PORT OF HOOD RIVER

2026 Fall Planning Work Session

November 17, 2026, 3:00 PM – 4:30 PM

1000 E. Port Marina Drive

View meeting at: https://www.youtube.com/@portofhoodriver2178/streams

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AGENDA

I. **Welcome & Introduction** *(Heather Gehring, President)* (2 min.)

II. **Meeting Overview** *(Kevin Greenwood, Executive Director)* (3 min.)

a. Review of Spring Planning Directives and the FY27 Budget

III. **Current Financial Overview** *(Debbie Smith-Wagar, Finance Director)* (25 min.)

a. Review of FY25-26 Financials (Pg. 11)

b. Review of 1st Quarter 2026-27 Budget vs. Actuals (Pg. 21)

IV. **Key Issues for FY 2026-27** (60 min.)

a. **Projects Currently Underway/Complete** *(informational only) (Greenwood, Pg.31)*

b. **Projects for Consideration** *(for discussion) (Pg.37)*

- *Waterfront Transportation Improvements: Funding and Financing Opportunities - MC*
- *Parking Program – Transition to Electronic Annual Passes – EC / MC*
- *Marina Existing Infrastructure Assessment – MC*
- *Commemorative Donations – Policy Discussion – MC/EC*
- *Key Development Agreement – AR*
- *Port Properties Update / Wasco County Property Discussion – AR*
- *AI Policy Discussion – KG*
- *Airport Policy Considerations - JR*
- *Key Performance Indicators - DSW*

V. **Other**

Adjourn Work Session and Open Regular Session

Individuals requiring accommodations should contact the Port at 541-386-1645. The chair may adjust the order of agenda items as needed. Public comment is accepted during regular sessions only. The Commission generally does not respond to comments during the meeting. Comments may be referred to the Executive Director for follow-up or considered for inclusion on a future agenda. Please bring 10 copies of any materials distributed. Written comments may be submitted to the Port Office at any time.

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2021-2026 STRATEGIC BUSINESS PLAN / SPRING 2026 PLANNING SESSON RECAP

The Port Commissioners hosted several planning workshops, conducted public meetings, and solicited public input via paper and online surveys while the Plan was developed in 2021. The discussions held throughout this process led to several overarching agreements, including:

(1) The replacement of the Hood River–White Salmon Interstate Bridge is a central concern to all areas of Port service delivery.
(2) Establishing financial self-sustainability in all non-bridge areas of Port operations is an overarching goal.
(3) The Port must strive to provide the facilities and services it now provides at equal or higher levels of service in the future.

These areas of agreement provide guidance to the Commission during the annual planning process used to prepare the Port's fiscal year budget.

SPRING 2026 PLANNING OUTCOMES

GOALS

(1) Safety is top priority
(2) Improve transparency
(3) Pursue projects that will generate positive net income
(4) Pursue practices that will decrease operational costs
(5) Review/create Port policies
(6) Prepare for bridge replacement
(7) Invest in employee training and education

THEMES

(1) The Commission continues to see a role for the Port in the community after bridge replacement focusing on economic and recreational development.

(2) The Waterfront Recreation, Commercial Properties, Marina Basin and Airport Departments continue to run a deficit.
(3) Approach each department/cost center with the premise that there will no longer be toll revenue to support it.
(4) Port initiatives should focus on projects that generate positive net income.
(5) Keep and lease port-owned property. If a port-owned property is sold, proceeds should be identified for other asset generating projects.
(6) Financial transparency is critical for building trust with our users.
(7) Continue to review and update Port policies as part of educating and informing the public about Port operations.
(8) Incorporate solar or other green energy concepts into design when it can reduce long-term operating costs.

2021-2026 STRATEGIC BUSINESS PLAN / SPRING 2026 WORK PLAN

The Port conducts two planning sessions annually. Fall Planning is an opportunity for new projects and initiatives to be discussed and considered. Spring Planning is the opportunity to consider project feasibility, receive status report on approved projects, and move projects forward for budget inclusion. Planning Sessions use the Strategic Business Plan as the guiding document understanding that themes and goals change during the course of the Plan's lifespan.

CENTRAL SERVICES / ADMINISTRATION			
Port Admin/Ops Relocation			
G6	8/20/26. Closed on 200 Wasco; continuing to research facility options. Programming and design underway; likely phased implementation based on bridge replacement financing. Ongoing.	★★★★	Amanda Rose
Prepare for Strategic Business Plan update in 2026.			
ALL	8/20/2026. SBP on track for year end adoption. Ongoing.	★★★★★	Kevin Greenwood
Creation of Capital Reserve Fund			
G2 / G4	8/20/2026. Fund was created with the adoption of the 2026-27 FY budget. Completed.	★★★★★	Kevin Greenwood
Develop and adopt a Succession Plan policy			
G5/G7	8/10/26. Res. No. 2026-27-01 adopted in July 2026. Completed.	★★★★★	Kevin Greenwood
Proceed with transfer of Indian Creek Trail land			
G1/G4	8/20/2026. Final deed prepared and reviewed with Commission in August 2026; dedication approved at September 15 meeting. Completed.	★★★	Kevin Greenwood

WATERFRONT RECREATION			
Develop waterfront projects that can be funded via license program. FOUNDATION PROJECT.			
G3	8/20/2026. Foundation board appointed new members; new board to identify uses. Ongoing.	★★★	Megan Channell

MARINA			
Create an update to the Marina Master Plan			
G1 / G3	8/21/2026. Points Consulting contract underway; adoption scheduled by end of 2026. Ongoing	★★★★★	Megan Channell

BRIDGE AND OTHER TRANSPORTATION			
Bridge Replacement Right of Way Acquisition			
G6	8/20/2026. Greenwood/Bieker met with FHWA to discuss ROW; FHWA determined that project sponsors will be dedicating ROW. Completed.	★★★★	Amanda Rose
Tracking June 2024 Bridge Insurance Claim			
G1/G3	8/20/2026. Progressive $1M disbursement received by Port in Summer 2026. Complete.	★★★★	Kevin Greenwood

Provide planning level scope and budget for existing bridge repairs in FY26.			
G1	8/20/2026. 12-year CIP updated in April 2026. Spot Painting and Miscellaneous Steel Repairs under contract with Abhe Svoboda; M&E contracted in August. Ongoing.	★★★★★	Rose/Greenwood
Roundabout at Second and Riverside Dr. removing future traffic limitations on waterfront			
G1/G3	4/10/2026. Grant application submitted; RAB design complete end of 2026. $1.5M in FY27. Ongoing.	★★★★	Megan Channell

KEN JERNSTEDT AIRFIELD			
Renew Aviation Management Services Contract			
G1/ G3	8/20/2026. Five year master services agreement approved June 2026. Completed.	★★★★	Jeff Renard
Pursue So. Apron T-Hangars			
G3	8/20/2026. T-Hangars completed and leased. Complete.	★★★★★	Jeff Renard
Initiate eastside "perc" testing			
G3	8/20/2026. Budget available for per testing in FY27. Ongoing.	★★★★	Jeff Renard
Emergency Turnaround Relocation Project			
G1/ G3	8/20/2026. Project budgeted and permitting underway. Ongoing.	★★★★	Jeff Renard
AWOS Tree Survey			
G1	8/20/2026. Contract underway; should be done by Fall Planning. Ongoing.	★★★★	Jeff Renard
Jeanette Rd. No. Apron Land Lease Development			
G3	8/20/2026. Obtaining quotes for asphalt, fencing for off-site improvements; staff accessing additional grants. $98k in FY27 budget. Ongoing.	★★★★	Jeff Renard
Airport Operations Center/Terminal Building			
G3	8/20/2026. EDA Grant in Curing Process; planning and grant writing continues. Ongoing.	★★★★	Greenwood/Renard

REAL ESTATE DEVELOPMENT			
Release RFDI for Marina East/West Redevelopment			
G3	8/20/2026. RFDI Released February 2026. Completed	★★★★	Channell/ Rose
Capital Repairs to Big 7			
G1	8/21/2026. Inspection on Big 7 complete; $530k in repairs adopted in FY27 budget. Ongoing.	★★★	Rose/Channell
Replace Jensen Roof/Pursue cell "tower" leases.			
G3	8/20/2026. Specifications and procurement underway; replacement Fall 2026. Ongoing.	★★★★	Amanda Rose
Pursue Maritime Redevelopment Opportunities			
G5	8/21/2026. Meeting with HRD for planning purposes. Ongoing.	★★	Rose/Channell
Update Real Estate Policy			
G5	11/18/2025. Staff is preparing an update to the Real Estate Policy. Ongoing.	★★★★	Amanda Rose
Pursue Capital Reviews of all Commercial Buildings			
G4/G5	11/18/2025. Pursue capital inspections for all building in order to develop CIP. Ongoing.	★★★★	Amanda Rose

KEY:

SERVICE AREA			
Planning Session Project Description			
Goal	Most current update.	Priority	Responsible Manager

2021-2026 STRATEGIC BUSINESS PLAN / COMPLETED PROJECTS

The below list compiles completed projects/initiatives from prior planning sessions.

CENTRAL SERVICES / ADMIN		
Proceed with transfer of Indian Creek Trail land		
G1/G4	8/20/2026. Final deed prepared and reviewed with Commission in August 2026; dedication approved at September 15 meeting. Completed.	Kevin Greenwood
Increase presence on statewide boards/forums		
G2/G5	8/20/26. SDAO session panelist; directors are on a number of state boards. Exec. Director currently serves on the Oregon Public Ports Association (OPPA) and Mid-Columbia Housing Authority boards of directors. Focus next three years will be on Rotary leadership. Completed.	Kevin Greenwood
Show Internal Service Fund allocation methodology		
G2, G5	11/18/2025. Allocations are updated annually for the budget and are adjusted for actual expenditures. Completed June 2025.	Debbie Smith-Wagar
Create "ramp down" plan for completion of new bridge		
G2, G4, G5, G6	11/18/2025. Adjustments made in forecasting document; will continue to be adjusted on Commission actions. Completed October 2025.	Debbie Smith-Wagar
Research PERS side account benefits/report		
G4	11/18/2025. PERS side account created including $300k grant from state. This resulted in PERS rates decreasing about 6%, which will save the Port about $100k annually. Completed July 2025.	Debbie Smith-Wagar
Operational Building Relocation Study.		
G6	4/10/2025. Criteria and scoring matrix complete. Completed in May 2025.	Kevin Greenwood
Implement quarterly payment option for marina and airport tenants in 2026.		
G3/G5	4/10/2024. Add an additional invoicing fee of $25 in rate resolution in June. Task completed.	Debbie Smith-Wagar
Continuing hiring summer work crews		
G1/G4	3/18/2025. Considered contracting our maintenance services; after reviewing, temp agencies are unwilling to pay for maintenance workers comp; quality control an issue; will use when necessary. Complete.	Ryan Klapprich
Provide monthly budget vs. actual matrices for all five funds. Separate operating and non-operating activities.		
G2	3/28/2025. Completed reports presented to Commission. Reports produced monthly to show BvA in each fund, department and area. This is the manifestation of new financial software implemented over the last two years. Complete.	Debbie Smith-Wagar
Provide quarterly budget vs. actual reports by asset center.		
G2	3/28/2025. Complete.	Debbie Smith-Wagar

Provide more detail as to the assumptions and milestones included in the Port's 10-year forecasting documents		
G1	Assumptions document shared at 3/18/2025 regular meeting. Make annual document leading up to planning session. Complete.	Debbie Smith-Wagar
Establish non-profit to open up alternate sources of waterfront/airport funding.		
G3	Port of Hood River Foundation created in Jan. '25. Awaiting official determination letter. Complete.	Debbie Smith-Wagar
Name Port Commission as founding board for Foundation		
G5	12/17/2024. Port Commission named as the charter members of the Port of Hood River Foundation; subsequent members of the foundation can change as that board decides. Complete	Debbie Smith-Wagar
Procurement MSA with Architectural Firm		
G6/4/3	Procured SUM Design for a number of architectural projects including admin relocation, storage development, third party tenant improvement review, etc. Completed on Oct. 22, 2024	Kevin Greenwood
Update Personnel Manual		
G5	Completed Oct. 15, 2024.	Patty Rosas / Jana Scoggins
Update Procurement Rules		
G5	9/17/2024. Res. No. 2024-25-4 adopted new procurement rules. Complete	Kevin Greenwood
Financial Software Implementation		
G1	Tyler ERP installation complete June 2024.	Debbie Smith-Wagar
Communications/Public Relations Contract procured		
G2/G6	4/23/2024. Gretchen Goss Creative procured. Complete	Patty Rosas
Mission, Vision, Values Statement.		
G5	1/23/2024. Res. No. 2023-24-10 updated Mission, Vision, Values statement. Complete.	Kevin Greenwood
Update Port's Financial Policies.		
G6	Completed via Res. No. 2023-24-7 on Dec. 19, 2023.	Debbie Smith-Wagar

WATERFRONT RECREATION		
Establish Fair Market Value to charge private businesses for off-season parking.		
G3	9/15/2025. Approved CAT and MHM contracts. Completed September 2025.	Daryl Stafford
Investigate switching to City's "Passport" paid parking system.		
G3, G4	10/19/2025. Authorization to sign Passport/Park Mobile agreements saving Port $30k annually. User interface activated in early 2026. Completed October 2025.	Megan Channell
Pursue additional parking lots on waterfront		
G3	11/15/2025. 131 new spots on Portway and Anchor Way. Completed in November 2025.	Kevin Greenwood
Find better use for waterfront/marina committees; utilize stakeholder groups when needed.		
G5	2/18/2025. Res. No. 2024-25-21 dissolved committees; encouraged use of stakeholder committees when needed. Complete.	Daryl Stafford/Debbie Smith-Wagar

Adjust Parking Policies and Fees		
G1/G4	Completed via Res. No. 2023-24-22 on Jun. 11, 2024.	Daryl Stafford
Close the Event Site booth		
G4	3/15/2024. Closed. Complete.	Kevin Greenwood

MARINA		
Evaluate true costs of Marina West and East for development opportunities.		
G3/G4	4/10/2026. RFDI proposals due by end of April. Completed.	Channell/ Rose
Pursue Commercial Dock Proposals		
G3/G5	4/10/2026. Commission declined singular lease for commercial dock. To be included as part of future Marina study. Completed.	Channell/ Rose
Conduct Marina Survey		
G2	12/12/2025. Staff conducted survey; over 350 responses. Completed	Daryl Stafford/Megan Channell
Allow 3:00AM parking at the Marina boat launch parking lot. Modifies Facilities Ordinance.		
G4	11/19/2024. Completed November 2024.	Daryl Stafford
Continue the Event Site Host program.		
G4	April 2024. Provides additional security, lost and found, ombudsmen services for site. Complete.	Daryl Stafford

BRIDGE AND OTHER TRANSPORTATION		
Complete CAT IGA for bus facility on waterfront		
G3	12/16/2025. Commission approved 12/16/2025; CAT Board approved 12/17/2025. Completed.	Megan Channell
Improve toll user experience across bridge		
G1/G2/G4	4/10/2026. Plaza reconfiguration complete; signs currently being installed above gantry. Completed.	Debbie Smith-Wagar/Channell/Rose
Re-submit USCG request for two-week bridge lift notice.		
G1, G3	4/15/2025. USCG Dist. 13 Bridge Manager recommended against a re-submission. An earlier 30-day notice requirement was denied by the USCG. Commission agreed to discontinue.	Kevin Greenwood
Obtain Project Management and Design Contracts for Roundabout at Second and Riverside.		
G1/G6	Contracts approved with WSP and KPFF completing task on Aug. 20, 2024	Kevin Greenwood
Consider adjustments to bridge load ratings.		
G1/G4	Completed via Res. No. 2023-24-9 on Dec. 19, 2023.	Ryan Klapprich

KEN JERNSTEDT AIRFIELD		
Identify new airport property for land leases.		
G3	4/10/2026. Further exploration of water/sanitary utility capacity will be required. Staff pursuing various county permits. Completed.	Jeff Renard
Grant and Engineering Contracts for So. T-hangars		
G3	FAA/COAR Grants approved Aug. 20, 2024. Approved engineering contract with PAE, Sep. 17, 2024.	Jeff Renard
Fill airport manager position		
G4/G5	6/11/2024. Contracted with Aviation Management Services. Completed.	Jeff Renard

REAL ESTATE DEVELOPMENT		
Continue leasing Big 7; after leasing consider whether to sell.		
G3	11/18/2025. Building is nearing full tenancy and producing positive net income. Commission decided to keep building. Completed.	Amanda Rose
Determine use of Lower Mill sale proceeds		
G2/G3	11/18/2025. Commission decided $500k toward airport terminal; balance to waterfront infrastructure construction. Completed.	Kevin Greenwood
Lower Mill Storage Units in Odell.		
G3/G6	Spring 2025. Proposed storage unit development was deemed not feasible due to prevailing wage requirements; Commission proceeded with sale to Amazon. Complete 2025.	Kevin Greenwood
Analysis of Workforce Housing at Lower Hanel Mill for Bridge Replacement.		
G3/G6	Summer 2024. Due to limited bridge work force need and cost of sewer development charges, this project was deemed not feasible. Complete in May 2025.	Kevin Greenwood

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November 17, 2026
FALL PLANNING

Discussion Topic:
Review of FY25-26 Financials

OVERVIEW:
The attached reports are similar to the reports provided in the August Commission meeting packet. There have only been a few minor changes to the data since then – mostly additional invoices that we received that were for goods or services provided in the fiscal year that ended June 30, 2026. The Port is within its legally appropriated budget for the fiscal year.

The General Fund shows an operating loss of nearly $630k. Staff has had extensive internal discussions about ways to improve the fund, both in raising revenue and cutting costs. One improvement that is expected to help significantly is to improve the timing of reimbursements for tenant costs for expenses that the Port pays under the triple net leases (taxes, utilities, routine maintenance, insurance, etc.). The Director of Real Estate and Asset Management, Amanda Rose, is working with Finance to implement best practices based on her experience in the private sector.

Bridge Operations Fund improved significantly, mostly due to very little capital outlay getting done in the last fiscal year. That is leading to significantly more capital outlay in the current fiscal year as the needed improvements get done. Bridge Operations also used less internal services last fiscal year due to fewer big issues on the bridge. The financial report for fiscal year 2025-26 also includes the last transfer to the General Fund. All future revenue collected in the Bridge Operations Fund will be used for bridge operations, repair, and replacement.

Industrial buildings are doing well overall with net operating income of about $450k. Wasco Loop remains underutilized as staff continues to look at options for the building. The new Wasco Court building that was purchased this spring is currently vacant as the Port waits for funding decisions for the replacement bridge.

Commercial buildings continued to have net operating losses. Amanda is working on restructuring the leases to cover the Port's costs, depending on direction regarding the Marina Basin Commercial Redevelopment. There will be more discussion later in the meeting regarding direction for utilizing Port property.

DISCUSSION:
Informational

ATTACHMENTS:
FY26 Financial Report

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PORT OF HOOD RIVER
FY26 FUND ANALYSIS - BUDGET VS ACTUAL
For the period ending June 30, 2026 (100%)

	General				Administration				Bridge Operations				Bridge Replacement				HRWSBA				TOTAL		
	BUDGET	YTD	%		BUDGET	YTD	%		BUDGET	YTD	%		BUDGET	YTD	%		BUDGET	YTD	%		BUDGET	YTD	%
REVENUE																							
Operating	$ 4,071,900	$ 4,151,900	102%		$ 3,759,800	$ 3,346,459	89%		$ 9,515,200	$ 10,963,042	115%										$ 17,346,900	$ 18,461,401	106%
Non-operating:																							
Grants, interest, other income	$ 11,035,860	$ 1,427,895	13%	{1}	$ 900,000	$ 307,226	34%		$ 378,000	$ 356,012	94%		$ 4,502,000	$ 1,020,055	23%		$ 20,000	$ -	0%		$ 16,835,860	$ 3,111,189	18%
Transfers In	$ 2,000,000	$ 2,000,000	100%	{2}	$ 1,200,000	$ 1,200,000	100%	{7}									$ 3,828,400	$ 3,411,331	89%	{8}	$ 7,028,400	$ 6,611,331	94%
TOTAL	**$ 17,107,760**	**$ 7,579,795**	**44%**		**$ 5,859,800**	**$ 4,853,685**	**83%**		**$ 9,893,200**	**$ 11,319,054**	**114%**		**$ 4,502,000**	**$ 1,020,055**	**23%**		**$ 3,848,400**	**$ 3,411,331**	**89%**		**$ 41,211,160**	**$ 28,183,921**	**68%**
EXPENSES																							
Operating																							
Personal Services	$ 392,788	$ 296,617	76%		$ 2,478,950	$ 2,228,963	90%		$ 337,380	$ 263,033	78%										$ 3,209,118	$ 2,788,613	87%
Materials & Services	$ 2,018,600	$ 1,819,457	90%		$ 1,245,850	$ 1,049,613	84%		$ 1,946,000	$ 1,847,072	95%										$ 5,210,450	$ 4,716,142	91%
Internal Services (Admin/OH)	$ 2,679,386	$ 2,597,791	97%						$ 944,556	$ 689,190	73%										$ 3,623,942	$ 3,286,980	91%
Debt Service	$ 95,000	$ 67,580	71%	{3}																	$ 95,000	$ 67,580	71%
Subtotal	$ 5,185,774	$ 4,781,445	92%		$ 3,724,800	$ 3,278,576	88%		$ 3,227,936	$ 2,799,294	87%		$ -	$ -	NA		$ -	$ -	NA		$ 12,138,510	$ 10,859,316	89%
Non-Operating																							
Capital Outlay	$ 9,500,000	$ 5,035,949	53%	{4}	$ 95,000	$ 65,600	69%		$ 1,370,000	$ 32,680	2%		$ 4,502,000	$ 1,020,055	23%						$ 15,467,000	$ 6,154,284	40%
Transfers Out	$ 910,800	$ 910,800	100%	{5}					$ 6,117,600	$ 5,700,531	93%										$ 7,028,400	$ 6,611,331	94%
Special	$ 71,000	$ 2,733	4%	{6}													$ 3,848,400	$ 3,138,732	82%		$ 3,919,400	$ 3,141,466	80%
Contingency	$ 8,000,000		NA		$ 540,000		NA		$ 900,000		NA										$ 9,440,000		NA
Other					$ 1,500,000	$ 1,500,000	100%	{8}	$ 600,000	$ 226,823	38%												
Subtotal	$ 18,481,800	$ 5,949,482	32%		$ 2,135,000	$ 1,565,600	73%		$ 8,987,600	$ 5,960,034	66%		$ 4,502,000	$ 1,020,055	23%		$ 3,848,400	$ 3,138,732	82%		$ 35,854,800	$ 15,907,081	44%
TOTAL	**$ 23,667,574**	**$ 10,730,928**	**45%**		**$ 5,859,800**	**$ 4,844,176**	**83%**		**$ 12,215,536**	**$ 8,759,328**	**72%**		**$ 4,502,000**	**$ 1,020,055**	**23%**		**$ 3,848,400**	**$ 3,138,732**	**82%**		**$ 47,993,310**	**$ 26,766,397**	**56%**
NET INCOME																							
Operating	$ (1,113,874)	$ (629,546)			$ 35,000	$ 67,882			$ 6,287,264	$ 8,163,748			$ -	$ -			$ -	$ -			$ 5,208,390	$ 7,602,085	
Non-Operating	$ (5,445,940)	$ (2,521,587)			$ (35,000)	$ (58,374)			$ (8,609,600)	$ (5,604,022)			$ -	$ -			$ -	$ 272,599			$ (11,990,540)	$ (6,184,561)	
TOTAL	**$ (6,559,814)**	**$ (3,151,133)**			**$ -**	**$ 9,509**			**$ (2,322,336)**	**$ 2,559,726**			**$ -**	**$ -**			**$ -**	**$ 272,599**			**$ (6,782,150)**	**$ 1,417,524**	
BEG. FUND BALANCE	$ 13,500,000	$ 13,842,130			$ -	$ -			$ 5,000,000	$ 5,102,447			$ -	$ -			$ -	$ -			$ 18,500,000	$ 18,944,577	
END. FUND BALANCE	$ 6,940,186	$ 10,690,997			$ -	$ 9,509			$ 2,677,664	$ 7,662,173			$ -	$ -			$ -	$ 272,599			$ 11,717,850	$ 20,362,101	

{1} Budget assumed the sale of Big 7 and Lower Hanel Mill property and includes Airport grants
{2} A transfer in to the General Fund from the Bridge Fund - this was the final year of this transfer
{3} Debt service is for a low interest loan from 2013 to make improvements to the Marina docks; it will be paid off in 2028.
{4} Capital outlay is detailed in the attached capital outlay report. The roof on the Jensen Building was not completed in fiscal year 2025-26. Other capital that was budgeted but not completed included $750k for storage units at Lower Hanel Mill. The projects at the Airport were mostly complete at June 30, 2026.
{5} The General Fund's portion of the "PERS Buydown" that occurred in August 2025. This buydown saved the Port approximately $100k in fiscal year 2025-26.
{6} A transfer was budgeted to help fund the Foundation's plan for launching the license plate program. The expenses shown are for the Foundation's website. The license plate program is still in the planning stage.
{6} When the budget was prepared one of the assumptions was that the Lower Hanel Mill property would be sold and the proceeds included in beginning fund balance
{7} Transfers into the Administration Fund are $1.2M for the PERS Buydown; the State of Oregon contributed $300,000 for a total contribution of $1.5M.
{8} Actual payment to PERS for the buydown.

PORT OF HOOD RIVER
FY27 GENERAL FUND ANALYSIS BY DEPARTMENT - BUDGET VS ACTUAL
For the period ending June 30, 2026 (100%)

	Industrial Properties				Commercial Buildings				Airport				Marina Basin				Waterfront Recreation				Parking				Non-Departmental				TOTAL GENERAL FUND			
	BUDGET	YTD	%		BUDGET	YTD	%		BUDGET	YTD	%		BUDGET	YTD	%		BUDGET	YTD	%		BUDGET	YTD	%		BUDGET	YTD	%		BUDGET	YTD	%	
REVENUE																																
Operating	$ 2,478,600	$ 2,485,657	100%		$ 269,700	$ 216,823	80%		$ 312,200	$ 378,983	121%	{2}	$ 449,900	$ 501,331	111%		$ 36,500	$ 40,345	111%		$ 525,000	$ 528,761	101%						$ 4,071,900	$ 4,151,900	102%	
Non-operating:																																
Grants, interest, other income	$ 547,360	$ 223,351	41%	{1}	$ 500,000	$ -	NA		$ 1,330,000	$ 632,751	48%		$ 47,500	$ 2,540	5%		$ 111,000	$ 13,005	12%						$ 8,500,000	$ 556,248	7%		$ 11,035,860	$ 1,427,895	13%	
																									$ 2,000,000	$ 2,000,000			$ 2,000,000	$ 2,000,000	100%	
TOTAL	**$ 3,025,960**	**$ 2,709,008**	**90%**		**$ 769,700**	**$ 216,823**	**28%**		**$ 1,642,200**	**$ 1,011,734**	**62%**		**$ 497,400**	**$ 503,871**	**101%**		**$ 147,500**	**$ 53,349**	**36%**		**$ 525,000**	**$ 528,761**	**101%**		**$ 10,500,000**	**$ 2,556,248**	**24%**		**$ 17,107,760**	**$ 7,579,795**	**44%**	
EXPENSES																																
Operating																																
Personal Services	$ 42,297	$ 42,086	100%		$ 7,845	$ 7,606	97%		$ 15,060	$ 9,035	60%		$ 145,196	$ 146,453	101%		$ 67,540	$ 53,731	80%		$ 114,850	$ 37,706	33%						$ 392,788	$ 296,617	76%	
Materials & Services	$ 1,187,800	$ 1,199,891	101%		$ 135,900	$ 106,000	78%		$ 200,150	$ 194,563	97%		$ 171,250	$ 123,500	72%		$ 184,500	$ 111,617	60%		$ 139,000	$ 83,887	60%						$ 2,018,600	$ 1,819,457	90%	
Internal Services (Admin/OH)	$ 856,904	$ 788,932	92%		$ 261,849	$ 289,680	111%		$ 380,826	$ 519,827	136%		$ 543,440	$ 322,495	59%		$ 313,099	$ 503,782	161%		$ 323,268	$ 173,074	54%						$ 2,679,386	$ 2,597,791	97%	
Debt Service													$ 95,000	$ 67,580	71%														$ 95,000	$ 67,580	71%	
Subtotal	$ 2,087,001	$ 2,030,909	97%		$ 405,594	$ 403,286	99%		$ 596,036	$ 723,424	121%		$ 954,886	$ 660,028	69%		$ 565,139	$ 669,131	118%		$ 577,118	$ 294,667	51%		$ -	$ -	NA		$ 5,185,774	$ 4,781,445	92%	
Non-Operating																																
Capital Outlay	$ 5,335,000	$ 1,955,880	37%		$ 530,000	$ 5,314	1%		$ 2,105,000	$ 1,865,215	89%		$ 30,000	$ -	0%		$ 300,000	$ -	0%		$ 1,200,000	$ 1,209,540							$ 9,500,000	$ 5,035,949	53%	
Transfers Out	$ -																								$ 910,800	$ 910,800			$ 910,800	$ 910,800	NA	
Special	$ -																								$ 71,000	$ 2,733	4%	{3}	$ 71,000	$ 2,733	4%	
Contingency	$ -																								$ 8,000,000		0%		$ 8,000,000	$ -	0%	
Subtotal	$ 5,335,000	$ 1,955,880	37%		$ 530,000	$ 5,314	NA		$ 2,105,000	$ 1,865,215	89%		$ 30,000	$ -	0%		$ 300,000	$ -	0%		$ 1,200,000	$ 1,209,540	NA		$ 8,981,800	$ 913,533	10%		$ 18,481,800	$ 5,949,482	32%	
TOTAL	**$ 7,422,001**	**$ 3,986,789**	**54%**		**$ 935,594**	**$ 408,600**	**44%**		**$ 2,701,036**	**$ 2,588,639**	**96%**		**$ 984,886**	**$ 660,028**	**67%**		**$ 865,139**	**$ 669,131**	**77%**		**$ 1,777,118**	**$ 1,504,207**	**85%**		**$ 8,981,800**	**$ 913,533**	**10%**		**$ 23,667,574**	**$ 10,730,928**	**45%**	
NET INCOME																																
Operating	$ 391,599	$ 454,748			$ (135,894)	$ (186,463)			$ (283,836)	$ (344,442)			$ (504,986)	$ (158,697)			$ (528,639)	$ (628,786)			$ (52,118)	$ 234,094			$ -	$ -			$ (1,113,874)	$ (629,546)		
Non-Operating	$ (4,787,640)	$ (1,732,529)			$ (30,000)	$ (5,314)			$ (775,000)	$ (1,232,463)			$ 17,500	$ 2,540			$ (189,000)	$ 13,005			$ (1,200,000)	$ (1,209,540)			$ 1,518,200	$ 1,642,714			$ (5,445,940)	$ (2,521,587)		
TOTAL	**$ (4,396,041)**	**$ (1,277,781)**			**$ (165,894)**	**$ (191,777)**			**$ (1,058,836)**	**$ (1,576,905)**			**$ (487,486)**	**$ (156,157)**			**$ (717,639)**	**$ (615,781)**			**$ (1,252,118)**	**$ (975,445)**			**$ 1,518,200**	**$ 1,642,714**			**$ (6,559,814)**	**$ (3,151,133)**		
BEG. FUND BALANCE																									$ 13,500,000	$ -			$ 13,500,000	$ 13,842,130		
END. FUND BALANCE																									$ 15,018,200	$ 1,642,714			$ 6,940,186	$ 10,690,997		

{1} The budget includes a payment from the Bridge Authority for the current Port administration building and grant(s) for the Waterfront Transportation roundabout.
{2} Airport T-hangar income is reported when billed in July; note that the new T-Hangars were not ready for occupancy until August and were fully booked in September.
{3} A transfer is budgeted to help fund the Foundation's plan for launching the license plate program

PORT OF HOOD RIVER
FY27 INDUSTRIAL PROPERTIES DEPT. BY SITE - BUDGET VS ACTUAL
For the period ending June 30, 2026 (100%)

	Big 7 Building				Lot 1				Halyard Building				Jensen Building				Maritime Building				Timber Incubator				Wasco Loop Building				Wasco Court Building (New)				WF Transportation				Lower Hanel Mill [A]				TOTAL INDUSTRIAL PROPERTIES			
	BUDGET	YTD	%		BUDGET	YTD	%		BUDGET	YTD	%		BUDGET	YTD	%		BUDGET	YTD	%		BUDGET	YTD	%		BUDGET	YTD	%		BUDGET	YTD	%		BUDGET	YTD	%		BUDGET	YTD	%		BUDGET	YTD	%	
REVENUE																																												
Operating	$ 304,000	$ 295,186	97%		$ -	$ 8,721	NA		$ 935,000	$ 887,753	95%		$ 578,000	$ 682,013	118%		$ 420,000	$ 430,142	102%		$ 101,600	$ 113,936	112%		$ 140,000	$ 67,906	49%		$ -	$ -	NA						$ -	$ -			$ 2,478,600	$ 2,485,657	100%	
Non-operating:																																												
Grants, interest, other income	$ 350,000	$ 55,000	16%	{1}	$ 6,700	$ -																											$ 169,000	$ 146,691	87%		$ 21,660	$ 21,660	NA		$ 547,360	$ 223,351	41%	
TOTAL	**$ 654,000**	**$ 350,186**	**54%**		**$ 6,700**	**$ 8,721**	**130%**		**$ 935,000**	**$ 887,753**	**95%**		**$ 578,000**	**$ 682,013**	**118%**		**$ 420,000**	**$ 430,142**	**102%**		**$ 101,600**	**$ 113,936**	**112%**		**$ 140,000**	**$ 67,906**	**49%**		**$ -**	**$ -**	NA		**$ 169,000**	**$ 146,691**	**87%**		**$ 21,660**	**$ 21,660**	**NA**		$ 3,025,960	$ 2,709,008	90%	
EXPENSES																																												
Operating																																												
Personal Services	$ 7,202	$ 7,099			$ -	$ -			$ 7,202	$ 7,099			$ 5,673	$ 5,578			$ 4,687	$ 4,564			$ 3,058	$ 3,042			$ 7,202	$ 7,099			$ -	$ -	NA		$ -	$ 2,028	NA		$ 7,273	$ 5,578			$ 42,297	$ 42,086		
Materials & Services	$ 152,000	$ 215,905	142%		$ 21,000	$ 683	3%		$ 520,500	$ 573,357	110%		$ 211,000	$ 207,499	98%		$ 76,000	$ 62,903	83%		$ 33,300	$ 20,365	61%		$ 102,000	$ 54,203	53%		$ -	$ 22,728	NA		$ -	$ -	NA		$ 72,000	$ 42,247	NA		$ 1,187,800	$ 1,199,891	101%	
Internal Services (Admin/OH)	$ 138,410	$ 133,925	97%		$ 15,726	$ 20,516	130%		$ 200,352	$ 103,353	52%		$ 138,248	$ 122,736	89%		$ 61,730	$ 42,521	69%		$ 31,048	$ 15,644	50%		$ 137,363	$ 77,308	56%		$ -	$ 14,917	NA		$ -	$ 122,360	NA		$ 134,027	$ 135,652	NA		$ 856,904	$ 788,932	92%	
Subtotal	$ 297,612	$ 356,930	120%		$ 36,726	$ 21,199	58%		$ 728,054	$ 683,808	94%		$ 354,921	$ 335,813	95%		$ 142,417	$ 109,988	77%		$ 67,406	$ 39,052	58%		$ 246,565	$ 138,609	56%		$ -	$ 37,645	NA		$ -	$ 124,388	NA		$ 213,300	$ 183,477	NA		$ 2,087,001	$ 2,030,909	97%	
Non-Operating																																										NA			
Capital Outlay	$ 520,000	$ -	0%		$ -	$ -			$ 80,000	$ 12,917	16%		$ 760,000	$ 7,576	1%		$ -	$ -			$ 10,000	$ -			$ 15,000	$ -	0%		$ 2,550,000	$ 1,232,874	48%	{2}	$ 650,000	$ 702,513	108%		$ 750,000	$ -	NA		$ 5,335,000	$ 1,955,880	37%	
Subtotal	$ 520,000	$ -	0%		$ -	$ -	NA		$ 80,000	$ 12,917	16%		$ 760,000	$ 7,576	1%		$ -	$ -	NA		$ 10,000	$ -	NA		$ 15,000	$ -	0%		$ 2,550,000	$ 1,232,874	48%		$ 650,000	$ 702,513	108%		$ 750,000	$ -	NA		$ 5,335,000	$ 1,955,880	37%	
TOTAL	**$ 817,612**	**$ 356,930**	**44%**		**$ 36,726**	**$ 21,199**	**58%**		**$ 808,054**	**$ 696,726**	**86%**		**$ 1,114,921**	**$ 343,389**	**31%**		**$ 142,417**	**$ 109,988**	**77%**		**$ 77,406**	**$ 39,052**	**50%**		**$ 261,565**	**$ 138,609**	**53%**		**$ 2,550,000**	**$ 1,270,519**	**50%**		**$ 650,000**	**$ 826,901**	**127%**		**$ 963,300**	**$ 183,477**	**NA**		**$ 7,422,001**	**$ 3,986,789**	54%	
NET INCOME																																												
Operating	$ 6,388	$ (61,743)			$ (36,726)	$ (12,478)			$ 206,946	$ 203,945			$ 223,079	$ 346,199			$ 277,583	$ 320,154			$ 34,194	$ 74,884			$ (106,565)	$ (70,703)			$ -	$ (37,645)			$ -	$ (124,388)			$ (213,300)	$ (183,477)			$ 391,599	$ 454,748		
Non-Operating	$ (170,000)	$ 55,000			$ 6,700	$ -			$ (80,000)	$ (12,917)			$ (760,000)	$ (7,576)			$ -	$ -			$ (10,000)	$ -			$ (15,000)	$ -			$ (2,550,000)	$ (1,232,874)			$ (481,000)	$ (555,822)			$ (728,340)	$ 21,660			$ (4,787,640)	$ (1,732,529)		
TOTAL	**$ (163,612)**	**$ (6,743)**			**$ (30,026)**	**$ (12,478)**			**$ 126,946**	**$ 191,027**			**$ (536,921)**	**$ 338,623**			**$ 277,583**	**$ 320,154**			**$ 24,194**	**$ 74,884**			**$ (121,565)**	**$ (70,703)**			**$ (2,550,000)**	**$ (1,270,519)**			**$ (481,000)**	**$ (680,210)**			**$ (941,640)**	**$ (161,817)**			$ (4,396,041)	$ (1,277,781)		

{1} The City of Hood River reimbursed the Port for a stormwater easement behind Big 7.
{2} The Port purchased one property on Wasco Court. Although budgeted, the Port has decided at this time not to purchase the property across the street.

PORT OF HOOD RIVER

FY27 COMMERCIAL PROPERTIES DEPT. BY BUILDING - BUDGET VS ACTUAL

For the period ending June 30, 2026 (100%)

	Marina West			Marina East			Port Office Building			Marina Basin Commercial Redev [A]			TOTAL COMM. PROPERTIES		
	BUDGET	YTD	%	BUDGET	YTD	%	BUDGET	YTD	%	BUDGET	YTD	%	BUDGET	YTD	%
REVENUE															
Operating	$ 51,000	$ 33,874	66%	$ 52,700	$ 16,949	32%	$ 166,000	$ 166,000	100%	$ -	$ -	NA	$ 269,700	$ 216,823	80%
Non-operating:					$ -										
Grants, interest, other income			NA			NA	$ 500,000		NA	$ -		NA	$ 500,000	$ -	NA
TOTAL	**$ 51,000**	**$ 33,874**	**66%**	**$ 52,700**	**$ 16,949**	**32%**	**$ 666,000**	**$ 166,000**	**25%**	**$ -**	**$ -**	**NA**	**$ 769,700**	**$ 216,823**	28%
EXPENSES															
Operating															
Personal Services	$ 2,615	$ 2,535		$ 2,615	$ 2,535		$ 2,615	$ 2,535		$ -	$ -	NA	$ 7,845	$ 7,606	
Materials & Services	$ 50,900	$ 36,505	72%	$ 51,200	$ 29,489	58%	$ 33,800	$ 40,007	118%	$ -	$ -	NA	$ 135,900	$ 106,000	78%
Internal Services (Admin/OH)	$ 65,653	$ 52,030	79%	$ 49,429	$ 42,233	85%	$ 146,767	$ 186,570	127%	$ -	$ 8,848	NA	$ 261,849	$ 289,680	111%
Subtotal	$ 119,168	$ 91,069	76%	$ 103,244	$ 74,257	72%	$ 183,182	$ 229,112	125%	$ -	$ 8,848	NA	$ 405,594	$ 403,286	99%
Non-Operating															
Capital Outlay	$ 20,000	$ -	NA	$ 10,000	$ -	NA	$ 500,000	$ -	NA	$ -	$ 5,314	NA	$ 530,000	$ 5,314	NA
Subtotal	$ 20,000	$ -	NA	$ 10,000	$ -	NA	$ 500,000	$ -	NA	$ -	$ 5,314	NA	$ 530,000	$ 5,314	NA
TOTAL	**$ 139,168**	**$ 91,069**	**65%**	**$ 113,244**	**$ 74,257**	**66%**	**$ 683,182**	**$ 229,112**	**34%**	**$ -**	**$ 14,162**	NA	**$ 935,594**	**$ 408,600**	44%
NET INCOME															
Operating	$ (68,168)	$ (57,195)		$ (50,544)	$ (57,308)		$ (17,182)	$ (63,112)		$ -	$ (8,848)		$ (135,894)	$ (186,463)	
Non-Operating	$ (20,000)	$ -		$ (10,000)	$ -		$ -	$ -		$ -	$ (5,314)		$ (30,000)	$ (5,314)	
TOTAL	**$ (88,168)**	**$ (57,195)**		**$ (60,544)**	**$ (57,308)**		**$ (17,182)**	**$ (63,112)**		**$ -**	**$ (14,162)**		**$ (165,894)**	**$ (191,777)**	

[A] This is a new department to track redevelopment of the property under the Marina East & West buildings.

PORT OF HOOD RIVER
FY27 MARINA BASIN DEPT. BY AREA - BUDGET VS ACTUAL
For the period ending June 30, 2026 (100%)

	Marina Moorage			Boat Launch			Jetty Cruise Ship Dock			Seasonal Dock			Marina Green			TOTAL MARINA BASIN		
	BUDGET	YTD	%	BUDGET	YTD	%	BUDGET	YTD	%	BUDGET	YTD	%	BUDGET	YTD	%	BUDGET	YTD	%
REVENUE																		
Operating	$ 409,500	$ 439,432	107%	$ -	$ 5,786	NA	$ 19,700	$ 28,627	145%				$ 20,700	$ 27,487	133%	$ 449,900	$ 501,331	111%
Non-operating																		
Grants, interest, other income	$ 20,000	$ 2,540	13%	$ 7,000	$ -	0%				$ 20,500	$ -	0%			NA	$ 47,500	$ 2,540	5%
TOTAL	**$ 429,500**	**$ 441,972**	**103%**	**$ 7,000**	**$ 5,786**	**83%**	**$ 19,700**	**$ 28,627**	**145%**	**$ 20,500**	**$ -**	**0%**	**$ 20,700**	**$ 27,487**	**133%**	**$ 497,400**	**$ 503,871**	101%
EXPENSES																		
Operating																		
Personal Services	$ 80,000	$ 100,688											$ 65,196	$ 45,764		$ 145,196	$ 146,453	
Materials & Services	$ 111,000	$ 74,703	67%	$ 6,000	$ 4,208	70%	$ 5,500	$ 8,343	152%	$ 2,000	$ -	0%	$ 46,750	$ 36,246	78%	$ 171,250	$ 123,500	72%
Internal Services (Admin/OH)	$ 169,333	$ 177,767	105%	$ 673	$ 628	93%	$ 261	$ 248	95%	$ -	$ -		$ 373,173	$ 143,852	39%	$ 543,440	$ 322,495	59%
Debt Service	$ 95,000	$ 67,580	71%												NA	$ 95,000	$ 67,580	71%
Subtotal	$ 455,333	$ 420,738	92%	$ 6,673	$ 4,836	72%	$ 5,761	$ 8,591	149%	$ 2,000	$ -	0%	$ 485,119	$ 225,863	47%	$ 954,886	$ 660,028	69%
Non-Operating																		
Capital Outlay	$ 20,000	$ -	0%										$ 10,000	$ -	0%	$ 30,000	$ -	0%
Subtotal	$ 20,000	$ -	0%	$ -	$ -	NA	$ -	$ -	NA	$ -	$ -		$ 10,000	$ -	0%	$ 30,000	$ -	0%
TOTAL	**$ 475,333**	**$ 420,738**	**89%**	**$ 6,673**	**$ 4,836**	**72%**	**$ 5,761**	**$ 8,591**	**149%**	**$ 2,000**	**$ -**	**0%**	**$ 495,119**	**$ 225,863**	**46%**	**$ 984,886**	**$ 660,028**	67%
NET INCOME																		
Operating	$ (45,833)	$ 18,693		$ (6,673)	$ 950		$ 13,939	$ 20,036		$ (2,000)	$ -		$ (464,419)	$ (198,376)		$ (504,986)	$ (158,697)	
Non-Operating	$ -	$ 2,540		$ 7,000	$ -		$ -	$ -		$ 20,500	$ -		$ (10,000)	$ -		$ 17,500	$ 2,540	
TOTAL	**$ (45,833)**	**$ 21,233**		**$ 327**	**$ 950**		**$ 13,939**	**$ 20,036**		**$ 18,500**	**$ -**		**$ (474,419)**	**$ (198,376)**		**$ (487,486)**	**$ (156,157)**	

PORT OF HOOD RIVER

FY27 WATERFRONT RECREATION DEPT. BY SITE - BUDGET VS ACTUAL

For the period ending June 30, 2026 (100%)

	Event Site			Nichols Basin			Hook			Spit			Trails & Footbridge				Total Waterfront Properties			
	BUDGET	YTD	%	BUDGET	YTD	%	BUDGET	YTD	%	BUDGET	YTD	%	BUDGET	YTD	%		BUDGET	YTD	%	
REVENUE																				
Operating	$ 20,000	$ 31,130	156%	$ 5,000	$ 4,069	81%	$ 8,000	$ 3,922	49%	$ 3,500	$ 1,224	35%					$ 36,500	$ 40,345	111%	
Non-operating:																				
Grants, interest, other income	$ 91,000	$ 3,000	3%	$ 20,000	$ -	0%			NA				$ -	$ 10,005			$ 111,000	$ 13,005	12%	
TOTAL	**$ 111,000**	**$ 34,130**	**31%**	**$ 25,000**	**$ 4,069**	**16%**	**$ 8,000**	**$ 3,922**	**49%**	**$ 3,500**	**$ 1,224**	**35%**	**$ -**	**$ 10,005**	NA		**$ 147,500**	**$ 53,349**	36%	
EXPENSES																				
Operating																				
Personal Services	$ 42,460	$ 40,275		$ 8,360	$ 4,475		$ 8,360	$ 4,506		$ 8,360	$ 4,475		$ -	$ -			$ 67,540	$ 53,731		
Materials & Services	$ 114,000	$ 61,868	54%	$ 27,000	$ 22,442	83%	$ 15,500	$ 7,505	48%	$ 22,500	$ 8,192	36%	$ 5,500	$ 11,609	211%	{1}	$ 184,500	$ 111,617	60%	
Internal Services (Admin/OH)	$ 164,984	$ 282,006	171%	$ 71,362	$ 133,699	187%	$ 37,928	$ 41,799	110%	$ 38,825	$ 46,278	119%					$ 313,099	$ 503,782	161%	{2}
Subtotal	$ 321,444	$ 384,149	120%	$ 106,722	$ 160,617	151%	$ 61,788	$ 53,810	87%	$ 69,685	$ 58,946	85%	$ 5,500	$ 11,609	211%		$ 565,139	$ 669,131	118%	
Non-Operating																				
Capital Outlay	$ 115,000	$ -	0%	$ 120,000	$ -	0%	$ -	$ -	NA	$ -	$ -		$ 65,000	$ -			$ 300,000	$ -	0%	
Subtotal	$ 115,000	$ -	0%	$ 120,000	$ -	0%	$ -	$ -	NA								$ 235,000	$ -	0%	
TOTAL	**$ 436,444**	**$ 384,149**	**88%**	**$ 226,722**	**$ 160,617**	**71%**	**$ 61,788**	**$ 53,810**	**87%**	**$ 69,685**	**$ 58,946**	**85%**	**$ 5,500**	**$ 11,609**	**211%**		**$ 800,139**	**$ 669,131**	84%	
NET INCOME																				
Operating	$ (301,444)	$ (353,019)		$ (101,722)	$ (156,548)		$ (53,788)	$ (49,888)		$ (66,185)	$ (57,721)		$ (5,500)	$ (11,609)			$ (528,639)	$ (628,786)		
Non-Operating	$ (24,000)	$ 3,000		$ (100,000)	$ -		$ -	$ -		$ -	$ -		$ -	$ 10,005			$ (124,000)	$ 13,005		
TOTAL	**$ (325,444)**	**$ (350,019)**		**$ (201,722)**	**$ (156,548)**		**$ (53,788)**	**$ (49,888)**		**$ (66,185)**	**$ (57,721)**		**$ (5,500)**	**$ (1,605)**			**$ (652,639)**	**$ (615,781)**		

{1} This includes cleanup on the Indian Creek Trail. Although it is overbudget for the line item, it does not affect the overall General Fund budget because the amount is so small compared to other operational budgets.

{2} Significant effort has gone into keeping the waterfront maintained. The Director of the Asset Management department has contracted with a landscaping company that will hopefully save the Port some money in this area.

PORT OF HOOD RIVER
FY27 ADMINISTRATION FUND ANALYSIS BY DEPARTMENT - BUDGET VS ACTUAL
For the period ending June 30, 2026 (100%)

	Executive/Contracting			Communications/IT			Finance/General Office			Human Resources/Payroll			Insurance/Risk/Safety			Asset Management/Maint			Capital Development			Non-Departmental			TOTAL ADMINISTRATION FUND		
	BUDGET	YTD	%	BUDGET	YTD	%	BUDGET	YTD	%	BUDGET	YTD	%	BUDGET	YTD	%	BUDGET	YTD	%	BUDGET	YTD	%	BUDGET	YTD	%	BUDGET	YTD	%
REVENUE																											
Operating	$ 668,822	$ 574,564	86%	$ 221,450	$ 176,311	80%	$ 858,578	$ 922,024	107%	$ 252,650	$ 164,105	65%	$ 193,000	$ 182,711	95%	$ 1,344,580	$ 1,174,053	87%	$ 165,720	$ 93,213	56%	$ 55,000	$ 59,479	108% {1}	$ 3,759,800	$ 3,346,459	89%
Non-operating:																											
Grants, interest, other income	$ 50,000	$ -	0%						NA	$ 300,000	$ 300,000	100% {2}				$ -	$ 6,440	NA	$ -	$ -	NA	$ 550,000	$ 787	0%	$ 900,000	$ 307,226	34%
										$ 1,200,000	$ 1,200,000	100% {3}													$ 1,200,000	$ 1,200,000	
TOTAL	**$ 718,822**	**$ 574,564**	**80%**	**$ 221,450**	**$ 176,311**	**80%**	**$ 858,578**	**$ 922,024**	**107%**	**$ 1,752,650**	**$ 1,664,105**	**95%**	**$ 193,000**	**$ 182,711**	**95%**	**$ 1,344,580**	**$ 1,180,492**	**88%**	**$ 165,720**	**$ 93,213**	**56%**	**$ 605,000**	**$ 60,265**	**10%**	$ 5,859,800	$ 4,853,685	83%
EXPENSES																											
Operating																											
Personal Services	$ 398,100	$ 391,154	98%	$ 39,050	$ 30,197	77%	$ 555,150	$ 569,492	103%	$ 179,650	$ 113,644	63%	$ -	$ -	NA	$ 1,151,280	$ 1,031,056	90%	$ 155,720	$ 93,420	60%				$ 2,478,950	$ 2,228,963	90%
Materials & Services	$ 340,150	$ 209,996	62%	$ 182,400	$ 145,845	80%	$ 339,000	$ 379,818	112%	$ 73,000	$ 49,927	68%	$ 193,000	$ 176,390	91%	$ 108,300	$ 87,636	81%	$ 10,000	$ -	0%				$ 1,245,850	$ 1,049,613	84%
Subtotal	$ 738,250	$ 601,150	81%	$ 221,450	$ 176,042	79%	$ 894,150	$ 949,310	106%	$ 252,650	$ 163,571	65%	$ 193,000	$ 176,390	91%	$ 1,259,580	$ 1,118,692	89%	$ 165,720	$ 93,420	56%	$ -	$ -	NA	$ 3,724,800	$ 3,278,576	88%
Non-Operating																											
Capital Outlay							$ 10,000	$ 10,000	100%							$ 85,000	$ 55,600	65%	$ -	$ -	NA				$ 95,000	$ 65,600	69%
Contingency																			$ -	$ -		$ 540,000	$ -	0%	$ 540,000	$ -	0%
Other										$ 1,500,000	$ 1,500,000	100% {4}													$ 1,500,000	$ 1,500,000	100%
Subtotal	$ -	$ -	NA	$ -	$ -	NA	$ 10,000	$ 10,000	NA	$ 1,500,000	$ 1,500,000	100%	$ -	$ -	NA	$ 85,000	$ 55,600	65%	$ -	$ -	NA	$ 540,000	$ -	NA	$ 2,135,000	$ 1,565,600	73%
TOTAL	**$ 738,250**	**$ 601,150**	**81%**	**$ 221,450**	**$ 176,042**	**79%**	**$ 904,150**	**$ 959,310**	**106%**	**$ 1,752,650**	**$ 1,663,571**	**95%**	**$ 193,000**	**$ 176,390**	**91%**	**$ 1,344,580**	**$ 1,174,292**	**87%**	**$ 165,720**	**$ 93,420**	**56%**	**$ 540,000**	**$ -**	NA	**$ 5,859,800**	**$ 4,844,176**	83%
NET INCOME																											
Operating	$ (69,428)	$ (26,586)		$ -	$ 269		$ (35,572)	$ (27,286)		$ -	$ 534		$ -	$ 6,321		$ 85,000	$ 55,360		$ -	$ (207)		$ 55,000	$ 59,479		$ 35,000	$ 67,882	
Non-Operating	$ 50,000	$ -		$ -	$ -		$ (10,000)	$ (10,000)		$ -	$ -		$ -	$ -		$ (85,000)	$ (49,160)		$ -	$ -		$ 10,000	$ 787		$ (35,000)	$ (58,374)	
TOTAL	**$ (19,428)**	**$ (26,586)**		**$ -**	**$ 269**		**$ (45,572)**	**$ (37,286)**		**$ -**	**$ 534**		**$ -**	**$ 6,321**		**$ -**	**$ 6,200**		**$ -**	**$ (207)**		**$ 65,000**	**$ 60,265**		**$ -**	**$ 9,509**	

{1} This is for payments received from the Bridge Authority for administrative services
{2} State contribution towards the PERS side account
{3} Port contribution for PERS side account; transfers in from the General Fund and the Bridge Operations Fund
{4} Actual payment to PERS

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November 17, 2026
FALL PLANNING

Discussion Topic:
Review of 1st Quarter 2026-27 Budget vs Actuals

OVERVIEW:
The attached reports reflect the 1st Quarter fiscal year 2026-27 financial report. This is through September 30, 2026.

The report shows the summary by fund and then drills down into more detail for multiple departments/properties in the General Fund and the Administration Fund.

Amounts to date are within budget appropriations.

Traffic on the bridge was down 8.18% in September 2026 compared to September 2025. Since October is complete we ran the report that shows October was down 6.59% in October 2026 compared to October 2025. Fuel prices started noticeably affecting bridge crossings in May of this year (May 2026). Comparing May to October 2025 with May to October 2026, crossings are down approximately 7.09%. Since annual toll revenue runs about $10M a year, the impact to tolls would be about $700,000. As this is split between the Port and the Bridge Authority (for the replacement bridge), the Port would be looking at a loss of approximately $420,000 and the Bridge Authority would receive approximately $280,000 less this year. National analysts are expecting fuel prices to trend downwards over the next few months. Also, bridge crossings in the winter are less elastic, that is, there is less flexibility for travelers to choose whether or not to cross the bridge as fall, winter, and early spring crossings are generally more for work and necessary reasons as opposed to vacations and daily outings.

We will be bringing a budget adjustment to the full Commission at their January meeting. We did not budget for the boathouse removal project as we did not know how much it would be. At the regular commission meeting following Fall Planning the Commission will be asked to approve the contract, so a budget adjustment can be prepared after that action. There is sufficient appropriations available currently to cover the project, but that would not leave sufficient appropriations to get us through the last part of the fiscal year.

DISCUSSION:
Informational

ATTACHMENTS:
FY26 1st Quarter Financial Report

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PORT OF HOOD RIVER
FY27 FUND ANALYSIS - BUDGET VS ACTUAL
For the period ending September 30, 2026 (25%)

	General				Administration			Bridge Operations			Bridge Replacement			HRWSBA			Reserve Fund [A]			TOTAL		
	BUDGET	YTD	%		BUDGET	YTD	%	BUDGET	YTD	%	BUDGET	YTD	%	BUDGET	YTD	%	BUDGET	YTD	%	BUDGET	YTD	%
REVENUE																						
Operating	$ 4,562,210	$ 1,111,685	24%		$ 3,802,076	$ 887,401	23%	$ 9,518,200	$ 2,335,532	25%										$ 17,882,486	$ 4,334,618	24%
Non-operating:																						
Grants, interest, other income	$ 3,180,950	$ 158,471	5%	{1}	$ 609,000	$ -	0%	$ 382,000	$ 88,696	23%	$ 2,500,000	$ 139,623	6%	$ 20,000	$ -	0%	$ 102,499	$ 22,497	22%	$ 6,691,950	$ 386,790	6%
Transfers In														$ 3,828,400	$ 908,954	24%	{8}			$ 3,828,400	$ 908,954	24%
TOTAL	**$ 7,743,160**	**$ 1,270,156**	**16%**		**$ 4,411,076**	**$ 887,401**	**20%**	**$ 9,900,200**	**$ 2,424,228**	**24%**	**$ 2,500,000**	**$ 139,623**	**6%**	**$ 3,848,400**	**$ 908,954**	**24%**	**$ 102,499**	**$ 22,497**	**22%**	**$ 28,402,836**	**$ 5,630,362**	**20%**
EXPENSES																						
Operating																						
Personal Services	$ 55,000	$ 25,714	47%	{2}	$ 2,578,876	$ 611,388	24%	$ 467,943	$ 86,703	19%										$ 3,101,819	$ 723,804	23%
Materials & Services	$ 2,108,677	$ 286,588	14%		$ 1,213,200	$ 276,013	23%	$ 1,984,126	$ 386,780	19%										$ 5,306,003	$ 949,382	18%
Internal Services (Admin/OH)	$ 2,527,433	$ 612,179	24%					$ 974,244	$ 257,811	26%										$ 3,501,677	$ 869,990	25%
Debt Service	$ 70,000	$ -	0%	{3}																$ 70,000	$ -	0%
Subtotal	$ 4,761,110	$ 924,481	19%		$ 3,792,076	$ 887,401	23%	$ 3,426,313	$ 731,294	21%	$ -	$ -	NA	$ -	$ -	NA	$ -	$ -	NA	$ 11,979,499	$ 2,543,176	21%
Non-Operating																						
Capital Outlay	$ 5,002,200	$ 308,836	6%	{4}	$ 85,000	$ -	0%	$ 2,450,000	$ 14,808	1%	$ 2,500,000	$ 139,623	6%							$ 10,037,200	$ 463,267	5%
Transfers Out								$ 3,828,400	$ 908,954	24%	{7}									$ 3,828,400	$ 908,954	24%
Special	$ 71,000	$ -	0%	{5}										$ 3,848,400	$ 891,055	23%	$ -	$ -	NA	$ 3,919,400	$ 891,055	23%
Contingency	$ 550,000		NA		$ 534,000		NA	$ 1,000,000		NA										$ 2,084,000		NA
Other					$ -	$ -		$ 300,000	$ 75,623	25%												
Subtotal	$ 5,623,200	$ 308,836	5%		$ 619,000	$ -	0%	$ 7,578,400	$ 999,385	13%	$ 2,500,000	$ 139,623	6%	$ 3,848,400	$ 891,055	23%	$ -	$ -	NA	$ 19,869,000	$ 2,263,277	11%
TOTAL	**$ 10,384,310**	**$ 1,233,317**	**12%**		**$ 4,411,076**	**$ 887,401**	**20%**	**$ 11,004,713**	**$ 1,730,679**	**16%**	**$ 2,500,000**	**$ 139,623**	**6%**	**$ 3,848,400**	**$ 891,055**	**23%**	**$ -**	**$ -**	**NA**	**$ 31,848,499**	**$ 4,806,453**	**15%**
NET INCOME																						
Operating	$ (198,900)	$ 187,204			$ 10,000	$ 0		$ 6,091,887	$ 1,604,238		$ -	$ -		$ -	$ -		$ -	$ -		$ 5,902,987	$ 1,791,442	
Non-Operating	$ (2,442,250)	$ (150,365)			$ (10,000)	$ -		$ (7,196,400)	$ (910,689)		$ -	$ -		$ -	$ 17,898		$ 102,499	$ 22,497		$ (9,348,650)	$ (967,533)	
TOTAL	**$ (2,641,150)**	**$ 36,839**			**$ -**	**$ 0**		**$ (1,104,513)**	**$ 693,549**		**$ -**	**$ -**		**$ -**	**$ 17,898**		**$ 102,499**	**$ 22,497**		**$ (3,445,663)**	**$ 823,909**	
BEG. FUND BALANCE	$ 14,500,000	$ 10,690,997		{6}	$ -	$ -		$ 5,000,000	$ 7,662,173		$ -	$ -		$ -	$ 272,599		$ -	$ -		$ 19,500,000	$ 18,625,769	
END. FUND BALANCE	$ 11,858,850	$ 10,727,836			$ -	$ 0		$ 3,895,487	$ 8,355,722		$ -	$ -		$ -	$ 290,497		$ 102,499	$ 22,497		$ 16,054,337	$ 19,449,678	

{1} The budget includes a payment from the Bridge Authority for the current Port administration building; grant(s) for the Waterfront Transportation roundabout; airport grants

{2} Parking enforcement and the former Marina Manager's final payroll check.

{3} Debt service is for a low interest loan from 2013 to make improvements to the Marina docks; it will be paid off in 2028. Principal and Interest are paid in December; interest only is paid in June.

{4} Capital Outlay is primarily for repairs at Big 7, Jensen roof, improvements to the new Wasco Court building (assumed Port administration building), finishing the T-hangars at the airport along with the turf taxi lane.

{5} A transfer is budgeted to help fund the Foundation's plan for launching the license plate program

{6} When the budget was prepared one of the assumptions was that the Lower Hanel Mill property would be sold and the proceeds included in beginning fund balance. The other assumption was that less capital outlay would be spent in the last fiscal year and that more would be required in the current fiscal year. As it turned out, weather in June allowed a significant amount of work to be done on the Airport T-Hangars and Turf Taxilane projects, so less will be required in the current fiscal year.

{7} Transfer out of the additional toll revenue - this transfer goes to the fund for the Bi-State Bridge Project (HRWSBA)

{8} HRWSBA records the transfer in of additional toll revenue.

[A] New fund this year to begin accumulating resources to pay for major repairs and improvements at industrial properties.

PORT OF HOOD RIVER
FY27 GENERAL FUND ANALYSIS BY DEPARTMENT - BUDGET VS ACTUAL
For the period ending September 30, 2026 (25%)

	Industrial Properties				Commercial Buildings				Airport				Marina Basin				Waterfront Recreation				Parking				Non-Departmental				TOTAL GENERAL FUND		
	BUDGET	YTD	%		BUDGET	YTD	%		BUDGET	YTD	%		BUDGET	YTD	%		BUDGET	YTD	%		BUDGET	YTD	%		BUDGET	YTD	%		BUDGET	YTD	%
REVENUE																															
Operating	$ 2,772,712	$ 475,134	17%		$ 235,298	$ 52,034	22%		$ 369,400	$ 79,042	21%	{2}	$ 498,300	$ 248,534	50%	{3}	$ 36,500	$ 65,452	179%	{4}	$ 650,000	$ 191,489	29%						$ 4,562,210	$ 1,111,685	24%
Non-operating:																															
Grants, interest, other income	$ 1,940,000	$ 65,000	3%	{1}	$ -	$ -	NA		$ 740,400	$ 2,964	0%		$ 37,000	$ 2,300	6%		$ 91,000	$ -	0%						$ 372,550	$ 88,207	24%		$ 3,180,950	$ 158,471	
																									$ -	$ -					
TOTAL	**$ 4,712,712**	**$ 540,134**	**11%**		**$ 235,298**	**$ 52,034**	**22%**		**$ 1,109,800**	**$ 82,006**	**7%**		**$ 535,300**	**$ 250,834**	**47%**		**$ 127,500**	**$ 65,452**	**51%**		**$ 650,000**	**$ 191,489**	**29%**		**$ 372,550**	**$ 88,207**	**24%**		**$ 7,743,160**	**$ 1,270,156**	**16%**
EXPENSES																															
Operating																															
Personal Services									$ -	$ 732	NA	{7}	$ -	$ 11,895	NA	{7}	$ -	$ 4,392	NA	{7}	$ 55,000	$ 8,695	16%	{7}					$ 55,000	$ 25,714	47%
Materials & Services	$ 1,336,349	$ 195,305	15%		$ 84,728	$ 16,146	19%		$ 229,150	$ 24,436	11%		$ 170,250	$ 25,828	15%		$ 146,000	$ 21,637	15%		$ 142,200	$ 3,236	2%						$ 2,108,677	$ 286,588	14%
Internal Services (Admin/OH)	$ 727,070	$ 246,459	34%		$ 268,882	$ 34,325	13%		$ 314,529	$ 63,812	20%		$ 483,353	$ 88,341	18%		$ 413,116	$ 99,121	24%		$ 320,483	$ 80,121	25%						$ 2,527,433	$ 612,179	24%
Debt Service													$ 70,000	$ -	0%														$ 70,000	$ -	0%
Subtotal	$ 2,063,419	$ 441,765	21%		$ 353,610	$ 50,472	14%		$ 543,679	$ 88,980	16%		$ 723,603	$ 126,063	17%		$ 559,116	$ 125,150	22%		$ 517,683	$ 92,052	18%		$ -	$ -	NA		$ 4,761,110	$ 924,481	19%
Non-Operating																															
Capital Outlay	$ 3,820,000	$ 85,501	2%						$ 937,200	$ 223,103	24%		$ 30,000	$ 232	1%		$ 215,000	$ -	0%		$ -	$ -							$ 5,002,200	$ 308,836	6%
Special																									$ 71,000	$ -	0%	{6}	$ 71,000	$ -	0%
Contingency																									$ 550,000		0%		$ 550,000	$ -	0%
Subtotal	$ 3,820,000	$ 85,501	2%		$ -	$ -	NA		$ 937,200	$ 223,103	24%		$ 30,000	$ 232	1%		$ 215,000	$ -	0%		$ -	$ -	NA		$ 621,000	$ -	0%		$ 5,623,200	$ 308,836	5%
TOTAL	**$ 5,883,419**	**$ 527,266**	**9%**		**$ 353,610**	**$ 50,472**	**14%**		**$ 1,480,879**	**$ 312,083**	**21%**		**$ 753,603**	**$ 126,295**	**17%**		**$ 774,116**	**$ 125,150**	**16%**		**$ 517,683**	**$ 92,052**	**18%**		**$ 621,000**	**$ -**	**0%**		**$ 10,384,310**	**$ 1,233,317**	**12%**
NET INCOME																															
Operating	$ 709,293	$ 33,369			$ (118,312)	$ 1,563			$ (174,279)	$ (9,938)			$ (225,303)	$ 122,470			$ (522,616)	$ (59,698)			$ 132,317	$ 99,438			$ -	$ -			$ (198,900)	$ 187,204	
Non-Operating	$ (1,880,000)	$ (20,501)			$ -	$ -			$ (196,800)	$ (220,139)			$ 7,000	$ 2,068			$ (124,000)	$ -			$ -	$ -			$ (248,450)	$ 88,207			$ (2,442,250)	$ (150,365)	
TOTAL	**$ (1,170,707)**	**$ 12,868**			**$ (118,312)**	**$ 1,563**			**$ (371,079)**	**$ (230,077)**			**$ (218,303)**	**$ 124,538**			**$ (646,616)**	**$ (59,698)**			**$ 132,317**	**$ 99,438**			**$ (248,450)**	**$ 88,207**			**$ (2,641,150)**	**$ 36,839**	
BEG. FUND BALANCE																									$ 14,500,000	$ -			$ 14,500,000	$ 10,690,997	
END. FUND BALANCE																									$ 14,251,550	$ 88,207			$ 11,858,850	$ 10,727,836	

{1} The $65,000 actual is the forfeiture of Amazon's deposit on the Lower Hanel Mill property. The budget includes a payment from the Bridge Authority for the current Port administration building and grant(s) for the Waterfront Transportation roundabout.
{2} Airport T-hangar income is reported when billed in July; note that the new T-Hangars were not ready for occupancy until late August/early September
{3} This is approximately 1/2 of the revenue received from the December 2025 billing - additional revenue will not be recognized until the next billing in December 2026
{4} The majority of Waterfront Recreation revenue is received in late spring/early summer
{6} A transfer is budgeted to help fund the Foundation's plan for launching the license plate program
{7} Personnel expenses reflect a final paycheck that was anticipated in the prior fiscal year but was paid on July 2. A budget adjustment is not necessary; we will reassess during the final reconciliation.

PORT OF HOOD RIVER

FY27 INDUSTRIAL PROPERTIES DEPT. BY SITE - BUDGET VS ACTUAL

For the period ending September 30, 2026 (25%)

	Big 7 Building			Lot 1			Halyard Building			Jensen Building			Maritime Building			Timber Incubator			Wasco Loop Building			Wasco Court Building (New)			WF Transportation			Lower Hanel Mill [A]			TOTAL INDUSTRIAL PROPERTIES		
	BUDGET	YTD	%	BUDGET	YTD	%	BUDGET	YTD	%	BUDGET	YTD	%	BUDGET	YTD	%	BUDGET	YTD	%	BUDGET	YTD	%	BUDGET	YTD	%	BUDGET	YTD	%	BUDGET	YTD	%	BUDGET	YTD	%
REVENUE																																
Operating	$ 357,625	$ 68,198	19%	$ 6,000	$ 6,075	NA	$ 890,000	$ 121,405	14% {1}	$ 700,437	$ 123,777	18%	$ 439,000	$ 111,069	25%	$ 106,400	$ 27,431	26%	$ 210,000	$ 17,179	8%	$ 63,250	$ -	NA				$ -	$ -		$ 2,772,712	$ 475,134	17%
Non-operating:																																
Grants, interest, other income	$ -	$ -		$ -	$ -																	$ 1,500,000	$ -	0%	$ 440,000	$ -	0%	$ -	$ 65,000	NA	$ 1,940,000	$ 65,000	3%
TOTAL	**$ 357,625**	**$ 68,198**	**19%**	**$ 6,000**	**$ 6,075**	**101%**	**$ 890,000**	**$ 121,405**	**14%**	**$ 700,437**	**$ 123,777**	**18%**	**$ 439,000**	**$ 111,069**	**25%**	**$ 106,400**	**$ 27,431**	**26%**	**$ 210,000**	**$ 17,179**	**8%**	**$ 1,563,250**	**$ -**	**0%**	**$ 440,000**	**$ -**	**0%**	**$ -**	**$ 65,000**	**NA**	$ 4,712,712	$ 540,134	11%
EXPENSES																																
Operating																																
Materials & Services	$ 183,500	$ 26,773	15%	$ 7,000	$ -	0%	$ 577,862	$ 105,739	18%	$ 247,433	$ 28,823	12%	$ 73,500	$ 5,399	7%	$ 34,704	$ 2,935	8%	$ 107,000	$ 6,843	6%	$ 105,350	$ 15,099	NA	$ -	$ -	NA	$ -	$ 3,694	NA	$ 1,336,349	$ 195,305	15%
Internal Services (Admin/OH)	$ 144,580	$ 36,145	25%	$ 26,511	$ 6,494	24%	$ 144,227	$ 36,057	25%	$ 125,502	$ 31,376	25%	$ 37,245	$ 9,311	25%	$ 25,418	$ 6,355	25%	$ 109,587	$ 27,397	25%	$ 114,000	$ 28,500	NA	$ -	$ 64,808	NA	$ -	$ 18	NA	$ 727,070	$ 246,459	34%
Subtotal	$ 328,080	$ 62,918	19%	$ 33,511	$ 6,494	19%	$ 722,089	$ 141,796	20%	$ 372,935	$ 60,198	16%	$ 110,745	$ 14,711	13%	$ 60,122	$ 9,290	15%	$ 216,587	$ 34,239	16%	$ 219,350	$ 43,599	NA	$ -	$ 64,808	NA	$ -	$ 3,712	NA	$ 2,063,419	$ 441,765	21%
Non-Operating																														NA			
Capital Outlay	$ 530,000	$ -	0%	$ -	$ -		$ 80,000	$ -	0%	$ 760,000	$ 1,630	0%	$ -	$ -		$ -	$ -		$ 15,000	$ -	0%	$ 885,000	$ 5,482	1% {2}	$ 1,550,000	$ 78,389	5%	$ -	$ -	NA	$ 3,820,000	$ 85,501	2%
Subtotal	$ 530,000	$ -	0%	$ -	$ -	NA	$ 80,000	$ -	0%	$ 760,000	$ 1,630	0%	$ -	$ -	NA	$ -	$ -	NA	$ 15,000	$ -	0%	$ 885,000	$ 5,482	1%	$ 1,550,000	$ 78,389	5%	$ -	$ -	NA	$ 3,820,000	$ 85,501	2%
TOTAL	**$ 858,080**	**$ 62,918**	**7%**	**$ 33,511**	**$ 6,494**	**19%**	**$ 802,089**	**$ 141,796**	**18%**	**$ 1,132,935**	**$ 61,828**	**5%**	**$ 110,745**	**$ 14,711**	**13%**	**$ 60,122**	**$ 9,290**	**15%**	**$ 231,587**	**$ 34,239**	**15%**	**$ 1,104,350**	**$ 49,081**	**4%**	**$ 1,550,000**	**$ 143,197**	**9%**	**$ -**	**$ 3,712**	**NA**	**$ 5,883,419**	**$ 527,266**	9%
NET INCOME																																
Operating	$ 29,545	$ 5,280		$ (27,511)	$ (419)		$ 167,911	$ (20,391)		$ 327,502	$ 63,579		$ 328,255	$ 96,358		$ 46,278	$ 18,141		$ (6,587)	$ (17,061)		$ (156,100)	$ (43,599)		$ -	$ (64,808)		$ -	$ (3,712)		$ 709,293	$ 33,369	
Non-Operating	$ (530,000)	$ -		$ -	$ -		$ (80,000)	$ -		$ (760,000)	$ (1,630)		$ -	$ -		$ -	$ -		$ (15,000)	$ -		$ 615,000	$ (5,482)		$ (1,110,000)	$ (78,389)		$ -	$ 65,000		$ (1,880,000)	$ (20,501)	
TOTAL	**$ (500,455)**	**$ 5,280**		**$ (27,511)**	**$ (419)**		**$ 87,911**	**$ (20,391)**		**$ (432,498)**	**$ 61,949**		**$ 328,255**	**$ 96,358**		**$ 46,278**	**$ 18,141**		**$ (21,587)**	**$ (17,061)**		**$ 458,900**	**$ (49,081)**		**$ (1,110,000)**	**$ (143,197)**		**$ -**	**$ 61,288**		$ (1,170,707)	$ 12,868	

{1} We are transitioning the tenant in the building to paying their own utilities directly. We will need to reconcile all tenant fees after the transition is complete.

[A] When the budget was prepared it was assumed that Lower Hanel Mill would have been sold by 6/30/2026. Expenses are expected to be minimal and can be absorbed by the existing budget.

PORT OF HOOD RIVER

FY27 COMMERCIAL PROPERTIES DEPT. BY BUILDING - BUDGET VS ACTUAL

For the period ending September 30, 2026 (25%)

	Marina West			Marina East			Port Office Building			Marina Basin Commercial Redev [A]			TOTAL COMM. PROPERTIES		
	BUDGET	YTD	%	BUDGET	YTD	%	BUDGET	YTD	%	BUDGET	YTD	%	BUDGET	YTD	%
REVENUE															
Operating	$ 46,700	$ 8,573	18%	$ 33,048	$ 4,574	14%	$ 155,550	$ 38,888	25%	$ -	$ -	NA	$ 235,298	$ 52,034	22%
Non-operating:					$ -										
Grants, interest, other income			NA			NA	$ -		NA	$ -		NA	$ -	$ -	NA
TOTAL	**$ 46,700**	**$ 8,573**	**18%**	**$ 33,048**	**$ 4,574**	**14%**	**$ 155,550**	**$ 38,888**	**25%**	**$ -**	**$ -**	**NA**	**$ 235,298**	**$ 52,034**	22%
EXPENSES															
Operating															
Materials & Services	$ 21,300	$ 5,696	27%	$ 32,540	$ 3,780	12%	$ 30,888	$ 4,630	15%	$ -	$ 2,041	NA	$ 84,728	$ 16,146	19%
Internal Services (Admin/OH)	$ 21,919	$ 5,480	25%	$ 36,802	$ 9,201	25%	$ 124,661	$ 12,520	10%	$ 85,500	$ 7,125	8%	$ 268,882	$ 34,325	13%
Subtotal	$ 43,219	$ 11,176	26%	$ 69,342	$ 12,980	19%	$ 155,549	$ 17,150	11%	$ 85,500	$ 9,166	11%	$ 353,610	$ 50,472	14%
Non-Operating															
Capital Outlay	$ -	$ -	NA	$ -	$ -	NA	$ -	$ -	NA	$ -	$ -	NA	$ -	$ -	NA
Subtotal	$ -	$ -	NA	$ -	$ -	NA	$ -	$ -	NA	$ -	$ -	NA	$ -	$ -	NA
TOTAL	**$ 43,219**	**$ 11,176**	**26%**	**$ 69,342**	**$ 12,980**	**19%**	**$ 155,549**	**$ 17,150**	**11%**	**$ 85,500**	**$ 9,166**	11%	**$ 353,610**	**$ 50,472**	14%
NET INCOME															
Operating	$ 3,481	$ (2,602)		$ (36,294)	$ (8,406)		$ 1	$ 21,738		$ (85,500)	$ (9,166)		$ (118,312)	$ 1,563	
Non-Operating	$ -	$ -		$ -	$ -		$ -	$ -		$ -	$ -		$ -	$ -	
TOTAL	**$ 3,481**	**$ (2,602)**		**$ (36,294)**	**$ (8,406)**		**$ 1**	**$ 21,738**		**$ (85,500)**	**$ (9,166)**		**$ (118,312)**	**$ 1,563**	

[A] This is a new department to track redevelopment of the property under the Marina East & West buildings.

PORT OF HOOD RIVER
FY27 MARINA BASIN DEPT. BY AREA - BUDGET VS ACTUAL
For the period ending September 30, 2026 (25%)

	Marina Moorage				Boat Launch				Jetty Cruise Ship Dock				Seasonal Dock				Marina Green				TOTAL MARINA BASIN			
	BUDGET	YTD	%		BUDGET	YTD	%		BUDGET	YTD	%		BUDGET	YTD	%		BUDGET	YTD	%		BUDGET	YTD	%	
REVENUE																								
Operating	$ 454,500	$ 220,076	48%	{1}	$ -	$ 4,677	NA		$ 24,000	$ 14,585	61%						$ 19,800	$ 9,196	46%		$ 498,300	$ 248,534	50%	
Non-operating																								
Grants, interest, other income	$ 20,000	$ 2,300	12%		$ 7,000	$ -	0%						$ 10,000	$ -	0%				NA		$ 37,000	$ 2,300	6%	
TOTAL	**$ 474,500**	**$ 222,376**	**47%**		**$ 7,000**	**$ 4,677**	**67%**		**$ 24,000**	**$ 14,585**	**61%**		**$ 10,000**	**$ -**	**0%**		**$ 19,800**	**$ 9,196**	**46%**		**$ 535,300**	**$ 250,834**	47%	
EXPENSES																								
Operating																								
Personal Services	$ -	$ 8,235															$ -	$ 3,660			$ -	$ 11,895		
Materials & Services	$ 111,000	$ 10,305	9%		$ 6,000	$ 4,764	79%		$ 5,500	$ 23	0%		$ 2,000	$ -	0%		$ 45,750	$ 10,736	23%		$ 170,250	$ 25,828	15%	
Internal Services (Admin/OH)	$ 181,833	$ 45,458	25%		$ 485	$ 121	25%		$ 193	$ 48	25%		$ -	$ -			$ 300,842	$ 42,713	14%		$ 483,353	$ 88,341	18%	
Debt Service	$ 70,000	$ -	0%																NA		$ 70,000	$ -	0%	
Subtotal	$ 362,833	$ 63,998	18%		$ 6,485	$ 4,885	75%		$ 5,693	$ 72	1%		$ 2,000	$ -	0%		$ 346,592	$ 57,109	16%		$ 723,603	$ 126,063	17%	
Non-Operating																								
Capital Outlay	$ 20,000	$ 232	1%														$ 10,000	$ -	0%		$ 30,000	$ 232	1%	
Subtotal	$ 20,000	$ 232	1%		$ -	$ -	NA		$ -	$ -	NA		$ -	$ -			$ 10,000	$ -	0%		$ 30,000	$ 232	1%	
TOTAL	**$ 382,833**	**$ 64,230**	**17%**		**$ 6,485**	**$ 4,885**	**75%**		**$ 5,693**	**$ 72**	**1%**		**$ 2,000**	**$ -**	**0%**		**$ 356,592**	**$ 57,109**	**16%**		**$ 753,603**	**$ 126,295**	17%	
NET INCOME																								
Operating	$ 91,667	$ 156,078			$ (6,485)	$ (208)			$ 18,307	$ 14,513			$ (2,000)	$ -			$ (326,792)	$ (47,912)			$ (225,303)	$ 122,470		
Non-Operating	$ -	$ 2,068			$ 7,000	$ -			$ -	$ -			$ 10,000	$ -			$ (10,000)	$ -			$ 7,000	$ 2,068		
TOTAL	**$ 91,667**	**$ 158,146**			**$ 515**	**$ (208)**			**$ 18,307**	**$ 14,513**			**$ 8,000**	**$ -**			**$ (336,792)**	**$ (47,912)**			**$ (218,303)**	**$ 124,538**		

{1} This is approximately 1/2 of the revenue received from the December 2025 billing - additional revenue will not be recognized until the next billing in December 2026

PORT OF HOOD RIVER
FY27 WATERFRONT RECREATION DEPT. BY SITE - BUDGET VS ACTUAL
For the period ending September 30, 2026 (25%)

	Event Site			Nichols Basin			Hook			Spit			Trails & Footbridge			Total Waterfront Properties		
	BUDGET	YTD	%	BUDGET	YTD	%	BUDGET	YTD	%	BUDGET	YTD	%	BUDGET	YTD	%	BUDGET	YTD	%
REVENUE																		
Operating	$ 20,000	$ 56,294	281%	$ 5,000	$ 3,020	60%	$ 8,000	$ 3,983	50%	$ 3,500	$ 2,154	62%				$ 36,500	$ 65,452	179%
Non-operating:																		
Grants, interest, other income	$ 71,000	$ -	0%	$ 20,000	$ -	0%			NA				$ -	$ -		$ 91,000	$ -	0%
TOTAL	**$ 91,000**	**$ 56,294**	**62%**	**$ 25,000**	**$ 3,020**	**12%**	**$ 8,000**	**$ 3,983**	**50%**	**$ 3,500**	**$ 2,154**	**62%**	**$ -**	**$ -**	NA	**$ 127,500**	**$ 65,452**	51%
EXPENSES																		
Operating																		
Personal Services	$ -	$ 3,294		$ -	$ 366		$ -	$ 366		$ -	$ 366		$ -	$ -		$ -	$ 4,392	
Materials & Services	$ 87,500	$ 11,997	14%	$ 28,000	$ 6,509	23%	$ 13,500	$ 477	4%	$ 11,500	$ 516	4%	$ 5,500	$ 2,138	39%	$ 146,000	$ 21,637	15%
Internal Services (Admin/OH)	$ 174,441	$ 39,452	23%	$ 88,875	$ 22,219	25%	$ 71,511	$ 17,878	25%	$ 78,289	$ 19,572	25%				$ 413,116	$ 99,121	24%
Subtotal	$ 261,941	$ 54,743	21%	$ 116,875	$ 29,093	25%	$ 85,011	$ 18,721	22%	$ 89,789	$ 20,455	23%	$ 5,500	$ 2,138	39%	$ 559,116	$ 125,150	22%
Non-Operating																		
Capital Outlay	$ 95,000	$ -	0%	$ 120,000	$ -	0%	$ -	$ -	NA	$ -	$ -		$ -	$ -		$ 215,000	$ -	0%
Subtotal	$ 95,000	$ -	0%	$ 120,000	$ -	0%	$ -	$ -	NA							$ 215,000	$ -	0%
TOTAL	**$ 356,941**	**$ 54,743**	**15%**	**$ 236,875**	**$ 29,093**	**12%**	**$ 85,011**	**$ 18,721**	**22%**	**$ 89,789**	**$ 20,455**	**23%**	**$ 5,500**	**$ 2,138**	**39%**	**$ 774,116**	**$ 125,150**	16%
NET INCOME																		
Operating	$ (241,941)	$ 1,551		$ (111,875)	$ (26,073)		$ (77,011)	$ (14,738)		$ (86,289)	$ (18,301)		$ (5,500)	$ (2,138)		$ (522,616)	$ (59,698)	
Non-Operating	$ (24,000)	$ -		$ (100,000)	$ -		$ -	$ -		$ -	$ -		$ -	$ -		$ (124,000)	$ -	
TOTAL	**$ (265,941)**	**$ 1,551**		**$ (211,875)**	**$ (26,073)**		**$ (77,011)**	**$ (14,738)**		**$ (86,289)**	**$ (18,301)**		**$ (5,500)**	**$ (2,138)**		**$ (646,616)**	**$ (59,698)**	

PORT OF HOOD RIVER

FY27 ADMINISTRATION FUND ANALYSIS BY DEPARTMENT - BUDGET VS ACTUAL

For the period ending September 30, 2026 (25%)

	Executive/Contracting			Communications/IT			Finance/General Office			Human Resources/Payroll			Insurance/Risk/Safety			Asset Management/Maint			Capital Development			Non-Departmental			TOTAL ADMINISTRATION FUND		
	BUDGET	YTD	%	BUDGET	YTD	%	BUDGET	YTD	%	BUDGET	YTD	%	BUDGET	YTD	%	BUDGET	YTD	%	BUDGET	YTD	%	BUDGET	YTD	%	BUDGET	YTD	%
REVENUE																											
Operating	$ 693,509	$ 156,745	23%	$ 216,531	$ 30,854	14%	$ 754,764	$ 232,161	31%	$ 191,601	$ 33,697	18%	$ 197,000	$ 45,620	23%	$ 1,334,620	$ 300,135	22%	$ 359,051	$ 70,778	20%	$ 55,000	$ 17,411	32% {1}	$ 3,802,076	$ 887,401	23%
Non-operating:																											
Grants, interest, other income	$ 75,000	$ -	0%						NA	$ -	$ -	NA				$ -	$ -	NA	$ -	$ -	NA	$ 534,000	$ -	0%	$ 609,000	$ -	0%
										$ -	$ -																
TOTAL	**$ 768,509**	**$ 156,745**	**20%**	**$ 216,531**	**$ 30,854**	**14%**	**$ 754,764**	**$ 232,161**	**31%**	**$ 191,601**	**$ 33,697**	**18%**	**$ 197,000**	**$ 45,620**	**23%**	**$ 1,334,620**	**$ 300,135**	**22%**	**$ 359,051**	**$ 70,778**	**20%**	**$ 589,000**	**$ 17,411**	**3%**	$ 4,411,076	$ 887,401	20%
EXPENSES																											
Operating																											
Personal Services	$ 450,359	$ 103,088	23%	$ 42,531	$ 10,235	24%	$ 481,214	$ 112,286	23%	$ 123,601	$ 28,182	23%	$ -	$ -	NA	$ 1,143,120	$ 286,819	25%	$ 338,051	$ 70,778	21%				$ 2,578,876	$ 611,388	24%
Materials & Services	$ 318,150	$ 53,657	17%	$ 174,000	$ 20,619	12%	$ 328,550	$ 137,285	42%	$ 68,000	$ 5,516	8%	$ 197,000	$ 45,620	23%	$ 106,500	$ 13,316	13%	$ 21,000	$ -	0%				$ 1,213,200	$ 276,013	23%
Subtotal	$ 768,509	$ 156,745	20%	$ 216,531	$ 30,854	14%	$ 809,764	$ 249,571	31%	$ 191,601	$ 33,697	18%	$ 197,000	$ 45,620	23%	$ 1,249,620	$ 300,135	24%	$ 359,051	$ 70,778	20%	$ -	$ -	NA	$ 3,792,076	$ 887,401	23%
Non-Operating																											
Capital Outlay							$ -	$ -								$ 85,000	$ -	0%	$ -	$ -	NA				$ 85,000	$ -	0%
Contingency																			$ -	$ -		$ 534,000	$ -	0%	$ 534,000	$ -	0%
Subtotal	$ -	$ -	NA	$ -	$ -	NA	$ -	$ -	NA	$ -	$ -	NA	$ -	$ -	NA	$ 85,000	$ -	0%	$ -	$ -	#DIV/0!	$ 534,000	$ -	NA	$ 619,000	$ -	0%
TOTAL	**$ 768,509**	**$ 156,745**	**20%**	**$ 216,531**	**$ 30,854**	**14%**	**$ 809,764**	**$ 249,571**	**31%**	**$ 191,601**	**$ 33,697**	**18%**	**$ 197,000**	**$ 45,620**	**23%**	**$ 1,334,620**	**$ 300,135**	**22%**	**$ 359,051**	**$ 70,778**	**20%**	**$ 534,000**	**$ -**	NA	**$ 4,411,076**	**$ 887,401**	20%
NET INCOME																											
Operating	$ (75,000)	$ (0)		$ -	$ (0)		$ (55,000)	$ (17,410)		$ -	$ (0)		$ -	$ (0)		$ 85,000	$ 0		$ -	$ 0		$ 55,000	$ 17,411		$ 10,000	$ 0	
Non-Operating	$ 75,000	$ -		$ -	$ -		$ -	$ -		$ -	$ -		$ -	$ -		$ (85,000)	$ -		$ -	$ -		$ -	$ -		$ (10,000)	$ -	
TOTAL	**$ -**	**$ (0)**		**$ -**	**$ (0)**		**$ (55,000)**	**$ (17,410)**		**$ -**	**$ (0)**		**$ -**	**$ (0)**		**$ -**	**$ 0**		**$ -**	**$ 0**		**$ 55,000**	**$ 17,411**		**$ -**	**$ 0**	

{1} This is for payments received from the Bridge Authority for administrative services

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FALL PLANNING SESSION
November 17, 2026

DISCUSSION TOPIC
Projects Underway/Informational Updates

OVERVIEW
The following summary of projects are included as informational only. This summary includes projects that were prioritized from prior planning sessions and included in the current budget or are still in the planning stage. This is included to show the Commission that these priorities continue to move forward. Projects on this list are assumed to have been directed by the Commission to pursue and should mirror the Spring Planning Session Recap.

CENTRAL SERVICES/ADMINISTRATION
UPDATE / Prepare for Strategic Business Plan Update (Greenwood): Points Consulting (PC) was selected to complete the Port's 2026 Strategic Business Plan update. Work is well underway, including review of the existing plan, public and stakeholder outreach, economic and industry analysis, Port property and asset review, and Commission work sessions. A draft has been prepared with updated Strategic Priorities, Objectives and Goals; work continues on the Implementation Plan and Capital Improvements components. The original PC contract was $123k, before the Marina Basin Master Plan was added in July. The Port received a $50k Business Oregon grant toward the SBP, with all costs included in the FY27 budget. The project remains on schedule for completion and Commission consideration in October or November 2026. Will be completed by Fall Planning and removed from the work plan.

UPDATE / *Port Admin/Ops Relocation (Channell):* SUM Design is leading the design phase for the Port's new Administration Building, exploring both the Wasco building and Marina East building. Per Commission direction, the Wasco building design development is paused at the 25% design level due, as the updated cost estimate for the remodel construction came in substantially higher than the budget assumptions. In response, SUM Design is preparing initial floor plans for the Marina East building to determine feasibility for this as a location for the needed relocation. The contract for full design of the Wasco building (to have construction-ready plans) is $129,989, with all costs included in the FY27 budget and $23,492 spent to date. The work order for the Marina East initial floor plans is $4,580, with work having started in late October. Pending the Marina East floor plan feasibility, the Commission would need to consider a contract for full design and cost estimating of the Marina East building remodel. The Bridge Replacement Project has indicated that if BIP funding arrives this winter, it would like to have access to the property by September 2027. The Port is seeking confirmation of applicable FHWA relocation requirements and the schedule for surrendering possession of its current offices. Ongoing.

UPDATE / Develop Succession Plan (Greenwood): The Port developed a formal Succession Plan to strengthen leadership continuity, preserve institutional knowledge, and prepare for staffing transitions. Following Commission review in June, the plan was revised to address multiple vacancies, accountability, cross-training, leadership development, and periodic oversight. The Commission adopted the Succession Plan by Resolution No. 2026-27-1 on July 21, 2026. Implementation will continue through employee development, cross-training, knowledge transfer, and periodic review of critical positions and interim coverage. Completed and will be removed from the work plan.

UPDATE / Indian Creek Trail Transfer (Greenwood): The City Council and Port Commission approved the transfer of three Port-owned parcels associated with the Indian Creek Trail on September 14 and 15, respectively. Staff is now working with AmeriTitle to evaluate title insurance and closing services to

address the City's concerns about potential liens or other encumbrances. This may add some cost and time to the process but will help ensure a smooth transfer. Once the deed is executed and recorded, the transaction will be complete. Underway.

UPDATE / Formation of Capital Reserve Fund (Smith-Wagar): The FY27 budget established a Capital Reserve Fund for future building repairs and replacements. Rather than budgeting capital costs annually, funds will accumulate over each asset's useful life, providing more predictable funding when major work is needed. Just over $100k will be transferred into this fund from the General Fund for FY27. Completed.

WATERFRONT

UPDATE / Foundation Waterfront Goals (Channell): Staff continues to support the Port of Hood River Foundation as it establishes its priorities, programs, and fundraising capacity. The Foundation has identified development of an Oregon specialty license plate as a top priority and a potential ongoing revenue source to support waterfront safety and access programs. A Foundation Board subcommittee is currently working to develop branding for the plate and identify potential artists to assist with design. A launch date has not yet been established. The FY27 budget includes a planned $71,000 transfer to the Foundation to support development and launch of the license plate program. Staff will continue to support the Foundation Board as it advances the program and develops its broader approach to project prioritization and fundraising. Ongoing.

MARINA

UPDATE / Marina Basin Master Plan (Channell): Staff initiated the Marina Basin Master Plan with Points Consulting and J-U-B Engineers in August to establish a long-term vision for future investment and planning. The project included review of existing conditions and prior studies, stakeholder and public engagement, and development of two concept alternatives addressing marina layout, upland development, public access, circulation, and future improvements. The team hosted an October focus group and presented preliminary concepts to the Commission on October 20, 2026. The final Master Plan is scheduled for presentation at the November 12 community showcase, with Commission adoption consideration in November. Complete (pending Commission approval at the November Regular Session).

CURRENT BRIDGE AND OTHER TRANSPORATION

UPDATE / Right of Way Negotiations (Rose/Greenwood): Since Spring Planning, the Port has worked with FHWA and the Bridge Authority to clarify three principal ROW issues involving approximately 2.84 acres of Port property: Section 6(f) mitigation, land dedication, and compensation for affected buildings and eligible relocation expenses. On October 20, the Commission approved Resolution No. 2026-27-8 expressing its intent to dedicate the necessary property. The Commission also concurred with a substantially reduced Section 6(f) conversion approach for OPRD/NPS review. Compensation for buildings and eligible relocation expenses, final property interests, and implementation agreements remain to be resolved. The Port is also reviewing the proposed landscaping and restoration of property following construction, with an emphasis on additional public parking, improved waterfront trail access, minimal irrigation, and reduced long-term maintenance costs. Discussions with the Bridge Authority regarding those issues are ongoing.

UPDATE / Tracking June 2024 Bridge Insurance Claim (Greenwood): The Port received the $1 million insurance settlement from Progressive Insurance for the June 2024 bridge strike in May 2026. Proceeds were deposited to the Bridge Operations Fund. Completed and will be removed from the work plan.

UPDATE / Capital Improvement Plan/Projects (Rose): The 2026 biannual bridge inspection and WJE's mechanical and electrical inspections provided a comprehensive assessment of the bridge's structural condition and operating systems, helping identify maintenance needs and prioritize future investment. These findings will inform an updated Capital Improvement Plan (CIP), to bring to the commission for

spring planning in 2027, that incorporates inspection recommendations, revised cost estimates, and proposed schedules for maintenance and capital projects. Staff will hold additional meetings with the internal bridge committee to review the findings, establish priorities, and coordinate funding and implementation strategies in preparation for future Commission discussions. Ongoing

UPDATE / Roundabout at Second and Riverside (Channell): The Waterfront Transportation Improvements continue to advance as a two-phase effort to improve waterfront access, safety, circulation and development readiness. Funding and financing options for Phases I and II will be presented to the Commission as part of Fall Planning discussions.

Phase I – 2nd Street/Riverside Drive Roundabout has advanced through the 60% design milestone, with the project team developing 90% design and final construction documents. The Port continues to coordinate with ODOT and the City of Hood River on design, right-of-way, permitting and project delivery. Following the unsuccessful FY26 BUILD grant application, staff has developed an updated funding strategy (to be presented to the Commission at Fall Planning), which includes continued pursuit of the $1 million in FY27 Congressionally Directed Spending, requesting $1 million in City Waterfront Urban renewal funding, and considering other grant funding and municipal financing options. The current project schedule anticipates completing final design in early 2027, permitting and bidding in mid 2027 and construction beginning as early as fall 2027. Ongoing.

Phase II – 1st Street Realignment remains in the planning stage following the unsuccessful FY26 BUILD Planning grant application. Staff will continue to position Phase II for future planning and construction funding while prioritizing completion and funding of Phase I. Ongoing.

KEN JERNSTEDT AIRFIELD

UPDATE / Renew Airport Manager Contract (Greenwood): The Commission approved a five-year Master Services Agreement with Aviation Management Services (AMS) for continued management of Ken Jernstedt Airfield, effective July 1, 2026. The special procurement was adopted June 16, 2026. Annual work orders will allow the Commission to review scope and budget each year while maintaining continuity during ongoing airport development and FAA grant activities. For FY27, $60k has been budgeted for AMS. Completed and will be removed from the work plan.

UPDATE / Pursue So. Apron T-hangars/turf taxilane (Renard): Construction of the South Apron T-Hangar and Turf Taxilane project is substantially complete, with the new 11,815-square-foot, 10-unit T-hangar building receiving its Certificate of Occupancy on July 23, 2026. All 10 units have been leased at the adopted annual rate of $6,600 per unit, generating $66,000 in projected FY27 revenue and supporting the airport's long-term financial sustainability. The approximately $2.4 million project is supported by $1.5 million in FAA and COAR grants, significantly reducing the Port's capital investment. Remaining activities are primarily related to final project documentation, grant reimbursements, and closeout. The project is considered complete for planning purposes and will be removed from the work plan.

UPDATE / Eastside Perc Testing (Renard): Percolation testing has not yet been conducted. The testing will determine whether on-site stormwater infiltration is feasible, which is a key consideration for future development on the south and east sides of the airport. Testing is expected to take 7–10 days at an estimated cost of $5-10,000. The FAA has indicated that future development in this area will require a full Environmental Assessment (EA), along with a five-year development plan identifying proposed improvements and associated FAA funding needs. The results of the percolation testing will help determine the feasibility of future development and inform subsequent planning and environmental review. Ongoing.

Completion of the restroom in the new South Apron T-Hangar building will require design and installation of a sewer pump station. Staff is working to locate existing record drawings to better understand the

infrastructure already in place and determine the scope and cost of the remaining improvements. New Work.

UPDATE / Turnaround Relocation Renard): The existing fire apparatus turnaround and associated access requirements along Airport Drive constrain future hangar development. As discussed at Spring Planning, relocating the turnaround could create an additional buildable lot while maintaining required emergency access. Staff continues to coordinate with County planning officials to determine the appropriate location and configuration of the turnaround and whether the existing easement can be modified or vacated. The project was previously estimated to cost approximately $33,000–$63,000, including engineering, site improvements, and required approvals. There is currently no capital budget for the effort. Further evaluation is needed before proceeding. Ongoing.

UPDATE / AWOS Tree Survey (Renard): The Port Commission approved a $21,427.83 contract with Luciano Cruz Tree Service on March 17, 2026, to remove trees identified as obstructions affecting airfield safety and AWOS operations. Following coordination with an adjacent property owner on Jeanette Road, tree removal began in June 2026. All identified trees on the north side of the airport have since been removed, with remaining work focused on site cleanup and restoration of affected wetland areas. Staff continues to coordinate the remaining restoration and project closeout. Ongoing.

UPDATE / Jeanette Rd. No. Apron Land Lease Development (Renard): The Port continues to advance improvements along Jeanette Road to support future airport development, including approximately 20,000 square feet of potential hangar space. At its October 20, 2026 meeting, the Commission authorized a contract with Eastside Paving, not to exceed $34,000, to extend the existing parking area to Jeanette Road. Paving was completed by the end of that week. Remaining work includes evaluating utility service to the site, confirming parking capacity and configuration, identifying fencing and gate requirements, obtaining Fire Chief approval for emergency access and fire lane provisions, and determining whether existing underground conduit should be redirected or abandoned. The FY27 budget includes $98,000 for Jeanette Road improvements. These improvements are not contingent upon construction of the proposed airport terminal building and will support future development opportunities independently of that project. Ongoing.

UPDATE / Airport Terminal Building (Greenwood/Renard): Significant progress has been made toward securing the Port's $6.7M EDA Disaster Supplemental grant, including FAA approval of the revised Airport Layout Plan on October 15 and EDA's formal Categorical Exclusion (CATEX) determination on October 28. Final EDA award remains pending, along with Connect Oregon and Business Oregon Regional Infrastructure Fund requests. Energy Trust of Oregon funding has been awarded to support renewable energy and resilience planning, while preliminary land-use, permitting, and transportation assessments are underway. As of November 10, the Port has incurred $94,371 in predevelopment expenses. The FY27 budget includes $689k in project expenditures and $650k in anticipated grant receipts. Final design and construction remain dependent on securing major grant funding. Ongoing.

REAL ESTATE DEVELOPMENT

RFDI for Marina East & West (Channell): The Marina East/West Request for Developer Interest (RFDI) process concluded with the selection of CMLK Development Corporation and Commission approval of a six-month Exclusive Negotiating Agreement (ENA) in August 2026. Complete.

The ENA process is underway, with milestones scheduled for completion by February 28, 2027. Activities include due diligence, concept refinement, public engagement (including the October 6 open house), development of a draft ground lease term sheet, and potential transition to site control, subject to Commission approval. Subsequent phases, including definitive agreements, entitlements, and construction, would require separate Commission authorization. Underway

UPDATE / Big 7 Capital Improvements (Rose): Following spring planning discussions, initial walkthroughs indicate that the first phase of work to address water intrusion at the Big 7 Building will cost approximately $200,000–$225,000. If that work does not resolve the issue, a second phase would involve an additional $150,000–$200,000 for drainage improvements to direct water away from the building, bringing the potential combined investment to $350,000–$425,000. Like the Jensen Building, the scale of these capital needs has raised staff concerns about the return on investment. Recent discussions have included potentially selling Big 7 and reinvesting in a triple-net property that would require fewer hands-on repairs and carry less deferred maintenance, and preliminary exploration of replacement properties has been encouraging. Commission direction is needed to determine whether staff should proceed with procurement of the improvements to retain Big 7 or begin the property evaluation and listing process. Ongoing.

UPDATE / Jensen Roof Replacement/Pursue Cell Service (Rose): The preliminary construction estimate for replacing the Jensen Building roof is approximately $2.44 million, compared with the original $760,000 budget. Three of the building's four tenants have early termination options in March, June, and September 2027, respectively, and the departure of any of these tenants would substantially affect the building's current annual net income of $327,402. Given the building's age, uncertainty surrounding tenant retention, and concerns about the return on such a significant investment, the Commission has discussed waiting until tenant intentions are clearer before proceeding. If roof replacement is deferred this year, additional facilities staff time may be needed to monitor the roof and complete repairs to prevent substantial leaks into tenant suites; this approach was used last year with manageable results. A delay may also provide an opportunity to move forward with Verizon's proposed antenna installation in the interim, as the existing roof can support it. However, the equipment would need to be temporarily relocated and reinstalled if the roof is eventually replaced, so responsibility for that work and the associated costs should be established before installation. Ongoing.

UPDATE / Pursue Maritime Redevelopment Opportunities (Channell): The Maritime Property remains under an active lease through June 30, 2029. The current tenants have expressed interest to extend the current lease through 2033. The current lease provides a reliable revenue stream, generating approximately $310,000 annually for the Port, which helps support waterfront operations. While the property remains financially productive, the building is beyond its useful life and will require increasing levels of reinvestment over time, reinforcing the importance of long-term redevelopment planning. Staff anticipate learning from the Marina East/West Request for Developer Interest (RFDI) and developer negotiations to inform next steps for the Maritime redevelopment. Ongoing.

UPDATE / Create Property Liquidation/Real Estate Policy (Rose): Staff is developing the first draft of a comprehensive update to the Port's Real Estate Transaction Policy, incorporating elements of the 2013 policy and the 2018 Real Estate Asset Strategy. The revised policy will establish clearer procedures for property acquisitions, dispositions, leasing, broker representation, and commission negotiations while aligning real estate decisions with the Port's long-term financial and economic development objectives. A key component will be the introduction of a standardized evaluation matrix to assist the Commission in objectively reviewing property offers based on financial return, economic development potential, proposed use, and overall benefit to the Port, rather than the identity of the interested party. The goal is to establish a consistent, transparent, and defensible framework that supports informed decision-making while preserving Commission discretion. This will be reviewed with the Internal Real Estate Committee and discussed with the Commission in January or February 2027. Ongoing.

UPDATE / Capital Review of all properties (Rose): Staff has received the property condition assessment reports for the Big 7 Building and Wasco 2, with the remaining evaluations anticipated by the beginning of the year. These assessments are comprehensive, with the Big 7 report exceeding 200 pages, and provide detailed evaluations of building conditions, deferred maintenance, and anticipated capital

improvement needs. The Jensen Building report is also expected to be extensive, given the building's size and complexity. Pending assessments include the Jensen, Halyard, Timber, and Wasco 1 buildings. Once all reports have been received and reviewed, staff will have a more complete understanding of the portfolio's overall condition and future capital investment requirements, helping inform long-term asset management and investment decisions. Ongoing.

UPDATE / Pfriem Halyard Expansion (Rose):

pFriem is advancing its proposed West Yard Fermentation Cellar expansion at the Halyard property, which would add a building to accommodate additional fermentation capacity and upgrade utilities and infrastructure to support future operations. The project would allow pFriem to expand production incrementally as demand grows. This presents an opportunity to expand the Port's real estate assets and support an established tenant's continued growth for a fraction of the construction cost. Pfriem is working closely with the City of Hood River site planning process to determine buildability and to refine technical costs issues. Ongoing.

UPDATE / Lower Hanel Mill Purchase (Rose):

The sale of the Hanel Mill property to Dominguez Family Enterprises is moving toward closing. On October 26, 2026, the buyer removed its final purchase contingency and elected to proceed with closing on or before December 1, 2026. With all buyer contingencies now satisfied or waived, the transaction is proceeding toward completion by that deadline. Ongoing.

November 17, 2026
FALL PLANNING

Discussion Topic:
Waterfront Transportation Improvements: Funding and Financing Opportunities

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OVERVIEW:
The Port's Waterfront Transportation Improvements includes two phases: Phase I, 2nd Street/Riverside Drive Roundabout and Phase II, 1st Street Realignment. The Commission will receive a presentation with an update on both phases, a summary of the current funding outlook and potential strategies and partnerships for consideration.

Phase I is progressing through design and agency coordination, with construction anticipated to begin as early as Fall 2027 pending final construction funding. The Port has secured federal, state and local funding commitments toward the project. However, an estimated funding gap of $2.5 million to $500,000 remains, depending on the pending congressionally-directed spending funding request and potential local contributions. This estimate assumes continued availability of the Port's secured Economic Development Administration (EDA) ($1.9 million) and ODOT Immediate Opportunity Fund (IOF) ($500,000) grant awards. Securing the remaining funding is critical to maintaining the anticipated construction schedule and meeting existing grant requirements.

Phase II remains in the conceptual planning stage and will require additional funding to advance design and implementation.

The Project Team is evaluating funding and financing strategies to address the near-term Phase I construction funding gap and establish an approach to funding Phase II design and construction. Opportunities include:

- Federal and State Funding: Existing grant commitments, pending appropriations, future competitive grant opportunities and strategies to preserve and leverage awarded funding.
- Local Municipal Funding: Potential Urban Renewal funding, transportation system development charges and other municipal funding mechanisms.
- Port Funding and Financing: Potential Port financial contributions and financing mechanisms to leverage existing funding and support project delivery.

The evaluation consideration the feasibility, timing and financial implications of these approaches, with an emphasis on securing funding for Phase I construction in 2027 while positioning Phase II for future funding opportunities.

DISCUSSION:
Staff seek Commission input on the preferred funding and financing strategies, including priorities for continued coordination with the City of Hood River and other funding partners, potential Port financial

commitments and next steps toward closing the Phase I construction funding gap and the Phase II design and construction funding gap.

- What funding and financing strategies should staff prioritize?

ATTACHMENTS:
Waterfront Transportation Improvement Project Update Presentation
Grant Funding Strategy (WSP)
Local Funding Analysis (FCS)

Waterfront Transportation Improvements: Funding and Financing Opportunities



Port of Hood River Commission | Fall Planning

November 17, 2026

Phase I: 2nd / Riverside Roundabout

- Total Project Cost: $9.5 million
  - Design: $1.8M
  - Construction: $7.5M
- Planning and design schedule
  - 90% design review: **December 2026**
  - Final design: **Summer 2027**
- Construction schedule (pending funding):
  - Construction Start: **Late Fall 2027**
  - Completion: Late **Spring 2029**





Phase II: 1st St Realignment

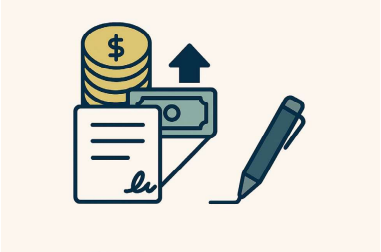
- Current Status: Initial Planning
- Complementary to Phase I
- Additional project development needed to refine Phase II project cost estimates
- Planning and design schedules have not yet been established



Grant Funding Strategies

BUILD Grant (Better Utilizing Investments to Leverage Development)

- Notice is expected to be released in late 2026
- Eligible for Planning and/or Capital projects
- Requires 20% non-federal funding match
- Project selection will be based on:
  - *Safety*
  - *Environmental Sustainability*
  - *Quality of life*
  - *Mobility and Community Connectivity*
  - *Economic Competitiveness and Opportunity*
  - *State of Good Repair*
  - *Partnership and Collaboration*
  - *Innovation*



Grant Funding Strategies

BUILD FY26
- $1.7 billion available
- 1,200 applications received, $14.5 billion requested
- 127 applications awarded (80 capital – 47 planning)

BUILD FY27
- $145 million available
- =$1.555 billion less
- Unknown if new Congress will contribute more funds
- It is anticipated that it will continue to be overprescribed

Grant Funding Strategies, cont.

State Grant Programs

- Immediate Opportunity Fund (IOF)
  - $500k secured
- Special Public Works Fund (SPWF)
- Economic Development Infrastructure Programs

Federal Grant Funds

- Congressionally Directed Spending
  - $1 million pending approval
- Economic Development Administration (EDA)
  - $1.9 million secured

Discussion: Grant Funding Strategies

Recommended Options for Grant Funding Strategies

1. Focus available funding on current EDA Grant Program without seeking BUILD funds

Other Options for Grant Funding Strategies

2. Apply for Phase 2 Planning funding only, through BUILD

3. Apply for Phase 1 Construction (Capital) funding through BUILD

Local Funding Strategy Study Objective

FCS contracted to evaluate local funding gaps and options

1. Focus on Phase I (construction priority)
2. Consider Phase II (design and construction)

2. Study identifies estimated funding requirements and gaps

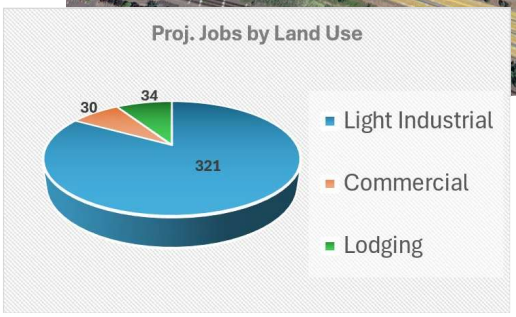
3. Conduct preliminary evaluation of techniques to address gaps

Local Funding Strategy Background

Port has identified four "catalyst sites" for strategic development

- Includes +/- 9.6 acres of redevelopment opportunities
- 20-year development program
- Accommodates 380+ jobs (light industrial, commercial, lodging)
- $105+ Million in Assessed Value





Local Funding Needs and Gaps

Phase I: Roundabout

$559,000 to $2.6M funding gap

Waterfront Roads Infrastructure Project: Funding Gap Analysis

Phase I: Roundabout	Scenario 1: Lower Gap		Scenario 2: Upper Gap*	
	Uses of Funds	Sources of Funds	Uses of Funds	Sources of Funds
Phase I Project Cost	**$9,415,000**		**$9,415,000**	
Committed Port Funding		$3,875,000		$3,875,000
Committed ODOT/State Funding		$1,000,000		$1,000,000
Federal Funding (EDA)		$1,981,000		$1,981,000
Other Pending Federal Funding		$1,000,000		
Pending City Funding (URA)		$1,000,000		
Pending Other Funding		$ -		$ -
Subtotal	**$9,415,000**	**$8,856,000**	**$9,415,000**	**$6,856,000**
Estimated Funding Gap: Years 1-3		**($559,000)**		**($2,559,000)**

** Note, this is current assumption per Port of Hood River. If $1.98 M Fed. EDA grant is forfited, the projected upper funding gap would rise to approximately $4.6 million.*

Phase II: 1st Street Realignment	Uses of Funds	Sources of Funds
Phase II Project Cost	**$10,000,000**	
Committed Port Funding		$ -
Committed Federal Funding		$ -
Commited Non Federal Funding (City)		$ -
Pending Federal Funding*		
Subtotal	**$10,000,000**	**$0**
Estimated Funding Gap: Years 4+		**($10,000,000)**

** Pending funding applications, such as BUILD, CDS, etc.*

Phase II: 1st Street

$10M funding gap

Prelim. Local Funding Options: Phase I

Leverage Current Federal Funding Commitments with Local Matching Sources

- Advance Construction Financing by Port for $9.415 M Project
- Update Citywide TSDC Project List to Reflect Current TSP Assumptions
- Provide TSDC credits to Port to Cover the Gap ($559,000 to $2.5 M)

Note: Options presented do not presume approval by City; additional evaluation and coordination would be necessary.

Prelim. Local Funding Options: Phase II

Requires Wider Mix of Local Funding Techniques

- Consider Advance Construction Financing by Port for $10 M Project
- Evaluate Selected Local Funding Tools, such as:
  - ❑ TSDC Update with New Waterfront Overlay District: (+/- $4-6 M)
  - ❑ Reimbursement District for Half-Street Dedications: (+/- $2-3 M)
  - ❑ Parking District Rate Surcharge: (+/- $1-2 M)
  - ❑ Others (TBD)

Note: Options presented do not presume approval by City; additional evaluation and coordination would be necessary.

Commission Discussion

Commission input on:

- Priority for filling funding gaps
- Range of funding and financing options
- Priorities for partner coordination

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PORT OF HOOD RIVER – HOOD RIVER WATERFRONT ROADS INFRASTRUCTURE PROJECT

FUNDING STRATEGY – FY 2027 GRANTS

The following provides an overview of the BUILD grant program and a strategy for potential funding application(s) to support Phase 1 and/or Phase 2 Hood River Waterfront Roads Infrastructure Project from the FY 2027 BUILD program, once the NOFO is released. BUILD has been included in the FY27 Senate Continuing Resolution with funding of $145 million allocated.[1] The next round of applications is expected to be released in late November 2026.

Better Utilizing Investments to Leverage Development (BUILD; formerly RAISE/TIGER)

BUILD is a highly competitive multi-modal program that funds surface transportation projects with significant economic benefits that promote safe, reliable and affordable transportation options. It intends to leverage money from private sector partners, states, local governments, metropolitan planning organizations and transit agencies. The goal of the BUILD program is to fund eligible surface transportation projects that will have a significant local or regional impact and improve transportation infrastructure. Eligible projects include highways, bridges, or other road projects, public transportation projects, intermodal projects and passenger and freight rail projects.

For a project to compete well, it must provide a significant local or regional impact, encourage partnership, demonstrate strength in selection criteria, project readiness and present a clear story. Project selection is based on score/strength against eight (8) merit criteria (taken from FY2026 NOFO):

1. Safety
2. Environmental Sustainability
3. Quality of life
4. Mobility and Community Connectivity
5. Economic Competitiveness and Opportunity
6. State of Good Repair
7. Partnership and Collaboration
8. Innovation

A benefit-cost analysis (BCA) is required for construction grants and not required for planning grants.

The maximum construction grant award for BUILD is $25 million, with no more than $100 million awarded to a single state, as specified in the Appropriations Act. The minimum request for capital projects in Urban Areas is $5 million ($1 million in Rural Areas). There is no minimum funding request requirement for planning grant applications. Applicants must match BUILD funds with a minimum of 20 percent non-federal funds (in Urban areas).

Capital applications require a BCA with projects scoring better if their BCA is above 1.0. The program is offered on an annual schedule. BUILD grants are also extremely competitive, with generally 10 percent of the submitted applications receiving an award. If the project is seeking capital funds, environmental documentation (NEPA) must be completed before grant obligation, i.e., signing of the grant agreement with USDOT.

[1] Transportation funding is currently under a Continuing Resolution. FY26 Transportation, Housing and Urban Development Appropriations included $145 million in BUILD funding.

PROJECT OVERVIEW

The Hood River Waterfront Transportation Improvement Project ("Project") consists of two phases:

1. The construction of a single-lane roundabout on a parcel of land predominantly owned by the Port of Hood River.
2. Realignment of 1st Street, east of the proposed roundabout and within the waterfront area

Current Status

Phase 1

Phase 1 is more advanced in the Planning, Design and Engineering (PD&E) phases with a current schedule of review of 90% design of the roundabout due in December 2026 and final design by summer 2027. A BCA was completed in 2026 in support of the BUILD grant application and, with appropriate updates to reflect current project information and funding program requirements, could support an additional funding application. See summary of BUILD Feedback section below.

Phase 2

A schedule is still to be determined for the PD&E and construction phases of Phase 2 of the Project. It will also be important to ascertain whether it is possible to produce a BCA for Phase 2 of the Project as the assumptions will typically incorporate and rely on completion of PD&E to complete the required BCA.

The information above in relation to the current schedule of phases presents opportunities and challenges and all points should be considered when determining the feasibility of the options below to come to a preferred strategy for funding.

Lessons from FY2026 BUILD Review

Feedback from USDOT reviewers on the FY2026 BUILD applications identified opportunities to strengthen the project's alignment with BUILD priorities. To move into Highly Recommended consideration, an application must achieve **6 out of 8 merit criteria as highly responsive**. The Waterfront Roads Infrastructure application achieved**3 of 8 criteria rated highly,** and the 1st Street Alignment Project received **2 out of 8 criteria rated highly**. Reviewer feedback indicated that to achieve 6 out of 6 highly rated criteria, further studies and analysis will be required to define economic benefits (tourism and freight), safety benefits (projecting into future growth scenarios), solid definition of quality of life and environmental choices (definitive scope such as beautification and vegetated swales, for example), state of good repair (defined by current level and projected levels of roadway conditions), and further development of innovative practices. While the planning application requires less data at this stage, it does require a clearly defined scope and backup of the potential outcomes. These findings should directly inform the FY2027 grant funding strategy, particularly in consideration of whether sufficient time and resources are available before the application deadline to address the opportunities for improvement identified during the FY2026 review.

OTHER FUNDING OPPORTUNITIES

State Grant Programs

- Immediate Opportunity Fund
  - $500k secured
- Special Public Works Fund
- Economic Development Infrastructure Programs

Other Federal Grant Funds

- Congressionally Directed Spending
  - $1 million pending approval
- Economic Development Administration
  - $1.9 million secured

PRIMARY OPTIONS FOR POTENTIAL GRANT FUNDING OPPORTUNITIES

Considering the FY2026 BUILD results, current project readiness, available funding, and anticipated FY2027 BUILD funding levels, the following options may be considered.

Option 1 – Re-Apply for Phase 1 (Capital) Only

Prepare and apply to FY2027 BUILD for a capital grant only for the construction of Phase 1 of the Project – the single-lane roundabout. Address outstanding comments provided in the USDOT debrief and expand on data elements, as available.

Pros

- The roundabout is further advanced in the preconstruction phase than Phase 2.
- A similar ask to the FY26 request ($3.81 million) is an achievable amount considering funding bucket constraints, while increasing this to the max 80%/20% may help the overall Project financial achievable.
- Project schedule would fit within the timescales for obligation and spend, if awarded.
- It can be presented to USDOT as 'shovel ready' – providing confidence to USDOT on delivery and the ask of USDOT is the last funding source required.

Cons

- Awarded funding could not be used in combination with currently secured EDA grant, absent breaking Phase I into two distinct projects/phases (EDA is classifying all non-EDA dollars as matching funds.)
- No funding applied for and/or awarded for planning or construction for Phase 2 of the Project, leaving the funding for planning and delivery of this phase uncertain – funds must be identified elsewhere.
- Funding bucket in FY27 is smaller than in recent years ($145 million). There is the potential for legislation before the due date that expands this, but this is uncertain.
- Requires an updated Benefit-Cost-Analysis, which is a costly effort for the grant application.

Option 2 – Re-Apply for Phase 2 (Planning) Only

Pros

- Seeking planning funds means a smaller award amount, which may be more easily funded in this year's small funding bucket.
- Achieving BUILD planning funds sets up future construction phases for further BUILD funding.
- Does not require a Benefit-Cost-Analysis with the grant application.

Cons

- Project may not have a strong enough story or is not far enough along to clearly identify and describe elements that score highly (e.g. innovative project elements or delivery methods).

Option 3 – Focus available funding on current EDA Grant Program without seeking BUILD funds

Pros

- Funds are secure and require no further investment to seek new funds from an unsecured source, thereby reducing risk.
- Money available for developing a FY27 round application can be diverted to cover the costs of engaging in the Real Property issues for the EDA grant.

Cons

- The EDA funding may have more complicated needs than are met with supplemental funding from diverting grant application local funds.
- EDA is classifying all non-EDA dollars as matching funds. No other federal funding could be secured beyond what is currently awarded, since federal funds cannot match federal funds.

To: Megan Channell, Port of Hood River **Date:** November 11, 2026
From: Todd Chase, AICP, LEED and Tim Wood, FCS
CC: Scott Keillor, AICP, WSP
RE Waterfront Roads Infrastructure Project: Preliminary Funding Analysis

INTRODUCTION

The Port of Hood River (Port) contracted with FCS, a Bowman Company, to evaluate potential local transportation funding sources that may be considered for the construction of two major waterfront roadway projects including: a new roundabout at the intersection of Riverside Drive and 2nd Street (Phase I improvements), and realignment of 1st Street (Phase II improvements). The findings contained in this Memorandum reflect current engineering cost estimates, with values expressed in 2026 dollars.

This Memorandum describes the preliminary analysis of potential local funding sources that can be used to leverage non-local state or federal grant contributions.

This memorandum provides a preliminary evaluation of municipal funding and financing mechanisms that could potentially support the Port of Hood River's Waterfront Transportation Improvements, with a near-term focus on closing the remaining funding gap for the Phase I 2nd Street/Riverside Drive Roundabout. The analysis identifies a broad range of funding tools for consideration; however, inclusion of a particular mechanism does not necessarily indicate that it is feasible, appropriate, or supported by the City of Hood River. The memorandum is intended to inform the Port Commission's understanding of potential funding opportunities and does not constitute a recommended or approved financing plan, nor does it presume any funding commitment or policy approval by the City.

This memorandum is being presented as part of the Port Commission's Fall Planning session, which provides an opportunity for discussion, consideration of potential strategies, and identification of priorities for future work plan development. The analysis is intended to inform Commission discussion and brainstorming rather than present a recommended or approved financing plan. No formal Commission action is requested in response to this memorandum.

Should the Port Commission wish to further pursue a mechanism requiring City participation, additional evaluation and coordination with the City would be necessary before advancing that option. While the analysis also considers potential funding opportunities for the Phase II 1st Street Realignment, the immediate priority is identifying viable funding sources to support Phase I construction and completion.

This Memorandum is organized into the following sections:

INTRODUCTION

PROJECT OVERVIEW

LOCAL FUNDING OPTIONS

SUMMARY

Please note, the findings and conclusions expressed in this Memorandum are intended to express the independent opinion of FCS. The results are preliminary and subject to change depending upon many variable assumptions, such as changes in development program, construction costs, project construction scheduling, permitting, and interest rate assumptions, and the pace of private investment that occurs once construction is completed.

PROJECT OVERVIEW

The proposed roundabout at 2nd Street and Riverside Drive is required to address vehicle, pedestrian and bicycle access and safety for families, visitors' commerce, freight and recreation within the Hood River Waterfront. The new roundabout includes pedestrian crossings at all four roundabout approaches and bicycle accommodations through 2nd Street and Riverside Drive.

According to the Port of Hood River, *if all funding sources are identified by 2027*, construction of the new roundabout is expected to begin in FY 2028 (Late Fall 2027) and be completed by end of FY 2029 (Late Spring 2029). This would allow the Port to work with potential private investors to advance plans for City approval on selected redevelopment parcels within the waterfront.

Following construction of the roundabout, the realignment of 1st Street is planned as part of Phase II between years 4 and 6.

As indicated in **Exhibit 1**, the Port of Hood River estimates that the total construction delivery costs include approximately $9,415,000 for Phase I and $10,000,000 for Phase II improvements. At this time, the current estimated funding sources that appear likely will cover a portion of the overall cost, leaving an estimated local funding gap ranging from approximately $559,000 to $2,559,000 for Phase 1, and $10 million for Phase II improvements.

The Port's immediate funding priority is to close the remaining Phase I funding gap to support construction of the 2nd Street/Riverside Drive Roundabout beginning as early as fall 2027 and completion of the project. The priority for Phase I is also to continue to leverage federal funds through the Economic Development Administration (EDA) grant. Accordingly, this analysis places particular emphasis on funding mechanisms that could provide near-term capital funding or financing to support Phase I delivery. Phase II, the 1st Street Realignment, remains a longer-term investment that will require additional planning, design, and construction funding. While several of the mechanisms evaluated in this memorandum may provide opportunities to support Phase II, their applicability should be considered separately from the Port's immediate Phase I funding needs.

Exhibit 1: Estimated Project Expenses and Funding Sources

Waterfront Roads Infrastructure Project: Funding Gap Analysis

Phase I: Roundabout	Scenario 1: Lower Gap		Scenario 2: Upper Gap*	
	Uses of Funds	Sources of Funds	Uses of Funds	Sources of Funds
Phase I Project Cost	**$9,415,000**		**$9,415,000**	
Committed Port Funding		$3,875,000		$3,875,000
Committed ODOT/State Funding		$1,000,000		$1,000,000
Federal Funding (EDA)		$1,981,000		$1,981,000
Other Pending Federal Funding		$1,000,000		
Pending City Funding (URA)		$1,000,000		
Pending Other Funding		$ -		$ -
Subtotal	**$9,415,000**	**$8,856,000**	**$9,415,000**	**$6,856,000**
Estimated Funding Gap: Years 1-3		**($559,000)**		**($2,559,000)**

** Note, this is current assumption per Port of Hood River. If $1.98 M Fed. EDA grant is forfited, the projected upper funding gap would rise to approximately $4.6 million.*

Phase II: 1st Street Realignment	Uses of Funds	Sources of Funds
Phase II Project Cost	**$10,000,000**	
Committed Port Funding		$ -
Committed Federal Funding		$ -
Commited Non Federal Funding (City)		$ -
Pending Federal Funding*		
Subtotal	**$10,000,000**	**$0**
Estimated Funding Gap: Years 4+		**($10,000,000)**

** Pending funding applications, such as BUILD, CDS, etc.*

These roadway improvements are required to support redevelopment of prime underutilized waterfront parcels. This includes key "gateway sites" and redevelopment sites that will position the area for quality job-creating investment and sustained economic growth consistent with community goals.

The waterfront district and key redevelopment sites are described in Exhibit 2. The four identified redevelopment sites include: Lot 1, Nichols Lot, Barman Property and the Maritime Lot. These four sites comprise an estimated 421,020 square feet (9.67 acres) of land area. After redevelopment these sites are expected to accommodate 385 permanent jobs on site in nearly 300,000 square feet of industrial, commercial and hotel building floor area.

Exhibit 2: Waterfront Redevelopment Opportunities



Selected Waterfront Lots at Buildout

Location	Est. Lot Area (SF)	Jobs Added [1]	ITE Code	PHVT (PM) per Job [2]	Avg. Bld SF /Job [2]	Est. New Bldg SF (calculated)
Lot 1, Industrial Element		204	110	0.77	800	163,200
Lot 1, Commercial Element [3]		23	712 & 932	2.77	432	9,900
Subtotal Lot 1	**304,920**	**227**				**173,100**
Maritime Lot, Industrial	**174,240**	**117**	110	0.77	800	**93,600**
Nichols Lot, Commercial	**66,900**	**7**	712	2.77	600	**4,200**
Barman Lot, Hotel (80 rooms)	**49,200**	**34**	310		850	**28,900**
Total	**421,020**	**385**				**299,800**

Notes:

[1] Job counts derived from 2nd & Riverside Dr. Revised Intersection Control Evaluation; Land Use Scenario 3, DKS Memo, Table 5 (April 2025).

[2] Derived from ITE Trip Generation Handbook, 12th Edition; industrial & hotel assumptions based on local conditions.

[3] Commercial building area assumed to be 50/50 mix between office/service and restaurants space.

POTENTIAL LOCAL FINANCING & FUNDING OPTIONS

Advance Financing Using Port of Hood River Bonds or Debt

In light of the need to advance the full amount of funding to complete the design and construction of these Waterfront roadway projects, this study assumes that the Port of Hood River issues debt (though limited General Obligation Bonds or other source of long-term debt) needed to address the overall project construction costs.

For analysis purposes, this study assumes that the amount of debt issued by the Port equates to up to $2.6 million in Phase 1, and an additional $10 million in Phase II. The financing assumptions and resulting revenue requirements for this level of debt are depicted below.

Port Advance Financing Assumptions

	Phase 1: Roundabout, Upper Gap	Phase 2: 1st Street Realignment
Total Project Cost	**$ 9,415,000**	**$ 10,000,000**
Committed Funding Amount	**$ 6,856,000**	**$ -**
Amount Financed	**$ 2,559,000**	**$ 10,000,000**
Term	25 years	25 years
Interest Rate	5.1%	5.1%
Issuance Cost	1.5%	1.5%
Coverage Ratio	1.0	1.0
Annual Debt Payment (calculation)	**$ 185,200**	**$ 712,400**

The ability for the Port to provide advance financing for these Waterfront roadway projects may be contingent upon a project Financing Agreement with the City of Hood River that could entail one or more of the following supplemental funding options.

Local Funding Options

As noted in the Introduction, this Memorandum is intended to identify and evaluate local funding options that have legal precedence in Oregon but depend upon support by the City and Port. These funding options are described in the following table.

Description of Local Funding Options

Local Funding Technique	Description	Comments
Citywide Transportation SDC Credits for Capacity Improvements	Would require an amendment to the City TSDC project list and local CIP with revised project definitions/costs. May entail policy to dedicate at least $1-2M in TSDC funds to waterfront projects (increases credit eligible share of TSDC waterfront. projects). Policy would also allow TSDC credit transfers within Waterfront Dist.	This approach is easiest in implement by the City in the near term and does not result in an increase in the current citywide TSDC rates. The Port would essentially receive TSDC credits that could be used to offset future TSDC charges on new development within the Waterfront District.
Update Citywide Transportation System Dev. Charge (TSDC)	Would require adoption of new TSDC project list/costs and new citywide TSDC rates. Includes City policies noted above regarding dedication of TSDC funds and transferability of credits.	This is not a near-term funding option due to the recent TSDC update that was adopted by the City in 2025. However, this option could be a long-term option for Phase II improvements during the next citywide TSDC update.
Waterfront TSDC Overlay Surcharge	Would require adoption of new TSDC project list/costs along with subdistrict TSDC rates. Includes City policies noted above regarding dedication of TSDC funds and transferability of credits.	This option is not expected to be a major source of funding given limited amount of projected net new trip generation within the Waterfront District.
Waterfront Urban Renewal Area (URA) or TIF District**	Would require re-adoption of an URA with TIF debt capacity.	This is not expected to be a viable funding option given recent sunset of the Waterfront URA.
Special Parking Assessment District	Would require Port and/or City paid parking coordination; would generate and dedicate portion of parking revenue to Waterfront roadway debt service or as credits for qualified improvements.	This funding option would need to review effects on the current "parking-related recreational immunity" policy that applies within the Waterfront District.
Developer Agreement(s) with Street Dedication (1st Street Realignment)	Would require future developers along 1st Street to dedicate "half-street" improvements or pay in lieu assessment	This funding option could apply to the Phase II project. It would likely result in a phased approach to reconstructing 1st Street as development occurs along it.
Local Improvement District*	Would require adoption of new LID in Waterfront	City code does not require property owner support for City initiated LIDs. 2/3rds support is required for property owner-initiated LIDs per HRMC 13.16. Port may not desire this approach since the LID becomes a Lien on property they own until assessments are paid in full.

Reimbursement District*	Would require adoption of new Reimbursement Dist. in Waterfront.	This option is similar to the LID but does not typically result in a lien on properties within the Reimbursement District. May be used in conjunction with Phase II improvements on 1st St.
Citywide Transportation Utility Fee	Would require adoption of a monthly transportation utility fee citywide and pledges portion of funds to Waterfront projects.	City is currently considering adoption of a TUF, but funds are to be focused on street maintenance not capital projects. Hence, not a likely funding option for Waterfront capital projects.
Economic Improvement District (Waterfront)	Would require adoption of new EID with special assessment that is supported by 33% or more affected businesses	This option may dissuade current and future business investment within the Waterfront given added cost to business operations.
** Assumes Port advances financing through funding agreement with City.* *LID or Reimbursements Dist. payments may be amortized over 15+ years.*		
*** Proposed 2027 Oregon legislation may allow Port to adopt a TIF through process like URA requirements.*		

Existing Citywide Transportation SDC Rate Revenue and Credits

The baseline funding scenario relies primarily upon the current committed local and federal funding sources identified **Exhibit 1** along with expected transportation system development charge (TSDC) revenue that could be dedicated by the City of Hood River based on the current adopted TSDC methodology (2025).

The existing adopted TSDCs and related assumptions for the baseline funding scenario are shown in **Exhibit 3**. For analysis purposes, this funding analysis applies the current FY 2026/27 adopted rates to the future development program using the updated development program forecast. This preliminary analysis includes that the four main redevelopment sites within the waterfront district would likely generate gross TSDC revenue of approximately $1,126,000 upon buildout, which is expected to occur by year 20.

Exhibit 3: Baseline Transportation System Development Charge Revenue (SDCs)

Location	Est. New Bldg SF *	ITE Code	Net New Trips per Unit	FY 2026-27 TSDC per Unit	Units	Proj. TSDC Rev. (before credits)
Lot 1, Industrial Element	163,200	110	1.03	$ 2,865	000 SF	$ 468,000
Lot 1, Commercial Element	9,900	710 & 932	5.96	$ 16,584	000 SF	$ 164,000
Maritime Lot, Industrial	93,600	110	1.03	$ 2,865	000 SF	$ 268,000
Nichols Lot, Commercial	4,200	710	1.50	$ 4,174	000 SF	$ 18,000
Barman Lot, Hotel (80 rooms)	28,900	310	0.93	$ 2,600	Room	$ 208,000
Total	**299,800**		**404**			**$ 1,126,000**

** Note, this estimated net building area SF assumption compares to the ICE Scenario 2 amount of 379,000 SF.*

While any new TSDC revenue that is generated though the Citywide TSDC program would take years to accumulate and can be expended on any TSDC eligible transportation project throughout the city, the City Council could adopt a policy that aims to dedicate revenue collected within the Waterfront district to specific eligible transportation projects (and related TSDC credits) within the Waterfront.

It is recommended that the City consider an amendment to the adopted list of TSDC eligible projects and related costs to comply with ORS 223.309 and to reflect the Waterfront roadway projects identified in Phase I and Phase II.

The allocation of existing TSDC revenue to the Waterfront projects will still result in a large funding gap that needs to be addressed by new funding tools and techniques.

New Citywide Transportation SDC Methodology

The current Citywide TSDC Methodology Report adopted by the City already includes project MV14: 2nd Street/Riverside Drive improvement project. The 2024 TSDC update included this project with a total cost of $555,273, of which 45.9% or $254,895 was considered to be the TSDC eligible cost. It is apparent that this prior project description and related capital cost is not consistent with current design plans that have been reviewed and accepted by the Port, City and ODOT.

This study considers how the citywide TSDC rates would be affected if the City were to update its prior TSDC methodology to include the new project descriptions and related project cost estimates. For analysis purposes, we have assumed an increase in the overall citywide TSDC cost basis ($135.7 million) in the amounts ranging from $2.5 million, $5 million and $10 million. It is important to note, however, that while these scenarios illustrate the potential revenue implications of a methodology update, the City recently completed a substantial TSDC update and is not considering further revisions to the adopted methodology or rates at this time.

As shown in **Exhibit 4**, if we keep the 20-year projected citywide growth in vehicle and person trips constant, the increase in the TSDC cost basis would result in an increase in the average TSDC rate by between 1.8% to 3.7% to 7.5%, respectively. For the new construction, this would raise the current TSDC rate ($6,926) for the standard size of 2,000 sq.ft. dwelling by $128, $255 or $510, respectively.

Exhibit 4: Citywide TSDC Methodology Update

			Sensitivity Analysis of Citywide TSDC Rates		
Land Use Type	ITE Units	FY 2026-27 TSDC per Unit	$2.5 M Increase in TSDC Cost Basis	$5 M Increase in TSDC Cost Basis	$10 M Increase in TSDC Cost Basis
TSDC Rate Increase with Change in Eligible Project Cost			**1.8%**	**3.7%**	**7.4%**
Detached Residential, 2,000 SF (ERU)	Dwelling	$ 6,926	+ $ 128	+ $ 255	+ $ 510
Gen. Industrial (ITE 110)	000 SF	$ 2,865	+ $ 53	+ $ 106	+ $ 211
Office (ITE 710)	000 SF	$ 4,174	+ $ 77	+ $ 154	+ $ 307
Restaurant (ITE 932)	000 SF	$ 28,994	+ $ 534	+ $ 1,068	+ $ 2,136
Hotel (ITE 310)	Room	$ 2,600	+ $ 48	+ $ 96	+ $ 192

Supplemental Waterfront District TSDC Surcharge

This funding option is based upon the City adopting a supplemental TSDC surcharge for the Waterfront District. For analysis purposes, we have assumed that the TSDC cost basis of $1 million, and a projected

growth of 404 PM peak hour vehicle trips over the next 20 years within the Waterfront District (consistent with development of the four key catalyst sites noted above). Using ITE trip generation rates, this would result in an increase in the PHVT rate from the current $2,786 to $5,260 (**Exhibit 5**).

Exhibit 5: Supplemental TSDC for Waterfront District

	Est. New Vehicle Trips	Avg. TSDC Rate per Bldg. SF	Proj. Gross TSDC Rev. (before credits)	Avg. TSDC Rate per PHVT (trip)
Base Case: Existing TSDC Rate	404	$ 3.76	$ 1,126,000	**$ 2,786**
TSDC Rate to Yield $1M in added rev.	404	$ 7.09	$ 2,126,000	**$ 5,260**
Difference	-	**$ 3.34**	**$ 1,000,000**	**$ 2,474**

** Note, this estimated net building area SF assumption compares to the ICE Scenario 2 amount of 379,000 SF.*

Waterfront District URA or TIF District

The Port has requested $1 million in "close out" funding from the existing Waterfront Urban Renewal Area to support Phase I construction as part of the district's closeout activities. This request remains pending and is separate from the potential readoption or expansion of the URA evaluated in this section. While closeout funding from the existing district represents a potential near-term funding source, readoption or expansion of the district is not currently considered a viable funding strategy given the City's existing policy direction and commitments.

The following analysis is included for informational purposes to illustrate the potential tax increment revenue associated with future waterfront redevelopment. The scenarios presented for informational purposes only, as the City's capacity to extend or expand the existing Waterfront Urban Renewal Area, or establish a new district, is constrained by statutory limitations on the amount of land that may be included in urban renewal areas.

The prior *Hood River Waterfront Urban Renewal Plan* was initially created in 2008 by Ordinance 1959. The Hood River Urban Renewal Agency reduced the boundary for the Waterfront Urban Renewal District (URD) in 2023 and adopted a Substantial Amendment to the Urban Renewal Plan in 2024 to increase the Maximum Indebtedness of the URD by $2.15 million (an increase from $5.75 to $7.9 M) to support replacement of the Waterfront Stormwater Line.

The planned public improvements identified in the Waterfront Urban Renewal Plan included "transportation improvements to increase circulation from, to, and within the Area."

To ascertain the impact of planned future waterfront redevelopment that would be supported once the new roundabout is constructed, FCS worked with Port staff to identify key sites likely to redevelop over the next 20 years. The analysis focuses on four key sites. Two of the sites (Lot 1 and the Nichols Lot) are located within the current Waterfront URD boundary. The other two sites (Maritime Lot and the Barman Site) are located adjacent to the current boundary, as shown in the map above.

The detailed findings from the preliminary TIF analysis are described in a separate Memorandum by FCS.

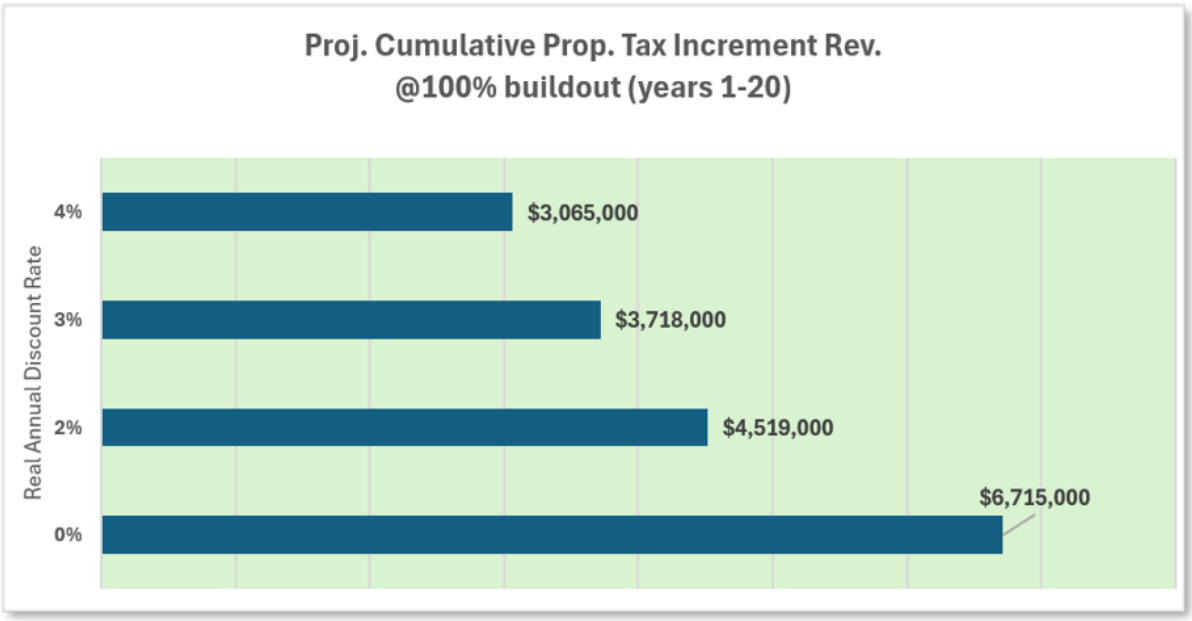
As under-utilized sites are developed, the level of private development is expected to generate the following economic impact over the next 15-20 years:

- Approx. 385 jobs (FTEs on site)
- A mix of industrial (256,800 SF), commercial (14,100 SF) and lodging (80 rooms)

- Approx. $104.4 million in real market value (RMV) at buildout
- Approx. $87.4 million in new taxable AV at buildout, of which $46.7 million (53%) is within the two sites that are inside the existing Waterfront URD boundary.
- The increase in AV from Lot 1 and the Nichols site are projected to generate up to $3.56 million in cumulative tax increment revenue within the current Waterfront URD boundary if the district was extended for 20 years.
- The two additional redevelopment sites that are outside the existing URD boundary (Maritime and Borman sites) would add an additional $3.1 million in cumulative tax increment revenue if the boundary was amended and extended for 20 years.
- If the Waterfront URD is terminated in 2026, and the roundabout construction is completed and the four key redevelopment sites are built as planned, the resulting cumulative property tax revenue from *only* the City of Hood River's mil rate ($2.5483 per $1,000 AV) is projected at $1.77 million over the next 20 years.

A sensitivity analysis was conducted to evaluate the net present value of future tax increment revenue by assuming a *real* discount rate ranging from 0% to 4%. The real discount rate reflects the difference between the expected rate of inflation and the cost of infrastructure financing. If debt for the construction of the roundabout is not used (e.g., government issued loans or bonds) a zero-discount rate is appropriate. The preliminary findings indicate that the Waterfront URA or TIF district could be expected to support between $3.1 and $6.7 million in financing costs for roadway projects (**Exhibit 6**).

Exhibit 6: Waterfront District URA and Supportable TIF



Special Parking District Rate Surcharge

This local funding option assumes that the Port or City adopts a parking rate surcharge within the Waterfront District and pledges the supplemental revenue to roadway projects within the District. For analysis purposes, we have assumed there are 250 public parking spaces within the District, and conservative parking occupancy and turnover assumptions. As shown in **Exhibit 7**, it is estimated that an average parking rate surcharge of $0.99 to $1.99 could be expected to generate between $1 and $2 million

in supportable funding over 20 years. Note, actual hourly parking rate increases would be less than these amounts but have not yet been calculated.[1]

Exhibit 7: Waterfront District Parking Rate Surcharge Revenue

Parking Revenue Sensitivity Analysis	Annual Debt Service*	Avg. Parking Rate Surcharge**
$1,000,000	($90,756)	$ 0.99
$1,500,000	($136,135)	$ 1.49
$2,000,000	($181,513)	$ 1.99
Financing Assumptions		
Term	20	
Rate	6.5%	
****Parking Revenue Assumptions:***		
Public Parking Stalls	250	
Avg. Occupancy	50%	
Turnover per Stall	2.0	
Avg. # of paid stalls per day	250	
Days per year	365	
Paid stalls per year	91,250	

Development Agreement(s) with Half-Street Dedication (for 1st Street Improvements)

An exaction is a requirement that an owner give up a property right, such as an extra right-of-way, as a condition of approval of a land use decision. Local governments have the power to impose exactions based on zoning and regulatory power they possess. An exaction is constitutional if it complies with the test established in the landmark Dolan v. City of Tigard, 512 US 374, 114 Ct 2309, 129 L Ed 2d 304 (1994), which requires:

- The exaction must advance a legitimate public interest;
- The exaction must have an "essential nexus" to the state interest; and
- The exaction is "roughly proportional" to the impacts of the development being considered.

Dedications pertain to capital facility improvements that developers are required to construct, and in-turn dedicate to the public for its use and/or ownership. On occasion, exactions and dedications can be used in combination, such as the requirement that a developer construct a public sidewalk along a roadway fronting their property when "major" improvements to the property are made.

[1] Effects on the current "parking-related recreational immunity" policy that applies within the Waterfront District would need to be reviewed for consistency with this funding option.

Exactions and dedications are typically applied to "local facilities" such as streets and sidewalks or stormwater facilities that are directly related to a property being developed or improved. Other types of major public facilities, such as collector roads and water/sewer trunk lines and pump stations are better addressed (and funded) using one or more of the other funding techniques described herein.

This funding plan assumes that the Port and City require new development along 1st Street to dedicate a portion of a half-street facility improvement as a condition of future development. For analysis purposes, it is assumed that approximately 30% of the facility investment or value of the 1st Street realignment improvements is provided by the developer, who in turn may be reimbursed through one or more of the funding mechanisms identified.

Local Improvement District

Cities in Oregon have the statutory authority to establish local improvement districts and levy special assessments on the benefited property to pay for improvements. These are payable in annual installments for up to 30 years. LIDs are generally used for capital improvement projects that benefit numerous large tenants and/or private property owners. The formation of LID districts could be considered as a potential primary source of funding for Waterfront roadways because there will be guaranteed source of revenue to cover debt financing costs.

This preliminary analysis indicates that between $1 and $2 million in supportable debt could be financed through an LID on the four catalyst sites that ranges from $2.38 to $4.75 per square foot of land area (**Exhibit 8**). The formation of an LID would require the City to adopt an Engineer's Report and at least 50% of the affected property owners within the district to support it (typically through a signed letter of non-remonstrance).

Exhibit 8: Preliminary Waterfront LID Analysis

Sensitivity Analysis of Supplemental LID Revenue to City of Hood River, Waterfront Area

	Est. Lot Area (SF)	Est. Lot Area	LID Assessment Sensitivity Analysis @$1.0 M	@$1.5 M	@$2.0 M
Subtotal Lot 1	304,920	7.0	$512,000	$768,000	$1,024,000
Maritime Lot, Industrial	174,240	4.0	$293,000	$439,500	$586,000
Nichols Lot, Commercial	66,900	1.5	$112,000	$168,000	$224,000
Barman Lot, Hotel (80 rooms)	49,200	1.1	$83,000	$124,500	$166,000
Total	**421,020**	**13.7**	**$1,000,000**	**$1,500,000**	**$2,000,000**
			$2.38	**$3.56**	**$4.75**
			avg. cost per SF of land area		

LID Revenue Requirement Sensitivity Analysis	Annual Debt Service*	Avg. Annual LID Assessme
$1,000,000	($87,185)	$ 9,020
$1,500,000	($130,777)	$ 13,531
$2,000,000	($174,369)	$ 18,041
**LID Financing Assumptions*		
Term	20	
Rate	*6.0%*	

Reimbursement District

Similar to LIDs, cities can negotiate financing arrangements with developers or the Port, where the developers and/or Port agree to front capital improvements/investment within a designated zone of benefit. The developer/Port is then partially reimbursed as new land use development approvals are

granted within the district over a period that usually extends 15+ years. While reimbursement districts have been successfully utilized in Hood River in the past, there is no guarantee that future revenues will be as steady and reliable as with the LID or property tax assessments. As shown in **Exhibit 9**, a Reimbursement District with a $1 million in cost would require an average assessment of approximately $1.68 per square foot of land area for properties that develop within the designated time frame.

Exhibit 9: Preliminary Waterfront Reimbursement District Analysis

Sensitivity Analysis of a $1M	*$*	*1,000,000*	*assessment*
Reimbursement District	*$*	*1.68*	*per Sq.Ft. for participating properties*

	Est. Lot Area (Acres)	Full Benefit Allocation	Proj. Development Participation (Yrs. 1-15)	Proj. Special Assessment Revenue
Subtotal Lot 1	7.0	$ 512,000	75%	$ 384,000
Maritime Lot, Industrial	4.0	$ 293,000	75%	$ 219,750
Nichols Lot, Commercial	1.5	$ 112,000	75%	$ 84,000
Barman Lot, Hotel (80 rooms)	1.1	$ 83,000	75%	$ 62,250
Total	**13.7**	**$ 1,000,000**	75%	**$ 750,000**

Economic Improvement District

Cities may establish an Economic Improvement District (EID) to create additional revenue for targeted infrastructure improvements or enhanced operating/advertising services (e.g., special signage, lighting and landscaping at key gateways). EIDs require the formation of a special benefit district area, identification of improvements to be funded, along with an assessment mechanism and methodology report that is subject to approval by more than 33% of businesses within the district. In Oregon, most EIDs are limited to relatively small annual assessments and used to enhance maintenance and marketing activities. Preliminary analysis indicates that a special assessment based on existing building floor area could support between $1 and $2 million in funding, with an charge ranging from $30 to $0.76 per square foot of building floor area, respectively.

Transportation Utility Fees

Utility rates are a common way to raise local revenues to pay for required infrastructure facilities and operations but require approval and adoption by the City (or utility district) and must meet state and local regulations. The City of Hood River is in the process of considering adoption of a citywide TUR but any revenue that obtained is largely slated for street maintenance; hence this is an unlikely funding option for major water roadway capital projects.

Local Fuel Tax

Hood River has a local motor vehicle fuel tax of 5 cents per gallon on gasoline sold within the city. This tax was adopted by city ordinance in 2009 under Chapter 3.36 of the municipal code. The revenue from Hood River's local fuel tax is dedicated to transportation-related purposes, including street maintenance and improvements.

In Oregon, a city generally may impose a local motor vehicle fuel tax without a vote of the people unless its charter requires one, because Oregon law grants broad home-rule authority to cities. This funding option assumes that this local fuel tax is increased by a modest amount. However, the new tax

must be adopted by ordinance and structured in a manner consistent with state law. A reasonable planning-level estimate is that a $0.05 per gallon local fuel tax in the City of Hood River would generate approximately $150,000-$250,000 per year, depending on fuel sales within the city limits. However, given the recent increase in local fuel prices this funding option is not likely in the near term.

Summary of Local Funding Options

The following tables are provided for discussion purposes only.

Waterfront Roads Infrastructure Project: Preliminary Analysis of Funding Options

Technique	Description	Funding or Financing Target	Annual Requirement or Fee Increase	Notes
Port Bond or Debt Issue (Phase 1)*	Port issues debt to advance financing for construction of Phase 1 Roundabout	+/-$2.6 M	+/- $185,000	Assumes Port recoups funding through local and federal funding sources
Port Bond or Debt Issue (Phase 2)*	Port issues debt to advance financing for construction of Phase 1 Roundabout	+/-$10 M	+/- $712,000	Assumes Port recoups funding through local and federal funding sources
Citywide Transportation SDC Credits	City adopts TSDC Policy to dedicate funds to Waterfront projects	$1 to $2 M	no change	Assumes City updates TSDC Project list and costs without major change to TSDC rates
Waterfront TSDC Overlay Surcharge	City adopts new TSDC project list and subdistrict TSDC rates	$1 M	TSDC increase per trip from $2,786 to $5,260	Requires City to adopt new TSDC methodology report. Increases TSDC credits available to Port.
Special Parking Assessment Surcharge	City parking rate surcharge	$1 to $2 M	Parking surcharge = $1 to $2 per user	Requires City to adopt new parking rates and dedicate funds in Waterfront Dist.
Developer Dedications (1st Street Realignment)	Requires developers to dedicate "half-street" improvements or pay in lieu assessment	$2 to $3 M	tbd	Requires Development Agreement and street dedication as condition of approval
Reimbursement District*	City adopts new Latecomers Dist. in Waterfront	$1 M	Assessment = $2.80 tper SF of land area	Requires City to adopt Latecomers Dist. Engineer's Report, with advance financing agreement with Port
Waterfront Urban Renewal Area (URA) or TIF District**	Port and City readopt a URA with TIF capacity	$1 M to $2.7 M	tbd	Not likely given recent sunset of Waterfront URA
Update Citywide Transportation System Dev. Charge (TSDC)	City adopts new TSDC project list and citwide TSDC rates	$5 to $10 M	TSDC increase: $255 to $510 per ERU	Not likely until next major TSDC update
Local Improvement District*	City adopts new LID in Waterfront	$1 to $2 M	LID assessment = $2.80 to $4.75 per SF of land area	Requires City to adopt LID Engineer's Report, with advance financing agreement with Port
Economic Improvement District	City adopts and businesses support EID with special assessment	$1 to $2 M	tbd	Requires City to adopt and at least 33% of businesses to support EID

** assumes Port advances financing through funding agreement with City. LID or Reimbursemetn Dist. payments may be amortized over 15+ years.*

*** new Oregon legislation may allow Port to adopt a TIF through process similar to URA requirements.*

FCS, a Bowman Company. *Note: green and yellow shaded options may be worthty of further consideration in near term.*

Preliminary Evaluation of Local Funding Options

Waterfront Roads Infrastructure Project ***DRAFT***
Local Funding Options

Funding Technique	Evaluation Criteria: Near-term Funding Raised	Long-term Funding Raised	Flexible Funding	Ease of Imple-mentation	Ongoing Cost to Port	Ongoing Cost to City	Property / Business Impact	TOTAL SCORE
Port Bond or Debt Issue (LTGO)								
Citywide System Dev. Charge Credits (TSDC)								
System Development Charge Overlay (SDCs)								
Special Parking Assessment Surcharge								
Developer Dedications (1st Street Realignment)								
Reimbursement District*								
Economic Improvement District								
Local Improvement District*								
Urban Renewal Area (URA) or TIF District								

* assumes Port advances financing through funding agreement with City.

Legend

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November 17, 2026
FALL PLANNING

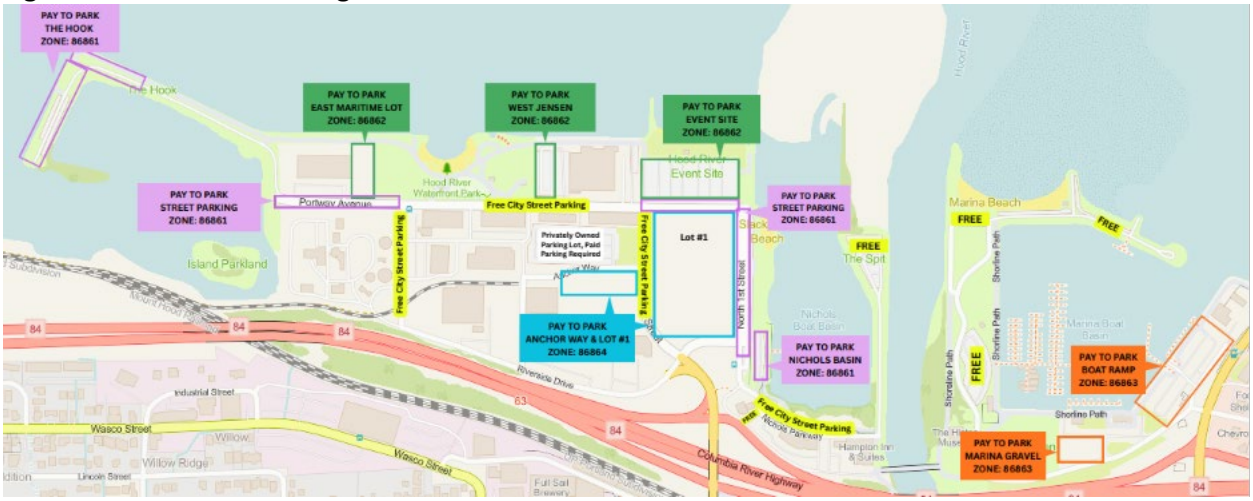
Discussion Topic:
2026 Parking Season Review and 2027 Electronic Annual Pass Consideration

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OVERVIEW:
Staff reviewed parking activity for the 2026 season (though October 31, 2026), including pay-to-park utilization, enforcement and appeals, and annual pass sales.

Figure 1 shows the parking zone locations. Zone 86862, which includes Maritime, West Jensen, and the Event Site, was the most utilized pay-to-park zone, followed by Zone 86861, which includes the Hook, 1st Street, Portway, and Nichols Basin. The Marina, Zone 86863, saw increased activity in September, consistent with peak fishing season, while Zone 86864, which includes Lot #1 and Anchor Way, was primarily used for event overflow. In 2026 (though October), the Port received $562,915.11 in parking revenue, which is an increase of 7% from 2025.

Figure 1: Waterfront Parking Zones



Note: Of the Port's approximately 865 waterfront parking spaces, 175 (20%) are free, while the remaining spaces are subject to pay-to-park requirements.

Between March and October, parking enforcement issued 2,534 citations, of which 531 (21%) were appealed. Of those appeals, 325 were accepted (61%) and 206 were declined (39%). The most common reasons for accepting appeals included failure to properly display a parking pass, followed by incorrect license plate entry or temporary license plates and proof of a valid parking session.

Annual pass sales totaled 852 in 2026, a slight decrease from 893 passes sold in 2025. Sales included 684 Waterfront regular-length vehicle passes, 147 Marina boat ramp/value passes, and 21 overlength vehicle passes. Currently, the Marina boat ramp/value pass is limited to two vehicle per pass, while Waterfront regular-length and overlength passes do not have a vehicle limit.

For the 2026 season, 393 of the 852 total passes sold were purchased online. Of those online purchases, 222 were made by Hood River/Mt. Hood residents, 38 by White Salmon/Bingen, WA residents, and the remaining 133 by individuals residing outside of Hood River County.

2027 Electronic Annual Passes
For the 2027 season, staff recommends transitioning to an electronic pass (e-pass) system for all three annual pass categories. Passes would continue to be available for purchase online or at the Port office and would be valid for the calendar year beginning January 1, 2027.

Under this proposed system, passes would be associated with registered vehicle license plates rather than physical permits. This would streamline enforcement, eliminate the need to display a physical pass and potentially reduce citation appeals associated with pass display.

Staff recommends allowing up to two vehicle license plates per pass, with Commission feedback requested on this proposal. The transition would include an annual software fee of $7,000 and a $5 per-pass purchase fee required by Passport.

DISCUSSION:
Staff is seeking Commission support for transitioning to electronic annual passes in 2027 and direction on the number of vehicles permitted to be registered under each pass.

- Does the Commission support implementing electronic annual passes for all three pass categories beginning in 2027?
- What vehicle registration limit should apply to annual passes, including staff's recommendation of up to two vehicles per pass?

ATTACHMENTS:
2026 Parking Season Presentation

2026 Port of Hood River Parking Overview



Presented by Emily Curtis

1

Parking Statistics

Timeframe	Revenue	Expenses*	Net Income
January 1- October 31, 2025	$528,818.71	$137,728.14	$391,090.57
January 1- October 31, 2026	$564,915.11	$68,995.34	$495,919.77

Positive 2025-2026 Growth: $104,829.20

*Total expenses include parking program operation expenses and exclude overhead/internal charges.
Passport and ParkMobile paid parking software went into effect March 1, 2026.

Port of HOOD RIVER

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Pay-to-Park Season Overview

March 1- October 31, 2026

Zone	Transactions	Revenue
86862 - Maritime, West Jensen, Event Site	23,526	$157,448.25
86861 - The Hook, Street Parking, Nichols Basin	18,242	$101,826.30
86863 – Marina Boat Ramp, Marina Gravel	2,998	$25,167.80
86864 - Anchor Way & Lot #1	1,558	$10,246.15

ParkMobile Total Parking Revenue

$156,067.75

Passport Total Parking Revenue

$138,620.75

Combined Revenue Total

$294,688.50



Note: Of the Port's approximately 865 waterfront parking spaces, 175 (20%) are free, while the remaining spaces are subject to pay-to-park requirements.

Port of HOOD RIVER

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Citations & Appeals

March 1- October 31, 2026

Number of Citations Issued: 2,534

Number of Citation Appeals: 531

Accepted: 325; Declined: 206

Number of Paid Citation: 1,528 (60%)

Total Citation Revenue: $87,821.13

Violation Type	Fee	Number Issued
Non-Payment	$50	2077
Unauthorized Space	$50	252
After Hours	$90	135
Prohibited Space	$75	70

Appeal Approval Breakdown

Appeal Approval Reasoning	Total Approved Appeals	Percentage
Failure to Display Pass	77	24%
License Plate Entry Error	68	21%
Proof of Valid Parking Session	56	17%
Miscellaneous (Loading Zones, Event/ Concession Confusion, Poor parking etiquette, Overnight)	37	11%
In Process of Completing Payment at Time of Citation	26	8%
Extension Courtesy	24	7%
Inadequate Signage	17	5%
Overlength Courtesy	10	3%
Parking Enforcement Error	7	2%
System Error	3	1%
Total	325	

Port of HOOD RIVER

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2026 Pass Sales

Pass Type	Price	Number Purchased	Revenue
Regular	$225.00	684	$153,900.00
Marina Boat Ramp/ Value	$125.00	147	$18,375.00
Overlength	$350.00	21	$7,350.00
Total	-	852	$179,625.00

Pass Printing Cost: ~$2,200

Postage Cost: ~$450

Port of HOOD RIVER

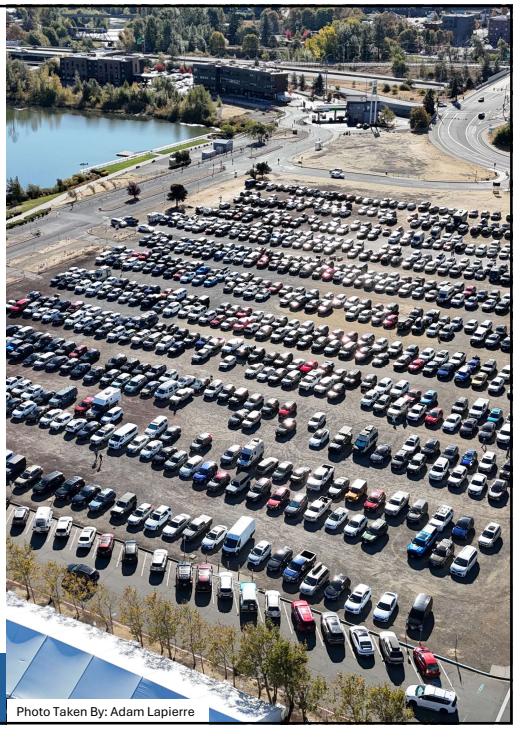


Photo Taken By: Adam Lapierre

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November 17, 2026
FALL PLANNING

Discussion Topic:
Marina Infrastructure Assessment

OVERVIEW:
As an extension of the Strategic Business Plan, the Port developed a Marina Basin Master Plan to guide future improvements in the Marina Basin. The Master Plan identifies conceptual in-water improvements, including extending existing docks for increased moorage slips. The Master Plan was presented at the November 12th Community Showcase event and is being considered for final adoption at the Commission's November 17 meeting.

Implementation of the Master Plan will require balancing investments in the maintenance of existing marina infrastructure with improvements that expand moorage capacity and support revenue generation. The Assessment is envisioned to have two primary components, with the intention to support strategic capital investment decisions and the marina's long-term financial sustainability.

1. Marina Asset Management and Maintenance Plan – This would identify the investments and ongoing operations and maintenance needed to preserve existing infrastructure and extend its useful life, including prioritizing urgent repairs and distinguishing improvements that can be reasonably deferred.
2. Marina Improvements – This would define what engineering work, infrastructure, approvals and capital investments would be necessary to construct the in-water improvements envisioned in the Master Plan, including extending existing docks and constructing new moorage facilities.

The Port of The Dalles recently completed a Marina Condition Assessment in September 2026 that serves as a reference for this potential effort. The assessment includes above-water and underwater inspections of marina infrastructure, evaluation of structural conditions, identification of deficiencies, and prioritized maintenance and repair recommendations. The report also provides condition ratings for major marina components and recommendations for future inspections and infrastructure replacement planning.

DISCUSSION:
Staff seek Commission feedback on the potential Marina Infrastructure Assessment, including:

- What value does the Commission see in this Assessment to guide future marina maintenance and capital investments?
- What are the Commission's priorities for the proposed assessment?
- How should the Port approach the timing and potential phasing of this work in relation to other Port priorities?

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November 17, 2026
FALL PLANNING

Discussion Topic:
Commemorative Donation Policy

OVERVIEW:
The Port of Hood River's current Commemorative Donation Policy was adopted on June 25, 2024. To date, benches have been the primary choice for commemorative donations, though commemorative plaques are also available as an option. Available space for additional benches is becoming limited, prompting staff to review potential alternatives and the future administration of the donation program.

Figures 1, 2, and 3 (attached) identify existing bench locations, potential locations for additional benches, and current bike rack locations. These maps provide context for evaluating available space and potential options for future commemorative donations.

Additionally, the Port of Hood River Foundation has expressed interest in overseeing the commemorative donation program while continuing to coordinate with Port staff to ensure proposed donations, locations, and installations are appropriate for Port property and operations.

At the October 20, 2026, Commission meeting, public comment was received regarding a proposed commemorative bench donation and an alternative location. This example highlights the importance of establishing clear placement criteria and a consistent process for evaluating proposed donations and requested locations.

DISCUSSION:
With available space and the need for additional benches becoming limited, staff is seeking Commission feedback on the commemorative donation program. Discussion topics include identifying alternatives to bench donations, evaluating available locations, and considering the Port of Hood River Foundation's potential role in overseeing the program in coordination with Port staff.

Staff is also seeking direction on how proposed donation locations should be reviewed and approved to ensure they align with Port property needs, operational requirements, and the intent of the existing policy.

ATTACHMENTS:
Current Commemorative Donation Policy
Donation Application
Donation Maps: Figure 1, Figure 2, & Figure 3

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PORT OF HOOD RIVER

Resolution No. 2024-25-6

A RESOLUTION ADOPTING A DONATION POLICY

WHEREAS, the Port of Hood River can receive donations that are tax deductible under IRC 170(c)(1); AND

WHEREAS, the Commission desires to maintain control over who can solicit donations on behalf of the Port; AND

WHEREAS, best practice is to have a donation policy; NOW THEREFORE

THE PORT OF HOOD RIVER BOARD OF COMMISSIONERS RESOLVES AS FOLLOWS:

Section 1. The donation policy contained in Exhibit A is adopted to guide the donations process for the Port of Hood River, and

Section 2. All other duplicative or opposing resolutions are hereby repealed.

Adopted by the Board of Commissioners of the Port of Hood River this 17th day of September, 2024.

SIGNED Signed by: Kristi Chapman 00DEADE439F8421...

Kristi Chapman, President

ATTEST DocuSigned by: Mike Fox 1D968775DD2542A...

Michael Fox, Secretary

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PORT OF HOOD RIVER
DONATION POLICY

PURPOSE

The Donation Policy articulates the policies, goals, and major objectives which will guide the Port in receiving donations from the general public.

Policy

The Port of Hood River may receive donations in support of the Port's public properties and special events. The Port reserves the right to accept or decline any gift, donation, endowment, bequest, or trust. When funds are donated for specific purposes, the amount and nature of the related expenditure should be approved in advance by the Port. All gifts (money or property) become sole property of the Port. Donations may be tax deductible as provided by law. Port staff can issue a receipt for tax purposes but cannot appraise the value nor put a dollar valuation on any noncash donation. For the protection of the donor, it is recommended that such appraisals be done by a qualified party before bringing donations to the Port.

No one may solicit donations on behalf of the Port without prior Port approval.

Payment Options

The Port accepts cash, checks, and credit cards for "cash" donations. Noncash donations must be approved in advance by the Port.

For special events, the Port may authorize certain non-staff citizens to collect donations on behalf of the Port. Those authorized persons may only collect checks directly from citizens. Checks should be written to "Port of Hood River". Anyone wishing to donate cash or via credit card should be directed to the Port administrative office. A receipt will be provided immediately upon receipt of cash or credit card payments. People donating money via checks will receive a receipt from the Port via mail. Only Port staff are authorized to provide official receipts for donations.

Businesses wishing to provide sponsorships for a special event should follow the same guidelines as donations.

Tax Deductions
Donations to the Port are generally tax deductible under IRC 170(c)(1). Donor income, and possibly other circumstances, can affect the deductibility of a charitable contribution. If a donor has questions regarding the deductibility of a specific contribution they should contact a licensed tax preparer.

Responsibility

The Finance Director manages the donation policy with oversight from the Executive Director.

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Port of
HOOD RIVER

DONATION APPLICATION FORM

For Benches, Plaques, or Other Donated Items

Thank you for your interest in contributing to the Port of Hood River. This form is for individuals or groups wishing to donate a bench, plaque, or other item to be placed on Port property.

APPLICANT INFORMATION

Name: _____

Organization (if applicable): _____

Phone Number: _____

Email Address: _____

Mailing Address: _____

DONATION DETAILS

☐ Bench – *See Guidelines on the back of this form.*

☐ Plaque – *See Guidelines on the back of this form.*

☐ Other (please describe): _____

Proposed Location (if known): _____

Preferred Installation Date (if any): _____

TERMS AND CONDITIONS

1. All donations become the property of the Port of Hood River upon installation.
2. The Port reserves the right to move or remove the item at any time.
3. The Port is not responsible for damage, theft, or loss of donated items.
4. Maintenance of donated items is at the discretion of the Port.
5. Final approval of item design, wording, and placement is subject to Port staff review.

You can review the full Port Donation Policy here: https://www.portofhoodriver.com/administrative-policies

ACKNOWLEDGMENT

By signing below, I confirm that I have read and understand the above terms and agree to donate the specified item under these conditions.

Signature: _____ Date: _____

BENCH & PLAQUE DONATION GUIDELINES

1. **Request a New Bench Location**
    - Style must match existing benches in the area
    - Cost: current bench price online + shipping (the last bench ordered in 2026 was approximately $2,650 not including the plaque)
    - Donor is also responsible for the cost of the plaque and the concrete pad

Please Note: Bench donations for The Hook are not being accepted at this time due to congestion and limited space.

STAFF APPROVAL SECTION

☐ **APPROVED**	☐ **DENIED**
Approved by: _____ Approval Date: _____ Final Cost: _____ Location Approved: _____ Installation Date (if applicable): _____ Other Notes: _____	Denied by: _____ Denial Date: _____ Reason for Denial: _____

Figure 1: Marina Basin Donation Location Map



Figure 2: Event Site & Nichols Basin Donation Location Map



Figure 3: Waterfront Trail & The Hook Donation Location Map



November 17, 2026
FALL PLANNING

Discussion Topic:
Key Development Agreement: Future Port Involvement

Key Development & Asset Management has submitted its annual report regarding the remaining development of Re-Plat Parcel 2 at the former Expo property. The report provides an opportunity for the Commission to consider both the development timeline and the larger question of what continued Port involvement should accomplish. As circumstances change and portions of a project are completed, it is appropriate to revisit whether the structure established to advance the original public objectives remains the most effective way to support them.

According to Key Development's report, development of Re-Plat Parcel 1 is complete and occupied, consisting of two 17,000-square-foot buildings connected by a 4,000-square-foot plaza. The Ninth Amendment acknowledged that this work satisfied the agreement's job creation and waterfront investment objectives. Re-Plat Parcel 3 has also been completed as parking serving the project. Re-Plat Parcel 2 remains vacant and landscaped, with maintenance provided by Key Development. The approved development scope for that parcel ranges from a minimum of 15,000 square feet to a maximum of 40,000 square feet.

The current agreement establishes June 7, 2027, as the deadline to commence construction on Re-Plat Parcel 2, unless extended by mutual written agreement. Key Development reports that construction costs, financing costs, achievable rents, and uncertainty surrounding applicable development standards have prevented the remaining project from becoming financially feasible. Its preliminary analysis estimates a total development cost of approximately $16.8 million to $23.4 million for the previously contemplated buildings. Key Development estimates that rents of approximately $51 to $70 per rentable square foot annually would be necessary to support that investment, compared with its estimated achievable rents of $18 to $22 per square foot annually. These figures represent the developer's assessment and explain its position that speculative construction is not currently viable.

Key Development also identifies a mismatch between the previously designed buildings and the tenant uses it understands to be permitted under the applicable zoning. Much of the proposed rentable area is on upper floors suited to office occupancy, while the report describes office use as principally limited to uses accessory to light industrial activity. Key Development maintains that this combination produces construction costs associated with a waterfront office project without access to a tenant base capable of supporting those costs. It continues to market the parcel for light industrial and build-to-suit opportunities and states that it would commence construction within 12 months after securing a qualified tenant commitment for at least 50 percent of the first building, subject to permitting.

The developer has requested an extension of the construction commencement deadline to June 7, 2030, with annual reporting continuing and all other agreement terms unchanged. That request would extend the existing deadline by three years. The Commission may also wish to consider a longer extension of five years, a shorter extension with a defined opportunity for reassessment, or whether the Port's involvement in directing the remaining development has reached a reasonable conclusion.

The underlying policy question is how the Port should balance its responsibility to advance public objectives with the discretion a private owner needs to respond to market conditions. Continued involvement may be appropriate if the agreement preserves a meaningful public benefit that would otherwise be lost. An extension could provide time for a viable project to emerge while retaining reporting and accountability. A shorter term could allow the Commission to revisit the property as market conditions and development standards become clearer. A longer term could provide greater certainty and reduce repeated negotiations over a project whose timing remains dependent on tenant demand and financing.

Alternatively, the Commission may determine that the completed investment has fulfilled the central purpose of the Port's original participation and that responsibility for the remaining development should now rest with Key Development. Under that approach, staff could explore an agreed closeout or release of the remaining development obligations, allowing Key Development to determine the property's future course within applicable land-use requirements. The scope of any closeout would need to be clearly established so the Commission understands which Port rights and obligations would conclude and whether any should remain.

This discussion is ultimately about the purpose of continued public involvement. The existence of an agreement provides an opportunity for oversight, but the value of that oversight depends on what it can reasonably achieve. The Commission's consideration should focus on whether retaining a role in the remaining development will materially advance the Port's mission, whether additional time is likely to produce a better outcome, and whether there is a point at which allowing private ownership to carry the project forward becomes the appropriate next step.

RECOMMENDATION: Discussion

November 17, 2026
FALL PLANNING

Discussion Topic:
Property Portfolio, Landholdings, Use and Planning Considerations

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The Port of Hood River's property portfolio extends well beyond its familiar commercial buildings, airport, and marina facilities. The updated inventory contains 51 entries encompassing individual tax lots, building-related accounts, industrial sites, waterfront property, public access corridors, open space, submerged lands, and holdings in neighboring counties. These entries do not represent 51 separate facilities. Several parcels operate together as a single property, while other entries identify smaller supporting areas or separately assessed portions of larger holdings. Viewed together, the inventory provides a more complete understanding of the land the Port owns, the purposes it serves, and the responsibilities associated with its continued ownership.

A substantial portion of the portfolio is concentrated along the Hood River waterfront, where income-producing buildings are interspersed with marina facilities, public spaces, undeveloped parcels, and access infrastructure. The principal commercial and industrial properties include the Maritime Building at 910 Portway Avenue, listed on approximately four acres; the Jensen Building at 400 Portway Avenue, on approximately 3.5 acres; and the Halyard Building, identified in the inventory at 709 N. 8th Street, on approximately 1.28 acres. The Big 7 Building at 616 Industrial Street appears under two tax lots with listed acreages of approximately 0.67 and 0.89 acres, including an entry identified as the assessable portion. The portfolio also includes the Wasco Building at 205 Wasco Loop on approximately 0.75 acres and Wasco 2 at 200 N. Wasco Court on approximately 0.32 acres. These properties form an important part of the Port's business and employment infrastructure, although their individual tax-lot records do not always correspond directly to the boundaries of a building or its operating area.

The waterfront inventory also includes several larger landholdings and smaller adjoining parcels that are less readily recognized by a building name. Three entries are associated with Lot 1 and Nichols Basin: the property identified as Warehouse #1 at 403 N. 2nd Street, listed at approximately 2.99 acres; the Old Jucho Building property at 113 Portway Avenue, at approximately 7.06 acres; and an additional Nichols Basin parcel of approximately 3.4 acres. Nearby holdings include the approximately 0.96-acre Anchor Way lot and a roughly 0.35-acre parcel between the Maritime Building and Waterfront Park. The inventory further identifies six smaller parcels in the Barmen area, including land south and west of Barmen and parcels associated with 151 N. 2nd Street. Their listed acreages total approximately 1.24 acres. Individually, these properties may appear minor, but their locations relative to adjoining buildings, streets, and waterfront areas make them relevant to broader planning and property management decisions.

The marina holdings illustrate the importance of distinguishing a named facility from the full extent of its underlying parcel. The tax lot identified as "Marina – Marina East, West" is listed at approximately 193.53 acres, representing a much larger holding than the buildings themselves. Marina Green is identified separately at approximately 2.9 acres, and the Port office property has its own entry. The office record contains approximately 12.05 mapped acres but zero acres in the tax-lot acreage field, an inconsistency that should be resolved before including it in any overall acreage calculation. Large waterfront parcels may encompass water areas and multiple uses, so their acreage should not be interpreted as available upland or developable land.

Other waterfront and natural-area holdings include The Hook, Island Parkland, submerged lands, and portions of the Indian Creek Trail corridor. The Hook is listed at approximately 63.69 tax-lot acres, although its mapped acreage is substantially larger. Island Parkland is listed at approximately 4.5 acres. The inventory identifies approximately 35.9 acres of submerged land in the Viento area and approximately 6.32 acres of submerged land in the Columbia River area. Three Indian Creek Trail parcels, described as creek and ditch areas, total approximately 3.2 tax-lot acres. These holdings serve a different role from the Port's leased buildings and industrial sites and should be evaluated with attention to their public access, recreational, environmental, and maintenance functions.

The list also includes property associated with streets and connections between larger holdings. These entries include an approximately 1.08-acre Portway Avenue street parcel, the southern portion of 8th Street with no acreage provided, an approximately two-acre lot next to the underpass, and a roughly 0.30-acre parcel identified as the west-side pedestrian bridge access point. Such parcels help explain the Port's ownership pattern and demonstrate that its real estate responsibilities include supporting infrastructure and access areas in addition to buildings and larger tracts of land.

Away from the waterfront, the airport portfolio includes properties along Tucker Road, Orchard Road, Air Museum Road, and Airport Drive. The inventory identifies seven primary airport parcels, along with separate entries for the Yellow, Hoby, and Heli hangars; the White Hangar is identified with the larger Airport Drive parcel. Some Orchard Road holdings carry agricultural or farm-deferral classifications, showing that the airport portfolio includes land beyond the immediately recognizable aviation facilities. Differences between mapped acreage and tax-lot acreage, together with the separate hangar entries, mean that these records should be reconciled before presenting a combined airport land total.

The Port's inland industrial holdings include Weber Business Park, the Timber Incubator Building, and the Lower Mill properties. Weber Business Park is identified as a three-acre parcel at 3790 Eagle Loop, while the Timber Incubator Building at 3875 Heron Drive is listed on approximately 1.02 acres. The Lower Mill inventory consists of four parcels at 3041 Lower Mill Drive and 3297, 3301, and 3335 Neal Creek Mill Road. Their listed acreages total approximately 10.94 acres. These properties should remain identifiable within the larger portfolio because their location, use, and potential disposition differ from those of the waterfront and airport holdings.

Of particular significance are the Port's two Mosier properties in Wasco County. Tax Lot 600, associated with county account 13725, is listed in the spreadsheet at 59.66 acres, while Tax Lot 400, associated with account 240, is listed at 8.74 acres, producing a combined spreadsheet total of 68.40 acres. County GIS calculates the same two parcels at approximately 57.78 and 8.82 acres, respectively, for a combined total of approximately 66.60 acres. This difference helps explain the reference to approximately 66 acres, but the authoritative acreage should be confirmed before either figure is used for a transaction or formal property determination. Both parcels are identified in the inventory as vacant Port property. Their size makes them a substantial part of the Port's landholdings outside Hood River County, and a fuller evaluation should establish their access, physical conditions, current use, restrictions, and relationship to the Port's long-term objectives. Staff recommends having an appraisal done on the property to determine its value before any decision is made as to handle the property moving forward. The inventory also identifies a Hood River Bridge parcel in Klickitat County, Washington, without an acreage figure.

The accompanying maps connect these inventory entries to their geographic locations and show how individual parcels relate to larger operating areas. County parcel geometry was matched to 43 of the 51 entries. The remaining eight entries are retained in the register, with the absence of a matched boundary clearly identified. The maps and inventory together provide a foundation for understanding the portfolio, while also identifying where further clarification is needed. The next step is to connect each holding to a defined purpose, confirm

acreage and boundaries where records differ, and establish the costs, obligations, and opportunities associated with continued ownership. That work will allow the Port to consider its properties as a coordinated portfolio while recognizing the distinct role of each building, landholding, public space, and supporting parcel. Staff is also working with the title company to identify properties on which the Port may hold a right of first refusal that is not reflected in current records. This effort includes determining the scope and cost of conducting individual title searches for properties previously sold by the Port of Hood River. Once the proposed scope and pricing are available, staff will return to the Commission with that information and seek directions on how to proceed.

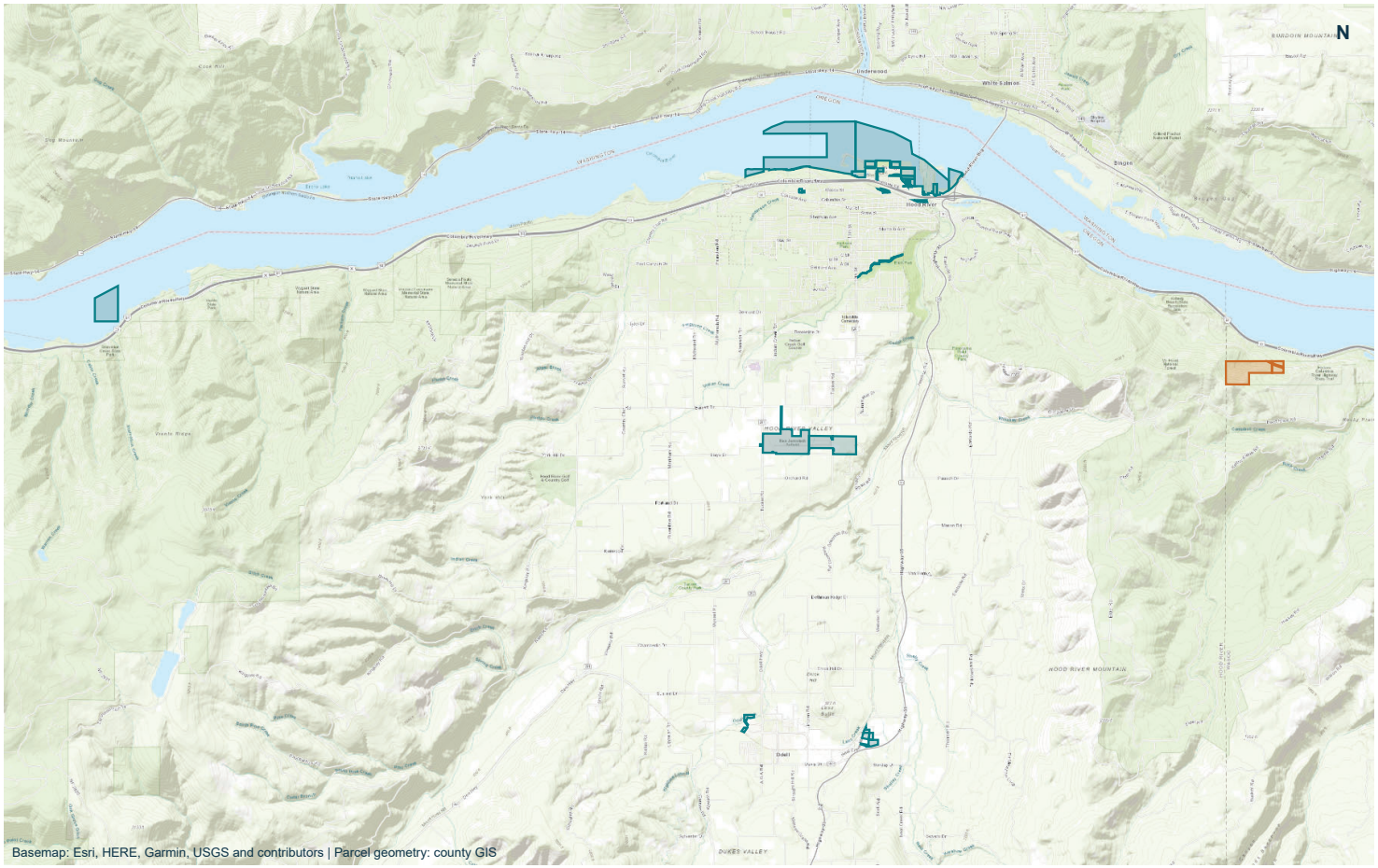
RECOMMENDATION: Discussion

ATTACHMENTS:
Map Atlas

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Regional ownership overview

All matched inventory parcels; detailed maps and parcel register follow.



Hood River County matched parcels

Mosier matched parcels

How to read the atlas

Teal areas are matched Hood River County tax lots. Orange areas are the two Mosier tax lots. Numbers on detail maps link to the complete spreadsheet register.

What is covered

43 of 51 entries have matched county parcel geometry. Unmatched entries are retained and explicitly identified in the register.

Why acreage varies

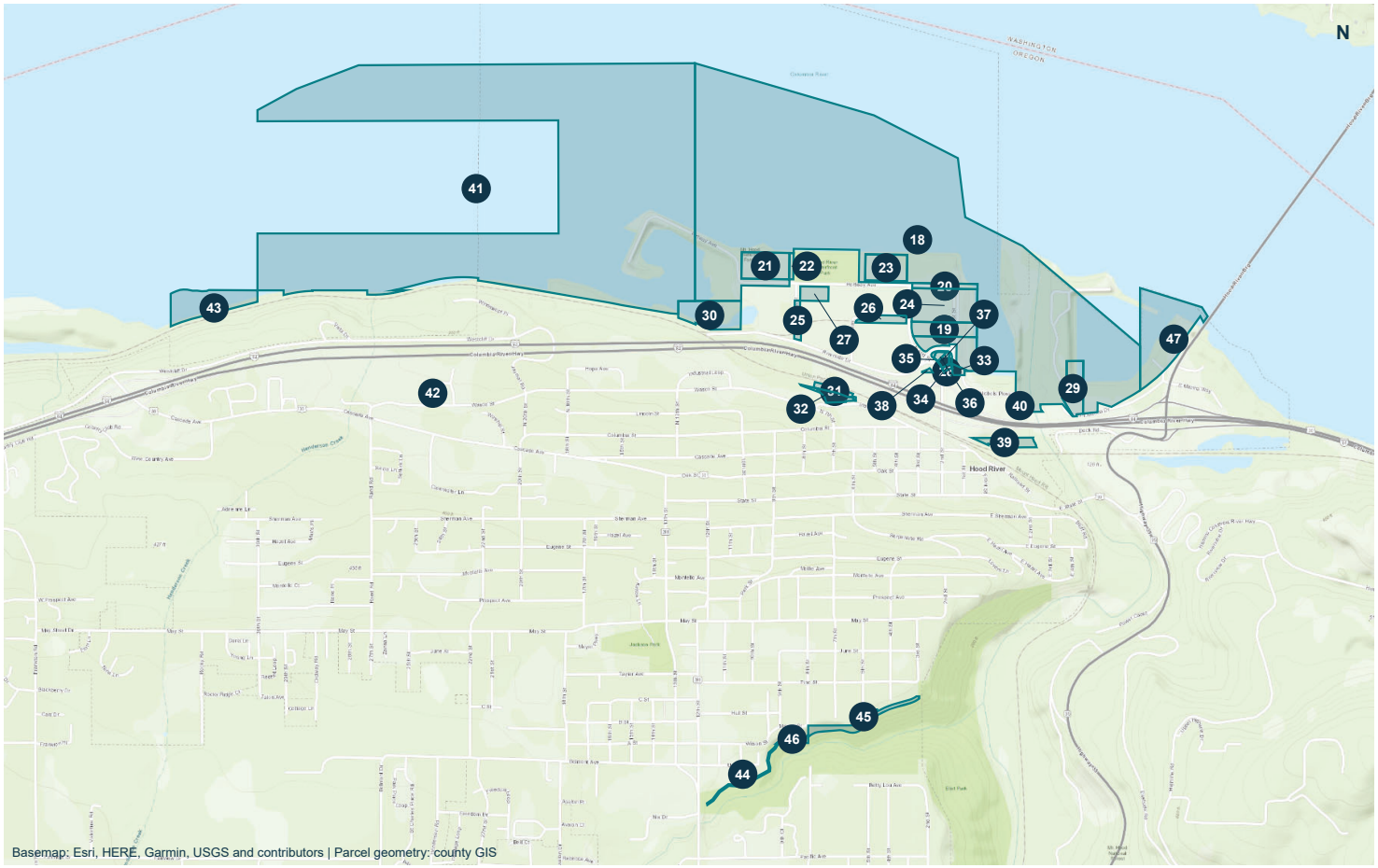
Spreadsheet tax-lot acreage and GIS polygon acreage use different measures. No combined portfolio acreage is presented.

Bridge property

The Klickitat County bridge parcel is listed in the register; its parcel boundary has not been verified and is not shaded.

Waterfront, marina and public access

Map numbers refer to the parcel register on pages 5-6.



Hood River County matched parcels

Mosier matched parcels

Buildings and business sites

Maritime, Jensen, Halyard, Big 7, Wasco and Wasco 2 sit among larger waterfront and access holdings.

Waterfront land

Nichols Basin / Lot 1, Anchor Way, Barmen parcels, Marina Green, island parkland and The Hook appear as separate tax lots.

Public access and water

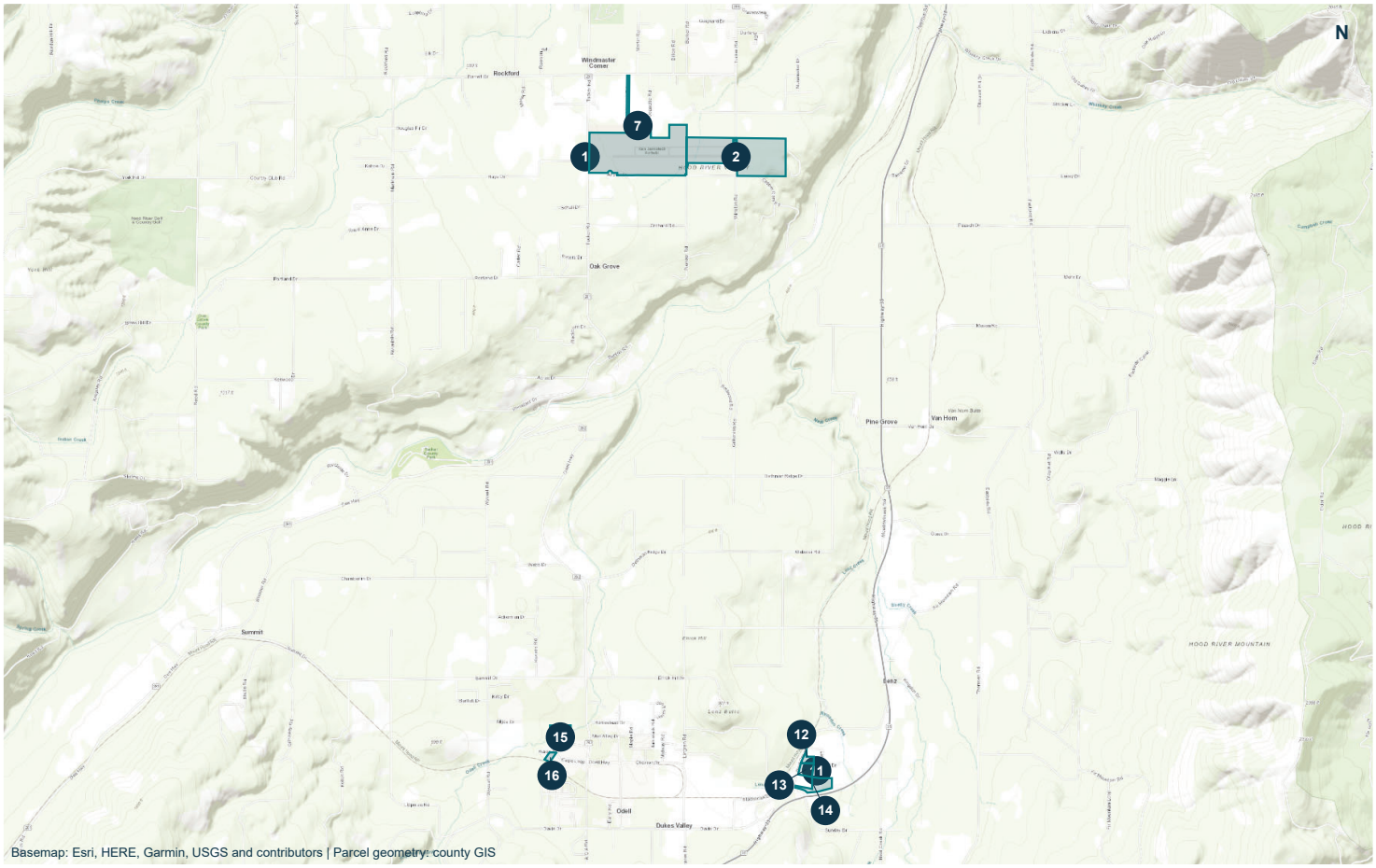
Street parcels, pedestrian bridge access, Indian Creek Trail and Columbia-area submerged land are part of the inventory.

Boundary interpretation

A large parcel may include water or several operating uses. Its outline is not a building footprint.

Airport, Lower Mill and Weber area

Mapped parcels are shown; unmatched airport entries remain in the register.



Hood River County matched parcels

Mosier matched parcels

Airport holdings

The inventory includes Tucker Road, Orchard Road, Air Museum Road and Airport Drive properties, plus White, Yellow, Hoby and Heli hangar entries.

Lower Mill

Four spreadsheet parcels total 10.94 tax-lot acres: 3041 Lower Mill Drive and 3297, 3301 and 3335 Neal Creek Mill Road.

Weber / Timber

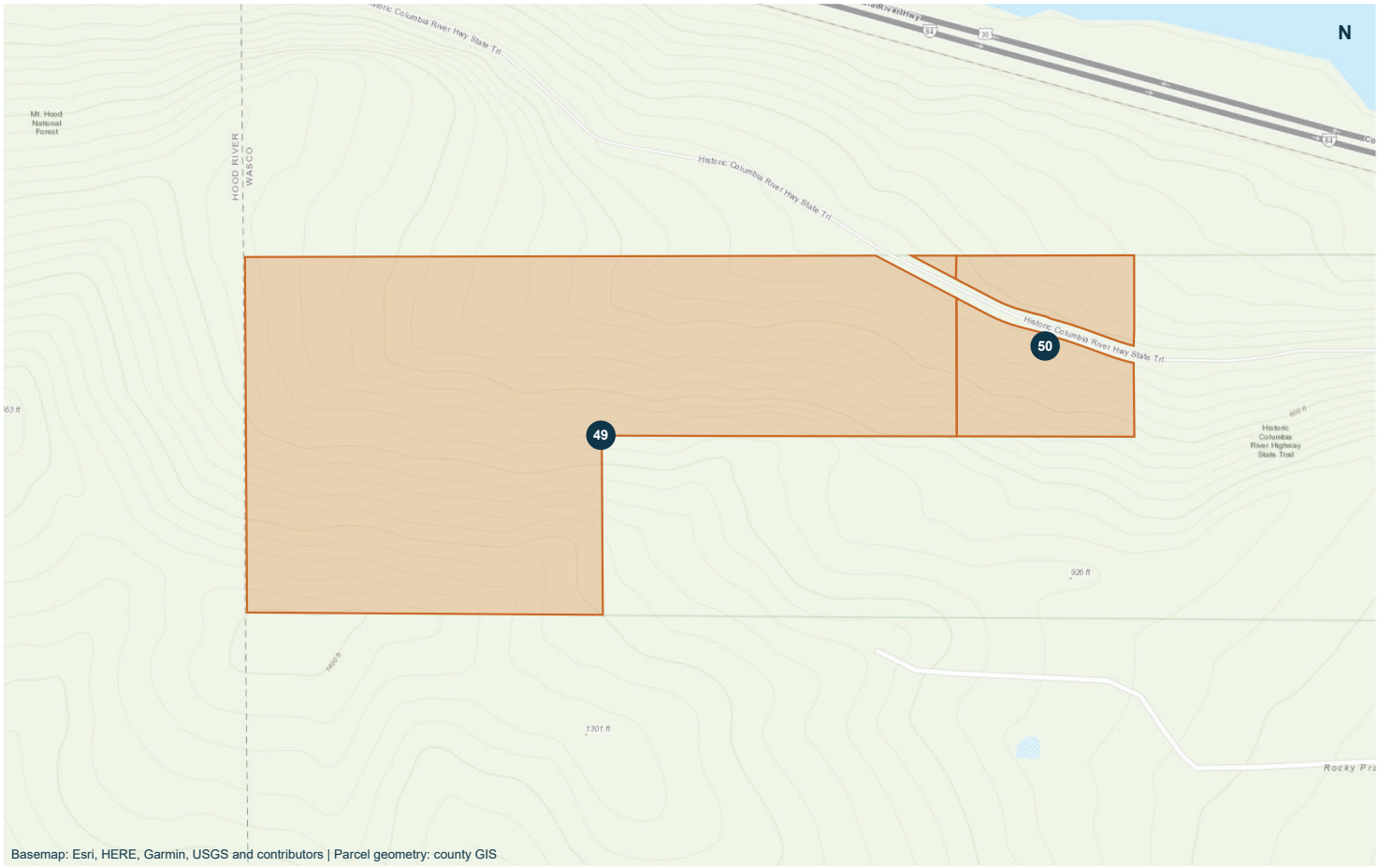
Weber Business Park is listed at 3.00 acres. Timber Incubator is listed at 1.02 acres at 3875 Heron Drive.

Unmatched airport records

Some spreadsheet airport parcels could not be matched to current county geometry. They are not given invented boundaries.

Mosier holdings | Wasco County

Two vacant Port parcels, identified by county account numbers.



Hood River County matched parcels

Mosier matched parcels

Spreadsheet acreage

Tax Lot 600: 59.66 acres
Tax Lot 400: 8.74 acres
Combined: 68.40 acres

County GIS acreage

Tax Lot 600: 57.78 acres
Tax Lot 400: 8.82 acres
Combined: 66.60 acres

Identification

Tax Lot 600: account 13725
Tax Lot 400: account 240
County GIS taxpayer: HOOD RIVER PORT OF

Discussion point

The 66 acres is close to GIS-calculated acreage.

Parcel register | Airport to waterfront

Every entry from the Updated List 2026 worksheet; acreage is the spreadsheet TAXLOT_ACR field.

Map #	Property / inventory name	Tax lot	Acres	Map status
1	Airport	02N10E10A05000	0.23	Mapped
2	Airport	02N10E11A01000	8.42	Mapped
3	Airport	02N10E11A01100	11.78	Boundary not matched
4	Airport	02N10E11A02200	19.92	Boundary not matched
5	Airport	02N10E11B02501	17.95	Boundary not matched
6	Airport	02N10E11B02503	14.86	Boundary not matched
7	Airport - White Hangar	02N10E11B02600	38.46	Mapped
8	Airport - Yellow Hangar	02N10E11B02600 A1	0.84	Hangar entry; no separate outline
9	Airport - Hoby Hangar	02N10E11B02600 A2	0.18	Hangar entry; no separate outline
10	Airport - Heli Hangar	02N10E11B02600 A4	-	Hangar entry; no separate outline
11	Lower Mill	02N10E25B01011	1.92	Mapped
12	Lower Mill	02N10E25B01015	1.40	Mapped
13	Lower Mill	02N10E25B01017	2.81	Mapped
14	Lower Mill	02N10E25C00902	4.81	Mapped
15	Weber Business Park	2N10E27A001900	3.00	Mapped
16	Timber Incubator Bldg	02N10E27A01909	1.02	Mapped
17	Submerged Land (Viento Area)	03N09E00400	35.90	Mapped
18	Marina - Marina East, West	03N10E2500100	193.53	Mapped
19	Lot 1/Nichols Basin (Warehouse #1)	03N10E2500102	2.99	Mapped
20	Street (Portway Ave)	03N10E2500109	1.08	Mapped
21	Maritime Bldg	03N10E2500112	4.00	Mapped
22	Between Maritime and Waterfront Park	03N10E2500113	0.35	Mapped
23	Jensen Bldg	03N10E2500114	3.50	Mapped
24	Lot 1/Nichols Basin (Old Jucho Bldg)	03N10E2500115	7.06	Mapped
25	SO. PORTION 8TH STREET PORT OF HOOD RIVER	3N10E250000123	-	Mapped
26	Anchor Way Lot	03N10E2500128	0.96	Mapped

Parcel register | Waterfront to neighboring counties

Every entry from the Updated List 2026 worksheet; acreage is the spreadsheet TAXLOT_ACR field.

Map #	Property / inventory name	Tax lot	Acres	Map status
27	Halyard Bldg	03N10E2500124	1.28	Mapped
28	Lot 1/Nichols Basin	03N10E2500133	3.40	Mapped
29	Marina - Marina Green	03N10E2500200	2.90	Mapped
30	Island Parkland	03N10E2500402	4.50	Mapped
31	Big 7 Bldg	03N10E25CD00100	0.67	Mapped
32	Big 7 Bldg - ASSESSABLE PORTION	03N10E25CD00101	0.89	Mapped
33	Lot South of Barman	03N10E25DB00500	0.32	Mapped
34	Barmen (Lot 900)	03N10E25DB00600	0.13	Mapped
35	Barmen (Lot 900)	03N10E25DB00700	0.28	Mapped
36	Barmen (Lot 900)	03N10E25DB00800	0.20	Mapped
37	Barmen (Lot 900)	03N10E25DB00900	0.20	Mapped
38	Lot West of Barmen	03N10E25DB01000	0.11	Mapped
39	Lot next to underpass	03N10E25DC07600	2.00	Mapped
40	Ped Bridge Access Point - West Side	03N10E25DC07700	0.30	Mapped
41	The Hook	03N10E2600100	63.69	Mapped
42	Wasco Bldg	03N10E26CA02700	0.75	Mapped
43	Submerged Land (Columbia Area)	03N10E2700300	6.32	Mapped
44	Indian Creek Trail (Creek Area)	03N10E36CB00200	0.64	Mapped
45	Indian Creek Trail (Ditch Area)	03N10E36BD10800	1.96	Mapped
46	Indian Creek Trail (Ditch)	03N10E36BC12500	0.60	Mapped
47	Marina - Port Office Building	03N11E3000100	0.00	Mapped
48	Wasco 2 Bldg	03N10E26CA03200	0.32	Mapped
49	Mosier Property Tax Lot 600	02N11 E03 00600 00	59.66	Mapped
50	Mosier Property Tax Lot 400	02N11 E03 00400 00	8.74	Mapped
51	HR Bridge	3102500009900	-	Boundary not matched

Sources and interpretation

A map for explaining the inventory and identifying follow-up questions.

Hood River County geometry

County public Tax Lot Parcels service, layer 54. Matched using tax-lot identifiers with limited format normalization. No unmatched record is assigned a guessed boundary. Several airport records are absent from the retrieved current county layer.

Wasco County geometry

County Taxlots Feature Server, layer 0. Mosier properties matched by Account Number 13725 and 240; GIS identifiers are 2N 11E 3 600 and 2N 11E 3 400. County calculated acreage differs from spreadsheet acreage.

Separate entries and overlap

Hangar and assessable-portion entries may relate to larger underlying properties. Do not add all row acreages without checking for overlap. The Port office has zero tax-lot acreage but nonzero mapped acreage in the spreadsheet.

Use and limitations

The shaded areas are county GIS representations, not surveyed boundaries, title confirmation, buildable-area estimates or an assessment of development rights. This atlas depicts the supplied inventory; it does not independently certify ownership or transaction status.

Public GIS sources

Hood River County: services7.arcgis.com/xtfQPw7zwSRPkcfN/arcgis/rest/services/Tax_Lot_Parcels_Public/FeatureServer/54
Wasco County: public.co.wasco.or.us/gisserver/rest/services/Taxlots/FeatureServer/0
Basemap: server.arcgisonline.com/ArcGIS/rest/services/World_Topo_Map/MapServer

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November 17, 2026
FALL PLANNING

Discussion Topic:
Use of Artificial Intelligence (AI) Policy

BACKGROUND:
As part of the Executive Director's 2026 annual performance evaluation, the Commission identified development of an AI Use Policy as a priority, with a draft due by March 31, 2027, and implementation and employee guidance completed by June 30, 2027. An initial draft was included in the October 20 Commission packet. Commissioners raised questions and proposed revisions, and agreed to continue the discussion at Fall Planning. AI offers opportunities to improve efficiency in research, document preparation, data analysis, and communications, while raising concerns about accuracy, confidentiality, transparency, and accountability. The purpose of this discussion is to establish Commission expectations to guide development of the Port's AI Use Policy.

POLICY CONCERNS:
Staff has identified four principal areas for Commission discussion. These are intended to establish broad policy direction rather than prescribe detailed operating procedures.

1. **Authorized Use of AI.** AI can assist employees with routine administrative work, research, drafting correspondence, analyzing information, and developing preliminary recommendations. However, the Port should establish expectations about when and how these tools may be used.

2. **Confidentiality, Privacy, and Information Security.** Information entered into an AI platform may be processed or retained outside the Port's direct control, depending on the platform and its contractual protections. This creates potential risks involving personnel information, legal matters, contract negotiations, proprietary business information, and other sensitive records.

3. **Transparency and Disclosure.** AI may contribute to documents, reports, presentations, and recommendations ultimately presented to the Commission or the public. The Port should consider when disclosure of AI assistance is appropriate and how to distinguish routine editing assistance from substantive AI-generated content.

4. **Human Oversight, Accuracy, and Accountability.** AI systems can generate incorrect information, inaccurate citations, and misleading conclusions. Regardless of the technology used, Port employees must remain accountable for the accuracy of their work and for decisions made within their assigned responsibilities.

Should the Port permit and encourage employees to use artificial intelligence as a tool to improve productivity and efficiency, subject to appropriate safeguards and human oversight?

SPECIAL DISTRICTS ASSOCIATION OF OREGON GUIDANCE:
On November 4, staff contacted Frank Stratton, Executive Director of the Special Districts Association of Oregon (SDAO), to inquire about available AI policy guidance for special districts.

Mr. Stratton advised that SDAO's current Employee Handbook includes a Generative AI Usage Policy beginning on page 102, although he acknowledged that the language needs updating as AI technology and its applications continue to evolve. He also emphasized the importance of using district-subscribed AI platforms when handling confidential information.

SDAO is developing updated model AI policy guidance and related training resources for member districts. AI-related educational sessions are also anticipated at SDAO's annual conference in early 2027.

NEXT STEPS:
Staff recommends using the Fall Planning Session to obtain general Commission direction on a new policy. Based on that discussion, staff will refine the draft AI Use Policy, evaluate available SDAO guidance, and return to the Commission with a proposed policy.

Because SDAO is developing updated model language and offering AI training at its upcoming annual conference, the Port has an opportunity to incorporate those resources before finalizing its policy.

ATTACHMENTS:
AI Policy - Draft

PORT OF HOOD RIVER
USE OF ARTIFICIAL INTELLIGENCE (AI) SYSTEMS

1. Purpose

Due to the increasing use of generative AI tools, such as OpenAI's ChatGPT, Google's Gemini, and Microsoft Copilot, the Port of Hood River has established this policy to guide their responsible and secure use. This policy supports innovation while ensuring AI technologies are used ethically, transparently, and in the public interest. Its purpose is to protect Port operations, confidential information, data privacy, public trust, and the individuals and communities the Port serves.

2. Scope

This policy applies to all Port personnel and representatives who use AI technologies while conducting Port business or using Port information, systems, or equipment. For purposes of this policy, "Port personnel and representatives" includes employees, commissioners, interns, volunteers, contractors, consultants, and others authorized to conduct Port business.

3. Definition

Artificial Intelligence (AI) is the ability of a machine or process to perform tasks that normally require human thinking. AI can learn, analyze information, reason, and make or support decisions. AI can take many forms and can be interactive or part of a behind-the-scenes process. When AI is described as "generative," it means that it can create new content. Examples include answers, documents, emails, pictures, sound, and video.

4. Risk

Copyright protection and ownership rights for AI-generated content may be uncertain. AI-generated material may also contain or resemble content owned by others. Security and privacy concerns exist when proprietary, confidential, or sensitive information is entered into an AI system. AI-generated content may be fabricated, inaccurate, misleading, or outdated. All outputs must be reviewed and verified before use.

5. Using AI Tools

Port business may be conducted only through AI tools and accounts approved by the Port's IT Department and the user's supervisor. Port credentials, email addresses, phone numbers, or other identifying information may not be used to create accounts on unapproved AI platforms.

6. Acceptable Uses for AI Tools

The following uses are permitted only through approved AI systems and when no prohibited, confidential, or sensitive information is entered:

a. General knowledge questions to enhance understanding of work-related topics.
b. Assisting in the analysis and evaluation of policy positions and to draft policy documents.
c. Brainstorming ideas for projects.
d. Creating formulas for Excel or similar programs.
e. Drafting social media posts, emails, or letters.
f. Summarizing meeting notes or research

DRAFT

g. Creating outlines for meetings or projects.
h. Assisting in the development of training, advertising, and marketing items.

7. Unacceptable Uses of AI Tools

a. Entering protected or sensitive information into an unapproved system.
b. Issuing unauthorized Port communications, commitments, or approvals.
c. Circumventing security, public-records, retention, or legal requirements.
d. Violating privacy, copyright, licensing, or intellectual-property rights.

8. Ethical Use of AI Tools

a. All use of AI must comply with the Port's conduct, equal employment opportunity, anti-discrimination, anti-harassment, and respectful workplace policies.
b. AI must not be used to create or share discriminatory, defamatory, deceptive, misleading, or impersonating content.
c. AI must not make final decisions involving employment, legal, financial, procurement, safety, or other significant matters. Appropriate human review and judgment are required.
d. AI-generated content must be reviewed for accuracy, fairness, bias, context, and completeness before use.
e. AI may assist with professional work but may not replace required legal, engineering, financial, human resources, safety, or other specialized review.

9. Transparency

AI may not interact directly with the public or publish information without staff review unless the use has been specifically approved by the Port. When an approved AI system interacts directly with the public, users must be clearly informed that they are interacting with AI.

10. Public Records and Retention

Prompts, uploaded materials, and AI-generated content created, received, or used in connection with Port business may constitute public records. Such records must be maintained in accordance with the Port's records-retention requirements and applicable Oregon public records laws. Using a personal account, device, or email address does not remove information related to Port business from public records requirements.

11. Training

Before using AI for Port business, employees must complete AI training designated or approved by the Port. Training may include "Artificial Intelligence: Opportunities and Risks for Special Districts" through Vector Solutions or another course approved by the Port.

12. Violations

Employees who violate this policy may be subject to corrective action, up to and including termination. Violations by contractors, consultants, volunteers, or other representatives may result in loss of access, termination of the applicable relationship or agreement, or other appropriate action. Violations by commissioners will be addressed in accordance with applicable law, Port bylaws and policies, and the commissioner's duties as an elected official.

DRAFT

November 17, 2026
FALL PLANNING

Discussion Topic:
Airport Ground Lease Policy, Rental Rates, and Hanger Reversions

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BACKGROUND
The Port of Hood River has several longstanding ground leases at Ken Jernstedt Airfield under which private parties own hangars constructed on Port-owned property. Many of these agreements were executed more than 20 years ago, and several are approaching expiration in 2030. These leases raise important questions regarding future ownership of hangar improvements, rental rates, and the Port's long-term approach to managing airport property.

Under certain existing agreements, hangar improvements revert to Port ownership upon lease expiration. While this presents an opportunity for the Port to generate additional revenue by leasing the buildings directly, it also creates potential obligations for maintenance, repairs, capital improvements, insurance, and property management. Alternatively, extending existing ground leases would preserve private responsibility for these improvements but defer the Port's opportunity to acquire the buildings.

The Port has recently received two requests for lease extensions:

Bottomley Estate / Parsons-Rajotte / Holzman: The estate representative has requested a 10-year extension of an existing ground lease scheduled to expire December 31, 2030. The request is intended to provide additional time for the owners to maintain and invest in the hangar. The existing agreement does not contain an express extension option.

Russell Werner – Blue Hangar: Werner has requested consideration of a 15- or 20-year extension of his ground lease, which expires September 30, 2030. His proposal includes reducing the existing 29,420-square-foot leasehold and returning surplus property to the Port for potential additional airport development. In exchange for a longer lease term, Werner has indicated a willingness to invest approximately $200,000 in improvements to the existing hangar.

These requests present different circumstances but raise a common policy question: Under what conditions, if any, should the Port consider extending existing airport ground leases rather than allowing the improvements to revert to Port ownership?

Airport Manager Jeff Renard has also prepared a preliminary review of five existing ground leases encompassing approximately 44,020 square feet. His analysis recommends establishing a ground lease rental rate of $0.45 per square foot annually, with annual CPI adjustments, for new leases and renewals. At that rate, the five leaseholds would generate approximately $19,809 annually, assuming no changes to their existing boundaries.

The analysis also identifies a potential operating expense pass-through of $0.06 per square foot per month, intended to recover a portion of airport operating costs. This would represent a separate charge in addition to the ground rent and warrants further consideration regarding the appropriate allocation of

airport expenses among tenants.

Finally, the analysis suggests that allowing hangars to revert to Port ownership could generate substantially greater long-term revenue than continuing to lease the underlying land. However, these projections are preliminary and require additional review of actual building sizes, conditions, market rental rates, maintenance obligations, and the specific terms of each lease.

DISCUSSION

Staff is seeking Commission direction on three related policy areas.

1. **Ground Lease Extensions and Hangar Reversions**

   Should the Port generally favor allowing privately owned hangars to revert to Port ownership upon lease expiration, or should negotiated extensions remain an option when they provide demonstrated benefits to the Port?

   Relevant considerations include the condition and useful life of existing improvements, potential future rental revenue, private investment in facilities, opportunities to recover land for additional development, and the Port's capacity to manage and maintain acquired buildings.

   The two pending extension requests illustrate the need for a consistent approach while recognizing that individual properties may present different circumstances.

2. **Ground Lease Rental Rates and Operating Cost Recovery**

   Should the Port establish a standardized rental rate for new and renewed airport ground leases, and what methodology should be used to determine that rate?

   The Airport Manager has recommended $0.45 per square foot annually, with CPI adjustments, based on a preliminary review of rates at comparable general aviation airports. This rate appears generally consistent with those charged at similarly situated airports and would support the Port's long-term objective of improving airport financial self-sufficiency.

   The Commission should also consider whether airport ground leases should include a separate operating expense assessment, how those costs would be calculated, and whether such charges should apply to new leases, renewals, or existing agreements where permitted.

3. **Lease Standards and Long-Term Asset Management**

   Should the Port establish a more consistent approach to airport ground lease administration, including standard lease provisions, renewal procedures, reversion requirements, and advance planning for lease expirations?

   Staff could undertake a comprehensive review of existing agreements to document expiration dates, renewal rights, rental rates, ownership and reversion provisions, and the condition of privately owned improvements.

   This information would provide a basis for evaluating individual lease requests and developing a longer-term strategy for airport property management and development.

RECOMMENDATION

Discussion. Staff requests preliminary Commission direction on the Port's long-term approach to airport ground lease renewals and hangar reversions, including whether to establish standardized rental rates, operating expense recovery provisions, and lease administration practices.

No action on the two pending lease extension requests is recommended at this time. Following Commission discussion, staff will review the existing lease agreements, verify current rental rates and market comparisons, and evaluate the financial and operational implications of future hangar reversions before returning with specific recommendations.

ATTACHMENTS:
Ken Jernstedt Airfield Land Lease Rates

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Ken Jernstedt Airfield Land Lease Rates

Nov 2, 2026 · @Jeff

MEMORANDUM

To: Port of Hood River Commission

From: Jeff Renard, Airport Manager, JKR7 LLC dba Aviation Management Services

Date: November 2, 2026

Subject: Ken Jernstedt Airfield (4S2) private land lease rates and long-term options

Summary

I recommend the Port set private land lease rent at 4S2 at $0.45 per square foot per year with an annual CPI adjustment, and plan for the hangars on these leases to revert to the Port when each lease ends. This keeps our rate in line with similar resort airports now, and it positions the airport to earn building rent, not just land rent, in about 10 years.

This memo covers Ground Leases 1 through 4 and the Blue Hangar, a combined 44,020 square feet. It compares three rate options, a monthly rate alternative, rates at comparable airports, and the long-term value of letting the buildings revert to the airport.

Leases covered

The five leases below total 44,020 square feet. Most were written 20 or more years ago and have had few or no rent adjustments since.

Lease	Tenant	Sq ft	Current annual rent	Current monthly rent	Current $/sq ft/yr
Ground Lease 1	_____	3,000	$_____	$_____	$_____
Ground Lease 2	_____	5,400	$_____	$_____	$_____
Ground Lease 3	Holzman / Cochran	3,200	$960	$80	$0.30
Ground Lease 4	_____	3,000	$_____	$_____	$_____
Blue Hangar	Russell Werner	29,420	$_____	$_____	$_____

Lease	Tenant	Sq ft	Current annual rent	Current monthly rent	Current $/sq ft/yr
Total		**44,020**	**$_____**	**$_____**	

Ground Lease 3 was rewritten in March 2025 at $0.30 per square foot per year with CPI. Its February 2026 invoices put it near $1,000 per year after CPI.

Rate options

At $0.45 per square foot per year, these five leases would bring in $19,809 a year. Rent will be paid annually in advance, or further in advance by agreement with the tenant.

Option	Rate	Annual total	Monthly equivalent
A	$0.30/sq ft/yr	$13,206	$1,100.50
B (recommended)	$0.45/sq ft/yr	$19,809	$1,650.75
C	$0.75/sq ft/yr	$33,015	$2,751.25
D	$1.00/sq ft/yr	$44,020	$3,668.33
E	$0.10/sq ft/month ($1.20/yr)	$52,824	$4,402.00

Annual rent by lease (paid in advance):

Lease	Sq ft	$0.30/yr	$0.45/yr	$0.75/yr	$1.00/yr	$0.10/month
Ground Lease 1	3,000	$900	$1,350	$2,250	$3,000	$3,600
Ground Lease 2	5,400	$1,620	$2,430	$4,050	$5,400	$6,480
Ground Lease 3	3,200	$960	$1,440	$2,400	$3,200	$3,840
Ground Lease 4	3,000	$900	$1,350	$2,250	$3,000	$3,600
Blue Hangar	29,420	$8,826	$13,239	$22,065	$29,420	$35,304

Option E, $0.10 per square foot per month, works out to $1.20 per square foot per year for bare land. That matches Coos County, the highest rate I found, and is more than twice what McCall and Sandpoint charge. It is also two-thirds of what the FBO pays per foot for the Port's own White Hangar (about $0.15/sq ft/month). I expect some tenants would push back hard or decline to renew at that rate, and the Port would want an appraisal to defend it as a reasonable aeronautical rate under our FAA grant assurances.

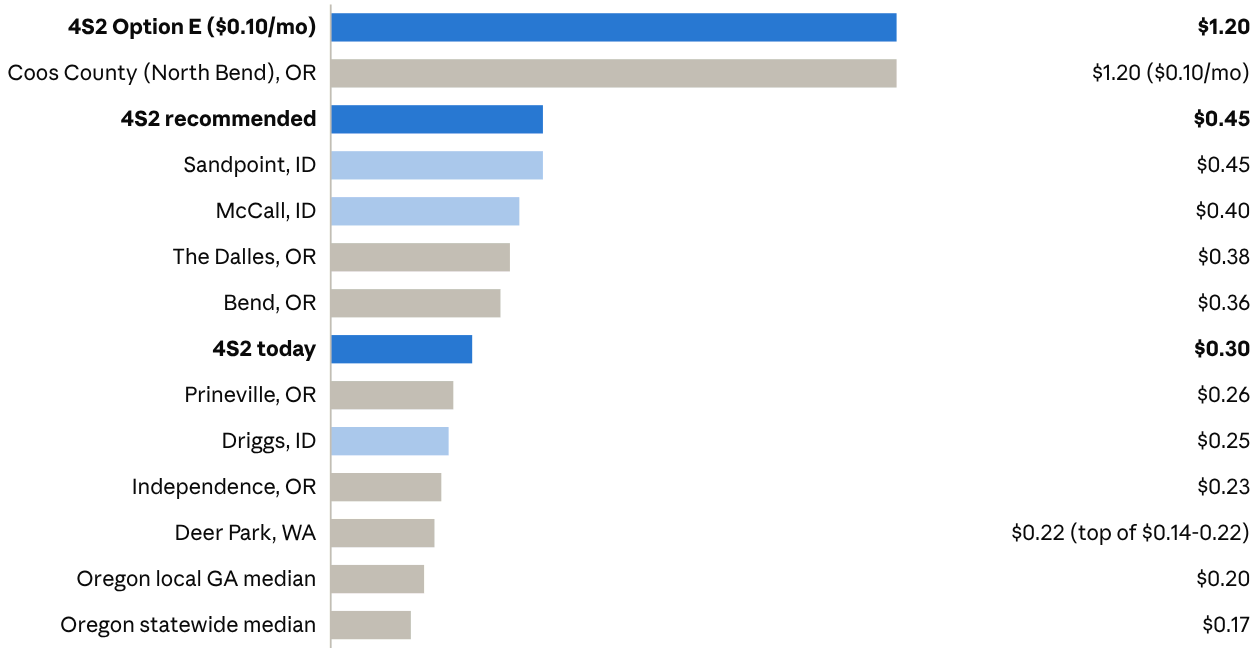
All leases are also subject to the operating expense pass-through of $0.06 per square foot per month proposed in the FBO analysis, which adds $2,641.20 a month across these five leases.

Comparable airports

The resort airports most like 4S2, McCall and Sandpoint, charge $0.40 and $0.45 per square foot per year with CPI. Our $0.30 is mid-pack; $0.45 would match the top of that group.

At $0.45, 4S2 would match Sandpoint, the top resort airport rate

Ground lease rate, $ per sq ft per year. 4S2 in dark blue, resort airports in light blue.



2021 Oregon statewide rates survey; McCall, Sandpoint, Driggs, Deer Park and Coos County airport pages · checked Nov 2, 2026

Sisters, Sunriver and Priest Lake do not publish ground lease rates (see notes). The only airport I found well above $0.45 is Coos County at $0.10 per square foot per month, a commercial service airport.

Long-term option: building reversion

If these leases are not renewed, the hangars revert to the Port and the airport can rent them at fair market value. Over 20 years, that path earns about $2.8 million net, compared to about $532,000 from continued ground leases at the recommended $0.45.

Path	Year 1 annual	Year 11 annual	20-year total
Ground lease at $0.30/sq ft/yr	$13,206	$17,748	$355,000
Ground lease at $0.45/sq ft/yr (recommended)	$19,809	$26,622	$532,000
Ground lease at $0.10/sq ft/month	$52,824	$70,991	$1,419,000
Ground lease at $0.45 for 10 years, then reversion and FMV rent (net)	$19,809	$223,600	$2,791,000

Even at $0.10 per square foot per month, and assuming every tenant stays at that rate for 20 years, ground leasing earns about half of what reversion does. The reversion path is the strongest revenue stream, and it gives the airport control of its hangar inventory.

Things the Commission should weigh:

- **The gain is back-loaded.** Nothing changes for roughly 10 years while current leases run out.
- **The Port takes on the buildings as they are.** Roofs, doors and structure become our cost. We should inspect each building well before its lease ends.
- **The building figures are estimates.** I used $0.45 per square foot per month for FMV, took 30% off for maintenance, insurance and vacancy, and used the leased land area as the building area. Actual building footprints are smaller, especially the Blue Hangar, so the real number will be lower. I will update this once buildings are measured.
- **Lease terms vary.** Each lease's expiration, renewal options and reversion language need to be confirmed before the Port commits to a plan for that lease.

Sandpoint (Bonner County) already uses this approach: 40-year ground leases, after which the buildings become county property at no cost.

Options

1. Set the 4S2 private land lease rate at $0.45 per square foot per year, paid annually in advance, with an annual CPI adjustment, for all new leases and renewals.
2. Apply the $0.06 per square foot per month operating expense pass-through to these leases as each comes up for renewal.

3. Use the Port's current airport land lease template, including the right of first refusal and the 40-year reversion clause, for every renewal. (The leases we are considering will need to be reviewed by the legal team to confirm the exit strategies that are unique in each of these leases)
4. Confirm the expiration and reversion terms of each existing lease, and schedule building condition inspections ahead of each expiration.
5. Return to the Commission with a reversion and FMV rental plan for each building at least two years before its lease ends.

Notes and sources

- Square footage comes from the July 30, 2026 FBO analysis by Port real estate staff, which priced the $0.06 per square foot per month pass-through by lease. The five areas tie to that analysis's 59,508 square foot total for all included leases.
- The 20-year figures assume 3% annual CPI. The reversion path assumes buildings revert after 10 years and rent at $0.45 per square foot per month, less 30% for owner costs.
- The Oregon rates are from the 2021 statewide survey and are likely somewhat higher today. Sisters Eagle Air and Sunriver are privately owned and do not publish ground lease rates. Sunriver hangars sell outright, recently at about $155 to $190 per square foot of building. Priest Lake airports have no published hangar lot rates; Sandpoint, run by the same county, is the closest proxy.
- Sources: 2021 Oregon Airports Statewide Rates and Charges Survey · McCall Airport Rates and Fees · Sandpoint Airport Lot 36 RFP, 2026 · Driggs Airport Ground Lease Template · Deer Park Airport Ground Lease Information · Coos County Airport District Hangar Development · Sunriver hangar listings

JKR7 LLC dba Aviation Management Services · Jeff Renard, Airport Manager · PO Box 1503, The Dalles, OR · 541-288-6766 · jrenard@aviationmanagementservice.com

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November 17, 2026
FALL PLANNING

Discussion Topic:
Key Performance Indicators (KPIs)

OVERVIEW:
Key Performance Indicators (KPIs) are useful tools to determine whether we are accomplishing some of our measurable goals. KPIs, much like goals, should be SMART:

Specific
Measurable
Achievable & Realistic
Relevant
Time-Bound

The attached list is based on brainstorming among directors, research of what other government entities are tracking, and review of the new Strategic Business Plan (SBP). It should be noted that one of the SBP's goals is to start tracking KPIs.

KPIs are generally tracked during the budget process. They are usually not specifically linked to funding, but they can be an indicator of efficiency and effectiveness, depending on what is tracked.

KPIs need to be measurable using existing software and/or procedures.

DISCUSSION:
Some questions to answer: Is the attached list of potential KPIs acceptable? Is there anything else we should be tracking?

ATTACHMENTS:
List of Potential KPIs

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KPI Ideas

Category	What we would track	Dept	Notes
Work Plan Completion	Percentage of annual Commission-approved work plan commitments completed by their established deadlines (target 90%)	Capital Planning	
Budget Accountability	Percentage of active projects tracking within their approved budgets, including authorized amendments (target 90%)	Capital Planning	
Grants	Percentage of required grant reports, reimbursement requests and deliverables submitted by deadlines (target 100%)	Capital Planning	
Milestone Achievement	Percentage of scheduled capital project milestones achieved on time (target 85%)	Capital Planning	
Community Events on Port Property	Number of events help on Port property per year	Capital Planning	SBP
Public Records Requests	Track the number of requests and the outcome of those requests (i.e., fulfilled, rejected, amended, etc.)	Executive	
Website Hits	Number of website visits per month with year over year analysis	Executive	
Newletter Subscribers	Number of newletter visits per month with year over year analysis	Executive	
Social Media Followers	Number of social media followers with year over year analysis	Executive	
Regional Partner Coordination	At least two meetings annually	Executive	SBP
SBP videos	At least one video update released quarterly	Executive	SBP
Employee Retention	Average longevity of full-time employees	Finance	
AP Checks	Number produced each year; number voided each year	Finance	
EFTs	Number produced each year	Finance	
Front Office Interactions	Number of walk-ins, phone calls, emails, and the resolution	Finance	Just started tracking in November 2026
Tenant Retention	Average longevity of tenants	Real Estate/Asset Maintenance	
Public Bathrooms Open	Number of days public bathrooms open	Real Estate/Asset Maintenance	