



Serving what matters today, with a view for tomorrow.

**PORT OF KINGSTON
SPECIAL MEETING
APRIL 27TH, 2023; 6:30pm
Meeting Minutes**

Greg Englin	Tim Davis	Mike Reed	Karl Compton	Laura Morgan
Laura Gronnvoll	Trish Davis	Randy Robles	Methia Gordon	Patty Larson
Mary McClure	Julie Ann Westwater	Lynn Colton	Rebecca Pirtle	Noelle
Steve Heacock	William Westwater	Nancy Langwith	Rae Holt	Todd Lachel
Audra Trainer	John Pellicciotta	Jerry Kirschner	Dennis Wadley	Glen Hutchinson
Staci Hebert	Greg Anderson	Stan M.	Tania Issa	
Raymond Benoit	Chris Anderson	Jet Glavin	Antoine Issa	

1. Call to Order - Commissioner McClure called the meeting to order at 6:32pm
2. PLEDGE OF ALLEGIANCE
3. APPROVAL OF AGENDA Motion to approve agenda Moved: Commissioner Gronnvoll Second: Commissioner Heacock Vote: Pass 3-0
4. PRESENTATION Executive Director (ED) Greg Englin As a way of introduction, I thought I would anticipate some questions you all have. WHY. Why is the Port undertaking this effort? <ul style="list-style-type: none"> ▪ The purpose of ports is economic development ▪ Economic development includes terminals for transportation to move cargo in the form of freight or people ▪ Ports often provide facilities and infrastructure that promote tourism ▪ Examples of this are everywhere from the Port of Bellingham to the Port of Anacortes, Port of Seattle Port of Kalama and Port of Camas Washougal to name a few. ▪ Kingston has seen a steady decline and many buildings have been lost and not rebuilt ▪ The loss of these buildings has contributed and is also symptomatic of the economic decline in Kingston



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- With this effort we are trying to change that trend and spark economic development in Kingston
- We know that hotels and restaurants will help promote economic development.
- We do not see or hear of private landowners investing in commercial development – only residential.
- Ports normally do not engage

WHAT'S DIFFERENT. What makes this effort different from previous efforts?

- There have been a number of start-stops. Previous efforts never made it out of the planning stage.
- Previous efforts have not moved forward partly because other economic opportunities such as development of the fast ferry followed by developing ferry traffic solutions have been a higher priority. Also, we have limited financial resources and timing is an important consideration.
- We have gone through the 09 financial crisis and then the recent three-year pandemic.
- So political will, financial capacity and timing of economic issues create challenges.

What else is different?

- We are already out of the planning stage and into the design and permitting phase.
- We are also conducting our due diligence with respect to exploring sources of funding. The Port recently completed a three-year state audit and had no findings. This audit would be required for us to be considered for any funding alternatives.
- Our goal is to develop a 10-20% design and go to the market to gauge interest.
- Also, we want to get the site to the point where it is “ready to build.” We need predictability to attract investment in Kingston.

SCHEDULE. With respect to timeline, we will see development in 2-3 years at the earliest.

- I have provided different estimates before – I was wrong and too optimistic.

How much will it cost?

- We have a ballpark estimate of \$20M plus if we do the full build out just for these buildings.
- We are exploring all options from 100% publicly funded to a land lease with private sector developing the site.
- We will be presenting these alternatives to the Port commission in the future.

NEXT STEPS.

- We will we have more information and provide an update in six months most likely which is around October.
- We need to complete all site development due diligence. This will complete the work necessary to generate empirical estimate that we can work on from going forward.
- Again, we will vet all financing alternatives and present them to the Port commission.
- We will meet with the County to conduct a pre-application meeting to address any of their concerns.

Charlie Wenzlau presented the video displaying the concept thus far.



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Q&A

Glen Hutchinson – What is the support or engagement of the county commissioners and operational staff? And how does that relate to their cooperative management and effort to prioritize the traffic realignment in Kingston?

Commissioner Heacock – County Commissioners are responsible for county roads. Kingston is unique as a state highway runs through downtown. Realignment won't affect development. It will shift ferry traffic to the North. There will be a roundabout by the Coffee Oasis, this won't be a stumbling block but it will eventually be incorporated into the work and end result at the Port.

Commissioner McClure- the timing needs to be coordinated

William Westwater – Will the hotel obstruct sight lines for existing businesses? Concerning the chicken and egg situation, businesses first and the people will come or population first and businesses will come...

Maybe the construction shouldn't start until development is further along on Lindvog.

Charlie – Hoping this project will be a catalyst for more development. As far as the views go, Kingston will look different in the next 25 years. New rules coming out of Olympia, growth direction and there will be three story buildings everywhere downtown. The scale that this design is being drawn is pretty consistent to what will be required in the rest of downtown.

Noelle – How does this affect my property taxes and moorage fees? How does that affect the cost of living?

Commissioner McClure – That is a big question we will be working on over the next 5-6 months, looking at potential funding ideas.

Commissioner Gronnvoll – The Port receives approximately \$90/yr. in taxes for a \$300,000.00 home.

ED Englin – We are researching all options, completely private to publicly funded. The more privately funded, the more control the investors will want.

Karl Compton - Views are going to change, costs are going to increase we just have to deal with that. Like retirees before us, we will have to figure out how to deal with inflation. Passionate about Community development and Civil engineering. It's important for businesses and residents. Development draws residents, jobs, and visitors. For those of us that want those things, the development has to happen first. Concrete "lids" work really well to increase the amount of square footage for parks and public spaces, businesses. Try to think of how to put lids in concrete spaces. It would help achieve all of our goals...protecting the environment, maximizing the environment, getting people down to the beach, more businesses, more people living downtown, pedestrian friendly.

Charlie Wenzlau – The new building is placed on top of the old parking area. We are reinforcing what Karl mentioned by placing the building over the parking lot with the parks flowing up and over it, we are obscuring the parking lot.

Patty Larson – Do we need a hotel in that location? Wouldn't it be better where the old hotel already exists and something more for the community like shops and such in that location with residential on top. Will North Beach be developed for public access?

Commissioner McClure- that has come up periodically



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Mike Reed – Love the concept. I would like to see a bigger partnership between private enterprise, the county and the Port. How can we help private enterprise make a return on their investment? We can accelerate the permit process. What can we do to accelerate the Environmental Impact Study (EIS)?

Tania Issa – Think about the Village Green before it was developed and think about where you are sitting now. It wasn't that long ago.

Laura Morgan – Is it possible to use the restaurant area for more than one restaurant?

Charlie Wenzlau - We could populate the areas on the drawings with a couple small shops.

Dennis Wadley – We need more parking not less. I suggest building additional parking prior to the buildings, so there is not a shortage of parking during the construction phase. Try to get more parking

Commissioner McClure – One of the things we are planning to do is a parking evaluation.

Tom – A couple ideas for funding...I would rather invest some of my retirement into public projects like this, rather than have a outside company come in. Love the idea of more retail space. Are all parking spaces going to be above sea level? I didn't notice any wheel chair accessible spaces in the renderings.

ED Englin – pointed out all the ADA compliant areas

Jet Glavin - Can you build the restaurant now? Think about the types of restaurants you want to attract.

When the old Kingston Inn was there, it was always packed. People came from Seattle on their boats to sit on the deck. It was the heart of Kingston, and the heart ofc the community can be rebuilt. Once a restaurant is established, there will be people that want to get ice cream or go shopping. Do it, do it now.

Antoine Issa – Risk worth taking, it will bring people from all over. The only thing I would add is some activity. When we were first moving to Kingston, the Cove was packed with kids playing.

John – Building is too contemporary; a nautical look or Northwest lodge would be better. We need a plan or study to determine if this will be successful. We need a plan and involve the property owner, come up with a concept. Try to preserve the overall downtown architectural concept.

Methia Gordon – As a business owner, the number one question I get is what is there to do here? Maybe instead of another restaurant, there is an aquarium, museum, or another activity.

TJ – I would like to see the Port consider the other options for parking; underground is a strong concept. I would hate to see land used for parking if we could use it for another park or other use. Consider parking in a smart way. A diversity of businesses.

Kim – What happens to local people park if you take away the 2-hour free parking without paying? If we build the hotel and restaurant with tax dollars, who will profit from that? Who will run the businesses, is the Port going to or will a private company? We have several old privately owned businesses; private



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companies are not willing to invest in Kingston. Will this change that? Is it going to be all tax payer funded businesses? We can't keep restaurants in town now.

Marjorie – Maintenance is a concern. The Hill House property is falling apart., how will you maintain the new development. The Port doesn't pay property taxes. Edmonds has 3-hour parking, Kingston has 2-hour parking. If you want to have more people come and stay longer, there should be consistency with parking times.

John Pellicciotta – Concerned about property tax and the Industrial Development District (IDD) The cost today is \$20M, that won't be built for that especially if it won't be built for a few years. How does bringing in an anchor restaurant benefit Economic Development in Kingston? The timing of this and the SR104 realignment is a concern. If this is built and the realignment doesn't happen, traffic will be a nightmare. Thank you for all the work you do.

Nancy Langwith – The Port is willing to go through the process of making the investment to bring in two anchor tenants. Kingston has been lacking that for a long time. Anchor tenants provide customers to the rest of downtown. You need 6 places to eat, 6 things to do, and 6 retail shops to make your downtown viable. Previously concerned about closing off downtown from Mike Wallace Park and the Park from downtown. They listened and done a good job opening up the corner to create a flow.

Karl – Check out Point Ruston development in Tacoma

Mike Reed - Go out and talk to hotels to see if they're interested first

William – Front street in Poulsbo is a great example

Dennis Wadley - Why do we need a hotel in downtown Kingston?

ED Englin – Eat, shop, stay, play are the 4 elements to be successful in creating Economic Development. A hotel holds people and attracts people from outside the area. Retailers really need recurring demand to be able to pay their wages. Seasonal isn't enough. The same concepts keep coming up, that means it's a pretty good idea. If people stay for a few days, they will spend money in town. The Commissioners are looking into the future, for the next generations. The community has said this is what they want. This will help attract other investors.

Kim – I moved to Kingston for the rural life. I don't want to have to get a job as a retiree to pay taxes. I like Kingston the way it is. I know it will grow, but I don't want it to become a city.

Commissioner Heacock – Kitsap County has designated the Kingston area as a transit hub and we are an Urban Growth Area. We will be looking at incorporating in the future and become a city instead of a town. It is going to happen. The Port would like to provide a picture and create a town we will still enjoy.

Tim Davis – The Hotel – if they build it, will they come? There is currently no place for family to stay when our daughter gets married. We are telling friends and family about hotels in Poulsbo and Bainbridge.



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Restaurant – We go to Edmonds for dinner for something different. I imagine it will be reversed and people will come to Kingston from Edmonds to sit on the deck and enjoy the views of our harbor. Build it, build it, build it

Mike Reed – Common word Restaurant

Tania Issa – we have 2 tribes with casinos/hotels in the area, the room rates are pretty high and they are busy even in the off season. The market will determine what is built. Don't include kitchenettes in the hotels, add solar.

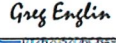
5. ADJOURN PUBLIC HEARING

Commissioner McClure adjourned the meeting at 8:35pm

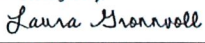
NEXT WORK SESSION: Tues, April 30th, 2023 at 8:30AM
NEXT REGULAR SESSION: Wed, May 24, 2023, at 1:00PM

DocuSigned by:

Steve Heacock, Commissioner

DocuSigned by:

Attest: Greg Englin, Executive Director


Mary McClure Commissioner

DocuSigned by:

Laura Gronnvoll, , Commissioner