



## Port of WW wine incubator project filled to brim

Two new winery incubators gain tenants near the Walla Walla Regional Airport Industrial Park.

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By VICKI HILLHOUSE of the Walla Walla Union-Bulletin

WALLA WALLA -- Joel Waite hasn't yet completed his move into the Port of Walla Walla's winery incubator complex, but he's already planning his exit strategy.

"I want to head out in the fourth year. The fifth at the latest," Waite said Thursday during a break from moving equipment at the Port's Piper Avenue incubator complex.

Waite's CAVU Cellars is one of two new wineries slated as the latest tenants at the incubator development, a complex at the Walla Walla Regional Airport Industrial Park funded largely with state funds to give fledgling wineries the production and tasting room space needed to get established. Tenants sign a nonrenewable, six-year lease for the 1,600-square-foot buildings.

At the end, they must move out so that another startup can move into the space.

Not having to invest in property at the front frees up funds for Waite and his business partners/parents, Jim and Karen Waite, to spend on equipment and quality fruit.

Hence, they can focus more of their initial energy on what they're putting into the bottles. As the lease nears its term, they believe they'll be in a better position to plan a more permanent winery. Also the first year's \$1,083 monthly base rent, plus leasehold tax and utilities, will have incrementally climbed to \$1,987 a month, plus tax and utilities.

"By then you might as well have a mortgage," Waite said.

The system was designed by the Port to help promote economic development.

It also creates a revenue source for the airport. Three years after receiving the initial state allocation, the project is just now seeing completion.

Port of Walla Walla commissioners and staff Thursday toured the new sky-blue and soft-yellow buildings that flank the original three earth-toned structures to complete the village originally envisioned three years ago.

In addition to helping the startup wineries get established, the incubator development

has boosted the airport complex as a major winery destination. In 2000 the airport property was home to less than five wineries. Today, there are 20, said Jennifer Skoglund, assistant airport manager, administrative services.

"People really do know about the airport now," she said.

CAVU Cellars, which pays homage to Jim Waite's career as a pilot with the aeronautical acronym for Ceiling and Visibility Unlimited, will be joined by Kontos Winery as the other new tenant. That winery, owned by brothers Cameron and Chris Kontos, will reportedly bottle under two labels: Kontos and LeeVeLooLee.

They become neighbors to Adamant Cellars, Lodmell Cellars and Trio Vintners, all of which are about two years into their six-year leases, Skoglund said.

The initial three buildings were constructed in 2006 with a \$1 million grant from the state and another roughly \$100,000 contributed by the airport budget.

The two new additions have been constructed with a \$500,000 state allocation, minus administrative costs, and another \$165,000 from the airport.

The spaces are designed for bonded wineries that produce about 1,000 cases of wine annually.

On Thursday, Waite said he and his partners aren't wasting any time moving in.

"We already have stuff moved in," he said. "The fruit's coming in about a week."

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