



# **PORT of OLYMPIA**

## **Comprehensive Scheme of Harbor Improvements**

**Commission Approval Date: July 22, 2024**

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## Section 1: Introduction

The Port of Olympia’s mission: “...creating economic opportunities and building community for all of Thurston County through responsible resource use...” was adopted by the Port Commission when it approved its Strategic Plan 2025. The Port 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 its available undeveloped land, to its diversified specialty Marine Terminal, to its vibrant Swantown Marina and Boatworks, to the strategically located Olympia Regional Airport and its commercial center at NewMarket Industrial Campus, the Port of Olympia is committed to fostering economic growth, connecting Thurston County to the world, providing multiple public amenities, and serving as a model of environmental sustainability for the entire South Puget Sound region

The Port promotes economic development in Thurston County through its business operations and economic development tools, including its four-county foreign trade zone; land and infrastructure improvements are provided to encourage business development. The Marine Terminal connects the worldwide supply chain with regional industry. Our partnership with the City of Olympia through the Olympia Farmers Market fosters tourism. Areas such as the Billy Frank Jr. Waterfront Trail and the Port Plaza are earmarked for recreation and public access. Environmental protection is the connective tissue that lies at the heart of all Port economic development efforts.

### *Port of Olympia Planning Document History*

The Port of Olympia has developed and improved facilities over time based on an extensive long-range planning effort conducted in 1994-95, labeled as the Port of Olympia Comprehensive Plan. The term “comprehensive plan,” however, became the preferred choice for those plans required of cities and counties which fall under the State of Washington’s 1990 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 the GMA. Rather, Ports are subject to the planning requirements and the adopted comprehensive plans of the city and/or county within which the respective Port operates.

Instead of mirroring city/county comprehensive plans with their RCW 36.70A GMA connotations, Ports are required to comply with RCW 53.20.010, which requires a Comprehensive Scheme of Harbor Improvements (CSHI). Under Washington law, the Port's series of planning and budget documents, including its Comprehensive Scheme and its Strategic Plan, satisfies this statutory requirement.

The Port nonetheless continued use of the term "comprehensive plan" until late 2011; the evolution timeline follows. The Port of Olympia Comprehensive Plan was revised in 2003. In 2007, the Port extracted and revised Chapter 3 of the 2003 Comprehensive Plan entitled "Land Use Plans," and subsequently named this new document "Port Development Guidelines" with an effective date of August 11, 2008. These guidelines, when compared to its 2003 version, 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, on August 5, 2008, issued an addendum to the original Final Environmental Impact Statement (FEIS) of February 7, 1994. The Port's SEPA Responsible Official determined that the 2008 update to the Port's land 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 original 1994 FEIS and a previous December 23, 1994 addendum.

It was at that time the Port 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."

The Port Commission adopted a Comprehensive Scheme of Harbor Improvements, formally replacing the Port of Olympia Comprehensive Plan on November 28, 2011. That same year, the Port made additional and minor and administrative changes to its Development Guidelines. These changes included district name changes, consolidation of three districts into one, and the movement of one boundary line approximately 100 yards.

The Port adopted further amendments to its CSHI on:

- November 25, 2013, and
- November 24, 2014.

In 2016, the Port undertook the process of again reorganizing the information contained in the CSHI to enhance clarity and facilitate deeper public understanding of the activities being contemplated by the Port. Concurrent with this reorganization, the Port made minor and administrative changes to the Development Guidelines. These changes were intended to ensure consistency among both primary planning documents in both content and format. These changes necessitated an additional Final Environmental Impact Statement (FEIS) addendum in August 2016. The Port's SEPA Responsible Official again 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 addenda.

On May 22, 2017, the Port of Olympia adopted its most recent CSHI, including two separate, yet closely related, planning documents:

- Comprehensive Scheme of Harbor Improvements. This document includes maps of Port properties, depicting the Port's Use Districts (as described further 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 its Budd Inlet Properties and its Airport/NewMarket Industrial Campus Properties, Figures One and Two below respectively.

## *Port of Olympia 2024 CSHI Amendment*

This 2024 CSHI amendment maintains the planning document convention of the 2017 CSHI amendment. Namely, its two primary components are the:

- CSHI document, and the
- Development Guidelines document. The 2017 Development Guidelines remain in full force and effect, except for those specific portions that conflict with, and are superseded by, the amended CSHI document.

The amended 2024 CSHI includes the following changes:

- Removal of Market District tax parcel 78509600000, described as 608 Washington Street NE, Olympia, WA 98506, and all improvements located on the parcel, including one (1) 850.5 square foot building.
- Removal of the Lacey Properties, tax parcel numbers 4204-00-00100, 4204-00-00200, and 4204-00-00300 – described as 2641 Willamette Dr NE, 2633 Willamette Dr. NE, and 2625 Willamette Dr. NE respectively, all in Lacey Washington, and all improvements located on the parcels, including three buildings.
- The addition of a new Section 4: Port Environmental Initiatives
  - Budd Inlet remediation
  - Sea level rise
  - Habitat Conservation Plan completion
  - Energy sustainability

This new section will highlight the Port's increasing focus on environmental stewardship.

Separate from the CSHI, the Port also maintains a Capital Investment Plan (CIP). The CIP is a complement to the CSHI 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 CSHI and must undergo the associated environmental review prior to initiation.

Other related Port planning documents include:

- Five-Year Strategic Plan, currently Strategic Plan 2025
- Airport Master Plan Update, most recently dated 2013 and now under revision
- Other Port master planning documents

- FEIS and associated addenda, including SEPA checklists

While each such document is an entity unto itself, taken together they create a far more significant and far more detailed Comprehensive Scheme of Harbor Improvements. When future CSHI amendments are placed before the Commission for approval, the following relevant component documents will be offered for formal incorporation into the CSHI as a complete library of individual appendices:

- Development Guidelines
- Capital Investment Plan, including the annual capital budget
- Airport Master Plan Update, expected by late 2024
- Integrated Port Peninsula Master Plan, expected in 2025
- Final Environmental Impact Statement, as amended, and/or SEPA Checklist(s)

All Port of Olympia planning documents are available on the Port's public website.

## Section 2. Budd Inlet Properties

The Port of Olympia properties in and around Budd Inlet include the properties shown in Figure One at the end of this section:

- NorthPoint District
- NorthPoint (Tidelands)
- Swantown Marina
- Swantown Boatworks
- East Bay District
- Market District
- Marine Terminal District, and
- 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 KGY AM-FM radio station. The Billy Frank Jr. Waterfront Trail provides public access to the shoreline, including historical signage displays of Budd Inlet's Native American heritage. 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 Billy Frank Jr. Waterfront 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, the LOTT Clean Water Alliance and Water Education Center, and Urban Olympia development that brings office, commercial, retail, mixed-use and limited residential uses. These developments are a result of the public-public partnership between the Port of

Olympia, City of Olympia, LOTT Clean Water Alliance, Hands On Children’s Museum, and a close working relationship with the Washington Department of Ecology. The East Bay District totals 13.3 acres, of which approximately 4.21 acres remain 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. The Port and Washington Department of Ecology worked diligently in the remediation of the site to minimize any contamination in this district. As a remediation site, however, the East Bay District’s development is subject to restrictions under RCW 70.105D – Model Toxics Control Act and RCW 64.70 – Uniform Environmental Covenants Act.

In the heart of downtown Olympia, the **Market District** is 17 acres of vibrant development for commercial and retail uses in the Market Place, Market Center buildings, Anthony’s HomePort restaurant, and Dancing Goats Coffee Roasters. It also houses the Port Plaza, which is approximately a 1.2-acre area located at the north end of Percival Landing on Budd Inlet’s west bay. The Port Plaza has become one of the most attractive sites for all residents and visitors to the region to enjoy the waterfront as was envisioned. 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 remediation are intended to **restore** the area to provide acclimation areas for salmon migration to and from the Deschutes River.

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 currently commencing an Integrated Port Peninsula Master Plan effort, including the Marine Terminal, to determine the highest and best use of the Budd Inlet Properties. This



evaluation will include a future Waterfront Center (future home to the Port Commission meeting room, Port administration, and Swantown Marina offices), potential future Marine Terminal layouts to improve operations and maximize its revenue-generating capability, potential additional retail, office, and marine development (including a possible hotel site), while simultaneously incorporating changes necessitated by the City of Olympia's Comprehensive Plan and Shoreline Master Program update processes. The Port will engage with a broad range of stakeholders in the course of creating an Integrated Port Peninsula Master Plan. The Port also anticipates completing a Supplemental Environmental Impact Statement under SEPA for the Port's Budd Inlet Properties for these 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 and electric vehicle charging stations 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 Farmers Market. It would also support future development in the district. The Market District currently includes two electrical vehicle charging stations that can simultaneously accommodate up to four electric vehicles.

#### **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 five years. Future East Bay dredging will provide an opportunity to reconfigure the Swantown Marina. Providing public transportation access between downtown Olympia and the Peninsula is a vital component of the planning process.

#### **Marine Terminal District**

The Port anticipates evaluating potential future Marine Terminal layouts to improve operations, as noted above. The Port has received a Maritime Administration grant to develop a new maintenance facility, replacing an aged and degraded facility and 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 large cargo-handling equipment. Additional structures, located east of the warehouse, have long outlived their useful life spans and will be demolished. The former Port headquarters building remains structurally sound and may have potential for rehabilitation as tenant offices. Lastly, the U.S. Coast Guard is considering installation and mobilization of a Port Security Unit within the Marine Terminal facility. All these projects will be incorporated into the Integrated Port Peninsula Master Plan.

### **NorthPoint Development**

NorthPoint redevelopment will expand the renewal of the NorthPoint District begun in 2006 with the construction of Anthony's Hearthfire Restaurant. Potential redevelopment includes an expanded shoreline walking path and open areas, as well as other potential structures and uses, such as a boutique hotel or other uses responding to commercial and retail demands. Recruitment of additional development at NorthPoint will likely require either a City of Olympia approved sewer lift station and accompanying infrastructure. Alternatively, the Port could 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 a site the Port still owns).

Figure One – Budd Inlet Properties



## **Section 3: Airport and NewMarket 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. Scheduled commercial passenger and freight service are not currently offered at the airport.

The Port last completed an Airport Master Plan Update in 2013. The FAA conditionally approved the Airport Layout Plan – a planning document depicting all current and future facilities on the airport – in May 2014. The Port Commission adopted the Airport Master Plan Update in August 2016. A further update of the Airport Master Plan is in its final stages and is expected to be adopted by the Port Commission before the end of 2024.

Olympia Regional Airport includes all Port of Olympia-owned properties in Tumwater, Washington, including NewMarket Industrial Campus and Cleanwater Centre, as shown in Figure Two at the end of this section. They are zoned Airport Related Industry Zone (ARI) under Tumwater Municipal Code, Chapter 18.34. The 2013 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:

#### 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 direct aircraft access to taxiways and 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 will 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 intends to develop such facilities or lease the land to developers, or private and corporate parties to develop as demand requires.

#### C. Commercial Air Service

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

#### D. Other Airport Facilities

##### Rehabilitation and Infrastructure Development

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

- Taxiway, tax-lane, and roadway rehabilitations as part of the Airport Pavement Management Plan.
- Rehabilitation of facilities such as hangar building sidings, roofs, gutters and aprons to increase building/facility life and ensure future revenue streams.
- Rehabilitation and maintenance of roads and parking areas that serve airport facilities.
- Purchase of energy-efficient operations and maintenance vehicles and equipment that are used in the routine operation and maintenance of the Airport runways, taxiways, and facilities.
- Construction of sewer connections to City of Tumwater sanitary sewer.
- Land and easement acquisitions and obstruction removals for approach airspace protection.
- Miscellaneous unanticipated maintenance and repairs.
- Development of a Habitat Conservation Plan (HCP) for all airport- and ARI-zoned property, including 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 NewMarket Industrial Campus (NMIC) and Cleanwater Centre (CWC) properties adjacent to the Port of Olympia Regional Airport. 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.

##### *NewMarket Industrial Future Projects*

Most of the undeveloped NewMarket Industrial Campus land – approximately 199 acres – is currently included within an Option to Ground Lease Agreement with Panattoni Development Company through July 2031. Panattoni will lead the development of these parcels, most of which are subject to the aforementioned Habitat Conservation Plan.

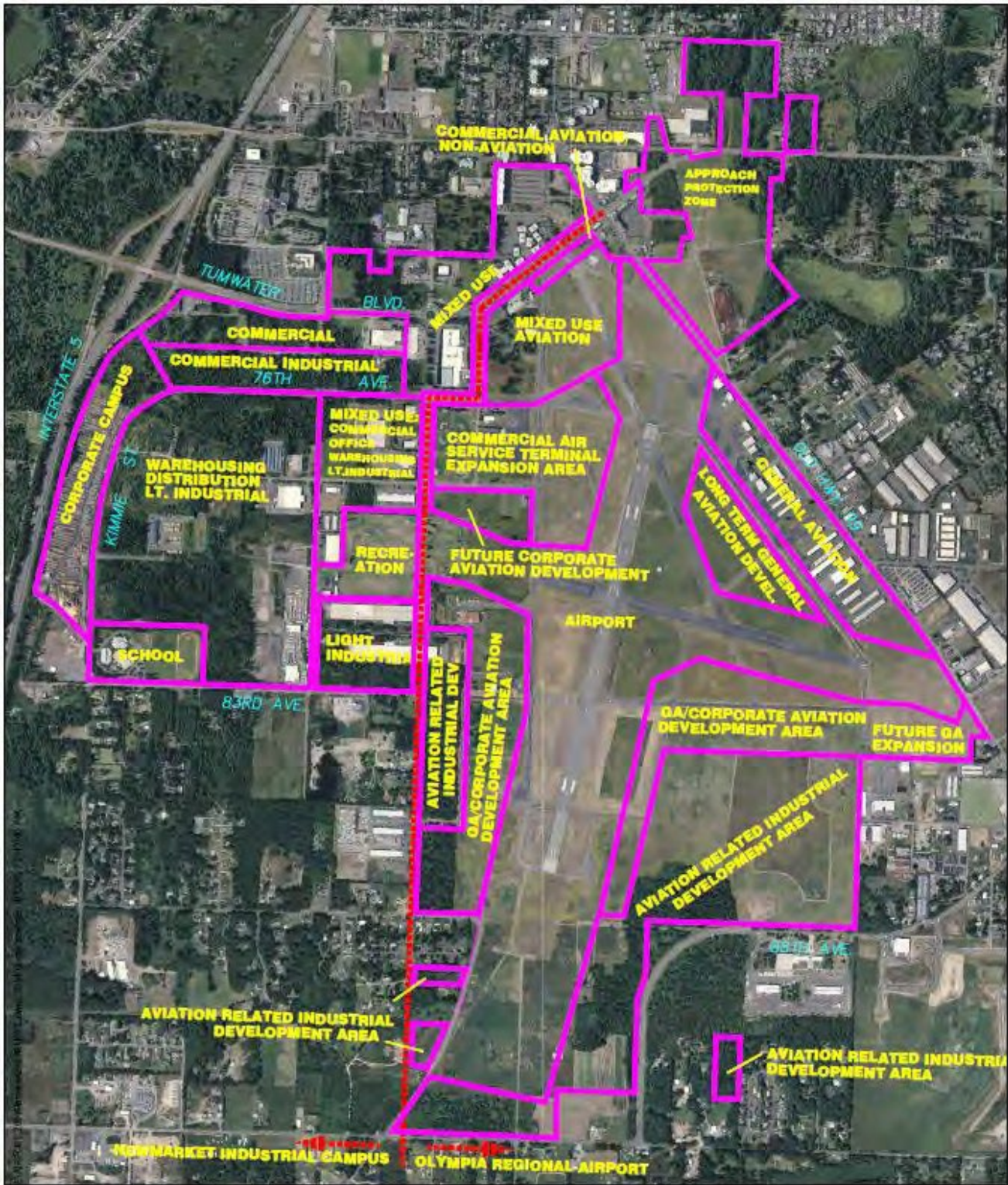
##### *Cleanwater Centre Future Projects*

The Port intends to fully develop the Cleanwater Centre, an area which resides within the City of Tumwater Town Center, in a manner that is consistent with Tumwater Municipal Code Chapter 18.23.010(A). Cleanwater Centre, northwest of the airport, is identified in Figure Two below with a “Mixed Use” label.

The Cleanwater Centre was short platted to facilitate improvements including parking, utilities, stormwater, and LED lighting. The Port has sold six of eight small buildings that offer retail, day care, religious gathering, food, and education. Additional medical service, office, and commercial uses are anticipated, meeting the vision to increase economic development within the City's Town Center borders. The intent of the Town Center mixed-use subdistrict is to provide a level of density sufficient to support public transit services. Current open parcels and remaining large building structure offer several land use options, including office, retail, public, or entertainment facilities, either in a single or a 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 Tumwater Municipal Code Chapter 18.23.020) include: adult family homes; residential care facilities; attached wireless communication facilities; breweries, wineries, or distilleries; child day care center; churches; community center and/or community gardens; distribution, fabrication, and assembly facilities – all occurring within buildings 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 or hotels; museum, library, or 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.

Figure Two – Olympia Regional Airport/NewMarket Industrial Campus Properties





## Section 4: Environmental Initiatives

This new CSHI section highlights the Port's increasing focus on environmental stewardship via multiple disciplines as well as in several specific locations.

### *Budd Inlet Remediation*

Contaminated sediment from historical industrial activities in Budd Inlet presents a threat to human health, negatively impacts the ecology of south Puget Sound, and impairs maritime operations and recreational boating. The Port of Olympia is exploring a strategy to clean up and restore Budd Inlet in collaboration with local, state, federal, and Tribal partners. The cleanup will benefit the economy, environment, and the greater Olympia community.

The first phase of the Port's strategy is focused on researching and identifying the best way to conduct and pay for cleanup and restoration of Budd Inlet. The intention is to complete the investigation and develop a Cleanup Action Plan that will be implemented starting in 2027 for completion in 2030.

### *Sea Level Rise Response*

Current trends in sea level rise and weather patterns are concerning. The risk of widespread flooding in Downtown Olympia increases as sea levels rise and weather systems become increasingly volatile. The magnitude and timing of sea level rise is uncertain, but the risk is clear. Downtown Olympia, including the Port of Olympia peninsula, are vulnerable to flooding. Sea level rise will increase the likelihood of flooding. Without action, maintaining downtown public and private services will be challenging.

The City of Olympia, LOTT Clean Water Alliance, and the Port of Olympia collaborated to develop a response plan for protecting the downtown area and completed the Olympia Sea Level Rise Response Plan in March 2019. Implementation of the plan is ongoing.

### *Bush Prairie Habitat Conservation Plan*

The City of Tumwater and the Port of Olympia's Olympia Regional Airport are located on the site of a glacial prairie historically called Bush Prairie. Most of Bush Prairie has been converted to agriculture or forestry, residences, and businesses, but part of it remains and provides a home for the unique flora and fauna of the South Puget Sound Prairie ecosystem. Protected species residing in Bush Prairie include the Olympia Pocket Gopher, Streaked Horned Lark, Oregon Vesper Sparrow, and Oregon Spotted Frog.

The Bush Prairie Habitat Conservation Plan is being developed to balance growth and the preservation of endangered species within the City of Tumwater and its urban growth area, including the Olympia Regional Airport and its associated industrial development properties. The Habitat Conservation Plan will conserve these species by providing long-term habitat protection across a system of managed reserve areas. The City of Tumwater and the Port of Olympia are jointly developing the Habitat Conservation Plan through the terms of an Interlocal Agreement.

### *Decarbonization and Energy Efficiency Programs*

The Port of Olympia recognizes that utilization of renewable energy will not only decrease its carbon footprint, it will also significantly improve the Port's financial performance. Investing in renewable energy where and when it makes sense is a priority for the Port. To date, the Port has installed on-site renewable energy on several of its properties. 48 solar panels have been added to the roof of the 76,000 square foot Marine Terminal warehouse. The Port also installed solar street lighting at the Tumwater Cleanwater Centre. All 22 parking lot lights run 100% on solar power and are completely off-grid. The Port also installed two electric vehicle charging stations – accommodating up to four vehicles simultaneously – at the Olympia Farmers Market.

In addition to these completed projects, the Port is assessing the utilization of additional solar panels on Port facilities. The Port is also conducting a fleet evaluation to ensure that as vehicles are replaced, it is done with low carbon emission vehicles wherever applicable. An assessment of additional charging station needs will accompany the fleet evaluation.