



# COMPREHENSIVE PLAN

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# 1 Overview

## 1.1 PURPOSE OF THE COMPREHENSIVE PLAN

This Comprehensive Plan has been prepared to meet the following Port needs:

1. Establish short- and long-term planning and development goals and implementation strategies.
2. Provide a plan to develop and enhance the economic diversity of the Port. This plan will be a flexible guideline for the Port Commissioners to make sound fiscal policy and planning decisions.
3. Provide a strategy for retaining existing businesses and attracting new businesses and industry to enhance local economic diversification efforts.
4. Adopt a prioritized Capital Improvement Plan and feasible funding strategy.
5. Provide the community and potential customers with an overall understanding of the Port of Warden.
6. Comply with state law (Chapter 53.20 RCW) that requires that the Port prepare and adopt a comprehensive scheme of improvements prior to expenditure of funds for the improvement of property.

## 1.2 MISSION STATEMENT

It is the mission of the Port to fully utilize its statutory authority to make strategic investments in land, buildings, and infrastructure and to develop effective partnerships to improve the economy of the District by: promoting business retention and expansion; attracting new businesses; and promoting the diversification of the local economy.

## 1.3 HISTORY OF WASHINGTON PORTS

Each of the 76 ports in Washington has its own characteristics. Ports range in size, the scope of their facilities and operations, and their locations. Some are on water, while others are far inland. Ports are the only public agencies whose primary mission is to spur economic development. Ports do so this by acquiring, developing, leasing or selling, operating, and maintaining facilities for all forms of transfer, including air, land, and marine in accordance with Chapter 53.08 RCW.

Ports are public agencies whose primary purpose is economic development. Job creation and economic growth may be accomplished in many diverse ways including to own, develop, and operate marinas and docks, airports, industrial or commercial sites, railroads, and water-related facilities. Other economic development programs may include: import/export assistance, tourism promotion, business retention, expansion and recruitment, and establishment and operation of foreign trade zones.

Ports facilitate a broad range of economic development and employment generation activities including, but not limited to light and heavy manufacturing, professional office and business parks, research and development facilities, technology, agricultural, tourism, and commercial development.

## **1.4 BACKGROUND ON PORT OF WARDEN**

### **1.4.1 PORT OF WARDEN FORMATION**

A petition to form the Port of Warden, Grant County Port District No. 8, was filed with the Grant County Commissioners on February 8, 1960. The Port of Warden was officially formed as a result of a special election held on April 12, 1960. The original Commissioners were Kay Nakamura, Donald Worden, and Clarence Kisler. A map of the Port District boundaries and its location in Grant County can be found in **Appendix A: Port District Boundary Map**.

### **1.4.2 JURISDICTION AND GOVERNANCE**

The Port of Warden is located in the southeastern corner of Grant County, in central Washington state. It is bounded by Adams County on the east and south, Lind Coulee Wasteway to the northwest, and Seep Lakes Refuge to the West. State Route 17 bisects the District, running north and south. Interstate 90 is in the northern portion of the district, running East and West. The district includes approximately 131 square miles or approximately 83,800 acres.

A three-member Port Commission governs the Port. All the Commissioners are elected by voters within the Port District. All Commission members serve six-year staggered terms, and one Commissioner is elected every two years. The Commission sets policy and delegates authority for day-to-day operations of the Port District to its manager and staff. Staff consists of a part-time manager and a part-time secretary.

### **1.4.3 INDUSTRIAL DEVELOPMENT CORPORATION**

The Port formed an Industrial Development Corporation as a means to obtain industrial revenue bonding for qualifying businesses in the area. Industrial Revenue Bonds are rarely used. The corporation supports the economic function of the Port as opportunities arise.

## **1.5 HISTORY OF WARDEN CITY**

Russian-German immigrants homesteaded the Warden area prior to the turn of the 20th century. Livery stables, horse wranglers, blacksmiths, an apothecary (pharmacy) and a doctor followed, and Warden was incorporated in 1910. The Milwaukee Railroad was built through Warden in the early 1900s and attracted early settlers, including Doc Harris, who established the drug and sundries store with physician services in Warden circa 1905. The town was named after his son Ward. In 1920, Warden's population peaked to 173. Between 1920 and 1930, its population fell to 100 and continued to decline during the Great Depression. Electricity arrived in 1939. By 1940, Warden's population was only 78, but this was the beginning of a new era for Warden and other Columbia Basin communities.

High demand for farm products during World War II increased prices and revived the local economy. From 1940 to 1950, Warden's population grew from 78 to 322. The U.S. Bureau of Reclamation's Columbia Basin Irrigation Project, started after the War, brought water and more people to the Basin. In 1948, the federal government started selling government-owned farm units on the Columbia Basin

Project to qualified applicants, with preference to Veterans. By 1954, the East Low Canal was finished. As a result, more arable farmland opened increased agricultural opportunities to Warden, and its population grew to 949 by 1960. From the early 1950s, Warden's development has been much like the surrounding Basin area, with its economy depending upon agriculture and related industries. The development of the agricultural lands and related agricultural products processing and supporting industries offer a diverse array of jobs in the District.

## 1.6 COMMUNITY PROFILE

According to the 2023 American Community Survey Census, Warden has a population of 2,449 people living in 860 households. Grant County has approximately 102,678 residents and 34,502 households.<sup>1</sup> As a rural municipality, the Port of Warden community remains deeply rooted in agriculture, which is a cornerstone of Grant County's economy.

According to USDA's 2022 Census of Agriculture, Grant County contributes 20 percent of Washington state's agricultural sales. The county leads the state in the total value of agricultural products sold, generating over \$2.6 billion in revenue. Top crops by acreage include forage (hay/haylage), wheat for grain, vegetables, apples, and potatoes.<sup>2</sup> Additionally, a significant portion of these crops grown locally are also processed within Grant County, making food processing another vital economic driver and an integral part of the county's agricultural landscape.

Other key industries include tourism and light industry. The county features 144 lakes and rivers, with water representing nearly 4 percent of the county's surface area. Low-cost power, hydropower resources, a robust fiber-optic network, and a strategic location have positioned the county for emerging industries that support economic diversity. Grant County's economic development vision for its future emphasizes vitality, diversity, quality of life, sustainability, and growth. This vision is grounded in preserving agriculture, promoting other key industries, and protecting historical and natural settings.<sup>3</sup>

The Port of Warden plays a notable role in advancing the county's economic vision, serving as a hub for industrial and transportation activities that foster business growth. Its strategic initiatives and expansion projects are designed to support this vision, enhancing the quality of life for its residents. This alignment is reflected in the goals, infrastructure and capital improvements projects, and funding initiatives outlined in this Comprehensive Scheme.

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<sup>1</sup> Source: Based on [American Community Survey 5-year estimates](#).

<sup>2</sup> Source: 2022 Census of Agriculture: [County Profile for Grant County, Washington](#).

<sup>3</sup> Source: [Grant County 2018 Comprehensive Plan](#).

## 2 Port Asset Inventory

The Port of Warden owns approximately 533.89 +/- acres of land. A map of Port properties can be found in **Appendix B: Port District Assets and Vicinity Map**. A description of each property type in the Port District land is provided below, with a complete list of properties detailed in **Appendix C: Port District Property Inventory**.

### 2.1 INDUSTRIAL DEVELOPMENT DISTRICTS (INDUSTRIAL PARKS)

The Port has established four Industrial Development Districts. Industrial Parks are created within a Port District and define the boundaries to establish and develop specific geographic areas within the Port District with harbor improvements (infrastructure improvements) and industrial development, including: rail or motor vehicle transfer and terminal facilities; water transfer and terminal facilities; air transfer and terminal facilities; any combination of such transfer and terminal facilities, and; other commercial transportation, transfer, handling, storage and terminal facilities, and industrial improvements.

#### 2.1.1 INDUSTRIAL PARK NO. 3:

Industrial Park No. 3 is located to the north of SR-170 (Main Street) in the northwestern quadrant of the area and is bounded by Road 8 (SR-170) and County Road U to the southeast. The property is located in the City of Warden and is zoned for heavy industrial uses and activities. An Industrial Development District encompassing Industrial Park No. 3 was created on November 20, 2012, pursuant to Resolution 2012-04.

#### 2.1.2 INDUSTRIAL PARK NO. 4:

Industrial Park #4 is located adjacent to the Columbia Basin Railroad (CBRR) tracks (right-of-way). This area is located in the City of Warden and is zoned for light manufacturing uses and activities. Industrial Park No. 4 includes the Warden Airport. An Industrial Development District encompassing Industrial Park No. 4 was created on December 17, 2013, pursuant to Resolution 2013-06. In 2014, the Port sold 12.044 acres to CHS to build a liquid and dry fertilizer plant.

#### 2.1.3 INDUSTRIAL PARK NO. 5:

In 2013, the Port established Industrial Park #5, consisting of approximately 100 acres purchased from the Washington State Department of Natural Resources. A portion of the area has been annexed into the City of Warden and is zoned for light manufacturing uses, as detailed in **Appendix D: Port Property Annexed**.

#### 2.1.4 INDUSTRIAL PARK NO. 6:

This property was established from two Port-owned land parcels, Farm Units 138 and 139, through Resolution 2022-13 in 2022. It was created as an Industrial Development District to support further industrial development.

## 2.2 FOREIGN TRADE ZONES (FTZs)

Specific qualifying businesses within the Warden Port District may be designated as a Foreign Trade Sub-Zone adjunct to the Port District of Moses Lake Foreign Trade Zone. The Port of Moses Lake received authority in October 1994 to establish an FTZ at the Grant County Airport, designated as FTZ No. 203. There are two types of FTZs—general purpose zones and special purpose sub-zones. Special purpose manufacturing sub-zones can be granted for a special industry or business to operate as an adjunct to an established FTZ.

An FTZ is an area within the United States that the federal government considers to be outside the country, or outside of U.S. Customs territory. Certain types of items can be imported into the FTZ without going through formal customs entry procedures or paying import duties. Once merchandise has moved into an FTZ, you can assemble component parts into finished products and re-export either the parts or finished products. Conducting business in a FTZ can help defer paying duties, tariffs, and result in lower costs. U.S. Customs services are available from offices located at the Grant County International Airport Terminal at Moses Lake, Washington.

## 2.3 WARDEN AIRPORT

The New Warden Airport (2S4) is owned and operated by the Port of Warden. The airport is located 1 mile west of Warden. The airport is a small, limited general aviation airport. The Port operates and maintains the airport and airside properties. Runway 17-35, the airport's only runway, is 2,811 feet long, 60 feet wide, has an asphalt gravel surface, and is equipped with medium-intensity runway lights. There are no published instrument approaches to the Airport. Vertical guidance to Runway 17, the end of which is displaced 5,460 feet, is provided by simplified, abbreviated visual approach slope indicators.

The airport elevation is 1,276 feet / 389 M (estimated). The airport is open to the public. There is no control tower. There is a lighted wind indicator. There are no Airport Services.

## 2.4 RAILROAD INFRASTRUCTURE

The Port of Warden is centrally located on the CBRR line and is proximate to Interstate 90 in the heart of a multi-state region. The "ability to bring Unit Trains into Warden on the CBRR to service companies is establishing the Port of Warden as a key location in eastern Washington to handle freight and significantly promotes economic development with low-cost bulk shipping to and from Warden.

Pursuant to RCW 53.20.020, any port district may adopt or amend a freight development plan as an amendment to the port's comprehensive scheme of harbor improvements. The full text of the Port of Warden's Freight Development Plan can be found on the Port of Warden website, as indicated in

**Appendix E: Reference Documents.**

## 2.5 PORT DISTRICT OFFICE BUILDING

The Port purchased property for a new Port District Office Building on January 10, 2018. There is an existing 1,344-square-foot office building on the property. The property is located at 605 W. 1st Street, Warden, Washington. The property includes six lots identified as Lots 1, 2, 3, 4, 21, and 22 of the Replat-Second Addition to Warden Block 1 & 16. The properties total approximately 19,400 square feet in area.

## 2.6 CAPITAL IMPROVEMENTS PLAN

As the Port Commission makes strategic decisions regarding Port properties and associated projects that support development of the Port District and its goals; these details are captured in the Port's Capital Improvements Plan. The most recent Capital Improvements Plan and an updated project list can be found on the Port of Warden website, as indicated in **Appendix E: Reference Documents**.



# 3 Goals, Policies, and Strategies

The Port of Warden, like all port districts in the state of Washington, operates within a two-tiered level of authority. The first tier of governing Port activities is derived from Washington’s statutes, which essentially enable ports to pursue economic development activities that strengthen the economy of their regions. The second tier is established through a port’s comprehensive plan, which sets forth policies and implementation measures designed to pursue specific local economic development initiatives that are consistent with the authority granted by state statutes. The comprehensive plan is intended to guide a port’s decision-making process, while at the same time providing the flexibility needed to respond to unforeseen demands and emerging opportunities and markets. The following goals, policies, and implementation strategies are intended to represent that second tier.

The goals, policies, and implementation strategies set forth in this plan are used as a general basis for decision-making in carrying out the intent of the comprehensive plan. Due to the general nature of most goals and policies, they must be used as a general guide and in conjunction with findings describing specific conditions in arriving at planning and development decisions, capital improvement and substantive policies, and strategies to carry out the comprehensive and capital plans.

## 3.1 GOAL 1: ECONOMIC DEVELOPMENT

### 3.1.1 GOAL

Increase the economic vitality of the District through the retention, expansion, and recruitment of desired industries. The primary focus will be on expanding support industries for the current agriculture and food processing businesses located in the area to help diversify the local economic base.

### 3.1.2 POLICIES

**Policy 1.1** Pursue opportunities and partnerships that facilitate the development and enhancement of a diverse array of industry. The Port is operating a dynamic economic climate and will monitor and be responsive to emerging opportunities.

**Policy 1.2** The Port prefers to retain, expand, and recruit industries and employers that have the following characteristics:

- Increase overall community economic well-being and stability.
- Further diversify the economic base while recognizing the importance of the existing agriculture industries.
- Support or strengthen other area businesses and industry.
- Exhibit the willingness and ability to make capital investments.
- Offer wages and other forms of compensation that will increase the average per-employee earnings.
- Provide employment opportunities that offset or mitigate the seasonality of portions of the tourism and agricultural industries.

- Encourage development in areas where sufficient infrastructure capacity exists or can be reasonably extended.
- Adequately mitigate potential environmental impacts.
- Make use of the full range of skills, knowledge, experience, and abilities existing within the local labor market or make use of the training opportunities available through the community's educational institutions.

- Policy 1.3** The Port will work collaboratively with its partners on economic development and infrastructure planning and development efforts.
- Policy 1.4** The Port may make targeted infrastructure investments when doing so would leverage additional resources, advance the economic position of the community, leverage investments by other economic development partners, or result in some other clear economic benefit that is consistent with the Port's legal authority, mission, goals, and policies.
- Policy 1.5** While the Port Commission is solely responsible for formulating its economic development strategies, during its deliberations, it will carefully consider the input it receives from its constituents and partners.
- Policy 1.6** In making decisions regarding the investment of Port funds in partnership efforts with other entities, the Port will place a great deal of weight upon demonstrated evidence of the firm commitment of financial resources from its partners.
- Policy 1.7** Industrial areas should be protected from encroachment by incompatible uses.
- Policy 1.8** The Port Commission will recommend that land use plans designate industrial sites of a variety of sizes to provide ample space for new industries, expansion of existing industries, and for competition in the industrial land market.
- Policy 1.9** Industrial sites should be grouped to facilitate service by utilities, public service agencies, and transportation systems. Access through residential areas should be avoided. Industrial developments shall provide design features that protect adjacent non-industrial properties from adverse effects.
- Policy 1.10** The lands most suitable for industry should be protected from intrusion by residential uses.

### **3.1.3 IMPLEMENTATION STRATEGIES**

- The Port will develop partnerships with organizations and industries. These partnerships should be leveraged to assist the Port in making new connections with desired industries and businesses.
- The Port will package the community's existing assets that serve to support community and economic development when marketing the area to desired industries.
- The Port will also continue to reach out to potential partners in the community to understand their short- and long-term plans and identify and cultivate potential partnership opportunities.
- The Port will undertake research to identify the industries that are most likely to meet these criteria. The resulting list can then be used to guide the Port's marketing and recruitment efforts. This information also may be used to expedite the screening process when potential tenants are considered. Other industries and employers may be considered if they meet many of these

characteristics and bring some other unanticipated significant or unique economic benefit to the community.

- The Port will emphasize attracting industries and activities that employ and improve the standards of living for the Warden community.
- The Port will concentrate on attracting industries that have an economic and environmental advantage in locating with the District.
- The Port will concentrate on planning and developing industrial sites of sufficient size and numbers that can attract a variety of industries to locate in the Warden area.
- The Port will strongly support the expansion and increased productivity of existing industries and their employees.
- The Port Commission will not recruit industries that will have a negative impact on the local quality of life.
- The Port Commission shall monitor potential conflicts between commercial, industrial, and agriculture uses. Agricultural land should be conserved whenever possible.
- Industrial lands should not be located that could interfere with residential use whenever possible.
- Commercial and industrial development proposals should be evaluated by the affected regional elected bodies to determine the associated costs and benefits. If the development is determined to be desirable and permitted, the business or industry shall bear its fair and equitable share of the cost to provide services of local government entities.
- The Port will encourage other public non-profit groups to own and control industrial lands at reasonable prices for immediate use by new or existing industries. The Port will continue to seek, secure, and develop land suitable for industrial development.

## **3.2 GOAL 2: REAL ESTATE**

### **3.2.1 GOAL**

Maintain an ample supply of land to meet the needs of desired industries.

### **3.2.2 POLICIES**

**Policy 2.1** Property that meets the following criteria may be viewed favorably for acquisition by the Port:

- The cost of acquiring land and infrastructure improvements is appropriate in light of the Port's legal authority, mission, goals, and policies.
- The site is or can be made marketable to desired employers or industries.
- The site is difficult to develop and/or has been passed over by the private sector.
- The site contributes to maintenance of the Port's inventory of developable land.
- Acquisition of the site is consistent with the Port's economic development mission.

**Policy 2.2** One of the Port's missions is to develop industrial sites for sale or lease by private industry that will in turn create family wage jobs in the Warden community.

### **3.3 GOAL 3: BUSINESS DEVELOPMENT**

#### **3.3.1 GOAL**

Prioritize attracting new business from outside the area or relocating businesses onto privately owned property.

#### **3.3.2 POLICIES**

**Policy 3.1** The Port will seek first to site new businesses or relocate businesses on privately owned property.

The Port seeks to avoid directly competing with local property owners for commercial or industrial tenants. Recruitment prospects should investigate privately owned property first. If a deal can be negotiated for privately owned property, it should be pursued.

**Policy 3.2** The Port does not solicit interest from local businesses but will respond when contacted by local businesses interested in leasing space. The Port will only consider leasing to local businesses if the business can meet several of the following criteria to the Port's satisfaction:

- Has searched the market and has concluded that there are no viable privately owned alternatives to Port-owned space.
- Has market output primarily to out-of-the-area customers.
- Will increase its positive impact on the community by leasing Port-owned space.
- Needs to be located proximate to an existing business on or adjacent to Port property.
- Is consistent with any applicable covenants.

#### **3.3.3 IMPLEMENTATION STRATEGIES**

It is important for the Port to communicate its leasing and non-compete policies to the business community regularly so that the Port's role in the larger economic development scheme is understood and better supported.

### **3.4 GOAL 4: CREATIVE LEASING**

#### **3.4.1 GOAL**

Use creative lease structures to attract new, emerging, and relocating businesses.

#### **3.4.2 POLICIES**

**Policy 4.1** Leases and rent may be structured to act as incentives for businesses. Lease and rent rates may be structured to meet the specific needs of a prospect if the business meets one or more of the following criteria:

- Products or services will be exported outside the local market area.
- Provides goods or services that result in the consumption of these goods and services within the community by those from outside the community.
- Will have or show the potential to increase the number and compensation level of jobs.
- Demonstrates it will make a significant improvement in the local economy.
- Is a start-up or developing business.
- Is a desired industry.

### **3.4.3 IMPLEMENTATION STRATEGIES**

The Port recognizes that the structure of a lease is sometimes, by necessity, different when trying to attract or convince an entity to relocate to Grant County. Businesses already located in Grant County are encouraged to first investigate private space.

## **3.5 GOAL 5: RECREATION AND TOURISM**

### **3.5.1 GOAL**

The Port supports recreation and tourism.

### **3.5.2 POLICIES**

- Policy 5.1** The Port encourages upgrades to camping facilities for more year-round use.
- Policy 5.2** The Port encourages continued development of public and private recreation sites within the district boundaries and the county.
- Policy 5.3** Sufficient lands should be planned to satisfy present and future recreational needs.
- Policy 5.4** The Port encourages the development of recreational opportunities, increased access to natural resource lands and water, and the development park.

### **3.5.3 IMPLEMENTATION STRATEGIES**

The Port recognizes the positive economic benefits of tourism and recreation and encourages local communities and the private sector to market their recreation and tourism assets efficiently and effectively.

## **3.6 GOAL 6: COMMUNITY ENGAGEMENT**

### **3.6.1 GOAL**

It is important for the Port to educate and inform the community regarding its mission and initiatives. Planning and development are cooperative functions of both the public and private sector. Land is of little value for urban, commercial, or industrial uses unless it is served by facilities generally provided by the public sector. All citizens have a stake in the quality and efficiency of development through their enjoyment of living and working in the Warden area, preserving their jobs and property value, and in sharing the benefits of an efficient public sector. Citizens who participate in the development of a plan

are more likely to understand and support actions designed to be carried out by the comprehensive plan. Other governmental agencies represent our constituency, as well as the Ports, and if local government is to function efficiently, it is important that the activities of all agencies act in conscious harmony when feasible.

### **3.6.2 POLICIES**

**Policy 6.1** The Port will communicate regularly with Port stakeholders, partners, and citizens to inform them of the Port's mission, goals, and policies and keep them updated on Port activities.

**Policy 6.2** The Port will seek broad community input on key issues and initiatives as appropriate.

**Policy 6.3** The Port will promote cooperation between the Port of Warden, City of Warden, Grant County, Grant County PUD # 2, Grant County Fire District #4, Warden School District, Intercounty Weed District # 51, Grant County Conservation District, and other local, regional, state, and federal agencies.

### **3.6.3 IMPLEMENTATION STRATEGIES**

- The residents of the Warden Port District will be encouraged and given the opportunities to be involved at all stages of decision-making and the planning process. Plans, planning reports, and resolutions shall be prepared in a style that is clear and easily understood by interested citizens. Whenever possible, technical material should be accompanied by a summary for the non-expert.
- Whenever appropriate, possible courses of action shall include an evaluation of their implications for the general public. Public comment shall be actively sought on all planning-related decisions of the Commission. However, this Commission is responsible for considering the welfare of the Port of Warden and the legal rights of immediately affected residents and should not be compelled solely by the number of citizens presenting testimony on either side of an issue.
- The Port Commission shall act as the committee for citizen involvement and shall review the planning process and effectiveness of public involvement and agency coordination in local planning.
- The Port Commission will offer other agencies an opportunity to review and comment on any planning studies, policies, or actions which may affect them.

### **3.6.4 COMMUNICATION TOOLS**

A variety of effective communication tools can help the Port communicate with the community. The listing below identifies a menu of options that the Port can use, as appropriate, to keep Port stakeholders informed or seek their input:

- Develop and maintain working relationships with local print and radio media to facilitate coverage of Port events and activities.
- Develop and issue news releases on Port events and activities (i.e., partnerships that bring new infrastructure to the area, signing new tenants, land transactions, or other Port activities that bring benefits to the taxpayers and or community).
- Host public meetings to review and/or accept comments on Port initiatives as appropriate.
- Activate stakeholder advisory committees, when appropriate, to advise the Port on key initiatives where such input is desired.

- Regularly use effective communication vehicles (i.e., the Port newsletter distributed via regular mail, e-mail, and web site, regular Port column in local paper or business journals, and regularly participate in news radio programs).
- Host VIP tours of significant Port properties.
- Informal gatherings hosted by Port or featured tenants.
- Regularly use effective communication vehicles (i.e., Port newsletter distributed via regular mail and e-mail).
- Regularly attend meetings with the Port's partners to identify partnership opportunities and share the latest on significant Port initiatives.
- Host VIP tours of significant Port properties.

## 3.7 GOAL 7: TRANSPORTATION

### 3.7.1 GOAL

The Port encourages planning for safe, convenient, and economical multi-modal transportation systems. Efficient and economical multi-modal transportation systems are vital for the economic health and economic development of the District.

### 3.7.2 POLICIES

- Policy: 7.1** Encourage efficient multimodal transportation systems that are based on regional priorities and are coordinated with county, city, and state Transportation Plans.
- Policy: 7.2** Transportation systems need to be designed to keep heavy traffic away from residential areas. Access to commercial and industrial properties should not be through residential areas.

### 3.7.3 IMPLEMENTATION STRATEGIES

The Port will continue to work with local, state, and federal agencies, local businesses, citizens, and the Regional Transportation Organization to ensure that adequate local, regional, state, and national transportation infrastructure is in place to meet the long-term needs of both the current business community, as well as desired industries.

# 4 Financial Plan

## 4.1 FINANCIAL GUIDELINES & POLICIES

### 4.1.1 FINANCIAL GUIDELINES

The Port of Warden financial guidelines set forth the basic framework for the overall fiscal management of the Port. These guidelines provide a financial platform for evaluating both current activities and proposals for future programs. From time to time, it is anticipated that these guidelines will be modified to provide financial guidance for issues and situations that were not previously anticipated.

#### **Definitions:**

For the purposes of this document, the following definitions apply:

- “Cash” is any cash equivalent that can readily be converted into cash. “Operating Revenues” are those revenues generated from Port facilities.
- “Operating Expenses” are those expenses which occur due to the daily activities of the Port, including all direct costs, all administrative costs, and all maintenance costs.
- “Non-Operating Revenues” include revenues generated from sources other than from the Port facilities. These include tax receipts, state and federal grants, interest earnings, and finance charges.
- “Non-Operating Expenses” include all costs and miscellaneous fees not directly related to the Port’s operations.
- “Capital Budget and Purchases” are expenditures in excess of \$5,000 for physical assets that are utilized over a period of several years, and consequentially, have depreciated over their useful life. Examples include major construction projects, buildings, vehicles and equipment, office furniture, etc.

### 4.1.2 BUSINESS PRACTICES

The business practices of the Port of Warden are directed toward achieving the comprehensive plan goals and policies to “increase the economic vitality of the Port and Grant County.” However, flexibility is needed to adapt to changing competition conditions and community needs and desires. Accordingly, the statements that follow are typical business practices of the Port, subject to change as conditions warrants:

1. The Port may construct, operate, and maintain facilities for industrial and commercial business use. These facilities may be made available to private/public business for lease, or if determined after a public hearing to be surplus, sold as directed by the Commission.
2. Rate charges for the use of Port facilities will be set at market rate except in those circumstances determined by the Commissioners to be in the best interest of the Port and will be designed to recoup over time all expenses, including overhead, debt service, depreciation, and some return to the Port. Consideration will also be given to the overall economic impact that a tenant will have on the community in determining rates.



The Port will make every attempt to site industry that will diversify the economic base of Grant County. The Port will consider current values of all assets when establishing rates and will periodically update values and rates.

3. The policy of the Port is to not sell property unless it is evident that substantial benefits, including employment and tax revenues, would be gained for the community.
4. The operations of the Port are conducted with the objective of earning sufficient net income to cover operating and administration costs. The Port's objective is to achieve operating surpluses sufficient to cover the investment required for new and improved facilities. However, for the foreseeable future, the operating surpluses must be supplemented by the investment of the Port's general purpose tax levy revenues.
5. Revenue bonds may be used whenever feasible to supplement funds required for new facilities.
6. Properties required for Port purposes will be acquired by negotiation, and it is the Commission's objective to complete land acquisitions at or below fair market value. Properties identified as needed for long-range needs will be acquired by negotiation and held for future development. Whenever possible, these properties will be leased for interim uses in an effort to generate operating revenue to offset the cost of the acquisition until further development occurs.
7. In addition to the Port's economic development goals, the Port will lease its land and/or facilities to generate revenue in accordance with the Port's financial goals, policies, and guidelines.
8. The Port will cooperate with other public and private organizations (including other Port Districts) to reduce impediments to trade, improve the efficiency and economy of Port operations, maintain national security, and establish equitable and compensatory charges for services.
9. The Commission recruits and intends to retain competent management and professional staff to implement the Port's objectives. It is the responsibility of the Port Manager to operate the Port under the goals, policies, and objectives adopted by the Port.
10. In meeting the requirements of applicable local, state, and federal development and environmental regulations, the Port recognizes its responsibility to minimize the impact of its development projects on public health and safety, the environment, and adjoining properties.
11. As a public entity, the Port conducts its official actions in public meetings and maintains its official records in accordance with the Open Public Meeting Act. The Port will accommodate all requests for public records in a timely fashion. In the event the Port cannot comply with a request for records, it will notify the requesting party promptly in writing of the basis for denying the request.
12. Port Commissioners and staff are encouraged to participate in community, regional, state, and national organizations to both provide information and become informed about matters affecting or of interest to the District.
13. Port Commissioners and staff are encouraged to participate in appropriate educational opportunities (i.e., Washington Public Ports Association) to further their professional development.
14. The Port may consider the establishment of Development Corporations, as provided for in Washington law, to assist qualified industries in receiving financing for projects that will accomplish the overall goals of the District.

### **4.1.3 ELECTRONIC FUNDS TRANSFER (EFT) POLICY**

The Port recognizes the use of various electronic payment methods as safe and efficient methods to process certain disbursements. The Port established a policy (Resolution 2025-01) that establishes controls and procedures for the utilization of electronic funds to ensure proper protocols are followed and applicable oversight is in place for the use of EFTs.

### **4.1.4 OPERATING BUDGET GUIDELINES**

The Commission will set an annual budget. The Port Manager will use its best efforts to work toward the goal of attaining sufficient Operating Revenues to cover all Operating Expenses and all bond covenants annually. The Port Manager will provide an unaudited monthly financial statement.

Property tax levies received by the Port will be expended in accordance with the following prioritization:

- Payment of interest on Port general obligation bonds,
- Retiring general obligation bonds (principal),
- Payment of principal and interest on all other lease and debt obligations,
- Capital expenditures as identified by the Port Commission,
- Support of Port operations,
- Reserve funds, and
- Community projects.

#### **4.1.4.1 Revenue Guidelines**

It is the goal of the Port to develop and maintain a diversified and stable stream of Operating Revenues to shelter it from short-run fluctuations in any one revenue source.

It is the Commission's policy to require security from all Port tenants in accordance with RCW 53.08.085. The security will be in a form acceptable to the Port and is typically provided by the Tenant to the Port in the form of a deposit of three month's rent or a surety bond equal to one year's rent under the terms of the lease agreement between the Port and Tenant. The Port will realize the security in the event of a default by Tenant. The Commission reserves the right to waive this requirement by resolution on a case-by-case basis.

The Port will charge fees and lease rates that will, over time, generate sufficient revenue to cover all proportionate direct and indirect costs of operation associated with the use of that asset. The Commission may also, on a case-by-case basis, structure leases with deferred payments or reduced rents for a fixed and limited time period when necessary to meet Port economic development objectives.

When projected revenues from a project do not meet the minimum threshold over the life of a project, the staff will provide a report to the Commission outlining the projected sources and uses for the project and the Commission will decide whether to proceed with the project.

To establish appropriate pricing of services and leases, the Port will use the current market value of the leasable assets (land, building, and/or related infrastructure) as the basis for rent calculations. The assets will be revalued as appropriate, and the pricing will be adjusted as warranted.

#### **4.1.4.2 Cash/Management Investment Guidelines**

The Grant County Treasurer acts as the Port's Treasurer. All Cash received will be immediately receipted and deposited to the bank depository account then transferred at least once per month to the Grant County Treasurer's office in accordance with the Port's receipt procedure and invested in a manner that will maximize the interest earnings within acceptable measures of risk. The Port's internal auditor will direct the Grant County Treasurer to make investments on the Port's behalf.

Investments made by the County Treasurer will be made in conformance with investment guidelines as stated within the laws of the state of Washington.

All directives on investment from the Port to the County Treasurer will be made with maturity dates that assure adequate resources for payment of all warrants submitted to the County Treasurer monthly without the premature liquidation of temporary investments.

The Port will collect all receivables in a manner that will provide for timely receipt of funds owed to the Port. When a receivable is deemed to be uncollectible, the receivable will be referred to the Port's attorney or to a collection agency for collection. A reserve for uncollectible accounts will be recorded annually on the Port's balance sheet for the estimated amount of uncollectible receivables as needed.

#### **4.1.4.3 Cash Reserves**

The Port will maintain sufficient Cash reserves to assure the following:

1. The Port will strive to maintain a Cash balance sufficient to pay an average of three months of operation expenses. Should Cash reserves fall to levels insufficient to meet these future obligations, the Port Manager will immediately take action to raise the level of Cash through operations and/or reduction of expenditures.
2. The Port will maintain a sufficient fund balance necessary to meet all debt covenants. When it is apparent that the Port will not be in compliance with these Cash flow guidelines, a detailed plan to increase the Cash flow, either through raising of revenues, reduction of expenses, restructuring of debt, or a combination of these, to meet requirements will be promptly submitted by the Manager to the Commission.

#### **4.1.4.4 Debt Guidelines**

The Port will not borrow on a short-term basis to cover routine operations. In no instance should short-term borrowing be considered as a financing option unless a detailed plan for repayment of the borrowing is presented to the Commission and subjected to their approval prior to the issuance of the debt.

Efforts should be made by the Port Manager to maintain or improve the Port's general obligation bond rating.

The Port may use general obligation property tax-supported bonding to finance only those capital improvements and long-term assets which have been determined to be essential to the maintenance of, or improvements to, the Port's infrastructure, or for the purchase of land and buildings which do not have revenue sources sufficient to support repayment of the debt.

Generally, debt (other than general obligation bonds) should be used only to finance specific improvements that can generate operation Cash flows sufficient to service the debt. When the debt is used to finance specific capital projects, the means of repayment must be reasonably certain prior to the debt being issued. All repayment schedules must be submitted to the Commission for review and approval.

The Port may utilize revenue-supported bonds to finance public improvements which can be shown to be self-liquidating. Financial feasibility studies will be presented for each project to show evidence of the self-liquidating nature of the project.

The Port may utilize its finances in a manner which will generate Cash flows from all sources (before capital projects and long-term debt service payments) sufficient to provide Cash to cover all debt covenants required by outstanding bond issues, plus a measure of return to the Port.

#### **4.1.4.5 Capital Budget Guidelines**

Capital improvement will be funded by Non-Operating Revenues, Operating Revenues, debt, or grants.

The Port will maintain its physical assets at a level adequate to protect the Port's capital investments and minimize future maintenance and replacement costs. A detailed maintenance schedule will be developed and maintained, and sufficient levels of funding for maintenance will be included in the Port's annual budget.

## **4.2 BUDGET & REVENUE FRAMEWORK**

To finance projects and activities, Port Districts utilize several sources of revenue. A port's revenues comprise non-operating income, (i.e., tax levies), operating income, (i.e., lease income), grants, and borrowed funds, (i.e., debt). It is the Port's policy to obtain the lowest cost funds to finance Port projects. Brief descriptions of each option available to the Port follow. Subject to Port Commission direction, Port staff will actively pursue grants and low-interest governmental loans to funds Port projects.

### **4.2.1 TAX LEVIES**

To supplement revenue generated by Port operations, state statutes authorize Port Districts to levy taxes on the valuation of the taxable property in the district as described below.

#### **4.2.1.1 Basic Regular Levy**

In accordance with RCW 53.36.020, a port is allowed to levy a tax up to 0.45 per \$1,000 of assessed valuation of the Port District for general port purposes, including the establishment of a capital improvement fund.

#### **4.2.1.2 Extra Voter Approved Tax Levy**

Port districts are allowed to levy up to an additional 0.45 per \$1,000 of assessed valuation in taxes for dredging, canal construction, or land leveling or filling, per RCW 53.36.070. The Port has never sought to impose this additional tax levy and does not envision doing so unless community needs alter it to the extent that it should be considered.

#### **4.2.1.3 Industrial Development District (IDD) Tax Levy**

A Port District can levy an additional .045 per \$1,000 of assessed valuation in taxes to finance IDD improvements. These improvements must be set forth in the Ports district's "Comprehensive Scheme of Harbor Improvements and Industrial Developments," and adopted in accordance with Chapter 53.25 RCW. This tax levy is limited to 12 annual levies, six of which may be subject to voter approval. The levies need to be taken in consecutive years.

In 2023, the Port Commission established the Industrial Development District Reserve Fund through Resolution 2023-05. This resolution authorized levies to be collected over a multi-year period not to exceed 20 years from the date of the initial levy. The total amount to be collected over the first multi-year levy period is determined by RCW 53.35.160.

#### **4.2.1.4 General Obligation Bond Tax Levy**

A Port District can levy taxes as required to service interest and principal payments under General Obligation Bonds.

#### **4.2.1.5 One Percent (1%) Levy Lid**

The total revenues from regular property taxes cannot increase by more than 1 percent each year, unless a majority vote approves a higher levy, excluding new construction. In any year when Port levies are less than the maximum amount allowed by the 1 percent, whether voluntarily or as a result of dollar rate limit, the 1-percent lid of succeeding years will be calculated as though the maximum levy amount allowed by the 1-percent lid limit had been levied (referred to as “protection of future levy capacity”).

### **4.3 PORT DEBT & FUNDING MECHANISMS**

As a municipal corporation, a Port District is expressly permitted by law to issue debt. This borrowing must be in the right form and must be used for the purposes that are expressly allowed by law. The types of port debt and limitations are summarized below.

#### **4.3.1 GENERAL OBLIGATION BONDS**

An important financing option for a port is through the issuance of general obligation bonds; these are limited by law as follows:

#### **4.3.2 BASIC LIMIT**

A port is allowed a total of non-voted debt equal to one-quarter of 1 percent of the assessed value of the taxable property in the district as determined by the County Assessor (RCW 53.36.030). General obligation bonds are limited to a maximum maturity of 50 years (except those subject to a 25-year limit as described in subsection 4.3.4 below).

#### **4.3.3 VOTED DEBT**

With the approval of 60 percent of the voters, general obligation bonds may be issued in an amount not to exceed (together with the existing indebtedness of the District not authorized by the voters) three-quarters of 1 percent of the assessed value of the taxable property in the District as determined by the County Assessor.

#### **4.3.4 SMALL PORTS EXCEPTION**

Districts with less than \$1.5 billion in taxable property may issue up to three-eighths of 1 percent of additional debt, per RCW 5.36.030. Maturity of these bonds may exceed 25 years. A port must have a comprehensive plan and long-term financial plan approved by the Washington State Department of Community, Trade, Economic Development prior to accessing this additional debt. The Port is considered a Small Port for this exception.

#### **4.3.5 REVENUE BONDS**

Revenue bonds are payable from a stream of non-tax revenues and are not classified as general obligation debt. Tax revenues cannot be used to repay revenue bonds. Although technically there is not legal limit on the amount of revenue bonds a Port may issue, as a matter of practice, debt service is limited to the principal and interest from Operating Revenues. Annual revenue bonds payments thereon are a lien against the current year's operating revenue. A Port may mortgage facilities financed with revenue obligations, per RCW 53.40.125.

#### **4.3.6 SHORT-TERM OBLIGATIONS**

Ports have several short-term financing methods. A port may issue tax anticipation notes (TANs), bond anticipation notes (BANs), and revenue anticipation notes (RANs). TANs must mature no later than six months into the next fiscal year.

A port issues warrants to meet its ongoing financial obligations. These can be interest-bearing revenue or tax-backed general obligation warrants. A port can also access a line of credit for short-term finance needs. A line of credit is usually evidenced by a note.

#### **4.3.7 INDUSTRIAL DEVELOPMENT REVENUE BONDS**

A Port is allowed to issue industrial development revenue bonds (IRBs) for funding of private projects through a special Port-created industrial development corporation (IDC). Only projects which involve facilities for manufacturing and processing activities may qualify for this type of financing. Interest paid on these bonds is not taxable, thus resulting in below-market interest to the qualifying borrower, with the Port acting as a conduit and ensuring that the transaction is properly qualified.

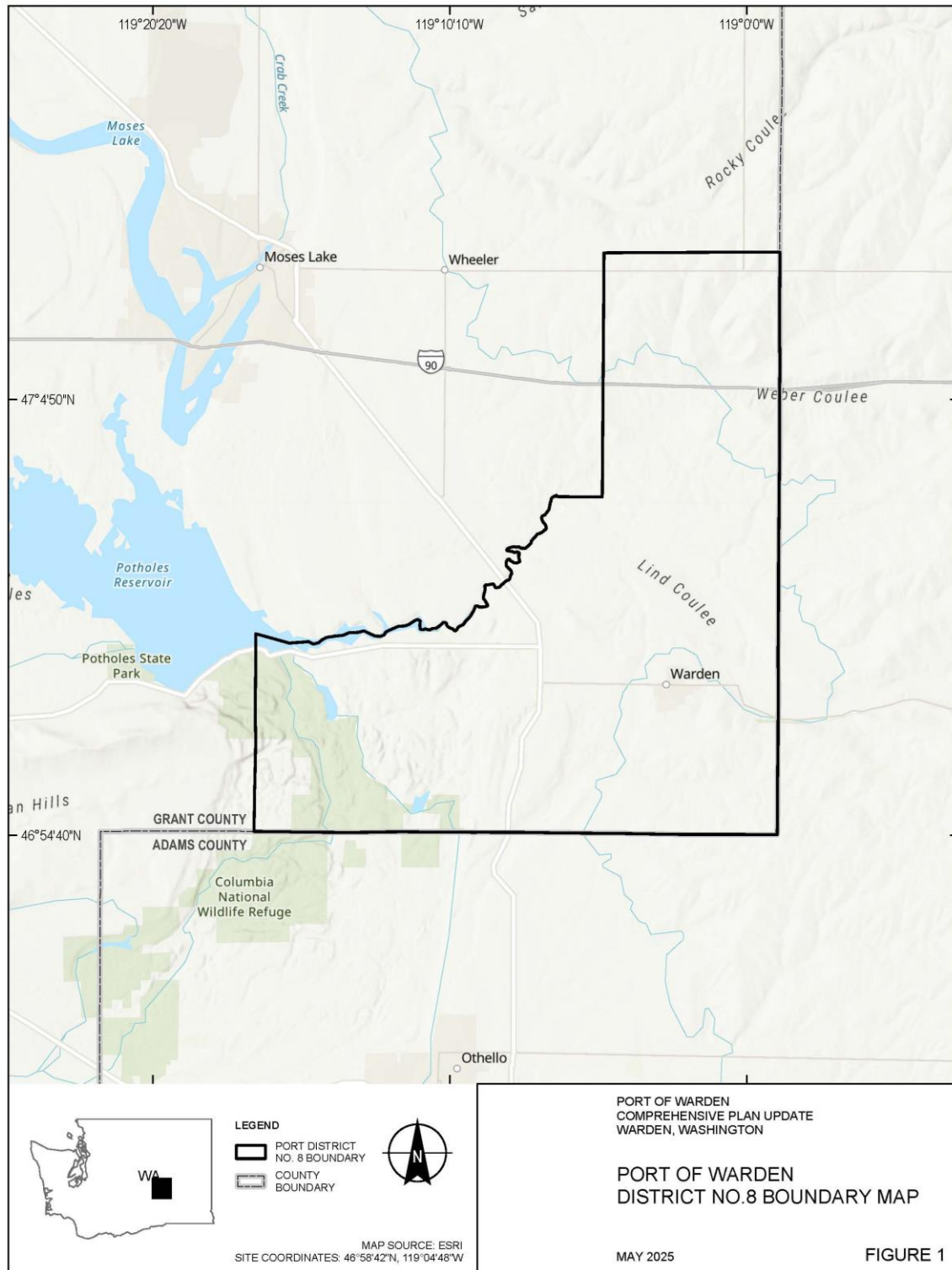
Parties wishing to access this source of funding through the Port's Industrial Development Corporation must be funding a project within Grant County, meet the qualifications for IRB financing, and submit an application to the Port.

#### **4.3.8 STATE & FEDERAL GRANT PROGRAMS**

As a municipal corporation, a port is eligible to apply for several state and federal loan and grant programs. These loans and grants are typically for infrastructure and industrial facility development. These loans do not apply against a port's statutory debt limit; however, they do count against its constitutional debt limit.

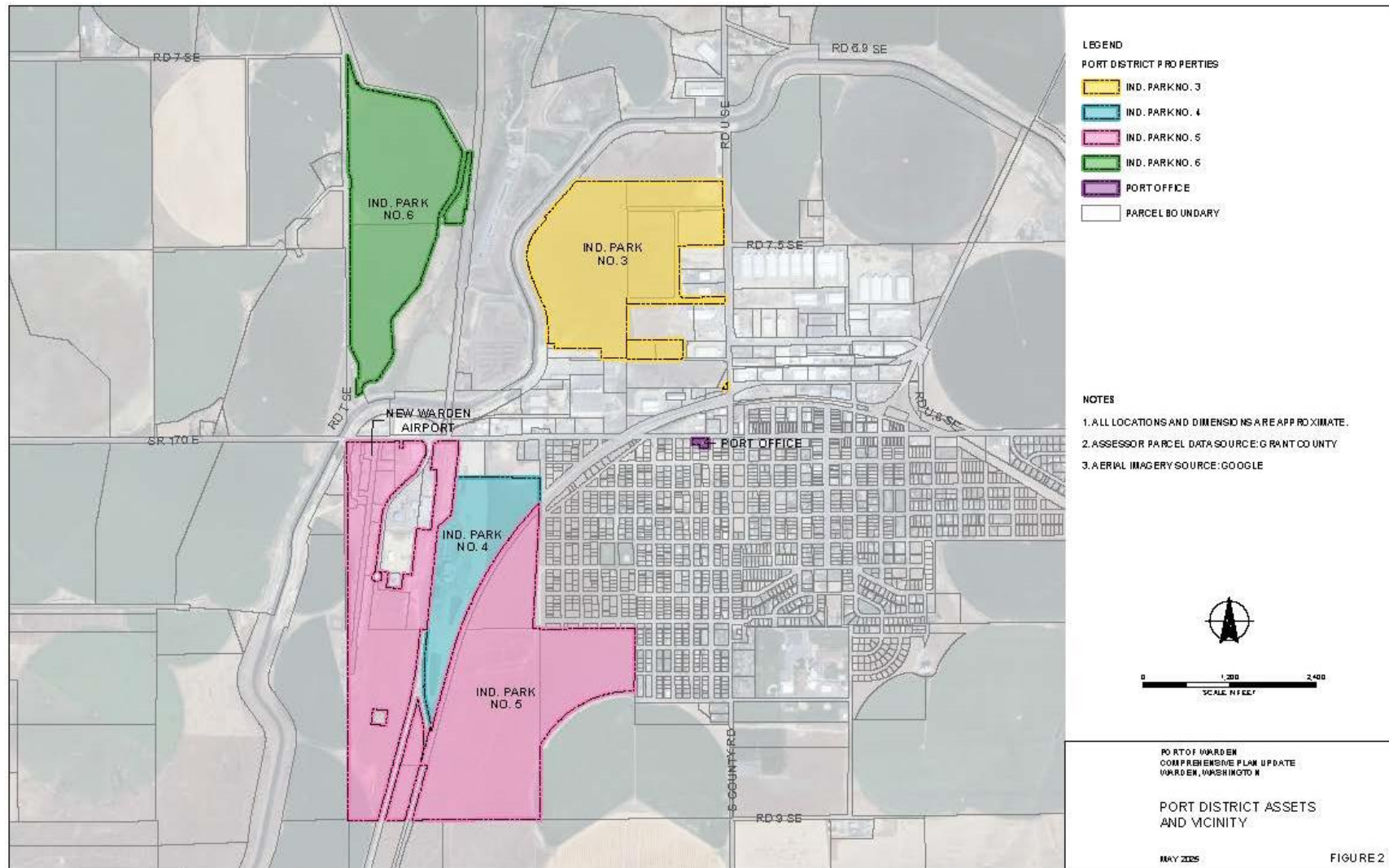
## 5 Appendix and Reference Documents

### A. PORT DISTRICT BOUNDARY MAP





## B. PORT DISTRICT ASSETS AND VICINITY MAP

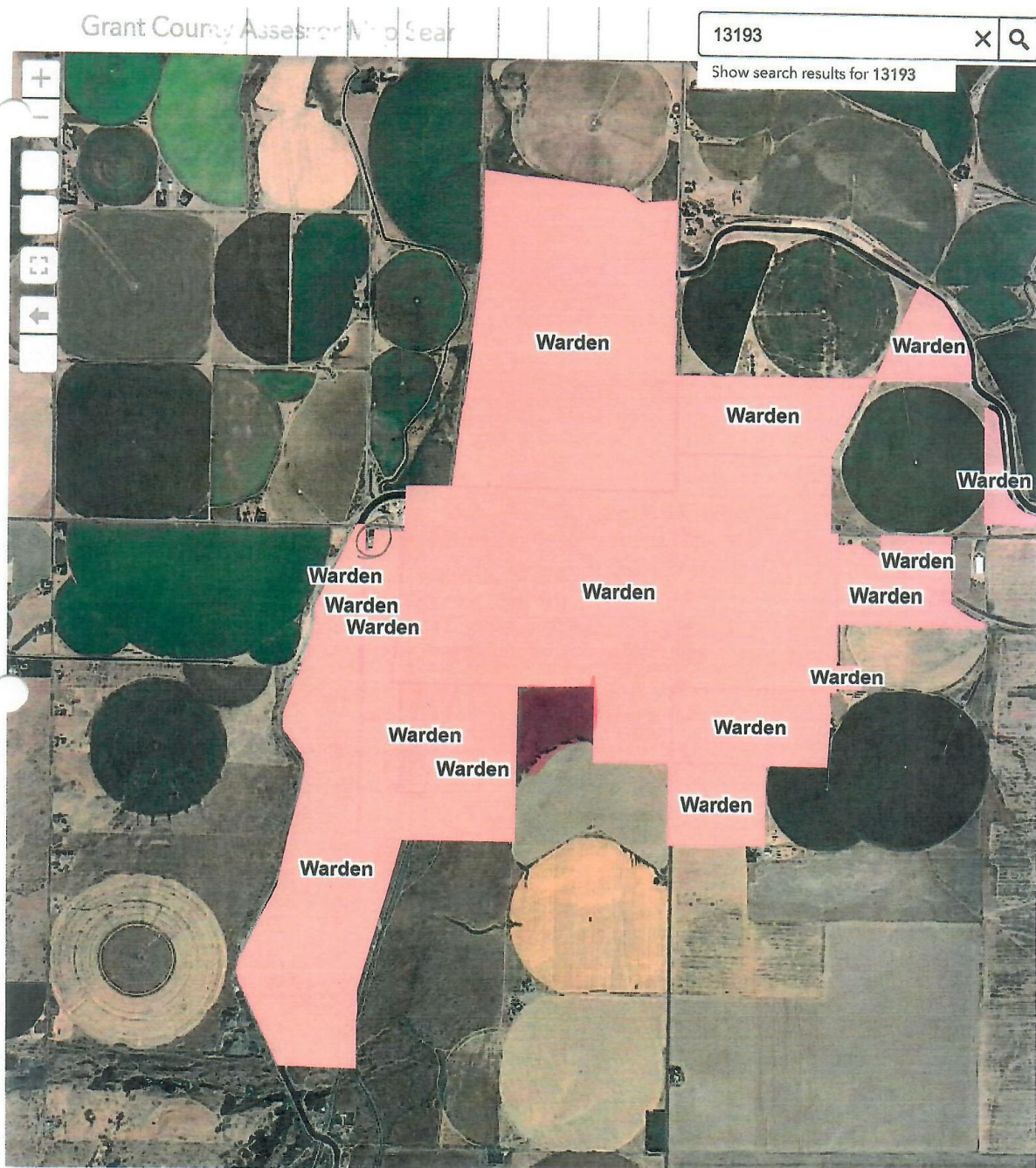




## C. PORT DISTRICT PROPERTY INVENTORY

PARCEL	LEGAL DESCRIPTION	ACRES	ZONING
<b>Industrial Park No. 3</b>			
61713331	LOT 7 INDP No. 3	2.02	Industrial
61713330	LOT 6 INDP No. 3	2.02	Industrial
61713360	P A, Lots 1, 5 & 8 INDP No. 3 CBSP	10.15	Industrial
61713361	P B Lots 1, 5 & 8 INDP No. 3 CBSP	15.41	Industrial
61713362	P C Lots 1, 5 & 8 INDP No. 3 CBSP	5.81	Industrial
61713340	Tract A Lot 4 INDP No. 3 CBSP	7.50	Industrial
60544300	Lot 1 City of Warden SP No. 2	68.70	Industrial
60673010	Tax # 3695	0.07	Industrial
<b>Industrial Park No. 4</b>			
61713351	INDP No. 4	51.85	Urban Reserve / M-1
<b>Industrial Park No. 5</b>			
61713401	P 1 Lot 4 No. 5 SP IBSP	1.40	M-1
61713402	P 2 Lot 4 No. 5 SP IBSP	2.59	M-1
61713403	P 3 Lot 4 No. 5 SP IBSP	6.63	M-1
61713404	P 4 Lot 4 No. 5 SP IBSP	6.89	M-1
61713405	P 5 Lot 4 No. 5 SP IBSP	1.10	M-1
61713406	P 6 Lot 4 No. 5 SP IBSP	1.11	M-1
61713407	P 7 Lot 4 No. 5 SP IBSP	2.75	M-1
61713408	P 8 Lot 4 No. 5 SP IBSP	0.89	M-1
61713409	P 9 Lot 4 No. 5 SP IBSP	2.46	M-1
61713410	P 10 Lot 4 No. 5 SP IBSP	45.28	M-1
61713412	P 12 Lot 4 No. 5 SP IBSP	4.59	M-1
61713413	P 13 Lot 4 No. 5 SP IBSP	6.52	M-1
61713414	P 14 Lot 4 No. 5 SP IBSP	21.13	M-1
61713416	P 16 Lot 4 No. 5 SP IBSP	1.60	M-1
61713417	POR W1/2 16 17 30	75.82	M-1
61713419	P 18 Lot 4 No. 5 SP IBSP	8.94	To be determined
60658000	NW LS T#s & Plat 16, 17, 30	20.00	M-1
181062001	POR W1/2 16 17 30	33.89	R-1 Residential
181079002	POR W1/2 16 17 30	1.9	Resource Land Agriculture
<b>Industrial Park No. 6</b>			
191350000	FU 138 BLOCK 44 9 17 30	68.80	UGA-Urban Open Space Recreation
191351000	FU 139 BLOCK 44 LS TAX# 13916 9 17 30	50.45	UGA-Urban Open Spate Recreation
<b>Port Office</b>			
60641000	Lots 3 & 4 Blk 16 Warden 2 <sup>nd</sup>	0.1148	Commercial Lot Total Lot Area (19,400 sq. ft.) New Office Bldg.
060640000	Lots 1 & 2 Blk 16 Warden 2 <sup>nd</sup>	0.1722	Commercial
060647000	Lots 21 & 22 Blk 16 Warden 2 <sup>nd</sup>	0.1630	Commercial

## D. PORT PROPERTY ANNEXED



4-15-25  
Annexed Property in Warden

0.4mi  
-119.011 16.966 Degrees

## **E. REFERENCE DOCUMENTS**

Reference documents below are available online as supporting documents for planning purposes. Their contents may be amended periodically and can be found on the Port of Warden's website at [www.portofwarden.com](http://www.portofwarden.com), within the Documents Library.

- A. Port of Warden Capital Improvements Plan
- B. Port of Warden Freight Development Plan
- C. Port of Warden Utility and Infrastructure Information
- D. Resolution List Pre-2020
- E. Resolution List 2020-Present