

Parcel Size: 460 acres

Existing Zoning: City of Pasco zoning classification for this land is Industrial-1. The Port would likely move to have the property rezoned to Industrial-2 which would allow for a more diverse level of manufacturing practices.

Requested Grant Amount: \$400,000

Time for Completion: 06/30/2023

Site Readiness: This land is part of the Tri-Cities Airport-PSC and lies within the exterior security fence for the airport. The land is immediately adjacent to the runway system, making it uniquely positioned to support manufacturing operations that require direct access to the flight line. The land has been used as irrigated farm ground and is easily converted to the proposed Aerospace Innovation & Manufacturing Center.

The Industrial Site Readiness Grant will provide vital funding for the engineering and design Master plan for the new industrial park. Additionally, grant funds will be utilized to complete all site due diligence which carries a significant expense. The intent is to complete all required site due diligence typically required before a construction project can be initiated.

Preliminary engineering and design of public infrastructure, site concepts, and site due diligence will help expedite the creation of new manufacturing jobs. In fact, this grant will help the Port of Pasco accelerate its goal to successfully attract aerospace manufacturing to Southeastern Washington. Additionally, if significant investment is necessary to prepare the site, the Port of Pasco may utilize the Tax Increment Financing tool to fund construction of public infrastructure to serve the site. (*The Port of Pasco was the first agency to establish a TIF Area for the Darigold project at the Reimann Industrial Center*).

Market Attractiveness: Previous attempts to attract industrial users to the airport site have been hindered by the fact the site is not “Shovel Ready”, lacks existing, modernized structures and utility capacities are unknown. Previously the Port has met with several companies interested in locating at the airport with specific needs for flight line access.

Previous recruitment and attraction efforts include:

1. Project Stamper – 1,200 jobs. \$350 to \$400 million capex. Aircraft manufacturing.
2. Project Juicebox – 80 jobs. \$600 million capex. Sustainable Aviation Fuels.
3. United Parcel Service – 140 jobs. \$25 million capex. Distribution and logistics.
4. Army National Guard air operations – Military and civilian personnel (quantity unknown). \$15 million capex.
5. International Aerospace Coatings - 20-30 jobs. \$5 million capex. Aircraft painting and refurbishing.

The Tri-Cities Airport-PSC offers a highly viable location for the creation of an Aerospace Innovation & Manufacturing Center. Aerospace has a major footprint in the State of Washington and can become an area of growth and expansion here that the Tri-Cities Airport-PSC will successfully serve and support.

This site features direct runway access and is one of the state's busiest airports in terms of commercial and business passenger traffic.

The facility is well suited for civilian and defense-oriented aerospace and future space-oriented projects that require room for R&D, manufacturing and assembly and flight testing. The location is centrally located in the Pacific Northwest, making it ideal for aerospace supply chain projects such as component companies that manufacture specific items for Tier #1 aerospace companies such as Boeing.

Franklin County is the fastest growing population region in the State of Washington. With a growing workforce in a minority majority community, aerospace careers will bring new opportunities for lifelong, high-skilled careers.

Regional Impact:

1. Successful Economic Development that is sustainable, environmentally conscious, and committed to improving the lives of the county's marginalized communities.
2. Aerospace companies will take advantage of the region's robust intermodal transportation infrastructure that include highway, class #1 main line rail, and river mobility via barge.
3. Reduce poverty in Franklin County via job creation and private investment. With a population of 99,500 in the county (79,500 of those in the City of Pasco), poverty is extremely high – Pasco (16%) and Franklin County (12.4%). Pasco poverty level is almost twice as high as the Washington State Average (9.8%).
4. Create new career opportunities for minorities residing in Franklin County. These new jobs will provide an economic ladder from seasonal farmworker roles to fulltime, year-round manufacturing careers. Franklin County is classified as a minority majority county with a 53.6% Hispanic or Latino population. The City of Pasco has a 55% Hispanic or Latino population. The total minority population within Franklin County is 60.9%.
5. Attract employers from a high growth industry sector that provide high quality benefit packages, including medical, dental and vision coverage and retirement programs. These same employers provide on-the-job training and regularly practice upskilling of entry level employees.
6. Increase annual property tax revenue for local schools, local government, and junior taxing districts.

Community Commitment and Matching Funds:

1. The Port of Pasco will provide a 20% match for this grant. An \$80,000 local match will support the \$400,000 grant.
2. The Port of Pasco is also pursuing a \$50,000 planning grant from CERB to complete an Economic Development Industry Sector Recruitment Analysis.
3. Tax Increment Financing serves as an excellent funding mechanism for future construction of public infrastructure to serve specific private investment projects that meet the Port's economic development mission.
4. \$5,000 annually invested in TRIDEC for Aerospace Industry Sector Lead Generation. This commenced with the Port's 2022 agreement with TRIDEC.
5. Previously the Port has not received any funds to support the creation of an Aerospace Innovation & Manufacturing Center

Property Accessibility and Infrastructure Readiness: Utilities and infrastructure to serve the Aerospace Innovation & Manufacturing Center are located at, or near the Tri Cities Airport PSC facility and the proposed development site. The engineering master plan will be critical to determining available utility capacities and what future upgrades will be required. The analysis will be critical to determine how best to secure additional power and water supplies if needed.

1. Municipal Water: Surrounds the exterior perimeter of the Tri-Cities Airport.
2. Municipal Sanitary Sewer: Currently lies on the South, East, and West perimeters of the airport. Additional sanitary sewer infrastructure is planned along the northern boundary of the airport.
3. Franklin PUD Electricity: General power supply is available in several locations on the airport grounds. Future power supply will need to be determined.
4. Cascade Natural Gas: Gas line infrastructure exists along the South, East, and West perimeters of the airport.
5. Williams Pipeline: A major natural gas transmission line is located just north of the airport.
6. BNSF Rail: BNSF maintains a large rail yard adjacent to the airport. The rail yard is connected to a Class #1 Main Line.
7. Interstate: Interstate 182 runs parallel to the southern border of the airport, about a quarter mile from the entrance to the airport. Interstate 182 directly connect with U.S. 395 about two miles to the East. U.S. 395 runs North and South and intersects with Interstate 90 and Interstate 82.
8. River Access: The Port of Pasco maintains a marine terminal with barge service at Big Pasco Industrial Center. The facility is actively being used and can be expanded to meet future needs.
9. Air service: The Tri-Cities Airport-PSC features direct connections to 11 destinations including Seattle, San Francisco, Burbank, Salt Lake City, Denver, Minneapolis, Reno, Las Vegas, and Phoenix-Mesa. Annual passenger enplanements in 2019 exceeded 420,000. Post COVID, passenger traffic has rebounded to near 2019 volumes.

Proposed Use of Funds:

Activity #1

Type of Activity: Engineering Master Plan study.

How will this increase site readiness for business recruitment? The study will accomplish preliminary engineering and design that will create a "shovel ready" site plan for the Aerospace Innovation & Manufacturing Center. This will include Lot locations, preliminary grading plan, road and utility placements, and engineer's estimate of costs associated with the construction of the necessary infrastructure. The Master Plan will also address all per-permitting and permitting that will be required to achieve "shovel ready" status.

Cost range/Estimate: \$250,000. In 2021 the Port of Pasco completed a similar master plan for the Reimann Industrial Center that cost approximately \$300,000 the additional expense was due to substantial wastewater analysis.

Timeline: Complete June 30, 2023.

Activity #2

Type of Activity: Comprehensive Site Due Diligence

How will this increase site readiness for business recruitment? This activity will include NEPA and/or SEPA as required by FAA and the State of Washington, Traffic Impact Analysis, Topographical survey, Geotechnical borings and analysis, Cultural and Archaeological Analysis, FAA Air Space Analysis, and any necessary rezoning from the City of Pasco's Industrial-1 to Industrial-2.

Cost range/Estimate: \$230,000.

Timeline: Complete June 30, 2023.

Community Support: The Port of Pasco's desire to establish an Aerospace Innovation & Manufacturing Center is supported by the region as evidenced by Letters of Support from TRIDEC, Franklin County, City of Pasco, and Franklin PUD. The letters are attached.

Additionally, beginning in 2022, TRIDEC's annual agreement with the Port of Pasco includes lead generation.

Historically, the Port of Pasco works with all local and state agencies, public education and local utility companies to plan and implement development of its industrial parks. That will continue to be true with this aerospace effort.

Optional: Additional steps and future costs are currently unknown. This grant will provide critical data that will help the Port determine what costs are necessary to ensure the Aerospace Innovation & Manufacturing Center is "shovel ready" in a timely manner. The Port will share that information with the Dept. of Commerce as it becomes available.