RESOLUTION NO. 891-26

A Resolution of the Commission of the Port of Port Townsend

FINDING THAT THE CREATION OF AN INDUSTRIAL DEVELOPMENT DISTRICT IS PROPER AND DESIRABLE IN ESTABLISHING AND DEVELOPING A SYSTEM OF HARBOR IMPROVEMENTS AND INDUSTRIAL DEVELOPMENT IN THE PORT DISTRICT AND CREATING AN INDUSTRIAL DEVELOPMENT DISTRICT PURSUANT TO RCW 53.25.040 WITH A BOUNDARY COEXTENSIVE WITH THE BOUNDARY OF THE PORT OF PORT TOWNSEND.

WHEREAS, creation of an Industrial Development District (IDD) allows for the development and redevelopment of "marginal lands" in accordance with the powers granted to the Port of Port Townsend (the "Port") under Chapter 53.25 RCW; and

WHEREAS, the Port Commission (the "Commission") may create an IDD if it finds that the creation is proper and desirable in establishing and developing a system of harbor improvements and industrial development in the Port District; and

WHEREAS, the creation of an IDD that is co-extensive with the district boundary of the Port would allow the Commission to seek voter approval for a multi-year industrial development tax levy to fund the acquisition of property and the development and redevelopment of property throughout the Port District; and

WHEREAS, in September of 2026, the Port retained Maul Foster Alongi (MFA) to work with Port staff to provide the review and analysis necessary to support creation of an IDD coextensive with the Port District's boundaries and fulfilling one or more of the marginal lands criteria set forth in RCW 53.25.030; and

WHEREAS, the results of the review and analysis conducted by MFA and Port staff are contained in an *Industrial Development District Findings* technical memorandum (the "Findings Report") dated September 28, 2026; and

WHEREAS, the Findings Report has been made available to the public and has been reviewed and considered by the Commission; and

WHEREAS, on October 14, 2026, at its regularly scheduled open public meeting, the Commission received a presentation concerning the creation of an industrial development district with a boundary coextensive with the boundary of the Port. The Commission heard from:

1. Port staff concerning staff's reasoning and recommendation for the creation of an industrial development district with a boundary coextensive with the boundary of the Port; and

2. Matt Hoffman of Maul Foster Alongi, concerning the Findings Report dated September 28, 2026, analyzing the factors for the creation of industrial development districts set forth in RCW 53.25.020-030, which Findings Report is attached hereto as **Exhibit "A"** and incorporated as if specifically set forth herein.

WHEREAS, on October 28, 2026, the Commission held a public hearing (noticed in accordance with RCW 53.25.040) concerning the creation of an industrial development district with a boundary coextensive with the boundary of the Port and received any public comment provided.

WHEREAS, the Commission considered the aforementioned presentations, reviewed the Findings Report and considered all public comments.

NOW, THEREFORE, BE IT RESOLVED by the Commission of the Port of Port Townsend as follows:

Section 1. The Commission finds that lands within the proposed boundary of the industrial development district are "marginal lands" because they meet one (1) or more of the following definitions in RCW 53.25.030:

(1) An economic dislocation, deterioration, or disuse resulting from faulty planning.

(4) The existence of inadequate streets, open spaces, and utilities.

(5) The existence of lots or other areas which are subject to being submerged by water.

(7) In some parts of marginal lands, a growing or total lack of proper utilization of areas, resulting in a stagnant and unproductive condition of land potentially useful and valuable for contributing to the public health, safety, and welfare.

(10) Lands within an industrial area which are not devoted to industrial use, but which are necessary to industrial development within the industrial area.

Section 2. The Commission finds that the creation of the industrial development district with a boundary coextensive with the boundary of the Port is proper and desirable in establishing and developing a system of harbor improvements and industrial development in the Port.

Section 3. Pursuant to RCW 53.25.040, an industrial development district with a boundary coextensive with the boundary of the Port is hereby created.

ADOPTED this 28th day of October, 2026, by the Commission of the Port of Port Townsend and duly authenticated in open session by the signatures of the Commissioners voting in favor thereof and the Seal of the Commission duly affixed.

ATTEST:

Pamela A. Petranek, President

Peter W. Hanke, Vice President

Carol L. Hasse, Secretary

APPROVED AS TO FORM:

Port Attorney

EXHIBIT A

MAUL FOSTER ALONGI

Technical Memorandum

To:	Eric Toews, Port of Port Townsend	Date:	September 28, 2026
From:	Matt Hoffman, MFA	Project No.:	M0602.04.003
Re:	Industrial Development District Findings		

Introduction

Chapter 53.25 Revised Code of Washington (RCW) authorizes Washington port districts to establish Industrial Development Districts (IDDs) for the development and redevelopment of marginal lands. An IDD may encompass all or a portion of a port district, including property owned by the Port and by others. The creation of an IDD and the use of an additional tax levy to address the economic development needs within the district are within the broad powers afforded all Washington ports.

The Port of Port Townsend (Port) previously exercised this authority in 1966 by establishing IDDs under Port Resolutions No. 194 and No. 196. The existing districts encompass multiple harbor and shoreline areas throughout eastern Jefferson County (county). The Port is considering the establishment of a new IDD encompassing the full geographic boundaries of the Port district which encompasses all of Jefferson County (District).

The proposed IDD would incorporate the areas covered by the existing IDDs and include lands within the county that is not currently within an IDD. For the existing IDDs, this memorandum supplements the historical designations with current evidence concerning marginal-land conditions. For newly included areas, the memorandum evaluates current conditions directly against the statutory criteria.

Purpose and Need

The purpose of this memorandum is to provide the Port Commission with the factual findings necessary to consider a resolution establishing an IDD coextensive with the Port District's boundaries. Chapter 53.25 RCW requires the Commission to identify marginal lands within the proposed district and find that formation of the district is proper and desirable for harbor improvements and industrial development.

Industrial Development Districts

Chapter 53.25 RCW authorizes Washington port districts to establish IDDs to facilitate the development and redevelopment of, and investment in marginal lands. Marginal lands are properties or areas exhibiting one or more of the conditions identified in RCW 53.25.030. The Commission is not required to find that every statutory condition exists or that every parcel within the proposed district is affected. The presence of any one or more qualifying conditions may support the establishment of an IDD. The conditions that define marginal lands are as follows:

(1) An economic dislocation, deterioration, or disuse resulting from faulty planning.

© 2026 Maul Foster & Alongi, Inc.

(2) The subdividing and sale of lots of irregular form and shape and inadequate size for proper usefulness and development.

(3) The laying out of lots in disregard of the contours and other physical characteristics of the ground and surrounding conditions.

(4) The existence of inadequate streets, open spaces, and utilities.

(5) The existence of lots or other areas which are subject to being submerged by water.

(6) By a prevalence of depreciated values, impaired investments, and social and economic maladjustment to such an extent that the capacity to pay taxes is reduced and tax receipts are inadequate for the cost of public services rendered.

(7) In some parts of marginal lands, a growing or total lack of proper utilization of areas, resulting in a stagnant and unproductive condition of land potentially useful and valuable for contributing to the public health, safety and welfare.

(8) In other parts of marginal lands, a loss of population and reduction of proper utilization of the area, resulting in its further deterioration and added costs to the taxpayer for the creation of new public facilities and services elsewhere.

(9) Property of an assessed valuation of insufficient amount to permit the establishment of a local improvement district for the construction and installation of streets, walks, sewers, water and other utilities.

(10) Lands within an industrial area which are not devoted to industrial use but which are necessary to industrial development within the industrial area.

Existing Industrial Development District

The existing IDDs, established in 1966 under Resolutions No. 194 and No. 196, consist of multiple shoreline and harbor-related units extending from Port Townsend Bay and Admiralty Inlet south through portions of Chimacum Creek, Oak Bay, Mats Bay, Port Ludlow, Quilcene Bay, Dabob Bay, Jackson Cove, Hood Canal, and Fisherman Harbor. Although the original supporting findings are not included in the materials reviewed for this memorandum, Resolutions No. 194 and No. 196 constitute the Port Commission's formal actions establishing the existing IDDs. This memorandum therefore recognizes the existing districts as previously established and provides current evidence of marginal-land conditions within those areas.

In 2019, the Port proposed a second IDD levy to fund capital infrastructure improvements within the existing IDD boundaries. Voters approved the measure, providing a dedicated funding source for infrastructure investments in the existing IDD boundaries. The 2019 action concerned the exercise of the Port's existing IDD levy authority and did not alter or expand the geographic boundaries of the districts established in 1966.

The Port now proposes to establish a new IDD that is coextensive with the District, encompassing marginal lands located outside the historic IDD units. Establishment of the proposed District-wide IDD would expand the geographic area in which IDD-funded investments could be undertaken. However, creation of the IDD would not itself impose an IDD levy or increase property taxes. Any future levy would require separate action by the Port Commission and approval by district voters.

© 2026 Maul Foster & Alongi, Inc.

Approach

The analysis will address the proposed district in two parts. For lands within the IDDs established under Resolutions No. 194 and No. 196, the memorandum will recognize the prior designations and identify current evidence that continues to support the existence of marginal-land conditions. For lands outside the existing IDDs, the memorandum will evaluate documented conditions against the criteria in RCW 53.25.030 and identify the findings supporting their inclusion in the proposed district.

A countywide boundary is consistent with the Port's adopted direction to promote countywide economic vitality, develop infrastructure at Port properties, and identify, acquire, and develop lands for industrial use throughout the county. The findings will be grounded in the Port's existing planning framework and will draw upon needs, opportunities, and priorities identified in adopted plans, capital improvement programs, economic development studies, and other supporting planning documents.

Identified Needs and Opportunities

Based on the conclusions of independently prepared analyses, determinations, and reports, there is evidence that the lands outside of the existing IDDs but within the Port District boundaries satisfy one or more of the marginal lands criteria set forth in RCW 53.25.030. Subject to the Port Commission's findings under RCW 53.25.040(1), these lands may be eligible for inclusion within a countywide IDD. Inclusion of these lands within a countywide IDD would allow the Port to use available IDD funding mechanisms to support improvements and industrial development throughout the Port District.

Materials Review: Existing Plans and Studies

The following studies and materials demonstrate the need for the proposed IDD within the Port district. They are quoted below as evidence for each RCW criterion.

Port of Port Townsend

- Port of Port Townsend Strategic Plan (2025): The Port's adopted Strategic Plan includes several objectives relative to economic vitality, infrastructure maintenance and development, environmental leadership, transparency and accountability, and community access.
- Port of Port Townsend Comprehensive Scheme of Harbor Improvements (2020): The Port's Comprehensive Scheme, substantially revised in 2020 and amended annually thereafter, identifies a wide array of capital maintenance, repair and replacement projects needed at Port facilities countywide over the coming decades.
- Port of Port Townsend 2025 Amendments to the Comprehensive Scheme of Harbor Improvements (2025): This document updates and supplements the Port's 2020 Comprehensive Scheme of Harbor Improvements and serves as the Port's primary long-range planning framework for the development, maintenance, and improvement of Port-owned facilities. The amendments incorporate the Port's 2025 Strategic Plan, Short's Family Farm Plan, Hazard Mitigation Plan, Airport Master Plan, and annual Capital Budget and Five-Year Capital Improvement Plan by reference. The document inventories Port properties, identifies their current uses and long-range development plans, and establishes the framework for continued investment in marine, industrial, aviation, agricultural, and public access facilities throughout Jefferson County.
- City Council Workshop Presentation: Economic Development; Glen Cove Infrastructure Analysis Report (2026): This presentation was used to facilitate a City Council Workshop discussion

© 2026 Maul Foster & Alongi, Inc.

concerning economic development planning and the Glen Cove Industrial Area. The presentation highlights the loss of more than 2,500 jobs in the City of Port of Port Townsend during the 20-year period between 2002 and 2022, notwithstanding its status as Jefferson County's only incorporated urban growth area.

Jefferson County

- Jefferson County Comprehensive Plan, Chapter 1 Land Use and Chapter 7: Economic Development (2025): The County updated its Comprehensive Plan in 2025. Chapter 1 of this plan includes numerous policies related to industrial land protection. Chapter 7 of this plan includes several goals, policies, and strategies related to economic development, including the establishment of a Targeted Industry Program, maintaining adequate land and infrastructure for economic development, and attracting new economic development.
- The Jefferson County Countywide Planning Policies (2024): The countywide planning policies establish the long-term framework for coordinating land use, infrastructure, economic development, transportation, housing, and public facilities planning among Jefferson County, the City of Port Townsend, the Port of Port Townsend, and other public agencies. The document emphasizes the importance of ensuring adequate infrastructure to support development, maintaining sufficient land for commercial and industrial growth, coordinating economic development activities, supporting employment opportunities, and utilizing the Port's statutory authority to implement industry and trade strategies. The CPPs provide direct policy support for industrial development, infrastructure investment, and economic development initiatives throughout Jefferson County and complement the findings supporting establishment of a countywide Industrial Development District.

City of Port Townsend

- City of Port Townsend Comprehensive Plan Update (2025): This document establishes the City's long-range vision for land use, housing, transportation, infrastructure, climate resilience, and economic development through 2045. The Plan identifies housing affordability challenges, infrastructure limitations, industrial land constraints, workforce and demographic challenges, opportunities for infill and economic development, and policies intended to support family-wage employment, local industry, housing production, and efficient infrastructure investment. It provides current policy and planning support for findings related to infrastructure deficiencies, underutilized development opportunities, land necessary for industrial development, and broader economic development needs within eastern Jefferson County.

EDC Team Jefferson

- Jefferson County Economic Development Council (EDC) Public Sector Cabinet and Public Infrastructure Fund Activity Report (2025): This report discusses the EDC's activities over the past year and the outline of the 2026-2027 Strategic Plan. It focuses on business retention and expansion, workforce development, and convening and community outreach.
- Jefferson County EDC Public Infrastructure Fund Report & Public Sector Cabinet Report (2026): This report describes the first six months of implementation of the 2026-2027 EDC Strategic Plan which is centered on playing an economic development convening role for the County, supporting new jobs and investments, serving as a knowledge hub, and supporting and expanding existing businesses.

North Olympic Development Council

- North Olympic Peninsula Resource Conservation & Development Council (NODC) Comprehensive Economic Development Strategy 2021-2025 (2021): This report describes the four goals of the region's adopted comprehensive economic development strategy, which are (1) a diversified,

© 2026 Maul Foster & Alongi, Inc.

resilient economy (2) opportunity and prosperity for all (3) strengthened and sustainable infrastructure, and (4) protected and enhanced cultural and natural assets.

RCW 53.25.030 Criteria Response

According to RCW 53.25.030, "Marginal Lands" is defined and characterized by any one or more of the following described conditions. Please see the applicable RCW 53.25.030 criteria and associated findings of evidence below:

(1) An economic dislocation, deterioration, or disuse resulting from faulty planning.

Findings:

Conditions within the proposed IDD reflect economic dislocation, deterioration, and underutilization associated with longstanding infrastructure deficiencies, deferred maintenance, limited industrial development capacity, and insufficient investment in facilities necessary to support economic growth. These conditions are attributable, in part, to historical planning and investment limitations, fragmented implementation, and the inability to secure sufficient resources to address identified infrastructure and economic development need. The Port's Operating & Capital Budget identifies approximately $18 million of work necessary in 2026, with a focus on rehabilitating, replacing and upgrading existing Port facilities. This is part of the Port's 5-year $57.6 million capital improvement program. The Port's capital planning documents further conclude that available revenues are insufficient to address identified needs, resulting in ongoing deferred maintenance and deterioration of critical public assets.

County and regional economic development studies likewise identify infrastructure constraints, workforce and investment challenges, limited implementation capacity, and a need for coordinated efforts to expand industrial opportunities, recruit and retain businesses, and support job creation, including a targeted industrial program. Local and regional planning policies consistently emphasize the importance of identifying and developing industrial lands, improving infrastructure, and aligning economic development initiatives with land use planning. Collectively, these circumstances demonstrate a pattern of economic dislocation, physical deterioration, and underutilization of lands and facilities that is attributable, in part, to historical planning and investment limitations and that is consistent with the conditions contemplated by RCW 53.25.030.

Evidence:

- "The globalization of markets and jobs, constant and rapid changes in technology, and the loss of sales tax revenues have accentuated the economic disparities in Jefferson County. The County must develop an approach to create a climate for economic development that facilitates the recruitment of industry and the retention and strengthening of existing businesses." (*County 2025a)*
- "EDP 4.4 Support the efforts of the Port of Port Townsend to identify the Jefferson County International Airport (JCIA) as a self-supporting essential public facility. This may include, but is not limited to, the siting of appropriately scaled aviation and non-aviation-related industrial/manufacturing activities in the Airport Essential Public Facilities District." *(County 2025a)*
- "EDP 10.1 Support and coordinate efforts with the City of Port Townsend, Port of Port Townsend, PUD, Port Ludlow MPR, infrastructure service providers, and/or other stakeholders to conduct special studies that identify and evaluate infrastructure needs in areas targeted for future commercial and industrial development." (*County 2025a)*

© 2026 Maul Foster & Alongi, Inc.

- "Through local sub-area planning and co-ordination with other agencies and organizations, Jefferson County should use zoning, incentives or other measures to ensure that an appropriate proportion of the land adjacent or near public infrastructure facilities is utilized to its highest and best use. The surrounding land uses should be buffered or compatible with economic development." *(County 2025a)*
- "Identify key physical locations for new economic development and potential obstacles to development. Make recommendations to local government stakeholders and promote private sector investments in these areas. *(EDC 2026)*
- "Jefferson County's economic development strategy includes ensuring that land use and planning decisions provide for an adequate supply of zoned land, public services and infrastructure, and an efficient and timely permitting process to facilitate the development of future industrial, commercial, and manufacturing activities.
  - Action Items:
    - In cooperation with the City of Port Townsend, the Port of Port Townsend, private enterprises, and Economic Development organizations, pursue a study of industrial and commercial lands County-wide to determine whether there is an adequate land base to support future economic development activities. Among other things, this study should identify suitable land in urban, rural and resource settings. (Corresponding Goal: 5.0)" *(County 2025a*
- "The responsibility of the public sector is to assure that these activities are carried out consistent with defined community and environmental values. To this end, comprehensive plans should clearly identify these values in order that economic opportunity is not lost due to confusion or unreliability of process." (County 2024)
- "The Port of Port Townsend's statutory authority should be utilized as a tool to implement industry and trade strategies, including the promotion of employment opportunities, the consolidation and parceling of property, and the development of infrastructure to meet the needs of industry..." (County 2024)
- "Objective 2.1: Develop and adopt a multi-year Capital Facilities Plan (CFP) that prioritizes funding for maintenance and repair of existing Port facilities and infrastructure.
  - Ensure that the CFP contains an inventory of Port facilities and identifies deficiencies and the actions necessary to eliminate those deficiencies.
  - Incorporate a minimum five-year financing plan for all cost centers that lists sources of funding and the anticipated schedule for capital projects. *(Port 2025a)*
- "Objective 4.4: Diversity the Port's revenue base in a manner consistent with the triple bottom line approach to decision-making.
  - Identify, acquire, and develop lands for industrial use throughout Jefferson County." *(Port 2025a)*

(4) The existence of inadequate streets, open spaces, and utilities.

Findings:

The materials reviewed demonstrate the existence of inadequate streets, transportation infrastructure, and utility systems within Jefferson County and on Port-owned properties. Existing transportation infrastructure includes facilities that have significantly exceeded their anticipated service life, such as the Point Hudson roadway network, which has not been resurfaced since the 1930s and will likely require complete resurfacing in the near term. The Port's ongoing efforts to

© 2026 Maul Foster & Alongi, Inc.

secure funding for three-phase power, potable water, fire flow, and internal road access at the Airport Light Industrial Park further demonstrate the existence of utility and access deficiencies requiring substantial infrastructure improvements before industrial development can occur. The need for infrastructure investment is also reflected in regional economic development planning documents, which identify deteriorating public infrastructure, inadequate sewer and water systems, insufficient broadband access, limited public transit options, constrained transportation connections, and energy infrastructure that is not competitive for industrial development.

Regional stakeholders similarly identified roads, sewer and water infrastructure, and broadband services as key deficiencies requiring improvement. Public agencies and economic development organizations continue to emphasize the need for reliable industrial infrastructure, expanded utility capacity, improved transportation access, broadband deployment, and additional investment in water, wastewater, stormwater, roadway, and utility systems to support economic development and future growth. Collectively, this evidence supports a finding that inadequate streets, transportation infrastructure, and utility systems remain present in areas of the proposed IDD and continue to constrain economic development opportunities.

Evidence:

- "Deteriorating public infrastructure; Insufficient affordable broadband; Limited and underutilized bike and public transit options; Dependence on the state to properly maintain roads and bridges; Inability of sewer and water system infrastructure to support housing densification; Energy infrastructure and power requirements along with pricing are not competitive for industry;" *(NODC 2021)*
- "Below, we show how 57 respondents surveyed during the CEDS process assessed the strengths (assets), weaknesses, opportunities and threats.
  - Weaknesses: What do you think most needs to be changed or improved in the North Olympic Peninsula region?
    - Infrastructure – sewer and water: 10-15 votes
    - Infrastructure – roads: 5-10 votes
    - Broadband services: 30-35 votes" *(NODC 2021)*
- "Limited industry transportation options and constrained access because the region is on a peninsula and road connections are limited (built capital/geographic limitations);" *(NODC 2021)*
- "Key themes included the need for reliable industrial infrastructure, workforce housing, and stronger alignment between training programs and employer demand. A potential new Manufacturers Association also garnered interest." *(EDC 2025)*
- "In January, the Port applied to the Washington Department of Commerce Industrial Symbiosis Grant Program for $284,999 - half of a roughly $570,000 project - to bring three-phase power, potable water and fire flow, and internal road access to the site, enabling five co-located wood businesses to share equipment and turn one another's waste streams into marketable products." *(EDC 2026)*
- "Make infrastructure investments to ensure that Port facilities at Boat Haven, Quilcene and Point Hudson continue to attract and support a diverse range of businesses and trades, including:
  - "Commercial and recreational boat building, repair and maintenance;"
  - "Tribal and non-tribal commercial fishing, aquaculture, and seafood processing;"
  - "Maritime support services; and"

© 2026 Maul Foster & Alongi, Inc.

  - "Passenger water transportation" *(Port 2025a)*

- "Facilitate the construction of a sewer system for the Irondale/Hadlock UGA to provide greater opportunities for residential, industrial and commercial uses. (Corresponding Goal: 10.0)" *(County 2025a)*
- "Goal 3: Strengthened and Sustainable Infrastructure
- Water/Wastewater/Stormwater Desired Outcome: Resilient, efficient, and affordable safe water, wastewater and stormwater services that support sustainable growth and are equipped for climate change." *(NODC 2021)*
- "Invest in maintenance, repair, and expansion to meet basic needs and increase resilience to climate change and natural disasters. Invest in increased infrastructure capacity to densify larger communities to prevent sprawl and accommodate a growing population while supporting rural areas with more remote, localized systems." *(NODC 2021)*
- "Improve access to broadband in hard-to-serve areas, such as remote tribal and non-tribal areas with poor access, by seeking funding for public and public-private partnerships for middle mile and last mile projects." *NODC 2021)*
- "Goal 3: Strengthened and Sustainable Infrastructure"
  - Broadband Desired Outcomes:
  - Quality & Accessibility: Connectivity that meets or exceeds Washington State's broadband goals available to all businesses, institutions and residences in the region.
  - Focus and investment in 'last mile' connections increases access to hard-to-reach locations." *(NODC 2021)*
- "Goal 3: Strengthened and Sustainable Infrastructure"
  - Transportation Strategies:
    - Sufficient investment in maintenance and improvement of highway and road system for greater resilience.
    - Improve and expand public transit options to ensure the workforce can access jobs and all people can access basic necessities and other destinations." *(NODC 2021)*
- "Public facilities and services. Ensure that those public facilities and services necessary to support development shall be adequate to serve the development at the time the development is available for occupancy and use without decreasing current service levels below locally established minimum standards." (County 2024)
- "The full range of governmental urban services at the adopted level of service (LOS) standards will be planned for and provided within UGAs, as defined in the capital facilities plan, including community water, sanitary sewer, piped fire flow, and storm water systems." (County 2024)
- "Priority for the funding of new or expanded public services and facilities will first be given to those which are responding to capacity deficiencies within UGAs, or to those which provide an inducement for development within UGAs, or to those responding to a public health threat." (County 2024)
- "Infrastructure may be the limiting factor to business growth in Glen Cove." (Port 2026)
- "Sewer service is often the limiting factor to light industry." (Port 2026)
- "Airport Infrastructure needs:

© 2026 Maul Foster & Alongi, Inc.

  - A significant initial investment is needed to provide basic infrastructure that will serve full build-out of the site. This would include road, stormwater and wastewater disposal infrastructure.
  - Currently a municipal sewer system does not extend to the area surrounding the airport including the site. Existing facilities in the area are served by small individual or community septic systems" (Port 2020)
- "Boat Haven infrastructure deficiencies:
  - Providing adequate land and infrastructure to support tenants and visitors is vital to our long-term success.
  - The electrical conduits, wiring, transformers, and pedestals in both the Work and Boat Yards are in fair to poor condition and require rehabilitation over the relatively near term." (Port 2020)
- "Most existing infrastructure has capacity to accommodate growth in the 20-year planning period as described in the functional plans. However, much of Port Townsend's existing infrastructure was built decades ago and needs repair and replacement" (City 2025)
- "Combined with the high cost of property, developers are responsible for extending infrastructure to their site, which is beyond the budget of many low-income affordable housing and market-rate housing developers." (City 2025)

(5) The existence of lots or other areas which are subject to being submerged by water.

Findings:

The Port possesses extensive waterfront facilities and infrastructure that are directly adjacent to the inland marine waters of Puget Sound. Many of the Port's waterfront facilities most susceptible to flooding, storm surge, shoreline erosion, and sea level rise, including Boat Haven, Point Hudson, Quilcene Marina, and other shoreline properties, are located within areas that were historically included in the Port's existing IDD established in 1966 and continue to form a substantial portion of the proposed countywide IDD. Evidence below demonstrates that, with the exception of the Jefferson County International Airport, most Port properties are located in low-lying coastal areas that are vulnerable to storm surge, coastal flooding, shoreline erosion, and sea level rise. Available scientific and planning studies indicate that recurrent inundation associated with sea level rise and storm events is likely to increasingly affect Port facilities over time, with some properties expected to experience periodic inundation and, in the longer term, permanent submergence. The documents further identify existing concerns regarding shoreline erosion and storm surge impacts at Boat Haven, where planning studies have been recommended to protect critical infrastructure from coastal hazards. Regional economic development and resilience planning documents likewise recognize the effects of climate change and natural disasters on vulnerable infrastructure and emphasize the need for investments that increase resilience to flooding, coastal hazards, and other environmental disruptions. Taken together, this evidence supports a finding that portions of the proposed IDD include lots and other areas that are subject to being submerged by water or otherwise adversely affected by flooding, storm surge, shoreline erosion, and sea level rise.

Evidence:

- "Invest in maintaining and upgrading port infrastructure to support the current and future needs of the blue economy, encouraging business innovation, improving energy efficiency, reducing ecological impacts and increasing resilience in the face of climate change, earthquakes, and tsunamis." *(NODC 2021)*

© 2026 Maul Foster & Alongi, Inc.

- "Point Hudson vulnerabilities:
  - The southeastern-most shoreline at Point Hudson... is highly vulnerable to wind and wave action and coastal erosion
  - Projected sea-level rise over the coming decades, coupled with high tides, storm events, and ongoing erosion, are anticipated to compromise the continued use of these campsites over time." (Port 2020)
- "Boat Haven vulnerabilities:
  - This beach is highly vulnerable to wind and wave action at present, and projected sea-level rise over the coming decades will only increase the risk of flooding and erosion along this stretch of shoreline, especially during storm events.
  - Projected sea-level rise over the coming decades will only magnify the outfall issues associated with our gravity flow system." (Port 2020)

(7) In some parts of marginal lands, a growing or total lack of proper utilization of areas, resulting in a stagnant and unproductive condition of land potentially useful and valuable for contributing to the public health, safety, and welfare.

Findings:

Portions of the proposed IDD contain lands that are not being utilized to their full economic potential and, in some cases, remain only partially productive despite being well suited to support employment-generating and industrial uses. Countywide and regional economic development strategies consistently identify manufacturing, maritime industries, agriculture, aquaculture, value-added processing, and aviation-related industrial development as priority sectors for future growth, while emphasizing the need for infrastructure and appropriate industrial land to support business expansion and the creation of family-wage jobs. Jefferson County planning policies encourage the use of industrial land designations and public assets to attract investment, support regional economic clusters, and expand employment opportunities in targeted industries. The Port's Strategic Plan specifically calls for development of infrastructure to enable rural-scale light industrial development at the Jefferson County International Airport and to promote aviation-related manufacturing and freight businesses. Recent economic development efforts have likewise focused on the Airport Light Industrial Park as a key location for future growth, with public and private partners investing in utility, transportation, and site improvements to unlock the productive use of underdeveloped industrial lands. Collectively, this evidence indicates that portions of the proposed district remain underutilized relative to their economic development potential and that additional infrastructure investment and coordinated development efforts are necessary to transition these areas from a stagnant condition to productive uses that contribute to the public health, safety, welfare, and long-term economic resilience of Jefferson County.

Evidence:

- "EDC Team Jefferson identified four broad geographic areas in which to encourage economic development through 2027: Port Hadlock, Opportunity Zone 2.0 census tracts in Port Townsend and Brinnon/West End, Fort Worden, and the Airport Light Industrial Park.
  - Airport Light Industrial Park: The Port of Port Townsend's Airport Light Industrial Park is where intergovernmental coordination is most visible on the ground...new member businesses and expanded sales mean 'more logs staying on the Peninsula for processing, more prosperity-wage jobs, and more young families staying to create a life here.'" (*EDC 2026*)

© 2026 Maul Foster & Alongi, Inc.

- "Critical to all of these sectors is building and supporting the infrastructure to allow for business and industry expansion, which in turn supports more job opportunities." *(NODC 2021)*
- "Below, we show how 57 respondents surveyed during the CEDS process assessed the strengths (assets), weaknesses, opportunities and threats.
  - Opportunities: Based on these assets, what do you see as the most promising opportunities in the region?
    - Agriculture and food processing development: 30 votes
    - Maritime sector development: 31 votes
    - Manufacturing: 5 votes" *NODC 2021)*
- "Objective 1.2: Promote sustainable economic development opportunities that create family-wage jobs.
  - Pursue economic opportunities that support the retention and growth of interconnected businesses, suppliers, and associated trades. Seek to develop businesses that sustain and create family-wage jobs.
  - Promote general aviation-related manufacturing and air freight businesses at the Jefferson County International Airport.
  - Develop infrastructure to enable rural-scale light industrial development at the JCIA." *(Port 2025a)*
- "EDP 6.1 Use land use designations such as Industrial Land Banks (ILBs), Major Industrial Developments (MID), Urban Growth Areas (UGAs), Limited Areas of More Intense Rural Development (LAMIRD), Rural Village Centers, Rural Crossroads, and the allowed uses specific to each designation to support regional alliances and economic clusters to attract investment and sustain economic activity." *(County 2025a)*
- "EDP 6.9 Protect the Port of Port Townsend's industrial properties, waterfront and all other public assets entrusted and managed by the Port and established by legislative mandate to enhance economic vitality and quality of life for the citizens of Jefferson County." *(County 2025a)*
- "Strategies in the natural resource area focus on preserving working landscapes through continued sustainable harvests; creating additional higher wage jobs through value-added processing and manufacturing; and improving revenues, profitability and wages by providing technical assistance and support for area businesses at all growth stages." *(NODC 2021)*
- "Value-added product innovation and development, (intellectual capital) particularly for small to mid-sized businesses, in the agriculture, forestry, fisheries, green energy, manufacturing, and other sectors;" *(NODC 2021)*
- "Goal 1: A Diversified, Resilient, Economy
  - The Region's Blue Economy Desired Outcomes:
    - A thriving and resilient working waterfront that supports and enhances the region's industry sectors while encouraging innovation and sustainable technology.
    - A vibrant and sustainable commercial fishing and aquaculture sector." *(NODC 2021)*
- "The economic development element shall be included in the County's and incorporated cities comprehensive plans. This element should identify and designate adequate areas for commercial, retail, and industrial growth necessary to sustain and meet future population and employment forecasts." (County 2024)

© 2026 Maul Foster & Alongi, Inc.

- "Rainier Subarea largely undeveloped due to land in trust or large parcel owners unwilling to sell or develop." (Port 2026)
- "The Port should be actively managed to efficiently use all available land, encourage intensification of marine-related industrial and commercial uses, and improve the Port's bottom line." (Port 2020)
- "The Port acquired the [airport] property in 2002 after identifying the need for more industrial land to further its economic development and job creation missions." (Port 2020)
- "The entirety of the [airport] property is currently undeveloped forested land." (Port 2020)
- Over $7 million of capital improvement funds are earmarked for the development of the Rural Light Industrial Park in the Port's Capital Improvement Plan (Port 2025b)
- "Develop and manage the Short's Family Farm to sustain and expand local agricultural production, processing, and food system resilience." (Port 2025b)
- "The Land Capacity Analysis found there is adequate land within the urban growth area (UGA) to accommodate urban growth, but that certain conditions – like the availability of urban infrastructure and access – may impose temporary geographical restrictions on where new housing or employment can be placed over the course of the next 20 years." (City 2025)
- "Targeted infill in key areas, such as near downtown, neighborhood centers, or along transit corridors, can support housing choice, economic activity, equity, inclusion, and more sustainable patterns of growth" (City 2025)

(10) Lands within an industrial area which are not devoted to industrial use, but which are necessary to industrial development within the industrial area.

Findings:

Lands within the proposed IDD include properties that are not currently devoted to industrial use but are necessary to support future industrial development and economic vitality within Jefferson County. The record demonstrates an ongoing need to provide suitably located industrial lands, supporting infrastructure, and development-ready sites to accommodate future industrial and manufacturing activities. The Jefferson County International Airport area has been identified as a focal location for rural-scale light industrial development, including Port-owned properties subject to light-industrial zoning and planned infrastructure investments intended to support future industrial users. County economic development policies further recognize the need to maintain an adequate supply of industrial land, establish an Industrial Land Bank for major industrial developments, direct industrial growth to appropriate locations, and support industrial and manufacturing activities within the Airport Essential Public Facilities District. Collectively, these lands function as a necessary reserve of development capacity that supports the preservation, expansion, and long-term viability of industrial activities within the county, even where such lands are not presently occupied by industrial uses.

Evidence:

- The Jefferson Timber Cooperative leases a 12.2-acre Port-owned site at the Jefferson County International Airport under light-industrial overlay zoning the County approved in 2024. *(EDC 2026)*
- "Develop infrastructure to enable rural-scale light industrial development at the JCIA" *(Port 2025a)*

© 2026 Maul Foster & Alongi, Inc.

- "Protect future opportunities for planning Industrial Land Banks and Major Industrial Developments by keeping development regulations current and effective for these land uses." (County 2025b)
- "The purpose of the Airport Overlay III is to provide a limited opportunity for rural scale non-aviation-related industrial uses that contribute to the long-term financial viability of the AEPF and to enhance the economic vitality and quality of life for the residents of Jefferson County." (County 2025b)
- Establish an Industrial Land Bank in close proximity to a UGA for the siting of major industrial developments outside designated Urban Growth Areas that is consistent with RCW 36.70A.365 and 36.70A.367 (Corresponding Goal 6.0) (County 2025a).
- "EDP 4.4 Support the efforts of the Port of Port Townsend to identify the Jefferson County International Airport (JCIA) as a self-supporting essential public facility. This may include, but is not limited to, the siting of appropriately scaled aviation and non-aviation-related industrial/manufacturing activities in the Airport Essential Public Facilities District." (County 2025a)
- "EDP 6.8 Direct new industrial/associated commercial development in the Glen Cove area to areas within the logical boundaries established under the provisions of RCW 36.70A.070(5)(d) while continuing to work with the City of Port Townsend, Port of Port Townsend, PUD, economic stakeholders and economic development agencies regarding capital facility and land use." (County 2025a)
- "Support Glen Cove light industry and housing with sewer provision." (Port 2026)
- "In 2008, Jefferson County rezoned 24-acres of Port-owned land south of the runway for non-aviation-related light industrial development.
  - This zoning was expanded to include a further 43.5 acres of Port-owned land (67.5 acres total) in 2024.
  - Planning and development of this rural light industrial park is presently underway." (Port 2020)
- "Port Townsend's industrial land supply is limited, making it vital to protect existing areas from incompatible development and ensure they are well served by infrastructure." (City 2025)
- "There are also industrial uses located outside the City limits in the Tri-area and Glen Cove." (City 2025)

Conclusion

Based on the evidence summarized in this Findings Memorandum, conditions exist throughout the District that support a determination that marginal lands are present within the meaning of RCW 53.25.030. Historical and current planning documents, economic development studies, infrastructure assessments, capital improvement plans, and related reports demonstrate the presence of aging and inadequate infrastructure, underutilized and constrained industrial lands, deferred capital investment needs, and economic conditions that limit the full productive use of land and facilities within the Port District. These conditions adversely affect opportunities for economic development, job creation, business expansion, and the long-term prosperity of Jefferson County.

The findings presented herein support the conclusion that lands within the Port District satisfy multiple criteria of RCW 53.25.030, including:

(1) An economic dislocation, deterioration, or disuse resulting from faulty planning.

© 2026 Maul Foster & Alongi, Inc.

(4) The existence of inadequate streets, open spaces, and utilities.

(5) The existence of lots or other areas which are subject to being submerged by water.

(7) In some parts of marginal lands, a growing or total lack of proper utilization of areas, resulting in a stagnant and unproductive condition of land potentially useful and valuable for contributing to the public health, safety, and welfare.

(10) Lands within an industrial area which are not devoted to industrial use, but which are necessary to industrial development within the industrial area.

Establishment of a countywide IDD would provide the Port with an additional financing mechanism to address these conditions through strategic investment in public infrastructure, industrial site readiness, facility rehabilitation, and other improvements that advance the Port's statutory mission of promoting economic development and employment opportunities. A countywide IDD would also provide greater flexibility to pursue projects throughout the Port District, supporting the development and redevelopment of lands and facilities needed to foster economic resilience, expand industrial and commercial opportunities, and enhance the long-term economic wellbeing of Jefferson County.

This Findings Memorandum therefore provides a factual basis for the Port Commission to determine that marginal lands exist within the proposed IDD and that establishment of a countywide IDD is consistent with the purposes and intent of Chapter 53.25 RCW.

© 2026 Maul Foster & Alongi, Inc.

References

EDC Team Jefferson. 2025. *"EDC Activity Report for July 1, 2025-December 31, 2025."*

EDC Team Jefferson. 2026. *"Public Infrastructure Fund (PIF) Report and Public Sector Cabinet Report, January 1-June 30, 2026."*

City. *2025. 2025 Comprehensive Plan Update. City of Port Townsend. December, 2025.*

County. 2024. *"Countywide Planning Policies."* Adopted via Jefferson County Board of County Commissioners Resolution No. 67-1118-24R, November 18, 2024.

County. 2025a. *"Economic Development Element, Jefferson County Comprehensive Plan."*

County. 2025b. *"Land Use Element, Jefferson County Comprehensive Plan."*

NODC. 2021. *"North Olympic Peninsula Comprehensive Economic Development Strategy (CEDS), 2021-2025."*

Port. 2020. " Port of Port Townsend Comprehensive Scheme of Harbor Improvements." Adopted October 14, 2020.

Port. 2025a. *"Strategic Plan."* Adopted July 9, 2025.

Port. 2025b. "2025 Amendments to the Comprehensive Scheme of Harbor Improvements." November 12, 2025.

Port. 2026. City Council workshop: Glen Cove Infrastructure Analysis Report. February 9.

© 2026 Maul Foster & Alongi, Inc.