

VISION

P O R T O F K E N N E W I C K

I feel fortunate and honored to be serving as the port's President during our 100-year anniversary.

The Port of Kennewick was founded in 1915 in anticipation of increased river transportation on the Columbia River through the newly completed canal around Celilo Falls. These were heady times for port leaders as they stood at the forefront of a new era of marine transportation and development that would serve as a catalyst for growth of our small riverfront community.

This year, during our centennial, we too are standing at the forefront of a new era for the port of Kennewick with big, promising projects that will positively transform our community and region for years to come. The redevelopment of the Vista Field airport, the revitalization of the business district along Columbia Drive, and the prospect of a new, wine-based gateway to West Richland at the former Tri-City Raceway are all major game-changing opportunities for our region.

I am pleased with the port's focus on community-driven economic development, excited about the urban renewal projects detailed in this report, and truly believe the work we are doing today is laying a foundation of prosperity for future generations.

Sincerely,

Don Barnes

President

Port of Kennewick Board of Commissioners



S P R I N G 1 5

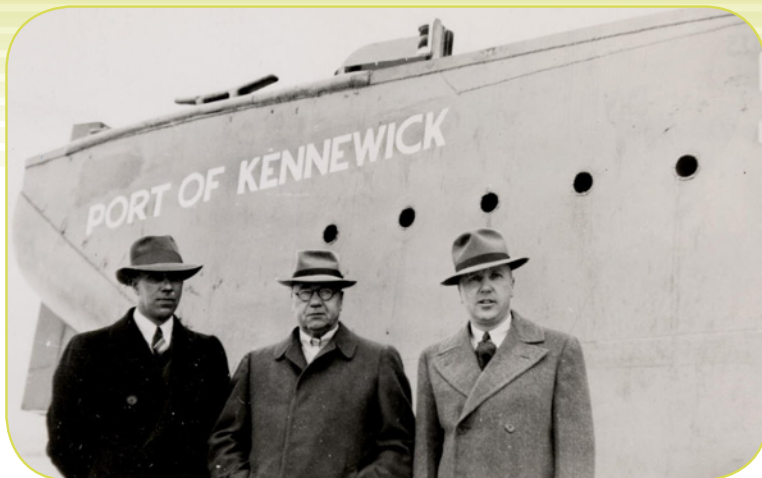
A Century of Economic Development (1915 - 2015)

Port of Kennewick Marks 100th Anniversary

This year, Port of Kennewick celebrates its 100th anniversary. The Port of Kennewick (1915) is the fifth-oldest of the 75 Washington State ports—older even than Port of Pasco (1940) and Port of Benton (1958). Port of Kennewick was established just a few years after the 1911 Washington State Legislature approved a bill authorizing port districts. A public vote on March 6, 1915 created Port of Kennewick as a five-square-mile district including Kennewick and all property located one mile in each direction. A subsequent public vote in 1954 expanded Port of Kennewick district to 485 square miles which encompasses the cities of Kennewick and West Richland, and portions of Richland, Benton City, and Benton County. Those early votes created an economic development agency focused on protecting and enabling commerce.

Over the years, Port of Kennewick established a proven history of promoting industry, encouraging job growth, building infrastructure, and making investments to address evolving community needs. Notable successes include fostering thousands of jobs; promoting agricultural and chemical trade, and industrial development; stimulating Clover Island and Spaulding Business Park development; and helping grow businesses such as the Benton Franklin County Fair, North Pacific Grain Growers, Tri-Cities Airport, TiLite, GBW Railcar Services, Bruker Elemental, and Pacific Rim Winemakers. Indeed, in recent years, the port has been the catalyst for redevelopment projects at Columbia Drive, Clover Island, Vista Field and West Richland.

When the port was formed those many years ago, it was truly a game changer for the local community. During the past century, Port of Kennewick's mission and activities evolved as the economy and community's needs changed—today the port provides a variety of economic development services with regional benefits. *[Anchor QEA is recognized for their work in researching and compiling "The History of Port of Kennewick" report which will be incorporated into the port's updated Comprehensive Scheme.]*



In the 1940's two 175-foot barges were constructed on Clover Island in Kennewick, and one was christened the Port of Kennewick; this photo shows Port Commissioners, A.J. Smith, George R. Turner, and Harry A. Linn at the barge launch ceremony.

NulytIQ Opens Headquarters Office

Jobs expected to triple

NulytIQ, a software development and services company, consolidated its staff and opened their headquarters office on Clover Island in Kennewick. NulytIQ, which is focused on improving manufacturing and medical laboratory company profits through analytics, currently employs five staff members, and is forecasting a need to hire up to ten additional employees during 2015. Their employees are typically degreed software developers, software engineers, and project management staff. The company uses data analytics to

drive profitability improvements, cost reductions and capacity increases for their clients. Their customer base includes aviation, semiconductor, food processing, discrete manufacturing, and automotive.

"I have always been a staunch supporter of the region," said NulytIQ President, David McKay. "I firmly believe the Tri-Cities is capable of supplying both economic support and high-end talent, and having an office located on Clover Island is not only inspiring to our design team, it is a tribute to the port's efforts to revitalize downtown Kennewick." NulytIQ is leasing office space from the port at 104 Clover Island Drive, Suite 202 in Kennewick.



Port of Kennewick Public Commission Meetings

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

Photo credits: East Benton County Historical Society Museum; Amber Martin/Clover Island Inn; Duany Plater-Zyberk & Company; www.garys-hangups.com; K. Teske-Fetrow



Don Barnes
Commissioner - President



Skip Novakovich
Commissioner - Vice President



Thomas Moak
Commissioner - Secretary

Community-Driven Redevelopment Plan

Once-in-a-Lifetime Opportunity

In Kennewick, the 103-acre former Vista Field airport land was rezoned to commercial regional; and a citizen committee chose Duany Plater-Zyberk (DPZ)—an internationally acclaimed, urban design firm—to prepare a community-driven redevelopment plan for transforming the site into a regional town center.



Last November, an extensive public planning process was undertaken; with nearly three-hundred people attending meetings and providing comments in an inclusive, citizen-driven endeavor. The community identified small-scale city blocks with open spaces; transit-oriented, pedestrian-friendly neighborhoods; with a mix of locally unique shops, restaurants, work spaces, and residential—as critical elements. Connectivity with existing public facilities and high-traffic intersections; and stakeholder participation were deemed essential to realizing that site's full potential—which could approach half-a-billion dollars of economic vitality at build-out. Also, DPZ strongly recommended that Vista Field receive a "Pink Zone" designation where red tape is reduced to encourage investment by individuals and smaller developers—with City of Kennewick staff already working toward that end. Review the draft Vista Field plan online at: www.PortOfKennewick.org/airport.

Vista Field Draft Report Now Online

Community Input Wanted

Duany Plater-Zyberk (DPZ) the port's Vista Field redevelopment consultant, provided a draft report from the November 2014 public meetings. Since this is a regional, community-driven, redevelopment plan, *everyone*—from citizens, businesses, young people, seniors, students, families, to the general public—is asked to provide feedback on the elements identified and captured into this critical planning document. Port staff is working with stakeholders to integrate multiple master-plans and resolve issues related to connectivity, efficiency, funding, and matters of critical importance to a regional town center. Review the draft plan online at www.PortOfKennewick.org, and offer comments to VistaField@PortOfKennewick.org.



Revitalizing Kennewick's Waterfront

On Columbia Drive in east Kennewick, the port and city are working together to reconnect the community to our waterfront and transform the eastern end of the Bridge to Bridge, River to Railroad area. The first project will redevelop the historic Columbia Gardens neighborhood into an urban wine and artisan village. The city will extend the riverside trail, add landscaping, and construct a waste-water treatment system to accommodate boutique wine production. The trail should be completed in June. The port removed structures and cleared the land in February, and will likely bid construction of the first three buildings in June for completion in early 2016. The port will lease the first buildings as a catalyst for initial development, and may seek to sell or lease other Columbia Drive parcels to stimulate private sector investment.



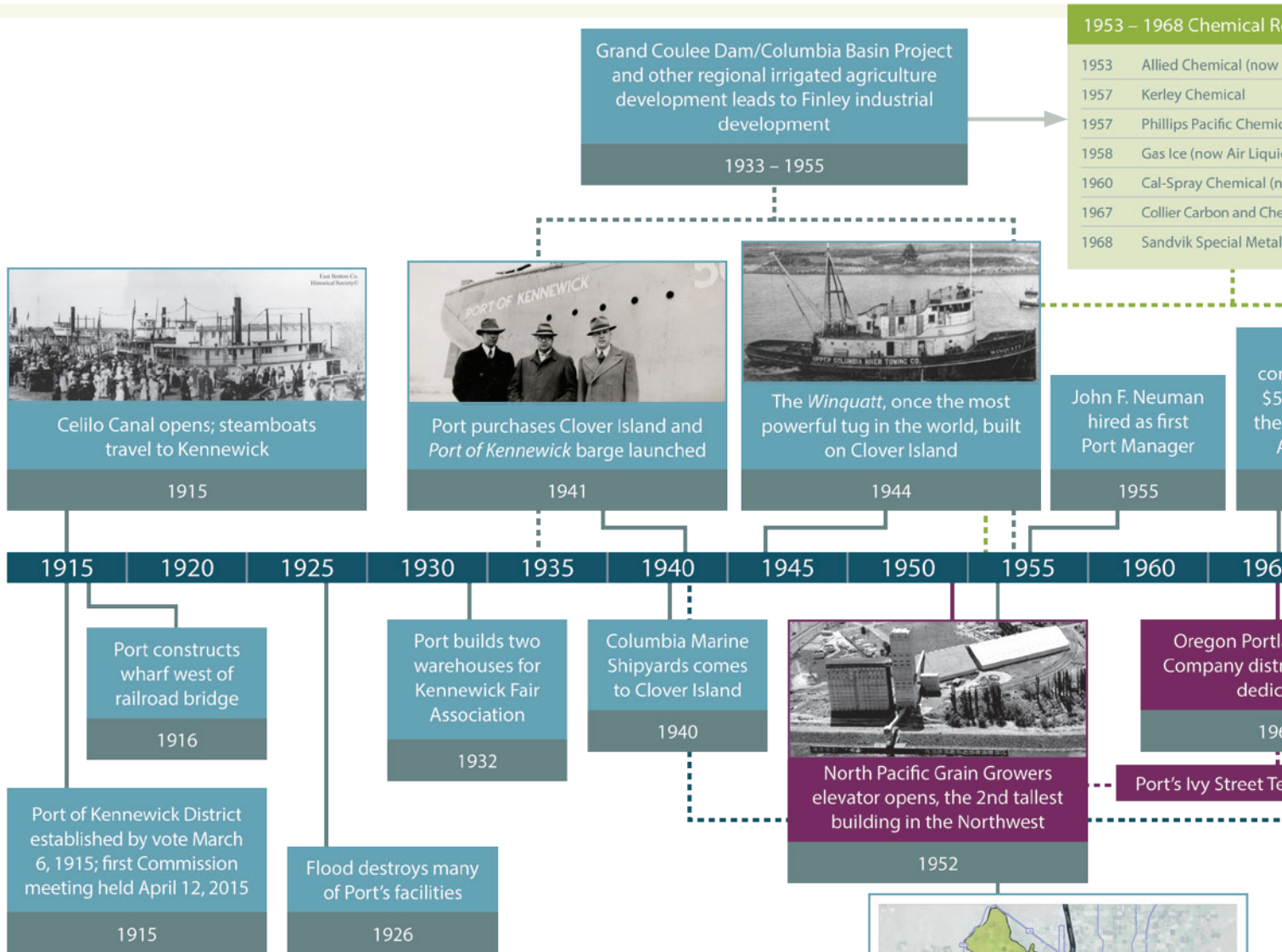
Promoting Economic Development

Port and City of Kennewick staff attended the Unified Wine & Grape Symposium and Washington Association of Wine Grape Growers conventions, and displayed detailed 3-dimensional models of the Columbia Gardens redevelopment project. In late May, port and cities' staff will attend the International Council of Shopping Centers tradeshow to promote our region for retail and commercial development.



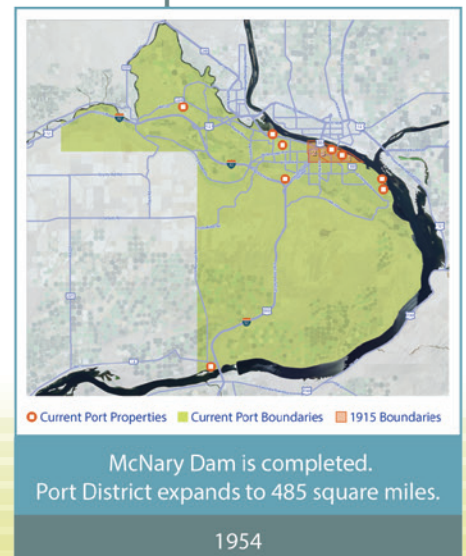
Port of Kennewick Highlights (1915 – 2015)

2015 Board of Commissioners: Don Barnes, President; Skip Novakovich, Vice President; Thomas Moak, Secretary
Executive Director: Tim Arntzen



Awards

- ★ 2006 – Port/Tri-Cities Rivershore Enhancement Council recognized as Tourism Champions of the Year (Visit Tri-Cities).
- ★ 2007 – Port receives Downtown Revitalization Award (City of Kennewick Block Grant Advisory Committee).
- ★ 2008 – Clover Island Marina—Top Construction Project of the Year (Associated General Contractors of Washington).
- ★ 2009 – Spaulding Business Park (Governor's Workforce and Economic Development Best Practices Award), and Rivershore Enhancement efforts (Governor's Smart Communities Award).
- ★ 2010 – Clover Island Lighthouse (American Council of Engineering Companies of Oregon)
- ★ 2010 – Clover Island art projects—Visual Arts Award (City of Kennewick Arts Commission)
- ★ 2011 – Clover Island Lighthouse and Plaza—Concrete Community Award (Washington Aggregates & Concrete Association)



Port of Kennewick Staff

Tim Arntzen,
 Executive Director

Bridgette Scott,
 Executive Assistant

Kandy Yates,
 Receptionist

Larry Peterson, Director of
 Planning & Development

Tammy Fine, CPA, CFE
 Director of Finance & Auditor

Tana Bader Inglima,
 Director of Governmental
 Relations & Marketing

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1991 – 2015 Vista Field Airport	
1991	Port acquires Vista Field Airport from City of Kennewick
Mid-1990s	Port makes improvements to the airport such as extending and widening the runway
2003	Public meetings and discussions begin on airport future
2012	Port undertakes Environmental Impact Statement study on Vista Field Airport
2013	Commissioners vote to close airport and plan for its redevelopment
2014/15	Port initiates public process to redevelop airport into a town center

Port contributes \$10,000 to Tri-Cities Airport	1965
Port constructs two cold storage plants on Chemical Drive in Kennewick	1967

Port purchases former Tri-City Raceway in West Richland	2008
Master planning begins on raceway site near Red Mountain Wineries	2012
Port sells numerous Finley and Plymouth properties (owned since the 1960s)	2014
Port purchases 160 acres of land along US 395 for future development	1994
Port helps fund Southridge Area Master Plan	2002
Commercial development starts in Southridge area	2007
Port and Confederated Tribes of the Umatilla Indian Reservation sign historic Memorandum of Understanding	2013

and Cement distribution plant started	1955
terminal	
Port purchases 30 acres at Richland "Y"	1999
Port dedicates Spaulding Business Park	2003
Spaulding Business Park nearly built out	2012



1941 – 1978 Clover Island Development	
1941	Port acquires Clover Island
1953	Clover Island reconfigured to current size; Clover Island Boat Club (now Yacht Club) is organized
1954	Metz Marina opens
1962	Coast Guard station built to aid river navigation
1969	Port moves from downtown Kennewick to new offices on Clover Island
1976	Cedars Restaurant opens
1978	Clover Island Motor Inn opens (Present day Clover Island Inn)



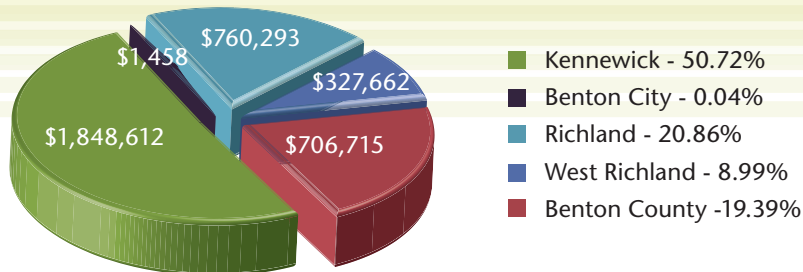
1999 – 2015 Clover Island Redevelopment	
1999	Washington street entrance to Clover Island reconstructed and landscaped
2004	Port acquires Metz Marina
2006	Clover Island Drive project starts and new Port office building completed
2007	Marina renovations completed and Ice Harbor Brewing Company at the Marina opens
2009	The Port installs the first piece of public artwork "Catch the Wind" and new Yacht Club building dedicated
2010	Clover Island Lighthouse, Plaza, and Gateway completed and the Port installs "Call of the River" and "Family Group" artwork
2011	Completion of the Clover Island Riverwalk
2014	The Port installs "Mother of Reinvention 2" artwork

1985 – 2013 Business Development Buildings (DBs)	
1985	Oak Street DB 1
1988	Oak Street DB 2
1989	Vista Field DB 1
1997	Vista Field DB 2
2002	Oak Street DB 3
2004	Oak Street DB 4
2007	Oak Street DB 5
2013	Oak Street DB 1 and 2 renovated

Columbia Drive Redevelopment occurs (2007 – 2015)	
2007	Port purchases Willows Trailer Park
2009	Port begins conceptual planning and public input process for Columbia Drive redevelopment and begins clearing the trailer park
2013	Port and City of Kennewick create partnership to develop wine village and trail
2013/2014	Port demolishes buildings to begin creation of wine village
2015	Construction begins on urban wine village

2015 Port of Kennewick Property Tax

Revenues Received by Jurisdiction



Another Clean Audit

Port of Kennewick received a clean audit opinion from Clifton Larsen Allen regarding the 2013 Annual Financial Report. This marks 19 consecutive years the port has been determined to have clean financial statements. A clean audit assures taxpayers the port's financial statements are free from material errors and completed as prescribed by the Governmental Accounting Standards Board.

Boat Launch to Close for Repairs

As of Tuesday, July 28, 2015 the Clover Island Boat Launch will temporarily close for repairs so Port of Kennewick can rebuild the 50-year-old, in-water ramps. The launch/ramp/parking area will remain closed through November 2015. The port appreciates the public's patience with this process, and are hopeful a short-term inconvenience will be outweighed by the gain of new ramps, improved parking and a much-needed public restroom at the site.

Movable, Whimsical Artwork

Public art is an essential element of the Port's urban renewal efforts. Late last year, the "Mother of Reinvention 2" by artist Ivan McLean was installed at Clover Island. That steel structure is interactive—pushing on the artwork will move it around a center pivot to engage different vistas within the small open window. Also, a large anchor, chain and bollards were installed; honoring Clover Island's ship building history and offering a whimsical re-use of industrial elements.

Urban Growth Area Expands

Port Seeks West Richland Property Annexation

The port supported City of West Richland's efforts to expand their Urban Growth Area (UGA) boundary to accommodate industrial development on 92-acres of port-owned land. The property is located off Highway 224 and Keene Road and includes the former Tri-City Raceway site. The UGA expansion was finalized last December, and the port requested city annexation to allow extension of city utilities. The port and city are master planning the property and envision an industrial hub to support the nearby Red Mountain wine region.

Land Swap Protects Public Access

In order to preserve options for long-term, future connectivity as envisioned in the community's plan for Vista Field redevelopment, the port commission agreed to a land swap with Lionell Singleton. Singleton planned to build a 35,000 square-foot-building and outdoor fields for a Fit for Fun-Plex adjacent to Vista Field. Instead, Singleton will give the Port 4.2-acres next to the Ben Franklin Transit Center on Okanogan Place and \$350,000, and Singleton will receive approximately 10 acres at Deschutes Avenue and Quay Street. The community plan for redeveloping Vista Field calls for improvements that eventually make it easier to move into, through, and around the redevelopment site from the busy Columbia Center Boulevard and Canal Drive intersection. This arrangement not only provides a larger, more flexible site for the business owner; it preserves access as envisioned by the community, and helps ensure that economic vitality from redevelopment will spread through the larger neighborhood.



Port of Kennewick

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