Agenda
Economic Development Committee Meeting
Monday, August 19, 2024
Richland City Hall ~ Council Chambers
625 Swift Boulevard

Committee Members: Chair Bricker, Vice-Chair Morasch, and Members French, Griffin, Hall, Hughes, Potts, and Spencer

Council Liaison: Councilmember Jones

Staff Liaison: Economic Development Manager Wallner

Regular Meeting - 4:00 p.m.

Call to Order/Attendance:

Approval of Agenda: (Approved by Motion)

Public Comments: Please limit public comments to 3 minutes per speaker.

Approval of Minutes: (Approved by Motion)

1. July 15, 2024 Economic Development Committee Meeting Minutes

Business: (30 Minutes)

2. Proposed Purchase and Sale Agreement - Horn Rapids Business Center at 2557 Robertson Drive - Darin Arrasmith, Planner

Presentations: (10 Minutes)

Economic Development Update

Real Estate Update

Announcements: (3 Minutes)

Adjournment

Richland City Hall is ADA accessible. Any individual who has difficulty attending the meeting in-person may request to provide comments remotely. (Ch. 42.30 RCW) Requests for sign interpreters, audio equipment, and/or other
special services must be received 48 hours prior to the meeting by calling the City Clerk's Office at 509-942-7389.

ECONOMIC DEVELOPMENT COMMITTEE AGENDA ITEM COVERSHEET

Meeting Date: 8/19/2024 Agenda Category: Approval of Minutes

Prepared By: Carly Kirkpatrick, Administrative Assistant II

Subject:
July 15, 2024 Economic Development Committee Meeting Minutes

Department:
Development Services

Recommended Motion:
Move to approve the July 15, 2024 meeting minutes.

Summary:
July 15, 2024 Economic Development Committee Meeting minutes are attached for review and consideration.

Fiscal Impact: None.

Attachments:
1. 2024.07.15 Economic Development Committee Meeting Minutes

MINUTES
ECONOMIC DEVELOPMENT COMMITTEE
Monday, July 15, 2024
Richland City Hall - Council Chambers
625 Swift Boulevard

CALL TO ORDER

Chair Bricker called the meeting to order at 4:00 pm.

ATTENDANCE

Chair Bricker, Committee Members Spencer, Potts, Hall, Griffin, French and Hughes.

Also present were Council Member Jones, Development Services Director Jensen, Economic Development Manager Wallner, Economic Development Specialist Follett, Planner Arrasmith and Administrative Assistant II Kirkpatrick.

APPROVAL OF AGENDA

Chair Bricker presented the agenda for approval. There were no changes or additions.

COMMITTEE MEMBER FRENCH MOVED AND COMMITTEE MEMBER GRIFFIN SECONDED THE MOTION TO APPROVE THE AGENDA AS PRESENTED. MOTION PASSED 7-0.

PUBLIC COMMENTS

Chair Bricker opened the public comment period at 4:03 p.m. Having no one request time to address the committee, Chair Bricker closed the public comment period at 4:03 p.m.

APPROVAL OF MINUTES

1. **May 20, 2024, Economic Development Committee Meeting Minutes**

Chair Bricker introduced the meeting minutes from May 20, 2024. There were no changes or discussion.

COMMITTEE MEMBER SPENCER MOVED AND COMMITTEE MEMBER GRIFFIN SECONDED THE MOTION TO APPROVE THE MEETING MINUTES OF MAY 20, 2024. MOTION PASSED 7-0.

PRESENTATIONS

2. **Economic Development Binder Update**

Chair Bricker recognized Economic Development Specialist Follett to present the presentation. Mrs. Follett presented and went over each item that had been updated in the binder.

ITEMS OF BUSINESS

3. **CFIP 2024-102 Commercial Façade Improvement Program – Parkway Dream LLC for Property Located at 610 The Parkway**

Economic Development Specialist Follett presented the Commercial Facade Improvement Program application for property located at 610 The Parkway. The applicant proposes to reface the solid storefront sections above and below the windows, and replace the storefront frame, windows, and entry door on the George Washington Way façade of the building. The project also includes the potential replacement of the awning, should the neighboring owner agree to pay for the portion of the awning covering the three neighboring suites, which are all connected by the same awning. The applicant got up and answered committee members question regarding the awning and discussed the status of the neighboring business that needs to commit for awning. Committee member Potts noted that the amount requested differs from the amount on the staff report. At the conclusion Mrs. Follett answered questions from the Committee.

COMMITTEE MEMBER FRENCH MOVED AND COMMITTEE MEMBER POTTS SECONDED THE MOTION THAT THE ECONOMIC DEVELOPMENT COMMITTEE RECOMMEND TO CITY COUNCIL THE APPROVAL OF THE APPLICATION FROM PARKWAY DREAM LLC FOR COMMERCIAL FAÇADE IMPROVEMENT TO 610 THE PARKWAY AS OUTLINED IN APPLICATION NO. CFIP2024-102. MOTION PASSED 7-0.

4. **CFIP 2024-103 Commercial Façade Improvement Program – Jenny Lynn Properties, LLC for Property Located at 747 The Parkway**

Economic Development Specialist Follett presented the Commercial Facade Improvement Program application for property located at 747 The Parkway that contains five suites, addressed as 741, 745, 747 The Parkway, and 716, 718 Jadwin Avenue. The applicant proposes to replace the siding on the east and west sides of the building and repaint the entire building. The building was built in 1945 and renovated last in 1969 with several interior tenant improvements on the interior of the various suites. At the conclusion Mrs. Follett answered questions from the Committee.

COMMITTEE MEMBER GRIFFIN MOVED AND COMMITTEE MEMBER SPENCER SECONDED THE MOTION THAT THE ECONOMIC DEVELOPMENT COMMITTEE RECOMMEND TO CITY COUNCIL THE APPROVAL OF THE APPLICATION FROM JENNY LYNN PROPERTIES, LLC FOR COMMERCIAL FAÇADE IMPROVEMENT TO THE BUILDING ADDRESSED AS 741, 745, 747 THE PARKWAY, AND 716, 718 JADWIN AVENUE (APPLIED FOR UNDER 747 THE PARKWAY) AS OUTLINED IN APPLICATION NO. CFIP2024-103. MOTION PASSED 7-0.

4. **Proposed Purchase and Sale Agreement – Horn Rapids Business Center at 2621 Robertson Drive**

Planner Arrasmith presented the proposed purchase and sale agreement of property to Calvin Matson of Matson Holdings, LLC for purchase of a 43,577 square-foot property located in the Horn Rapids Business Center. Matson Holdings, LLC is owner of Double J Excavating and is proposing a new location for their main office and primary operating activities. At the end of the presentation Planner Arrasmith answered questions from the committee.

COMMITTEE MEMBER POTTS MOVED AND COMMITTEE MEMBER FRENCH SECONDED THE MOTION TO RECOMMEND TO CITY COUNCIL AUTHORIZING THE PURCHASE AND SALE OF 43,577 SQUARE FEET OF CITY PROPERTY LOCATED AT 2621 ROBERTSON DRIVE. MOTION PASSED 7-0.

ECONOMIC DEVELOPMENT UPDATE

Economic Development Manager Wallner gave an update that included site visits in both the Industrial Park and the Northwest Clean Energy Park for lots of 10-acres or more, and negotiations are under way for current lease in the waterfront region. Economic Specialist Follett gave an update that included support for the Passport Program, analytics are now being tracked on the website, and both business districts are highly engaged in community events that are coming up.

REAL ESTATE UPDATE

Planner Arrasmith gave the real estate update that included interest in the Northwest Clean Energy Park, Cenate's purchase and sale agreement has been put on hold due to a long process for attaining certification of materials, purchase and sale agreement for Old Trapper has had 6-month delay on contract due to supply chain issues and staff plans to check back at the end of the year.

ANNOUNCEMENTS

None

ADJOURNMENT

Chairman Bricker adjourned the meeting at 4:40 p.m.

Prepared by: ____________________________________
Carly Kirkpatrick, Administrative Assistant II

Reviewed by: ____________________________________
Mandy Wallner, Economic Development Manager

Approved by: ____________________________________
Brad Bricker, Chairman

ECONOMIC DEVELOPMENT COMMITTEE AGENDA ITEM COVERSHEET

Meeting Date: 8/19/2024 Agenda Category: Business

Prepared By: Darin Arrasmith, Planner

Subject:
Proposed Purchase and Sale Agreement - Horn Rapids Business Center at 2557 Robertson Drive

Department:
Development Services

Recommended Motion:
Motion to recommend to the City Council authorizing the City Manager to enter into a Purchase and Sale Agreement with Trent Properties Spokane, LLC for the purchase of 47,918 square feet of City property located at 2557 Robertson Drive in the Horn Rapids Business Center.

Summary:
Leo Mayorov (owner of Trent Properties Spokane, LLC) is proposing to purchase a 47,918 square-foot property in the Horn Rapids Business Center, located at 2557 Robertson Drive, for the development of a minimum 10,000 square-foot contractor's office with warehouse and laydown yard. The laydown yard will be located in the rear of the property and will be fenced and screened in compliance with zoning code requirements.

Mr. Mayorov is the owner of Mayor Construction, a Spokane construction company specializing in framing, siding and concrete foundations. Mayor Construction has a satellite office in Kennewick, which they have been leasing for the past three years. They are seeking to establish a permanent business presence in the Horn Rapids Business Center, where they will employ seven office staff and 20-25 field employees. Mayor Construction currently has projects throughout the Pacific Northwest, and recently completed work for the Perch restaurant and Vineyard Apartments in Richland.

The purchase price is $5.50 per square foot for the 47,918 square-foot property, amounting to an overall purchase price of $268,549.

The City will retain a repurchase right if Trent Properties Spokane, LLC has not submitted an application for approval of building plans to the City within eight (8) months of Closing, and if construction of the building has not commenced within eighteen (18) months of Closing.

Fiscal Impact: None.

Attachments:
1. Site Map
2. Trent Properties Spokane LOI - 2557 Robertson Drive

TRENT PROPERTIES SPOKANE, LLC
~1 ACRE PURCHASE
(10,000 SF FACILITY)
HORN RAPIDS RV PARK
HORN RAPIDS COMMERCIAL PLAZA
HORN RAPIDS GOLF COURSE COMMUNITY
HORN RAPIDS BUSINESS CENTER
HIGHWAY SR 240
Logan St
Private Rd
Polar Way
Kingsgate Way
Clubhouse Ln
River Valley Dr
Henderson Loop
Robertson Dr
Manufacturing Ln
Logston Blvd
Hagen Rd
Bramasole Dr
Delle Celle Dr
Veneto St
Tuscanna Dr
Sienna Ln
N

8/8/2024

July 2, 2024

Darin Arrasmith

City of Richland

RE: **Letter of Intent to Purchase Parcel 2, Binding Site Plan No. 5946 2557 Robertson Dr. Richland, WA 99354**

The following is a Letter of Intent for Mayor Construction LLC at the above referenced property. The following proposed terms and conditions are the basis for a definitive sales agreement for the above referenced site. This proposal is submitted to you subject to modification or withdrawal at any time.

Buyer:	Mayor Construction LLC
Seller:	City of Richland
Location:	2557 Robertson Dr. Richland, WA 99354 47,918 SQFT
New Building:	10,000 sqft of wood built building with office and warehouse and laydown yard.
Buyer's Use:	Construction Company
Purchase Price:	$263,549 or $5.50 PSQFT
Number of employees:	8-10
Value of Construction:	$800,000.00

Retter & Company

329 N Kellogg Street

Kennewick, WA 99336

P. 509.737.9429 | F. 509.737.9462

| www.svnretterandcompany.com

8/8/2024

Laydown Yard:	Laydown yard will be screened and will not be the primary use/frontage of the property.
Feasibility:	45 days
Closing:	15 days after feasibility has been waived.
Brokerage Disclosure:	Scott Howell and James Wade of SVN Retter & Company represent Buyer.
Commissions:	4% of purchase price shall be paid to Buyer's Broker upon closing by the City of Richland.
Confidentiality:	Except as may be required by law, all parties agree to keep confidential all information exchanged between them regarding the sale of the Property, including the terms of this Letter of Intent, and shall not disclose such information to the other parties (except for their counsel, prospective lenders, due diligence professionals and prospective investors) without each other's prior written consent.

This proposal is non-binding and is meant only as a basis upon which to negotiate a Purchase and Sale Agreement.

Any binding agreement must be evidenced by a Purchase and Sale Agreement, accepted and executed by both parties.

If this letter accurately sets forth your understanding of the basic business terms relating to our negotiation of the proposed sale, please execute and return this letter. Upon your approval, a draft of the Purchase and Sale Agreement will be written for review of all parties.

Sincerely,

Scott Howell

Retter & Company

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8/8/2024

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Scott.Howell@svn.com

AGREED AND ACCEPTED:	AGREED AND ACCEPTED:
BUYER	**Seller:**
______________________	______________________
By	By
______________________	______________________
Date	Date

8/8/2024

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