

RESOLUTION NO. 1523

A RESOLUTION PROMOTING ECONOMIC DEVELOPMENT THROUGH MIXED USE DEVELOPMENT AT OSPREY POINTE AND THE MARINE TERMINAL

WHEREAS, the Port of Pasco owns property adjacent to the Columbia River commonly referred to as Osprey Pointe and the Marine Terminal, hereinafter 'Waterfront Properties'; and

WHEREAS, the primary purpose of the Port of Pasco is economic development; and

WHEREAS, the Port Commission seeks to put the Waterfront Properties to their highest and best use in promoting economic development; and

WHEREAS, the term mixed use refers to developing property with a mix of uses to include office, retail, commercial and residential uses; and

WHEREAS, the next generation of workforce seeks an environment that allows for residential, business and retail all within walking distance. This is often referred to as live, work, play. This environment is more common in urban areas but can be replicated in smaller communities through mixed-use development. Mixed use development of the Waterfront Properties will lead to talent (workforce) attraction and retention promoting economic development; and

WHEREAS, the Waterfront Properties are located within a federally designated Opportunity Zone, which are designed to spur economic development by providing tax benefits to investors in real estate within the zone. A mixed use development meets the requirements of an opportunity zone investment, promoting private sector investment into the Waterfront Properties and promoting economic development; and

WHEREAS, single use job centers, such as office and business parks, and single use commercial areas, such as malls are losing favor with tenants and developers. Successful commercial development requires a mixed-use development, where customers are located within walking distance. A mixed-use development of the Waterfront Properties will create a job center promoting economic development; and

WHEREAS, citizen surveys conducted by Somos Pasco, the Pasco region's economic visioning effort, and My-Tri 2030, the regional economic visioning effort, noted strong support for an engaged waterfront. Citizens wanted opportunities to dine, shop, work and live on the waterfront while maintaining public access. A mixed-use development of the Waterfront Properties is consistent with both of these economic development strategic initiatives promoting economic development; and

WHEREAS, while there has been significant economic growth in the Tri-Cities, there has been little in the area referred to as east Pasco. The Waterfront Properties are in east Pasco and a mixed-use development will encourage private sector investment and job growth in this area.

NOW THEREFORE, BE IT RESOLVED THAT the Port of Pasco Commission will seek to develop the Waterfront Properties with a mix of uses to promote economic development; and,

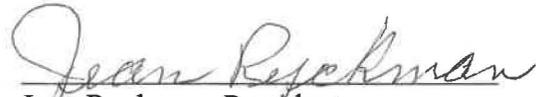
BE IT FURTHER RESOLVED THAT the Commission considers residential development to be a key component of a mixed-use development that will successfully promote economic development; and

BE IT FURTHER RESOLVED THAT the Commission directs Port staff to identify and negotiate with private developers seeking to perform mixed use development, and to bring these potential projects to Commission for review; and

BE IT FURTHER RESOLVED THAT the Commission and Port staff will seek to balance development of the Waterfront Properties so that no particular use is predominant on the site and that commercial development will precede or be concurrent with residential development.

ADOPTED this 11th day of December, 2019.

PORT OF PASCO COMMISSION


Jean Ryckman, President


Jim Klindworth, Vice-President


Vicki Gordon, Secretary

Lease Term Guidelines

In these guidelines, the term of the lease refers to the initial period of the lease as well as any lessee's unilateral renewals. Investments that involve structures that include extension of utilities to include power, water and sewer would qualify for a minimum term of twenty years. Land leases where the improvements are temporary in nature (fencing, landscaping, etc.) or involve simple structures with no services would not qualify for the minimum. On the other end of the spectrum the maximum lease term is limited by RCW to 75 years on airport property and 80 years on port property. Investment intensity is a measure comparing the size of the area leased versus the dollars invested, which would be expressed in a ratio of investment over area, such as \$100,000/acre.

Investment Intensity	Lease Term	Example Type of Development
Less than \$500,000/acre	No Minimum	Lay down area, covered storage area
Less than \$500,000/acre w/structure	20 years	Shop building w/ utilities, staging area
\$500,000 to \$1,000,000/acre w/reinvestment at year 20	30 years	Shop/office/yard
\$1,000,000 to \$2,000,000/acre w/reinvestment at year 20	40 years	Retail shop with warehouse
\$2,000,000 to \$3,000,000/acre w/reinvestment at year 20 & 40	50 years	Strip mall development
\$3,000,000 to \$4,000,000/acre w/reinvestment at year 20 & 40	60 years	Small box retail
\$4,000,000 to \$5,000,000/acre w/reinvestment at year 20, 40 & 60	70 years	Office complex w/ courtyard
Over \$5,000,000/acre w/reinvestment at year 20, 40 & 60	Maximum	Hotel