# **Specialized Grow Facility Leasing Opportunities Report**

# **Executive Summary**

This report evaluates reuse opportunities for the Port of Willapa Harbor's indoor agricultural facilities, originally developed for cannabis cultivation. These buildings feature advanced infrastructure including precision climate control, segmented grow rooms, high-capacity irrigation systems, and secure access, making them well-suited for a range of specialized agricultural uses.

Our analysis combined extensive online research with expert interviews, including conversations with the former CFO of Mast Reforestation, regional Conservation District managers, and the CEO of Amped Kitchens, a company that repurposes industrial facilities. These insights helped us evaluate both infrastructure capabilities and market realities.

We initially explored full-scale native seedling production but found that it requires significant upfront capital and long-term contract certainty to be viable. Based on that input, we shifted our focus toward a smaller-scale riparian plant propagation pilot. This use case aligns with existing infrastructure, supports salmon recovery efforts, and is eligible for public funding through programs like the \$25 million Washington Riparian Grant. It is also better suited to delivery through a nonprofit or public-sector partner.

We also identified longer-term opportunities in Controlled Environment Agriculture (CEA), which includes specialty crops such as saffron, leafy greens, and moringa. CEA enables high-efficiency, year-round production using fully enclosed systems. These markets are still developing locally but match the technical profile of the facilities.

We recommend launching a riparian propagation pilot using one to two buildings while maintaining flexibility to accommodate a diverse mix of tenants over time. This approach supports immediate activation while leaving room for future innovation. The report is intended to guide outreach to potential lessees, funders, and strategic partners.

# 1. Facility Overview and Infrastructure Advantages

### **Diverse Building Inventory**

The Port of Willapa Harbor owns around 10+ former cannabis grow facilities, ranging from 400 square feet to over 10,000 square feet. The mix includes smaller units suited for pilot programs and larger spaces that can support processing, production, or vertical farming.

#### **Location Advantage**

Some buildings are located directly at the Port, while others are nearby along Highway 101. This positioning provides quick access to freight routes, regional distribution, and a quieter industrial setting compared to urban corridors.

#### **Security Infrastructure**

Most facilities retain legacy security features from their cannabis days. These include fenced perimeters, locked gate access, and in some cases, interior surveillance. This setup supports tenants with inventory control, compliance needs, or biosecurity concerns.

#### Facility Adaptability

These buildings were originally designed for indoor cannabis operations but offer strong potential for reuse across sectors like ag-tech, food processing, or light manufacturing.

#### **Modification Potential**

Most facilities include flexible interior layouts, high-load power, and built-in plumbing. Tenants can typically make site modifications, pending Port approval, to meet specific operational or regulatory needs.

#### **Permits and Compliance**

Given their prior use in a regulated industry, many facilities already meet high standards for fire safety, ventilation, and access control. This may streamline compliance processes for food-grade or biosecure operations.

#### **Utility Costs and Energy Performance**

Electricity in Raymond is powered by the Bonneville Power Administration's hydropower system, offering rates that are cost-competitive statewide. As of 2024, typical commercial electricity rates in Pacific County range from **7.5 to 8.5 cents per kilowatt-hour**, compared to a **Washington state average of 10.1 cents** and a **national average around 15 cents**. For energy-intensive operations, this provides a meaningful cost advantage, particularly for facilities running HVAC, lighting, or equipment 24/7.

# 2. Prime Market Opportunity: Riparian Plant Propagation

#### 2.1 Market Overview

#### Washington's \$25M Riparian Grant Program and Plant Propagation Program

The state of Washington has launched a \$25 million Riparian Grant Program aimed at supporting salmon habitat restoration through riparian buffer planting and watershed rehabilitation. Administered by the Washington State Recreation and Conservation Office (RCO), the program provides funding to local governments, tribes, conservation districts, and nonprofit organizations to source and plant native vegetation along streambanks and floodplains. Complementing this effort is the Plant Propagation Program, which emphasizes the need for regional, genetically appropriate stock. Both programs are generating predictable, place-based demand for native plant material in the coming years.

# **Regional Demand for Native Plants in Salmon Recovery Projects**

Native plant demand is being driven by large-scale habitat restoration projects tied to salmon recovery in southwest Washington and the broader coastal region. Conservation groups such as the Willapa Hills Audubon Society, Columbia Land Trust, and regional Conservation Districts have identified vegetation access as a limiting factor in executing riparian and wetland projects. Furthermore, state and federal funding (including NOAA and NRCS programs) is increasingly tied to performance metrics, e.g., acres restored, intensifying the need for reliable nursery partnerships.

#### **Current Supply Constraints in the Native Plant Market**

Interviews with stakeholders and practitioners indicate persistent constraints in native plant availability, especially for site-specific ecotypes and less common riparian species. Existing nurseries, like Fourth Corner or Sound Native Plants, often operate near full capacity or with long lead times. Additionally, transportation costs and fragility of bareroot plants limit the feasibility of centralized production. As a result, regional organizations express interest in contract-growing models or place-based nurseries that can reduce sourcing risk and align with grant timelines.

### 2.2 Infrastructure Alignment

#### **How Facility Features Support Plant Propagation Requirements**

The former cannabis cultivation facilities in Raymond, WA offer infrastructure ideally suited to indoor seed starting and early-stage propagation. Features include segmented climate-controlled rooms (±2°F regulation), irrigation systems with fertigation lines, sealed and insulated walls for humidity control, and on-site water/electrical utilities. These conditions mirror those found in dedicated greenhouse propagation systems.

#### Minimal Retrofits Needed for Immediate Operation

Unlike converting a warehouse or raw industrial shell, the Raymond facilities already possess most baseline elements for propagation. Interview feedback suggests that the main retrofitting needs would be the removal of cannabis-specific hardware (e.g., grow lights, CO2 systems) and minor reconfiguration of drainage layouts. This reduces initial CapEx and allows a nonprofit operator to focus funds on nursery equipment, seeds, and staffing.

#### **Comparison to Purpose-Built Nursery Facilities**

Traditional nurseries often operate with hoop houses or open-air benches requiring significant seasonal weather adaptation. In contrast, the Raymond facilities enable year-round propagation under controlled conditions. While acreage is limited compared to field-scale nurseries, the value lies in producing difficult-to-source species or fulfilling custom grow orders that require climate stability and protection from pathogens or pests.

#### 2.3 Business Model Potential

#### **Contract Growing Opportunities with Conservation Organizations**

A key market opportunity lies in contract-growing native species for specific restoration projects. Organizations such as the Pacific Conservation District, Grays Harbor CD, and the Chehalis Basin Partnership routinely seek reliable plant sources aligned with grant deliverables. A propagation-focused nonprofit or social enterprise could build multiseason contracts to provide seedlings for riparian zones, wetlands, and floodplain buffers.

#### **Grant Funding Pathways for Qualified Operators**

In addition to the Riparian Grant Program, qualified nonprofits could pursue funding from the Salmon Recovery Funding Board (SRFB), Department of Ecology, and private foundations such as the Bullitt Foundation or Washington Environmental Council. These grants often cover capital improvements, staffing, and operating costs for habitat-focused initiatives, especially those tied to community benefits or climate resilience.

#### **Case Study: Skagit Fisheries Native Plant Nursery Model**

The Skagit Fisheries Enhancement Group operates a nonprofit nursery serving salmon recovery projects across the Skagit Watershed. Their model includes custom grow contracts, education and volunteer programs, and collaboration with tribal and local government partners. They've demonstrated success in scaling a mission-aligned plant propagation operation with diversified revenue (grants, contracts, and plant sales), making it a strong analog for Raymond. While smaller in scale, the Raymond facility could follow a similar path, prioritizing demand-driven production, community engagement, and coordination with restoration funders.

### **Case Study: SPAWN Native Plant Nursery (Turtle Island Restoration Network)**

SPAWN, located in Marin County, CA (not to be confused with the similarly named operation in Washington State), operates a native plant nursery that supports riparian and watershed restoration within the Lagunitas Creek Watershed.

### **Way Forward: Additional Local Partnership Consideration**

While prior conversations have emphasized interest from the Pacific Conservation District and other restoration grant administrators, the **end users of propagated native plants** are often regional implementation groups such as the **Willapa Fisheries Enhancement Group**. This organization coordinates directly with contractors and landowners to deliver on-the-ground salmon recovery projects. Further outreach to groups like Willapa Fisheries could clarify planting timelines, preferred species mixes, and the feasibility of multi-year contract arrangements. Aligning production capacity with these downstream needs would strengthen the business model and de-risk initial operations.

#### **Limitations of a Native Conifer Seedling Nursery Model**

While initial exploration included converting the site into a native seedling nursery, expert interviews and market analysis highlighted substantial barriers to viability. The following section is included to document that evaluation process and clarify why the project team pivoted toward alternative uses better aligned with regional demand and available infrastructure.

The project team initially explored the feasibility of converting Raymond's cannabis facilities into a native conifer seedling nursery. After financial modeling and expert interviews, the concept was deemed unviable under current regional and market conditions.

Native seedling production involves a long and inflexible timeline. Seed for species such as Douglas fir and Ponderosa pine is only available during irregular mast events. After harvest and processing, seeds are sown in winter and grown for 12 to 18 months before planting. This cycle introduces a minimum 18- to 24-month lag between input and output, which does not align with near-term activation goals for the site.

Capital requirements are high. A one-acre nursery using automated greenhouse systems requires approximately \$2 to \$3 million in startup costs. This includes greenhouse construction, site prep, utilities, and support infrastructure. At full capacity, the facility could produce three million seedlings annually, selling at \$0.50 to \$0.60 each. Margins are thin—typically 10 to 15 percent if operations run smoothly. Operating below capacity significantly reduces viability due to fixed overhead.

Local demand does not support this scale. Industrial buyers such as Weyerhaeuser, Sierra Pacific, and the Washington DNR dominate seedling procurement. These buyers operate at landscape scale and maintain long-standing vendor relationships. In contrast, riparian and habitat restoration efforts in southwest Washington typically require fewer than 500,000 seedlings annually. This is well below breakeven thresholds for a facility of this size.

Even well-capitalized players struggle. Sierra Pacific Industries invested \$45 million in its own seedling operation and experienced early production failures. These challenges highlight how quality control, biological risk, and client trust are non-negotiable in this sector. New operators without a multi-year record face steep barriers to entry.

The Raymond facilities are also a poor technical fit. Their advanced HVAC systems, sealed room construction, and cannabis-specific infrastructure far exceed the environmental needs of seedling propagation. Retrofitting would require extensive decommissioning and reconfiguration. In many cases, it would be cheaper and more effective to build a basic greenhouse or screenhouse from the ground up.

Perceived supply shortages in the market are often the result of contracting issues rather than true production gaps. Established nurseries such as Silvaseed and Cal Forest maintain some excess capacity. Challenges typically stem from procurement bureaucracy, unpredictable seed availability, and grant-cycle timing.

Given these constraints, the team determined that a conifer seedling nursery model would carry high execution risk with limited upside. The model only becomes viable if Washington or federal agencies scale up reforestation mandates for wildfire recovery. In the absence of that, small-scale propagation geared toward riparian restoration and conservation nonprofits presents a more realistic path forward.

#### As one expert put it:

"If you can't guarantee downstream demand, it's not viable. Better off focusing on niche or educational uses, unless Washington starts tackling the millions of burned acres across public lands. That would change the game."

This section reflects insights from a May 2025 interview with the former CFO of a leading reforestation company. He previously oversaw seed procurement strategy, nursery operations, and restoration market development across the western U.S. His background is detailed in the LCY stakeholder presentation.

# 3. Alternative Use Case: Specialty Mushroom Cultivation

# 3.1 Market Opportunity

The specialty mushroom market is experiencing strong national growth, driven by consumer interest in plant-based nutrition, functional health products, and culinary innovation. High-value varieties such as lion's mane, oyster, shiitake, and maitake are in particularly high demand. Lion's mane is gaining traction for its reported cognitive and neurological benefits, with growing uptake across both food and supplement markets.

Producers are also generating multiple revenue streams beyond raw product sales. Value-added goods including dried mushrooms, tinctures, capsules, and grow kits are increasingly popular. Many businesses also engage in educational programming, agritourism, and direct-to-consumer subscription models to diversify income.

The Pacific Northwest offers a favorable distribution landscape. Raymond is well situated to access regional demand in Seattle, Olympia, and Portland. In Bellingham, producers like Cascadia Mushrooms have helped establish a blueprint for small-scale success, while other local innovators are experimenting with niche mushroom strains and vertically integrated operations.

As a caveat, we briefly explored the topic of psilocybin mushrooms. While this is a growing segment nationally, current Washington law does not allow legal cultivation. In contrast, Oregon and Colorado have legalized regulated psilocybin production, and early-stage farms have emerged in those states. However, due to legal constraints, this use case was not included in our feasibility evaluation for Raymond.

#### 3.2 Facility Advantages for Mushroom Production

Raymond's former cannabis facilities offer infrastructure well suited for indoor mushroom cultivation. The ability to tightly control humidity, temperature, and airflow is essential for high-quality mushroom growth and can be achieved with minimal retrofit using the existing systems. Different mushroom types often require distinct environmental conditions at each stage, from spawn incubation to fruiting. Segmented grow rooms provide the flexibility to manage these zones independently.

Biosecurity and cleanliness are also critical in mushroom production. Features like sealed rooms, integrated drainage, and controlled access help minimize contamination risk and allow for standardized sanitation protocols. These advantages make the Raymond facilities competitive with purpose-built urban grow spaces.

#### 3.3 Business Case Example

Cascadia Mushrooms, a small-scale specialty producer based in Bellingham, reports annual revenues of approximately \$400,000 through a combination of fresh mushroom sales, grow kits, and educational programming. The company operates in a relatively high-cost urban setting, which makes its model an informative reference for potential growers in Raymond.

By contrast, Raymond offers cost advantages in real estate, utilities, and access to hydroelectric power. These savings may allow producers to scale more efficiently or maintain stronger margins despite the labor-intensive nature of mushroom farming. Local sales channels can be developed through direct delivery to restaurants, cooperative grocery stores, and farm-to-table buyers. There may also be potential for regional contracts with health food brands or bulk purchasers focused on lion's mane or functional mushroom blends.

	Raymond	Bellingham
Price per pound	\$12	\$12
Fixed Costs	\$57,600	\$72,000
COGS	\$2.20	\$2.20
Electricity	\$0.30	\$0.45
Labor	\$8.18	\$8.64
Total Variable cost	\$10.68	\$11.29
Contribution Margin	\$1.32	\$0.71
Break-even sales / week in pound	839	1,940

Pilot production by a single operator could validate market fit, while shared infrastructure or co-op models may allow multiple growers to make use of segmented spaces. This flexibility gives Raymond a strategic edge in attracting early-stage or mission-driven agricultural entrepreneurs.

#### **Mushrooms- Key Articles and Sources**

- https://www.oregonlive.com/hg/2021/11/the-worlds-most-expensive-spice-grows-on-a-farm-in-north-plains.html
- https://learn.freshcap.com/growing/cascadia-mushrooms/
- https://smallfarms.cornell.edu/projects/mushrooms/
- https://www.mushroom-corner.com/posts/profitable-mushroom-farming

# 4. Emerging Opportunity: Insect Farming

### 4.1 Market Trajectory

The U.S. insect protein market is projected to reach **\$683 million by 2030**, driven by rising demand for sustainable animal feed, pet food, and fertilizer. The species that popped up in our research was the black soldier fly, mealworms and crickets.

Large agribusinesses and food producers are investing in insect-based solutions due to their low environmental footprint and high feed conversion efficiency.

Insect farming aligns with **ESG goals**, offering a scalable, low-waste protein source that uses significantly less water, land, and energy than traditional livestock systems.

### 4.2 Facility Suitability

The Port's specialized infrastructure provides strong alignment with the operational needs of indoor insect farms:

**Climate control** systems support precise temperature and humidity required for species like mealworms and black soldier flies.

**Segmented room layouts** are ideal for managing lifecycle stages, from egg incubation to harvest.

**High-capacity ventilation and secure enclosures** support air quality control and biosecurity protocols.

The existing buildings offer low lighting conditions, which reduce energy costs and match insect farming requirements.

# 4.3 Risk Mitigation Strategies

We reviewed Beta Hatch, a Washington-based insect farming company that repurposed a former juice factory. Their model emphasized use of **waste heat from nearby data centers** to offset energy needs and focused **co-location strategies** with agriculture sectors that benefit from insect-based inputs (e.g. livestock, aquaculture)

For Raymond, a **phased pilot approach** is recommended to test viability before scaling.

While there is less direct local demand today, establishing early **partnerships with restoration orgs or ag-tech startups** could help build future customer pipelines.

Regulatory oversight is minimal, but operators should adopt **proactive biosecurity measures** to mitigate risk, even if proximity to shellfish or cannabis farms presents no known threat.

For further research on this – recommend reaching out to any insect farming startups to conduct expert interviews to verify demand and compatibility.

### 4.4 Industry Examples

Several insect farming ventures across the U.S. demonstrate the commercial potential and scalability of this emerging industry:

#### Beta Hatch (Cashmere, WA)

Converts mealworms into insect protein for poultry and aquaculture. Known for leveraging waste heat from nearby data centers to reduce operating costs.

https://www.betahatch.com

### **EnviroFlight (Maysville, KY)**

Among the first U.S. facilities to receive FDA approval for black soldier fly larvae in pet food. Operates a large-scale indoor production system for animal feed and organic fertilizer.

https://www.enviroflight.net

#### **Ynsect (Nevada expansion)**

French-based company building a large mealworm production facility in the U.S. after raising over \$400M globally. Their model focuses on vertical farming, automation, and precision control.

https://www.ynsect.com

### AgriProtein (U.S. expansion planned)

South Africa-based firm with a focus on black soldier fly operations. Has proposed expansion in North America for organic waste upcycling.

https://agriprotein.com

#### Chapul Farms (Oregon)

Focuses on regenerative agriculture and soil health using insect bioconversion, working with municipalities and food processors to manage organic waste.

https://www.chapulfarms.com

#### **Beta Hatch – Key Articles and Sources**

1. **AgFunder News** – Wilbur-Ellis Backed Insect Startup Beta Hatch Closes \$2.1M Seed Round

Covers early funding, business model, and the strategic role of insects in animal feed.

https://agfundernews.com/wilbur-ellis-backed-insect-startup-beta-hatch-closes-2-1m-seed-round

2. Beta Hatch (Official Site) - Press & Updates

Details the opening of their flagship 50,000 sq ft facility in Cashmere, WA and operational model.

https://www.betahatch.com/news

3. **The Fish Site** – *Is insect farming better the Beta way?* 

Explores Beta Hatch's technology innovations, sustainability focus, and use of data center waste heat.

https://thefishsite.com/articles/is-insect-farming-better-the-beta-way

4. **Food Industry Executive** – Beta Hatch Commissioning the Largest Mealworm Facility in North America

Article on their Series A round and facility development, including their hub-and-spoke model.

https://foodindustryexecutive.com/2021/08/beta-hatch-commissioning-the-largest-mealworm-facility-in-north-america/

5. **AgTech Navigator** – What does the future hold for the insect protein industry? Includes insights on Beta Hatch's operational challenges and implications for the broader insect farming sector.

https://agtechnavigator.com/2024/02/15/insect-protein-future-beta-hatch-closure/

Reddit (r/entomophagy) – User discussion on Beta Hatch's recent closure
 Informal community commentary on industry challenges and lessons learned.
 https://www.reddit.com/r/entomophagy/comments/199qekd/beta\_hatch\_shutting\_down/

# 5. Additional Viable Use Cases

### 5.1 Specialty Crop Production

Saffron cultivation presents a strong opportunity due to its high market value and minimal space requirements. Cyrus Saffron in Chelan, Washington, has successfully grown saffron

outdoors, offering a regional proof of concept. However, Chelan's dry and sunny climate differs significantly from Raymond's coastal conditions. This difference reinforces the case for exploring indoor saffron production using climate-controlled infrastructure.

The Raymond facilities are well equipped for this type of cultivation. Features like segmented rooms, temperature and humidity controls, and automated irrigation create the right environment for managing staggered bloom cycles and optimizing labor. Although saffron is labor intensive, its premium pricing makes it feasible for small-scale, high-margin pilots.

Additional specialty crops such as moringa, turmeric, ginger, and edible flowers are gaining traction in wellness and culinary markets. These crops can be grown efficiently indoors and marketed through direct-to-consumer channels, local distributors, or specialty retailers.

Controlled environment agriculture enables stable, year-round production with consistent quality and reduced exposure to pests or weather variability. Raymond's existing infrastructure significantly lowers the startup barrier for new producers.

Public programs such as USDA Specialty Crop Block Grants and Washington State agriculture funding can help offset capital costs and validate early-stage models. These tools make specialty crop cultivation a realistic and potentially impactful use of the available facilities.

Would recommend further reach out to local WA saffron farms to see if this is scalable/feasible.

#### Saffron - Key Articles and Sources

Outdoor saffron production case:

- <a href="https://cyrussaffron.com">https://cyrussaffron.com</a>
- https://pacifichorticulture.org/articles/saffron/
- https://www.nytimes.com/2025/01/02/dining/saffron-farming-crop.html

#### Indoor saffron production:

• <a href="https://www.youtube.com/watch?v=kMDm2N\_qVME&ab\_channel=Learngrowingsa">https://www.youtube.com/watch?v=kMDm2N\_qVME&ab\_channel=Learngrowingsa</a> ffron%26mushroomsindoors

- <a href="https://india.mongabay.com/2024/04/indoor-saffron-farming-offers-hope-amidst-declining-saffron-production/">https://india.mongabay.com/2024/04/indoor-saffron-farming-offers-hope-amidst-declining-saffron-production/</a>
- https://igrownews.com/indoor-saffron-farming-a-modern-solution-to-an-ancientpractice/
- https://www.reddit.com/r/hydro/comments/188dn3j/hydroponic\_saffron\_california indoor garden ask/

#### **5.2 Data Center Potential**

#### **Edge Computing Market Growth**

The growth of IoT, AI inference, and remote work has increased demand for distributed data processing. Edge data centers, including smaller, localized server facilities are increasingly being deployed outside urban cores to reduce latency and improve bandwidth efficiency.

#### **Power Cost Advantages in Rural Washington**

Raymond benefits from proximity to the Bonneville Power Administration's hydroelectric grid, offering reliable power at competitive rates. This can be a significant draw for data infrastructure operations seeking cost-efficient energy.

## **Security and Climate Control Synergies**

The former cannabis facilities already feature segmented rooms, advanced climate control, and enhanced physical security. These characteristics are well-aligned with data center requirements, reducing the need for major retrofit investment.

#### **Data Centers- Key Articles and Sources**

- https://www.mckinsey.com/industries/technology-media-and-telecommunications/our-insights/investing-in-the-rising-data-center-economy
- https://www.columbian.com/news/2025/feb/24/southwest-washington-officialssay-data-centers-use-too-much-power-employ-too-few-people-to-makeeconomic-sense/
- https://dor.wa.gov/taxonomy/term/1575
- https://www.tri-cityherald.com/news/business/article294315629.html
- https://www.weforum.org/stories/2024/11/circular-water-solutions-sustainabledata-centres/
- <a href="https://www.datacenterknowledge.com/energy-power-supply/data-center-power-fueling-the-digital-revolution">https://www.datacenterknowledge.com/energy-power-supply/data-center-power-fueling-the-digital-revolution</a>

# 5.3 General Exploration of Re-Use

#### Interview Insight: Mott Smith - Co-Founder of Amped Kitchens

As part of our research, we spoke with Mott Smith, co-founder of Amped Kitchens and a real estate professor at USC. Amped repurposes large industrial buildings into multitenant food production campuses, helping small food companies scale with minimal upfront costs. Their facilities offer shared infrastructure, permitting support, and flexible leases.

Mott provided key insights on how adaptive reuse projects can succeed in rural or underutilized markets:

- He stressed the value of leveraging tax credits and public funding programs, particularly those tied to job creation and rural development.
- He also emphasized the importance of creating a destination, something that draws people in. In more remote areas like Raymond, this could include site features or events that give people a reason to visit, boosting visibility and long-term viability.
- Finally, he advised designing for flexibility. Buildings that can serve a range of tenants are better positioned to stay active and financially sustainable over time.

His experience highlights how combining smart financing with creative placemaking can strengthen the case for reuse, especially when long-term demand for a single use case is uncertain.

https://www.ampedkitchens.com

# 6. Leasing and Partnership Information

## **6.1 Lease Terms and Options**

Flexible Lease Structures: Most buildings can be subdivided or reconfigured to suit a variety of business sizes and operational needs.

Competitive Rent: Lease rates are favorable compared to urban industrial markets. For current pricing and terms, interested parties should contact the Port of Willapa Harbor directly.

Utilities and Services: Facilities offer high-capacity electrical systems, advanced HVAC and irrigation infrastructure, and in some cases, fire suppression.

#### **6.2 Grant and Funding Opportunities**

**Washington State Programs:** Businesses may qualify for the Washington State Department of Commerce's *Clean Energy Fund*, *Forest Health Grant Program*, and the \$25M *Riparian Habitat Grant Program* (if applicable to reforestation/nursery projects).

**Rural Economic Incentives:** The area qualifies for USDA Rural Development funds, Opportunity Zone tax deferrals, and energy efficiency tax credits, particularly relevant for data centers or controlled-environment agriculture.

# **6.3 Partnership Opportunities**

**Public-Private Partnerships:** Joint ventures can be explored with the Port or county for modular expansions, infrastructure improvements, or shared equipment hubs.

**Conservation Organizations:** Restoration-focused nurseries or habitat projects could partner with groups like the Pacific Conservation District, American Forests, or The Nature Conservancy to secure long-term planting contracts.

**R&D Possibilities:** The site's infrastructure could attract university-affiliated pilot programs, particularly in sustainable agriculture, carbon sequestration, or clean tech incubation.

#### 7. Next Steps for Interested Leasers

Please reach out to the **Port of Willapa Harbor** to schedule facility tours or site visits. Virtual options may be available upon request.

For help with business planning, market research, or grant applications, contact the **Pacific County Economic Development Council** for support and resources.

### **Appendices**

### Appendix A: Parcels Presented by the Port of Willapa Harbor

Parcel ID	Address	Owner
72043001010	(Not Listed)	Port of Willapa Harbor
14092442065	198 Peters St	Port of Willapa Harbor
14092413010	82 Peters St	Port of Willapa Harbor
14092432047	1725 Ocean Ave	Port of Willapa Harbor
14092632054	2870 Ocean Ave Suite A	Port of Willapa Harbor

These parcels were shared at a high level by the Port as potentially available industrial or commercial sites. For updated availability or tour coordination, please contact the Port of Willapa Harbor directly.

### Appendix B: Regional Market Analysis - Raymond & Pacific County

### **B.1 Geographic & Infrastructure Advantages**

- Proximity to Highway 101 and key west coast shipping routes
- Access to the Port of Willapa Harbor and adjacent industrial-zoned land
- Within driving distance of Seattle (~2.5–3 hours) and Portland (~2 hours)
- Rail lines and broadband infrastructure available in select industrial areas

#### **B.2 Utilities and Cost Structure**

- Hydroelectric power available through Pacific County PUD, offering lower electricity costs compared to urban centers (Bellingham, Seattle)
- Average commercial electricity rate: \$0.067/kWh (compared to WA state average of ~\$0.09)
- Ample water availability for agricultural and light industrial use
- Lower industrial lease rates relative to metropolitan areas, improving ROI for tenants

#### **B.3 Labor Force & Demographics**

- Pacific County population: ~22,000 (US Census Bureau, 2023)
- Median age: ~50 years, with significant experience in timber, aquaculture, and cannabis cultivation
- High interest in workforce retraining and employment diversification following cannabis market contraction
- Local community colleges and workforce development programs can support onboarding and vocational training

#### **B.4 Business Climate & Economic Development**

 Supportive local government and Economic Development Council (PCEDC) actively seeking new tenants and industries

- Potential alignment with WA State Department of Commerce rural incentives
- Proximity to conservation and fisheries restoration efforts (e.g., Willapa Fisheries Enhancement Group, Columbia Land Trust) aligns with opportunities in native plant propagation and environmental contracting

#### **B.5 Distribution & Market Access**

- Strong potential for distribution to Puget Sound metro areas via refrigerated or dry freight routes
- Access to Pacific Northwest specialty grocers, farm-to-table restaurants, and farmers markets for agricultural tenants
- Opportunity for rural branding and place-based marketing in food and sustainability sectors

#### **Sources**

- Pacific County Economic Development Council (PCEDC) Site Selector Data https://www.pacificedc.org
- U.S. Census Bureau QuickFacts Pacific County, WA https://www.census.gov/quickfacts/fact/table/pacificcountywashington
- Washington State Department of Commerce Rural Development Programs https://www.commerce.wa.gov
- Pacific County PUD No. 2 Rate Schedule https://www.pacificpud.org/electric-rates/
- Willapa Harbor Port District Documentation and Site Plans https://portofwillapaharbor.com
- USDA ERS Rural Employment Trends in the Pacific Northwest https://www.ers.usda.gov
- https://sarep.ucdavis.edu/fs/moringa
- https://www.forbes.com/sites/juliabolayanju/2018/08/21/an-entrepreneur-on-a-mission-to-help-americans-discover-superfood-moringa/
- https://ucanr.edu/site/small-farms-and-specialty-crops-fresno-and-maderacounties/moringa