



PORT NEWS

Summer 2008

Our Community Airfield

by Michael McElwee, Port Executive Director



Michael McElwee

As a public agency, the Port of Hood River has a broad portfolio of assets for which it is responsible. One of the more

unique and special properties is the Ken Jernstedt Airfield on Tucker Road.

I am not a pilot. My aviation experience is pretty much limited to navigating through the baggage claim area. When I started at the Port in mid-2006 I made an effort to visit the Hood River airport and learn about its operations and management. What I found was an active facility, and a dedicated group of pilots and aviation experts who have helped protect the airport from encroachment and keep the airport vital. I also became more aware of the role that the airport plays in our community—agriculture support, economic development, recreation, search and rescue to name a few—and the role it can play in the future.

A bit of history: The Hood River Airport started out as a grass strip in the 1920s. For many years, the airport primarily served the agriculture industry providing a base of operations for crop spraying. The main runway was first paved in 1959. Construction of hangars and operations center occurred in the 1950s. The Port acquired the property from Hood River County in 1976. Since then, additional

Please see **Airfield** on page 4

Waterfront Development makes progress

Development of a business park in Hood River waterfront's industrial core—a vision of the Port of Hood River for over 40 years—appears imminent.

The Port has laid significant groundwork for waterfront development, and multiple steps have been made in planning, policy, land use, and infrastructure financing that will set the stage for improvements and investment to foster private development in the near future.

Group Mackenzie, a planning and engineering firm, completed a Waterfront Development Strategy last year. The strategy outlines goals and specific pre-development tasks necessary to induce waterfront development. (The Waterfront Development Strategy is available online at www.portofhoodriver.com). The Port is carrying out tasks toward the creation of a high-quality business park development to serve local growing businesses and new companies centered on the vacant property south of Portway Avenue. The intention is to create and retain quality jobs in a way that is compatible with existing recreational uses and the new public park. The waterfront will become more pedestrian-oriented in the years ahead, and will link to, complement and support downtown Hood River and the Port district as a whole. Recent and ongoing steps toward waterfront development include:

Waterfront Subdivision:

A new subdivision of the waterfront south of Portway Avenue was approved by the City of Hood River Planning Commission in June that creates legal lots south of Portway Avenue, and dedicates Portway Avenue and the new North 2nd Street to the City.

Disposition Policy:

The Port recently approved a policy that supports the sale of property south of Portway Avenue to qualified businesses under well-defined conditions including job quality, job density, compatible design and others. The policy reaffirms the Port's intent to retain ownership of property north of Portway Avenue—along the Columbia River—due to its long term value to our community. The policy is important because many businesses prefer land ownership for long-term investment, while many ports adhere to a policy to retain ownership of land.



Port of Hood River Central Area Build-Out Scenario

Group Mackenzie's Waterfront Development Concept for industrial property south of Portway Avenue.

Transaction Policy:

The Commission also approved guidelines for entering into real estate agreements. Representatives of the Port met with major brokers in town to discuss issues, the value of brokers, and under what circumstances agreements will be entered. "The idea is to clear a path and motivate brokers to bring deals to the waterfront," explains Michael McElwee, Port executive director. "Although the bar is set high per our disposition policy, the Commission will pursue negotiations when compatible with waterfront objectives." The Port will consider hiring its own broker and initiate marketing of specific properties this fall.

Urban Renewal District:

The creation of an Urban Renewal District (URD) at the waterfront is currently under consideration by the City of Hood River. URDs are created to help finance capital improvements that would make land more attractive to private investors. When private investment occurs that raises the assessed value of district property, new property taxes created are diverted to pay off the bonds. Improvements would be generally limited to streets, utilities, and improvements to public property, such as the wastewater treatment plant. "The Hood River waterfront is a reasonable tool because investment in public improvements can lead to significant private investment," McElwee states.

"It would be one piece of a funding strategy for waterfront development," McElwee adds. "We'll still pursue grants, loans, Port financing and other funding mechanisms."

New Industrial Road:

The Port received a \$500,000 grant from the U.S. Department of Commerce Economic Development Administration (EDA), plus a \$250,000 grant from the Oregon Economic and Community Development Department's Immediate Opportunity Fund (IOF) for development of a new industrial road on the waterfront. Combined, this \$750,000 represents a large portion of the estimated \$1.1 million needed to develop the new road. "We are working on additional funds to fill the \$350,000 gap," states McElwee. This road will serve key employers and the industrial core.

The combination of actions above sets the stage for the more potential activities in the coming year: Covenants, Conditions and Restrictions (CC&Rs) or guidelines for development, followed by marketing property, negotiations on property, and development. The Port plans to define job densities and types, design parameters for buildings and landscaping, with special focus on perimeter appearances. Pedestrian access, open space, sustainability and setbacks will also be deliberated. Consensus by the Port Commission on a number of these issues is expected this fall. When targets are met, the Port can engage in an aggressive marketing strategy, first to attract growing local businesses, then outside the area.

McElwee observes that market and financial conditions have changed significantly in the past six months, since the most recent waterfront development

Please see **Waterfront** on page 2

continued from **Waterfront** on page 1

strategy was approved. The capacity of businesses to finance acquisition and construction, or to make lease commitments may be more constrained now, and other challenges remain. "However, there are strong local businesses and others outside of the area that would like to be on the waterfront," McElwee sums up. "Many different players are coming together to do things to make that happen—and we believe the actions the Commission has taken will lead to significant progress on the waterfront in the years ahead."

Waterfront Development historically

The Columbia River shoreline west of the Hood River was filled in 1964, the second of three Port of Hood River fill projects, and was dubbed Waterfront Industrial Park in 1971. Since then, manufacturing businesses have come and gone—Fibermold, Jantzen, Western Power, United Telephone, Diversified Plastics, and Clark Door to name a few—as manufacturing ebbed and flowed with industry tides. Hood River Distillers, which broke ground on its building in 1968, remains the only original waterfront company.

Various waterfront master plans were considered over the years: the first in 1975, utilized through the 1980s and updated in 1989 and 1992. While the Port mulled waterfront plans, it also purchased and developed industrial property around the county, including the Diamond Cannery Complex, the John Weber Business Park, and Wasco Business Park. A new direction for waterfront planning took hold in 1995 with a multi-use master plan and rezone. When an industrial land base inventory performed by Hood River County a few years ago illustrated a shortage of available land for economic development, the Port acknowledged the multiple use nature of the waterfront, but re-emphasized the need for some industrial land preservation to support local companies and job creation. The Port retained Group Mackenzie to assist in creating the current Waterfront Development Strategy.



Waterfront development had a different meaning in 1964. This aerial photograph shows the fill in progress.

Windsurfing and kiteboar

The Port of Hood River grants windsurfing and kiteboarding concession permits at the Hood River waterfront to a limited number of schools in order to manage space limitations and safety concerns.

Kiteboarding lessons are available at the Spit, located on the west side of the Hood River's confluence with the Columbia River. Windsurfing lessons occur at the Hook and Event Site.

Concessionaires through the 2009 season are New Wind Kiteboarding, Kite the Gorge, Gorge Kiteboard School, Brian's Windsurfing & Kiteboarding, Hood River Waterplay, Big Winds, ABK Boardsports, and Hood River Valley Parks and Rec./Columbia Gorge Windsurfing Association.



Jim Bison of New Wind Kiteboarding

New Wind Kiteboarding - New Wind Kiteboarding was founded in 1999 and was the first licensed kiteboarding school in the Columbia River Gorge. Owned by Jim and Cori Bison, New Wind Kiteboarding provides lessons that teach the skills and knowledge students need to safely and confidently practice the sport on their own.

The school offers a "fast track" learning method to shorten the learning curve to expert riding. Once enrolled in a program, the school continues to support a student's kiteboarding with guidance on purchasing gear.

541-387-2440 • www.newwindkiteboarding.com



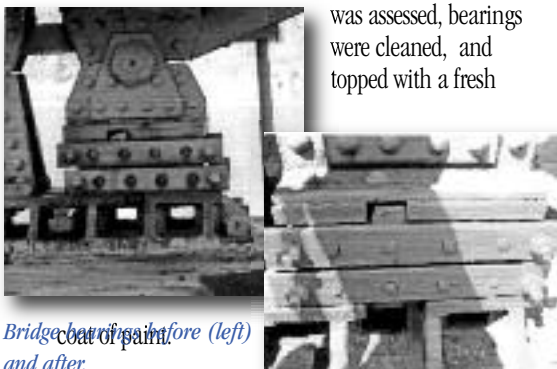
Assistant Allison Moore and Instructor Nick Smith

Kite the Gorge - Kite the Gorge is the newest kiteboarding school in town, founded by Carlos Cornieles and Spring Milward in 2006. Carlos has taught kiteboarding since 1999, and taught windsurfing for 18 years. Spring joined Carlos with a goal of creating a different kind of kiteboarding school, specializing in connection and adventure. Kite the Gorge teaches to IKO (International Kiteboarding Organization) standards, and offers lessons in Spanish as well as English.

"The sport of kiting is growing fast, and with each year the gear continues to get more efficient and safer for all," says Milward. She recommends locals schedule



Bridge Update: Repair and maintenance occurred recently to bearings on each of the 20 piers of the Hood River Interstate Bridge. The bearings, which allow the bridge to shift under winds or loads, are evaluated at every inspection. When they become locked, they must be cleaned and reset. The work was performed by Oregon Department of Transportation (ODOT) with the aid of a 200,000 lb. load limit hydraulic lift. The heaviest span lifted was 120,000 lbs. Bearing covers were pulled off, corrosion or rust was assessed, bearings were cleaned, and topped with a fresh



Bridge bearings before (left) and after.

Expo Center Update: Dakine Hawaii is leasing 1,200 square feet at the Expo Center for trade show exhibit storage. "Having Full Sail Brewing Company and Dakine Hawaii at the Expo is helping both companies in the short term with expansion needs," explains Port marketing manager Mike Doke. "We've created leases that allow these companies to expand, while keeping the building available for other companies in the near term." An additional 10,000 square feet is available at the Expo Center.

Marina Update: The Port of Hood River is considering a policy to allow subleasing of Marina slips to address the high demand for moorage. A plan for adding boat slips at the Marina awaits permits, and should occur in 2009. The Hood River Yacht Club moved into the Port's former maintenance building and yard adjacent to the Marina, and offers dry dock storage.



Hood River Yacht Club's proximity to the Marina will benefit youth summer sailing programs.

Wasco Business Building Update: Cloud Cap Technology has moved into 2,280 square feet of office space at Wasco Business Building, and the company is subleasing 812 square feet to Solutions Engineering.

Learning lessons abound on Hood River waterfront

lessons during weekday mornings or early evenings, if possible, when it's less crowded.

541-490-9426 • www.kitethegorge.com



Mark Worth (right) of Gorge Kiteboard School

Gorge Kiteboard School - Mark Worth operates Gorge Kiteboard School. He's taught thousands of kiteboarding lessons since 1999, originally as Gorge Wind Guide Service, and since 2002 as Gorge Kiteboard School.

The school's Beginner Series is designed to bring kiteboarders to a level of independent kiteboarding. Students learn at different paces, and this series generally requires three to six hours. The Intermediate Series and Advanced Series add skills.

Mark also taught advanced windsurfing for over 15 years. Student safety is Worth's top priority. He maintains a strong school reputation by teaching every lesson himself. An evening lesson time from 4:00 to 7:00 p.m. mid-week allows locals a less crowded learning experience.

541-490-4401 • www.gorgekite.com



Brian Schurton rigs a sail.

Brian's Windsurfing & Kiteboarding - Brian Schurton, owner of Brian's Windsurfing & Kiteboarding, is a familiar face on the waterfront. He has been teaching windsurfing here for 17 years, and kiteboarding for six.

Schurton believes a customer's needs are paramount, and that a student should end each lesson with a feeling of accomplishment. He also feels safety should continue to be the highest priority. "The people that we teach in the gorge are very driven to succeed," Schurton relays.

Brian has over 20 years experience as a professional windsurfer and instructor in Jamaica, Miami, Maui, and the Gorge, his resume includes a U.S. National Championship and Masters Racing Championship.

541-386-1423 • www.brianswindsurfing.com

Hood River Waterplay - Hood River Waterplay offers both windsurfing and kiteboarding lessons. The school has operated in Hood River for 20 years, originally as Rhonda Smith Windsurfing Center.

"We encourage beginners to attempt their first windsurfing experience in an official U.S. Sailing Level I lesson format," expresses owner Jak Wilbersheid. "Lessons are fun! They make the learning experience more enjoyable, get students sailing much more quickly, and with a better base of skills than if someone tries on their own."

Wilbersheid says instructors at Hood River Waterplay prevent students from picking up bad habits that they'd have to unlearn or correct later. "Windsurfing is about technique - not brute strength, and our lessons focus on technique."

541-386-WIND (9463) • www.hoodriverwaterplay.com



Instructor Hans Aschim of Big Winds

Big Winds - Big Winds has offered windsurfing lessons in Hood River for 21 years, and kiteboarding lessons for five years. The school offers a complete menu of lessons, from entry level through advanced, plus the well-known Kids Camps, and popular Women's Clinics. The school's philosophy is grounded in three basic tenets: safety, fun, and skill advancement. "Both sports are learned so much more quickly, more safely and with less frustration with a good series of lessons," states owner Steve Gates.

Big Winds' main goal in kiteboarding lessons is to make sure students understand the safety, kite control, board control and riding skills involved with the sport. The shop also carries a large fleet of rental gear.

541-386-6086 • www.bigwinds.com

ABK Boardsports

ABK Boardsports is touted as the oldest professionally run windsurfing school in the U.S., operating for 26 years, and is offering programs in Hood River for the third straight year. ABK Boardsports holds camps in numerous U.S. cities, plus Aruba and Bonaire.

"Very few windsurfing destinations can match the Gorge for its variety of sailing conditions, consistency of wind, charm, and breathtaking beauty," says owner Andy Brandt. In Hood River this summer, ABK Boardsports offers adult five-day and three-day camps, in addition to regular group and private lessons.

www.abkboardsports.com.



Instructors & students of the Community Windsurfing Program

Hood River Valley Parks and Rec/ Columbia Gorge Windsurfing Association -

Parks and Rec and CGWA co-sponsor the Community Windsurfing Program for Gorge area residents, age 10-18, at the Hook. Certified instructors teach beginning, intermediate and advanced courses with small class sizes and new equipment. Classes cover basic skills, including understanding the equipment, self rescues, points of sail, uphauling, tacking and jibing, sailing in winds up to 10 knots, sailing posture, safety tips, harness use, sailing in winds up to 15 knots. Sign up at the Aquatic Center on May Street. 541-386-1303 • www.hoodriverparksandrec.org

Bridge revenues and expenses examined

Fifteen years ago, the Port of Hood River identified several major projects needed to improve safety and extend the useful life of the Hood River Interstate Bridge. Although biannual inspections continue to spot new maintenance tasks, the bulk of these major projects are complete, with the Port spending \$15.7 million in the process.

Shortly after these significant bridge improvements were recommended by HNTB Engineers in 1993, the Port raised its toll from 50¢ to 75¢ and dedicated the 25¢ increase to a new Bridge Repair and Replacement Fund. Upon completing toll plaza improvements and installing the new electronic toll collection system last year, the Bridge Repair and Replacement Fund was depleted.

Prior to the Toll Plaza Improvement project, the Port undertook bridge strengthening and seismic retrofit in 1996; widened the Washington approach in 1999; upgraded the electrical and mechanical systems of the liftspan in 2001; and replaced the bridge decking in 2004. The accompanying table (on page 4) outlines the costs and funding used for each major project.

High costs to maintain and improve a 1924 bridge are often overlooked, however. The Port of Hood River periodically receives complaints about charging tolls at all, or is accused of operating a "cash cow." Why isn't the Hood River Interstate Bridge free? The reality is bridge revenues and expenses are complex.

Linda Shames, Port finance manager says it's necessary to look at both income and expenses when evaluating the performance of any asset. Each year capital projects are identified and performed on the bridge as a result of

Please see **Bridge** on page 4

continued from **Bridge Revenue** *on page 3*

inspections every two years. The Port requires capital reserves to prepare for potential unknown expenditures. For example, the Port completed repairs and maintenance to bridge bearings earlier this year.

Bridge painting is the final outstanding project on the 1993 list. Painting the entire structure is estimated to cost at least \$16 million. "It's a rather complicated process," Shames relays. "It needs to be staged from barges, and would require cocooning portions of the structure for

environmental reasons." The Port decided to clean and paint only the areas that impact the integrity of the structure at this time, still likely to cost up to \$5 million.

BRIDGE IMPROVEMENT PROJECTS IDENTIFIED IN 1993			PROJECT FUNDING		
Project	Year	Total Cost	Grant Funds	Local Revenues	Debt Financing
A. Seismic/Strengthening	1996	\$350,126.	0	\$350,126.	0
B. WA Approach Widening	1999	\$1,671,516.	0	\$1,671,516.	0
C. Mechanical/Electrical Upgrades	2001	\$2,237,253.	\$1,000,193.	\$1,237,060.	0
D. Bridge Redeck	2004	\$7,775,405.	\$1,341,225.	\$434,180.	\$6,000,000.
E. Toll Plaza Improvements	2007	\$3,688,855.	0	\$1,688,855.	\$2,000,000.
Totals		\$15,723,156.	\$2,341,418.	\$5,381,737.	\$8,000,000.
F. Bridge Painting	2008				
G. Pedestrian Walkway*					

*A four-foot pedestrian walkway was determined unfeasible on the existing substructure because added weight would require extensive and expensive modifications to the substructure. The Port has yet to identify a feasible alternative, but continues to explore options.

FISCAL YEAR 2006-2007 BRIDGE REVENUES AND EXPENSES	
Total Bridge Income.....	\$2,656,935.
Total Operating Expenses.....	\$669,633.
Total Operating Income.....	\$1,987,302.
Debt Service (\$8 million in bonds for bridge projects)	\$711,400
Net Income	\$1,275,902.
Construction Projects 2006-07	\$3,497,320.
(complete redeck, toll plaza improvements, deck overlay, and the span lock repair)	
Net to operations in FY 2006-07	(\$2,221,418.)

PORT OF HOOD RIVER

PO Box 239
Hood River, OR 97031

**PRSRT STD
U.S. POSTAGE
PAID
Permit No. 700
Portland, OR**

continued from **Airfield** *on page 1*

T-hangars were constructed and the runway was expanded and improved. In 2001, the airport was re-named the Ken Jernstedt Airfield to honor local resident Mr. Ken Jernstedt, an original World War II Flying Tiger. In 2007 perhaps the most significant private investment occurred in the history of the airport—construction of the Western Antique Aeroplane and Automobile Museum (WAAAM), a project funded and developed through the efforts of Mr. Terry Brandt.

Operations: The airport serves what is called "uncontrolled airspace." That means there is no conning tower to manage air operations—pilots provide radio alerts upon approach and departure. The facility is home to about 100 resident aircraft. It typically handles about 15,500 take-offs and landings per year. The airport is managed by a fixed-base operator (FBO) who provides pilot services and instruction, and manages the airport operations center. We are eligible to receive \$150,000 annually from the Federal Aviation Administration (FAA) for capital improvement projects. However, other than some intermittent—and limited—state funds, the airport must support itself. The Port works closely with an Airport Advisory Committee composed of local pilots, land owners and interested citizens.

Planning: The federal funding is tied to an FAA-approved master plan. This plan describes future projects that will protect and enhance the airport. Generally, the

airport is well designed and provides an adequate layout for safe operations. However, in three important ways, the airport needs to be modified. First, the west end of the runway is too close to Tucker Road. As traffic has increased over the years so too has the need to shift the runway eastward to provide a safe setback distance. The primary impact of such a shift would be on Orchard Road where it crosses active airspace. Second, the FBO office should relocate to the north side of the airport, adjacent to the taxiway. This is a long-term project but important for more efficient operations. Third, we recognize the tremendous benefits from the new WAAAM and its focus on antique aircraft. We need to prepare a grass landing strip that can serve the "tail draggers," antique aircraft that are visiting the airport in increasing numbers.

Next Steps: The Port, in conjunction with its Airport Advisory Committee, has initiated a process to seek county approval of the Airport Master Plan. The review and evaluation process would start this fall and likely continue through early 2009. It will consider transportation impacts, land use issues, and other matters. County acceptance of the plan would provide broad agreement about the future layout of the airport. This would provide long-term certainty and help ensure safe operations into the future.

Though sometimes overlooked and underappreciated, the airport is a significant community asset. It deserves attention, appreciation and a renewed commitment to

preserve its future. There are many people and places that make Hood River a diverse and meaningful community to live. The community's Airfield embodies the best of both.

Note: If you want to learn more about airport operations or planning contact Mike Doke, Port Marketing Manager, at (541) 386-1645 or Jeremy Young, Airport Advisory Committee chair at (541) 308-1600.



The 2007 Fly-In drew pilots from afar to help celebrate the Grand Opening of the Western Antique Aeroplane and Automobile Museum

PORT DIRECTORY

Commissioners

Fred Duckwall Don Hosford Kathy Watson
Sherry Bohn Hoby Streich

Executive Director - Michael McElwee

Contact

Telephone(541) 386-1645

Fax(541) 386-1395

Emailporthr@gorge.net

www.portofhoodriver.com

Newsletter Production - Pageworks Design, Inc.

PORT MEETINGS Regular Port Commission meetings are held on the 1st and 3rd Tuesday of each month in its Boardroom at Marina Center Building (1000 E. Port Marina Drive). The Port welcomes your questions, comments and suggestions.