

Scope of Work

Heartland has been selected to assist the Port of Kingston (“Port”) in analyzing two of its assets in downtown Kingston (the “Sites”). The Sites to be studied are depicted in the map found at the end of this scope of work (“SOW”). This contract is supported by a grant from Community Economic Revitalization Board (“CERB”) awarded to Port of Kingston to support a Feasibility Study aimed at assessing the development of the Sites. As noted in the Port’s CERB grant application, the Sites have the potential to be a source of economic growth, local stability and community development that will lead Kingston towards a bright economic future.

We recognize the Port’s goal for these Sites is to determine how to best position them to have a catalytic effect within the local Kingston economy. Heartland will complete a comprehensive Feasibility Study that produces an implementation strategy on behalf of the Sites as outlined within the following tasks.

TASK 1: Baseline Analysis

Intent: Assemble and study information relating to the Sites through documentation review and stakeholder outreach.

Process: The Port and Heartland will initiate the project with a kick-off meeting to confirm project goals relative to the Port’s overall vision and collect existing documentation and studies on the Sites and downtown Kingston. As a second half of the kick-off meeting Heartland would like to hold a roundtable meeting with key community stakeholders, identified by the Port, to gain different perspectives about past efforts to catalyze downtown Kingston and their ideas about the Sites going forward.

In preparation for the kick-off meeting Heartland will provide the Port with a list requesting documentation pertinent to this analysis. In the event there are gaps in the necessary data provided, Heartland will work with the Port to source the necessary information.

In the period between the kick-off meeting and the completion of this task Heartland will be assessing the collected information and identifying Site specific and broader regulatory opportunities and challenges for developing the Sites. The findings from this task are key to informing Task 2 and Task 3.

Timeline: Task 1 will be initiated the week of August 22 and completed the week of September 29.

Deliverable: Heartland will synthesize the gathered information pertinent to the analysis of the Sites within a Summary Report to be shared with the Port upon completion of Task 1.

TASK 2: Market Assessment and Alternatives Feasibility Analysis

Intent: Assess the market conditions to evaluate the feasibility of a range of potential uses for the Sites that align with the Port’s goals and the market’s likely receptiveness.

Process: Heartland will study the market fundamentals and trends throughout the West Sound

with a probable focus on retail, hospitality, office, and multifamily uses. Heartland will also research key factors that are often considered when these various user types decide to enter into a new market. Specifically, Heartland will evaluate the quantitative and qualitative impact of the following factors (*this list is illustrative and may be amended*) has on the Sites:

- Employment trends;
- Household age and income trends;
- Consumer expenditures;
- Housing price trends;
- Leisure appeal and tourism;
- Commercial rent and vacancy rate trends; and
- Commercial absorption and development activity.

Heartland will also discuss market perceptions and development alternatives with market participants such as area developers and brokers. Based on this assessment, Heartland will, in collaboration with the Port, identify development alternatives. These alternatives will be tested using a financial model informed by the market assessment and information assessed in Task 1. This pro forma analysis will inform the development feasibility and range of likely uses.

A key component of this task will be to participate in a public outreach process. Heartland will lead a public meeting in late October to present findings to date and engage the public in a conversation about the potential future uses of these Sites.

Timeline: Data collection elements of this Task will begin in September and the Task will be completed the week of November 14.

Deliverable: Heartland will develop a list of development alternatives supported by a pro form analysis that will be shared within a Summary Report with the Port upon completion of Task 2.

TASK 3: Market Engagement Strategy

Intent: Develop a marketing strategy to ensure that the opportunities across the Sites are shared with the most qualified market participants in an effective manner.

Process: Heartland will create a marketing strategy that is informed by our work in Tasks 1 and 2. This marketing strategy will be complimented by the Port's own public outreach process and will leverage resources including, but not limited to the Kitsap Economic Development Alliance, the Kingston Chamber of Commerce, and other relevant associations.

Timeline: Task 3 will be initiated around the week of November 14 and completed the week of November 28.

Deliverable: Heartland will present a detailed marketing plan and market outreach list on behalf of the Sites that is both actionable and executable by the Port.

TASK 4: Project Synthesis

Intent: Summarize the work completed in Tasks 1 through 3 and present our findings.

Process: Heartland will synthesize the analysis into a Project Summary report for the Port and final presentation for the Port Commission.

Timeline: Task 4 will be initiated in mid-November and completed the week of December 12.

Deliverable: Final Summary Report and Commission presentation.



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Bannister St NE

NE Main St

NE WEST KINGSTON RD

Illinois Ave NE

Iowa Ave NE

Ohio Ave NE

Washington Blvd NE

NE 1ST ST

HWY 104

Central Ave NE

EDMONDS
KINGSTON
FERRY