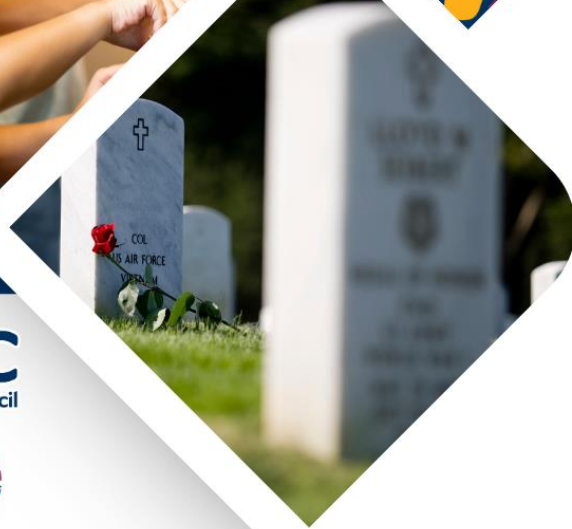


2025

TRI-CITIES LEGISLATIVE COUNCIL



2025 LEGISLATIVE PRIORITIES:

- Battelle's Energy Resources Testbed
- HB 1210 – Amending Targeted Urban Area Exemptions for Clean Energy Transformation Businesses
- Tri-Cities Regional Transportation Feasibility Study
- The Mid-Columbia Children's Museum
- Establishing a Tri-Cities Veterans Cemetery

REPRESENTING:



January 2025

Dear Washington State Legislators,

The Tri-Cities Legislative Council – comprised of the Pasco Chamber of Commerce, Tri-Cities Hispanic Chamber of Commerce, Tri-City Development Council (TRIDEC), Tri-City Regional Chamber of Commerce, Visit Tri-Cities, and West Richland Chamber of Commerce – submits for your consideration our 2025 Legislative Priorities which reflect the strong support of our six member organizations. These legislative priorities represent input solicited from cities, counties, ports, community and not-for-profit organizations, public utilities, businesses, educational institutions, and other members of our community.

In addition to the enclosed five priorities, the Tri-Cities Legislative Council (TCLC) also supports priorities of the community at large as we continue working together to enhance regional collaboration for our collective benefit. We support our partners in their priority focuses, including agriculture and conservation, childcare, clean energy and transmission, economic development, education – early-learning, K-12, and higher education – hospitality and tourism, housing, law enforcement and public safety, manufacturing and permitting reform, and transportation and infrastructure.

In recent years, the TCLC has successfully advocated for many priorities supported by the Legislature. Just a few of these efforts include the continued investments in a new mental health and addiction treatment center led by the Benton Franklin Recovery Coalition, critical support for the founding of the Institute for Northwest Energy Futures at Washington State University Tri-Cities, the \$25 million investment in Energy Northwest's advanced modular reactor project, and establishing the Hospitality Center of Excellence at Columbia Basin College.

The Legislature has also supported several priorities to invest in the growing intersection between agriculture – a legacy economic driver in our region – and technological innovation, including a feasibility study for an Agricultural Innovation Center in Pasco, the creation of a Green Fertilizer Manufacturing Work Group to analyze incentivizing the adoption of Washington-made sustainable agricultural inputs, and support for the Port of Pasco's consideration of developing an agricultural circular industrial symbiosis park.

Because of your efforts and representation, these community-driven measures received critical support from the Washington State Legislature during recent sessions. We thank you for your past support.

The five provisions we put forward this year reflect a broad spectrum of priorities on behalf of the greater Tri-Cities community. We encourage you to consider these 2025 Tri-Cities Legislative Council Priorities as you evaluate the many important matters before the Washington State Legislature. These measures represent critical opportunities for the Tri-Cities to maintain and enhance the resiliency and vibrancy of our community, the greater Mid-Columbia region, and the entire state.

We invite you to reach out for clarification, additional information, or any interest you may have in collaboration on these efforts. Thank you for your consideration!

Sincerely,

N. Zach Ratkai, Sageland Strategic, LLC
Sean V. O'Brien, Energy Forward Alliance
Tri-Cities Legislative Council Co-Chairs

Priority #1: Battelle's Energy Resources Testbed

Demand for electricity in the Pacific Northwest is forecast to increase by 30 percent over the next decade. To meet this demand while transitioning to zero-carbon resources, Washington must significantly increase power generation and transmission capacities. The state faces this challenge amidst already-constrained transmission, affecting economic development opportunities statewide. Building new generation capacity and transmission lines will take years, but existing technologies such as energy storage and distributed energy resource management systems can unlock more value from existing assets. Regional-level transmission and distribution systems can also be better coordinated to match local electricity supply, load, and capacity needs compared to traditional transmission systems.

Energy resources at the distribution level, such as rooftop solar, can be better leveraged to help avoid congestion on the transmission system. Today, we have no common pathway that will allow coordination of those system operations at the grid scale. Leveraging distributed energy resources and advanced grid solutions could provide a critical bridge while additional large-scale power generation and transmission lines are built while enhancing operational flexibility and resilience of the grid long term.

Battelle, operator of Pacific Northwest National Laboratory (PNNL), is proposing \$4 million to develop a testbed to advance planning and operations capabilities to utilize distributed energy resources to provide grid services to ensure resource adequacy. This request would support a comprehensive testbed capable of providing significant advancements in the integration and operationalization of distributed energy resources for grid services. This testbed will leverage existing PNNL capabilities supported by the State of Washington, including the Center for Reliable Electricity Delivery, the Grid Storage Launchpad, and the Electricity Infrastructure Operations Center.

The Tri-Cities Legislative Council strongly supports \$4 million for Battelle to develop a testbed at Pacific Northwest National Laboratory to advance planning and operations capabilities to utilize distributed energy resources to provide grid services to ensure resource adequacy.

Priority #2: HB 1210 – Amending Targeted Urban Area Exemptions for Clean Energy Transformation Businesses

The legislature authorized Targeted Urban Areas (TUA) in 2022, allowing certain tax exemptions for qualifying manufacturing businesses that create new jobs. The City of Richland quickly created the state's first TUA in 2023 with ATI Inc., an advanced specialty materials company that supports aerospace and defense industries. The success of Richland's TUA program has prompted several other TUA utilizations, including for clean energy supply chain manufacturer Framatome. An existing Richland business, Framatome is seeking to expand new advanced nuclear fuel production partnerships with several companies in Washington, including Bellevue-based Terrapower.

The current timeline for businesses utilizing TUA allows three years for design and construction, with the option of one two-year extension. This potential five-year timeline does not presently accommodate heavily regulated industries or complex projects. Increasing this construction timeline would qualify several known

and anticipated nuclear, hydrogen, and other complex clean energy projects in support of the City of Richland's strategic plan for the Northwest Advanced Clean Energy Park.

The Tri-Cities Legislative Council strongly supports HB 1210 to amend the Targeted Urban Area (TUA) tax exemption to ensure complex and highly regulated clean energy projects can access and fully utilize the legislative intent of the original TUA designation.

Priority #3: Tri-Cities Regional Transportation Feasibility Study

The Tri-Cities has been one of the state's fastest-growing communities for decades, adding approximately 130,000 new residents in the last 25 years to become the third-largest metro area in the state. According to comprehensive plan updates developed by local municipalities, the region is expected to add more than 145,000 additional residents and 44,000 new households by 2040. The region's American Community Survey forecasts 22,000 additional vehicles expected to be using local roadways in the next twenty years. Average commute times are already increasing, and this growth will exceed the capacity of local road infrastructure.

The local governments throughout the Tri-Cities want to be proactive by working now to ensure the community has the road and freight infrastructure needed in the future. The first step is to fund a study facilitated by the Benton-Franklin Council of Governments to identify the highest priorities for future large-scale infrastructure investments to reduce congestion and enhance traffic flow throughout the region. Unfortunately, current transportation funding processes prioritize projects that are in a failure or crisis mode over studies of future needs, so alternative funding sources are required to study and develop the infrastructure needed to stay ahead of the dynamic growth of the Tri-Cities.

The Tri-Cities Legislative Council strongly supports one-time funding for a feasibility study to identify the top priorities for large-scale regional transportation infrastructure investments.

Priority #4: The Mid-Columbia Children's Museum

The Mid-Columbia Children's Museum (MCCM) is a grassroots effort to build a children's museum for the families of the Tri-Cities and Southeastern Washington/Northeastern Oregon communities. Their mission is to provide an inclusive, fun, and immersive space for children and families to freely explore, discover and learn, while fostering accessibility and community collaboration. Their goal is to provide a regional resource that promotes STEAM learning, family engagement and supports the development of lifelong learners who are curious, confident, and contributing members of society.

Since early 2023, the MCCM Founding Task Force has engaged with the community to plan for a space that reflects the unique industries & opportunities of our region and helps children explore possible career interests in a hands-on environment. The initial feasibility and planning study for this project will be complete in the first quarter of 2025. This study was privately funded through donations from local businesses and families. This report will determine the ideal size of the museum, create operational and

financial plans, and assess multiple sites within the Tri-Cities area proposed by local municipalities. The completion of this report will help lead to final site negotiation and selection, expected to take place in 2025. The next phase of the project is pre-concept and schematic design of the building and exhibits. This phase will help MCCM illustrate the museum's vision on a dedicated site and set the groundwork to launch a successful building capital campaign. Funding this design phase will expedite the timeframe to bring a STEAM focused children's museum to our community.

The Tri-Cities Legislative Council supports \$1.3 million for pre-concept and schematic design for the Mid-Columbia Children's Museum.

Priority #5: Establishing a Tri-Cities Veterans Cemetery

Building a veterans cemetery in the Tri-Cities is a critical step to ensuring veterans in the region have access to a dignified final resting place close to their families and home communities. The Washington State Legislature previously funded a feasibility study, completed in 2017, which determined the need for a veterans cemetery in the Southeastern region of Washington to serve the 46,000 veterans living within a 75-mile radius of the Tri-Cities, as confirmed by the U.S. Department of Veterans Affairs' (VA) National Cemetery Administration. Currently, veterans and families in Washington have the choice between private and civilian cemeteries or one of two existing veterans cemeteries on either side of the state: The Washington State Veterans Cemetery, which opened in 2010 in Medical Lake, or the Tahoma National Cemetery in Kent. A Tri-Cities veterans cemetery is estimated to support at least 400 interments per year.

According to the Washington State Department of Veterans (WDVA), initial State funding will qualify the project for federal funding to cover the lion's share of construction costs as well as the ongoing operational costs, ensuring the practicality and long-term sustainability of this regional initiative with statewide benefits. Up to 100% of cemetery construction will be paid for by the federal VA, but a 10% up front match is required. The Governor's proposed 2025-2027 Capital Budget includes \$500,000 for pre-design work for the proposed cemetery, but the WDVA's request for property procurement funding was not included in the proposed budget.

By establishing a local cemetery, the region can better respond to the growing need for cemeterial services for our state's veterans while honoring their sacrifices and improving the quality of life for them and their families.

The Tri-Cities Legislative Council strongly supports robust funding – including for pre-design work and property procurement – for the Washington State Department of Veterans Affairs and its State Veteran Cemetery Program to continue its pursuit of a future Tri-Cities Veterans Cemetery.