

RESOLUTION NO. 1668

A RESOLUTION setting forth Port policy regarding the rental lease rates and related policies of the Port of Pasco

WHEREAS, the Port owns commercial and industrial properties and from time-to-time leases said property to individuals and companies; and

WHEREAS the Port is authorized by statute to lease all lands owned or controlled by it for such purposes and upon such terms as the Port Commission deems proper; and

WHEREAS, the Port chooses to maintain a listing of ordinary and usual rental lease rates; and

WHEREAS, Port wishes to establish certain policies related to the leasing of its commercial and industrial properties to act as a guideline to help establish lease rates and security requirements;

NOW, THEREFORE, BE IT HEREBY RESOLVED, that the Port revises the following policy regarding the leasing of Port owned property and rental rates for lease thereof:

Section 1.-Rental Lease Rates: The Port of Pasco hereby establishes a schedule of rental lease rates as outlined in Exhibit "A", Exhibit "C" and rental policies as outlined in Exhibit "B" relating to leasing its commercial and industrial properties and related accessory facilities. This schedule of rental lease rates may be reduced, increased, and modified on a case-by-case basis at the Port's discretion, consistent with the Port's purpose of promoting economic development within the Port District and taking into consideration vacancy rates and condition of premises. The Executive Director may reduce or otherwise modify the rental lease rates per the Commission approved incentive policies included in Exhibit "B".

Section 2. -Consumer Price Index Adjustment: January 1 of each year, without further action by the Port Commission, the lease rates set forth in Exhibits "A" and "C" may be increased as outlined below:

At the beginning of each calendar year, the Rental lease rate may be increased in an amount equal to the product of the Rent times a number equal to the percentage increase in the CPI over a 12-month period, calculated by using the most recently published CPI and the CPI published 12 months earlier. The CPI used shall be based on the data Index of the Bureau of Labor Statistics of the United States Department of Labor for All items in West - Size Class B/C, all urban consumers, not seasonally adjusted.

SECTION 3. - Market Rate Adjustments: At least once every five years, without further action by the Port Commission, the Port staff shall ascertain by appraisal, market analysis or other means the fair rental value of the Port's properties and may modify the rates set forth in Exhibit A. Market survey results will be shared with Port Commission.

SECTION 4. - Utility and Other Charges: Without further action by the Port Commission, the Port shall increase its charges for utility services and similar charges to tenants by the amount of any increased cost to the Port for such items.

SECTION 5. - Tariffs: From time to time, without further action by the Port Commission, the Port Executive Director may increase, decrease, or otherwise adjust, or approve the increase, decrease or adjustment of, the tariff schedule to bring it into conformance with market conditions, or adjust the rates for inflation based on the Consumer Price Index.

SECTION 6. -Effective Date: The effective date of these policies shall be January 1, 2026.

Resolution No. 1623 is hereby rescinded.

PORT OF PASCO COMMISSION


Jean Ryckman, President


Hans J. Engelke, Vice President


Vicki Gordon, Secretary

EXHIBIT "A"
RENTAL LEASE RATES
EFFECTIVE JANUARY 1, 2026

Rates Do Not Include 12.84% Washington State Leasehold Excise Tax.

BIG PASCO INDUSTRIAL AREA – WAREHOUSE LEASE RATES

Building ID	Building Address	Leasable Sq Ft	Per Sq Ft.
W1B1	1805 E Ainsworth	43,200	\$0.3452
W1B2	1901 E Ainsworth	43,200	\$0.0526
W1B3	1941/1951 E Ainsworth	43,200	\$0.2895
W1B4	2021 E Ainsworth	43,200	\$0.3340
W2B1	2105 E Ainsworth	43,200	\$0.3452
W2B2	2201 E Ainsworth	43,200	\$0.2895
W2B3	2241 E Ainsworth	43,200	\$0.2895
W2B4	2321 E Ainsworth	43,200	\$0.3340
W3B1	2405 E Ainsworth	43,200	\$0.3340
W3B2	2505 E Ainsworth	43,200	\$0.2895
W3B3	2541 E Ainsworth	43,200	\$0.3230
W3B4	2699 E Ainsworth	43,200	\$0.3230
W4B1	2805 E Ainsworth	43,200	\$0.3230
W4B2	2825 E Ainsworth	43,200	\$0.3007
W4B3	2841 E Ainsworth	43,200	\$0.0526
W4B4	2999 E Ainsworth	43,200	\$0.3708
W5B1	3005 E Ainsworth	43,200	\$0.3708
W5B2	3105 E Ainsworth	43,200	\$0.3381
W5B3	3205 E Ainsworth	43,200	\$0.3118
W5B4	3295 E Ainsworth	43,200	\$0.3452
W6B1	3305 E Ainsworth	43,200	\$0.3230
W6B2	3405 E Ainsworth	43,200	\$0.2785
W6B3	3455 E Ainsworth	43,200	\$0.0526
W6B4	3599 E Ainsworth	43,200	\$0.3340
W7B1	1810 E Ainsworth	43,200	\$0.3340
W7B2	1902 E Ainsworth	43,200	\$0.2895
W7B3	1940 E Ainsworth	43,200	\$0.2895
W7B4	2020 E Ainsworth	43,200	\$0.3230
W8B1	2110 E Ainsworth	43,200	\$0.4121
W8B2	2202 E Ainsworth	43,200	\$0.2895
W8B3	2240 E Ainsworth	43,200	\$0.2895
W8B4	2320 E Ainsworth	43,200	\$0.3340

APPLICABLE DISCOUNTS*:

4% for 2 yr term lease 5% for 3 yr term lease 6% for 4 yr term lease 7% for 5 yr term lease
5% for leasing 4 or more bays 10% for leasing 8 or more bays

*Discounts also apply with the above term leases to warehouse slabs that are not enclosed warehouse bays.

**This price includes a 15% partial bay surcharge, as this is a "shared" bay.

BIG PASCO INDUSTRIAL AREA - BUILDING LEASE RATES

NOTE: Rates do not include Washington State Leasehold Excise Tax at 12.84%

Building ID	Building Address	Leasable Sq Ft	Per Sq Ft.
T-106	1740 E Ainsworth	3,100	\$0.4231
T107+T107A	1715 E Ainsworth	8,440	\$0.4231
T-131	2151 E Dock St	25,000	\$0.3938
T1-79	2440/2490 E Ainsworth	36,000	\$0.4231
T208	1699 E Ainsworth	5,129	\$0.4231
T208A	1799 E Ainsworth	4,480	\$0.4231
T2-75	2630-2690 E Ainsworth	10,920	\$0.4677
T2-80	1830 SE Rd 18	6,732	\$0.4231
300	1952 Dock Street	1,587	\$0.4231
T3-80	2030 E Crane	1,848	\$0.2785
T3-80	2090 E Crane St	5,000	\$0.2785
T6-75	2550-2590 E Ainsworth	10,920	\$0.4677
900	3305 E Commerce St	23,925	\$0.5345
2230	Paint & Sandblast Booth		\$0.1671
T1-2010	2926 E Ainsworth	22,535	\$1.1135

WHARF BUILDING LEASE RATES

Building ID	Building Address	Leasable Sq Ft	Per Sq Ft.
303	619 W River	3,000	\$0.2227
304	669 W River	2,100	\$0.2227
305	719 W River	5,000	\$0.2227
720	720 W River	1,605	\$0.3669
307	812 W Washington	2,500	\$0.4009
301	900 W River	4,750	\$0.3605
306	1322 S 8th	900	\$0.5209

LAND RENT SCHEDULE – BIG PASCO & WHARF

NOTE: Rates do not include Washington State Leasehold Excise Tax at 12.84%

LAND RATES:	2026 monthly	2026/YR
Less than 1 acre:		
Unimproved Land	\$1,131.33	\$13,575.95
Semi Improved Land	\$1,192.57	\$14,310.87
Paved	\$1,253.82	\$15,045.79
1.0 to 5.0 acres:		
Unimproved Land	\$848.50	\$10,181.96
Semi Improved Land	\$935.35	\$11,224.21
Paved	\$1,002.16	\$12,025.94
More than 5.0 acres:	Negotiable	

EXHIBIT "B"

LEASING POLICIES FOR PORT LEASES

LEASE SECURITY POLICY FOR PORT LEASES

Lease security amounts will be three (3) month's rent, except for T-hangars and license agreements, which shall be two (2) month's rent. The security amount required shall be determined to be the rent, plus leasehold tax, plus utility charges plus any standby fees that may be applicable.

The type of security instrument will be a lease bond, money market account, certificate of deposit, savings account or cash deposit. Other types of security instrument, e.g. irrevocable letter of credit, etc. are subject to approval of the Port Commission.

All leases shall have a signed Principal as Co-Obligor (personal guarantee) when necessary. If a company chooses not to sign a personal guarantee, the security deposit shall be doubled. Publicly traded companies shall be exempt from signing a personal guarantee.

*At the February 10th, 2022, meeting, Port Commissioners approved the following modification to this Exhibit B:

Big Pasco Industrial Center tenants who lease 8 or more bays, have 10 or more years of leasing history in good standing at the Port, and at the discretion of the Commissioners, may have the security deposit amount reduced to two-months' rent, rather than the standard four-month security deposit.

This conforms to R.C.W. 53.08.085.

PARTIAL BAY RENTAL POLICY FOR BPIC WAREHOUSES 1- 8

Space available only on month-to-month basis. Either party may terminate on 20-day notice.

- Minimum size rental is 1/6 Bay - 7,200 square feet
- Rental rate based on published rent plus:
 - 25% if less than 1/2 Bay
 - 10% if 1/2 to 3/4 Bay
 - 5% if 3/4 Bay to Full Bay

Leased area shall be delineated in lease agreement and also in building.

W3B3 is a "shared" bay and is exempt from the surcharge as it is already incorporated into the published rate per square foot.

NOTE: Existing warehouse tenants are exempt from minimum size rental until such time as they enter into a new lease.

WAREHOUSE INCENTIVES POLICY FOR WAREHOUSES 1- 8 AT BIG PASCO

The following incentives may be applied to warehouse leases. When warehouse demand increases and occupancy of warehouses reaches 80% or more, these incentives may be suspended by the Executive Director until such time as they are needed again.

Ramped Rent:

For "start-up companies" leasing a full warehouse bay, rents may be ramped up each month starting no lower than 50% of published rate for the first month and increasing over the term of the lease to reach the full published rate on or before the 13th month of the lease.

Free Rent for New Tenants:

One-month free rent for each full bay for a two-year lease or longer to new tenants which are defined as tenants that have not had a lease with the Port of Pasco within the previous three years. Tenants are required to pay Washington State Leasehold Tax on the one-month free rent.

Tenant Improvement Allowance:

A tenant improvement allowance of \$0.75/sf is available for generic improvements preapproved by the Port for each full bay rented with a three-year lease or longer.
(Example Calculation: 43,200 sf x \$.75 = \$32,400 tenant allowance)

EXHIBIT "C"

RENTAL LEASE RATES – TRI-CITIES AIRPORT PROPERTIES

NOTE: Rates do not include Washington State Leasehold Excise Tax at 12.84%

TRI-CITIES AIRPORT INDUSTRIAL PARK BUILDING LEASE RATES

Building ID	Building Address	Leasable Sq Ft	Per Sq Ft.
35A	639 Fairchild	12,134	\$0.2227
35	3906 Stinson	5,400	\$0.2227
40	641 Fairchild	7,440	\$0.2227
57	502 Boeing St.	6,480	\$0.3898
58	3418 Swallow	7,000	\$0.2449
59	3416 Swallow	2,500	\$0.2227
60A	3414 Swallow	1,000	\$0.2227
61	3410 Swallow	9,000	\$0.2227
63	3405 Stearman	2,560	\$0.2227
68B	3508 Stearman	3,575	\$0.2673
68A	3510 Stearman	6,000	\$0.2227
85	3408 Swallow	15,000	\$0.4120
89	3606 Swallow	7,000	\$0.3118
92	3704 Swallow	4,896	\$0.2227
102	3404 Swallow	21,600	\$0.3340
107	606 Boeing St.	16,000	\$0.2227
116	3605 Stearman	2,948	\$0.3118
140	3406 Stearman	3,000	\$0.4120
141	3409 Stearman	2,352	\$0.5680
1-86	3416 Stearman	4,850	\$0.9164
1-91	3411 Stearman	5,000	\$0.3564
201	3406 Swallow	7,000	\$0.3230
2-74	3502 Stearman	1,200	\$0.00
2-87	4405 Stearman	23,625	\$0.3118

TRI-CITIES AIRPORT AIRFIELD BUILDING LEASE RATES

NOTE: Rates do not include Washington State Leasehold Excise Tax at 12.84%

Building ID	Building Address	Leasable Sq Ft	Per Sq Ft.	Comments
70	3704 Stearman	7,000	\$0.3097	Fbo/office
71B	3804 Stearman	11,945	\$0.2000	hangar, office, storage
71A	3806 Stearman	4,000	\$0.1388	hangar space
142A	3906 Stearman	30,000	\$0.0962	hangar space
72A	4020 Stearman	6,000	\$0.1021	hangar space
72B	4020 Stearman	8,104	\$0.1790	hangar, office space
72C	4020 Stearman	5,975	\$0.1465	tower, office
2-01*	4102 Stearman	20,000	\$0.3097	FBO premises
1-76 small	4326 Stearman	1,200	\$0.2209	T-hangar small
1-76 large	4326 Stearman	1,900	\$0.2286	T-hangar large
1-69 small	4328 Stearman	1,200	\$0.2209	T-hangar small

TRI-CITIES AIRPORT LAND RENT SCHEDULE

NOTE: Rates do not include Washington State Leasehold Excise Tax at 12.84%

Tri-Cities Airport Aviation Land Rates

	Per ac/mo	Per sf/yr
0 to .5 acre	\$1,498.52	\$0.4128
.5 to 1.0 acre	\$1,261.91	\$0.3476
1.0 to 2.0 acres	\$1,025.30	\$0.2825
More than 2.0 acres	Negotiable	

Tri-Cities Airport Industrial Park

	Per ac/mo	Per sf/yr
Unimproved Land	\$848.50	\$0.2337
Semi Improved Land	\$935.35	\$0.2577
Paved	\$1,002.16	\$0.2761

Tri-Cities Airport Commercial Business Park Land

Land – per square foot/year	
Interior:	\$0.42
Retail:	\$0.66