

City of Bremerton Puget Sound Industrial Center Market Study

September 29, 2023

Prepared by:



Prepared for:



BREMERTON
WASHINGTON



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EXECUTIVE SUMMARY

This market study was undertaken with three key aims: first, to re-assess the consistency of the PSIC-B Subarea Plan, *Sustainable PSIC-Bremerton*, with new guidance produced since the Plan's creation, especially with PSRC's Vision 2050, and the Regional Centers Framework Update; second, to fulfill a requirement that a market study be undertaken for Industrial Growth M/IC's not meeting the current employment target (4,000); and third, to develop recommendations for new and / or updated policies to address any areas of possible inconsistency, for incorporation into the Subarea Plan via Bremerton's currently underway Comprehensive Plan update.

To accomplish these tasks, CAI, in collaboration with the City of Bremerton, the Port of Bremerton, and other partners, first assessed the planning and policy context for the Subarea Plan. Next, consistency with the latest guidance and re-designation criteria was assessed based on PSRC's VISION Consistency Tool for Regional Manufacturing/Industrial Center Plans checklist. In parallel, current market conditions in terms of employment and economy, land use and zoning, and employment lands were analyzed in detail, the results of which were used to inform updated re-designation criteria consistency evaluation. Finally, detailed recommendations were developed to address any areas of potential inconsistency and articulated as guidance for the ongoing Comprehensive Plan update.

The following key findings emerged from this work to inform updates of the Subarea Plan via the City of Bremerton Comprehensive Plan update:

- **PSIC-B does not currently meet the employment requirement of the Regional Centers Framework redesignation criteria for Industrial Growth M/ICs.** As an Industrial Growth Center, PSIC-B must maintain a minimum of 4,000 jobs; as of 2023, it had 2,762 jobs based in the industrial center. In addition, the PSIC-B Subarea Plan requires the adoption of new and updated strategies to address other requirements in Vision 2050 and the Regional Centers Framework. Strategies are needed addressing industrial retention and displacement; high-capacity transit access; equitable engagement and vulnerable populations; industrial growth, and other topics.
- **Areas of possible non-compliance with Puget Sound Regional Council's Regional Centers Framework can be addressed through the 2024 Periodic Update to the City of Bremerton's Comprehensive Plan.** The Subarea plan has not been substantially updated since the Framework was updated in 2018; updates are required to incorporate strategies and priorities set forth in PSRC's Vision 2050, the regional long-range growth strategy for the Puget Sound finalized in

October 2020, and the updated Regional Centers Framework. The Comprehensive Plan update process is an opportunity to adopt new required content.

- **PSIC-B has a total of 2,762 jobs, of which 2,316 (84%) are industrial.** This fulfills the Regional Centers Framework requirement that at least 50% industrial jobs in a M/IC. The three industrial sectors that comprise industrial jobs are manufacturing; construction and resources; and warehousing, transportation, and utilities (WTU). Approximately 18% of all jobs in PSIC-B are in manufacturing. Construction and resource-driven jobs comprise 53% of all jobs in the center, and WTU accounts for 13% of all jobs. A plan for the Circuit of the Northwest motorsports complex cites the possible creation of over 400 new jobs if developed.
- **If PSIC-B were to track current countywide job growth and subarea land use patterns, employment would grow to around 4,200 jobs by 2050.** More than 1,300 of those jobs would be in manufacturing or WTU. Other growth trajectories, including much higher employment growth, are possible given land capacity levels under alternative scenarios that achieve greater implementation of growth policies, further investment in infrastructure, significant expansion of Naval Base Kitsap (NBK) activities to the Subarea, or other interventions.
- **According to Kitsap County, PSIC-B has sufficient zoned capacity for more than 10,257 jobs.** To realize this capacity, PSIC-B would need to accommodate an additional 7,496 jobs. This corresponds to a modest employment density of 5.5 employees per acre on the current supply of net developable land (1,360 acres). This is in alignment with the average employment density across all other M/ICs of 6.9 employees per acre.
- **While sufficient land capacity exists, other challenges – especially infrastructure provision – may constrain the potential for future development in PSIC-B.** These factors include site readiness, retention of Port ownership of its large properties at the heart of the Subarea (ground leases only where many companies prefer fee-simple property acquisition); lack of infrastructure in large swaths of the Subarea, including road access; and extensive critical areas (especially creeks, wetlands, and steep slopes).

Recommendations to align Bremerton’s future PSIC-B planning efforts are summarized below. In some cases, recommendations for compliance have been satisfied within this document. These are as follows:

- Reassessed the size of PSIC-B in the Overview section and determined it meets requirements.
- Reassessed existing land use and zoning in Land Use and Zoning section and determined it meets requirements.
- Reassessed current employment in the Employment and Economy section and found employment does not meet requirements. This market study partially addresses employment shortages, as well as the recommendations outlined therein.
- Reassessed share of industrial employment in Employment and Economy section and determined it meets requirements.
- Reassessed zoned development capacity in Employment Lands Analysis and determined it meets requirements.
- Reassessed the share of industrial zoning in Land Use and Zoning and determined it meets requirements.

Other recommendations for compliance propose implementation in the City’s 2024 Comprehensive Plan Update, in other planning documents such as the Draft Environmental Impact Statement (DEIS), or in future planning documents impacting PSIC-B. Such recommendations are as follows:

- A Planning and Policy Context sample statement developed to clearly identify the area as a designated regional manufacturing / industrial center and describe the relationship of the center plan to the jurisdiction’s comprehensive plan, countywide planning policies, and VISION 2050.
- Equitable public engagement methods to describe or reference how equitable engagement with community and relevant stakeholders shaped the plan’s goals, policies, and strategies proposed through DEIS.
- Assessed environmental impacts to vulnerable populations through DEIS.
- Strategy encouraging retrofitting of existing buildings to reduce building energy use proposed in the Comprehensive Plan.
- Policies for industrial growth to address the shortfall of current jobs are included in this report. The market study itself also partially addresses this area of non-compliance. The majority of recommendations in this report will encourage employment growth in PSIC-B.
- Policies recommended regarding access to transit (regular & high capacity) in PSIC-B, in some cases already planned, are proposed.
- Recommended industry and job retention strategies.
- Recommended consideration of anti-displacement strategies to supplement the Subarea Plan are proposed.
- Recommended development of workforce strategies included to supplement Subarea Plan.
- Consider increased flexibility for five specific landscape design standards / guidelines.
- Recommendation to reevaluate and elevate priority infrastructure serving key undeveloped areas in the Comprehensive Plan update and beyond.

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INTRODUCTION

Background and Purpose

The City of Bremerton requires a market study for the Puget Sound Industrial Center (PSIC-B) as a part of its 2024 Periodic Update to the City's Comprehensive Plan. The Comprehensive Plan is the centerpiece of local planning efforts and communicates the goals and policies that will guide the day-to-day decisions of elected officials and local government staff.

This market study supports an M/IC consistency review with a market trends assessment that examines PSRC's progress against current center requirements and guidelines. The assessment includes a summary matrix of PSIC-B's compliance with the Puget Sound Regional Council's (PSRC) regional growth centers requirements including the 2018 Regional Centers Framework with additional planning requirements that complement the goals and strategies of VISION 2050. PSIC-B had not yet been evaluated with this revised framework and this report undertakes that assessment.

The assessment provides data and analysis on the current and projected conditions of PSIC-B. This includes an overview of the planning and policy context governing the Subarea and M/IC. It continues with current employment and economic conditions and an overview of the industrial center's land use and zoning. An employment lands assessment identifies capacity constraints within PSIC-B to achieve full compliance and future employment needs outlined in PSRC's Regional Centers Framework.

In addition to the consistency review and market trends assessment, this report goes on to present recommendations to address areas of possible non-compliance with PSRC's Regional Centers Framework and Vision 2050 through the ongoing Comprehensive Plan update, and notes additional factors – including, especially, infrastructure – that may be holding PSIC-B back in terms of development potential.

Methods

M/IC Consistency Review

The review of PSIC-B's compliance with the Puget Sound Regional Council's Regional Centers Framework and Vision 2050 relies on PSRC's checklist of requirements for Industrial Growth Centers; these requirements are contained within PSRC's VISION Consistency Tool for Regional Manufacturing/Industrial Center Plans. This assessment of PSIC-B's compliance was augmented with additional information and is based on data and strategies adopted to date within the Sustainable PSIC Subarea Plan (2012, last amended 2018), The SKIA/PSIC Regional Center Profile

(published by PSRC in 2014), and the Kitsap County Buildable Lands Report (2021).

Market Conditions

This section relies on the following data sources:

- Bremerton National Airport Master Plan
- City of Bremerton
- ESRI Business Analyst
- Kitsap County
- Kitsap County Open Data Portal
- Kitsap Sun
- Port of Bremerton
- Port of Bremerton Competitive Analysis
- Puget Sound Industrial Center Subarea Plan (SAP)
- Puget Sound Regional Council (PSRC)
- U.S. Census Bureau Longitudinal Employer-Household Dynamics (LEHD)
- Washington State Department of Transportation Open Data Portal

Data methodologies and assumptions are noted where applicable.

Organization of This Report

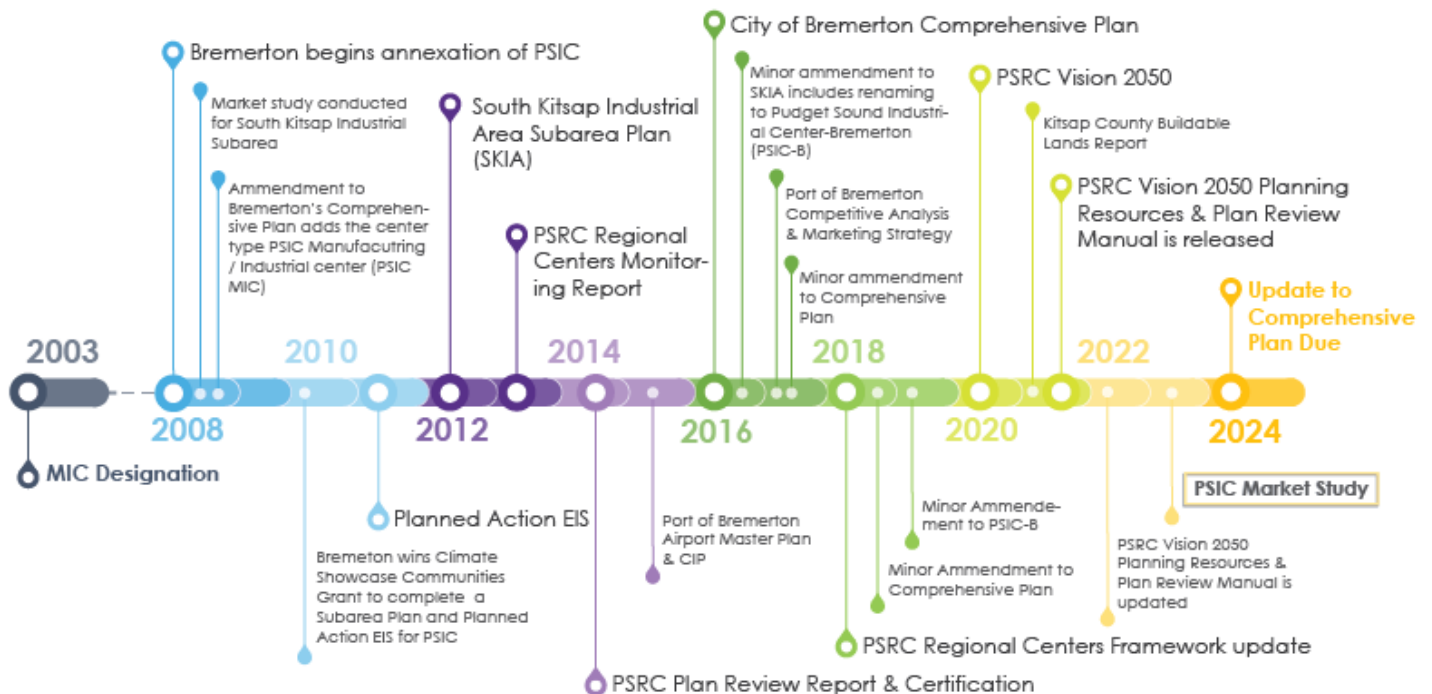
- **M/IC Consistency Review** summarizes the Sustainable PSIC Subarea Plan's alignment with the PSRC's VISION Consistency Tool for Regional Manufacturing/Industrial Center Plans. A full compliance matrix is available in Appendix II.
- **Market Conditions** provides a summary of planning and policy context and economic and workforce trends, including an assessment of employment lands and zoned development capacity in the M/IC. This section includes an updated assessment of M/IC eligibility criteria.
- **Recommendations** summarizes new analyses assessing redesignation criteria and presents recommendations for new and updated policies to fulfill current center requirements per Vision 2050 and the Regional Centers Framework update.
- **Appendix I** includes a letter from the Port of Bremerton Commission.
- **Appendix II** includes the full PSRC Manufacturing/Industrial Center compliance matrix.

M/IC CONSISTENCY REVIEW

Overview of Planning Expectations

Since the designation of a Manufacturing / Industrial Center (M/IC) designation near the Puget Sound Naval Shipyard in 2003 and subsequent annexation of this center into Bremerton, planning documents have steered growth and development in this area towards meeting regional and local goals (**Exhibit 1**). New regional planning guidance, mainly developed and delivered by the PSRC through the Regional Centers Framework in 2018 and Vision 2050 in 2020, calls for a reassessment of PSIC-B alignment with planning expectations developed since the 2013 Regional Centers Monitoring Report. A market study should be conducted to examine and explore opportunities for expansion of employment capacity in the PSIC-B along with appropriate public community engagement. Recommendations to align PSIC-B with these documents inform Bremerton's imminent Comprehensive Plan Update cycle (2024) and anticipate an upcoming round of Regional Centers Monitoring in 2025. For alignment on Bremerton's PSIC-B with PSRC's Vision 2050 and Regional Centers Framework, see full alignment matrix in **Appendix II**.

Exhibit 1. PSIC-B Planning and Policy Guidance Timeline, 2003-2024



Source: Community Attributes, Inc., 2023.

Summary of Consistency

The Puget Sound Regional Council's Regional Centers Framework checklist includes six areas of planning that each Manufacturing/Industrial Center must meet. This section outlines the areas of possible non-compliance for criteria in each of these six areas. The full checklist is available in **Appendix II**. Non-compliance due to newly instituted Vision 2050 criteria for Regional Centers is noted.

The sources of documentation for checklist compliance include the Sustainable PSIC Subarea Plan (2018), The SKIA/PSIC Regional Center Profile (published by PSRC in 2014), and the Kitsap County Buildable Lands Report (2021).

Center Plan Concept (Vision) / Regional Collaboration

Planning documents and profiles of PSIC-B do not explicitly describe the relationship to countywide planning policies or Vision 2050. PSIC-B's Subarea Plan has not been updated since the release of Vision 2050. In addition, future updates to PSIC-B planning should include equitable engagement, in line with new requirements from Vision 2050.

Climate Change

Two requirements from the Vision 2050 release should be updated in future planning efforts. They include a discussion about vulnerable populations and strategies encouraging retrofitting to reduce building energy use.

Land Use / Development Patterns

PSIC-B does not currently meet the minimum existing jobs criteria. As an Industrial Growth Center, PSIC-B should meet the minimum of 4,000 current jobs. As of 2023, there are 1,653 jobs. If this criterion is not met, a market study is required to be conducted for the Center. For more information, see **Exhibit 9**.

In addition, the Land Use and Transportation elements of PSIC-B's SAP do not reference access to high-capacity transit or the development of transit-oriented development.

Economy

The PSIC-B SAP does not reference the Regional Economic Strategy target industries as required in PSRC criteria. The Regional Centers Profile does address transportation and logistics.

In addition, PSIC-B planning does not take into account new Vision 2050 strategies related to business retention and anti-displacement goals and workforce development partnerships, programs, or efforts.

Transportation

The SAP should be updated to reflect long range planning by Kitsap Transit for future fixed bus route service through the Subarea and expanded on-demand service. Several ongoing regional and local transportation infrastructure and service planning efforts and priorities should be monitored, which include KEDA, Kitsap Transit, PSRC, Kitsap County, and neighboring jurisdictions.

Public Services

PSIC-B planning does not fully address the regional infrastructure challenges that prohibit development of certain parcels or industries within the industrial center.

PSIC Alignment Matrix

Exhibit 2 outlines the eight redesignation criteria for PSRC designated industrial growth centers, including PSIC-B. PSIC-B is in compliance with five of the eight criteria, and the criteria to describe PSIC-B's regional role is in partial compliance. Two areas of non-compliance will be addressed through re-assessments and strategies summarized in the Recommendations section of this Report, to be carried forward into the City of Bremerton's 2024 update to the Comprehensive Plan.

The first area of non-compliance regards current employment within PSIC-B. The redesignation criteria require at least 4,000 jobs at the time of redesignation. PSIC-B currently has a total of 1,653 jobs. This is a shortfall of 2,347 of the required jobs. More information about the number of jobs in PSIC-B can be found in **Exhibit 10**.

The second area of non-compliance regards industrial retention strategies. PSIC-B's Subarea Plan (SAP) does not include any strategies relating to business retention or anti-displacement strategies within the M/IC. More information on this requirement can be found in **Appendix II**.

Exhibit 2. Summary of Re-Designation Criteria, PSIC-B, 2023

Industrial Growth Center Redesignation Criteria

Criteria	PSIC-B Context and Planning	In Compliance
Minimum size of 2,000 acres.	PSIC-B MIC designated area is 3,246 acres.	Yes
4,000 minimum existing jobs.	PSIC-B has a total of 1,653 jobs in 2023.	No
10,000 minimum planned jobs.	Kitsap County Buildable Lands Report forecasts employment capacity of 10,257 in PSIC-B.	Yes
Minimum 50% industrial employment.	73% of all jobs in PSIC-B are in industrial sectors.	Yes
At least 75% of land area zoned for core industrial uses.	All land in PSIC-B allows industrial uses. Approximately 74% of land is zoned solely for traditional industrial uses.	Yes
Documented strategies to reduce commute impacts through transportation demand management strategies consistent with the Regional Transportation Plan Appendix F.	PSIC-B SAP outlines strategies to develop a multi-modal transportation system.	Yes
Industrial retention strategies in place.	PSIC-B SAP does not elevate business retention or anti-displacement strategies.	No
Regional role.	PSIC-B SAP describes its role within the region, but does not describe relationship to countywide planning policies and Vision2050.	Partially

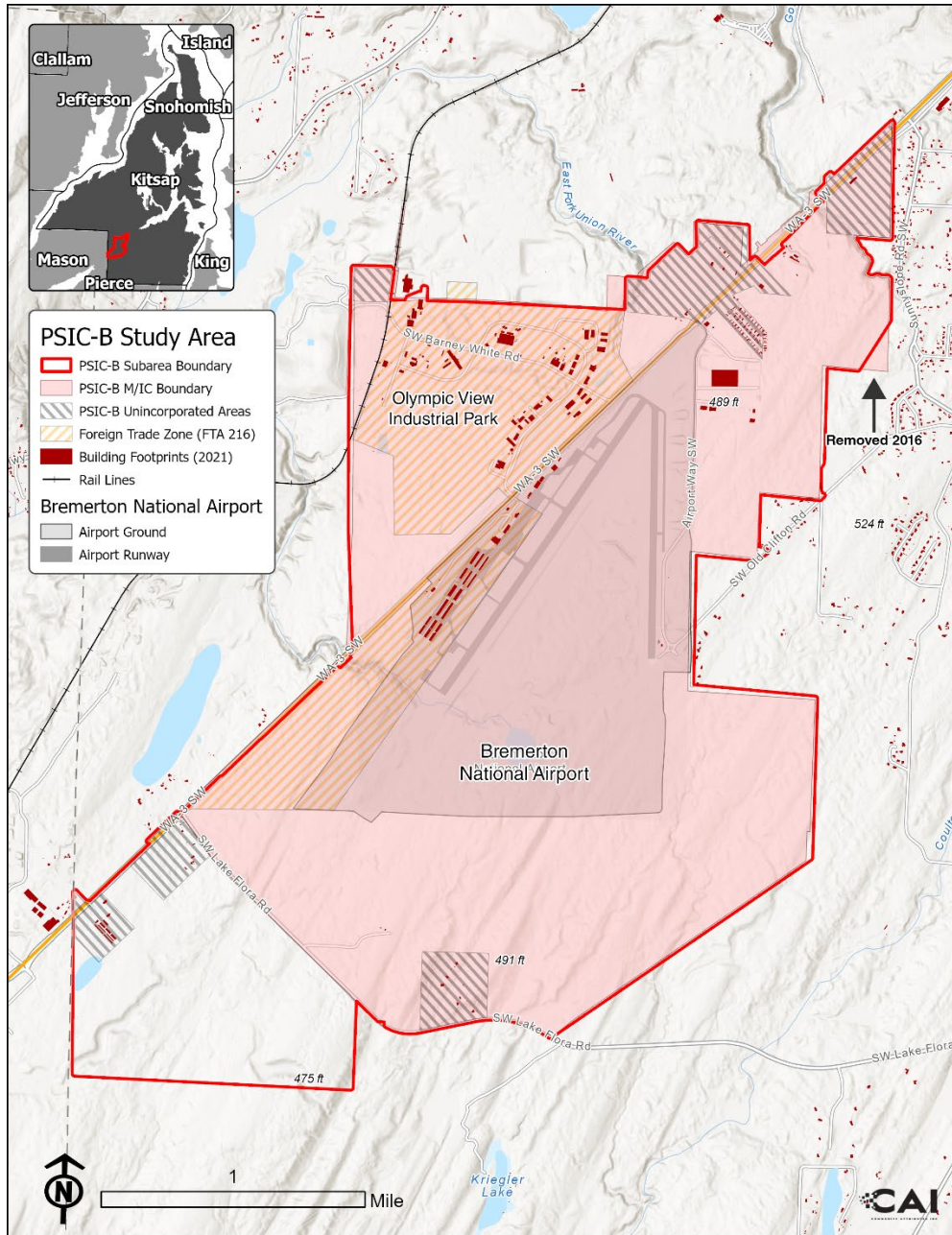
Source: PSRC, 2023; PSIC-B SAP, 2018; Kitsap County Buildable Lands Report, 2021; CAI; 2023.

PSIC OVERVIEW & ROLE IN THE REGION

The Puget Sound Industrial Center – Bremerton (PSIC-B; formerly the South Kitsap Industrial Area) Manufacturing / Industrial Center, located about nine miles southwest of the Puget Sound Naval Shipyard on Highway 3, was first designated by PSRC in 2003. After a market study conducted in 2008, and after most of the land in the future Subarea was annexed by the City of Bremerton in 2009, the City (with a Climate Showcase Communities Grant from the US Environmental Protection Agency) hired consultants to create the *Sustainable SKIA* (now PSIC-B) *Subarea Plan* (SAP) and planned action EIS, which were adopted in 2011-12. The SAP established the vision and policies for growth for PSIC-B and fulfilled PSRC planning requirements at the time. While still a relatively low employment density industrial area, PSIC-B has since grown substantially and, in advance of the City’s Comprehensive Plan update due in 2024 and required PSRC M/IC monitoring to occur in 2025, now requires a re-evaluation of its size, employment, market characteristics, land capacity, and other factors. In addition, since PSRC’s Regional Centers Framework was updated in 2018, the M/IC has been classified as an “Industrial Growth” type M/IC, with refined evaluation and re-designation criteria.

Today, while most of the Subarea has been incorporated by the City of Bremerton, a handful of unincorporated pockets still exist within the official subarea boundaries (**Exhibit 3**). The M/IC boundary, as originally adopted, also does not include the Subarea portion to the southwest of Lake Flora Road. In 2016, a small triangular portion of the Subarea was removed and re-designated non-industrial in a Comprehensive Plan amendment, and an updated zoning map for the Subarea was adopted to replace the original. In 2018, an adopted ordinance altered the SAP to allow for gravel “pavement” in certain areas. The size of the PSIC-B Subarea is **3,759 acres**, while the size of the designated M/IC is **3,246 acres**.

Exhibit 3. PSIC-B Study Area, 2023



Source: City of Bremerton, 2018-2023; PSRC, 2023; Port of Bremerton, 2023; CAI, 2023.

PSIC-B has become home to numerous regionally significant employers, especially in the maritime and logistics industries, including SAFE Boats, Amazon, Electric Boat, Triton Marine, and others. At the same time, a great deal of vacant land available for growth still exists across large swaths of the Subarea. Most of the industrial activities in the Subarea are in the Port of Bremerton’s Olympic View Industrial Park in the corner of the Subarea northwest of the Bremerton National Airport. The Port operates both the industrial park and the airport, and portions of both comprise one area of

Foreign Trade Zone #216 – a kind of free-trade zone that conveys significant cost savings to producers located there. A master plan and capital improvement plan (CIP) was completed for the Bremerton National Airport in 2015 by the Port.

As of 2020, according to an interview of the Port’s CEO in the Kitsap Sun, the number of businesses in Olympic View had grown to 68, employing just under 2,500, and Port Commission President Cary Bozeman attributed the Port properties’ growth to the lack of available manufacturing space elsewhere and the upcoming billion-dollar upgrades to Puget Sound Naval Shipyard.¹ CHS Northwest, a longtime tenant of the port, had also leased additional land and planned to build two new rail spurs off the Navy-owned railroad there.

On an old runway to the east of the Airport, separated by chain link fence, are the Bremerton Raceway, and the MotoWest offroad racetrack. PSIC-B is bounded by the unincorporated Sunnyslope neighborhood to the east, by Belfair in Mason County to the southwest, and by the Olympic View Sanitary Landfill bordering the industrial park on the west.

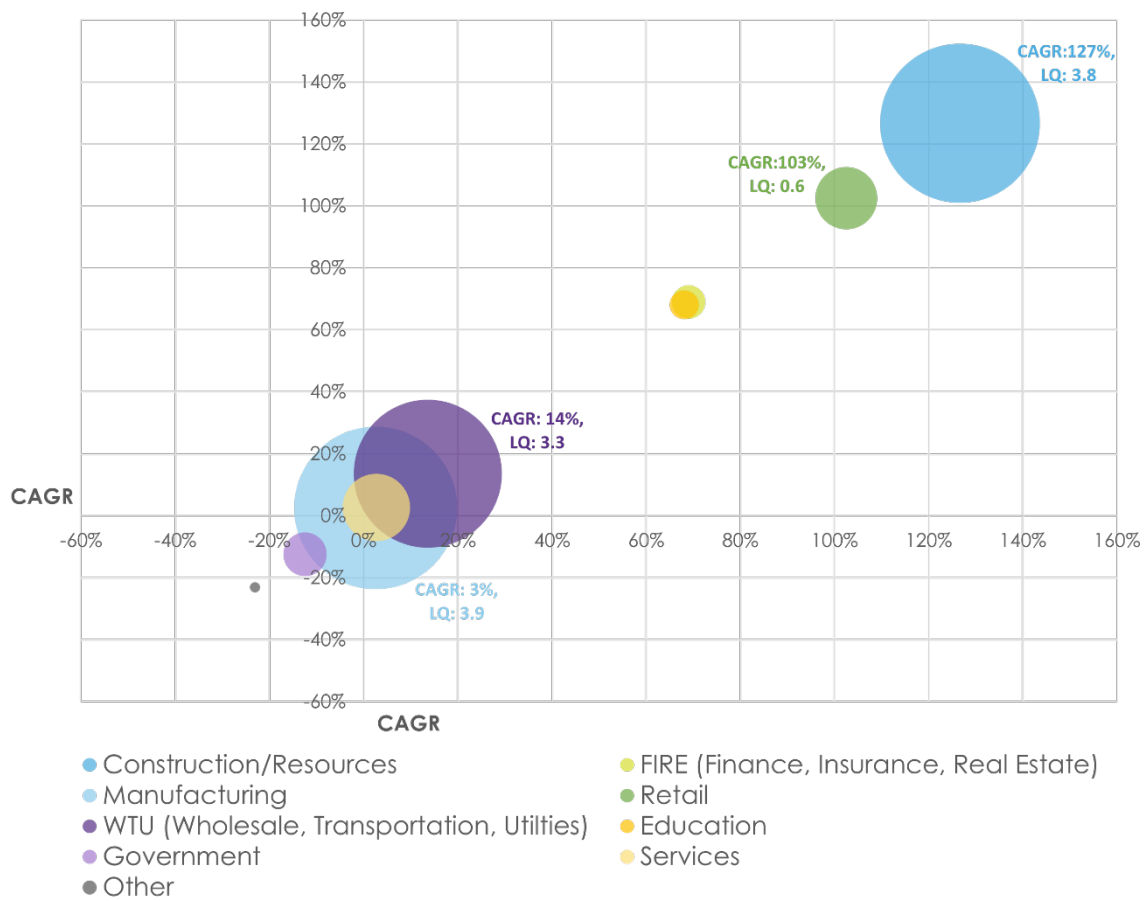
The PSIC-B subarea exhibits a distinct market landscape in which several industries have clustered and capitalized on competitive advantages. Location Quotient (LQ) is a measure which compares the concentration of employment by industry in a defined area (in this case PSIC-B) to the national average employment by industry. A value higher than 1 represents a higher concentration of employment in that industry in PSIC-B compared to the nation, while a value less than 1 represents a lesser concentration. The manufacturing industry sector in particular stands out with a substantially high location quotient of 3.9, indicating a very high concentration of manufacturing employment within the PSIC-B subarea as compared to the national average (as shown in **Exhibit 4**). Similarly, the construction and resources industry sector also shows a significantly high location quotient of 3.8, suggesting that PSIC-B has become a hub for both manufacturing employment as well as construction & resources employment. Another industry sector that displays a notable location quotient is wholesale, transportation, & utilities (WTU). Its LQ of 3.3 indicates that PSIC-B employs more workers in WTU jobs than the national average and plays a crucial role in facilitating the movement of goods and providing essential utility services to the region.

Compound Annual Growth Rate (CAGR) can be used to measure the constant growth of an industry in a specified area over multiple years. Positive CAGR values show industry growth while negative values show industry decline. Between 2013 and 2023, the construction and resources industry sector has

¹ “Port of Bremerton adds five new tenants at industrial park this year,” Kitsap Sun, November 2020.

been at the forefront of industry growth, earning the highest CAGR in the PSIC-B subarea of almost 130% (**Exhibit 4**). The construction industry in the subarea experienced significant expansion between 2013 and 2023, increasing from zero to 119 jobs. The retail sector, with a CAGR of 103%, has also shown sustained growth in the subarea's market, increasing from zero to 64 jobs. Finally, both the finance, insurance & real estate (FIRE) industry sector and the education sector demonstrate moderate industry growth within the past 10 years, with CAGRs of 69% and 68% respectively. Though these two industries have seen growth between 2013 and 2023, their LQ values of 0.6 or less indicate that these two industry sectors still have employment levels significantly less than the national average.

Exhibit 4. Competitive Sectors by Location Quotient, PSIC-B, 2013-2023



Source: ESRI 2023, Port of Bremerton, 2023, PSRC, 2013; CAI; 2023.

Sustainable SKIA / PSIC Subarea Plan & EIS (August 2012, Updates 2016 & 2018; EIS - 2011)

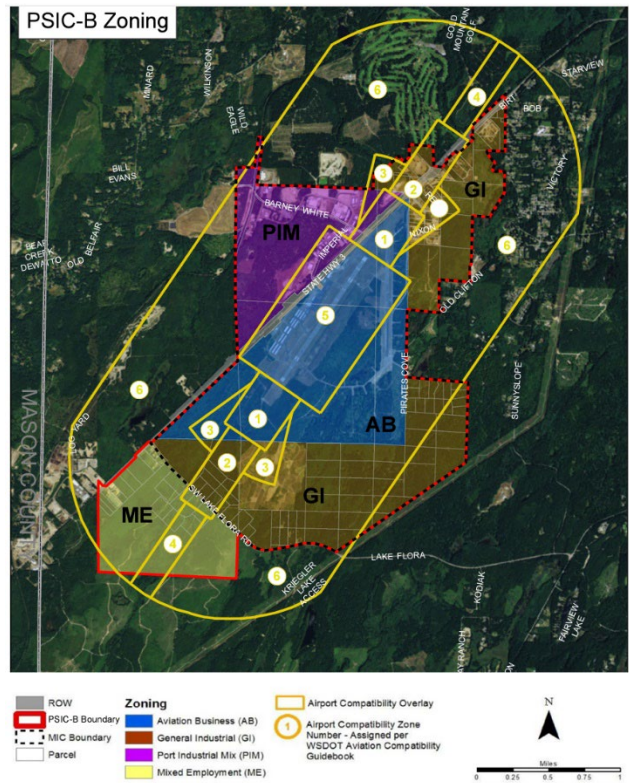
The PSIC-B Subarea Plan (SAP) was first adopted as the South Kitsap Industrial Area Subarea Plan. In 2008, following annexation of the majority of the PSIC-B subarea, the City began planning for PSIC-B with an amendment to the Comprehensive Plan to add the “PSIC-B Manufacturing/ Industrial Center (PSIC-B M/IC)” as a new type of center. In 2010, the City successfully obtained a Climate Showcase Communities Grant from the US Environmental Protection Agency to complete a Subarea Plan and Planned Action EIS for PSIC-B. Key project objectives include economic development and job creation; protection of natural systems, reductions in greenhouse gas emissions and more sustainable development patterns and buildings; and development of innovative and sustainable infrastructure. The 2012 Subarea Plan is the outcome of a planning process that began in early 2011. The Plan contains five major sections, including Goals and Strategies, Implementation, Zoning and Development Standards, Sustainable Design Guidelines and Development Incentives, and a Capital Facilities Plan. Since the adoption of the subarea plan, the area has been rebranded as the "Puget Sound Industrial Center-Bremerton (PSIC-Bremerton)."

A May 18, 2016 PSIC-B Subarea Plan amendment making the name change from SKIA to PSIC-B, and removing a triangular parcel from near the northeast corner of the Subarea boundary.

Ordinance 5363 in December of 2018 further amended the PSIC SAP to allow gravel “pavement” in the industrial center.

PSRC Regional Centers Monitoring Report (2013)

The PSRC released reports evaluating the performance of designated centers in accommodating regional growth targets and assessing how their subarea plans address regional expectations. The monitoring report in 2013 addresses



The Zoning Map should be updated to exclude one General Industrial parcel: (tax parcel number 122301-1-010-1002) from the PSIC-Bremerton Subarea Plan boundary.



Bremerton's M/IC, referencing the now outdated SKIA subarea boundaries. The report affirms some of the planning efforts and directions that had been taken, such as the completed market analysis and environmental provisions for sustainable development. It identifies Bremerton's M/IC as ripe for sustainable industrial development in the future, calling out some areas for additional planning focus such as the center's overly large average block sizes, low access to public transit, bike facilities, and pedestrian facilities, and its recorded AU density of 0.3, the lowest recorded for any of the centers as well as far below the 18 AU density target in 2010. However, Bremerton's M/IC stands out in this report with the lowest employment, showing a total employment of 876.

Since the 2013 Regional Centers Monitoring Report, employment in the PSIC-B area has seen growth and development. By 2020, as many as 68 port tenants can be identified employing just under 2,500 workers. One new tenant includes the Amazon Delivery Service Partners (DSP), for whom the DSE8 Bremerton warehouse was redeveloped and opened in September of 2020. Amazon hired an estimated 250 employees for the new center, including around 60 full time staff and hundreds of last mile drivers. Other new tenants include Radian Aerospace (based in Renton), who constructed a second facility on the southeast corner of Bremerton National Airport, Ultra Safe Nuclear Corporation (USNC), a Seattle-based generator manufacturer that specializes in clean nuclear energy, and SAFE Boats, a Bremerton company whose growth landed them a warehouse at the Port of Bremerton's Olympic View Industrial park in 2000 and a second location at the Port of Tacoma in 2012. SAFE Boats have 220 staff in Bremerton and were projected to hire up to 30 more locally. Some others include Port Orchard-based Ideal Commercial Uniforms, WRG Fire Training Simulation, with a new firefighter training facility at the port, the ARC of the Peninsulas, leasing a 9,000-square-foot building, and even Kitsap County who is leasing a 3-acre facility from another port tenant.

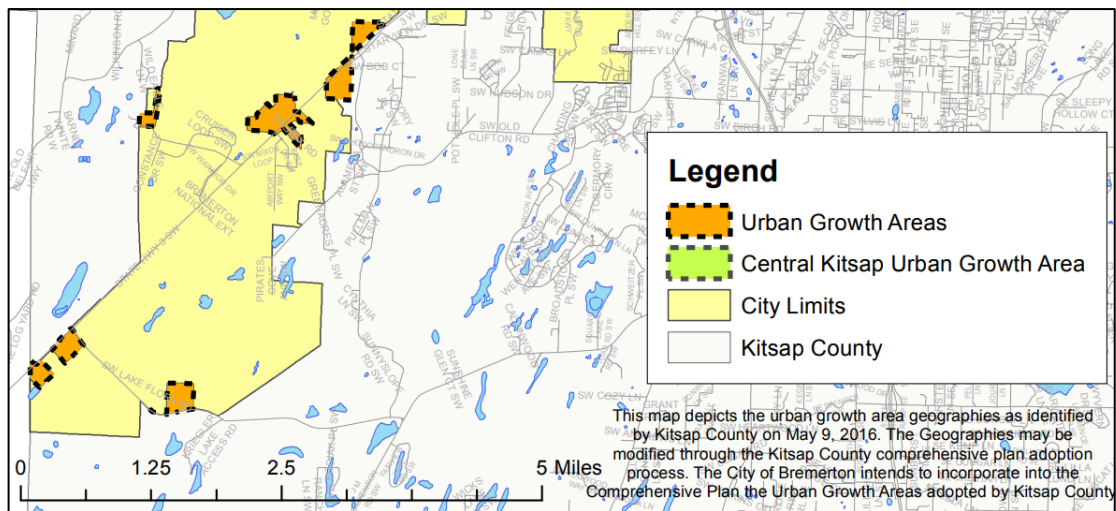
Port of Bremerton Airport Master Plan & CIP (2015)

Master Plan for Bremerton National Airport, The Port of Bremerton has updated the master plan for Bremerton National Airport (PWT) to define current and future airport facility needs. The master plan provides a path for facility development consistent with the Port's operational and financial requirements and Federal Aviation Administration (FAA) standards. Although activity was slowed by the economic recession of the late 2000s, the airport has experienced overall growth in based aircraft and operations (takeoffs and landings) over the last decade. The addition of several locally based business jets and a helicopter flight training school are examples of the airport's continued evolution to accommodate an ever-wider user base.

City of Bremerton Comprehensive Plan (2016, Updating 2024)

Bremerton’s Comprehensive Plan, adopted last in 2016 with minor amendments in 2017 & 2018, is the City’s foundational policy document that guides growth and development for the next twenty years from 2016 until 2036. It seeks to assure that each community decision, expenditure, and action is consistent with the City’s shared vision, values, and goals. In the Comprehensive Plan’s Land Use Element, on page LU-29, the PSIC-B SAP’s policies are adopted by proxy and with policy “LU1: Plan for Growth: LU1-PSIC(A): Implement the development standards and incentives outlined in the Subarea Plan.”

The City of Bremerton’s desired eventual growth extent includes six unincorporated “pockets” of land within the PSIC-B Subarea boundary, as illustrated in the map, below, extracted from the Plan. The current County zoning on these parcels – Urban Industrial (UI) – will become the corresponding City of Bremerton PSIC-B zones (ME, PIM, or GI) described in the SAP zoning map, above, upon annexation to the City.



The next update of the City's Comprehensive Plan is due by December of 2024. The 2024 Comprehensive Plan Update will plan for the next 20 years of population and employment growth through the year 2044. The current market study will contain recommendations to update the PSIC-B Subarea Plan that will be incorporated into the updated 2024 Bremerton Comprehensive Plan’s policies and actions.

Port of Bremerton Competitive Analysis and Marketing Strategy (2017)

In 2017, Heartland completed a Competitive Analysis and Marketing Strategy for the Port of Bremerton aiming to provide the Port with an

understanding of how it is competitively positioned in the regional industrial market, and to recommend plans and strategies for marketing. Case studies, information and key takeaways from this document all work towards the ultimate goals of helping the Port to attract new business, support existing business growth, and increase skilled employment.

The document finds the Port's strongest assets, from an economic development perspective, to be a very competitive cost of doing business, with land costs and permitting timelines that are significantly less than along the I-5 corridor, a relatively large and skilled workforce, multifaceted regional connectivity through the national airport, I-5, rail access, and Gray's Harbor (which has deep water access points to the west), and a high quality of life including affordable housing, quality schools, and access to the outdoors. It also finds that Kitsap County, on the whole, has a very tight industrial market, suggesting that moderate economic growth and the lack of available space should elevate rents and make new development more feasible. The four target sectors the analysis identified for the Port of Bremerton's marketing plans and efforts include Defense, Aerospace, Maritime, and Recreation.

Regional Centers Framework Update (2018)

The 2018 Regional Centers Framework Update was undertaken beginning in 2015 to reassess the system in place at that time and recognize other places serving important roles in the region. The Regional Centers Framework outlined a revised structure and criteria for regional and countywide centers and direction to update policies and procedures to update to the regional centers framework. The updated Framework recognized different scales of regional centers and M/ICs; updated criteria and expectations for centers going forward; provided for consistent centers designation at regional and countywide levels; and addressed requirements for new center and redesignation of existing regional centers.

The Regional Centers Framework Update identified two distinct pathways to designate new manufacturing/industrial centers. PSIC-B was identified as an "Industrial Growth" type M/IC, whose new eligibility criteria would include:

- Minimum size of 2,000 acres
- Existing jobs: 4,000 minimum
- Planned jobs: 10,000 minimum
- Minimum 50% industrial employment
- If M/IC is within a transit service district, availability of existing or planned frequent, local, express, or flexible transit service. If outside, documented strategies to reduce commute impacts through transportation demand management strategies consistent with the Regional Transportation Plan Appendix F (Regional TDM Action Plan)
- At least 75% of land area zoned for core industrial uses

- Industrial retention strategies in place
- Regional role

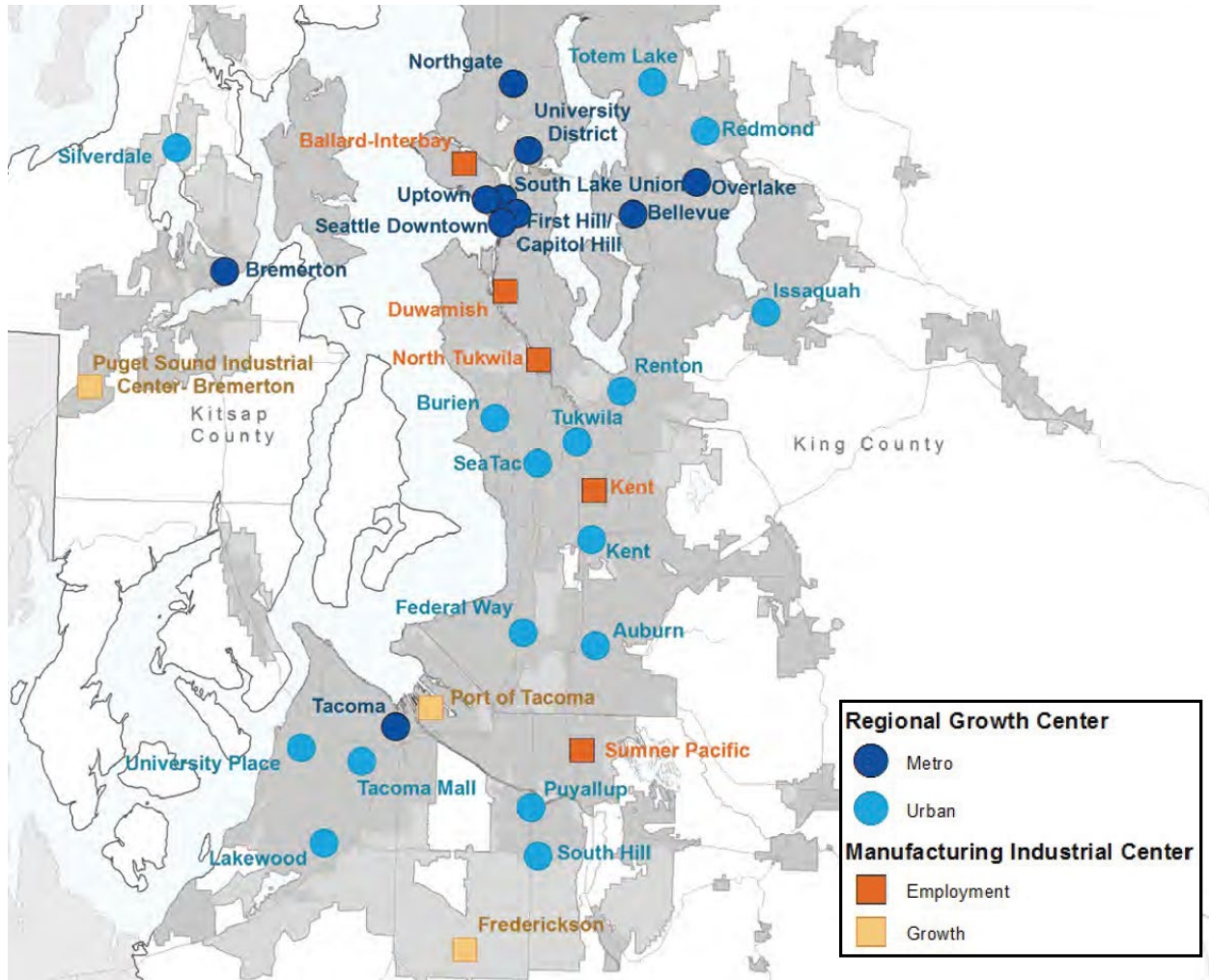
The Framework indicated all existing M/ICs would be automatically re-designated for the first evaluation period occurring 2018-2020 as long as they had a) adopted a subarea plan, and b) were designated by their local jurisdiction in its adopted comprehensive plan and countywide planning policies (CPPs), both of which criteria were met by PSIC.

The Framework Update specifies that a first monitoring review period for PSIC-B is scheduled for 2025, following the 2024 periodic comprehensive plan update for the City of Bremerton, and will recur every five years thereafter. For the 2025 review, PSIC-B will be expected to fully meet “eligibility and designation criteria similar to new center” as outlined above. As a part of these criteria, M/ICs “that have existing employment levels below the level required for new centers at the time of review must complete a market study to evaluate the potential for and opportunities to best support center growth,” and showing “how the center can meet targeted levels of growth within the planning period.

PSRC Vision 2050 (2020)

The Puget Sound Regional Council (PSRC) is the inter-county regional transportation, growth management, and economic development planning entity for King, Kitsap, Pierce, and Snohomish Counties. As a part of the PRSC-B’s long-term strategic planning framework, Vision 2050 fulfills requirements under Washington’s Growth Management Act to develop multicounty planning policies. Looking ahead to 2050, the policies also serve as the region’s guidelines and principles required under RCW 47.80. Through Vision 2050, PSRC designates the PSIC-B as an Industrial Growth M/IC (**Exhibit 5**). Grounded in commitment to environmental sustainability, social equity, and efficient growth management, M/ICs are intended to accommodate regional goals for employment, industrial zoning, and freight infrastructure.

Exhibit 5. Regional Centers, Puget Sound Regional Council, 2023



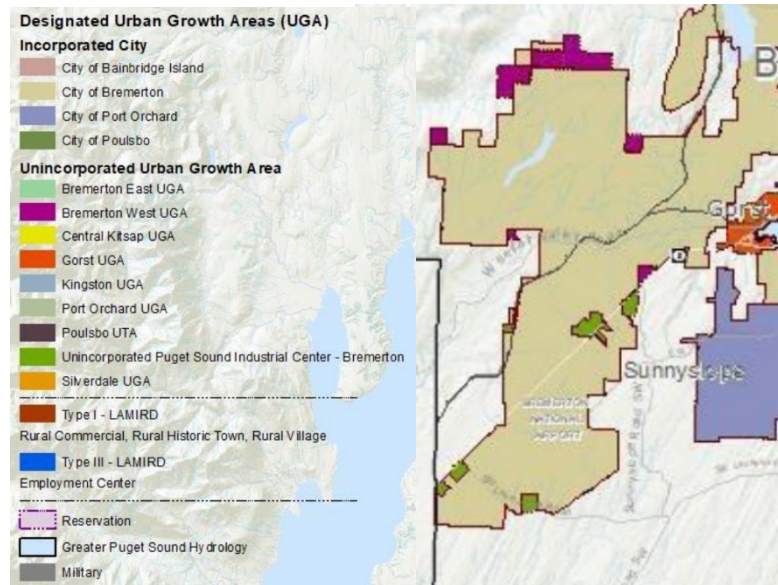
Source: PSRC, Vision 2050.

Vision 2050 Planning Resources - Plan Review Manual (2021, Updated 2022)

To accompany Vision 2050, the PSRC developed resources that can assist localities in incorporating the regional policies and goals outlined in the document into local planning efforts. These include clarifying guidance documents for each policy topic area, dashboards of community or regional data, as well as the Plan Review Manual, which was published in 2021 and updated in 2022. This manual contains checklists that each type of center can use in determining their alignment with the goals and policies laid out in Vision 2050 as well as other guiding policies such as the Regional Centers Framework. This review manual was utilized to create the policy alignment matrix in this report. For full matrix, see **Appendix II**.

Kitsap County Buildable Lands Report (2021)

The updated Kitsap County Buildable Lands Report (BLR) analyzed commercial and industrial land supply and employment capacity for both incorporated and unincorporated UGA areas of the PSIC. For the incorporated UGA portion, the BLR did not conduct an original analysis but rather adopted findings from the 2011 SKI Draft Planned Action and EIS. Figures cited from this document included 2,000 current employees, plus capacity for 10,000 more employees. The BLR reduced the total net employment capacity to 10,257, however, to “account for employment loss since the time of Subarea adoption.” For the unincorporated UGA “islands” within the PSIC-B boundary, the BLR calculated 62.44 net acre and 1,039 net employment capacity. In total, the BLR thus identified overall employment capacity for PSIC-B to be 11,296.



MARKET TRENDS AND CONDITIONS

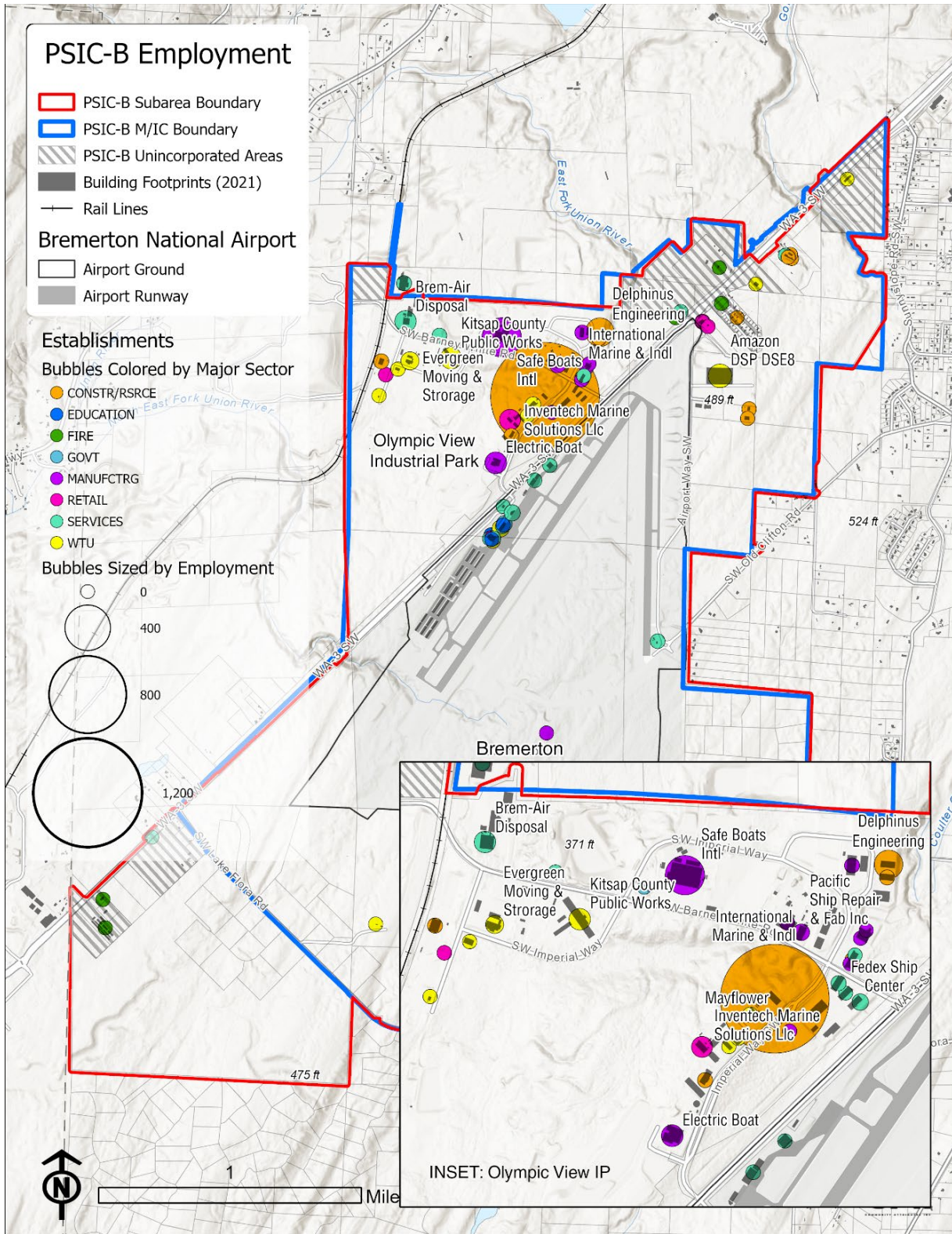
Employment & Economy

According to a custom analysis of employment conducted by CAI, the total current employment in the PSIC-B Subarea is **2,762**, and the number of individual establishments (not counting multiple locations for the same establishment) is 76. Within the smaller M/IC boundary, the employment is nearly the same, at 2,758 and 73 establishments. When PSRC produced its first monitoring report for the PSIC-B M/IC in 2013, total employment was 876 with 38 establishments. Thus, in the decade since that analysis was conducted, the M/IC's employment grew by 1,882 or approximately 215%.

The average employment per establishment is 36.3 and the median employment is 6 employees per establishment. The largest single employer based in the Subarea is currently International Marine and Industrial Applications – a marine preservation and structural services company with a mobile workforce serving the US Navy – with 1,200 total employees, followed by SAFE Boats – a maritime industry company that builds durable military, law enforcement, and fire vessels – with 319 employees on site. Other large employers in the Subarea include Delphinus Engineering (185), Amazon (120), and General Dynamics Electric Boat (100).

The majority of employment in the Subarea and M/IC is concentrated in the Port's Olympic View Industrial Park and Bremerton National airport, with secondary nodes in the area known as "Sky Park" by the Port, and along Highway 3 north of the Airport (**Exhibit 6**). Only a small handful of existing establishments and employment exist outside these areas where large tracts of developable land are present.

Exhibit 6. PSIC-B Employment by Firm, PSIC-B, 2023



Source: ESRI Business Analyst, 2023; Port of Bremerton, 2023; CAI, 2023.

Major Employers

As of 2023, the top employers in the PSIC-B area are International Marine and Industrial Applications, SAFE Boats, Delphinus Engineering, and Electric Boat (**Exhibit 7**). SAFE Boats, founded in South Kitsap in 1997, is a long-term anchor institution that has seen more growth than projected, reaching 319 employees in the PSIC-B area alone. From its two locations in the Port of Bremerton and the Port of Tacoma, SAFE Boats manufactures vessels for governments, first responders, law enforcement and military on the global market, and in recent years, has taken a role at the U.S. government's military aid for Ukraine. Employers in marine industries or marine adjacent industries continue to be a theme throughout the list of top 20 employers in the PSIC-B, as are manufacturing, transportation & warehousing, and aerospace & aviation.

New employer activity in the PSIC-B significantly shapes the economic landscape, not only reinforcing the existing prominence of these identified industries but also paving the way for diversified industry offerings and employment opportunities. WRG Fire Training Simulation Systems announcing their locating at the port in 2020 indicates a continued growth and clustering of marine-related industries in the area. WRG specializes in shipboard firefighting and damage control training, catering to sailors across all ships in Bremerton, as well as reaching out to Everett, the Coast Guard, and Seattle's fishing fleet. This development further solidifies the maritime sector's significance in the region and well as encourages clustering of supportive manufacturing.

The manufacturing community in the PSIC-B has experienced a notable influx of new employers, bolstering its presence as well, especially in previously untapped avenues. Port Orchard-based Ideal Commercial Uniforms, for instance, has secured a 2,600-square-foot building lease to support its uniform and screen-printing business. Another example is the ARC of the Peninsulas who has leased a 9,000-square-foot building in the industrial park, primarily for clothing collection purposes. Furthermore, Ultra Safe Nuclear Corporation (USNC), a Seattle-based generator manufacturer specializing in clean nuclear energy, was reported to be leasing space from the port to conduct a feasibility study for a potential manufacturing plant in 2020 with the intention to utilize the facility house small nuclear generators.

The PSIC-B's transportation and warehousing industries have also seen growth. The announcement of the Amazon Delivery Service Partners location into one of Bremerton's redeveloped warehouses in 2020 signals the region's appeal as a logistics hub, further strengthening its position in the industry. Lastly, Radian Aerospace, an ambitious startup based in Renton, Washington, has set its sights on the PSIC-B for its rocket engine testing operations. The company began constructing a facility on a half-acre parcel at

the southeast corner of Bremerton National Airport in 2020. This initiative reflects the region's attractiveness for aerospace and aviation ventures.

Finally, a 2018 market study conducted for the Kitsap Public Facilities district assessed the feasibility and economic impact of development of a major motorsports complex in PSIC-B west of State Highway 3 and south of the Olympic View Industrial Park. The study cites the potential creation of over 400 new jobs on the site if realized.

Exhibit 7. Top 20 Employers, PSIC-B, 2023

	Business	Employees	Square Footage	Annual Sales (Thousands)
1	International Marine Industrial Applicat	1200	7,200	\$484,000
2	Safe Boats International	319	78,700	\$30,249
3	Delphinus Engineering	185	8,800	\$39,656
4	Electric Boat	100	25,500	NA
5	Kitsap County Public Works	95	36,000	\$9,843
6	Bremerton Airport	95	41,000	\$3,246
7	Inventech Marine	89	12,000	\$891
8	IMIA	86	7,200	\$484
9	Evergreen Transfer and Storage	50	10,000	\$4,013
10	Port Administration	35	9,400	NA
11	Pacific Ship Repair and Fabrication	32	10,000	\$11,672
12	Avian Aeronautics and Flight Center	31	18,000	NA
13	Fedex	27	9,000	NA
14	Amelia's Hangar	26	5,600	NA
15	Stripe Rite	15	4,400	\$829
16	ROMARK / ARC / Copperwood	15	22,500	NA
17	Triton Marine	14	11,600	\$4,052
18	Miles Sand & Gravel	14	36,200	NA
19	Defiance Marine	14	9,000	\$938
20	Paul Davis Restoration	13	8,800	\$2,494

Source: ESRI Business Analyst, 2023; Port of Bremerton, 2023; CAI, 2023.

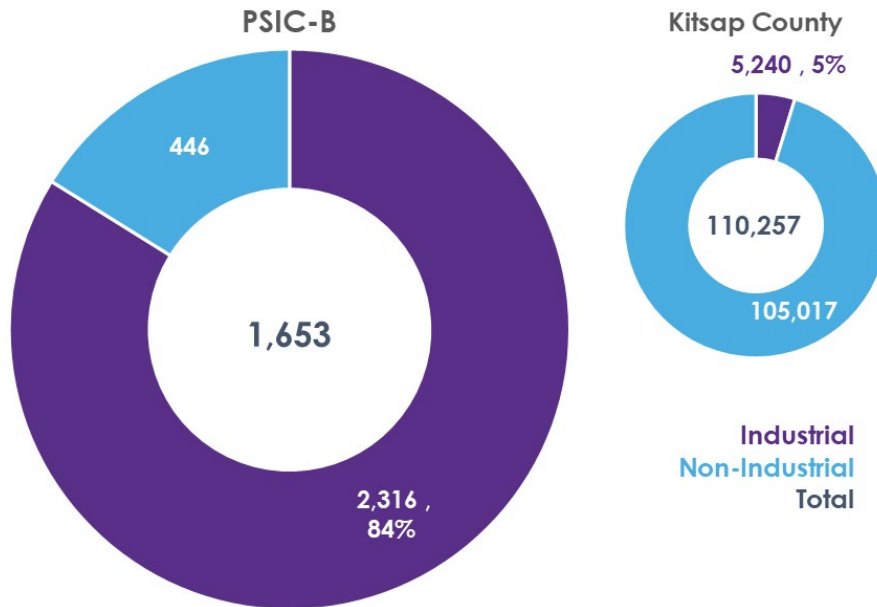
Industrial Employment in the Subarea

According to ESRI Business Analyst and custom data maintained by the Port of Bremerton on its tenants, PSIC-B has 2,762 jobs as of 2023 (**Exhibit 8**). Of these 2,762 jobs, 2,316 are designated as industrial jobs. Kitsap County has a total of 5,240 jobs in industrial sectors, which represents 5% of all jobs in the county. Nearly one-quarter (23%) of all industrial jobs in Kitsap County are located in PSIC-B.

PSIC-B's 2,316 industrial jobs corresponds to 84% of all jobs in the Subarea which meets the PSRC Regional Centers Framework requirement that at

least 50% of all jobs in a M/IC should be industrial. Industrial jobs are those that are included in zoning designations of manufacturing, transportation, warehousing, and freight terminals.²

Exhibit 8. Industrial Employment, PSIC-B & Kitsap County, 2023



Source: ESRI Business Analyst, 2023; Port of Bremerton, 2023; CAI, 2023.

As shown in **Exhibit 9**, these land use designations correspond to the NAICS industry sectors of manufacturing, construction and resources, and wholesale, trade, and utilities (WTU). Approximately 18% of all jobs in PSIC-B are in manufacturing. Construction and resource-driven jobs comprise 53% of all jobs in the center, and WTU accounts for 13% of all jobs. Of non-industrial sectors, the most jobs are in services (9% of all jobs).

² Regional Centers Framework Update, PSRC, March 2018.

Exhibit 9. Industrial Employment, PSIC-B, 2023

Sector Type	Major Sector	Number of Establishments	Total Employment	% of Total Employment
Industrial	Manufacturing	10	498	18%
Industrial	Construction & Resource	14	1467	53%
Industrial	WTU	13	351	13%
Industrial Sectors Subtotal		37	2,316	84%
Non-Industrial	Services	21	252	9%
Non-Industrial	Retail	6	116	4%
Non-Industrial	Government	2	30	1%
Non-Industrial	FIRE	6	19	1%
Non-Industrial	Education	3	18	1%
Non-Industrial	N/A	2	11	0%
Non-Industrial Sectors Subtotal		40	446	16%
Total		77	2,762	100%

Source: ESRI Business Analyst, 2023; Port of Bremerton, 2023; CAI, 2023.

Key Sectors

Exhibit 10 includes employment numbers in target subsectors in PSIC-B. Subsectors are 6-digit NAICS code sectors. Subsectors include those identified in the Port of Bremerton’s 2017 Competitive Assessment (maritime, aerospace) and additional selected subsectors of major industries that are in alignment with Kitsap County and Bremerton’s competitive sectors. The identified sectors include maritime (1,329 total jobs across four subsectors³), aviation and aerospace (54 jobs across three subsectors), and transportation (49 jobs across three subsectors). Ship and boat building and repairs are collectively the largest target subsectors with 1,307 total employees. Airport operations is the largest subsector within aviation and aerospace with 35 jobs. Freight trucking is the largest subsector within transportation with 20 total jobs.

³ Including International Marine and Industrial Applicators employment.

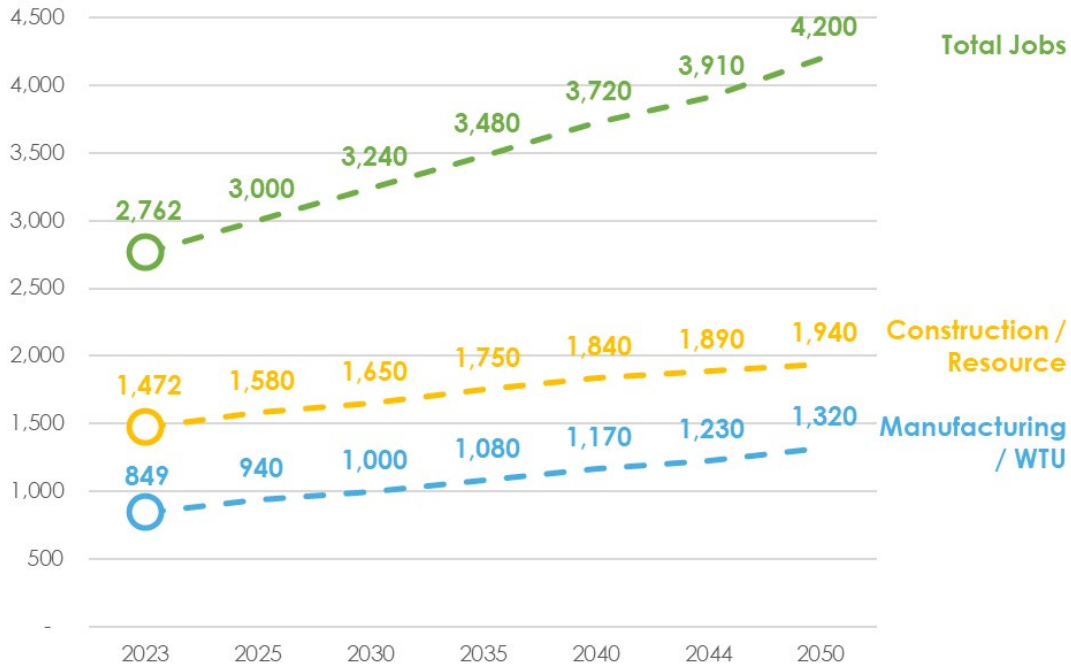
Exhibit 10. PSIC-B Total Employment by Subsector, 2023

Target Subsectors	Jobs	Share
Maritime		
Ship Building & Repairing	1300	98%
Boat Dealers	21	2%
Boat Building	7	1%
Marinas	1	0%
Total	1329	100%
Aviation / Aerospace		
Other Airport Ops	35	65%
Flight Training	12	22%
Fuel Dealers	7	13%
Total	54	100%
Transportation		
General Freight Trucking	20	41%
Truck, Trailer, and RV Rental & Leasing	16	33%
General Automotive Repair	13	27%
Total	49	100%

Source: ESRI Business Analyst, 2023; CAI, 2023.

Exhibit 11 provides an estimate of future employment in the major sectors in PSIC-B. The 2023 job count is provided by ESRI Business Analyst, with additional data provided by the Port of Bremerton, and further research by CAI. Sector growth is projected using the growth rates calculated by Puget Sound Regional Council for Kitsap County as a whole. There are approximately 2,762 jobs in PSIC-B. If PSIC-B tracks the employment growth rate of Kitsap County, it would reach approximately 4,200 jobs by 2050. This would include approximately 1,320 manufacturing and warehousing, transportation, and utilities (WTU) jobs and 1,940 construction and resource jobs by 2050. However, other growth trajectories are possible for the Subarea and MIC, especially given successful implementation of growth policies and objectives described in a subsequent section. If the previous decade's growth rate of 215% were to be matched in coming years, for example, Subarea employment could approach 6,000 in the next decade, and top 16,000 by 2050.

Exhibit 11. Projected Employment, PSIC-B, 2023 – 2050



Source: ESRI Business Analyst, 2023; PSRC, 2023; CAI, 2023.

Land Use & Zoning

Zoning

The total acreage by each City of Bremerton PSIC-B zoning category present in the incorporated part of the Subarea is summarized in **Exhibit 12**. All zoning in the PSIC-B Subarea and M/IC allows industrial uses. It should be noted that six unincorporated “islands” remain within the Subarea boundary; these areas, while currently zoned by the county Urban Industrial (UI), will assume the corresponding City of Bremerton PSIC-B zoning category upon their annexation, which may occur in coming years.

For the area within the M/IC boundary only, these acreages remain the same, except that the PSIC-ME zone and acreage, and two of the unincorporated islands along Highway 3, are not included; thus the total M/IC acreage is 2,966.6 acres. An additional 92 acres of land zoned Industrial (I) borders the PSIC-B directly to the north of Olympic View Industrial Park, with 16 of these acres belong the port and contiguous with its Olympic View tract. Finally, the triangular parcels totaling approximately 7 acres removed from the Subarea by amendment in 2016 were re-zoned Low Density Residential (R10).

Exhibit 12. Zoned Acreage by Category, PSIC-B Subarea (Incorporated and Unincorporated), 2023

Zoning Code	Jurisdiction	Description	Acres
PSIC AB	Bremerton	PSIC-B Aviation Business	1,133.9
PSIC GI	Bremerton	PSIC-B General Industrial	1,274.2
PSIC ME	Bremerton	PSIC-B Mixed Employment	422.7
PSIC PIM	Bremerton	PSIC-B Port Industrial Mix	504.0
UI	Kitsap County	Urban Industrial	247.2
Total			3,582.0

Source: City of Bremerton, 2023; Kitsap County, 2022; CAI, 2023.

The PSIC-B subarea plan establishes four zones, each playing a crucial role in guiding land use and supporting the plan’s overarching objectives to protect Bremerton National Airport from incompatible land uses and set aside space for industrial uses and development.

The first and most abundant zone in the PSIC-B area, covering 1,274 acres, is the General Industrial (GI) zone. It is designed to promote a wide range of light and heavy industrial uses, complemented by compatible support retail and service activities. It is primarily located south and east of the Aviation Business (AB) zone. Made up of the 1,134 acres including and surrounding the Bremerton National Airport, AB provides designated areas for aviation-related business as well as manufacturing and supportive service. Non-aviation industrial uses are also allowed in AB, provided they do not involve significant outdoor operations and include measures to reduce potential negative impacts.

The Port Industrial Mix (PIM) zone, found northeast of the AB zone, just across highway 3, accommodates a wide range of uses including light industrial, supporting retail and service uses, and even government or compatible recreational. Making up just over 500 acres in the PSIC-B area, PIM aims to encourage a business park. While it encourages light industrial activities, it also allows for heavy industrial uses, provided they include measures to mitigate potential negative impacts. Finally, the Mixed Employment (ME) zone, making up just 423 acres, aims to create a blend of commercial, office, and light industrial uses just outside the boundaries of the M/IC. Heavy industrial, while not prohibited, is discouraged in the ME zone. It prioritizes a more pedestrian-friendly environment, and while light industrial activities are allowed, they must occur within enclosed buildings.

The PSIC-B subarea plan also establishes an Airport Compatibility Overlay (ACO). Its intent is to safeguard the long-term viability and functionality of Bremerton National Airport by discouraging incompatible land uses and requiring a thorough evaluation of potential safety impacts associated with

land uses in close proximity to the airport. The ACO can be further divided into distinct airport compatibility zones. These zones represent areas surrounding the airport that may be affected by airport operations, such as exposure to lights, noise, vibration, or an increased aircraft crash hazard. In total, there are six compatibility zones, each corresponding to a specific phase of the airport traffic sequence and carrying an associated level of crash risk. Sensitive land uses are strongly discouraged within Zones 1 to 4, which directly experience the impacts of take-off and landing procedures.

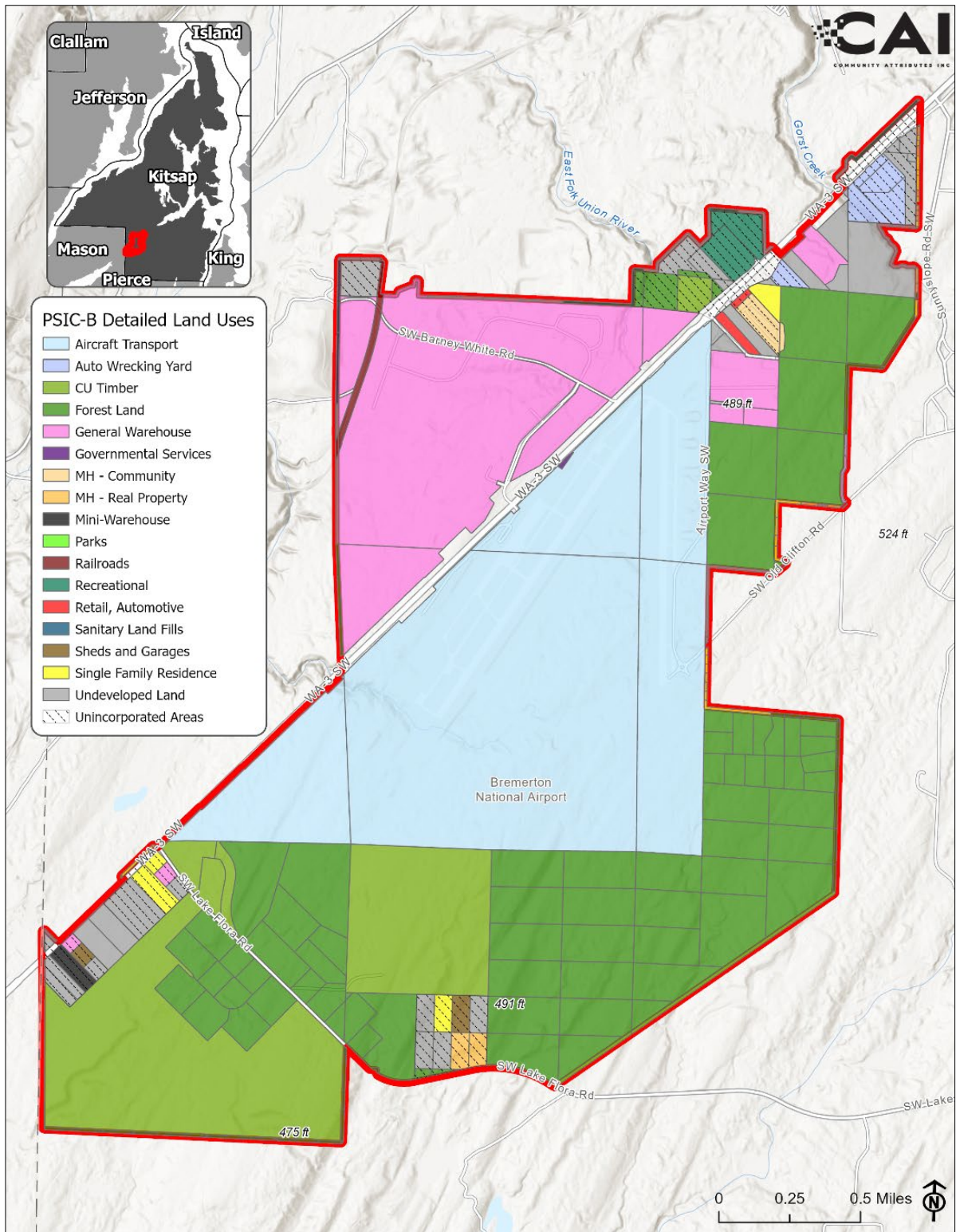
Zone 1, designated for arriving aircraft, and Zone 2, assigned to departing aircraft, present the highest crash risk within the overlay. Zone 3 lies within the inner aircraft turning zone, while Zone 4 is situated along a direct line from the ends of the runway. Structures within Zone 4 must adhere to regulated height limitations to prevent interference with landing or departing aircraft.

Development within the ACO must take on several other considerations as well, foremost being adherence to the regulations set forth by the Federal Aviation Administration (FAA). Any development within the ACO must also avoid disturbing airport operations. Finally, all applicants intending to undertake work within Zones 1 through 6 of the ACO are required to consult with the Port of Bremerton. This collaborative process ensures that development activities within the designated zones align with the airport's safety requirements and operational considerations.

Industrial and warehousing and forest and timber account for 89% of the subarea's generalized land uses, at 46% and 43% respectively (**Exhibit 14**). The industrial and warehousing land uses reflect the aviation business and industrial mix zones, where Bremerton National Airport and Olympic View Industrial Park are located. The forest and timber land uses reflect the general industrial zones. Undeveloped land makes up 5% of the subarea and generally is located within the unincorporated areas.

The industrial and warehousing generalized land uses are composed of general warehousing (Olympic View Industrial Park) and aircraft transport (Bremerton National Airport), at 32% and 65% respectively (**Exhibit 15**). Generalized forest and timber land uses primarily consist of CU timber and forest land, at 33% and 67% respectively.

Exhibit 15. Detailed Industrial Land Uses, PSIC-B, 2023



Source: Kitsap County Open Data Portal, 2023; CAI, 2023.

Transportation & Infrastructure

Two recently completed roundabouts were constructed within the PSIC-B Subarea; one at the intersection of Highway 3 and Bree Dr and the other at the intersection of Airport Way SW and Bree Dr (**Exhibit 16**). Roundabouts provide several benefits in safety concerns, construction costs, and traffic conditions, including lower incidences of car and pedestrian/bicycle crashes, reduction in yearly maintenance costs, and increase in traffic capacity for the intersection.

A railroad spur was constructed near the intersection of Constance Dr SW and SW Barney White Rd. This railroad spur can help link the PSIC-B PIM and PSIC-B CUL zones more efficiently and also serve as temporary railcar storage.

Bus routes run through PSIC-B Subarea but do not have stops along the route. The two nearest stops for the subarea are Old Belfair Highway at the Bear Creek Store and Roy Boad Park and Ride, north and southwest of the airport respectively.

There are several planned improvements within the subarea, including airport improvements and new construction features, future roads, and the proposed Belfair Bypass. There are three planned new additions and one existing improvement to the Bremerton Airport. Based on Bremerton's National Airport Master Plan, the west landside area improvements will accommodate 48 small aircrafts, replace underground aviation fuel storage tanks, and will include additional reconfigurations to meet FAA standards.

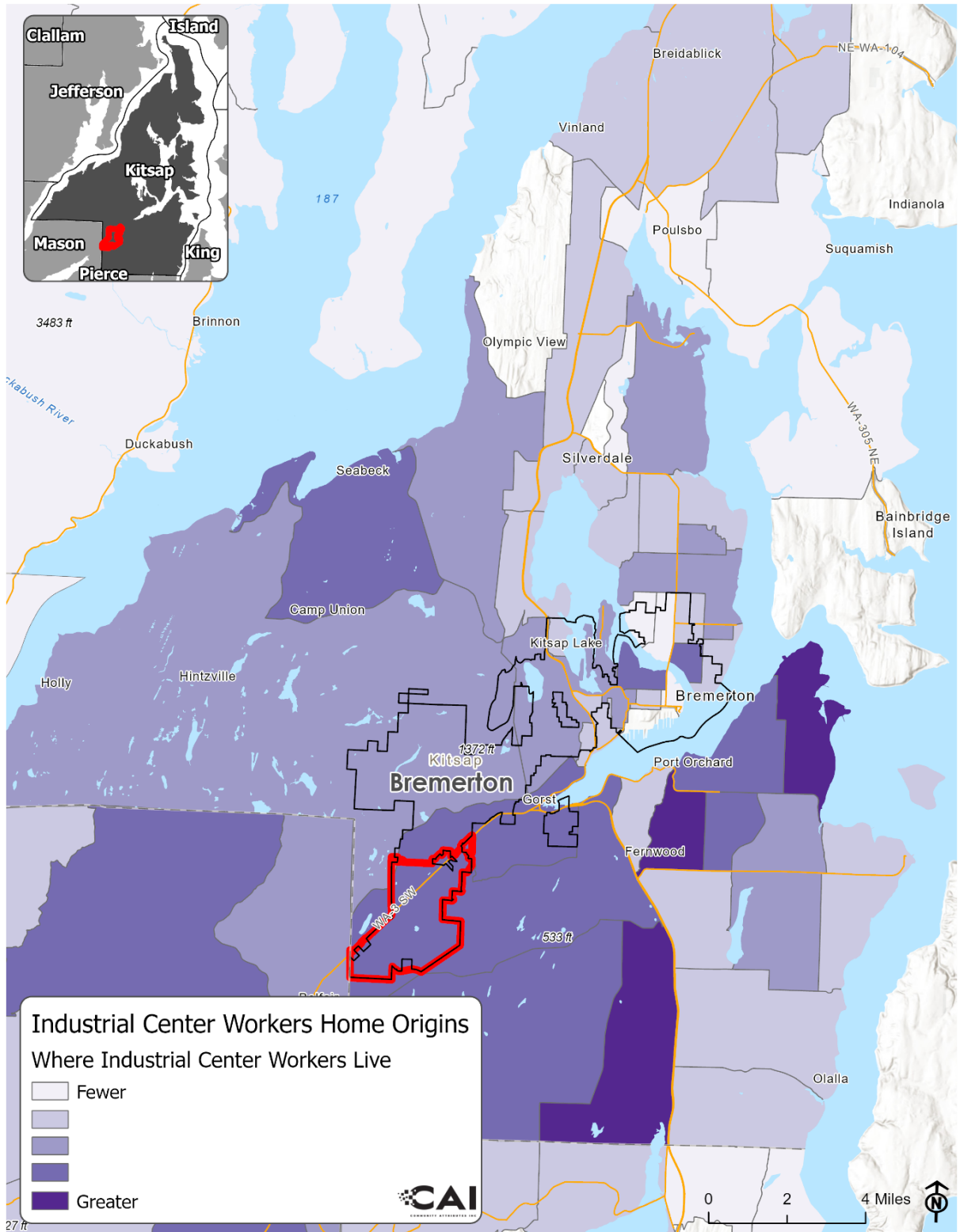
The new east landside hangar will be used as conventional and multi-unit storage to accommodate business and commercial tenants, will have a new taxiway access from the north end of the runway and to sections of Airport-Industrial Way, and there will be utility and stormwater improvements.

The new south landside hangar will provide additional aircraft accommodations and the new east parallel taxiway will provide east parallel taxiway access. These improvements will help Bremerton Airport maintain and strengthen its role as a locally generated and transient aviation business. The future roads visualized in **Exhibit 16** are the preferred future roadway network in PSIC but may vary due to development proposals and project approval by the City.

Commuting

Exhibit 17 shows the home origins of PSIC-B subarea workers, or where those who hold jobs in the PSIC-B subarea live. Darker shades indicate the areas with the highest concentration of workers. The highest densities of workers live to the east of the subarea in the towns of Port Orchard, Manchester, and Burley. Areas with medium to high density are in the PSIC-B subarea and directly to the east and west of the subarea, with a portion also located northwest near Seabeck. The current Subarea Plan contains requirements for Commute Trip Reduction within the MIC per Section C Chapter 4.040(b).

Exhibit 17. Residence Location of PSIC-B Workers, Kitsap County, 2020



Employment Lands Assessment

The most recent update to the Kitsap County Buildable Lands Report (2021) affirms an adopted PSIC-B employment capacity of **10,257**. This finding was originally determined via analyses comprising the City of Bremerton’s Planned Action Environmental Impact Statement (EIS) and Subarea Plan (SAP) adopted in 2011 and 2012 for the PSIC-B (originally SKIA).⁴ The figure represents capacity for 10,000 new jobs, plus existing employment as assessed by the EIS at the time (1,200) adjusted in the BLR to account for employment loss in the ten years from 2011 to 2021. In the following section, this assessment is tested by estimating current levels of net developable land in the PSIC-B and evaluating the feasibility of employment densities required to achieve this figure.

Our assessment finds it feasible that sufficient zoned capacity for over 10,257 jobs still exists in the PSIC-B in 2023. Almost **1,360 acres** of net developable land is currently present in the PSIC-B Subarea and current Subarea employment is 2,762 – thus, the remaining employment to accommodate would be **7,496**. If a modest employment density of **5.5 employees per acre** were achieved on the current supply of net developable land, PSIC-B would accommodate that remaining employment.

The average employment density across all other M/ICs at last estimate was 6.9 employees per acre. The (currently) nine other regionally designated M/ICs had employment densities ranging from 1.3 in Frederickson, to 14.7 in Ballard-Interbay. And as the data upon which these densities are based is over ten years old now for some M/ICs, it is likely that these densities have risen since that time. The other two M/ICs with densities nearest to this figure were Kent and Sumner-Pacific – both large-format distribution and manufacturing districts that PSIC-B envisions emulating in its Subarea Plan.

While sufficient land capacity exists, a number of other challenges may constrain the potential for future development here. These factors include retention of Port-ownership of its property (ground leases), lack of infrastructure in large swaths of the Subarea, extensive critical areas (especially creeks, wetlands, and steep slopes), and lack of access to large swaths of undeveloped land.

Land Supply

Exhibit 18 summarizes net developable land supply and characteristics in both the PSIC-B subarea and the M/IC. While all four PSIC-B zones allow core industrial uses, the Mixed Employment (ME) zone outside the M/IC south of Lake Flora Road is a mixed-use zone intended for commercial, office, and light industrial. PSIC-B zoning also does not limit development intensity as is typical of many commercial and industrial zones (such as in terms of

⁴ *Puget Sound Industrial Center (PSIC) EIS – Table 3.3-8.*

maximum floor-to-area ratio, or FAR), but rather is “market driven”. Within the boundaries of the Airport Compatibility Zones surrounding the airfield, however, maximum heights of some buildings may be limited to five stories.

Exhibit 18. Net Developable Employment Land Supply & Characteristics, PSIC-B, 2023

PSIC-B Subarea Boundary	Olympic View Industrial Park*	Bremerton National Airport Airfield Site*	Sky Park*	Forest Land**	Vacant Land	All
	PIM (Port Industrial Mixed)	AB (Aviation Business)				
Zoning				GI (General Industrial) & ME (Mixed Employment)	GI (General Industrial) & ME (Mixed Employment)	
Ownership	Port	Port	Port	Private	Private	
Approximate Developable Acreage	145	293	28	771	110	1,347
Number of Sites	11	9	5	70	25	120
Average Developable Size (acres)	12.2	22.6	2.5	16	6.3	11.9
Site Size Range (acres)	1-38	5-130	4-7	5-39	.6-29	.6-130
PSIC-B M/IC Boundary						
Approximate Developable Acreage	145	293	28	713	78	1,257
Number of Sites	11	9	5	60	18	103
Average Developable Size (acres)	12.2	22.6	2.5	17.6	6.2	12.2
Site Size Range (acres)	1-38	5-130	4-7	5-39	.6-29	.6-130

**Source: Port of Bremerton Competitive Analysis (2017). The analysis identified a total of 466 net developable acres in three areas of Port-owned PSIC-B land: Olympic View Industrial Park, the Airfield Site, and the Sky Park Area, owned by the Port.*

***Note: Forest land does not include designated Current Use Timber land.*

#Note: Approximate Developable Acreage for Forest Land and Vacant Land includes deductions for critical areas (10%), and roads/infrastructure (20%) that emulate the original EIS methodology.

The two large Port of Bremerton parcels at the heart of PSIC-B comprising the Olympic View Industrial Park and the Bremerton National Airport, respectively, each host numerous sites within them with dozens of individual buildings and companies. This analysis combined most recently available Port data utilized in the 2017 Port of Bremerton Competitive Analysis and Marketing Strategy with new analysis of undeveloped land outside those areas. The Port figures assess developable parcels as those lying generally outside of areas constrained by creeks, wetlands, and steep slopes. In assessing developable non-Port lands, a 10% deduction to gross parcel acreage accounts for the possible presence of critical areas, as well as a 20% reduction to account for the development of future roads and/or infrastructure to translate “gross” parcel acreage to “net” developable land. For consistency, these reductions were the same as those applied in the original EIS assessment zoned capacity.

The Port of Bremerton most recent assessment estimated that around 466 acres of net developable land existed in its Olympic View and Airport parcels, generally outside of critical areas such as creeks, wetlands, and steep slopes.

Our analysis finds a further 1,259 acres of developable land in forest and vacant parcels outside the Port lands; when deductions are applied for critical areas and future roads/infrastructure, the net developable land remaining is 881 acres in the Subarea. Thus, in total, 1,347 acres of net developable land is estimated to currently exist throughout the Subarea (1,257 in the M/IC).

Zoned Development Capacity

If current Subarea employment of 2,762 is deducted from the adopted employment capacity of 10,257 in the 2021 Kitsap County Buildable Lands Report,⁵ 7,496 jobs remain to be accommodated within the PSIC-B for the planning period (2020-2036). Given a net developable land supply of 1,347 acres, an employment density of **5.5 employees per acre (EPA)** would be required to accommodate the remaining employment on the developable land area.

Exhibit 19 summarizes the type, overall size, total employment, and employment density in terms of employees per acre for each of the ten currently designated regional Manufacturing / Industrial Centers in the central Puget Sound region. Past work PSRC developed the region's first large-scale industrial land and market study yielded most of these size and employment figures at that time (2013). Since then, two additional regional centers have been designated – Cascade (formerly Arlington-Marysville) M/IC, and Sumner-Pacific M/IC. CAI also conducted the market studies for both M/ICs and determined their total size and employment in 2016 and 2014, respectively. Averaging the employment densities of the other nine regionally designated M/ICs (excluding PSIC-B), results in a density of **6.9 EPA**. Thus, the density required for PSIC-B to accommodate the remaining share of its adopted employment capacity lies below the average density across all the region's M/ICs at the time of their last assessment; it is likely that employment densities in most M/ICs have only grown since that time, rendering the required figure for PSIC-B lower in the range.

⁵ 2021 Kitsap County Buildable Lands report, page 71.

**Exhibit 19. Manufacturing/Industrial Center Employment Densities,
Central Puget Sound Region, 2013**

Manufacturing/Industrial Center	Type	Size (Ac)	Jobs*	Employment Density (Empl./Ac)
PSIC-B	Growth	3,246	2,762	0.9
Frederickson	Growth	2,650	3,330	1.3
Paine Field / Boeing Everett	Employment	4,241	42,413	10
Kent	Employment	1,970	15,046	7.6
Port of Tacoma	Growth	5,160	9,250	1.8
North Tukwila	Employment	961	13,499	14.1
Duwamish	Employment	4,961	58,771	11.8
Ballard-Interbay	Employment	971	14,237	14.7
Cascade	Growth	4,019	6,661	1.7
Sumner Pacific	Growth	2,100	10,200	4.9
Average				6.9

Source: PSRC, 2013-2023; CAI, 2023.

**Note: All jobs figures are from 2013, except those for PSIC-B (2023, CAI), Sumner Pacific (2014, CAI), and Cascade (formerly Arlington-Marysville MIC, 2016, CAI).*

RECOMMENDATIONS

In this section, assessed areas of non-compliance with Regional Center Framework requirements and the recently enacted Vision 2050 guidance for Subarea plan content are summarized in matrix format with corresponding actions taken in this document. Then, recommendations for new content and/or updates to the Subarea plan are presented. The intention for this new content to be developed and/or incorporated in the process of the ongoing City of Bremerton’s Comprehensive Plan update process for 2024.

Summary of Actions Taken

A number of areas of compliance with Vision 2050 and the Regional Centers Framework involve specific quantitative criteria which were reassessed as a part of the current market study. The nature and results of these reassessments are summarized in **Exhibit 20**. All reassessed quantitative criteria met required levels except current employment.

Exhibit 20. Summary of Actions Taken in Market Conditions

Reference Number	Source	Requirement	Action(s) Taken: Addressed in Market Conditions & Stakeholder Engagement	Re-Assessment Results
18	Regional Centers Framework	Include the size of the center and describe whether the center boundary changed as part of the planning process. The plan should fully encompass the designated regional center and demonstrate defined boundaries and shape for the center, including consistency with size requirements for regional centers. Industrial Growth Centers should be at least 2,000 acres in size.	Re-assessed size of PSIC-B in the Overview section - MEETS REQUIREMENTS	The size of the PSIC-B Subarea is 3,759 acres , while the size of the designated M/IC is 3,246 acres. (page 8)
19	Regional Centers Framework	Describe and map the existing land uses and zoning in the center for industrial and manufacturing uses. Include how much of the total land area in the center is zoned for core industrial uses.	Re-assessed existing land use & zoning in Land Use & Zoning section - MEETS REQUIREMENTS	The entirety of the Subarea is zoned for core industrial land uses. (page 26) Land use assessment Exhibits 14 & 15
20	Regional Centers Framework	Include the existing number of jobs in the center. Industrial Employment Centers should have at least 10,000 existing jobs. Industrial Growth Centers should have at least 4,000 existing jobs. (if current employment does not meet criteria - market study is required)	Re-assessed employment in Employment & Economy section - DOES NOT MEET REQUIREMENTS , MARKET STUDY UNDERTAKEN	2,762 total jobs in 2023 does not meet 4,000 job requirement for Industrial Growth Centers. (page 18)
21	Regional Centers Framework	Include the share of existing industrial employment. Regional manufacturing/industrial centers must retain a minimum 50% industrial employment.	Re-assessed share of industrial employment in Employment & Economy in Market Conditions - MEETS REQUIREMENTS	73% of all jobs in the subarea are industrial. (page 22)
22	Regional Centers Framework	Establish employment growth targets that accommodate a significant share of the jurisdiction’s manufacturing/industrial employment growth, in support of VISION 2050 and the Regional Growth Strategy. Policies should demonstrate capacity to accommodate employment growth targets. [4] Industrial Employment Centers should plan for at least 20,000 jobs. Industrial Growth Centers should plan for at least 10,000 jobs.	Re-assessed and described zoned development capacity in Employment Lands Analysis section - MEETS REQUIREMENTS	PSIC-B has zoned capacity for 10,257 employees by 2036. (page 36)
23	Regional Centers Framework	Retain at least 75% of industrially zoned land for core industrial uses.	Re-assessed percent industrial zoning in Land Use & Zoning section - MEETS REQUIREMENTS	100% of subarea land is zoned for core industrial uses. (page 26)
28	Regional Centers Framework	Describe key economic sectors and industry clusters in the center, including those recognized in the Regional Economic Strategy.	Re-assessed industry sectors in PSIC-B and described in terms of RES target industries in Employment & Economy section	Industry sectors are characterized on Exhibit 10. (page 23)
32	Vision 2050	Expand access to economic opportunities through actions such as adopting a priority hire ordinance, encouraging workforce development partnerships, and identifying pipeline education or training opportunities.	Stakeholder engagement undertaken in support of Market Study included a focus group on workforce development and strategies.	See Stakeholder Engagement summary.

The following table summarizes areas of possible non-compliance with Vision 2050 and Regional Centers Framework guidance that may require new or updated content to be incorporated into the Subarea plan. Note that items corresponding to Reference #s 20 and 32 are present in both tables and were addressed via both analysis and recommendations.

Exhibit 21. Summary of Actions Taken in Recommendations

Reference Number	Source	Requirement	Action(s) Taken: New Strategy / Update Recommendations Developed	Timing
3	Regional Centers Framework	Clearly identify the area as a designated regional manufacturing/ industrial center and describe the relationship of the center plan to the jurisdiction's comprehensive plan, countywide planning policies, and VISION 2050.	Planning & Policy Context sample statement developed	Comprehensive Plan
4	Vision 2050	Describe or reference how equitable engagement with community and relevant stakeholders shaped the plan's goals, policies, and strategies.	Equitable public engagement methods planned for inclusion in Comp Plan update	Comprehensive Plan
12	Vision 2050	Avoid or mitigate environmental impacts for vulnerable populations.	Assessment of environmental impacts to vulnerable populations planned for inclusion in Comp Plan	Draft Environmental Impact Statement (DEIS)
17	Vision 2050	Encourage retrofitting of existing buildings to reduce building energy use.	Strategy encouraging retrofitting of existing buildings to reduce building energy use proposed	Comprehensive Plan
20	Regional Centers Framework	Include the existing number of jobs in the center. Industrial Employment Centers should have at least 10,000 existing jobs. Industrial Growth Centers should have at least 4,000 existing jobs. (if current employment does not meet criteria - market study is required)	Policies for industrial growth recommended	Comprehensive Plan
25	Regional Centers Framework	Consider how land use policies support access to high-capacity transit stations located in the center. Transit-oriented development in or near manufacturing/industrial centers needs to function differently with different uses than other centers to maintain a focus on protecting industrial zoning, jobs, and the region's overall economic vitality.	Policies recommended regarding access to transit (regular & high-capacity) in PSIC, in some cases already planned	Beyond Comprehensive Plan
30	Regional Centers Framework	Identify strategies to support or retain manufacturing/industrial industries and jobs (i.e., workforce, apprenticeships, land value policies, parcel aggregation, etc.).	Recommended industry and job retention strategies for inclusion in Comp Plan update (SEE also item 20)	Comprehensive Plan
31	Vision 2050	Work to reduce the risk of industrial displacement through a variety of anti-displacement strategies.	Recommended consideration of anti-displacement strategies so supplement SAP for inclusion in Comp Plan update	Comprehensive Plan
32	Vision 2050	Expand access to economic opportunities through actions such as adopting a priority hire ordinance, encouraging workforce development partnerships, and identifying pipeline education or training opportunities.	Recommended development of workforce strategies to supplement SAP via Comp Plan update	Comprehensive Plan
33	Stakeholder	Refine design standards in the SAP's Sustainable Design Guidelines and Development Incentives that may challenge the viability of desired development in the Subarea.	Consider increased flexibility for five (5) specific landscape design standards / guidelines.	Comprehensive Plan
34	Stakeholder	Update SAP's capital improvement planning to address regional infrastructure challenges that may be inhibiting development in areas of the PSIC-B.	Recommended priority infrastructure serving key undeveloped areas be re-evaluated and elevated in the Comprehensive Plan update.	Comprehensive Plan

Strategies and Recommendations

This section details recommendations for new or augmented content to be incorporated into updates to the PSIC-B Subarea Plan. Where not explicitly developed below, recommendations for further study, engagement, or content development are described. Such work may be undertaken via the City of Bremerton's 2024 Comprehensive Plan update process in advance of the 2025 PSRC monitoring cycle.

Planning & Policy Context (Reference #3)

An update to the SAP should be adopted describing the relationship of the plan to Vision 2050 and the Kitsap Countywide Planning Policies and utilizing findings from this document's Planning and Policy Context section. Draft language for such an update might include the following:

The PSIC-B Subarea Plan is aligned with regional plans and policies such as Kitsap County Countywide Planning Policies, and Puget Sound Regional Council Vision 2050. Building on the strong foundation provided by these plans and policies, the Subarea Plan refines goals and policies to provide guidance for future growth and continued economic vitality in the center. A market study was completed in 2023 to align the Subarea Plan with new guidance developed since the original plan's adoption, and Bremerton and Kitsap County will have adopted policies and provisions in their comprehensive plans and infrastructure functional plans (water, sanitary sewer, storm drainage, and transportation) that support planned industrial growth and development in the center that meets PSRC Regional Center requirements.

Equitable Engagement (Reference #4)

The planning process for the 2024 City of Bremerton's Comprehensive Plan update should incorporate equitable engagement with Bremerton communities and stakeholders, especially including underrepresented groups. A planned Draft Environmental Impact Statement (DEIS) will address this area of non-compliance and should synthesize and incorporate feedback into new or refined economic development goals and strategies for PSIC-B. In relation to the Subarea, equitable engagement might seek to engage with residents, workers, and business owners in and around the Subarea boundaries, including people of color, immigrant and refugee communities, and low-income people in the area.

Environmental Impacts to Vulnerable Populations (Reference #12)

The planning process for the Comprehensive Plan update should (and is planned to through the DEIS) address potential adverse environmental impacts to vulnerable populations within and adjacent to PSIC-B. Such impacts might include noise, odors, traffic, air or water pollution, ground water contamination, or other effects related to commercial and industrial activity in the Subarea as well as to transportation and other infrastructure. Engagement and environmental analysis utilizing publicly available data from the Washington State Department of Ecology, USDA, University of Washington, and other organizations and agencies are two options to approach ascertain impacts.

Building Retrofits for Reduced Energy Consumption (Reference #17)

Consider a new strategy addressing building retrofits to reduce energy consumption for possible inclusion within SAP Goal GG3 (*Greenhouse Gasses*): *Adopt site and building standards that contribute to reduced greenhouse gas emissions and result in more sustainable development. One possible course of action might seek to:*

- Encourage retrofits of existing buildings in PSIC-B to reduce energy consumption via incentives and messaging around publicly-available resources for individual owners, including tax credits, and programs available to jurisdictions, such as the upcoming federal EECBG (Energy Efficiency and Conservation Block Grant) program.

Strategies for Industrial Growth & Retention (Reference #20)

As PSIC-B does not currently meet required employment levels in the Subarea, it will be important for Bremerton to consider additional or enhanced strategies aimed at growing and retaining industrial employment. Strategies could be considered for addition to SAP Goal ED 2 (*Economic Development*): *Recruit, grow and retain a wide spectrum of industrial employment opportunities in PSIC. Some areas to consider include:*

- Prioritize and fund infrastructure expansion to open up additional areas of the Port of Bremerton's property for new development, expansion, and relocation into PSIC-B.
- Evaluate the potential for Naval Base Kitsap (NBK) and the shipyard to expand activity and employment into PSIC utilizing existing rail infrastructure and partnerships with local firms.

Additional strategies described below will also serve to support the goal of growing employment and industries in PSIC-B.

Access to High-Capacity Transit (Reference #25)

The SAP's Goal T (Transportation) 1 is to *“Develop a complete transportation system that supports all modes of travel and all potential users of the site.”* One desired outcome for this Goal and its associate strategies is that *“Future public transit service can be accommodated.”* Kitsap Transit's Long Range Transit Plan for the County now envisions a new fixed-route bus route traversing the PSIC-B along Highway 3 from West Bremerton to Belfair (to be operated with four vehicles), as well as a new 250-stall Park and Ride (Puget Sound Industrial Area Park and Ride) located near the Amazon facility within the Subarea. These planned expansions, depending on funding, are projected to occur sometime between 2030 and 2041. These upgrades are in addition to the current on-demand ride zone in the northeastern part of the Subarea currently serviced by Kitsap Transit. Goal

T 1 might include additional strategy ideas supportive of these long range plans, including:

- Advocate on behalf of PSIC-B to Kitsap Transit for nearer-term funding, planning, and construction of planned long term transit upgrades to the Subarea.
- Organize large local employers in PSIC-B to advocate for funding sources for planned transit improvements to the Subarea such as increasing taxes, fares, or by partnering with Kitsap Transit to provide annual contributions to operating expenses, build transit infrastructure or by purchasing fares in bulk.
- When sufficient employment capacity growth has occurred in PSIC-B, plan for high-capacity transit service through the Subarea, such as Bus Rapid Transit (BRT) service.

Industry Retention Strategies (Reference #30)

In addition to the industrial growth strategies recommended in Reference #20, strategies around *retention* of existing industries and jobs in PSIC-B may be considered for addition to the SAP's Goal ED 1. Such strategies might seek to increase employer access to qualified workforce, or support workforce by providing needed services. These might include:

- Increase employer access to qualified workforce in PSIC-B by developing a feedback loop on training needs between large local employers and sectors, and educational and training institutions in the area such as Olympic College or Tacoma Community College.
- Organize employers and advocate for group-sourced and / or cooperative employee services such as vanpooling, childcare, language training, and / or ongoing up-skilling / education.

Industrial Anti-Displacement Strategies (Reference #31)

While pressure from competing land uses in PSIC-B is less than in some industrial districts, a strategy or two addressing anti-displacement in the Subarea should be considered for addition to Goal ED 2. Such a strategy might seek to:

- Minimize pressure from adjacent land uses outside PSIC-B by ensuring sufficient buffering and carefully considering impacts related to proposals for residential development adjacent to Subarea commercial / industrial uses.

Access to Economic Opportunity (Reference #32)

To enhance access to the economic opportunities that PSIC-B represents for a wide range of communities in Bremerton and Kitsap County, an additional strategy or strategies might be considered aimed at placing future workers in

positions where they can prepare for the specific needs of future employers in the Subarea. Such a strategy might seek to:

- Expand internship, apprenticeship, and training programs and opportunities in coordination with local companies and educational institutions.
- Support the Olympic Workforce Development Council and advocate on behalf of PSIC-B employers for expanded programming and resources aimed at preparing and training future workers in the Subarea's target industries, including maritime, aviation/ aerospace, and transportation industries.

Design Guidelines Refinement (Reference #33)

In recent years, various of the design standards in the SAP's Section D: Sustainable Design Guidelines and Development Incentives, in some cases (especially related to landscape design), have challenged the viability of desired development in the Subarea contrary to the primary goals of the plan. As a part of the 2024 Comprehensive Plan update process, the City of Bremerton may consider added flexibility for the following landscape design standards:

- **Consider an overarching statement for the Subarea Plan that specific standards may be modified within the AB zone in order to comply with FAA regulations.**
- **4.020(a)(3) hard surface coverage shall not exceed 75%.**
Impervious surfaces are capped at 65%, but this section permits an additional 10% if pervious pavement is utilized. However, in certain situations the ground doesn't infiltrate but projects install pervious pavement anyway because it permits another 10% coverage. An alternative (such as adding trees along the highway) should be considered for the 75% impervious limit if the ground does not infiltrate.
- **4.040(d) Requiring parking areas exceeding 125 spaces to be broken up.**
Flexibility should be considered.
- **4.040(g)(2) Requiring screening of loading areas when visible from a Right-Of-Way.**
Consider application of this requirement only when fronting Highway 3 or Lake Flora Road.
- **4.050(c)(3) Requiring specific tree sizing.**
Instead of specific tree sizes and densities, consider a preference for retained native trees and vegetation.

Capital Improvement Planning Updates (Reference #34)

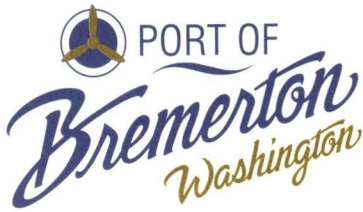
Current PSIC-B planning does not fully address the regional infrastructure challenges that continue to inhibit development of large swaths of the Subarea or certain industries with specific infrastructural requirements.

While specific capital improvements beyond those in the original 2012 SAP and EIS were identified and discussed as a part of the Airport Master Plan and the Port's 2017 Competitiveness study, priority infrastructure, and associate levels of service and capacity, serving key undeveloped areas of the center could be re-evaluated and elevated in the upcoming 2024

Comprehensive Plan update cycle. Infrastructure provision is critical to the fulfillment of the PSIC-B's growth potential and goals, and to its ultimate success.

APPENDIX I

The attached letter (following page) was sent to the City of Bremerton by the Port of Bremerton Commission on September 12, 2023.



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Bremerton Marina
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September 12, 2023

Mr. Ned Lever, City Engineer
City of Bremerton
345 6th St, Ste 100
Bremerton, WA 98337

Dear Mr. Lever,

At the Port of Bremerton “***Our mission is to increase the economic opportunity for all of Kitsap County by generating jobs, developing infrastructure and improving local quality of life.***” As the owner and operator of its own sewer collection and treatment system, the Port of Bremerton has always focused on the most cost-effective ways to operate, maintain, and expand the sewer systems.

The Port’s industrial property is designated as a state-supported Manufacturing Industrial Center (MIC) and any improvements to its wastewater infrastructure can help leverage overall expansion. We recognize that economic growth at the Port and neighboring properties located within the larger Puget Sound Industrial Area (PSIC), hinges on regional wastewater capital facilities planning that will accommodate wastewater service for all properties.

Historically, the Port has operated and maintained its own private sewer system out of necessity and a lack of alternative service providers. As the Port is located within the City of Bremerton’s sewer service area, and as Bremerton is embarking on the development of their 2024 Wastewater Comprehensive Plan Update, the Port would like to engage in collaborative regional planning with the City of Bremerton with the following goals in mind:

- Planning for regional treatment facilities sited on Port property, or, alternatively, construction of a sewer transmission system to existing City infrastructure. This will include, capital facilities planning that will identify the planning level costs and timing for construction of a treatment system, or a transmission system.
- Dedication of the Port of Bremerton sewer system to the City of Bremerton so that the area is served by a single municipal sewer provider.

It is our expectation that this planning effort provides a viable option that will eventually transfer the role of wastewater utility service provider to the City of Bremerton. This allows the Port of Bremerton to focus more of its resources towards its primary mission of increasing regional economic opportunity in Kitsap County. We look forward to partnering and working with the City of Bremerton to achieve these goals.

Sincerely,

PORT OF BREMERTON BOARD OF COMMISSIONERS

Axel Strakeljahn, President

Gary Anderson, Vice-President

Cary Bozeman, Secretary