

Port of Olympia

Comprehensive Scheme of Harbor Improvements

Commission Approval Date: May 22, 2017

Section 1: Introduction

The Port of Olympia's mission is to create economic opportunities by connecting Thurston County to the world by air, land and sea. The Port of Olympia has a proud history in Thurston County. It serves the community in a wide variety of ways, leading the way for many of the area's economic development efforts.

From the commercial center at New Market Industrial Campus and the diversified specialty Marine Terminal, to the vibrant Swantown Marina and Boatworks and the strategically located Olympia Regional Airport, the Port of Olympia is committed to fostering economic growth of the South Puget Sound region and serving the needs of both local and global customers.

The Port promotes economic development in Thurston County through its business operations and economic development tools, such as its four-county foreign trade zone. Land and infrastructure improvements are provided to encourage business development, our partnership with the City of Olympia through the Olympia Farmer's Market fosters tourism in the region, and some areas, like the Port Plaza are earmarked for recreation and public access.

Port of Olympia Planning

The Port of Olympia has developed and improved facilities based on the extensive long-range planning conducted in 1994-95 labeled as the Port's Comprehensive Plan. Comprehensive Plans are required of cities and counties which fall under the State of Washington's Growth Management Act (GMA) codified as RCW 36.70A. Ports, on the other hand, do not exercise land use authority as do cities and counties under GMA. Instead, Ports are subject to the planning requirements and the adopted Comprehensive Plans of the cities and counties in which the Ports operate.

Instead of Comprehensive Plans with their GMA connotations, Ports are required to comply with RCW 53.20.010, which requires a Comprehensive Scheme of Harbor Improvements. Under Washington law, the Port's bundle of budget and planning documents including the Comprehensive Plan document satisfies this statutory requirement.

In 2007, the Port updated Chapter 3 of the 1995 Comprehensive Plan entitled "Land Use Planning," and subsequently renamed that part of the document the Port's "Development Guidelines." The Development Guidelines

incorporated a small number of minor changes, primarily name changes. As part of this work, the Port conducted a State Environmental Policy Act (SEPA) review, with the result that the Port issued an Addendum to the original Final Environmental Impact Statement (FEIS) on August 5, 2008. The Port's SEPA responsible Official determined that the 2008 update to the Port's use plans did not substantially change the analysis of impacts in the existing environmental documents for this project (WAC 197-11-706), and that the changes were within the scope and magnitude of impacts detailed in the FEIS and previous addendum.

The Port then undertook the process of reorganizing the Port's planning documents for clarity and for reducing the potential of public confusion brought about by the planning document's title of "Comprehensive Plan." The Port's SEPA Responsible Official determined that this reorganization is categorically exempt pursuant to WAC 197-11-800(14)(h), "All agency organization, reorganization, internal operational planning or coordination of plans or functions."

In 2011, the Port made minor and administrative changes to the Development Guidelines. These changes included district name changes, consolidation of three districts into one and the movement of a boundary line approximately 100 yards. The Port's Responsible Official determined that the 2008 update to the Port's use plans did not substantially change the analysis of the impacts in the existing environmental documents for this project (WAC 197-11-706), and that the changes were within the scope and magnitude of impacts detailed in the FEIS and previous addendum.

The Port of Olympia's current Comprehensive Scheme of Harbor Improvements consists of the following planning documents:

- Comprehensive Scheme of Harbor Improvements. This document includes maps of Port properties, depicting the Port's Use Districts as described in the Port's Development Guidelines, as well as a general description of anticipated future projects.
- Development Guidelines. The Development Guidelines provide detailed information on existing properties and long-range plans for development within the Port's Use Districts. The Port Development Guidelines contain the intended uses, design standards and other information for all properties shown in Figures 1 and 2.

The Port also maintains a Capital Investment Plan (CIP). The CIP is a complement to the Comprehensive Scheme of Harbor Improvements and identifies projects that are ready to proceed on an annual basis. Consistent with RCW 53.20.010, all projects included in the annually updated CIP, must be contemplated in the Comprehensive Scheme of

Harbor Improvements and have undergone the associated environmental review. The Port of Olympia makes all of these documents available on the Port's public website.

In 2016, the Port undertook the process of reorganizing the information contained in the Comprehensive Scheme of Harbor Improvements to enhance clarity and facilitate deeper public understanding of the activities being contemplated by the Port. Concurrent to the reorganization of the Comprehensive Scheme of Harbor Improvements, the Port made minor and administrative changes to the Development Guidelines. These changes were intended to ensure consistency among both primary planning documents in content and in format. As part of this effort, the Port conducted a Final Environmental Impacts Statement (FEIS) in August 2016. The Port's SEPA Responsible Official determined that the updates to the planning documents did not substantially change the analysis of the impacts in the existing environmental documents (WAC 197-11-706), and that the changes were within the scope and magnitude of impacts detailed in the FEIS and previous addendum.

Section 2. Budd Inlet Properties

The Port of Olympia properties in and around Budd Inlet include the properties shown in Figure 1: NorthPoint District, NorthPoint (Tidelands), Swantown Marina, Swantown Boatworks, East Bay District, Market District, Marine Terminal District, West Bay (Tidelands).

NorthPoint is the tip of the Port peninsula with expansive views of Puget Sound's Budd Inlet and the Olympic Mountains. It is currently home to Anthony's Hearthfire Grill and the historic KGY AM-FM radio station. The East Bay trail provides public access to the shoreline. The Port of Olympia and the Washington State Department of Ecology have worked to return this former industrial site back to beneficial use through extensive remediation efforts on the former Cascade Pole site.

Adjacent to the award winning marina, the **Swantown District** offers development opportunities for marine related office, retail and services to support the boating industry. The vision for the district is a cluster of marine related activities highlighted by the Port's Swantown Marina and Boatworks operations. Development opportunities include a marine village for multiple marine retail and service providers. The district provides public access to the waterfront with the East Bay Promenade trail and several pocket parks.

Located on downtown Olympia's waterfront, **East Bay** is a redeveloping and revitalizing area that formerly served industrial uses. It is home to the Hands On Children's Museum, the East Bay Public Plaza, and the LOTT Clean Water Alliance and Water Education Center. These developments are a result of a public partnership of the Port of Olympia, City of Olympia, LOTT Clean Water Alliance and Hands On Children's Museum, as well as a close working relationship with the Washington Department of Ecology. The East Bay District totals 13.3 acres, half of which is still available to be developed. East Bay is a pedestrian-friendly center focusing on mixed-use development for office, commercial, retail, residential, hospitality and education. The district vision is to promote economic opportunities, education and environmental stewardship along the waterfront.

In the heart of downtown Olympia, the **Market District** is 17 acres of vibrant development for commercial and retail uses. It is home to the second largest farmers market in Washington State, fine dining, a wholesale coffee roaster, premier office and retail space, and the Port Plaza. The district was created to provide a transition from the Marine Terminal operations to the downtown corridor, and to offer waterfront access to the public. This district is an example of a highly successful investment that has created significant economic opportunity and public pride.

West Bay – The Port of Olympia owns tidelands and a small piece of uplands on West Bay. Opportunities for the West Bay uplands, upon completion of necessary remediation work, will be explored.

The Port of Olympia's 66-acre **Marine Terminal** consists of the following:

- A complete cargo facility focused on breakbulk, bulk and ro-ro goods
- A U.S. Customs bonded warehouse
- Rail service provided by Union Pacific and BNSF with an on-dock rail loop
- Three modern, deepwater berths
- Heavy machinery, conveyor system, a heavy-lift mobile harbor crane, and truck scales

The Port is evaluating potential future Marine Terminal layouts to improve operations, and anticipates updated the Comprehensive Scheme of Harbor Improvements and Development Guidelines for its Budd Inlet properties in order to incorporate changes necessitated by the City of Olympia's recently concluded Comprehensive Plan and Shoreline Master Program update processes. The Port expects to engage with a broad range of stakeholders in the course of the update processes for these plans. The Port also anticipates completing a Supplemental Environmental Impact Statement under SEPA for the Port's Budd Inlet properties for the planning document updates.

Budd Inlet Properties: Projected & Potential Future Projects

The following future projects are under consideration or preliminary planning by the Port:

Market District

The Port is evaluating possibilities for additional parking to meet existing commitments and to enhance future development opportunities. A parking structure would increase parking density in the district and create a potential parking solution for more parking at the Olympia Farmer's Market. It would also support future development in the district.

Swantown District

The Port anticipates that the Marina District will see additional buildings in the planning and preliminary engineering phases with construction to begin within the next 5 years. South Marine Maintenance dredge planning is underway.

Marine Terminal District

The Port anticipates evaluating potential future Marine Terminal layouts to improve operations, as noted above. In conjunction with this evaluation and associated planning and SEPA processes described above, the Port is considering a potential new maintenance facility. In addition, the Port has a long-planned project to replace the aged and degraded structures used for on-going terminal maintenance activities of the Port. These structures, located at the north end of the enclosed marine terminal, have long outlived their useful life spans and are in need of

replacement. This project will develop a replacement maintenance facility, supporting the Marine Terminal. The facility is expected to be between 10,000 and 20,000 square feet and includes offices, maintenance shops and maintenance bays large enough to handle marine terminal equipment. Both projects are expected to be incorporated in the Marine Terminal layout and planning process.

NorthPoint Development

NorthPoint continued redevelopment would expand the renewal of the NorthPoint District begun in 2006 with the construction of Anthony's Hearthfire Restaurant. Potential redevelopment includes a shoreline walking path and open areas, as well as other potential structures and uses. Recruitment of additional development at NorthPoint will require either a City of Olympia approved sewer lift station and infrastructure, alternatively, the Port can consider having each individual project install its own lift station.

Upon completion of the final remediation of Port owned uplands on West Bay, the Port will explore opportunities to partner with the City of Olympia to expand West Bay Park (the park is formerly Port owned and is adjacent to the site the Port still owns). If the potential for park expansion is not possible, the Port will explore opportunities for future development of the site given its prime waterfront location.

Figure 1. Budd Inlet/Olympia Properties



Section 3: Airport and New Market Industrial Campus Properties

Olympia Regional Airport is designated as a General Aviation (GA) facility by the Federal Aviation Administration (FAA) National Plan of Integrated Airport Systems (NPIAS). It represents a significant regional economic asset and supports numerous aviation-related businesses and facilities. The airport offers aircraft service and maintenance, flight instruction, hangars and tie down space for aircraft storage, state and corporate aviation facilities, and land and buildings available for lease for aviation related use. There are currently no airlines providing scheduled passenger service into Olympia.

The Port completed an Airport Master Plan Update in 2013. The FAA conditionally approved the Airport Layout Plan in May 2014. The Port Commission adopted the Airport Master Plan Update in August 2016.

The Port of Olympia properties in Tumwater, Washington, include the properties as shown in Figure 2. They are zoned Airport Related Industry Zone (ARI) under Tumwater Municipal Code, Chapter 18.34. The Airport Master Plan Update and future projects identified in the document are included and incorporated in this Comprehensive Scheme of Harbor Improvements by reference.

Olympia Regional Airport: Potential Future Projects

Based on the adopted Airport Master Plan Update, the following future projects are under consideration or preliminary planning by the Port:

General Aviation

A. General Aviation/Corporate Aviation (GA)

The General Aviation/Corporate Aviation areas of the Airport are intended to be used for facilities necessary to accommodate aircraft direct access to the taxiways and the runways. These facilities include service facilities and hangars for storage and servicing of aircraft. The Port forecasts that additional hangars for general aviation and corporate aircraft will be needed to continue the modest growth of the Airport over the immediate future. The Port would consider either building or leasing land to developers or corporate entities to build such facilities at the Regional Airport.

B. Aviation Related Industrial (Aviation & Non-Aviation)

Aviation Related Industrial (ARI) facilities include manufacturing, maintenance and support facilities that require access to taxiways and runways as well as those facilities that can function without direct access to airside operations. The Port forecasts increased demand for such facilities and would develop such facilities or lease the land to developers, or private or corporate parties to develop as demand occurs.

C. Commercial Air Service

Scheduled or unscheduled Commercial Air Service remains an opportunity. The Airport Master Plan indicates approximately 45-ares of future development area supporting Commercial Air Service.

D. Other Airport Facilities

Rehabilitation and Infrastructure Development

Currently, the Airport is developing and rehabilitating a number of facilities, including:

- i. Taxiway, taxi-lane and roadway rehabilitations as part of the Airport Pavement Management Plan.
- ii. Rehabilitation of facilities such as hangar building sidings, roofs, gutters and aprons to increase building/facility life and ensure future revenue streams.
- iii. Rehabilitation and maintenance of roads and parking areas that serves Airport facilities.
- iv. Purchases of operations and maintenance vehicles and equipment that are used in the routine operation and maintenance of the Airport runways, taxiways, and facilities.
- v. Port Building Sewer connections to City of Tumwater sanitary sewer.
- vi. Land and easement acquisitions and obstruction removals for approach airspace protection.
- vii. Miscellaneous unanticipated maintenance and repairs.
- viii. Development of a Habitat Conservation Plan for all Airport and ARI zoned property and any mitigation measures the HCP may require.

E. Airport related Industry Zone District (ARI) Compatible Development

The Port of Olympia is preparing a Real Estate Development Master Plan to guide future ARI compatible development on Port-owned properties within the New Market Industrial Campus (NMIC) and Tumwater Town Center (TTC) zoned properties adjacent to the Port of Olympia Regional Airport in Tumwater. The plan will guide future planning events such as the formation of Local Improvement Districts, necessary municipal and comprehensive plan updates, infrastructure developments, Planned Action SEPA's, and any other necessary environmental reviews for activities and projects identified. It is anticipated that this planning effort will have its own environmental supporting documents.

New Market Potential Future Projects.

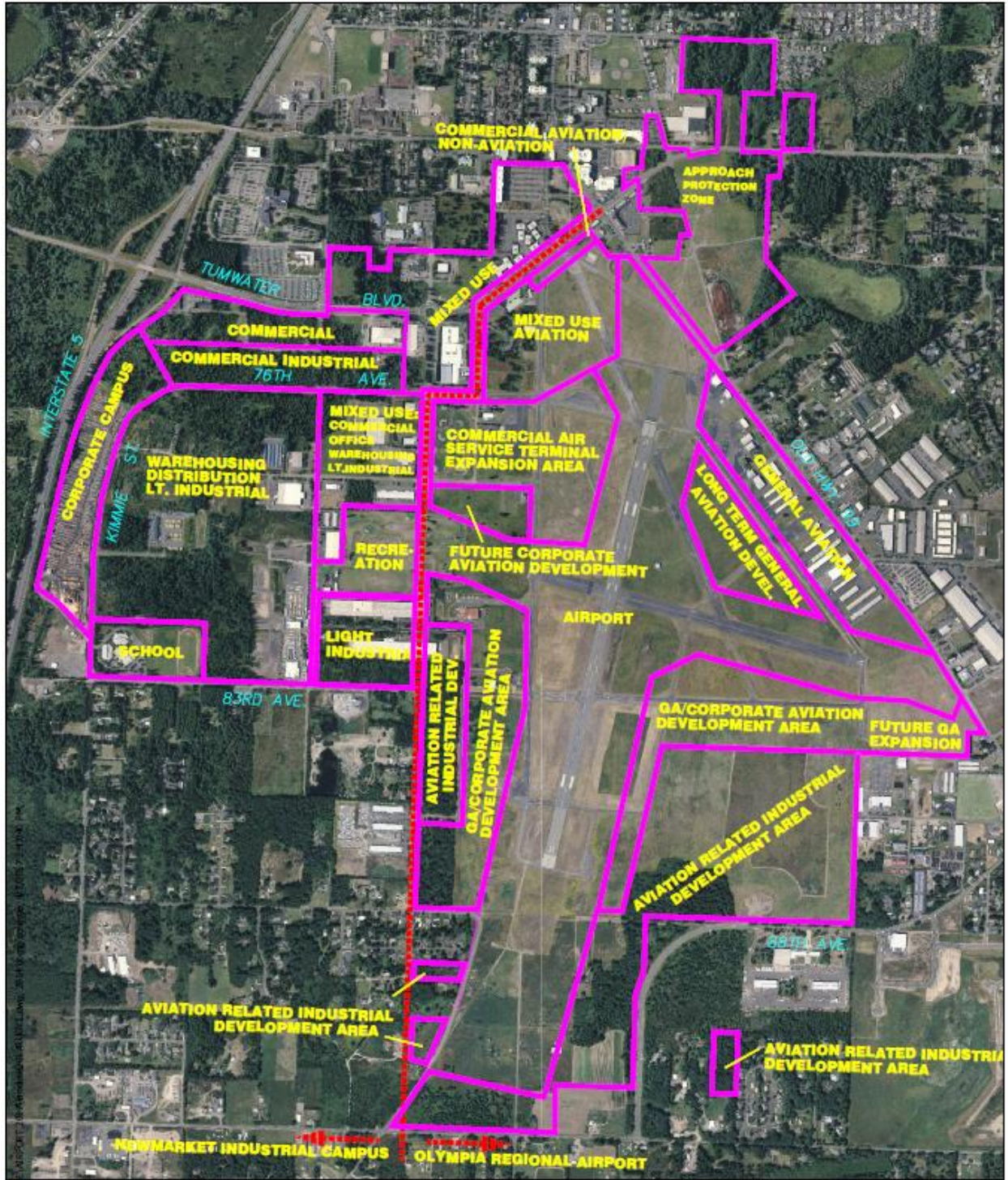
The Port of Olympia is preparing a Real Estate Development Master Plan to guide future marketing and development on Port-owned properties within the New Market Industrial Campus (NMIC) in the vicinity of the Port of Olympia Airport. Upon completion, the Master Plan will guide the Port's future planning and investments for this area.

Tumwater Town Center Future Projects

The Port intends to develop the Tumwater Town Center in a manner that is consistent with Chapter 18.23.010(A) developed by the City of Tumwater. It states:

The intent of the town center mixed use subdistrict is to provide mixed retail, office and residential uses at a level of intensity sufficient to support transit services and to provide a focus for the town center. Mixed use can include: development of a parcel or structure with one or more different land uses, such as a combination of residential, office, retail, public, or entertainment in a single or physically integrated group of structures. A broad mix of land uses are allowed in this sub-district, including retail, personal and professional services, restaurants, entertainment, lodging, community facilities and residential.

Permitted land uses allowed for this area (see Chapter 18.23.020 Uses) include: Adult family homes; residential care facilities; Attached wireless communication facilities; Breweries, wineries, distilleries; Child day care center; child min-day care center; Churches; Community center; Community gardens; Distribution, fabrication, and assembly facilities occurring with building lawfully constructed on Port of Olympia property on or before January 1, 2000; Drive-through uses; Electric vehicle infrastructure; Entertainment facilities; Family child care homes; Farmers markets; General offices; Group foster homes; Medical clinics; Mixed use commercial/residential developments; Motels, hotels; Museum, library, art gallery; Parking structures; Parks and open spaces; Personal/professional services; Planned unit development; Post offices; Private clubs and lodges; Recreation facilities; Restaurants; Retail sales; Schools; Senior housing facilities; State education facilities; and Support facilities.



Section 4: Lacey Properties

On August 8, 2016, the Port Commission authorized entry into a purchase and sale agreement for the potential acquisition of three buildings located in Lacey, Washington located at 2625, 2633 and 2641 Willamette Drive NE (Parcel Numbers: 42040000300, 42040000200, 42040000100) subject to review and appraisal. The structures were built in 2004. The total site acreage is 4.9 acres with Building 1 being 9500 square feet, building 2 being 18350 square feet, and building 3 being 28654 square feet. The buildings are currently used for light industrial and private commercial enterprise.

Lacey Properties: Potential Future Projects

Potential future uses for the Lacey Properties include Economic Development, Workforce Development, and Industrial Business Incubation/Acceleration. The Port does not plan to modify the footprint of the existing buildings, however, customer needs may compel modifications to the interiors of the buildings to ensure the structures meet customer needs. Although these are the potential future uses, should the Port Commission approve the final purchase, the Port plans to retain existing tenants following closing. If existing tenants choose, at some point, to vacate, the Port will pursue new opportunities for the buildings consistent with the future uses previously discussed. Any future improvements or change of use to the existing buildings will comply with City of Lacey municipal code requirements, development standards, and associated SEPA review.

