality of both. These could include adopting design standards for the greater area, improving wayfinding, and adding safe and comfortable pedestrian and bicycle connections.



Figure 56. Partnering with the City to improve the safety, walkability, and aesthetics of Washington Street and Columbia Drive will increase the area's economic vitality and improve its link to downtown Kennewick

ALIGNED PROPERTY STRATEGY

This plan recommends the Port retain ownership of current Clover Island property in recognition of the island's distinct environment and function as a community amenity. In addition, the Port should continue to evaluate acquiring additional property in the district as opportunities arise and develop disparate parcels according to the community's vision as conveyed within this plan.

RESOURCING PORT STAFF

Finally, it will be important to adequately resource Port staff during the 15-year implementation time period so they can:

- Market available development parcels and ensure proposals achieve the plan's vision.
- · Manage Port investments in the district.
- Develop partnerships and activate the space with expanded year-round programming.

The Port commission should consider this additional workload as they consider annual budgets and work plan priorities. They could potentially augment staff resources (e.g., add a part time position to coordinate event programming) or clarify priorities within existing resources to accomplish master plan recommendations.

2022-05 Agenda Report and attachments

FIRST FRIDAY IN THE GARDENS

LIVE MUSIC SERIES Every first Friday of the month at Monarcha Winery in The Columbia Gardens Urban Wine and Artisan Village from 4-7pm - March through September. Wine specials & light bites available



lumbia

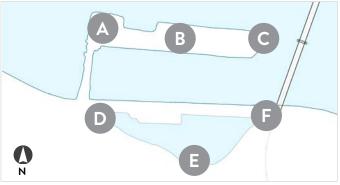
Darden

Figure 57. Event programming by local businesses can draw more patrons to support the thriving new development (Source: Columbia Gardens Wine and Artisan Village on Facebook)



Figure 58. Increased staffing will better support marketing efforts that attract revenue-generating development, such as the Port's efforts for properties such as Columbia Gardens (Source: Port of Kennewick)

RECOMMENDED TASK PHASING



To achieve the community's vision, this plan identifies near-, medium-, and long-term tasks to be accomplished. Each task notes the district location and task lead, whether Port, City, or other party. Recommendations are further classified as marketing, physical improvements, or opportunities for partnership and coordination. Rough order-of-magnitude (ROM) estimate of costs for Portled physical improvement investments are also included with key assumptions on page 37. Tasks are further described in the Plan Overview chapter on page 17.

COST

(000)*

LEAD

PROJECT LOCATION

A Clover Island West

- **D** The Willows
- B Clover Island Central E Colu
- C Clover Island East
- E Columbia Gardens
- East **F** Cable Greens
- P Port lead
 - **O** Other party lead

PROJECT LEAD



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NEAR TERM PROJECTS (2022-2026)

| | | \sim | | (000)* | <u> </u> | SIII |
|----------|---|--------|-------|---------|----------|------|
| 1 | Create a marketing plan to attract near term private investment; assess resources needed and budget accordingly | All | Р | | | |
| 2 | Coordinate with City on plans for Washington St and Hwy 397 | D/E/F | P/C | | | |
| 3 | Work with City on applicable design guidelines along Washington St and Columbia Dr | D/E/F | P/C | | | |
| 4 | Improve Duffy's Pond ecology to alleviate odor and stagnation | D/E/F | P/C | | | |
| 5 | Replace existing fixtures to meet design standards | All | Р | | | |
| 6 | Complete shoreline enhancements around Clover Island in partnership with the USACE | A/B/C | Р | | | |
| 7 | Improve Trails | All | Р | | | |
| | Continue pathway lighting around district pathways | All | Р | \$225 | | |
| | Install additional orientation signage and include district trail map | All | Р | \$75 | | |
| | Design and construct remaining trail sections (does not include shoreline restoration) | All | Р | \$250 | | |
| | Coordinate with interested parties to locate fitness stations, art, or other improvements along pedestrian pathways | All | P/0 | \$50 | | |
| | Work with USCG to reroute street-side walkway in front of the station so that its adjacent to the street | B/C | P/0 | | | |
| | Shield private properties with fencing around Duffy's Pond | D/E/F | Р | \$125 | | |
| | Obtain easement through athletic retail property | E/F | P/C/0 | | | |
| | Complete trail around Duffy's Pond | E/F | P/C | \$75 | | |
| | Work with USACE on trail connection to levee | F | P/0 | | | |
| 8 | Develop a playground in partnership with interested parties | E | P/0 | \$375 | | |
| 9 | Create picnic area, dog park, or other shared open space | F | Р | \$75 | | |
| 10 | Design and install an open-air covered event space and integrate with lighthouse plaza | А | Р | \$1,250 | | |
| 11 | Develop space for food trucks | А | Р | | | |
| 12 | Market for and support development of a pop-up retail/tackle shop on Clover Island | В | P/0 | | | |
| 13 | Design and develop permanent event space adjacent to Clover Island Inn | С | Р | \$500 | | |
| Figure 1 | 50 District wide task phasing | | | | | |

Figure 59. District-wide task phasing

| NEAR TERM PROJECTS (CONTINUED) | | | LEAD | COST (000)* | Ú, | ₾ | |
|--------------------------------|---|-------------|------|----------------|----|---|--|
| 14 | Market for retail, brewery, and food development that fosters community partnerships and aligns with economic recovery strategies | A/B/ C/E | Р | | | | |
| 15 | Develop modular open-air artisan market and market to local artists; distinguish from similar projects in the area through design, offerings, and marketing | E | Р | | | | |
| 16 | Design and develop river viewpoint to Cable Bridge | С | Р | \$250 | | | |
| 17 | Market for residential development on Clover Island | В | Р | | | | |
| 18 | Develop roadway and utilities, market for, and support private development of residential at The Willows | D | P/0 | \$1,000 | | | |

MEDIUM TERM PROJECTS (2027-2031)

| 19 | Develop central gathering space with spray park | В | Р | \$750 | | |
|----|---|-----|-----|-------|--|--|
| 20 | Work with Clover Island Inn to continue waterfront walkway (does not include shoreline restoration) | B/C | P/0 | \$250 | | |
| 21 | Develop pedestrian trail parking | D/F | P/0 | \$300 | | |
| 22 | Support private development of a casual dining restaurant at Columbia Gardens | Е | 0 | | | |
| 23 | Market for additional Columbia Gardens retail and Cable Greens development | E/F | Р | | | |
| 24 | Plant new trees to replace existing trees | D | Р | | | |
| 25 | Develop celebratory plaza around Veterans Memorial Christmas Tree | D | Р | \$150 | | |
| 26 | Support private residential development on Clover Island | В | 0 | | | |
| 27 | Market for and support additional residential development at The Willows | D | P/0 | | | |
| 28 | Market for residential development opportunities at Cable Greens | F | Р | | | |

LONG TERM PROJECTS (2032-2041)

| 29 | Work with Inn to incorporate requirements for improvements to exterior and dock access in lease renewal | С | 0 | | |
|----|--|---|-----|--|--|
| 30 | Market for and support private development of a boutique hotel or other development that accomplishes objectives | А | P/0 | | |
| 31 | Support private development of a casual dining restaurant at Clover Island | В | 0 | | |
| 32 | Enhance Columbia Gardens artisan market | Е | P/0 | | |
| 33 | Support private development of Columbia Gardens retail | Е | 0 | | |
| 34 | Support additional residential development at The Willows | D | 0 | | |
| 35 | Support private residential or commercial development at Cable Greens | F | 0 | | |

ONGOING PROJECTS

| 36 | Work with Inn to upgrade exterior in alignment with design guidance | С | 0 | | |
|----|---|-------|-----|--|--|
| 37 | Look for opportunities to acquire adjacent property | D/E/F | Р | | |
| 38 | Market available parcels to attract development that achieves community vision | All | Р | | |
| 39 | Market lighthouse event space for rentals | А | Р | | |
| 40 | Coordinate with Inn, wineries, and community organizations to increase district-wide event planning | С | Р | | |
| 41 | Develop a district art plan and work with local artists on installations | All | P/0 | | |

*Costs are planning level ROM estimates, in 2021 dollars, rounded, and provided to the nearest thousand developed in collaboration with Port of Kennewick staff. Please note, estimates were provided in May 2021, in the context of an extremely volatile pricing environment. All estimates should be verified when projects are selected for implementation. Construction estimates include a 50% mark up for soft costs, sales tax, and contingencies appropriate at the planning level. Estimates do not account for increased unit prices for small projects; packaging smaller projects together would likely be beneficial.

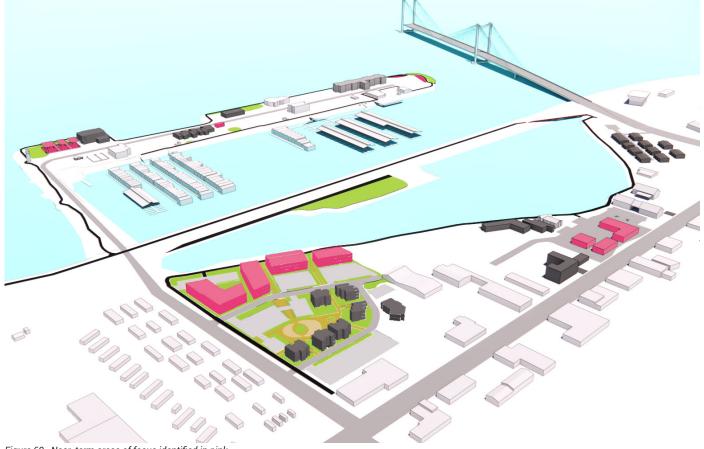


Figure 60. Near-term areas of focus identified in pink

NEAR-TERM PROJECTS (2022-2026)

The short-term focus for the district is to raise awareness and create energy and excitement around all this area can become. Investments that attract people to the site should be prioritized. Near-term priorities are highlighted in Figure 60 and summarized below.

- Create an activation plan for the district that focuses on developing key partnerships and jointly programming events in the district.
- Increase pedestrian scale lighting, wayfinding, and private property shielding on trails.
- Design and create a river viewpoint on Clover Island to the Cable Bridge, add workout stops or other focal points along the pedestrian pathway, and complete missing trail connections.
- Develop flexible retail spaces in Columbia Gardens around a community plaza and play area; and lease to a variety of artisans, makers, and local craftspeople.
- Develop park and recreation spaces including the viewpoint at the east end of Clover Island, activating the Cable Green site, and integrating the lighthouse plaza with the new covered event space.

- Market to attract a pop-up retail/tackle shop on Clover Island.
- Create entertainment spaces and event venues including the covered area at northwest corner and performance area at the east end of Clover Island.
- Market development parcels with a focus on The Willows and Columbia Gardens; evaluate proposals to ensure development achieves goals and vision.
- Support private development of housing or other compatible residential at The Willows.
- Continue to support roadway safety improvements in partnership with the City of Kennewick.

MEDIUM-TERM PROJECTS (2027-2031)

Once momentum has been built, it will be time to market additional areas of the site for private development with coordinated community amenities.

- Develop park and trail parking at The Willows and Cable Greens.
- Create a plaza around the Veterans Memorial Christmas Tree for celebrations.
- Develop residential on Clover Island and at The Willows, and a casual dining restaurant at Columbia Gardens.
- Market remaining development parcels with a focus on The Willows, Clover Island Central, and Columbia Gardens; ensure development achieves goal and vision.

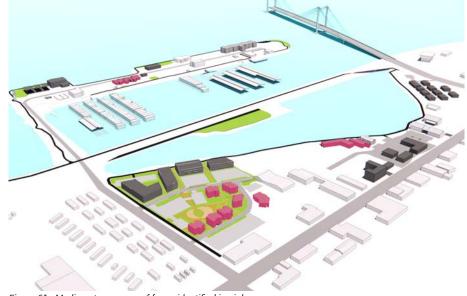


Figure 61. Medium-term areas of focus identified in pink

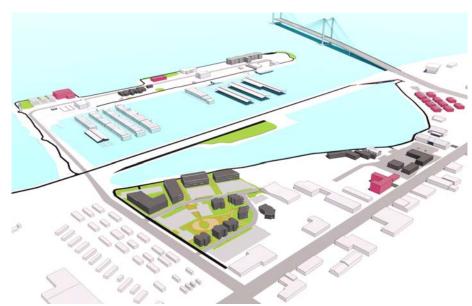


Figure 62. Long-term areas of focus identified in pink

(2032-2041) Developing the Cable Greens site

LONG-TERM PROJECTS

and adding a boutique hotel or other use that meets plan objectives on Clover Island West are longer-term focuses of the plan.

- Develop a casual dining restaurant on Clover Island and residential at The Willows and Cable Greens.
- Market remaining development parcels with a focus on Clover Island West and Columbia Greens; evaluate proposals to ensure development achieves goals and vision.
- Coordinate with Clover Island Inn on exterior improvements and dock access.

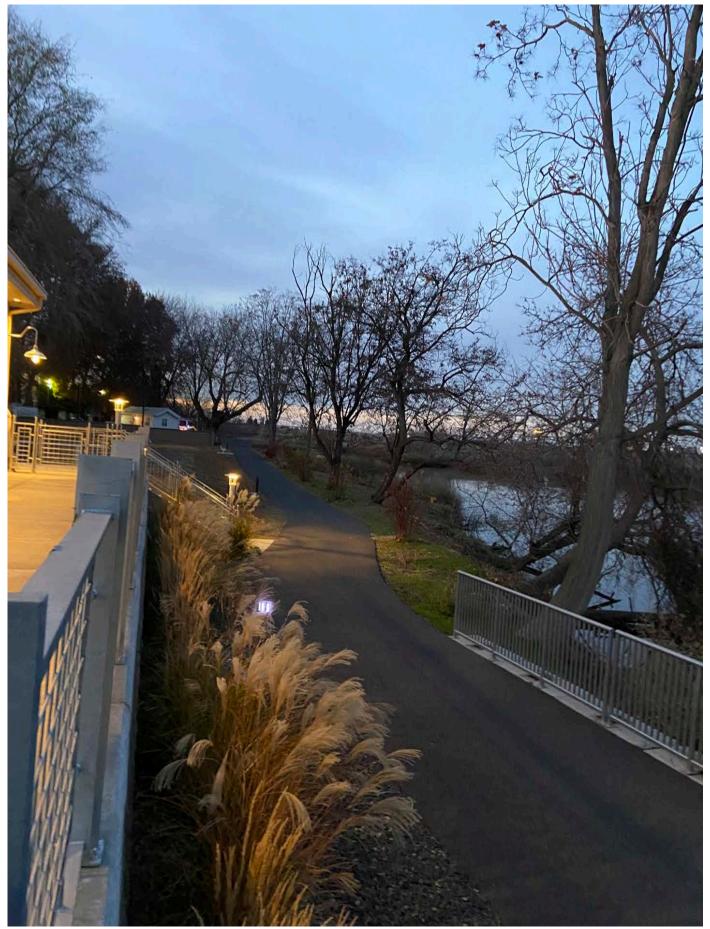


Figure 63. Pathway along the Columbia Gardens wine tasting rooms provides beautiful views of Duffy's Pond

DESIGN GUIDELINES



Figure 64. The Food Truck Plaza provides space for people to enjoy the scenic interior waterfront (Source: Kim Fetrow Photography)

The historic waterfront district has two unique areas – Clover Island and the area along Columbia Drive. While Clover Island is heavily tied to the Columbia River, Columbia Drive is connected to the area's industrial past and historic downtown. Design guidelines will help unify new and existing development by creating a singular and coordinated identity.

Design guidelines define an area's look and feel to create a unique identity. The following guidelines are intended to celebrate the waterfront district's history, connection to water, and pedestrian focus. Rooted in the guidance established in the 2005 Clover Island Master Plan and the 2011 Willows Wine Village Pattern Language document, these updated guidelines reflect building styles that now extend to Port-owned parcels along Columbia Drive.

DISTRICT-WIDE GOALS

- Maintain high quality craftsmanship using context sensitive building styles, design elements, and materials.
- Integrate local cultural and historical themes and artwork into building and site design where appropriate.
- Celebrate and enhance connections to the Columbia River and Duffy's Pond.
- Emphasize pedestrian-oriented buildings and site planning.
- Provide a year-round enjoyable pedestrian experience by incorporating design elements that respond to the region's specific environmental conditions. This includes protection from wind and snow in winter and access to shade, views of the water, and areas of respite in the summer.
- Accommodate all modes of transportation, including bicycles and transit, where available.



Figure 65. Clustered buildings create a pedestrian friendly area



Figure 66. Monarcha's active interface at Columbia Gardens adjacent to the pedestrian trail with outdoor seating, low fencing, and landscaping

The following pages present guidelines for:

- Architecture: building design and orientation, public plazas, and gathering spaces
- Fixtures and landscape: lighting, fencing, seating, vegetation, and wayfinding and signage
- · Recreation: trails and pathways, and bike facilities
- Transportation: street grid and parking.

ARCHITECTURE

BUILDING ORIENTATION

Waterfront district buildings should be designed to create a visual and functional relationship with one another.

- Whenever possible, cluster multiple buildings to achieve a "village" environment and create opportunities for plazas and pedestrian areas (see Figure 65).
- When site constraints prevent clustering, establish a visual link between buildings with integrated landscape elements, such as trees and plantings, pathways, shared seating areas, public art, small pocket parks, and enhanced paving.
- Create active interfaces between buildings and predominant district pathways, plazas, and site features, such as Duffy's Pond. Include outdoor seating, trees and landscaping, pedestrian-scale lighting, and low, transparent fencing or walls, as appropriate (see Figure 66).
- Create a vibrant and pedestrian-oriented streetscape by including large storefront windows, awnings, and outdoor spaces for dining and other activities along main streets.
- Building frontage and setbacks should seamlessly integrate with the public realm.

BUILDING DESIGN

The 2005 Clover Island Master Plan's architectural design guidelines for roofs, building exteriors, and windows remain the current standards.



Figure 67. Townhouse articulation

RESIDENTIAL AREAS

District housing guidelines complement those of district businesses, especially in mixed-use developments. Residential design guidelines address multiple housing options, encourage minimal setbacks, and specify landscaping with drought tolerant plantings.

- Place front windows to preserve privacy.
- Articulate façades with architectural elements such as porches and other entrance treatments, balconies, bay windows, and vertically divided building volumes.
- Create welcoming and safe multi-family or clustered housing through neighborhood site planning that avoids "turning its back" on the rest of the district.
- Landscaping should be used to soften the pedestrian environment around structures.
- Homes should front pedestrian pathways and provide access to the district's trail system that meets the Americans with Disabilities Act (ADA) universal accessibility guidelines. When possible, homes should be oriented to maximize views of the Columbia River and Duffy's Pond, and should be staggered to provide view corridors (see Figure 68).
- Neighborhoods should dedicate generous space to landscaping as both open space for play and gathering and vegetated areas with drought tolerant native plantings (see Figure 69).
- Walk-up units adjacent to a street should have a primary pedestrian entrance from the street sidewalk. Where individual units have access to the street sidewalk, private front yards should have small, low fences.
- Medium-density projects, such as proposed for The Willows, should be designed such that ground floor units have individual sidewalk entrances, and courtyard projects have at least one significant pedestrian entrance from the street sidewalk.
- Design intent should avoid unnecessary complexity and focus on how the building relates to and ties into the surrounding site and buildings.

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Figure 68. Pedestrian pathways connecting townhomes



Figure 69. Generous landscaping and low lying walls can distinguish private and public areas.



Figure 70. Seating provides areas for rest and relaxation



Figure 71. Downward facing lighting creates the feeling of a safe space to walk at night



Figure 72. Lighting should highlight art features and landscaping



Figure 73. New development should incorporate existing, healthy mature trees where feasible

2022-05 Agenda Report and attachments PUBLIC PLAZAS AND GATHERING SPACES

- As stated in Building Orientation, buildings should orient toward plazas and gathering spaces and must feature pedestrian-oriented façades. Buildings facing the artisan market plaza in Columbia Gardens must include transparent windows or large glass doors along at least 75% of the façade.
- Plazas should include pedestrian-scale lighting, landscaping, and flexible seating options, and offer some protection from the elements.

FIXTURES & LANDSCAPE

The historic waterfront district benefits from containing significantly more large trees than surrounding areas. Mature trees provide shade and local habitat, aid stormwater management functions, sequester carbon, and offer other relief from the built environment.

SEATING

Integrate seating elements throughout the district to allow for rest and conversation, and maximize seating orientation toward significant views (see Figure 70).

LIGHTING

The design, scale, and placement of outdoor lighting fixtures on buildings and in parking lots should be in keeping with the buildings' architectural style and should be consistent in design wherever possible.

- Incorporate smaller-scale, softer parking lot lights and minimize tall parking lot lights where feasible.
- Outdoor light fixtures mounted on building walls should be pedestrian scale and not exceed eight to 10 feet in height.
- Light fixtures should be directed downward and shielded so the light source is not visible to minimize glare and blind spots for passersby, according to crime prevention through environmental design (CPTED) standards.
- Light all pedestrian pathways to illuminate ground surfaces and draw attention to significant landscaping features, such as mature or significant trees, public art, and design details (see Figure 72).
- Lighting along pathways should be continuous to safely guide visitors throughout the district and to public transit stops and vehicle and bicycle parking.
- Encourage seasonal, holiday, and festival lighting as a large-scale attraction to the site.

VEGETATION

District landscaping and vegetation should adhere to the following:

- Preserve and integrate existing healthy mature trees wherever possible.
- Where practical, new residential and commercial development should incorporate existing healthy mature trees in site and building designs, especially in areas of public open space (see Figure 73).
- Retain urban tree canopy by replacing mature trees that are removed due to development, condition, or age with similarly scaled trees at maturity, to be planted as near to the removed trees' location as possible (see Figure 74).

FENCES AND WALLS

The design and placement of fences, retaining walls, gates, arbors, footbridges, and other site features should relate to building architecture, site topography, and pedestrian experience.

- Fence and wall styles should be consistent along Duffy's Pond and around Clover Island.
- Fences and walls adjacent to commercial spaces should provide visibility to the surrounding site and preserve views of the water.
- Avoid the use of chain link fencing and long, monotonous fences or walls.
- Fences and walls should be set back differently at least every 10 feet, with landscaping in offset areas where appropriate.
- Fences or walls should not impede pedestrian routes or block lighting.
- Coordinate landscaping along fences and walls with the Port's street tree planting and maintenance scheme.

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Figure 74. Some mature trees at Columbia Gardens may need to be replaced due to condition or age



Figure 75. Lighting should highlight art features, landscaping, and public spaces



Figure 76. Suspended signs add visual interest



Figure 77. Bike parking can reflect the culture of the community



Figure 78. Updated wayfinding should be integrated at key entrance points into the district

2022-05 Agenda Report and attachments WAYFINDING AND SIGNAGE

Wayfinding orients visitors, welcomes, and increases feelings of comfort in a space. Wayfinding elements in the historic waterfront district should be designed to follow a consistent style and be easily identifiable.

- Display maps of the district at major entryways to highlight key points of interest and encourage exploration (see Figure 78).
- Orient signage throughout the district toward pedestrians, bicyclists, and slow-moving vehicles.
- Provide permanent, pedestrian-oriented window displays, awnings, and suspended signs to encourage meandering throughout the space and enrich the visual quality of the building (see Figure 76).
- Signage should be maintained to demonstrate a sense of pride and care that contributes to the vibrancy of the area. Unkempt signage can be confusing and detract from an area's appeal.

RECREATION

TRAILS AND PATHWAYS

- Pathways should retain a minimum width of five feet.
- Provide low-level bollard lighting, no more than 3½ feet in height, to reduce visual glare and light spill onto adjacent uses.



Figure 79. Pedestrian pathways buffered by planting strips provide a feeling of safety

- Planting strips of a minimum four feet width are required between parking lots and pathways (see Figure 79).
- Maintain adequate space to accommodate pedestrian circulation where buildings must be sited directly adjacent to pathways.
- Sidewalks require a minimum five-foot width and a landscaped buffer from roadways.

BIKE FACILITIES

- Place bike racks throughout the district in well-lit, safe, and convenient locations to encourage bicycle use and appropriate securing of bicycles that avoids encroaching on private property.
- Bike rack design should allow for artistic elements and reflect the character of the area (see Figure 77).
- Install at least one publicly accessible bike pump station.

TRANSPORTATION

STREET GRID

The current configuration of the historic waterfront district lacks north-south oriented streets that could connect with the surrounding industrial area. The Port should work with the City to create more cross connections throughout the district and to downtown Kennewick.

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- Locate public and/or private right-of-ways, connections, and open space to reflect the contextual block pattern.
- Establish an internal district roadway alignment that encourages slow driving speeds to support pedestrian safety and responsible enjoyment of the views and natural site elements. Road widths should be limited to a maximum of 24 feet.

PARKING

- Create pedestrian-minded parking lots that eliminate safety conflicts with vehicles and add value to the district landscape.
- Delineate safe and accessible walkways for all ages and abilities with special pavement treatments, such as color, texture, and/or materials.
- Orient parking lot aisles to run perpendicular to the building's entry and allow pedestrians to walk parallel with moving cars. Look for opportunities to add separate pedestrian pathways within the parking aisles to minimize pedestrians' need to cross traffic and landscaped areas (see Figure 80).
- Create shared-parking regimes between businesses and other entities whose high-peak use occurs at different times of day and seasons.



Figure 80. New development should have walkways within parking areas that are accessible to all ages and enhanced with landscaping

A. ECONOMIC ANALYSIS



Figure 81. View of Clover Island looking east to the Cable Bridge



ECONOMICS · FINANCE · PLANNING

DATE:October 19, 2020TO:Julie Bassuk, MAKERSFROM:Matt CraigieSUBJECT:Port of Kennewick – Waterfront District Concepts – ECONorthwest Feedback

Purpose and Context

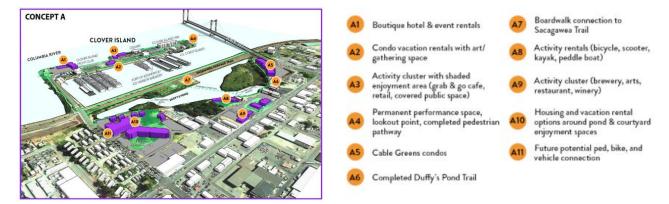
MAKERS and ECONorthwest are assisting the Port of Kennewick with the creation of a master plan for their Historic Waterfront District properties. MAKERS has developed two preliminary concepts for the properties and is in the process of gathering feedback from the Port and the community. MAKERS asked ECONorthwest staff for our input on the following questions:

- 1. What elements of each concept are likely to work? Which elements raise concerns?
- 2. What recommendations do you have regarding phasing of development on the Port's properties?
- 3. Given the mix of uses presented in each concept, what incentives should the Port use to encourage new development?

This document presents our answers to these questions.

Concept A: Activity Destination

This concept creates a destination spot with new things to do and places for visitors to stay.



What elements are likely to work?

- **Retail/Maker Activity Cluster (A9):** The retail/quasi-industrial uses at A9 should continue to flourish once the pandemic has subsided. These uses make sense here and, from a market perspective, should be feasible in the near-term.
- Repositioning Clover Island Inn: The Port should work with the Clover Island Inn to maximize occupancy levels as the region comes out of the pandemic downturn. Pre-COVID, there were major shifts happening in the hotel business. "Flags"—hotel subbrands—were changing rapidly in a response to generational changes in leisure and business travel. The Clover Island Inn might have been planning or considering a flag change to appeal to these changing preferences. The hotel's ownership may want to reposition the Inn to sync with the same visitors that would be drawn to the proposed area amenities, e.g., wine tourists, boaters/river users. In this way, the Port can leverage the hotel asset that is already present.

Which elements raise concerns?

- Permanent Performance Venue (A4): A permanent performance space could be a necessity for Concept A. A frequently programmed venue that draws in visitors at least on a weekly basis for three seasons will be necessary to draw in the constant visitors that this concept will require. However, access and parking are major considerations for a performance venue.
 - Can parking for some of the uses on the island be shared during off-hours with concert goers?
 - With only one way on and off the island, are there off-island locations for concert goers to park and use a shuttle for access?
- Commercial Cluster (A2, A3): Clustering of commercial uses such as condo vacation rentals with art/gathering space (A2) and activity cluster with shaded enjoyment area (A3) could work well. However, since most visitors will drive and park at their

destination, businesses may struggle unless they have easy access points and adequate parking. The island's physical restrictions could inhibit the creation of a strong hub of activity. Since the island is long and linear, parking will most likely need to stay at surface level for the near to mid-term (i.e., subterranean parking is likely not physically possible and structured parking is cost prohibitive).

- Residential Cluster (A10): One issue with the off-island uses is that there does not appear to be a good way to build strong connections between each of the clusters. For example, the residential uses at A10 would be more appealing for prospective residents if they were closely tied with uses at A8 and A9. These connections should be explored to the extent possible with existing property ownership patterns.
- New Boutique Hotel (A1): The COVID-19 pandemic has decimated the hospitality industry, with plummeting occupancy levels and room rates. Despite the overall attraction of the Tri Cities region, new hotel developments will not be likely to pencil until at least the next market cycle (five years in the future). For this reason, hotels are going to remain unfavorable investments for years to come. In thinking about a potential new hotel, the Port should analyze (1) how a boutique hotel would differentiate itself from the Clover Island Inn and (2) how the two hotels would compete.

What are phasing recommendations for development on the Port's properties?

Short Term:

- **Permanent Performance Venue (A4)**: A performance venue could be an early phase development. Even a temporary setup in a parking lot could go a long way to draw in visitor traffic and start to create more buzz about development on the island.
- Outdoor Amenities (A6, A7, A8, A11): The Port should seek ways to fund and develop those outdoor amenities—trails, Duffy pond improvements, etc.—during initial phases. This will help drive the appeal of residential uses.
- Activity Cluster (A9): The retail/quasi-industrial uses at A9 should continue to flourish once the pandemic has subsided. These uses make sense here and, from a market perspective, should be feasible in the near-term.

Longer Term:

- **New Boutique Hotel (A1):** Hotels are rarely first or second phase projects, even in times with more favorable economic conditions. They need strong occupancy levels to survive and therefore usually only get built when the "there-there" is already present.
- **Residential Uses (A5 and A10):** Residential uses become much more appealing once the outdoor amenities are in place. Otherwise, it could be a hard sell for many prospective buyers/renters.

Concept B: Residential Hub

This concept envisions the area evolving into a dynamic residential community with services and gathering spaces.



What elements are likely to work?

- On-island Housing (B2). Condos on the island is a unique housing option with only a few true competitors in the region (e.g., Columbia Point). Seniors and river enthusiasts would be drawn to it. To support this residential use, consideration should be given to on-site and on-island amenities.
 - An important benefit of on-island housing is that residents will help "anchor" onisland commercial businesses and could generate off-peak hour activities.
- Residential around Pond and Courtyard Enjoyment Spaces (B10). In both concepts, it
 makes sense that new development in this area would be residential. A more achievable
 scale of residential development at this location would be the smaller multifamily pod
 buildings shown in Concept A. In addition, there are not mirrored uses across Clover
 Island drive or directly to the east of this property
 - Additional Considerations: To achieve higher multifamily densities, the Port might want to consider senior housing or assisted living facilities. The competition for these uses in the Tri-City area is unknown but likely the demographics are generally conducive to this type of use.

From an economics perspective, these uses can be profitable for landowners. They might even be able to work with a ground lease situation.

One downside of an assisted living or memory care facility would be that the residents are not likely to be able to leave the facility to support area businesses.

Which elements raise concerns?

• Artisan Village (Public Market) (B1). While the Artisan village (B1) is an exciting concept, the Port should know that these projects are always economically challenging and even those that have been in use for years lack financial stability. That said, if public

markets are carefully planned and well supported, they can become major tourist attractions and valued community gathering places. Key threshold considerations include:

- Building New vs. Repurposing a Building. Building new is a financially challenging option, as none of these facilities can support a debt payment. The most successful public market in Eastern Washington is the <u>Pybus Market in Wenatchee</u>. In that case, a preexisting building was repurposed for the market.
- **The Location.** Location could be a challenge from a transportation and access standpoint. Left-turning visitors to the market might create a slowdown or bottle neck with other island users. A more appropriate location could be adjacent to the existing amenity cluster (B9). This would build on energy of the existing retail and offer better ingress/egress via a traffic light on Columbia Blvd. (Of course, in this situation, it would not have the draw of being directly on the waterfront).
- Mixed-Use Building (B11). This should be considered as two buildings. While the Port does not control the building at the corner of Clover and Columbia, that is the most visible and desirable location for a larger retail building like a grocery store. Mixing a grocery store with upper floor retail is not only challenging from a financing/economics standpoint but also due to a floor plate and column spacing mismatch between uses. This type of development is usually only found in dense urban environments where high rents allow for its costly construction type.

What are phasing recommendations for development on the Port's properties?

Short Term:

- **On-island Housing (B2)** may be a viable near-term option with the right developer, especially given that this is such a unique site within the region.
- **Public Market (B1).** A two building concept would allow for phasing—one building is constructed first, and then as visitor volume and revenues increase, a second building could be constructed.

Longer Term:

- Residential around Pond and Courtyard Enjoyment Spaces (B10). In both concepts, it
 makes sense that this area would be residential. However, residential at the scale shown
 in the renderings would only be possible in later phases of development.
- Mixed-Use Building (B11). Vertical mixed uses should only be considered for later phase projects, if at all. Vertical mixed-use is much more costly and difficult to finance. A horizontal mix of uses, say a condo building next to a coffeeshop, can offer the same use types without the same economic and financing issues. Many times, there is a demand for first floor retail in residential buildings. While in dense urban environments these spaces can live up to their promise of street activation, in almost all other locations they are difficult to lease and become financial burdens for developers.

Given the mix of uses presented, what incentives should the Port consider using to encourage new development?

- <u>Opportunity Zone</u>. It appears that the Waterfront District is within a Federally designated Opportunity Zone. It is unclear what actual power this program will have to incentivize new development; however, it should be considered by new businesses and real estate projects.
 - The program allows private investors to defer, reduce, and in some cases, cancel out their capital gain taxes on specific investments. The program does have a graduated sunset, which encourages near-term investments.
 - Our assessment of this program as it impacts real estate development projects is that, in most cases, it does not tip the balance towards financial feasibility for a project that otherwise would not get funding. Rather, it layers an extra incentive on top of an already financially attractive project.
- Reconsider Port Land Sale Policy. One hurdle for new development that the Port needs to contend with is the impact that a "no land sale" policy has on prospective developments. In most situations, developers (and their investors) are unwilling to deal with a ground-lease encumbrance. Ground-leases make project financing and sale difficult. Ground-leases are most successful in growth-oriented markets (e.g., big cities). In this case, developers and investors are able to balance the multiple risks of a ground lease situation with the potential profit upside and confidence that they will be able to find a buyer in the future.
 - To counter the ground-lease impacts, the Port should offer generous ground-lease terms like low rates, deferred or "step up" payments, and long-term payment schedules with multiple options; they are already doing some of these things.
- U.S. Treasury New Market Tax Credits. This program provides private investors with federal tax credit for investments made in economically distressed communities. It appears that the Waterfront properties are <u>within an eligible census tract</u>. Although these can be powerful funding tools for projects like a public market, these funds have been harder to access in recent years.
- Washington State Grants. The State has several grant programs that should be considered. The Port is familiar with some of these options. The State's Community Economic Development Board (CERB) grant program could assist with future planning efforts. Other state grants might be able to assist with infrastructure or public/private development deals, like the artisan market.
- Federal Grants. The Port is familiar with some, if not most available Federal grant programs. There are annual opportunities for grants from the U.S. Economic Development Administration (EDA), United States Department of Agriculture (USDA), and other Federal departments and bureaus. The Port should look out for new grant opportunities should another stimulus package get approved in 2021.

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B. PUBLIC ENGAGEMENT FEEDBACK



Figure 82. Landscaped walkway adjacent to the Clover Island marina

VIRTUAL ENGAGEMENT SUMMARY

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





OUTREACH SUMMARY



2

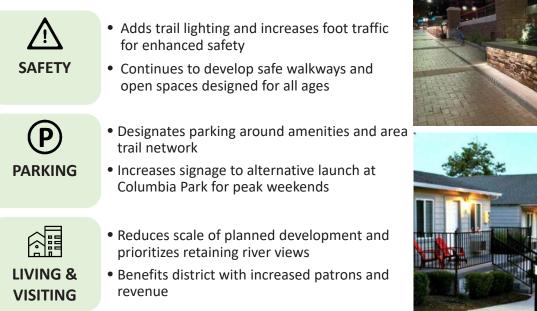
OUTREACH SUMMARY PLAN RESPONSES

| WATER | Increases areas that accommodate and encourage community gathering and recreation areas near water Provides additional river viewpoints |
|-------------------|--|
| 0 | |
| | Adds eateries on Clover Island and at Columbia Gardens Builds an artisan market and pop-up retail to highlight local businesses |
| | |
| Q P RAILS & | Completes Clover Island and Duffy's Pond trails and connects to local trail network Enhances ecology of Duffy's Pond |

2022-05 Agenda Report and attachments



OUTREACH SUMMARY PLAN RESPONSES



PHASE 1 - OUTREACH SUMMARY

TARGETED DISCUSSIONS

- 12 individual interviews
- 6 group interviews
- 4 discussion groups

TOTAL: 56 stakeholders

OPEN HOUSE

- 1,695 unique visitors
- 80+ people provided feedback
- 105 total comments



OPEN HOUSE #1



MAP ACTIVITY

- 31% other (culture, retail, housing, recreation)
- 28% water activities
- 23% access & transportation
- 18% food & entertainment

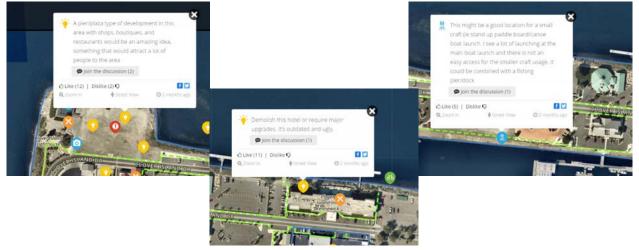
| | | the attended to the second second second | |
|-------------------------------|----------------------|---|--|
| | | 🗢 e ministe auto | |
| A | | | |
| | | water-connection | |
| | ease add it to the | A a month age | 1 Aur - 40 - 10 - 10 - 10 - 10 - 10 - 10 - 10 |
| | 10. Million - A. A. | | Contraction of the local |
| | Lie de cristile 🕸 (| The waterfront wine villag | e has no access for bioyclists |
| | | | Columbia drive is too wide |
| | | and to fast to make the vi | ision of connecting the chieve the waterfront vision. |
| Start a discussion (1) | | | a froad diet" with Bit family |
| | undering C. | | |
| / | | to the waterfront and sur passed up a food truck e | rounding streets. Frecently |
| | s Marter plana | couldn't safely get there. | |
| | | O a month age | |
| - | | 7 | |
| busy | | | |
| | Line Constitution 14 | friendly activities | |
| | | | |
| it would be great to see more | Constantine Constant | | |
| | | | |
| | in a second second | | |
| | | | |

IDEAS WALL

- 42% other (food, housing, recreation)
- 25% access & transportation
- 17% water activities
- 16% arts, culture, & local retail

6

OPEN HOUSE #1 MAP ACTIVITY HIGHLIGHTS Clover Island Development Ideas



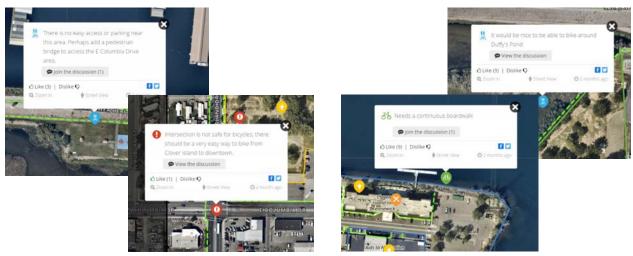
Inn remodel – pier – shops – plaza – boutique – canoe launch – fishing pier – restaurant

OPEN HOUSE #1 MAP ACTIVITY HIGHLIGHTS Columbia Drive Development Ideas



multi-use - commercial space - residential - BBQ pit - picnic spot - water feature

OPEN HOUSE #1 MAP ACTIVITY HIGHLIGHTS Access Concerns



continuous boardwalk – safe intersections – improved access – pedestrian bridge

PHASE 1 OUTREACH

- Clover Island's views, lighthouse, and proximity to the river are main attractions
- Pedestrians and cyclists would benefit from completed trails and safety improvements
- The new wine village and food truck area attracts visitors, more amenities desired
- Blight and nighttime safety concerns can be deterrents to visitors and developers
- The variety of unique local businesses is *great* and there is appetite for more
- Island gets a lot of boat traffic and parking is limited during peak use periods



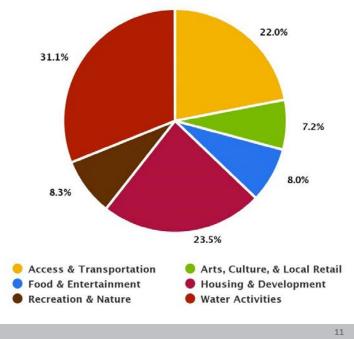
OPEN HOUSE #2 - OUTREACH SUMMARY

OPEN HOUSE

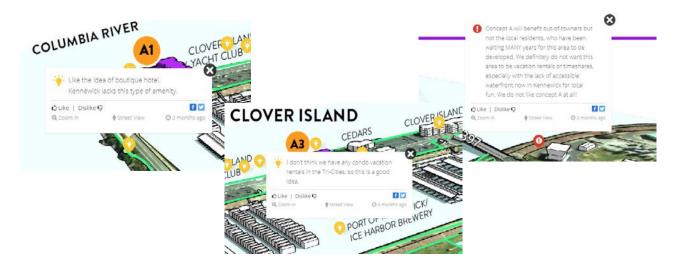
- 523 unique visitors
- 63 comments
- 76 survey responses

MOST POPULAR TOPICS

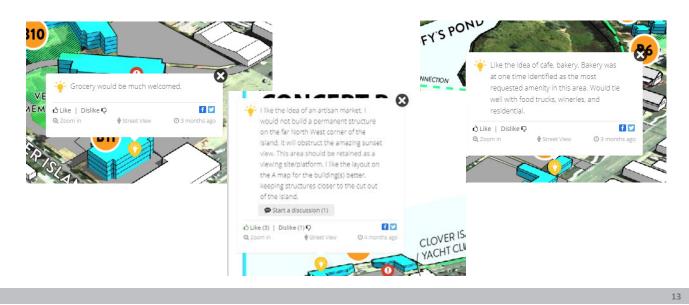
- Water activities
- Housing and development
- Access and transportation



OPEN HOUSE #2 **CONCEPT FEEDBACK HIGHLIGHTS** Concept A: Activity Destination

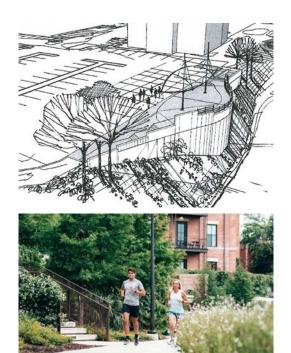


OPEN HOUSE #2 **CONCEPT FEEDBACK HIGHLIGHTS** Concept B: Residential Community



OPEN HOUSE #2 TAKEAWAYS

- Activation: high level of interest in lively public spaces with amenities
- Access: improved trails and Duffy's Pond boardwalk are strongly desired
- Amenities: formal performance area and artisan market had the most positive feedback
- **Residential**: concern with the potential for blocked views and a perceived lack of vitality within residential areas



OPEN HOUSE #3 - OUTREACH SUMMARY

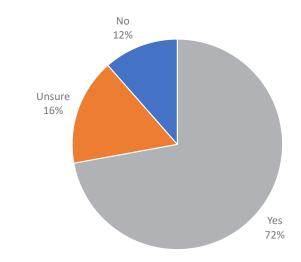
OPEN HOUSE

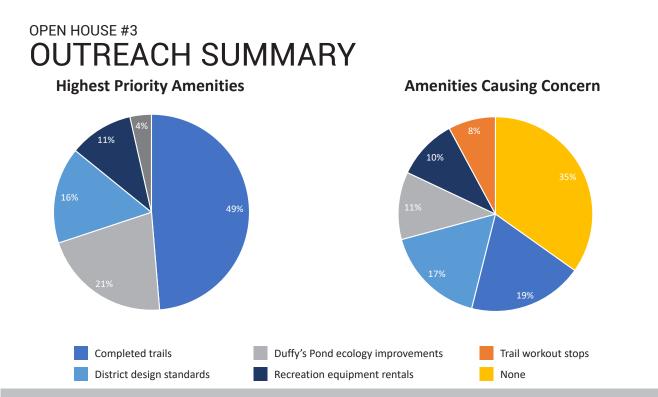
- 147 unique visitors
- 61 survey responses

FINDINGS

- 80% support a completed trail network
- 66% support adding community gathering spaces
- 70% support an artisan market

Proposed plan provides enjoyable activities





PORT OF KENNEWICK

2022-05 Agenda Report and attachments

OPEN HOUSE #3 TAKE-AWAYS

Priority Amenities

- 1. Completed trail network
- 2. Improved Duffy's Pond ecology

Priority Development

- 1. Additional shopping & local food spots near Columbia Gardens
- 2. Artisan market at Columbia Gardens
- 3. Improved Clover Island concert location





OPEN HOUSE #3 TAKE-AWAYS

Concerns

- 1. Residential development that blocks views
- 2. Increased development and programming that impacts available parking
- 3. Uses that limit public access to the river and Duffy's Pond
- 4. Development that detracts from existing attractions like the lighthouse, and is not in scale with other development
- 5. Attractions that cater to tourism and neglect the desires of the local community



PORT OF KENNEWICK

RESOLUTION No. 2022-05

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE PORT OF KENNEWICK AFFIRMING AND RATIFYING THE LAND SALE POLICY FOR CLOVER ISLAND

WHEREAS, Fortify Holdings LLC has indicated a desire to purchase the Clover Island Inn and change its use from a hotel to a multi-family residential housing project; and

WHEREAS, Fortify Holdings LLC has requested that the Port Commission sell it the land under the hotel; and

WHEREAS, and the Waterfront Master Plan, completed in June 2021, and adopted by the Port Commission under Resolution 2021-12, indicates that the Port should not sell the land on Clover Island; and

WHEREAS, the Fortify Holdings LLC proposal has raised the larger issue of the Port selling a segment of the publicly owned Clover Island to the private sector; and

WHEREAS, the Port Commission is respectful of, and wishes to heed public input.

NOW, THEREFORE, BE IT RESOLVED that the Port of Kennewick Board of Commissioners hereby affirms and ratifies the policy to not sell any land on Clover Island to any third party, consistent with the Waterfront Master Plan.

BE IT FURTHER RESOLVED that the Port of Kennewick Board of Commissioners hereby endorses and approves all action by port officers and employees in furtherance hereof; and authorizes the Port Chief Executive Officer to take all action necessary in furtherance hereof.

ADOPTED by the Board of Commissioners of Port of Kennewick on the 25th day of January 2022.

PORT of KENNEWICK BOARD of COMMISSIONERS

| By: | |
|-----|-----------------------------------|
| | SKIP NOVAKOVICH, President |
| By: | |
| | KENNETH HOHENBERG, Vice President |
| By: | |
| | THOMAS MOAK, Secretary |



AGENDA REPORT

TO: Port Commission

FROM: Tim Arntzen, CEO

MEETING DATE: January 25, 2022

AGENDA ITEM: Resolution 2022-06; Multi-family Housing Project on Clover Island

I. **REFERENCE(S):**

Compiled List of Public Comments Resolution #2022-06

II. FISCAL IMPACT: N/A

III. DISCUSSION:

On January 11, 2022, the Port Commission received a PowerPoint presentation from Fortify Holdings LLC, requesting that the Port Commission sell it the land under the Clover Island Inn. A land sale would allow Fortify Holdings LLC to pursue converting the operation from a hotel to a multi-family residential housing project. The project would house up to 200 individuals and families, utilizing the current inventory of hotel rooms for permanent residences. During the January 11th Commission Meeting, it was established that the Port would ask for public comment related to the housing project. From that date forward, the Port has received over 400 comments with most of the comments indicating opposition to the multi-family residential housing project. The compiled list of public comments are attached; to summarize the majority of the comments, the public is against the residential housing project.

IV. ACTION REQUESTED OF COMMISSION:

Motion: Based on the public comments received, I move approval of Resolution 2022-06 declaring that the Port of Kennewick Board of Commissioners do not facilitate the transition of the Clover Island Inn from a hotel to multi-family residential housing; and that the Commission shall not sell the land upon which the Clover Island Inn is situated; nor lease such land for the purpose of a multi-family residential housing project. Further, I move that the Port of Kennewick Board of Commissioners hereby ratifies and approves all action by port officers and employees in furtherance hereof; and authorize the Port Chief Executive Officer to take all action necessary in furtherance hereof.

Clover Island Inn Proposal

Public Comments

| Line No. | Date | Name | Source | Comment |
|----------|-----------|--------------------------|----------|---|
| 1 | 1.12.2022 | Jen Williams Ward | Facebook | This idea costed out daughter her wedding venue this summer! We love Clover Island Inn and four generations of our family have celebrated many special occasions there. To take this opportunity away from our entire community and give it only to people who rent an apartment there, is unfair to do to out entire community. Clover Island is special to so many for so many reasons. This builder isn't going to draw more money to the island. He is going to alienate the community from it. Period |
| 2 | 1.12.2022 | Sharon Atchinson Staging | Facebook | I don't like this idea at all Not even one little tiny bit! |
| 3 | 1.12.2022 | Amanda Nida | Facebook | 150 current hotel rooms converted to 180-200 micro apartments? Imagine the type of resident they are attracting! Imagine how the neighboring restaurants and businesses must feel about this type of conversion to the area. Yikes! |
| 4 | 1.12.2022 | Mick Miller | Facebook | You mean like the City doing business through a private developer to get around a no vote so they can turn it into low income housing? Trios, City Hall remind anyone of the things the City of Kennewick has done against the will of the people that still cost the taxpayers in the end? |
| 5 | 1.12.2022 | Bev Hammer | Facebook | And what is that going to do for the Port of Kennewick and the City of Kennewick? Maybe updating Clover Island Inn - both sides of our river have so much potential!! Young & old are moving our direction. We do have very good restaurants!! |
| 6 | 1.12.2022 | Sandy Harris | Facebook | Terrible idea! It is not suited to the neighborhood at all! That little island cannot handle that many full time residents! |
| 7 | 1.12.2022 | Kori Barnet | Facebook | There goes the island |
| 8 | 1.12.2022 | Traci Cameron | Facebook | The big old hotel on G Way is being converted, the 1 .across from Richland post office is being converted. |
| 9 | 1.12.2022 | Amy Mueller Coffman | Facebook | the city needs to look back at when Howard Amon gave the city the property where the park is. In the 40s the feds came to do a land grab for Hanford and one of Howard's ancestors pulled out the right document showing if his property were ever to be sold to be used other than public land it reverts to his descendants. The feds moved further up the river where they wouldn't have to fight something like that. I wonder if being his grat great great great great moved by the right ocument showing? Truly, he wanted it to be an area for all to enjoy and that is what his family wants to see continue. It is an amazing park for our area. |
| 10 | 1.12.2022 | Jason Haase | Facebook | Sounds good. Screams 1970's Needs updated big time. |
| 11 | 1.12.2022 | Shannon Lackey | Facebook | I'm done with this crappy developer and their apartment conversions. hey are buying up all the hotels in richland currently with the help of our idiotic council that thinks riverfront apartments are going to offer "affordable" housing solutions for our area it's a joke. Not one thing has come from years of backdoor negotiations with this outfit and kennewick are bigger fools if they let this island go to crap like richland is doing with their waterfront. People need to look into the last 10 years of meetings, getting the shorelines surveyed so that the cities can take back the shorelines from the army corps of engineers. It's be and all they plan on doing with it, is selling it for the highest dollar! Listen up tri-cities you all need to message your council members and ask what the peoples input was on these projects. They are our elected officials. And more and more are in the housing and development market looking to profit from these councils! |
| 12 | 1.12.2022 | Jai Littrell | Facebook | They haven't even started/completed. There was an article I read recently that said people were upset they took hotels that a lot of workers come to town and stay at and haven't even completed anything. They also got the days inn in richland and were looking at getting that super old run down junky motel on gway. |
| 13 | 1.12.2022 | Jennifer Hall | Facebook | Keep the land as a lease Please don't sell it too! I don't like this idea as micro-apartments in that area though either. It should stay as a hotel for the tourism. |
| 14 | 1.12.2022 | Holly Bell | Facebook | HORRIBLE IDEA! It will become a hub for drugs and prostitution just like the hotels that converted to long term stays/apartments in Richland and every other city. PLEASE keep this a vacation destination and a community activity hub! We need MORE activities and fun in the area not what this would bring in! |
| 15 | 1.12.2022 | Lori Patterson | Facebook | Do some research. This outfit has been gobbling up properties all over the place. Then, at least locally, they sit. And sit. City of Richland sold us down the river. Let's hope Port of Kennewick is more intelligent than that. Julie Miller responded Lori Patterson Why do you think they are sitting? Are they trying to resell them? |
| 16 | 1.12.2022 | Sara Truscott | Facebook | Ya, what's the deal? There are several planes in Richland too. I don't understand who they plan to live in these micro apartments? Maybe in Portland but seems like a bad idea here. |
| 17 | 1.12.2022 | Marco Valdez | Facebook | So much for launching boats there anymore! Going to get rundown quick! What a Dip of committees |
| 18 | 1.12.2022 | Debbie Lane Erdman | Facebook | There goes that one place to have some quiet. |
| 19 | 1.12.2022 | Traci Kennedy-Chapman | Facebook | Horrible idea!! The hotel needs updating not converted to housing!! There is a lot of entertainment put on through out the summer there and would be a shame for the community to lose it. |
| 20 | 1.12.2022 | Andrew Chilton | Facebook | we've really flubbed up most of the opportunities for riverside entertainment in the Tri haven't we? |
| 21 | 1.12.2022 | Leilanie Parrish | Facebook | No, it needs to be a vacation entertainment venue as soon as the development is under way it will become part of the culture down there everyone is envisioning. Public Opinion needs to happen! |
| 22 | 1.12.2022 | Dan Harris | Facebook | Just for fun, go to the intersection leaving the island heading south onto Washington Avenue. See how long you sit at the light and just imagine 200 + vehicles trying to commute to and from work. |
| 23 | 1.12.2022 | Jennifer Hawkins | Facebook | We got married there and also where family stays when they come to visit. This idea sucks. |
| 24 | 1.12.2022 | Aimee Cooper Thompson | Facebook | Not an ideal place for that at all! |
| 25 | 1.12.2022 | Ella Gardzalla | Facebook | I wonder if they'll have Micro rents |
| 26 | 1.12.2022 | Brittanie Bell | Facebook | Probably better for our community if they could make it not a giant trap house |

| Line No. | Date | Name | Source | Comment |
|----------|------------|------------------------------|----------|--|
| 27 | 1.12.2022 | Todd Blackman | Facebook | Well, how about this: instead of watching another hotel property starve itself in a vicious cycle of decline and disrepair from low occupancy numbers, trying to complete with so many newer properties in the TC what would a near 100% occupancy in a healthy business model do for the property and surrounding area? Didn't kennewick lose a mobile home community across the marina and another one just up river? Every other condo styled property going in on the river are more upscale high cost properties. Good for the wealthy I guess, good tax revenues and etc. maybe. Anyone catch the going rate these days for apartments on the river? I've actually seen a couple of model units for repurposed hotels like this and they are or can be very nice, just also very small, which doesn't work for everyone but certainly for some. With laundry and food services retained onsite it might be great for younger singles, seniors or even laborers working in our booming building market who might otherwise be roughing it out in an RV. Have you tried finding an RV lot around here lately? Why do we assume that the restaurants and other public facilities in these properties would go away? Would that be a good business move by the new owners? Or with increased business might they not just as likely flourish and improve? Many of us also love the signature restaurant near this hotel, but the new owners are needing your business not just your verbal suport, and not just in the months you can dock your boat for a burger and rum barrel. I'm kind of excited to see investment in aged local properties and something new and perhaps also a very needed housing niche? IE My father in law is living alone in a dated apartment looking out on other dated apartments, we will definitely look into these as an option to improve his outlook. What is the worst thing that could happen, millions of 5's going into some aging buildings? New boilers, windows and Heating, roof repair and flooring replacement? I mean if these properties could tak would they not be thanking |
| 28 | 1.12.2022 | Vicki Baesman Ling | Facebook | What a bad idea! Come on 🛞 |
| 29 | 1.12.2022 | Linda Finch | Facebook | I hope they don't do that |
| 30 | 1.12.2022 | Max Hutchinson | Facebook | Red lion in Yakima was turned into a H2A farm worker housing. Is that what's happening ? |
| 31 | 1.12.2022 | Daniel Miller | Facebook | Whatever cleans the place up |
| 32 | 1.12.2022 | Mike Schoner | Facebook | Didn't I just see a bank commercial with them in it? |
| 33 | 1.12.2022 | Mike Smith | Facebook | Terrible idea |
| 33 | 1.12.2022 | Trisha Haynes | Facebook | Terrible idea |
| 35 | 1.12.2022 | Kori Barnet | Facebook | No Way |
| 36 | 1.12.2022 | Ted Vause | Facebook | This guy is a scammer! Why would they even consider this? |
| 37 | 1.12.2022 | Aaron Maki | Facebook | What? thumbs down |
| 38 | 1.12.2022 | Richard Evans | Facebook | No! |
| 39 | 1.12.2022 | Jim Latimer | Facebook | Wowbummer! |
| 40 | 1.12.2022 | Debbie Lane Erdman | Facebook | N000000 |
| 41 | 1.12.2022 | Gus Dusty Crocker | Facebook | not happiness. |
| 41 | 1.12.2022 | Dallas Green | Facebook | Fortify Holdings needs a one way ticket out of town. Our city and port leaders must stop pandering to them. Call your elected officials people. |
| 42 | 1.12.2022 | Francis Jordan | Facebook | Terrible ideal |
| 43 | 1.12.2022 | Derek White | Facebook | N000 2 |
| 44 | 1.12.2022 | Shelly Barrett | Facebook | NNNNN00000 |
| 45 | 1.12.2022 | Allison Michelle Smith | Facebook | this is interesting |
| 46 | 1.12.2022 | Floyd Vance Campbell | Facebook | Aka drug house |
| 47 | 1.12.2022 | Scott Hanson | Facebook | Scott G Hanson Jordan Reeder 🖟 they want Tournaments ran out of there. Willie Nelson |
| 48 | 1.12.2022 | Charlene Ellison | Facebook | Charlene Ellison Jeannie Bender-Gamache think about all the fun concerts going down the drain 😥 |
| 49 | 1.12.2022 | Carrie Hollingshead Belcourt | Facebook | Micro apartments on Clover Island? To top it off a Portland buyerooh boy! |
| 50 | 1.12.2022 | Cap Tain | Facebook | Bihaney Pineda It definitely needs upgrading but I don't think the city will go for it. I think they rather keep that area recreational and not residential. It's such a cool spot, it's just that it's really old. Plus I don't think it's big enough for people to actually live there. |
| 51 | 1.12.2022 | Bihaney Pineda | Facebook | l agree. I forgot about the concerts there too so I vote keep it an Inn but upgrade it! |
| 52 | 1.12.2022 | Allese Bean-Garcia | Facebook | N000000!!!!! |
| 53 | 1.12.2022 | Shawna Linares | Facebook | As long as the current pos owner is rid of i'll be happy |
| 54 | 1.12.2022 | Amy Mueller Coffman | Facebook | Amy Mueller Coffman Brandon George fascinating. So, why would we do something like this if they don't have a proven track record? |
| 55 | 1.12.2022 | Brandon George | Facebook | Brandon George Shannon Lackey this is what happens when property developers and real estate agents are elected to into government leadership positions. |
| 55 | 11.08.2021 | Randy Slovic- blog | other | https://linkprotect.cudasvc.com/url?a=https%3a%2f%2ftricitiesobserver.com%2f2021%2f11%2f08%2fportland-developer-with-past-problems-behind-hotel-to-apartment- |
| 56 | | | | conversions%2f&c=E_1,KooM39omTrlDhTO5hfGWpjM2sGEwEFEC0vdmjfEGGLMLfNqGbfgiGnZF-Ko3MJScdX-gPNlctvLkePWsV7V8o8vCB5ce3-noVN8n-US-HI_&typo=1&ancr_add=1 |
| 57 | 11.29.2021 | Randy Slovic-blog | other | https://tricitiesobserver.com/2021/11/29/portland-developer-has-no-track-record-converting-hotels-to-apartments-richland-council-getting-pressured-anyway/ |
| 58 | 1.13.2022 | NEWSTALK 870 article | other | https://newstalk870.am/pending-clover-island-inn-sale-torpedoes-weddings-events/ |
| 59 | 1.13.2022 | Ashley Carter KEPR TV | other | https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fkeprtv.com%2fnews%2flocal%2fdeveloper-aims-at-transforming-clover-island-inn-to-micro- apartments&c=E,1,iH Ow1RwqX KmmoqulULupOCkC2i13zEDMsz025OmZBE1bHs869Ywwb0Sgq52zZrBtNWUMn84uveXdSC-6PshtHhixAfHuQ4ZOKAdxf2oFVp&typo=1 |
| 60 | 1.14.2022 | Tana Zavala | Facebook | Hope it's not the next thunderbird motel, this will ruin the beautiful island. |
| | 1.14.2022 | Leanne Brown | Facebook | 2,000 a month rent on micro apartments for a town where the average citizen makes less than 30\$ an hr Great idea Gonna turn into a tiny Portland or Seattle |
| C 1 | | | | abandoned buildings and filth. |
| 61 | 1 14 2022 | Carab Chrieldand | | |
| 61 | 1.14.2022 | Sarah Strickland | Facebook | they should make them into condos instead. Even as micro apartments, I don't think they will be cheap since it's right on the river. It sounds like they are going to make the area a little better with adding shops and restaurants. |

| Line No. | Date | Name | Source | Comment |
|----------|------------------------|-----------------------|----------------------|--|
| | 1.14.2022 | Matther Herrera | Facebook | But will they operate near capacity? no I'm just saying that if they think that they can keep it fuller then they'll try I hope people just boycott it and make them flush all their money |
| 64 | | | | down the drain |
| 65 | 1.14.2022 | Andy Klosky | Facebook | Sooooo, because they MAY potentially not operate near capacity, you are okay with giving them a green light to go ahead??!!?? Oh F'n hello!!!!!! Really? |
| | 1.14.2022 | Raelyn Dow | Facebook | l do not like this. The restaurants there are generally already difficult to get a seat at, imagine being able to get there if they do this. Also the hotel is great! The crowd |
| | | | | nest is great! I know they had a difficult last couple years because of covid restrictions (us having to cancel our wedding there included). But they host sold out events all |
| 66 | | | | the time. This just it would change the island and not for the good. |
| 67 | 1.14.2022 | Jody Riedinger | Facebook | Makes perfect sense, cuz there's got to be a huge market here for tiny apartments (50sqft) that cost from 1200 to 2,000 a month |
| 68 | 1.14.2022 | Jeff Johnston | Facebook | This deal would ruin the island |
| 69 | 1.14.2022 | Michael Abken | Facebook | I don't think the city will let the property go |
| 70 | 1.14.2022 | BryAnna Arroya | Facebook | I hope not |
| 71 | 1.14.2022 | Bryan Burleigh | Facebook | l agree 100% |
| | 1.14.2022 | Gordy Garza | Facebook | how, ruin how? Curious I see a plethora or pros and cons; If managed wellrest of the area managed and creatively/strategized correctly could be a hitlike anything |
| 72 | | | | in life really-hit or miss. My 4 cents, keep |
| 73 | 1.14.2022 | Adrian Ochoa | Facebook | I agree and is going to ruin the other locations as well. Going to leave some vacant buildings when said and done. Not going to end welljust my opinion. |
| | 1.14.2022 | Robin Manion | Facebook | I wonder if it will sit vacant like all the other places that shut down because they are making micro apartments out of them as well ! You don't see much progress with |
| 74 | | | | those yet ! |
| 75 | 1.14.2022 | Samuel Nunez | Facebook | No!!!! his is going to ruin this beautiful Island about more restaurants |
| 76 | 1.14.2022 | Ron Fuchs | Facebook | If this gets allowed, you watch clover island area go down hill fast. Their micro apartments will soon become low income housing |
| 77 | 1.14.2022 | Shevy Boots | Facebook | Its already happening |
| 78 | 1.14.2022 | Caitlin Ballard | Facebook | Ron you can just say you hate poor people? |
| 79 | 1.14.2022 | Jon Senger | Facebook | BINGO!!! And that's what the developers are banking on. And local Port and city political leaders fell right in to the trap. |
| 80 | 1.14.2022 | Heather Boderick | Facebook | This will ruin the island! Terrible idea! |
| 81 | 1.14.2022 | Andrew Ling | Facebook | email amber@portofkennewick.org. Get your friends to do the same code blue on this one. |
| 82 | 1.14.2022 | Floyd Vance Campbell | Facebook | If they're run like other places that have done that to old hotels, basically they get turned into drug and crime units. |
| | 1.14.2022 | Frank Glenn | Facebook | these motels/hotels that are being turned into micro apartments were already crime units. As someone who spent a lot of time in these places in my past life, I can tell |
| 83 | | | | you that this change is for the better of our community. |
| 84 | 1.14.2022 | James Brathwaite | Facebook | Maybe they should all have to pass a drug screening to move in. |
| 85 | 1.14.2022 | Lulu Days | Facebook | They said micro apartments For a deal 2k a month \$\$\$\$ |
| 86 | 1.14.2022 | Craig Conner | Facebook | That's one of the worst ideas I've heard. |
| 87 | 1.14.2022 | Kimberly Rhodes | Facebook | No no no I like their food and going to pirate con !! Not happening |
| 88 | 1.14.2022 | Annie Briggs | Facebook | Leav it Motel please |
| | 1.14.2022 | Mary Garcia | Facebook | That will create congestion on that poor little Island people going and coming it's going to transform the future of that location for sure if you build tiny little |
| 89 | | | | apartments that makes no sense |
| 90 | 1.14.2022 | Jeannette Stoffey | Facebook | Didn't know it was sold, Maybe being done into theicro sptd because of what's coming into Pasco as new businesses2 Amazon warehouses, Dairy Gold, Costco, etc |
| 91 | 1.14.2022 | David Garza | Facebook | What a bad move. No more concerts |
| 92 | 1.14.2022 | Gordy Garza | Facebook | Why? Curious? selfish!lol, I hear ya on that one, hopefully they figure out a way to keep that gig goin'! |
| 52 | 1.14.2022 | Traci Kennedy-Chapman | Facebook | Cannot believe the City of Kennewick is in support of this. Renovate!! This place brings so much entertainment to the community. The island was not meant for housing. |
| 93 | | | | The tri cities as a whole keeps trying to bring more tourism here and slowly keep converting the hotels to housing. Makes no sense. |
| 55 | 1.14.2022 | Ted Vause | Facebook | PLEASE reach out to the Port of Kennewick Commissioners and voice your opinion! |
| 1 | 111 112022 | | 1 decoord | https://l.facebook.com/l.php?u=https%3A%2F%2Fwww.portofkennewick.org%2Fcommissioners- |
| 1 | | | | staff%2F%3Ffbclid%3DlwAR3UNv6fLW5AAWybSbJ3tkC0_lwrWsex5RiPnHsf3h0LjcxKVB3N84E2VKM&h=AT2Aj3JcprGWPbADG0oC0lx4- |
| 1 | | | | AdHIkHFMnlWwJFXXFQ91MpLHNLySLP3Kq-oZ8X-K2EvIUxnzrBtt8ltW0YYQz9xNuOUcOf2kEeuqQHAqkp3vJISVRxX7QMRBSUZX38tiA&_tn_=R]- |
| 1 | | | | |
| 94 | | | | R&c[0]=AT1i2y0L6kxVSmv3GbMjHqo3qKExHXrLcc07e1ejbfWAiejp9FBL3UN5_6DE3nlwcZy2V73oOceWh7cw- |
| | 1.14.2022 | Nicole Sparhawk | Facebook | DZieFwkee4ZT3H0yPz0KcXolFlvQqkzWgU5SFyYnwn8o0r_Ob_V19Jx0RBXzrr-qqdLywusjg I'm not onboard with this |
| 95 | 1.14.2022 | Hillary Ells | Facebook | |
| 96 | 1.14.2022 | Tommy Eldhardt | | no one is*no one who spends significant time on clover I should say. |
| 97 | 1.14.2022 | Shawna St George | Facebook Facebook | Its homeless on the waterfront |
| 98 | | | | homeless?? The micro apartment goes for 2000\$ a month or more lol |
| 99 | 1.14.2022 | Ernesto Sanchez | Facebook | Boat launch gonna be slammed lol |
| | 1.14.2022 | Kelly Templeton | Facebook | These properties are being purchased to make long term living areas for travelers to our area. It's a play at getting the money that our local hotels are currently |
| 100 | 1 14 2022 | Abo Torros | Facebo-1 | marketing. Making them long term cuts costs and are simpler to maintain than a hotel. Over head is just cheaper. |
| 101 | 1.14.2022 | Abe Torres | Facebook | Soon to be ghetto island |
| 102 | 1.14.2022 | Kimberly Rhodes | Facebook | I need to stock up on crab sandwiches and clam chowder oh chz burgers dude I love the crows nest |
| <u> </u> | | BetteCon Higley | Facebook | |
| 103 | 1.14.2022 | | | So whats their track record look like? Isn't this company from Portland area.? I thought the plan was to clean up that area.? The just got done cleaning up the trailers |
| | 1.14.2022 1.14.2022 | Heather O'Leary | Facebook | So what's their track record look like? Isn't this company from Portiand area.? I thought the plan was to clean up that area? The just got done cleaning up the trailers I love gentrification in my hometown! /s |
| 103 | | | Facebook Facebook | |

| Line No. | Date | Name | Source | Comment |
|----------|-----------|-------------------------|-----------|--|
| 107 | 1.14.2022 | Pam Hamblin | Facebook | Fortify Holdings aerospace and defense out of CT. |
| | 1.14.2022 | Carol Hogue | Facebook | Why after all that money the city gas spent on buying all the places all around it and has spent all that money fixing that area up .don't make any sence why they would |
| 108 | | | | do that for apartments!!!! |
| 109 | 1.14.2022 | Kathy Holloway | Facebook | They need to keep it as a hotel and renovate it. It's not a place for apartment |
| 110 | 1.14.2022 | Brenda Wood | Facebook | Why are they doing this so much?? The old Holiday Inn in Richland and The old Nendells Motel and I think 💭 the one on Lewis street is Pasco |
| 111 | 1.14.2022 | Brendon Kellas | Facebook | We spent a couple of great days away there. Love that place. Great restaurant and did a nice paint and drink there. Hope there is some better option. |
| 112 | 1.14.2022 | David McCary | Facebook | That should work. I mean 180 plus vehicles just for residences and then shops which will need parking also. Shoehorn time. Might be fun just getting the smell out. |
| 113 | 1.14.2022 | Joann Hoff | Facebook | Condos a better idea |
| 114 | 1.14.2022 | Hannah MacDougall | Facebook | As does every other hotel that has closed since 2020 |
| | 1.14.2022 | John Senger | Facebook | this hotel was not closed. It was owned by the Lampson family before the sale. You would think they would have more respect for the community they made millions of |
| 115 | | | | dollars in |
| 116 | 1.14.2022 | Juaquin Jimenez | Facebook | Oyea let's bring the property value down!!! |
| 117 | 1.14.2022 | Irish Joy Kreis | Facebook | Is the goal of the Tri cities to just turn every hotel into apartments? |
| | 1.14.2022 | jody Riedinger | Facebook | it's nother goal of the Tri- Cities, but it's definitely the goal of the company that's buying them all up for that purpose. Also, they're only buying the ones that come with |
| 118 | | | | the land they're built on. Can't help but wonder what they'll build if or when their rip off motel room apartment scheme fails |
| 119 | 1.14.2022 | Lori Hara | Facebook | There goes the neighborhood |
| | 1.14.2022 | Shavon Slack | Facebook | So they are going to create More unaffordable housing in our community, sounds like a crappy idea to me. The prices of apartments have went up so much that young |
| 120 | | | | adults cant even afford to move out of their parents house unless they have a roomate or 2! |
| 121 | 1.14.2022 | Jason Munguia | Facebook | You want Seattle hippies? Because this is how you get Seattle hippies. |
| 122 | 1.14.2022 | BryAnna Arroyo | Facebook | I hope not this is my favorite place to stay |
| 123 | 1.14.2022 | Carol Simmons | Facebook | Let's talk about all the other motels that they talk about making them into micro apts in Tri Cities nothing's happening. |
| 124 | 1.14.2022 | Charmaine Vinnedge | Facebook | Since it sits on the river, they won't be inexpensive apartments. |
| 125 | 1.14.2022 | Mark Anthony | Facebook | it will be expensive micro apartments 1000 minimum. We have some in walla walla \$950-1200\$ 300sq foot "micro cottages" |
| 126 | 1.14.2022 | Nathan D Gee | Facebook | Is this the same developer that out of the 30 or so properties they have purchased, not one has been made into apartments yet? |
| 127 | 1.14.2022 | Megan Rene Morrison | Facebook | While nobody wants to accept the traffic that already goes out of there anyways. It's the only why to make business as usual possible |
| 128 | 1.14.2022 | Ryan Leveque | Facebook | This will ruin downtown |
| 129 | 1.14.2022 | Tony Schinner | Facebook | l agree. Money moving under the table |
| 130 | 1.14.2022 | George Stotz | Facebook | A type of gentrification? I'm safe to assume that they won't be "low income" apartments? |
| 131 | 1.14.2022 | CJ Corbin | Facebook | Holy smokes that's a bad idea |
| 132 | 1.14.2022 | Ken Ashley | Facebook | The next thunderbird motel in the making |
| 133 | 1.14.2022 | Nichole Stephens | Facebook | Will all the tweakers still be there? Lmao |
| 134 | 1.14.2022 | Wendy Sandmann | Facebook | No! The city of Kennewick needs to have rules around preserving areas. These kinds of actions are what ruin special places forever. |
| 135 | 1.14.2022 | Mandi Michelle Morrison | Facebook | Whereeeee will everyone park? |
| 136 | 1.14.2022 | Curtis Ray Jr. | Facebook | Gentrify on! Next question! |
| 137 | 1.14.2022 | Renyel William Doremus | Facebook | How about more river front restaurants |
| 138 | 1.14.2022 | Dawn Senger | Facebook | Worst thing ever |
| 140 | 1.14.2022 | Hernandez Liv | Facebook | I could think of so many other amazing things for this building other than another high price for no reason apartment complex |
| 141 | 1.14.2022 | Allen Oropeza | Facebook | no |
| 142 | 1.14.2022 | Alexis Arave | Facebook | no |
| 142 | 1.14.2022 | Hernandez Liv | Facebook | WE ALREADY HAVE TOO MANY APARTMENT COMPLEXES! guarantee these wont be affordable |
| 143 | 1.14.2022 | Nancy Lynch | Facebook | That's what I mean. We need more affordable places. More out of work and this virus will always be here. |
| 144 | 1.14.2022 | Dan Phelps | Facebook | no |
| 145 | 1.14.2022 | Gina Lowe-Oeckerath | Facebook | The TriCities keeps getting ruined by the day |
| 140 | 1.14.2022 | Patricia Braun | Facebook | They really need to clean that area up |
| 147 | 1.14.2022 | John Senger | Facebook | Patricia Braun have you been to clover island lately? If not don't comment! It actually is a great attraction with great dining and views. Not to mention the yacht club |
| 148 | | 0. | | with all its amenities. |
| 143 | 1.14.2022 | Danny Hensley | Facebook | Finally getting that drawbridge? |
| 149 | 1.14.2022 | Lena Samorano | Facebook | These must be the Portland investors buying all the hotels around town. |
| 150 | 1.14.2022 | Misty Gibson | Facebook | J Renea Silvan Garcia I aware of the situation. We are making a backup plan for Mid Columbia Pirate Festival |
| 151 | 1.14.2022 | William Roberson | Facebook | Thumbs down |
| 152 | 1.14.2022 | Russ Scott | Facebook | Why not just update the Inn and keep it as is - an Inn |
| 154 | 1.14.2022 | Austin Simpson | Facebook | It's hilarious how many think this will attract low income trash it will be right off the river these apartments even micro won't be cheap |
| 154 | 1.14.2022 | Richard Halvorson | Facebook | That sucks! We love going to that place whenever we're in the TC area! |
| 155 | 1.14.2022 | Christian Matter | Facebook | Who cares it's their property get over it you know you will do the same thing if it was turned around and you were the owners |
| 156 | 1.14.2022 | Ammon Herrera | Facebook | End of an era maybe? |
| 157 | 1.14.2022 | Rochelle Otte | Facebook | |
| | 1.14.2022 | Ammon Herrera | Facebook | some of those apartments are gonn have awesome views though! probably true, but that place was kinda meh other than the view and the crows nest |
| 159 | 1.14.2022 | Annon Herrera | I ACEDOOK | probably rule, but that place was kinda men other than the view and the clows nest |

| Line No. | Date | Name | Source | Comment |
|----------|-----------|-------------------------|-----------|---|
| 160 | 1.14.2022 | Rochelle Otte | Facebook | I mean I thought it was a good value for money/good memories lol and that bartender in the crows nest |
| 161 | 1.14.2022 | Andrew Ling | Facebook | ***Alert*** Immediately contact Amber@portofkennewick.org Do not wait. We will Rally on this one people ok |
| 162 | 1.14.2022 | Samanth Meagan | Facebook | micro apratments at townhouse prices |
| | 1.14.2022 | edward nicholson jr. | Facebook | As the Port of Kennewick Commissioners decide whether to sell the land, Amber Hanchette with the Port of Kennewick is handling all public comments. Please contact |
| 163 | | | | her and help us to save the Clover Island Inn Hotel! Her email is amberhanchette@charter.net |
| 164 | 1.14.2022 | Jamie Miller | Facebook | Right now! Our tri cities is being driven by the take-over purchase and Large pct% of profits! am worried about us |
| 165 | 1.14.2022 | Mary David | Facebook | Tear the place down. You can't make a silk purse out of a pigs ear! |
| 166 | 1.14.2022 | Laura Judith L. Alcazar | Facebook | Evvv |
| 167 | 1.14.2022 | Mary Garcia | Facebook | OMG!! |
| 168 | 1.14.2022 | Jamie Munson | Facebook | Dumb Idea |
| 169 | 1.14.2022 | Troy Broders | Facebook | Micro apartments = low income housing |
| 170 | 1.14.2022 | Chris Jurgens | Facebook | Stuuupid |
| 171 | 1.14.2022 | Saber Kingham | Facebook | Nnnoooo! Yukkk. |
| | 1.14.2022 | Warren Montney | Facebook | The irony is they will be like 200 sq feet based on room size but the ceilings are so low in that building you cant have loft sleeping. Which is the number one space saver |
| 172 | | | | of tiny homes. If the economy crashes and housing comes back to reality. I dont see this working long term |
| 173 | 1.14.2022 | Amanda Maxwell | Facebook | Noooooo! |
| 176 | 1.14.2022 | Joey Seoane | Facebook | hey ain't from around here! |
| 177 | 1.14.2022 | Jesse Ortiz | Facebook | Thosevr goinh to be expensive |
| 178 | 1.14.2022 | Trent Williamson | Facebook | Turn the whole "island" into a giant dog park lol. |
| 179 | 1.14.2022 | Lisa N Adrian Scott | Facebook | Nooooo! |
| 180 | 1.14.2022 | Amber HK Griego | Facebook | #GENTRIFICATION |
| 181 | 1.14.2022 | Becky West | Facebook | Nooool |
| 182 | 1.14.2022 | Annette N. Randy Deeney | Facebook | Horrible Idea! |
| 183 | 1.14.2022 | Ty Bennett | Facebook | How retarded |
| 184 | 1.14.2022 | john smith | Facebook | bout to move on in Iol |
| 185 | 1.14.2022 | Gilbert J. Keohn Koehn | Facebook | bad idea |
| 186 | 1.14.2022 | Matthew Herrera | Facebook | Projects on the water |
| 187 | 1.14.2022 | Anne Telles Church | Facebook | Noo |
| 188 | 1.14.2022 | Gail L Power | Facebook | I hope they don't do this. |
| 189 | 1.14.2022 | Darcy Glegg Anderson | Facebook | Just what you said |
| 190 | 1.14.2022 | Jenny Alcantar | Facebook | studied |
| 191 | 1.14.2022 | Larrie Mason | Facebook | Must be an Island thing. |
| 192 | 1.14.2022 | Traci Shafer | Facebook | This is sooo sad!! Good memories, prom, etc. |
| 193 | 1.14.2022 | Katie Spivey | Facebook | Horribe Idea! |
| 194 | 1.14.2022 | Stacy McKenzie | Facebook | Well, there goes that! |
| 195 | 1.14.2022 | David Spiel | Facebook | NOpray the don't rezone it. |
| 155 | 1.13.2022 | Andrew Ling | email | Who in their right minds thinks this is a good thing for DTK development?? Aren't we all trying to have wine villages and hotels etc |
| 196 | | | | So how in the world is this even a possibility? |
| 150 | 1.14.2022 | Leanne Brown | Facebook | 2,000 a month rent on micro apartments for a town where the average citizen makes less than 30\$ an hr Great idea Gonna turn into a tiny Portland or Seattle |
| 197 | | | | abandoned buildings and filth. |
| 157 | 1.14.2022 | Sarah Strickland | Facebook | They should make them into condos instead. Even as micro apartments, I don't think they will be cheap since it's right on the river. It sounds like they are going to make |
| | | | | the area a little better with adding shops and restaurants./that seems like a lot for some if the places they bought up. The ones on the river I can see costing that much, |
| 198 | | | | but not the other ones. |
| 156 | 1.14.2022 | jody Riedinger | Facebook | Sarah Strickland I've seen other articles stating that all the micro apartments will have premium prices of \$1200-2k/month. I think it's absolutely bizarre and unneeded in |
| | | J/ ······B-· | | the Tri cities to have 7 of these properties. It's going to force a lot of the homeless population out onto the streets, because there will be far less affordable options |
| | | | | available to them./ I think that 700-900 mo would be reasonable rent for those tiny rooms in our housing market. If they want the big bucks, why not just renovate and |
| 100 | | | | |
| 199 | 1.14.2022 | Ben Holten | Facebook | open nicer motels? It just really doesn't make sense. I wish there were more options like that out there for people. There is just so little affordable housing being built. Most of the homes I have been working on are |
| 201 | 1.14.2022 | Set Holden | . decoook | peoples 2nd homes that are worth 1 million dollars. Not many options for people who make \$50-75,000 a year to buy anything. |
| 201 | 1.14.2022 | Andy Klosky | Facebook | peoples and nomes that are worth in minior donais, not many options for people who make \$50-75,000 a year to buy anything. |
| | 1.17.2022 | , and y mosky | . account | translation:> They have a plan to charge premium rent for tiny apartments to extract maximum profit from the property at the expense of the local community. What |
| | | | | happens to parking for all those residents??? Access to and from the island for all the residents and their children for things like school, garbage collection, day-to-day |
| 202 | | | | business??/ Sooooo, because they MAY potentially not operate near capacity, you are okay with giving them a green light to go ahead??!!? Oh F'n hello!!!!!! Really? |
| 202 | 1.14.2022 | Matthew Herrera | Facebook | But will they operate near capacity?/no I'm just saying that if they think that they can keep it fuller then they'll try I hope people just boycott it and make them flush all |
| 202 | 1.14.2022 | Matthew Hereia | acebook | |
| 203 | 1.14.2022 | A Jesse Gonzales | Facebook | their money down the drain I agree if they make rent expensive, there's no need to rack up rent for small space, yes more money means more responsible people I guess? Idk what they are thinking |
| 204 | 1.14.2022 | A JESSE GUITZAIES | FacebUUK | |
| 204 | 1 | | | when they say safer? |

| Line No. | Date | Name | Source | Comment |
|----------|-----------|--------------------------------------|-------------------------|---|
| | 1.14.2022 | Raelyn Dow | Facebook | I do not like this. The restaurants there are generally already difficult to get a seat at, imagine being able to get there if they do this. Also the hotel is great! The crowd |
| | | | | nest is great! I know they had a difficult last couple years because of covid restrictions (us having to cancel our wedding there included). But they host sold out events all |
| 205 | | | | the time. This just it would change the island and not for the good. |
| | 1.14.2022 | Laura Day | Facebook | the restaurants down there are not hard to get seats at. Maybe a few years ago but Cedars you can get an Table anytime. They aren't what they used to be. Ice Harbor is |
| | | | | busy but not busy enough to take up the whole island. And Clover island is farther down with its own parking. Besides what does it matter to any of you if people want |
| | | | | to pay \$2000 in rent for a micro apartment who cares? It's up to the person renting it not any of us. If people want to spend their money on rent then that's their choice |
| 206 | | | | I don't understand why everybody cares. |
| 207 | 1.14.2022 | Sonia Marie | Facebook | I'm a Island boy, Island boy. I think it's a great idea. |
| 208 | 1.14.2022 | Emmanuel Gonzalez | Facebook | We already have riverfront apartments across the river |
| 209 | 1.14.2022 | Jojo Barker | Facebook | oh nooowill become slummy there |
| | 1.10.2022 | anaymous phone call to Com. Hohenber | g phone call | Commissioner Hohenberg received an anonymous citizen phone call yesterday expressing their concerns that this would turn the Island into a low income, homeless |
| 210 | | | | housing project. Commissioner Hohenberg believes this project should be vetted properly and publicly. |
| | 1.14.2022 | Dara Foster | phone call | No! No! We don't need 200 people and cars down there. It's a nice quiet nature place to go. We walk the island a lot, and this time of year we go to see the |
| | | | | eagles and osprey. If there's 200 more people there will be garbage all over, and if the apartments are not filled they will make into low income like everywhere else. |
| 211 | | | | This makes me mad and upset. It would ruin Clover Island. |
| 212 | 1.14.2022 | 870 News Talk- Rik Mikals | Open letter via website | https://newstalk870.am/an-open-letter-to-kennewicks-clover-island-inn/ |
| 213 | 1.14.2022 | Jaime Miller | Facebook | Right now! Our tri cities is being driven by the take-over purchase and Large pct% of profitsI am worried about us |
| 214 | 1.15.2022 | Eddie Nicholson | Facebook | posted port commission & staff address |
| | 1.14.2022 | John Senger | Facebook | replies to Austin Simpson: it's a business plan. Out price them so you can't fill them then you can easily turn them into low income housing which the state pays for |
| 215 | | | | ignorance is bliss. So they say. |
| 216 | 1.14.2022 | Austin Simpson | Facebook | replies to John Senger: and yall sure do love ignorance lol, I think it'll be great but tri cities is always filled with downers |
| 217 | 1.16.2022 | Brandy Lair Drettwan | Facebook | replies to : Patricia Braun the only thing that needs cleaned up on the island is the trailer park that is at the corner there. Huge eye sore for that area! |
| | 1.14.2022 | John Senger | Facebook | replies to : Patricia Braun have you been to clover island lately? If not don't comment! It actually is a great attraction with great dining and views. Not to mention the |
| 218 | | | | yacht club with all its amenities. |
| 219 | 1.16.2022 | Nate Long | Facebook | Micro is a fancy word for small, in case you didn't know. |
| 220 | 1.17.2022 | Richard Roddy | Facebook | Make a better hote!! |
| 221 | 1.15.2022 | Stefanie Fehr | Facebook | Sad. Bad idea. Very bad. |
| 222 | 1.17.2022 | Tammy Gill | Facebook | or the next Loyalty inn! |
| 224 | 1.16.2022 | Roger Russell | Facebook | They just need to rip it down and start over. |
| 225 | 1.14.2022 | Teri Cooney | Facebook | replies to Pam Hamblin aerospace and defense?? Lord. Sounds like a front |
| 226 | 1.15.2022 | Sally Sanders | Facebook | Need to all go to monthly City Hall meeting and voice out opinions. |
| | 1.14.2022 | Sara Nice | Facebook | replies to Allisha Craig not housing that will coast people an arm and a leg to rent. It's river front, they won't be cheap. Meanwhile what happens to thunder on the |
| | | | | island or any of the other events that happen their yearly? Some of them can't afford to just go rent out a conference center at another hotel. And then there is the |
| 227 | | | | matter of traffic management coming in and out of the island. It will be a nightmare. |
| 228 | 1.14.2022 | Allisha Craig | Facebook | Allisha Craig Ross Clawson we do need more housing. |
| 229 | 1.14.2021 | Diane D Mains | Facebook | Ross Clawson the problem is; there are no apartments to rent around here! And as long as folks will rent them, the developers will develop them!! |
| 230 | 1.14.2022 | Ross Clawson | Facebook | Stop with the hotel-to-apartment transformations. Days Inn, Riverside Hotel, and now this. Ridiculous. |
| 231 | 1.14.2022 | Tracy Kangas | Facebook | agrees it should be kept as a hotel and renovated |
| 232 | 1.14.2022 | max Cooperford | Facebook | Kathy Holloway agree. We hold events there every Tuesday and Saturday. They'll kill our business. |
| 233 | 1.14.2022 | Gordy Garza | Facebook | replies to BetteCon Higley Beaverton I believeinvestment firm, maybe 6-7k units in the northwest |
| | 1.14.2022 | Ted Vause | Facebook | replies to BetteCon Higley: https://l.facebook.com/l.php?u=https%3A%2F%2Ftricitiesobserver.com%2F2021%2F11%2F08%2Fportland-developer-with-past-problems- |
| | | | | behind-hotel-to-apartment-conversions%2F%3Ffbclid%3DlwAR3yR2T6_vDZ- |
| | | | | 2VT_hgr2YVNFLM9A3jZbuF8QkJCQ3m9r4G5RGQ5NbQMM0k&h=AT1J95wamaEKNeX44B3ZEkNHgbQIjm_08PKhKfdrdQyk1D7oR82PFCiUw5Hfpgz_d4Vym1M- |
| | | | | 7Wab1hyHusHU9bpEZkc01jS35eXUdWabt96qrdcJxf4BpfwoGipzusO87w&_tn_=R]-R&c[0]=AT2cBH157P-ahE-LISHbYI- |
| 234 | | | | SAUL6axdkJMiMIOA1xS1FodcvGivhYMqYGr6MSot1-fEKOIYVLow4nYzT9PkFcEnJrhdBB0Qg2_gEGPrgypu5cRPJ1W5pkqT8X_vbi0KmBosYALnG4iscXfMLG-ZVM38rYQ |
| 235 | 1.17.2022 | Norma Whitney | Facebook | I agree Wendy, & we all know these "new" apartments will be pricey |
| | 1.15.2022 | *****Eddie Nicholson | Facebook | replies to Wendy Sandmann so let's stop this !! Email or call or both the port of Kennewick let's flood them and stop This horrible deal !! |
| 236 | | | | https://www.portofkennewick.org/commissioners-staff/ |
| | 1.17.2022 | Grace Aranda Bell | Facebook | Apartments? The Planning commissioners better think about safety first instead \$\$\$\$\$. We have to think about adequate parking, quick access for Fire and Rescue. Oh |
| | | | | and let's not forget the school district buses 🚍 🚍 and maybe public transportation. We will also have The yacht club, Cedar's Happy Hour Rum Barrels and Ice Harbor |
| 237 | | | | Brewery traffic. The picture is not that prettier and glamorous after all. |
| 238 | 1.15.2022 | Geoggrey Henry | Facebook | replies to Ryan Leveque you do realize the price tag on a waterfront apartment right? Y'all act like crackheads will be able to afford those lol |
| 239 | 1.15.2022 | Andrea Esparza | Facebook | I wish they would make this like a triple play Hotel!!!!t could be such a beautiful place for people to actually go to more often ! |
| | 1.14.2022 | Frank Glenn | Facebook | replies to Floyd Vance Campbell these motels/hotels that are being turned into micro apartments were already crime units. As someone who spent a lot of time in these |
| 240 | | | | places in my past life, I can tell you that this change is for the better of our community. |
| 241 | 1.15.2022 | Maggie Moreno | Facebook | replies to Michael Abken yeah right, from what I've noticed all the city cares about is lining their pocket with money!! Who cares about us! |

| Line No. | Date | Name | Source | Comment |
|----------|-----------|-----------------------------|----------------------|--|
| | 1.14.2022 | Arcana Silvan | Facebook | replies to Jody Riedinger no body will pay that for that square footage the deal is small for a smaller price. And in this area they will demand it unless there are major |
| 242 | | | | perks. Nothing they can provide |
| 243 | 1.14.2022 | jody Riedinger | Facebook | replies to Arcana Silvan absolutely. That is actually my point. |
| 244 | 1.15.2022 | Lori Hogan | Facebook | Too bad the citizens can't vote on these changes |
| | 1.15.2022 | Tracy Goulet | Facebook | they will most likely rent them out as airbnb, They are also doing this with two on GWay, the Best Western (originally Tower Inn) and the Motel right as you come into |
| | | | | Richland. The Best Western, not more than three years ago, had a complete remodel and the rooms were really nice. Back in the days micro apartments were call studio |
| 245 | | | | apartments, that's the Motel I mentioned but I think there is another one |
| 247 | 1.14.2022 | James Brathwaite | Facebook | It's the new Tahitian |
| | 1.15.2022 | Carol Bowman | Facebook | I for one, do not like the idea. There are many hotels going to apt. That being said, I enjoy the Thunder on the Island concert series. That would be really sad to see that |
| 248 | | | | go. |
| | 1.17.2022 | Ken Hays | email to skip | |
| | | | | Skip Please do not consider the sale of the Inn as it would ruin the islands theme. All along the whole port vision is to make the island a upscale destination place for |
| 249 | | | | the Tri Cities . I have been a long time user of the island for recreation and dinning . You also should look at the developers real plan for the hotel! Thanks Ken Hays |
| | 1.13.2022 | Andrew Ling | email to Amber | Who in their right minds thinks this is a good thing for DTK development?? Aren't we all trying to have wine villages and hotels etc |
| 250 | | | | So how in the world is this even a possibility? |
| 251 | 1.17.2022 | Andrew Ling | email to amber | That is a premium destination location. In improving the area with wine villages etc how can it not be seen as counter productive to that end? |
| | 1.14.2022 | Eddie Nicholson Jr. | email to Amber | What the hell are you guys thinking!! Your going to destroy a peace of tri cities history!!! This hotel has been a staple of our beautiful town for over decades!!! The |
| | | | | amount of tourist we bring in is unbelievable. Who the hell would want to go to the island to visit where a bunch of messy people are living ?' Apartments will chase |
| | | | | people away not bring in crowds ! Clover island has thunder on the islands , Rallys , Weddings Etc we bring in so many people from all over the world! You guys need to |
| 252 | | | | listen to your town no one wants apartments on the island !! We have spoken many times & you will be hearing from many many many people . |
| | 1.17.2022 | Eddie Nicholson Jr. | email to Amber: | |
| | | | comments copied from | Cannot believe the City of Kennewick is in support of this. Renovate!! This place brings so much entertainment to the community. The island was not meant for housing. |
| | | | facebook | The tri cities as a whole keeps trying to bring more tourism here and slowly keep converting the hotels to housing. Makes no sense. |
| | | | | If this gets allowed, you watch clover island area go down hill fast. /Their micro apartments will soon become low income housing/No no no I like their food and going |
| | | | | |
| | | | | to pirate con !! Not happening/No!!!!! 7/This is going to ruin this beautiful Island about more restaurants /That's one of the worst ideas I've heard. /This will ruin |
| | | | | downtown 😳 /l need to stock up on crab sandwiches and clam chowder oh chz burgers dude l love the crows nest /This deal would ruin the island/ You want Seattle |
| | | | | hippies? Because this is how you get Seattle hippies/Holy smokes that's a bad idea/Worse thing ever./That sucks! We love going to that place whenever we're in the TC |
| 253 | | | | area!/I hope not this is my favorite place to stay at 🐵 |
| 254 | 1.14.2022 | Brenden Knode | Facebook | oh it's happening |
| 255 | 1.12.2022 | Charlene Ferrians McCormick | Facebook | What a bad idea!! |
| | 1.14.2022 | edward nicholson sr. | Facebook | The word is out and was made public January 11, 2022 regarding the possible sale of the Clover Island Inn Hotel. |
| | | | | This is heartbreaking for many in our community as well as our 55+ staff members who were all made aware of this. The Clover Island Inn Hotel has been a staple in our |
| | | | | community for over 40 years. On behalf of all of us here at the Clover Island Inn, we would like to thank everyone who has reached out to us with love and support |
| | | | | during this difficult time. This means a lot to us! The potential buyer- Fortify Holdings out of Beaverton OR gave their presentation to the Port Of Kennewick during the |
| | | | | commissioners meeting on January 11, 2022. You can view the presentation minutes and/or listen to the audio presentation by visiting the Port of Kennewick's website |
| | | | | |
| | | | | at portofkennewick.org. At the conclusion of the meeting, the port commissioners have all agreed for a 3rd party due diligence. They would also like to hear from the |
| | | | | community as to what their thoughts and opinions are Your comments are strongly encouraged and will be considered as part of the decision making process. |
| | | | | Amber Hanchette is handling all public comments. Her email is amberhanchette@charter.net |
| 256 | | | | https://www.tricitiesbusinessnews.com//clover-island/ |
| | 1.15.2022 | Aaron Johnson | Facebook | The sale is contingent on the Port of Kennewick selling them the land under the hotel. The Lampson group only owns the building. |
| 257 | | | | If the Port doesn't agree to sell the land, Fortify likely won't buy the hotel because they won't be able to get bank financing. |
| | 1.15.2022 | Rick Phillips | Facebook | The worst part of this whole shady BS is the avesome staff of Clover Island Inn heard this information from the news and not the company. What a crap way to find out |
| 258 | | | | you may be losing your job. |
| 259 | 1.17.2022 | Dana Marks | Facebook | replies to Rick Phillips: isn't that the truth |
| 260 | 1.15.2022 | John Chaney | Facebook | replies to Rick Phillips: there's no employee loyalty amongst employers anymore as long as the uppers get their money they don't care |
| 261 | 1.17.2022 | Katie Nelson | Facebook | The only people that rent from there right now anyways is a bunch of druggies and the homeless so what does it matter? |
| 262 | 1.17.2022 | Pat Kohlenberger Ingham | Facebook | Leave a bit of history! Stop changing everything! |
| 263 | 1.16.2022 | Bonnie n Dale Johnson | Facebook | Totally vote NO our waterfront areas should be protected and only for public access and enjoyment |
| 203 | 1.15.2022 | Shylo Luna | Facebook | No no no, why would you put apartments there?! You're gonna spend all this money for apartments that are gonna sit because the prices are gonna be jacked. Just to |
| 264 | 1.13.2022 | Shirle Land | | lose it all anyway! For the love don't ruin this island!! |
| - | 1.15.2022 | Bryan Axelson | Facebook | #EatTheRich #ClassWarfare |
| 205 | 1.13.2022 | Di yun Akcisun | I GCEDOOK | |

| Line No. | Date | Name | Source | Comment |
|----------|-----------|-------------------|---------------|--|
| | 1.15.2022 | Eddie Nicholson | Facebook | Feedback from emailing the port of Kennewick !! Let's flood them guys !! Don't let them destroy clover island inn ! Regarding email from skip " Good morning Edward, |
| | | | | Thank you for contacting me. It is only with public particpation and sumbiission of comments such as yours that publicly elected officials can make the best decisions |
| | | | | on matters affecting those we serve. I really appreciate you sending me your comments and as someone who has worked to promote carefully planned development of |
| | | | | Kennewick's waterfront since the 1990's based on public input all along the way I want to assure you that any decissions I have the opportunity to make will be based on |
| | | | | what I learn the from those I serve and the best possible due diligence that can be performed. Please know that your comments have not fallen on deaf ears! Be safe, |
| 266 | | | | stay well and my God bless America and you! Skip |
| 267 | 1.15.2022 | Dwight Carey | Facebook | replies to Eddie Nicholson (above) not a lot of respect for this guy. |
| - | 1.15.2022 | Eddie Nicholson | Facebook | replies to KEPR Action News Should do a story on how many families are goin be destroyed. This island has been a staple of the tri cities for over 2 decades. People have |
| | | | | worked there over 30+ years . Family's work there . I work there . We goin toss it away for Portland intruders?! This is everything that is wrong in America . We can't let |
| 268 | | | | this happen. |
| | 1.14.2022 | Eddie Nicholson | Email to skip | |
| | | | | Thanks for the response & hearing me out so far again only begging. If I was in your shoes I would hear out my town & also honestly go to the island & meet |
| | | | | everyone & see who you will be putting out of work . Family's for over 30+ years , you gotta think clover island inn has been a staple of the tri for over 2 decades. My |
| | | | | head chef has worked there seance he was 15 now he's 35. Judy house keeping worked there over 40+ years . Ryan a cook his hole family works there ! Kids even . You |
| | | | | need to step back & open your heart & don't let the tri cities turn into Seattle. Apartments carry more drugs & draw 0 people . I live in a apartments complex . I em |
| | | | | telling you it draws no one just drugs. Hotel at least can kick the people out & we do. Plus we draw so many from around the world. We are a major attraction. |
| 269 | | | | People form the airport flock to the island always have . Won't it we got 200 people living there ! Why visit a place where people be living . Makes 0 seance . |
| | 1.14.2022 | Maggie Moreno | Facebook | replies to Vincent Magallon I just don't like the part about purchasing the land. And hopefully they won't charge the tenants an arm & a leg for rent, that's the problem. |
| 271 | | | | We do need more AFFORDABLE housing. |
| 272 | 1.14.2022 | Allisha Craig | Facebook | replies to Ross Clawson we do need more housing. |
| 273 | 1.15.2022 | David Spiel | Facebook | City should not allow the zoning to be changed |
| 274 | 1.16.2022 | Troy Broders | Facebook | replies to David Spiel it is still zoned commercial |
| 275 | 1.16.2022 | David Spiel | Facebook | replies to troy broaders which could change with the proper exchanging of money sadly. |
| | 1.15.2022 | Troy Broders | Facebook | As an employee of Clover Island Inn, I'm very sad to see this coming. Lots of good people who work there that have families, bills to pay, etc will be unemployed. The |
| | | | | community as a whole will be missing an area icon if this sale goes thru. Summer concerts (Thunder On The Island), weddings, class reunions, lighted boat parade and |
| | | | | many other events will either cease to exist anymore or will be moved from the Island location to somewhere less known. "Luxury apartments" is really low income |
| | | | | housing in its infancy. The building itself is aging and in my working opinion won't hold up to the daily demand of every room being full 24/7/365There also won't be |
| | | | | enough parking for tenants. Cedars and Ice Harbor Brewing will likely leave as the riff raff from apartments isn't really a nice back drop on the river. My question is, how |
| | | | | is this gonna happen under current zoning ? Who's being paid to re-zone clover Island for residential housing? There's way to many questions that need to be answered |
| | | | | and Port of Kennewick and the Lampson Family (owners of Clover Island Inn) are nowhere to be found for commentAlso, why is the Port currently spending millions to |
| 276 | | | | restore the shoreline, just to turn the island over to some out of state developer? |
| 277 | 1.15.2022 | Ken Bowers | Facebook | replies to Troy Broaders: completely agree! This is a very bad decision and will do more harm than good for the community. |
| 278 | 1.15.2022 | Troy Broders | Facebook | replies to Ken Bower Lampson Family and Port of Kennewick are the ones responsible. We all have a lot of questions. |
| 279 | 1.16.2022 | Troy Broders | Facebook | Clover Island Inn has nothing to do with the sale. It's the Lampson family who owns it (posted several pics of the Island and his family in this chain) |
| 280 | 1.13.2022 | David Spiel | Facebook | Need to make sure zoning doesn't allow it |
| 281 | 1.14.2022 | Troy Broders | Facebook | replies to David Spiel exactly. Have a hard time believing they'll get this zoned from commercial to residential. If it happens, someone got paid off |
| 282 | 1.18.2022 | Katy Nelson | Facebook | The only people that rent from there right now anyways is a bunch of druggies and the homeless so what does it matter? |
| | 1.15.2022 | Dan Quillen | Facebook | |
| | | | | I have a feeling the port of Benton will not be in favor of this. We do not have many options for people to stay on the East side of town. When the fair is here they fill |
| | | | | right up and with the future of that area they will need a hotel. If there are plans for a future hotel it will work but from what I recall is that there are only plans for |
| 283 | _ | | | condos and so on down there, maybe one hotel. I really wish Lampson would have put more money into renovating it and making it more of a destination we will see. |
| | 1.15.2022 | Cristy Burton | Facebook | Going to be sad, so many concert and room packages was a fun environment us girls weekend were spent there. Not sure of the parking is going to be able to handle |
| 284 | | | | fulltime tenant's. Think its going to be a waste taking one of the best Tri-Cities venues for summertime concerts. |
| 285 | 1.15.2022 | Rachelle Ashley | Facebook | No one actually wants expensive "tiny homes." |
| 286 | 1.15.2022 | Dustin Gerlach | Facebook | replies to Rachelle Ashley watch them be just as much as an apartmentbut smaller |
| 287 | 1.15.2022 | Robert Frazier | Facebook | replies to Dustin Gerlach They will be more |
| 288 | 1.15.2022 | Forest Gibson | Facebook | What this proposed buyer is not telling us, is or are these units to be rented by illegal aliens or refugees with govt. funding? |
| | 1.14.2022 | Brittany Chavallo | Facebook | replies to Holly Bell its already there doll!!! Lol so.kisr drug qddicts live in apartments? Heez from.wjere I live in a neighborhood I see plenty of drug use everywhere |
| 289 | | I | | however they should remodel and spice it up a tad and keep 1 of the icons of downtown kennewick as they've taken and destroyed everything else it seems!! |

| Line No. | Date | Name | Source | Comment |
|------------|---------------|--------------------|----------|--|
| | 1.19.2022 | Randy Slovic | email | Hi Tana, |
| | | | | I am sending the link below in case you haven't seen it. It is the presentation that Fortify made to the Richland City Council about the Riverfront Inn and the Economy |
| | | | | Inn. The Economy Inn is the run-down, mid-century hotel at Jadwin and GWay just as you enter North Richland. Fortify executives were using restoration of the |
| | | | | Economy Inn as an enticement for the city to sell it the land under the Riverfront Hotel. Just this week a new "for sale" sign went up on the Economy Inn leading me to |
| | | | | believe that perhaps the company has decided that the Richland City Council isn't interested in selling them the land. |
| | | | | In addition, I emailed the rental agent who has been handling Fortify's two hotel conversions in Spokane and she told me that the two hotels were still under |
| | | | | construction and the first rentals would be in April. They had been advertising them for January 1. Those two hotels are the dosest to completion of the 16 that they |
| | | | | own. |
| 1 | | | | Thanks, Randy Slovic |
| 1 | | | | https://linkprotect.cudasvc.com/url?a=https%3a%2f%2frichlandwa.new.swagit.com%2fvideos%2f140899&c=E,1,mGi17zaGbTTt55hwDJtEraReCMosVcY5RjDiYL6cJ2P9h3w |
| 290 | | | | fG6G3FWhW3jaB7ejK6sdGOzkukxFmUoi2j4dNkTmqqc46W6rQ32MlUy3FLhRoq5MyGbpKaG3L5yJZ&typo=1 |
| 1 | 1.17.2022 | Patty Wilson | Facebook | think this is a horrible idea. This is the only hotel in Kennewick that has a waterfront view. Selling the land would mean the Port would have no control on what they do |
| 291 | | | | to the property. Keep it a hotel, restaurant and bar, and meeting area. |
| 292 | 1.17.2022 | Cleda Best Galioto | Facebook | The Port needs to act for the people and keep this landmark hotel and especially the land. Do not sell off our shoreline to outsiders. |
| 294 | 1.17.2022 | Norma Cervantes | Facebook | Had a wonderful experience when I stayed there employees are always wonderful |
| 295 | 1.16.2022 | Maria Brosman | Facebook | They'll probably turn the island into a gated community with private boats ramp |
| ł | 1.18.2022 | Brandy Langley | Facebook | They need to demolish the old building and put a newer hotel in its place. It smells old. My husband and I got a room there a few years ago and it was sub par for sure. |
| 296 | | | | Plus there was a giant spider in the room. So we left. |
| 297 | 1.18.2022 | Joe Seoane | Facebook | replies to Brandy Langley OMG A spider'you ain't from around here! |
| ł | 1.18.2022 | Brandy Langley | Facebook | replies to Joe Seoane there was also a huge web in the corner so the maids weren't exactly doing a good job of cleaning it wasn't the spider as much as it was the |
| 298 | | | | overall feeling of decades of paint on top of paint and the bathroom was dilapidated. Just a nasty feeling. We are all entitled to our own opinion. |
| 299 | 1.17.2022 | Vancort Richards | Facebook | Hopefully a couple developers let know what they're doing we'll take it over this town's not too smart when it comes to that |
| 300 | 1.17.2022 | Vancort Richards | Facebook | The place is falling apart has so much potential |
| 301 | 1.17.2022 | Windle Todd | Facebook | I read they want to make apartments out of it I hope not |
| 302 | 1.18.2022 | Teresa Hall | Facebook | The Port of Kennewick would be fools to let that happen! |
| | 1.17.2022 | Dawnelle St George | Facebook | The employees have already been told that they need to look for other employment ! They won't even keep the people who have worked there for years! Sad! Actually |
| 303 | 4 4 9 9 9 9 4 | | | very upsetting |
| 304 | 1.18.2021 | Ben Staehr | Facebook | All the folks posting on here about keeping it as is I'm sure are welcome to purchase the hotel and do whatever you'd like with it. |
| | 1.18.2022 | cameron Foss | Facebook | replies to Cameron Foss |
| 305 | 1.18.2022 | Eric Angela Garza | Facebook | Ben Staehr lets go halfsies |
| 306 307 | 1.17.2022 | Joy Luna | Facebook | Isn't it gonna be homeless housing now? |
| 307 | 1.17.2022 | Cameron LaBelle | Facebook | Not smart to do. I've never seen ANYONE talk about this place Other than when pokemon go was a thing You didn't care about it back then Why now?? |
| 308 | 1.15.2022 | Michele May Perez | Facebook | There's already too many apartments in town why put one this is where people put their boats nx thing you know boats will be vandalized |
| 310 | 1.15.2022 | Rocky Klemetsen | Facebook | replies to Dan Phelps Micro what's that? |
| 310 | 1.15.2022 | Marcie Powers | Facebook | replies to Dan Phelps , agreed |
| 511 | 1.15.2022 | Sara Michelle | Facebook | replies to Dail Frielps, agreed replies to Caitlin Ballard I would love to comment on this Ronald McDonald clown man but I don't want to get banned again. But geeeeez for REAL. Hate is a sickness |
| 312 | | | | people. |
| 512 | 1.15.2022 | Caitlin Ballard | Facebook | replies to Sara Michelle every time I see comments like these I think "wow thank goodness they've never had to struggle and get shamed for it. Blessing some people |
| 313 | | | | central conditional every which see comments includes humine work during goodless and you here had to study give and get shorted to be seening some people are that" |
| 314 | 1.15.2022 | Jessica Myers | Facebook | replies to Michael Abken they could make it a historical spot and then they couldn't touchbit |
| | 1.14.2022 | Ted Vause | Facebook | replies to Bettee fon Higley |
| 315 | | | | https://tricitiesobserver.com//portland-developer/ |
| 317 | 1.17.2022 | Andrew Ling | Facebook | in response to open letter What a junk article. Yep, We liked the Inn too, sad to see it go, blah blah. How about some passion to help save it huh? |
| 318 | 1.16.2022 | Samanth Weston | Facebook | We have a large need for affordable housing but don't feel this would be a good use of that land. |
| | 1.16.2022 | Troy Broders | Facebook | replies to samantha weston the Port of Kennewick recieve tax funds, so it goes without saying they are doing the community dirty if they allow the sale of the land. |
| 319 | | | | Lampson family should sell to another Hotel chain if they need the money out of Clover Island Inn so badly. |
| | 1.20.2022 | Pat & Mike Tuohy | email | |
| | | | | We understand that the Port is considering a proposed sale of Clover Island Inn to be turned into low-income housing. It is with great disappointment that the Port |
| | | | | would approve an abrupt change in focus from the Historical Riverfront Project. Another concern is that Clover Island Inn serves a number of non-profits with a location |
| | | | | for their weekly meetings and fundraisers. Improvements to Clover Island, Columbia Gardens, etc. have brought great pride that an impressive area has been created |
| 1 | | | | that we and our visitors can enjoy with safe walking/running trails, wine tasting and excellent restaurants. Perhaps a boutique hotel would be a better choice. |
| | | | | Sincerely, Dat 9: Miles Tuchy |
| 320 | | | | Pat & Mike Tuohy |

| Line No. | Date | Name | Source | Comment |
|----------|------------|---------------------|----------|---|
| | 1.20.2022 | Pat Johnstone Jones | email | I am writing to tell you I disagree with any decision to make the dramatic changes of Clover Island. To think of changing the Clover Island Inn to a Micro apartment |
| | | | | complex is unthinkable. The island is a beautiful piece of property and should be kept as such. To think of turning any part of the island into low income housing is not |
| | | | | a good idea. |
| | | | | I vote NOT to give consent to sell any part of Clover Island Inn, land or not, to someone who will turn it into an eyesore. |
| 321 | | | | Pat Johnstone Jones |
| | 1.20.2022 | Vel Wright | email | Amber, |
| | | | | Please relay my message to the commissioners. |
| | | | | It is hard to believe, we in Kennewick would want to lose one of our beautiful locations on the island and along the Columbia River to an investor who would destroy |
| | | | | our island by putting up micro apartments and/or low income housing. I am so against this transaction and feel it is a real detriment to our area. Please consider this as |
| 322 | 1.20.2022 | Jane Foreman | email | you go forward in the process. I want to express my concern and opinion to the Commissioners in regard to the potential sale of the Clover Island Inn to a company that would convert it into small |
| | 1.20.2022 | Jane i oreman | emai | apartments for lower income residents. This sale would be counterproductive to all the wonderful work that the Port has done to improve the Island, the Wine Village, |
| | | | | and the Columbia Drive area. Additionally, many service organizations depend on Clover Island Inn as the place to hold their weekly meetings and many residents enjoy |
| 323 | | | | the outdoor concerts on the Island. Thanks for considering my opinion. |
| 324 | 1.14.2022 | Jess Nicholson | Facebook | I imagine there will be protesting. I hate that this is happening. |
| | 1.15.2022 | David Casale | email | Upon reading about the imminent sale, of the Clover Island Inn, I felt I should contact you about my concern of first selling the land, and secondly about turning it into |
| | | | | apartments. I have lived in the Tri Cities my entire life and am in my mid 60's. I know first hand that having a hotel on that premises is a major asset for Kennewick, and |
| | | | | for the entire Tri City area! It is a popular destination for tourism and totally enhances the aesthetics of the Columbia River experience! From its spectacular view of the |
| | | | | magnificent Cable Bridge to the ambiance of Clover Island's waterfront, keeping it as a Hotel, I believe, is an invaluable asset to the vitality of the island! A hotel brings in |
| | | | | outside tourists, and those tourists in turn bring their buying power to downtown Kennewick and The Tri Cities in general. I'm hoping the Port of Kennewick does not sell |
| | | | | the land, and also that the new developer is not allowed to rid the island of one of the Tri Cities few destination spots. A hotel, for the masses versus apartments for the |
| | | | | fewI side with a hotel. As for apartments, I'm concerned about all the headaches that could potentially cause! A hotel, on the other hand, can serve the entire |
| | | | | community and tourism which is an important element to consider! I mean think about it. How many tourist are going to be attracted to Clover Island for an apartment |
| | | | | complex of private apartments, versus, being attracted to Clover Island to spend a night or two in a public hotel offering a spectacular view of the Cable Bridge and |
| | | | | magnificent Columbia River shoreline! I urge you and fellow Port of Kennewick commissioners to deny the sale of the hotel land and to furthermore have it kept as a |
| 325 | | | | hotel to whomever the developer is! Thank You! |
| | 1.15.2022 | Wayne Flaten | email | As currently the property has served the Tri-Cities community for many years. We have utilized the Crows nest for morning meetings for our travel club. The summer |
| | | | | festivals are a great attraction for the area. If the motel is converted to apartments, the parking on the island would be gobbled up by two spaces per unit, 150 units x 2 |
| | | | | spaces=300 parking stalls The end draw for the town of Kennewick would be very little If it became a low income or homeless shelter, that would really kill the |
| 326 | | | | interest in the island. I would propose that future developments remain a positive goal of increasing the draw not depleting the interest in our unique island. |
| 520 | 01.14.2022 | Melanie Bower | email | I have been reading about the sale of the Clover Island Inn, and am deeply saddened by the thought of losing a local treasure. Fully aware that it needs |
| | | | | updating/renovation, I still feel turning it into apartments would deprive many, many people of the opportunity to enjoy the property, the Crow's Nest, the events, as |
| | | | | well as the island itself. I wanted to voice our opposition to this sale, in addition to pleading with you NOT to sell the land. I thought we were trying to make the island a |
| | | | | visitor friendly place, not a small enclosed neighborhood off limits to others WE ARE OPPOSED TO THE SALE OF THE CLOVER ISLAND IN -AND THE LAND. Ken & |
| 327 | | | | Melanie Bower, Kennewick |
| | 01.13.2022 | Carol Muehleisen | email | I am against selling the land that the Clover Island is currently on as I am also opposed to turning the place into a micro apartment complex. The traffic will be made |
| | | | | even more difficult between dining, the marina and people trying to enjoy the waterfront. |
| 328 | | | | In addition to the loss of a reasonable priced waterfront hotel, over 50 people will lose their job. |
| | 01.11.2022 | Dan Thesman | email | What can you tell me about a Beaverton-based developer wanting to buy Clover Island Inn? The same developer has purchased two properties, the former Budget Inn |
| 329 | 04.00.0000 | | | and Travelodge, in downtown Walla Walla for similar reasons I hear they are proposing for the Clover Island Inn. |
| | 01.20.2022 | Avis Ogdem | email | After so much time and effort has gone into improving Clover Island and the amenities there, why would the Commissioners vote in favor of the Clover Island Inn being turned into mini- apartments? I very much hope that does not happen. I thought with local ownership there was pride in what the hotel has become: lodging right on the river, remodeled Crow's Nest, |
| 330 | | | | sparametrics relation to the model of the presence space to the presence space in what the note has become longing right on the river, removed a clow sitest, summer concert series, conference space to thildred by several service organizations, etc. Thank you. |
| | 01.21.2022 | Jeff Oliver | email | |
| | | | | Amber, |
| | | | | Have have been been been another a portland bacad company huving the Clover kland long and turning it into low income another the set of a set into the |
| | | | | Hey, I have been hearing some buzz about a Portland based company buying the Clover Island Inn and turning it into low-income apartments. I know of 3 projects like this one around Tri-Cities. In my opinion this is a bad idea for the Clover Island and what your guy's vision is for this area. With the new Wine Gardens, boat ramp |
| | | | | upgrades, new walking paths, and more, I feel that bring in Low-income housing to the Island will hurt this area. |
| | | | | I also heard that they are trying to buy the land. Is this true and if it is you guys considering the offer? Please let me know how I can voice my opinion on this matter. |
| 331 | | | | also heard that they are typing to buy the tand. Is this tack and in this you guys considering the others in these fet the know how incar force my opinion of this instruct. |
| | 01.12.2022 | Randy Slovic | email | Hi Mr. Novakovich, |
| | | | | I thought you'd be interested in two articles that I have written in my blog about Fortify Holdings, developer has had past problems and developer has no track record. |
| | | | | https://tricitiesobserver.com/2021/11/08/portland-developer-with-past-problems-behind-hotel-to-apartment-conversions/ |
| | | | | https://tricitiesobserver.com/2021/11/29/portland-developer-has-no-track-record-converting-hotels-to-apartments-richland-council-getting-pressured-anyway/ |
| 332 | | | | Thanks, Randy Slovic |
| 332 | | | | |

| Line No. | Date | Name | Source | Comment |
|------------|------------------------|--|----------------------|--|
| | 01.12.2022 | Ted Vause | email | |
| | | | | Hi Skip, |
| | | | | I wanted to voice my opinion on this proposal. First, after spending all the money POK has on the island, how does mini-housing fit into the development of a high end |
| | | | | destination you have been creating over the past few years? I think it is the opposite of the direction intended. Second, How can POK take seriously this developer Sean |
| | | | | Keys that has already shown deception and federal crimes? Please take the time to carefully consider what this may do to the most beautiful spot in the Tri Cities. |
| 333 | | | | Thanks, Ted |
| | 01.14.2022 | Edward Nicholson Sr. & eddie nicholson | email | MessageA heartfelt letter to us here at the Clover Island Inn |
| 334 | | Jr. sent same email re: same article | | https:/ ⁻ newstalk870.am/an-open-letter-to-kennewicks-clover-island-inn/?fbclid=lwAR3y-0U93ADvNwFJAdVQorKam6EbA2-5LFtEiSW_vnrGbVpzxs7u4u5RxSY |
| 554 | 01.21.2022 | Mark Tudor | email | Skip, |
| | | | | Let me start by saying the improvements present and future to Clover Island are appreciated and an asset to the community. My issue is the proposed sale and |
| | | | | conversion of the Clover Island Inn. This is a beautiful water front property that is an asset to the community. I does require an owner willing to make the needed |
| | | | | upgrades and maintenance to uphold the standards expected by the surrounding area. If the proposed sale to development company that wants to re-purpose it into |
| | | | | Micro Apartments is allowed to proceed The increased traffic, potential for prosperity to become a low income nightmare, and the new development company to let the |
| | | | | property |
| | | | | become an eyesore seems to defeat the purpose of all the improvements the port is making to the area. As a long time member of the Clover Island Yacht club I and |
| | | | | |
| 335 | | | | many of our members feel this would be a travesty. Selling Port property goes against everything the Port has been charged with. Thank you for your consideration. Mark and Diane Tudor |
| 336 | 1.23.2022 | Ashley May | Facebook | "Microapartments" that will cost 1800/month because they are on the river. Not sure why they are hunting for a pat on the back. |
| 330 | 1.23.2022 | jody Riedinger | Facebook | replies to Ashley May I believe 1800 is the low end of what they want to charge |
| 337 | 1.23.2022 | ***Eddie Nicholson Jr. Multiple posts | Facebook | Ashley May stop this deal with your town !!! We got this https://www.portofkennewick.org/commissioners-staff/ call email anything |
| 550 | 1.23.2022 | Don Kearns | Facebook | The land should never be sold. It's not hard to figure out a long term lease that assures the new investors a return on investment. Kennewick needs to focus on the long |
| 340 | 1.23.2022 | bon Keanis | 1 deebook | |
| 340 | 1.23.2022 | David Spiel | Facebook | game. That is exactly what the new investors are doing, by wanting to purchase the property. I hope the sale of public property doesn't happen. Pray that zoning is not changed! If it does use your vote to remove all those that voted for it. |
| 341 | 1.23.2022 | Mike Wingfield | Facebook | Still waiting to see 1 of the hotels transformed in Richland. And, what that property will look like 6 months later. |
| 342 | 1.23.2022 | Niki The Batman Young | Facebook | |
| 242 | 1.25.2022 | Niki me batman roung | TACEDOOK | repiles to Mike Wingfield they gutted that little one on G Way immediately. Now I have been driving past it since the week they gutted it and nothing is happening and |
| 343 344 | 1.23.2022 | **Randy Slovic (posted mulitple times) | Facebook | the place is even more of an eyesore. It's been months. Mike Wingfield https://tricitiesobserver.com//portland-developer-has/ |
| 344 | 1.23.2022 | Mike Wingfield | Facebook | replies to Randy Lovic I read that too |
| 545 | 1.23.2022 | Craig Brown | Facebook | What a great way to destroy a wonderful piece of property. Sell it to an out of state developer? Why not condos with a remodeled restaurant and lounge instead of |
| 346 | | | | "micro apartments" ? |
| 347 | 1.23.2022 | Helen Rick Dickie Guerra | Facebook | How many mirco appt. does the tri- citys need ? Seemes excessive |
| | 1.23.2022 | Niki The Batman Young | Facebook | repiles to Helen Rick Dickie Guerra none if if these microapartments are not built to be affordable housing. I can get behind changing these run down hotels into |
| 348 | | | | microapartments that are affordable and allow people to rent without roommates easier. |
| | 1.23.2022 | Tom N Darcy Pierce | Facebook | Here is also a major concern for any of these projects: I have it on firsthand report that the plumbing of these building is not being updated. Just the visible fixtures. Old |
| | | | | pipes that are 20 plus years old that should be updated while walls are open are not. This is for sure happening at the other hotels. Such a problem trying to get |
| | | | | everything to fit and convert over. What about the electrical? Will that be brought to current code? Yes they look nice but why put so much money into that without |
| 349 | | | | taking the time to truly update and reduce heartache and lots of repairs down the road?? |
| 350 | 1.23.2022 | Bob Spinler | Facebook | Nobody should live on the island full time. |
| 351 | 1.23.2022 | Sandy Hrris | Facebook | People should check out the company that is wanting to buy this. |
| 352 | 1.23.2022 | Leilanie Parrish | Facebook | replies to Randy Slovic thank you. That is how my mind works, go to the source! |
| | 1.23.2022 | Yadira Gonzalez | Facebook | This should not be for permanent living. I can see accidents happening children unattended or irresponsibly swimming and drowning cus the river will be their back |
| 353 | | | | yardregardless if it's fenced they will figure out a way |
| | 1.23.2022 | Marilyn Boyd | Facebook | I hope it doesn't go through. We don't need a million micro apartment buildings. Plus who wants to live in a tiny apartment when you can get a bigger one for probably |
| 354 | | | | the same amount of rent. |
| 355 | 1.23.2022 | Matthew Pearson | Facebook | I just laugh there is going to be no parking down there. |
| 356 | 1.23.2022 | Rick Stanton Dean | Facebook | replies to Matthew Pearson Agree! Lol |
| 357 | 1.23.2022 | Niki The Batman Young | Facebook | Throw them a 30 year lease with guaranteed reup at the end. |
| | 1.23.2022 | Amber HK Griego | Facebook | It needs rent control. Otherwise this does nothing for affordable housing and it's all about rich elites living by the river. Do you not all see how people are getting priced |
| 358 | 4 9 4 9 9 9 9 9 | 2.15.11 | | out of being able to live here? That's not a good thing |
| 359 | 1.24.2022 | Zack Endsley | Facebook | replies to Amber HK Griego rent control? Everytime the government gets involved, the problem gets worse. |
| 360 | 1.23.2022 | Heather Lee | Facebook | I believe I read that this developer has yet to complete any of their renovation projects. If this is true, very disconcerting. |
| 361 | 1.23.2022 | Jim Hui Shaun Fhloro | Facebook | replies to Heather Lee you are so right, the prove is in the pudding |
| 363 | 1.23.2022 1.23.2022 | Shaun Ehlers Eddie Nicholson | Facebook Facebook | I'm not for this project |
| 364 | 1.23.2022 | Patricia Braun | Facebook | replies to Shaun Ehlers thank you for calling & emails:))) keep em going the wave moving . There in shock how many have contacted them |
| 365 | 1.23.2022 | Dani Wolfe | Facebook | Yuppy Ville |
| 200 | 1.23.2022 | | I ACCOUR | Elites from these larger cities are wanting to come here and charge large city pricesI've heard (rumor) they want to charge up to \$2,000 per micro aptwhat kind of jobs do we have that people can afford to pay \$2000 for a studio or micro apt??? This is NOT NYC!!! |
| 366 | | | | jobs do we have that people can allold to pay \$2000 for a studio of micro apt: :: mis is NOT NTC!!! |

| Line No. | Date | Name | Source | Comment |
|----------|-----------|---------------------------------|----------|--|
| 367 | 1.23.2022 | Heather Wilkinson | Facebook | replies to Dani Wolfe Hanford? I've heard They are building another site |
| 368 | 1.23.2022 | Heather Wilkinson | Facebook | Dani and everyone from CA is moving up here cuz they ruined their state |
| 369 | 1.23.2022 | Marion Neilson Byrne | Facebook | Jam and everyone non-everyone non-everyone and a state |
| 370 | 1.23.2022 | John Senger | Facebook | Port Commissioners and Bill Lampson 🚯 two entities who should be for positive development and growth sold out to the highest bidder. |
| 371 | 1.23.2022 | Steven Ball | Facebook | |
| 372 | 1.23.2022 | Bryan Axelson *** multiple post | Facebook | #EatTheRich #ClassWarfare |
| 373 | 1.23.2022 | Russ Miller | Facebook | Just what we need is a Portland developer rebuilding Clover Island |
| 374 | 1.23.2022 | Leilanie Parrish | Facebook | I think envisioning this area like the plans I have seen drawn up and visualizing somewhat like a smaller Lake Coeur d' Alene resort hotel destination would be charming. We can start connecting all the dots on down to Main Street and Columbia drive, even incorporate a design district. We have early adopters already planting seeds, why don't we continue? Keep this local and attract a tourist spot for all to enjoy! I vote for a resort hotel updatein phases if needed. Example: https://youtu.be/v3wTlcz7ELY |
| 375 | 1.23.2022 | John Lewis | Facebook | Not only a great option for all but for seniors too who are limited incomes. |
| 376 | 1.23.2022 | Heidi Shattuck | Facebook | Which hotel is it? I can't open the article. |
| 377 | 1.23.2022 | Anne Fritz-Burkhardt | Facebook | Heidi Shattuck the old tower in/M hotel |
| 378 | 1.23.2022 | Jennifer Young-Ollero | Facebook | replies to Heidi Shattuck did I read that rent is 950-1200/mo for a 250 sq ft "apt"? Wow! That's waaayyyyy too much. |
| 379 | 1.23.2022 | Ron Wickenhagen | Facebook | Are they going to be affordable for the average person making around \$15 dollars per hour? |
| 380 | 1.23.2022 | Phyllis Baxter | Facebook | replies to Ron Wickenhagen not only market rates, but not eligible for subsidies (whatever that means), as quoted in the article. |
| 381 | 1.23.2022 | Virginia Kellog | Facebook | The article in the Herald today - I don't find this one - says not intended for low income housing. Also is a no go if they can't buy the land so won't be decide for a few weeks yet |
| 382 | 1.23.2022 | Andrew Ross | Facebook | replies to Virginia Kellogg I thought that was for the clover island inn |
| 383 | 1.23.2022 | Randy Slovic | Facebook | The only hotel rooms owned by this company that are occupied are in Medford and Lincoln City, Oregon. The state of Oregon is paying the company to house people displaced by fires in UNREMODELED rooms at \$100 a night. This company should have paid the Herald for this public relations piece. Shameful excuse for a story by the Herald. |
| 384 | 1.23.2022 | Mark Fry | Facebook | "He wasn't ready to release what the units will rent for, but said they will be offered at market rate and would be not eligible for housing subsidies.". That means they're going to be expensive. Read more at: https://www.tri-cityherald.com//article257485229.html |
| 386 | 1.23.2022 | annie Fritz-Burkhardt | Facebook | So he isn't referring to the housing crisis affecting low income families, what a shame. |
| 387 | 1.23.2022 | Brenda Wiesner | Facebook | replies to Mark Fry I wish all the new apartment complex we have requirement to set aside a small percent of them for senior or low-cost housing |
| 388 | 1.23.2022 | Mark Fry | Facebook | replies to Brenda Wiesner there's no money in it for the powers that be (greased palms). |
| 389 | 1.23.2022 | Brenda Wiesner | Facebook | replies to Mark Fry I know. That's why it should be mandated. One or two reduced units out of a 25 unit building seems fairly innocuous. |
| 390 | 1.23.2022 | Dustin Norton | Facebook | Basically more units, smaller size at the same price. Seattles 400 sq foot Apts for over \$1,100 are now here but do we want this? |
| 391 | 1.23.2022 | Randy Slovic | Facebook | replies to Dustin Norton The asking price for the yet to be finished 250 sq ft rooms in Spokane is \$1145 a month and an estimated \$150 a month for utilities. A great location in Portland, close to 500 sq. ft. with washer and dryer is about the same price. |
| 392 | 1.23.2022 | Dustin Norton | Facebook | I don't see how anyone would want these here |
| | 1.23.2022 | Randy Slovic | Facebook | replies to Randy Slovic |
| 393 | | | | Dustin Norton And, hundreds of them! |
| 394 | 1.23.2022 | Aaron Di Franco | Facebook | Based off the higher end finishes, this is geared toward high earners who want the tiny living |
| 395 | 1.23.2022 | Amber Nicole Talbott | Facebook | The City of Richland is failing it's people. You know your demographic and you knew that some of these buildings were housing low income individuals so you sell the buildings but don't acknowledge who this penalizes. You literally harm the vulnerable. With inflation what it is, city planners know the housing crisis is going to get worse. You have an obligation to insist that this sale required a certain % of low income accommodations, especially due to the number of units they snapped up. It's a shame. |
| 396 | 1.23.2022 | Zack Endsley | Facebook | These prices are higher than Seattle. |
| 397 | 1.23.2022 | Dale Ludtke | Facebook | How does one get one of these? |
| 398 | 1.23.2022 | Randy Slovic | Facebook | replies to Dale Ludtke Who knows. They have yet to rent a remodeled hotel room anywhere that I know of. Definitely not a whole hotel. |
| 399 | 1.23.2022 | Collin Horner | Facebook | Nasty Biz |
| 400 | 1.23.2022 | Lynn Cooper | Facebook | tricity herald is garbage |
| 401 | 1.22.2022 | Richard Skaggs | email | Dear Sirs: I have been following the activities of Fortify Holdings in the Tri-Cities with great interest, and in particular today's article in the Tri-City Herald concerning the Clover Island Project. From the earliest descriptions of their company and the nature of their projects, I have been struck by the innovation they are bringing to the housing problem confronting our community. We have all seen the life cycle of business properties decaying into disrepair, abandonment, and becoming a magnet for crime and transients. Fortify has developed a business model that, by avoiding significant investment in the bones of a building, focuses on landscape scale investment in high end housing amenities and other attractions that benefit not only their residents but the broader community as well. Long term residents of the Tri-Cities have continually expressed frustration with the lack of progress that has been made in executing a vision for leveraging the amazing natural resources the Columbia River offers in contrast to the success of places like Portland. The Clover Island Project could be a keystone project to serve as a model for the right kind of development. And to read that a decades old policy is major barrier is just another point of frustration. As Fortify is doing, lets rethink our approach to getting the most bang for our limited assets and partner with them to construct a foundation in Kennewick that will become a signature feature of Kennewick and an example to be followed throughout the Tri Cities. Thank you for your attention. Best reqards, Richard Skaggs |

| Line No. | Date | Name | Source | Comment |
|----------|------------|-----------------------------|----------------------|---|
| 402 | 1.22.2022 | Robert Lawrence Jacobs | Facebook | Love this idea, can't wait to see what the new property & restaurant/bar look like!! |
| 403 | 1.23.2022 | Tina Lundgren | Facebook | replies to Robert Lawrence Jacobs is that who you work for? |
| 404 | 1.23.2022 | Robert Lawrence Jacobs | Facebook | replies to Tina Lundgren yes it is!! |
| 101 | 1.22.2022 | Daniel Warren Jacobs **** | Facebook | Very excited for this project. Can't complain about a developer spending money to create an amazing mixed-use waterfront community. It's just what the Tri Cities |
| 405 | | | | needs! If the port will work with the developer to spend money on a fixed concert stage for the community, even better! |
| 406 | 1.22.2022 | Brett jacobs *** | Facebook | This property needs an upgrade, sounds like the right idea they have |
| 407 | 1.23.2022 | Matthew Croskrey | Facebook | This will be cool. A great boost for restaurants on the island! |
| | 1.23.2022 | Steph McAfee | Facebook | Absolutely a great idea!!! We need this type of development at Clover Island!! Our Columbia River on the Kennewick side has nothing & we have so much to offer & our |
| 409 | | | | riverfront opportunities are being overlooked!!! We say YES YES to this project!! |
| | 1.23.2022 | Kym Hershey David | Facebook | This is a great idea! Let's pump some life back into Clover Island. I encourage the Port Commissioners to support this project. The developer's offer is too good to pass |
| 410 | | | | up. Forward progress, please! |
| | 1.23.2022 | Ziad Elsahili | Facebook | https://l.facebook.com/l.php?u=https%3A%2F%2Fwww.tri- |
| | | | | cityherald.com%2Fnews%2Flocal%2Farticle257417442.html%3Ffbclid%3DIwAR0EIG0KsEYf2LZg5X1Zef4JjvLiemlTZR2hXceqBDB4WHyIIRst3JDuQVI&h=AT3ndOFj1TKmKHznQQTTLgRV2c |
| | | | | ZjsRbnVoTx tjxHhBQZsXWmRUqoF8 87 iLO06j86ScE6ECbuNSPQ2AlpL9qHMweaufi0wURMnrt2NPnnl08sxEa2CRWVlbCYDYhcGmA& tn =R]- |
| | | | | R&c[0]=AT01GnTaKorzXwyUlUgG VXPlhvSUVoQkCMsyDmHUFbghrDDsr0eUij S79hcMONYb5PLpq1ZnWbxAyfvqQhjxO4C ZwWM7imTK2W3yqVDMgawFR9YciB ImrCKWg6J wTXcs9 |
| 411 | 1.23.2022 | Ziad Elsahili | Facebook | PaA4k6M8IkY68g11 lbu-BgdB2QNXksdQwW6wsA |
| | 1.23.2022 | | Facebook | This is the real story of what our vision is for Clover Island and the benefits to the entire community! Excited for the opportunity to invest in the community and work |
| 412 | 1 22 2022 | Pilou Shintoffor | Eacobook | with the port. Robert Lawrence Jacobs Daniel Warren Jacobs |
| 413 | 1.22.2022 | Riley Shintaffer | Facebook | Seems like and exciting opportunity for the island and its future residents! I think this is awesome. Sounds great! |
| 414 | 1.22.2022 | Grace Hall | Facebook | |
| 415 | 1.22.2022 | Troy Lynch Hannah Hansen | Facebook | So exited for the great changes to the hotel into a up scaled studio rentals. Looking forward to all the new things in the works. |
| 416 | 1.22.2022 | Paula Arrendondo | Facebook | What a great read! |
| 417 | 1.22.2022 | Robert Lawrence Jacobs | Facebook Facebook | Please do this!!! Would be amazing! Very exciting project for Clover Island, that old building needs a major rehab!! Can't wait to see the finished project & the new restaurant/bar |
| | 1.22.2022 | Maddy Hall | Facebook | |
| 419 | 1.22.2022 | Amy Yo | email | Wow! This is such a cool idea. Love this! |
| | 1.23.2022 | Ally to | eman | I don't know if you've already seen this, but if not, I think it may be worth a look. This sudden, massive acquisition of hotels and motels for conversion to apartments |
| | | | | with unknown funding sources should be reason enough to give pause. https://tricitiesobserver.com/2021/11/08/portland-developer-with-past-problems-behind-hotel- |
| | | | | to-apartment-conversions/ |
| 120 | | | | This frenetic buying spree might make sense if the advocates for the Great Reset are on a shortened timeline. I think it would be in the best interest of Kennewick |
| 420 | 1.23.2022 | Michael Lauman | email | citizens to at least maintain ownership of the land. I don't live in Kennewick, but just my 2 cents. Amber, |
| | 1.23.2022 | | erran | I have a few concerns about the sale and renovation of the hotel. Without providing any photos of what the renovated rooms will look like, they are presenting them as |
| | | | | high quality, top end rooms that will be available at high prices to professionals. |
| | | | | I can't imagine a professional paying top dollar to rent or buy a tiny room in an old hotel, no matter how much renovation they do to it. No matter what the potential |
| | | | | buyers say or how they describe its use, what the hotel is going to end up being is a low budget place where low budget renters will live. Therein lies the reason they |
| | | | | want to buy the hotel and the land it sits onif they own the land and don't perform as they say they will it will be nearly impossible to end their ownership as would be |
| | | | | possible in a lease situation. |
| | | | | |
| | | | | If you are really trying to offer the island as a destination resort for people who can afford to live anywhere they want, this use of the property will detract from the end |
| | | | | result you wish to reach. |
| 421 | | | | My recommendation is to pass on this transaction. Michael Lauman |
| 421 | 1.23.2022 | Dan Harris | email | Hi Amber, as a Clover Island Yacht Club member and resident of Kennewick I would like to see a traffic study that addresses the additional 2-300 hundred cars a day |
| | 112012022 | 5011101115 | cindi | coming and going at least twice a day with the proposed conversion from hotel to low income housing. Additionally would the land sale be available to anyone if you do |
| | | | | consider selling the plot that the Hotel consumes? |
| | | | | Sincerely, |
| 422 | | | | Dan Harris |
| 422 | 1.24.2022 | Roger Hastings | email | Skip - this proposal seems to me the finest solution to the old hotel. With the purchase of land & property why would low- income development even be an issue ? |
| 423 | 112 112022 | inogen maximpo | cillan | Roger Hastings |
| 425 | 1.24.2022 | Dan Cartmell | email | Port of Kennewick Commissioners: |
| | 112 112022 | bon cartinen | citida | I read recently of the opportunities that have been made available to the Port to accelerate the execution of the Clover Island Master Plan. It is apparent to me, that the |
| | | | | opportunity to enter into a public/private relationship to advance the Project is a "no brainer". The private entity that is willing to enter into the arrangement, has a |
| | | | | proven track record in other communities; and, based on their investment to date in the Tri-Cities, should provide the Commission high confidence that the Project will |
| | | | | |
| | | | | happen sooner than later. The incentives to both parties to complete the Project in a timely manner are numerous. It certainly is a model for best practices that the Commission could use in attracting future private investors to accomplish the goals of the Port. |
| | | | | |
| | | | | As I long time resident of the Tri-Cities, I strongly urge you to approve the proposal offered by Fortify Holdings. |
| | | | | Popperte |
| 42.4 | | | | Regards, |
| 424 | | | | Dan Cartmell |

| Line No. | Date | Name | Source | Comment |
|----------|-----------|-----------------|--------|---|
| | 1.24.2022 | Dan Westermeyer | email | I hope you support the land purchase on Clover Island. As I feel this would be a wonderful addition to our community. |
| 425 | | | | Thank you Dan Westermeyer |
| 426 | | | | |

PORT OF KENNEWICK

RESOLUTION No. 2022-06

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE PORT OF KENNEWICK RELATED TO A MULTI-FAMILY HOUSING PROJECT ON CLOVER ISLAND

WHEREAS, Fortify Holdings LLC has indicated a desire to purchase the Clover Island Inn and change its use from a hotel to a multi-family residential housing project; and

WHEREAS, to accomplish the transition, Fortify Holdings LLC would require the Port to either sell or lease the land under the hotel to Fortify Holdings LLC; and

WHEREAS, the Port Commission asked for public comments related to the proposed conversion of the hotel to a multi-family residential housing project; and

WHEREAS, the Port has received over 300 comments with most of the comments indicating that the Commission should not permit the transition as proposed by Fortify Holdings LLC; and

WHEREAS, the Port Commission is respectful of, and wishes to heed public input.

NOW, THEREFORE, BE IT RESOLVED that the Port of Kennewick Board of Commissioners do not facilitate the transition of the Clover Island Inn from a hotel to multi-family residential housing, and shall not sell the land upon which the Clover Island Inn is situated; nor shall it lease such land for the purposes of a multi-family residential housing project.

BE IT FURTHER RESOLVED that the Port of Kennewick Board of Commissioners hereby ratifies and approves all action by port officers and employees in furtherance hereof; and authorize the Port Chief Executive Officer to take all action necessary in furtherance hereof.

ADOPTED by the Board of Commissioners of Port of Kennewick on the 25th day of January 2022.

PORT of KENNEWICK BOARD of COMMISSIONERS

| By: | |
|-----|-----------------------------------|
| | SKIP NOVAKOVICH, President |
| By: | |
| | KENNETH HOHENBERG, Vice President |
| By: | |
| | THOMAS MOAK, Secretary |



AGENDA REPORT

| TO: | Port of Kennewick Commission |
|----------------------|--|
| FROM: | Amber Hanchette, Director Real Estate & Operations |
| MEETING DATE: | January 25, 2022 |
| AGENDA ITEM: | Carbitex LLC – One Year Lease Renewal |

<u>REFERENCE</u>: Resolution 2022-03 and Commercial Lease Agreement

BACKGROUND:

Carbitex LLC has been an Oak Street Industrial Park tenant since 2013.

Key parameters of the negotiated lease are:

- Lease includes 16,600 square feet of office and industrial space for flexible carbon fiber manufacturing, research and development;
- Location 1426 E. 3rd Ave Development Building B;
- Lease rate \$0.45 per square foot which includes a 3% rental increase from previous lease period.
- A continued lease commitment until December 31, 2022*;
- Tenant responsibility for separately metered electricity, water & sewer;
- According to Port of Kennewick Policies and Procedures, POK-CEO-DOA, 1.2.2, adopted by Resolution 2015-29; *Leases in which the total monthly rental amount exceeds* \$5,000.00 per month (excluding LET, utilities, and other ancillary items.)

*Tri-Cities Area Journal of Business article, November 2021 Four years ago, Carbitex bet its future on footwear – it's paying off

According to Junus Khan, founder/chairman, today employment is up to 50. Khan expects that to rise to 200 in coming years. Carbitex opened a second facility near its first in Kennewick and is outfitting a third. But he expects to consolidate in a single facility in as soon as two years.

####

Motion: I move approval of Resolution 2022-03, approving a one-year lease with Carbitex LLC, and further authorize the Chief Executive Officer to execute all documents and agreements and that all action by port officers and employees in furtherance hereof is ratified and approved

PORT OF KENNEWICK

Resolution No. 2022-03

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE PORT OF KENNEWICK APPROVING A LEASE AGREEMENT WITH CARBITEX LLC

WHEREAS, the Port of Kennewick (POK) is authorized to enter into certain leases upon such terms as the Port Commission deems proper; and

WHEREAS, a one year lease for 16,600 square feet of office and industrial warehouse space has been negotiated by Port staff with Carbitex LLC; and

WHEREAS, the Port Commission has called a regularly scheduled public meeting with notice of such meeting given as provided by law and such public meeting was held at such time and on said date; and

WHEREAS, Port staff and the Port attorney have reviewed the proposed Lease Agreement and find it is in proper form and it is in the Port's best interest; and

WHEREAS, after consideration of the attached lease agreement, the Port Commission has determined that the lease is proper.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Port of Kennewick approves a one year lease with Carbitex LLC as presented and authorizes the Port's Chief Executive Officer to execute all documents and agreements on behalf of the Port to complete the transaction as specified above.

BE IT FURTHER RESOLVED that all action by port officers and employees in furtherance hereof is ratified and approved; and further that the port Chief Executive Officer is authorized to take all action necessary in furtherance hereof.

ADOPTED by the Board of Commissioners of the Port of Kennewick this 25th day of January, 2022.

PORT of KENNEWICK BOARD of COMMISSIONERS

| By: | |
|-----|-------------------------------|
| 2 | SKIP NOVAKOVICH, President |
| By: | |
| 2 | KEN HOHENBERG, Vice President |
| By: | |
| - | |

THOMAS MOAK, Secretary

COMMERCIAL PROPERTY LEASE AGREEMENT

BETWEEN PORT OF KENNEWICK, LANDLORD

AND

CARBITEX, LLC, TENANT

OAK STREET INDUSTRIAL PARK DEVELOPMENT BUILDING B SUITES B110, B120 & B130

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PORT OF KENNEWICK LEASE AGREEMENT (Commercial Property)

Landlord hereby leases to Tenant and Tenant hereby leases and accepts from Landlord the premises hereinafter described on the terms and conditions set forth in this Lease Agreement, hereinafter called "this Lease".

BASIC LEASE PROVISIONS

The following Basic Lease Provisions are hereby incorporated herewith as part of this Lease:

| А. | Lease Date: | January 1, 2022. | | |
|----|---|---|--|--|
| В. | Landlord: | Port of Kennewick, a Washington municipal corporation | | |
| C. | Tenant: | CARBITEX, LLC | | |
| D. | Land: | The real property located at <u>1426 E. 3rd Ave, Suite B110, B120</u> <u>& B130, Kennewick, WA 99337, (Development Building B)</u> , as more particularly described on <u>Exhibit A</u> attached hereto. | | |
| E. | Premises: | The Premises shall mean the Land, as defined above, and any improvements located thereon. | | |
| F. | Permitted Use: | <u>Light manufacturing and administrative offices</u> and for such other lawful activities as may be approved by the Port of Kennewick. | | |
| G. | Term: | Commencing on the Lease Commencement Date and terminating on the Expiration Date. | | |
| H. | Lease Commencement Date: | January 1, 2022 | | |
| I. | Expiration Date: | December 31, 2022. | | |
| J. | Base Rent Calculation: | \$0.45 psf 16,600 square feet leasable space | | |
| K. | Monthly Base Rent (not including LET): <u>\$7,470</u> | | | |
| L. | Leasehold Tax (LET): | Current Washington State Leasehold Tax shall be added to Base Rent. Current effective rate is 12.84%. | | |
| M. | Total Monthly Rent (includes LET): \$8,429.15 | | | |
| N. | Rent Due Date: | First day of every month | | |
| 0. | Financial Security: | <pre>\$ 8.241.83 deposit (ON FILE); (additional deposit required \$187.32)</pre> | | |

P. Landlord's Address for Notices and Rent Payments:

Port of Kennewick 350 Clover Island Drive Kennewick, WA 99336

Q. Tenant's Address for Notices:

CARBITEX LLC 2839 W. Kennewick Ave Suite 530 Kennewick, WA 99336

R. Exhibits: Exhibit "A" Legal Description of Premises

Exhibit "B" Personal Guaranty

ARTICLE 1 PREMISES

Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord the Premises, which Premises are more particularly described in the Basic Lease provisions.

ARTICLE 2

USE OF PREMISES

Tenant shall occupy and use the premises for <u>light manufacturing of flexible carbon fiber fabric</u> <u>and administrative offices</u> and for such other lawful activities as may be approved by the Landlord during the lease term and for no other business purpose without the written consent of landlord, which landlord may give or withhold in landlord's sole discretion. Residential use is strictly prohibited. No smoking shall be allowed within any portion of the premises or within twenty-five (25) feet of all entryways.

ARTICLE 3

TERM

3.1 <u>Duration</u>

The Term hereof shall commence on the Lease Commencement Date defined in the Basic Lease Provisions and shall terminate on the Expiration Date defined in the Basic Lease Provisions, unless earlier terminated.

ARTICLE 4 RENT

4.1 <u>Rent</u>

Tenant shall pay to Landlord without prior demand, abatement, deduction, set-off, counter claim or offset, for all periods during the Lease Term, all sums provided in this <u>Article 4</u> and all other additional sums as provided in this Lease, at the address set forth in the Basic Lease Provisions, payable in lawful money of the United States of America on or before the <u>first (1st) day</u> of each month.

(a) <u>Late Fee</u>

If Tenant shall fail to pay when due any installment of Rent or any other sums due under this Lease on or before the fifteenth (15th) day of any month, a late charge equal to the <u>greater</u> of (i) \$50, or (ii) five percent (5%) of the overdue amount shall be payable by Tenant to reimburse Landlord for costs relating to collecting and accounting for said late payment(s).

(b) Interest.

In addition to any applicable late fees, 12% APR interest, compounded monthly shall be applied to the total unpaid balances beginning the sixteenth (16^{th}) day of any month.

(c) Non-Sufficient Funds (NSF).

If a Tenant check is returned by the bank for any reason, Tenant shall pay a fifty (\$50) dollar fee for costs administrative costs related to collecting and any associated bank fees. Future payments may be required to be made by cash or money order. Landlord and Tenant hereby agree that these charges represent a fair and reasonable estimate of what the Landlord might incur by reason of Tenants late or NSF payment. These fees are due and payable with the current rent payment. Landlord's acceptance of any late charge, interest or NSF fee shall not be deemed an extension of the date rent is due or prevent Landlord from exercising any other rights or remedies under this agreement. The Landlord reserves the right to revise its policy regarding late payment and NSF check charges without notice.

ARTICLE 5

FINANCIAL SECURITY

In compliance with the requirements of the state law, Tenant agrees that it will secure the performance of the rental portion of this Lease by 1) providing a deposit in the amount set forth in the Basic Lease Provisions or 2) procuring and maintaining, during the term of this Lease, a corporate surety bond, or 3) by providing other financial security satisfactory to Landlord.

The Bond option shall be in a form and issued by a surety company acceptable to Landlord and shall comply with the requirements of Washington law. Tenant shall obtain such Bond and forward evidence thereof to Landlord within fourteen (14) days of execution of this Lease, but in no event later than the Commencement Date of this Lease. Failure to comply with this requirement shall be grounds for termination of this Lease without notice by Landlord. Such Bond shall be kept always in effect during the term of this Lease; failure to comply with this requirement shall be kept always in effect during the term of this Lease; failure to comply with this requirement shall render Tenant in default. The Bond shall be increased annually to reflect any adjustments in annual Rent.

Upon any default by Tenant of its obligations under this Lease, Landlord may retain any Financial Security provided by Tenant and/or collect on the Bond to offset the Tenant's liability to Landlord. Collection on the Bond shall not relieve Tenant of liability, shall not limit any of Landlord's other remedies, and shall not reinstate or cure the default or prevent termination of the Lease because of the default.

ARTICLE 6 TAXES & ASSESSMENTS

6.1 Personal Property Taxes

Tenant shall pay before delinquency all license fees, public charges, taxes and assessments on the furniture, fixtures, equipment, inventory and other personal property of or being used by Tenant in the Premises, whether or not owned by Tenant.

6.2 Additional Taxes/Assessments: Leasehold Excise Tax (LET)

Tenant shall also pay: (a) all special taxes and assessments (including irrigation assessments) or license fees now or hereafter levied, assessed or imposed by law or ordinance, by reason of Tenant's use of the Premises; (b) all business and occupation tax and any tax, assessment, levy or charge assessed on the Rent paid under this Lease; (c) the statutory leasehold excise tax imposed in connection with the Rent due hereunder or otherwise due as a consequence of this Lease; and

(d) any excise, transaction, sales, privilege, or other tax (other than net income and/or estate taxes) now or in the future imposed by the city, county, state or any other government or governmental agency upon Landlord and attributable to or measured by the Rent or other charges or prorations payable by Tenant pursuant to this Lease.

ARTICLE 7

UTILITIES

Tenant acknowledges that Landlord shall have no obligation to provide any utilities or services to the Premises. Tenant shall be solely responsible for the payment of all assessments, charges and/or fees pertaining to the Premises, including, but not limited to, water assessments, charges for public utilities, license and permit fees which may, during the Lease Term, be assessed, levied, charged, confirmed or imposed i) on the Premises or any part thereof, ii) on improvements now or hereafter comprising a part thereof, and iii) on the use or occupancy of the Premises. Tenant shall pay all such assessments, charges and/or fees when due.

| Suite B110 Electricity Meters Assigned to Tenant: Water Meters Assigned to Tenant: | 250800 (Panel 9), 231554 (Panel 9A) 74521087 |
|--|--|
| Suite B120 Electricity Meters Assigned to Tenant: Water Meters Assigned to Tenant: | 231702 (Panel 8), 231555 (Panel 8A) 74521088 |
| Suite B130 Electricity Meters Assigned to Tenant: Water Meters Assigned to Tenant: | <u>231702 (Panel 7), 231556 (Panel 7A)</u> 74521119 |

ARTICLE 8

8.1 Insurance

Tenant, at its own expense, shall provide and keep in force all insurance deemed appropriate for the farming and general agricultural purposes that the Premises are to be used and with companies reasonably acceptable to Landlord, including but not limited to the following:

(a) <u>Commercial General Liability Insurance</u>

Commercial general liability (CGL) insurance for the benefit of Landlord and Tenant jointly against liability for bodily injury and property damage for a combined single limit of not less than One Million Dollars (\$1,000,000) for any one occurrence for this location, including coverage for contractual liability and personal injury, with a \$2,000,000 aggregate limit and One Hundred Thousand Dollars (\$100,000) for property damage;

(b) Statutory Workers' Compensation

Statutory Workers' Compensation, including at least \$250,000 Employer's Contingent Liability (Stop Gap) coverage in Tenant's commercial general liability insurance;

(c) <u>Automobile Liability Insurance</u>

Automobile Liability Insurance with a combined single limit for bodily injury and property damage of not less than \$1,000,000, including all owned, non-owned and hired vehicles and covering claims for damages because of bodily injury or death of any person or property damage arising out of ownership, maintenance or use of any motor vehicle; and

(d) <u>Property Insurance</u>

Property insurance covering its leasehold improvements to the Premises, furniture, fixtures, equipment, inventory and other personal property located on the Premises (and, at Landlord's election, on all buildings and other improvements now or hereafter existing at the Premises) in an amount of not less than one hundred percent (100%) insurable replacement value with no coinsurance penalty, "Special Form—Causes of Loss", with Flood Insurance if Landlord reasonably deems such insurance to be necessary or desirable, with an Ordinance or Law endorsement and replacement cost coverage to protect against loss of owned or rented equipment and tools brought onto or used at the Property by Tenant.

8.2 <u>Requirements</u>

The foregoing insurance requirements shall be placed with an insurance company or companies admitted to do business in the State of Washington and shall have an A.M. Best's rating of A-/VIII or better. Tenant shall furnish Landlord with a copy or certificate of such policies before the Commencement Date of this Lease and whenever required shall satisfy Landlord that such policies are in full force and effect. Tenant's liability insurance policies shall list Landlord as an additional insured and Tenant's property insurance policies shall reflect Landlord as a loss-payee as its interests may appear, and all of Tenant's insurance policies shall be primary and non-contributing with any insurance carried by Landlord. Such policies shall not be cancelable or materially altered without forty-five (45) days' prior written notice to Landlord. In addition, the policies shall provide for ten (10) days' written notice to Landlord in the event of cancellation for non-payment of premium. Tenant's failure to deliver the policies or certificates to Landlord as a required above shall constitute an event of default pursuant to <u>Article 23</u> hereof.

8.3 Waiver of Subrogation

Each party hereby waives, and each party shall cause their respective property insurance policy or policies to include a waiver of such carrier's, entire right of recovery (i.e., subrogation) against the other party, and the officers, directors, agents, representatives, employees, successors and assigns of the other party, for all claims which are covered or would be covered by the property insurance required to be carried hereunder or which is actually carried by the waiving party.

ARTICLE 9 ACCEPTANCE AND CARE OF PREMISES

Tenant has inspected the Premises and accepts the Premises "AS IS" in its present condition and acknowledges that Landlord is not responsible to provide, and has made no representations or warranties that it will provide, any improvements to the Premises whatsoever. Tenant shall, at its sole cost, keep the Premises in as good working order, cleanliness, repair, and condition, as that which existed when Tenant initially began operating at the Premises. In the event that Tenant fails to comply with the obligations set forth in this <u>Article 9</u>, Landlord may, but shall not be obligated to, perform any such obligation on behalf of, and for the account of Tenant, and Tenant shall reimburse Landlord for all costs and expenses paid or incurred on behalf of Tenant in connection with performing the obligations set forth herein. Tenant expressly waives the right to make repairs at Landlord's expense under any law, statute or ordinance now or hereafter in effect.

ARTICLE 10 ALTERATIONS AND IMPROVEMENTS

Tenant shall not make any alterations, additions, renovations or improvements to the Premises without first obtaining the written consent of Landlord. All alterations, additions, renovations and improvements made shall be at the sole cost and expense of Tenant and shall become a part of the real property and belong to Landlord and shall remain in and be surrendered with the Premises as a part thereof at the termination of this Lease, or be removed from the Premises at Tenant's sole cost at the sole discretion of Landlord by written notice given by Landlord not later than thirty (30) days after expiration or earlier termination of this Lease. Tenant further agrees to indemnify, defend, and hold Landlord and the Premises free and harmless from, and against, any and all damages, injuries, losses, liens, costs or expenses (including attorneys' fees) incurred, claimed or arising out of said work.

Upon lease termination notice for B110, B120 or B130, by either party, Tenant shall employ at its own expense a Washington State licensed, bonded and insured contractor to obtain all required permits and to reconstruct all walls where wall penetrations have been constructed by Tenant between warehouses and/or offices and exterior surfaces from sign penetrations. All such work shall be completed within 30 days of lease termination notice. Tenant shall be required to return the premises to the same condition as initial occupation of the building by the Tenant on January 1, 2014 including but not limited to wall construction, paint, materials, and meeting all applicable building and fire codes.

Initials

ARTICLE 11 ACCIDENTS AND INDEMNIFICATION

Tenant shall indemnify Landlord and save it harmless from and against, and shall defend with counsel acceptable to Landlord, any and all suits, actions, damages, claims, liability, and expense in connection with loss of life, bodily or personal injury, or property damage arising from or out of any occurrence in, upon, at or from the Premises, or the occupancy or use by Tenant of the Premises or any part thereof, or occasioned wholly or in part by any act or omission of Tenant, its agents, contractors, employees, servants, invitees, licensees, or concessionaires; provided that Tenant shall not be liable to Landlord to the extent such damages, liability, claims or expenses are caused by or result from the negligence or intentional misconduct of Landlord.

Tenant hereby expressly waives claims against Landlord, and Landlord shall not be responsible or liable at any time, for any loss or damage to Tenant's personal property or to Tenant's business, including any loss or damage to either the person or property of Tenant that may be occasioned by or through the acts or omissions of persons occupying adjacent, connecting, or adjoining property, unless and only to the extent due to Landlord's gross negligence or intentional misconduct, and in no event shall Landlord be liable for Tenant's consequential damages. Tenant shall store its property in and shall use and enjoy the Premises and improvements at its own risk, and hereby releases Landlord, to the full extent permitted by law and except as expressly provided above, from all claims of every kind resulting in loss of life, personal or bodily injury, or property damage.

Solely for the purpose of effectuating the indemnification obligations under this Lease, and not for the benefit of any third parties (including but not limited to employees of Tenant), Tenant specifically and expressly waives any immunity that may be granted it under the Washington State Industrial Insurance Act, Title 51 RCW. Furthermore, the indemnification obligations under this Lease shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable to or for any third party under Worker Compensation Acts, Disability Benefit Acts or other employee benefit acts. Tenant shall cause Contractors and their subcontractors and material suppliers to execute similar waivers of industrial insurance immunity. The parties, by their execution hereof, acknowledge that the foregoing provisions of this <u>Article 11</u> have been specifically and mutually negotiated between the parties.

ARTICLE 12

COMPLIANCE WITH LAWS

Tenant shall comply fully at its sole expense with all federal and state statutes and local or city ordinances (including any zoning ordinances) now or hereafter in force in respect to the Premises and Tenant's activities therein. Tenant warrants and represents to Landlord that Tenant shall use the Premises only for lawful purposes.

ARTICLE 13

MAINTENANCE

Tenant shall keep the premises in a neat, clean, and sanitary condition at all times. Tenant shall make necessary improvements to the existing facilities in order to provide safe conditions, build any new improvements agreed upon and keep all improvements in good condition.

- a) <u>Other Utilities</u>: Tenant shall be responsible for telephone, network connections and interior maintenance.
- b) <u>Property Tax</u>: Landlord will pay property tax on the land and building. But not on Tenant-owned Trade Fixtures, furnishings, equipment and all personal property of Tenant contained in the Premises.
- c) <u>Janitorial</u>: Tenant will provide janitorial service inside the Premises, restrooms and window washing on inside of windows.
- d) <u>Landscaping and Common Area Sweeping</u>: Landlord, at its cost, will provide landscaping care and common area repairs, maintenance, and sweeping parking lots outside the building.
- e) <u>Other Maintenance and Repairs</u>: Landlord will maintain exterior of building (except for overhead and/or sliding doors, if any), roof, foundation, and electrical (except for lightbulbs and light fixture ballasts), heating and plumbing, in a good state of repair. Tenant shall pay the reasonable cost of repairs of all damage caused by Tenant, its agents, servants, employees, or invitees within ten (10) days of receipt of an invoice stating the repairs performed and the cost thereof. Tenant shall be responsible for all minor plumbing repairs and maintenance including but not limited to plumbing line blockages and minor leaks. Tenant shall be responsible to replace all light bulbs and light fixture ballasts located in Tenant's leased space. Tenant shall be responsible for the maintenance and repair of all overhead and/or sliding doors located in Tenant's Premises. Landlord shall be responsible for testing and maintaining interior fire sprinkler systems, smoke detectors, fire extinguishers and alarm systems.
- f) <u>HVAC</u>: HVAC and all mechanical systems shall be in satisfactory operating condition and will be maintained by Landlord during the term of the Lease.
- g) <u>Interruptions</u>: There shall be no abatement of rent and Landlord shall not be liable in any respect whatsoever for the inadequacy, stoppage, interruption or discontinuance of any utility or service due to riot, strike, labor dispute, breakdown, accident, repair or other

cause beyond Landlord's reasonable control or in cooperation with governmental request or directions.

ARTICLE 14

LANDLORD'S ACCESS

Landlord shall have the right to inspect the Premises at all reasonable times and enter the same for purposes of cleaning, repairing, inspecting, altering, exhibiting, or improving the Premises, but nothing contained in this Lease shall be construed so as to impose any obligation on Landlord to make any repairs, alterations or improvements not otherwise expressly set forth elsewhere herein.

The Landlord reserves the right to grant easements and other land uses on the Premises to others when the easement or other land uses will not unduly interfere with the use of the Premises by Tenant.

ARTICLE 15 SIGNS AND ADVERTISING

Tenant will not inscribe, post, place, or in any manner display any sign, notice, picture, poster or any advertising matter whatsoever anywhere in or about the Premises, without first obtaining Landlord's written consent thereto.

ARTICLE 16 WASTE AND UNLAWFUL USE

Tenant will not commit or suffer any waste upon the Premises, or make or suffer any nuisance, undue or unseemly noise, or otherwise, and will not do or permit to be done in or about the Premises anything which is illegal or unlawful, or which will be dangerous to life or limb, or which will increase any insurance rate upon the Premises.

ARTICLE 17 SUCCESSORS

All the covenants, agreements, terms and conditions contained in this Lease shall apply to and be binding upon Landlord and Tenant and their respective heirs, executors, administrators, successors, marital communities and assigns. Any assignment or subletting of the Premises or any interest in this Lease shall not relieve Tenant of primary responsibility for the performance of the terms and payment of the sums to be performed or paid by Tenant hereunder.

ARTICLE 18 HAZARDOUS MATERIALS

Tenant shall not dispose of or otherwise allow the release of any hazardous waste or materials in, on, or under the Premises, or any adjacent property. Tenant represents and warrants to Landlord that Tenant's intended use of the Premises does not involve the use, production, or disposal of any hazardous waste or materials. As used herein, "hazardous waste or materials" includes any substance, waste or material defined or designated as hazardous, toxic or dangerous (or any similar term) by any federal, state, or local statute, regulation, rule or ordinance now or hereafter in effect; In the event Tenant brings or uses hazardous waste or materials. Tenant shall be responsible for complying with all federal, state and local laws and regulations in regard to the handling of and disposing of hazardous waste or materials, and agrees to indemnify, defend, and hold Landlord harmless from and against all losses, costs, and expenses (including but not limited to site cleanup, investigation, and remediation costs and attorneys fees and costs related thereto) arising from a breach by Tenant of its obligations under this <u>Article 18</u>.

ARTICLE 19 ASSIGNMENT AND SUBLETTING

Tenant shall not transfer, dispose, assign, mortgage, or hypothecate this Lease, in whole or in part, or permit the use of the Premises by any person or persons other than Tenant, or sublet the Premises, or any part thereof (any of which, a "**Transfer**") without the prior written consent of Landlord in each instance, which may be given, withheld, or conditioned in Landlord's sole discretion. In no event shall Tenant be released or relieved of any liability hereunder due to any Transfer whether or not consented to by Landlord.

Landlord shall have the right to transfer, dispose, assign, mortgage, or hypothecase this Lease, in whole or in party without the prior written consent of the Tenant. See also Landlord rights to terminate this Lease as set forth in <u>Article 23</u> below.

ARTICLE 20 SURRENDER OF POSSESSION

20.1 Surrender

At the expiration of the tenancy created hereunder, whether by lapse of time or otherwise, Tenant shall surrender the Premises in substantially the same condition as when tenant first took possession and in good condition and repair, and shall remove all of its personal property, furniture, fixtures, and equipment, and all cabling and wiring installed by or for Tenant. Tenant's obligations shall include the repair of any damage occasioned by the installation, maintenance or removal of Tenant's personal property, furniture, fixtures, equipment, and the removal of any generators or storage tanks installed by or for Tenant (whether or not the installation was consented to by Landlord), and the removal, replacement, or remediation of any soil, material or ground water contaminated by Tenant, its agents, contractors, employees, servants, invitees, licensees, or concessionaires, all as may then be required by applicable Laws.

20.2 <u>Removal of Property</u>

In the event of any entry in, or taking possession of, the Premises or upon the termination of this Lease, Landlord shall have the right, but not the obligation, to remove from the Premises all personal property located therein, and may store the same in any place selected by Landlord, including but not limited to a public warehouse, at the expense and risk of the owners thereof, with the right to sell such stored property, upon ten (10) days notice to Tenant, after it has been stored for a period of thirty (30) days or more. The proceeds of such sale shall be applied first to the cost of such sale, second to the payment of the charges for storage, if any, and third to the payment of any other sums of money which may then be due from Tenant to Landlord under any of the terms hereof, with the balance, if any, to be paid to Tenant.

20.3 Holding Over

If Tenant fails to surrender the Premises at the expiration or earlier termination of this Lease, occupancy of the Premises after the termination or expiration shall be that of a tenancy at sufferance. Tenant's occupancy of the Premises during the holdover shall be subject to all the terms and provisions of this Lease and Tenant shall pay an amount due on the first of each month of the holdover period, without reduction for partial months during the holdover, equal to 150% of the greater of: (1) the monthly Rent, Leasehold Tax, and any other charge due, for the monthly period immediately preceding the holdover; or (2) the fair market value for gross monthly rental for the Premises as reasonably determined by Landlord. No holdover by Tenant or payment by Tenant after the expiration or early termination of this Lease shall be construed to extend the Term or prevent Landlord from immediate recovery of possession of the Premises by

summary proceedings or otherwise. In addition to the payment of the amounts provided above, if Landlord is unable to deliver possession of the Premises to a new tenant, or to perform improvements for a new tenant, as a result of Tenant's holdover, Tenant shall be liable to Landlord for all damages, including, without limitation, consequential damages, that Landlord suffers from the holdover. Nothing herein shall be construed as Landlord's consent to such holding over.

ARTICLE 21

NOTICES

All notices, requests and demands to be made hereunder shall be in writing at the address set forth in the Basic Lease Provisions, as applicable, by any of the following means: (a) personal service (including service by recognized overnight delivery/courier service, such as UPS or FEDEX); or (b) registered or certified first class mail, return receipt requested. Such addresses may be changed by written notice to the other party given in the same manner provided above. Any notice, request, or demand sent pursuant to clause (a) of this <u>Article 21</u> shall be deemed received upon such personal delivery or service (or the date of refusal, if personal service or delivery is refused), and if sent pursuant to clause (b), shall be deemed received three (3) days following deposit in the mails.

ARTICLE 22

LIENS AND ENCUMBRANCES

Tenant shall keep the Premises free and clear of any liens and encumbrances arising out of the use and occupancy of the Premises by Tenant. Should Tenant fail to discharge any lien of the nature described in this <u>Article 22</u> Landlord may, at Landlord's election, pay such claim or post a bond or otherwise provide security to eliminate the lien as a claim against title and the cost thereof shall be immediately due from Tenant as rent under this Lease.

ARTICLE 23

DEFAULT

23.1 <u>Default</u>

The failure to cure, upon 30 days written notice, any one or more of the following events shall constitute a material breach and default of this Lease (each, an "Event of Default"):

- (a) Any failure by Tenant to pay Rent and Leasehold Tax on the 1st of the month when due, or any other charge when due;
- (b) Any failure by Tenant to observe or perform any other provision, covenant or condition of this.

The failure to cure, upon 15 days written notice, any one or more of the following events shall constitute a material breach and default of this Lease (each, an "Event of Default"):

(c) Any failure by Tenant to obtain and keep in full force and effect the insurance coverage(s) required hereunder to be carried by Tenant;

(d) Any failure to immediately remedy an emergency condition that poses a significant risk of injury or damage;

23.2 <u>Remedies.</u>

(a) Re-entry and Termination

Upon and during the continuance of an Event of Default, Landlord, in addition to any other remedies available to Landlord at law or in equity, at Landlord's option, may without further notice or demand of any kind to Tenant or any other person:

1. Declare the Lease Term ended and reenter the Premises and take possession thereof and remove all persons therefrom, and Tenant shall have no further claim to the Premises; or

2. Without declaring this Lease ended, reenter the Premises and occupy the whole or any part thereof for and on account of Tenant and collect any unpaid Rent, Leasehold Tax, and other charges, which have become payable, or which may thereafter become payable; or

3. Even though Landlord may have reentered the Premises, thereafter elect to terminate this Lease and all of the rights of Tenant in or to the Premises.

4. In the event of the insolvency or bankruptcy of the Tenant, Landlord may, at Landlord's option, immediately take full possession of the premises to the exclusion of all persons. Exercising such option shall not alleviate Tenant's obligations under this Lease and Landlord shall have the right to seek all remedies set forth in this Lease.

(b) Express Termination Required

If Landlord reenters the Premises under the provisions of this Article, Landlord shall not be deemed to have terminated this Lease, or the liability of Tenant to pay any Rent, Leasehold Tax, or other charges thereafter accruing, or to have terminated Tenant's liability for damages under any of the provisions of this Lease, by any such reentry or by any action, in unlawful detainer or otherwise, to obtain possession of the Premises, unless Landlord shall have notified Tenant in writing that Landlord had elected to terminate this Lease. Tenant further covenants that the service by Landlord of any notice pursuant to the unlawful detainer statutes of Washington state and surrender of possession pursuant to such notice shall not (unless Landlord elects to the contrary at the time of or at any time subsequent to the serving of such notices and such election is evidenced by a written notice to Tenant) be deemed to be a termination of this Lease.

(c) Damages

If Landlord elects to terminate this Lease pursuant to the provisions of this Article, Landlord may recover from Tenant as damages, the following:

1. The worth at the time of award of any unpaid Rent, Leasehold Tax, and other charges which had been earned at the time of such termination; plus

2. The worth at the time of award of the amount by which the unpaid Rent, Leasehold Tax, and other charges which would have been earned after termination until the time of award exceeds the amount of such loss Tenant proves could have been reasonably avoided; plus

3. The worth at the time of award of the amount by which the unpaid Rent, Leasehold Tax, and other charges for the balance of the Lease Term after the time of award exceeds the amount of such loss that Tenant proves could be reasonably avoided; plus

4. Any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform Tenant's obligations under this Lease or which in the ordinary course of things would be likely to result therefrom, including, but not limited to any costs or expenses incurred by Landlord in (i) retaking possession of the Premises, including reasonable attorneys' fees, (ii) maintaining or preserving the Premises after the occurrence of an Event of Default, (iii) preparing the Premises for reletting to a new tenant, including repairs or unauthorized alterations to the Premises for such reletting, (iv) leasing commissions, and (v) any other costs necessary or appropriate to relet the Premises; plus

5. At Landlord's election, such other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by the laws of Washington State.

(d) Definitions

As used in <u>Paragraphs 23.2(c)1</u>) and <u>23.2(c)2</u>) above, the "worth at the time of award" is computed by allowing interest at the rate of twelve percent (12%) per annum compounded monthly. As used in <u>Paragraph 23.2(c)3</u>) above, the "worth at the time of <u>award</u>" is computed by discounting such amount at the discount rate of the Federal Reserve Bank situated nearest to the location of the Property at the time of award plus one (1) percentage point.

(e) No Waiver

The waiver by Landlord of any breach of any term, covenant or condition herein contained in this Lease shall not be deemed to be a waiver of such term, covenant or condition of any subsequent breach of the same or any other term, covenant or condition of this Lease. The subsequent acceptance of Rent, Leasehold Tax, and other charges due hereunder shall not be deemed to be a waiver of any preceding breach by Tenant of any term, covenant or condition of this Lease, other than the failure of Tenant to pay the particular amount so accepted regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such amount. No covenant, term, or condition of this Lease shall be deemed to have been waived by Landlord unless such waiver shall be in writing and signed by Landlord.

23.3 <u>Interest</u>

Any sum accruing to Landlord under the terms and provisions of this Lease which shall not be paid when due shall bear interest at the interest rate provided herein from the date the same becomes due and payable by the terms and provisions of this Lease until paid, unless otherwise specifically provided in this Lease. The interest rate which shall apply shall be the lesser of (i) twelve percent (12%) per annum, compounded monthly or (ii) the highest rate allowed by applicable law.

ARTICLE 24 ATTORNEYS' FEES AND COSTS

If either party hereto shall file any action or bring any proceeding against the other party arising out of this Lease or for the declaration of any rights hereunder, the prevailing party therein shall be entitled to recover from the other party all costs and expenses, including reasonable attorneys' fees, incurred by the prevailing party as determined by the court. If either party ("**secondary party**") without its fault is made a party to litigation instituted by or against the other party (the "**primary party**"), the primary party shall pay to the secondary party all costs and expenses, including reasonable attorneys' fees, incurred by the secondary party in connection therewith.

ARTICLE 25 MISCELLANEOUS

25.1 <u>Miscellaneous Provisions</u>

The following miscellaneous provisions shall apply to this Lease:

(a) Time is of the essence hereof.

(b) If any portion of this Lease shall be deemed void, illegal or unenforceable, the balance of this Lease shall not be affected thereby.

(c) This Lease shall be interpreted according to the laws of the State of Washington. The parties agree that the Superior Court of the State of Washington for Benton County shall have sole jurisdiction over any question, claim, loss or injury arising hereunder.

(d) Tenant acknowledges that, except as expressly set forth in this Lease, neither Landlord nor any other person has made any representation or warranty with respect to the Premises.

(e) This Lease shall be binding upon the heirs, executors, administrators, successors, and assigns of both parties hereto, except as otherwise provided for herein;

(f) Landlord does not by this Lease, in any way or for any purpose, become a partner or joint venturer of Tenant in the conduct of its business or otherwise.

(g) The paragraph and section headings hereof are for convenience only and shall not be used to expand or interpret the meaning of any part of this Lease.

(h) Landlord shall be excused for the period of any delay in the performance of any obligations hereunder when prevented from so doing by cause or causes beyond Landlord's control, including labor disputes, civil commotion, war, governmental regulations or controls, fire or other casualty, inability to obtain any material or service, or acts of God.

(i) This Lease and the Exhibits, Riders, and/or Addenda, if any, attached hereto, constitute the entire agreement between the parties. This Lease covers in full each and every agreement of every kind or nature whatsoever between the parties hereto concerning this Lease and all preliminary negotiations, inducements, representations, and agreements of whatsoever kind or nature are merged herein, and there are not oral agreements or implied covenants. Both parties represent they have had the opportunity to seek legal counsel prior to signing this Lease. All Exhibits, Riders, or Addenda mentioned in this Lease are incorporated herein by reference. No subsequent amendment to this Lease shall be binding upon Landlord or Tenant unless reduced to writing and signed. The captions and section numbers appearing herein are inserted only as a matter of convenience and are not intended to define, limit, construe, or describe the scope or intent of any section.

Tenant shall comply with all applicable federal, state and local requirements prohibiting discrimination based on age, sex, marital status, sexual orientation, race, creed, color, national origin, honorably discharged veteran or military status, or the presence of any sensory, mental, or physical disability or the use of a trained dog guide or service animal by a person with a disability. Tenant and Landlord hereby represent and warrant that they have not employed any broker with regard to this Lease and that they have no knowledge of any broker being instrumental in bringing about this Lease transaction. Each party shall indemnify the other against any expense as a result of any claim for brokerage or other commissions made by any broker, finder, or agent, whether or not meritorious, employed by them or claiming by, through or under them. Tenant acknowledges that Landlord shall not

be liable for any representations of Landlord's leasing agent or other agents of Landlord regarding this Lease transaction except for the representations and covenants of Landlord expressly set forth in this Lease.

IN WITNESS WHEREOF, the parties hereto have executed this Lease the day and year first above written.

PORT OF KENNEWICK

CARBITEX LLC

| By: | Tim Arntzen, Chief | By:B | |
|--------|------------------------|---|--|
| Title: | Executive Officer | Title: Chief Executive Officer | |
| Review | ed: | Approved as to form: | |
| By: | | By: | |
| | | Lucinda Luke, Port Legal | |
| Title: | Nick Kooiker, Port CFO | Title: Counsel | |

STATE OF WASHINGTON ss.

I certify that I know or have satisfactory evidence that _______ is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument and acknowledged it as the <u>President</u> of <u>Carbitex LLC</u>, a Washington limited liability company, to be the free and voluntary act of such corporation for the uses and purposes mentioned in the instrument.

| Dated this | day of | , 202 |
|---------------------|------------------------------|---|
| | (6) | (NILL) |
| | - | ure of Notary) |
| | Notary public in and for the | Stamp Name of Notary) State of Washington, residing at |
| | AW My appointment expires | |
| FARY W | AIV Construction | |
| NOTAN. | _ | |
| STATE OF WASHINGTON | SS. | |
| COUNTY OF BENTON | | |

I certify that I know or have satisfactory evidence that <u>Tim Arntzen</u> is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument and acknowledged it as the <u>Chief Executive Officer</u> of <u>Port of Kennewick</u>, a <u>municipal corporation</u>, to be the free and voluntary act of such entity for the uses and purposes mentioned in the instrument.

Dated this ______ day of ______, 202__.

(Signature of Notary)

(Legibly Print or Stamp Name of Notary) Notary public in and for the State of Washington, residing at _____ My appointment expires ______

EXHIBIT "A"

LEGAL DESCRIPTION

Section 6 Township 8 Range 30 Quarter SE; THAT PORTION OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 6, TOWNSHIP 8 NORTH, RANGE 30 EAST, W.M., BENTON COUNTY, WASHINGTON, LYING NORTH

COMMON DESCRIPTION

Also known as, Oak Street Industrial Development Complex, Development Building B 1426 E. 3rd Avenue, Suite B110, B120 & B130, Kennewick, WA 99337

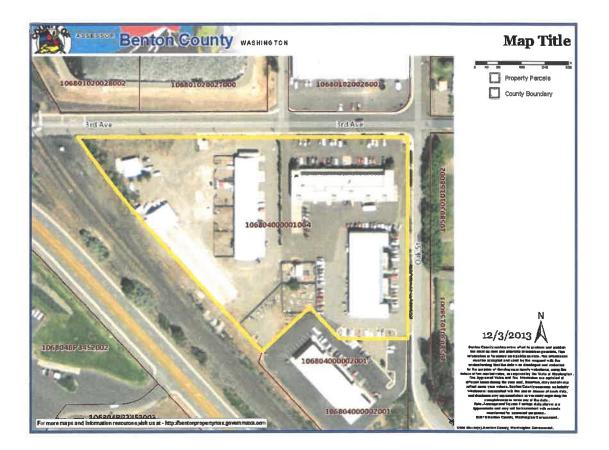


EXHIBIT "B"

PERSONAL CUARANTY TO THE PORT OF KENNEWICK

TO CUARANTEE PERFORMANCE OF LEASE

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, as personal guarantor, is firmly bound unto the <u>Port of Kennewick</u>, a municipal corporation, in the sum of all monthly rent, plus leasehold tax, and any other charges due as per Lease Agreement dated January 1, 2018.

The conditions of this obligation are as follows:

WHEREAS, <u>CARBITEX LLC</u> entered into a lease with the PORT OF KENNEWICK for commercial tenancy as described in Exhibit "A", located in <u>1426 E. 3rd</u> <u>Avenue, Suite B120 & B130, Kennewick, WA 99336 , Development Building B, Oak Street</u> <u>Industrial-Complex, Benton-County, Washington</u>, which lease provides for the payment of monthly rent, leasehold tax, and other charges; and

WHEREAS, this guaranty incorporates the lease hereinabove referred to;

NOW THEREFORE, the undersigned agrees that in place of such bond called for under RCW 53.08.085, he/she/they agree to be personally liable and guarantee the payment of all sums due up to one year's rent as per the basic lease provision from him/her/them to the Port of Kennewick.

DATED this_____day of ______ 201____.

GUARANTORS:

<u> Name: Junus Khan</u>



AGENDA REPORT

| TO: | Port Commission |
|---------------|---|
| FROM: | Amber Hanchette, Director of Real Estate & Operations |
| MEETING DATE: | January 25, 2022 |
| AGENDA ITEM: | Oak Street Industrial Park – Three Rivers Acquisitions Buyback Clause Review |

| REFERENCE(S): | Resolution 2018-07 |
|---------------|-------------------------------|
| | Site Map and photos; attached |

DISCUSSION:

Three Rivers Acquisitions purchased approximately 12.33 acres of port-owned vacant land in the Oak Street Industrial Park (Kennewick) in June 2019 for \$375,000. The purchaser intends to create an industrial business park for warehousing, logistics/delivery and construction-related trades.

Through commission consensus at the October 13, 2020 commission meeting, Three Rivers Acquisitions was granted a 12 month extension on the contracted 'Obligation to Construct' clause. The new expiration was December 31, 2021.

Property Details:

- Property has been in the Port's real estate portfolio since 1972 generating little to no revenue.
- The property is located at Oak Street and 7th Avenue with no improvements on the property.
- Property is located in a flood plain and near the City of Kennewick's sewer treatment plant.
- Property has been used over the years as a construction debris stockpile.
- Zoned Light Industrial

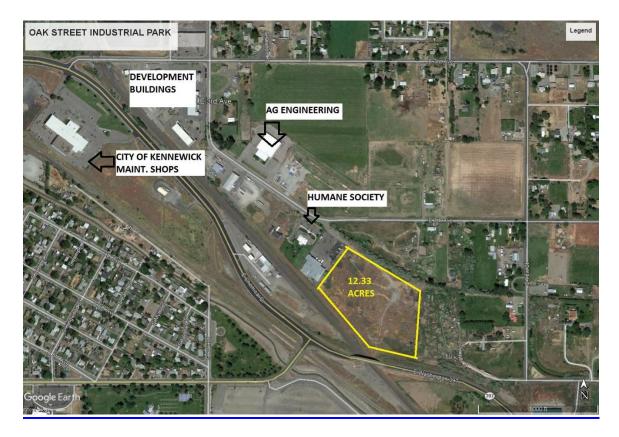
Progress since extension granted:

- Three Rivers Acquisitions ordered their building in March 2021 experienced significant delays and price increases. Building package is onsite waiting to be constructed.
- Challenges with engineering services currently on third engineer.
- Submitted permit to City of Kennewick August 6, 2021 after many hurdles (SEPA review, delay of plans from building vendor, etc) plans are in review and Three Rivers Acquisitions is hoping for a permit in February 2022.
- Phase One Construction construct 4,200 square foot building with inside mezzanine.
- First businesses to operate Truck and heavy equipment repair. Construction services contractor.

####

Motion: I move approval of Resolution 2022-04, releasing the buy back clause for Three Rivers Acquisition and further authorize the Port's Chief Executive Officer to execute all necessary documentation associated with and to take all other action necessary to finalize these transactions; and further ratifies and approves all action by port officers and employees in furtherance hereof

EXHIBIT "A"









PORT OF KENNEWICK

RESOLUTION No. 2022-04

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE PORT OF KENNEWICK AUTHORIZING THE RELEASE OF BUYBACK CLAUSE FOR 2018 LAND SALE TO THREE RIVERS ACQUISITIONS LLC

WHEREAS, the Port commission sold approximately 12.33 acres of the area graphically depicted on "*Exhibit A*" at the Port of Kennewick's Oak Street Industrial Park, in Kennewick, Washington to Three Rivers Acquisitions LLC (Purchaser) April 24, 2018 for \$375,000; and

WHEREAS, a restriction to the Statutory Warranty Deed recorded June 28, 2019 allows the Port of Kennewick the option to repurchase the property should the Purchaser not develop the property within eighteen months of closing; and

WHEREAS, the Port Commission gave approval of the Purchaser's request for up to a 12 month extension ending December 31, 2021 by consensus during the October 13, 2020 Commission Meeting; and

WHEREAS, the Port Commission finds that said property is outside the scope of the Port's current Comprehensive Scheme of Development and releases such repurchase option from said property.

NOW, THEREFORE; BE IT HEREBY RESOLVED that the Board of Commissioners of the Port of Kennewick hereby authorize the Port's Chief Executive Officer to execute all documents and agreements on behalf of the Port to complete the release of the repurchase option as specified above.

ADOPTED by the Board of Commissioners of the Port of Kennewick on the 25th day of January, 2022.

PORT of KENNEWICK BOARD of COMMISSIONERS

| By: | SKIP NOVAKOVICH, President |
|-----|-------------------------------|
| By: | KEN HOHENBERG, Vice President |
| By: | THOMAS MOAK, Secretary |

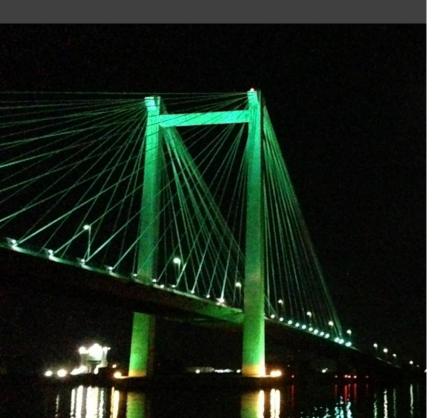
EXHIBIT A



Light Up Our Icon

Here's a bright idea... Update the Cable Bridge with new technology

Project Concept



Inspired by other cities who have turned bridges, buildings and arenas into artistic features, this proposal is to install a new, state-of-the art lighting system on the Ed Hendler Pasco/Kennewick cable bridge.

Why...

- Enhance the architectural design.
- Update antiquated lighting with energy efficient LED technology.
- Provide a tourism draw to the Tri-Cities, specifically Clover Island, Osprey Point and the river trails on both sides of the river.
- Highlight Osprey Point, Clover Island and other nearby Port of Pasco and Port of Kennewick projects.
- Connect the two cities visually and esthetically.
- Raise awareness of the value of the Columbia River system.
- Provide a revenue stream for lighting the bridge for special occasions.



The Tilikum Crossing Bridge, located in Portland OR



Bridge located in Minneapolis lit up in honor of Minnesota National Guard soldiers - MDOT

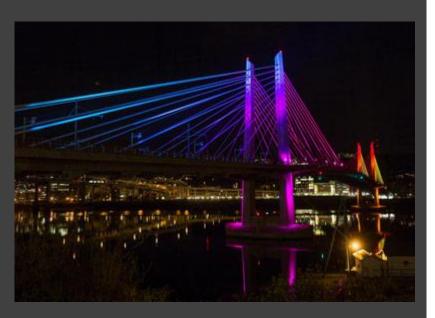
The dim challenge

The current white spotlights were a nice enhancement to the bridge when installed over 20 years ago, however the old technology limits the lighting capabilities.

Currently, to change the color of the lights, a plastic colored plate must be installed over each light making it labor intensive and expensive.

The bright solution

- A new lighting system with new LED technology will enable the lights to be easily changed for promotional and artistic opportunities.
- The new computer operated system takes minutes to change the lights multiple colors.
- The lights can be changed daily, weekly or monthly. An affordable fee would be charged to help offset the cost of the system.
- The creative ideas are tremendous -
 - Raising awareness for various causes (i.e. pink for breast cancer month)
 - School occasions (i.e. High school homecomings featuring the school colors.
 - Holidays (imagine red, white and blue lights for 4th of July and red, white and green for Cinco de Mayo)
 - Annual Light Festival (like Portland)



The Tilikum Crossing Bridge, located in Portland OR



The Lowry Bridge located in Minneapolis, MN

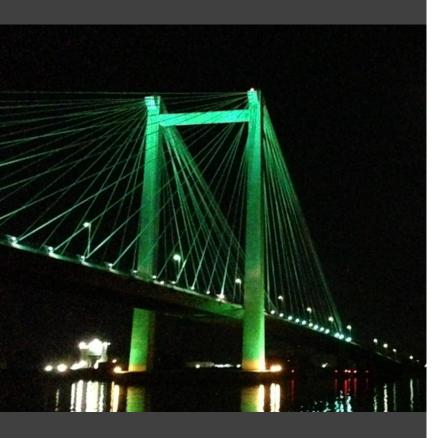
Cost of the project

- Approx. \$xxx.xxx Includes:
- Life of the lights/upkeep cost
- Annual cost estimate compared to current annual cost
- Ease of operation/very little staff time

Technical Information

- 144 lights are currently on the bridge- one per cable
- Lights life are approx. 8,000 days
 @ 12 hours a night.
- 5 year warranty
- Useful lifetime 70% output

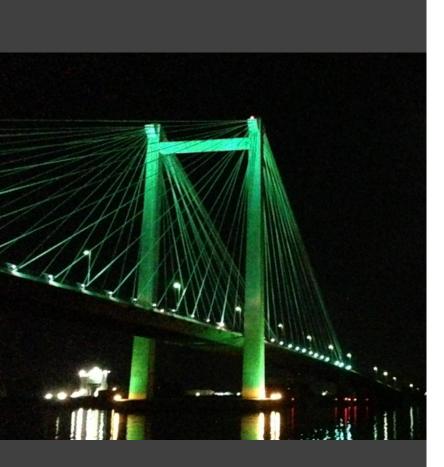
PROS and CONS



Could LED Lighting benefit the TC's?

Incorporating Light Emitting Diode (LED) bridge lighting can be beneficial to a community. It offers a wide variety of advantages, new opportunities, and some muchneeded upgrades. Adding LED lighting could be challenging as it will take a bit of a collaborative process, but the upside that it provides a community is priceless and offers a community a chance to strengthen its identity. It can capture the attention of hundreds and thousands of people and provides an opportunity for the community to still preserve the historic aspect of the structure.

- LED lighting sends a clear message of sustainability using 85% less energy than traditional lighting. At a maximum power consumption, a typical night uses the same amount of energy as two hair dryers being used.
- LED lighting is on the verge of becoming the main component of Li-Fi and may potentially replace Wi-Fi in commercial construction.
- It offers much more than "eye candy" to visitors - it provides added benefits for existing community members.
- San Francisco added LED to their bridges in 2013. This project supported 88 jobs and contributed \$10 million to the city's GDP while boosting the economy by \$97 million.
- Portland's annual Festival of Lights in February brings visitor revenue of >\$2 million during a slow tourist month and engages local artists, schools, and businesses.



Why is LED bridge lighting challenging to implement?

- LED lighting is expensive, invasive, and be a large obstacle for communities to consider.
- Starting roughly at \$2 million dollars, it can take many years for a community to finance.
- Updating a community bridge can provide several logistical challenges.
- Department of Transportation has to carefully analyze traffic patterns to not disrupt traffic flow during the update.
- The bridge spans are connecting two cities and two counties.
- Disruption to traffic below the bridge is also a concern as barge traffic uses below deck lighting to navigate the water at night.

 It will require a local team and the expertise of light designers to combine their expertise to provide a conceptual plan and complete such a project.

However, data points to the cost being worth every penny.

Reduced energy consumption, new jobs, and an increase in our community GDP are positive results of the LED lights illuminating the cable bridge in a dazzling display of vibrant colors.

And... other bridges over the Columbia could also be lit up in the future.

Fundraising

- Representatives from Cities, Counties, Ports, PUDs, local organizations.
- Interested citizens
- Pursue grant opportunities.

Light Up Partners



Operational responsibilities

- Operation of the lights.
- Determining the fee per day/per month and billing.
- Maintenance of the lights and system.
- Promotion of the lighting projects.
- Possible Annual Light festival featuring the bridge and other lighted structures throughout the community.
- Operations can be set up at nearby office space, perhaps either city or a Port office.
 Nominal staff time.



The cable bridge sports teal light Wedneday to increase awareness of September as Ovarian Canaer Awareness motor. Ovain and one of Cathy Morcer Togentier, a local support and advocacy group that funded and organized the project, lit the bridge this year in memory of Cathy Morris, a longitme Tri-City resident and fouriagits member of the organization who cale in May. The group plays host to the Teal to Toe T-mile walk and 5K run Sept. 13. Go to http://wariancincertogether.org for more information.



Background

In 2013 Ovarian Cancer Together, a local nonprofit support group, was the first group to pursue changing the bridge lights copying the Minnesota **Ovarian Cancer Association who** spearheaded lighting a bridge in Minneapolis. The lights were changed to teal-blue for the month of September. The media coverage was tremendous. The cost at the time was \$5,000 and paid for by a business sponsorship and a few generous contributors. Other local organizations have wanted to use the bridge lights to raise awareness for their cause but have been unable to because of the cost and difficulty.

Other cities have installed lighting systems to bridges and buildings including Portland, OR. There are now 14 bridges on the river through Portland that have a colored light system. The annual Portland Light festival was created to highlight the lights on the bridges and is coordinated with businesses located on the river for three nights in February. It has a budget of 1.4 million and 40,000 attendees. The Festival is managed by a separate committee from the operations organization.

Thank you!

For more information:



AGENDA REPORT

TO:Port CommissionFROM:Amber Hanchette, Director of Real Estate & OperationsMEETING DATE:January 25, 2022AGENDA ITEM:Land Sale Proposal – Columbia Gardens / 215 E. Columbia Drive, Kennewick

- I. **REFERENCE(S):** Letter of Intent
- **II. FISCAL IMPACT:** \$36,863.00

III. DISCUSSION:

Ron Swanby of Swampy's BBQ has been a Columbia Gardens food truck plaza tenant for three years. He started as an anchor tenant and has become an ambassador for Columbia Gardens and champion of port redevelopment projects. His business has grown to the point that he needs additional space to accommodate his popular food truck operation and prep for his many catering events.

Pipeworks LLC (Ron/Mary Ann Bruce & David/Amber Bruce) has submitted a letter of intent to the port requesting purchase of property in Columbia Gardens to build a facility for Swampy's BBQ. Details of the offer are listed on the enclosed Letter of Intent. Preliminary design drawings provided by Ron Swanby are enclosed for consideration. The port will use Michael Dale of Meier Architects Engineering as town architect to review all drawings and collaborate with buyer's design team to create a building design consistent with the port's Columbia Gardens Wine & Artisan Village design standards approved by commission resolution 2021-17.

Parcel Details:

- 215 E. Columbia Drive, Kennewick on Exhibit A
- Gross square footage of lot 4,631 sf
- Net square footage of lot, basis for pricing \$2,949 sf
- Price per square foot \$12.50
- Total price of parcel \$36,863.00

Terms of Purchase and Sale: [Draft copy of Purchase & Sale Agreement attached.]

- Closing is subject to design approval by Port of Kennewick town architect.
- Buyer has sixty (60) days due diligence period from time PSA is executed.
- Thirty (30) day closing, post due diligence period.
- Purchase is subject to Obligation to Construct and Buyback Clause.
- Purchase is subject to Owner's Association Mechanism (Resolution 2021-16) and protective covenants.

Pending Items:

Columbia Gardens Protective Covenants and Restrictions document

IV. ACTION REQUESTED OF COMMISSION:

Direction to staff to pursue/not pursue Columbia Gardens land sale to Pipeworks LLC.

<u>Exhibit A</u>

215 E. Columbia Drive, Kennewick WA 99336



December 8, 2021

Port of Kennewick Commissioners 350 CLOVER ISLAND DRIVE KENNEWICK, WA 99336

Dear Commissioners,

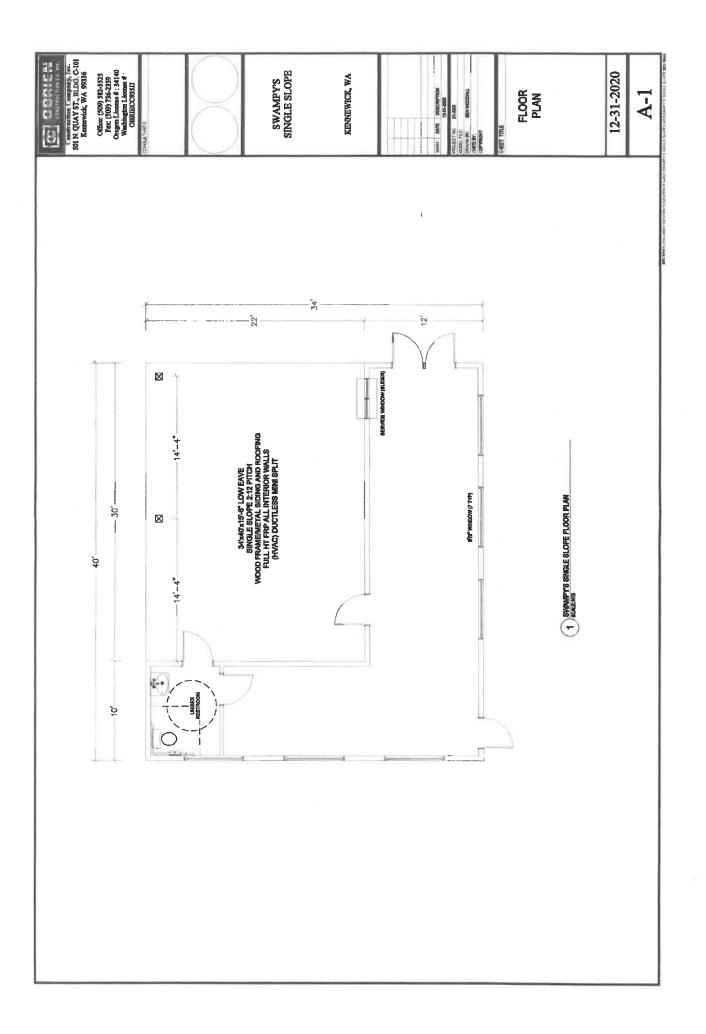
This is my Letter of Intent to purchase real property at \$12.50 sq/ft from the Port of Kennewick. The investors are Ron and Mary Ann Bruce, David and Amber Bruce, will be purchased under our LLC, PIPEWORKS LLC, and will be the entity that owns the property and proposed building. Swampy's BBQ Sauce and Eatery will occupy the property.

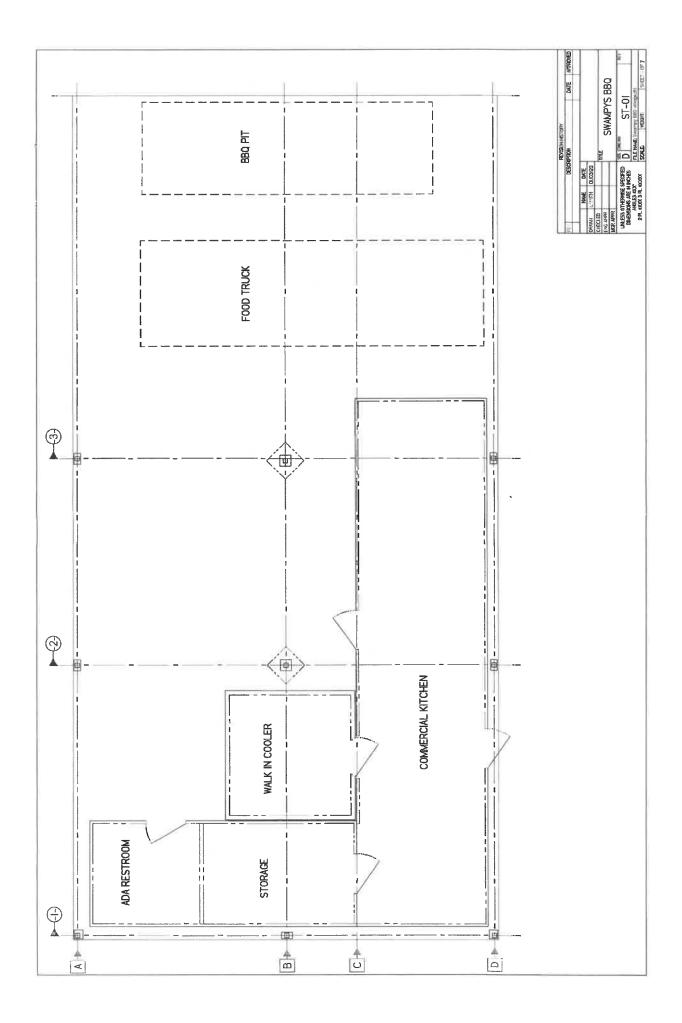
The property is at 215 E. Columbia Drive, parcel #/Geo ID 131903030011003, otherwise labeled as Parcel 5 in the Columbia Gardens Wine and Artisan Village. We would like to close on the property as soon as possible.

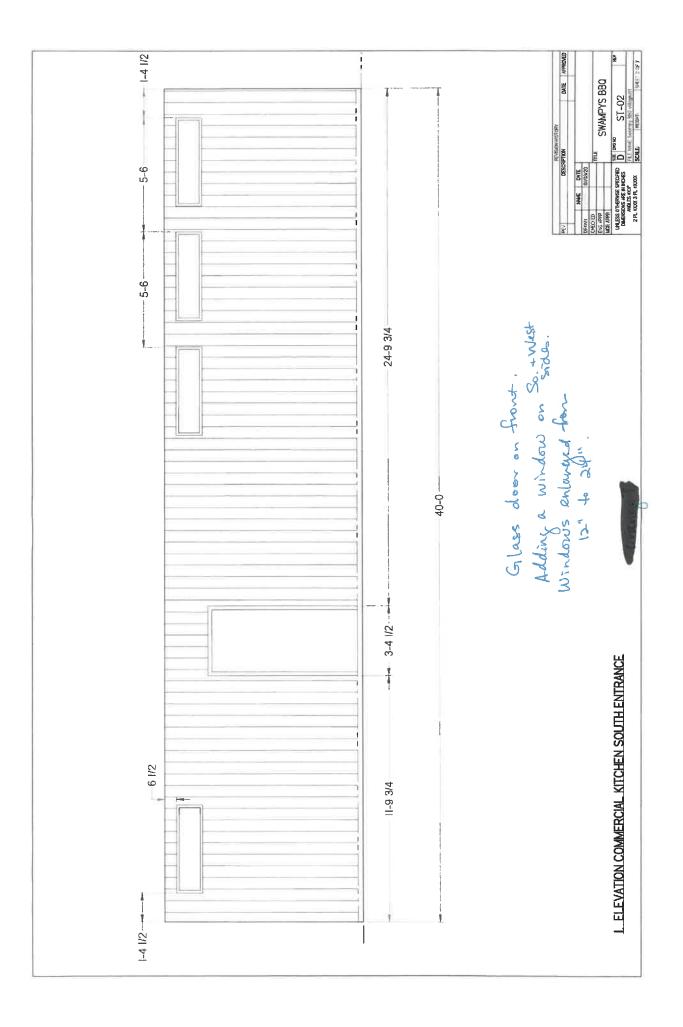
We would build a commercial kitchen with a walk-up window, a single slope roof with an overhang creating a covered area for limited seating, and space for Swampy's BBQ Food Truck and Smoker. The building will be greater than 650 sq/ft and less than 1000 sq/ft. Construction will begin immediately after closing when plans are approved and permits obtained. We will adhere to the building standards set forth by the Port of Kennewick and the City of Kennewick building codes.

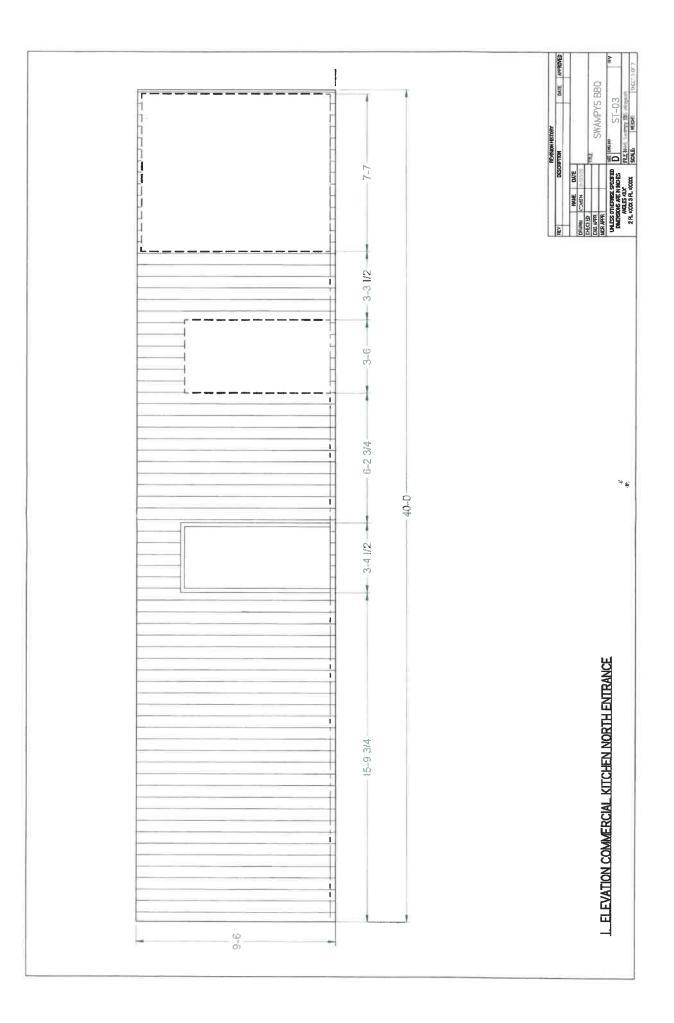
SINCERELY,

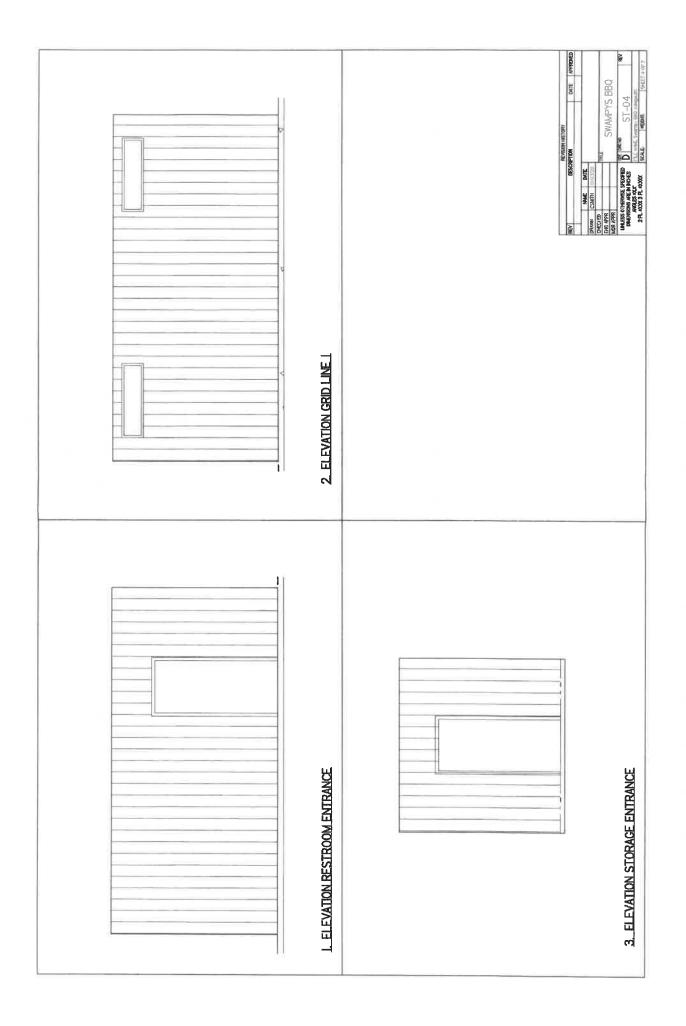
RON BRUCE PARTNER PIPEWORKS LLC

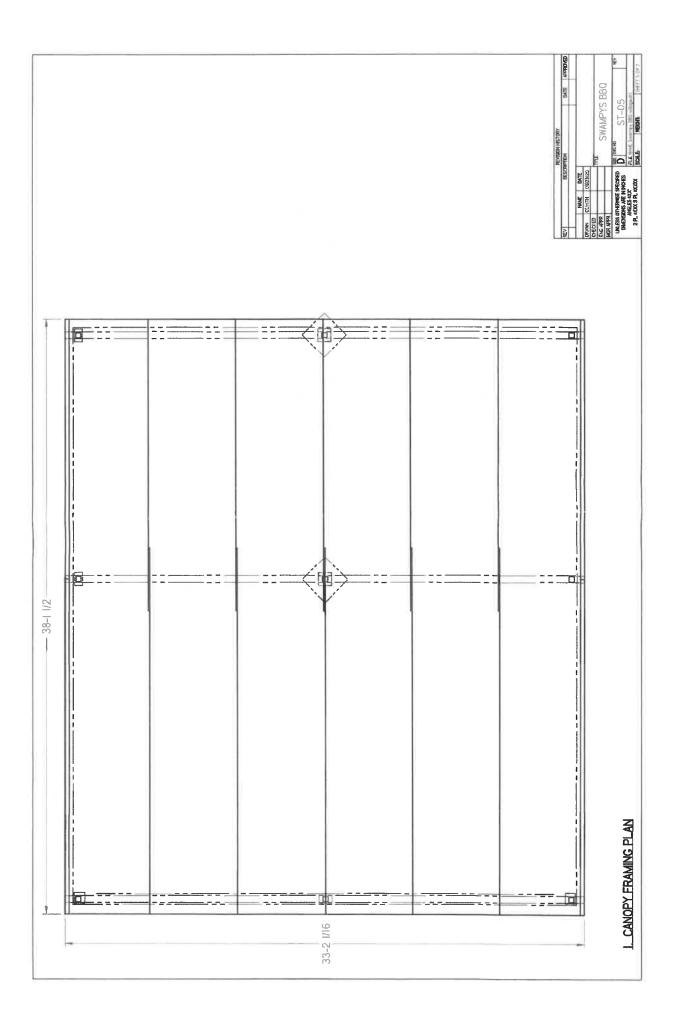


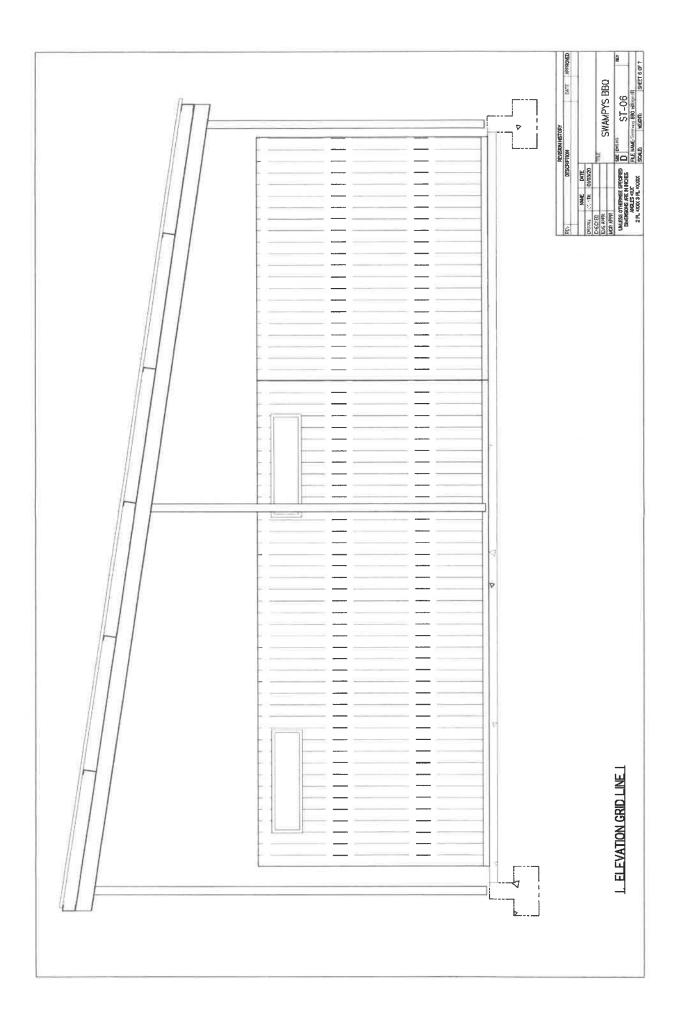


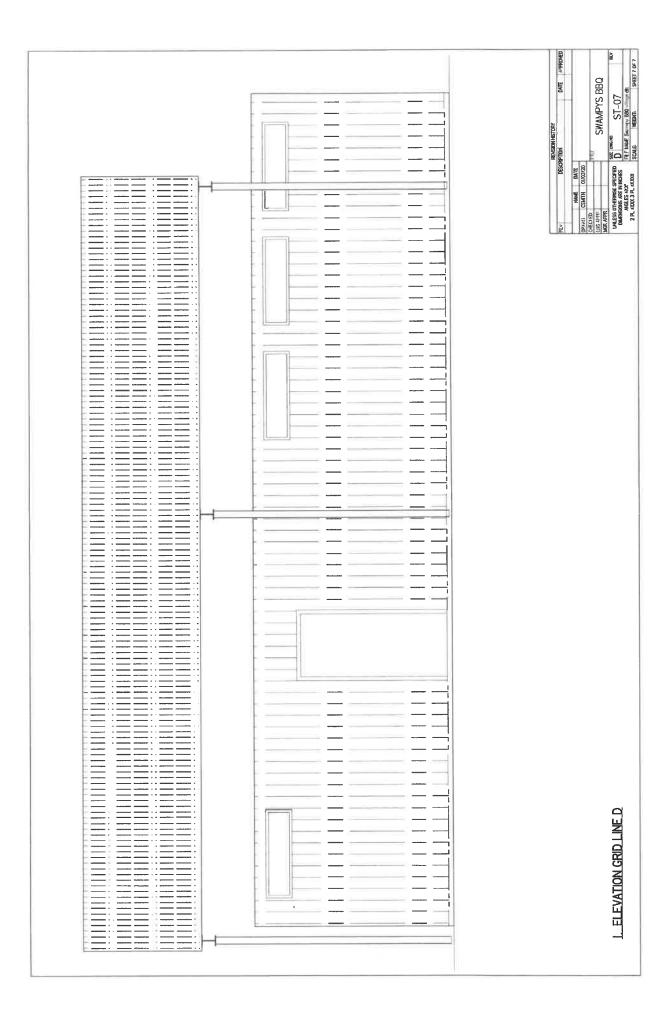












COMMERCIAL REAL ESTATE PURCHASE AND SALE AGREEMENT

1. PARTIES. THIS AGREEMENT is made and effective on the _____ day of _____ day of ______ day of

Port of Kennewick A Washington Municipal Corporation 350 Clover Island Drive, Suite 200 Kennewick, Washington 99336

hereinafter "Seller", and

Pipeworks, LLC A Washington Limited Liability Company c/o David Bruce, Registered Agent 5312 W. Irving Street Pasco, WA 99301-3004

hereinafter "Purchaser".

2. **PROPERTY**. The Seller agrees to sell, and the Purchaser agrees to purchase, upon the terms and conditions herein specified, that certain real property described as Parcel 5 in the Columbia Gardens Wine and Artisan Village located at 215 E. Columbia Drive, Kennewick, Benton County, Washington, as shown on **Exhibit "A,"** hereinafter "Property." **Tax Parcel No.:** 131903030011003.

| The Agreed Price Per Square Foot is: | \$12.50 per square foot |
|--|-------------------------|
| The Estimated Square Footage is: | 2,949 square feet |
| The Estimated Total Purchase Price is: | \$36,863.00 |

The Purchase Price, inclusive of any applicable earnest money deposits, shall be paid all in cash at Closing.

4. EARNEST MONEY. Receipt is hereby acknowledged of Five Thousand and No/100 Dollars (\$5,000.00) delivered as earnest money. Earnest money shall be applied to the Purchase Price at Closing. Earnest money and this Agreement shall be promptly delivered by Seller to the Closing Agent hereinafter designated for the benefit of the parties. Earnest money shall be non-refundable at the end of the feasibility period provided at Paragraph 6.1.2 below unless otherwise specifically provided herein.

5. TITLE INSURANCE. The Seller shall provide Purchaser with a standard form owner's policy of title insurance in the amount of the purchase price. The title policy to be issued shall contain no exceptions other than those provided in said standard form plus encumbrances or defects approved by Purchaser as provided below. As soon as reasonably possible after escrow is opened Purchaser shall be furnished with a preliminary commitment therefore issued by

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Benton Franklin Title Company. Said preliminary commitment shall include legible copies of all documents forming the basis for any special exception set forth.

6. CONTINGENCIES.

6.1 <u>**Purchaser's Contingencies.**</u> Purchaser's obligation to purchase the Property shall be contingent upon the following:

6.1.1 <u>Condition of Title.</u> Title is to be free of all encumbrances or defects except those approved by Purchaser. The Purchaser shall be considered to have accepted the condition of title unless the Purchaser provides notice of specific written objections within ten (10) business days after Purchaser's receipt of a preliminary commitment as provided for above. If the Seller is not able to provide title in accordance with the Purchaser's written objections prior to closing, this Agreement shall terminate and earnest money shall be refunded.

6.1.2 Feasibility Determination/Environmental Due Diligence. For a period of sixty (60) days from the date of this Agreement, Purchaser may engage consultants or engineers of the Purchaser's choosing to conduct surveys, site studies and tests of the Property as the Purchaser deems necessary. The Purchaser or its agents shall have the right to enter the Property at reasonable times to make such tests, inspections, studies and other investigations as the Purchaser may require, at the Purchaser's expense and risk. During its investigation of the Property, Purchaser shall also have the right to determine if the Property is suitable for Purchaser's contemplated use, that it is properly zoned and that development is feasible. Purchaser and its agents shall have full access to the Property for the purpose of conducting Purchaser's inspections and evaluation. Purchaser's feasibility study shall include environmental due diligence. The Purchaser shall indemnify and hold the Seller harmless from any loss, damage or claim arising out of the Purchaser's access to the Property for purposes of making tests. inspections, studies and other investigations. This contingency shall be deemed waived or satisfied unless Purchaser provides written notice to the contrary within said sixty (60) days, in which case this Agreement shall terminate, and earnest money shall be refunded. If this transaction fails to close due to a default by Purchaser, Purchaser shall immediately deliver to Seller copies of any studies or inspections, appraisals or surveys and any and all information which either the Purchaser or Purchaser's consultants have obtained in connection with the feasibility study.

Seller hereby grants Purchaser and its/his agents to go upon the property for purposes of inspection and Purchaser hereby agrees to defend, indemnify and hold Seller harmless from any injury to person or property while performing such inspections.

6.1.3 <u>Survey.</u> A survey has been conducted on the Property and a copy has been provided to the Purchaser. This contingency shall be deemed waived or satisfied unless Purchaser provides written notice to the contrary within ten (10) business days from the date of this Agreement.

6.1.4 <u>Environmental Site Assessment</u>. If an environmental assessment is performed, Seller will provide copies of the assessment to Purchaser within five (5) business days of receipt of the assessment. If no environmental assessment is performed by Seller, Purchaser, at its sole expense, may incur cost and services to have said assessment performed on the

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property. A copy of the report obtained by the Purchaser shall be provided to Seller within (5) days of receipt.

7. CONDITION OF PROPERTY/"AS IS" SALE. Except as otherwise expressly set forth in this Agreement, Seller makes no representations or warranties and shall not in any way be liable for any representations or warranties, including, without limitation, representations and warranties concerning (a) the physical condition of the Property (including, without limitation, the environmental condition, condition of the soils and groundwater conditions); (b) the Property's suitability for Purchaser's intended use; (c) any applicable building, zoning or fire laws or regulations or compliance therewith or any required permits of any governmental entities or agencies or compliance therewith; (d) the availability or existence of any water, sewer or other utilities (public or private). Purchaser acknowledges that Purchaser is relying on its own examination and inspection of the physical condition of the Property and all matters relating thereto. Seller shall have no obligation to make any repairs to the Property, and Purchaser shall accept the property in its "as is" condition at closing. Purchaser shall assume, as of closing, the responsibility for and risk of all defects and conditions of the Property, including any defects and conditions that cannot be observed by casual inspection. The Parties specifically agree that at closing the Purchaser assumes all environmental liability relating to the Property including without limitation the Washington Model Toxics Control Act ("MTCA"), the Toxic Substances Control Act. the Comprehensive Environmental Response, compensation and Liability Act ("CERCLA"), and the Resource Conservation and Recovery Act ("RCRA"), including without limitation, personal injury to or death of persons whosoever including employees, agents or contractors of the Seller. the Purchaser, or any third party, and damage to property of the Seller, the Purchaser, or any third party.

8. RISK OF LOSS. Risk of loss or damage to the Property or any part thereof prior to closing shall be assumed by the Seller. If such loss or damage occurs prior to closing this Agreement shall terminate and the earnest money shall be returned to the Purchaser.

9. CLOSING.

9.1 <u>Closing Agent.</u> This transaction shall be closed by Benton Franklin Title Company ("Closing Agent").

9.2 <u>Closing Costs.</u> Closing costs shall be allocated as follows:

| Seller | Purchaser |
|----------------------------|----------------------------|
| Excise Tax | Recording Fees |
| Title Insurance Premium | One-Half Closing Fee Costs |
| One-Half Closing Fee Costs | Ū. |

Other incidental closing costs shall be paid and/or allocated in accordance with local practice.

9.3 <u>Items to be Prorated</u>. Taxes and assessments for the current year. If applicable, water and other utilities constituting liens, shall be prorated as of date of closing.

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9.4 <u>Closing Date - Possession.</u> This transaction shall be closed when all contingencies have been satisfied and waived but in any event no later than **ninety (90) days** from effective date of this Agreement. "Closing" shall be the date on which all documents are recorded and funds are available for disbursement.

9.5 <u>Conveyance.</u> At Closing Seller shall deliver to Purchaser a Statutory Warranty Deed subject to the CC&Rs for the Columbia Gardens Wine and Artisan Village (a copy of which is attached hereto as Exhibit "B"), and free of any other encumbrance or defect except those set forth in the preliminary commitment as set forth above.

9.6 <u>Assignment.</u> Neither this Agreement nor the rights hereunder shall be assigned without the prior written consent of Seller, which consent shall not be unreasonably withheld.

10. **REPURCHASE OPTION.**

10.1 <u>Obligation to Construct a Commercial Building</u>. The parties agree that the Purchaser will construct a commercial building to house the business of Swampy's BBQ Sauce and Eatery. The commercial building is described to include a commercial kitchen with a walk-up window, a single slope roof with an overhang creating a covered area for limited seating, and space for Swampy's BBQ Food Truck and Smoker. The building will be greater than 650 sq/ft. and less than 1000 sq/ft. in size, and will be built in accordance with the following conditions:

10.1.1 Construction of building is to commence no later than twelve (12) months from the date the deed is recorded transferring the Seller's title to this land to Purchaser;

10.1.2 Commencement of construction will be evidenced by issuance of all required building/construction permits and approvals together with actual commencement of onsite construction;

10.1.3 All construction shall be in accordance with Columbia Gardens Property Owners' Association Assessment Mechanism, a copy of which is attached hereto as Exhibit "B" and incorporated herein by reference;

10.1.4 All construction shall be in accordance with the Columbia Gardens Urban Wine & Artisan Village Design Standards and approved by port assigned town architect prior to closing, a copy of which is attached hereto as Exhibit "C" and incorporated herein by reference;

10.1.5 Seller shall have the right to approve all aspects of building design, which approval shall not be unreasonably withheld or delayed.

10.2 Failure to Construct and Right to Repurchase. Subject to force majeure, the parties agree that in the event construction of the commercial building described in 10.1 above, or some other mutually agreed upon utilization of the Property, has not begun (evidenced as set forth in 10.1.2 above) Seller shall have the right to repurchase the Property at the same agreed upon price per square foot (\$12.50 per square foot) with all closing costs and real estate taxes paid by Purchaser, payable in cash at closing. Seller must give Purchaser written notice of its

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intent to repurchase the property within thirty (30) months of the date deed is recorded transferring the Seller's title to this land. In the event this repurchase provision is invoked, payment for improvements made to the site by the Purchaser which benefit the future development of the Property shall be made by Seller. Value of improvements which benefit the Property shall be established, unless otherwise agreed by the parties, from the average of two appraisals (one obtained by Seller and one obtained by Purchaser) performed to determine the residual value of site improvements made by the Purchaser.

Closing for the repurchase of the Property shall occur in accordance with the terms of paragraph 9 above, except that Purchaser shall bear all closing costs unless otherwise agreed between the parties, and closing shall occur no later than fifteen (15) days after delivery of the Seller's written notice. Upon closing, Purchaser shall immediately vacate and redeliver possession of the Property to the Seller. At closing, the Purchaser will execute a statutory warranty deed re-conveying the Property to Seller and this Agreement shall be void and of no further force or effect.

10.3 No Assignment or Encumbrances. Purchaser shall not assign, encumber or transfer any right or interest in the Property during the first eighteen (18) months after deeds are recorded transferring the Seller's title to this land without the Seller's written approval, which approval shall not be unreasonably withheld.

Hold Harmless. Further and in consideration of the terms hereof, in the event 10.4 the Seller repurchases the Property, Purchaser shall release and hold Seller harmless and shall indemnify and defend Seller from any and all claims, demands, liens, or encumbrances arising out of or connected with this Agreement and the Property.

All notices required by this Agreement shall be considered properly 11. Notices. delivered when (1) personally delivered, (2) when transmitted by email showing date and time of transmittal, or (3) delivered by regular overnight courier, or 4) delivered or mailed by U.S. registered or certified mail, return receipt requested, and if mailed, shall be considered delivered three (3) business days after deposit in such mail. The addresses to be used in connection with such correspondence and notices are the following, or such other address as a party shall from time to time direct:

| Purchaser: | Pipeworks, LLC A Washington Limited Liability Company c/o David Bruce, Registered Agent 5312 W. Irving Street Pasco, WA 99301-3004 Phone No.: Email: |
|------------|--|
| Seller: | Port of Kennewick 350 Clover Island Drive, Suite 200 Kennewick, Washington 99336 Attn: Tim Arntzen, Chief Executive Officer |
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Phone No.: (509)586-1186 Email: bscott@portofkennewick.org

With copy to: Carney Badley Spellman, P.S. 701 Fifth Avenue, Suite 3600 Seattle WA 98104 Attn: Lucinda J. Luke, Port Counsel Phone No.: (206)607-4111 Email: luke@carneylaw.com

12. MISCELLANEOUS.

12.1 <u>Confidentiality.</u> Both parties agree that this transaction shall remain completely confidential and shall not be disclosed to any other third party without the express written consent of the Purchaser and/or Seller, except as may be required by law. Purchaser acknowledges that Seller is subject to Washington State's Public Records Act.

12.2 <u>Default Remedies.</u> If either party defaults under this Agreement, the nondefaulting party may seek specific performance of this Agreement, damages or any other remedy available at law or equity.

12.3 Dispute Resolution/Attorney's Fees. In the event of any claim or dispute arising under this Agreement, the parties agree to submit the same to binding arbitration at a location to be mutually agreed upon in Benton County, Washington. In the event the parties are unable to promptly agree upon an arbitrator, the same shall be selected by the presiding judge for the Benton County Superior Court at the request of, and upon seven (7) days' notice from, any party. The arbitrator so appointed shall be a retired superior court judge or an attorney having at least ten years' experience in matters similar to the subject of the claim or dispute. The court may establish the ground rules by which the initial arbitrator fees are to be paid. The mandatory arbitration rules, as implemented in Benton County Superior Court, shall be binding as to procedure. The arbitrator shall determine an award of reasonable attorney's fees and costs and expenses to the substantially prevailing party. If any suit or other proceeding is instituted by either party that is alleged not to come within the foregoing agreement for arbitration, the substantially prevailing party as determined by the court or in the proceeding shall be entitled to recover its reasonable attorney's fees and all costs and expenses incurred.

12.4 <u>Time of Essence.</u> Time is of the essence of this Agreement.

12.5 <u>Calculation of Time Periods</u>. Unless otherwise specified, in computing any period of time described in this Agreement, the day of the act or event after which the designated period of time begins to run is not to be included and the last day of the period so computed is to be included, unless such last day is a Saturday, Sunday or legal holiday. The final day of any such period shall be deemed to end at 5:00 p.m., Pacific [Daylight] Time.

12.6 <u>Governing Law and Venue.</u> This Agreement shall be governed by and construed according to the laws of the State of Washington. Venue for any dispute arising out of or related to this Agreement shall be exclusively in Benton County, Washington.

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12.7 <u>Authority to Execute Agreement.</u> Each of the undersigned represents and warrants that, if not signing on his own behalf, he has the authority to bind the entity for which he/she is executing this Agreement.

12.8 <u>Entire Agreement.</u> There are no verbal or other agreements which modify or affect this Agreement, and Purchaser and Seller acknowledge that this Agreement constitutes the full and complete understanding between Purchaser and Seller.

12.9 <u>Amendments</u>. This Real Estate Purchase and Sale Agreement may be amended or modified only by a written instrument executed by Seller and Purchaser.

12.10 Broker Compensation. Except as specifically disclosed herein, neither party has had any contact or dealings regarding said property, or any communication in connection with the subject matter of this transaction, through any licensed real estate broker or other person who can claim a right to a commission or finder's fee as a procuring cause of the purchase and sale contemplating this Agreement. If any broker or finder perfects a claim for a commission or finder's fee based upon any other contract, dealings or communication, the party through whom the broker or finder makes his or her claim will be responsible for that commission or fee and shall indemnify, defend and hold harmless the other party from and against any liability, cost or damages, including attorney's fees and costs, arising out of that claim.

12.11 <u>Obligations to Survive Closing.</u> The obligations contained herein shall survive closing.

12.12 <u>Termination.</u> Unless otherwise agreed between the parties, this Agreement shall terminate unless signed by Purchaser and returned to Seller before 5:00 p.m. the 3rd business day following the Port of Kennewick's next scheduled Commission meeting.

13.0 <u>Exhibits</u>. The following exhibits are attached hereto and made a part of this Agreement by reference:

Exhibit A Legal Description and Survey (Purchase Parcel)

Exhibit B Port of Kennewick Columbia Gardens Property Owners' Associations Assessment Mechanism

Exhibit C Port of Kennewick Columbia Gardens Urban Wine & Artisan Village Design Standards

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first below written.

SELLER:

Port of Kennewick

A Washington Municipal Corporation By Authority of its Board of Commissioners

Dated: _____

By:_____

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1/21/2022 12:28:42 PM

Tim Arntzen, Chief Executive Officer

Approved:

Approved as to form:

Nick Kooiker, Port Auditor/CFO Date:_____ Lucinda J. Luke, Port Counsel Date:_____

PURCHASER:

Pipeworks, LLC

Dated: _____

By:_____ David Bruce, Member

ACKNOWLEDGEMENTS

State of Washington))ss County of Benton)

On this day personally appeared before me <u>Tim Arntzen</u> to me known to be the <u>Chief</u> <u>Executive Officer</u> of the <u>Port of Kennewick</u>, the municipal corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation for the uses and purposes therein mentioned, and on oath stated he is authorized to execute the said instrument.

GIVEN under my hand and official seal this _____ day of ______, 20___.

| Notary Public in and | for the | State | of Washington |
|----------------------|---------|-------|---------------|
| Residing at: | | | |
| My Commission Exp | ires: | | |

State of Washington

County of Benton

On this day personally appeared before me _______to me known to be the person who executed the foregoing instrument, and acknowledged said instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said limited liability company for the uses and purposes therein mentioned, and on oath stated he is authorized to execute said instrument.

GIVEN under my hand and official seal this ____ day of _____. 20__.

)ss

Notary Public in and for the State of Washington Residing at: ______ My Commission Expires: ______ **EXHIBIT A**

Legal Description

(See Attached)

EXHIBIT B

Port of Kennewick Columbia Gardens Property Owners' Associations Assessment Mechanism

(See Attached)

EXHIBIT C

Port of Kennewick Columbia Gardens Urban Wine & Artisan Village Design Standards

(See Attached)

PORT OF KENNEWICK

RESOLUTION No. 2022-07

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE PORT OF KENNEWICK AUTHORIZING A PURCHASE AND SALE AGREEMENT WITH PIPEWORKS LLC

WHEREAS, Pipeworks LLC (Purchaser), has offered to purchase approximately 2,949 square feet of the area graphically depicted on "*Exhibit A*" as 215 E. Columbia Drive at the Port of Kennewick's Columbia Gardens Wine & Artisan Village in Kennewick, Washington from the Port of Kennewick (Seller) for \$36,863.00 or approximately \$12.50 per square foot; and

WHEREAS, Port staff and the Port attorney have reviewed the proposed Purchase and Sale Agreement and find it is in proper form with potential minor modifications and is in the Port's best interest; and

WHEREAS, the Port Commission finds that said property is surplus to the Port's needs and the proposed sale is consistent with all previous Port policies, including its Comprehensive Scheme of Development.

NOW, THEREFORE; BE IT HEREBY RESOLVED that the Board of Commissioners of the Port of Kennewick hereby authorizes the Port's Chief Executive Officer to execute a Purchase and Sale Agreement with Pipeworks LLC and hereby authorizes the Port's Chief Executive Officer to execute all documents and agreements on behalf of the Port to complete the transaction as specified above.

BE IT FURTHER RESOLVED that the Port Commission declares that said property is surplus to the Port's needs and the proposed sale as referenced above is consistent with all previous Port policies, including its Comprehensive Scheme of Development.

ADOPTED by the Board of Commissioners of the Port of Kennewick on the 25th day of January, 2022.

PORT of KENNEWICK BOARD of COMMISSIONERS

| By: | |
|-----|-----------------------------------|
| | SKIP NOVAKOVICH, President |
| By: | |
| | KENNETH HOHENBERG, Vice President |
| By: | |
| | THOMAS MOAK, Secretary |

EXHIBIT A

215 E. Columbia Drive, Kennewick WA 99336



| Memor | randum |
|-------|--|
| To: | Tim Arntzen, Executive Director |
| From: | Larry Peterson |
| Date: | January 25, 2022 |
| Re: | Vista Field Policy Issues & Commission Decisions/Reaffirmations Needed |
| | |

Together with the numerous staff is completing to bring the Vista Field Redevelopment project to market there is a need for several Commission policy decisions and/or reaffirmations of previous decisions. These policy decisions are proposed to be presented at the next three Commission meetings in a format that would allow for Commission decisions/direction at those meeting. Below is the proposed "agenda" for the next three meetings with details on the decisions.

*** PROPOSED AGENDA & SCHEDULE OF POLICY ISSUES**

January 25, 2022 Meeting

(Commission Reaffirmation sought via Consensus vote) Initial Marketing Area

Initial Marketing Area Initial Parcel Offer Prices

FEBRUARY 8, 2022 Meeting

(Commission Reaffirmation sought via Consensus vote)

Joint-Use Parking areas initially provided by the Port {inherent role of the developer} Project Reinvestments triggered by initial development {inherent role of the developer}

FEBRUARY 22, 2022 Meeting

(<mark>Commission Reaffirmation</mark> sought via <mark>Consensus vote</mark>)

Vista Field Introduction to Governing Documents {helps to explain the regulator pieces} Vista Field Declaration of Covenants {applies to entire site, regardless of use} Vista Field Declaration of Covenants-Commercial Property {2nd layer for commercial uses} Vista Field Association Assessment Structure {actual costs to owners based upon use} Vista Field Association Appointment of initial Officers

(Shared with Commission for information but formal approval not required)

Vista Field Association Article of Incorporation {non-subjective, dictated by State law} Vista Field Association By-Laws {non-subjective, dictated by State law}

*** POLICY ISSUES for January 25, 2022 meeting**

(Commission Reaffirmation sought via Consensus vote)

Initial Marketing Area

Following years of conceptual discussions about how New Urbanism development differs in numerous aspects from typical development occurring the last 60 years and the importance of placemaking, the issue of "focus efforts" was discussed with the Commission in April 2021. The Commission discussed the strategy of marketing just a portion of the improvemed properties to focus all activity into a node or center which would help yield that "place" envisioned by all. The impact of clustering the first five or six buildings together rather than spread-out from Deschutes to Grandridge was contemplated. Ultimately the Commission concurred with the cluster approach and directed staff to only market the lands from Deschutes to Vista Field Boulevard in the first phase (known as Phase #1A), which abuts the recently constructed special areas of the stream, bridges and woonerf. Attached is a memo which was shared with the Commission at the April 13, 2021 meeting.

QUESTION: Does the current Commission support initially only marketing that portion of the Vista Field improved area south of Vista Field Boulevard (Phase #1A)?

Initial Parcel Offer Prices

Following discussion at several meetings in summer and fall 2021 the Commission passed Resolution 2021-20 on October 13, 2021 adopting the parcel pricing for Vista Field Phase #1A. This parcel pricing was based upon an appraisal completed in 2021 and established lump sum prices for three types of parcels (Residential detached, Live/Work & Residential Attached aka Townhomes) and a per square foot price from all other parcels. Those prices are identified in Exhibit A of that resolution which is attached to this memo. The prices would be the initial offer prices; the starting point for the Port's marketing and could be adjusted as dictated by market response. The Commission nor the private sector are bound to these exact prices and the builders could offer less... or more for the parcels... however this resolution helps the private sector understand the Port's expectations.

QUESTION: Are the initial parcel offer prices established by Resolution 2021-20 deemed to be acceptable to the current Commission?

- - -

Memorandum

To: Tim ArntzenFrom: Larry PetersonDate: April 2, 2021Re: Vista Field Phase #1A: Initial Marketing Area

OVERVIEW

Port funded horizontal infrastructure improvements (roads, utilities & water feature) to open the core of the redevelopment site for vertical improvements (buildings) have been completed. The recently completed infrastructure improvements are "front end loaded" with major cross site roadways & utilities, a significant amenity of the 850ft water feature and reservations for future public spaces. Phase #1 encompasses a total of 18.3 acres gross with improved City streets, sidewalks, woonerfs, alleys and parking area utilizing 4.9 acres and 2.5 acres for the water feature and future Daybreak Commons. Retaining 2.6 acres for future common parking areas and 1.0 acre for the three (3) corporate hangars yields 7.3 acres of land for vertical improvements.

FOCUS ON VERTICAL IMPROVEMENT POTENTIAL

DPZ recommends placing emphasis on what could be located on those 7 acres rather than "only having 7 acres to sell." Basic building and land allocations with a presumption of one (1) and two (2) story buildings results in nearly 300,000sf of buildings within Phase #1, which would be more building area than in the entire 30+ acre Spaulding Business Park!

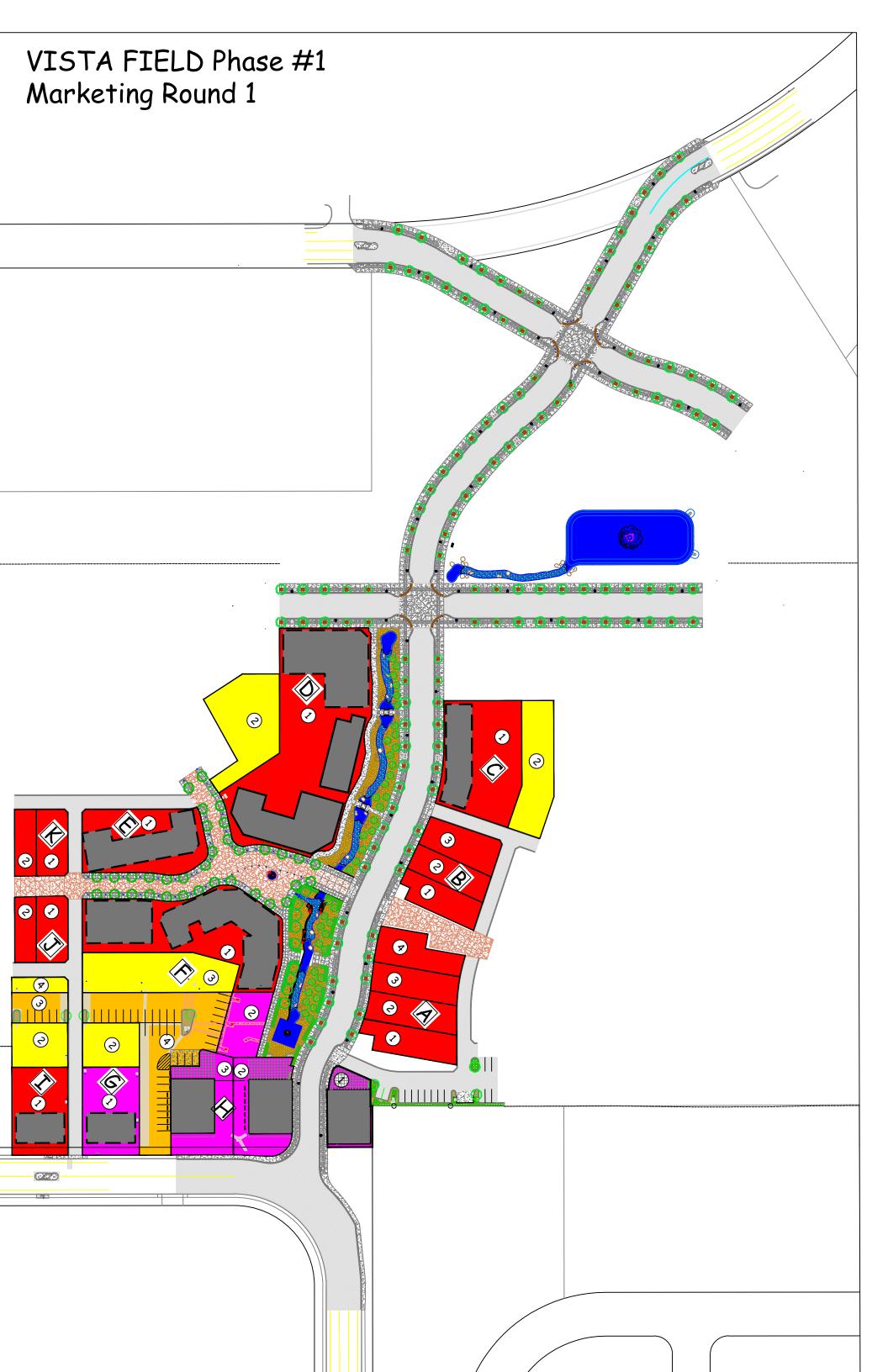
Working with DPZ to refine suggestions about what should be encouraged where, and possibly more importantly, when; has resulted in a recommendation to focus the initial private sector development around the Azure Drive woonerf area. New Urbanism is based upon several principles, a primary principle being the goal of creating a vibrant area through concentrating vertical improvements in a cluster or compact development.

The first attachment is the well-known Vista Field rendering shaded to highlight the Azure Drive node extending from the hangars along Deschutes Avenue to Vista Field Boulevard. Concentrating the marketing, parcel availability and private sector efforts to the central node has the potential to yield over 125,000sf of building improvements, seven (7) live/work units and four (4) single family detached units. **Wouldn't such a nucleus be considered a "great" start for the Vista Field project?** Conversely wouldn't spreading these first projects over the entire site resulting in a more typical scattered/sprawling pattern be considered a lost opportunity?

Also attached is a four-page document consisting of a map and spreadsheet of both the DPZ recommended "Round 1" area and the overall Round 1 & Round 2/all Phase #1 area.

Possibly this information is shared with the Commission at their next meeting and discussion about the DPZ recommended "Round 1" area occurs, without an expectation or ask for a decision.





| February 24 | | ASE #1 - LA | ND OFFERED Round 1 | | Square Footage | | BUILDI Square Footage | | ZE quare Footage | PAI Square Footage | RKING | |
|-------------|-----------------------------|---------------|--|----------------|----------------|----------------|--------------------------|------------|--------------------------------|------------------------------|---------------|------------|
| Block | ID Street | Use Type | Specifics | TOTAL | OFFER | RETAIN | FOOTPRINT x s | FORIES = | AREA | AREA | ÷ per Stall = | Spaces |
| A | 1 Crosswind Blvd. | Live Work | Lot 1 (southern) | 5,000 | 5,000 | | | | | | | |
| A | 2 Crosswind Blvd. | Live Work | Lot 2 (south central) | 4,971 | 4,971 | | | | | | | |
| A | 3 Crosswind Blvd. | Live Work | Lot 3 (north central) | 4,792 | 4,792 | | | | | | | |
| A | 4 Crosswind Blvd. | Live Work | Lot 4 (northern) | 4,948 | 4,948 | | | | | | | |
| В | 1 Crosswind Blvd. | Live Work | Lot 1 (southern) | 4,400 | 4,400 | | | | | | | |
| В | 2 Crosswind Blvd. | Live Work | Lot 2 (central) | 4,142 | 4,142 | | | | | | | |
| В | 3 Crosswind Blvd. | Live Work | Lot 3 (northern) | 4,922 | 4,922 | | | | | | | |
| С | 1 Crosswind Blvd. | Mixed Use | Crosswind Blvd. Frontage | 17,127 | 17,127 | | 5,000 | 2 | 10,000 | 10,800 | 300 | 36 |
| С | 2 Crosswind Blvd. | Parking Lot | PORT Retained Future-Parking Area | 8,315 | | 8,315 | | | | 8,400 | 300 | 28 |
| D | 1 Constellation Way. | Special Use | West of Stream Sidewalk | 41,544 | 41,544 | | 22,000 | 2 | 44,000 | 12,500 | 300 | 42 |
| D | 2 Constellation Way. | Parking Lot | PORT Retained Future-Parking Area | 10,910 | | 10,910 | | | | 8,750 | 350 | 25 |
| E | 1 Azure Dr. | Special Use | Whole Block | 14,489 | 14,489 | | 6,950 | 2 | 13,900 | 4,000 | 300 | 13 |
| F | 1 Azure Dr. | Special Use | Southside | 24,317 | 24,317 | | 15,500 | 2 | 31,000 | 1,800 | 300 | 6 |
| F | 2 Crosswind Blvd. | Pop-Up Retail | PORT Retained Future-Building Pad | 5,010 | | 5,010 | 4,800 | 2 | 9,600 | 0 | 300 | 0 |
| F | 3 Azure Dr. | Parking Lot | PORT Retained Future-Parking Area | 11,136 | | 11,136 | | | | 11,100 | 300 | 37 |
| F | 4 Azure Dr./Deschutes Alley | Parking Lot | PORT Retained EXISTING Parking Area | 19,662 | | 19,662 | | | | 19,662 | 500 | 39 |
| G | 1 Deschutes Alley | Mixed Use | PORT Retained for Hangar Remodel Project | 9,463 | | 9,463 | 2,750 | 1 | 2,750 | 4,500 | 300 | 15 |
| G | 2 Deschutes Alley | Parking Lot | PORT Retained Future-Parking Area | 4,753 | | 4,753 | | | | 4,500 | 300 | 15 |
| Н | 1 Crosswind Blvd. | TBD | Shannon Hangar east of Crosswind Blvd. | 6,194 | | 6,194 | 4,500 | 1 | 4,500 | 0 | 300 | 0 |
| Н | 2 Crosswind Blvd. | TBD | Musser Hangar B west of Crosswind Blvd. | 10,743 | | 10,743 | 4,500 | 1 | 4,500 | 0 | 300 | 0 |
| Н | 3 Deschutes Ave. | TBD | Gaunt Hangar C fronting Deschutes | 11,276 | | 11,276 | 4,500 | 1 | 4,500 | 0 | 300 | 0 |
| I | 1 Deschutes Alley | Mixed Use | Westside of Alley of Alley | 9,264 | 9,264 | | 2,750 | 1 | 2,750 | 4,500 | 300 | 15 |
| I | 2 Deschutes Alley | Parking Lot | PORT Retained Future- Parking Area | 4,679 | | 4,679 | | | | 4,500 | 300 | 15 |
| I | 3 Deschutes Alley | Parking Lot | PORT Retained EXISTING Parking Area | 3,210 | | 3,210 | | | | 3,150 | 525 | 6 |
| I | 4 Deschutes Alley | Parking Lot | PORT Retained Future-Parking Area | 1,617 | | 1,617 | | | | 1,500 | 250 | 6 |
| J | 1 Azure Dr. | SFDU | Southside Lot 1 (eastern) | 3,931 | 3,931 | | | | | | | |
| J | 2 Azure Dr. | SFDU | Southside Lot 2 (western) | 2,676 | 2,676 | | | | | | | |
| К | 1 Azure Dr. | SFDU | Northside Lot 1 (eastern) | 3,915 | 3,915 | | | | | | | |
| К | 2 Azure Dr. | SFDU | Northside Lot 2 (western) | 2,745 | 2,745 | | | | | | | |
| NOTES | | | TOTAL (Square Feet) | 260,151 6.0 | 153,183 3.5 | 106,968 2.5 | • | • | 127,500 Work & SFDU) | | Site Stalls | 298 120 |
| | | | | 0.0 | 3.5 | 2.5 | (exci | uues Live/ | WUIK & SFUU) | TOTAL Park | | 418 |

PORT OF KENNEWICK

RESOLUTION 2021-20

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE PORT OF KENNEWICK AUTHORIZING PARCEL PRICING FOR VISTA FIELD PHASE 1A

WHEREAS, the Board of Commissioners received market data and pricing through the Vista Field Market Study and Analysis report; and

WHEREAS, the Commission has directed staff to add the 3% Art Policy fee to parcel valuations and sell parcels inclusive of the port's Art Policy.

NOW, THEREFORE BE IT RESOLVED, that the Board of Commissioners of the Port of Kennewick hereby approves and adopts parcel pricing for Vista Field Phase 1A found in Exhibit A.

BE IT FURTHER RESOLVED that the Port of Kennewick Board of Commissioners hereby ratifies and approves all action by port officers and employees in furtherance hereof; and authorizes the port Chief Executive Officer to take all action necessary in furtherance hereof.

ADOPTED by the Board of Commissioners of the Port of Kennewick this 12th day of October 2021.

| | PORT of KENNEWICK BOARD of COMMISSIONERS |
|-----|---|
| By: | DNBans |
| | 7468DE9530724DC |
| | DON BARNES, President |
| | DocuSigned by: |
| By: | Skip Novakovich |
| | 0E53A30E1C8E442 |
| | SKIP NOVAKOVICH, Vice President |
| By: | Thomas Moak |
| | A35176A2D2CD413 |
| | THOMAS MOAK, Secretary |

RESOLUTION 2021-20 EXHIBIT A

Parcel Pricing Model:

| Urban Mixed Use Zoning Type of Use | Suggested Lot Price | Suggested Price Per Square Foot | Price Inclusive of Port 3% Art Policy |
|--|------------------------|------------------------------------|--|
| Residential Detached | \$85,000 | | \$88,000 |
| Live/Work | \$95,000 | | \$98,000 |
| Residential Attached (Townhomes, Duplex, Patio) | \$100,000 | | \$103,000 |
| Commercial | | \$20.00 | \$21.00 |





PORT of KENNEWICK 2020-2021 COMMISSION ORGANIZATION REPRESENTATION

| NAME | MEETING SCHEDULE | MEETING TIME | MEETING PLACE | CURRENT COMMISSIONER REPRESENTING POK | COMMENTS |
|--|------------------------------------|--------------|---|--|--|
| Benton-Franklin Council of Governments Board of Directors (BOD) | 3rd Friday | 10:00 AM | Benton Franklin Transit Conference Room | Commissioner Skip Novakovich | Alternate: Commissioner Don Barnes |
| Local Good Roads & Transportation Association | 3rd Wednesday every other month | 5:30 PM | Crow's Nest, Clover Island Inn | Commissioner Thomas Moak | Alternate: Commissioner Don Barnes Meets Feb, April, June, August, October, December |
| Confederated Tribes of the Umatilla Indian Reservation (CTUIR) | As Called | | | Commissioner Skip Novakovich | Alternate: Commissioner Thomas Moak |
| Historic Downtown Kennewick Partnership Board Meeting | 4th Friday | 5:30 PM | HDKP Conference Room | Commissioner Thomas Moak | Alternate: Commissoner Don Barnes |
| Historic Downtown Kennewick Partnership Organization Committee | 2nd Friday | 8:00 AM | HDKP Conference Room | Commissioner Thomas Moak | |
| Tri-Cities Hispanic Chamber of Commerce (Luncheon) | 3rd Tuesday | 11:30 AM | Pasco Red Lion | Commissioner Skip Novakovich | Alternate: Commissoner Don Barnes |
| Tri-City Regional Chamber Board of Directors Meeting | 3rd Wednesday every other month | 7:00 AM | Tri-Cities Business & Visitor Center Bechtel Board Room | Commissioner Don Barnes | Alternate: Commissoner Thomas Moak Meets Feb, April, June, August, October, December |
| Visit Tri-Cities (formerly Tri-Cities Visitor & Convention Bureau) (Full Board Meeting) | 4th Wednesday | 7:30 AM | Tri-Cities Business & Visitor Center Bechtel Board Room | Commissioner Don Barnes | Alternate: Commissioner Thomas Moak |
| TRIDEC Board of Directors Meeting | 4th Thursday | 4:00 PM | Tri-Cities Business & Visitor Center Bechtel Board Room | Commissioner Don Barnes | Alternate: Commissioner Skip Novakovich |
| TRIDEC Executive Board Meeting | 2nd Thursday every other month | 4:00 PM | Tri-Cities Business & Visitor Center Bechtel Board Room | Commissioner Don Barnes Port of Kennewick | Tri-Ports Executive Board Rep (Rotates Annually) 2019 - Port of Pasco 2020 - Port of Kennewick 2021 - Port of Benton Meets Feb, April, June, August, October, December |
| West Richland Area Chamber of Commerce (Luncheon) | 1st Wednesday | Noon | The Mayfield Gathering Place | Commissioner Skip Novakovich | Alternate: Commissioner Don Barnes |



PORT of KENNEWICK 2020-2021 COMMISSION ORGANIZATION REPRESENTATION

| NAME | MEETING SCHEDULE | MEETING TIME | MEETING PLACE | CURRENT COMMISSIONER REPRESENTING POK | COMMENTS |
|-------------------------------------|------------------|--------------|---------------|--|---------------------------|
| WPPA Board of Trustees | As Called | | | Commissioner Don Barnes | Alternate: Tim Arntzen |
| WPPA Economic Development Committee | As Called | | | Commissioner Thomas Moak | Alternate: Tim Arntzen |
| WPPA Legislative Committee | As Called | | | Commissioner Skip Novakovich | Alternate: Tim Arntzen |
| WPPA Marina Committee | As Called | | | Commissioner Don Barnes | Alternate: Tim Arntzen |
| WPPA Marketing Committee | As Called | | | Commissioner Skip Novakovich | Alternate: Tim Arntzen |