



 Port of
HOOD RIVER

2021-2026 STRATEGIC BUSINESS PLAN



ACKNOWLEDGMENTS

This plan was developed by Port of Hood River staff with assistance by consultants as directed by the Port of Hood River Commission. For more information about the Port of Hood River, visit www.portofhoodriver.com.

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Summary

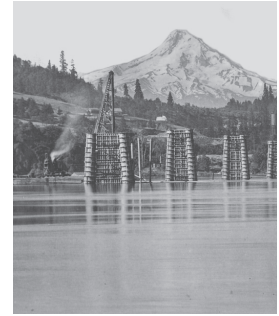
The Strategic Business Plan serves as the primary strategy document for the Port Commission, staff, and Port constituents to guide operations, projects, and practices for the next five years. This 2021-2026 Strategic Business Plan provides an update to the Port of Hood River's prior plan, published in 2014 (see Appendix E). Since the Port provides several diverse services and facilities to residents and visitors to the Port District, the Port strives to make the contents of the Plan accessible to different audiences with different areas of interest or need for detail.

- This summary focuses on the key actions (construction, maintenance, programs, policies and regulations) the Port intends to take over the next five years regarding the facilities and services.
- The Plan document gives more information about why and how the Port created the Plan, why and how the Port is pursuing its selected goals with certain actions, and the schedule and cost for implementing improvements.
- The Plan document has 33 Appendices that contain the background information and analysis that support its recommendations. Those documents and more are available at website portofhoodriver.com/StrategicBusinessPlan.

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

- **The replacement of the Hood River-White Salmon Interstate Bridge is a central concern to all areas of Port service delivery.** The Bridge is the dominant Port facility; it affects most people in the Port district; it is functionally obsolete and must be replaced; it is the Port's responsibility to support the efforts to find funding for bridge replacement and assist in all reasonable efforts to replace the bridge by removing barriers to success in all potential pathways forward. The Port is not expected to own the future bridge. However, without the ongoing Port efforts in support of the project, replacement is likely to be greatly delayed.
- **Establishing financial self-sustainability in all non-bridge arenas of Port operations is an overarching concern.** Replacement of the bridge will require that future bridge tolls be used for repayment of construction debt, so they will no longer be available to support other Port facilities and services.
- The Port must strive to provide the facilities and services it now provides at equal or higher levels of service in the future. The Port will look for additional funding sources and operational efficiencies before making decisions to reduce or eliminate services.

The table below provides a summary of the key projects planned for each service area during the years of 2021-2026. Each is expected to be carried out if financing sources are available.



The Hood River-White Salmon Interstate Bridge under construction in 1923

Summary of the key projects planned for each service area during the years of 2021-2026

Project	Cost	Year	Funding	Priority
Interstate Bridge - Existing				
Complete Bearing Repair	\$50,000	2021	POHR	1
Pave Approach Ramps	\$500,000	2021	POHR	1
Weight Limit Structural Upgrades	\$1,000,000	2022	POHR	1
Replace Rack Pinion Shafts/Couplings	\$250,000	2023	POHR	2
Interstate Bridge - Replacement				
Complete EIS/ROD	\$200,000	2021	ODOT	1
Complete 30% Preliminary Engineering	\$12,000,000	2023	Grants/POHR	1
Approve Bi-State Compact Legislation	\$200,000	2022	POHR	1
Identify Project Delivery Approach	\$500,000	2023	POHR	2
Industrial Infrastructure				
Fill Wetland @ Lower Mill	\$350,000	2022	POHR	1
Construct E. Anchor Way	\$1,500,000	2022	Grants/POHR	1
Construct N. 1st Street	\$3,300,000	2023	Grants/POHR	1
Industrial/Commercial Buildings				
Remodel Port Bldg./Expand Interior Space	\$125,000	2022	POHR	1
Replace Jensen Bldg. Roof	\$1,000,000	2023	POHR	1
Replace Jensen Bldg. N. Side Windows	\$100,000	2023	POHR	2
Property Development				
Re-develop Barman Property	\$100,000	2023	POHR/Private	1
Lower Mill Industrial Building (25-30k s.f.)	\$5,000,000	2025	POHR	2
Acquire Industrial Property	\$5,000,000	2026	POHR	2
Airport				
Purchase/Install AV Gas Tank	\$225,000	2021	POHR	1
Construct Commercial Hangar	\$3,500,000	2022	POHR/Grant	1
New Tie-Down Paving	\$200,000	2023	POHR/FAA	2
Taxi-Way Hangars Paving Ph. I	\$250,000	2025	FAA/POHR	2
Marina				
Construct Ramp Boarding Floats	\$350,000	2022	POHR/OSMB	1
Restore/Expand South Basin Dock	\$600,000	2024	POHR	3
Construct Dinghy launch Ramp & Dock	\$550,000	2025	POHR	3
Rehabilitate Existing Docks	\$400,000	2026	POHR	2
Waterfront Recreation				
Install Interpretive Signage	\$50,000	2021	POHR	1
Construct New Rigging Areas at Hook	\$40,000	2021	Grant	2
Replace Ped. Bridge Deck	\$30,000	2022	POHR	1
Install Ped. Bridge Lighting	\$45,000	2023	POHR	2
Pave Nichols Dock Parking Lot	\$100,000	2022	POHR	2
Replace Trees @ Nichols Park	\$15,000	2022	POHR	1
Re-Pave Marina Park Access Road	\$800,000	2024	POHR	2

1. Overview

1.1 About the Port of Hood River

The Port of Hood River is a public agency that provides five major facilities and services to people in the Hood River area (Bridge, Marina, Airport, Recreation, Property Development). Port owned and operated facilities provide the following services to the region:

- **Transportation:** (The Hood River Interstate Bridge, Port-owned roads, parking facilities, and transit centers)
- **Air Service:** (The Ken Jernstedt Airfield)
- **Recreation & Tourism:** Hood River Waterfront Recreation sites, the Waterfront Trail, the Hood River Marina, Port Marina Park.
- **Industrial and Economic Development:** The Waterfront Business Park, the Lower Mill Industrial Redevelopment site, and all other Port-owned commercial and industrial buildings and developable lands.



The Port District extends south from the Columbia River through the Hood River Valley. It covers about half of Hood River County, including the City of Hood River and the unincorporated towns of Odell and Parkdale. (Appendix A: map of the Port District).

The Port of Hood River was incorporated in 1933 to facilitate industrial development. As the Hood River area has grown, so has the number and importance of the Port's facilities and services. Its role in the local economy significantly expanded in 1950 with the purchase of the Hood River-White Salmon Interstate Bridge, and the responsibilities and revenues that accompanied that purchase. Later, the Port developed the Hood River waterfront with fill projects throughout the 1960's and 70's. The Port acquired the airport in 1976 and has acquired and renovated several commercial buildings since the 1980s. In the 1990's the Port developed a business park in Odell and expanded industrial, commercial, and recreation facilities along the waterfront beginning in the early 2000's - work that continues today.

For more history, see Appendix B.

For more information about the Port's activities and facilities, see Appendix C.

For more information about its organizational structure, see Appendix D.

1. Overview

1.2 About This Plan

1.2.1 Purpose

Every person, and every organization, should dedicate some time to thinking about how to improve its conditions. Call that effort “planning.” The effort is undertaken based on a commonly shared belief that, though the future is uncertain, things can be done to affect the future in ways that will make conditions better for a person, a family, a business, a community.

Too much time spent thinking about the future can leave pressing tasks undone while spending too little time can cause foreseeable and correctable problems to become crises. Along any pathway, one should occasionally look at the compass and a distant landmark to check on general progress toward a desired destination, but current and pressing needs usually demand the majority of one’s attention.

The Port Commission, and its managers, have made it a practice to do this type of thinking, periodically looking up from day-to-day operations and the pressing demands of the people that use its facilities to ask, “Are we delivering the right type and level of facilities and services and what can we do to deliver them in a better way?” That look up is called strategic planning, and this document is the Port of Hood River’s Strategic Business Plan (the Plan).

1.2.2 Contents

The Port has a history of strategic planning. It prepared a thorough plan in 2014 (the 2014 Plan) which replaced a prior Plan developed in 2006. The Port organized the 2014 Plan to comply with the state of Oregon’s template for strategic plans for its ports, which recommended an organization typical of most strategic plans: (1) What the Port’s goals? (2) What conditions now and in the future provide opportunities or challenges for meeting those goals? and (3) What strategies / actions are priorities for pursuing those goals?

The Port began this Plan update in Fall 2019. Staff and Commissioners recognized that much of the information in 2014 Plan remains relevant today and needed little updating. The Commission made decisions to compress those parts of the planning process and the report that would simply repeat work previously completed. Then, in March 2021, the COVID-19 pandemic required further adjustments to schedule: the strategic planning process was postponed for nearly a year while the Port addressed several urgent issues related to COVID and key facilities.

The Port staff and Commissioners recognized that the Port (1) had much work already completed that did not have to be repeated in a new strategic plan, and (2) had many urgent issues that staff and the Commission had already evaluated and decided needed their attention. That raised important questions: What is the most efficient yet diligent path for completing the Plan update? Can the Port do anything to enable development of a usable document more quickly so staff and Commissioners can turn sooner from planning the work to doing it?



photo: Michael Peterson

Appendix F answers those questions with an assessment done by an independent consultant specializing in strategic planning. In summary, the assessment found:

- There are several good reasons for the Port to complete its Plan update.
- There are several things the Port can do to reduce the time it takes to complete that update, without significantly diminishing the usefulness of the Plan. A shorter Plan document, with details in supporting appendices, is probably more useful for users of the Plan than a longer document with more detail.

This Plan's structure follows recommendations in that assessment, which were largely identical and consistent with the structure approved by the Commission in Fall 2019. The overarching recommendation is to focus on actions in the Plan and provide appendices of other documents that show how those decisions were made.

1.2.3 Process

The Port began its process to update the Plan in Fall 2019. In November 2019, the Commission met in a work session to review and discuss (1) a proposed scope of work for developing the Plan, (2) a proposed outline for the final Plan, (3) factors that might affect the Hood River area and the Port over the next 10 years, and (4) the implications those factors for the Port's vision, mission, and activities.

In December of that year the Commission approved a process for public engagement and receipt of public comment. The Port held a public open house, distributed paper and online surveys, and tabulated survey results in February 2020. The Commission had just received the full survey report when the pandemic arrived in the Gorge in March 2020.

By April, the demands of COVID led the staff and Commission to set aside programmed tasks on the development schedule for the update to the Plan. In November of 2020, the Commission returned to the effort, assessed its options and created a modified work plan and schedule for the development of the Plan. The Commission received a draft of the Plan in May 2021. After public review and comment, the Commission unanimously adopted the Plan in June 2021.

See Appendix G for more information about how the Port communicated with the public during the development of this Plan.



2. Situation Assessment

The Port concurs with the consensus in the professional literature on the central role of evidence to decision making in a strategic plan—or for any policy decision. Standard practice in strategic planning is to start with an evaluation of conditions: past, present, and potential conditions of the future. Those conditions may support an organization’s goals and activities, or they may be obstacles to them. They may be internal to the organization, and thus things it can change, or external to the organization, and thus things it can only respond to. They may be conditions that relate broadly to forces that are social or demographic; economic; environmental; technological; or political (public policy). And each of those categories could have several force categories of their own, all acting upon a community or an organization in an individual way. The analysis gets complicated.

However, as the evidence ultimately gets structured and presented, its purpose is to describe an organization’s situation: the big forces (drivers of change) that will affect (positively or negatively) an organization’s ability to achieve its goals, vision, and mission, subject to its values. An assessment of that situation is the part of the strategic plan called the Situation Assessment.

A common way for an organization to present that assessment is as a “S.W.O.T.” analysis (for its internal Strengths and Weaknesses in delivering services, and external Opportunities and Threats it faces as it tries to do so. The presumption is that information and discussion about those factors will help the organization identify and prioritize areas for improvement and action.

The Port did a SWOT analysis as part of its 2014 Plan. A summary of its conclusions is at right:

Strengths

- Attractive quality of life in town and region
- National "brand" of Hood River
- Strength of local economy
- History of sound management
- Solid financial footing
- Good relationships with City, County, Business Organizations
- Commitment to community engagement
- Proximity to Portland

Opportunities

- Growing high tech/entrepreneurial cluster
- Greater involvement in Upper Hood River Valley
- Bicycle tourism associated with Scenic Highway
- Collaboration with local businesses
- Lot 1 / Nichols Basin
- Expo Center Site

Weaknesses

- Diminishing supply of buildable lands
- Limited tax base
- Heavy reliance on bridge income
- Cost of maintaining existing infrastructure
- Limited engagement on local economic issues
- Workforce housing costs
- Education/workforce training limitations
- Lack of access to federal funding

Threats

- Bridge accident or failure
- Opposition to waterfront development
- Impact of future debris flow
- Limited land supply
- Cost of new infrastructure
- Accidents on Port property
- Reduction in FAA funding
- Environmental issues (e.g. E-Coli)

A lot of work was done and reported in the 2014 Plan to arrive at these conclusions. Many things that were true in 2014 remain true today. Every strength listed is still a strength of the Port. Most of the weaknesses and threats are still there, though some manifest themselves differently. The economic uncertainties resulting from the COVID pandemic are certainly something that is new but will remain difficult to characterize – and plan for – for some time. Some of the opportunities listed in 2014 have been pursued, some remain, others now exist.

The Commission discussed drivers of change at its work session in November 2019. The Commission generated a list of topics for staff to consider as it conducted its situation assessment for the Plan update, but was clear that its list was preliminary, almost certainly incomplete, and a starting point for other staff analysis. Staff scheduled work to begin that analysis in the first quarter of 2021. As noted, that intention had to give way to the demands on staff and Commission time created by COVID response and later, recovery. As staff returned to the Plan in November 2020, they started with an evaluation of the best way to finish that Plan so that it could be a practical guide for future action and avoid unproductive time on research and writing. The key conclusions were as follows:

- An extensive Plan, or a new or extensive Situation Assessment amid the constant change presented by COVID response and recovery efforts, would cost more than the additional value it delivered. The Port does not have significant problems in areas that are commonly problems for other jurisdictions such as the lack of clarity or agreement on Vision, Mission, and Values; or lack of focus or agreement on top priorities; lack of long-run financial planning; poor decision-making process that confuses policy and budget decisions; inefficient communication and relationships between and among policymakers and staff; or poor quality of information about key factors affecting outcomes. In other words, though there is always room for improvement, the Port is a well-managed organization that does not have significant internal weaknesses that need attention.
- Similarly, many of the external opportunities and threats are unchanged. No reasonable amount of research into regional demographics, the regional economy, technology advances, or environmental issues will change the Port's clearly stated priorities to continue work on (1) the multiple aspects of securing approval and funding for a replacement bridge, and (2) maintaining and improving service levels in other Port service areas of transportation, recreation, aviation, and economic development.
- Moreover, the Port Commission, staff, and stakeholders have, in the last two years, done a lot of work on priority issues within each service area of the Port. It is better to use the Plan to consolidate and integrate that work than to work from new data to come to new conclusions about priorities.
- Among the many lessons of COVID: the future is uncertain; past trends are no assurance of future conditions. ***A better strategy than predicting specific conditions and developing a Plan to optimize on that set of conditions is to consider a range of possibilities, monitor conditions, and have the institutional procedures that facilitate timely course correction.***

2. Situation Assessment *(cont.)*

Key Assumptions

In that context, here are this Plan's assumptions about key conditions:

- **Bridge replacement is a central concern of all Port service delivery.**

The bridge is the dominant Port facility; it affects most people in the Port district; it is functionally obsolete and must be replaced; it is the Port's role at this time to manage and find funding to get approval and more funding for a replacement bridge (without Port efforts, replacement is likely to be many years farther

out) while anticipating conveying the project to another entity at some point. Finally, bridge replacement means that bridge tolls will no longer be available to support other Port services.

- Demographic and economic conditions. The Hood River region has fundamentals that strongly suggest it will grow at least as fast, and probably faster, than the national economy, on average. COVID largely halted, or paused growth in the Hood River region, but as the national economy recovers so will the region. Like other recreation destination areas, and especially because of its strong agricultural, manufacturing, and technology-based economy, the population the Port serves will continue to be diverse in terms of ethnicity, income, and use of Port facilities. Moreover, diversity, inclusion, and equity are increasingly important parts of community planning and discourse nationally. The Port can anticipate constituent pressure to do more for the underserved, and pressure to do more for businesses that drive economic development.
- Housing costs will continue to increase because of increasing demand throughout the Columbia Gorge region, increasing cost of materials, and constraints on land supply and building type. That effect will have ripple effects on labor supply, economic development, distribution of households by location, the need to develop new and diverse recreation facilities, and property tax revenues. The Commission, along with every local government and economic development entity in the Gorge will need to make decisions about property development and management that provides opportunities for industrial and commercial development while also supporting regional efforts to address affordable housing. Historically, the region has relied on the Port for maintaining a supply of industrial land.



photo: Blaine Franger

- There are no technological trends that suggest that the demand for Port services, or the way it delivers them, will change significantly in ways that would change the Port's priorities. For example, electronic tolling might improve, and state and federal transportation authorities might look more favorably on the bridge replacement, but that will not change the fact that the Port has a huge amount of work to do to make the replacement happen, and that a significant part of its staff effort will go in that direction. With the 2020 implementation of License Plate Recognition technology, tied to the Breezeby electronic tolling system, the Port of Hood River is already the most advanced tolling entity in the state.
- Each Port service area (Bridge, Marina, Airport, Recreation, Economic Development) has its own special issues. The Port is addressing these issues through the development, with the help of stakeholders, of service area plans and priorities for each individual service area.. Those are discussed in Chapter 4 of this Plan.
- Internally, the Port organization is well managed. Modest efficiency gains are always possible and probably likely, but so are increases in the cost of materials, supplies, and labor. Two areas for possible prioritization in this planning period: (1) succession planning (the Port's good operation derives in large part from experienced senior management), and (2) diversity at all levels of staffing, boards, and public outreach.



photo: Blaine Franger

3. Vision, Mission, Values

At a work session in November 2019, the Port Commissioners confirmed the Organization's Vision, Mission and Values Statement:

- **Vision:** a statement of what the Port would to achieve, how it would like to operate, and how it would like to be viewed by the community.
- **Mission:** a simple, overarching statement of what the Port activities aim to achieve, consistent with the Vision.
- **Values:** as the Port strives for the vision by carrying out the mission, what will it consider and how will it behave? Values are principles that guide activities of the agency and the conduct of the Commission and staff.

The Commission concluded that the statements in the 2014 Plan addressing these topics still did a good job of capturing the Port's current intent. They allowed that the update process might suggest some amendments that they would consider, but that the language of the 2014 Plan was the place to start and may be sufficient without amendment.

Neither the public open house nor the public input survey (Feb 2021) revealed any strong opinions about changes to the Port's vision, mission, or values. In its creation of the draft Plan in Spring 2021, staff added language related to diversity, equity, and inclusion that the Commissioners discussed and adopted in the final language that follows.

3.1 Vision

The Port works with the community to create an environment that promotes economic growth and vitality for all citizens. The Port establishes and maintains collaborative relationships with all stakeholders and promotes consensus to meet competing needs. It engages in prudent, cost-effective investments that achieve public objectives but maintain its long-term economic self-sufficiency. The Port is a high-performing organization - a model of best practices among special districts in Oregon - providing high quality services. The Port is efficient and careful with public resources to which it has been entrusted. The Port focuses its efforts on its district while collaborating with other entities in the Mid-Columbia region in recognition of the interdependence of communities in the area.

3.2 Mission

The Port of Hood River works to promote and maintain a healthy economy and strong quality of life in the Port District and throughout the Columbia Gorge.

3.3 Values

- **Integrity** - maintain a high level of professional standards
- **Responsiveness** - act in a timely way to all reasonable requests
- **Transparency** - ensure business is conducted openly, with public oversight
- **Collaboration** - actively participate with all stakeholders
- **Stewardship** - seek high standards of maintenance of the Port's assets and always consider the long-term public good
- **Innovation** - consider new approaches and best practices
- **Quality** - strive for excellence in all Port activities
- **Diversity** - be proactive, not reactive, in encouraging diversity, equity, and inclusion at all levels of Port activity: Commission, staff, volunteer boards, and public engagement

The Port's waterfront property extends from the Hook to the west to the Port Offices and Bridge to the east



4. Service Areas and Actions

There are many ways the Port could have organized this Plan's actions: for example (1) by department, (2) by goal, (3) by geographic subarea, or (4) by the headings in the state's template for Port plans. Ultimately, the Port concluded that most interested parties (Commission, staff, user and stakeholder groups) and the public understand the Port in terms of its five service areas: **Bridge, Airport, Marina, Recreation, Economic & Real Estate Development**. These service areas (1) align well with goals, (2) are what the people the Port serves care about, (3) get staff thinking and working out of departmental silos, (4) match the way staff and Commissioners have been conducting Port business, (5) engage stakeholders and advocates that would like to see the Plan give their interest some attention, and (6) match the organization of Port activities shown on the Port's web site.

In addition to these five external-facing service areas, this Plan adds a sixth. It is an inclusive, internal-facing service area that is critical to the Port's success in the other five: **Central Services** (e.g., executive management, finance, human resources, information technology, communications, building and fleet maintenance, and so on).

In creating this Plan, the Port Commission reaffirmed that all six service areas are important, and ones it will continue to support over the life of this Plan. It also said, however, that one area is at the center of Port efforts over the next five years: the replacement the Hood River-White Salmon Interstate Bridge (the Bridge).

Related to the central importance of the Bridge is the critical importance of funding: not only for a replacement bridge, but also for all other services that will lose their current funding from the revenue generated from tolls on the existing bridge. In the next few years, the Port's overarching strategy relating to funding is to (1) find new sources of revenue (consider all types: grants, loans, fees, and so on), and (2) find efficiencies to reduce the cost of service delivery. The intent is to at least maintain, if not improve, the current level of service in all service areas. In the longer run, if such efforts are not successful in getting revenue to match the cost of current levels of service, the Port will have to consider operational cuts: reducing the number or levels of services. This Plan goes as far as including in its actions some that monitor revenue and performance but does not include actions that aim at reducing its number or level of services.



Following are summaries of the Plan's proposed actions in the Port's six service areas. The Plan's focus is on actions, but it provides context for those actions by first giving some background on goals and recent Port activities. For most activities, the text is mainly a summary of recent and detailed Port efforts to address certain issues. For example, Bridge replacement has been addressed continuously and extensively by the Port for many years; and over the last year it has developed and adopted new strategies for the Marina and the Airport. For other service areas, the material is assembled from several key documents.

The concepts of vision, goals, strategies, and action overlap: what is intended gets more specific as one moves from vision to actions. And within actions, some relate to capital (construction) projects. For each service area below, the description of "Actions" includes all of these elements.

The capital plans for each service area make some reasonable estimates about potential funding, but not all funding for every listed improvement has been secured. Thus, ongoing work related to funding is a critical element that cuts across all service areas and is a key action in the area of Central Services.

Supporting documentation for all service area summaries is referenced as appendices and available on the Port website at portofhoodriver.com.



photo: Richard Hallman



4.1 Bridge and other highway transportation

photo: Blaine Franger

Background

The Port owns, operates, and maintains the Hood River-White Salmon Interstate Bridge (the Bridge), which is its largest single capital asset. The Bridge is a facility critical to the quality of life and economic prosperity of households and businesses throughout the region. Moreover, the toll revenue from the Bridge is now sufficient not only to cover the Bridge's operation and maintenance, but also to support other services the Port provides.

That situation is changing. The National Bridge Institute rates bridge condition on a scale of 0 (failing) to 9 (excellent): it rates this Bridge as 2 (Critical). The Port has been working for years on bridge replacement, and it continues to be the Port's top priority: marine and highway transportation, safety, economic development, and the ability to fund most other Port services are all linked to a successful resolution of the problem of bridge replacement.

The Port has other transportation facilities. The largest is the KenJernstedt Airfield, addressed below as a separate service area. Other highway transportation is primarily attached to the function of other services areas: for example, access to and parking at facilities like the Airfield, the Marina, and waterfront parks.

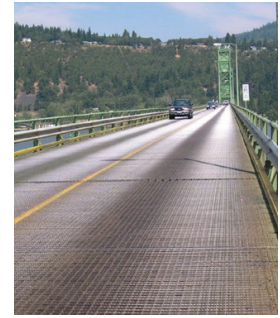


Capital maintenance and repair needs are accelerating as the Bridge approaches its 100th year in service.

Actions

The Port’s actions are chosen, as they must be, to keep the existing Bridge operational and safe while simultaneously working to accomplish the technical and political work to get a replacement bridge designed, permitted, funded, and built.

Regarding the first priority—ongoing operation and maintenance of the existing Bridge—the Port has a detailed capital maintenance plan, which includes a funding plan for those capital investments. The summary of projects programmed for the next five years follows; see Appendix I for more details.



The steel mesh bridge deck is in constant need of repair because of traffic volume and weight.

Interstate Bridge - Existing				
Project	Cost	Year	Funding	Priority
Complete Bearing Repair	\$50,000	2021	POHR	1
Pave Approach Ramps	\$500,000	2021	POHR	1
Weight Limit Structural Upgrades	\$1,000,000	2022	POHR	1
Construct Retaining Wall @ S. Abutment	\$50,000	2022	POHR	2
Replace Rack Pinion Shafts/Couplings	\$250,000	2023	POHR	2
Pier Cap Concrete Rehabilitation	\$400,000	2024	POHR	2
Replace Guard Rail/Rub Rail	\$750,000	2025	POHR	2
Install Weigh-in-Motion System	\$600,000	2026	POHR	3

Regarding Bridge replacement, the Commission is clear about the priority and the challenges, and its goals and strategies for addressing them. This Plan documents the intention of the Port Commission and staff pursue the following goals (1 - 7) with the following actions (B-1 to B- 31):

1. Facilitate bi-state collaboration

- B-1 Maintain & increase Bi-State collaboration
- B-2 Complete Bridge Authority feasibility study
- B-3 Increase understanding of alternative project delivery models including P3
- B-4 Establish BSBA legislation review process
- B-5 Advocate for continue project funding at state and federal level

2. Increase community awareness and support

- B-6 Post-NEPA phase public information campaign
- B-7 Phase II public involvement strategy
- B-8 Formation of Project Advisory Committees (Technical, Strategic, Public Involvement)

3. Elevate state and federal delegation awareness and support

- B-9 BSBA Study authorization in OR and WA
- B-10 1:1 meetings with Transportation and Ways & Means Committee members
- B-11 Obtain \$5 million from OR in 2021
- B-12 Obtain \$5 million from WA in 2021
- B-13 Monitor additional federal transportation grant or earmark opportunities
- B-14 Lobby for increase in USDOT TIFIA project amounts

- B-15 Pursue federal grant opportunities (INFRA, BUILD)
- B-16 Federal infrastructure legislation
- B-17 Federal loan/bond programs (TIFIA, USDA)
- B-18 P3 project delivery options evaluation

4. Demonstrate project readiness

- B-19 Finish FEIS and ROD
- B-20 Complete Geotechnical analysis
- B-21 Hire project engineer to complete 15-30% engineering
- B-22 Prepare preliminary cost estimates
- B-23 Obtain OR & WA legislative support for Bi-State Bridge Authority
- B-24 Identify needed statutory changes in WA

5. Assemble a highly experienced project team

- B-25 Add members for Phase II efforts (Project Engineering Firm, Owner’s Representative)

6. Prepare to transition project leadership from the Port of Hood River to another entity

7. Evaluate multiple project delivery options and recommend the best project delivery approach.

- B-26 Final engineering contract
- B-27 Owners Representative contract
- B-28 Construction phase modeling
- B-29 Financing alternatives assessment
- B-30 Project delivery alternatives evaluation
- B-31 Continued executive-level meetings with DOTs

These goals and actions interrelate in many ways as they evolve toward project completion. The Port has developed and adopted a schedule of milestones and products that it will monitor as the many parts of the replacement project move forward (see Appendix K):

Many of these actions require evaluations that need special expertise. The Port plans the following funding to support such evaluations over the next five years.

Interstate Bridge - Replacement				
Project	Cost	Year	Funding	Priority
Complete EIS/ROD	\$200,000	2021	ODOT	1
Complete 30% Preliminary Engineering	\$12,000,000	2023	Grants/POHR	1
Approve Bi-State Compact Legislation	\$200,000	2022	POHR	2
Identify Project Delivery Approach	\$500,000	2023	POHR	2

Finally, the Port has some needs for other surface transportation improvements to support its other services. Those improvements are listed by service area in Section 4.2 - 4.5, following.



4.2 Ken Jernstedt Airfield

Background

The Port became the owner of the Ken Jernstedt Airfield (the Airfield) in 1976. The Airfield was established in 1945 on 80 acres north of the City of Hood River. Since 1976, the Port has acquired additional land, made improvements to increase compliance with standards of the Federal Aeronautics Administration (FAA), and accommodated the Western Antique Aeroplane and Automobile Museum (WAAAM), located adjacent to the Airfield's north side (2008).

The Airfield had a Master Plan done in 2002 (updated in 2009) and again in 2018 (an extensive study consistent with the guidance of FAA). In 2020-21 the Port Commission, with the assistance of an Airport Advisory Committee (AAC) and consultant Mike Davis, did further investigations of options for the development and operation of the Airfield. That work led to a presentation and discussion of those options at a Commission meeting (March 2021) and the subsequent refinement of a vision, strategy, and actions by the AAC in May. The work of the AAC and Commission in 2021 has resulted in what could be termed a preliminary (and not yet officially adopted) strategic plan for the Airfield. The Port believes that work is the best statement of the Commission's intentions for actions related to the Airfield, and that it should therefore be the basis for this section of this strategic plan (see Appendix L for more detail).



photo: Flying Tiger US

*WWII Flying Tiger
Ken Jernstedt*

Actions

The actions assume the continuation of the Port Commission's vision for the Airfield as one that offers safe, efficient, and attractive aviation facilities and services (consistent with FAA designation B-2) to pilots, residents, businesses, and visitors. The vision is for the Airfield to support not only general aviation, and also emergency response, education, and economic development goals balanced with the needs of the surrounding community.

More specifically, the Airfield should be managed and have funding to achieve the following goals and strategies. This Plan documents the intention of the Port Commission and staff to take the following actions to help achieve those goals:

1. A high level of safety

2. A reputation as a welcoming, user-friendly airport

A.1 Identify and evaluate locations to enhance observation amenities, food & beverage availability for visitors

3. Financial self-sustainability

A-2 Monitor the FBO Agreement and fueling operations to maximize Port revenue while maintaining excellent customer service.

A-3 Assess ground lease options for private hangar and light industrial development.

4. A high level of services commensurate with the airport size and market

A-4 Develop light industrial hangars to provide leased space for aviation related businesses

A-5 Expand mechanic services and capabilities. Utilize mechanic shop facilities to enhance STEM and vocational training opportunities for high school students

A-6 Evaluate locations to increase number of tie-down parking spots

A-7 Partner with local taxi & ride-share companies and consider locating an electric vehicle to enhance ground transport for visiting pilots.



5. A mutually supportive relationship with WAAAM

6. Growth and development of aviation technology and light industrial businesses

A-8 Evaluate and consider new technologies that can provide useful data about airport operations and area impacts.

7. Support for wildfire and search & rescue emergency response operations.

8. Growth and development of aviation technology and light industrial businesses

A-9 Evaluate potential public/private partnerships with WAAAM, Hood River Soaring, HRVHS, CGCC, community social clubs and aviation technology businesses to develop educational programs and activities, career pathways, and course curricula.



Glider access on the east end of the airport will be paved in 2023

9. A pro-active outreach and public engagement process

A-10 Regularly convene the Airport Advisory Committee to consider airport policies, programs, and actions. Encourage volunteer participation in projects and tasks to achieve Plan goals. Review Committee charter and purpose annually

A-11 Prepare and implement an outreach strategy to enhance communication and address concerns from area residents about airport operations, particularly noise impacts.

10. The use of data-informed decisions that manage the impact of aircraft noise generated by the Airfield

A-12 Work with aviation technology companies to develop operating protocols that are aligned with noise mitigation community standards

Consistent with these actions, the Port intends to find funding to pursue the following capital projects related to the Airfield:

Airfield				
Project	Cost	Year	Funding	Priority
Purchase/Install AV Gas Tank	\$225,000	2021	POHR	1
Construct Commercial Hangar	\$3,500,000	2022	POHR/Grant	1
Re-Locate Wind Sensor	\$100,000	2022	POHR/FAA	1
Construct Maintenance/FBO Hangar	\$4,000,000	2024	Private	2
Construct Airport T-Hangars/Box Hangars	\$2,500,000	2025	Private	3
Aviation Activity Tracking Technology	\$60,000	2022	POHR	3
New Tie-Down Paving	\$200,000	2023	POHR/FAA	2
N. T-Hangar Block Access Paving - Ph. 1	\$100,000	2022	POHR/FAA	1
Glider Access Paving	\$750,000	2023	POHR	3
Flush Runway lights for Glider Operations	\$20,000	2022	POHR	1
Maintenance & FBO Hangar	\$4,000,000	2023	POHR/Private	3
Taxi-Way Hangars Ph. 1 - Paving	\$250,000	2025	FAA/POHR	2
Taxi-Way Box/T-Hangar Ph. 2- Construction	\$2,500,000	2026	Private	3
S. Side Utilities / Airport Drive	\$1,000,000	2027	POHR	3
Perimeter Fencing	\$200,000	2027	POHR/FAA	2
N. T-Hangar Block Access Paving- PH. 2	\$350,000	2028	POHR	3



4.3 Economic and Real Estate Development and Management

Background

As part of its economic development efforts, the Port prepares industrial sites for new construction, renovates industrial buildings; assesses and responds to market conditions; encourages workforce education and training; and takes other actions to support business communities within the Port District and the Columbia Gorge region.

In the 1980s, the Port purchased the 21-acre Diamond Fruit Cannery Complex in downtown Hood River and initiated an \$11 million renovation. In 1985, the Port developed the John Weber Business Park in Odell. In the 1990s, the Port purchased and initiated development of Wasco Business Park. Through the 1990s until the present, the Port's development focus has been on the Hood River waterfront: on the development of infrastructure and of recreation and light industrial sites (Appendix E). From 2009 to 2017, investment in the waterfront from the Port and other businesses totaled \$85.9 million, with 445,000 gross square feet developed and 655 jobs created (for detail, see Appendix M). In 2016, the Port purchased the Lower Hanel Mill in Odell and converted the brownfield site to shovel-ready status. For more than a decade, the Port has completed various studies related to the development of Lot 1, which is zoned for light-industrial use and is the largest remaining developable site on the waterfront (for detail, see Appendix N, Appendix O and Appendix P).

The Commission approved a Real Estate Investment Strategy ("REIS") in 2018 (Appendix Q). The REIS showed the overall picture of the Port's real estate portfolio, providing (1) a baseline understanding of existing building characteristics and performance, and (2) an assessment of the development potential for vacant undeveloped Port-owned properties. The Commission approved a new structure for leases in 2019 (Appendix R) with the goal of full cost recovery and market rates of return.

*Aerial image of
Lot 1 and Nichols
Basin west edge.*

In the opinion of the Commissioners and staff, no significant changes have occurred since the completion of the 2014-2018 Strategic Business Plan (Appendix E) that warrant changes to the Port's overall vision and goals for economic and real estate development (changes due to COVID-19 remain in flux and the subsequent impacts of COVID-19 are currently unclear). Many actions in the 2014-2018 Business Plan have been accomplished—the need now is for continuing and new actions to pursue the same vision, goals, and strategies. Staff have been working through next steps as directed by the Commission. In late 2019, the Commission held a Real Estate Work Session and consensus direction was given to staff on various real estate projects. In November 2020, the Commission approved several goals and next steps.

Collectively, these documents from 2018 – 2020, plus the 2014-2018 Strategic Business Plan, give a relatively complete picture of the Port's goals / strategies and existing policies for economic and real estate management and development, and the actions it plans to take in the future.

Actions

The Port's vision for economic development has remained the same in recent years. The Port plans to continue in its role as the main economic development agency in Hood River County. The Port's goals for economic development are the same as they were in the 2014 Strategic Business Plan (Appendix E): a thriving, balanced economy; a high quality of life for citizens; support for private businesses that create jobs, and the provision of training opportunities. Corresponding goals and actions for this Plan, adopted by the Commission, are as follows:

- 1. Manage existing buildings to cover costs, achieve market rents, produce net revenues, identify maintenance and capital improvement needs, and retain quality jobs.**
- 2. Develop and market existing vacant property to generate revenue and create and retain quality jobs. This includes conducting market demand, infrastructure and site planning studies to identify appropriate development plans, actively seek interest of local businesses for expansion opportunities, recruit new business, and assist the work of area partners to attract new business to the region.**
 - E-1 For Lot 1: Explore grant opportunities.
 - E-2 For Lot 1: Complete a 10% engineering design and project cost estimate.
 - E-3 For the Barman Property: Issue Request for Information (RFI)
 - E-4 For the Barman Property: Review submittals with Commission
 - E-5 Consider impacts of development options on vehicle trips generated
- 3. Seek opportunities to acquire and develop additional industrial property to provide sites for future business growth and expansion.**
- 6. Growth and development of aviation technology and light industrial businesses**
- 4. Participate actively and engage the public in planning and development efforts**
- 5. Support workforce development efforts by other agencies and businesses in the Mid-Columbia Region.**



The windows on the North side of the Jenson building are due for replacement in 2023

The Port intends to find funding to pursue the following capital projects related to its Economic and Real Estate Development and Management goals and strategies.

Industrial Infrastructure				
Project	Cost	Year	Funding	Priority
Fill Wetlands @ Lower Mill	\$350,000	2022	POHR	1
Construct E. Anchor Way	\$1,500,000	2022	Grants/POHR	1
Construct N. 1st Street	\$3,300,000	2023	Grants/POHR	2
Replace City Stormwater Line	\$4,000,000	2024	City/POHR	2
Industrial/Commercial Buildings				
Project	Cost	Year	Funding	Priority
Remodel Port Bldg./Expand Interior Space	\$125,000	2022	POHR	1
Replace Jensen Bldg. Roof	\$1,000,000	2023	POHR	
Replace DMV Bldg. Roof	\$50,000	2022	POHR	
Replace Jensen Bldg. N. Side Windows	\$100,000	2023	POHR	2
Property Development				
Project	Cost	Year	Funding	Priority
Re-develop Barman Property	\$100,000	2023	POHR/Private	1
Lower Mill Industrial Building (25-30k s.f.)	\$5,000,000	2024	POHR	2
Lot #1 Industrial Building (30-40k s.f.)	\$8,000,000	2025	Private	3
Acquire Industrial Property	\$5,000,000	2025	POHR	2
Replace Maritime Building	\$10,000,000	2026	POHR	3
Construct Incubator Bldg. on Portway Ave	\$3,000,000	2027	POHR	3



*Port's office building
will be remodeled
in 2022*



4.4 Marina

Background

The Port began construction of the 22-acre Hood River Marina Basin (Marina) in 1968. Improvements and expansions occurred over the years based on demand and available funding. The Marina now has 173 boat slips and 11 boathouses, a transient dock, a fuel dock, a sea-plane dock, a boat ramp, a tour-boat dock, restrooms, parking, and office buildings. It has a long waiting list for slips. For more information about the Marina's history and amenities, see Appendix E and Appendix U.

In December 2007 the Port completed a Marina Basin Planning Study (Appendix U) to guide future development, system upgrades, and infrastructure improvements. In May 2021, the Marina Advisory Committee and Port Commissioners collaborated to draft a Strategic Business Plan Excerpt (Excerpt) for the Marina (Appendix V), which is a draft working document created to inform the actions to be included in this Strategic Business Plan. Note that there is some overlap the facilities, services, and actions in this section on Marina from those covered in the section on Waterfront Recreation: the boating facilities (mainly docks) at the Marina are surrounded by Marina Park and Marina Beach. This section (Marina) includes all elements referenced in the Excerpt. All other elements are addressed in the section on Waterfront Recreation.

The Hood River Marina will continue to be upgraded and expanded in the coming years

Actions

The vision for the Marina has changed little over the years. The Port wants it to be a multi-use recreational site that is safe, functional, welcoming, and attractive; it wants it to serve the needs of marina tenants, guest boaters, and local residents and groups, particularly youth programs. The Excerpt identifies the following goals, standards, strategies, and actions consistent with that vision:



*The South Basin Dock
will be upgraded and
expanded in 2024-25*

1. Maintain the Marina as a safe and efficient facility and assure continued status as a certified “Clean Marina.”

- M-1 Collaborate with the OSMB to improve access ramps, docking facilities and the Guest Dock, and extend boat launch ramp paving.
- M-2 Prepare and implement a maintenance plan for docks and moorage facilities; conduct rigorous condition assessment of each dock.
- M-3 Conduct bathymetry (water-depth) study at Marina entrance area
- M-4 Coordinate with Department of State Lands to address conflicting uses at Marina Beach, access to Sandbar
- M-5 Study the feasibility, potential safety benefit, and cost to locate the Sheriff’s boat moorage to the Fuel Dock location, at least during summer season.

2. Efficiently manage the Marina wait list to ensure slips are leased in a timely manner.

3. Maximize launch access for smaller size boats.

- M-6 Seek reasonable opportunities to increase the use of the Marina Basin for small vessel sailing and non-motorized watercraft, special emphasis on youth programs.
- M-7 Evaluate potential expansion and upland improvements to the South Basin for small boat storage and enhance launch access. Explore potential benefit of installation of a jib crane.
- M-8 Explore potential to develop a small boating center at either the S. Basin Docks or the NW corner of the Marina Basin with a roll down gravel launch, temporary seasonal float dock configuration

4. Ensure compliance with proper maintenance standards for boat houses.

- M-9 Work with the Marina ad-hoc committee to encourage greater input from moorage tenants on management and maintenance practices.

5. Prioritize local (Mid-Columbia Gorge) resident use and access.

- M-10 Explore development of local resident discounted rate.
- M-11 Collaborate with the Hood River Yacht Club and other user groups to increase public and private events and activities in the Marina, especially youth education and sailing programs.

6. Continuously consider improvements to the Marina that meet market demand consistent with funding availability.

M-12 Evaluate market demand and financial feasibility of expanding the number of Marina slips.

7. Increase year-round activity and vitality in the Marina Basin.

M-13 Evaluate potential enhancements for observation areas, ADA water access, fishing platforms and other non-sailing uses of the Marina area.

8. Seek ways to ensure the operation of the Marina is self-supporting through cash flow from slip lease income and Oregon State Marine Board (OSMB) funding.

M-12 Evaluate market demand and financial feasibility of expanding the number of Marina slips.

9. Monitor potential impacts of bridge replacement project and characterize mitigation needs for continued operation.

M-15 Evaluate the potential impacts of a future bridge replacement on launch ramp parking & access, and work to properly characterize mitigation needs.

Consistent with these actions, the Port intends to find funding to pursue the following capital projects related to the Marina:

Marina				
Project	Cost	Year	Funding	Priority
Construct Ramp Boarding Floats	350,000	2022	POHR/OSMB	1
Expand HRYC Boat Storage Area Fencing	\$10,000	2022	POHR/HRYC	2
Restore/Expand South Basin Dock	\$600,000	2025	POHR	3
Construct Dinghy launch Ramp & Dock	\$550,000	2025	POHR	3
Expand 'B' Dock	\$850,000	2026	POHR	3
Rehabilitate Existing Docks	\$400,000	2026	POHR	2
Construct Off-site Boat Storage facility	\$1,000,000	2027	POHR/Private	3
Rehabilitate Visitor Dock	\$650,000	2022	OSMB/POHR	3
Upgrade and Expand South Basin Dock	\$550,000	2025	POHR/Loan	2
Yacht Club Building Improvements	\$65,000	2025	HRYC/POHR	3



The fencing around the boat storage area for the Hood River Yacht Club will be expanded in 2022 and building improvements take place in 2025.



4.5 Waterfront Recreation

photo: Richard Hallman

Background

Much of Hood River's Waterfront shoreline is owned and managed by the Port for the public's pursuit of recreation. As the popularity of water sports has increased and evolved over the past several decades, the Port has responded with projects and enhancements as permissible. Sites include Port Marina Park, the Event Site, Marina Beach, the Spit, Nichols Basin, Waterfront Park, The Hook, and pedestrian and bicycle trails. These sites attract visitors from around the world and provide a significant contribution to the tourism economy and quality of life of the Port District (Appendix W). Every waterfront location experienced record use in 2020, and spectators of waterfront recreators are becoming the Port's largest user group (Appendix X).

New and innovative types of recreation activities frequently emerge that may require new management approaches. An assessment of the Port's recreational sites is conducted every year as part of the annual budget process which serves as the basis for near-term decisions about capital and capital maintenance expenditures, as well as policies and changes to Ordinance 24 which governs conduct on Port property. In September 2007, the Port completed a Hood River Waterfront Development Strategy (Appendix Y). Overall direction for future planning and use of various functional areas of the waterfront is described in the 2013 Waterfront Site Assessment Report (Appendix Z). In June 2021, the Port staff updated the goals and strategies and actions for the Waterfront recreation areas (Appendix W).

Actions

The Port's vision for the Hood River Waterfront is to accommodate a multitude of uses and interests — recreation, river access, industry, transportation, events and scenic values among others. To that end, the Port's vision for recreation is to maintain and develop high quality recreational sites that promote river access, active recreation and passive open space experiences for community members and visitors, while supporting the economic development goals of the Port District (Appendix X). The Port identified the following goals, standards, strategies, and actions consistent with that vision:

1. For Port Marina Park: Consistently consider opportunities to enhance the beauty and functionality of the park grounds, facilities and open space.

R-1 Annually consider signage and notifications protocols to enhance user awareness of the risks and safety hazards associated with use of the Columbia River.

2. For Port Marina Park: Enhance riparian areas along the Hood and Columbia Rivers.

R-2 Carry out a comprehensive study of the habitat functions and user impacts to the Swim Beach and Sandbar.

3. For Port Marina Park: Support organized recreation uses particularly youth activities.

4. For Port Marina Park: Maintain Marina Park as an area for passive uses that limit user fees.

R-3 Annually review policies associated with user requirements and fees associated with events and consider changes.

R-4 Review Ordinance 24 and consider changes that respond to new uses and emerging challenges, particularly parking enforcement and trespass.

5. For Port Marina Park: Seek ways to carry out management and maintenance actions in the most efficient way possible.

R-5 Prepare a comprehensive maintenance plan, including annual tasks, staff time and cost summary or the Port Marina Park to identify opportunities for greater efficiencies and reduced costs.

6. For the Event Site: Annually, consider improvements to the Event Site that meet market demand, enhance the user experience and increase safety.

R-6 Prepare a comprehensive, long-term maintenance plan for Event Site facilities and structures: jetties, beach, restroom, dock and planting.

R-7 Budget for incremental annual upgrades to improve functionality and appearance.

7. For the Event Site: Seek ways to reasonably increase revenue from Event Site users to meet increasing maintenance costs.

R-8 Annually review parking management actions, concessionaire agreements and event user fees.

8. For the Event Site: Proactively respond to changing water levels, user needs, and enforcement requirements to decrease user conflicts.

R-9 Prepare an annual review of the high-water action plan and safety requirements for users.



Additional rigging areas at the Hook similar to the existing one pictured here, are slated to be built in 2021

- 9. For the Event Site: Increase communication with users to obtain feedback and communicate site activities and uses rules.**
- 10. For the Event Site: Seek ways to increase use of the Event Site during shoulder seasons including as a hub for transit.**
- 11. For Other Recreational Sites: Maintain existing facilities, including access, parking and amenities.**
 - R-10 Annually assess conditions to ensure maintenance standards are met for waterfront access, ramps, jetties, roadways, and parking areas.
 - R-11 Monitor sites for invasive plants and take action to eradicate and minimize spreading.
- 12. For Other Recreational Sites: Consider long-term management costs before developing new or enhanced recreations sites.**
 - R-12 Seek ways to increase revenue for recreation sites and decrease expenses.
- 13. For Other Recreational Sites: Seek funding and partnership opportunities to design, permit and develop additional recreational enhancements in all areas.**
 - R-13 Develop a plan to increase water access opportunities and riparian enhancements at the western end of The Hook.
- 14. For Other Recreational Sites: Enhance ADA access throughout the Port’s recreational areas.**
- 15. For Recreation Trails: Seek funding opportunities for the design and development of the pedestrian and bicycle trail connections with an emphasis on facilities on or near Port properties.**
- 16. For Recreation Trails: Support efforts by the Hood River Valley Parks and Recreation District and other entities to construct new pedestrian and bicycle facilities.**



Pedestrian Bridge over the Hood River will receive a new deck and new lighting in 2022

Waterfont Recreation				
Project	Cost	Year	Funding	Priority
Install Interpretive Signage	\$50,000	2021	POHR	1
Construct New Rigging Areas at Hook	\$40,000	2021	Grant	2
Replace Ped. Bridge Deck	\$30,000	2022	POHR	1
Install Ped. Bridge Lighting	\$45,000	2022	POHR	2
Pave Nichols Dock Parking Lot	\$100,000	2022	POHR	2
Replace Trees @ Nichols Park	\$15,000	2022	POHR	1
Construct Overlook Plaza at Swim Beach	\$150,000	2023	POHR	3
Construct New Picnic Shelter	\$200,000	2023	POHR	3
Construct Swim Dock @ Frog Beach	\$450,000	2024	POHR	3
Re-Pave Marina Park Access Road	\$800,000	2024	POHR	2
Build Accessible Ped/Bike Path @ Nichols	\$175,000	2025	POHR	2
Build New Restroom/Plaza @ Nichols Park	\$450,000	2025	Grant	2



4.6 Central Services

Background

None of the Port's five external-facing facilities and services could function effectively without the support of the Port's internal-facing (administrative) services: executive management, finance, human resources, information technology, communications, building and fleet maintenance, and so on). When working well, these services may be taken for granted; if they were to stumble, other services may fall with them. The possible failures are numerous, easy to imagine, and not imaginary: there are hundreds of local governments in the U.S. struggling right now with problems in some aspect of their Central Services.

As part of the development of this plan, the Port's executive director and senior staff, with some outside evaluation, did a high-level review of central services. In general, they found high performance. Decision-making processes (e.g., strategic planning, financial forecasting and planning, life-cycle maintenance scheduling) are state of the practice. Staff and Board collaboration is very good. Citizen surveys gave Port services high marks. Staff turnover is low. Improvement in the technology and process of toll-collection at the Bridge were so well implemented that another tolling authority buys Port staff time to help it develop its system.

They also found—as nearly all local governments have—places where the demands of COVID had caused temporary reductions in the efficiency of certain operations. For example, the challenge of meeting the law for open public meetings and decision-making in a world of social distancing required the development of new staff procedures, and the time of staff and Commissioners to learn the procedures. Most of those issues were resolved. Some of the new procedures adopted may continue to be more efficient than older ones and be retained.

In general, the Port's central services are appropriate for an organization of its size performing well. The actions below are mainly about longer-term issues to address to help ensure the ongoing ability of the Port to perform efficiently and equitably.

Actions

The most important, pressing, and ongoing demand on central services is to deal with current funding issues and prepare for the bigger issues that are inevitable if the Port is to be successful in secure a replacement bridge for the region. The Port is aware of the need, has skilled staff dealing with it, and has been systematically simulating future financial conditions and evaluating funding options that deal with both the replacement bridge and continued Port services in other areas. The point here is not that new action needs to be taken, but that the Commission understands and is committed to making sure that existing and planned actions continue.

For every local government there is always more that can be done on Public Engagement. Moreover, the combination of (1) past and expected changes in regional demographics, (2) an increasing national awareness of the need to address diversity, equity, and inclusion (DEI) in all policy and investment decisions, and (3) the likely start of a post-COVID period with changes in requirements for social distancing suggests that now would be a good time for the staff to review its public engagement policies and programs and amend them as necessary.



*Michael McElwee
has served as Port
Executive Director
since 2006*

Related to outreach and engagement is collaboration with Port partners. For example, in 2020 the Port did an evaluation with the Hood River Valley Parks and Recreation District to see whether there were efficiencies to be gained from joint maintenance of park facilities. Though the results showed modest possibilities for cost savings typical outdoor maintenance activities for the Port (more for HRVPRD), it did find the potential for substantial savings via joint purchasing agreements with suppliers if the Port, HRVPRD, the City, and the County to collaborate to develop such agreements. Additional work on this and related topics would probably be part of the ongoing work on funding.

Directly related to the implementation of the actions in this Plan are the efficiencies that can be gained by having an improved process for developing and accomplishing an annual Commission Work Plan. Some actions in this Plan are more important than others, and some of those require more Commission attention than others. What are the important actions that, but for significant commission input, would not get done well, on time, or at all? These items should be the focus of an annual Commission Work Plan and schedule of work sessions, products, and decisions.

Finally, one of the important reasons that the Port is now functioning well is that it has a senior leadership team of experienced and competent managers that are working as a team. Many are at a point in their careers and lives that retirement is a possibility. Most organizations fail at succession planning: too little, too late, with the potential for months (even years) of lost productivity as a management team works itself through a series of “acting” directors and department heads. The Port will endeavor to structure its organization chart to anticipate these transitions.



5.0 Next Steps

By adopting this Plan, the Port's Commissioners let everyone know the Port's vision and goals, and the actions the Commission and staff will be taking to achieve them over the next five years. The Port does many things not addressed in this Plan to deliver its services efficiently on a daily basis: it will continue to do those things. This Plan is about the bigger programs and capital investments that will take staff resources, funding, and time to be fully implemented and produced desired results.

This Plan is a working document. It will be evaluated annually during the Fall Planning Work Sessions as the Commission formally considers policy and budget matters that may affect Plan implementation.

This Plan lists more actions than the Port can complete in a year; the Port is unlikely to complete all of them within the five-year horizon this Plan addresses (2021 - 2026). Not only may resources be insufficient, the needs for new actions may emerge and grow just as COVID, though not identified as an issue or addressed by an action in the previous Plan, became of necessity a central focus in 2020, displacing other planned actions.

But having a list of priority actions creates focus that would not otherwise exist. The Commission, when asked by some group to make some new investment, has a way to calibrate its response: (1) What, if anything, now in this Plan must be given up so as to have enough resources to do this new thing? and, (2) Is the new thing more important than the thing now in this Plan?

In that sense, this Plan is analogous to a contract between the Commission, the staff, and the people they serve: this is what we are going to do. The Plan is flexible, and it can be amended for cause. But it will be a reference and a benchmark: How well are we doing on implementation of the actions and accomplishment of the goals we adopted?

Because there is so much in the Plan, it ends with a summary of what the Commission believes to be the priorities for capital investment. All the items had a priority ranking of 1 or 2 in the tables above. Each capital project listed below is also listed in the 10-year Financial Model. The implementation of each project is dependent upon the availability of financial resources, a specific risk assessment prior to implementation, and a determination of whether new opportunities or threats exist. Each is expected to be carried out if assumed financing sources are available.

SERVICE AREA AND ACTIONS 5.0

Project	Cost	Year	Funding	Priority
Interstate Bridge - Existing				
Complete Bearing Repair	\$50,000	2021	POHR	1
Pave Approach Ramps	500,000	2021	POHR	1
Weight Limit Structural Upgrades	\$1,000,000	2022	POHR	1
Replace Rack Pinion Shafts/Couplings	\$250,000	2023	POHR	2
Interstate Bridge - Replacement				
Complete EIS/ROD	\$200,000	2021	ODOT	1
Complete 30% Preliminary Engineering	\$12,000,000	2023	Grants/POHR	1
Approve Bi-State Compact Legislation	\$200,000	2022	POHR	1
Identify Project Delivery Approach	\$500,000	2023	POHR	2
Industrial Infrastructure				
Fill Wetland @ Lower Mill	\$350,000	2022	POHR	1
Construct E. Anchor Way	\$1,500,000	2022	Grants/POHR	1
Construct N. 1st Street	\$3,300,000	2023	Grants/POHR	1
Industrial/Commercial Buildings				
Remodel Port Bldg./Expand Interior Space	\$125,000	2022	POHR	1
Replace Jensen Bldg. Roof	\$1,000,000	2023	POHR	1
Replace Jensen Bldg. N. Side Windows	\$100,000	2023	POHR	2
Property Development				
Re-develop Barman Property	\$100,000	2023	POHR/Private	1
Lower Mill Industrial Building (25-30k s.f.)	\$5,000,000	2025	POHR	2
Acquire Industrial Property	\$5,000,000	2026	POHR	2
Airport				
Purchase/Install AV Gas Tank	\$225,000	2021	POHR	1
Construct Commercial Hangar	\$3,500,000	2022	POHR/Grant	1
New Tie-Down Paving	\$200,000	2023	POHR/FAA	2
Taxi-Way Hangars Paving Ph. I	\$250,000	2025	FAA/POHR	
Marina				
Construct Ramp Boarding Floats	\$350,000	2022	POHR/OSMB	1
Restore/Expand South Basin Dock	\$600,000	2024	POHR	3
Construct Dinghy launch Ramp & Dock	\$550,000	2025	POHR	3
Rehabilitate Existing Docks	\$400,000	2026	POHR	2
Waterfront Recreation				
Install Interpretive Signage	\$50,000	2021	POHR	1
Construct New Rigging Areas at Hook	\$40,000	2021	Grant	2
Replace Ped. Bridge Deck	\$30,000	2022	POHR	1
Install Ped. Bridge Lighting	\$45,000	2023	POHR	2
Pave Nichols Dock Parking Lot	\$100,000	2022	POHR	2
Replace Trees @ Nichols Park	\$15,000	2022	POHR	1
Re-Pave Marina Park Access Road	\$800,000	2024	POHR	2

In addition to these capital project priorities, the Port also prioritizes non-capital actions. This Plan has repeatedly made the case that its two overarching priorities are (1) staying engaged in the hard work of getting to a political, institutional, and funding commitment for building a replacement bridge, and (2) planning and getting approval for alternative funding sources for non-Bridge facilities and services that the Port now provides.

The flip side of those priorities is in the Plan, but unstated until now: the Plan does not have any actions aimed at creating, or even exploring, new service areas. Again, suggestions may arise, but the test will be as stated above: (1) Can we still do what we want with the services we now provide? and (2) if not, is the new service more important than the full, planned level of service for the existing one?

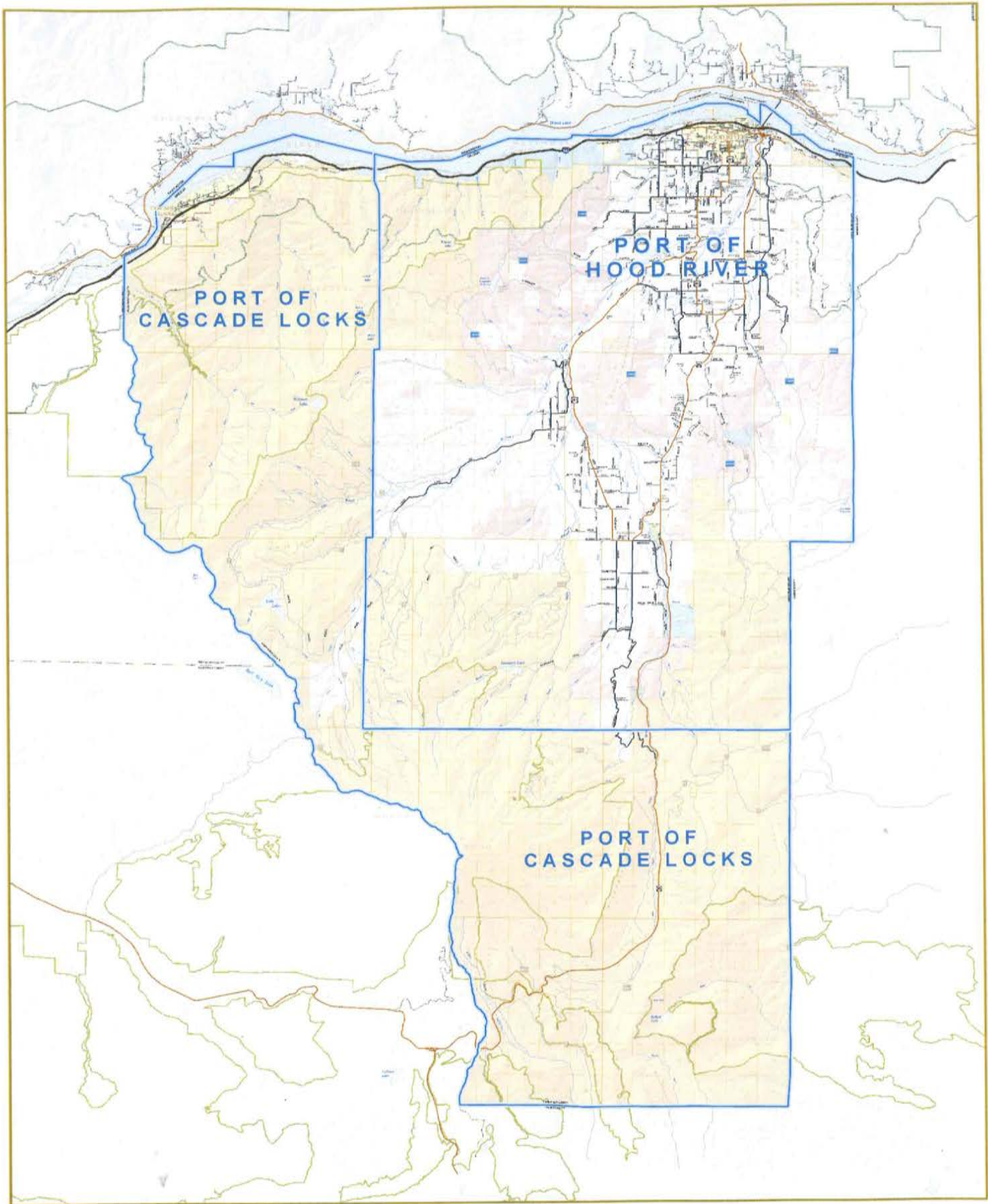


photo: Blaine Franger

APPENDIX A

MAP OF PORT
BOUNDARIES

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HOOD RIVER COUNTY PORT DISTRICTS

122251

Port District Boundary	Water
County Boundary	Road
Interstate	Railroad
State Route	Elevation Contour
Local Road	City
River	School District
Stream	Cemetery
Canal	Airport
Dam	Power Plant

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APPENDIX B

PORT OF
HOOD RIVER
HISTORY

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HISTORY HIGHLIGHTS - THE PORT OF HOOD RIVER

1933

The Port of Hood River was created and incorporated on July 28, 1933 as a result of the Bonneville Dam Project due to the expressed desire by the Oregon State Legislature and the United States Government to develop industrial lands in the Columbia River Basin. The first meeting was held August 12, 1933 with a Commission of five elected members. Five Commissioners, elected throughout the district for four-year terms, still guide the Port of Hood River today.

1940s

AIRPORT: First steps were taken by Hood River County to establish an airfield at the present site of Hood River Airport.

BRIDGE: The owners of the bridge, built in 1923 by the Oregon-Washington Bridge Co., approached cities, counties, and ports on both sides of the river regarding purchase of the bridge. All declined except the Port of Hood River.

1950s

George Bartsch - Port Manager

BRIDGE: The Port of Hood River purchased the interstate bridge for \$800,000 in 1950. Toll for autos was \$.75; truck toll varied (by weight) up to \$5.00. The Port spent \$725,000 in bridge improvements replacing timber trestle with two steel girder spans; auto toll was reduced to \$.50 in 1954.

WATERFRONT DEVELOPMENT: Several significant property acquisitions took place in the 1950s along the waterfront to prepare for future fill and development of usable land in the area. The State of Oregon, U.S. Government, Corps of Engineers and Bonneville Power Administration all cooperated in the fill project. The property east of the bridge was filled and prepared for development.



The Port of Hood River purchased the Interstate Bridge for \$800,000 in 1950.



In the 1950s The State of Oregon, U.S. Government, Corps of Engineers and Bonneville Power Administration all cooperated with the Port on property east of the bridge as it was filled in and prepared for development.

HISTORY HIGHLIGHTS - THE PORT OF HOOD RIVER

1960s

Burton Badley, Michael V. McLucas - Port Managers

BRIDGE: Bridge improvements in 1965 included replacing railing and curbs with steel posts, adding mercury vapor lights; and replacing the toll house with a sheet metal building. In 1967, United Telephone Company added a cable across the bridge valued at approximately \$4 million.

WATERFRONT DEVELOPMENT: Eddie Mays Inn (now Hood River Inn) was constructed on the eastern fill area in 1964. Fill of the second waterfront site, located west of the Hood River, was completed in the 1960s. Both properties supported the development of many business uses, including industrial, commercial and recreational. The waterfront planning and development continues to be an ongoing project for the Port of Hood River as the area's community and economy changes and diversifies.

1970s

Dallas Dusenbery - Port Manager

AIRPORT: In 1976, Hood River County deeded the Hood River Airport to the Port of Hood River, which agreed to assume ownership and upgrade the facility. The Port purchased additional land in order to provide space for potential future expansion of the airport. In 1978, 24 T-hangars were constructed for small private plane rental.

BRIDGE: 1971 and 1972 bridge improvements included portal bracing; guardrail replacement; repainting; and replacing operations of the river navigation and aerial obstruction lights with photocell. In 1973, the estimated cost of replacing the bridge with an identical structure was \$5,600,000. In 1976, renovation began for mechanical maintenance, sandblasting, cleaning and painting. In 1976, the estimated cost of replacing the bridge with an identical structure was \$7,900,000. In 1977, ten spans were welded; new power and control cable supports were installed; and marine radio was installed. Mechanical traffic axle counters were installed in 1978, and additional improvements to the concrete supports and to the communication system were made.

ECONOMIC DEVELOPMENT: A 29-acre tract of land west of Odell was purchased by the Port of Hood River to develop a light industrial park-which will later be named John Weber Business Park (JWBP).



Eddie Mays Inn (now the Best Western Plus Hood River Inn) was constructed on the eastern fill area in 1964.



In 1976, Hood River County deeded the Hood River Airport to the Port of Hood River.

HISTORY HIGHLIGHTS - THE PORT OF HOOD RIVER

WATERFRONT DEVELOPMENT: The third fill project, in the Marina Park area, was completed in 1970 and the area's general improvements began. In 1972, the first permanent moorage floats were installed in the marina. The Port Office Building was completed in 1973. A visitor dock was installed in the marina in 1975. In 1977, Department of Motor Vehicles moved into the Port office complex with Oregon State Police. The Hood River County Museum was built in Port Marina Park on land provided by the Port of Hood River. The Waterfront Industrial Park gained diverse industrial development from businesses such as Luhr Jensen, Western Power Products, Hood River Distillers, and Jantzen. The first Port of Hood River waterfront plan was produced in 1975.

1980s

Jim O'Banion - Port Manager

BRIDGE: Pier cap repairs were begun; United Telephone Service replaced their cable underwater between the towers. In 1980, the estimated cost of replacing the bridge to meet 1980 design standards was \$35,000,000. Deck grating and repainting projects were completed.

ECONOMIC DEVELOPMENT: Economic base generated on port-developed property in 1982: 19 businesses; \$10 million valuation; \$6,925,000 payroll; 710 jobs created; \$172,000 property taxes generated. Port of Hood River purchased Wells Island in 1983.

Diamond Fruit Complex: The 21-acre cannery complex was purchased in 1984 for \$800,000. Yost, Grube, Hall Architects of Portland developed a master plan and economic/market study of complex. In 1985, Waucoma Center and Graf Building began their rehabilitation and Wasco and Industrial Streets were reconstructed. The City of Hood River agreed to form an Urban Renewal District surrounding the Diamond Complex. The 50-year old cold storage plant was transformed into a modern telecommunications center, with the help of a \$2.4 million bond issue. United Telephone Company of the Northwest began the process to purchase the building in 1986. In 1986, the Columbia Building renovation was completed and DaKine Hawaii moved in. Other businesses to take space shortly thereafter in the Columbia Building included Hood River Brewing Co., makers of Full Sail Ale, and Kerrits Activewear.



The third fill project, in the Marina Park area (right), was completed in 1970 and the area's general improvements began.



The Waucoma Center was transformed from a 50-year old cold storage plant was transformed into a modern telecommunications center.

HISTORY HIGHLIGHTS - THE PORT OF HOOD RIVER

From 1988 to 1990, reconstruction of Industrial and Columbia between 3rd and 7th linked downtown and the Diamond Complex to the Waucoma Center. The project included new water mains, sanitary and storm sewers, underground electrical, streetlights, curbs and sidewalks, and paved streets. A \$521,000 grant/loan from the state along with additional funding from the Port (\$307,000) and the City (\$104,000) paid for these improvements. In 1989, the Port sold the property at 7th and Columbia and the Lodge at Hood River Condominiums were privately developed in that space.

WATERFRONT DEVELOPMENT: Marina swim beach opened in 1980. Hood River Waterfront Plan, Phase I, sets waterfront development in process in 1983. In 1985, a pedestrian bridge was built across the Hood River to link Marina Park with downtown. Marina Park restrooms were remodeled adding showers. Cruise ships began stopping at the commercial dock in 1989. Also in 1989, the Hood River Waterfront Plan was updated.

1990s

**Jim O'Banion (Retired 1994),
Greg Baker - Executive Directors**

AIRPORT: In 1995, airport improvements included a new north access road, paving and sealing the runways and taxiways, and adding a new parking area. An FAA grant of \$397,000 helped fund the project. New fuel tanks were installed and 12 new T-hangar spaces and a helicopter hangar were constructed in 1997.

BRIDGE: Bridge study completed and recommendations are made for projects to extend the useful life of the bridge, with a 1994-estimated cost of \$12-14 million. In 1994, the toll was increased by 25¢ to 75¢ and discount books were offered to frequent users. The increased revenue was placed in the Bridge Repair and Replacement Fund, to be spent solely on bridge repair and upgrades. Phase One Seismic Retrofit was completed in 1996 to strengthen the bridge. In 1997, the Washington approach was widened at a cost of \$1.6 million. In 1998, the estimated cost of replacing the bridge was \$175,000,000. The \$2.1 million lift span upgrade project began in 1999.

ECONOMIC DEVELOPMENT: Diamond Fruit Growers' office building located at 3rd & Cascade was sold in 1990 by the Port—the first Diamond property to be sold after rehabilitation. Full Sail Brewing purchased the Diamond Fruit Cannery building and built a new facility in 1995. In 1996, the Diamond Complex's Graf Building was sold. The Port contracted a study of



The late 1980's and early 1990s saw a dramatic transformation of the Columbia/IndustrialWasco Street areas.



Full Sail Brewing purchased the Diamond Fruit Cannery building and built a new facility in 1995.

HISTORY HIGHLIGHTS - THE PORT OF HOOD RIVER

industrial land availability with the results showing that only 28 acres remained. Land at 5th and Cascade was transferred to the City of Hood River for the construction of a parking lot and a \$350,000 grant was obtained for the project. Also in 1996, the Columbia Gorge Economic Development Association was formed as a coalition of all economic development agencies in the Gorge, including the Port of Hood River, with the mission of pooling resources to cooperatively market the bi-state Mid-Columbia region. In 1997, the Port partnered with Pacific Power to create a software incubator project at their Tucker Road facility. In 1998, fifteen years after the purchase of the Diamond Complex, the Port retains ownership of only two buildings. All others have been sold back to the private sector and are back on the tax rolls.

JOHN WEBER BUSINESS PARK: In 1990, Hogg & Davis and Wilbur Ellis establish businesses in Odell at the new John Weber Business Park. In 1993, the Port and Hogg & Davis donated land to the Odell Improvement Committee to create a two-acre day park at JWBP. In 1994, Power Design and Round Top Window Products were new tenants in the completed 20,000 square foot tenant building. In 1997, Hood River Supply purchased 2 ½ acres of property to expand their business. The Timber Incubator Building was completed with grant funds from U.S. Forest Service and Rural Economic and Community Development. Within two months, all spaces were leased in the 10,080 square foot building.

WATERFRONT DEVELOPMENT: In 1991, Wells Island was sold to the Trust for Public Land and then subsequently sold to the U.S. Forest Service. An additional dock was added to the Marina moorage. Construction of the Event Site began for a cost of \$1 million, using \$317,000 in lottery funding, and improving the cruise dock as well. The Hood River Waterfront Plan was updated in 1992. Beginning in 1993, Clark Door building began its transformation into the Hood River Expo Center exhibition hall and Visitors Center. 71 cruise ships stopped at the commercial dock in 1993. National trade shows began booking events into the Expo Center. A 150-foot extension was built on cruise dock allowing larger and multiple cruise ship dockings. A community Marina Planning Committee process began in 1994 to study ideas and concerns for the future development of commercially zoned areas of the Marina. In 1995, the Waterfront Advisory Committee was formed as part of an agreement between the Port and the City of Hood River to prepare a plan for the waterfront. Marina moorage was expanded in 1995 to accommodate longer boats and a new overflow dock was constructed.



The Hogg and Davis building takes shape at the John Weber Business Park in 1990.



The Event Site watersports launching area was opened in 1992.



Beginning in 1993, Clark Door building began its transformation into the Hood River Expo Center.

HISTORY HIGHLIGHTS - THE PORT OF HOOD RIVER

A dedicated swimming beach was constructed in the Marina Park area. After two years of citizen involvement, the Waterfront Masterplan developed by the Waterfront Advisory Committee went to the City Planning Commission and City Council in 1996. The first Gorge Games brought world-class windsurfing, kayaking, mountain biking competition to the waterfront in 1996. A public/private partnership agreement between the Port and D.M. Stevenson Ranch was entered into in 1997 for the development of Hood RiverFront Lodge on the waterfront, which included a new conference facility. New restrooms were constructed in the Marina parking area with funds from Fish & Wildlife and State Marine Board. In 1998, Port received \$500,000 grant for street and utility improvements for the Second Street extension project.

A waterfront panel was appointed to study the development of a park on the waterfront in 1998. The old Jucho Building was demolished to make room for the new Hood RiverFront Lodge development in January of 1999. The Marina Landscape Committee commissioned a landscaping plan from Karen Mirande and \$95,000 was approved to complete the first phase of work. The Visitors Center expansion was completed in 1999. In July of 1999, the Port Commission denied extension of the DM Stevenson Ranch agreement and put the waterfront development on hold.

2000-present

David Harlan - July 2000-2005;

Michael McElwee July 2006-present

Executive Directors

AIRPORT: Pat's Beauty Bar building on Tucker Road was purchased in 1999 and then demolished in 2000, as part of the Runway Protection Zone required by the FAA. By resolution, the Port Commission changed the airport name to Ken Jernstedt Airfield on June 19, 2001. The Airport Master Plan update was completed in 2003 that outlined projects for the next 20 years. As part of the Master Plan, a residence and orchard was purchased in 2005 and the house was moved in 2006, which increased clearance. A grass runway strip was added to the Airport in 2008 to improve landings for antique aircraft attracted by the collection of neighboring Western Antique Aeroplane and Automobile Museum. In 2012, the Port completed the Airport Runway Shift, as the first major project of the Airport Master Plan. This project required the vacation of a portion of Orchard Rd., and construction of road terminus.



In 1998, Port received \$500,000 grant for street and utility improvements for the Second Street extension project.



In 2012, the Port completed the Airport Runway Shift, as the first major project of the Airport Master Plan.

HISTORY HIGHLIGHTS - THE PORT OF HOOD RIVER

BRIDGE: The mechanical and electrical lift span improvement was completed at a cost of \$1.8 million in the year 2000. The estimated cost of replacing the bridge was estimated to be \$300 million in 2000. In 2000, the redecking and renovation planning began. The utility line replacement project was accomplished in 2002. The actual redecking project - costing \$7.5 million - was completed in November of 2004. In 2006 and 2007, the Toll Plaza and approaches were improved and electronic tolls implemented, costing approximately \$4 million.

In 2011-12, the Hood River Interstate Bridge underwent the Lower Chord Rehabilitation Project, a major bridge painting project. Fracture critical joints were cleaned, primed and painted at a cost of \$2.75 million. The toll bridge continues to be a major source of revenue for the Port, however the aging structure has undergone a long, expensive list of capital improvement projects over the past couple decades and will continue to require dedicated funds for improvements and maintenance to keep the structure sound over the next 20 to 30 years.

ECONOMIC DEVELOPMENT: The Columbia Building was sold in 2003 to Key Development Company. The Diamond Fruit Complex Big 7 Building was renovated to house Gorge Networks and the Columbia Gorge Community College Hood River Center, including the Integrated Technology Center. Classes opened to the public in the fall of 2004. At this time, Big 7 Building is the only Port-owned building that was part of the Diamond Fruit Complex renovation.

WATERFRONT DEVELOPMENT: Landscaping of the Marina Green area, including irrigation and drainage, was completed in the spring of 2000. The 17th annual Harvest Fest at the Expo Center, second annual Pear and Wine Festival, and the first annual Jazz on the Water Festival in Port Marina Park were held in 2000. The Army Corps of Engineers dredged the Boat Basin channel to allow bigger cruise ships to pass through the channel from the Columbia River in 2000 and 2002. In 2000, the Columbia Area Transit (CAT) District was given permission by the Port Commission to build a transit station next to the Expo Center; however, they reconsidered the site when the River Front development fell through. In March of 2000, the Port and the City agreed to continue their work together to reformulate their vision for the waterfront development plan. Leland Consulting Group was chosen by the Port/City Task Force to develop a new master plan, which included zoning and implementation guidelines. Kiteboarding



In 2011-12, the Hood River Interstate Bridge underwent the the Lower Chord Rehabilitation Project , a major bridge painting project.



The Hood River Chamber of Commerce Harvest Fest takes place in tents at the Event Site parking lot each fall.

HISTORY HIGHLIGHTS - THE PORT OF HOOD RIVER

came to the waterfront “Spit” in 2000. Construction of two new restrooms at the Event Site and the Marina Park Beach began in 2000 and were completed in the spring of 2001.

Because the Leland Plan was not economically feasible, the Port/City Task Force continued to work together on the waterfront zoning to complete the Waterfront Action Plan. In July of 2003, the Commission entered into negotiations with William Smith Properties to plan and develop the waterfront property. The 2nd Street Project engineering began in the fall of 2002. Work was completed on the Marina Park portion of the River Walk pedestrian access way in 2002 with the help of an Oregon State Parks grant. In 2005, the Commission pulled the mixed-use development rezoning and decided to develop the waterfront as a business park, with public amenities interspersed for recreation, bicycle/pedestrian riverfront trails, and water access. “Lot 6” was donated to the City of Hood River in January of 2006 for a waterfront park under terms of an intergovernmental agreement. The Park Development Committee began working on development plans in 2006. Maritime Services came to the waterfront boat basin in the spring of 2006 to refurbish yachts and build floating structures.

In May of 2006, the new 2nd Street extension was constructed as a new entry into the waterfront area in anticipation of the Waterfront Employment project design and development work. Other infrastructure improvements include the development of Anchor Way, funded in part by the US Dept. of Commerce’s Economic Development Administration and the Oregon Economic and Community Development Dept.’s Immediate Opportunity Fund. Later, improvements to Portway Avenue occurred in 2012-13, including new sidewalks, street amenities and paving. In 2010, the Port acquired the Luhr Jensen Building and completed the Halyard Building, the first new building on the waterfront in 25 years. Since, four waterfront parcels have been sold to private developers for three new and one refurbished light industrial or commercial buildings. The Hood River Waterfront has changed significantly in the past five years.



“Lot 6” was donated to the City of Hood River in January of 2006 for a waterfront park.



Business development since 2010 has dramatically changed Portway Avenue.

HISTORY HIGHLIGHTS - THE PORT OF HOOD RIVER

In 2012, improvements were completed to the Marina Office Building housing the Hood River County Chamber of Commerce/Visitors Center.

Also the Port has initiated a number of Marina projects, adding 20 slips, improving its electrical system and hopes to replace boathouse docks.

WASCO BUSINESS PARK: The Port purchased over five acres of property on Wasco Street to develop a light industrial business park. Engineering and street work was completed in the 2003. The first building was completed in 2005 with Humanities Software being the first tenant. All other parcels were sold immediately and construction for new facilities for job creation and company growth began.

JOHN WEBER BUSINESS PARK: All vacant parcels were sold in 2005 and 2006 except for Lot 7, with new buildings constructed for local businesses.



The Wasco Business Park development began in 2003.

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APPENDIX C
PORT ACTIVITIES
AND FACILITIES

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Financial State of the Port

The Port of Hood River's current financial condition is summarized in this overview of financial performance and activities for the Fiscal Year ending June 30, 2020. Two government-wide statements report the Port's Net Position and changes from prior years, both helpful measures of the Port's financial health. Net Position is the difference between assets and liabilities. Government-wide financial statements of the Port are divided into two categories:

Governmental funds – The Port maintains two governmental funds: the General Fund and the Bridge Repair and Replacement Fund. The General Fund records transactions related to policy making and strategic planning based on the Port's mission and values, and support services. The Bridge Repair and Replacement fund is a Special Revenue Fund used for capital improvements, planning, inspections, repairs and replacement activity associated with the bridge, as well as debt-related activities.

Business-type funds – Business type activities are used to distinguish operating revenues and expenses from non-operating items. The Port maintains an enterprise Revenue Fund which records fees and receipts from: bridge tolls; leased property; marina boat slip and airport hangar rent; and recreational events, parking and programs.

TABLE 1 - Net Position as of June 30, 2020

	Governmental Activities		Revenue Fund		Total All Funds	
	2020	2019	2020	2019	2020	2019
Unrestricted - Current and Other Assets			\$ 12,321,147	\$ 7,968,512	\$ 12,321,147	\$ 7,968,512
General Fund	306,600	296,643			306,600	296,643
Bridge Repair and Replacement Fund	1,924,967	1,877,476			1,924,967	1,877,476
Restricted - Current and Other Assets			286,300	140,707	286,300	140,707
Bridge Repair and Replacement Fund	-	-			-	-
Capital Assets			31,996,209	31,576,400	31,996,209	31,576,400
General Fund	7,000	7,000			7,000	7,000
Bridge Repair and Replacement Fund	6,897,975	7,410,545			6,897,975	7,410,545
Total Assets	9,136,542	9,591,664	44,603,656	39,685,619	53,740,198	49,277,285
Pension related deferrals	101,776	89,402	645,120	566,062	746,896	655,464
OPEB related deferrals	1,242	-	6,783	555	1,242	-
Total Deferred Outflows of Resources	103,018	89,402	651,903	566,597	748,138	655,464
Long-Term Debt			4,265,164	2,512,961	4,265,164	2,512,961
Bridge Repair and Replacement Fund	-	-			-	-
Other Liabilities			2,009,898	1,672,896	3,526,724	2,889,371
Net Pension Liability	201,104	161,842	1,274,738	1,025,866		
Total OPEB Liability	5,737	4,027	35,247	24,740		
General Fund	-	-				
Bridge Repair and Replacement Fund	-	-				
Total Liabilities	206,841	165,869	7,585,047	5,236,463	7,791,888	5,402,332
Pension and OPEB Related Deferral	8,454	11,853	53,558	75,086	62,012	86,939
Total Deferred Inflows of Resources	8,454	11,853	53,558	75,086	62,012	86,939
Net Position						
Net Investment in Capital Assets			27,444,745	29,063,439	34,349,720	36,480,984
General Fund	7,000	7,000				
Bridge Repair and Replacement Fund	6,897,975	7,410,545				
Restricted - Debt Service	-	-	286,300	140,707	286,300	140,707
Unrestricted			9,885,909	5,736,521	12,005,199	7,822,320
General Fund	227,140	235,110				
Bridge Repair and Replacement Fund	1,892,150	1,850,689				
Total Net Position	\$ 9,024,265	\$ 9,503,344	\$ 37,616,954	\$ 34,940,667	\$ 46,641,219	\$ 44,444,011

TABLE 2 - Governmental and Business-type activities for the fiscal year ending June 30, 2020

	Governmental Activities		Business-type Activities		Total Primary Government	
	2020	2019	2020	2019	2020	2019
Revenues						
Program revenues						
Charges for services - Tolls			\$ 5,337,531	\$ 5,908,313	\$ 5,337,531	\$ 5,908,313
Leases, rents and fees			3,126,963	3,232,159	3,126,963	3,232,159
Operating grants	1,397,655	1,473,192	-	-	1,397,655	1,473,192
Capital grants			1,389,445	312,298	1,389,445	312,298
General Government Revenues						
Property taxes	76,636	73,621			76,636	73,621
Interest earnings	54,580	36,655	173,782	216,791	228,362	253,446
Other sources	-	-	184,217	27,907	184,217	27,907
Transfers	809,850	2,498,672	(809,850)	(2,498,672)	-	-
Total Revenues	2,338,721	4,082,140	9,402,088	7,198,796	11,740,809	11,280,936
Expenses						
Governmental Activities						
General government	540,086	548,525			540,086	548,525
Bridge repair and replacement	2,277,714	2,278,613			2,277,714	2,278,613
Interest on long-term debt	-	11,808	131,324	142,305	131,324	154,113
Business-type Activities						
Toll bridge			2,310,047	1,978,340	2,310,047	1,978,340
Industrial			1,581,568	1,580,149	1,581,568	1,580,149
Commercial			282,903	261,577	282,903	261,577
Waterfront Industrial			331,458	207,811	331,458	207,811
Waterfront Recreation			578,762	578,324	578,762	578,324
Marina			306,894	332,663	306,894	332,663
Airport			618,263	598,661	618,263	598,661
Administration			408,103	163,640	408,103	163,640
Maintenance			176,479	158,467	176,479	158,467
Total Expenses	2,817,800	2,838,946	6,725,801	6,001,937	9,543,601	8,840,883
Increase (decrease) in Net Position	(479,079)	1,243,194	2,676,287	1,196,859	2,197,208	2,440,053
Beginning Net Position	9,503,344	8,260,150	34,940,667	33,743,808	44,444,011	42,003,958
Ending Net Position	\$ 9,024,265	\$ 9,503,344	\$ 37,616,954	\$ 34,940,667	\$ 46,641,219	\$ 44,444,011

Statement of Net Position

Net Position serves as a useful indicator of a government's financial position especially when viewed over multiple time periods. The Port's Net Position on June 30, 2020 was \$46,641,219, representing a \$2,197,208 increase over the prior year.

Table 1 depicts an increase in total assets of \$4,462,915, primarily attributable to the timing of a balloon payment of \$1,834,630 deferred until July, 2020, and the refinance of that balloon debt payment of \$1,860,534 that occurred before the end of the Fiscal Year. The remaining increase is due to the increase in grants receivable of \$908,846 for the airport north apron project and bridge replacement environmental impact process. Capital assets decreased \$24,331 from the prior year.

The largest portion of the Port's Net Position, at 74%, are invested in capital assets (e.g. bridge, land, buildings, and equipment) and reported net of accumulated depreciation less any outstanding related debt. The Port uses these capital assets to provide services to the public; thus, they do not represent resources available for future spending. A Restricted Net Position of \$286,300 represents cash and investments that are legally restricted for debt service related to the marina flex lease debt and a taxable general revenue bond. The Port issued a taxable general revenue bond to replace the balloon payment of an outstanding note payable deferred until July 2020. Finally, the remaining \$12,005,199 is unrestricted, meaning it is available for meeting the Port's ongoing obligations.

Statement of Activities

As with the statement of Net Position, the Port reports financial activities by its two distinct fund types: Governmental and Business-type. Table 2 illustrates the Port's total Net Position increased by \$2,197,208 or 5% compared to the prior year.

Governmental Activities – The Net Position for governmental activities decreased \$479,080 or 5% from the prior year. This decrease is primarily due to lower inter-fund transfers from the enterprise fund to the governmental funds for bridge planning and reimbursements from a State of Oregon grant which funded the final environmental impact studies for bridge replacement efforts.

Financial highlights of governmental fund activities for the year include:

- Reimbursements amounting to \$1,397,655 from a \$5 million legislative grant for final environmental impact studies for bridge replacement.
- Higher interfund transfers by \$1,688,822.
- Property taxes continue to increase about 5% as projected.
- Higher investment earnings due to higher reserves.
- Personnel cost decreased slightly (\$8,583) with less staff time dedicated to the bridge replacement planning and legislative advocacy.

Business-type Activities - Business type activities generated a \$2,676,287 (8%) increase in the Port's total Net Position. The financial results for this year include a \$570,782 decrease in toll revenues (10%) due to the COVID-19 pandemic. Bridge traffic showed a 8% decrease (334,998 travelers) over the prior year. Lease revenues from industrial and commercial properties decreased \$105,196 (4%) due to deferred or waived lease payments to businesses impacted by the pandemic. Recreation revenue decreased by \$10,365 due to fewer visitors and lower street parking use. Capital grants continued to play an integral role to the Port as \$1,389,445 was received for the north apron airport project. The Revenue Fund increased by \$2,203,292, primarily due to the increase in capital grants for airport projects. Expenditures increased by \$723,864, attributable to higher operating and maintenance costs for the bridge (\$331,707), as well as an increase of \$123,647 for waterfront industrial property professional services related to the possible acquisition of land.

Financial Analysis and Outlook:

The Port is involved in a variety of activities that contribute to the economic health and vitality of the community. The major source of funds for Port operations continues to be the toll bridge, accounting for 63% of operating revenues, excluding grants. Lease revenues and fees continue to improve diversification, with a 95% occupancy rate at year-end. The Port's purchase of Lower Mill for future industrial uses is in the final steps to shovel ready development.

The Port receives property taxes that account for 1% of total revenues. Capital grants continue to play a vital role in how the Port develops its properties, including airport improvements. The Port receives a marina operating grant from the Oregon State Marine Board. The Port continues to develop light industrial properties that may result in new tenants and jobs, while undeveloped land at the waterfront (Lot 1) will hold future opportunities.

The Port looks at its business units in the following categories: Bridge, Leased Properties, Undeveloped Property, Recreation, Marina, Airport and Economic Factors.

Request for Information – A full Financial State of the Port with more detail can be found online at portofhoodriver.com. If you have questions about this report or would like additional information, please contact the Port's Chief Financial Officer Fred Kowell at fkowell@portofhoodriver.com.

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APPENDIX D

PORT
ORGANIZATIONAL
STRUCTURE &
POLICIES

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Appendix D: The Port's Organizational Structure

The Port of Hood River (Port) is a Special District that operates under Oregon Revised Statutes Chapter 777, and other state and federal laws. By statute, a port district is a local unit of government whose primary responsibilities are to enhance transportation, promote industrial development, manage recreational facilities, and encourage general economic growth and stability in the district.

The Port of Hood River is governed by an elected Board of five Commissioners (Commission) who carry out the Port's authority and govern the Port by adopting rules, regulations, policies, and procedures consistent with applicable laws. The chief responsibility of the Commission is to make policy and ensure that it is carried out satisfactorily. Commissioners are public officials who must act in the best interest of the public. The Port utilizes standing committees to provide input in three areas: budget, airport and recreation. ad hoc committees are utilized on other issues as needed.

The Executive Director functions as the chief administrator of the Port and is responsible for implementing policies set by the Commission. The executive Director manages all operations, hires and provides direction to Port staff, and facilitates the development of goals, objectives, business plans, budgets, and programs.

The Port is organized in three primary functional areas: Administration/Office, Tollbooth, and Facilities.

The administration/Office staff is comprised of eight full-time and three part-time employees, led by the Executive Director, Finance Manager, and Development Manager.

The Tollbooth is staffed by 12 employees, which include four full-time toll collectors, two of which serve as Lead Toll Collectors, and eight part-time toll collectors.

The Facilities area is staffed by seven full-time employees, which include one facilities supervisor, one lead worker and five support-crew members. During the summer recreation season, an additional six to seven part-time employees are hired to assist in the facilities department. Governance of the Port of Hood River is outlined in the document "Port of Hood River governance Manual" an attachment to this appendix (Attachment 1).

The Port of Hood River also utilizes various policies governing conduct in various areas: Port Marina policies (Attachment 2), Ordinance 22 regulating conduct on Port properties (Attachment 3), Ordinance 23 regulating conduct at the Ken Jernstedt airfield (Attachment 4), and Port Real estate Transaction policies (Attachment 5).

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APPENDIX D
ATTACHMENT 1

GOVERNANCE
MANUAL

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Port Of Hood River

Mission and Policies

- I. Strategic Plan
- II. Governance**
- III. Financial Procedures
- IV. Ordinance 22 [Rules and Regulations for Recreational Properties]
- V. Personnel Policies
- VI. Public Information Request Form
- VII. Real Estate Transaction Policy

PART II

GOVERNANCE

Mission Statement. The mission of the Port of Hood River (“the Port”) is to initiate, promote and maintain quality of life and a healthy economy throughout the Port District and the Columbia River Gorge.

In support of this mission, the Port of Hood River strives to manage its assets to accomplish the public purposes outlined in the Oregon Revised Statutes. The Port’s Strategic Plan, goals, objectives and action plans are designed to support these efforts. The Port’s Strategic Plan is found in Section I of the Port’s Mission and Policies document.

This Section of the Port’s Mission and Policies contains policies relating to Port Governance.

A. ORGANIZATION AND STRUCTURE

1. **Introduction.** The powers and duties of the Port are described in Oregon Revised Statutes (“ORS”) Chapter 777, and other state and federal laws. The Port is governed by an elected Board of Commissioners (Commission), who carry out the Port’s powers and duties, and govern the Port by adopting rules, regulations, policies and procedures consistent with applicable laws. Commissioners are public officials who must act in the best interest of the public.

The Commission is responsible for establishing policy, reserving to itself all authority and responsibility not expressly assigned to other personnel. These policies, rules and regulations express the judgment and will of the Commission and are binding on all members.

The Commission must comply with all applicable laws of the United States and the State of Oregon, including but not limited to Oregon laws for special districts, port districts, public records, public meetings, public contracting, elections, and ethics for public officials, as well as the general operating procedures codified in its policy manuals.

2. **Governing Board; Eligibility.** The Port Commission consists of five members, each of whom serves a four-year term. All Commissioners serve at large, and not by zone. Each Commission position is designated by a position number. Commissioners are elected or appointed to a specific position designated by this number. The election of Commissioners is conducted as provided by ORS Chapter 255. Except where the Commission is filling a vacancy by appointment, terms of office begins on July 1.

To be eligible to serve on the Commission, a Commissioner must reside within the boundaries of the Port District. A Commissioner who moves out of the Port District’s geographical boundaries during a term of office will lose his or her position. No one

elected or appointed to the Commission may be sworn in unless he or she meets the qualifications for office. If questions exist regarding the eligibility of any candidate, the Commission will obtain an opinion from legal counsel prior to swearing in the person. Each newly elected or appointed Commission member must take an oath of office at a Commission meeting prior to assuming the duties of the position.

Vacancies on the Port Commission are filled according to the procedures described in Section B, paragraph 4, of this Section.

3. **Board Officers.** At the first Commission meeting in July of each year, or at a subsequent meeting at the discretion of the Commission, the Commission shall choose a President, Vice President, Secretary, and Treasurer. Each officer so elected shall take office immediately, and serve until the first Commission meeting of the following year, or until his or her successor is elected. If a Commissioner has been elected to serve two consecutive terms as President that Commissioner will not be eligible to serve as President for a third consecutive term. It is the practice of the Board to require a member of the Commission to have served for at least one year on the Board before becoming eligible for nomination for the office of President or Vice President.

Officers of the Board may be required to serve on Port committees, as described in Section A, paragraph 6 of this Section. ORS 777.140(2) requires the president, vice president, treasurer and secretary to prepare annual reports and file them with the board.

If the President resigns, or for any reason is unable to fulfill the obligations of his or her office, the Vice President shall automatically fill the position of President. If any other office becomes vacant, the vacancy will be filled at the next regular meeting of the Commission by nomination and vote of the remaining Commissioners.

The duties of the President shall be to preside at all public meetings and work sessions of the Commission, to sign documents when authorized by the Commission to do so, to create committees and appoint Commissioners to those committees, and to assist in the preparation of the meeting agenda. Commission concurrence will be requested on the creation of committees and the appointments to those committees. The President shall have the same right as other Commissioners to discuss and vote on all issues before the Commission and shall be called upon for the final individual vote on roll-call votes. The President may make or second a motion.

In the President's absence, the Vice President shall have the powers and duties of the President. The Vice President shall have such other powers and duties determined by a majority of the Commission and other duties as may be assigned by the President.

The Secretary shall cause accurate minutes of each public meeting to be taken, transcribed, and distributed in a timely manner for review prior to approval by the Commission, and shall maintain properly authenticated official minutes in chronological order. Any of the foregoing responsibilities may be delegated to staff members.

The Treasurer shall ensure that accurate accounting and financial records are maintained by the Commission and shall oversee the annual financial audit.

Any Commissioner may request that any issue, project, commitment of resources, or other matter be placed on the agenda of the Commission. If possible, the request should be submitted to the President or to the Executive Director no later than the Friday before a scheduled meeting.

4. **Executive Director.** The Executive Director functions as the chief executive officer of the Port of Hood River. He or she serves as the principal resource to the Board of Commissioners, and is responsible for implementing policies set by the Commissioners while overseeing port marketing, development of Port facilities, property management, and community relations. This includes overall direction of the operation, maintenance, administration, and use of airports, marinas, industrial districts, and other properties and facilities.

The Executive Director is responsible for preparation or review of all Port documents and contracts related to transactions authorized by the Port Commission, and has authority to sign all such documents on behalf of the Port unless explicit signature authority has been granted to the Port Commission President, other Port Commissioners and/or Port staff. In the absence of the Executive Director, the Commission President has the authority to execute documents authorized by the Port Commission. The Executive Director may delegate signing authority to Port office staff on routine administrative matters. The Port Commission President or Executive Director each has authority to sign deeds conveying Port property unless explicit signature authority to sign a deed has been granted to another Port Commissioner and/or Port staff. The Executive Director is also responsible for delivery of services essential to the Port's mission, as well as the financial, accounting and legal matters of the Port. He or she facilitates the development of goals, objectives, business plans, budgets and programs; works to develop and maintain positive relationships with tenants and customers, community groups, and other public and government agencies; and hires and provides administrative direction to Port staff.

5. **Rules and Regulations.** The Commission is authorized to adopt rules governing operations and procedures for the Port. Rules are intended to promote understanding and provide uniformity in the operations of the Port.

If any rule is found to be in conflict with law, only the part or parts so found shall be null and void and the remainder shall remain in full force and effect.

Where a new rule replaces or amends an existing rule, the Commission shall repeal or amend the older one by direct action.

Any rule of the Port may be amended or suspended by a majority of the Commissioners at any Commission meeting, provided that each Commissioner shall have been notified in writing of the proposed amendment or notice of the proposed suspension at least forty-eight (48) hours in advance of the meeting.

The Executive Director may, in case of emergency, suspend any part of or an entire rule which may be in conflict with handling an emergency; provided, however, that the Executive Director shall report the fact of, and the reason for, such suspension at the next meeting of the Commission; and provided further that the suspension shall expire at the time of said report unless continued in effect by the Commission.

The Commission may adopt regulations related to use of Port property or services to protect Port interests, to enhance Port ordinances or policies, or to comply with laws or regulations applicable to Port functions or activities. Regulations shall be adopted by resolution of the Commission unless the Commission specifically authorizes another method of regulation adoption under a Port ordinance or otherwise.

- 6. Committees.** Committees support the responsibilities of the Executive Director for day-to-day operations of the Port, providing a mechanism for the Commission to execute its fiduciary responsibilities. Committees may be created and their members appointed by the President, with the concurrence of the Commission.

Port committees exist at the discretion of the Commission and may be formed, dismantled, inactivated or activated as conditions dictate. The functions of a committee shall be designated by the Commission at the time the committee is created. It shall be the responsibility of a committee to investigate, discuss, and collect information on behalf of the Commission. Committees do not have the authority to act on behalf of the Port Commission unless specifically authorized by vote of the Commission.

Committees that are given authority to make decisions for the Commission, or to collectively make recommendations to the Commission for action, will follow Oregon's Public Meetings Law and will require a public notice of meetings, a quorum present, and minutes recorded. Public Meetings Law does not apply to committees whose members are charged to form their recommendations individually rather than collegially through a quorum requirement.

The Finance and Personnel Committees are internal committees. The President and Vice President serve as members of the Personnel Committee. The Secretary and Treasurer serve as members of the Finance Committee. These committees assist staff with operational and preliminary issues. It is not necessary that a quorum be present for an internal committee member to act. Any recommendation by an internal committee member to the Port Commission shall be made individually rather than collegially with another internal committee member, even if committee members agree on a recommendation.

The Budget Committee, mandated and governed by ORS 294.336, is a statutory committee whose membership consists of the members of the Commission and five private citizen appointees.

Ad Hoc Committees have limited assignments not to exceed two years. They support the vision, goals, and objectives of the Commission and the Strategic Plan, and are set up around a specific budgeted activity where it is desirable to have public involvement. Membership and quorum requirements will be determined at the time of creation. Ad Hoc committees terminate upon completion of the assignment or by a majority vote of the Commission.

Committee members must be residents of the Port District at all times during their service on a committee. Each Committee shall include at least one Commissioner. Staff may serve on committees as ex-officio members.

The Port shall use the following procedures to recruit members of the public to serve on committees according to the following process:

- Advertise position vacancy in local media for two (2) consecutive weeks.
- Require applicants to complete and return to the Port a written application, which shall include the applicant's personal information, background and experience, list of community activities, and statement of desire to be a member of the particular committee.
- Review applications and select those to be interviewed.
- Interview candidates. The Commission may choose to forego the interview process if the entire Commission is in agreement.
- Appoint member(s) to the committee for a designated term if term length is specified or to an indefinite term.
- Unless modified by a majority vote of the Commission, the following shall apply to the membership and term of committees:

COMMITTEE	MEMBERSHIP	Length of Term	Quorum Required
Airport	Two Commissioners Seven Public Airport FBO Staff Support- Port Director or Development Manager	3 years	Yes
Architectural Site Review (Currently inactive)	One Commissioner or Port Director One Independent Architect Three Public (full-time residents of Port District) City Planner (ex-officio)	3 years	Yes
Budget	Five Commissioners Five Public (ORS 294.336) Staff Support- Port Director; Finance Manager	3 years	Yes
Community Relations (Currently inactive)	One Commissioner Port Director Port Newsletter Contractor Two Public (full-time residents of Port District)	3 years	No
Finance (Internal)	Commission Secretary & Treasurer Staff Support- Finance Manager	1 year	No
Marina	One Commissioner Five Public (full-time residents of Port District) to include moorage tenant representation by one sailboat user, one power boat user, one boathouse user; and liaison from Hood River Yacht Club and Youth Sailing Program Staff Support – Marina Manager; Port Director; Facilities Supervisor	3 years	Yes
Personnel (Internal)	Commission President & Vice-President Staff Support- Port Director	1 year	No
Waterfront Recreation	One Commissioner Seven Public (full-time residents of Port District, including outside city limits); Broad representation of business owners, school operators, marina tenants, recreational users Staff Support- Waterfront Coordinator	3 years	Yes

B. BOARD POLICIES

- 1. Introduction.** The following subsection describes the Port’s policies governing the operation of the Board of Commissioners. All previous policies not consistent with this policy document are hereby declared null and void. In any instance of conflict, this document will supersede past actions. Any Port policy may be amended, suspended, or repealed by a majority vote of the Commission. Nothing herein is intended to override the provisions of federal, state, or local laws, which shall take precedence in the event of conflict.

2. Duties and Responsibilities of Commissioners. The Board of Commissioners of the Port of Hood River shall have the following duties and responsibilities:

- Exercise all powers provided by law and to take action as necessary therefor.
- Represent the constituents of the Port of Hood River. Inform the public concerning the progress and needs of the Port District and solicit and consider public opinion as it affects the programs and services provided by the Port.
- Abide by and become familiar with all laws and policies governing the operation of the District. Ensure that the Port is in compliance with all applicable laws.
- Recognize that an individual board member has no legal status to act for the entire board. Any formal action shall require a vote of the Board.
- Select board officers and establish and staff necessary committees and determine the respective duties of each. Approve the form and amount of reimbursement for board members.
- Approve modifications to the strategic plan.
- Establish Port rules, regulations, and policies.
- Interpret Port rules, regulations and policies.
- Select, employ, and evaluate the performance of a professionally trained and experienced Executive Director to administer the Port District. Require reports by the Executive Director concerning the conditions, efficiency and needs of the Port. Consider and act upon recommendations of the Executive Director in all matters of policy, salary schedules or other significant personnel matters.
- Approve the plan, form, and amount of management compensation, i.e., salaries, bonuses, vacation, travel, etc. Approve any employee benefit plans.
- Provide for the preparation of, and adopt, an annual budget. Monitor district finances and the budget, setting policy or taking action to ensure the fiscal integrity of the Port.
- Approve preliminary and final project plans and specifications, as well as acquisition and disposal of Port property. Provide Port facilities, equipment and supplies for implementing the Port's programs, operations and maintenance.
- Approve contracts binding the district. Ensure that public contracting requirements are satisfied. Approve contracts with and between any unions involved with the district.

- Select legal counsel and consultants for the board.
- Insist that personnel complaints go through a proper chain of command. The Board should get involved only as described in the Port's Personnel Policy, or if the complaint or matter involves the Executive Director.
- Recognize that certain information obtained at board meetings may be confidential, making disclosure of such information a breach of trust.
- Make use of educational sessions, workshops, and seminars to gain a further understanding of effective operations and issues.
- Respect the opinions of other members and accept the principle of majority rule in board decisions.

3. Authority of Commissioners and Executive Director. Commissioners have no individual powers separate from the powers of the Commission, and have no authority to act individually without delegation of authority from the Commission. Commissioners only have the right and responsibility to participate in board meetings and vote on Port matters as part of the Board. Acting without authority can result in personal and District liability.

The Commissioners shall not be collectively bound in any way by any statements or action on the part of any individual Commissioner or employee, except when such statement or action is predicated on previous action taken or policy adopted by the Commission and recorded in the official minutes.

All business must be conducted at properly noticed public meetings. Any Port business brought to the attention of an individual Commissioner shall be handled in the following manner:

- Be courteous to the constituent and determine whether the stated business should be referred to the Executive Director or to the Commission.
- Direct the constituent to contact the Executive Director to discuss the issue and request to appear at the next Commission meeting and discuss the matter with the entire Commission, if appropriate.

The Executive Director has authority to negotiate personal services contracts, real estate leases and purchase or sale agreements, The Executive Director has authority to sign all Port deeds, leases, contracts, and related documents on behalf of the Port after the Commission has approved the transaction. If the Executive Director signs a document prior to Commission approval of a transaction the Commission may thereafter ratify the Executive Director's signature, in which case the Executive Director's signature shall have the same effect as if the Commission had authorized the transaction prior the Executive Director signing the document.

4. Vacancies on Port Commission.

Vacancy Arising From Lack of Attendance. According to 777.135(6), the term of a Commissioner shall expire when the Commissioner is absent from four or more consecutive regular meetings of the Board of Commissioners, and the board declares the position vacant. The vacancy shall be filled as provided by ORS 198.320. Commissioners should, if possible, attend each regularly scheduled Commission meeting. If a Commissioner is unable to attend a particular meeting they shall make best efforts to inform the President or Executive Director as far in advance as possible.

Filling Vacancies. The following Oregon Revised Statutes establish procedures for filling vacancies on the Port Commission and may be consulted in their entirety:

ORS 198.320	Filling of vacancies on boards of certain districts
ORS 255.022	Procedures for Special District Elections
ORS 777.080	Application of Special District Election Laws to Ports
ORS 777.135	Board of port commissioners; qualifications; appointment; term first meeting; election
ORS 777.165	Vacancies

As required by these statutes, if the Port Commission is authorized to fill vacancies that occur on the Commission between regularly scheduled elections, the remaining Commissioners must appoint a successor by majority vote, who will serve in the position until the next regularly scheduled Port election. In all cases, the appointee shall be an elector registered in the Port District.

In filling Board vacancies, the Commission shall use the following procedures:

- Advertise the vacancy in local media (newspaper and radio) for two (2) consecutive weeks.
- Require applicants to complete and return to the Port in a timely manner a written application containing the following information:
 - Personal information (name, addresses, phone, etc.)
 - General background and experience
 - Community activities
 - Statement of desire to be a member of the Commission
- Receive written applications for the position from members of the public. [If the resignation will take effect at a later date, the Commission may begin receiving

applications and reviewing applicants' qualifications prior to the effective date of the resignation.]

- Review qualifications. Factors to be considered will include, but not be limited to, the applicant's eligibility, experience, expertise, interest in the position, and time available to devote to Commission duties.
- Select candidates to be interviewed and conduct interviews. The interview panel may include Commissioners, staff, and any other member of the public so designated by the Commission.
- Appoint a new Commissioner, and notify all candidates of the selection.

5. **Meetings.** At least one Commission meeting per month is required. The Commission has established as its regular meeting dates on the first and third Tuesdays of each month, at the Port office, at 5:00 p.m.¹ A regular meeting may be cancelled or rescheduled by the Commission President, in which case the Port will provide notice of the change to the public. The date and time of regular monthly meetings may be changed by majority vote of the Commission.

All meetings of the Commission shall be subject to the Oregon's Public Meetings Law (ORS 192.620). It is the policy of the Commission to comply with both the letter and the spirit of the law. Public notice shall be given of the time and place of all meetings, including meetings of subcommittees and advisory committees established by the Commission.

The presiding officer of any meeting has inherent authority to keep order and to impose any reasonable restrictions necessary for the efficient and orderly conduct of a meeting. The Commission may determine and adopt its own procedural rules for meetings, agendas, decorum and penalties. The right of public attendance guaranteed by the Public Meetings Law does not include the right to participate by public testimony or comment unless specifically allowed, such as in a Budget hearing. The Commission may allow a public comment period at its discretion. Any person who fails to comply with reasonable rules of conduct or who causes a disturbance may be asked or required to leave and upon failure to do so becomes a trespasser.

Types of Meetings. Meetings of the Commission may take one of the following forms:

- **Special Meetings.** Special meetings may be called by the President at any time or by any three members of the Commission, following a minimum of 24-hours' public notice. No business shall be transacted at any special meeting which does not come within the purpose or purposes set forth in the call for the meeting, unless the members of the Commission who are present agree to consider additional matters.

¹ Meetings changed to 5:00 p.m. and approved by Commission action at November 17, 2009 meeting.

- **Work Sessions.** Work sessions may be called by the President or by any three members of the Commission. Notices of work sessions will be given and minutes taken the same as with special meetings. Work sessions may be held for the purpose of discussion or receiving or giving information. Subjects discussed at a work session shall be limited to the agenda items for the work sessions. Final decisions shall not be made at a work session. However, a work session may be held in conjunction with a regular meeting or a special meeting. Final action may be taken at a regular or special meeting held in conjunction with a work session or at the next regular or special meeting.

- **Emergency Meetings.** Emergency meetings of the Commission may be held upon a call of the President or by three members of the Commission and require as much notice as possible under the circumstances. The minutes of the meeting must reflect the reason for the emergency meeting and explain why less than 24 hours' notice was given. Only such matters as pertain to the emergency meeting may be discussed at such an emergency meeting. Final action may be taken at an emergency meeting.

- **Executive Sessions.** Executive Sessions may be held on certain matters in accordance with provisions of Oregon Revised Statutes (ORS 192.660). Executive sessions may be scheduled separately or may be held at a regular meeting, special meeting, emergency meeting, or work session, after the Presiding Officer has identified the authorization under ORS 192.660 for the holding of such Executive Sessions. Unless excluded by law, representatives of the news media must be allowed to attend Executive Sessions, but the Commission may require that information be undisclosed. No final action may be made in an Executive Session. Final action must be made at a regular meeting, special, or emergency meeting. If an Executive Session is not held in conjunction with a regular, special or emergency meeting, final action shall be delayed until the next regular meeting or special meeting. Failure to properly comply with requirements for executive sessions is a violation of Oregon's Ethics Laws, and may subject individual board members to investigation and penalties under these laws.

Agendas; Public Comment. The meeting agenda will be prepared by the President and the Executive Director during the week prior to a meeting date. Commissioners should submit potential agenda items to them prior to that time.

The Executive Director will research all issues and present options and recommendations to the Commission for consideration, and for formal action if required. Commissioners are encouraged to discuss items of interest or concern with the Executive Director for inclusion on the agenda before they come to the meeting for public discussion. Items raised at the meeting that require official action of the Commission will be placed on the agenda following a majority vote of the Commissioners at the meeting, a quorum being present. Commissioners may report on activities or issues that do not require action during the portion of the meeting set aside for Commission Call.

To minimize the time required for the handling of routine, non-controversial matters that do not require public discussion or budget approval, the Commission may approve a Consent Agenda at the beginning of each regular meeting. If any Commissioner considers a specific item to need public discussion, the Commissioner may request that the item be removed from the Consent Agenda and placed on the regular agenda prior to or during the board meeting. The President shall present the Consent Agenda items by title only. It must be approved with a single motion and unanimous vote.

Presentations by invited guests will be placed on the agenda under Reports, Presentations and Discussion Items. Discussion and/or action may be taken at the discretion of the President and/or a majority of the Commission when appropriate.

At a designated time during each meeting that is open to the public, the members of the general public in attendance at the meeting may be offered an opportunity for comment, or to bring issues before the Commission that may otherwise not have been included on the agenda. Any presentation by a member of the public is limited to five minutes per individual unless arrangements are made with the President in advance. The President may regulate the order and length of appearances and may limit appearances to presentations of relevant points.

In all instances, topics may be tabled until next meeting to allow staff time to research and present options on individual issues presented at public meetings.

Voting Requirements. The Port Commission consists of five members. A majority of the members of the Commission [three (3) or more] shall constitute a quorum. If the scheduled meeting time arrives and a recognized quorum is not assembled, the meeting may be officially canceled after a fifteen (15) minute waiting period.

No action of the Commission shall be binding and valid unless there is an affirmative vote of at least three (3) members. A majority of a quorum is insufficient.

All official actions must be taken by public vote, and the results of such vote, including how each member voted on each issue, must be recorded in the minutes. Secret ballots are prohibited.

Motions; Forms of Action.

A motion is a procedural device to place a matter before the Commission for consideration and action. Each form of action listed below must be initiated by motion, and shall be recorded in the official minutes kept for such purpose:

- **Ordinances.** Ordinances have the force of law. They are generally used to enact rules and regulations that apply to residents or customers of the Port, and can be enforced by the Commission or by local law enforcement personnel. Adoption of ordinances is subject to statutory adoption procedures found in ORS 198.510 to 198.600.

- **Resolutions.** Resolutions are used to establish policy or express a position of the Commission, or to approve a significant action, such as a contract or major expenditure of funds, including adoption of the annual budget, borrowing funds, and transferring, appropriating or spending budgeted funds. Resolutions shall be passed at a single meeting unless the President determines a second reading at the next Commission meeting is required due to the substantive nature of the resulting action(s).
- **Routine Decisions.** Routine decisions, decisions of an administrative nature, and other procedural matters may be decided by a vote of the Commissioners, which is recorded in the minutes.

Minutes. The official minutes of the Commission meetings shall be kept in accordance with the provisions of ORS 192.650 and shall be made available to citizens desiring to examine them, subject to the State of Oregon public records statutes and the administrative policies of the Port.

Copies of the minutes shall be prepared as soon as practicable after each meeting and shall be distributed to all Commissioners.

6. Public Records. It is the policy of the Commission to comply with both the letter and the spirit of Oregon Laws concerning public records (ORS 192.410 - 192.530). All documents and records of any kind that pertain to the District's operation are public records, which are subject to public disclosure upon request, unless state or federal law provides an exemption.

Public Records Policy. ORS 192.440(7) requires every public body to make available to the public a written procedure for making public record requests that includes: (a) The name of one or more persons to whom public record requests may be sent, with addresses; and (b) The amounts of and the manner of calculating fees that the public body charges for responding to requests for public records. To comply with this requirement, the Port of Hood River's Board of Commissioners has adopted the following public records policy:

1. All public records requests must be submitted in writing.
2. The Executive Director shall be the custodian of the Port's public records. Request for public records shall be submitted to:

Executive Director
Port of Hood River
1000 E. Port Marina Drive
Hood River, OR 97031

3. The Port shall respond to all public records requests as soon as practicable and without unreasonable delay. The Port may request additional information or clarification from the requestor in order to expedite its response to the request. The Port also may take the time necessary to consult with the Port's attorney regarding the request, if necessary.
4. Unless the requested record is exempt from disclosure under ORS 192.410 to 192.505, the Port shall either provide a copy of the requested record(s) at the expense of the requestor, or provide proper and reasonable opportunities for inspection and examination of public records during business hours. The Port shall not permit any original record to be removed from the Port office.
5. Upon receipt of a written request to inspect a public record or to receive a copy of a public record, the Port shall provide a written acknowledgement of receipt of the request and include one of the following statements:
 - (a) The Port does not possess, or is not the custodian of, the public record(s).
 - (b) The Port is the custodian of at least some of the requested public records. [This statement must include an estimate of the time the Port requires before the public record(s) may be inspected or copies of the records will be provided, and an estimate of the fees that the requestor must pay as a condition of receiving the public record(s).]
 - (c) The Port is the custodian of at least some of the requested public records, and that an estimate of the time and fees for disclosure of the public records will be provided by the Port within a reasonable time.
 - (d) The Port is uncertain whether it possesses the public record and that the Port will search for the record and make an appropriate response as soon as practicable.
 - (e) State or federal law prohibits the Port from acknowledging whether the record exists would result in the loss of federal benefits or other sanction, with a citation to the law relied upon.
6. The Port will provide copies of non-exempt public records in the form requested, if available. If a public record is not available in the form requested, or if the request does not specify a particular form, the Port may provide the information in the form the Port chooses. The Port is not required to produce or create documents or records in a different form unless it is required by law to produce and maintain the record in that form. If the person requesting the record(s) has a disability requiring the document to be produced in an alternative form, the Port will provide the document in the alternative form unless doing so would impose an undue administrative burden on the Port.

7. The Port may establish fees reasonably calculated to reimburse the Port for its actual cost of making public records available, including costs for summarizing, compiling or tailoring the public records to meet the request. The Port may include in the fees the cost of time spent by an attorney to review the public records to redact or segregate public records into exempt and non-exempt records. Costs for reproducing record(s) are described in the Public Records Request Form, which may be obtained at the Port office or on the Port's website.

END OF POLICY

Commission E-mail Policy. Email may be used to schedule meetings, send informative messages, or request information of the Port staff and other Commissioners. For the purposes of the Public Records Law, any email communication pertaining to Port business or operations, regardless of whether it is generated on Port computers or on the computer of the Commissioner, is a public record under Oregon law. Each Commissioner will comply with state law by copying the Port of Hood River (porthr@gorge.net) on all emails pertaining to Port business that are received or created on his or her home computer. Because email is NOT confidential, email should not be used to transmit information that is exempt from disclosure under Oregon Public Records Laws.

Furthermore, email communications among a quorum of a public body to communicate and deliberate toward a decision on any matter is subject to Oregon Public Meeting Laws. Therefore, any electronic conversations among a quorum of the Commission, or of an advisory body to the Commission, that is not advertised and to which the public is not permitted to participate may constitute an illegal public meeting. Care should be taken not to deliberately or inadvertently conduct a public meeting by email or other electronic correspondence.

All information and messages that are created, sent, received or stored on the Port's systems are the sole property of the Port and are subject to the same retention requirements as hard-copy documents. Electronic records and communications, like other public records, must be made available upon request to any member of the public, unless the record or communication is exempt by law from disclosure.

7. **Harassment.** The Port of Hood River District does not tolerate harassment of any kind, including but not limited to sexual harassment. Harassment includes unwelcome remarks, gestures, physical contact, or display or circulation of derogatory written materials or pictures, regarding gender, disability or racial, ethnic, or religious groups.

The harassment policies that apply to Port personnel also apply to elected officials. Commissioners, as well as employees, must avoid offensive and inappropriate behavior, and are also responsible for ensuring that the workplace of the Port of Hood River is free from harassment at all times. The Port will take immediate corrective action to address

and further prevent harassing behavior. Procedures for addressing harassment are described in the Port's Personnel Policies.

8. **Education, Training, Conferences.** It is the policy of the Port of Hood River to encourage development and training by reimbursing expenses incurred for tuition, travel, and lodging as a result of training, educational courses, participation with professional organizations, and attendance at state, regional, and national conferences associated with the interests of the Port.

A Commissioner may submit a request to the Commission to attend a training or educational course. Upon approval by the Commission, the Operations Manager is responsible for making registration and lodging arrangements. Commissioners make their own travel arrangements, although requests for assistance can be made through the Executive Director's office. Expense reporting forms will be forwarded to each Commissioner attending a conference.

Commissioners are responsible for paying their own tuition for an educational course. Upon completion of the course, the Commissioner may submit a request for reimbursement to the Finance Manager, who will fill out an authorization for payment, obtain the Executive Director's signature, and process the request. Copies of the authorization for payment will be forwarded to the Commission.

At the next Commission meeting following attendance at a conference, seminar, workshops, etc., the Commissioner shall make either a written or verbal report detailing what was learned at the sessions(s) that will be of benefit to the Port. Materials may be turned in to the Operations Manager to be included in the library at the Port office, so that other Commissioners and staff may have access to them.

9. **Compensation and Expenses.** As permitted by ORS 198.190, each Port Commissioner may receive up to \$50 per day as compensation for services performed as a member of the governing body. Currently, the Port provides up to \$100 per month for each Commissioner. The Port also may provide for reimbursement of Commission members for actual and reasonable traveling and other expenses incurred in the performance of official Commission duties (ORS 198.190). Port funds shall not be used to pay expenses incurred by a Commissioner's spouse, family member, or guest.
10. **Political Activities.** ORS 260.432 states that a public employee (includes any public official, paid or unpaid, who is not elected) may not, while on the job during working hours, promote or oppose election petitions, candidates or ballot measures. Additionally, no person (including elected officials) may require a public employee (at any time) to do so.

Because they are elected, Commission members are not considered "public employees" for purposes of ORS 260.432. Therefore, they may advocate a political position support, oppose and publicly discuss a ballot measure, and may perform campaign activity at any time. But, they cannot involve any public employee's work time or use other public

resources to do so. Public funds may be used to inform the public regarding measures, provided the materials are informational only and do not advocate a position.

Commissioners may not use public funds for campaigning.

11. **Real Estate Transactions.** The Port has real estate holdings that are important strategic assets for the Port and the region. Therefore, the Port engages in acquisition, disposition and leasing of real property on a regular basis. The Port has adopted a Real Estate Transaction Policy (February 5, 2013) that separately describes the procedures for purchases, sales, and leases of real estate.
12. **Public Contracting.** All purchases of goods and services, and all construction projects of the Port, are subject to Oregon’s public contracting laws, ORS Chapters 279A, 279B, and 279C. All public contracts in Oregon are subject to competitive bidding requirements, which are established by statute, by administrative rule, and by local rules adopted by the Board of Commissioners acting as the Port’s local contract review board. If federal funds are used for the purchase or product, federal contracting rules may apply. All public improvement projects – i.e., construction-related activities, painting, remodeling, and improvements to land – over \$50,000 are subject to payment of the prevailing wage established by the Bureau of Labor and Industries (BOLI), which enforces prevailing wage laws, or are subject to the federal prevailing wage if federal funds are used.
13. **Local Budget Law.** Port districts are subject to Oregon’s Local Budget Law, found in ORS Chapter 294. These statutes prescribe the procedures that local governments must follow in drafting their annual budgets and obtaining public input throughout the process. The Port’s Budget Committee must include all the members of the governing board, plus an equal number of citizens named by the Commission. ORS 294.100 makes public officials personally civilly liable for any public funds spent in excess of the amounts authorized in the budget, or for any purpose other than that authorized by law. This liability can arise through failure to properly follow or comply with the Local Budget Law; failure to follow public contracting procedures required by law; or any other improper expenditure of public funds.
14. **Tort Liability and Defense.** The Oregon Tort Claims Act (“OTCA”), ORS 30.260 to 30.300, governs District tort liability, provides for defense and indemnity of public officials, and limits damages.

Scope of Act. Under the Tort Claims Act, public entities, such as the Port, are required to indemnify their officers, employees, and agents – including members of the Board – who are acting within the scope of their employment or duties, when they are sued for negligence. Negligence is the failure to perform a duty owed. A tort claim is an action for damages alleged as a result of this failure. Indemnity includes payment by the district or its insurer of any damages attributable to the act or omission of the official, employee, or agent. Indemnity is not required for malfeasance or wanton or willful neglect of duty, and the obligation to indemnify does not extend to contractual or criminal liability.

Furthermore, unless investigation demonstrates that a claim arose out of the official's or employee's malfeasance or willful or wanton neglect, the Port must provide counsel to defend the claim against the official or employee. Normally, the Port's insurer would provide the defense.

Limitations on Damage Awards. The OTCA limits damage awards against special districts, their officers, employees, or agents. Refer to the Act for these limitations.

Discretionary Immunity. Under Oregon law, public bodies and their officers, employees, and agents are immune from liability for "any claim based upon the performance of or the failure to exercise or perform a discretionary function or duty, whether or not the discretion is abused" (ORS 30.265).

A discretionary (immune) act is an act in which a policy decision is made, while a ministerial (non-immune) act is an act which implements a policy decision which has already been made.

If a court finds that an act by a public body was discretionary, the doctrine of discretionary immunity provides grounds for the action to be dismissed as against the public body. Whenever the Commission makes a decision that requires discretion, the decision and the basis for the decision should be well documented in order to ensure maximum protection from legal claims.

15. **Legal Counsel.** An attorney shall be selected by the Commission. The Executive Director and the President of the Commission may request any legal advice that may be needed in handling or in dealing with matters pertaining to the welfare of the Port. Individual Commissioners should direct requests through the Executive Director and/or the President. The adequacy and cost/benefit of Port legal counsel shall be reviewed every five years, or fewer if circumstances so dictate.
16. **Auditor.** An auditor shall be selected and appointed by the Commission and retained on a yearly retainer fee. The auditor must be a Certified Public Accountant and a member of the State Board of Accountancy roster authorized to conduct municipal audits. The Executive Director and the President of the Commission may request advice on any financial matters pertaining to the financial welfare of the Port. Individual Commissioners should direct requests through the Executive Director and/or the President. The adequacy and cost/benefit of the Port Auditor shall be reviewed every five years, or fewer if circumstances so dictate.

- 15. Insurance Agent(s) of Record.** An Insurance Agent(s) of Record shall be selected and appointed by the Commission. The Executive Director and the President of the Commission may request advice that may be needed in handling or in dealing with insurance matters pertaining to the welfare of the Port. Individual Commissioners should direct requests through the Executive Director and/or the President. Requests for proposals for Insurance Agent of Record shall be solicited every five years.

- 18. Bonding.** The Port requires a bond or irrevocable letter of credit from any member of the Commission or any officer or employee of the Port who is charged with possession and control of Port funds and properties. The Commission shall fix the amount of the bond; the premium shall be paid from Port District funds. The letter of credit must be issued by a commercial bank (ORS 198.220).

Under certain conditions, the amount of the bond can affect the frequency of a financial audit as required by the Secretary of State. All board members or employees can be bonded for a minimal additional charge to the cost of bonding only one board member. It is practical and beneficial to take the necessary steps to bond all board members or district managers.

C. ETHICS & CONFLICTS OF INTEREST

1. **Introduction.** This section provides a summary of key areas of the Ethics Laws as they apply to Port Commissioners and employees. This is a summary only. For more detailed discussion and guidance on Oregon’s ethics laws, refer to relevant sections of ORS Chapter 244, or see the Oregon Ethics Commission’s *Guide for Public Officials*.

Elected officials and employees of the Port are “public officials” for purposes of Oregon’s Ethics Laws, ORS Chapter 244. These laws prohibit public officials from using their office to obtain financial gain for themselves, their relatives, or a business with which they or any member of their household is associated.

The Oregon Government Ethics Commission (OGEC) is responsible for enforcing and interpreting these laws. OGEC may levy fines for ethics violations up to \$5,000 per violation. In lieu of, or in conjunction with, finding a violation of law or imposing a civil penalty, OGEC may issue a written letter of reprimand, explanation, or education.

Public officials may not use Port time, equipment or services for personal interest or gain. When giving testimony unrelated to their assigned Port responsibilities, Port officials shall not use information or facts that have come to them by virtue of their position for personal gain or benefit. In matters of personal interest, public official should conduct themselves so as not to impair their working relationship with other employees, officials, or the public.

Port Commissioners, their relatives, and members of their households may not ask for, receive or give gifts to or from any entity that has an interest in Port activities unless in conformance with ORS 244.025(1), (2). Public officials are expressly prohibited from using their positions to obtain a financial benefit or avoid a financial cost. In this regard, the appearance of impropriety can be as damaging as actual impropriety and shall be avoided

2. **Financial Disclosure.** Commissioners of the Port are required to file Statements of Economic Interest (SEI) annually on April 15 to the Oregon Government Ethics Commission and quarterly by April 15, July 15, October 15, and January 15 of each year in accordance with ORS Chapter 244.
3. **Conflicts of Interest.** Under Oregon’s Ethics Laws, there are two types of conflicts of interest – potential conflicts, and actual conflicts. These are described in more detail as follows:

(1) Potential Conflict of Interest. Any action by a public official, including staff, which *could* result in private pecuniary benefit (money or something of economic value) or avoidance of detriment (relief from financial obligation or other financial loss) of the person or the person’s relative or business poses a *potential conflict of interest*. If a Commissioner becomes aware that an official action of the Commissioner or the Board has the potential to result in a pecuniary benefit to the public official or his or her relative, the Commissioner must disclose the potential

conflict at the meeting at which the matter giving rise to the conflict is being discussed or acted upon. The disclosure must be recorded in the meeting minutes. The Commissioner then may participate in discussion of the matter, and may still vote.

Announcements regarding the conflict of interest must be made each time that it arises. If the issue is discussed at several different Commission meetings, then the conflict of interest must be disclosed each time.

(2) Actual Conflict of Interest. Any action by a public official, including staff, which *will* result in the private pecuniary benefit (money or something of economic value) or avoidance of detriment (relief from financial obligation or other financial loss) of the person or the person's relative or business poses an *actual conflict of interest*. As with a potential conflict of interest, at each meeting at which the topic arises, the Commissioner must announce the actual conflict of interest, and the disclosure must be recorded in the meeting minutes. In the case of an actual conflict of interest, however, the Commissioner must refrain from further participation in the official action on the issue, including refraining from discussion. A Commissioner with an actual conflict of interest in a matter may not vote on the matter giving rise to the actual conflict.

The exception is if the Commissioner has an actual conflict of interest and his or her vote is necessary to meet the minimum number of votes required for official action. In that circumstance, the public official must make the required announcement and refrain from any discussion, but may participate in the vote.

Exceptions to Conflicts of Interest. The conflict of interest requirements do not apply where the pecuniary benefit or detriment arises out of one of the following:

- An interest or membership in a particular business, industry, occupation or other class required by law as a prerequisite to the holding by the person of the office or position.
- Any action in the person's official capacity which would affect to the same degree a class consisting of all inhabitants of the state, or a smaller class consisting of an industry, occupation or other group including one of which or in which the person, or the person's relative or business with which the person or the person's relative is associated, is a member or is engaged.
- Membership in or membership on the board of directors of a nonprofit corporation that is tax-exempt under section 501(c) of the Internal Revenue Code, provided the board member is not compensated for this position.

4. Use of Office for Financial Gain. Public officials may not use or attempt to use their official position or office to obtain a personal financial gain or to avoid a personal financial detriment if the opportunity would not otherwise be available but for their

holding the official position or office, whether for themselves, their relatives, members of their households, or businesses with which any of these people is associated.

Thus, if the individual would not be receiving the gift but for the public official's holding of the official position or office, acceptance of what is being offered is prohibited.

5. **Gifts.** Public officials, relatives of the public official, and members of the public official's household are limited in the gifts they can receive in their capacity as public officials. Compensation packages from a public employer, and reimbursement of expenses, are not included in the definition of "gift," and may be accepted. Furthermore, public officials may receive honoraria, certificates, plaques, etc., given in appreciation for their capacity as a public official, if the value of such items does not exceed \$50. They also may receive awards for professional achievement if the award is unsolicited. They may receive campaign contributions, and contributions to their legal expense fund; these also are not considered "gifts."

Gifts may be accepted up to any amount if the giver has no administrative or legislative interest in the Port or the public official's service with the Port. "Legislative or administrative interest" means an economic interest, distinct from that of the general public, in one or more bills, resolutions, regulations, proposals or other matters subject to the action or vote of a person acting in the capacity of a public official.

If the giver does have an administrative or legislative interest, the value of any gift or gifts may not exceed \$50 from any source in a particular year. Both the giver and the recipient are responsible for making sure this amount is not exceeded.

6. **Entertainment.** Public officials and candidates may not accept the payment of expenses for entertainment, nor can a source offer such paid expenses.
7. **Honoraria.** Public officials or candidates for public office, or members of their households, may not solicit or accept honoraria, certificates, plaques, or other such items for activities or service in their capacity public officials, if the value exceeds \$50. Public officials acting in their personal professional capacities are not prevented from accepting such items.
8. **Employment.** Public officials may not solicit or accept the offer, pledge or promise of future employment based on any understanding that a vote, official action or judgment would be influenced by the offer.
9. **Information.** Current or former public officials may not use or attempt to use confidential information gained through their positions as public officials for financial gain.
10. **Nepotism.** After complying with the conflict of interest provisions in ORS 244.120, public officials cannot participate in any personnel action taken by the public agency that

would impact the employment of a relative or member of the public official's household. Exceptions to the provision are:

- If acting as a reference, making a recommendation or performing ministerial acts that are normal functions of the position held.
- If the personnel action involves a relative or member of the household who is an unpaid volunteer.
- Members of the Oregon Legislative Assembly may employ relatives on their personal staff.

APPENDIX D
ATTACHMENT 2

MARINA RULES &
REGULATIONS

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PORT OF HOOD RIVER
2021 MARINA MOORAGE RULES & REGULATIONS
Effective December 1, 2020

The purpose of these Rules and Regulations is to promote the safe and efficient operation of the Port of Hood River Marina (“Marina”) and provide better service for boaters and the public. It is the intent of the Port to encourage Tenants to contribute to the efficient operation of the Marina by following the rules and regulations established for this purpose.

The word "Port" as used herein shall mean the Port of Hood River, and when appropriate may mean any person authorized to represent the Port. The word "Tenant" is used to indicate the owner of a boat, boathouse, or floatplane moored legally within the Port of Hood River Marina as per the conditions of a signed Moorage Rental Agreement (“Agreement”) or Boathouse Lease. The words “vessel” and "boat" include boathouses or floatplane where appropriate.

Tenant agrees to comply with all applicable federal, state, county, and city laws and rules, and to comply with Port ordinances in addition to these Marina Moorage Rules & Regulations.

The Port reserves the right to change the Marina Moorage Rules & Regulations from time to time. Any such changes shall be posted on the Port’s website at www.portofhoodriver.com, and shall be effective on the website posting date unless a later date is specified by the Port. Marina users are responsible for knowing, understanding and complying with the current and updated rules and regulations. Failure to adhere to these rules and regulations may result in moorage termination and penalties. The Port Commission authorizes Port staff, including the Marina Manager, to enforce these rules and regulations by written or verbal directions or any other legal means.

When a boat enters the Marina, it immediately comes under the jurisdiction of the Port and shall be berthed or anchored only where authorized by the Port. Port staff may deny the use of any of the facilities of the Marina or moorage when not in the best interest of the Port or the Marina.

The Marina is a regulated facility owned and operated by the Port. The intended use of a slips is for recreational purposes, not for storage. Any commercial activity in the Marina or on Port property requires a separate Port agreement that may or may not be granted.

The Port was originally certified by the Oregon State Marine Board in 2012 as a “Clean Marina.” Annual surveys are submitted to the OSMB and site visits are conducted every three years for recertification. The Port of Hood River Marina was recertified as a Clean Marina in 2018. Review the Clean Boater information available from the Oregon State Marine Board here: <https://www.oregon.gov/OSMB/boater-info/Pages/Clean-Marinas.aspx>

Information is listed by topic in alphabetic order.

Agreements

Moorage Rental Agreements with the Port will be executed only with the owner of the boat that is to occupy the assigned slip. The Vessel of record must be over 16 feet long and state registered or documented. Accessory Watercrafts or Jet Skis (PWC) do not qualify as a vessel of record. Leasing a boat slip by a person who is not a boat owner is prohibited unless temporary permission is granted by the Marina Manager in limited circumstances.

Tenants must provide proof of ownership of the vessel that will occupy their assigned slip. Failure or inability to provide satisfactory proof of ownership will result in denial of moorage privileges or termination.

- Documents, including but not limited to the following, will be required:
 - a. Current certificate of Title showing proper owner(s), or loan documents.
 - b. Current State Registration Certificate or USCG Documentation showing owner(s).
 - c. Insurance with proper owner(s) listed.
- Tenant agreements may be denied, or tenancy may be terminated if any information related to an agreement is misrepresented, incomplete, inaccurate or falsified. The Port reserves the right to verify all verbal or written information presented to confirm that the Vessel in an assigned berth is, in fact, owned by the person who signed the Moorage Agreement, and to deny any application for any reason not specifically restricted by law.
- Contact information provided to the Port by the Tenant shall be kept current at all times, including emergency contact information. It is the tenant's responsibility to inform the Port of any changes.

All tenant boats **MUST** be moored in the slip assigned to the Tenant in a Moorage Agreement. All boats shall be the appropriate size for the slip and tied up in berths or at moorings according to good maritime practice. The **overall length** of the vessel must NOT exceed the assigned slip allowance without Port approval.

- Tenant acknowledges that Tenant has inspected the assigned slip and is satisfied the slip is in good condition and adequate for the safe mooring of Tenant's boat. Each Tenant accepts the Marina and Slip in their present condition and understands that the Marina dock and slip is being rented "AS-IS".
- The Port reserves the right to relocate any Tenant to another moorage slip at any time, and to allocate the use of any moorage as it deems necessary.
- No offensive activities shall be carried on by a Tenant at or in the immediate vicinity of the Marina. A Tenant shall not engage in any activity that might be dangerous to life or limb nor permit any objectionable noise or odor on Tenant's boat, in the Marina, or on adjacent premises, nor do anything which will create a nuisance or disturb, interfere with or jeopardize the enjoyment of the Marina or of the adjoining property by others. The Port reserves the right in its sole discretion to determine whether an activity is considered "offensive."
- A Tenant shall be responsible for and assure compliance with the terms of these rules and regulations by Tenant's invitees, guests and family members. Any violation or breach by them is a breach by Tenant.

Betterment Lists

A "Betterment List" requesting notice of slip vacancies is available for annual Tenants whose accounts are in good standing with no unpaid balances, and who have met all terms of the current year Rules and Regulations and Lease Agreements. Tenants seeking to change slips should contact the Marina Manager. At the discretion of the Marina Manager, Tenants on the betterment list will be contacted when a slip becomes vacant.

- A Tenant must respond within three (3) business days after offered a vacated slip. If a tenant declines, no response is received or if the Tenant fails to move their vessel within the time allowed, the Tenant's right to occupy the Betterment slip will expire and the slip will be offered to the next person on the list.
- If a Betterment List offer expires, a Tenant who receives but does not accept an offer will retain their place on the Betterment List. However, if a Tenant is offered another Betterment move within twelve (12) months after the Tenant declines or fails to respond to the first Betterment offer within the time allowed, the Tenant will be removed from the Betterment List.
- Outside end slips are exempt from Betterment List requests.
- \$35 will be charged when a Tenant requests a "Betterment" move to a slip with the same length classification. Tenants seeking a boat slip with a different classification should apply for the appropriate "Wait List" and pay an Administrative fee.

Bulletin Board

- All notices will be posted by Port Staff only. Notice requests may be emailed to waterfront@portofhoodriver.com, calling the Marina Manager at (541) 436-0797, or by dropping a notice at the Port office. All notices will be date stamped.
- Notices posted without permission will be REMOVED.
- Event notices may be placed no more than two (2) weeks prior to the event and will be removed the next business day following the event.
- Non-event notices, such as items "For Sale" will be posted for no more than three (3) weeks.

Defaults

The following are a default of a Tenant's moorage obligations:

- Failure to pay the Port moorage rental as per the Moorage Agreement or any other Marina fees or charges within ten (10) days after Port written notice of non-payment is sent to a Tenant.
- Failure of a Tenant to comply with any of the terms or conditions of any Port Marina rule or regulation within ten (10) days after written notice from the Port is sent to the Tenant. If such noncompliance cannot be cured within ten (10) days but may be cured within a short time thereafter, the Tenant may apply for and receive approval for an extension of time from the Port Executive Director, which may be granted or denied in their discretion.
- If a default is not remedied the Port may:
 - Terminate the moorage lease, evict the Tenant and boat and re-lease the slip.
 - Recover any unpaid rent, charges or fees and any of Port's direct costs including staff and attorney's fees, if any, before suit, after suit is filed and on appeal.
 - Take possession of the boat, its apparel, fixtures, equipment and furnishings, and retain possession at the Marina or elsewhere until all charges then owing, and all charges arising thereafter are fully paid, and all violations of the terms of any Moorage Agreement or Port Moorage Rules and Regulations have been cured, or if not cured dispose of the boat and items the Port has taken possession of.
 - These remedies are in addition to and shall not be deemed in lieu of any other rights which the Port may have by virtue of federal and State laws, and local ordinances, including any Port ordinance.
- If a past-due payment default is cured, the tenant may be required, in the Port's discretion, to make a single payment by January 31 for the following moorage year.

Dinghies and Accessory Watercrafts

- A dinghy is considered a small boat carried or towed for use as a lifeboat or tender by a larger vessel and are typically less than 12 feet in length including any overhangs or protrusions from the Vessel including the motor. Accessory watercrafts or dinghies over 12 foot in length are not allowed as secondary watercrafts.
- Accessory watercrafts are considered jet skis, PWCs, kayaks, skiffs, rowboats, etc.
- Dinghies and Accessory Watercrafts do not qualify as the vessel of record and may only be in the slip secondary to a vessel of record.
- Dinghies or accessory watercrafts must be stowed on the Tenant's vessel or if small enough so as not to interfere with the regular moorage of any vessel (at the discretion of the Marina Manager), moored in the water at the stern or bow of the vessel so as not to exceed maximum overhang criteria and fit in the perimeter of the Tenant's slip. Dinghies may not be stored on the port or starboard side of the tenant's vessel.

- Dinghies or accessory watercrafts are not allowed on the docks or dock fingers.
- The Port has discretion to allow or not allow any dinghy or accessory watercraft in the water, based on the size, type or location. If the Port denies permission for maintaining an accessory watercraft at a Tenant's slip the Tenant must immediately remove the watercraft from the water or the slip.
- Non-motorized accessory watercraft including a dinghy, kayak or inflatable, are allowed at no charge if secured within the leased footprint within the slip.
- Fees: \$35 per motorized watercraft, per month, unless watercraft is an inflatable Tender used in service of boat and proper registration and insurance is provided.

Electric Power

- Electrical meters are read and billed every quarter and on termination of a Moorage Agreement by the Port.
- Electricity to the Marina is provided by Pacific Power. The Port does not guarantee the continuity of electrical service to any boat or boathouse.
- All electrical service connections by Marina users and Tenants between Marina outlets and any boat must conform to National and State Electrical Codes. Shore power cords are to be secured so that they cannot cause damage to meter bases. Damage done to meter bases is the financial responsibility of the Vessel Owner.
- Without exception, all shore power cords must be "UL Approved", 30/50amp marine grade weatherproof cords with a twist lock configuration. Cords must be kept in good condition (no signs of corrosion, discoloration, or abnormal wear), be coiled, and kept out of the water. Cords should only be connected to and disconnected from the dock power pedestal when the breaker is in the "OFF" position. Cords should be installed to avoid strain being placed on the connection between cord and receptacle. Careful power cord installation and proper maintenance is critical to maintaining a safe and reliable electrical service.
- Splitters or adapters are not allowed at the shore power pedestal. Tenants are prohibited from plugging splitters or adapters into their shore power cords unless approved by Port Staff.
- Port Marina staff may disconnect undersized or non-compliant cords and may discontinue electrical service to such Tenant. Any damages resulting from disconnection of an unsatisfactory shore power cord will be at the Tenant's sole risk. Tenant expressly authorizes the Port to disconnect any unsuitable shore power cord and releases the Port from any claims resulting from such action. The use of household extension cords or any other cord not complying with the foregoing requirements for shore power connections is strictly prohibited.
- The Marina's main electrical system is designed to cut the power supply to an individual dock if a low-level ground fault is detected or to individual Ground Fault pedestals. It is critical that each Tenant maintain their vessel's electrical system and connection to the dock pedestal to insure no ground faults occur. If the Port determines that a vessel has tripped the GFI system, the Tenant responsible for the vessel shall be notified and access to the Marina power supply shall be immediately terminated until the Tenant can demonstrate to the Port's satisfaction that the ground fault hazard has been resolved and the vessel's electrical system is in good working order. NO EXCEPTIONS.
- The Marina is an area where electrical shock hazards can occur. It is the Tenant's responsibility to ensure that electrical safety is maintained on and around their vessel. Electrical shock, potentially leading to death, can occur in the water up to 50 ft. away from any dock. NO SWIMMING is allowed in the Marina.

Fees

Moorage rates and fees are published online at www.portofhoodriver.com. Tenants are provided 30 days written

notice of any rate adjustments.

- Tenants must make the annual payment in full within 60 days of the billing date. Invoices will typically be sent on or about January 2. Payment in full is due on March 1, 2021. A \$50 per month late fee applies to any unpaid balance after the due date. Tenants who have not made full payment within 90 days of the billing date, (April 1, 2021), identified on the statement will be considered in default.
- Utility Charges: Water/Garbage – each slip and boathouse Tenant will pay a flat \$5/month fee for water and garbage services that will be billed annually in January. This is a non-refundable fee. Electrical – each slip and boathouse Tenant will pay a minimum of \$5/month for electricity that will be billed annually in January, whether or not a Tenant uses electricity. This is a non-refundable fee. If the electrical usage is more than \$5/month, the overage for actual cost will be billed quarterly.
- Quarterly Electric and miscellaneous charges are payable by the Tenant within thirty (30) business days of the statement date. Outstanding electric utility invoices provided by the Port that are 60 days past due will incur a \$15 per month late fee.
- The Port reserves the right to terminate a moorage lease at any time if moorage payments or Marina charges are not paid by a Tenant when due.
- Time and materials charges may be charged to the Tenant if Port staff spends substantial time or incurs costs attending to boats in danger of sinking or that may be causing damages to other boats or Port property.
- Fee for motorized accessory watercraft in water is \$35 per month, unless watercraft is an inflatable Tender used in service of the vessel of record. Proper registration and insurance must be provided, and watercraft must fit in the leased footprint of the slip.

Garbage/Water

Garbage receptacles are available at or near the Marina gate for use by Marina Tenants. Recycling is the responsibility of the tenant.

- See “Fees” section regarding the annual garbage and water charges.
- Garbage or other refuse of any type must always be placed in appropriate container. It may not be left at the Tenant’s slip or on the walkways. Marina garbage receptacles may not be used for disposal of personal belongings brought from home or elsewhere, unrelated to Marina activities.
- Water is turned off in the Marina generally early October through April.
- It is a violation of federal and state laws to put refuse of any kind in the water. This includes fish parts.

Guest Moorage

- No Tenant may allow a guest to moor a boat in the Tenant slip unless the guest has signed a sublease agreement previously approved by the Port.
- Visitors may use the boat launch guest dock at the Marina. Overnight fees apply and use of the guest dock shall not exceed the maximum limits posted.
- Guest moorage is not allowed for floatplanes in the Marina without prior approval of the Port Executive Director.

Hold Harmless

- Tenants agree at all times to release the Port from any claim of liability and hold the Port harmless against any and all claims and demands arising from the negligence or wrongful acts of the Tenant, their agents, invitees or employees, and Tenant does specifically acknowledge and agree that the Port is not liable under any circumstances for any loss or damage to Tenant’s boat, person or property, except as the result of intentional misconduct on the part of the Port.
- Port may provide or make available utility services at the Marina; however, Port shall not be liable to

Tenants or others resulting from, or be responsible to pay any costs associated with, an interruption in or failure to supply electricity or any other utility service at the Marina.

- The Port is not responsible for any losses or damage to boats, boathouses or airplanes in the Marina. Each Tenant will be responsible for damages that he or she causes to other boats, structures, property or to persons in the Marina.

Insurance

- Appropriate insurance coverage must be maintained by each Tenant. Tenants must at all times during their moorage occupancy keep in effect a marine/watercraft insurance policy with general liability limits of at least \$500,000.
- Floatplane Tenants must keep in effect aircraft liability insurance with minimum coverage of \$1,000,000.
- Without exception, the Port of Hood River, located at 1000 E. Port Marina Drive, Hood River OR 97031, shall be named as additional insured on all insurance policies required to be maintained by the Tenant in a form acceptable to the Port. A certificate of insurance shall be provided to the Port at the beginning of Tenant's moorage term. The Port may require that a Tenant provide proof of required insurance coverage renewal and at any time during moorage occupancy.
- It is the Tenant's responsibility to provide the Port with annual renewal documentation.
- The Port shall be entitled to receive written notice from a Tenant's insurance carrier thirty days prior to any insurance cancellation or expiration.
- Failure to provide or keep in force insurance required by this section shall be a Tenant violation of these rules and regulations, be a default of the Tenant's Moorage Rental Agreement and be grounds for the Port to terminate the Tenant's lease.
- Required insurance must remain in force even when the vessel is not occupying the slip.

Inspections

Upon receiving a Port request, a boat or boathouse owner must grant permission within 24 hours for an on-board inspection of their vessel or boathouse by the Marina Manager or any other person designated by the Port to assure compliance with applicable Marina Rules and Regulations.

Keys/Key Cards

- Tenants may receive up to two (2) key cards with no charge.
- Tenants may receive a maximum of four (4) cards issued per slip at any given time.
- Tenants shall pay a \$35 non-refundable fee per additional key card issued after two key cards.
- Damaged cards will be de-activated and replaced at no charge for the first two replaced cards.
- Lost Cards will be replaced for a \$35 charge.
- Key cards will be only issued to Marina Tenants.
- South Basin Dock keys shall not be duplicated.

Liveboards

There shall be no continuous living aboard boats or boathouses in the Marina. Tenants and all other persons are absolutely prohibited from living, dwelling in, or on the space or from using the space as a dwelling unit, floating home or residence as defined under the Oregon Landlord and Tenant Act. Tenant shall not use or occupy, nor permit, the space to be used or occupied for any business user or for any purposes which would constitute waste, nuisance, or damage to the premises. No rentals of any kind are allowed. Tenants may not stay overnight on their boats in the Marina or boathouse for more than 3 nights in any seven-day period. This

privilege may be reviewed or revoked by the Port in its discretion. Violation of this policy may result in eviction and termination of a Tenant's lease.

Maintenance and Vessel Repairs

- No major repairs, as defined by the Oregon State Marine Board Clean Marina Standards, shall be made to boats while in slips or parking lots. In water hull scraping or removal of paint below the water line is prohibited. No pressure washing of boat hulls in parking lots or boat launches, or anywhere on Port Property.
- The Port maintains a "NO Discharge" policy in the Marina. All work on vessels in the water must comply with the OSMB Best Management Practices and the Department of Ecology. Vessel Owners shall abide by all Port, City, State, U.S Coast Guard, and other applicable regulations.
- All Tenant maintenance activities to be undertaken by a Tenant which may affect other boats, persons or the Marina must be reported by the Tenant to the Port in advance by phone, email sent to waterfront@portofhoodriver.com, or in person to Port staff to ensure the Tenant has permission for the proposed activity and for appropriate follow-up after maintenance activities are undertaken.
- Tenants will be notified at least 24-hours in advance of any scheduled maintenance work affecting all slips so that Tenants have the option to be being present when the work is done.
- Any alteration of a Marina slip is subject to prior written approval by the Port.
- All Marina users and Tenants must use biodegradable, non-toxic, phosphate free cleaners and/or soaps when cleaning their boat.

Notice to Tenants

- News of interest from the Port to the Tenants will be by means of email. Tenants will need to update spam filters to allow mail from the portofhoodriver.com domains. It is the responsibility of the Tenant to inform the Marina Manager of any changes in their email, address or phone number.
- Port notification of Marina Rules and Regulations including new rules and modifications shall be effective when posted on the Port's website at www.portofhoodriver.com. It is the Tenant's responsibility to know them. Tenants may obtain a copy online or request to have one mailed.
- Port notice to Tenant of a lease or rule and regulation violation, account default or termination shall either be personally delivered or sent certified mail to the Tenant's address on file. All notices to the Port shall either be personally delivered or sent certified mail to the Port. Tenant may change the address and contact information by personally delivering or sending the change via certified mail to the Port.

Parking/Special Events

- Tenant parking in the lot adjacent to the moorage entrance gate is on a first-come basis and a parking space is not guaranteed. Parking shall be in a neat and orderly fashion. The Port may request removal or may remove, at Tenant's expense, any vehicle parked in an improper manner, as determined by Port.
- Parking for an extended period exceeding three (3) days must be approved in advance in writing by the Port. Storage of vehicles is not allowed.
- Boat trailers shall not be parked in the lot adjacent to the moorage entrance gate without Port written approval.
- Overnight camping is prohibited in the parking areas, and on all Port property. Port Ordinance 24 Parking rules apply. No person shall occupy their vehicle between the hours of 11p.m.-6.a.m.
- The Port, in its discretion due to special events in the adjacent park area, may limit access to the Marina parking lot and the hours of operations of the Marina facilities. The Port will attempt to provide notice of use limitations at least seven (7) days in advance by email and on the Port's website

(www.portofhoodriver.com).

- If the Port posts a sign or signs in the marina area requiring that vehicle parking comply with these regulations or conditions listed on the sign, and a vehicle is parked in violation of sign requirements, the vehicle owner may be cited for violating a Port Ordinance, and if a Tenant is the owner of a vehicle violating posted parking requirements, or if a Tenant allows a guest to park a vehicle violating posted parking requirements, the Port may consider the Tenant to be in breach of the Tenant's Moorage Agreement.

Pets

Dogs MUST be kept on leashes at all times on Port property, including on the docks. Owners are responsible to pick up after their pets and dispose of the waste in a trash receptacle. Absolutely no waste may go into the water.

Proof of Vessel Ownership & Partnerships

All moorage applicants must provide proof of ownership of the vessel that will occupy their assigned berth. This vessel will become the "vessel of record" for that berth. Failure or inability to provide satisfactory proof of ownership to the Port will result in denial of moorage privileges or termination. Original documents showing the proper individual(s) as owner(s), including but not limited to the following, will be required to establish proof of ownership:

1. Current Certificate of Title or financing papers.
2. Current State registration certificate or U.S. Coast Guard documentation papers. Registration information must be provided to the Port on an annual basis.
3. Current Insurance documentation.

The Port does recognize partnerships that are declared *prior* to signing Moorage Rental Agreements. Partners who have ownership in a boat must each provide their name and contact information at the time the agreement is drafted. Partners also must be named on any other Port Agreement, boat title, registration, and insurance coverage prior to occupying the slip.

- One partner must be designated as the "partner of record" and will be considered the primary person responsible for all moorage fees and moorage requirements.
- Moorage Status in the Marina is recognized as the primary responsible partner named in the Moorage Agreement who was the person who signed up on the waitlist for the slip.
- ***Partners taken on after the Agreement has been originated will have no rights to the moorage slip or tenancy in the Marina.***

Registration

- All Vessels entering or leasing moorage in the Marina must have a valid identification permanently affixed to the hull and clearly visible from the outside. It is the Tenants responsibility to know and understand the Vessel registration requirements. Failure to display the registration number on the hull may be cause for refusal of moorage or other access to the Marina. State or Coast Guard registered vessels shall display registration numbers and a valid registration decal. Documented vessels shall have the documented name of the vessel and a valid registration decal displayed on the hull.
- A current copy of boat registration or Coast Guard Documentation will be presented to Port at the beginning of a moorage lease, and annually thereafter. Failure to provide these copies or failure to keep registration current shall be construed a default and breach of these rules and be grounds for the Port to terminate a Tenant's lease.

- Any Tenant who attempts to retain their assigned slip using a boat that is not registered in the Tenant's name will lose their right to occupy the leased slip.

Safety/Security

- **No swimming**, diving, fishing, or fish cleaning will be permitted in the Marina. The Marina is an area where electrical shock hazards can occur. It is the Tenant's responsibility to insure electrical safety is maintained on and around their vessel. Electrical shock, potentially leading to death, can occur in the water up to 50 ft. away from any dock. **FOR YOUR SAFETY PLEASE DO NOT SWIM IN THE MARINA.** For more information on Electrical Shock Drowning go to: <https://www.boatus.com/seaworthy/assets/pdf/electric-shock-drowning-explained.pdf>
- Use of wheeled vehicles such as motorcycles, bicycles, scooters, skateboards or roller skates on moorage walkways or ramps is prohibited.
- Tenants shall accompany children under 16 years and guests at all times.
- The conduct of a Tenant's guest's while in the Marina is the full responsibility of a host Tenant. A host Tenant shall meet all Tenant's guests at the Marina locked gate to let them in and shall accompany their guests at all times while in the Marina.
- Disorderly conduct by Tenants and/or guests is cause for immediate termination of the Moorage Agreement and removal of the Tenant's boat from the Marina. This includes offensive language and loud and rude behavior to others. The Port shall have sole discretion to determine whether conduct is considered disorderly. Please do your part to maintain a family atmosphere at the Marina.
- Boats in the Marina shall be operated according to the Rules of the Road and the Navigation Laws of the United States.
- All boats shall be tied up in berths or at moorings according to good maritime practice. Boats shall be tethered only to the cleats for their assigned slip, and be securely moored with adequate bow, stern and spring lines. No lines shall cross walkways.
- Boats must be tied so that no part of the boat or its attachments extends over the walkway. Bowsprits hanging over the dock float are prohibited.
- All mooring lines must be in good condition and not have any visible fraying.
- The Marina is a NO WAKE ZONE. Boats within the Marina must be operated at a speed less than that which will create a wake.

Sale of Vessel or Change of Vessel

- The assigned slip is for the use of the lessee/Moorage Tenant. In the event the Tenant sells the vessel of record, he/she must either terminate their lease, or purchase another boat within 6 months of the sale and provide proof of ownership to the Port office. The tenant is responsible for providing information on any change of vessel in the assigned slip whether permanent or temporary. Failure to do so is cause for termination of tenant's lease agreement.
- Moorage is non-transferable. The assigned slip is only for the use of the Tenant who is assigned the slip. If a vessel in the Marina is sold and the new owner would like to continue to keep the vessel in the Marina, the new owner must submit an application for moorage, and be placed on the appropriate waitlist, like any other person seeking moorage at the marina.
- If a tenant sells their vessel and their account is in good standing and tenant has met all terms of their lease agreement and the Rules & Regulations, the tenant may sublease their slip to the new owner for up to 6 months. Sublease must go through the Port and meet all of the terms for subleasing.
- A purchaser of a moorage user's vessel does not acquire the moorage user's assigned moorage slip or any other space in the Marina.

- If the Tenant sells their boat and gives notice to the Marina Manager that they are giving up their slip, the purchasing party may rent the slip as a sublease from the Port for a maximum of 6 months from the date of purchase, subject to prior approval from the Marina Manager. Proof of insurance, bill of sale and copy of registration application is required.
- A Tenant selling their boat does not have authority to transfer their interest in their moorage slip or key cards or to transfer their obligation to pay annual payments to a new boat owner.
- A Tenant may replace their vessel with another so long as it is compatible with their assigned slip, and updated registration, title and insurance information is provided to the Marina Manager prior to placement of the vessel in marina.
- If a Tenant chooses to give up their slip, once vacated, the slip will be offered to the next eligible betterment or waitlist participant in the manner defined in this document. Every effort will be made to rent the slip, and when a new rental agreement has been signed a pro-rated refund will be issued to the owner for any overpaid amount.

Sanitation

All vessels which moor in the Marina must be compliant with all Regulations established by the U.S. Coast Guard or other Federal or State Regulatory Agencies regarding marine sanitation devices and waste discharge. The discharge of treated or untreated sewage or blackwater is not permitted in the marina or any waters of the United States. FREE self-service pump-out facilities and port-a-potty discharge stations are located at the Marina fuel dock. All Marina users, including boat houses, shall use these facilities for the disposal of raw sewage.

Seaworthiness

Vessels moored in the Marina must, at all times, be operable and maintained in a safe seaworthy condition and not constitute a fire hazard or present a risk of sinking. Vessel hull, keel, decking, cabin and mast must be structurally sound and free from dry rot or other similar defects or deficiencies. If a vessel does not comply with these conditions, the vessel owner must immediately remove it from the Marina for repair.

The Marina Manager may ask a Tenant to demonstrate the seaworthiness of their vessel at any time.

- A vessel that in the opinion of the Marina Manager is hazardous to Marina property or facilities, other vessels or persons may be denied permission to remain on Marina premises.
- Any vessel which is poorly maintained, badly deteriorated or may damage persons or property may be required by the Port to be removed from the Marina at the owner's expense upon receipt of written request from the Port. At least thirty (30) day's advance written notice must be given to the vessel's owner to effect repairs except in cases where the Port believes there is an imminent threat or emergency. If a vessel owner who has been requested to remove a vessel from the Marina by the Port is unavailable or available but refuses to act upon such request, the Port shall have the right to cause removal of the vessel from the Marina at the owner's expense, and to terminate the moorage lease.
- Port and its agents and employees shall at all times have immediate access to each Tenant's boat while moored at the Marina in case of emergency: including fighting fires, remedying or preventing any casualty or potential hazard to the boat or the Marina, such as sinking.
- In an emergency situation, contact will be made with the primary Tenant on file. If the Tenant cannot be reached, the person they have designated as their emergency contact person will be called. If it is necessary for Port staff or agents to board a boat, Port and its agents and employees will not be responsible for any damage to the boat. The Port may charge Tenant costs of any Port staff time or contractor time and materials for stabilizing the boat.
- In non-emergency situations, it may be necessary for the Port to board a boat, primarily for purposes of Inspection. In such situations, the Port will contact the primary contact 24 hours in advance and board the boat with permission of the Tenant or accompanied by the Tenant.

- Tenant shall be responsible for any and all damage to the Marina, including a slip, caused by Tenant's boat or activities. Any boat that sinks in the Marina may require professional salvage at the Tenant's expense, as determined by the Port. If the Port believes a vessel is not being promptly and properly removed from the marina by a Tenant the Port may incur salvage expenses to remove the vessel, in which case Tenant will promptly reimburse the Port for those salvage expenses and any related expenses.

Shell Dock

The Port's six shell dock storage spaces located on Dock C are rented on an annual basis from August 1 through July 31. Annual rent is due on August 1. Rules and Regulations specific to shell dock storage are outlined in the Shell Dock Annual Rental Agreement.

Storage on Piers or Dock Fingers

- All users of the Marina or its facilities for moorage or otherwise, shall keep their vessel, boathouse and pier or dock fingers in the vicinity of their vessel, neat, clean, orderly at all times. Tenant slip areas must be maneuverable for the Tenant's vessel and other vessels. Storage of anything by a Tenant on piers or dock fingers is prohibited except in approved dock boxes, chests, or steps.
- Main walkways and slip finger walkways shall be kept obstacle-free of boat supplies, accessories or debris by Tenants and Marina users. Tenant water hoses and electrical cords shall be neatly coiled when not in use. Tenants must remove anything of theirs from the Marina that does not fit onto their boat, dock box or chest.
- Each Tenant must obtain permission from the Port prior to placement of chests, dock boxes, steps, ramps or similar structures in the Marina. All chests and dock boxes must fit within the original triangle space at each slip, must not overhang or be placed in walkways, and must not exceed a height of 36 inches.
- Tenant storage of any potentially hazardous items or materials, batteries, oily rags, open paints, or other flammable or explosive materials are not allowed in dock boxes or chests and shall be immediately removed from Marina slips and the Marina area by Tenants.

Subleasing

- The Port reserves the right to allow or suspend subleasing privileges at any time.
- Marina Wait list applicants shall have first consideration if a sublease becomes available.
- In order to sublease a slip annual tenant's account must have been in good standing for the previous 12 months and tenant must have met all terms of the Rules and Regulations and their Lease Agreement, including the utilization requirement of having their vessel in their slip for at least 3 months out of the previous 12-month period, with the exception of long term voyages or leave of absence granted by the Executive Director.
- Tenant may sublease their slip to another boat owner for a maximum sublease term of 6 continuous months during a calendar year. A sublease of less than 30 days will not be permitted. Any agreement by a Tenant to sublease a slip without prior Port approval is a violation of the Tenant's lease and may result in lease termination.
- Sub Lessees must provide their boat title, proof of insurance, current registration and State ID to the Port prior to a sublease taking effect. Vessel must be seaworthy.
- An annual Tenant who applies for and receives Port permission to sublet a slip is responsible to promptly pay the Port all Marina fees and costs associated with the Tenant's slip when due and to assure their subtenant's compliance with all Marina Rules and Regulations during the sub-tenancy. All Port Marina bills will be sent to the Tenant. Notwithstanding a sub-tenancy, a Tenant is fully responsible to pay all charges that accrue on his/her account while subleasing and for collecting such charges from

their sub lessee.

- A Tenant is responsible for the removal of their sub lessee's boat from the Tenant's slip at the expiration of the sublease. A Tenant's violation of this requirement is grounds for termination of the Tenant's lease.
- Monthly Payment of a moorage fee and Marina charges by a subtenant to a Tenant cannot exceed 1/12 the annual moorage fee and Marina charges payable by the Tenant. All sublease payments shall be between a Tenant and their subtenant.
- Sub lessee must abide by Marina Rules and Regulations at all times. Violations will result in immediate termination of the sublease.
- A Tenant is responsible to provide Marina gate cards to their subtenant.
- A subtenant's vessel shall not occupy a Tenant slip until ALL required information and payment of a \$100 administrative fee has been provided to the Port by the Tenant, the subtenant has met with the Marina Manager to review Marina rules & regulations, and the sublease has been approved by the Port. Any proposed change in a sublease must be approved by the Port. If a sublease change is approved, the Tenant is responsible to pay the Port a \$35 fee for each change.

Termination

- A Tenant who wishes to voluntarily terminate their moorage tenancy before the end of the term must notify the Port in writing not less than 60 days prior to the Tenant's proposed termination date. After a termination request is received the Port shall attempt to re-lease the slip for the remainder of the Tenant's term to someone else. The Tenant will be responsible to pay all amounts owed, including moorage lease payments, any special assessment or debt, and any unpaid annual electric or water/garbage charge for three full calendar months following the month in which notification is received by the Port.
- If within the three month period after the Tenant's notice is received by the Port another boat owner executes a lease for the Tenant's slip and signs and provides lease documents satisfactory to the Port, the Tenant's lease shall be terminated and the Tenant shall receive a prorated refund of prepaid moorage and costs paid to the Port after the date a new tenant executes a moorage lease. If no new tenant signs a lease within the three month period the Tenant will remain responsible to pay accruing rent and Marina charges until the slip has been leased to another tenant or until the end of the Tenant's lease term, whichever occurs first.
- If the moorage agreement is terminated because the Tenant is in default the Tenant will receive written notification via Certified Letter US Postal service mail sent to the address stated in the Moorage Agreement.

Unauthorized Moorage

- Tenants who utilize moorage for berthing boats, dinghies or accessory watercrafts that is not leased by the tenant, will result in denial of moorage privileges or termination.
- No person shall moor a boat adjacent to a Marina boathouse without prior Port permission. Moorage for an extra boat may be authorized by the Port in advance of moorage in the Port's discretion.
- If a boat, boathouse or floatplane is moored in the Marina without Port permission or the owner has refused or failed to sign a moorage rental agreement acceptable to the Port, the boat, boathouse or floatplane shall be subject to immediate eviction. The owner shall be responsible to comply with all Marina rules and regulations during occupancy, be liable for moorage rental charges based on the monthly moorage rate and may, in the Port's discretion, be charged fees a Marina moorage tenant would be responsible to pay and be required to pay for any damages caused to the Marina.
- A boat, boathouse or floatplane and its tackle, apparel, fixtures, equipment and furnishings may be

retained by the Port at the Marina or elsewhere until the owner pays all charges then owing and all charges which thereafter accrue and until all violations of Port moorage rules and regulations are complied with. These remedies are in addition to and shall not be deemed in lieu of any other rights which the Port may have by virtue of federal and State laws, and local ordinances, including any Port Ordinance.

Utilization

Slip must be utilized by Tenant with the vessel of record for at least 3 months out of a 12-month period with the exception of a leave of absence granted by the Executive Director. A leave of absence for up to one year may be granted when:

- There is a defined time period for the leave; and
- The owner's vessel will be located continuously outside of the area or the owner is in a prolonged period of finding, constructing, securing or delivering a new boat to the Marina or special circumstances.
- A tenant who anticipates being gone longer than one year must relinquish their slip and may apply in writing to the Executive Director for extended cruising status. A member granted extended cruising status may be placed at the top of the waitlist for the same size slip on their return.

Wait List

- A \$100 administrative fee is charged to be on a Port moorage Wait List. This fee is non-refundable and not applied to moorage. A separate administrative fee shall be paid to be on any separate list. Updated Wait Lists are posted on the Port of Hood River website.
- Port staff will notify Wait List persons of potential slips that are available for lease. A slip will be offered to the top three names on the Wait List concurrently with a deadline of five (5) business days to respond to the offer. A slip will first be offered to the respondent listed in highest of the three people that were contacted, and if they don't accept the offer to the next highest. Persons who receive an offer but do not agree to accept the offer will maintain their current standing on the Wait List.
- Within fifteen (15) days of the acceptance of an offer, the Wait List person who has accepted the offer must enter into a signed lease and make a payment for the prorated moorage.
- Provided however, if the prospective tenant does not own a boat, they will be given thirty (30) days from the date of acceptance to purchase a boat to be placed in the slip or provide proof that a purchase transaction is pending. If the thirty (30) day requirement cannot be met and the prospective Tenant would like to remain on the Wait List, his or her name will be moved to the bottom of the Wait List.
- If a Wait List person is contacted but is non-responsive, they will maintain their current standing on the Wait List. However, if a second offer is made and the Wait List person is non-responsive or declines the offer, their name will be removed from the Wait List. If the name is removed, and the person wishes to stay on the Wait List, they will be required to pay another \$100 administrative fee for their name to be placed on the Wait List as of the date the application to be on the Wait List is received.
- If a slip becomes available for sublease, the Port will notify Wait List persons unless a Tenant has identified a boater who meets all sublease requirements. Waitlist Application available here: <https://portofhoodriver.com/product/marina-wait-list-entry/>

Waiver

Waiver of performance of any provision herein or of any other applicable laws, rules or regulations by the Port shall not be a waiver of nor prejudice of the Port's right otherwise to require performance of the same provision or any other provision. Time is of the essence of

performance of all Tenant moorage agreement requirements and of performance of the terms and conditions of these Port Marina moorage rules and regulations.

Boathouse Policies

The Port is not responsible for any loss or damage to boathouse or watercraft in the Marina. Each owner will be held responsible for damage which he/she may cause to other boathouses or watercrafts in the Marina or for damage to any Port structure. Any boathouse or watercraft that sinks in the Marina shall be removed by the owner at his/her expense.

Responsibilities of Boathouse Owners:

- All Boathouses shall have a state issued identifying number plate displayed in a location that is readily visible from the walkway providing access to the structure.
- A boathouse owner shall maintain his/her boathouse in a safe, neat and attractive condition, consistent with the Port's regulations, policies, and procedures.
- There are no liveaboards, subleases, short term rentals or rentals of any kind allowed in boathouses or vessels berthed in boathouses. See "Liveaboard" Policy.
- Debris, materials or accessories shall not be stored or otherwise allowed to accumulate outside boathouses, whether on or off the space let to the boathouse lessee. Supplies shall not be stored outside boathouses, whether on or off the space let to the boathouse lessee.
- Adequate flotation must be installed and maintained to ensure the stability of Tenant's boathouse and the safety of neighboring boathouses. Other than logs, any Flotation not encapsulated must be replaced and any replacement flotation must be material meeting current USACE specifications by May 1, 2022. Port Staff will work with owners to determine a reasonable amount of time for implementing replacement.
- All boathouses shall maintain a reasonable amount of freeboard in a uniform manner for safety reasons and to accommodate snow loads.
- Removal of snow build-up on boathouses will be the responsibility of the boathouse owner.
- The boathouse owner is responsible for providing and maintaining the electricity, meter base, and wire for the connection to the main power source. Installation and upkeep of the water hose or other connection to the main water line will be the responsibility of the boathouse owner.
- The boathouse owner is responsible for providing and maintaining chain and connectors on the boathouse for the attachment to the dock. The boathouse must have adequate structural capabilities to accept moorage attachments. Connections shall have enough clearance between the Port owned dock and the tenant's boathouse to allow space for maintenance work on the docks and utilities. This space can be left open or provide a hinged, removable cover that will provide the required clearance. All mooring connection and revision to existing systems must have prior Port approval.
- Boathouse owners, upon request, will provide access to their boathouses for the purpose of fire, electric, sanitation and safety inspection.
- Boathouse and boat owners must comply with Oregon Clean Marina requirements.
- There shall be no discharge of gray water, blackwater or sewage from a boathouse.

Responsibilities of the Port:

- The Port will be responsible for supplying and maintaining the electric meter and the connection to the main power source.
- The Port will be responsible for providing connectors on the float for attaching the boathouse to the dock. Port will execute emergency repairs to boathouse attachment/chains at the expense of the

boathouse owner.

Rebuilding, Remodeling or Replacement:

- The Port must approve the rebuilding, exterior remodeling or replacement of private boathouses in advance and in writing. Detailed plans of the proposed construction must be submitted to the Port Marina Manager and Executive Director, for approval by the Commission for construction, placement, design and or improvements. Failure to acquire prior authorization to rebuild or remodel may result in work stoppage and possible eviction.
- All construction involving boathouses shall conform to applicable codes of the City of Hood River, State of Oregon Floating Buildings and OSMB Clean Marina.
- Floatation shall meet USACE specifications. Floatation material shall be fabricated of materials manufactured for marine use. The float and its floatation material shall be 100% warranted for a minimum of 8 years against sinking, becoming waterlogged, cracking, peeling, fragmenting, or losing beads. All floats shall resist puncture and penetration and shall not be subject to damage by animals. Polystyrene floatation material used inside them shall be fire resistant. Floatation must be permanently affixed to the underside of the boathouse.
- The use of new or recycled plastic or metal drums or non-compartmentalized air containers for encasement or floats is prohibited.

Sale of a Boathouse:

- A boathouse owner must inform Marina Manager that Boathouse is for sale, and as soon as there is a likely sale or sale pending.
- No boathouse moorage space lease may be sold or assigned without the prior written consent of the Port. A boathouse owner must contact the Marina Manager to obtain current criteria and guidelines applicable to the owner and purchaser to continue or replace a boathouse moorage lease.
- Before a boathouse sale contract is signed the boathouse owner must schedule an inspection of the boathouse and moorage space with the Marina Manager, or another Port staff person or person under Port directive designated by the Marina Manager, to confirm boathouse compliance with OSMB Clean Marina Standards and that the boathouse complies with Port rules and regulations and does not pose any hazards A boathouse owner and buyer must demonstrate to the Port's satisfaction that the boathouse to be sold and all boathouse connections comply with Port requirements.
- A lease of moorage space to a new boathouse owner will be granted by the Port, subject to compliance with this section and satisfactory compliance with the following checklist items.

Check List – Pending Boathouse Sale:

- Inspection of a boathouse, floatation and mooring attachments is satisfactory.
- Buyer completes new lease acceptable to Port to be executed upon receiving satisfactory Inspection.
- Boathouse insurance certificate.
- OSMB title update.
- Proof that a boathouse title transfer is in process which complies with applicable legal requirements.

Bill of Sale transferring ownership:

- FEE: The Port will charge a fee to review and approve a boathouse sale and moorage lease transfer or new moorage lease based on Port actual costs and Port staff time, plus an administrative fee of \$300. The fee will be assessed to the seller of the boat house.

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APPENDIX D
ATTACHMENT 3

ORDINANCE 23-2018

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ORDINANCE NO. 23 - 2018

**AN ORDINANCE REGULATING CONDUCT AT THE KEN JERNSTEDT AIRFIELD
AND SUPERSEDING AND REPLACING PRIOR ORDINANCE 23, DATED MAY 24,
2011**

WHEREAS, the Port of Hood River, a public authority created pursuant to the laws of the State of Oregon, and owner and operator of Ken Jernstedt Airfield, possesses the authority to adopt ordinances in furtherance of the safety and welfare of the users of Ken Jernstedt Airfield and the general public, and to enforce the provisions of those ordinances;

WHEREAS, increasing use of the Ken Jernstedt Airfield, the need to clarify use procedures for airport improvements, the need to improve safety and requests by the Federal Aviation Administration require the formulation and implementation of the following Ordinance regulating use and activity at Ken Jernstedt Airfield;

NOW, THEREFORE, the Port of Hood River finds and ordains as follows:

SECTION 1. Scope of Ordinance. This Ordinance regulates conduct at the Ken Jernstedt Airfield.

SECTION 2. Definitions. Unless the context requires otherwise, for purposes of this Ordinance the following definitions apply, whether or not capitalized in the Ordinance text:

a. **"Alternative Grass Landing Area" or "AGLA"** means the grass area at the east end of the Airport and parallel to Runway 7/25 intended to accommodate aircraft landings. The AGLA is an alternative landing area but an integral part of Runway 7/25. The AGLA is shown on Exhibit 'A' attached hereto and incorporated herein by reference.

b. **"AGLA Procedures"** means Federal Aviation Administration approved rules that establish use of the AGLA, stated in Exhibit 'C', attached hereto and incorporated herein by reference.

c. **"Aircraft"** means any device that can be used for human flight, other than Ultralight vehicles as defined in Federal Aviation Regulation§ 103.

d. **"Airfield"** means any runway, taxi-way and area between a runway and taxi-way, and includes areas extending westerly and easterly beyond any runway and taxi-way, and all other areas used for "aviation activity" as defined below including within the Airport "Runway Protection Zone", as defined by the Federal Aviation Administration.

e. **"Airport"** means all real property owned or controlled by the Port that constitutes the area commonly known as the Ken Jernstedt Airfield, a public general aviation airport in Hood River County, bounded on the west by Tucker Road and on the east by vacated Orchard Road. To the North by Western Antique Aviation Auto Museum land and to the South by Airport Drive and private land, as shown on Exhibit 'A' attached hereto, and as may be

extended hereafter, including any Port structures or fixtures thereon.

- f. **"Airport Administration Building"** means the structure(s) where the FBO conducts business, including areas within an FBO structure designated to be accessible to the general public.
- g. **"Airport Road"** means the road south of and adjacent to the Airport.
- h. **"Aviation Activity"** means parking, moving, operating, maintaining, modifying or repairing Aircraft on the Airport.
- i. **"Board"** means Port of Hood River Board of Commissioners.
- j. **"Camp"** means erecting a tent or shelter, arranging bedding or occupying a parked vehicle, trailer or camper for purposes of, or in such a way as will permit, sleeping or remaining overnight.
- k. **"Commercial Activity"** means any Aviation Activity which originates at the Airport, is made available to the general public or involves two or more persons or entities, and is undertaken for profit or personal financial gain, irrespective of where or when payment occurs. Payment includes all forms of compensation, including financial, trade and donations.
- l. **"Commercial Glider Operator"** means a person or business that is authorized by the Port to provide glider services to the public as a Commercial Activity.
- m. **"Commercial Operator"** means any person or entity that carries out a Commercial Activity at the Airport.
- n. **"Concession Agreement"** means a fully executed written agreement between the Port and a person or business entity authorizing the use or establishment of facilities for a Commercial Activity and setting forth the terms and conditions under which the Commercial Activity may take place.
- o. **"Executive Director"** means the person the Board has appointed to act as the general manager of all Port operations.
- p. **"FAA"** means the Federal Aviation Administration.
- q. **"FARs"** means Federal Aviation Regulations which are regulations implemented by the FAA governing aviation activity within the United States and are designed to promote aviation safety and the safety and welfare of the general public.
- r. **"FBO"** means the Fixed Base Operator who may be a Port employee, or may be a commercial entity or person having an agreement with the Port to manage aspects of Airport operations and conduct certain Commercial Activity including aircraft maintenance, instruction and retail sales and may be the authorized representative of the Port under designated circumstances; the FBO shall include owners or employees of the FBO or FBO contractors permitted by the Port to perform FBO functions.
- s. **"Glider"** means a heavier-than-air Aircraft, that is supported in flight by the dynamic reaction of the air against its lifting surfaces and whose free flight does not depend principally on an engine.
- t. **"Glider Flight Activity"** means final preparation of a Glider for launch prior to takeoff, moving a Glider to a takeoff location, and moving a Glider away from the area where a Glider has landed.
- u. **"Glider Operations Area"** means the Airport areas shown on Exhibit 'A' and on Exhibit 'B' attached hereto and incorporated herein by reference, designating where Gliders are prepared for launching, launched, brought after landing, and temporarily parked during Glider Flight Activity.

v. **"Glider Support Area"** means that Airport area shown on Exhibit 'A' and Exhibit 'B' attached hereto and incorporated herein by reference, designating the area where all persons not directly involved in Glider Flight Activity but interested in observing Glider Flight Activity, gather; where recreational Glider pilots meet immediately prior to launch; and where Commercial Glider Operators meet with customers to transact business, including registering customers for Glider flights. Glider Flight Activity is prohibited in the Glider Support Area.

w. **"Instrument Flight Rule"** means Port and/or FAA adopted rules governing procedures for conducting instrument flight.

x. **"Limited Access Areas"** means those areas of the Airport the Port has made available to tie down Aircraft or to provide access to T-Hangars for use by Airport tenants or persons moving Aircraft, shown on Exhibit 'A' attached hereto and incorporated herein by reference.

y. **"Motor Vehicle"** means any self-propelled device or device designed for self-propulsion, in, upon or by which any person or property is or may be transported or drawn upon a street, roadway or path, but does not include a vehicle designed for flight.

z. **"No Access Areas"** means those areas where no pilot or public access is permitted unless a legal right exists, because the areas are leased for Commercial Activity, are used for Port purposes, or contain critical weather-related apparatus, shown on Exhibit 'A' attached hereto and incorporated herein by reference.

aa. **"Non-Commercial Operator"** means any person or entity that carries out Aviation Activities at the Airport other than a Commercial Operator.

bb. **"NOTAM"** (Notice-To-Airmen) means a notice containing timely information on unanticipated or temporary changes to components of hazards in the National Airspace System (NAS). Component changes may pertain to facilities, services, procedures or hazards in the NAS. A NOTAM provides information that becomes available too late to publish in the associated aeronautical charts and related publications. The NOTAM system is not intended to be used to impose restrictions on airport access for the purpose of controlling or managing noise, or to advertise data already published or charted.

cc. **"Official Sign"** means all signs, signals, markings, devices and placards placed, erected or provided by the Port or Port designee for the purpose of guiding, directing, warning or regulating Aircraft, Motor Vehicle traffic or personal conduct.

dd. **"Peace Officer"** means a Peace Officer appointed by the Port pursuant to ORS 777.190, or a Peace Officer as defined in ORS 161.015.

ee. **"Pilot in Command"** means the person responsible for the Aircraft as defined by FAA regulations.

ff. **"Port"** means Port of Hood River.

gg. **"Port Tenant"** means any person or business that has entered into a lease or rental agreement with the Port or FBO including renting T-Hangars, Tie-Downs or commercial properties at the Airport.

hh. **"Restricted Access Areas"** means an aircraft runway, all taxi-ways, and areas within 150 feet of a runway or taxi-way at the Airport, shown on Exhibit 'A' attached hereto and incorporated herein by reference.

ii. **"UNICOM"** (Universal Communications) means a ground-to-air radio communication station that may provide airport advisory information to aircraft pilots and persons involved with aviation activity.

jj. **"Ultralight"** is any Aircraft meeting the definitions set forth in FAR Part 103.1.

SECTION 3. Commercial Activity. No person shall engage in any Commercial

Activity at the Airport without the prior approval of the Port, under the terms and conditions prescribed by the Port.

When the Port determines that a person proposes to engage in Commercial Activity at the Airport in the future, the Port may grant that person permission to do so, may issue a Concession Agreement, may require the person to enter a lease or may deny permission to do so.

Minimum Standards, which are adopted by the Port by resolution, outline the type of activities, both commercial and non-commercial that may be carried out at the Ken Jernstedt Airfield as well as the basic requirements for each activity type. These Minimum Standards ensure that each Commercial and Non-Commercial Operator is held to uniform standards to ensure efficient, non-discriminatory and safe operations at the Airport. All persons engaging in Commercial and Non-Commercial Activities at the Airport must comply with Port resolutions establishing Minimum Standards.

SECTION 4. Littering. No person shall litter at the Airport. Littering is defined as the dumping, throwing, placing, depositing or leaving, or causing to be dumped, thrown, deposited or left any refuse of any kind or any object or substance which tends to pollute, mar or deface.

SECTION 5. Fireworks. No person shall ignite fireworks or similar incendiary devices of any kind at the Airport whether legally allowed in Oregon or not.

SECTION 6. Animal Control. No person shall allow a domestic animal which the person owns or for which he or she is caring to be on the Airport unless the animal is on a leash and under the person's control at all times.

SECTION 7. Camping. No person shall camp at any time on the Airport unless the person has written permission to do so from the FBO or Port.

SECTION 8. Hunting. No person shall discharge firearms, hunt, or attempt to trap animals on the Airport unless the person has received written permission to do so from the Port.

SECTION 9. Fires. No person shall build or attempt to build a fire on the Airport.

SECTION 10. Access Prohibitions. No person shall be on any portion of Limited Access Areas, Restricted Access Areas or No Access Areas unless one or more of the following conditions are met:

a. In the Limited Access Areas, they are a Port Tenant or an invited guest of a Port Tenant, a pilot with a legal right to use an Aircraft located at the Airport, or an invited guest under the direct supervision of a Pilot in Command who has a legal right to use an Aircraft located at the Airport.

b. In the Restricted Access Areas, they are a Pilot in Command of an Aircraft or a guest of the Pilot in Command and under the direct supervision of the Pilot in Command of an Aircraft.

- c. In the No Access Areas, they are a Port Tenant authorized by the Port to be there or an invited guest of a Port Tenant authorized to be there.
- d. They have permission from the Port or the FBO to be there.
- e. They are a Port employee or FBO, or a Port or FBO contractor with permission to conduct authorized business and are doing so.
- f. In the case of an emergency requiring access.

SECTION 11. Aircraft Access to Airport. Unless the Port or FBO grants prior permission otherwise, no person shall bring an Aircraft onto the Airport unless they are landing the Aircraft, are traveling across an existing Port Aircraft access easement, are traveling through an approved Aircraft corridor under a Through the Fence Agreement, or in an emergency. No person shall bring an Aircraft onto the Airport on or within a trailer unless the person obtains prior permission from the Port or FBO to do so, or, in the event the Port or FBO are unavailable, they check-in with the FBO at the earliest reasonable opportunity to obtain permission and determine Airport use rules.

SECTION 12. Aircraft Storage. No person shall tie down or in any other way attach any Aircraft to the Airport unless they use Port approved tie-down equipment and they have received permission of the Port or the FBO. No person shall store or park an Aircraft that is not tied down or in a hangar for more than twenty (20) minutes in Restricted Access Areas without permission of the Port or the FBO. Every person using the Airport for Aircraft storage or tie-down parking of Aircraft shall, at the time specified, pay to the FBO such fees as are from time to time fixed in the manner set forth by the Port; provided that the Port may waive any storage or tie-down fees for Aircraft in connection with authorized air shows and fly-ins. T-hangar rentals shall require a written agreement between the proposed Port Tenant and the Port in a form to be determined by the Port.

SECTION 13. Motor Vehicles.

- a. General
 - (1) No person shall engage in any form of ground towing to launch an Aircraft.
 - (2) No person operating a Motor Vehicle may travel through any Restricted Access Area. An Airport map indicating Restricted Access Areas is attached as Exhibit A and incorporated herein by reference.
- b. Parking.
 - (1) Motor Vehicles may be parked on paved areas immediately adjacent to the FBO building and on the shoulder of Airport Road, unless prohibited or restricted by an official sign.
 - (3) No person shall park a Motor Vehicle in Restricted Access Areas without receiving prior written permission from the FBO or Port to do so, or unless necessary because of an emergency.
 - (4) No person shall park a Motor Vehicle in Limited Access Areas without FBO or Port permission to do so except if:
 - (i) Necessitated by an emergency;

(ii) The person is a Port Tenant with permission to park a Motor Vehicle near their leased space; or

(iii) The person is an invited guest of a Port Tenant who has permission to park a Motor Vehicle near a rented space or near a hangar leased by the Port Tenant who invited the person, as a means of access to Aircraft or a T-hangar.

The foregoing notwithstanding, no person shall park a Motor Vehicle within Limited Access Areas for a period longer than eight consecutive hours unless the person has received prior permission to do so from the FBO or Port, and the person displays a parking permit issued by the Port in plain view on the dashboard of the parked Motor Vehicle.

(5) No person shall park a motor vehicle in No Access Areas unless they are a Port tenant authorized to park there, an invited guest of a Port tenant authorized by the Port to park there, or a Port employee.

c. Motor Vehicle Speed; Warning Lights.

Except on Airport Road, no person shall operate a Motor Vehicle at a speed in excess of 15 miles per hour on the Airport. No person shall operate a Motor Vehicle within the Restricted Access Area or No Access Area unless the Motor Vehicle utilizes a clearly visible yellow beacon or yellow flashing lights to alert persons at the Airport and Aircraft pilots that the motor vehicle is present.

SECTION 14. Airport Administration Building Use. No person shall use the Airport Administration Building in violation of any regulation adopted by the Port. Regulations governing use of the Airport Administration Building now in effect are attached to this Ordinance as Exhibit 'D' and incorporated herein by reference. These regulations may be rescinded or modified at any time, as provided in section 19 of this ordinance.

SECTION 15. Aircraft Operations. No person shall engage in conduct at the Airport that violates any of the following provisions:

a. General Aircraft Operations

- (1) All Aircraft shall be operated in conformance with FAR and AGLA regulations and the rules set forth in this Ordinance.
- (2) The Port or the Port's duly authorized representative may suspend or restrict any or all operations at the Airport for reasons including, but not limited to, safety and/or adverse weather conditions whenever such action is deemed necessary.
- (3) The Port or the Port's duly authorized representative shall at all times have the authority to take such action as he or she deems necessary for safety of operations and to safeguard the public at the Airport.
- (4) All ground support activities shall be conducted only in areas designated by the Port or Port's duly authorized representative.
- (5) All Aircraft operators and Pilots in Command shall have the duty at all times to carry out the provisions of this Ordinance and any other applicable regulations with respect to admission and control of children, pets and non-flying observers to or at areas where Aircraft are in operation.
- (6) Flight Rule weather conditions are prescribed by the FARs. Any differing specification shall be made only by the Port and be consistent with this Ordinance and other applicable rules and regulations.

- (7) Aircraft pilots shall be familiar with and comply with local Instrument Flight Rule procedures and with the nonstandard patterns flown by Aircraft operating Instrument Flight Rule or practicing Instrument Flight Rule operations.
- (8) Ultralight pilots shall be aware of the effect of wake and helicopter rotor turbulence upon Ultralight Aircraft and undertake safe separation from helicopters.
- (9) Standard Soaring Society of America (S.S.A.) procedures now or hereafter adopted applicable to Glider Flight Activity on land shall be used by all Glider pilots and their assistants, before a Glider is launched and after a Glider has landed, including using appropriate hand signals.

b. No Simultaneous Aircraft Operation.

- (1) All pilots shall comply with applicable FARs and AGLA Procedures in relation to simultaneous Aircraft operation.
- (2) No pilot shall move an Aircraft or cause an Aircraft to be moved on the AGLA runway if another Aircraft is on or will be imminently landing on the primary runway or the AGLA runway.

c. Landings.

- (1) All pilots shall comply with applicable FARs and AGLA Procedures on landing.
- (2) Pilots intending to use the AGLA shall monitor UNICOM prior to and after landing their Aircraft if it is equipped with a UNICOM radio.
- (3) A pilot, with a radio onboard an Aircraft, who intends to land on the AGLA, shall declare that intention to land on the AGLA by radio prior to landing.
- (4) A pilot may land an Aircraft on the AGLA only when no other aircraft or other activities are occurring or present on either the paved runway or the taxiway.
- (5) Any person who assists with removing a Glider from the AGLA after landing shall remain outside the Restricted Access Areas until the Glider has safely landed and stopped moving.
- (6) Any person who assists with removing a Glider from the AGLA shall comply with FAA procedures and Port regulations applicable to use of the AGLA.

d. Departures.

- (1) All pilots shall comply with applicable FARs and AGLA Procedures on departure.
- (2) Pilots of Aircraft with radios shall declare the intention to taxi on the north parallel taxi-way and complete a thorough visual review of ground and air traffic before crossing the taxi-way hold line.
- (3) Pilots shall keep Aircraft at the designated taxi-way hold line until all traffic on Airport runways or taxi-ways is clear.

SECTION 16. Official Signs. No person shall engage in any conduct in violation of instructions appearing on an Official Sign at the Airport.

SECTION 17. Use of Port Electricity. No person shall connect an electrical device of any kind to a Port electrical power outlet or in any other manner use electricity supplied to the

Port at the Airport without Port permission.

SECTION 18. Fees. No person shall refuse nor neglect to pay when due a fee or charge established by the Board or Executive Director for use of Airport property, Airport facilities or Port or FBO services provided at the Airport.

SECTION 19. Port Regulations. The Board may adopt regulations which define or regulate conduct at the Airport in furtherance of the provisions of this Ordinance, or which otherwise prohibit or limit conduct at the Airport. Each such regulation shall be enacted after publication of a Board meeting agenda that includes a reference to a regulation or regulations to be considered at the Board meeting. The public will have an opportunity at the Board meeting to obtain a copy of the proposed regulation(s) and to comment on the regulation(s) prior the Board adopting a regulation. Each adopted regulation shall be in writing, be dated and be on file for public inspection at the Port business office during Port business hours. If a person violates any provision of an adopted Port regulation the person will be deemed to have violated this Ordinance, and shall be subject to the same penalties as for a violation of a provision of this Ordinance.

SECTION 20. Port Permission. No person may violate a provision of this ordinance unless the person is given express written permission to do so at a specific time or for a specific purpose by the Board or a Port employee, or an activity is allowed by an Official Sign. Such permission shall apply only to the expressly stated time, event, or activity.

SECTION 21. Penalties.

- A. A person who violates a provision of this ordinance shall commit an offense punishable by a fine as a Class A violation. Provided however, if an offense defined in this ordinance is also an offense governed by a provision of the Oregon Criminal Code or Oregon Motor Vehicle Code (“State Regulation”) and the State Regulation offense category is lower than a Class A violation, the ordinance offense and fine payable shall be reduced to be the same as provided in the State Regulation.
- B. Each violation of a section or subsection of this ordinance shall constitute a separate offense.
- C. Each separate violation of this ordinance shall constitute a separate offense.

SECTION 24. Enforcement.

- a. By authority of ORS 777.190, the Board appoints the Executive Director and the Port Maintenance Supervisor, as Peace Officers who shall have the same authority, for the purpose of the enforcement of the provisions of this Ordinance, as other peace officers;
- b. All Peace Officers shall have the authority to enforce the provisions of this Ordinance and to issue citations for the violation of any section of this Ordinance;
- c. Any person who is issued a citation for the violation of any section of this Ordinance must appear in Hood River County Circuit Court on the date and time listed on the citation, or in such other court in Hood River County with jurisdiction over the matter as stated on the citation.

SECTION 25. Right of Removal.

a. No person shall remain at the Airport after being asked to leave the Airport by a Peace Officer if they believe the person being requested to leave has violated or intends to violate any provision of this Ordinance.

b. No person shall cause or allow their personal property to remain at an Airport location after a Peace Officer has asked the person to remove or relocate the personal property.

SECTION 26. Severability. This Ordinance and the regulations adopted pursuant hereto will be liberally construed to effectuate the purposes of this Ordinance. Each section, subsection or other portion of this Ordinance shall be severable; a finding of the invalidity of any section, subsection, or other portion shall not invalidate the remainder.

SECTION 27. Ordinance Superseded and Replaced. Port Ordinance No. 23, An Ordinance Regulating Conduct at the Ken Jernstedt Airfield, dated May 24, 2011, is hereby repealed superseded and replaced by this ordinance.

First Reading: August 21, 2018, by the Port of Hood River Board of Commissioners.

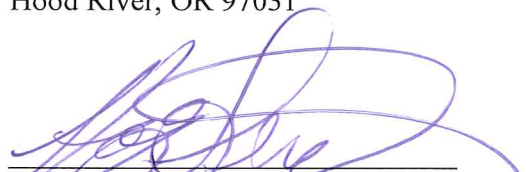
Second Reading: September 11, 2018, by the Port of Hood River Board of Commissioners.

Adopted September 11, 2018 by the Port of Hood River Board of Commissioners.

Effective Date: 30 days after date of adoption, October 11, 2018.

Passed: September 11, 2018, by the Port of Hood River Board of Commissioners.

PORT OF HOOD RIVER
1000 E. Port Marina Drive
Hood River, OR 97031

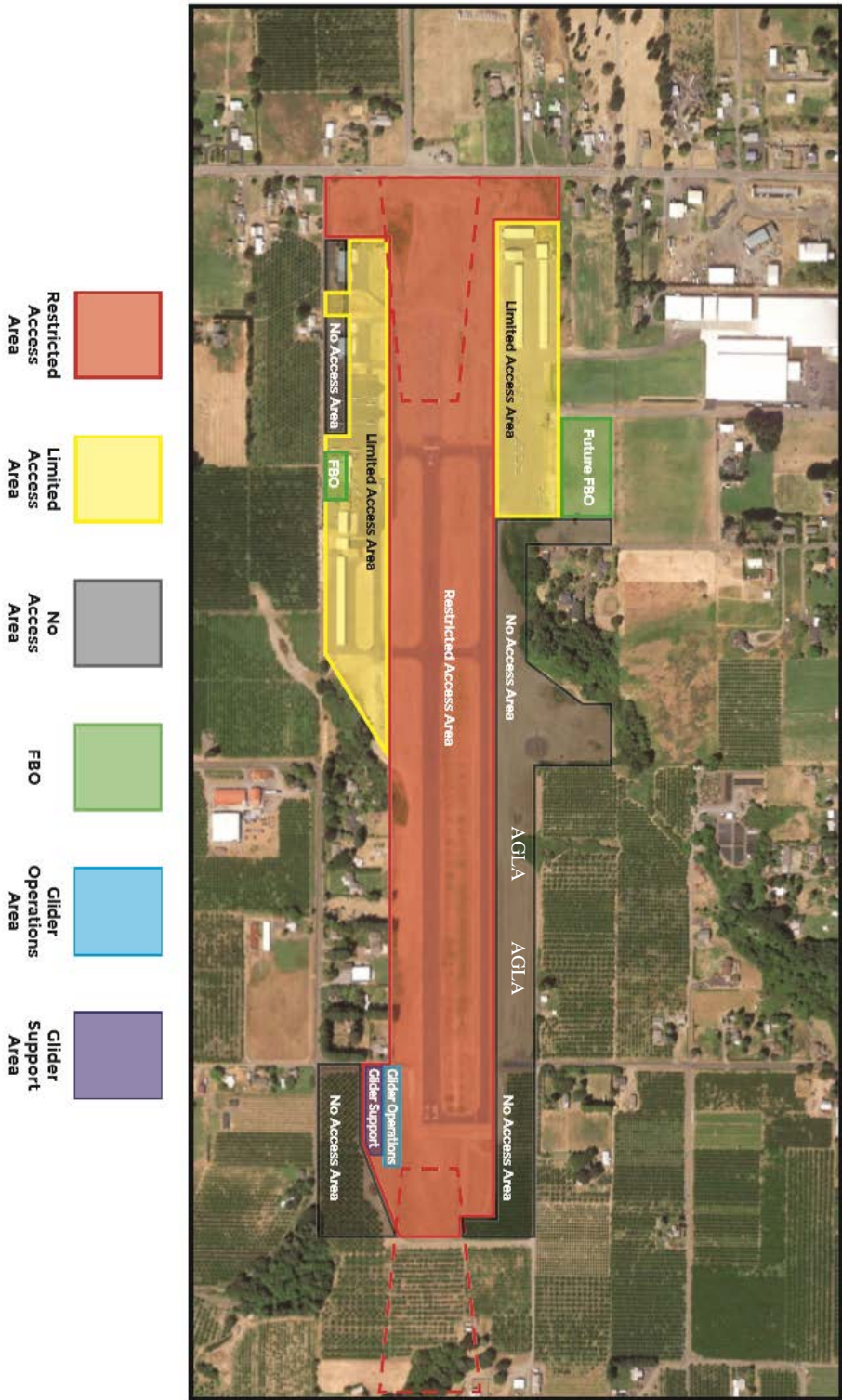


Hoby Streich, Port Commission President



Genevieve Scholl, Recording Secretary

EXHIBIT 'A'



Ordinance 23 - Exhibit A

EXHIBIT 'B'



EXHIBIT 'C'

Alternative Grass Landing Area Procedures USE REQUIREMENTS

The following rules govern use of the Alternative Grass Landing Area (AGLA) at Ken Jernstedt Airfield in Hood River, Oregon (Airport). The AGLA has been constructed principally to accommodate landing for antique Aircraft. It is located in the grassy median parallel to Runway 7/25, between the paved runway surface and the north parallel taxi-way. The AGLA is an alternative landing area but an integral part of Runway 7/25.

NO SIMULTANEOUS OPERATION

- No simultaneous Aircraft operations shall occur on the paved surface of Runway 7/25 and the AGLA portion of Runway 7/25.
- No simultaneous Aircraft operations shall occur on the north parallel taxi-way and the AGLA.

LANDINGS

- Ken Jernstedt Airfield is a visual approach airport. All pilots are required to adhere to best practices for Airfield safety policies, including checking Notice to Airmen (NOTAM). Radios are encouraged for all aircraft.
- When an Aircraft declares intention to land on the paved runway, no activity is permitted within the AGLA.
- Pilots with radios must declare their intention to land on the AGLA. Landings may occur on the AGLA only when no other Aircraft or other activities are present on either the paved runway or the north parallel taxi-way. If such activity is present, all Aircraft must land on the paved runway.
- Aircraft landing on AGLA must exit taxi-way as soon as safely possible.

DEPARTURES

- Prior to taxi from the north apron or entrance to the north parallel taxi-way, Aircraft with radios shall declare intention to taxi on the north parallel taxi-way and complete thorough visual review of ground and air traffic before crossing the Hold Line. Pilots must remain at the designated hold line until traffic is cleared.
- All pilots must review and understand Airport signage and markings.
- All pilots must review Airport NOTAMS.
- Pilots must have an Airport diagram out and available as a reference during taxi.
- Pilots must maintain appropriate taxi speed and may not exceed 15 miles per hour on the taxi-way.

EXHIBIT 'D'
Public Use of Airport Administration Building

This Airport Administration Building is owned by the Port of Hood River and managed by the Fixed Based Operator (FBO).

Public uses are allowed in this building. Following is a list of rules for public use:

The FBO will post hours the building is available to the public. Minimum public hours are: 8 a.m.-5 p.m. October through April, and 8 a.m.-6 p.m. May through September, at least five days a week, including all Saturdays and Sundays; building is closed New Years Day, Thanksgiving Day and Christmas Day. If the FBO locks the Airport Administration Building at any time during these hours, it is required to post notice with immediate contact information.

- Pilots may use this building at any time during posted public hours for flight planning.
- Pilots may use the building at any time during posted public hours as a waiting area during weather events that create conditions when safe flying is in jeopardy.
- severe weather events may prevent the building from being open during normal posted hours. The FBO will display a notice if weather prevents this building from being open during normal posted hours. This notice shall contain a contact telephone number.
- Aviation/airport meetings may be held but must be scheduled with the FBO one week prior to desired meeting time. The date, time and estimated number of attendees must be provided when scheduling meetings.
- Transient flight instructors from other airports may debrief students at this building. They may be required to demonstrate proof that they have a flight school at another airport or similar facility.

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APPENDIX D
ATTACHMENT 4
ORDINANCE 24-2018

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**ORDINANCE NO.
24-2018**

**AN ORDINANCE REGULATING CONDUCT ON PORT PROPERTY AND
REPEALING ORDINANCE NO. 24**

The Port of Hood River ordains as follows:

SECTION 1. Scope of Ordinance. This ordinance regulates conduct on Port Property, including at Port structures.

SECTION 2. Definitions. Unless the context requires otherwise, for purposes of this ordinance the following definitions and provisions stated in a definition apply:

- “Board”** means Port of Hood River Board of Commissioners.
- “Boat Launch”** means the concrete ramp on the east side of the Marina Boat Basin.
- “Camp”** means erecting a tent or shelter, arranging bedding or occupying a parked Vehicle, trailer or camper for purposes of, or in such a way as will permit, sleeping or remaining Overnight.
- “Commercial Activity”** means any activity directed to the general public or between two or more persons or entities undertaken for profit or personal gain.
- “Courtesy Notice”** means a written notice delivered or sent to a person informing them that a Parking Complaint has been issued and about their payment obligation.
- “Dock”** means a wharf or platform for loading or unloading people or materials.
- “Event Site”** means Port Property which includes an improved Vehicle parking area and beach access to the Columbia River, located north of Portway Avenue, west of the Nichols Basin inlet, south of the Columbia River, and east of the Jensen building.
- “Executive Director”** means the person the Board has appointed to act as the general manager of all Port operations.
- “Jensen Building”** means the Port building located west of the Event Site, north of Portway Avenue and east of the City waterfront park.
- “Hook”** means Port Property which includes a peninsula located west of the western terminus of Portway Avenue, east of Wells Island, north of Interstate 84, and south of the Columbia River.
- “Interstate Bridge”** means the bridge owned by the Port which crosses the Columbia River from Hood River, Oregon to Washington.
- “Kiteboarding”** means pumping/drying kites, carrying inflated kites, rigging or attaching lines, launching and landing.
- “Lot 1”** means the undeveloped lot east of Second Street, south of Portway Avenue, and west and south of a road leading from the north end of Portway Avenue south to Second Street.
- “Marina Beach”** means Port Property located east of the Hood River and north of the Marina Park.
- “Marina Boat Basin”** means the river basin located north of the Marina Green and east of the Marina Park, used for launching and moorage of boats and pontoon airplanes, with access to the Columbia River.
- “Marina Boat Basin Area”** means Port Property located west of the Interstate Bridge approach road, south of the Marina Beach, east of the Hood River and north of Interstate 84.

- “Marina Green”** means Port Property which includes a grass recreation field located south of the Marina Boat Basin and north of Interstate 84.
- “Marina Park”** means the park setting and picnic shelter located east of the Hood River and west of the Marina Boat Basin.
- “Nichols Basin”** means the river basin north of Interstate 84, which runs south to north along the western boundary of the Spit, with access to the Columbia River.
- “Official Sign”** means all signs, signals, markings, devices and placards placed, erected or provided by the Port for the purpose of guiding, directing, warning or regulating Vehicle or boat traffic or personal conduct. An Official Sign includes a Port message appearing on or from an electronic kiosk or other electronic device which provides information.
- “Overnight”** means between 11:00 p.m. and 6:00 a.m.
- “Parking Complaint”** means a written or electronic notice demanding payment issued by the Port placed on a Vehicle or provided to a person who has violated a Pay to Park Zone parking requirement.
- “Parking Pass”** means a Port-issued parking permit that authorizes a Vehicle which displays the Parking Pass to be parked in a designated Port parking location at times specified and on terms required by the Port. The Board or Executive Director may establish Parking Pass parking locations or requirements.
- “Pay to Park Zone”** means an area of Port Property designated as a Pay to Park Zone described and/or depicted on a Port map or diagram, where the Port limits Vehicle parking times and charges for Vehicle parking at specified parking locations. These Port locations reserved for Vehicle parking, which may be in a separate confined parking area or be shoulder spaces located adjacent to a curb along a Port access way, are not considered part of a public road or street subject to Oregon Motor Vehicle Code laws governing travel on a public road or street.
- “Peace Officer”** means a peace officer appointed by the Board pursuant to ORS 777.190, or a peace officer as defined in ORS 161.015.
- “Pedestrian Bridge”** means the bridge owned by the Port of Hood River intended for pedestrian use which crosses the Hood River from the Marina Boat Basin Area leading to the southern terminus of the Spit access road.
- “Port”** means Port of Hood River. Any action attributed to the Port by this Ordinance shall be an action by a Port employee, the Board, or their designee.
- “Port Marina Building Office”** means the Port headquarter building located at 1000 E. Port Marina Drive, Hood River, Oregon 97031.
- “Port Website”** means the official Port website, portofhoodriver.com.
- “Port Employee”** means a Port employee paid a salary by the Port, or a Port employee in a full year, full time position paid wages by the Port when working for the Port. A Port employee shall have authority to carry out acts contemplated by this ordinance, and for purposes of regulating activities on Port Property shall be a “person in charge” as defined in ORS 164.205(5).
- “Port Property”** means real property in Hood River County, Oregon owned or controlled by the Port, and the Interstate Bridge.
- “Portway Avenue”** means a City of Hood River (“City”) street running westerly from the intersection with North Second Street and easterly from the intersection with Eighth Street, and includes connected Port roads extending in a straight line westerly from the west end of the City street and in a straight line easterly from the east end of the City street.
- “Spit”** means Port Property which is a peninsula located north of Interstate 84, west of the Hood

River, east of the Nichols Basin and south from the Columbia River including exposed land in the Columbia River which is occasionally submerged.

“**Transient Dock**” means Port Property located west of the Boat Launch and used for temporary tie-up and limited overnight moorage

“**Truck**” means a commercial Vehicle consisting of a cab and/or a trailer attached to or detached from the cab.

“**Vehicle**” means every motorized device intended to carry people.

“**Vehicle Owner**” means the registered owner of a Vehicle in whose name title to the Vehicle is issued, and who is entitled to possession and use of a Vehicle.

“**West Jensen Parking Zone**” means a Pay to Park Zone on the Jensen Building property westerly from the Jensen Building.

GENERALLY APPLICABLE REGULATIONS

SECTION 3. Commercial Activity. No person shall engage in any Commercial Activity on Port Property without the prior approval of, and under the terms and conditions prescribed by the Port.

SECTION 4. Littering. No person shall litter on Port Property. For purposes of this section littering is defined as the dumping, throwing, placing, depositing or leaving, or causing to be dumped, thrown, deposited or left any refuse of any kind or any object or substance which tends to pollute, mar or deface.

SECTION 5. Vegetation. No person shall remove vegetation on Port Property without written permission from the Port.

SECTION 6. Fireworks. No person shall ignite fireworks or similar incendiary devices of any kind on Port Property, whether legally allowed in Oregon or not unless authorized by the Port in writing.

SECTION 7. Animal Control. No person shall bring an animal onto Port Property, or allow an animal to be on Port Property, except when the animal is leashed and under the control of an adult, provided however, (1) a dog may be off leash one hour before and after sunrise and one hour before and after sunset at the Hook and the Spit if the person with the dog complies with the provisions of the Hood River County dog control ordinance and (2) a dog may be off leash at the Hood River Parks & Recreation Department Dog Park, located west of the Sewer Treatment Plant, when the Dog Park is open to the public.

SECTION 8. Animal Waste. No person shall allow the feces of an animal in that person’s care or control to remain anywhere on Port Property other than in a waste receptacle.

SECTION 9. Launching Boats. No person shall launch a motorized watercraft from Port Property except at the Marina Boat Basin.

SECTION 10. Camping. No person shall camp Overnight on Port Property or camp in a Pay to Park Zone between the hours of 9:00 p.m. and 9:00 a.m.

SECTION 11. Hunting. No person shall discharge firearms, hunt, or attempt to trap or injure an animal on Port Property.

SECTION 12. Fires. No person shall build or attempt to build a fire on Port Property.

SECTION 13. Drones, Remote-Controlled Aerial Devices. (1) No person shall operate a remote-controlled flying or aerial device on or from Port property in a manner that violates FAA regulations governing such devices. (2) No person shall operate a remote-controlled flying or aerial device on or from Port Property after a Port employee requests the person not do so because the Port Employee has reasonable grounds to believe that activity may conflict with or impair other permitted uses on Port Property or may pose a hazard to others.

SECTION 14. Kiteboarding.

Location Restrictions:

No person shall launch or operate a kiteboard or training kite from Port Property other than at the following locations:

An area where the activity is permitted by an Official Sign.

Marina Green and Marina Beach, except when prohibited by an Official Sign.

Safety Restrictions:

No person shall launch or operate a kiteboard or training kite from Port Property, including where permitted under subsection a. or b. of this Section after a Port employee requests the person not do so because the Port Employee has reasonable grounds to believe that activity may conflict with or impair other permitted uses on Port Property or may pose a hazard to others.

SECTION 15. Vehicle Parking.

- a. **Parking Restrictions:** (1) No person shall park a Vehicle on Port Property in violation of an Official Sign or request of a Port employee. (2) No person shall park a Vehicle Overnight anywhere on Port Property unless expressly authorized by the Port. (3) No person shall park a Vehicle on Port Property where curbs are painted red.
- b. **Pay to Park Zone Obligations:** The Board or Executive Director are authorized to establish Pay to Park Zone parking requirements, including designating parking locations, parking time limits, amount payable to park at a location, and late payment charges. The operator of a Vehicle, and the Vehicle Owner who parks a Vehicle or permits a person to use the Vehicle, parked in a Pay to Park Zone, in consideration of the Port granting the right to park the Vehicle at that location, shall be required and contractually obligated: (1) to comply with all Port parking requirements posted on a Pay to Park Zone Official Sign including an electronic message on or from a Pay to Park Zone kiosk or other electronic device, including an app used for the payment of parking charges; (2) to pay when due a Pay to Park Zone charge owed for parking a Vehicle; and (3) to pay any late payment charges owed to the Port.
- c. **Parking Passes:** If a valid Parking Pass is clearly displayed on the dashboard or rearview mirror of a Vehicle which authorizes the Vehicle to be parked where the Vehicle is parked during the time the Vehicle is parked, payment of other Pay to Park Zone parking charges is not required.
- d. **Parking Terms and Conditions:** Parking charges, late payment charges and terms and conditions for parking in a Pay to Park Zone shall be established by the Executive Director or Resolution of the

Port Commission.

SECTION 16. Vehicle Speed. No person shall operate a Vehicle at a speed in excess of 15 miles per hour in the Marina Boat Basin area or at the Hook or Spit, or in excess of 25 miles per hour on other Port Property, unless an Official Sign authorizes a different maximum speed.

SECTION 17. Vehicles on a Path or Off a Road. (1) No person shall operate a Vehicle on any pedestrian path located on Port Property except a motorized wheelchair or device used to improve mobility for a disabled person, a Port maintenance Vehicle and an emergency Vehicle. (2) No person shall drive or park a Vehicle on Port Property off a Port road or parking area without Port permission.

SECTION 18. Official Signs. No person shall engage in any conduct in violation of instructions or prohibitions appearing on an Official Sign on Port Property. No person shall place a sign on Port property without permission by the Port Executive Director or their designee. Contents of an Official Sign shall be approved by the Executive Director. If an Official Sign is placed by the Port on Port property contents of the sign shall be deemed approved by the Executive Director.

SECTION 19. Use of Port Utilities. No person shall connect an electrical device of any kind to a Port electrical power outlet or in any other manner use or interfere with electricity or water supplied to or by the Port on Port Property.

SECTION 20. Fees. No person shall refuse nor neglect to pay a fee or charge established by the Board or Executive Director for use of Port Property, Port facilities or Port services, when due.

SECTION 21. Tobacco use. No person shall use tobacco products of any kind, including cigars, cigarettes, e-cigarettes, vape pens, snuff or chewing tobacco while on Port Property or within Port buildings or facilities.

SECTION 22. Port Permission. No person may violate a provision of this ordinance unless the person is given express written permission to do so at a specific time or for a specific purpose by the Board or a Port employee, or an activity is allowed by an Official Sign. Such permission shall apply only to the expressly stated time, event, or activity.

SITE-SPECIFIC REGULATIONS

SECTION 23. Boat Launch and Transient Dock.

No person shall park a Vehicle in the Boat Launch parking lot Overnight.

No person shall dock a boat under 26 feet long to the Transient Dock for more than three consecutive nights.

No person shall dock a boat that is 26 feet in length or longer to the Transient Dock for more than ten consecutive nights in a 30-day period.

SECTION 24. Marina Boat Basin. All Marina Boat Basin tenants shall comply with the conditions of their moorage agreement and with moorage rules and regulations adopted by the Port. Unless otherwise allowed or prohibited by an Official Sign, the following activities are prohibited in the Marina Boat Basin or Marina Boat Basin Area:

- a. No person shall jump or dive into, swim in, windsurf, or kiteboard in the Marina Boat Basin.
- b. No person shall operate a boat, an airplane or any other type of watercraft in the Marina Boat Basin at a speed in a manner which causes a wake.
- c. No person shall clean fish in the Marina Boat Basin or Marina Boat Basin Area.
- d. No person shall stay on a boat or boathouse moored in the Marina Boat Basin for a period of time that violates a Port moorage rule or regulation.
- e. No person shall park a Vehicle at the Marina Boat Basin parking lot for more than three consecutive nights.
- f. No parent, guardian, or person having custody or control of a child under the age of 16 years shall allow the child to be in a moored boat or boathouse in the Marina Boat Basin unaccompanied by an adult.

SECTION 25. Marina Park.

- a. No person except a Marina Boat Basin tenant or their guest shall operate or park a Vehicle at the Marina Park between the hours of 10:00 p.m. and 6:00 a.m.
- b. No person shall park a Vehicle on Marina Green grass.

SECTION 26. Marina Beach. No person shall recreate or otherwise use the Marina Beach in violation of an Official Sign or request of a Port employee.

SECTION 27. Pedestrian Bridge. The following activities are prohibited on the Pedestrian Bridge:

- a. No person shall jump or dive from the Pedestrian Bridge.
- b. No person shall drive a Vehicle on the Pedestrian Bridge, with the exception of a motorized wheelchair or device used to improve mobility for a disabled person, and Port maintenance vehicles.
- c. No person shall ride a bicycle, scooter or skateboard on the Pedestrian Bridge.

SECTION 28. Spit. No person shall drive or park a Vehicle on the Spit north of the designated parking area.

SECTION 29. Event Site. No person shall engage in an activity related to kiteboarding or windsurfing at the Event Site except at times and in areas designated by an Official Sign.

SECTION 30. Event Site & Nichols Basin Structures. No person shall jump or dive from a wharf, pier, dock or pylon at or near the Event Site or the Nichols Basin. No person shall use a dock owned by the Port located at the Event Site or in the Nichols Basin without Port permission or unless allowed by an Official Sign.

SECTION 31. Hook. No person shall operate or park a Vehicle at the Hook between the hours of 9:00 p.m. and 5:00 a.m. or when the Hook roadway entrance gate is closed.

SECTION 32. Interstate Bridge. The following activities are prohibited on the Interstate Bridge:

- a. No person shall ride a bicycle on the Interstate Bridge.
- b. No person shall operate an electronic bicycle, motorized scooter or skateboard on the Interstate Bridge.
- c. No person shall walk onto or jump from the Interstate Bridge.
- d. No person shall drive a Vehicle in excess of 25 miles per hour on the Interstate Bridge, unless a different speed is posted at an entrance to the Interstate Bridge, in which event the driver shall obey

- the posted speed. Emergency Vehicles are exempt from this requirement in cases of an emergency.
- e. No person driving a Vehicle shall pass another Vehicle traveling in the same direction, or pass a Vehicle in the same lane of travel which is stopped on the Interstate Bridge.
 - f. No person shall stop, park, or leave a Vehicle unattended on the Interstate Bridge.
 - g. No person shall drive a Vehicle onto or across the Interstate Bridge without paying a bridge toll established by the Port.

ENFORCEMENT

SECTION 33. Severability. This ordinance shall be liberally constructed to effectuate the purposes of this ordinance. Each section, subsection or other portion of this ordinance shall be severable; the invalidity of any section, subsection, or other portion shall not invalidate the remainder.

SECTION 34. Enforcement of Ordinance and Parking Compliance. The following provisions apply to enforcement of violations of this ordinance:

- a. Port employees shall have authority to carry out the provisions of this ordinance, to cause citations for ordinance violations to be issued by a Peace Officer, and if the employee is a Peace Officer to issue citations.
- b. All peace officers of the city, the county, the state and those appointed by the Board shall have the authority to enforce the provisions of this ordinance and to issue citations for the violation of any section of this ordinance.
- c. Any person who is issued a citation for the violation of any section of this ordinance must appear in the Circuit Court of the State of Oregon, Hood River County or in such other court in Hood River County with jurisdiction over the matter as stated on the citation.

The following provisions apply to compliance with Pay to Park Zone parking requirements:

- a. A person who fails to comply with a Port Pay to Park Zone requirement and fails to pay a Pay to Park Zone parking charge when due shall be liable to the Port for the amount owed, and shall be liable for any late payment charge owed if the parking charge payment is not received when due.
- b. The Port is authorized to issue a written notice or a Parking Complaint to a person who has not complied with a Pay to Park Zone parking requirement and has an obligation to pay the Port as a result.
- c. The Port, or a Port designee on behalf of the Port, is authorized to issue a Courtesy Notice or a payment demand and to undertake collection activities to collect an unpaid Pay to Park Zone obligation.
- d. If a person disputes a Port claim of non-compliance with a Pay to Park Zone requirement, failure to pay a parking charge when due, or the contents of a Parking Complaint or payment demand, for any reason, the person may obtain a Port form to be used to state the reason(s) for their dispute at the Port Marina Building Office or Port Website (“Dispute Form”). A completed Dispute Form may be filed with the Port in person at, or sent by mail

to, the Port Marina Building Office or be submitted to the Port at the Port Website. A properly completed and filed Dispute Form will be considered by the Executive Director or their designee if received within 30 days after the issuance of a Parking Complaint and if a Courtesy Notice is issued 30 days after issuance of the Courtesy Notice, or may be considered later in the Executive Director's discretion. The Executive Director or their designee may take any action they deem appropriate in response to the information in a Dispute Form filed with the Port, or received in some other manner, including obtaining more information, reducing or forgiving a parking charge, or undertaking or continuing collection activities.

SECTION 35. Penalties and Payments.

- a. A person who violates a provision of this ordinance shall commit an offense punishable by a fine as a Class A violation. Provided however, if an offense defined in this ordinance is also an offense governed by a provision of the Oregon Criminal Code or Oregon Motor Vehicle Code ("State Regulation") and the State Regulation offense category is lower than a Class A violation, the ordinance offense and fine payable shall be reduced to be the same as provided in the State Regulation.
- b. Each violation of a section or subsection of this ordinance shall constitute a separate offense.
- c. Each separate violation of this ordinance shall constitute a separate offense.
- d. If a person fails to comply with any Pay to Park Zone parking requirement established by the Port, the person shall owe the Port the amount established by the Board or Executive Director as a result of their failure to comply.

SECTION 36. Right of Removal.

No person shall remain on Port Property after being asked to leave Port Property by a Peace Officer or by a Port employee who has reasonable grounds to believe the person has violated a provision of this ordinance or of the Oregon Criminal Code, or the person has threatened to do so.

No person shall cause or allow their personal property to remain at a location on Port Property after a Peace Officer or a Port employee has asked the person to remove or relocate the personal property.

SECTION 37. Ordinance Repealed. Port Ordinance No. 24, An Ordinance Regulating Conduct on Port Property, dated May 6, 2014, is hereby repealed and replaced by this ordinance.

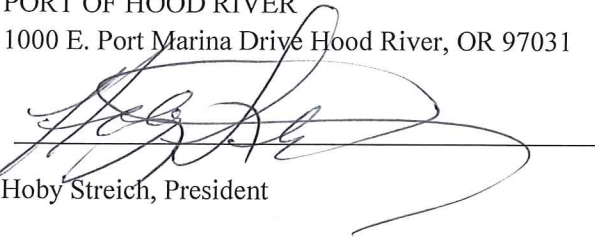
First reading: 19th day of June, 2018, by the Port of Hood River Board of Commissioners.

Second reading: 26th day of June, 2018, by the Port of Hood River Board of Commissioners.


Adopted: 26th day of June, 2018, by the Port of Hood River Board of Commissioners.

Effective Date: 30 days after date of adoption.

PORT OF HOOD RIVER
1000 E. Port Marina Drive Hood River, OR 97031



Hoby Streich, President



Jana Scoggins, Recording Secretary

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APPENDIX D
ATTACHMENT 5

REAL ESTATE
TRANSACTION
POLICY

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PORT OF HOOD RIVER
REAL ESTATE TRANSACTION POLICY
Adopted: February 5, 2013

The Port of Hood River ("Port" or "Commission") has real estate holdings that are important strategic assets for the Port District and the region. To carry out its mission and achieve community objectives, the Port engages in acquisition, disposition and leasing of real property on a regular basis. This Real Estate Transaction Policy ("Transaction Policy") is intended to guide the Port's efforts in these activities.

The Port shall carry out the following consistent with its Strategic Plan and mission:

- Purchase, lease, develop and sell real property, and manage a portfolio of real estate assets, that supports employment growth and economic development;
- Maintain a portfolio of real estate assets sufficient to actively market and recruit new business to the Port District and for existing businesses to expand;
- Realize a return on investment that balances financial and public policy objectives; and
- Capture revenues sufficient to cover the costs associated with property management, operations and development whenever possible.

I. GENERAL POLICIES

All real estate transactions shall conform to applicable federal, state, and local laws, Port ordinances and policies, the Port's Strategic Plan, existing bond, grant or loan covenants, area development plans or other plans as adopted by the Commission.

The Port shall generally seek to pursue development opportunities which are uneconomic for the private sector to carry out but which are consistent with the Port's mission, capabilities and public policy objectives.

In determining land values, lease rates, tenant allowances and other property valuation issues the Port will consider market comparables, appraisals when available or necessary and shall generally seek to be competitive with local private market terms and conditions in structuring its real estate transactions. However, if the Commission determines that a specific transaction can accomplish public policy goals consistent with its mission it may deviate from this goal.

The Port will not subordinate its interest in real property except in exceptional circumstances. The Port will typically not encumber its property other than to finance a Port project, to achieve a Port goal, or as a participant in a Local Improvement District or other improvement process of benefit to the property.

All real property sales and leases shall be approved by the Port Commission unless an exception is made in Section II below. All transaction agreements shall be reviewed and approved by the Port's legal counsel before Port execution.

II. TYPES OF AGREEMENTS

The Port may utilize a variety of agreements to carry out real estate transactions. The specific type of agreement used in any individual transaction will usually be determined by the Port Commission after recommendation by the Executive Director except under specific circumstances. Real estate agreements that are approved for use by the Port are:

A. Disposition and Development Agreements

The Port will usually sell properties that are of significant size, prominently located or capable of achieving significant public objectives, only after execution of a Disposition and Development Agreement (DDA). A DDA will typically include identification of the development team, description of the project to be completed, cost estimates, financing plan, development schedule, public objectives and other information as may be determined. A DDA must be approved by the Commission.

B. Options

Requests by outside parties for options to lease or purchase Port property will be considered on a case-by-case basis. Criteria to be used to evaluate options will include, but not be limited to determining whether: (1) the option will be in the Port's best interest; (2) the party requesting the option has the financial capability to complete the transaction; (3) there is a high degree of assurance that the transaction is consistent with the Port's economic development mission; and (4) whether the public interest would be better served by marketing the property more generally to the public. The Commission must approve any option to lease or sell Port property.

The Executive Director may execute an option for the Port to purchase property. However, at minimum, the option must state that the purchase is contingent upon Commission approval and subject to completion and review of an appraisal. In most cases the Executive Director will consult with the Commission before executing an option.

C. Letter of Intent/Memorandum of Understanding

Letters of Intent (LOI) or Memoranda of Understanding (MOU) to purchase, sell, or lease real property may be entered into by the Executive Director to demonstrate the shared intent to enter into a binding commitment to sell or lease property. The Executive Director will typically inform the Commission and obtain direction prior to proceeding with such agreements although in some instances this prior consultation may not be possible. LOI and MOU shall explicitly state that the agreement is non-binding and that any contemplated transaction is contingent upon approval of the Commission.

D. Short-term Property Use Agreements

A private business, public agency or non-profit entity may seek to enter into an agreement for the short term use of Port property for a specific activity. If the contemplated activity is consistent with the Port's mission the Executive Director may enter into a use agreement, rental agreement or concession agreement so long as the term does not exceed 180 days and the agreement is reviewed and approved by the Port's legal counsel prior to execution. The Executive Director will

typically consult with the Commission before executing such an agreement, but is not required to do so. The Executive Director shall notify the Commission after executing any Property Use Agreement.

E. Leases

The use of Port property greater than 180 days shall typically require execution of a Lease Agreement. Leases shall be reviewed by legal counsel and approved by the Port Commission before execution by the Executive Director. However, the Executive Director may execute renewal options when the original lease, including a renewal option, was approved by the Commission.

F. Easements

The Port may seek to convey or acquire a property right in the form of an easement, either appurtenant or in gross. Easements of any kind must be approved by the Port Commission.

III. BROKER COORDINATION

The Port will usually hold a variety of properties within its real estate portfolio. At any time the Port may initiate efforts to sell specific properties in order to achieve defined economic development objectives. At other times, the Port may receive unsolicited interest to buy or lease its property. In both circumstances the Port welcomes the involvement and assistance of real estate professionals to help achieve community goals and the Port's mission.

A. Broker Offers to Buy or Lease Port Property

The Port may describe properties on its website and carry out other efforts to advertise the availability of properties for sale or lease. Brokers may contact the Port to inquire about specific properties or to determine generally if properties are available to purchase or lease. In instances where a real estate broker licensed in Oregon contacts the Port on behalf of a client about the purchase or lease of Port property the Port will usually represent itself in the transaction. In such cases the Port will pay real estate commissions to real estate brokers if they are the procuring cause ("Procuring Cause") of the sale or lease of Port real property.

The Port will recognize a real estate broker as the Procuring Cause only after a potential purchaser or lessee signs an acknowledgement letter prior to the start of negotiations stating that:

- The broker is the primary reason the potential purchaser or lessee has identified Port property for sale or lease;
- The broker is the agent of the purchaser or lessee not the agent of the Port;
- The broker will be the primary party to represent the potential purchaser or lessee throughout negotiations.

After receipt of the acknowledgement letter and after consultation with the Port Commission the Executive Director shall issue a letter to the real estate broker stating that the Port intends to pay the broker a commission including any specific terms and conditions of payment and appropriate references to this real estate transaction policy. To be entitled to receive a commission the real estate broker must agree in writing to such terms and conditions. If the Port issues a broker

commission letter that is agreed to by the broker, the Port's offer to pay a commission will expire six months after the letter date unless that date is extended by written agreement between the Port and the broker.

The Port Commission, or Executive Director if authorized by this policy, must approve a real estate transaction for the broker's commission to be obligated.

In the event of a conflict among brokers arising with respect to the right to a commission, the Port will expect the brokers to resolve the issue. If the dispute is not promptly resolved to the Port's satisfaction, the Port may pay a reduced commission or no commission to any of the brokers involved in the dispute, in the Port's discretion.

No representation by a real estate broker to their client shall be binding on the Port.

B. Listing Agreements to Sell or Lease Port Property

The Port may seek to retain a real estate broker to represent the Port to sell or lease property. This approach will usually be considered for multiple or high profile properties that are being marketed or for complex transactions when additional real estate expertise is sought. When seeking broker representation, the Port will usually carry out a public solicitation similar to that used for personal services contracts. The solicitation process will seek proposals from real estate brokers that describe the firm's background, qualifications, staffing, proposed fee and approach to the assignment among other factors. Port staff will manage the solicitation and make a recommendation to the Commission. Following Commission approval the Port will negotiate an Exclusive Sales Agreement with the selected broker. The Commission may designate a second broker to negotiate with, if negotiations with the selected broker are not concluded in a satisfactory manner.

IV. BROKER COMMISSIONS

Commissions payable to brokers bringing unsolicited offers to the Port or responding to information about available Port properties shall be calculated as follows:

A. Land and/or Building

For brokers who are recognized as the Procuring Cause of a property sales transaction:

- Three Percent (3%) of the gross sales price

Commissions will be payable at closing after transfer of the deed.

B. Leases

For brokers that are the Procuring Cause of a transaction to lease a Port building or land area:

1. Net Leases

- Three Percent (3%) of the anticipated lease revenue payable to the Port for the first three years of the lease term or less; and
- Two percent (2%) of the anticipated lease revenue for the balance of the term, up to ten years.

2. Gross Leases

- Two and One-Half Percent (2.5%) of the anticipated lease revenue payable to the Port for the first three years of the lease term; and
- One and one-half percent (1.5%) of the anticipated lease revenue payable to the Port for the balance of the term, up to ten years.

The commission shall be paid after Commission approval, mutual execution of the lease and sixty (60) days after the tenant's full time occupancy and compliance with all lease terms.

Commissions will not be paid for lease renewals, expansion of a leased area or for options to extend a lease term, whether or not they are identified in the original lease.

C. Purchase Options

Purchase Options will be infrequently used by the Port. If they are used, a commission may not be applicable. If the Port determines that a broker is the Procuring Cause of a Purchase Option, 6% of the option consideration paid for the future right to purchase Port property may be payable after Commission approval and mutual execution of the Purchase Option Agreement. A commission based on the schedule listed above in Section IV.A. will be paid if an option is exercised within the time period defined by the Option Agreement. The total commission paid, including the commission on the initial transaction plus the commission on the option, shall not exceed the commission schedule defined in Section IV.A. above.

D. Listing Agreements

When the Port has taken steps to select a broker to market Port properties for sale or lease it will generally enter into an Exclusive Sales Agreement. In such cases the Port may negotiate a specific commission schedule based on the property being listed, anticipated tasks and other factors.

E. Short Term Use Agreements

Commissions will not be paid on Short-term Use Agreements.

V. LIMITATIONS

These policies are not an obligation of the Port enforceable by a real estate broker or other person. These policies are Port guidelines the Port may use in determining whether to pay a real estate commission, and commission amounts. The Port of Hood River reserves the right to follow, not follow, withdraw or amend these policies at any time as may be required in its sole discretion.

APPENDIX D
ATTACHMENT 6
FINANCIAL POLICIES

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PORT OF HOOD RIVER FINANCIAL ADMINISTRATIVE POLICIES

PURPOSE

The Financial Administrative Policies and Procedures, articulates the policies, goals and major objectives which will guide the Port in its fiscal responsibilities for the foreseeable future.

FINANCIAL PLANNING FIN-2.01

Policy

The Port of Hood River will prepare a long-range financial plan to guide the Board of Commissioners in adopting the Port budget and to assist the Board in ensuring the delivery of services through all types of economic cycles. The plans will help the Board of Commissioners evaluate the impact of the financial needs of delivering all the necessary activities performed by the Port within its boundaries. The plan will also assist in coordinating funding needs among the Revenue, Bridge Repair & Replacement and General Fund functions and needs.

Financial planning and budgeting will be based on the following principles:

- Revenue estimates will be prepared on a conservative basis to minimize the possibility that economic fluctuations could jeopardize ongoing service delivery during the fiscal year.
- Expenditure estimates will anticipate needs that are reasonably predictable.
- Forecasts will rely on a common set of basic economic assumptions that will be established, updated and distributed by the Finance Manager. The forecasts will also identify other assumptions used in their preparation and associated risks. Examples of risks can include rates, legislation and legal rulings that affect Port liability, pension systems or health benefit plans, as well as regional economic trends that affect Port revenues and grants. The Port will test both its financial planning methodology and use of planning tools in order to provide timely and accurate information that is disseminated to the Board.

Financial Plans and Forecasts

- The Administration will prepare an annual audited financial report. This report will include a comprehensive overview of the Port's financial condition.
- Financial plans will be prepared annually for the Port and the impacts to the Revenue, Bridge Repair & Replacement and General Funds. If appropriate, the plan will identify additional resources needed to continue current service levels like toll increases or adjustments to services provided.

Operation and Maintenance

- The Port will preserve its current physical assets and plan in an orderly manner for future capital investments, including the operating and maintenance costs associated with new or additional capital improvements or major equipment.
- The Port will use its best efforts to identify and include full costs of future maintenance needs and operating costs of new capital improvements and equipment prior to funding as part of the Budget.
- In general, all assets will be maintained at a level that protects capital investment and minimizes future maintenance and replacement costs. A high priority should be placed on maintenance where deferring maintenance will result in greater costs to restore or replace neglected facilities/equipment.

- Maintenance and operations of major capital assets should be given priority over acquisition of new assets, unless an analysis indicates a net benefit or the funding source to acquire or develop a new asset cannot be used for operations and maintenance.
- Factors that reduce operating and maintenance costs, such as upgrades, remodels and/or technological advances, will be considered when reviewing operation and maintenance requests. Priority may be given to projects that do not require operation and maintenance adjustments or that reduce those costs.
- The budget will seek to provide sufficient funding for adequate operations, maintenance, scheduled replacement and enhancements of capital assets and equipment. Whenever Port staff identify that there is a significant discrepancy between the need to maintain or modernize Port infrastructure or facilities and the funds available for such improvements, the Executive Director or designee will present a strategy for meeting these needs to the Board of Commissioners.

Responsibility

The Finance Manager will coordinate the presentation of the Port's financial plan with the Executive Director providing overall guidance.

BUDGET FIN-2.02

Policy

The Port will develop and implement a budget process that will:

Make prudent use of financial resources.

- Include financial forecast information to ensure that the Port is planning adequately for current and future needs.
- Involve community members, elected officials, employees and other key stakeholders.
- Provide performance and other analytical data to assist in assessing resource effectiveness.
- Comply with Port laws and State of Oregon Local Budget Law.

The Executive Director will develop and present a proposed budget to the Board of Commissioners for consideration and adoption. The Proposed budget will identify major financial and service issues, identify funding requirements and sources of funds, provide supplemental information on programs or functions, include budget and performance or other details necessary to relate recommendations to the Port's strategic plan and goals.

The Finance Manager will assist the Executive Director in Proposed annual budget process and calendar. The proposed process and calendar will support the budget committee participation and Board deliberations.

Budget Monitoring

The Finance Manager will maintain a system for financial monitoring and control of the Port's budget during the fiscal year. This system will provide the Board with information on revenue, expenditures and performance at both the Port and fund level. The system will include provisions for amending the budget during the year in order to comply with State of Oregon budgetary statutes and to address unanticipated needs or emergencies. The Finance Manager will coordinate the process for budget adjustments requiring Board and possibly Budget Committee approval.

The Finance Manager will periodically publish Fund financial status reports on the revenues and expenditures to date, and the estimated year-end balance. During the Spring Planning session the Finance Manager will report to the Board on the financial results and recommend financial management actions necessary to meet the adopted budget's financial planning goals.

For the Fall Planning session, the Finance Manager will report to the Board on the previous year's financial performance and how it relates to the long-term financial forecast with respect to reserves and debt coverage. Included in this report will be any new legislation, rules, regulations or policies that will have a material impact for the rest of the fiscal year.

Operating Policies

1. **Balanced Budget.** In each fund, resources shall be equal to or exceed requirements. Each Port fund budget must identify ongoing resources that at least match expected ongoing requirements. One-time cash transfers and non-recurring ending balances may either be applied to reserves or used to fund one-time expenditures; they will not be used to fund ongoing expenditures, except as provided in section 2 below.
2. **One-time Funds.** One-time funds are resources designed to be used for projects and purchases that can be accomplished within the fiscal year or two but not to be used towards ongoing expenditures. One-time funds may be committed for up to four years for a capital project or a significant planning effort that has a finite duration of four years or less. Such a funding commitment shall be noted in the Proposed Budget. Out-year funding may not be committed in excess of the one-time funds projected to be available in the long-term financial forecast.
3. **Surplus Revenue and Fund Balances.** From time to time additional revenue (grants or surplus beginning fund balances) will be available. The Port will budget only the amount of revenue that is needed to fund projected expenditures within the fiscal year. Anticipated resources not needed to fund fiscal year spending or unforeseen contingencies shall be split taken to reserves. The Port will not increase accruals and non-cash enhancements to revenues as a means to influence fund balances at year-end.
4. **Efficiency and Effectiveness.** The Port will optimize the efficiency and effectiveness of its services to reduce costs and improve service quality. The Port will coordinate its service delivery with other applicable public and private service providers. The Port will consider new technology to improve its efficiency and effectiveness.
5. **Self-supporting/Full Cost Recovery Basis.** Port *overall* operations will be run on a self-supporting basis where doing so will increase efficiency in service delivery and recover the cost (or part thereof) of providing the service by a user fee or charge.
6. **Contingencies.** The Port will budget a contingency amount for each fund adequate to address reasonable but unforeseen requirements within the fiscal year.

Port-issued Grants or Loans

Only the Port Board of Commissioners can authorize loans or grants of any dollar amount. The Board awards a grant or loan by resolution unless it has delegated the authority to staff. Grants are a type of contract subject to different legal rules: Contracts are typically used to purchase goods and services to directly benefit Port operations, while grants are issued for the purpose of supporting an activity of the recipient.

The Port will avoid issuing grants or loans to assist agencies in meeting ongoing service delivery needs. The Port may audit financial records or performance data to ensure funds are spent in accordance with the purpose of the grant or loan.

Grant or loan agreements between the Port and public agencies shall be issued as intergovernmental agreements.

Fund Management

Creation of new funds or elimination of existing funds shall be done by Port resolution. A review and report by the Finance Manager will be required prior to Board action. The Finance Manager will conduct an annual review to assess if each fund is needed.

Each fund at the Port will have a statement of purpose, adopted by resolution by the Board of Commissioners that contains several required elements.

Responsibility

The Executive Director (or designee) will coordinate the overall preparation and administration of the Port's budget.

FINANCIAL REPORTING

FIN-2.03

Policy

The Port shall maintain a system of financial monitoring, control and reporting for all operations, and funds to provide effective means of ensuring that overall Port goals and objectives will be met and to assure the Port's citizens, partners and investors that the Port is well managed and fiscally sound.

Financial Reporting

The Port will maintain its accounting records and report on its financial condition and results of operations in accordance with state and federal law and regulations, Generally Accepted Accounting Principles (GAAP) and standards established by the Governmental Accounting Standard Board (GASB). Budget reporting will be in accordance with Oregon Local Budget Law.

- A qualified independent firm of certified public accountants will perform an annual financial and compliance audit of the Port's financial statements. The firm's opinions will be presented in the Port's Annual Financial Report (AFR), in the single audit report as required by the Single Audit Act of 1984 and in the independent auditor's Report on Compliance and on Internal Control over Financial Reporting.
- The AFR will be designed to communicate with citizens about the financial affairs of the Port.
- As an additional independent assessment of the quality of the Port's financial reporting, the Port will strive to obtain the certificate of achievement for excellence in financial reporting from the Government Finance Officers Association.
- The Port will strive to minimize the number of funds. The funds will be categorized by standard GAAP functional classifications. The Port will list current funds and their related GAAP functional classification as well as their Port fund type in the Annual Financial Report.

Responsibility

The Finance Manager will implement this policy and report to the Executive Director and Board of Commissioners on compliance issues. The Finance Manager will also develop and maintain Financial Administrative procedures to assist in carrying out these policies.

REVENUE

FIN-2.04

Policy

The Port will strive to maximize and diversify its revenue base to raise sufficient revenue to support essential Port services and to maintain such services during periods of declining economic activity. Port services providing private benefits should be paid for by fees and charges as much as possible to maximize flexibility in the use of Port revenue sources to meet the cost for services of the broader public benefit. The Port's overall revenue structure will be designed to recapture some of the financial benefits

resulting from Port economic and community development investments. However, it will also be linked to the overall Port Strategic Plan and its future updates. Revenue collection efforts that produce positive net revenues for Port service delivery will be the highest budget priority.

Cost Recovery

Charges for services that benefit specific users should strive to recover as much of the full cost as possible, which includes all direct costs, overhead, loss of interest and depreciation on capital plant and equipment. Allocation of indirect costs will be established annually by the Finance Manager.

The Port may subsidize other programs within the Port's portfolio of services from user fees from its primary revenue generation programs. This will be based on Port objectives that align to its Strategic Plan such as remaining competitive within the region and job production during an economic downturn to these subsidies. However, all such services should strive to mitigate their costs either through revenue generation or efficiencies of operations.

Additional Resources

The Port will use and obtain resources according to the following principles:

1. The Port will use as efficiently as possible the resources that it already collects.
2. The Port will collect as efficiently as possible the resources to which it is already entitled.
3. The Port will seek new resources, consistent with its financial policies and Port Strategic Plan.
4. The Port will strive for a total revenue mix that encourages growth and keeps jobs within the Hood River region.
5. The Port will enforce its authority to collect revenue due the Port, including litigation if necessary.

Grants

The Port will avoid using grants to meet ongoing service delivery needs. Prior to a grant application submittal, or acceptance if an application is not required, all grants will be reviewed by the Executive Director (or designee) to ensure compliance with state, federal and Port regulations. The Port will budget expenditures for grant-funded programs only after receipt of the grant award or letter of commitment and only for the amount of the grant award to be expended within the fiscal year.

Revenue Projections, Surpluses and Shortfalls

- Revenue Projections shall be conservatively estimated.
- Revenue Shortfalls. Overall revenue shortfall will require an adjustment in the Spring Planning session with a corresponding reduction to appropriation or from contingency.

Responsibility

The Executive Director (or designee) will oversee compliance of this policy with the participation of staff.

RESERVES **FIN-2.05**

Policy

Reserves will be established and maintained to ensure the continued delivery of Port services to address emergencies, address a temporary revenue shortfall or provide stability during economic cycles. Sufficient reserves will be managed to provide adequate cash flow, stabilize the Port's interest rates and provide continuity in service delivery.

The Port shall maintain adequate cash reserves which on an aggregate basis is equivalent to 10% of the net depreciable assets held by the Port. Each fund shall maintain a positive cash position at any time during a fiscal year and at year-end.

Bridge Repair & Replacement Fund Reserve

The Port will maintain a reserve in both the Bridge Repair & Replacement Fund as well as the Revenue Fund to:

- Insulate Revenue Fund programs and current service levels from large and unanticipated one-time expenditure requirements, a revenue reduction due to changes in the economy, adverse litigation or any similar unforeseen action.
- Temporarily insulate Revenue Fund programs and current service levels from slower revenue growth that typically occurs during an economic recession.

There are two parts to the Bridge Repair & Replacement Fund Reserve: a) the amount held for debt service compliance which should be equivalent to the annual debt service payment(s) and b) the amount reflecting a portion of the 10% reserve requirement on net depreciable assets.

Revenue Fund Reserve

This reserve will be used for capital improvements on those same depreciable assets. The intent of the reserve is not to fund ongoing operations of the Port but for the betterment of the capital assets it maintains. The Revenue Fund Reserve should strive to hold aside 10% of its net depreciable assets. The reserve may be used for an emergency. The reserve is available to address one-time emergencies and unanticipated expenditure requirements or to offset drastic unanticipated revenue fluctuations occurring within a fiscal year. The Port may withdraw funds from the reserve when the Port has declared an emergency by ordinance or resolution and after the Fund's budgeted contingency has been exhausted.

The Port will begin to restore the reserve from such an emergency or unanticipated use(s) within 24 months after their first use.

Responsibility

The Finance Manager will manage and monitor the reserves in each fund and report on the current and projected level of the reserve funds during each budget process.

COST ALLOCATION

FIN-2.06

Policy

The Port will establish and maintain a consistent methodology for allocating the costs of the Port's Maintenance and Administration functions and activities that benefit or are used by several Port cost centers. The goal is to provide stable, predictable and equitable costs and rates to cost centers or functional areas that pay for these services.

The two primary methods used to allocate indirect costs of administration and maintenance to Port cost centers are through Overhead Rates or allocations developed annually by the Finance Manager. Direct costs are allocated directly to those cost centers that incur such costs.

Interagency Agreements (IAs)

Costs for services or activities provided to customers that can be defined on a per unit basis or like kind methodology will be allocated as such. Designated cost centers of the Port will strive to recover their costs by charging rates (ie. Airport, Marina, toll bridge) that depict what is being recovered.

Responsibility

The Finance Manager is authorized to develop and issue procedures with input from the Board and other appropriate stakeholders in order to implement the cost allocation policies.

CASH MANAGEMENT

FIN-2.07

Policy

The Port will manage its cash assets to ensure accurate records, reduce the chance of loss or theft and allow the Port to maximize interest income. The Finance Manager will ensure the accurate and timely accounting, investment and security of all cash assets, and will develop, maintain and constantly seek to improve cash management systems. All cash received by the Port will be deposited to the Port bank account(s).

Only the Port's Board of Commissioners is authorized to establish bank accounts for the Port. The Finance Manager will reconcile and balance the cash and investment accounts established by the Board.

Responsibility

The Finance Manager will be primarily responsible for implementing this policy.

PAYMENT PROCESSING

FIN-2.08

Policy

The Port will ensure that its banking services, systems and procedures, including electronic payment processing, are easy for the public to use, provide a cost-effective service and maintain security for transactions.

The Port will maintain all Port banking-related services, including those related to payment card or ACH (automated clearinghouse) processing. Payment cards refer to credit and debit cards. Electronic payment processing refers to the use of credit, debit or ACH methods of payment.

The Finance Manager prior to approval of a request to implement a payment card process, will perform a cost/benefit analysis that assesses the financial and operational impacts of providing this type of service and assess alternatives to credit/debit card use.

Security Standard

All electronic payment processing services must be processed in a Port-approved secure environment. The Payment Card Industry - Data Security Standard (PCI-DSS) shall be the Port's standard for processing electronic payments in a secure environment. This PCI-DSS environment includes the physical, network and software environment for the payment card service. The Port will only use external software for electronic payment processing services that is Payment Application-Data

Security Standard (PA-DSS) compliant. The PCI-DSS compliant environment meets the U.S. Department of Treasury recommendation to process ACH payments with sound, risk-based security controls in all ACH systems.

Third-party processors and/or agents acting on behalf of the Port in the collection of funds are required to deposit all collected funds directly to the Port owned and collateralized bank account.

Responsibility

The Finance Manager is authorized to develop and issue procedures with input from other appropriate stakeholders in order to implement the electronic payment processing policy. The Finance Manager will provide guidance and direction to the Port and staff with regard to the cost/benefit analysis for electronic payment card processing. The Information Technology consultant will provide guidance and direction to the Port in the technical requirements and security policies.

DEBT MANAGEMENT

FIN-2.09

Policy

I. COMPREHENSIVE CAPITAL PLANNING AND FINANCING

The Port will strive to maintain a debt coverage ratio of 2.0, which is two times the outstanding debt held by the Port at any given time. This policy assists the Port in not accumulating more debt than it can possibly payoff and allows the Port to acquire debt on the market at very good to excellent terms, thereby providing the lowest possible capital to its public.

- A. Capital Planning and Financing Approach.** The Port shall utilize an integrated approach to capital planning and financing in preparing a multi-year Capital Improvement Plan. Coordination and preparation of the Port Capital Improvement Plan (the "CIP") shall reside with the Executive Director or designee. The CIP shall be for the ensuing ten fiscal years and shall be updated at least annually as part of the Port budget process. The CIP shall contain a comprehensive description of the sources of funds, including current revenue requirements; identify the timing of project expenditures and their impact on future operating and capital budgets; and evaluate the impact of the projects on the amount and timing of bonds to be issued, debt service requirements, outstanding debt, and debt burden. In developing the CIP, an assessment shall be undertaken to determine whether the planned financings conform with policy targets related to (1) the magnitude and composition of the Port's indebtedness, and (2) the fiscal resources of the Port to support such indebtedness over the next ten years. Affordability impacts of the CIP shall be evaluated in consultation with the Board of Commissioners.
- B. Maintenance, Replacement and Renewal.** Consistent with its philosophy of keeping its capital facilities and infrastructure systems in good repair and to maximize the capital asset's useful life, the Port will set aside sufficient current revenues to finance ongoing maintenance needs and to provide reserves for periodic replacement and renewal.
- C. Debt Authorization.** All Port debt issued for the purpose of funding capital projects shall be authorized by the Board of Commissioners and should have been included in the CIP or agreed by the Board that the CIP should be modified. Such modification shall occur only after the Board has received a report of the impact of the contemplated borrowing on the existing CIP and recommendations as to the financing arrangements from the Finance Manager.
- D. Debt Planning.** It shall be the responsibility of the Finance Manager to coordinate the timing, process, and sale of Port debt required in support of the CIP. The Finance Manager shall make recommendations to the Board as necessary in order to accomplish Port financing objectives.

II. LIMITATIONS ON PORT INDEBTEDNESS

- A. **Target Limitations on Non-Self-Supporting Unlimited Tax General Obligation Indebtedness.** The Port shall, as a matter of policy, conduct its finances so that the amount of direct, non-self-supporting, unlimited tax general obligation ("UTGO") debt outstanding at any time that is subject to approval by the voters (excluding long-term, non-self-supporting leases) does not exceed 0.75% of the Port's taxable real market value.
- B. **Target Limitations on Lease-Purchase Financing of Equipment and Furnishings.** The Port may enter into short-term lease-purchase obligations to finance the acquisition of capital equipment and furnishings with estimated useful lives of less than ten years. Repayment of these lease-purchase obligations shall occur over a period not to exceed the useful life of the underlying asset or in any case no longer than ten years from the issue date of such obligations. The Finance Manager shall be responsible for developing procedures and for setting repayment terms and amortization schedules, in consultation with any lender.
- C. **Target Limitations on the Issuance of Revenue-Secured Debt Obligations.** The Port shall finance the capital needs of its revenue producing enterprise activities through the issuance of revenue-secured debt obligations. Prior to issuing revenue-secured debt obligations, the Finance Manager will develop financial plans and projections showing the feasibility of the planned financing, required rates and charges needed to support the planned financing, and the impact of the planned financing on the customers who use such services (ie. marina slip lessees, bridge toll users, etc.) and other affected parties. The amount of revenue-secured debt obligations issued by the Port will be limited by the feasibility of the overall financing plan as recommended by the Finance Manager.

Revenue-secured debt obligations will be reviewed and approved by both the Finance Manager and the Executive Director before being sent to the Board for approval.

- D. **Pension Obligation Debt.** The Port may (at some time in the future) elect to fund accrued pension liabilities through the issuance of pension obligation bonds rather than funding such obligations on a pay-as-you-go basis. The principal amount of outstanding pension obligations and the debt service on such obligations shall be excluded from calculations of outstanding debt under Section II (A) (B) and (C) of this debt policy.

III. STRUCTURE AND TERM OF PORT INDEBTEDNESS

- A. **Rapidity of Debt Repayment.** Generally, borrowings by the Port should be of a duration that does not exceed the economic life of the improvement that it finances and where feasible should be shorter than the projected economic life. Moreover, to the extent possible, the Port should design the repayment of debt so as to recapture rapidly its credit capacity for future use. The Port may choose to structure debt repayment so as to wraparound existing obligations or to achieve other financial planning goals. Such alternative structures shall be subject to the approval of the Board.
- B. **Use of Variable-Rate Securities.** The Port will not recommend issuing securities that pay a rate of interest that varies according to a pre-determined formula or results from a periodic remarketing of the securities. There may be a business case in the future that merits the issuance of such securities and will be presented to the Board if such factors would be materially significant and beneficial to the Port. Prior to issuing variable rate debt, a plan shall be developed to address interest rate risk associated with these instruments.
- C. **Pledge of Restricted Funds to Secure Debt.** The Port has the power to make an irrevocable pledge of a security interest in an account created exclusively for the security of holders of Port obligations. Before such funds are used to secure a prospective financing, policies regarding the use of such restricted funds shall be developed by the Finance Manager, subject to approval by the Board, to ensure that the use of such funds to secure bonds does not violate restrictions on such funds and that underlying program commitments can be maintained in addition to meeting debt service obligations on debt secured by the restricted funds. These policies shall be presented as recommendations to the Board prior to or at the time issuance of the secured debt is to be authorized.

- D. **Use of Subordinate Lien Obligations.** Creation of a subordinate lien financing structure, if appropriate, shall be based on the overall financing needs, expected credit ratings, if any, relative cost of a subordinate lien structure, and impacts on the Port as determined by the Finance Manager and the Executive, in consultation with the Board.

IV. **SHORT-TERM DEBT AND INTERIM FINANCING**

- A. **Lines and Letters of Credit.** Where their use is judged by the Finance Manager to be prudent and advantageous to the Port, the Port has the power to enter into agreements with commercial banks or other financial entities for purposes of acquiring lines or letters of credit that shall provide the Port with access to credit under terms and conditions as specified in such agreements. Before entering into any such agreements, takeout financing or intended amortization for such lines or letters of credit must be planned for and determined to be feasible. Any agreements with financial institutions for the acquisition of lines or letters of credit shall be approved by the Board of Commissioners. Lines and letters of credit entered into by the Port shall be in support of projects contained in the approved Capital Improvement Plan.

- B. **Bond Anticipation Notes.** Where their use is judged by the Finance Manager to be prudent and advantageous to the Port, the Port may choose to issue Bond Anticipation Notes as a source of interim construction financing. Before issuing such notes, takeout financing for such notes must be planned for and determined to be feasible. Bond Anticipation Notes may be sold in either a competitive or negotiated sale, subject to authorization and approval by the Board.

V. **CONDUIT FINANCINGS**

The Port may sponsor conduit financings for activities (i.e., economic development, etc.) that have a general public purpose and are consistent with the Port's overall mission and policy objectives. All conduit financings must insulate the Port completely from any credit risk or exposure and must first be reviewed by the Finance Manager and Executive Director before being submitted to the Board for authorization and implementation.

Conduit financings shall either:

1. Carry an investment grade rating by Moody's Investors Service and/or Standard & Poor's Corporation, respectively.
2. Be sold via a private sale only to 'accredited investors' pursuant to Oregon state law.

The obligated borrower in a conduit financing shall be responsible for complying with all arbitrage rebate requirements associated with the bonds and shall, prior to the closing of the bonds, enter into a contract for rebate services with a firm recognized as having expertise in performing arbitrage rebate calculations for tax-exempt bonds.

VI. **FINANCING PROPOSALS**

Any capital financing proposal made to the Port involving a pledge or other extension of the Port's credit through the sale of securities, execution of loans or leases, or making of guarantees or otherwise involving directly or indirectly the lending or pledging of the Port's credit shall be referred to the Finance Manager, who in a timely manner shall be responsible for analyzing the proposal, responding to the proposal, and recommending to the Executive Director and the Board, the required action to be taken.

VII. **SELECTION OF FINANCE CONSULTANTS AND SERVICE PROVIDERS**

The Port's Finance Manager shall be responsible for establishing a solicitation and selection process for securing professional services that are required to develop and implement the Port's debt program. Goals of the solicitation and selection process shall include encouraging participation from qualified service providers, both local and regional, and securing services at

competitive prices. The solicitation and selection process for such services will comply with Port requirements for professional services.

- A. **Bond Counsel.** The Finance Manager in consultation with the Executive Director will be responsible to oversee and coordinate the marketing of all Port indebtedness, with advice from Port Legal Counsel, Financial Advisor and underwriters with regard to a capital financing and the selection of Bond Counsel to be employed for such a financing. Staff will provide a recommendation to the Board on making such a selection.
- B. **Underwriters.** The Finance Manager in consultation with the Executive Director shall solicit proposals for underwriting services when such level of debt offering warrants underwriting services. The selection of underwriter will be for an individual financings or a specified time period. The Board shall make such selections taking into consideration the recommendations of staff.
- C. **Financial Advisor.** The Finance Manager in consultation with the Executive Director will be responsible to oversee and coordinate the marketing of all Port indebtedness, with advice from Port Legal Counsel, bond counsel and underwriter with regard to a capital financing and the selection of the Financial Advisor to be employed for such a financing. Staff will provide a recommendation to the Board on making such a selection.
- D. **Paying Agent.** The Finance Manager, in consultation with the Financial Advisor shall determine the paying agent services from qualified commercial and trustee banks. The cost of providing such services shall be used by the Finance Manager, along with other qualitative measurements, in selecting a Paying Agent.
- E. **Other Service Providers.** The Finance Manager shall periodically solicit for providers of other services necessary to carry out the debt issuance activities of the Port (escrow agents, verification agents, trustees, etc.). The Finance Manager in selecting such additional service providers shall evaluate the cost and perceived quality of service of the proposed service provider.

VIII. **METHOD OF SALE**

- A. The Port, as a matter of policy, shall issue its debt obligations through either a competitive sale, negotiated sale or a private placement. The Finance Manager will determine the sale method that benefits the Port by producing the best results to the Port. In such instances where the Port deems that the preferred method of sale is a competitive bid, and the bids received through a competitive sale are deemed unsatisfactory or bids are not received, the Finance Manager will be allowed to solicit either a negotiated sale or private placement.
- B. **Use of Technology in Bond Sale Process.** The Port shall encourage the use of electronic bidding systems, electronic dissemination of disclosure information and other technological methods whenever the use of such technology is expected to reduce sale costs and enhance market participation in Port financings.

IX. **REFUNDING OF PORT INDEBTEDNESS**

- A. **Debt Service Savings--Advance Refundings.** The Port may issue advance refunding bonds (as defined for federal tax law purposes) when advantageous, legally permissible, prudent, and net present value savings equals or exceeds 3 percent, calculated in accordance with Oregon Administrative Rules on Advance Refundings.
- B. **Debt Service Savings--Current Refundings.** The Port may issue current refunding bonds (as defined for federal tax law purposes) when advantageous, legally permissible, prudent, and net present value savings equal or exceed \$100,000.

- C. **Restructuring of Debt.** The Port may choose to refund outstanding indebtedness when existing bond covenants or other financial structures impinge on prudent and sound financial management. Savings requirements for current or advance refundings undertaken to restructure debt are done so in the Port's overall best financial interests.
- D. **Open Market Purchase of Port Securities.** The Port may choose to defease its outstanding indebtedness through purchases of its securities on the open market when market conditions make such an option financially feasible. The Finance Manager shall be responsible for developing procedures for executing open market purchases and the savings objectives to be achieved by undertaking such actions.

X. **USE OF CREDIT ENHANCEMENT**

The Port shall use credit enhancement (letters of credit, bond insurance, surety bonds, etc.) when such credit enhancement proves cost-effective. Credit enhancement may be used to improve or establish a credit rating on a Port debt obligation if such credit enhancement is cost effective or if in the opinion of the Finance Manager, the use of such credit enhancement meets the Port's debt financing goals and objectives.

XI. **CREDIT RATINGS**

- A. **Rating Agency Relationships.** The Finance Manager shall be responsible for maintaining relationships with the rating agencies, if applicable, that assign ratings to the Port's various debt obligations. This effort shall include providing periodic updates on the Port's general financial condition along with coordinating meetings and presentations in conjunction with a new debt issuance.
- B. **Use of Rating Agencies.** The Finance Manager shall be responsible for determining whether or not a rating shall be requested on a particular financing, and which of the major rating agencies shall be asked to provide such a rating.
- C. **Minimum Long-Term Rating Requirements.** The Port's minimum rating requirement for its direct, long-term, debt obligations is a rating not lower than "A3" by Moody's Investors Service or "A-" by Standard & Poor's Corporation. If such a debt obligation cannot meet this requirement based on its underlying credit strength, then credit enhancement shall be sought to ensure that the minimum rating is achieved. If credit enhancement is unavailable or is determined by the Finance Manager to be uneconomic, then the obligations may be issued without a rating.

XII. **REBATE REPORTING AND COVENANT COMPLIANCE**

The Finance Manager shall establish a system of record keeping and reporting to meet the arbitrage rebate compliance requirements of the federal tax code. This effort shall include tracking investment earnings on bond proceeds, calculating rebate payments in compliance with tax law, and remitting any rebatable earnings to the federal government in a timely manner in order to preserve the tax-exempt status of the Port's outstanding debt issues.

Additionally, general financial reporting and certification requirements embodied in bond covenants shall be monitored to ensure that all covenants are complied with.

XIII. **ONGOING DISCLOSURE**

The Finance Manager shall be responsible for providing ongoing disclosure information to established national information repositories and for maintaining compliance with disclosure standards promulgated by state and national regulatory bodies

XIV. **OTHER POLICIES AND REQUIREMENTS**

- A. **Annual Audit of the Port.** The annual audit of the Port shall describe in detail all funds and fund balances established as part of any direct debt financing of the Port. The audit may also contain a report detailing any material or rate covenants contained in any direct offering of the Port and whether or not such covenants have been satisfied.

Responsibility

The Port Finance Manager will be responsible for the implementation of this policy. Any amendments to this policy must be approved by the Board after consultation with the Executive Director.

IT MANAGEMENT AND POLICIES

FIN-2.10

Policy

Responsibility for protecting Port information systems and data is shared by several individuals throughout the Port including, Users, Consultants, and the Finance Manager. The purpose of this policy is to describe the specific sub-areas of the IT Management Policies.

Role & Responsibilities

The Finance Manager provides a key role of centralized oversight, direction, and support for all information systems security-related services for the Port. These responsibilities include, but are not limited to the following key areas:

- Support for Port security policy development, implementation, and enforcement.
- Support for strategic security planning and plan implementation.
- Support for security awareness and education programs.
- Incident response services as needed.
- Security consulting services as needed.
- Support for the development and implementation of all appropriate security standards and guidelines as necessary for the Port.

Users

All Users have a critical role in the effort to protect and maintain Port information systems and data. Users of Port computing resources and data should review the administrative rules behind the accompanying IT policies.

NETWORK ACCESS – 2.12.1

The Network Access Policy is to establish rules for the access and use of the Port's network infrastructure.

Access to the Port's network and applications will be made available to all users that follow a standard process to determine access requirements.

- Comply with all Port policies and guidelines.
- Protect all Port assets and never share access accounts, privileges and associated passwords.
- Maintain the confidentiality of sensitive information to which they are given access privileges.

- Accept accountability for all activities associated with the use of their user accounts and related access privileges.
- Ensure that use of port computers, email, internet access, computer accounts, networks, and information stored, or used on any of these systems is restricted to authorized purposes and defined acceptable use policies.
- Report all suspected security and/or policy violations to an appropriate authority (e.g. Finance Manager, Executive Director).
- Follow all specific policies, guidelines and procedures established by the Port.

REMOTE NETWORK ACCESS – 2.12.2

Port employees and approved contractors that remotely connect to the Port network should do so using a VPN connection authorized by the Port with a designated logon and password, established, controlled and managed by the Port.

USER & ADMINISTRATIVE PASSWORDS – 2.12.3

The Port will establish a standard for the creation of passwords, the protection of those passwords, the association of passwords with user accounts and the frequency of password changes.

The scope of this policy includes all personnel who have or are responsible for an account (or any form of access that supports or requires a password) on any system that resides at any Port facility, has access to the Port network, or stores any non-public Port information.

Passwords are used for various purposes at the Port. Some of the more common uses include: user level accounts, web accounts, email accounts, screen saver protection and network equipment logins. Everyone should be aware of how to select a good password.

VIRUS PREVENTION & RECOVERY – 2.12.4

All computers, systems and network devices connected to Port networks should have an effective virus prevention, detection and eradication.

The Port shall ensure that employees are provided with information on safe practices for virus protection and that these safe practices are observed at all times. Port employees are reminded of the expectation to observe safe practices regarding the use of computers to minimize the risks of viruses.

INCIDENT REPORTING & RESPONSE – 2.12.5

For the purposes of this policy an "Information Security Incident" is any accidental or malicious act with the potential to result in misappropriation or misuse of confidential information (social security number, health records, financial transactions, etc.) of an individual or individuals, significantly imperil the functionality of the information technology infrastructure of the Port, provide for unauthorized access to Port resources or information, allow Port information technology resources to be used to launch attacks against the resources and information of other individuals or organizations.

In the case an information security incident is determined to be of potentially serious consequence, the responsibility for acting to resolve the incident and to respond to any negative impact rests with the Finance Manager working in conjunction with the IT consultant.

All Port employees shall take appropriate actions to report and minimize the impact of information security incidents. Reporting unlawful or improper actions of Port employees is expected and covered in the Port's Personnel Manual.

IT Support Professionals

IT technology professionals have additional responsibilities for information security incident handling and reporting for the systems they manage.

PORTABLE COMPUTING DEVICES – 2.12.6

This policy covers all portable computing devices (IPAD's, IPOD's, Smart Phones, etc) owned, maintained and operated by the Port.

Note: Laptop and notebook computers are covered under the same policies applicable to desktop computers & workstations.

- Only approved portable computing devices may be used to access Port information systems.
- Where technically feasible, all portable computing devices must be password protected and have an inactivity timeout.
- In general, sensitive Port data should **not** be stored on portable computing devices.
- All remote access to the Port network must be either through a Port approved access gateway or via an Internet Service Provider (ISP).
- All Port employees must be responsible to secure portable computing devices in their care and possession and immediately report any loss or theft of such devices to the Finance Manager.

PHYSICAL SECURITY – 2.12.7

The Port requires that appropriate environmental, protection and access controls be in place to protect computing and information resources. Proper and adequate physical security and protection is the responsibility of all Port employees.

Physical Security

Physical security measures are an important part of any effort to protect information system assets and services. As with logical security measures at the Port, physical security measures required for protecting Port computing resources shall be commensurate with the nature and degree of criticality of the computer systems, network resources, and data involved. Control measures will be applied in accordance with systems environment sensitivity and criticality.

All Port employees must be responsible to secure information assets in their care and possession and immediately report any loss or theft of such assets to their management and the Finance Manager. Additionally, all Port employees must be aware of unauthorized individuals (e.g. maintenance, public and others visiting, delivery personnel, vendors, etc) and be prepared to challenge individuals entering a restricted area(s).

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APPENDIX E

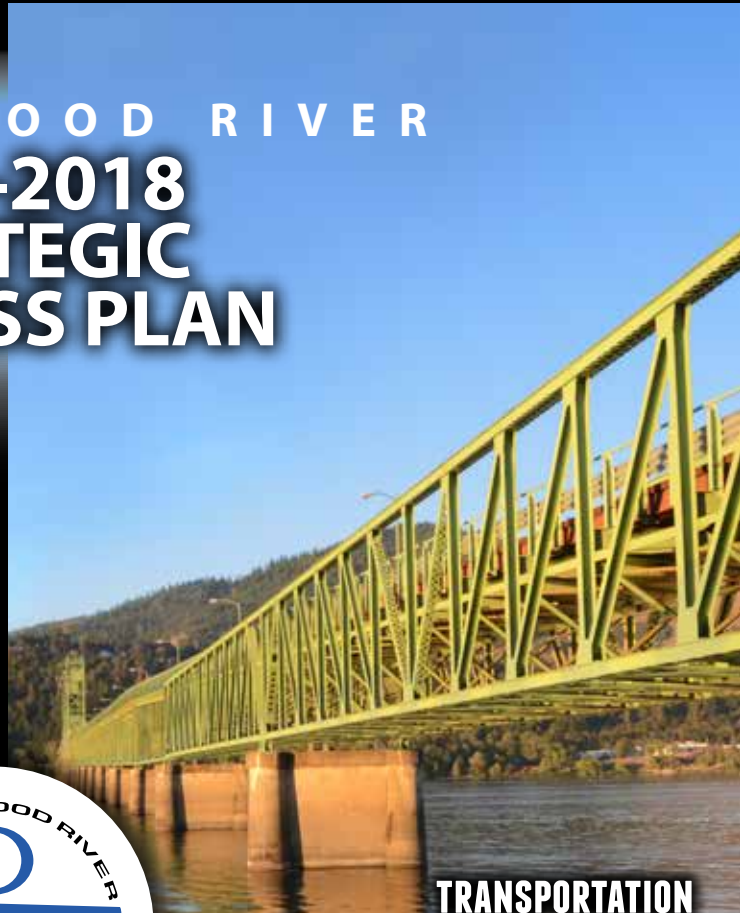
2014-2018
STRATEGIC BUSINESS
PLAN

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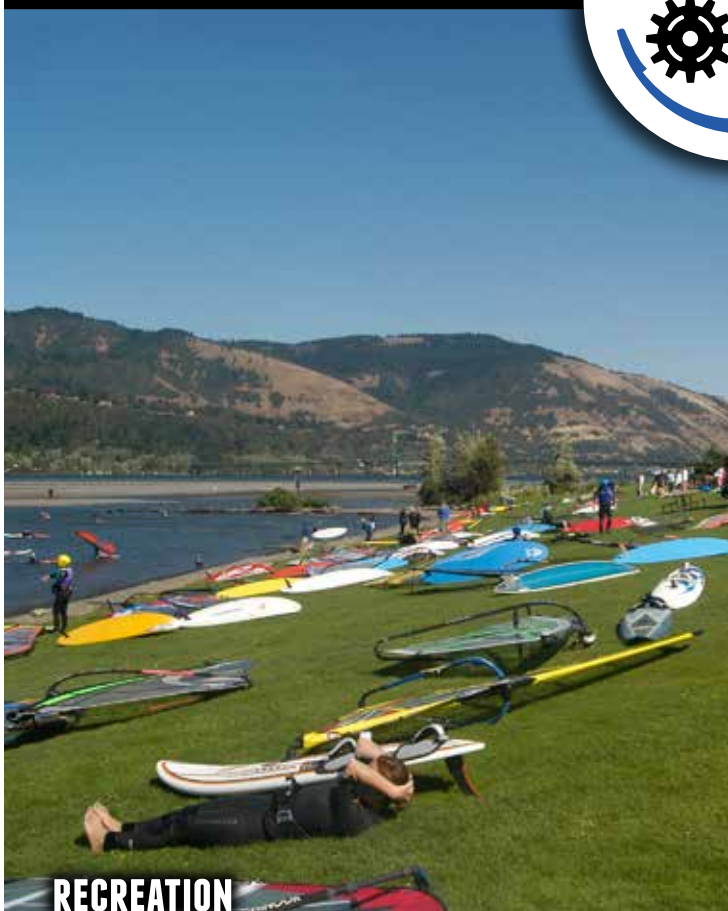
PORT OF HOOD RIVER 2014-2018 STRATEGIC BUSINESS PLAN



PROPERTY DEVELOPMENT



TRANSPORTATION



RECREATION



AVIATION

ACKNOWLEDGMENTS

This plan was developed by Port of Hood River staff with assistance by consultants as directed by the Port of Hood River Commission. For more information about the Port of Hood River, visit www.portofhoodriver.com.

Port of Hood River

2013 Board of Commissioners

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Port Legal Counsel

Jerry Jaques

Special Thanks to

Citizens of the Port District, Port of Hood River employees, City of Hood River, Hood River County, ECONorthwest, HNTB Engineers, Mackenzie, Pageworks Design, and Columbia Planning Northwest.

2013-2014 Board of Commissioners



Richard McBride



Jon Davies



Brian Shortt



Fred Duckwall



Hoby Streich



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I. INTRODUCTION

A. Port at a Glance

The Port of Hood River has a long history of successful management, planning and project implementation in the areas of economic development, transportation, and recreation. Model practices, including asset management, financial management, and fiscal protocols, have led to financial stability for the Port of Hood River in serving the district.

The Port District extends from the Columbia River southward through the Hood River Valley and includes the incorporated town of Hood River and unincorporated towns of Odell and Parkdale. The district encompasses about half of Hood River County, with the exception of Cascade Locks. Major area industries have historically been fruit/agriculture and timber, however declines in timber have been offset by increases in tourism, recreation, and technology sectors. See **Appendix A** for a map of the Port District.

The Port's major assets include the Hood River Interstate Bridge, the Ken Jernstedt Airfield, the Waterfront Business Park, the Hood River Marina and Port Marina Park. Other assets include waterfront recreation sites, and pieces of previous economic development projects.

The Port has recently experienced significant business and industrial park growth, increased bridge traffic and tolls, major airport improvements, and increases in tenant occupancy rates and lease revenues.



Port of Hood River Waterfront, Hood River, OR, June 2010



I. INTRODUCTION

The Strategic Business Plan is intended to serve as the primary strategy document for the Port Commission, staff, and general public to guide Port operations, projects and practices for the next five years.

B. Purpose of the Plan

The Port of Hood River has been proactive at business planning, and has conducted biannual strategic planning sessions for many years to review and renew its goals and objectives. This Strategic Business Plan (SBP) replaces the last plan adopted in 2006 (**Appendix B**). It is intended to serve as the primary strategy document for the Port Commission, staff, and general public to guide Port operations, projects and practices for the next five years. It seeks to continue the Port's legacy of proactive, informed economic development and well-managed facilities and projects. It is also a component of a "family" of key Port management documents which include policies, ordinances and manuals some of which are referenced herein.



Port of Hood River Waterfront, Hood River, OR, 1950s



I. INTRODUCTION



The Hood River Interstate Bridge

C. Plan Formation and Organization

This Strategic Business Plan is the result of multiple efforts carried out in 2012 and 2013 including significant public outreach and substantial deliberation by Port Commissioners.

In preparation for this plan, the Port thoroughly evaluated its facilities, and commissioned an economic impact analysis including interviews with key local businesses. Market conditions were reviewed using current information sources and recent studies. Finally, the Port Commission and staff took part in a continuous discussion about the current and future role of the Port in achieving both new and long-standing community objectives.

Key assessments utilized for this Strategic Business Plan include:

- *Bridge Long-Term Preservation Modeling, 2011, by HNTB Engineers*
- *Hood River Economic Opportunities Analysis, 2011, by FCS Group*
- *Leased Facility Condition Assessment, 2013, by Port staff*
- *Pavement Management Program Report, 2013, by Capitol Asset & Pavement Services*
- *Assessment of Recreational Sites on the Hood River Waterfront, 2013, by Port staff*
- *Economic Impacts of the Port of Hood River, 2013, by ECONorthwest*

Public outreach efforts were extensive. The Port publicized the Strategic Business Plan process to the community and solicited public input including two public meetings in the fall of 2013, specifically to present and discuss aspects of the Plan. The Commission also held work sessions focused on specific aspects of the Plan at four public meetings in fall 2013.

The Port obtained local media coverage as a result of press releases submitted about the SBP process, public meetings, and methods for submitting input. The Port posted detailed information about the SBP process on its website, with a link to an online open-ended survey and distributed postcard questionnaires that could be returned to the Port office. The Port's fall newsletter issue, mailed to all district constituents, highlighted the strategic plan process and included a clip-and-mail questionnaire. The numerous public outreach efforts resulted in dozens of comments and represented a valued element in the SBP process (*see Appendix C*).



II. MISSION, APPROACH and VALUES



Hood River Marina

Values apply to the entire Port organization and serve to guide the agency's activities as well as the conduct of the Commission and staff.

The Port's mission statement sets the over-arching rationale for its activities, practices and projects.

A. Mission Statement

The Port of Hood River works to promote and maintain a healthy economy and strong quality of life in the Port District and throughout the Columbia Gorge.

B. Approach

The following describes the Port's definition of optimal performance.

The Port works with the community to create an environment that promotes economic growth and vitality for all citizens. The Port establishes and maintains collaborative relationships with all stakeholders and promotes consensus to meet competing needs. It engages in prudent, cost-effective investments that achieve public objectives but maintain its long-term economic self-sufficiency. The Port is a high-performing organization – a model of best practices among special districts in Oregon – providing high quality services. The Port is efficient and careful with public resources to which it has been entrusted. The Port focuses its efforts on its district while collaborating with other entities in the Mid-Columbia region in recognition of the inter-dependence of communities in the area.

C. Values

Values apply to the entire Port organization and serve to guide activities of the agency and the conduct of the Commission and staff. The Port has identified the following seven values paramount:

- **Integrity** – maintain a high level of professional standards
- **Responsiveness** – act in a timely way to all reasonable requests
- **Transparency** – ensure business is conducted openly, with public oversight
- **Collaboration** – actively participate with all stakeholders
- **Stewardship** – seek high standards of maintenance of the Port's assets and always consider the long-term public good
- **Innovation** – consider new approaches and best practices
- **Quality** – strive for excellence in all Port activities



III. PORT DESCRIPTION



Marina basin shaping was completed by the late 1960s

A. History

The Port of Hood River was incorporated in 1933 during the depression to facilitate industrial development. In the 1930s and '40s the agency was relatively inactive, before and after World War II until a major investment was made in 1950 with the purchase of the Hood River - White Salmon Interstate Bridge. This asset, a major regional transportation link, served to generate revenues to promote significant economic development projects.

The Port's first major projects focused on developing the Hood River waterfront with three fill projects in the 1960s and '70s, which created industrial, commercial, recreation, and tourism sites, including the Hood River Marina and Port Marina Park and the current location for the Hood River Inn. In 1976, the Port of Hood River acquired the Hood River airport.

In the 1980s, the agency purchased the 21-acre Diamond Fruit Cannery Complex in downtown Hood River and initiated a \$11 million renovation. In 1985, the Port developed the John Weber Business Park in Odell. In the 1990s, the Port purchased and initiated development of Wasco Business Park. Currently, only remnants of these projects remain in Port ownership.

Through the 1990s until the present, much of the Port focus has included projects on the Hood River waterfront, including development of recreation and light industrial sites, and infrastructure projects. In 2010, the Port completed the Halyard Building, the first new building on the waterfront in 25 years. Since 2009, four waterfront parcels have been sold to private developers for new or refurbished industrial or commercial buildings.

The Port continues to assess and improve its facilities, including major recent improvements to the Airport, Marina, and Hood River Interstate Bridge.

*For a detailed history of the Port of Hood River, refer to **Appendix D**.*



Hood River's waterfront has changed considerably since this early 1950s panorama was taken



III. PORT DESCRIPTION

By statute, a port district is a local unit of government whose primary responsibilities are to enhance transportation and, promote industrial development, manage recreational facilities, and encourage general economic growth and stability in the district.

B. Organizational Overview

The Port of Hood River (Port) is a Special District that operates under Oregon Revised Statutes Chapter 777, and other state and federal laws. By statute, a port district is a local unit of government whose primary responsibilities are to enhance transportation, promote industrial development, manage recreational facilities, and encourage general economic growth and stability in the district.

The Port of Hood River is governed by an elected Board of five Commissioners (Commission) who carry out the Port's authority and govern the Port by adopting rules, regulations, policies, and procedures consistent with applicable laws. The chief responsibility of the Commission is to make policy and ensure that it is carried out satisfactorily. Commissioners are public officials who must act in the best interest of the public. The Port utilizes standing committees to provide input in three areas: budget, airport and recreation. Ad hoc committees are utilized on other issues as needed.

The Executive Director functions as the chief administrator of the Port and is responsible for implementing policies set by the Commission. The Executive Director manages all operations, hires and provides direction to Port staff, and facilitates the development of goals, objectives, business plans, budgets, and programs.

The Port is organized in three primary functional areas: Administration/Office, Tollbooth, and Facilities.

The Administration/Office staff is comprised of eight full-time and three part-time employees, led by the Executive Director, Finance Manager, and Development Manager.

The Tollbooth is staffed by 12 employees, which include four full-time toll collectors, two of which serve as Lead Toll Collectors, and eight part-time toll collectors.

The Facilities Area is staffed by seven full-time employees, which include one facilities supervisor, one lead worker and five support-crew members. During the summer recreation season, an additional six to seven part-time employees are hired to assist in the facilities department.

Governance of the Port of Hood River is outlined in the document "Port of Hood River Governance Manual" a companion piece to this Plan ([Appendix 1](#)).

The Port of Hood River also utilizes various policies governing conduct in various areas: Port Marina policies ([Appendix 2](#)), Ordinance 22 regulating conduct on Port properties ([Appendix 3](#)), Ordinance 23 regulating conduct at the Ken Jernstedt Airfield ([Appendix 4](#)), and Port Real Estate Transaction policies ([Appendix 5](#)).



III. PORT DESCRIPTION

C. Financial Condition



The Hood River Interstate Bridge as seen from the marina green



Vehicles arriving in Oregon on the south side of the Hood River Interstate Bridge

The Port of Hood River’s current financial condition is explained by the following summary of the fiscal year ending June 30, 2013.

The Port divides funds into two categories: governmental funds and business-type funds, and adopts an annual budget for all its funds.

Governmental funds – Two governmental funds are maintained by the Port: the General Fund and the Bridge Repair and Replacement Fund. The General Fund records transactions related to policy-making and related planning services, general administration and a portion of support services. The Bridge Repair and Replacement fund is a Special Revenue Fund used to record repair and replacement activity associated with the bridge and any debt and related activities.

Business-type funds – The Port maintains an enterprise fund called the Revenue Fund which charges fees such as bridge tolls, leases (for industrial, commercial and mixed-use tenants), rent (marina boat slips and airport hangars), and fees for recreational events and programs.

Statement of Net Assets

Net assets – Net assets, the difference between assets and liabilities, serve as a useful indicator of the Port’s financial position. At the end of FY13, the Port’s assets exceeded liabilities by \$36,374,446. This represented a \$3,662,071 increase over the prior fiscal year.



South Dock at the Marina



Kiteboarding at the Event Site



III. PORT DESCRIPTION



FAA mandated runway shift was completed in 2013 at the Ken Jernstedt Airfield

In FY13 the Port experienced a significant increase in net assets (see Table 1).

The increase is attributable primarily to capital improvements at the airport of \$3.4 million as well a reduction in the Port's long term debt obligations for the bridge.

The largest portion of the Port's net assets, at 88%, are invested in capital assets (e.g. bridge, land, buildings, and equipment) and reported net of accumulated depreciation. The Port uses these capital assets to provide services to the public; thus, they do not represent resources available for future spending. Restricted net assets total \$715,000, representing cash and investments that are limited to debt service for the bridge bonds. The remaining \$3,251,253 is unrestricted, meaning it is available for meeting the Port's ongoing obligations.

Table 1: Net Assets as of June 30

	Governmental Activities		Business-Type Activities		Total All Funds	
			Revenue Fund			
	2013	2012	2013	2012	2013	2012
Unrestricted - Current and Other Assets			\$4,573,213	\$3,999,958	\$5,079,552	\$4,335,392
General Fund	\$58,316	\$20,867				
Bridge Repair and Replacement Fund	\$448,023	\$314,567				
Restricted - Current and Other Assets						
Bridge Repair and Replacement Fund	\$715,000	\$700,000				
Capital Assets			\$30,013,837	\$26,539,724	\$39,229,765	\$35,526,377
General Fund	\$0	\$7,000				
Bridge Repair and Replacement Fund	\$9,215,928	\$8,979,653				
Total Assets	\$10,437,267	\$10,022,087	\$34,587,050	\$30,539,682	\$44,309,317	\$39,861,769
Long-Term Debt			\$3,162,080	\$2,443,911	\$6,857,080	\$6,673,911
Bridge Repair and Replacement Fund	\$3,695,000	\$4,230,000				
Other Liabilities			\$1,765,982	\$1,144,188	\$1,792,791	\$1,175,483
Bridge Repair and Replacement Fund	\$26,809	\$31,295				
Total Liabilities	\$3,721,809	\$4,261,295	\$4,928,062	\$3,588,099	\$8,649,871	\$7,849,394
Net Assets						
Invested in Capital Assets			\$26,851,757	\$24,095,813	\$32,408,193	\$28,852,466
General Fund		\$7,000				
Bridge Repair and Replacement Fund	\$5,556,436	\$4,749,653				
Restricted - Bridge and Replacement Fund	\$715,000	\$700,000			\$715,000	\$700,000
Unrestricted			\$2,807,231	\$2,855,770	\$3,251,254	\$3,159,909
General Fund	\$58,316	\$20,867				
Bridge Repair and Replacement Fund	\$385,706	\$283,272				
Total Net Assets	\$6,715,458	\$5,760,792	\$29,658,988	\$26,951,583	\$36,374,447	\$32,712,375



Bridge capital improvements such as painting were a major component of governmental fund activities



III. PORT DESCRIPTION



Port-owned facilities such as the Halyard Building generate lease income

Statement of Activities

The Port also reports governmental activities by two distinct funds: the General Fund and the Bridge Repair and Replacement Fund. As indicated in Table 2 below, total net assets of the Port increased by \$3,662,071 or 11% more than the prior year net asset balance. Descriptions of significant activities follows in the table below.

Table 2: Governmental And Business-Type Activities for the Fiscal Years Ending June 30

		Governmental Activities		Business-type Activities		Total Primary Government	
		2013	2012	2013	2012	2013	2012
Revenues							
<u>Program revenues</u>							
	Charges for services - Tolls			\$3,450,147	\$2,892,600	\$3,450,147	\$2,892,600
	Leases, rents and fees			\$2,151,070	\$1,999,068	\$2,151,070	\$1,999,068
	Operating grants			\$9,100	\$6,125	\$9,100	\$6,125
	Capital grants			\$3,022,024	\$341,762	\$3,022,024	\$341,762
<u>General Government Revenues</u>							
	Property taxes	\$58,719	\$54,917			\$58,719	\$54,917
	Interest earnings	\$3,994	\$3,711	\$19,853	\$29,424	\$23,847	\$33,135
	Other sources	\$2,702	\$2,702	\$189,549	\$221,413	\$192,251	\$224,115
	Total Revenues	\$65,415	\$61,330	\$8,841,743	\$5,490,392	\$8,907,158	\$5,551,722
Expenses							
<u>Governmental Activities</u>							
	General government	\$333,838	\$297,973			\$333,838	\$297,973
	Bridge repair and replacement	\$610,778	\$632,866			\$610,778	\$632,866
	Interest on long-term debt	\$166,454	\$187,063	\$120,256	\$120,422	\$286,710	\$307,485
<u>Business-type Activities</u>							
	Toll bridge			\$1,081,843	\$1,062,831	\$1,081,843	\$1,062,831
	Industrial			\$1,467,420	\$1,356,730	\$1,467,420	\$1,356,730
	Commercial			\$181,293	\$178,520	\$181,293	\$178,520
	Waterfront Industrial			\$200,581	\$158,469	\$200,581	\$158,469
	Waterfront Recreation			\$461,319	\$419,023	\$461,319	\$419,023
	Marina			\$191,500	\$159,411	\$191,500	\$159,411
	Airport			\$301,582	\$279,274	\$301,582	\$279,274
	Administration			\$57,813	\$49,976	\$57,813	\$49,976
	Maintenance			\$70,410	\$70,839	\$70,410	\$70,839
	Total Expenses	\$1,111,070	\$1,117,902	\$4,134,017	\$3,855,495	\$5,245,087	\$4,973,397
<u>Transfers</u>							
		\$2,000,321	\$2,118,199	-\$2,000,321	-\$2,118,199		
Increase (decrease) in Net Assets		\$954,666	\$1,061,627	\$2,707,405	-\$483,302	\$3,662,071	\$578,325
Beginning Net Assets		\$5,760,792	\$4,699,165	\$26,951,583	\$27,434,885	\$32,712,375	\$32,134,050
Ending Net Assets		\$6,715,458	\$5,760,792	\$29,658,988	\$26,951,583	\$36,374,446	\$32,712,375



III. PORT DESCRIPTION



Hood River Intersate Bridge toll booth, Marina boat launch and Port offices

Governmental Activities – The net assets for governmental activities increased \$954,666 from the prior year. This increase arises from cash transfers from the Revenue Fund to the Bridge Repair and Replacement Fund regarding the capital improvements made to the bridge during the year.

Business-type Activities - Business type activities generated a \$2,707,405 increase to the Port's total net assets. This increase is primarily due to the airport runway shift project which recorded \$3.4 million in capital improvements with \$2.9 million being funded from the Federal Aviation Administration (FAA) grant. Bridge traffic continued to rise by 2.87% and with a complete year reflected from the January 2012 toll increase, revenues increased by \$557,547. The overall net increase was offset by Port expenditures which increased by \$278,522 or 7% from the prior year. Included in this increase is \$148,908 of Personnel Services, due to position reclassifications, cost of living/step increases, and a new Waterfront Coordinator position. The rest of the expenditure increase is a mixture of increases in depreciation due to assets placed into service, property taxes increases due to new tax measures approved and additional operating expenses related to maintenance repairs.

Financial Analysis and Outlook:

The Port is involved in a variety of activities that all contribute to the economic health and vitality of our community. The major source of funds for Port operations continues to be the Toll Bridge, accounting for 62% of revenues. Lease revenues continue to rise consistent with occupancy rate, which is nearing 95%. The Port receives property taxes which account for only 1% of total revenues. Capital grants continue to play a vital role in how the Port develops its properties, which includes improving infrastructure along the waterfront and associated light industrial property development. The Port continues to receive an operating grant from the Oregon State Marine Board to assist in operations of the boat launch. The Port continues to develop light industrial properties with respect to bringing in new tenants. The undeveloped parcels at the waterfront represent prime development opportunities which will need more discussion in the next several years to determine the optimum development approach, including who will ultimately control the developed properties.

For the Port's current year budget see **Appendix E**.



III. PORT DESCRIPTION

D. Key Facilities Overview



Interstate Bridge



Ken Jernstedt Airfield

Port of Hood River owns significant property in the Hood River area, in alignment with its major interests in transportation, airport, property development, and recreation.

The Hood River Interstate Bridge is a significant asset, as is the Ken Jernstedt Airfield, both critical for the region's economic health.

The majority of Port-owned land is located at the 105-acre Hood River waterfront. About 50 acres are developed with light industrial or commercial properties, and a little over 10 acres are currently undeveloped. In recent years, development progress on the waterfront has been fostered by adherence to the 2007 Waterfront Development Strategy (**Appendix F**), and some former Port-owned properties are now in private ownership.

Approximately 45 acres of waterfront land have been dedicated to parks, water access sites, trails, and other open space that create a premier environment for world-class recreation. Port-owned recreation amenities include a marina and neighboring docks for boating, watersports recreation sites, park facilities, restrooms, and trails for pedestrians and non-motorized vehicles. Waterfront banks are primarily comprised of rip-rap, and jetties that are the Port's responsibility to improve and maintain. (Refer to **Appendix G** for the Port's Assessment of Waterfront Recreation Sites.)

Streets, sidewalks and fixtures, parking lots, and landscaped areas provide infrastructure for Port-owned business and recreational property.

Outside the waterfront area, two light industrial / commercial buildings are located in the City of Hood River and one light industrial building is located in Odell.

A Key Facilities Descriptions includes snapshots of Port assets in **Appendix H**. The Port of Hood River Rent Roll for Fiscal Year 2013-14 is included as **Appendix I**. This document includes Port tenants, and calculates approximate number of jobs for each tenant space.



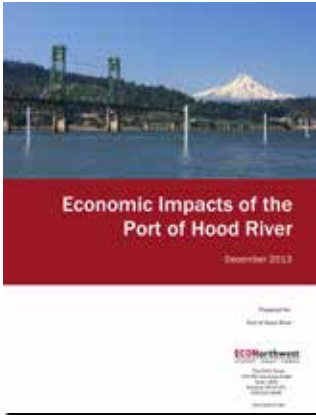
IV. SITUATIONAL ANALYSIS

A. Economic Impacts of the Port

In June 2013 ECONorthwest (“ECO”) prepared an economic impact analysis of the Port’s activities (**Appendix J**). The analysis assessed the extent the Port contributes to the economy of the Hood River region. It provided information to help the Port evaluate its performance and consider its future prospects.

The Port sought to understand how Port actions – now or in the last 20 years, directly or indirectly – created or contributed to the economy of the Port district and the broader Mid-Columbia region. The economic impact analysis measured economic activity in terms of output, income, and jobs that stem from the activities and facilities of the Port.

The analysis looked at primary effects, which result from what the Port does itself, and secondary effects, which result from the use of the Port’s commercial and industrial assets by non-Port entities (primarily businesses). It measured direct expenditures and employment by the Port and by businesses whose operations depend in some significant way on Port assets or activities. These direct impacts lead to two further categories of impacts: indirect impacts, which are supply chain impacts resulting from business-to-business spending; and induced impacts, which are consumption driven impacts resulting from household spending.



2007 Hood River Waterfront



2013 Hood River Waterfront



IV. SITUATIONAL ANALYSIS



Pfriem Brewing gets a start in 2012

Results of the Analysis

Table 1 shows the direct impacts and total impacts (direct plus secondary) of the Port and the 35 businesses that now use its current assets or those assets that were conveyed to the private sector in the last 20 years. Together, the Port and these businesses were directly responsible for about \$200 million in annual output in 2013 (which includes about \$37 million in wages and benefits in the region) and nearly 600 jobs (almost 5% of the non-farm jobs in Hood River County in 2011).¹

Table 1: Direct and Secondary Impacts of the Port and Businesses on Current and Former Port Properties, 2013

Activity	Output	Wages & Benefits	Jobs
Direct Impacts			
Business on Port Property	\$187,029,000	\$35,969,000	571
Port of Hood River	\$12,478,619	\$1,504,435	24
Total Direct Impacts	\$199,507,619	\$37,483,435	595
Total Impacts (mid-range)			
Business on Port Property	\$261,840,600	\$53,953,500	913
Port of Hood River	\$18,093,998	\$2,195,931	45
Total Direct and Secondary Impacts	\$279,934,598	\$56,149,431	985

Source: ECONorthwest with data from IMPLAN and the Port of Hood River. Note: For the data used by IMPLAN, a job is defined as full- or part-time work over a full year, at the Port (direct) or within Hood River County (indirect).

ECO used economic multipliers to estimate the secondary impacts of the Port and its related businesses.² The bottom section of Table 1 shows the mid-range estimate for total impacts (direct plus secondary): \$280 million in output, \$56 million in wages and benefits, and 985 jobs.

Economic Impact in Hood River County

Table 2 puts the total impacts in Table 1 in context by comparing them to total economic activity in the Hood River region.³ The Port and its related businesses account for about 16% of output, 11% of wages and benefits, and 6% of jobs in Hood River.

Table 2: Share of Economic Activity in Hood River Region Attributable to the Port and Related Businesses

Activity	Output	Wages & Benefits	Jobs
Hood River region, Non-Farm Activity (2011)	\$1,729,454,666	\$521,452,275	15,290
Port and Related Businesses (2013)	279,934,598	56,149,431	985
Estimated contribution of Port and Related Businesses to regional economic activity	16%	11%	6%

Source: ECONorthwest. Note: These estimates are approximate and require several assumptions that attempt to make data from different sources and different years comparable. The most recent data for the Hood River region is for 2011; data for the Port and its related businesses are for 2013. Capital expenditures by the Port in 2013 are about 50% greater than the average annual capital expenditures over the last ten years (and those of 2011). Thus, the estimated shares are probably on the high side.

¹Jobs are full year equivalents (FYE), and include both full- and part-time workers.

²For example, new jobs in manufacturing indirectly support other jobs that provide goods and services to manufacturers and to their employees. Thus, the direct jobs are multiplied. The multipliers for output, wages and benefits, and jobs for the Port and businesses on Port properties vary from 1.3 to 2.1, meaning, that they create indirect economic impacts that are on the order of 30% to 110% of their direct impacts.



Local telecommunications provider Gorge Networks is a current tenant in Big 7



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Toll Collector at Hood River
Interstate Bridge

Economic Impact Categories

Most Port income property is zoned for light industrial development. Some is zoned for commercial development. Businesses operating on these properties represent a variety of industries (e.g., acupuncture, food services, electronic components manufacturing) and vary in size (employing between one and 100 employees).

Overall, businesses on commercial or industrial property owned currently or formerly owned by the Port generated about \$187 million in output, and \$36 million in wages and benefits, supporting 571 jobs. Businesses in the manufacturing sector were the largest contributors. Table 3 summarizes economic activity by business type.

New light industrial development will be constrained by the supply of land. A recent analysis of economic opportunities in the Hood River area found there were 545 acres of industrial land area available in 2011, enough to meet existing and near-term demand. The report concludes that the majority of new businesses in Hood River are likely to be small businesses that can settle in existing commercial or industrial buildings.

Table 3: Economic Activity of Businesses on Current and Former Port Properties, 2013

Industry Category	Output	Wages & Benefits	Jobs	No. of Entities
Manufacturing	\$148,679,000	\$22,975,000	386	17
Services	33,474,000	11,561,000	149	12
Trade	2,394,000	659,000	18	2
Government	651,000	214,000	18	2
TOTAL	\$187,029,000	\$35,969,000	571	33

Source: Port businesses, ECONorthwest estimates. Excludes airport.

Economic Impact of other Port Assets

The Hood River Interstate Bridge is a critical piece of transportation infrastructure. It connects Hood River with the Washington communities of White Salmon and Bingen, and is the only vehicle crossing along the Columbia for 20 miles in either direction. About 3.6 million vehicles crossed the bridge in FY 2012. Most trips are for personal business or pleasure (67 percent),⁵ and occur during the peak period from May to October, which corresponds with demand from the fruit growing and tourism industries. The Bridge benefits both the Port and the community at large. Prior analysis⁶ estimates that the value of the Bridge to its users is on the order of 10 times greater than the tolls they pay, about \$33 million per year.

The Ken Jernstedt Airfield, located about 3.5 miles south of the City of Hood River, is open to both commercial and recreational users. In 2010 (the most recent usage data) there were 9,751 itinerant operations, 4,199 local operations, 200 air taxi operations, and 60 military operations at the airport. Operating income to the Port was \$175,034 in FY 2013.



Ken Jernstedt Airfield is an
important Port asset

³ For this comparison, ECO used Hood River County as a proxy for the region.

⁴ FCS Group. Hood River Economic Opportunities Analysis. Prepared for the City of Hood River. June 2011

⁵ The Gilmore Research Group. SR-35 Bridge Motorist Intercept and Telephone Survey: Narrative Report of Research Findings. December 2001.



IV. SITUATIONAL ANALYSIS



Cars exit the south end of the Bridge



Hood River Marina

The Marina Basin (22 acres) has 154 boat slips and 11 boathouses as of July 2013. It receives 10,500 visitors each year and it is at full capacity with a 62-boat waiting list. The marina provides benefits to both the Port and the community. Boats pay annual moorage fees to dock at the marina and, in FY 2013, these fees generated operating income to the Port of \$171,325. In addition to paying to use marina facilities, visitors also spend money at businesses in Hood River. Of the various recreationalists at the Port, marina visitors probably generate the largest spending impacts. A study of recreationalists at 36 marinas in Oregon found that overnight marina slip users spend three to eight times more than day visitors.⁷

Tourism is a big part of the Hood River economy: businesses in tourism-related sectors account for almost twice as much of the output in Hood River County as they do for output in Oregon overall (8.2% compared to 4.3%). According to a Mid-Columbia Economic Development District report, in 2011 recreation visitors to Hood River County spent over \$75 million, which earned \$20 million and supported 950 jobs.⁸ The Port's recreational properties contribute significantly to tourism and the quality of life in Hood River. The Port operates several recreational facilities along the waterfront, which cover about 64 acres. These facilities offer a multitude of recreation opportunities, including various watersports, classes, boating activities, and sports fields. In FY 2013, the Port estimates that these facilities received about 75,000 total visits. ECO estimated tourist spending attributable to Port facilities to be about \$5 million per year.

A 2009 study by Tetra Tech found that waterfront recreation demand is likely to grow at the Port in the future. The study projected recreation usage and economic impacts over a 20-year period. Under a medium-growth scenario for 2009 through 2029, it estimated that windsports on Port properties would generate \$66.4 million in spending (net present value 2009 dollars) and support six new jobs each year (over 100 jobs over 20 years).⁹

Implications

The Port has a significant impact on the regional economy. The Port provides direct impact through its spending on internal operations, and those expenditures have multiplier effects: Port employees and suppliers in turn spend money they receive from the Port for other goods and services in the local economy. That "downstream" spending adds another 50 to 70% to the direct effects.

The greater leverage, however, comes from the businesses that use Port assets (current and former) and are supported by Port operations. ECO found around 35 businesses operating on current or former Port properties, providing jobs to around 550 people, wages around \$36 million per year, and output close to \$190 million per year. When multiplier effects get added, the numbers increase on the order of 50%.

Interviews of business leaders by ECO support the statement that the Port assets and programs have been important to the location and expansion decisions of some firms.

⁶ ECORNorthwest. *SR-35 Hood River Bridge: Economic Effects*. Prepared for The Southwest Washington Regional Transportation Council. Oct. 2010.

⁷ Chang, Wen-Huei and R. Scott Jackson. *Economic Impacts of Recreation Activities at Oregon Coastal and River Ports*. U.S. Army Engineer Research and Development Center. Prepared for U.S. Army Corps of Engineers. Sponsored by U.S. Army Engineer District, Portland. August 2003.

⁸ Mid Columbia Economic Development District (MCEDD). *Mid-Columbia Comprehensive Economic Development Strategy*. March 2013.

⁹ Tetra Tech, Inc. *Economic Effects of Water Related Recreation at the Port of Hood River*. Prepared for the US Army Corps of Engineers, Portland District. May 2009.



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Kiteboarding and other recreation brings thousands of visitors and locals to Port property



Small boat sailing is popular in and around the Marina Basin

Additionally, historical efforts of the Port over the last 20 years have contributed to the situation today: one in which business activity on current or former Port properties, including multiplier effects, accounts for about 6% of the jobs and about 16% of the output in Hood River County.

That information, supplemented by case studies of specific businesses on Port properties, supports the conclusion that the Port has made progress on one of its key missions: stimulating economic development in the Hood River region.¹⁰

Going beyond the numbers, ECO offered two observations about issues that the Port should address:

Building out the waterfront. The Port owns or has facilitated development of a large proportion of the industrial property in the City of Hood River. But developable industrial property in Hood River County that has necessary services is constrained. There is vacant land near Hood River (e.g., Pine Grove and Odell) where, at least in theory, industrial property is available and industrial development could be encouraged.¹¹ But the waterfront area is a critical portion of the remaining industrial land supply within the City of Hood River.

Many cities provide evidence of a transition from industrial uses to other uses as property values rise. The Port has already accommodated a shift from traditional industrial and warehousing toward light industrial and commercial. The Port should consider furthering this transition and consider the kinds of businesses that are most compatible with waterfront recreational amenities and work towards alleviating the scarcity of readily-developable industrial properties in Hood River County.

The value of Port amenities. Most Port recreation facilities (e.g. Marina Park, recreational trails, etc.) historically have operated at a net loss. But the evidence supports the conclusion that these facilities provide both economic and social benefits to people in the region. Park facilities—and the quality, maintenance, and cleanliness of those facilities—can create an additional attraction not only for visitors, but for businesses and their employees.

B. Local Market Trends: Hood River Economy

The most recent comprehensive analysis of the Hood River economy is the “Hood River Economic Opportunities Analysis,” prepared by the FCS Group for the City of Hood River in June, 2011. This section summarizes the findings of that study (Appendix K).

Hood River County includes the cities of Hood River and Cascade Locks, and the Hood River Valley (the areas of Odell and Parkdale). The Port of Hood River operates mainly in the City of Hood River, with one light-industrial property in Odell.

The location and climate of Hood River County provide favorable conditions for business operations. The City is located off Interstate-84, an hour east of the Portland metro area and Interstate-5 corridor.

¹⁰ Based on about 15,000 non-farm jobs and \$1.7 billion in output in Hood River County (2011, IMPLAN).

¹¹ Whether such land could obtain land use entitlements and infrastructure at a reasonable cost, and how well it the location would serve for certain businesses would have to be evaluated.



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Hood River's tree fruit industry has been joined in recent years by thriving vineyard businesses



Mountain and road biking are big draws to the county's roads and forests

Hood River is centrally located in the larger Columbia River Gorge region, and is a hub of regional economic activity, particularly with respect to tourism. The area is an internationally known destination for outdoor recreation (windsurfing, kiteboarding, sailing, hiking, biking, kayaking, and snowsports), and attracts visitors from around the country and world.

Hood River County economies consist primarily of forestry, agriculture, wine, technology, sports equipment manufacturing, food and beverage processing, and tourism. In 2011, visitors to Hood River County spent over \$75 million, which supported 950 jobs and \$20 million in earnings.

Natural resources in the area provide timber and recreation opportunities for locals and tourists. Agriculture, including fruit, wine grapes, and lavender, also thrives in the area. Wind energy in the Columbia River Gorge is also an asset that is primarily used for recreation.

Not all conditions, however, are conducive to business growth and land development. Local businesses have cited the cost of doing business as the main disadvantage of operating in Hood River. Contributing to those costs are limited availability of a skilled and qualified labor pool, added costs of materials and time due to the distance from the Interstate-5 corridor, and high housing costs relative to other areas of the Northwest and to local incomes. The median value of owner-occupied housing units from 2007-2011 was around \$327,000, 30% greater than the \$253,000 median value for all of Oregon.

Employment

Hood River County experienced similar cycles of unemployment compared to the State of Oregon over the last ten years, but the County's average annual rate has been uniformly below the state's in the last five years. In the last 10 years the annual average unemployment rate of Hood River County ranged from a low of 4.6% (2007) to a high of 8.7% (2003); it was 7.0% in 2012. Statewide, Oregon's average annual unemployment rate has ranged from 5.2% in 2007 to 11.1% in 2009, and Oregon's 2012 unemployment rate was 8.7%.

Hood River's job growth is often described in respect to the Hood River Urban Growth Boundary (UGB), which includes Hood River's city limits and the city's urbanizing area. The Hood River Economic Opportunities Analysis (EOA) reported that self-employed business entities and entities with two to nine workers per establishment (Stage 1 Business Entities) are the sources of the fastest job growth both in the UGB and the county. The UGB alone added 307 net new entities total between 2003 and 2008, ninety percent of which had less than 10 employees. Of the remaining added entities, 24 had 10-99 employees, and one entity had over 500 workers.

The City of Hood River made three different estimates of net new job growth in the Hood River UGB from 2010 (5,753 jobs) to 2031, ranging from 1,502 net new jobs to 2,959 net new jobs, an average annual growth rate ranging from 1.1% to 2.0%. Retail & Commercial Trades and Services sectors led in growth. Established and emerging clusters include health services, advanced manufacturing, athletic/outdoor gear, clean technologies, food and beverage processing, creative services, and advanced education/training.

According to the Hood River EOA, the fastest growth is expected to occur in the healthcare and social services, government, leisure and hospitality, professional and business services, retail, natural resources, wholesale trade, and durable goods manufacturing sectors. The information and construction sectors are expected to decrease between 2008 and 2018.



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Columbia Gorge Community College is expanding education opportunities in Hood River



Healthcare services are growing along with the rest of the service economy

Population and Demographics

Estimates and forecasts of population since 1990 in Oregon, Hood River County, and the City of Hood River reveal that Hood River County's population grew at a slower rate than the state of Oregon from 2000 to 2010. However, the City of Hood River's rate grew over twice as fast as Hood River County, and almost twice as fast as the population growth rate of the state of Oregon. In 2030, Hood River County's population is estimated to be 28,404, and the City of Hood River's population is expected to be between 9,667 and 11,841. Forecasts of employment for Hood River County assume that the expected continued growth of the Portland region will "spillover" to Hood River County and the City of Hood River.

Per capita median annual income from 2007-2011 in Hood River County was \$25,030, which is less than Oregon's \$26,561. However, Hood River County's median household income from 2007-2011 was \$54,109, which was higher than Oregon's \$49,850. Hood River County had 10.0% of people below the poverty level from 2007-2011, lower than Oregon's 14.8% rate.

In Hood River County, 65.4% of people identified as White/Non-Hispanic, and 29.8% of people identified to have Hispanic/Latino origin, 0.7% identified as Black, 1.0% identified as American/Alaska Native, 1.4% identified as Asian, and 0.3% identified as Native Hawaiian/Other Pacific Islander. Compared to the state of Oregon, Hood River County has less people who identify as White/Non-Hispanic (Oregon 78.1%) and more people who identify as having Hispanic/Latino origin (Oregon 12.0%). Hood River County has less people who identify as Black (Oregon 2.0%), American Indian/Alaska Native (Oregon 1.8%), Asian (Oregon 3.9%), and Native Hawaiian/Other Pacific Islander (Oregon 0.4%).

Land Availability

As of 2011, there were 545 acres of industrial land available in the Columbia River Gorge region, but a "fairly limited supply of competitive vacant commercial and industrial building floor area." Vacant land in the Hood River UGB was 111.7 acres. Twenty-year net industrial/government/other land demand in the Hood River UGB ranged from 11-63, while the current supply was 38. With low or medium growth, there will be a land surplus, but with high growth, there will be an industrial land shortage.

The 20-year net office/employment land demand ranges from 16-20 acres, while current the supply is 0.7 acres. Thus, office space demand will likely not be met in the future. Twenty-year net commercial/retail land demand ranges from 23-36 acres, while the current supply is 73 acres. With all three growth scenarios, there will be a commercial/retail land surplus in the Hood River UGB.

While there is a relatively large supply of current vacant industrial land in the Columbia River Gorge, there is a limited supply of large vacant development sites within the Hood River UGB. Large industrial users are not likely to be accommodated within the next 20 years.

(Sources: US Census, Hood River County QuickFacts, E.D. Hovee & Company, 2012, MCEDD, 2013, FCS Group, 2011, ECONorthwest, 2013. Refer to Appendix for complete reports and references.)



IV. SITUATIONAL ANALYSIS



Beautiful Hood River Valley



Hood River Bridge maintenance



Hood River Expo Center



2006 flood debris flow

C. SWOT

Strengths

- Attractive quality of life in town and region
- National “brand” of Hood River
- Strength of local economy
- History of sound management
- Solid financial footing
- Good relationships with City, County, Business Community
- Commitment to community engagement
- Proximity to Portland

Weaknesses

- Diminishing supply of buildable lands
- Limited tax base
- Heavy reliance on bridge income
- Cost of maintaining existing infrastructure
- Limited engagement on significant local economic issues
- Workforce housing costs
- Education/workforce training limitations
- Lack of access to federal funding

Opportunities

- Growing high tech/entrepreneurial cluster
- Greater involvement in Upper Hood River Valley
- Bicycle tourism associated with Scenic Highway
- Collaboration with local businesses
- Lot 1 / Nichols Basin
- Expo Center Site

Threats

- Bridge accident or failure
- Opposition to waterfront development
- Impact of future debris flow
- Limited land supply
- Cost of new infrastructure
- Accidents on Port property
- Reduction in FAA funding
- Environmental issues (e.g. E-Coli)



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East end of the Hood River waterfront



2013 Parking improvements on Portway Ave



Hood River sewage treatment plant

D. Critical Issues

Waterfront Planning & Infrastructure – The most significant area of focus for the Port is the Waterfront. Port-owned properties include both world-class recreations sites and the largest supply of developable industrial land in the City of Hood River. Over the past five years a transformation of the waterfront has begun with significant investment of public and private resources in the Waterfront Business Park. New projects are being contemplated that would effectively develop all available property on the western Waterfront.

The Port must consider the ways and means to maintain this development momentum and the framework for further development and job creation on the east end of the waterfront. In 2013 the Port engaged in significant planning and public outreach efforts to identify a master plan and development strategy for this area. Although further work is needed the Port has identified a series of infrastructure projects that would be required to create the platform for development. These include new roads, sidewalks and streetlights, utilities, pedestrian/bicycle trail along the edge of the adjacent Nichols Basin and appropriate water access opportunities. Funding of these projects is a paramount challenge for the Port in the next few years.

Other key infrastructure issues that will need to be addressed include the following:

Storm Water Management – Much of the existing waterfront constructed prior to 2005 utilizes a system that transports storm water to the Columbia River. New development must contain on-site pre-treatment facilities and should employ methods to utilize runoff for on-site water needs as much as possible.

Off-Site Transportation Improvements – The 2010 Interchange Area Management Plan (IAMP) prepared by Oregon Department of Transportation (ODOT) identified a series of transportation projects that may be necessary in the years ahead to accommodate increased traffic levels from waterfront development. Such projects ranged from a new signal at 2nd/Oak streets downtown to a widening of the I-84 overpass on 2nd Street. In the future, development on the waterfront may be delayed until some or all of these projects are completed.

Parking – Increasing development and recreational use has led to greater parking demands on the waterfront especially in the summer months. In the future, the waterfront may be unable to accommodate all future demand. The Port and area businesses will need to consider transportation demand management tools and encourage alternative modes of access to help address parking impacts. These tools could also reduce or delay off-site transportation projects listed above.

Sewer Plant Capacity – The existing sewer plant on the waterfront serves all of Hood River and some unincorporated areas. The plant is reaching its capacity and new sewer hook-ups may be limited until plant expansion occurs. The City has initiated a two-year facilities master plan that will determine the timing and cost of future plant expansion. Until then, the City Council will likely need to allocate the remaining capacity, potentially restricting near-term industrial and commercial projects on the waterfront.



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The 90 year old Hood River Interstate Bridge requires regular maintenance

Bridge Capital Maintenance – The 90-year-old Hood River Interstate Bridge is a critical piece of transportation infrastructure that supports the economy of the Mid-Columbia region. It also represents the most important income producing asset of the Port. The Bridge has significant on-going costs associated with maintenance, capital maintenance and upgrades. It is also a structure that is beyond its useful life and will need to be replaced at some point in the future. The Port’s challenge is to maintain, inspect and operate the Bridge so that it can safely serve the region for many years. To do so, the Port is following a long-term capital plan of improvements that is expected to keep the Bridge operational for 30 years and beyond. The average annual investment is approximately \$1 million with funding primarily derived from toll revenues. Barring a seismic event or barge strike, the Bridge will likely be functional for many years. Over time, the increasing costs associated with Bridge operations will require additional funding partners and likely increasing tolls.

While the Port must maintain a strict focus on safe, long-term functionality of the existing Bridge, attention must be given to its replacement. The Port participates in a regional coalition of agencies that are seeking political support and funding to complete the Environmental Impact Statement for a new bridge and begin efforts to identify federal and state funding partners. The specific steps and overall timeline for bridge replacement is highly uncertain but the Port must participate in these efforts including consideration of funding. However, if and when the Bridge is replaced it is unlikely that the Port will maintain its role as owner/manager of the facility and must be prepared for a significant drop in income.

Industrial Land Supply – Suitable industrial land is a critical requirement for future economic growth in the Port district. Within Hood River County there is a limited supply of suitably-zoned industrial land with appropriate services. The Port currently controls about 12 acres of industrial property on the waterfront. This represents over 50% of the developable industrial land supply in the City of Hood River. It will be important for the Port to continue its efforts to acquire other land within the Port District that is suitable for light industry and commence efforts to prepare it for development. Given the general lack of property for development of housing and other necessary uses, the Port must anticipate a competitive environment for acquisition, higher costs and public debate about the use of potentially available lands.



The Hood River Event Site is one of many waterfront recreation areas maintained by the Port

Recreation & Open Space Cost Burden – The Port has a long history of developing recreational assets that contribute to the attractiveness and quality of life of the community. The Port has helped create a waterfront that is experiencing greater use and increasing demand by both visitors and local citizens. There are new demands to create additional waterfront recreational and scenic amenities on Port property. The annual operating cost to the Port continues to increase with minimal offsetting income. The Port must continue to seek ways to both lower its operating costs through greater efficiencies and seek new funding sources to cover these expenses. Creative partnerships with other public agencies or private businesses may help with this ongoing challenge.



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E. District Needs

The Port District encompasses a broad area of the Hood River Valley extending from the Columbia River south toward Mt. Hood. The District contains one city – Hood River – and two small unincorporated towns – Odell and Mt. Hood/Parkdale. Since the John Weber Business Park was developed in the 1980s and 90s, almost all of the Port’s activities have occurred within Hood River, particularly the waterfront area. The Port Commission has discussed ways and means to support economic development in other parts of the District, but opportunities have been limited. The following serves as a brief summary of the issues and needs in different areas of the Port District.

Hood River –The City of Hood River is the largest community in the Mid-Columbia between Portland Metro and The Dalles and is a focal point of cultural and economic activity. Some key needs that affect economic development in Hood River are consistent with the broader Mid-Columbia region – affordable workforce housing, education/vocational training, and transportation infrastructure. Other needs are more specific to Hood River – truck access, sewer capacity, the need for warehouse and trucking break bulk facilities, and the existing need for more active playing fields. Many of these relate specifically to the limited supply of developable property and the relative strength of the local economy which has increased property prices.

Mid-Hood River Valley (Odell & Pine Grove) –The Odell area is the focal point for the important fruit industry in the Hood River Valley. It is characterized by EFU-zoned land, a small commercial district, two schools, some housing subdivisions, and Hood River County Fairgrounds. Odell contains the three largest packing houses that provide storage, packing and shipping of Valley fruit, particularly pears. The facilities are adjacent to the Mt. Hood Railroad but almost all fruit shipping occurs via truck. Some large parcels of industrial property exist in the Odell area that may serve as development opportunity sites in the future. However, most of these parcels present development challenges including wetlands, brownfield conditions, and lack of access to a sewer facility that can accommodate industrial waste. Truck access from the Mid-Valley to Interstate-84 is another important need.

Upper Hood River Valley (Mt. Hood/Parkdale & Dee) –The Upper Valley is broadly characterized by agriculture lands, a small commercial district and residential area in Parkdale, the Parkdale Elementary School, Mt. Hood Town Hall, scattered residences, and the district headquarters of the Mt. Hood National Forest. The community of Parkdale contains one packing house and serves as the end terminus of the Mt. Hood Railroad. The Upper Valley is predominantly agricultural



IV. SITUATIONAL ANALYSIS

but it is also influenced by the recreational traffic associated with activities in the Mt. Hood National Forest. In particular, skier traffic utilizing Highway 35 is significant in the winter months and supports some commercial businesses. The small community of Dee is the gateway to Lost Lake, a heavily-used resort and campground area. There is a very limited amount of industrial property in the Upper Valley. The area does contain the Upper Hanel Mill which contains an active, successful sawmill, the only one remaining in Hood River County. Near Dee is the old Dee Mill site, a majority of which is unused.

Columbia River Gorge National Scenic Area – Some portions of the Port District lie outside of Hood River City limits but within the Columbia River Gorge National Scenic Area (CRGNSA). These areas are essentially undevelopable but serve as an important scenic and environmental resource for many activities that bring visitors and recreationalists to the area. The Hood River Interstate Bridge extends through the CRGNSA and any future efforts at replacement will need close coordination with the CRGNSA Gorge Commission. The Port is increasing its efforts to collaborate more closely with the Gorge Commission on matters that affect the regional economy.



V. STRATEGIC PLAN ELEMENTS

A. Management Plan

As a public agency, the Port manages and utilizes public assets to achieve public objectives. The Port must adhere to high standards of transparency and accountability in its internal operations to maintain public trust. To meet these objectives, the management plan highlights three main areas: governance, training, and public outreach. These areas dictate the organization and operation of the Port, rules for the Commission, training objectives, and the importance of public outreach in the implementation of Port plans and projects.

1. Governance

Powers and duties of ports are described in ORS Chapter 777 and various other Oregon statutes. The Port of Hood River is governed by an elected board of five Commissioners who carry out the Port's powers and duties, and adopt ordinances, policies, budgets and contracts consistent with applicable laws.

The Port of Hood River has adopted a Governance Manual (Approved: July 10, 2012, see) that describes the Port's organizational structure, board policies and practices and outlines the roles and responsibilities of Commissioners, Executive Director, and committee members acting as public officials. The Commission has also adopted a variety of policies and ordinances that address the operations and management of the Port. Taken together, these various items constitute the "Key Administrative Documents" of the Port of Hood River and provide crucial context for this Strategic Business Plan.

As a matter of policy, the Commission and staff of the Port shall integrate this Strategic Business Plan into its decision-making processes and utilize it as a planning tool to help guide the Port. The Plan shall be updated every five years or sooner if the Commission believes conditions warrant.

2. Training and Development

It is the policy of the Port of Hood River to require an in-house orientation and general board training through SDAO for new Commissioners and key staff members. Thereafter, each Commissioner shall seek to attend at least one Board training refresher course through SDAO each year during their elected term. The Port shall reimburse Commissioners and key staff for expenses incurred for tuition, travel and lodging as a result of training, educational courses, participation with professional organizations, and attendance at state, regional and national conferences associated with the interests of the Port. Details of Education, Training, and Conferences policies are found in the Port's Governance Manual (*Appendix 1*).



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The Port of Hood River website provides numerous options for public input

3. Public Outreach

The Port of Hood River Commission and staff seek to establish and maintain good working relationships with the public; strong partnerships and good communications with other government agencies; and continuously seek ways to increase community understanding and awareness of Port activities to advance the Port’s goals and objectives. The Port shall:

- Continuously communicate with the public about Port activities.
- Provide opportunities for public input on all major projects and issues.
- Ensure that meetings are open to the public with clear agendas published in advance in accordance with Oregon’s Public Meeting Law.
- Use press releases, website, forums, newsletters (print and digital), annual reports, email notifications, and other media tools to advise the public of both plans and results.
- Be forthright and open in all interactions.
- Invite citizen involvement through committee participation.
- Be visible in the community and consistently promote a positive image of the Port.

In order to foster public involvement, the Port of Hood River implements public outreach programs for issues and projects of importance. For further detail on the Port’s Public Outreach Process, including recent examples, see **Appendix C**.



The Port sends out print and electronic versions of its newsletters and annual report.



B. Financial Plan

The Port has adopted a revised Financial Policy on January 14, 2014 (*Appendix 6*) that constitutes the detailed Financial Plan for the Port of Hood River. The following are key excerpts:

FIN 2.02: Financial Planning

The Port will prepare and continuously update a 10-year financial plan to guide the Board of Commissioners in adopting the Port budget and to assist the Commission in ensuring the delivery of services through all types of economic cycles. The plan will help the Commission evaluate the impact of delivering all the necessary activities performed by the Port. The plan will also assist in coordinating funding needs among the Revenue, Bridge Repair & Replacement, and General funds.

(FIN 2.03) Budget

The Port shall develop, adopt and implement an annual budget that will make prudent use of public resources, include financial forecast information to ensure that the Port is planning adequately for current and future needs, involve community members, elected officials, employees and other key stakeholders, provide performance and other analytical data to assist in assessing resource effectiveness, and comply with Port laws and State of Oregon Local Budget Law.

(FIN 2.04) Reporting

The Port shall maintain a system of financial monitoring, control and reporting for all operations, and funds to provide effective means of ensuring that overall Port goals and objectives will be met to assure Port's citizens, partners and investors that the Port is well-managed and fiscally sound.

(FIN 2.05) Revenue

The Port shall maximize and diversify the Port's revenue base to raise sufficient revenue to support essential Port services and to maintain services during periods of declining economic activity. Port services providing private benefits should be paid for by fees and charges as much as possible to maximize flexibility in the use of Port revenue sources to meet the cost for services of broader public benefit. The overall revenue structure will be designed to recapture some of the financial benefits resulting from Port economic and community development investments. However, it will also be linked to the overall Port Strategic Business Plan and its future updates. Revenue collection efforts that produce positive net revenues for Port service delivery will be the highest budget priority.

(FIN 2.06) Reserve Funds

The Port shall establish and maintain adequate reserve funds to ensure the continued delivery of Port services, to address emergencies, address a temporary revenue shortfall or provide stability during economic cycles. Sufficient reserve funds will be managed to provide adequate cash flow, stabilize the Port's interest rates and provide continuity in service delivery. The Port shall maintain adequate cash reserves in each fund to maintain a positive cash position at any time during a fiscal year and at year-end.

(FIN 2.07) Cost Allocation

The Port will establish and maintain a consistent methodology for allocating the costs of the Port's Facilities and Administrative functions and activities that benefit or are used by several Port cost centers. The goal is to provide stable, predictable and equitable costs and rates to cost centers or functional areas that pay for these services. The two primary



V. STRATEGIC PLAN ELEMENTS

methods used to allocate administrative and maintenance costs to Port cost centers are the Overhead Rates developed annually by the Finance Department and direct costs allocated directly to cost centers.

(FIN 2.08) **Cash Management**

The Port will manage its cash assets to ensure accurate records, reduce the chance of loss or theft and allow the Port to maximize interest income. The Finance Manager will ensure the accurate and timely accounting, investment and security of all cash assets, and will develop, maintain and constantly seek to improve cash management systems. (FIN 2.09)

Payment Processing

The Port will ensure that its banking services, systems and procedures, including electronic payment processing, are easy for the public to use, provide a cost-effective service, and maintain security for transactions.

(FIN 2.10) **Debt Management**

The Port's Debt Management Policy sets forth the responsibilities and authorities of the Port, and the Port's Finance Manager in managing the City's debt program. See full text of the Debt Management Policy.

(FIN 2.11) **Investment Policy**

The Port shall adopt an Investment Policy that fulfills all State of Oregon and Port code requirements.

Although the full description of the above policies constitute the Port's Financial Plan, there are two key policies that are particularly important to the Port's financial practices:

- **Policy FIN 2.06** requires maintenance of a reserve balance that is equal to 10% of net depreciable assets plus the annual debt service. This mitigates the risk related to unanticipated events and their effect on the operations of the Port and its obligations. Please refer to **Appendix 6** for these policies.
- **Policy FIN 2.10** states that the Port will seek to maintain debt coverage at 2.0. This level of coverage allows the Port to forecast the timing and amount of revenue increases that need to take place in conjunction with the level of growth that is allowed to occur with expenses.



V. STRATEGIC PLAN ELEMENTS

C. Facilities Plan

The Port will manage its public assets in a synergistic and integrated manner to accomplish the public purposes described in ORS 280 and 777 and further its mission. The Port's facilities are categorized according to four functional areas: Transportation, Development, Recreation, and Aviation. This section includes the overall goal, strategies, standards, actions and capital projects within each functional area. The Port will maintain and update regularly the following key documents to support its Facilities Plan:

- **10-year capital plan** (*Appendix L*)
- **Building Condition Assessment** (*Appendix M*)
- **Bridge Long-term Operations Plan** (*Appendix N*)
- **Paving Condition Assessment Plan** (*Appendix O*)
- **Waterfront Recreational Site Assessment** (*Appendix H*)

This Facilities Plan should be read in conjunction with these documents.



V. STRATEGIC PLAN ELEMENTS



Hood River Interstate Bridge Toll Booth



The north approach onto the Hood River Interstate Bridge

1. Transportation

a. Hood River Interstate Toll Bridge – The Port shall manage, inspect, maintain and operate the Hood River Interstate Bridge (Bridge) to insure a high degree of safety for motorists, to serve the region for as long as possible and to maintain a reasonable cash flow for Port operations. The Bridge is the first priority for the Port.

Strategies:

- a. Take all reasonable steps to insure that the Bridge remains safe and operational for as long as possible.
- b. Review bridge revenues regularly and allocate them as necessary to insure funding for future Bridge capital projects and operations.
- c. Seek federal and state funding to help the Port finance capital upgrade and maintenance projects.
- d. Support reasonable regional efforts to plan for long-term replacement of the Bridge.
- e. Identify ways to reduce the growth of traffic volumes on the Bridge and improve connectivity for pedestrians and bicyclists.

Standard:

Ensure the Bridge remains safe and functional for a 30-year period.

Actions:

- a. Regularly update the Long Term Operations Plan (LTOP) that identifies the means and methods to ensure safe and functional operations. Utilize the LTOP to update the 10-year capital plan.
- b. Annually consult with the bridge engineer to identify specific engineering and rehabilitation projects for the next two year period. Utilize this assessment in preparing the annual budget.
- c. Identify and carry out a regular program of maintenance and inspections as recommended by the Port’s bridge engineer and ODOT.
- d. Conduct regular inspections of the bridge deck to prevent cracking and deterioration.
- e. Participate with ODOT, WSDOT, the SW Washington Regional Transportation Commission, and local agencies to complete an Environmental Impact Statement and support efforts to replace the Bridge with a new structure that meets modern engineering and safety standards.
- f. Annually consider ways to increase participation in the BreezeBy program.
- g. Assess ways to best monitor and enforce reasonable weight limits.
- h. Collaborate with City and County to include the Bridge on local Transportation Safety Plans (TSPs)

Future Capital Projects

Year	Project	Estimated Cost	Potential Funding	Target
2	Inspections: Lift Span & Gusset Plates	\$75,000	POHR	2013/14
3	Seismic/Structural Evaluation	\$30,000	POHR	2014/15
4	North Approach Ramp Rehabilitation	\$325,000	POHR	2014/15
5	Auxiliary Truss Reinforcement	\$400,000	POHR	2014/15
5	Final EIS for Bridge Replacement	\$1,000,000	POHR/SWRTC/ODOT	2016/17
6	Seismic Upgrade	\$1,000,000	POHR/FEDERAL	2016/17
7	Final EIS for Bridge Replacement	\$1,000,000	POHR/SWRTC/ODOT	2016/17



V. STRATEGIC PLAN ELEMENTS



Parking improvements underway during the summer of 2013

b. Roadways/Parking Areas – The Port must effectively manage, improve and maintain its private streets and parking areas, as well as support efforts to improve existing roadways and develop new ones throughout the Port District to enhance truck access and economic development efforts.

Strategies:

- a. Regularly inspect Port-owned roadways for damage or degradation and identify needed repairs or upgrades.
- b. Participate in transportation planning efforts with the City of Hood River, Hood River County and other jurisdictions within the Port District.
- c. Advocate for improved freight and transportation access for the region.

Standard:

Maintain Port-owned roadways and parking areas consistent with City of Hood River standards.

Actions:

- a. Monitor implementation of ODOT’s Interchange Area Management Plan (IAMP) to ensure protection of waterfront economic development objectives.
- b. Participate in County/City efforts to update Transportation System Plans (TSPs) and advocate for funding through the ODOT’s Statewide Transportation Improvement Program (STIP) process to enhance area economic development objectives. Emphasize roadway projects along Interstate-84 and access and freight mobility in the unincorporated areas of the County.
- c. Budget annually for assessment, rehabilitation and reconstruction of Port roads and parking areas.

Future Capital Projects

Year	Project	Estimated Cost	Potential Funding	Target
1	Re-construction: E. Port Marina Drive	\$134,000	POHR	2014/15
3	Re-construction: E. Port Marina Way	\$150,000	POHR	2015/16
4	Re-construction: Visitor Center Access & Parking	\$162,000	POHR	2016/17
5	Jensen Building Parking Lot	\$200,000	POHR	2018/19



V. STRATEGIC PLAN ELEMENTS



New light industrial and commercial buildings at Waterfront Business Park



2013 improvements to Portway Avenue

2. Property Development

a. Waterfront Business Park – Complete a high-quality business park that creates and retains quality jobs, is consistent with the communities overall vision for the waterfront, recognizes the needs of light industrial businesses and is compatible with recreational uses.

Strategies:

- a. Conduct market demand, traffic, infrastructure and land planning studies that guide successful development.
- b. Actively seek interest of local businesses for expansion opportunities.
- c. Lead efforts to modify zoning and implement approved design standards.
- d. Participate actively and engage the public in planning and development efforts.

Standard:

Full build-out of Waterfront Business Park consistent with the Waterfront Development Strategy (WDS) with general public acceptance of development plans.

Actions:

- a. Complete Disposition Agreements for Expo Site and Lot 5.
- b. Prepare a traffic analysis that identifies traffic impacts of recent and potential development and its effect on other waterfront sites.
- c. Prepare concept plans and cost estimates for remaining light industrial lot.

Future Capital Projects

Year	Project	Estimated Cost	Potential Funding	Target
1	Design and Engineering for Light Industrial Building	\$75,000	POHR	2016/17



V. STRATEGIC PLAN ELEMENTS



Nichols Basin Business Park

b. Nichols Basin Business Park (Lot #1) – Complete a high-quality light industrial/commercial business park that attracts growing local firms and new businesses, creates and retains quality jobs and supports adjacent recreational, scenic and environmental amenities.

Strategies:

- a. Conduct market demand, infrastructure and site planning studies to identify appropriate development plan.
- b. Identify needed policies, land use approvals and financing strategies to facilitate development.
- c. Plan for and seek funding partners to install necessary infrastructure including roads, utilities and public amenities.
- d. Participate actively and engage the public in planning and development efforts.

Standard:

Development plan and implementation strategies that achieves broad public input and support.

Actions:

- a. Complete preparation of an overall conceptual development plan for the property.
- b. Prepare and submit applications for subdivision and zone changes.
- c. Prepare design development-level plans for construction of lower bank pedestrian/bicycle and water access opportunities.
- c. Assess the possibility of making modifications to Nichols Basin to provide recreational and habitat improvements.
- d. Identify potential sources and seek necessary transportation infrastructure funding, and develop a specific infrastructure funding plan.
- e. Submit applications for grant funding for ped/bike trail improvements through Connect V, Local Government Grant Program (LGGP) and other sources.

Future Capital Projects

Year	Project	Estimated Cost	Potential Funding	Target
1	Pathway/Water Access @ Lower Bank	\$500,000	ODPR/ODOT/LGGP URA	2014/15
2	1st Street Relocation	\$1,238,000	POHR/IOF/URA	2015/16
3	Anchor Way 1st to 2nd	\$1,000,000	POHR/URA	2016
4	Light Watercraft Center	\$250,000	POHR	2017
5	Portway 1st to 2nd	\$550,000	POHR/URA	2018



V. STRATEGIC PLAN ELEMENTS

c. Industrial Property Management – The Port shall maintain and manage its existing portfolio of industrial properties in a responsible manner for business retention and recruitment that meets or exceeds market standards.

Strategies:

- a. Evaluate Port properties regularly to determine maintenance and capital improvement needs. Identify specific long-term and short-term goals for each Port property.
- b. Work closely with local businesses and seek ways to assist with facility needs.
- c. Ensure that lease terms and conditions minimize subsidies that distort the market unless required for public purposes.

Standard:

Maintain the Port's industrial properties to a standard comparable to similar public or private facilities.

Actions:

- a. Implement a property management plan, including a specific strategy for each Port property that anticipates capital and maintenance needs over a 10-year period.
- b. Continuously assess opportunities for the sale or leasing of Port properties.
- c. Evaluate each Port building to identify ways to reduce energy costs.

*Note: Refer to Building Assessment **Appendix M**.*

d. Industrial Land Acquisition – Seek opportunities to acquire and develop additional industrial property to provide sites for future business growth and expansion.

Strategies:

- a. Annually provide budget authority that allows the Port to respond to strategic land acquisition opportunities.
- b. Continually maintain contacts with local brokers and landowners to identify property acquisition opportunities.
- b. Work closely with local businesses to understand future facility needs.
- c. Collaborate with local jurisdictions to ensure that planning and policy decisions provide adequate supply of industrial properties.
- d. Ensure that acquisition avoids subsidies that distort the market unless required for public purposes.
- e. Seek acquisition/development opportunities that generally would not be undertaken by the private sector.

Standard:

Maintain a land inventory of buildable industrial property equal to the current year.

Actions:

- a. Evaluate opportunity for brownfield redevelopment of the Lower Mill site.
- b. Consider possibility for joint venture approach to property near I-84, Exit 62.
- c. Track availability of light industrial properties throughout the Port District that may be available for sale.



V. STRATEGIC PLAN ELEMENTS



The Hood River Marina underwent an electrical upgrade in 2013



The Hood River Marina south basin dock expansion is planned

3. Waterfront Recreation

The Port owns a number of prominent waterfront recreation sites that attract visitors from around the world and contribute to the quality of life in the community. An assessment of these recreation sites has been prepared and will be updated every five years to serve as the basis for decisions about future capital expenditures, policies, use regulations, and upland development. Excerpts from the Waterfront Site Assessment Report are incorporated below. See **Appendix G** for the full report.

a. Marina – The Port shall provide a safe and attractive Marina that meets the recreational needs of boaters while maintaining standards and slip rates equal to similar public marinas.

Strategies:

- a. Continuously consider improvements to the Marina that meet market demand and respond to funding availability.
- b. Increase year-round activity and vitality in the Marina Basin.
- c. Seek ways to ensure the operation of the Marina is self-supporting through cash flow from slip lease income and Oregon State Marine Board (OSMB) funding.

Standards:

- a. Maintain the Marina as a safe and efficient facility equal to similar publically-owned marinas.
- b. Efficiently manage the Marina wait list to ensure slips are leased in a timely manner.
- c. Maintain status as a certified “Clean Marina.”

Actions:

- a. Update the Marina Master Plan to guide future planning and capital projects.
- b. Work with the OSMB to improve and extend boat launch ramp paving.
- c. Collaborate with the Hood River Yacht Club and other user groups to increase public and private events and activities in the Marina.
- d. Seek reasonable opportunities to increase the use of the Marina Basin for sailing and non-motorized watercraft.
- e. Work with the Marina ad-hoc committee to encourage greater input from moorage tenants on management and maintenance practices.

Future Capital Projects

Year	Project	Estimated Cost	Potential Funding	Target
1	Replace Boathouse docks	\$200,000	POHR/Boathouse Tenants	2013/14
2	Update Long-term Master Plan	\$50,000	POHR	2014/15
3	Visitor Dock Rehabilitation	\$650,000	OSMB/POHR	2015/16
4	Replace perimeter fencing	\$50,000	POHR	2016/17
5	Expand South Basin Dock	\$250,000	POHR/Loan	2017/18



V. STRATEGIC PLAN ELEMENTS



Port Marina Park and Beach

b. Port Marina Park – The Port shall maintain and manage the open space and park facilities surrounding the Marina Basin to support the recreational needs of the community.

Strategies:

- a. Seek ways to increase revenue from park activities and users, and decrease expenses.
- b. Continuously consider improvements that meet market demand and respond to funding availability.

Standard:

Maintain Port Marina Park as a safe, attractive, and flexible open space for recreational users.

Actions:

- a. Prepare a detailed operations plan and cost summary for the Port Marina Park.
- b. Identify ways to decrease operations and maintenance costs and increase revenue.
- c. Annually review policies, requirements and fees.
- d. Work with Pacific Power to relocate power box at Marina Green.

Future Capital Projects

Year	Project	Estimated Cost	Potential Funding	Target
1	Relocate electrical facility	\$40,000	PP&L/POHR	2015
2	Improve gravel parking area	\$25,000	POHR	2016
3	Add lighting	\$150,000	Federal/POHR	2017-2020

c. Event Site – Effectively maintain and manage the Event Site to support intense recreational use of multiple users.

Strategies:

- a. Continuously consider improvements to the Event Site that meet market demand and respond to funding availability.
- b. Seek ways to reasonably increase revenue for Event Site maintenance.
- c. Proactively respond to changing water levels, user needs, and enforcement requirements to decrease user conflicts.
- d. Annually assess modifications to enhance locations of school, food, and other concessionaires.

Standard:

Maintain the Event Site as the premier location for windsports in the Gorge.

Actions:

- a. Prepare an annual review of the high-water action plan and safety requirements for users.
- b. Maintain jetties, beach, and upland park facilities.
- c. Annually review parking, concessionaire, and event fees.
- d. Provide support to concessionaires.
- e. Budget for incremental annual upgrades to improve functionality and appearance.

Future Capital Projects

Year	Project	Estimated Cost	Potential Funding	Target
1	Landscape upgrades	\$5-10,000	POHR	annual
2	Restrooms/changing facility/outdoor shower	\$150,000	POHR	2016
3	Reseal parking lot	\$80,000	POHR	2017
4	Beach restoration/Dredging	\$50,000	POHR	TBD
5	Increases launch area west of Event Site	\$250,000	POHR	TBD



V. STRATEGIC PLAN ELEMENTS



Kiteboard event at Marina Beach in July 2011



Stand Up Paddleboarders enjoying Nichols Basin

d. Other Recreational Sites – The Port will maintain and develop high quality recreational sites that promote river access, active recreation and passive open space experiences for community members and visitors. These sites include:

- **Marina Beach:** Multi-purpose swim and kiteboard area with the Port’s focus on safety and attractiveness.
- **Spit:** Limited improvement public access to Columbia River.
- **Nichols Basin:** Scenic amenity with future development opportunities supporting non-motorized boating activity.
- **Hook:** Primitive multi-use area for windsurfing, SUP, kayaking, and fishing.

Strategies:

- a. Maintain existing facilities, including access, parking and amenities within budget.
- b. Consider long-term management costs before developing new or enhanced recreations sites.
- c. Seek funding and partnership opportunities to design, permit and develop additional recreational sites under the Port’s ownership and/or design review control.

Standard:

Identify, improve and maintain recreational sites for a variety of users, subject to adequate funding, to meet appropriate safety, use, design and maintenance standards.

Actions:

- a. Annually assess conditions to ensure maintenance standards are met for waterfront access, ramps, jetties, roadways, and parking areas.
- b. Seek ways to increase revenue for recreation sites and decrease expenses.
- c. Develop a plan for an exterior launch and viewing area at the western end of the Hook.
- d. Monitor sites for invasive plants and take action to eradicate and minimize spreading.

Future Capital Projects

Year	Project	Estimated Cost	Potential Funding	Target
1	Hook: west end launch site	\$125,000	Multiple	2014/15
2	Marina Beach: handicap fishing platform	\$40,000	POHR/ODPR	2016
3	Nichols Basin: public launch area for non-motorized boating	\$250,000	ODPR/Grants	2016
4	Hook: clean and improve riparian habitat	\$20,000	POHR	TBD
5	Spit: habitat improvements along east shore of Nichols Basin	\$50,000	Grants/POHR	TBD



V. STRATEGIC PLAN ELEMENTS



Crews pave a section of the existing waterfront path just west of the Event Site



Western terminus of current waterfront trail looking east

e. Recreation Trails – The Port will maintain, manage and improve pedestrian and bicycle trails along the Hood River Waterfront and support efforts to improve such facilities in other areas within the Port District boundaries.

Strategies:

- a. Seek funding opportunities for the design and development of the pedestrian and bicycle trail connections with an emphasis on facilities on or near Port properties.
- b. Support efforts by the Hood River Valley Parks and Recreation District and other entities to plan, design and construct pedestrian and bicycle facilities.

Standard:

Insure Port-owned pedestrian and bicycle pathways contribute to local live/work connectivity and meet design and maintenance standards equal to similar public facilities.

Actions:

- a. Nichols Basin: Prepare a plan to provide continuous pedestrian and bicycle facilities along the west shore.
- b. Hook: Develop plan improvements to the proposed waterfront trail extension from the Maritime building to the western tip of the Hook.
- c. Pedestrian Bridge: Construct a bicycle and pedestrian pathway connection from Frontage Road to the intersection at Button Bridge Road. Plan to include lighting, way finding signage, and informational kiosk.

Future Capital Projects

Year	Project	Estimated Cost	Potential Funding	Target
1	Pedestrian Bridge: Bike/Ped Pathway	\$439,000	ODOT/Federal	2014
2	Hook: Waterfront Trail Extension	\$100,000	City of HR/POHR	2014/15
3	Spit: PAW Connection	\$50,000	Naito/POHR	2015/16



V. STRATEGIC PLAN ELEMENTS



Ken Jernstedt Airfield FBO



A local pilot takes advantage of the newly resurfaced runway

4. Aviation

Ken Jernstedt Airfield – The Port owns the Ken Jernstedt Airfield (“Airport”) to support public safety, transportation, recreation and economic development goals of the community.

Strategies:

- a. Maintain a high level of safety.
- b. Establish a reputation as a welcoming, user-friendly airport.
- c. Seek financial self-sufficiency.
- d. Provide essential services; Fixed Base Operations, Aircraft maintenance, Aircraft fuel
- e. Build and maintain a mutually supportive relationship with WAAAM.
- f. Establish “good neighbor” relations with surrounding property owners.
- g. Adhere to FAA grant covenants to insure continual federal funding.
- h. Seek land acquisition opportunities consistent with the safety missions and the airport master and layout plans.

Standard:

A level of service consistent with its FAA designation (B-2), and the size of the Airport’s service area. Recognition as one of the best airports of its class in Oregon, and small aircraft owner airport of choice in the Gorge.

Actions:

- a. Regularly convene the Airport Advisory Committee to consider airport policies, programs and actions.
- b. Prepare an Airport Business Plan.
- c. Update the 2009 Airport Master Plan and Layout Plan.
- d. Monitor the availability of federal and state funding for airport projects.
- e. Update Ordinance 23 and monitor and enforce this ordinance.
- f. Prepare a feasibility study for new T-Hangars.

Future Capital Projects

Year	Project	Estimated Cost	Potential Funding	Target
1	Prepare Airport Master Plan	\$50,000	FAA	2014
2	Update Airport Layout Plan	\$50,000	FAA	2015
3	Pave near FBO Building	\$65,000	POHR	
4	New T-Hangar Block	\$250,000	Loan/POHR	2016
5	Expand North Apron	\$1,500,000	FAA/Port	2019



D. Economic Development and Marketing Plan

The Port of Hood River is the real economic development agency in Hood River County and seeks to positively impact the economy within the Port District and the Mid-Columbia region. The Port seeks a thriving, balanced economy, a high quality of life for citizens, support for private businesses that create jobs, and provision of training opportunities.

1. Business Retention

The Port works actively with existing businesses to understand their needs and seeks to accommodate their growth.

Strategies:

- a. Carry out ongoing communication with existing businesses to anticipate their growth needs, and identify value-added opportunities that foster growth in wages and employment.
- b. Work cooperatively with the other economic development agencies in the Mid-Columbia region by participating on boards, commissions and advisory committees to advance economic development efforts.
- c. Coordinate with businesses such as agriculture and forestry and identify ways to enhance the area's traditional economic base.
- d. Support the tourism sector and seek ways to increase tourism activities, particularly in the shoulder seasons.

Standard:

Recognition as the lead public economic development agency within the Port District that works to address the needs of local businesses. Be viewed as an active, supportive partner that works with other agencies to facilitate employment and business growth in the Mid-Columbia region.

Actions:

- a. Evaluate the annual Needs and Issues Inventory and identify projects that can address the requirements of existing businesses.
- b. Maintain regular contact with major businesses in Hood River County to understand and anticipate growth needs and success issues.
- c. Participate in various groups and committees in Hood River County that are active in economic development.
- d. Monitor and provide comments on federal and state legislative actions that could impact the growth and success of local businesses.
- e. Participate in the annual MCEDD updates to the Comprehensive Economic Development Strategy (CEDS) for the Region.
- f. Prepare an annual summary of the economic impacts of Port facilities and activities.
- g. Continue active participation in the Economic Development Working Group (EDWOG) and Gorge Innoventure program.



V. STRATEGIC PLAN ELEMENTS

2. Business Recruitment

The Port recognizes the need both to recruit new business to the Port District and assist the work of area partners in efforts to attract new businesses to the Mid-Columbia region.

Strategies:

- a. Identify companies that provide family wage jobs, are compatible with the local community and who may be interested in relocating to the Port District or Mid-Columbia region.
- b. Work with other economic development entities, other ports and local businesses to integrate the Port's business recruitment efforts with recruitment strategies in the area.
- c. Annually prepare a strategy that addresses reasonable recruitment activities and associated costs for Commission consideration.

Standard:

The Port is an active, engaged participant in local and regional efforts to recruit new businesses to the Port District.

Actions:

- a. In partnership with other county and state entities, classify regional industries by their growth characteristics and prioritize these industries and specific businesses for targeted recruitment/retention efforts.
- b. Participate and lead the Economic Development Working Group to bring focused attention and specific action plans for business recruitment.
- c. Act as a sponsor and monitor actions and activities within the Enterprise Zone.
- d. Regularly update information about sites in Hood River County that are available for industrial development.
- e. Maintain an inventory of Port property that is "shovel-ready" for new business recruitment opportunities.

3. Workforce Training and Education

The Port recognizes the importance of training and education to the long-term economic health of the community and seeks ways to support other agencies and businesses working to improve the skill level of the work force in the Port District and Mid-Columbia region.

Strategies:

- a. Support efforts to ensure access to high quality education and training opportunities for area residents and workers, and create opportunities for youth to remain in Hood River County.
- b. Assist MCEDD, CGCC and other providers to assess the educational and skill level of the local workforce. Assist in identifying needed facilities and resources to address identified training needs.
- c. Report to the Commission when training resources may be needed to support the growth of existing businesses or successfully recruit new ones.



V. STRATEGIC PLAN ELEMENTS

Standard:

The Port is seen as an engaged partner in helping to address the educational and training needs of the Port District and Mid-Columbia region.

Actions:

- a. Monitor efforts by CGCC to implement the Advanced Technology Center and seek ways to support this initiative.
- b. Work with educational and training resources to identify:
 - Required skills and likely training needs from existing businesses in the target sectors.
 - Training resources in the community.
 - The match or lack of match between needs and existing programs.
- c. Participate in regional efforts to improve job-training opportunities.
- d. Annually consider allocation of resources for targeted training programs.
- e. Seek ways to support the quality and availability of vocational training in the Port District.

4. Regional Collaboration

The Port works with public and private entities in the Mid-Columbia region to overcome regulatory barriers, address infrastructure deficiencies and promote the economy of the area.

Strategies:

- a. Participate in and support a regional collaboration with other ports and the CRGNSA Gorge Commission in order to address local economic development issues.

Standard:

The Port is a committed partner in regional economic development collaboration efforts and initiatives.

Actions:

- a. Increase communication and collaboration among area ports on economic development conditions and issues.
- b. Obtain and update information about industrial sites in the Mid-Columbia region that are available for industrial or commercial development and promote them when possible.
- c. Support efforts by the regional coalition to replace the Hood River Interstate Bridge.
- d. Collaborate with other regional entities to respond to all common legislative and regulatory issues.



E. Environmental Plan

The Port recognizes the interdependence of environmental quality and business development within its District. Due to the exceptional quality of scenic and riverine resources enjoyed by local residents, the environment helps draw new businesses and recreational users to the Port District. The Port owns and manages most of the land bordering the Columbia River within the City of Hood River, a valuable, long-term community asset. Port operations and development projects will be carried out with careful consideration of environmental impacts and environmental laws.

Strategies:

1. Protect Riverine Habitat:

- Ensure upland development does not degrade habitat conditions in the Columbia River or Hood River.
- Provide for appropriate and adequate landscape plantings along the water's edge to minimize erosion and promote river shade/habitat.
- Protect, improve and enhance areas of existing habitat and seek ways to create new habitat where opportunities exist.
- Ensure Port ordinances identify and disallow actions or activities by members of the public, tenants, or businesses that could negatively affect environmental habitat.

2. Industrial/Commercial Development:

- Encourage a high level of green building, renewable energy and sustainable design practices (e.g. LEED) on all development projects.

3. Marina:

- Develop and adopt best practices for operation and development of the Marina to meet Oregon State Marine Board Clean Marina standards and status.

4. Agency Coordination:

- Work with local, state and federal agencies in the review of proposed developments and policies to ensure environmental compliance is carried out.
- Coordinate with special interest groups such as Columbia Riverkeeper, Native American tribes, watershed management groups and others as appropriate to promote healthy river systems and recreational opportunities.
- Comply with all local, state and federal environmental laws in all Port activities.

Standard:

Meet environmental best practices while complying with local, state and federal environmental laws and permit requirements for the development and maintenance of Port properties. Be considered a leader in environmental best practices among public landowners in Oregon.

Actions:

- Ensure all necessary environmental permits and standards are addressed during the design, approval and construction of Port projects.
- Annually review adherence to Oregon State Marine Board Clean Marina standards and certification.



V. STRATEGIC PLAN ELEMENTS

- c. Maintain a list of permit requirements and agency contacts for in-house and developer reference.
- d. Provide project information to environmental and special interest groups, and consider their input in completing project design and development.
- e. Ensure that the Port has staff expertise and necessary equipment for immediate response to environmental contamination.
- f. Seek cost-effective ways and partnerships to monitor E-coli levels in the Columbia River adjacent to the Port's recreation sites and communicate issues to the public.
- g. Improve habitat conditions along the waterfront by removing invasives and planting native species.



VI. PLAN IMPLEMENTATION

Plan Implementation

The Port of Hood River Strategic Business Plan is designed to guide the Port's efforts over the next five-year period. It is designed as a working document. The Plan will be evaluated annually during the Fall Planning Work Sessions as the Commission formally considers policy and budget matters that may affect Plan implementation.

A. Project Evaluation Criteria

The Port Commission is guided by a 10-year Financial Model (*Appendix P*) where assumptions about projects and activities are made within the context of expected operational revenues and expenses. The Model serves as a planning tool and assists the Commission and staff in understanding the longer-term implications of near-term policy, management and capital decisions. A key component is the set of assumptions about capital expenditures and associated funding. The 10-year capital list includes required or desired capital projects and makes assumptions about corresponding financing sources to carry them out.

The capital projects in Section B are considered the most important for the Port to carry out in the next five years and vital in achieving the Port's strategic mission. They were identified based on the following factors:

- **Operational Efficiency**
- **Safety**
- **Income Asset Preservation**
- **Readiness to Build**
- **Resource Availability**
- **Amenity Improvement**



VI. PLAN IMPLEMENTATION

B. Key Projects List

Each capital project listed below is also listed in the 10-year Financial Model. The implementation of each project is dependent upon the availability of financial resources, a specific risk assessment prior to implementation and a determination of whether new opportunities or threats exist. Each is expected to be carried out if assumed financing sources are available.

PROJECT	COST	TIME FRAME	FUNDING SOURCE	PRIORITY CATEGORY
Interstate Bridge				
Deck Weld Repairs	50,000	2013-Ongoing	Port	Mandatory
Lift Span Evaluation	35,000	2014-15	Port	Mandatory
Seismic Vulnerability Study	30,000	2014-15	Port	Mission Critical
Gusset Plate Triage Evaluation	40,000	2014-15	Port	Mission Critical
Repair North Approach Ramp	325,000	2014-15	Port	Mandatory
Repair Auxiliary Brace Connections	400,000	2014-15	Port	Mandatory
Lift Span Upgrade	100,000	2015-16	Port	Mission Critical
Seismic Upgrades	1,000,000	2017-18	Port	Mission Critical
Waterfront Industrial-- Lot 1				
Nichols Basin Ped / Bike Path	500,000	2014-15	Port / Grants	Mandatory
1st Street Relocation, including roundabout	1,238,000	2016	Port / URA	Mandatory
New Commercial Building	2,500,000	2017-18	Port / Loan	Highly Desired
Anchor Way 1st to 2nd, including stoplight	1,000,000	2018	Port / URA	Mission Critical
New Industrial Building	6,000,000	2018-19	Port / Loan	Highly Desired
Paving (does not include regular capital maintenance)				
E. Port Marina Way	150,000	2014-15	Port	Mission Critical
E. Port Marina Drive	134,000	2017	Port / OSMB	Highly Desired
E. Portway Ave	200,000	2019-20	Port	Highly Desired
Land Acquisition				
Industrial Property	1,500,000	2014-18	Port/Loan	Mission Critical
Site Prep., Entitlements & Marketing	200,000		Port	Mission Critical
Ken Jernstedt Airport				
Revise Master Plan & Airport Layout Plan	100,000	2014-15	Port / FAA	Mandatory
Fence Perimeter	30,000	2014	Port / FAA	Mission Critical
Develop Additional T-Hangars	250,000	2016	Port/Loan	Highly Desired
Taxiway B Extension/South Apron Reconstruction	170,000	2017-18	Port / FAA	Mission Critical
Relocate FBO & Av Gas	100,000	2018-18	Port / FAA	Mission Critical
Marina				
Boathouse Dock Replacement	200,000	2013-14	Port/Loan	Mission Critical
Master Plan	50,000	2014-15	Port	Mission Critical
Visitor Dock Rehabilitation	650,000	2017	Port / OSMB	Highly Desired
South Dock Upgrade	250,000	2019-20	Port/Loan	Highly Desired
Recreation				
Frontage Road Ped/Bike Path	439,000	2014	Port / ODOT	Mission Critical
Hook: West Launch	125,000	2014-15	CGWA/Parks/Port	Highly Desired
Hook: Bike / Ped Trail	100,000	2014-15	Port / City	Highly Desired
Jensen Building				
Breezeway, Vendor & Solar Improvements	350,000	2014-16	Port	Highly Desired

Mandatory (address life safety or near-term functionality of key asset) ■
Mission Critical (key impact to the Port's core mission and/or longevity of asset) ■
Highly Desired (projects that address key community or Port objective) ■



VI. PLAN IMPLEMENTATION

C. Plan Adoption and Update Process

The Port of Hood River Strategic Business Plan was adopted by the Port of Hood River Commission in January 2014. The Port shall utilize the Plan as a basis for policy and budget decisions and to request state funding for identified projects. The plan may be amended by the Commission based on market conditions and new development opportunities that may arise. The Port expects to formally update and re-adopt the Plan every five years.

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APPENDIX F

ASSESSMENT OF
OPTIONS FOR 2021
PLAN UPDATE

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Date: March 2021
To: Michael McElwee, Executive Director, Port of Hood River
From: Terry Moore, Good Next Steps, LLC
Subject: STRATEGIC BUSINESS PLAN, PORT OF HOOD RIVER
INTERIM ASSESSMENT

The effort of the Port of Hood River to update its Strategic Business Plan was interrupted a year ago by the onset of COVID. As the Port returns to its planning effort, it asks this question:

Given (1) all the work done on the previous SBP that is still relevant, (2) all the work done in 2020 on strategic issues (sometimes in the context of and sometimes despite COVID), and (3) the other pressing needs that have been that have been only partially addressed because of COVID...What is the most efficient way to conclude the SBP process? In particular, can the Port leverage work it has already done to create an SBP that focuses on *Actions* and references most the information that supports those actions as appendices to the SBP?

The memorandum addresses those questions, concludes that a shorter SBP is not only acceptable but probably better, and provides an revised outline (consistent with the one approved by the Commission in November 2019) for the Strategic Business Plan.

1 Background and Purpose of this Memorandum

In Fall 2019, the Port of Hood River (the Port) began an update of its Strategic Business Plan (SBP, or the Plan) of 2014. The Port hired Terry Moore to assist with the development of the updated SBP.

In November 2019, the Port's Board of Commissioners (the Commission) met to review and discuss (1) a proposed scope of work for developing the Plan, (2) a proposed outline for the final Plan, (3) factors that might affect the Hood River area and the Port over the next 10 years, and (4) the implications those factors for the Port's vision, mission, and activities. The Commission and staff concluded at that meeting that the next steps would be for staff and consultant to build from the Commission's ideas about key factors to create, during the first quarter of 2020, a *Situation Assessment* that would serve as a technical foundation for the evaluation and selection of actions for the Plan.

The development of the Plan was interrupted by the multiple demands on the staff's and Commission's time created by COVID. The Situation Assessment, and the Commission work session to discuss it, was postponed once, and then indefinitely. Staff and consultants did no direct work on the Plan for almost a year (April 2020 to March 2021).

In 2021, the Port's Executive Director and Commission were again able and ready to reengage on developing the Plan. The Director asked consultant Terry Moore to do an assessment of the best path forward. *Should the Port simply pick up where it left off a year ago, or might it be more effective to amend the structure and content of the Plan?*

This memorandum addresses that question. It has four sections in addition to this short introduction:

- Section 2, *The Why and What of Any Strategic Plan*. Some background on the typical reasons for and construction of a strategic plan.
- Section 3, *Why the Port Is Creating a Strategic Plan*. The original reasons.
- Section 4, *Topics the Port May Have Already Covered Sufficiently*. The Port has already addressed many strategic issues in other practices and documents.
- Section 5, *What Plan Process and Structure Makes Sense Now?*. My recommendations for trimming the process to get quickly and efficiently to a practical SBP document.

2 The Why and What of Any Strategic Plan

Everyone plans – some more than others. The future is uncertain, but experience demonstrates that (1) some futures are more likely than others, and (2) some futures are more capable of being changed by taking actions aimed at modifying them. The sun will rise and set despite any personal effort or government edict to make it otherwise, but sunburn can be prevented by planning schedule, location, clothing, and lotions.

Too much time thinking about the future leads to mistakes today; too little time and one loses one's way. One should occasionally look at the compass and a distant landmark toward the desired destination, but current and pressing needs usually demand the majority of one's attention.

In other words, strategic planning is long-run and big-view. It tries to see that the sum of individual actions make sense in the context of broad goals and available resources.

In the context of an organization (like a business, a city, or the Port), the process of strategic planning can be a check that the daily actions and short-run plans of individual departments are consistent with (1) larger organizational purposes and operating principles, (2) longer-run forecasts of needs and resources (staff and budget) to address them, and (3) requirements of higher levels of organization or government.

There is a lot of professional literature on the value, *in theory*, strategic planning, and some that demonstrates that the value is hard to achieve *in practice*. Strategic planning takes time, and the majority of strategic plans do not get the attention of policymakers, staff, and the public after they are completed.

There is a lot of agreement in the literature on how a strategic plan gets done, and on what it should contain. The exhibits below are from my presentation to the Commission in November 2019.

Exhibit 1: Plan Framework

- Outcomes we want
- Conditions that affect our ability to achieve outcomes
- Actions to achieve outcomes that are realistic and effective

- Strategic plan addresses subset of what is important to an organization

Exhibit 2: Plan Outline

- I. Purpose/Background
- II. Situation Assessment
- III. Vision / Mission / Values / Goals
- IV. Strategies and Actions
- V. Implementation / Next Steps
- VI. Appendices (next slide)

- | | |
|---------------------------------|---|
| A. Background | E. Communication, Advocacy & Public Outreach Plan |
| B. Planning Process | F. Economic Development Plan |
| C. Situation Assessment | G. Environmental Plan |
| A. SWOT | H. Economic and Demographic Analysis |
| B. Public Input Summary | I. Port Properties and Rents |
| D. Operational Assessments | J. Port Policies |
| A. Management Plan | E. Evaluation of Strategies and Actions |
| B. Financial Plan | |
| C. Facilities Management Plan | |
| D. Real Estate Development Plan | |

Exhibit 3: Supporting Research (Plan Appendices)

3 Why the Port Is Creating a Strategic Plan

The Port's reasons for creating a SBP cover all the points in Section 2:

- The Port has several departments with related, but different, missions. Are the missions consistent? What are the priorities across operational areas? Are short-run work plans consistent with longer-run financial forecasts? Are there opportunities for collaboration and consolidation that could better achieve mutual goals?
- The Port serves many diverse interests. Are these interests aware of the Port's activities and objectives? Do they support them? Are they satisfied with how they get informed and engaged?
- Oregon requires the 23 Ports in the state to create and adopt strategic plans:

In 2010, Business Oregon adopted the [New Strategic Business Plan for Oregon's Statewide Port System](#) to support the development of individual port plans. A template for planning begins on page 117 and still serves as the outline ports use to update an existing strategic plan through a public process and typically with the help of a consultant. With the 10-year anniversary in 2020, ports will be updating their plans and publishing them on their individual websites. ¹

¹ Requirements for Port planning come from *Business Oregon*, its department for economic development. <https://www.orinfrastructure.org/Infrastructure-Programs/Oregon-Ports/>

The Port has received money to update its SBP, has an obligation to complete it, and has other sources of funding that may be contingent on that completion.

The previous points are common to all ports. Special to the Port of Hood River is the overarching issue of the obsolescent Hood River Bridge and the need, within 5 – 10 years, for either a replacement bridge or a large investment in renovation of the existing bridge. The Port has done extensive work on bridge replacement; more is planned and budgeted. A strategic plan is not needed to keep that work moving. An SBP will, however, place other Port activities in the context of the bridge issue: its magnitude, its funding needs, its likely changes in financial resources for the Port (with impacts on other operations).

4 Topics the Port May Have Already Covered Sufficiently

I have worked on 15 – 20 strategic plans, and reviewed dozens. I have found many issues common to a majority of these plans. My list follows. Some of the issues are core reasons that drove organizations to engage in a strategic planning process. My key message for the Port of Hood River is this conclusion: *The Port of Hood River does not have significant problems with any of these issues.*

- **Lack of clarity or agreement on Vision, Mission, and Values (VMV).** The Port developed VMV and principles as part of its 2014 SBP. In the 2019 work session to kick-off the development of the new SBP, the Commission reviewed all that material and concluded it was still accurate and probably did not need amendment.
- **Lack of focus or agreement on biggest priorities.** It is common for a strategic planning process to include one-on-one interviews with policymakers and key staff, and for those interviews to make evident some lack of agreement on organizational priorities. My experience with the Port and review of its documents suggest strong agreement on most of the basic issues.

The Port's unique role as owner and operator of the Hood River Bridge provides a focus for the organization. All the Commission and staff agree on the basic story:

- The Bridge is a critical piece of local infrastructure. Lifestyles for most people in the Columbia Gorge would be negatively affected. For many businesses and workers, the economic impacts would be substantial.
- The Bridge fails to meet modern standards (e.g., narrow lanes, no bike or pedestrian access) and is at a point in its lifecycle where it must be either replaced or substantially rebuilt.
- It takes a lot of study, time, and discussion to get from the statement "A new bridge is needed" to a buildable project with appropriated funds. The need has to be restated again and again to slowly gain support as more senior transportation projects work through the state and federal process of approval and funding.
- Such projects require an advocate to keep them moving. In metropolitan areas, Metropolitan Planning Organizations are where local priorities get worked out,

and then (ideally) the full weight of the multiple jurisdictions in that MPO is applied to a state transportation agency as it develops its priorities for state and federal spending. In the small town of Hood River and the rural area that surrounds it, there is no MPO. The logical agency for organizing an effort for a bridge replacement or renovation is the Bridge's owner and operator: the Port of Hood River. If the Port does not step up to that challenge, everything will take longer and proceed less efficiently.

- The Port has benefitted in the past from the revenues of the Bridge, and it does so today. A new bridge will mean that much of the revenue that it generates from tolls for other Port operations will go to paying back the debt incurred to finance the new bridge. The Port Commission and staff recognize the dilemma and accept it: the interests of their constituents require that the Commission and staff work hard for a bridge project that will then require them to simultaneously work hard for revenues to continue to provide other services that people have come to expect from the Port.
- Resolving that dilemma is the key project for the Port for the next 5 - 10 years. By virtue of its large effects on Port revenues, it effects all other goals that the Port wishes to accomplish.
- **Lack of long-run financial planning.** I have worked for many jurisdictions that do not have a well-developed (or any) financial planning model. As often as not, a key task of any strategic plan is to develop such a model, and to use its results to help inform policy decisions, which ultimately become budget decisions. The Port is already doing all this at a level that would be the envy of jurisdictions many times its size. I observed the recent Commission work session (April 2021) in which the Chief Financial Officer spent 2 - 3 hours with the Commission and Budget Committee going through the financial forecasts (including work by consultants on forecasting Bridge revenues). The Port is doing a very good job of discussing its needs and opportunities for action in the context of a likely range of financial futures.
- **Poor decisionmaking process that confuses policy and budget decisions.** This problem often accompanies the previous one. Policymakers know they are elected to make policy choices, and that they also approve the budget. The budget should reflect the policy choices they have already made. Instead, the budget process often uncovers policy disagreements and gets mired in policy debate, resulting in inefficiencies for both policy evaluation and budgeting. My sense is that senior staff and the Commission are aware of the potential problems here and work to keep the distinctions clear. Improvements, however, are almost always possible. In other plans I have proposed an annual cycle for identification, analysis, debate, and ultimate agreement about key policy issues, that meshes with a typical annual budget cycle.
- **Inefficient communication and relationships between and among policymakers and staff.** This is often *the* fundamental (and unstated) reason for starting a strategic planning process. It often gets addressed in a new strategic plan under the heading of *governance*. It covers everything about how a jurisdiction makes policy decisions.

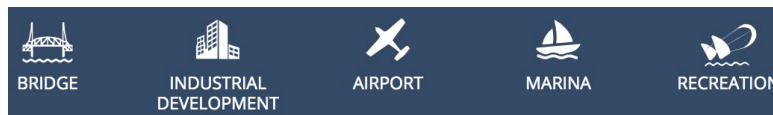
The problem may be internal to elected officials (for example, split commissions with strongly opposed policy objectives and conflicting personalities) and staff (ineffective senior leadership for any of several reasons). It may be poor procedures (e.g., ineffective meetings and staff reports, no system for seeking and implementing best practices).

My observations of the Port on this topic are not systematic and somewhat limited, but I have worked occasionally with Port staff and Commission for over ten years. I do not see strong evidence of confusion about the roles of the Commission and staff, poor communication procedures, or bad relationships that inhibit effective action. The organizational structure is clear; senior staff are open and effective; staffing is lean. Staff developed recently (2019) governance policies that address and clarify some of the typical issues. In short, governance procedures is not the pressing issue at the Port that it is in many local governments.

- **Poor quality of information about key factors affecting outcomes.** Common to all strategic plans is some assessment of factors that have had or may have effects on the ability of the organization to undertake and successfully execute actions that will help achieve its VMV, consistent with its operating principles. Those factors may be positive or negative (opportunities or threats), and internal and controllable by the organization or external and not controllable by the organization. Some idea about the strength and direction of those factors should be the basis for a discussion about what is important to address with action.

Exhibits 1, 2, and 3 above all show the Port's original intent (November 2019) to have a Situation Assessment as part of the updated SBP. A start was made and then abandoned when COVID demanded the full attention of the Port Commission and staff.

In summary, the Port is a relatively small service district with a few specific services that are clearly evident on the home page of its website:



The Port has had a good, Port-wide strategic plan that it has monitored and made progress on, and the equivalent of sub-strategic plans for most its five service areas. It has been clear about its overarching mission related to the Bridge replacement or renovation, and has successfully kept that long and difficult project moving forward. It has experienced, industrious, communicative, and cooperative senior staff. It has well-developed processes in place for finance and budgeting, facility maintenance, bridge tolling. Its Commission is engaged, industrious, and informed. ²

² Objectivity requires me to balance my high evaluation of the Port with the observation that the majority of my experience with strategic planning is with cities and counties, which are much larger organizations (some with budgets and staffing equivalent to those of a Fortune 500 company). Size creates bureaucracy. Bureaucracy done well makes the best of a bad problem: keeping clear communication and focus among a large group. That said, communication

That summary is context for my comments in the next section about the most efficient way for the Port to complete its update of its strategic business plan.

5 What Plan Process and Structure Makes Sense Now?

Many organizations need to go through a strategic planning process to get clear on what they are supposed to do, how well they are doing, and critical system failures that need fixing. The Port's staff and Commission are already clear about VMV and key issues; the Port has a functional system of central services that allow its staff to work effectively in its five service areas. Senior staff and the Commission generally agree on priorities and actions to address them.

If that assessment is approximately correct, what is the need for an SBP document? The Port has a lot to do; the staff and Commission are ready to do it: why spend time fussing over a document that simply states what they already know? The main answers are:

- Closure and Documentation. The effort to go from where the Port is now to a useful SBP is small and worth the effort.³ The documentation is what helps deliver the benefits in the following bullet points.
- Continuous improvement. An SBP can be part of the basis for an annual report card: how are we doing on the things we said we would do?
- Modeling of best practices. All the professional literature recommends some type of strategic planning. It is not always done, and rarely a habit. But if it becomes a habit it is easier and more useful. Don't break the chain.
- Communication. Commissioners, staff, partners, and public interest change. An SBP is a good starting document for explaining the Port's purposes, activities, and priorities.
- State requirements. Requirements are enforced first by logic, then by persuasion, then by sticks and carrots. The state requirements don't include sticks, but they do include the ability to withhold carrots: funding the Port would like to have. An updated SBP is a good idea even without the carrots; the carrots make it even better.

So, yes, a plan document should be produced. But how detailed and elaborate does it have to be? What is the appropriate (efficient) level of effort?

An organization's first strategic plan is a big deal. And by "first" I mean "the first one ever, or the first one in a new commitment to such planning (because we forgot about the old one)." By that definition, the 2014 SBP the Port's first plan, and this Plan is the update

problems occur in small groups as well (if not your family, then one you know?) and the Port has done a good job of keeping the communication and agreement on direction clear.

³ Two economic are at play here: (1) *sunk costs are irrelevant*: it doesn't (shouldn't) make any difference how much you have spent on getting something done because you should take the next steps based on (2) *evaluation of marginal benefits and costs* (what is the additional cost of the product being considered, and are its benefits greater than its costs? My point re the SBP: given where the Port is now, the additional costs of getting the document done are likely to be smaller than the benefits of having the document.

of that SBP. If an organization monitors its first plan annually (“What did we achieve, what’s left to do, are there issues that are obviously important that need to be added by amendment to the plan this year?”), then the process for a major update of a strategic plan (usually by year 3 – 5) can be less elaborate. Whether it will be or not depends on how well the organization has done in making its strategic plan part of an annual review of policy and the development of an annual work program for elected officials. If strategic planning becomes standard and continuous, elaborate new versions of the plan are not necessary.

That is where the Port is. I see no need to demonstrate to the public, local interest groups, partner agencies, or potential Bridge funders that the Port is doing its job. The Port’s mission or performance has not been questioned. There is not a need for an elaborate document to persuade people of the Port’s competence. If documentation is needed, the Port has it in the many studies and presentations that it has archived and available for public review.

The strategic planning process can be applied to an entire organization or to a part of an organization (e.g., a department). In the theoretical ideal, an organizational strategic plan is supported by consistent departmental strategic plans. Which comes first is not critical: one can build an organization plan by compiling well done departmental plans, or departments can use an organizational plan (its VMV, principles, situation assessment, and priority actions) as a starting place for creating a consistent departmental plan. The Port was more on the first path in Fall 2019; with the introduction of COVID, it shifted more toward the second path. The staff and Commission dealt with the policy issues that confronted them as if they were strategic priorities. Many were.

A potential argument for a larger SBP effort is that the state requires it. The state requires an SBP that has certain content, and it requires an update. It suggests an organization for the first SBP, but is clear that any port can modify the template to suit its situation.⁴ Personally, I think the outline for the Port’s new SBP is better than the state’s suggested template. Either way, the critical language in the state document is this: “... each update will represent a significant step towards an effective program to address their major business and organizational challenges.” This update can do that, and do it efficiently, by (1) leaving a lot of the details in supporting documents (appendices to the updated SBP) including the 2014 SBP, which closely follows the template and has much information that has not changed since 2014), and (2) focusing on Actions.

The Port has a lot to do and limited resources. The objective of a SBP is to make sure the staff and Commission are working on the most important policy issues. Time spent on expanding and beautifying the SBP update, for an unspecified audience, is time not spent on the Bridge, the airport, future finance, and so on. With efficiency as a key objective, what topics might the updated SBP address well enough by simply pulling from other documents that have already addressed those topics well enough?

⁴ “Each port’s business agreement will provide the opportunity to modify or streamline this template. It is not expected that every port will be required to address every topic in the template, but rather that each update will represent a significant step towards an effective program to address their major business and organizational challenges.” *Ports 2010: A New Strategic Business Plan for Oregon’s Statewide Port System*, page 117, <https://www.oregon4biz.com/assets/docs/IFA/2010PortPlan.pdf>

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- **Vision, Mission, and Values.** VMV and principles are clearly decisions for elected or appointed officials, not consultants. Some strategic plan (especially, and usually, plans that are being created for the first time) spend months on VMV, with extensive public engagement. A typical city, county, or service provider will have VMV that center on delivering the right services, and doing so effectively, efficiently, fairly, and with the approval of its constituents. The Port's 2014 VMV and principles cover a lot of the concepts and words in typical strategic plans.

The Port staff and a consultant did some surveys of the public in early 2020. No comments emerged suggesting that the Port had the wrong VMV or principles.

Given these points, and the Commission's expressed desire to use the VMV from the 2014 Plan for this 2021 update, I see no compelling reason to do more work on them (in the form, for example, of a Board work session, another citizen survey, or suggested new language by staff). That said, I note that all strategic plans that I have worked on in the last few years have some language about diversity, inclusion, and equity. The 2014 SBP does not. I would recommend adding something that the Commission could discuss, amend as desired, and approve at the next discussion of a draft of the new SBP.

- **Priorities for Action.** Staff and Commission generally agree that (1) central services (e.g., executive management, financial management, facility maintenance, communications) are working well and do not need any special attention,⁵ and (2) each of the Port's five main service areas (bridge, industrial/real estate development, airport, marina, recreation) might have issues that should be flagged for special policy attention.

One question helps a local government establish its strategic priorities: What important issues (opportunities or problems) are unlikely to be adequately addressed by normal staff activities, and need the focused attention of the Commission? Those are the issues on which the Commission should be spending its time and focusing its annual work plan. The decision on the categories of strategic actions in the SBP is for staff to make, but the Port's five main service areas (plus central services) would be an organizational understandable to everyone, and easy for staff to implement.⁶

- **Situation Assessment.** Policy analysts believe decisions should be based on information. But what can be readily measured rarely tells the full story, and the interpretation of data depends on what each interpreter brings to it. The data are never definitive: elected officials are elected to make what they believe to make the best choices they have with the data they have available.

⁵ An issue that could raise to the level of a strategic priority is succession planning and diversity hiring. The Executive Director, with the support of the Commission, is working on that issue. It will get attention even if it is not in the updated SBP, but putting it in the SBP would probably get it more attention.

⁶ The potential downside of that structure is "siloeing": it essentially organizes and implements along departmental lines. Some of my other comments in this memorandum support my conclusion that the Port's small number of senior staff already have, and could easily improve some procedures for cross-departmental coloration and integration on strategic actions.

Most of services that the Port is responsible for do not seem immediately and strongly challenged by shifts in external drivers like demographics, the economy, technology, consumer preferences, or the environment. The discussion at Commission meetings for the last year suggest that the Commissioners support the services that the Port is providing, and that they expect to continue to provide them for at least the next five to 10 years.

There are plenty of uncertainties, a few of which may be positive. The two biggest are the Bridge and COVID.

Regarding the Bridge, the Port is committed to the path of trying to find a way to maintain a bridge connection between Hood River and Washington. Everyone paying attention to that issue expects the Port to be in the lead for a while. What must done, broadly, is understood. There is little in the way of data that would convince elected officials and business leaders in the Hood River region that the Port should just stop working on the Bridge issues. Unless there are large and unpredicted changes in technology, policy, or the economy, over the next several years, the Bridge will be a priority issue for the Port, and it will be working are many different activities related to the Bridge.

Regarding COVID, the Port, like all government agencies, had to devote time and money to determine how its public services would cope with the COVID crisis. That effort is not over, but the worst of the uncertainty and reorganization appears to be in the past. Like other agencies, the Port figured out how to reduce some operations, maintain other operations while social distancing, and allow a public decisionmaking process to occur without face-to-face meetings. The Port had reasons to prepare an update to its SBP before COVID, and has been considering for a year as part of its operational evaluations the impacts of COVID on the demand for its services and its ability to provide them effectively and efficiently. Social distancing has certainly reduced the use of the Port's public facilities, put almost all forecasters view the drops as temporary, not as long-term trends.

I see the question for the Port now as this: Is a written Situation Assessment likely to present information that would cause the Commission to change many (or any) of the strategic decision it has made in the last year? I think the answer is, No. If that is true, then time spent developing a writing a Situation Assessment has little practical value. Thus, in the interest of efficiency, I recommend that the outline of the updated SBP be amended to have a short summary of the situation (perhaps along the lines I have laid it out in this memorandum), and that it not have a supporting, extensive Situation Assessment as an appendix.

Those recommendations lead to this revised outline for the updated SBP for the Port's consideration:

APPENDIX G

PUBLIC ENGAGEMENT
IN DEVELOPMENT
OF 2021 SBP

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Port of Hood River Public Outreach Process

The Port of Hood River initiates community outreach programs when Port activities or projects benefit from public involvement or input. Each public outreach process is designed based on parameters of the project, stakeholders affected, and outcomes that may affect the community. Below is an example of a Public Outreach Process completed recently.

Port of Hood River Strategic Business Plan, 2019

In November of 2019, the Port began the process to update its Strategic Business Plan (SBP), the principle guiding document for Port policy and actions for the years 2020-2026. The Port Planning and Marketing Fund, managed by Business Oregon, awarded a grant of \$50,000 to support the effort. Four contracts were executed with consultants for assistance in completing major elements of the plan. The Commission held four work sessions in total during the Plan development process. One public open house was facilitated by Anne Pressentin of EnviroIssues on February 20, 2021, and a public input survey was distributed both online and via paper bulk mailing in January 2020. In February of 2020, Spanish and English language paper-based surveying was conducted with First Nation Native American and Spanish-speaking community members with the assistance of health and human services agency The Next Door, Inc. to ensure input received from minority and under-served segments of the community. The survey was available active between January 30 and March 6, 2020. 1,104 people completed the questionnaire, 60% in Oregon and 40% in Washington. These responses were summarized in a report provided to the Commission by Ms. Pressentin on April 20, 2020. See the report attached.

Meanwhile, beginning in mid-March of 2020, major disruptions resulting from the COVID-19 coronavirus pandemic began to occur in the local community. Port operations were significantly changed, and the local economy was just beginning to experience an expected wave of layoffs, business closures, food security challenges and housing issues. Amid this uncertainty, staff's first concern regarding the SBP process was the validity of the just completed Situation Analysis – because the situation had fundamentally changed and continues to do so. During the Commission's April 2020 Spring Planning work session, the Commission determined that the pandemic had introduced a lot of uncertainty and diminished the ability of staff and the Board to conduct business. The Board directed staff to focus in the short-term on the COVID-19 impacts on the Port's external service delivery and internal procedures, and to prepare and implement appropriate response. The Port put the SBP development process on hold for until the fall of 2020. See Appendix F, Assessment of options for development of the 2021 SBP Update for details on the chosen approach to complete the Plan in 2021.

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Port of Hood River 2020-2026 Strategic Business Plan Public Input Report

Summary of public involvement survey results

April 20, 2020

Introduction

The Port of Hood River operates a variety of facilities, infrastructure and spaces for the benefit of the community. In preparation for the Hood River Bridge replacement, the Port is assessing the public value of these facilities. It's important for the Port to have a clear and robust understanding of public sentiment in the planning for a new Hood River-White Salmon Interstate Bridge as the replacement bridge is expected to exceed \$300 million.

Over the past five years, the region has seen significant changes to its economy, with both new and enduring challenges facing businesses and families. The Port of Hood River wants to better serve the community by understanding its needs and thoughts on the Port's role in the region. The Port will use the community's input as it completes a planning process to develop its 2020-2026 Strategic Business Plan.

Purpose of Engagement

- Gauge the community's thoughts on the Port's role in the region.
- Build an understanding of the community's current needs and priorities relative to the Port's business areas.
- Promote awareness among stakeholders and the public about the project purpose, process and schedule.

Feedback analysis methodology

A community survey was determined to be an effective and inclusive tool for reaching residents throughout the region. The survey was available online and in paper form between January 30, 2020 and March 6, 2020. A Spanish survey was also made available online and in paper form. The survey consisted of 26 questions, including four demographic questions. A copy of the survey instrument is provided in Appendix A. During the five-week period when the online survey was open, 1,338 people started the questionnaire. In total, 1,104 people completed the questionnaire to the end. Thirty-seven



people completed the survey in Spanish. For the purpose of this analysis, the results from both online and paper submissions are discussed together because the questions in both formats were identical. About 75 paper surveys were completed.

Questions asked participants to gauge the importance and quality of current operation for each of the Port's five facilities or services and the Port itself. There were also specific questions relating to each facility and two open-ended questions. Demographic information related to zip code, age, race/ethnic identity, income level and gender identity was collected so that responses could be compared to the region as a whole and cross referenced with what facilities are most important for various demographic groups.

The survey did not require participants to answer every question before submitting their responses. The goal of the questionnaire was to engage and learn from as many members of the public as possible. To encourage feedback from a large and diverse universe of residents, the questionnaire was accessible on mobile, desktop, and tablet devices as well as in hard copy form at in-person events, the Hood River Library, and the Port of Hood River office. Responses were not limited by Internet Protocol (IP) address so that multiple members of the same household or workplace could submit feedback. The project team reviewed data by IP address, and no evidence of intentional multiple submissions was found.

For this summary, 1,792 open-ended comments were categorized based on thematic topic. Many comments referred to multiple topics. This report describes the main themes and messages associated with eight common topics. Those that included multiple themes were sorted into multiple categories.

As a public engagement tool, the survey results are not statistically representative, meaning the respondent sample is not distributed to match the representative demographics of the region, and therefore, not predictive of the opinions of the mid-Columbia region's population as a whole.

Initial Survey Takeaways

Key themes and takeaway messages identified through the online survey include:

- Affordable housing is perceived to be the biggest problem in the area.
- The community expressed strong consensus that the bridge needs replaced.
- A new bridge needs to be designed with bicycle and pedestrian access.
- There is disagreement that the bridge should be owned and operated by a private party.
- Survey respondents agree that the Port should develop partnerships with other agencies to deliver existing services.
- Aside from the bridge, the waterfront park and other open spaces are most important of all the Port's facilities. The Port's facilities and services were ranked by importance in the community in the following order:
 - Hood River – White Salmon Bridge
 - Waterfront park, beaches, open space
 - The Port of Hood River



- Economic Development
- Hood River Marina
- Ken Jernstedt Airfield

Survey notification methods and public participation

- Print and digital display ad in two newspapers (Hood River News, White Salmon Enterprise)
- Flier for distribution at Port office front counter in English and Spanish
- Website event and content for main Port page
- News release to media outlets, including Spanish language media (in English)
- Radio PSA and advertisement
- Port of Hood River Facebook posts
- Boosted Facebook post
- Formatted HTML email to Port mailing list (similar content as printed newsletter/news release)
- Port’s quarterly newsletter – small blurb
- Email/briefing to key partners: Port of Hood River Commission, Oregon Department of Transportation, local elected, state and federal elected offices
- Request to key stakeholders (parks and recreation, aviation enthusiasts, industrial park tenants) to publicize the event with sample email/Facebook text

Who we heard from

This section summarizes the demographic characteristics of those who submitted survey responses. Full results are listed in Appendix B.

ZIP Code

Of the 882 people who answered the zip code demographic question, 60 percent were Oregon residents. Just over half of all survey respondents answered with 97031, the zip code for Hood River County.

Oregon	60%	Washington	40%
97031	51%	98605	3%
97040	2%	98635	2%
97041	.3%	98650	3%
97058	2%	98651	3%
97014	.4%	98672	22%
Other	1%	Other	7%

Table 1: Results of survey respondent's residence by ZIP code

Demographics

The survey included four demographic questions to help the project team understand the different audiences who were able to complete the survey. Respondents had the option to select “prefer not to answer” for each demographic question or skip the question entirely. The demographic results were compared to the U.S. Census Bureau data for general populations of Hood River County and Klickitat County to understand audiences who may be underrepresented in survey results and inform future community engagement efforts. Hood River County and Klickitat County were used as demographic references because most (73%) survey respondents indicated they were residents of these counties.



Gender

Survey respondents were split evenly between female and male, at about 48% and 49% for each. The remainder did not answer, selected non-binary/third gender or identified in a different way.

Age

More than half of survey respondents indicated they were more than 50 years old (64%). Only 3% of respondents were younger than 29 years old.

Ethnicity

About 84% of respondents self-identified their race or ethnicity as White/Caucasian, compared to U.S. Census data of 87% percent in Hood River County and 92% in Klickitat County. About 6% of respondents selected "Latin(x)/Hispanic" which is significantly lower than the 32% of people of Latin(x)/Hispanic descent in Hood River County and 12% percent in Klickitat County¹. Just under 3% percent of respondents selected "Mixed Race." The percentage of people who selected Native American/American Indian (2.6%) was more than the population of Hood River County (0.7%) but lower than Klickitat County (3%). About 6% of respondents selected "other."

Income

The Hood River household median income is about \$50,000 per year. About 63% of respondents indicated their household income was above the median, 17% indicated right at the median and 20% indicated they were below the median.

Survey Results

The survey covered six facilities or services operated by the Port of Hood River, including the Port itself. For each facility, respondents were asked to describe its importance in the community and how well it is currently maintained. The results are as follows:

Ken Jernstedt Airfield

Less than half of respondents described the airport as either critically important or very important (43%). Over half of respondents had no opinion on the airfield's maintenance and operation, but a large plurality chose well or very well (38%).

Three additional questions asked respondents if they agreed or disagreed with topics specific to the airfield's operation. Almost half of respondents (48%) disagreed that noise from the airfield was an issue to them. Public opinion was mixed on whether the Port should invest to expand the airport beyond its current use (28% agree, 34% disagree) and there was also mixed opinion that the Port should develop hangar space to support the growth of local aviation technology industry (32% agree, 28% disagree). For these topics, the greatest percentage of respondents were either neutral on this question or could not answer.



¹ 2018 American Community Survey 5-Year Estimates

	Agree	Disagree	Neutral	Don't know	Responses
Noise from activities at the airfield are a significant issue in my home or neighborhood. Count Row %	163 15.5%	502 47.8%	187 17.8%	198 18.9%	1,050
The Port should invest in improvements to the airport that would attract or expand its current use. Count Row %	297 27.9%	357 33.6%	266 25.0%	144 13.5%	1,064
The Port should develop hangar spaces at the airport to support growth of local aviation technology industry. Count Row %	334 31.5%	301 28.3%	260 24.5%	167 15.7%	1,062
Totals Total Responses					1064

Hood River Marina

A majority of respondents described the marina as critically important or very important (57%). Only 4% of people said the marina was not important. Many responders had no opinion on maintenance and operation of the marina but of those who did, the majority said it was maintained well or very well (52%).

Three additional questions asked whether people agreed or disagreed on details about the marina's operations. A large majority agreed that it is important to have free, public boat launch access (86%). A majority of people also agreed that having long-term moorage for private boats and Youth Sailing educational programs is important (63% and 67%, respectively). Compared to the answers to similar questions about the airfield, the Marina garnered much stronger sentiments from the public.



	Agree	Disagree	Neutral	Don't know	Responses
It is important to have free, public boat launch access for fishing and other recreational uses. Count Row %	924 85.6%	45 4.2%	82 7.6%	28 2.6%	1,079
It is important for Hood River to have a marina for long-term moorage of private sailboats and vessels. Count Row %	678 63.1%	86 8.0%	254 23.6%	56 5.2%	1,074
It is important to provide Youth Sailing educational programs at the Hood River Marina. Count Row %	715 66.9%	97 9.1%	215 20.1%	41 3.8%	1,068
Totals Total Responses					1079

Waterfront Parks and Open Spaces

Most people described the importance of the waterfront parks, beaches and open spaces as critically important (59%). Of the 1,085 responses to the question, only 16 people said the waterfront parks were not important. Over three quarters of respondents said these sites were maintained well or very well.

Four additional questions were asked about the operations of the waterfront parks. A majority of people agreed that the Port should collaborate with the County and Parks and Recreation District to identify efficiencies and cost savings in maintenance and operations (84%), work to restore natural habitat areas at the mouth of the Hood River (72%), expand the use of current waterfront recreational facilities (53%) and invest in further development of recreational facilities (60%).



	Agree	Disagree	Neutral	Don't know	Responses
The Port should actively work to improve water access opportunities and invest in further development of waterfront recreational facilities. Count Row %	643 60.1%	196 18.3%	205 19.2%	26 2.4%	1,070
The Port should seek to expand and increase the use of current waterfront recreational facilities. Count Row %	572 53.4%	247 23.0%	223 20.8%	30 2.8%	1,072
The Port should work to restore natural habitat areas and improve natural functions at the mouth of the Hood River and other areas of the waterfront. Count Row %	767 71.6%	112 10.5%	164 15.3%	28 2.6%	1,071
The Port should collaborate with the County and the Hood River Valley Parks and Recreation District to identify efficiencies and cost savings in parks maintenance and operations. Count Row %	910 84.4%	47 4.4%	85 7.9%	36 3.3%	1,078
Totals Total Responses					1078

Hood River-White Salmon Interstate Bridge

Ninety-five percent of all survey takers agreed that the Hood River to Bingen and White Salmon bridge is critically important or very important in the community. More than half of respondents indicated that the bridge is currently maintained and operated well or very well (59%). But a sizeable number of respondents indicated that it was maintained and operated somewhat or very poorly (34%).

Six additional questions were asked about the bridge. Of these questions, there was the strongest agreement that the bridge must have bicycle and pedestrian access and amenities (82%).

Questions about ownership and bridge operations showed the community prefers a state agency such as ODOT own and operate a new bridge (55%), rather than a local agency or authority (21% support) or a private party or public-private partnership (7%).

Despite the critical importance of the bridge and after educating survey respondents about the bridge maintenance and access issues, respondents generally disagreed that the Port should ask residents to consider a higher toll to replace the bridge (48% disagree, with 49% agreeing or neutral). It appears there is a sizeable gap between those who support a new bridge with higher tolls (34%) and those who believe it is currently well maintained (59%).



	Agree	Disagree	Neutral	Don't know	Responses
The replacement of the bridge with a new, modern structure is so important that the Port should ask residents to consider a higher toll to make it happen. Count Row %	365 34.2%	514 48.2%	157 14.7%	30 2.8%	1,066
Tolls should be set as low as possible, even if that means delaying replacement of the current bridge. Count Row %	340 31.9%	551 51.6%	155 14.5%	21 2.0%	1,067
The new bridge must have bicycle and pedestrian access and amenities. Count Row %	883 81.8%	120 11.1%	70 6.5%	7 0.6%	1,080
The new bridge should be owned and operated by a state agency (either ODOT or WSDOT or a combination of both). Count Row %	589 54.8%	141 13.1%	201 18.7%	143 13.3%	1,074
The new bridge should be owned and operated by a local agency or authority. Count Row %	224 20.9%	433 40.5%	263 24.6%	150 14.0%	1,070
The new bridge should be owned and operated by a private party or a public-private partnership. Count Row %	74 6.9%	723 67.5%	160 14.9%	114 10.6%	1,071
Totals Total Responses					1080

Economic Development

ALmost half of respondents indicated that economic development to retain and expand locally owned businesses was critically important or very important (49%). Only 8% of respondents indicated that it was not important. Over three quarters said it was critically important, very important, or important to attract new business to the area and about 19% of people said this was not important.

Two additional questions were asked about economic development. More than half of people agreed that it is important that the Port of Hood River maintain its real estate portfolio to enable local businesses to operate and grow (54%) and that it is important to have developable properties ready to support the growth and retention of those businesses (58%). Roughly the same percentage of respondents were in disagreement with these statements or neutral on them. High neutral scores suggests this topic doesn't produce as many strong opinions or that awareness is low compared to other areas.



	Agree	Disagree	Neutral	Don't know	Responses
It is important that the Port of Hood River maintain its real estate portfolio to enable local businesses to operate and grow. Count Row %	579 53.9%	207 19.3%	205 19.1%	83 7.7%	1,074
It is important to have developable properties ready to support the growth and retention of locally owned light industrial businesses. Count Row %	627 58.3%	209 19.4%	189 17.6%	51 4.7%	1,076
Totals Total Responses					1076

Port Public Services and Facilities

Most respondents indicated that the Port itself is important for the community. Over 71% of people selected critically important or very important. Over half of respondents said that the Port was managed well or very well (54%).

Three additional questions were asked about the Port's operation. A strong majority agreed that the Port should work to identify efficiencies to reduce the cost and scope of its operations (77%) and that the Port should seek collaborative partnerships with other agencies to deliver existing services (80%). Just over 40% agreed that the Port should increase its investments to improve the quality of its level of service and maintenance of its facilities. On this question, more than 40% of respondents were unsure or disagreed.

	Agree	Disagree	Neutral	Don't know	Responses
The Port should work to identify efficiencies to reduce the cost and scope of its operations. Count Row %	818 76.6%	51 4.8%	142 13.3%	57 5.3%	1,068
The Port should increase its investments to improve the quality of its level of service and maintenance of its facilities. Count Row %	462 43.5%	193 18.2%	276 26.0%	131 12.3%	1,062
The Port should seek to develop collaborative partnerships with other agencies (like the City, County, Parks & Rec, etc.) to deliver existing services. Count Row %	859 80.1%	56 5.2%	104 9.7%	53 4.9%	1,072
Totals Total Responses					1072



Open-Ended Comment Analysis: At a glance

Two additional open-ended questions were included in the online survey. A total of N=948 individuals responded to the first question and N=843 individuals responded to the second question. Responses for each question were categorized into key topics.

What's the biggest issues facing our community?

Affordable Housing

Affordability of housing was the most mentioned issue facing the community. Within the housing theme, respondents described these elements:

- Cost of living for workers
- Traffic congestion due to a growing percentage of workers finding more affordable housing outside of town
- Conflict between tourists and locals over lack of affordable housing
- Population growth in the City of Hood River
- Recognition that housing is not in the Port's scope, but a desire for the Port to help by embracing mixed-use development

Bridge Replacement

Bridge replacement was the second most mentioned issue. Common themes included:

- The importance of addressing the aging bridge
- Declining bridge safety
- The need for a bridge that can support more vehicle trips
- The need for a bridge with multi-modal access

What should be the Port's highest priority for the next six years?

Bridge Replacement

Bridge Replacement was by far the most mentioned answer. Common themes included:

- The need for a bridge that can support more vehicle trips
- The need for a bridge with multi-modal access
- The Port's role in owning and operating the bridge
- Bridge tolls

Conclusions and next steps

The use of a survey prompted many interested individuals to engage with the project and provide input to project partners. However, there are significant limitations in the Port's ability to draw significant conclusions when those who completed the survey were disproportionately upper-income. More



inclusive outreach and research tools could be considered to ensure that the evolving community conversation around replacing the bridge is inclusive and representative.

What this survey does show is that many residents agree that replacing the Hood River to Bingen and White Salmon bridge is needed and should be a financial priority for the Port. The survey results also indicate that waterfront parks, beaches, and open spaces are the most important Port facilities to the community.

Appendices

- a) Appendix A / Survey form
- b) Appendix B / Survey Response Statistics



Appendix A

Survey Form

Strategic Business Plan Public Input Survey

Please submit by March 6th

Welcome! Over the past five years, our region has seen significant changes to its economy, with both new and enduring challenges facing businesses and families. The Port of Hood River wants to better serve the community by understanding your needs and thoughts on the Port's role in the region. The Port will use the input you provide as it completes a planning process to develop its 2020-2026 Strategic Business Plan.

This survey will take about 8 minutes to complete.
 An online version is available at bit.ly/porthoodriver

What is the biggest issue facing our community?

KEN JERNSTEDT AIRFIELD

The Ken Jernstedt Airfield is a General Aviation airport with a 3,040' runway and an alternate grass landing area. The airport offers self-serve fueling, private pilot training, glider rides and club, sight-seeing flights, and mechanic services. The airport serves the WAAAM museum, hosts of the annual Hood River Fly-In. The airport also provides hangar space for aviation technology companies, private aircraft, and serves as a base of operations for wildfire response and emergency search and rescue operations.

How would you describe the importance of the airport and its role in our community?

- Critically Important
- Somewhat Important
- Don't Know/No Opinion
- Very Important
- Not Important

Please indicate how well you feel the airfield is currently maintained and operated?

- Very Well
- Somewhat Poorly
- Don't Know/No Opinion
- Well
- Very Poorly

For the following questions, please indicate whether you agree or disagree with the following statements:

The Port should develop hangar spaces at the airport to support growth of local aviation technology industry.

- Agree
- Disagree
- Neutral
- Don't know

The Port should invest in improvements to the airport that would attract or expand its current use.

- Agree
- Disagree
- Neutral
- Don't know

Noise from activities at the airfield are a significant issue in my home or neighborhood.

- Agree
- Disagree
- Neutral
- Don't know

WATERFRONT PARKS AND OPEN SPACES

The Port of Hood River has developed and maintained most of the beaches, parks, and recreational open spaces along the Hood River waterfront area for many years, including the Event Site beach, Frog Beach, the small boat dock at Nichols Basin, the Hook launch, Marina Green, the Marina swim beach, the access road to the Spit, and the Waterfront Trail. Unlike most parks that are funded by property-tax based revenue, the ongoing operation and maintenance of Port-owned parks are, to a certain extent, funded by paid parking that was first implemented in 2018.

How would you describe the importance of the waterfront parks, beaches, and open spaces to our community?

- Critically Important
- Somewhat Important
- Don't Know/No Opinion
- Very Important
- Not Important

Please indicate how well you feel the Port-owned sites listed above are currently maintained and operated?

- Very Well
- Somewhat Poorly
- Don't Know/No Opinion
- Well
- Very Poorly

For the following questions, please indicate whether you agree or disagree with the following statements:

The Port should seek to expand and increase the use of current waterfront recreational facilities.

- Agree
- Disagree
- Neutral
- Don't know

The Port should work to restore natural habitat areas and improve natural functions at the mouth of the Hood River and other areas of the waterfront.

- Agree
- Disagree
- Neutral
- Don't know

The Port should collaborate with the County and the Hood River Valley Parks and Recreation District to identify efficiencies and cost savings in parks maintenance and operations.

- Agree
- Disagree
- Neutral
- Don't know

The Port should actively work to improve water access opportunities and invest in further development of waterfront recreational facilities.

- Agree
- Disagree
- Neutral
- Don't know

HOOD RIVER MARINA

The Hood River Marina provides a free-to-use guest boat launch for fishing and other recreational uses as well as Sheriff and Columbia River Inter-Tribal Fish Commission (CRITFC) enforcement patrols on the Columbia. The Marina also provides long-term moorage for privately owned boats in over 160 boat slips and several boat houses, as well as short-term cruise ship and large vessel docking.

How would you describe the importance of the Marina and its role in our community?

- Critically Important
- Somewhat Important
- Don't Know/No Opinion
- Very Important
- Not Important

Please indicate how well you feel the Marina is currently maintained and operated?

- Very Well
- Somewhat Poorly
- Don't Know/No Opinion
- Well
- Very Poorly

For the following questions, please indicate whether you agree or disagree with the following statements:

It is important to have free, public boat launch access for fishing and other recreational uses.

- Agree
- Disagree
- Neutral
- Don't know

It is important for Hood River to have a marina for long-term moorage of private sailboats and vessels.

- Agree
- Disagree
- Neutral
- Don't know

It is important to provide Youth Sailing educational programs at the Hood River Marina.

- Agree
- Disagree
- Neutral
- Don't know

ECONOMIC DEVELOPMENT

The Port owns and manages industrial and commercial properties, as well as several parcels of undeveloped industrial zone land. Even though the public may not often visit or recreate near these properties, they provide direct and indirect economic benefit to the region in terms of job creation, wages and revenue.

How would you describe the importance of economic development activities to support the retention and expansion of locally-owned businesses?

- Critically Important
- Somewhat Important
- Don't Know/No Opinion
- Very Important
- Not Important

How would you describe the importance of economic development activities to attract new businesses and industries to our area?

- Critically Important
- Somewhat Important
- Don't Know/No Opinion
- Very Important
- Not Important

For the following questions, please indicate whether you agree or disagree with the following statements:

It is important that the Port of Hood River maintain its real estate portfolio to enable local businesses to operate and grow.

- Agree
- Disagree
- Neutral
- Don't know

It is important to have developable properties ready to support the growth and retention of locally owned light industrial businesses.

- Agree
- Disagree
- Neutral
- Don't know



Strategic Business Plan Public Input Survey - continued from page PN 3



HOOD RIVER-WHITE SALMON INTERSTATE BRIDGE

With narrow lanes, lack of safety shoulders, difficult barge navigation, and no bike or pedestrian path, the Hood River-White Salmon Bridge does not meet current needs of travelers. The Port is engaged in efforts to replace the nearly 100-year old bridge but expects that effort to take several years and the new bridge will require significant changes to traffic patterns, tolling, local control, and operations.

How would you describe the importance of the bridge connecting Hood River to Bingen and White Salmon for our community?

- Critically Important
- Somewhat Important
- Don't Know/No Opinion
- Very Important
- Not Important

Please indicate how well you feel the current bridge is maintained and operated?

- Very Well
- Somewhat Poorly
- Don't Know/No Opinion
- Well
- Very Poorly

For the following questions, please indicate whether you agree or disagree with the following statements:

Tolls should be set as low as possible, even if that means delaying replacement of the current bridge.

- Agree
- Disagree
- Neutral
- Don't know

The replacement of the bridge with a new, modern structure is so important that the Port should ask residents to consider a higher toll to make it happen.

- Agree
- Disagree
- Neutral
- Don't know

The new bridge must have bicycle and pedestrian access and amenities.

- Agree
- Disagree
- Neutral
- Don't know

The new bridge should be owned and operated by a state agency (either ODOT or WSDOT or a combination of both).

- Agree
- Disagree
- Neutral
- Don't know

The new bridge should be owned and operated by a local agency or authority.

- Agree
- Disagree
- Neutral
- Don't know

The new bridge should be owned and operated by a private party or a public-private partnership.

- Agree
- Disagree
- Neutral
- Don't know

PORT PUBLIC SERVICES AND FACILITIES

The Port is focused on optimizing operations while continuing to provide needed public facilities and services. There are 23 Port Districts in Oregon, each supporting long-term economic development in their communities. Their role in attracting jobs and private investment can be especially beneficial in rural areas where industrial infrastructure might not otherwise be developed. Some ports, like the Port of Hood River, also maintain transportation infrastructure and public recreational facilities such as parks and boat launches.

How would you describe the importance of the Port for our community?

- Critically Important
- Somewhat Important
- Don't Know/No Opinion
- Very Important
- Not Important

Please indicate how well you feel the Port is currently is managed and operated?

- Very Well
- Somewhat Poorly
- Don't Know/No Opinion
- Well
- Very Poorly

For the following questions, please indicate whether you agree or disagree with the following statements:

The Port should work to identify efficiencies to reduce the cost and scope of its operations.

- Agree
- Disagree
- Neutral
- Don't know

The Port should increase its investments to improve the quality of its level of service and maintenance of its facilities.

- Agree
- Disagree
- Neutral
- Don't know

The Port should seek to develop collaborative partnerships with other agencies (like the City, County, Parks & Rec, etc.) to deliver existing services.

- Agree
- Disagree
- Neutral
- Don't know

What should be the Port's highest priority for the next six years?

TELL US MORE ABOUT YOURSELF

How do you identify?

- Female
- Non-Binary
- Male
- Prefer to self-describe

The median household income in the Hood River area is about \$50,000 per year. Was your household income in 2019?

- Below the median
- Right at or near the median
- Above the median

How do you identify yourself culturally?

- Asian or Pacific Islander
- Caucasian or White
- Native American or Native Alaskan
- Latin(x)/Hispanic
- African American
- Other

Thank you for taking time to provide your thoughts.

Please return your survey to the Port of Hood River by March 6th.

You may drop it off or mail it to:

Port of Hood River
1000 E. Port Marina Drive
Hood River, OR 97031

Send your survey via email to:
porthr@gorge.net

The Port's survey is also available online at:
<http://bit.ly/porthoodriver>

The Port is planning to hold public meetings to receive comment on the 2020-2026 Strategic Business Plan. The first meeting is:

STRATEGIC BUSINESS PLAN OPEN HOUSE

Thursday, February 20, 6-8pm
Port of Hood River Conference Room
1000 E. Port Marina Drive, Hood River

All meetings will be announced in the Hood River News and the Port's website at portofhoodriver.com. Follow us on Facebook (Facebook.com/PortofHoodRiver) and Twitter (Twitter.com/PortofHoodRiver) for updates.

If you would like to provide more information, comments, suggestions, or thoughts for the Port to consider in developing its strategic plan, or on any Port-related issue, please write to us at porthr@gorge.net.

Puerto de Hood River: Encuesta de opinión pública del plan estratégico de negocios

¡Bienvenido! En los últimos cinco años, nuestra región ha visto cambios significativos en su economía, con desafíos nuevos y duraderos que enfrentan las empresas y las familias. El Puerto de Hood River quiere servir mejor a la comunidad por medio de comprender sus necesidades y pensamientos sobre el papel del Puerto de esta región. A medida que complete un proceso de planificación para desarrollar su Plan Estratégico de Negocios 2020-2026, el Puerto utilizará los aportes que usted proporcione.

Esta encuesta tomará unos 8 minutos para completarse.

¿Cuál es el mayor problema que enfrenta nuestra comunidad?

AERÓDROMO KEN JERNSTEDT

El aeródromo Ken Jernstedt es un aeropuerto de aviación general con una pista de aterrizaje de 3,040 pies y un área alternativa de aterrizaje de césped. El aeropuerto ofrece un autoservicio de abastecimiento de combustible, capacitación de pilotos privados, paseos en aviones planeadores y club, vuelos turísticos y servicios mecánicos. El aeropuerto sirve al museo WAAAM, sede del Fly-In, un evento anual que se lleva a cabo en Hood River. El aeropuerto también proporciona espacio en el hangar para compañías de tecnología de aviación, aviones privados, y sirve como base de operaciones para la respuesta a incendios forestales y operaciones de búsqueda y rescate de emergencia.

¿Cómo describirías la importancia del aeropuerto y su papel en nuestra comunidad?

- De importancia crítica Muy importante
 Algo importante No importante
 No se / no tengo opinión

Indique a que nivel se mantiene y opera actualmente el aeródromo

- Muy bien Bien
 Algo Pobre Muy pobremente
 No se / no tengo opinión

Para las siguientes preguntas, indique si está de acuerdo o en desacuerdo con las siguientes declaraciones:

El ruido de las actividades en el aeródromo es un problema importante en mi casa o vecindario.

- De acuerdo Desacuerdo Neutral No se

El Puerto debería invertir en maneras de mejorar el aeropuerto para atraer o expandir su uso actual.

- De acuerdo Desacuerdo Neutral No se

El Puerto debería desarrollar y ampliar sus espacios de hangares en el aeropuerto para apoyar el

crecimiento de la industria local de tecnología de aviación.

- De acuerdo Desacuerdo Neutral No se

PARQUES FRENTE AL AGUA Y ESPACIOS ABIERTOS

Por muchos años el puerto de Hood River ha desarrollado y mantenido la mayoría de las playas, parques y espacios abiertos recreativos a lo largo del Waterfront Park de Hood River, incluyendo la playa del Event Site, Frog Beach, el muelle pequeño junto al Nichols Basin, el Hook, Marina Green, la playa del Marina, la carretera del Spit, and la Waterfront Trail. A diferencia de la mayoría de los parques que se financian con ingresos basados en el impuesto a la propiedad, hasta cierto punto la operación y el mantenimiento continuo de los parques del Puerto se financian con el sistema de pago de estacionamiento cual se implementó por primera vez en 2018.

¿Cómo describirías la importancia de los parques frente al agua, las playas y los espacios abiertos para nuestra comunidad?

- De importancia crítica Muy importante
 Algo importante No importante
 No se / no tengo opinión

Indique a que nivel cree usted que los sitios propiedad del Puerto mencionados anteriormente se mantienen y operan actualmente.

- Muy bien Bien
 Algo Pobre Muy pobremente
 No se / no tengo opinión

Para las siguientes declaraciones, indique si está de acuerdo o en desacuerdo con ellas:

El Puerto debería trabajar activamente para mejorar las oportunidades de acceso al agua e invertir en un mayor desarrollo de las instalaciones recreativas frente al agua.

- De acuerdo Desacuerdo Neutral No se

El puerto debería tratar de expandir e incrementar el uso de las actuales instalaciones recreativas frente al agua.

- De acuerdo Desacuerdo Neutral No se

El Puerto debería trabajar para restaurar las áreas de hábitat natural y mejorar las funciones naturales en la desembocadura del Hood River y otras áreas frente al agua.

- De acuerdo Desacuerdo Neutral No se

El Puerto debería colaborar con el Condado y el Distrito de Parques y Recreación de Hood River Valley para identificar eficiencias y maneras de ahorrar dinero en el mantenimiento y las operaciones de los parques.

- De acuerdo Desacuerdo Neutral No se

MARINA DE HOOD RIVER

La Marina de Hood River ofrece un lanzamiento gratuito de botes para la pesca y otros usos recreativos, así como patrullas en el Río Columbia de la Comisión Inter-Tribal de Pesca (CRITFC) y el Sheriff. La Marina

también proporciona un muelle para barcos privados al largo plazo, tiene más de 160 muelles y varias casas de botes, así como embarcaciones al corto plazo de cruceros y atraque de grande buques.

¿Cómo describirías la importancia de la Marina y su papel en nuestra comunidad?

- De importancia crítica Muy importante
 Algo importante No importante
 No se / no tengo opinión

Indique a que nivel cree usted que la Marina se mantiene y opera actualmente.

- Muy bien Bien
 Algo Pobre Muy pobremente
 No se / no tengo opinión

Para las siguientes declaraciones, indique si está de acuerdo o en desacuerdo con ellas:

Es importante tener acceso público gratuito al lanzamiento de botes para la pesca y otros usos recreativos.

- De acuerdo Desacuerdo Neutral No se

Es importante que Hood River tenga un puerto deportivo para el amarre a largo plazo de veleros y embarcaciones privadas.

- De acuerdo Desacuerdo Neutral No se

Es importante proporcionar programas de vela juvenil en la Marina de Hood River.

- De acuerdo Desacuerdo Neutral No se

DESARROLLO ECONOMICO

El Puerto es dueño de propiedades industriales y comerciales, así como varias parcelas de terrenos industriales no desarrolladas. A pesar de que el público no suele visitar o recrearse cerca de estas propiedades, proporcionan un beneficio económico directo e indirecto a la región en términos de creación de empleo, salarios e ingresos.

¿Cómo describiría la importancia de las actividades de desarrollo económico para apoyar la retención y expansión de las empresas de propiedad local?

- De importancia crítica Muy importante
 Algo importante No importante
 No se / no tengo opinión

¿Cómo describiría la importancia de las actividades de desarrollo económico para atraer nuevas empresas e industrias a nuestra área?

- De importancia crítica Muy importante
 Algo importante No importante
 No se / no tengo opinión

Para las siguientes declaraciones, indique si está de acuerdo o en desacuerdo con ellas:

Es importante que el Puerto de Hood River mantenga su cartera de bienes raíces para permitir que las empresas locales operen y crezcan.

- De acuerdo Desacuerdo Neutral No se

Es importante tener propiedades urbanizables listas para apoyar el crecimiento y la retención de las empresas industriales ligeras de propiedad local.

- De acuerdo Desacuerdo Neutral No se

Puerto de Hood River: Encuesta de opinión pública del plan estratégico de negocios

PUENTE INTERESTATAL DE HOOD RIVER Y WHITE SALMON

El puente Hood River y White Salmon no satisface las necesidades actuales de los viajeros por, con carriles estrechos, falta de arcones de seguridad, difícil navegación en barcaza y sin sendero para bicicletas o peatones, son necesarios los cambios. El Puerto está comprometido a reemplazar el puente de casi 100 años de antigüedad, pero el esfuerzo va a tomar varios años y el nuevo puente requerirá cambios significativos en los sistemas de tráfico, peajes, control local y operaciones.

¿Cómo describirías la importancia del puente que conecta Hood River con Bingen y White Salmon para nuestra comunidad?

- De importancia crítica Muy importante
 Algo importante No importante
 No se / no tengo opinión

Indique su opinión de cómo se mantiene y opera el puente actual.

- Muy bien Bien
 Algo Pobre Muy pobremente
 No se / no tengo opinión

Para las siguientes declaraciones, indique si está de acuerdo o en desacuerdo con ellas:

El reemplazo del puente con una estructura nueva y moderna es tan importante que el Puerto debería pedir a los residentes que consideren un peaje más alto para que esto suceda.

- De acuerdo Desacuerdo Neutral No se

Los peajes deberían establecerse lo más bajo posible, incluso si eso significa retrasar el reemplazo del puente actual.

- De acuerdo Desacuerdo Neutral No se

El nuevo puente debería tener acceso y servicios para bicicletas y peatones.

- De acuerdo Desacuerdo Neutral No se

El nuevo puente debería ser propiedad y operado por una agencia estatal (ya sea ODOT o WSDOT o una combinación de ambos).

- De acuerdo Desacuerdo Neutral No se

El nuevo puente debería ser propiedad y operado por una agencia o autoridad local.

- De acuerdo Desacuerdo Neutral No se

El nuevo puente debería ser propiedad y operado por una parte privada o una asociación público-privada.

- De acuerdo Desacuerdo Neutral No se

SERVICIOS E INSTALACIONES PÚBLICAS DEL PUERTO

El Puerto se enfoca en optimizar las operaciones mientras continúa proporcionando las instalaciones y servicios públicos necesarios. Hay 23 distritos portuarios en Oregon, cada uno apoyando el desarrollo económico a largo plazo en sus comunidades. Su papel en la atracción de empleos e inversión privada puede ser especialmente beneficioso en áreas rurales donde la infraestructura industrial no podría desarrollarse de otra manera. Algunos puertos, como el puerto de Hood River, también mantienen infraestructura de transporte

e instalaciones recreativas públicas, como parques y lanzamientos de barco.

¿Cómo describirías la importancia del Puerto para nuestra comunidad?

- De importancia crítica Muy importante
 Algo importante No importante
 No se / no tengo opinión

Indique su opinión de como el Puerto está actualmente administrado y operado.

- Muy bien Bien
 Algo Pobre Muy pobremente
 No se / no tengo opinión

Para las siguientes declaraciones, indique si está de acuerdo o en desacuerdo con ellas:

El Puerto debería trabajar para identificar eficiencias para reducir el costo y la amplitud de sus operaciones.

- De acuerdo Desacuerdo Neutral No se

El Puerto debería aumentar sus inversiones para mejorar la calidad y nivel de servicio y mantenimiento de sus instalaciones.

- De acuerdo Desacuerdo Neutral No se

El Puerto debería buscar desarrollar asociaciones de colaboración con otras agencias (como la Ciudad, el Condado, Parques y Rec, etc.) para brindar los servicios existentes.

- De acuerdo Desacuerdo Neutral No se

¿Cuál debería ser la máxima prioridad del puerto para los próximos seis años?

CUÉNTENOS MÁS SOBRE USTED

¿Cómo te identificas?

- Hembra Masculino
 No binario Prefiero autodescribirme

El ingreso familiar promedio en el área de Hood River es de aproximadamente \$ 50,000 por año. ¿Cuales fueron los ingresos de su hogar en 2019?

- Debajo de la mediana
 Justo en o cerca de la mediana
 Por encima de la mediana

¿Cómo te identificas culturalmente?

- Asiático o isleño pacífico Latín (x) / hispano
 Caucásico o blanco Afroamericano
 Nativos americanos o nativos de Alaska
 Otro

Entregue su encuesta al Puerto de Hood River antes o para el 6 de Marzo.

Puede mandar por correo, o puede pazara dejarlo ala oficina:

Port of Hood River
1000 E. Port Marina Drive
Hood River, OR 97031

Via electronica:
porthr@gorge.net

Muchas gracias por tomarse el tiempo para ayudar a nuestra comunidad con sus comentarios.

¡Úyudenos mientras continuamos la discusión!

El puerto planea esta primavera llevar a cabo dos reuniones públicas para recibir comentarios sobre el borrador del Plan Estratégico de Negocios 2020-2026.

o [Twitter](#) para actualizaciones. Las reuniones se anunciarán en las noticias de Hood River y en línea en [Facebook](#). También puedes seguirnos en [Facebook](#).



Appendix B

Survey Response Statistics



Strategic Business Plan Early outcomes of public survey

March 10, 2020

Purpose of engagement

- Obtain community thoughts on the Port's role in the region.
- Build an understanding of the community's current needs and priorities relative to the Port's business areas.
- Promote awareness among stakeholders and the public about the Port, project purpose, process and schedule.



Survey distribution

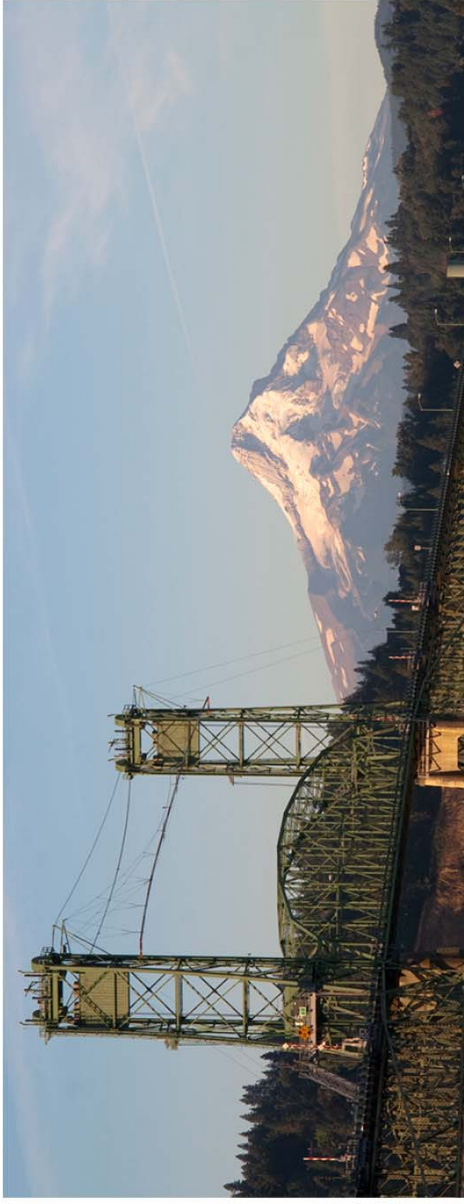
- Website
- Email and social media
- Port newsletter with paper survey
- Print and digital advertising
- Open house held Feb. 20, 2020
- Direct distribution of paper surveys to people historically underrepresented, including people who primarily speak Spanish and people with low incomes. (*This effort is ongoing and results are not complete.*)





Responses

- More than 1,000 responses
- About 59% from OR and 41% from WA
- Respondents tend to be older, have higher incomes and less ethnically and racially diverse than the population at large



Data results are preliminary



- Lack of affordable housing
- Need for new bridge
- Challenges with population growth
- Other:
 - Lack of parking
 - Cost of living
 - Quality of life
 - Traffic and transportation

What is the biggest issue facing
our community?

pedestrian development
bike
business
replace
tolls replacement
port
or
river toll
bridge
waterfront
parking
maintain
replacing
hood
access
local
public
community
maintenance

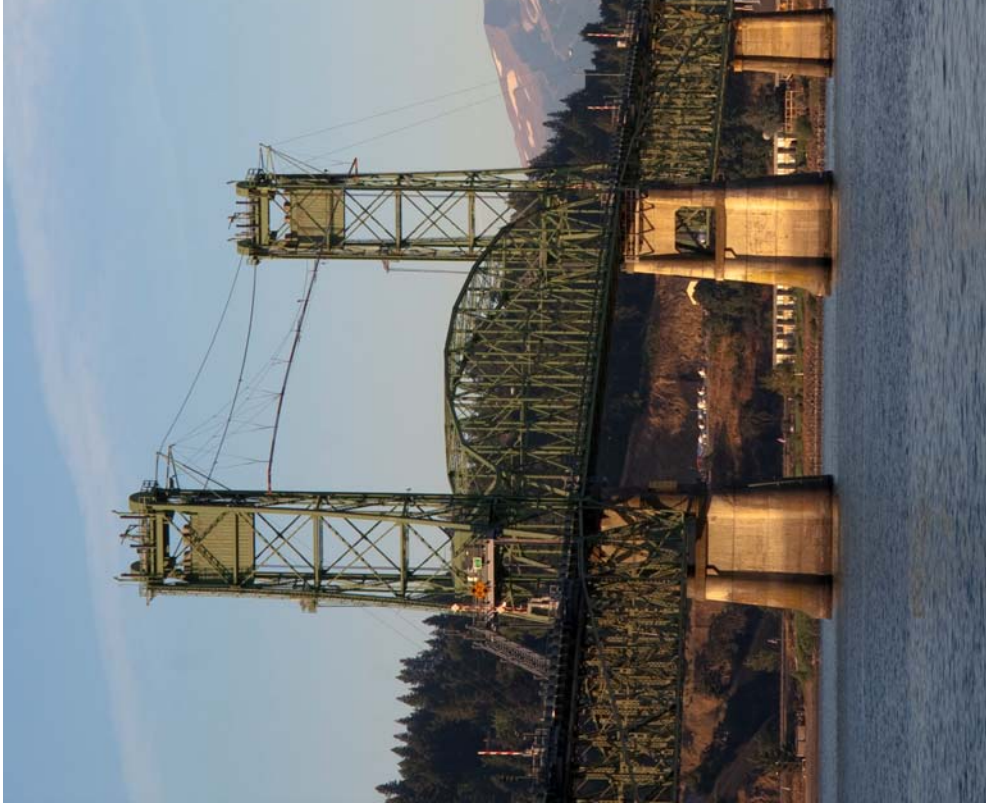
What should be the Port's highest
priority for the next six years?

Importance of Port facilities and services

Facility or service	% respondents: Very or Critically Important
Hood River-White Salmon Bridge	96
Waterfront park, beaches and open space	89
Port of Hood River	71
Economic development	66 / 47
Hood River Marina	56
Ken Jernstedt Airfield	43

Highlights: Bridge

- Majority (82%) of respondents agree new bridge must have bike/ped access and amenities
- More than half (69%) of respondents disagree with private ownership or P3
- Half disagreed that a higher toll should be used to modernize (1/3 agreed)
- Half disagreed with keeping tolls low and delaying replacement (1/3 agreed)

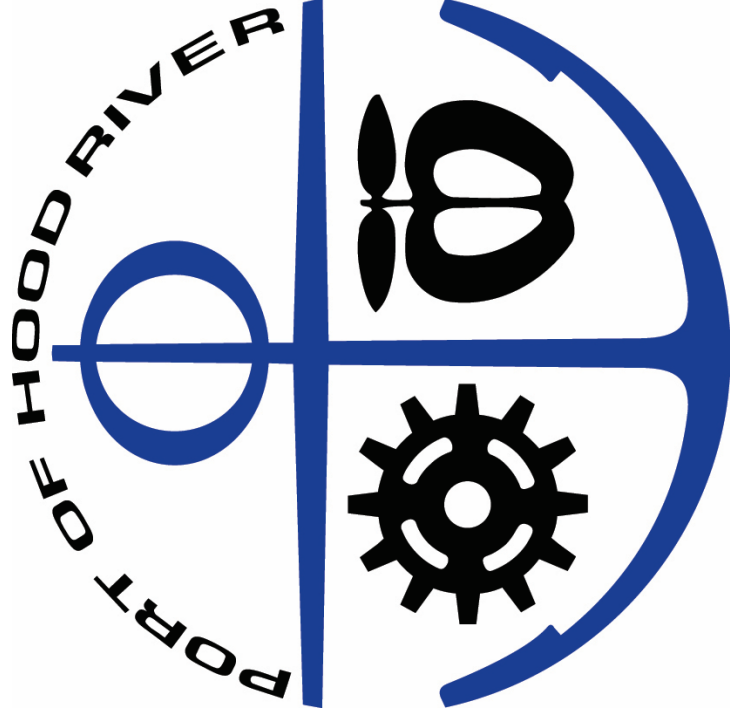


Highlights: Parks and open space

- Majority of respondents (80%) agreed sites are very well or well maintained and operated
- Majority of respondents (86%) agreed the Port should collaborate with other entities to find cost efficiencies
- More than half of respondents (71%) agreed the Port should restore natural habitat areas.



Highlights: Port of Hood River



- Majority of respondents agreed the Port should look for efficiencies by reducing cost and scope
- Majority of respondents also agreed Port should seek collaborative partnerships
- Almost a quarter (23%) of respondents said they didn't know or had no opinion of how well Port is managed

Highlights: Economic development activities

- Retaining existing businesses was viewed by respondents more favorably than recruiting new businesses
- More than half of respondents agreed agreed the Port should maintain real estate and developable properties for local businesses, light industrial businesses



Highlights: Marina

- A majority of respondents (87%) agreed it is important to have free launch access
- High percentage (40%) of respondents had no opinion or didn't know how well the marina is operated; nearly 50% said it is operated well or very well.



Highlights: Airfield

- Highest percentage of respondents saying they have no opinion or don't know how well the airfield facility is operated or maintained (55%)
- For all the facility-specific questions, the highest number of "don't know" responses were associated with the airfield
- About 150 respondents (15%) agreed that noise at the airfield is a significant issue.



AIRFIELD: For the following questions, please indicate whether you agree or disagree with the following statements:

	Agree		Disagree		Neutral		Don't know		Responses	
	Count	Row %	Count	Row %	Count	Row %	Count	Row %	Count	Count
Noise from activities at the airfield are a significant issue in my home or neighborhood.	150	15.1%	490	49.3%	167	16.8%	187	18.8%	994	
The Port should invest in improvements to the airport that would attract or expand its current use.	270	26.7%	357	35.3%	247	24.5%	136	13.5%	1,010	
The Port should develop hangar spaces at the airport to support growth of local aviation technology industry.	316	31.3%	293	29.0%	242	24.0%	159	15.7%	1,010	

MARINA: For the following questions, please indicate whether you agree or disagree with the following statements:

	Agree		Disagree		Neutral		Don't know		Responses	
	Count	Row %	Count	Row %	Count	Row %	Count	Row %	Count	Count
It is important to have free, public boat launch access for fishing and other recreational uses.	890	87.0%	38	3.7%	72	7.0%	23	2.2%		1,023
It is important for Hood River to have a marina for long-term moorage of private sailboats and vessels.	648	63.6%	87	8.5%	236	23.2%	48	4.7%		1,019
It is important to provide Youth Sailing educational programs at the Hood River Marina.	673	66.3%	97	9.6%	207	20.4%	38	3.7%		1,015

PARKS: For the following questions, please indicate whether you agree or disagree with the following statements:

	Agree		Disagree		Neutral		Don't know		Responses	
	Count	Row %	Count	Row %	Count	Row %	Count	Row %	Count	Count
The Port should actively work to improve water access opportunities and invest in further development of waterfront recreational facilities.	596	58.9%	195	19.3%	199	19.7%	22	2.2%		1,012
The Port should seek to expand and increase the use of current waterfront recreational facilities.	530	52.5%	246	24.4%	207	20.5%	27	2.7%		1,010
The Port should work to restore natural habitat areas and improve natural functions at the mouth of the Hood River and other areas of the waterfront.	717	71.1%	113	11.2%	155	15.4%	24	2.4%		1,009

BRIDGE: For the following questions, please indicate whether you agree or disagree with the following statements:

	Agree		Disagree		Neutral		Don't know		Responses	
	Count	Row %	Count	Row %	Count	Row %	Count	Row %	Count	Count
The replacement of the bridge with a new, modern structure is so important that the Port should ask residents to consider a higher toll to make it happen.	342	33.5%	512	50.2%	141	13.8%	25	2.5%	1,020	1,020
Tolls should be set as low as possible, even if that means delaying replacement of the current bridge.	311	30.5%	551	54.0%	140	13.7%	18	1.8%	1,020	1,020
The new bridge must have bicycle and pedestrian access and amenities.	848	82.0%	118	11.4%	64	6.2%	4	0.4%	1,034	1,034
The new bridge should be owned and operated by a state agency (either ODOT or WSDOT or a combination of both).	574	55.7%	137	13.3%	190	18.4%	130	12.6%	1,031	1,031
The new bridge should be owned and operated by a local agency or authority.	195	19.0%	432	42.2%	254	24.8%	143	14.0%	1,024	1,024
The new bridge should be owned and operated by a private party or a public-private partnership.	68	6.6%	707	69.1%	146	14.3%	102	10.0%	1,023	1,023

ECONOMIC DEV: For the following questions, please indicate whether you agree or disagree with the following statements:

	Agree		Disagree		Neutral		Don't know		Responses	
	Count	Row %	Count	Row %	Count	Row %	Count	Row %	Count	Count
It is important that the Port of Hood River maintain its real estate portfolio to enable local businesses to operate and grow.	543	53.6%	206	20.3%	189	18.6%	76	7.5%		1,014
It is important to have developable properties ready to support the growth and retention of locally owned light industrial businesses.	592	58.1%	210	20.6%	175	17.2%	42	4.1%		1,019

PORT: For the following questions, please indicate whether you agree or disagree with the following statements:

	Agree		Disagree		Neutral		Don't know		Responses	
	Count	Row %	Count	Row %	Count	Row %	Count	Row %	Count	Count
The Port should work to identify efficiencies to reduce the cost and scope of its operations.	783	77.4%	44	4.3%	132	13.0%	53	5.2%	1,012	
The Port should increase its investments to improve the quality of its level of service and maintenance of its facilities.	423	42.1%	192	19.1%	263	26.2%	126	12.5%	1,004	
The Port should seek to develop collaborative partnerships with other agencies (like the City, County, Parks & Rec, etc.) to deliver existing services.	822	80.9%	55	5.4%	93	9.2%	46	4.5%	1,016	

2020-2026 STRATEGIC BUSINESS PLAN OPEN HOUSE

Thursday, February 20, 6-8PM

*Port of Hood River Conference Room
1000 E. Port Marina Drive, Hood River*

We want to hear from you!

The Port of Hood River will host a drop-in style open house to receive public comment to inform the Port Commission on community needs, sentiment, and priorities for the development of its 2020-2026 Strategic Business Plan, the guiding policy document for the Port. The meeting will be facilitated by Anne Presentin of EnviroIssues, public outreach consultant to the Port. There will be a brief presentation about the project, then attendees will have multiple opportunities to share information, ask questions, and provide feedback on project choices. Public comment will be invited during the event, and written testimony may be submitted by mail or email to porthr@gorge.net. For more information please visit portofhoodriver.com.



1000 E. Port Marina Drive, Hood River, OR 97031

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APPENDIX H

WORK SESSION ON
DRIVERS OF CHANGE &
POSSIBLE ACTIONS

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Port of Hood River

Strategic Business Plan update, Commission work session #1

November 19, 2019

Exercise #1: Drivers of Change:

DEMOGRAPHIC/SOCIAL

- Population increase/diversification
- What is Hood River as a Community in the Future?
- Changes in Jobs – Telecommuting (people can live where they want)
- Lack of affordable housing in the Gorge
- Climate change refugees
- Trades retirements (baby-boomer generation labor force changes)
- Recreation needs

ECONOMIC

- Limited land supply
- Work force
- School/future/jobs
- Regional economy
- Job increase/economic development
- Increase in tourism visitors
- Desirability of area as a visitation destination
- Perception of the Gorge as being a resort area
- Land acquisition

ENVIRONMENTAL

- Power discontinuation due to fire concerns
- Recreation access
- Climate change = supply chain changes
- Quake (seismic/Cascadia Subduction Zone)
- Increased permitting restrictions

TECHNOLOGY

- Future industry – Digital? Or Physical? Space Needs?
- Advance of tele-commuting

- Technology refresh – 7-year obsolescence cycle

POLICY

- Federal funding policies for infrastructure
- Land acquisition (Port helping others)
- Tribal treaty law
- Bike/ped tolling
- Public involvement/communication

BRIDGE

- Bridge future
- Bridge user change
- Obsolescence and age of the current bridge
- Bridge flow
- Bridge toll
- Cross-river governance

OTHER

- Sense of community
- Overcoming divisiveness
- Public perception
- Political environment
- City/County budget deficits

Exercise #2: Future Port Activities

PORT ADMINISTRATION, GOVERNANCE, FINANCE, IT, HR, ETC

- Change ORS 777
- Identify financial objectives (path check)
- Update property management software and efficiency
- Keep implementing our current strategy. Because we are accomplishing long term goals.
- Revisit waterfront overlay zone document
- Better inter-agency communication
- Look at our organization chart – does it reflect a different business model.
- Get our new software. We will be better able to respond to a changing business model.

BRIDGE

- Transportation – carpool, ebikes, new zones, laws
- Transition EIS group into next phase/new role
- 2 Plans re: bridge – prepare response to either scenario
- Engage ODOT & WSDOT & P3

ECONOMIC DEVELOPMENT/REAL ESTATE

- Specific plan to support next generation workforce
- Promote affordable housing
- Acquire and develop commercial business park
- Promote value added agriculture
- Define what development type belongs here
- Business Retention and Expansion survey of large employers
- Determine Lot 1 future
- Identify urgent attention needed to Maritime, Jensen, and Big 7 buildings
- Where are these people with shiny new jobs going to live?
- Land acquisition and continued development
- Continue developing industrial and office space
- Diversify development types

PARKS

- RV park development at Maritime or elsewhere

FACILITIES – PORT

- Promote airport self-sufficiency
- Marina and airport improvements to keep solvent

FACILITIES – OTHER

- Community center development
- Regional community center
- Promote local higher education opportunities
- Possible parking hub (park and ride paid) for CAT

ENVIRONMENT

PUBLIC PRIVATE ENGAGEMENT/PARTNERSHIPS

- Funding for the trades
- Possible join forces with Parks & Rec to help with our park deficit

Fundamental Principles

Bridge replacement is top priority

Not in the best interest for community for the Port to be in the bridge business, not capable, need ODOT/WSDOT. CRC I-5?

Port provides meaningful services and should maintain its role. Don't close Port even without the bridge.

Self sufficiency

- Recreation?
- Port overall, yes.

Yes, include Values in new SBP.

- Add Transparency and Public Awareness
- Revisit 2014 values

The service is more important than the provider.

Value – Cross-river regional collaboration

Resiliency

Vitality and Economic Growth

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APPENDIX I

SCHEDULE OF CAPITAL
PROJECTS FOR
MAINTENANCE OF
EXISTING BRIDGE

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APPENDIX J
WORK SESSION ON
EXISTING &
REPLACEMENT
BRIDGE

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An aerial photograph of a large steel truss bridge spanning a wide river. The bridge has several support piers and is carrying a few vehicles. In the background, there are rolling green hills and mountains under a clear blue sky. The foreground shows a lush green shoreline with trees and a small dock area.

BRIDGE REPLACEMENT STRATEGY WORK SESSION

Port of Hood River Commission

February 25, 2021

Agenda

01

Existing Bridge -
Capital
Maintenance Plan

Discussion

02

Bridge
Replacement
Project Strategy

Discussion

03

Key Questions &
Project
Communications

Discussion

The first obligation of the Port is to
keep the bridge safe and operational
for as long as possible.

The second obligation of the Port is to do everything it can to ensure that a new bridge is built as soon as possible.



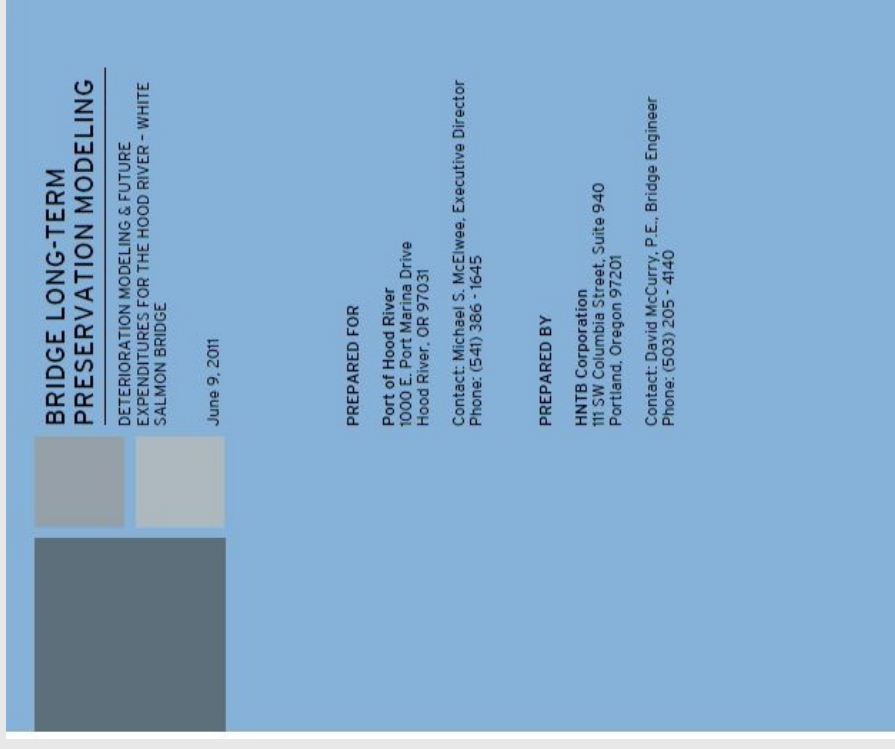
I.EXTING BRIDGE

Long-Term Preservation Model - 2011

Identify the long-term capital needs of the Hood River Bridge to guide capital investment and maintenance decisions.

Port bridge engineer HNTB was asked to:

1. Organize the bridge by component group
2. Collect and organize available information
3. Prepare component condition summaries
4. Project capital maintenance needs for a 30-year period under 3 deterioration scenarios
5. Estimate corresponding costs



LTP Model – Assessment Methodology

Evaluation Component Hierarchy:

DIVISION: Bridge

Subdivision: Superstructure Steel Truss

Component: Span 10

Member: Lower Chord Truss Member L01L02

Piece: Main Longitudinal Channel on L01L02

Longevity Assessment Model – Methods

HR Bridge-Specific Subdivisions:

- Approach Structures
- Foundations
- Substructure (Piers)
- Superstructure (e.g. Trusses)
- Painting
- Deck & Railing Systems
- Lift Span E & M
- Ancillary Items
- Inspections & Studies

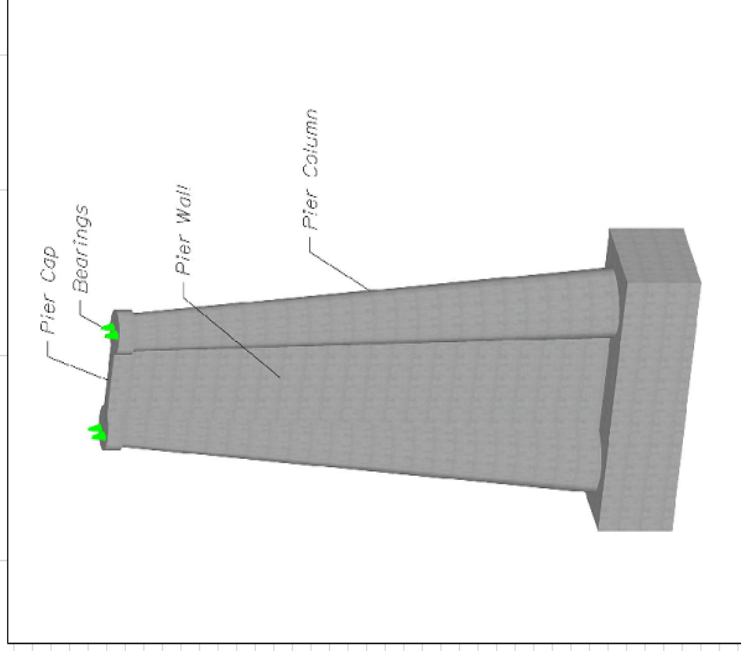
National Bridge Institute (NBI) Rating System

- **9:** Excellent Condition
- **8:** Very Good Condition
- **7:** Good Condition
 - Minor Cracking, Leaching or Spalls
- **6:** **Satisfactory Condition**
 - **Minor Deterioration or Disintegration, Spalls, Cracking, and Leaching.**
- **5:** Fair Condition
 - Some Spalling or Scaling with Exposed Reinforcing Steel Possible but No Loss of Section in Main Bars.
- **4:** Poor Condition
 - Structural Cracks and Advanced Deterioration. Substantial Spalling with Loss of Section on Main Rebars.
- **3:** Serious Condition
 - Severe Disintegration of Concrete.
- **2:** **Critical Condition**
 - **Bridge will be Closed Until Condition is Repaired.**
- **1:** Imminent Failure Condition
- **0:** Failed Condition

Subdivision Assessment

Substructure Components

Components	Description	Data Sources			
		Bridge Inspection Reports	Fracture Critical Inspection Reports	Underwater Inspection Reports	As-Built
Pier Columns	2 per pier, vertical support	X		X	X
Bearings	on top of pedestal, connects superstructure to the pier & abutments	X	X		X
Pier Wall	connects pier columns	X	X	X	X
Pier Cap	(or pier cap) on top of pier	X	X	X	X



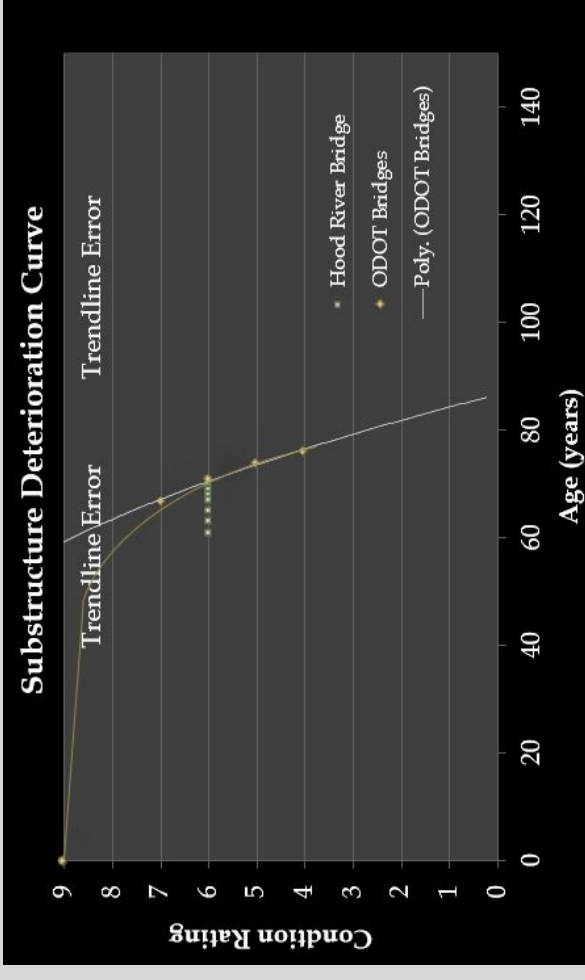
Superstructure Components

Components	Description	Data Sources			
		Bridge Inspection Reports	Fracture Critical Inspection Reports	Underwater Inspection Reports	As-Built
Fracture critical members		X	X		X
Secondary members		X	X		X
Gusset plates		X	X		X
Stringers	W18x35				
Floor Beams					
Through Truss					
Auxiliary Truss					



Condition History - Substructure

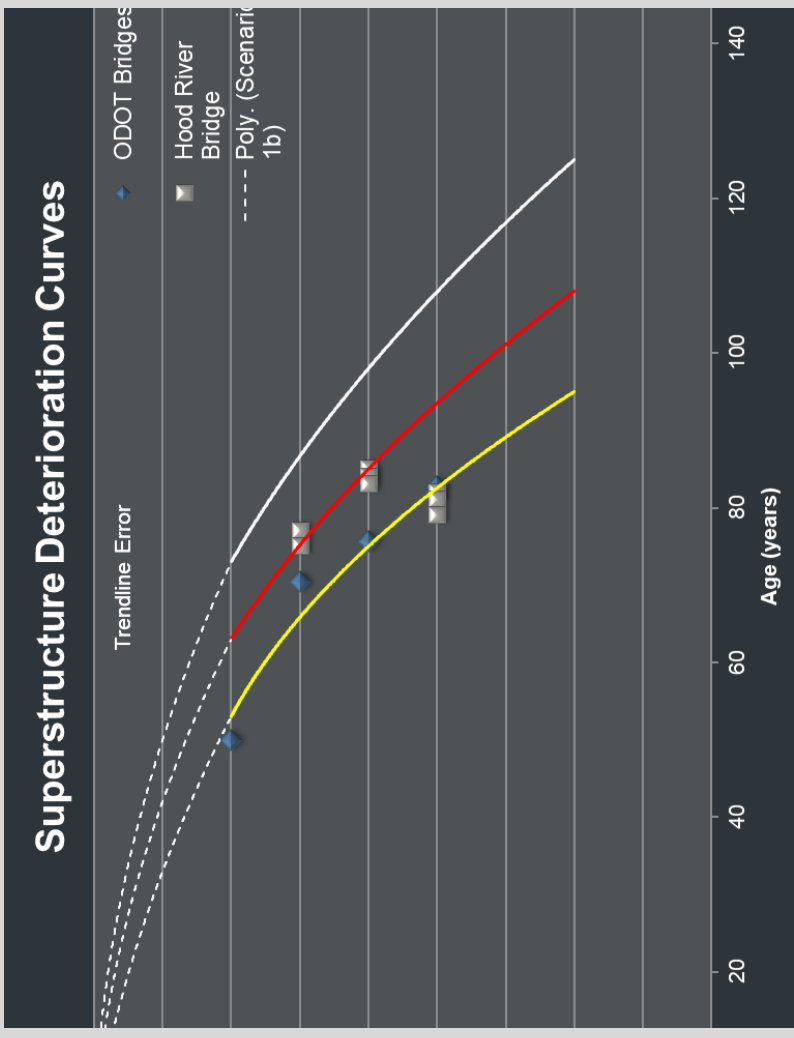
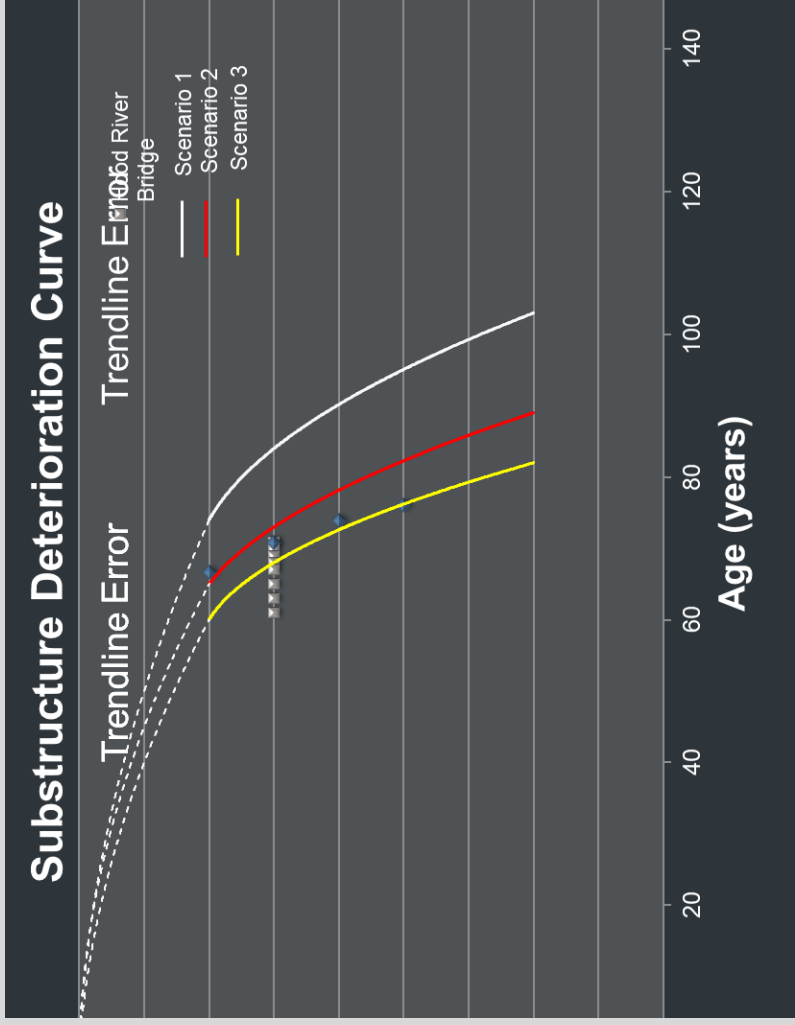
Hood River Bridge							
year	Bridge #	Description	Year Built (recent construction)	ADT	Type	Substructure NBI Rating	Age at rating
2009	06645 002C06462	COLUMBIA RIVER	1938	9213	315	6	71
2008	06645 002C06462	COLUMBIA RIVER	1938	9122	315	6	70
2007	06645 002C06462	COLUMBIA RIVER	1938	9122	315	6	69
2006	06645 002C06462	COLUMBIA RIVER	1938	8000	309	6	68
2005	06645 002C06462	COLUMBIA RIVER	1938	8000	309	6	67
2003	06645 002C06462	COLUMBIA RIVER	1938	8000	309	6	65
2001	06645 002C06462	COLUMBIA RIVER	1938	7500	309	6	63
1999	06645 002C06462	COLUMBIA RIVER	1938	7500	309	6	61
1924						9	0



Utilized ODOT Bridge Information to Determine Deterioration for Like Steel Bridges:

- Built Between 1909 and 1941
- Crossing a Waterway

Substructure & Superstructure



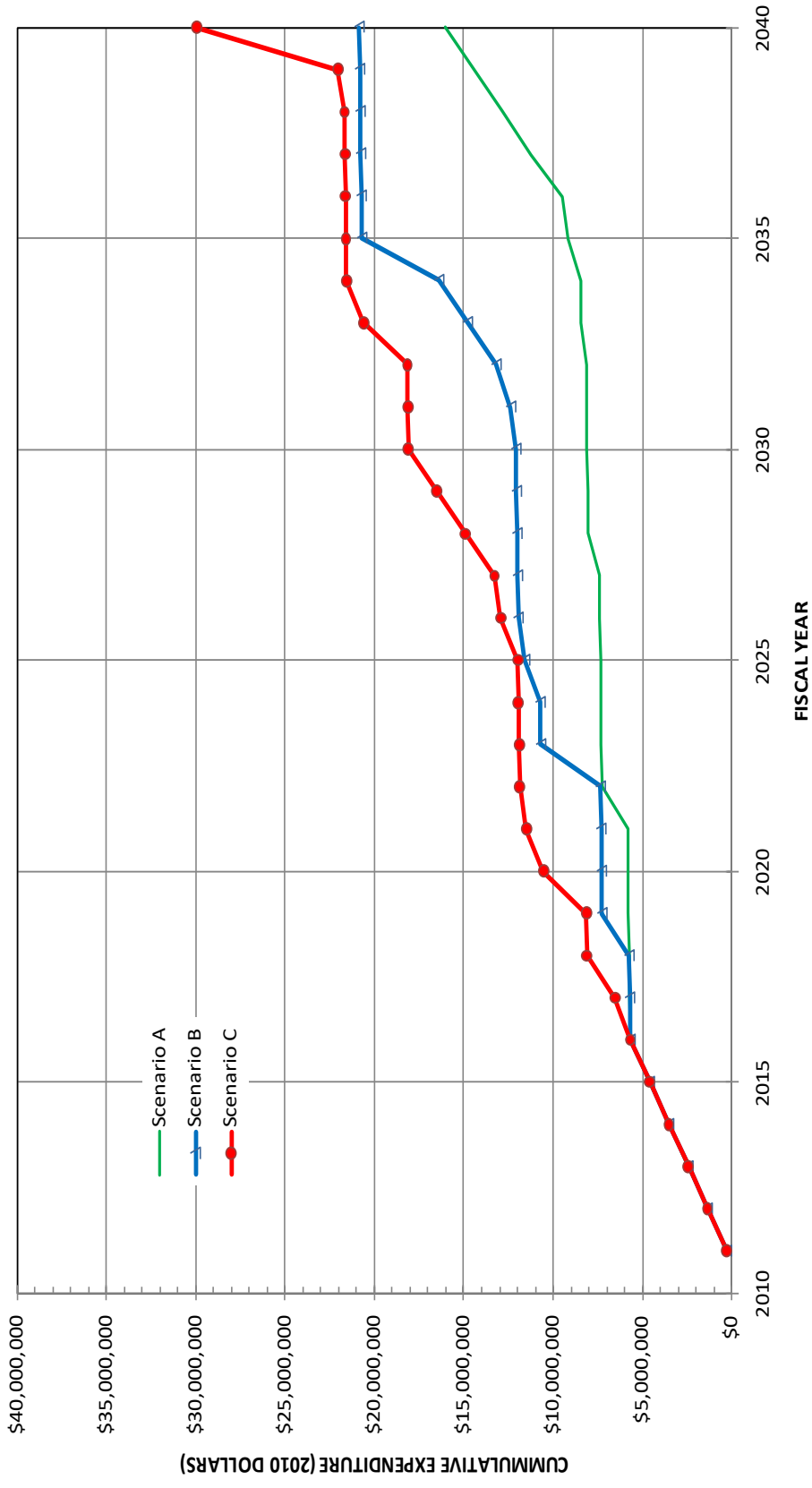
Capital Maintenance Plan

Capital Improvements Plan		FISCAL CALENDAR																																
		FY 20/21						FY 21/22						FY 22/23						FY 23/24						LONG TERM								
Bridge Component Group	Project (Scope of Work)	Estimated Cost (2020 Dollars)	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	
Approach Structures	Bridge Deck Repairs	\$ 600,000																																
	OP Approach Spans Replacement	\$ 847,000																																
	WA Approach Spans Replacement	\$ 4,117,000																																
	Per Underwater Inspection and Analysis	\$ 35,000																																
Foundations (Substructure)	Per 6 & 8 Concrete Repairs	\$ 1,600,000																																
	Per Cap and Bearing Inspection and Eval	\$ 20,000																																
Substructure (Piers)	Per Cap Concrete Rehabilitation	\$ 889,000																																
	Per Cap Concrete Rehabilitation	\$ 20,000																																
Superstructure (Steel Trusses)	Per Truss Deck Repairs	\$ 600,000																																
	Per Truss Deck Repairs	\$ 400,000																																
	Per Truss Deck Repairs	\$ 268,818																																
	Per Truss Deck Repairs	\$ 6,000,000																																
Paint Systems	Per Deck Truss Spans - Phase 1 Seismic	\$ 6,000,000																																
	Per Deck Truss Spans - Phase 2 Seismic	\$ 6,000,000																																
Deck Systems & Railing	Per Deck Truss Spans - Phase 1 Seismic	\$ 600,000																																
	Per Deck Truss Spans - Phase 2 Seismic	\$ 29,600,000																																
Lift Span M&E	Per Lift Span Guardrail Replacement	\$ 100,000																																
	Per Lift Span Guardrail Replacement	\$ 2,830,000																																
Misc. Other	Per Deck Truss Repainting (4 Projects)	\$ 4,523,000																																
	Per Deck Truss Repainting (4 Projects)	\$ 29,600,000																																
Tolling Systems	Per Tolling System Hardware/Software Upgrades	\$ 200,000																																
	Per Violation Enforcement System	\$ 415,000																																
Approach Structures	Per WA Appr - Deck Patching and Joint Repair	\$ 5,000																																
	Per Misc. Maintenance & Repairs	\$ 20,000																																
Foundations (Substructure)	Per QOCOT Underwater Inspections (2-yr cycle)	\$ -																																
	Per Channel Scan at Pier Foundations (3-yr check)	\$ 10,000																																
Substructure (Piers)	Per Clean and Reseal Bearings (4-yr cycle)	\$ 20,000																																
	Per QOCOT Foutain & Fracture Critical Insp (2-yr Cycle)	\$ -																																
Deck Systems & Railing	Per Grid Deck Crack Welding	\$ 60,000																																
	Per Replace Bolt & Guard Rail Segments	\$ 60,000																																
Lift Span M&E	Per Counterweight Tomlinson TDT (5-yr cycle)	\$ 60,000																																
	Per In-depth Wire Rope Inspection (5-yr cycle)	\$ 40,000																																
Misc. Other	Per Lubricate wire ropes	\$ 25,000																																
	Per In-depth Insp of Primary Reducers (5-yr cycle)	\$ 45,000																																
Tolling Systems	Per ECRIS Controller Integration	\$ 56,000																																
	Per System Maintenance	\$ 85,000																																
Cumulative Totals	Per EIC Hardware Warranty	\$ 42,000																																
	Per System Maintenance	\$ 42,000																																

WORK IMPORTANCE KEY:
 Capital Improvements & Maint
 Essential
 Priority
 Recommended
 Non-essential
 High probability of occurrence | required to continue safe and continuous bridge operation.
 Medium to high probability | needed to prevent bridge service disruption.
 Low to medium probability | needed to maintain operating efficiency and ensure safety.

Cumulative Investment

Estimated Future Bridge Work Scenario Comparison of Cumulative Spending



Updating the CMP

The model is updated annually based on inspections, specialized testing and ongoing observations.

<i>Inspection</i>	<i>Interval</i>
◦ Fracture Critical	2 Yr.
◦ Underwater –	2 Yr.
◦ Lift span M&E	5 Yr.
◦ Load Rating	15 Yr. +/-
◦ Guardrail	Monthly
◦ Steel Deck	Quarterly
◦ Specialized*	As Req'd.

* e.g. Wire Ropes, Approach Ramp Concrete, Subsurface Piers/Footings, Trunnion NTD, etc.



Completed Projects

2012 Lower Chord Painting



\$2.95 million

2016 Span Guide Replacement
& Repairs



\$ 62,000

2017 Trunnion Rehab.



\$150,000

Completed Projects

2017 Auxiliary Truss Repairs



\$367,770

2019 Portal Truss Repair



\$256,918

2019 Skew System & Span
Drive Motor Rehabilitation



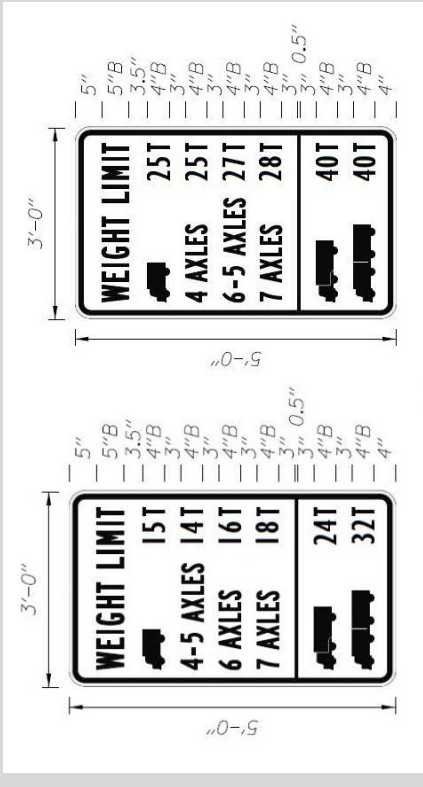
\$308,711



Our “Mann” on the bridge – kudos to Facilities Manager
John Mann for so many years of great work.

2021 Load Rating Reduction

1. Engineering contract approved - **Scoping**
2. Complete Engineering Phase I
3. Contract Amend. approval - **Testing**
4. Complete Engineering Phase II
5. ODOT Acceptance - **Review**
6. **Commission Feasibility Decision - Fall 2021**
7. Contract Amend. Phase III - **Plans/Specs.**
8. Complete Plans/specs
9. Bid Process/Construction Contract - **Construction**
10. Project Completion - Fall 2022



Questions / Discussion

II. REPLACEMENT BRIDGE



Challenges

- Low population base & small, rural communities
- Low traffic/truck volumes
- Limited financial resources
- Complex project
- Future ownership uncertain
- Historical lack of public/agency trust
- Multiple governmental/jurisdictional entities involved
- Limited support from ODOT & WSDOT

Opportunities

- Significant seniority in PNW senate delegation
- Growing awareness & support from OR legislature
- Key support in WA State elected official
- Oregon statutory authority for tolling and P3
- Growing bi-state project collaboration & trust
- New federal financial support via BUILD
- Experienced consultant & staff team
- Emphasis on rural projects in federal programs.

Replacement Strategy

1. Facilitate Bi-State Collaboration
2. Build Community Awareness & Support
3. Build Legislative/Agency Awareness & Support
4. Demonstrate Project Credibility
5. Preserve Project Delivery Flexibility
6. Identify Experienced Team with Diverse Skillsets
7. Pursue All Available Funding Sources
8. Prepare to Transition Project to Another Entity
9. Work Multiple Project Strategies Simultaneously

1. FACILITATE

BI-STATE COLLABORATION



Alignment of interests, active and engaged leadership, and unified advocacy on both sides of the river is paramount to successful project completion.

Completed actions:

- BSWG established w/ regular meetings and ongoing staff support
- MOU executed
- Agreement for Bi-State Bridge Authority legislation
- P3 Panel Discussion w/developing understanding of delivery models
- BUILD grant – Partnership with Klickitat Co.

Current efforts / next steps:

- Maintain & increase collaboration
- Complete Bridge Authority feasibility study
- Increase understanding alternative project delivery models including P3
- Establish BSBA legislation review process
- Advocacy for continue project funding in state capitols

1999
Feasibility Study and Draft Environmental Impact Statement
• Develop the environmental impact statement and draft EIS

2004
Final EIS Study and Draft Environmental Impact Statement
• Final EIS Study and Draft Environmental Impact Statement

2011
Bridge Type, Size, and Location Study
• Bridge Type, Size, and Location Study

2018-2020
Community Engagement
• Community Engagement

2. BUILD COMMUNITY AWARENESS & SUPPORT

Increase public understanding of project need, progress, and pathways forward. Collaborate with local businesses, trade organizations and community leaders to actively advocate for the project or be prepared to do so when appropriate.

COMPLETED ACTIONS

- SDEIS public outreach & survey
- POHR Strategic Business Plan survey
- Community forums & open houses
- Tribal outreach
- Posterboard displays, ads, and news releases
- News articles & social media, web posts
- BSWG webpage with archive of project resources

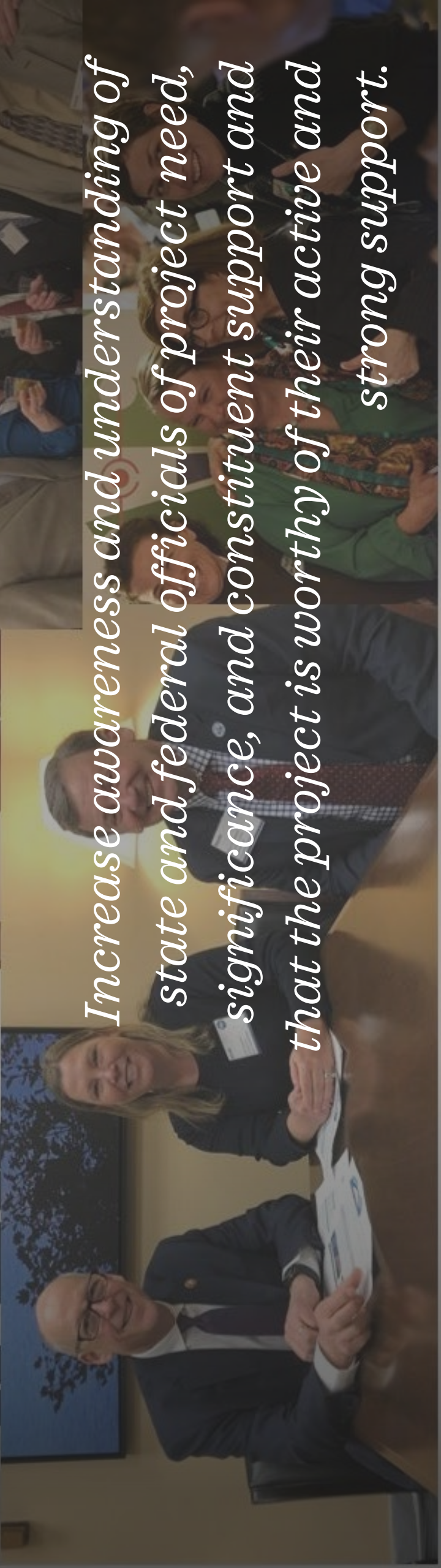
CURRENT EFFORTS / NEXT STEPS

- Post-NEPA phase public information campaign
- Phase II public involvement strategy
- Formation of Project Advisory Committees
 - Technical
 - Strategic
 - Public Involvement

3. BUILD LEGISLATIVE AGENCY AWARENESS AND SUPPORT



Increase awareness and understanding of state and federal officials of project need, significance, and constituent support and that the project is worthy of their active and strong support.



COMPLETED ACTIONS:

- Annual advocacy trips to Salem, Olympia, Washington, DC
- OneGorge “Gorgeous Nights” receptions
- Established relationships with OR and WA elected officials
- Monthly ODOT/WSDOT/FHWA leadership updates
- National Scenic Area project prioritization in FASTAct/INFRA legislation
- \$5 million for FEIS funding & tolling authority
- \$5 million BUILD grant in 2020 for Phase II

CURRENT EFFORTS / NEXT STEPS

- BSBA Study authorization in OR and WA
- 1:1 meetings with Transportation and Ways & Means Committee members
- Obtain \$5 million from OR in 2021
- Obtain \$5 million from WA in 2021
- Monitor additional federal transportation grants or earmarks
- Lobby for increase in USDOT TIFIA project amounts

4. DEMONSTRATE PROJECT READINESS

*Achieve project milestones and demonstrate
readiness to proceed to show the project is
worthy of strong support from elected
officials and agency staff.*

COMPLETED ACTIONS

- HB2017 Transportation Package funding
- BUILD grant award
- Priority project on CEDS list
- Assembled team of respected experts including lobbyists with long-standing positive relationships with elected officials and agency staff.
- Effective public survey and messaging campaign.

CURRENT EFFORTS / NEXT STEPS

- Finish FEIS and ROD
- Complete Geotechnical analysis
- Hire project engineer to complete 15-30% engineering
- Prepare preliminary cost estimates
- Obtain OR & WA legislative support for Bi-State Bridge Authority
- Identify needed statutory changes in WA

5. PRESERVE OWNERSHIP & PROJECT DELIVERY FLEXIBILITY

Pre-development activities should allow for a wide range of project delivery approaches. The optimum approach will be determined after ownership, funding, and project delivery capacity questions are answered.

COMPLETED ACTIONS

- Port legislative authority for P3 proposal solicitation
- Port P3 Solicitation Policy approved
- Project delivery options public work session (2017)
- P3 work session (2018) and panel discussion (2021)
- Ongoing evaluation of alternative project procurement and construction schedules

CURRENT EFFORTS / NEXT STEPS

- Final engineering contract with
- Owners Representative contract
- Construction phase modeling
- Financing alternatives assessment
- Project delivery alternatives evaluation
- Continued executive-level meetings with DOTs

6. ASSEMBLE EXPERIENCED PROJECT TEAM

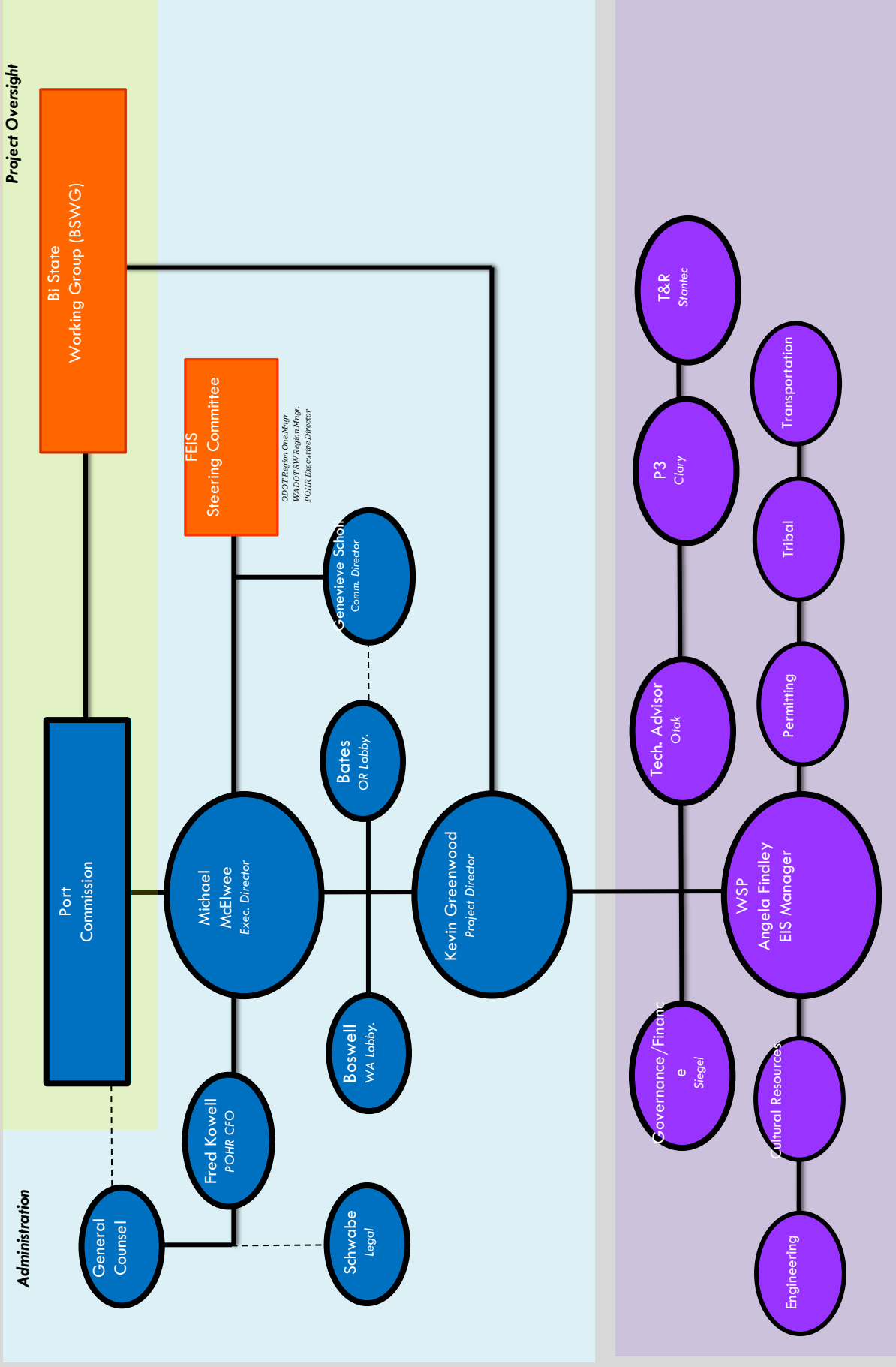
*Retain a diverse team of professionals experienced in large
public infrastructure projects to guide project
implementation.*

CURRENT TEAM

<ul style="list-style-type: none"> Steven Siegel, Siegel Consulting - 45 years. 	Strategy, Finance, Governance
<ul style="list-style-type: none"> Chuck Green, Otak - 35 years 	Project Mngt./Procurement
<ul style="list-style-type: none"> Lowell Clary, Clary Consulting - 32 years 	Strategy, Finance
<ul style="list-style-type: none"> Angela Findley, WSP - 24 years 	EIS
<ul style="list-style-type: none"> Stuart Bennion, WSP -12+ years 	Engineering
<ul style="list-style-type: none"> Hal Heimstra, Summit Strategies - 32 years 	Gov. Relations, Federal & State
<ul style="list-style-type: none"> Dan Bates, Thorn Run Partners- 28 years 	Gov. Relations, Oregon
<ul style="list-style-type: none"> Brad Boswell, Boswell Consultants- 24 years 	Gov. Relations, Washington
<ul style="list-style-type: none"> Anne Pressentin, WSP - 22 years 	Public Information
<ul style="list-style-type: none"> Genevieve Scholl - 15 years 	Public Information
<ul style="list-style-type: none"> Kevin Greenwood - 20 years 	Project Administration
<ul style="list-style-type: none"> Michael McElwee 38 years 	Administration & Management

Total combined experience (including POHR staff) = 250+ years

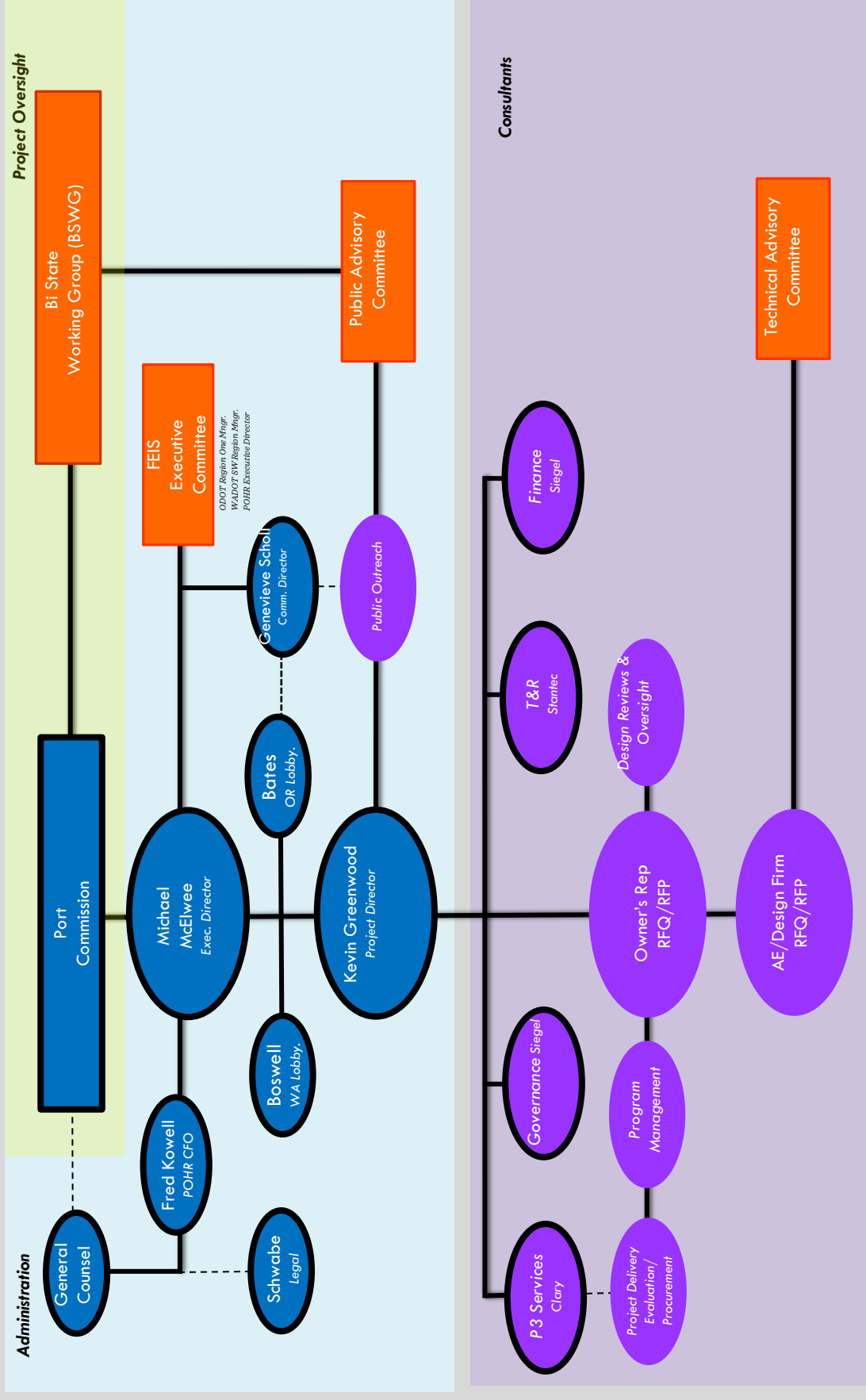
Org Chart: FEIS



CURRENT EFFORTS / NEXT STEPS

- Add members for Phase II efforts
 - Project Engineering Firm
 - Owner's Representative

Org Chart: Post-NEPA



6. PURSUE ALL AVAILABLE FUNDING SOURCES

Recent project funding successes enable the project to complete NEPA and initiate preliminary engineering. \$10 million is needed to complete Phase II. All options must be pursued to obtain it. Funding to complete the entire project is not possible until governance, ownership, and legislative approvals are in hand.

COMPLETED ACTIONS

- \$5 million in Oregon HB2017 Transportation Package
- \$5 million federal BUILD grant award
- \$1.25 million Port of Hood River match

CURRENT EFFORTS / NEXT STEPS

- \$5 million from OR Legislature
- \$5 million from WA Legislature
- Federal grant opportunities (INFRA, BUILD)
- Federal infrastructure legislation
- Federal loan/bond programs (TIFIA, USDA)
- P3 project delivery options evaluation

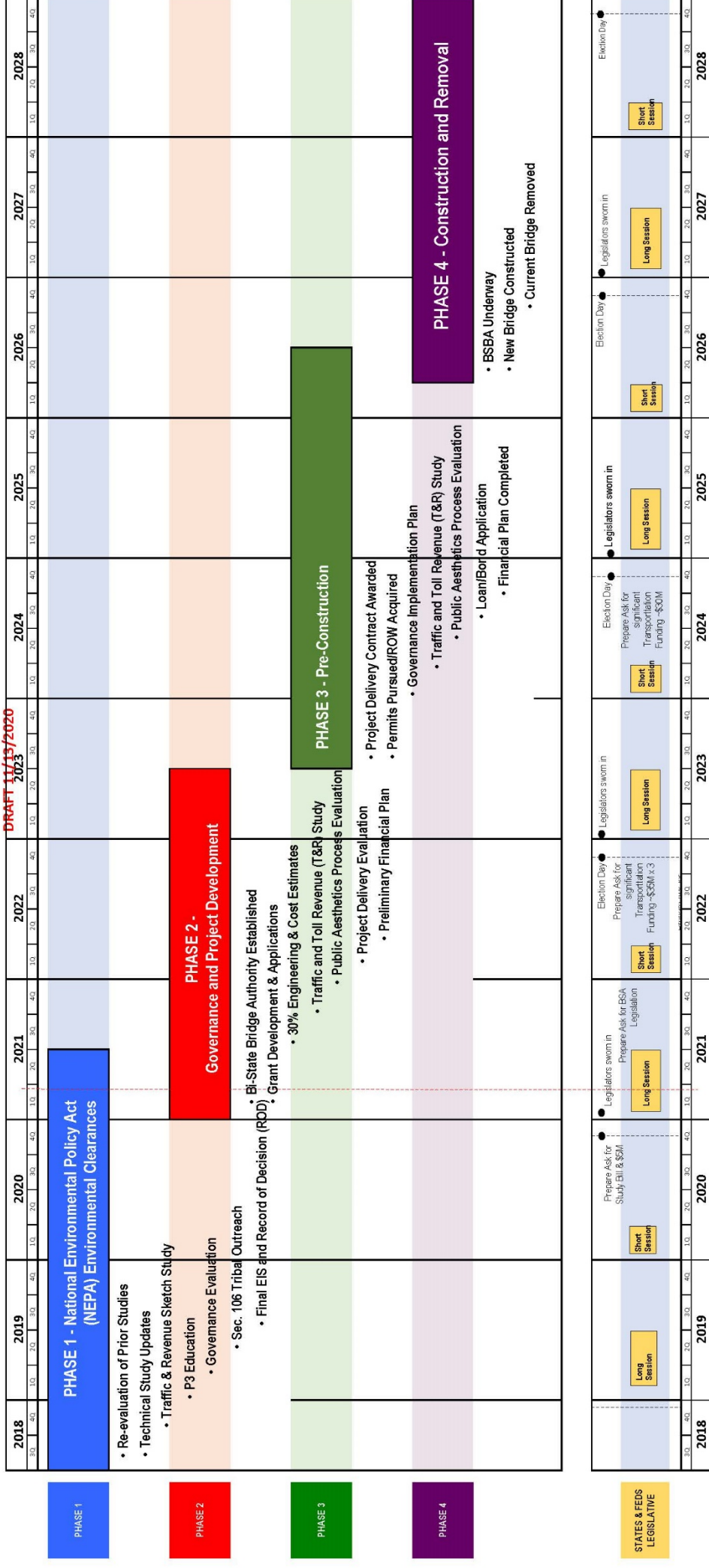
8. TRANSITION PROJECT TO ANOTHER ENTITY

- *The Port is leading the project now because it is the current owner of the bridge, has statutory authority to own and manage a toll facility in Oregon and has project administration experience. The Port expects to transition the project to another lead agency at or near the end of Phase II.*

9. WORK PROJECT STRATEGIES SIMULTANEOUSLY

*All efforts are being pursued at the same time to secure the
best opportunity for project success.*

CONCEPTUAL PHASING SCHEDULE
HOOD RIVER-WHITE SALMON INTERSTATE BRIDGE REPLACEMENT



- Re-evaluation of Prior Studies
- Technical Study Updates
- Traffic & Revenue Sketch Study
- P3 Education
- Governance Evaluation
- Sec. 106 Tribal Outreach
- Final EIS and Record of Decision (ROD)
- Bi-State Bridge Authority Established
- Grant Development & Applications
- 30% Engineering & Cost Estimates
- Traffic and Toll Revenue (T&R) Study
- Public Aesthetics Process Evaluation
- Project Delivery Evaluation
- Preliminary Financial Plan
- Project Delivery Contract Awarded
- Permits Pursued/ROW Acquired
- Governance Implementation Plan
- Traffic and Toll Revenue (T&R) Study
- Public Aesthetics Process Evaluation
- Loan/World Application
- Financial Plan Completed
- BSBA Underway
- New Bridge Constructed
- Current Bridge Removed

Legislators sworn in

Prepare Ask for BSA Legislation

Legislators sworn in

Prepare Ask for significant Transportation Funding - \$5M x 3

Election Day

Short Session

Long Session

Legislators sworn in

Prepare Ask for Study Bill & SSAM

Short Session

Long Session

Legislators sworn in

Prepare Ask for significant Transportation Funding - \$30M

Election Day

Short Session

Long Session

Legislators sworn in

Election Day

Short Session

Long Session

Legislators sworn in

Election Day

Replacement Strategy (Again)

1. Facilitate Bi-State Collaboration
2. Build Community Awareness & Support
3. Build Legislative/Agency Awareness & Support
4. Demonstrate Project Credibility
5. Preserve Project Delivery Flexibility
6. Utilize Experienced Team with Diverse Skillsets
7. Pursue All Available Funding Sources
8. Transition Project to Another Entity
9. Work Project Strategies Simultaneously

KEY ISSUES FOR DISCUSSION

Why not ...

1. Set a hard closure date or an absolute replacement date now?
2. Determine options for decommissioning the existing bridge now?
3. Stand up a large Project Management Organization now?
4. Take steps to determine project delivery method now?
5. Use a parallel or staggered strategy?
6. Determine who will own the bridge after replacement now?

Questions / Discussion

An aerial photograph of a wide river or lake. A long, multi-span bridge crosses the water from the bottom right towards the center. On the right bank, there is a dense forest of green trees. In the middle of the water, a person is kayaking in a bright orange kayak. The water is calm with some ripples. The sky is overcast and grey.

III. PROJECT COMMUNICATIONS

PROJECT COMMUNICATIONS - COMMISSION

- Bi-monthly written report in meeting packets
- Verbal reports and updates during meetings
- Mission-critical staff and consultant memos and presentations
- News articles, media releases, other public information - pre and post-publication Commission involvement
- 1 seat on BSWG + 1 alternate

PROJECT COMMUNICATIONS – BSWG

- Regular monthly meetings
- Verbal reports and updates during meetings
- Consultant, agency, and staff memos and presentations
- BSWG web page hosted on portofhoodriver.com
 - Project resource archive
 - Meeting notices and minutes
 - Project updates blog

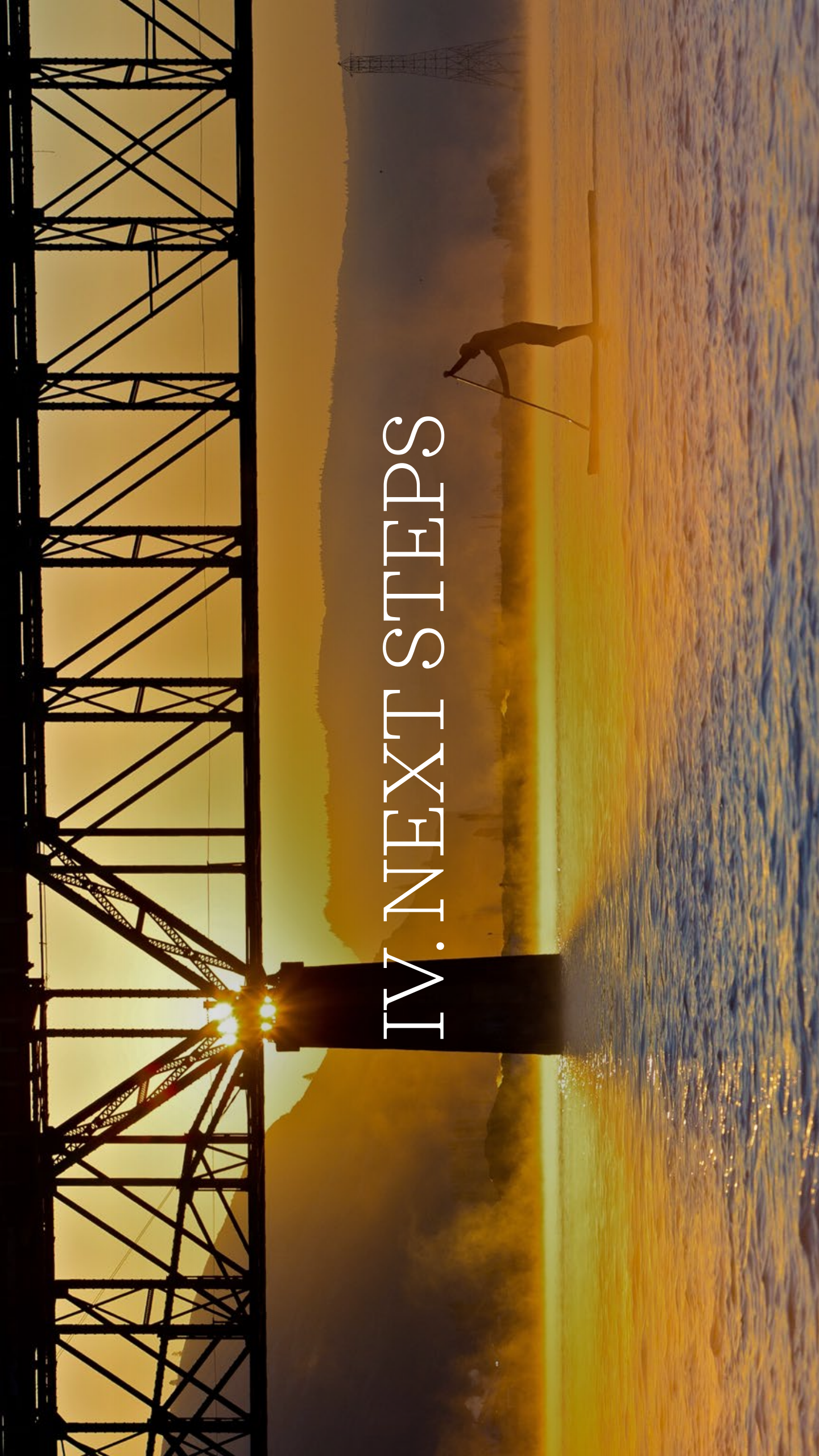
PROJECT COMMUNICATIONS – TOOLS

Commissioners have requested development of communication tools/collateral that would assist in communicating in clear, simple terms the nature of this complex project. Staff has developed, or is currently working on developing the following assets:

1. Lobbying handouts
2. Monthly project update posters
3. Legislative Strategy Chart
4. Elevator Speech
5. Project Delivery Chart showing Tasks related to Delivery Options
6. Project website with archive of resources and project blog
7. Project social media feeds

ELEVATOR SPEECH

The Port of Hood River strives to be the best project partner by removing barriers to success in all potential pathways forward; maintaining project credibility, visibility, and progress; while planning for a future without bridge revenue and developing a new business model that will continue to provide economic benefit within the Port district.



IV. NEXT STEPS

APPENDIX K
CONCEPTUAL
PHASING SCHEDULE
OF BRIDGE
REPLACEMENT

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**CONCEPTUAL PHASING SCHEDULE
HOOD RIVER-WHITE SALMON INTERSTATE BRIDGE REPLACEMENT**

2018	2019				2020				2021				2022				2023				2024				2025				2026				2027				2028			
	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
PHASE 1 - National Environmental Policy Act (NEPA) Environmental Clearances																																								
<ul style="list-style-type: none"> • Re-evaluation of Prior Studies • Technical Study Updates <ul style="list-style-type: none"> • Traffic & Revenue Sketch Study • P3 Education • Governance Evaluation • Sec. 106 Tribal Outreach • Final EIS and Record of Decision (ROD) 																																								
PHASE 2 - Governance and Project Development																																								
<ul style="list-style-type: none"> • Bi-State Bridge Authority Established • Grant Development & Applications • 30% Engineering & Cost Estimates • Traffic and Toll Revenue (T&R) Study • Public Aesthetics Process Evaluation 																																								
PHASE 3 - Pre-Construction																																								
<ul style="list-style-type: none"> • Project Delivery Evaluation • Preliminary Financial Plan • Project Delivery Contract Awarded • Permits Pursued/ROW Acquired • Governance Implementation Plan 																																								
PHASE 4 - Construction and Removal																																								
<ul style="list-style-type: none"> • BSBA Underway • New Bridge Constructed • Current Bridge Removed 																																								

PHASE 1

PHASE 2

PHASE 3

PHASE 4

STATES & FEDS LEGISLATIVE

2018	2019				2020				2021				2022				2023				2024				2025				2026				2027				2028			
	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Long Session																																								
Short Session Prepare Ask for Study Bill & \$5M																																								
Long Session Legislators sworn in																																								
Short Session Prepare Ask for significant Transportation Funding ~\$35M x 3																																								
Election Day Legislators sworn in																																								
Long Session Prepare Ask for BSA Legislation																																								
Short Session Prepare Ask for significant Transportation Funding ~\$30M																																								
Election Day Legislators sworn in																																								
Long Session Legislators sworn in																																								
Short Session Legislators sworn in																																								
Election Day																																								

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APPENDIX L
AIRFIELD STRATEGY
RECOMMENDATION

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PORT OF HOOD RIVER COMMISSION AIRPORT WORK SESSION

MARCH 16, 2021



OBJECTIVES

Quick review of how the airport works.

Review Management Framework



How is the airport doing?

Airport Status



What kind of future does the Commission see for the airport?

Future of Airport

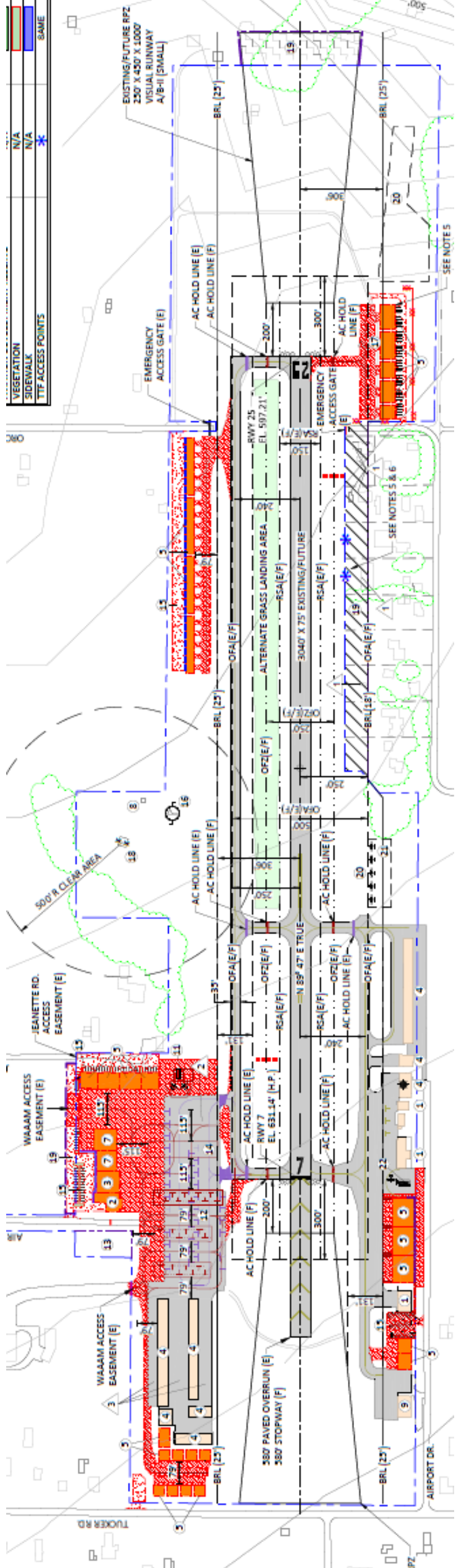


GENERAL OVERVIEW

- **Master plan**
- Financing
- Roles and Structure
- Strategic Business Plan

- **Master Plan**
 - Updated every 10 years
 - New Plan every 20 years
 - Funded and required by the FAA
 - Latest Plan approved in 2018
 - Outlines planned development and need
 - Supports AIP and NPE funding
 - ALP is the visual rep of the Master Plan

ALP- AIRPORT LAYOUT PLAN



GENERAL OVERVIEW

- Master plan
- **Financing**
- Roles and Structure
- Strategic Business Plan

- **FAA funded**
 - AIP (Airport Improvement Project) funds- allocated based on project need/eligibility
 - NPE (Non-Primary Entitlements)- \$150,000 per year if have a project
 - 90/10 split on both
 - Capital projects mostly, airside
- **Other funding sources**
 - ODOT- COVI grant
 - ODA- Oregon Department of Aviation
 - COAR
 - PMP

5-YEAR FAA CIP

Fiscal Year	Project	Beginning of Year NPE Balance	NPE Award for Fiscal Year	Fiscal Year ST Funding	Fiscal Year DI Funding	Funding Available / Programmed for FY	Estimated Total Project Cost	Total Sponsor Funds Needed (10% of Cost)*	Total FAA Grant Funds Needed (90% of Cost)*	Grant Funds Remaining
2019	Reimburse North Apron Environmental Assessment	\$ 198,952	\$ 150,000			\$ 348,952.00	\$ 363,434.00	\$ 36,343.40	\$ 327,090.60	\$ 21,861.40
2020	North Apron Rehabilitation - Design and Construction	\$ 21,861	\$ 150,000		\$ 2,577,028	\$ 2,748,889.40	\$ 2,577,028.00	\$ -	\$ 2,577,028.00	\$ 171,861.40
2021	PMP; NE Hangar Design/Construct - Phase 1	\$ -	\$ 150,000			\$ 150,000.00	\$ 166,666.67	\$ 16,666.67	\$ 150,000.00	\$ -
2022	NE Hangar Design/Construct - Phase 2	\$ -	\$ 150,000			\$ 150,000.00	\$ 166,666.67	\$ 16,666.67	\$ 150,000.00	\$ -
2023	Northwest T-Hangar Taxilanes and Apron - Design	\$ -	\$ 150,000			\$ 150,000.00	\$ 166,666.67	\$ 16,666.67	\$ 150,000.00	\$ -
2024	PMP; Northwest T-Hangar Taxilanes and Apron - Construct	\$ -	\$ 150,000	\$ 1,020,000		\$ 1,170,000.00	\$ 1,300,000.00	\$ 130,000.00	\$ 1,170,000.00	\$ -
2025	Carryover	\$ -	\$ 150,000			\$ 150,000.00	\$ -	\$ -	\$ -	\$ 150,000.00
2026	Carryover	\$ 150,000	\$ 150,000			\$ 300,000.00	\$ -	\$ -	\$ -	\$ 300,000.00

* 100% FAA Funding for 2020 Grant (CARES Act)

GENERAL OVERVIEW

- Master plan
- Financing
- **Roles and Structure**
- Strategic Business Plan

- Port Staff

- Airport Manager

- Contracts, tenants, project coordination/contracting, FBO management, FAA liaison, EOR liaison, planning projects, permitting, AWOS, Regulatory compliance, AAC management, community relations

- Facilities Manager

- Grounds and runway maintenance, maintenance projects

- Waterfront Manager

- Hangar tenant management

- CFO

- Grant management and finance

- FBO

- Aircraft maintenance and training provider, On airport surveillance and operations, fueling services

- AAC

- Advisory committee for the Commission on airport matters
 - Noise workgroup- special work group

GENERAL OVERVIEW

- Master plan
- Financing
- Roles and Structure
- Strategic Business Plan

4. Aviation

Ken Jernstedt Airfield – The Port owns the Ken Jernstedt Airfield (“Airport”) to support public safety, transportation, recreation and economic development goals of the community.

Strategies:

- Maintain a high level of safety.
- Establish a reputation as a welcoming, user-friendly airport.
- Seek financial self-sufficiency.
- Provide essential services; Fixed Base Operations, Aircraft maintenance, Aircraft fuel
- Build and maintain a mutually supportive relationship with WAAAM.
- Establish “good neighbor” relations with surrounding property owners.
- Adhere to FAA grant covenants to insure continual federal funding.
- Seek land acquisition opportunities consistent with the safety missions and the airport master and layout plans.

Standard:

A level of service consistent with its FAA designation (B-2), and the size of the Airport’s service area. Recognition as one of the best airports of its class in Oregon, and small aircraft owner airport of choice in the Gorge.

Actions:

- Regularly convene the Airport Advisory Committee to consider airport policies, programs and actions.
- Prepare an Airport Business Plan.
- Update the 2009 Airport Master Plan and Layout Plan.
- Monitor the availability of federal and state funding for airport projects.
- Update Ordinance 23 and monitor and enforce this ordinance.
- Prepare a feasibility study for new T-Hangars.

Future Capital Projects

Year	Project	Estimated Cost	Potential Funding	Target
1	Prepare Airport Master Plan	\$50,000	FAA	2014
2	Update Airport Layout Plan	\$50,000	FAA	2015
3	Pave near FBO Building	\$65,000	POHR	
4	New T-Hangar Block	\$250,000	Loan/POHR	2016
5	Expand North Apron	\$1,500,000	FAA/Port	2019

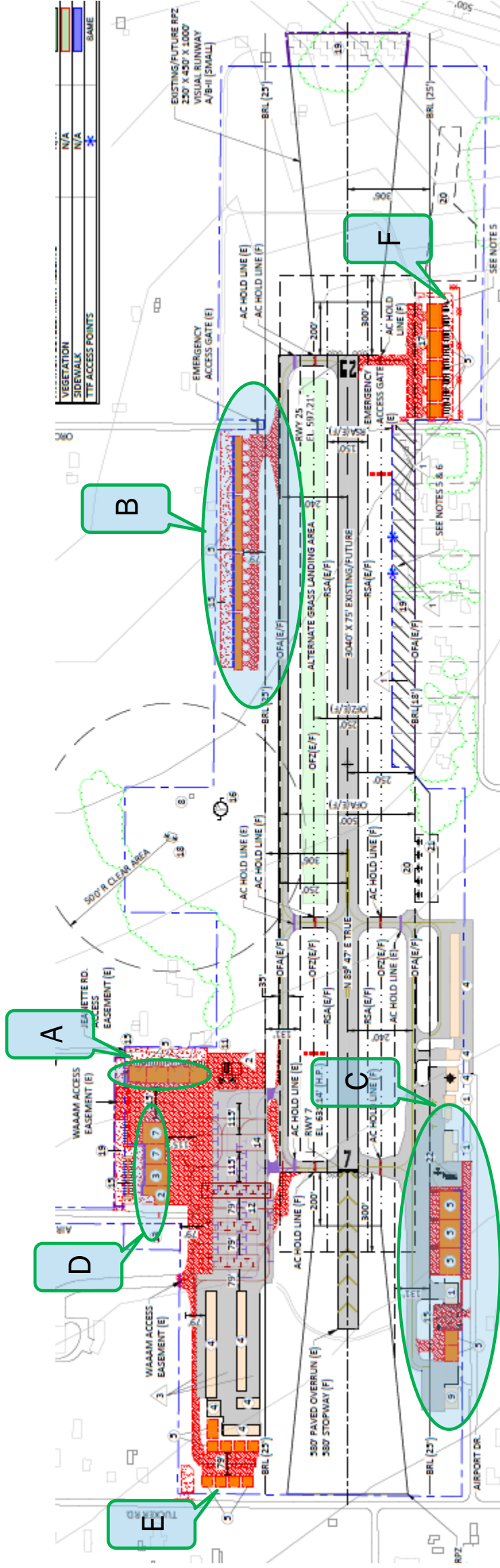
AIRPORT STATUS

- \$11,00,000 in capital projects in 8 years.
- \$1,500,000 over next 3 years
- Capital Improvements provide:
 - Shovel ready development land
 - Improved safety
 - Reduced aircraft parking
 - Development framework
- Operational improvements
 - Ordinance 23 revised
 - Minimum standards implemented
 - RPZ reduced to allow for vertical development
 - Fly Friendly Implemented

	Capital Projects	Cost	Planning/Permitting	Cost
2013	Runway Shift project	\$ 3,292,000.00	Design and CM	\$ 350,000.00
2014			Master Plan initiated	
2015			Tac Aero as FBO	
2016			S. Taxiway Design	\$ 197,299.00
			FAA Environmental Assessment begins	
			COVI 6 application and award	
2017	S. Taxiway Construction	\$ 1,498,590.00	S. Taxiway CM	
2018			Noise Effort and Fly Friendly public meetings	
			Environmental Assessment completed	\$ 360,734.00
2019			Master Plan completed	\$ 420,000.00
			N. Apron Design	\$ 168,672.00
2020	N Apron Construction	\$ 2,440,944.00	COVI design	\$ 83,555.00
	COVI Construction	\$ 2,362,374.00	N Apron CM	\$ 166,469.00
2021			COVI CM	\$ 89,425.00
	Total Capital	\$ 9,593,908.00	Total planning/ regulatory	\$ 1,836,154.00

DEVELOPMENT OPTIONS

- A- Commercial hangar- Commission has executed a Design contract for a commercial hangar
- B- T & Box Hangars
- C- Potential Commercial & Box hangar
- D- Shovel Ready building pad
- E- Future Box hangars
- F- Future Box hangars



CASH FLOW

Apr-20 Airport Cash Flow

NCOME	Adopted		Approved		2021/22		2022/23		2023/24		2024/25		2025/26		2026/27	
	Budget 2019/20	Budget 2020/21	Budget 2020/21	Budget 2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Land Leases	\$ 17,600.00	\$ 21,900.00	\$ 21,900.00	\$ 21,900.00	\$ 21,900.00	\$ 21,900.00	\$ 21,900.00	\$ 21,900.00	\$ 21,900.00	\$ 21,900.00	\$ 21,900.00	\$ 21,900.00	\$ 21,900.00	\$ 21,900.00	\$ 21,900.00	\$ 21,900.00
Hangar Leases																
	\$ 28,300.00	\$ 33,600.00	\$ 33,600.00	\$ 34,272.00	\$ 34,957.44	\$ 35,656.59	\$ 36,369.72	\$ 37,097.11	\$ 37,839.06							
2% Hood Tech	\$ 23,500.00	\$ 24,200.00	\$ 24,200.00	\$ 24,684.00	\$ 25,177.68	\$ 25,681.23	\$ 26,194.86	\$ 26,718.76	\$ 27,253.13							
Cloud Cap	\$ 126,500.00	\$ 134,100.00	\$ 136,782.00	\$ 139,517.64	\$ 142,307.99	\$ 145,154.15	\$ 148,057.24	\$ 151,018.38								
2% T hangars																
Maintenance hangar	\$ 3,000.00															
Total Lease revenue	\$ 198,900.00															
reimbursable income																
Taxes	\$ 3,700.00	\$ 3,700.00	\$ 3,700.00	\$ 5,736.89	\$ 5,851.63	\$ 5,968.66	\$ 6,088.03	\$ 6,209.79	\$ 6,333.99							
2% Utilities	\$ 30,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,300.00	\$ 15,606.00	\$ 15,918.12	\$ 16,236.48	\$ 16,561.21	\$ 16,892.44							
Total Income	\$ 232,600.00	\$ 232,500.00	\$ 238,674.89	\$ 243,010.39	\$ 247,432.60	\$ 251,943.25	\$ 256,544.11	\$ 261,237.00								
EXPENSES																
Port staff allocation	\$ 153,100.00	\$ 163,400.00	\$ 169,936.00	\$ 176,733.44	\$ 183,802.78	\$ 191,154.89	\$ 198,801.08	\$ 206,753.13								
2% Utilities	\$ 41,000.00	\$ 42,000.00	\$ 42,840.00	\$ 43,696.80	\$ 44,570.74	\$ 45,462.15	\$ 46,371.39	\$ 47,298.82								
Maintenance	\$ 55,000.00	\$ 55,000.00	\$ 55,000.00	\$ 55,000.00	\$ 55,000.00	\$ 55,000.00	\$ 55,000.00	\$ 55,000.00	\$ 55,000.00							
Insurance	\$ 11,000.00	\$ 12,100.00	\$ 12,826.00	\$ 13,595.56	\$ 14,411.29	\$ 15,275.97	\$ 16,192.53	\$ 17,164.08								
3% Property Tax	\$ 4,000.00	\$ 4,000.00	\$ 4,120.00	\$ 4,243.60	\$ 4,370.91	\$ 4,502.04	\$ 4,637.10	\$ 4,776.21								
Professional services	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00							
Miscellaneous repairs and services	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00							
Total expenses	\$ 309,100.00	\$ 321,500.00	\$ 329,722.00	\$ 338,269.40	\$ 347,155.72	\$ 356,395.05	\$ 366,002.10	\$ 375,992.24								
Net Operating Income	\$ (76,500.00)	\$ (89,000.00)	\$ (91,047.11)	\$ (95,259.01)	\$ (99,723.12)	\$ (104,451.80)	\$ (109,457.99)	\$ (114,755.24)								
Grant match	\$ (200,000.00)	\$ (200,000.00)	\$ (200,000.00)	\$ (15,000.00)	\$ (60,000.00)	\$ (15,000.00)	\$ (15,000.00)	\$ (15,000.00)	\$ (15,000.00)							
Total Cash Flow	\$ (276,500.00)	\$ (289,000.00)	\$ (106,047.11)	\$ (110,259.01)	\$ (159,723.12)	\$ (119,451.80)	\$ (124,457.99)	\$ (129,755.24)								
	\$ 309,100.00	\$ 301,500.00	\$ 309,722.00	\$ 318,269.40	\$ 327,155.72	\$ 336,395.05	\$ 346,002.10	\$ 355,992.24								
Net Operating Income	\$ (76,500.00)	\$ (71,334.00)	\$ (73,427.79)	\$ (77,687.31)	\$ (82,199.98)	\$ (86,978.19)	\$ (92,034.92)	\$ (97,383.71)								
Grant match	\$ (200,000.00)	\$ (200,000.00)	\$ (15,000.00)	\$ (15,000.00)	\$ (15,000.00)	\$ (15,000.00)	\$ (15,000.00)	\$ (15,000.00)	\$ (15,000.00)							
Total Cash Flow	\$ (276,500.00)	\$ (271,334.00)	\$ (88,427.79)	\$ (92,687.31)	\$ (97,199.98)	\$ (101,978.19)	\$ (107,034.92)	\$ (112,383.71)								
	\$ 309,100.00	\$ 301,500.00	\$ 309,722.00	\$ 318,269.40	\$ 327,155.72	\$ 336,395.05	\$ 346,002.10	\$ 355,992.24								
Net Operating Income	\$ (76,500.00)	\$ (66,600.00)	\$ 172,845.24	\$ 174,510.34	\$ 176,063.66	\$ 177,496.18	\$ 178,798.33	\$ 179,960.05								
Debt Service			\$ (244,620.00)	\$ (244,620.00)	\$ (244,620.00)	\$ (244,620.00)	\$ (244,620.00)	\$ (244,620.00)	\$ (244,620.00)							
Grant match	\$ (200,000.00)	\$ (200,000.00)	\$ (15,000.00)	\$ (15,000.00)	\$ (15,000.00)	\$ (15,000.00)	\$ (15,000.00)	\$ (15,000.00)	\$ (15,000.00)							
Total Cash Flow	\$ (276,500.00)	\$ (266,600.00)	\$ (86,774.76)	\$ (85,109.66)	\$ (83,556.34)	\$ (82,123.82)	\$ (80,821.67)	\$ (79,659.95)								

With FBO changes

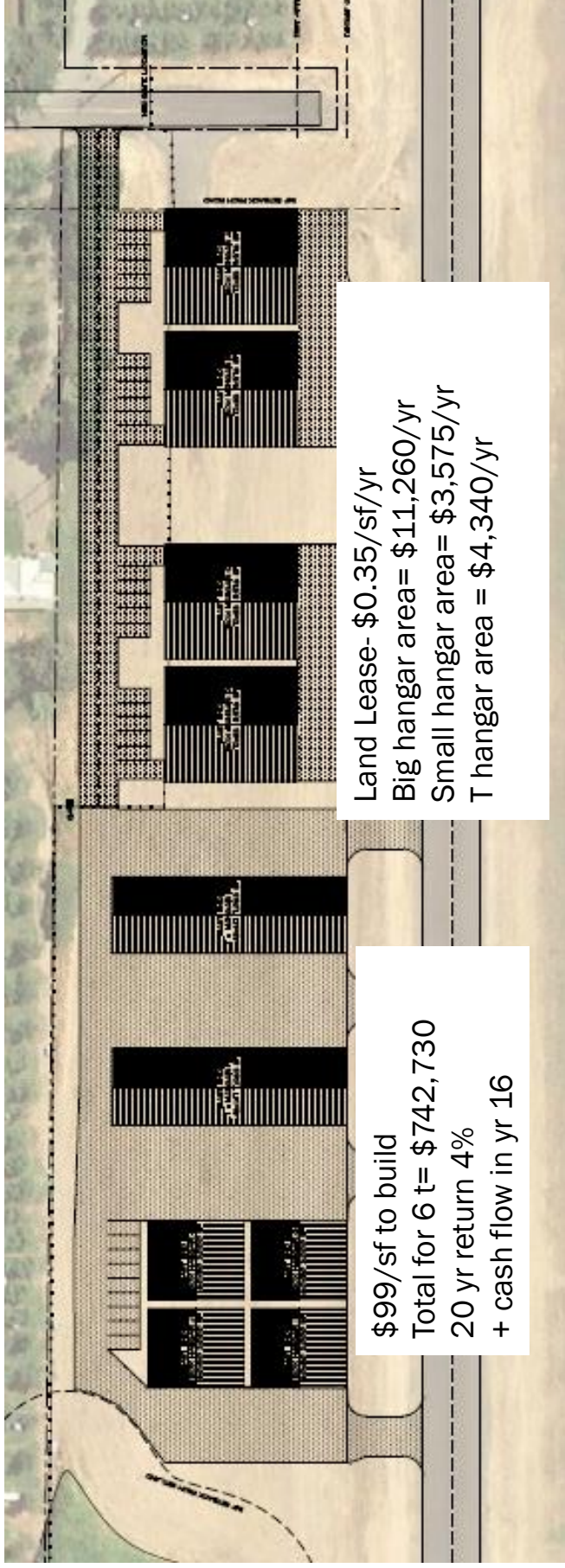
With new hangar

Box and T Hangar Development

- Basic site design and cost estimates completed
- Airside development FAA eligible and scheduled
- 24-person t hangar wait list
- 19-person owner list for box hangars
- Higher rates warranted

Construction options

- Port constructs
- -\$11,000 ave. cash flow
- Utilizes limited available capital
- Port controlled
- Private sector constructs
- + cash flow in year 1 - \$19,175 +/-yr
- Ownership reverts to port in year 20



COMMUNICATIONS

How can the Port enhance transparency and communication?

General Community

- Fly Friendly
- Public meetings, perceptions of development
- Noise complaints & expectations
- Partnerships

Airport Community

- AAC
- Workgroups
- Involvement in business plan
- Partnerships



BRANDING

What is the airports role in the community?

What strengths and opportunities fit within the neighborhood?

- Training- not copasetic with community
- Opportunities
 - Aviation tech industry support
 - demand for small plane hangarage
 - WAAAM
 - Educational connections for aviation work force
 - Job creation?
 - No growth

APPENDIX M

HOOD RIVER
WATERFRONT
DEVELOPMENT
2009-2017

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HOOD RIVER WATERFRONT DEVELOPMENT 2009-2017



COMPLETED & UNDER CONSTRUCTION*	DATE	SIZE	INVESTMENT	DIRECT JOBS	TENANTS/DESCRIPTIONS (2017)
1 – Anchor Way	2009		\$750,000		New Industrial Street
2 – Portway Avenue II	2012		\$450,000		Streetscape Improvements
3 – Halyard Building (Construction)	2010	20,000 sf	\$3,350,000	45	Pfriem Brewing
4 – UTS Building (Remodel)	2011	35,000 sf	\$2,040,000	40	Hood Technology, Celilo Construction
5 – Treatment Plant Upgrade	2011		\$591,245		Cover Clarifiers
6 – Jensen Building (Remodel)	2010	71,000 sf	\$2,870,000	40	Turtle Island Foods, RBS Batten Systems,
7 – Hood River Juice Company Phases 1-2	2011-14	55,000 sf	\$7,500,000	128	Hood River Juice Co.
8 – Turtle Island Foods	2012	33,000 sf	\$12,000,000	30	Turtle Island Foods
9 – Waterfront Park, Phases 1-4	2008-13		\$2,610,000		Northern Park, East Green, Playground,
10 – Maritime Building Upgrades	2012	38,000 sf	\$200,000	15	Hood River Distillers, Double Mountain
11 – Hood Tech Building	2013	40,000 sf	\$5,410,000	55	DaKine, Decavo, Stoked Coffee Roasters
12 – Key Commercial Building	2013	20,000 sf	\$3,000,000	45	Inter-fluve, Solstice, Camp 1805, Offices
13 – Pfreim Brewery Expansion	2015-17		\$1,400,000	40	Expanded Production/Retail Facility
14 – City Sewer Outfall Project with Trail	2016		\$3,000,000		Pedestrian/Bike Trail/Sewer Outfall
15 – Nichols Landing	2016-18	83,000 sf	\$28,000,000	119	Hampton Inn and medical offices
16 – Nichols Basin West Edge Trail	2015		\$800,000		Waterfront bike/ped trail and open space
17 – Pedestrian Bridge Trail	2015		\$400,000		Waterfront bike/ped trail and kiosks
18 – Sheppard's Supply*	2017	20,000 sf	\$2,000,000	18	Relocation, Expanded Retail/Service Facility
19 – Expo Industrial Offices, Phase 1*	2017	30,000 sf	\$8,500,000	80	New Light Industrial/Office Building Space
TOTALS:		445,000 sf	\$84,871,245	655	
POTENTIAL DEVELOPMENT	DATE	SIZE	INVESTMENT	DIRECT JOBS	TENANTS/DESCRIPTIONS
20 – Lot 1 Confluence Business Park	2017-25	120,000 sf	\$30,000,000	230	TBD
21 – Nichols Basin Commercial Edge	2017-25	15,000 sf	\$2,000,000	20	TBD
22 – Expo Industrial Offices, Phase 2	2018-19	20,000 sf	\$16,000,000	60	TBD
23 – Key Industrial Storage Building	2018-19	20,000 sf	\$3,000,000	8	TBD
TOTALS:		175,000 sf	\$51,000,000	318	

Totals as of May 2017:

445,000 gross square feet developed
\$84,871,245 million invested
655 jobs created

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APPENDIX N

SUMMARY OF PORT
PLANNING EFFORTS
RELATED TO LOT 1
DEVELOPMENT 2019

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SUMMARY OF PORT PLANNING EFFORTS RELATED TO DEVELOPMENT OF LOT 1

Listed in reverse chronology with source and approximate cost
 Last update: 11.20.2019

JUNE 2006: PORT PROPERTIES VISION PLAN (PHASE 1)

Yost Grube Hall Architecture
 Cost: \$15,000

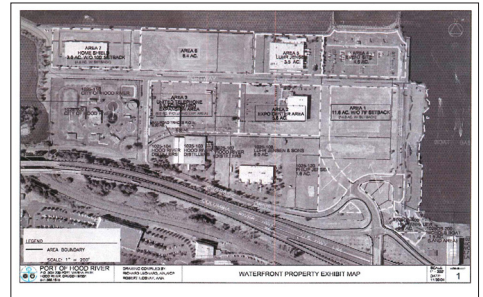
Predominately a research effort [...]. Topics such as zoning, ownership, climate, natural factors, real estate activities, etc. that will affect the plan's evolution [were examined]. Summary memorandum delivered June 2006.



JULY 2006: WATERFRONT INDUSTRIAL MARKET ASSESSMENT

E.D. Hovee & Company, LLC
 Cost: \$20,000

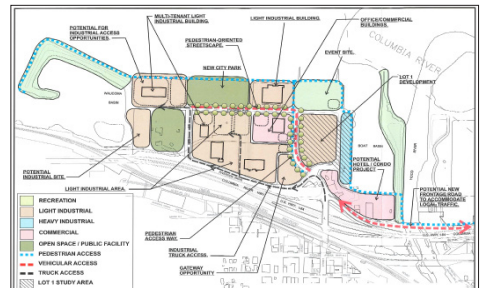
Provided an industrial market assessment for waterfront real estate. The assessment involved an examination of the economic context, interviews with representatives of 20 industrial and related firms operating in Hood River County and nearby Gorge communities, as well as a business survey. The assessment provided information on industrial land needs and opportunities.



2007-08 WATERFRONT DEVELOPMENT STRATEGY

Group Mackenzie
 Cost: \$50,000

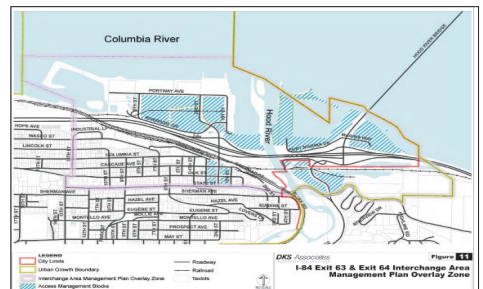
Intended to define community objectives; identify an overall concept that provides the framework for future waterfront development; and describe specific actions to guide the Port's investments, marketing, and business development over the coming 5-10 years.



SEPTEMBER 2011: INTERCHANGE AREA MANAGEMENT PLAN

DKS Associates
 Cost: \$85,000

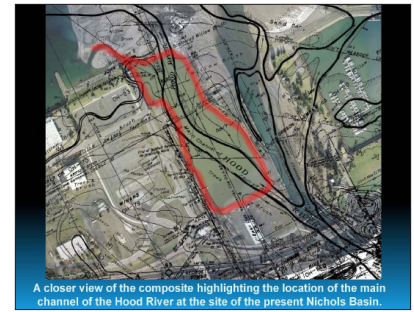
I-84 Exit 63 and Exit 64 interchanges, acting as refinement areas of the City of Hood River and Hood River County Transportation System Plans (TSPs) and as a facility plan for the Oregon Department of Transportation. It established the desired function of these interchanges and provided a long-range plan for infrastructure improvements and operations to achieve agency and community goals.



AUGUST 2012: "A RIVER RAN THROUGH IT: NICHOLS BASIN AND THE PUBLIC USE DOCTRINE" REPORT

Susan Garrett Crowley

Examination of the navigable waters implications related to the public use of Nichols Basin. The report illustrated that navigable water has always run through Nichols Basin, and remains unaltered by human activity, beyond being "bracketed" by rip rap. Provided historical account of the flows of the Hood River and the Columbia River in the area.



FEBRUARY 2013: LOT 1 PRELIMINARY CONCEPT PLAN

Group Mackenzie
 Cost \$45,000

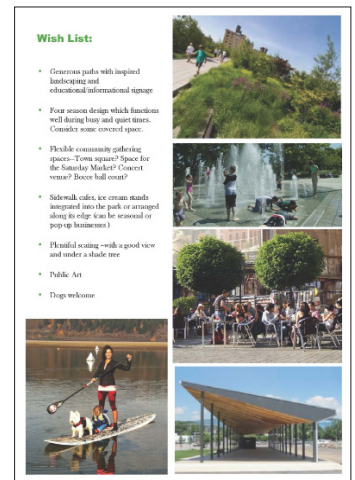
Prepared as part of the implementation of the 2007-08 Hood River Waterfront Development Strategy. Included evaluation and documentation of existing conditions on the site including utilities, easements, rights of way, and elevations; preparation of market analysis of light industrial market conditions, opportunities and constraints; identification of development objectives and issues; preparation of concept alternatives; finalization of concepts and preliminary cost estimates; identification and implementation of issues; and public outreach and input.



AUGUST 2013: LOT 1 AND NICHOLS BASIN DEVELOPMENT CONCEPTS

Hood River Valley Residents Committee

Citizens' committee report provided a natural and cultural history of Nichols Basin and the historic Hood River delta as well as a concept plan for the Basin and the southern sandbar. The report provided a specific "wish list" for the development of open space and recreational facilities in the area as well as "low impact development" of Lot 1. The committee provided specific recommendations related to efficient land use, mixed use, green infrastructure, procedures for public input, and future planning for maintenance and operations.



MARCH 2014: NICHOLS BASIN WEST EDGE TRAIL

Walker/Macy
 Cost: \$30,000

Refinements to the Nichols Basin West Edge Trail and open space design included considerations of vehicular access to the water's edge, integrity and usefulness of the old seawall, watercraft storage, a light watercraft center, connections to future upland development, habitat improvements, budget/phasing/permitting, and storm water run off and water quality. Subsequent phase included plans, specifications, and construction.



DECEMBER 2014: CITY OF HOOD RIVER WATERFRONT REFINEMENT PLAN

Hood River City Council
Cost \$70,000

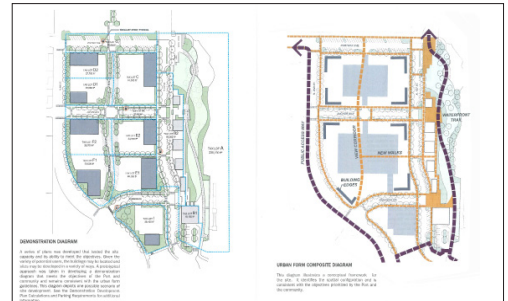
The purpose of the Waterfront Overlay Zone was to implement a design concept for the west side of the Nichols Basin in order to create an active recreational area with recreational facilities and some limited commercial development within the Light Industrial (LI) zone; establish urban design standards for new industrial and commercial development within the Overlay Zone [...] to ensure an attractive and pedestrian friendly character; and improve local access and visibility to and along the waterfront by protecting public access to the Waterfront Trail.



FEBRUARY 2016: LOT 1 DEVELOPMENT PLAN

Walker|Macy
Cost: \$55,000

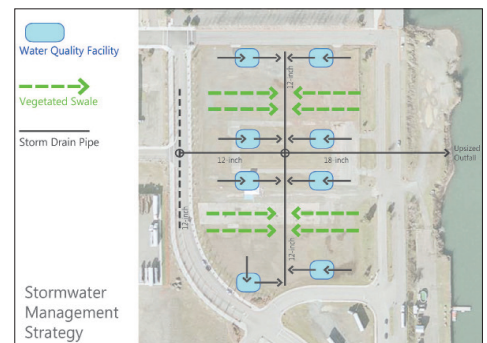
Established development objectives to: maximize long-term revenue; consider current market needs vs. future opportunities; adhere to the Port's financial policies; be consistent with articulated disposition policy; maintain design and development control; contribute to maintenance costs for public infrastructure; and leverage other resources and seek financial partners. The plan established a conceptual framework for the site, a subdivision plan, a phased utility concept plan, stormwater management concept plan, and a phased roadway improvement plan.



AUGUST 2016: LOT 1 STORMWATER TREATMENT PLAN

Andrew Porter, Port Engineering Intern

Building on the Walker|Macy concept proposal for on-site detention and treatment of stormwater runoff, this plan featured an examination and hydraulic modeling of the treatment alternatives proposed. Additionally, this plan explored the possibility of desinging a festival street along N. 1st Street between Portway Ave. and the planned extension of Anchor Way.



OCTOBER 2017: HOOD RIVER WATERFRONT DEVELOPMENT FEASIBILITY ANALYSIS

Matt Craigie, ECONorthwest

In the Autumn of 2017, the Port asked ECONorthwest (ECO) to complete a real estate feasibility analysis for Walker Macy's development plan. The purpose of this memorandum is to report out the findings of our analysis. The key questions that guided our work were: 1) Is new development currently feasible at the Lot 1 Site? 2) How would a public investment in infrastructure influence development feasibility at Lot 1? and 3) How can the public sector encourage development on Lot 1 to go beyond the basic requirements of the zoning code so as to match the high quality of other existing buildings in the waterfront area and achieve the Port Commission's stated goals for future development? Findings indicate that development is only feasible (residual land values are only positive), in scenarios with either a public investment covering the cost of infrastructure and/or when development costs are low and rents are high. This finding is consistent for both flex and traditional industrial development.

SEPTEMBER 2018: LOT 1 INDUSTRIAL DEMAND ANALYSIS

Matthew Craigie, ECONorthwest

Industrial demand analysis to gauge the level of interest in future development of Lot 1, and to help understand the needs and desires of the types of businesses that would locate there. Key questions included: 1) What is the current and estimated near future level of demand for industrial properties in the Hood River market area? 2) Who are the businesses—either local or from outside of Hood River—that would appropriately fit the location, market, physical, and regulatory environment of Lot 1? 3) Including but not limited to infrastructure, what are the barriers, real or perceived, with pursuing industrial development in Hood River's waterfront area? 4) The waterfront is a unique industrial area; it draws a mix of commercial and industrial users, but also includes some popular retail spaces. There are also public recreational uses alongside the industrial uses. How does the Port support and promote this unique mix of users? And what do these users need from a building and site features standpoint to thrive? To answer these questions, EcoNW combined data from market sources, summaries of relevant and recent studies, and real-world insights from developers and business owners active in the Hood River market.

Combining input from regional industry data and trending and economic development effects, alongside the economic, regulatory, and cultural environment, we see a specific opportunity for Lot 1 to absorb industrial development in the following three sectors: food production and value-added agriculture, technology (including UAV associated businesses), and other industrial office users. Exhibit 20 provides an overview of these industry sectors and discusses their potential compatibility with Lot 1.

Exhibit 20. Lot 1 Industrial Sector Opportunities and Compatibility

Technology	Eligible Land Use	Level of New to Workers Demand	Building and Site Needs	Need for Commercial Space	Ability to Pay Premium Rent	Likelihood of Locating in Lot 1
Technology Building user companies, technology services and development, among others.	Yes. Most technology companies are highly productive and therefore qualify for industry zones areas.	Moderate. Technology focused companies are highly dependent on business optics. Current growth is positive. An economic downturn could reduce demand.	These businesses seek high quality spaces to attract business employees and enhance their brand image. However, most companies are not required to have large parking lots. Alternative travel modes, shared parking, and transport management plans may reduce parking demand.	Yes. These companies are high profit and are able to pay more premiums. However, most companies are not customer-facing and therefore do not need commercial space.	Yes. These companies are high profit and are able to pay more premiums. However, most companies are not customer-facing and therefore do not need commercial space.	Depends on the company. These companies will locate at Lot 1 if the location enhances their brand identity.
Food and Value-Added Agriculture (Manufacturing)	Yes. These are manufacturing companies.	Moderate to high. This is one of the steady industrial sectors in the Hood River Area.	Scale and type of building depend on the size of the production. Small producers can fit into multi-level spaces. Larger businesses require larger, single user facilities. Employee parking, truck parking, and outdoor storage are commonly needed. Good high doors are typically required.	Yes. Although it depends on the company, many of these food companies cannot handle high-end commercial outlet.	Yes. Most food companies cannot handle high-end commercial outlet.	High. Due to its dependence on price and building suitability.
Other Professional Services/Industrial Office Users	For the most part, companies in this category may not meet zoning requirements.	Professional and businesses services are one of the fastest growing industries.	These businesses are primarily office users. They can fit into many configurations. Typically, single large floor plates are preferred.	No. Most companies are not customer-facing.	Yes. Most companies can pay office level rents.	High. Lot 1 is an attractive location for these companies.

Source: ECONorthwest

ECONorthwest Port of Hood River - Lot 1 Industrial Demand Assessment - Revised Draft 28

JANUARY 2019: LOT 1 INFRASTRUCTURE FRAMEWORK PLAN

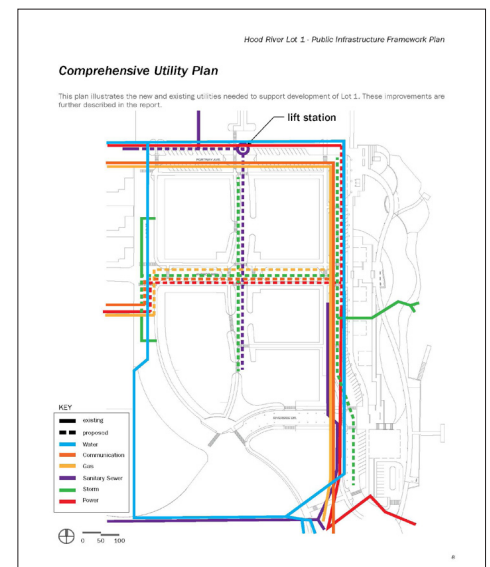
Walker|Macy

For Lot 1 to be viable for development, significant improvements are needed to roads and utility systems. In 2016, a collaborative effort between the Port, City, and the public resulted in preparation of a Long-Term Plan for Lot 1 which described the public goals, urban design principles, and overall concept for future development of Lot 1. The purpose of the current work is to summarize the public infrastructure required to achieve the full build-out of Lot 1 consistent with the 2014 Plan. It is also intended to provide key information for the URA to determine whether tax increment resources should be allocated to help finance the cost of needed public infrastructure.

PLANNING STUDIES PRE-2003

List of Hood River Waterfront planning studies 1975 - 2002

- | | | |
|----|--|-----------|
| 1. | Port of Hood River Columbia Waterfront Plan
<i>Stephen M. Burdick, Research Consultant</i> | May 1975 |
| 2. | Phase I - Hood River Waterfront Plan
<i>Benkendorf & Associates, Ltd. et al</i> | Dec. 1982 |
| 3. | Phase I - Hood River Waterfront Plan (adopted)
<i>Benkendorf & Associates, Ltd. et al</i> | Feb. 1983 |
| 4. | Hood River Waterfront Plan Phase II
<i>Benkendorf & Associates, Ltd. et al</i> | Feb. 1984 |
| 5. | Waterfront Plan Update
<i>The Benkendorf Associates Corp.</i> | July 1989 |
| 6. | Windsurfing Event Site Master Plan
<i>The Benkendorf Associates Corp.</i> | Nov. 1991 |
| 7. | Port of Hood River - Waterfront Master Plan (Draft)
<i>The Benkendorf Associates Corp.</i> | Nov. 1992 |
| 8. | Hood River Development (T.I.A.)
<i>Kittelson & Associates, Inc.</i> | May 1997 |
| 9. | Port of Hood River - Waterfront Action Plan
<i>Waterfront Land Use Real Estate Development Oregon Investment Board Report</i> | Feb. 2002 |



APPENDIX O

2017 WATERFRONT
DEVELOPMENT
FEASIBILITY
ANALYSIS

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DATE: October 30, 2017
TO: Michael McElwee, Port of Hood River
FROM: Matt Craigie, ECONorthwest
SUBJECT: HOOD RIVER WATERFRONT - DEVELOPMENT FEASIBILITY ANALYSIS

Purpose

The waterfront area of Hood River is a thriving mix of industrial and commercial properties, situated along an active riverine shoreline with popular park space and water-oriented recreation sites. The Port of Hood River (the Port) has owned or controlled much of the land in this area and is nearing a full build-out of developable parcels. The last remaining vacant parcel, referred to as “Lot 1,” is situated near the primary access point to the waterfront area, along the east side of North Second Street and south of Portway Ave.

In an effort to advance development on this remaining parcel, The Port has worked with regional design firms to identify community priorities, opportunities and constraints of the site, and the highest and best market use for development. In 2016, Walker Macy finalized a development plan for Lot 1 that included a demonstration diagram for the location of new buildings and an associated subdivision plan. This report also identified the process for phasing the site preparation and infrastructure development.

In addition to desiring new physical development on the site, the Port Commission identified key goals for this development. As noted in Walker Macy’s report, these goals are:

“...target competitive wage jobs, attain high-quality design and construction, complement Hood River’s downtown core, seek waterfront-compatible businesses, create a superior pedestrian environment with broad public access, emphasize environmental sustainability¹”

In the Autumn of 2017, the Port asked ECONorthwest (ECO) to complete a real estate feasibility analysis for Walker Macy’s development plan. The purpose of this memorandum is to report out the findings of our analysis. The key questions that guided our work were:

- Is new development currently feasible at the Lot 1 Site?
- How would a public investment in infrastructure influence development feasibility at Lot 1?
- How can the public sector encourage development on Lot 1 to go beyond the basic requirements of the zoning code so as to match the high quality of other existing buildings in the waterfront area and achieve the Port Commission’s stated goals for future development?

¹ Lot 1 Development Plan, prepared by Walker Macy, February 2016 (pg. 1)

Our findings indicate that development is only feasible (residual land values are only positive), in scenarios with either a public investment covering the cost of infrastructure and/or when development costs are low and rents are high. This finding is consistent for both flex and traditional industrial development. We further detail our methodology, assumptions, and findings in the remainder of the memo.

Methodology

The Port asked that we develop an Excel-based pro forma model to test development feasibility at the Lot 1 properties. The key variable that the Port asked us to model was shifting the infrastructure costs (as outlined in the above section) between either the private developer or the public sector. The resulting model has multiple scenarios that reflect variations in public investment in infrastructure, as well as typical pro forma inputs such as rents and construction costs.

A pro forma is a financial model that developers use to evaluate whether a development is financially feasible. Pro forma analyses require inputs regarding a physical building configuration: square footage, mix of uses (industrial and office for example), and parking configuration. We assumed the new development on the waterfront would match Walker Macy's development plan from 2016.

We employed a *return on cost* approach to estimate the *residual land value* of the proposed full build-out of the Lot 1 properties. A residual land value model calculates the developer's land budget after he/she has paid for other development related inputs, e.g. site preparation costs, building costs, parking, etc.

This approach has a key advantage over a cash flow model for analyzing a hypothetical development: it does not require the creation of assumptions about the sources and uses of funds for each development, i.e. where the funds are coming from, with what interest rates, for how long of a term, etc.

In a residual land value model, the project's value, from which the project costs are subtracted, is based on the net operating income (NOI) of the stabilized project. The NOI is the income (rents) less any costs from vacancies, operations, and operating reserves. The expected NOI from the project is then divided by either a capitalization rate or a return on cost percentage – both are ratios or percentages that are estimated by analyzing the recent sale prices of comparable properties compared to their NOIs.

Generally, if the result of a residual land value calculation is positive then the project is feasible subject to the current use of the property, other more valuable alternative uses, or the land owners speculative value. If the residual land value is negative, the project does not generate enough income to pay for land and is not feasible without additional subsidy. If the residual land value is close to zero, then the project would be feasible only if the land is either donated or sold at a very low price. Further, the residual land value must also cross another threshold for the development to be feasible to all potential developers. This threshold is the market price

for land. Moreover, a residual land value of \$5 per square foot in a market with land values at \$15 per square foot, would only be feasible if the developer either owned the land outright, or was able to acquire land at the below market price of \$5 per square foot. A residual land value of \$15 per square foot, in this case, is more likely to be feasible because a developer can afford to pay the market price for land.

Model Inputs

In addition to using the development plan created by Walker Macy we collected other pro forma inputs through interviews with developers and local contractors, online data sources, and sources provided by the Port’s staff. We further vetted the construction cost numbers through interviews with two contractors that are actively working in the Hood River market. We refined the inputs based on these interviews and also verified the range of feasible rents by using the real estate data analytics platform, CoStar. For a more detailed table of assumptions, see Exhibit 3.

Exhibit 1. Development Plan Area Estimates from Walker Macy

TAXLOT	TOTAL AREA(SF)	BUILDING FOOTPRINT(SF)	BUILD-OUT(SF) (FOOTPRINT)(# OF FLOORS)	REQUIRED LANDSCAPE AREA(SF) (10% TAX LOT)	LANDSCAPE AREA SHOWN(SF)	REQUIRED STORMWATER TREATMENT AREA(SF) (TAXLOT-LAND.)(8% IMPERVIOUS)	ADDITIONAL LANDSCAPE AREA NEEDED TO MEET 10% (SF) (REQ. LAND. - REQ. SW)	AREA REMAINING(SF) (TAXLOT-(REQ. LAND. + REQ. SW))
A	230,150	N/A	N/A	N/A	N/A	N/A	N/A	N/A
B1	18,150	6,580	6,580	1,815	1,994	1,307	508	16,335
B2	66,900	9,925	9,925	6,690	7,520	4,817	1,873	60,210
C	51,000	9,480	23,700	5,100	6,132	3,672	1,428	45,900
D1	28,050	4,000	10,000	2,805	6,346	2,020	785	25,245
D2	27,700	8,040	20,100	2,770	4,838	1,994	776	24,930
E1	36,100	10,010	25,025	3,610	4,881	2,599	1,011	32,490
E2	34,900	7,020	17,550	3,490	4,899	2,513	977	31,410
F1	39,600	10,200	25,500	3,960	8,575	2,851	1,109	35,640
F2	35,700	9,450	23,625	3,570	5,936	2,570	1,000	32,130
G	38,900	N/A	N/A	3,890	8,888	2,801	1,089	35,010
H	27,800	N/A	N/A	2,780	4261	2,002	778	25,020
I	38,100	3,500	8,750	3,810	14,721	2,743	1,067	34,290

Source: Lot 1 Development Plan, prepared by Walker Macy, February 2016

The work completed by Walker Macy included an estimate for the site development costs. This estimate was developed from thorough research on the existing utilities that serve Lot 1 and the necessary improvements that would be needed to support future development at the site. Walker Macy also created a phased infrastructure plan and provided a construction cost estimate for the infrastructure work. The total cost for the phased site development was \$4,880,585 (see Exhibit 2). During our interviews with local contractors, we confirmed that costs for site development (both construction and infrastructure) have increased approximately ten percent since the completion of the Walker Macy report. To accurately estimate the site preparation costs in 2017, we escalated the Walker Macy estimate by 10 percent to reach a total of \$5,368,643.

Exhibit 2. Preliminary Construction Cost Estimate developed by Walker Macy

CATEGORY	ITEM	UNIT	UNIT PRICE	PHASE 1: 1ST STREET		PHASE 2: ANCHOR WAY		PHASE 3: PORTWAY AVE		PHASE 4: PRIVATE ROAD		TOTAL COST
				QTY	SUBTOTAL	QTY	SUBTOTAL	QTY	SUBTOTAL	QTY	SUBTOTAL	
Demolition	Erosion Control	ALLOW	\$ 2,000	1	\$ 2,000	1	\$ 2,000	1	\$ 2,000		\$ -	\$ 6,000
	Surface Removal	SY	\$ 6	12000	\$ 72,000	2800	\$ 16,800	2800	\$ 16,800		\$ -	\$ 105,600
	Rough Grading (1'/SF)	ACRE	\$16,000	1.75	\$ 28,000	0.75	\$ 12,000	1	\$ 16,000		\$ -	\$ 56,000
Streets	N 1st Street	LF	\$ 1,000	1000	\$1,000,000		\$ -		\$ -		\$ -	\$ 1,000,000
	Anchor Way	LF	\$ 850		\$ -	436	\$ 370,600		\$ -		\$ -	\$ 370,600
	Portway Avenue	LF	\$ 1,050		\$ -		\$ -	436	\$ 457,800		\$ -	\$ 457,800
Utilities	Water- Fire Hydrants	EA	\$ 5,000	2	\$ 10,000		\$ -	1	\$ 5,000		\$ -	\$ 15,000
	Storm - 12" pipe	LF	\$ 60	835	\$ 50,100		\$ -		\$ -	540	\$ 32,400	\$ 82,500
	Storm - manholes	EA	\$ 4,000	5	\$ 20,000		\$ -		\$ -	4	\$ 16,000	\$ 36,000
	Storm - infiltration	EA	\$25,000	2	\$ 50,000		\$ -		\$ -	2	\$ 50,000	\$ 100,000
	Sewer - 8" pipe	LF	\$ 70		\$ -	900	\$ 63,000		\$ -		\$ -	\$ 63,000
	Sewer - manholes	EA	\$ 4,000		\$ -	4	\$ 16,000		\$ -		\$ -	\$ 16,000
	Sewer - lift station	ALLOW	\$75,000		\$ -	1	\$ 75,000		\$ -		\$ -	\$ 75,000
Utility Relocation	Existing Utility Removal	LF	\$ 15	2000	\$ 30,000		\$ -		\$ -		\$ -	\$ 30,000
	Storm Main Relocation	ALLOW	\$75,000	1	\$ 75,000		\$ -		\$ -		\$ -	\$ 75,000
	Gas Main Relocation	ALLOW	\$30,000	1	\$ 30,000		\$ -		\$ -		\$ -	\$ 30,000
	Power Relocation	ALLOW	\$35,000	1	\$ 35,000		\$ -		\$ -		\$ -	\$ 35,000
	Telecom Relocation	ALLOW	\$25,000	1	\$ 25,000		\$ -		\$ -		\$ -	\$ 25,000
				Subtotal: \$ 1,427,100		\$ 555,400		\$ 497,600		\$ 98,400		
				30% Estimating Contingency: \$ 428,130		\$ 166,620		\$ 149,280		\$ 29,520		
				Subtotal: \$ 1,855,230		\$ 722,020		\$ 646,880		\$ 127,920		
				12% Overhead & Profit: \$ 222,628		\$ 86,642		\$ 77,626		\$ 15,350		
				Phase Subtotals: \$ 2,077,858		\$ 808,662		\$ 724,506		\$ 143,270		
				30% Permitting & Design Fees: \$ 623,357		\$ 242,599		\$ 217,352		\$ 42,981		
				Phase Totals: \$ 2,701,215		\$ 1,051,261		\$ 941,857		\$ 186,252		

Source: Lot 1 Development Plan, prepared by Walker Macy, February 2016

Exhibit 3. Development Assumptions for Pro Forma

Operating Revenue and Cost Assumptions				
Variable	Modeling Assumption			Unit of Measure
	Low	High	Average	
<u>Rent</u>				
Flex industrial rent (annual)	\$14.00	\$23.00	\$18.50	Per square foot, annualized (Triple Net)
Flex industrial rent (monthly)	\$1.17	\$1.92	\$1.54	
Traditional industrial rent (annual)	\$6.00	\$14.00	\$10.00	Per square foot, annualized (Triple Net)
Traditional industrial rent (monthly)	\$0.50	\$1.17	\$0.83	
<u>Vacancy Rate</u>			5%	Percent
<u>Operating Expenses</u>				
Industrial (both Flex and Traditional)			0%	(passed through for Triple Net)
Reserves			-\$0.25	Per Square foot, Annualized
Property tax - residential			\$0.00	per Unit/Year (passed through for Triple Net)
<u>Parking Demand</u>			4.41	Stalls per 1,000 nsf
<u>Return on Cost</u>	6.00%	8.00%	7.00%	percent
Construction Costs				
Variable	Assumption			Unit of Measure
<u>Hard Construction Costs</u>				
Flex industrial				
Shell and core	\$175.00	\$200.00	\$187.50	Per square foot
Gross to Net Ratio			95%	
Traditional industrial				
Shell and core	\$100.00	\$150.00	\$125.00	Per square foot
Gross to Net Ratio			95%	
Landscaping			\$10.00	Per square foot
Parking				
Parking Stalls			715	Stalls (different sizes)
Surface parking			\$3,000.00	Per stall
Site Prep cost escalator			10%	
<u>Soft Costs</u>			30%	Percent of Hard Costs
<u>Developer Fee</u>			4.0%	Percent total development cost
<u>Contingency fee</u>			5.0%	Percent of Hard + Soft Costs
Land Cost (from current comps)			\$15.00	Per GSF

Source: Various sources, compiled by ECONorthwest

Feasibility Scenarios

We initially created eight scenarios to test the impact of changes in construction costs and rents, as well as a potential public investment in infrastructure, on the resulting development feasibility of Lot 1. The interviews with contractors provided a range of costs for developing the shell and core of the industrial buildings. To match the high quality of industrial development currently in the Hood River waterfront area, the contractors indicated that construction costs would range between \$175 to \$200 per gross square foot of building area. These costs reflect high quality construction, with the variance between the low and high end primarily being a result of interior office built-out, fixtures, and façade/shell materials.

In addition to the construction cost range, we observed a range in asking rents for industrial properties in Hood River. Properties of equal quality to the existing waterfront development, were asking for rent in the range of \$1.17 to \$1.92 per square foot per month². In our analysis, we have referred to the type of high quality industrial development in the waterfront area as “flex industrial” as it includes both industrial and manufacturing uses as well as any associated office space and small retail tenant spaces.

To illustrate, we modeled the following four scenarios twice, once *without* public investment in infrastructure and once *with* public investment with infrastructure. (see Exhibit 4 below):

Exhibit 4. Development Scenario Matrix for Flex Industrial

	Low Rent	High Rent
Low cost	Rent: \$1.17 psf/mo Construction Cost: \$175 psf	Rent: \$1.92 psf/mo Construction Cost: \$175 psf
High Cost	Rent: \$1.17 psf/mo Construction Cost: \$200 psf	Rent: \$1.92 psf/mo Construction Cost: \$200 psf

Source: ECONorthwest

For comparison, we built additional scenarios for more traditional industrial development. We used construction cost numbers from previous ECO research and collected new rent data from CoStar for more traditional industrial properties. We held all other assumptions constant. This scenario matrix is as follows (see Exhibit 5):

² It's worth noting that these are higher than typical industrial rents. The high quality industrial buildings in the waterfront area have attracted tenants that utilize the properties for a blend of office, manufacturing, warehousing, and retail uses. Because of this mix of uses, these tenants are able to pay higher than typical “industrial” rents.

Exhibit 5. Development Scenario Matrix for Traditional Industrial

	Low Rent	High Rent
Low cost	Rent: \$0.50 psf/mo Construction Cost: \$100 psf	Rent: \$1.17 psf/mo Construction Cost: \$100 psf
High Cost	Rent: \$0.50 psf/mo Construction Cost: \$150 psf	Rent: \$1.17 psf/mo Construction Cost: \$150 psf

Source: ECONorthwest

Contactors also noted a couple variables that are currently affecting industrial development costs. During our interviews, the contractors noted that (1) any industrial development with specialized manufacturing space will require higher cost allowances to account for special permeant fixtures and increased structural loads and (2) Hurricane Harvey has impacted the manufacturing of PVC plastic piping. While piping is a smaller input into construction costs than most, the current lack of supply is affecting industrial projects nationwide.

Both of these cost impacts were not included in our analysis due to the both the unknown use of this hypothetical development as well as the timeline (manufacturing facilities for pipes may be restored by the time of this development).

Findings and Implications

Analysis Findings

The results of our analysis indicate that development is only feasible (residual land values are only positive), in scenarios with either a public investment covering the cost of infrastructure and/or when development costs are low and rents are high. This finding is consistent for both flex and traditional industrial development. The following scenario matrices show the residual land value results:

Exhibit 6. Residual Land Value Per Square Foot Results for Flex Industrial

	Low Rent	High Rent
Low cost	Without public investment: (\$41.28)	Without public investment: \$3.46
	With public investment: (\$29.15)	With public investment: \$15.58
High Cost	Without public investment: (\$54.96)	Without public investment: (\$10.22)
	With public investment: (\$42.84)	With public investment: \$1.90

Source: ECONorthwest

Exhibit 7. Residual Land Value Per Square Foot Results for Traditional Industrial

	Low Rent	High Rent
Low cost	Without public investment: (\$39.99)	Without public investment: (\$0.23)
	With public investment: (\$27.87)	With public investment: \$11.89
High Cost	Without public investment: (\$67.36)	Without public investment: (\$27.59)
	With public investment: (\$55.24)	With public investment: (\$15.47)

Source: ECONorthwest

The desired flex industrial development has a positive residual land value when rent is high and costs are low, and also when rent is high and costs are high but only if the public invests in the infrastructure. Though development is feasible in these scenarios, as shown by the positive residual land values, these numbers exclude the market cost of land.

During our discussions with developers and contractors, we learned that the market cost of land for light industrial in the Hood River Waterfront ranges from \$9 to \$20 per square foot of land, with an average of approximately \$15 per square foot. If the developer is expected to pay the average market cost of land, the only feasible scenario is when rents are high and construction costs are low, in addition to the public sector investing in the cost of the site preparation.

The development of more traditional industrial product is less feasible than high quality flex industrial, as shown in Exhibit 7. Only one scenario works for traditional industrial (high rent

and low cost plus public investment) and the resulting residual land value is not large enough to cover the average market cost of land.

Implications

There are several implications from the results of this analysis:

1. Any type of development on the Lot 1 properties will likely require a public investment in the supporting infrastructure. The infrastructure costs are substantial, and the current relationship between rents and development costs are such that there is little money left over for a developer to spend on infrastructure improvements.
2. Fluctuations in rent have a greater impact on development feasibility than development costs (not including infrastructure). The current rents of the existing high-quality flex industrial developments in the Hood River waterfront are akin to core Portland area retail or office rents. These high rents are critical for supporting the continued quality of development in the waterfront.
3. The flex industrial scenarios are more feasible than the traditional industrial scenarios. This means that, given the choice between the two, a developer can achieve a higher return on investment by pursuing a flex industrial product at Lot 1, than building a traditional industrial development. The implication of this finding is that, should the public sector invest in the supporting infrastructure to “unlock” Lot 1 for development, a developer is more likely to pursue a high-quality flex industrial product type from a return on investment stand point.

This analysis has shown that a public investment in infrastructure is necessary to incentivize new development at the Lot 1 site. Further, returns on investment are likely to be higher if a developer pursues a high-quality flex industrial product type at the site. This does not mean, that there is a foregone conclusion to achieving the Port Commission’s goal of a continuation of high-quality development in the waterfront area however. There may be other reasons a developer would choose to build a low-quality product type at the Lot 1 site, that is not in line with the Port’s goals. Further, because financial feasibility is not achievable in most scenarios, a developer may choose to reduce costs by constructing a lower-quality product to achieve their desired return on investment.

The Port of Hood River and the City of Hood River have a strong role to play in shaping the future development of the waterfront’s Lot 1. Several tactics, such as clear vision setting, and developer outreach, along with a public investment in infrastructure should be deployed to ensure future high-quality development.

Appendix: Pro forma analysis

	Flex Industrial - No Public Investment				Flex Industrial - With Public Investment			
	Low rent high cost	Low rent low cost	High rent high cost	High rent low cost	Low rent high cost	Low rent low cost	High rent high cost	High rent low cost
Income								
Market rent rates	\$ / sq ft / month	1.17	1.92	\$	1.17	1.17	\$	1.92
Market rent rates	\$ / sq ft / year	14.00	23.00	\$	14.00	14.00	\$	23.00
Vacancy Rate	% / year	5%	5%		5%	5%		5%
Square feet leased	sq ft	154,106	154,106		154,106	154,106		154,106
Rent total	\$ / year	2,157,489	3,544,447	\$	2,157,489	2,157,489	\$	3,544,447
Operating reserves	\$ / year	(40,554)	(40,554)	\$	(40,554)	(40,554)	\$	(40,554)
Property taxes	\$ / year	-	-	\$	-	-	\$	-
Office NOI	\$ / year	2,271,042	3,657,999	\$	2,271,042	2,271,042	\$	3,657,999
NOI	\$ / year	2,271,042	3,657,999	\$	2,271,042	2,271,042	\$	3,657,999
Project value	\$	37,850,692	60,966,650	\$	37,850,692	37,850,692	\$	60,966,650
Construction cost								
Land	\$	6,643,500	6,643,500	\$	6,643,500	6,643,500	\$	6,643,500
Landscaping	\$	789,910	789,910	\$	789,910	789,910	\$	789,910
Parking (surface)	\$	2,145,000	2,145,000	\$	2,145,000	2,145,000	\$	2,145,000
Site prep	\$	5,368,644	5,368,644	\$	-	-	\$	-
Hard cost per sf (shell and core)	\$	200	200	\$	200	175	\$	200
Hard cost gross (shell and core)	\$	34,151,000	29,882,125	\$	34,151,000	29,882,125	\$	34,151,000
Soft cost	\$	10,245,300	8,964,638	\$	10,245,300	8,964,638	\$	10,245,300
Contingency	\$	2,219,815	1,942,338	\$	2,219,815	1,942,338	\$	2,219,815
Developer fee	\$	1,864,645	1,631,564	\$	1,864,645	1,631,564	\$	1,864,645
Total cost	\$	63,428,013	57,367,893	\$	63,428,013	57,367,893	\$	63,428,013
Total cost w/o land	\$	56,784,513	50,724,393	\$	56,784,513	50,724,393	\$	56,784,513
Results								
Return on Cost	%	7.0%	7.0%		7.0%	7.0%		7.0%
Residual Land Value	\$	(\$24,341,063)	(\$18,280,943)	(\$4,527,385)	(\$18,972,420)	(\$12,912,300)	\$841,259	\$6,901,379
RLV per Square Foot	\$	(\$54.96)	(\$41.28)	(\$10.22)	(\$42.84)	(\$29.15)	\$1.90	\$15.58
Total development per sf of GBA	\$	371	336	\$	340	305	\$	340
Total development per sf of GBA	\$	333	297	\$	301	266	\$	301

	Traditional Industrial - No Public Investment				Traditional Industrial - With Public Investment			
	Low rent high cost	Low rent low cost	High rent high cost	High rent low cost	Low rent high cost	Low rent low cost	High rent high cost	High rent low cost
Income								
Market rent rates	\$ / sq ft / month	0.50	\$	1.17	\$	0.50	\$	1.17
Market rent rates	\$ / sq ft / year	6.00	\$	14.00	\$	6.00	\$	14.00
Vacancy Rate	% / year	5%		5%		5%		5%
Square feet leased	sq ft	154,106		154,106		154,106		154,106
Rent total	\$ / year	924,638	\$	2,157,489	\$	924,638	\$	2,157,489
Operating reserves	\$ / year	(40,554)	\$	(40,554)	\$	(40,554)	\$	(40,554)
Property taxes	\$/year	-	\$	-	\$	-	\$	-
Office NOI	\$ / year	1,038,190	\$	2,271,042	\$	1,038,190	\$	2,271,042
NOI	\$ / year	1,038,190	\$	2,271,042	\$	1,038,190	\$	2,271,042
Project value	\$	17,303,173	\$	37,850,692	\$	17,303,173	\$	37,850,692
Construction cost								
Land	\$	6,643,500	\$	6,643,500	\$	6,643,500	\$	6,643,500
Landscaping	\$	789,910	\$	789,910	\$	789,910	\$	789,910
Parking (surface)	\$	2,145,000	\$	2,145,000	\$	2,145,000	\$	2,145,000
Site prep	\$	5,368,643.50	\$	5,368,643.50	\$	-	\$	-
Hard cost per sf (shell and core)	\$	150		150		150		150
Hard cost gross (shell and core)	\$	25,613,250	\$	17,075,500	\$	17,075,500	\$	25,613,250
Soft cost	\$	7,683,975	\$	5,122,650	\$	7,683,975	\$	5,122,650
Contingency	\$	1,664,861	\$	1,109,908	\$	1,664,861	\$	1,109,908
Developer fee	\$	1,398,483	\$	932,322	\$	1,398,483	\$	932,322
Total cost	\$	51,307,773	\$	39,187,533	\$	45,939,130	\$	45,939,130
Total cost w/o land	\$	44,664,273	\$	32,544,033	\$	39,295,630	\$	27,175,390
Results								
Return on Cost	%	7.0%		7.0%		7.0%		7.0%
Residual Land Value	\$	(\$29,832,982)	(\$17,712,742)	(\$12,220,823)	(\$100,583)	(\$24,464,338)	(\$12,344,098)	(\$6,852,180)
RLV per Square Foot	\$	(\$67.36)	(\$39.99)	(\$27.59)	(\$0.23)	(\$55.24)	(\$27.87)	(\$15.47)
Total development per sf of GBA	\$	300	\$	229	\$	269	\$	198
Total development per sf of GBA	\$	262	\$	191	\$	230	\$	159

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APPENDIX P

2019 LOT 1
PUBLIC INFRASTRUCTURE
FRAMEWORK PLAN

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LOT 1 - PUBLIC INFRASTRUCTURE FRAMEWORK PLAN

PORT OF HOOD RIVER
HOOD RIVER, OREGON
JANUARY 2019



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ACKNOWLEDGEMENTS:

*Port of Hood River
City of Hood River
Walker Macy
KPFF Consulting Engineers
Surround Architecture*

Introduction

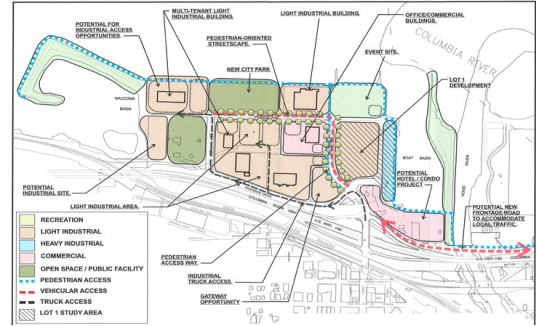
The Port and the Hood River Urban Renewal Agency (URA) seek to continue longstanding efforts to revitalize and enhance the Hood River Waterfront, an important local and regional resource. The largest remaining contiguous upland property that is crucial to this revitalization effort is Lot 1.

Lot 1 is approximately 9 acres in size, sits at the most visible corner of the waterfront and represents the largest undeveloped industrial property in Hood River. It provides a key opportunity for future job creation and added tax base to the community. Equally important, the site can establish important visual, physical, and commercial links between downtown and the waterfront, and provide new locations for active public spaces and recreational access. The site will be challenging to develop in a way that meets the many public expectations for it. But the Port, the URA, other local and state partners and residents alike have long considered the lot's development as the capstone to a thriving waterfront.

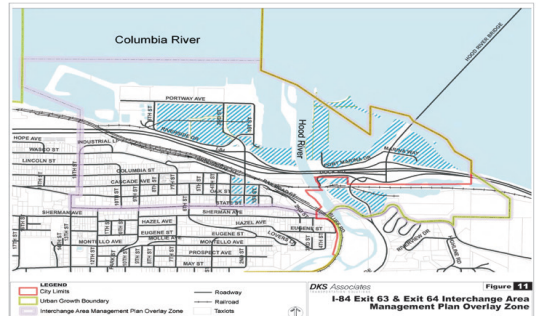
Through the 2014 Waterfront Refinement plan, the Port and the City were able to implement policies governing zoning and development that would leverage the Port's innovative development goals with City code to maximize use and access by the many diverse interests in the area. This "Public Infrastructure Framework Plan" is built upon those previous efforts and represents the next step in achieving the community's goals for the property.

Project Purpose

For Lot 1 to be viable for development, significant improvements are needed to roads and utility systems. In 2016, a collaborative effort between the Port, City, and the public resulted in preparation of a Long-Term Plan for Lot 1 which described the public goals, urban design principles, and overall concept for future development of Lot 1. The purpose of the current work is to summarize the public infrastructure required to achieve the full build-out of Lot 1 consistent with the 2014 Plan. It is also intended to provide key information for the URA to determine whether tax increment resources should be allocated to help finance the cost of needed public infrastructure.



2007-08 Waterfront Development Strategy
Group Mackenzie



Sept 2011: Interchange Area Management Plan
DKS Associates



February 2013: Lot 1 Preliminary Concept Plan
Group Mackenzie



March 2014: Nichols Basin West Edge Trail
Walker Macy

Project Goals

The following project goals associated with the Public Infrastructure Framework Plan were identified through multiple discussions with the Port of Hood River Commission and Hood River Urban Renewal Board:

1. Illustrate the full build-out of Lot 1 based on prior approved concept plans, consistent with zoning.
2. Describe the type, location, and cost of public infrastructure that will be necessary to enable full build-out.
3. Identify other public amenities that could help create an accessible and active public interface.
4. Describe the potential extent and timing of private investment if public infrastructure projects are implemented.
5. Identify approaches to phase in the installation of infrastructure projects. Ensure that all projects identified are consistent with the 2008 Waterfront Urban Renewal Plan.
6. Provide a basis for the Hood River Urban Renewal Agency to determine whether to invest tax increment resources in Lot 1 infrastructure.

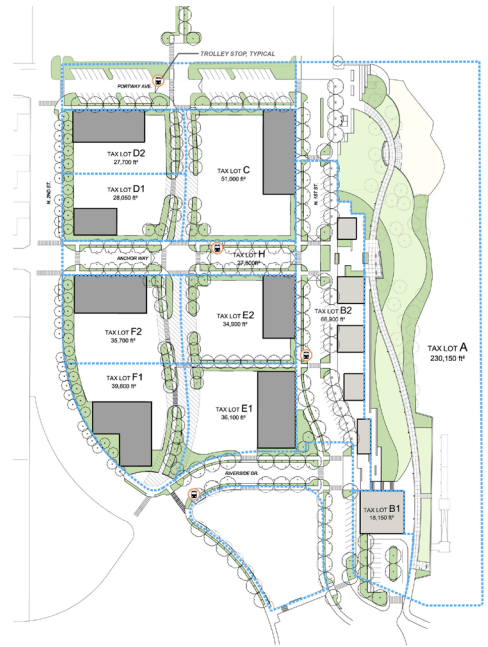
Development Objectives

Lot 1 represents the largest developable parcel remaining on the Hood River Waterfront. Throughout multiple planning efforts, the Port, the City, and local citizens have seen its development as a singular opportunity to meet multiple, long-standing community needs and fulfill the long-standing vision of a thriving, environmentally responsible “front door” to Hood River. The 2016 “Lot 1 Development Plan” articulated the following objectives that are important in the long-term implementation of this community vision:

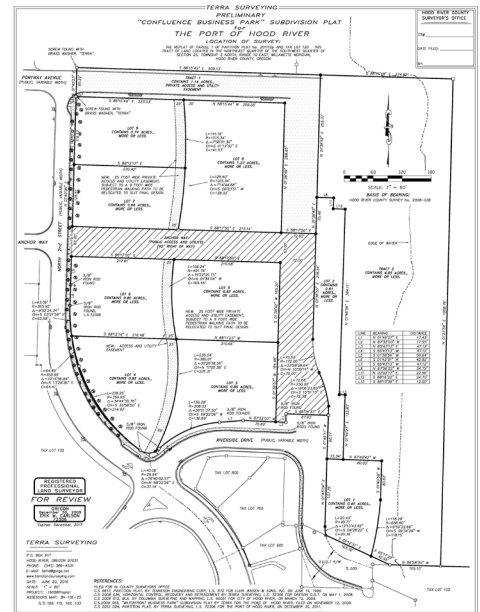
- a. Target competitive wage jobs.
- b. Ensure high quality design and construction.
- c. Complement Hood River’s downtown core.
- d. Seek waterfront-compatible businesses.
- e. Create a superior pedestrian environment with broad public access.
- f. Emphasize environmental sustainability.

Process

The Walker|Macy team, including KPFF Civil Engineers and Surround Architecture, was tasked to provide a basis for understanding the components required to develop Lot 1. Through an interactive process with the Port and City, the team identified the extent of needed infrastructure projects, developed scenarios, and prepared materials describing the preferred approach. This work is intended for public review and review by the URA and the Port Board of Commissioners.



Lot 1 - Development Plan (2016)



Subdivision Plat - Port of Hood River (2016)

Trends

The Hood River waterfront is a very attractive place for businesses to locate and thrive. The high quality and diversity of businesses and their investments in the area increase the value of adjoining properties. Given its location and size, Lot 1 should benefit from the success of the adjacent waterfront businesses in attracting high quality development. These new businesses will bring additional employment to the city and increase its tax base.

The team examined the recent development pattern at the riverfront to ascertain what general trends may apply to Lot 1.

The following summarizes the building size and the employment generated in recent projects built in the area. The diversity of business types has generated 280 jobs within these projects.

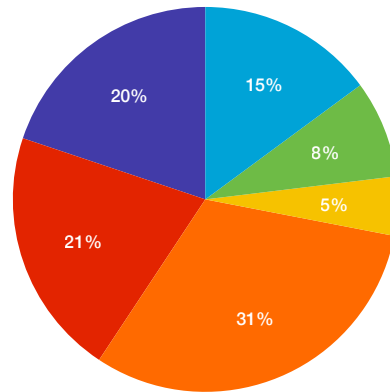
Commonalities include:

- Building types - there are combination multi-tenant buildings, and single user buildings.
- Densities- Buildings of up to 3 stories accommodate mixed user types in multi-tenant buildings.
- Urban design and users experience - mixed uses makes a rich community of various user types and flexibility for long term success.
- User types- Most common business type comes from the agriculture and food production industry.

AREA OCCUPANCIES

OCCUPANCY	AREA (SF)
Light Industrial Technology	30,000
Retail	16,500
Industrial Offices	10,000
Agricultural Industry / Food + Beverage Production	63,000
Professional Offices	42,000
Recreation Headquarters	40,000

- LIGHT INDUSTRIAL TECHNOLOGY
- RETAIL
- INDUSTRIAL OFFICES
- AGRICULTURAL INDUSTRY / FOOD + BEVERAGE PRODUCTION
- PROFESSIONAL OFFICES
- RECREATION HEADQUARTERS



USES / ACRE

HOOD RIVER WATERFRONT

PROJECT	LOT AREA (SF)	LOT AREA (ACRES)	BUILDING AREA (SF)	BUILDING AREA/ACRE*	EMPLOYMENT	EMPLOYMENT/ACRE**	PARKING	PARKING/ACRE***
303 Portway	34,950	0.8	20,505	25,631.25	50	62.5	48	60
505 Portway	54,450	1.25	40,769	32,615.2	100	80	62	49.6
602 Anchor Way	55,182	1.27	32,000	25,196.85	30	23.62	27	21.26
489 N. Eighth	69,770	1.6	30,000	18,750	50	31.25	50	31.25
Nichols Way	37,805	0.87	29,896	34,363.22	50	57.47	64	73.56
TOTAL	252,157	5.79	153,170	26,454.23	280	48.36	251	43.35

Summary:

* An average building area of 26,500 SF per acre of mixed use employment

** An average of 48 jobs per acre of mixed use employment

*** An average of 43 parking spots per acre of mixed use employment

Trends

LOT ONE EXTRAPOLATED DATA

LOT ONE HOOD RIVER

BUILDING	LOT AREA (SF)	LOT AREA (ACRES)	BUILDING AREA/ACRE*	BUILDING AREA (SF)	EMPLOYMENT/ACRE**	EMPLOYMENT (AVG.)	PARKING/ACRE***	PARKING
Tax Lot B	66,900	1.54	----	7,000	--	20	--	40
Tax Lot C	51,000	1.17	26,500	31,005	48	56.16	43	50.31
Tax Lot D1	28,050	0.64	26,500	16,960	48	30.72	43	27.52
Tax Lot D2	27,700	0.64	26,500	16,960	48	30.72	43	27.52
Tax Lot E1	36,100	0.83	26,500	21,995	48	39.84	43	35.69
Tax Lot E2	34,900	0.8	26,500	21,200	48	38.4	43	34.4
Tax Lot F1	39,600	0.91	26,500	24,115	48	43.68	43	39.13
Tax Lot F2	35,700	0.82	26,500	21,730	48	39.36	43	35.26
TOTAL	319,950	7.35	26,500	160,925	48	299	43	290

* An average building area of 26,500 SF per acre of mixed use employment

** An average of 48 jobs per acre of mixed use employment

*** An average of 43 parking spots per acre of mixed use employment

These businesses built over 200,000 sf of buildings over a 9 year period which equates to a development rate of 22,000sf per year.

If these trends are applied to Lot 1, it could generate over 170,000 sf of buildings in less than an 8 year period providing over 300 jobs and \$40 – \$50M in improvements.

These trends are encouraging and provide a possible scenario for development of Lot 1 that could benefit both the Port and the City of Hood River. Economic analysis should be undertaken to determine specifics of market demand, the potential of attracting desired types of businesses, and financial conditions that will influence the likely development.

Illustrative Perspectives

Description

In 2015 the City Council provided significant direction for the development of Lot 1 by adopting a Waterfront Refinement Plan and a Waterfront Overlay zone. Following this direction, the Port provided the 2016 planning effort completed by the Walker Macy team (Lot 1 - Development Plan) which outlined further refinement for future development. This report builds on the previous plan's concepts and further refines the potential appearance and development of Lot 1. The Port believes that Lot #1 should be developed in a manner that continues the high standards of design and construction quality that has been carried out on the riverfront in recent years and seeks a mix of uses that will add to this vital and active waterfront district.

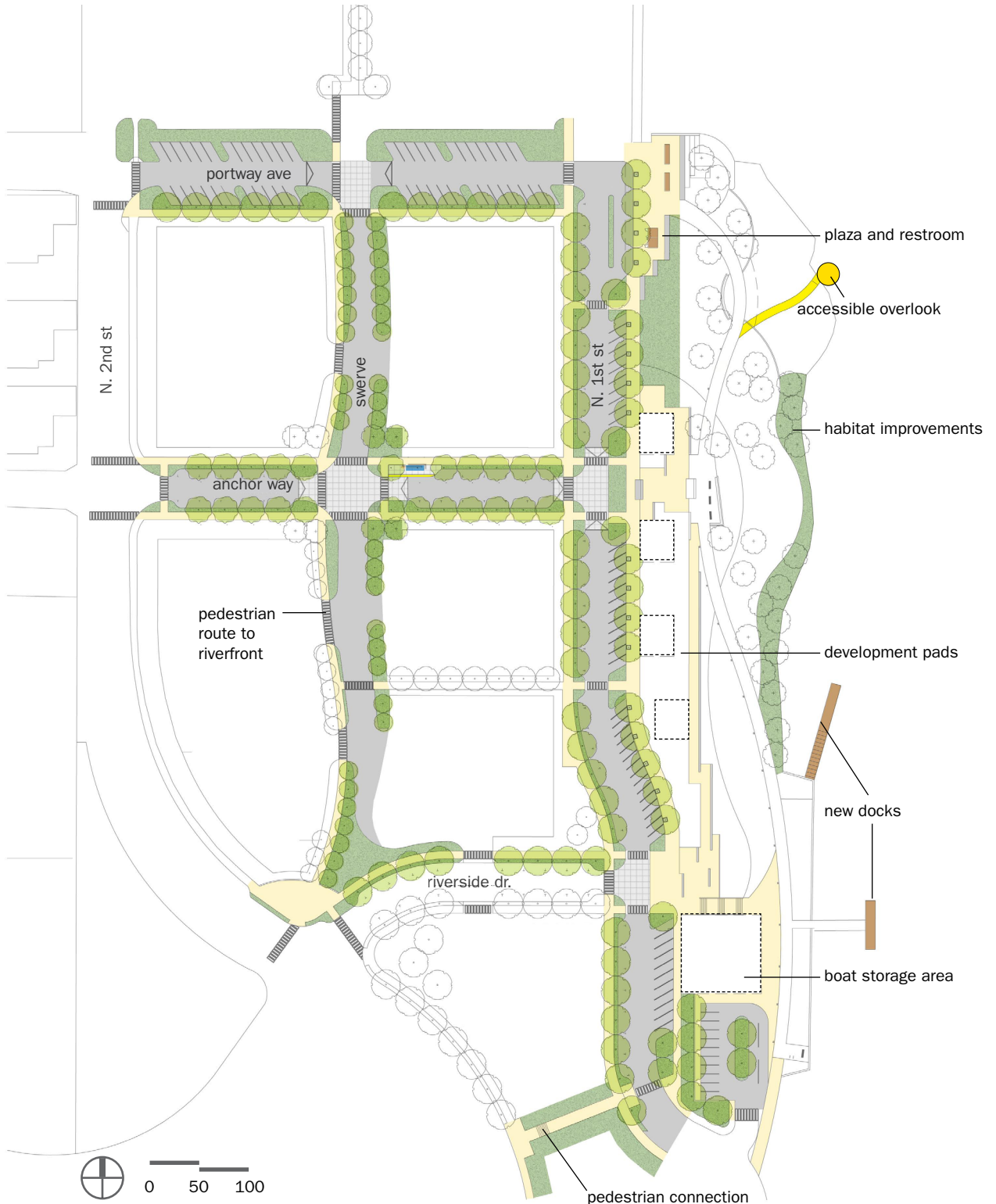


Illustrative Perspectives



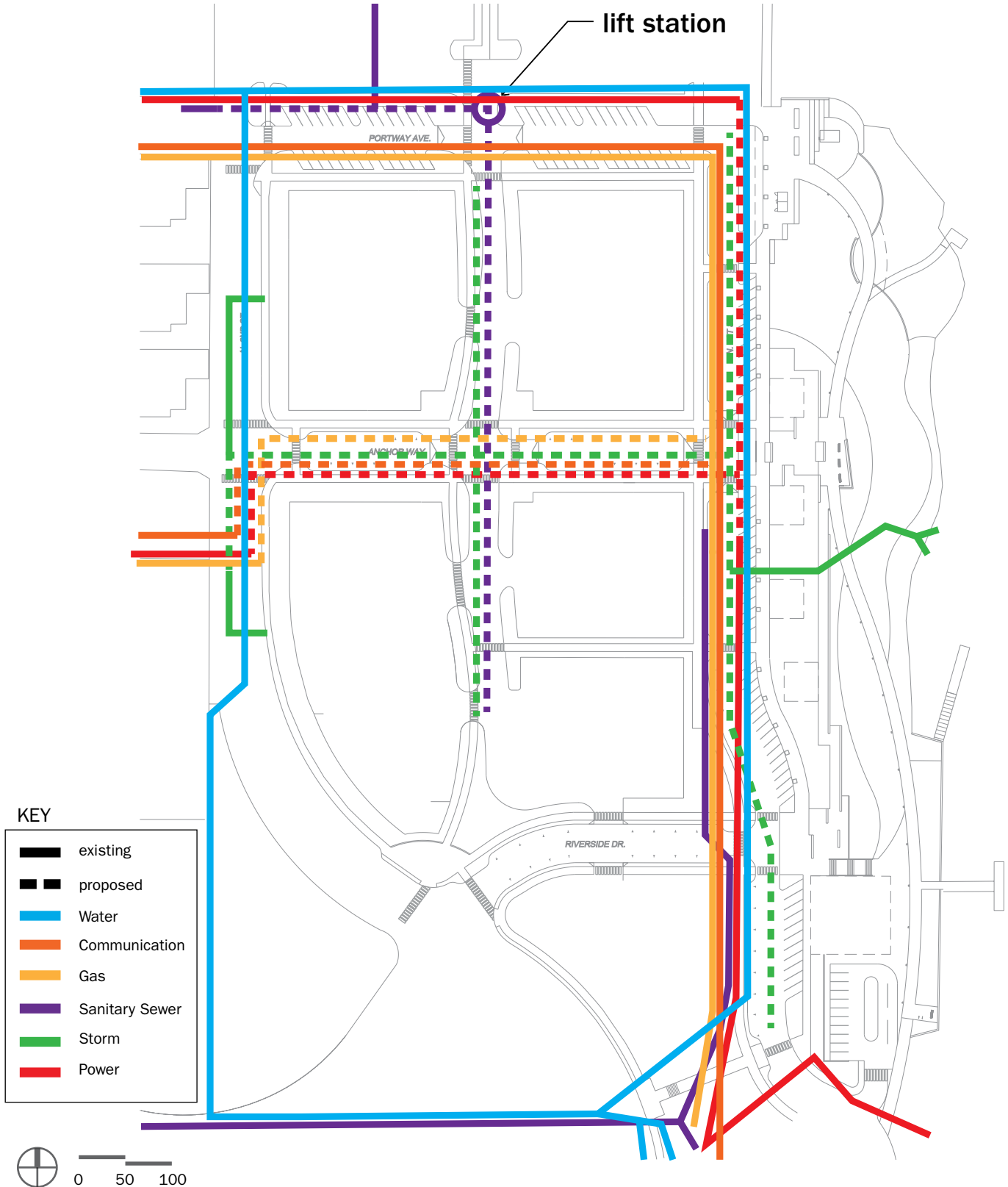
Comprehensive Infrastructure & Enhancement Plan

This plan illustrates the physical improvements proposed for Lot 1 to support development. These improvements are further described in the report.



Comprehensive Utility Plan

This plan illustrates the new and existing utilities needed to support development of Lot 1. These improvements are further described in the report.



Required Public Infrastructure

Description

In order for Lot 1 to be viable for development, streets, walks, landscape and utilities are needed. The following pages describe each of the improvement elements and their projected costs calculated in 2021 dollars.

The following summarizes the costs of the infrastructure improvements:	Estimated Costs:
• 1st Street (south).....	\$2,076,350
• 1st Street (north).....	\$1,459,100
• Portway Avenue	\$1,951,300
• The Swerve.....	\$1,285,100
• Anchor Way.....	\$1,547,200

Project: 1st Street (south)

Description

Building the south end of 1st Street provides a new active street edge to adjacent development parcels and contributes towards creating a better connected waterfront.

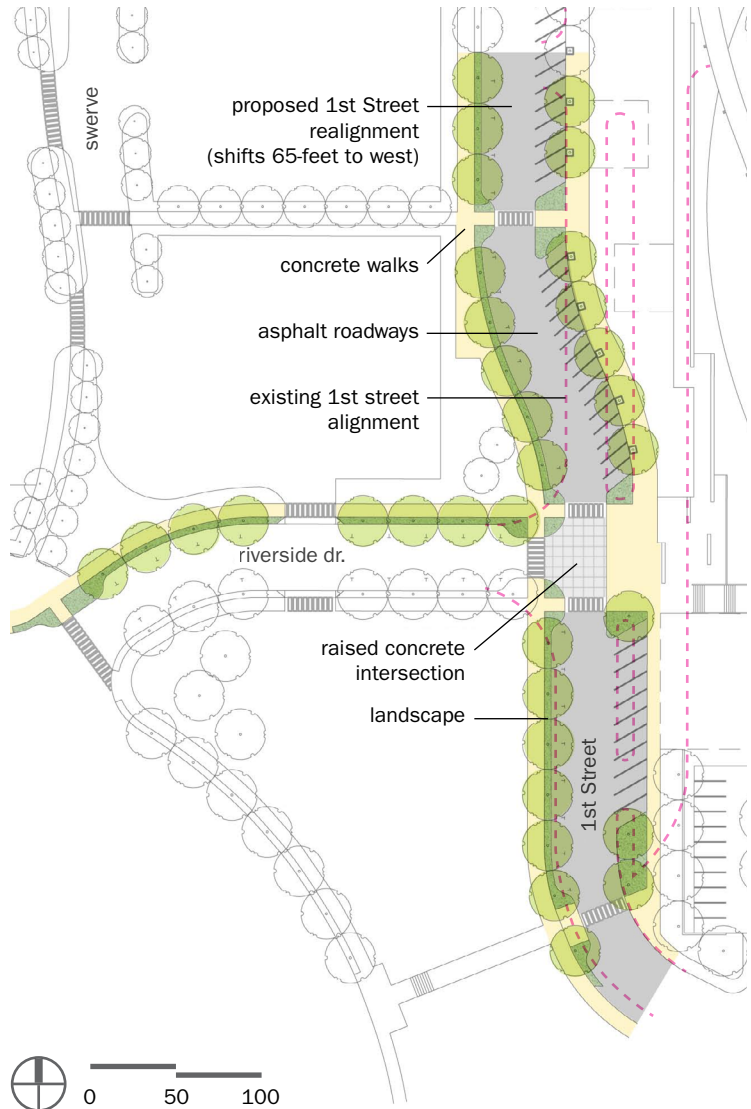
Components include:

- Realign street with parking and walks
- Curbside stormwater basins
- Utility improvements include:
 - New electrical
 - New storm sewer

Order of Magnitude Cost

1. Streets/Walks	\$811,740
2. Utilities	\$172,750
3. Landscape	\$111,260
Subtotal	\$1,095,750
Escalation	\$172,717
Contingency	\$328,725
Subtotal	\$1,597,192
Permitting & Design Fees	\$479,158
Total	\$2,076,350

NOTE: Estimates based on 2021 dollars.



Location



Raised Intersection Example

Project: 1st Street (north)

Description

Realignment of 1st Street to the north provides a new street with safe pedestrian crossings, on-street parking and new plantings. As a result, adjoining lots are accommodated at the west edge of the new 1st Street, and new pedestrian connections.

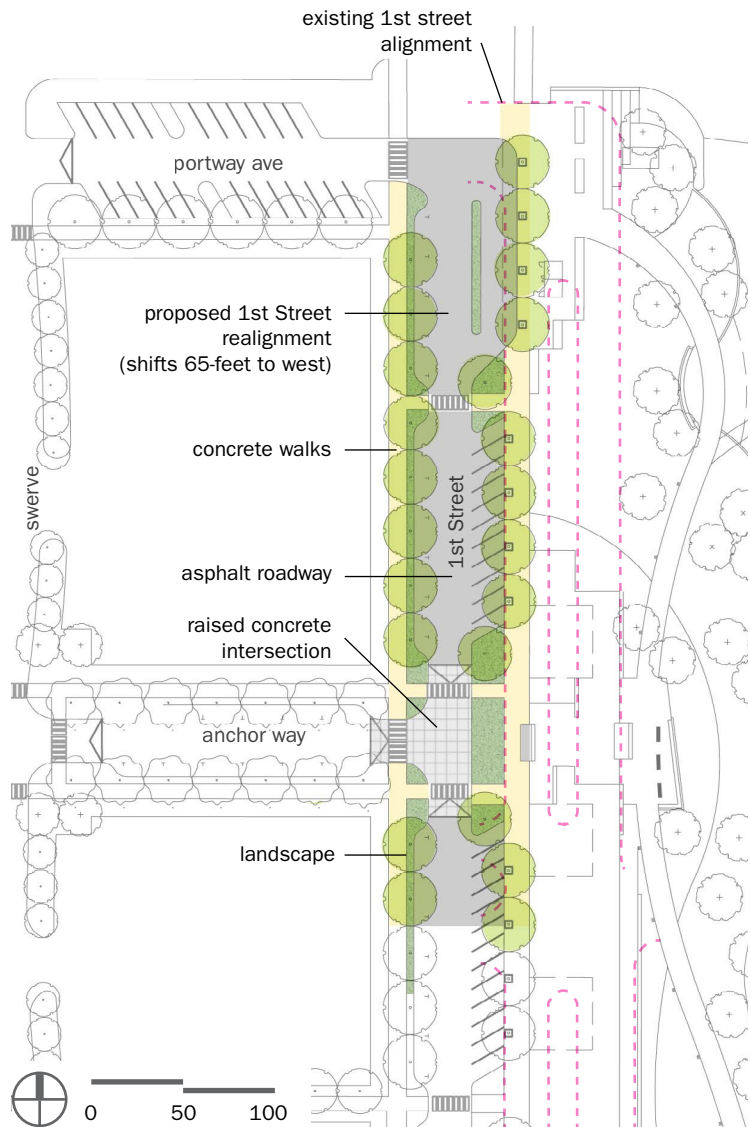
Built components include:

- Realigned 1st Street with parking and walks
- Festival street opportunity
- Utility improvements include: new electrical service, new storm sewer

Order of Magnitude Cost

1. Streets/Walks	\$546,000
2. Utilities	\$99,000
3. Landscape	\$125,000
Subtotal	\$770,000
Escalation	\$121,371
Contingency	\$231,009
Subtotal	\$1,122,380
Permitting & Design Fees	\$336,720
Total	\$1,459,100

NOTE: Estimates based on 2021 dollars.



Location



Festival Street Example

Project: Portway Avenue

Description

Rebuilding of Portway Avenue provides safer pedestrian connections, drainage upgrades and improved on-street parking. Mid-block pedestrian and vehicular movements accommodate build-out of adjacent lots and establish safe access to the beachfront.

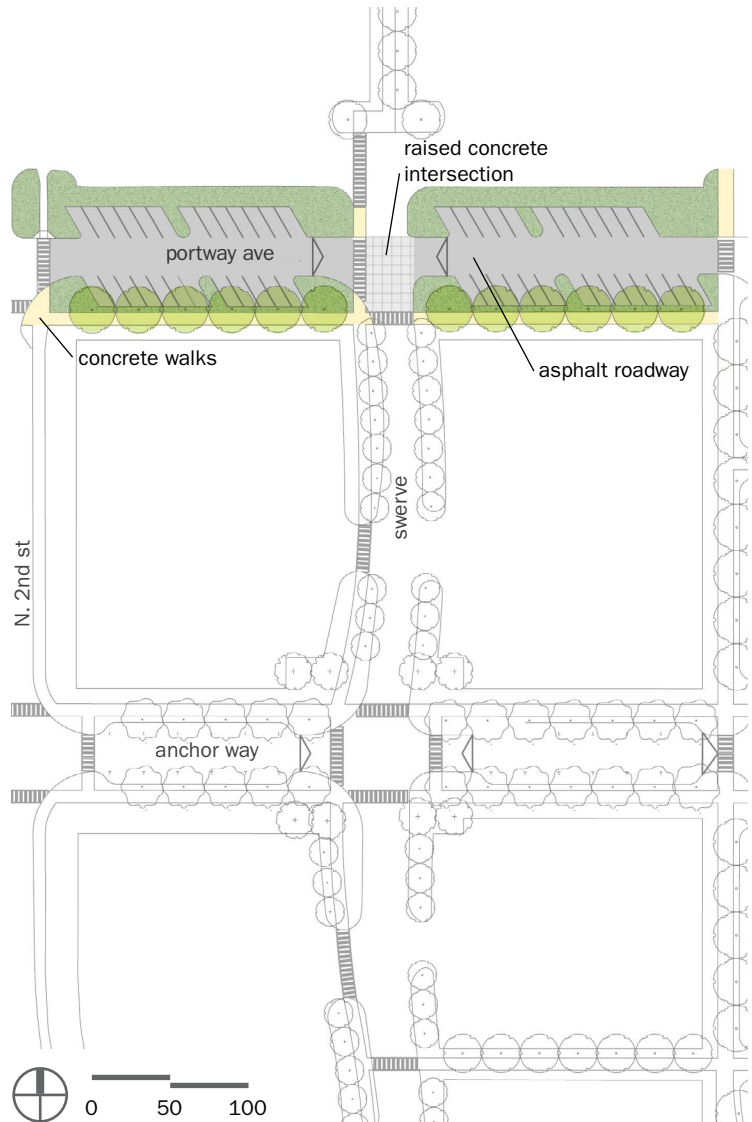
Built components include:

- Improved street including parking and walks
- Mid-block pedestrian connections
- Sanitary sewer to be extended from south to a new lift station

Order of Magnitude Cost

1. Streets/Walks	\$439,500
2. Utilities	\$250,250
3. Landscape	\$340,000
Subtotal	\$1,029,750
Escalation	\$162,314
Contingency	\$308,935
Subtotal	\$1,500,999
Permitting & Design Fees	\$450,301
Total	\$1,951,300

NOTE: Estimates based on 2021 dollars.



Location



Mid-block Crossing Example

Project: Swerve

Description

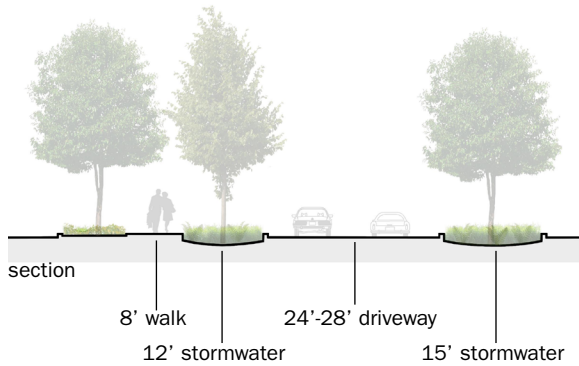
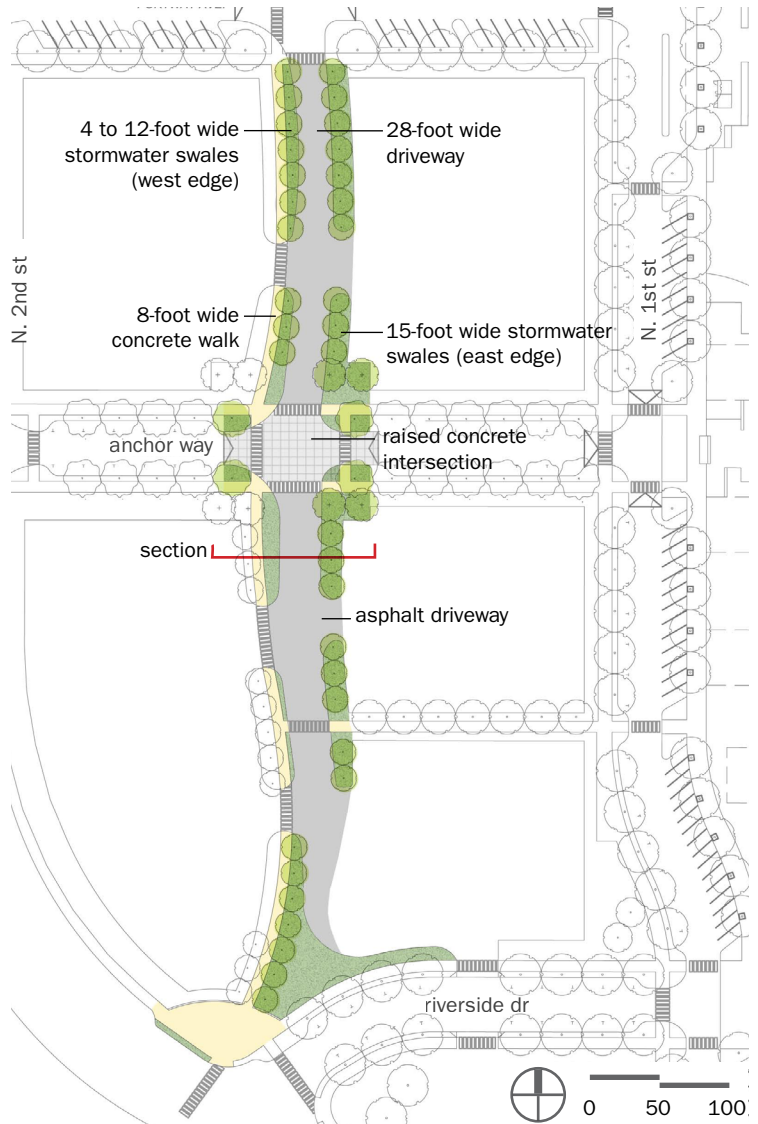
The Swerve will provide multiple functions including:

- A pedestrian connection from downtown Hood River to the popular riverfront event site
- Vehicular access to future off-street parking lots within the interior of Lot 1
- Basins to capture & clean stormwater runoff of adjacent pavements

Order of Magnitude Cost

1. Streets/Walks	\$348,200
2. Utilities	---
3. Landscape	\$306,000
4. Furnishings	\$24,000
Subtotal	\$678,200
Escalation	\$106,901
Contingency	\$203,460
Subtotal	\$988,561
Permitting & Design Fees	\$296,539
Total	\$1,285,100

NOTE: Estimates based on 2021 dollars.



Location



Pedestrian Walk Example

Project: Anchor Way

Description

Building Anchor Way on Lot 1 extends the existing alignment of Anchor Way from the west of 2nd Street and connects to Nichols Basin waterfront. The streetscape provides space for two-way vehicular movement, parallel parking on both sides, pedestrian walks and mid-block crossings. This alignment also enables direct access to future development lots. Existing utilities will be relocated to align with the new street.

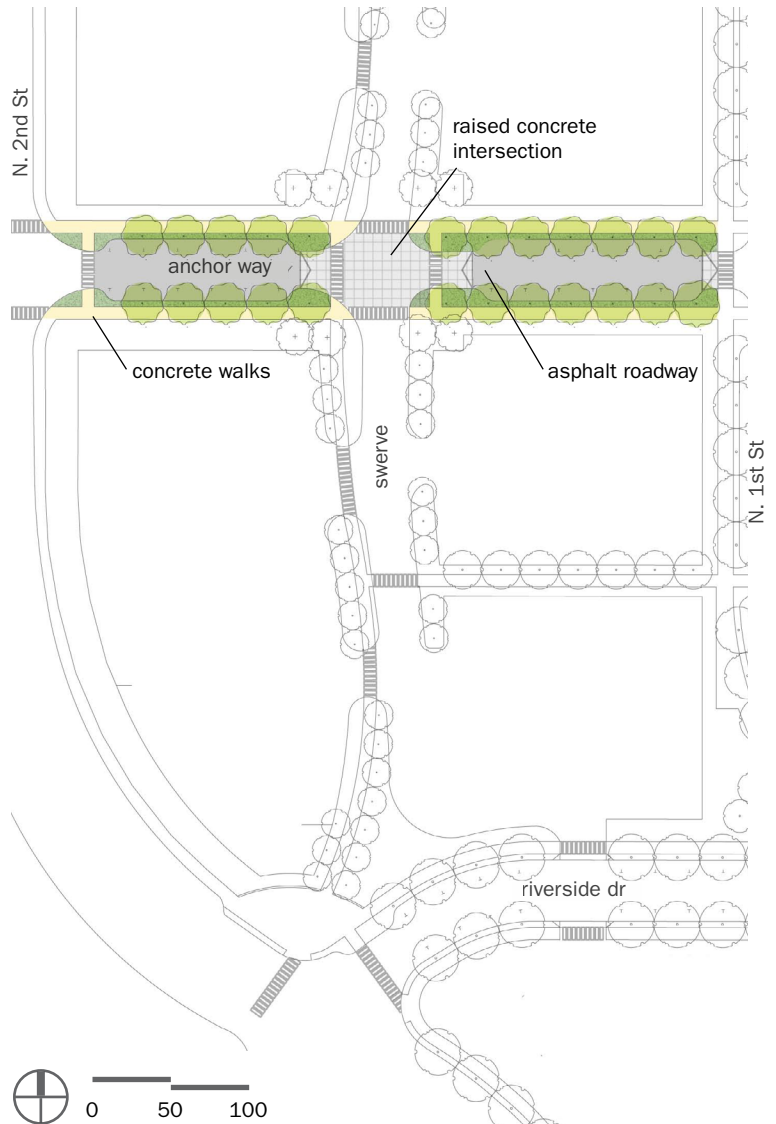
Built components include:

- New street through Lot 1 to align with existing Anchor Way with parking and walks
- Realignment of utilities including:
electrical power, stormwater, sanitary sewer, communication, and gas

Order of Magnitude Cost

1. Streets/Walks	\$424,500
2. Utilities	\$277,000
3. Landscape	\$115,000
Subtotal	\$816,500
Escalation	\$128,701
Contingency	\$244,954
Subtotal	\$1,190,155
Permitting & Design Fees	\$357,045
Total	\$1,547,200

NOTE: Estimates based on 2021 dollars.



Location



Stormwater Treatment Example

Enhancement Projects

Description

Through the public dialogue, there have been a number of enhancements proposed that will improve the public open spaces and provide enhanced connections. Many of these elements can be developed as infrastructure gets improved. Others can be implemented based on community desires for improvements in the area.

The following summarizes the costs of the enhancement projects:

Estimated Costs:

• Boat Storage Area.....	\$350,360
• North Plaza.....	\$1,224,280
• Anchor Way Plaza.....	\$129,330
• Riverside Plaza.....	\$164,000
• Overpass Connection.....	\$224,000
• Accessible Overlook.....	\$305,000
• Riparian Edge Restoration.....	\$349,810
• Transit Stop.....	\$23,990
• Boat Dock Extension.....	\$209,900
• Small Craft Launch Dock.....	\$211,890
• South End Connection to Nichols Park.....	\$109,940

Enhancement Project: Boat Storage Area

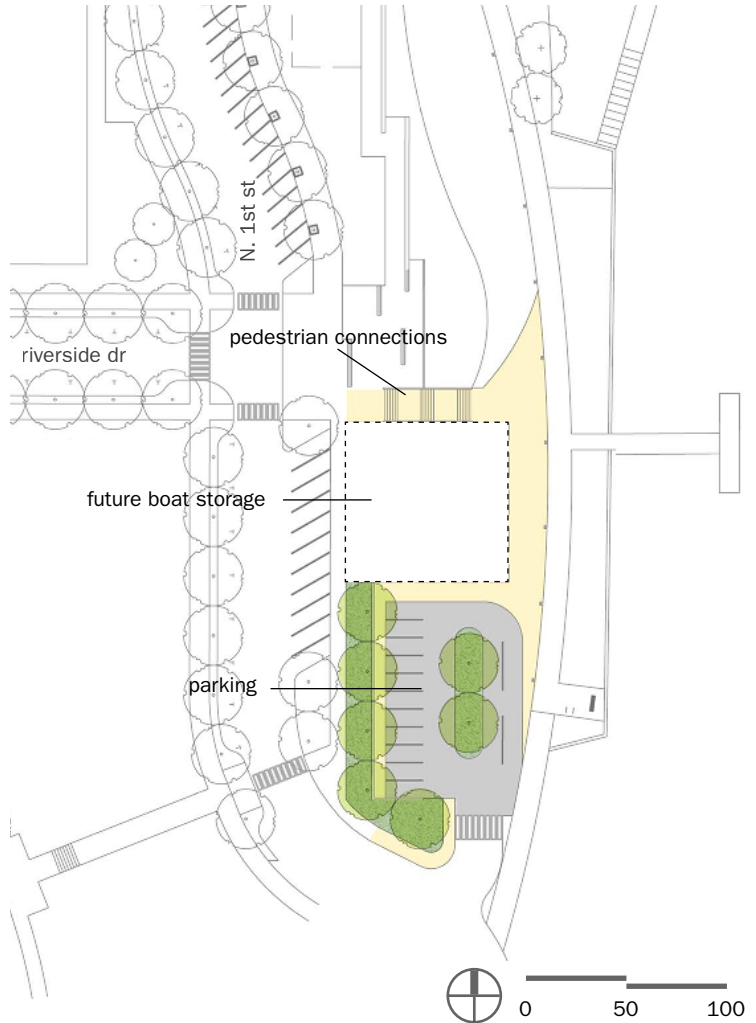
Description

Boat storage will provide the community a waterfront amenity. The upper level of the structure could allow for various activities, including office space and/or small retail space. The lower level could be used for boat storage. An updated parking lot could be built to accommodate use and better fit to the 1st Street realignment.

Order of Magnitude Cost

1. Paving/Demo	\$112,275
2. Landscape	\$63,000
Subtotal	\$175,275
Mobilization	\$14,022
Escalation	\$27,628
Contingency	\$52,583
Subtotal	\$269,507
Permitting & Design Fees	\$80,853
Total	\$350,360

NOTE: Estimates based on 2021 dollars. Building costs are in addition to this estimate.



Location



Boat Storage Example

Enhancement Project: North Plaza

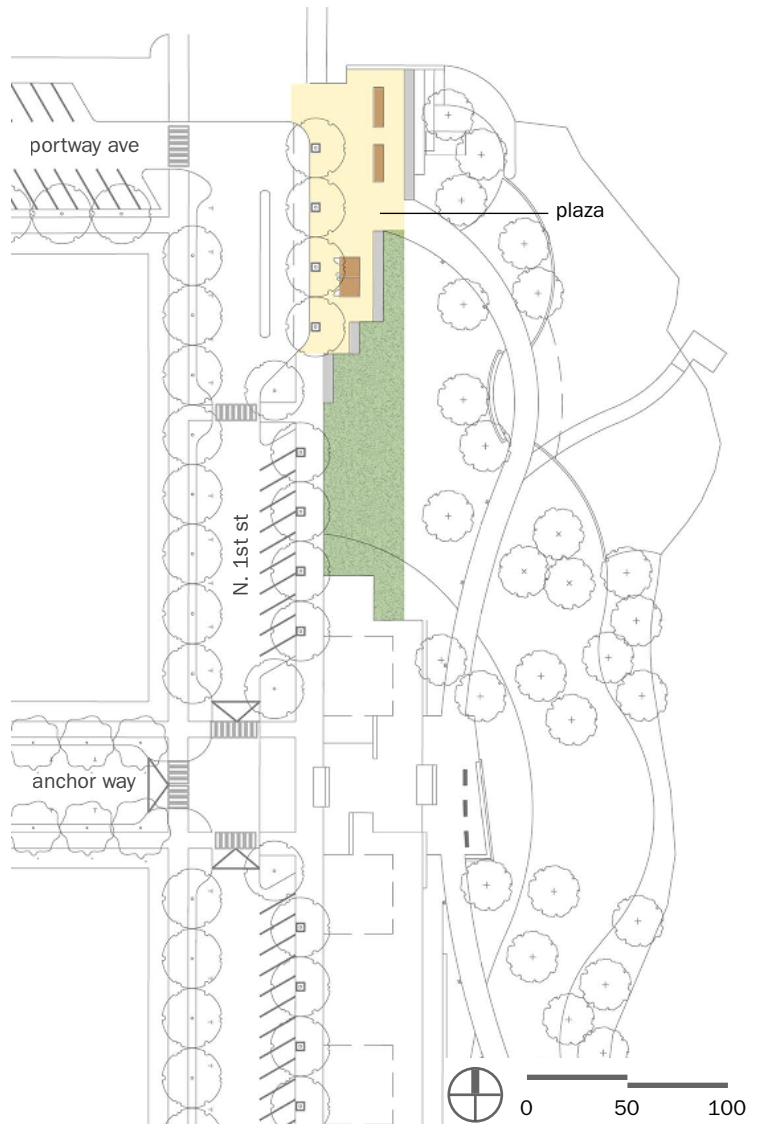
Description

The North Plaza project will provide pedestrian connections from 1st Street and Portway, as well as adjacent waterfront trail paths. The project accommodates a curbside drop-off zone, a plaza for events, seating areas, and a restroom building.

Order of Magnitude Cost

1. Demo/Paving	\$181,475
2. Restroom and Amenities	\$275,000
3. Furnishings	\$6,000
4. Landscape	\$150,000
Subtotal	\$612,475
Mobilization	\$48,998
Escalation	\$96,541
Contingency	\$183,743
Subtotal	\$941,757
Permitting & Design Fees	\$282,523
Total	\$1,224,280

NOTE: Estimates based on 2021 dollars.



Location



Plaza Example

Enhancement Project: Anchor Way Plaza

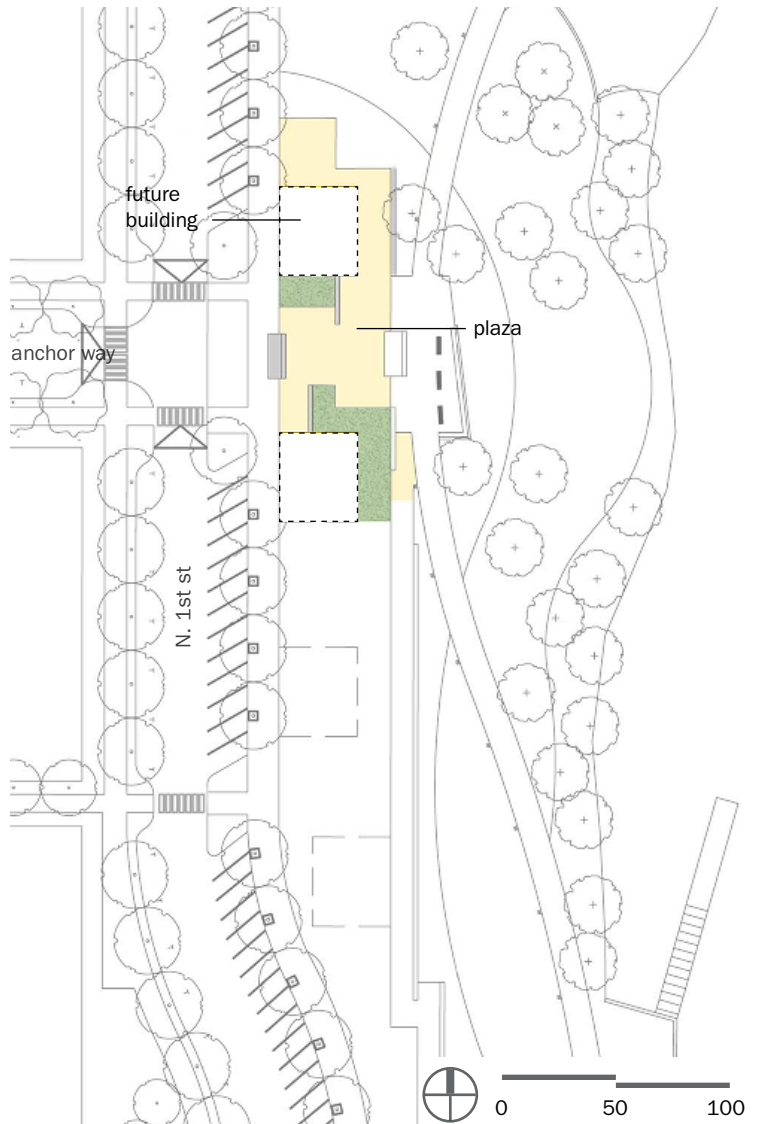
Description

Anchor Plaza will establish an eastern terminus to Anchor Way and connect to the existing Nichols Basin park. Seating, plaza paving and planting will be primary components to the project.

Order of Magnitude Cost

1. Demo/Paving	\$60,700
2. Landscape	\$4,000
Subtotal	\$64,700
Mobilization	\$5,176
Escalation	\$10,198
Contingency	\$19,411
Subtotal	\$99,485
Permitting & Design Fees	\$29,845
Total	\$129,330

NOTE: Estimates based on 2021 dollars.



Location



Plaza Seating Example

Enhancement Project: Riverside Plaza

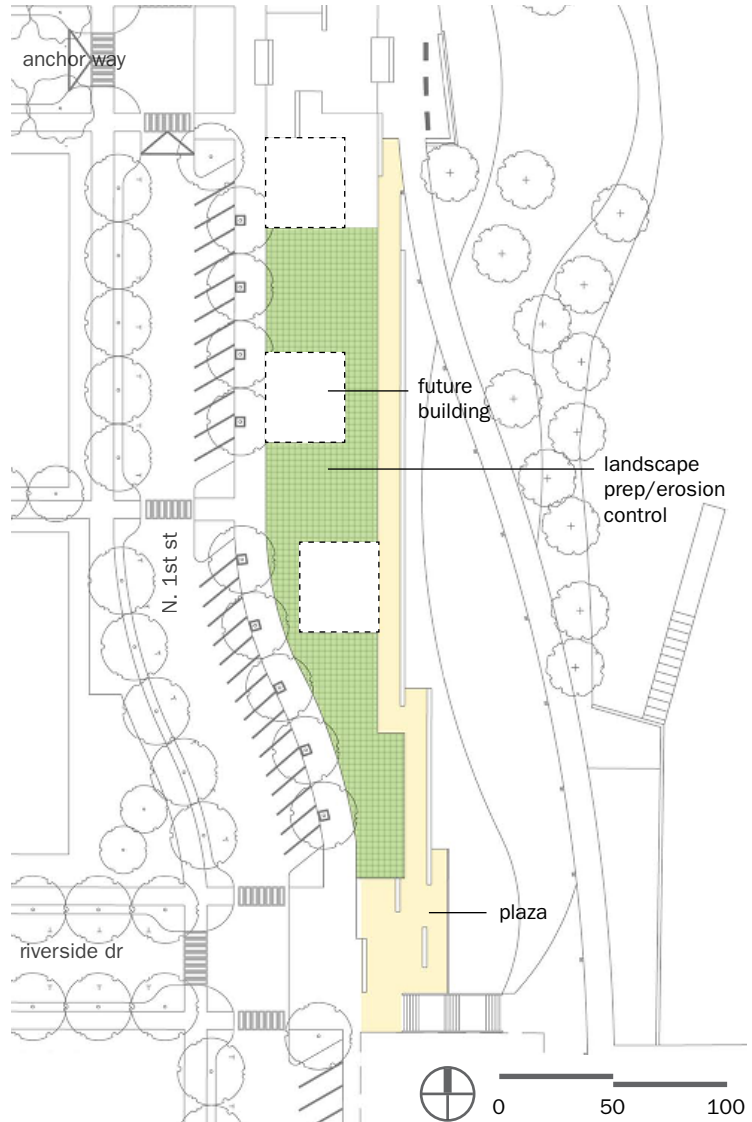
Description

Riverside Plaza will formalize pedestrian connections from updated crossings at Riverside Drive, 1st Street and provide a connection to the waterfront trail pathway. The plaza project will focus on pedestrian users and include paving, seating and interpretation elements.

Order of Magnitude Cost

1. Demo/Paving	\$60,700
2. Interpretation	\$20,000
3. Prep/Erosion Control	\$4,000
Subtotal	\$82,050
Mobilization	\$6,564
Escalation	\$12,933
Contingency	\$24,610
Subtotal	\$126,157
Permitting & Design Fees	\$37,843
Total	\$164,000

NOTE: Estimates based on 2021 dollars.



Location



Street & Plaza Integration Example

Enhancement Project: Overpass Connection

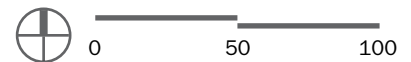
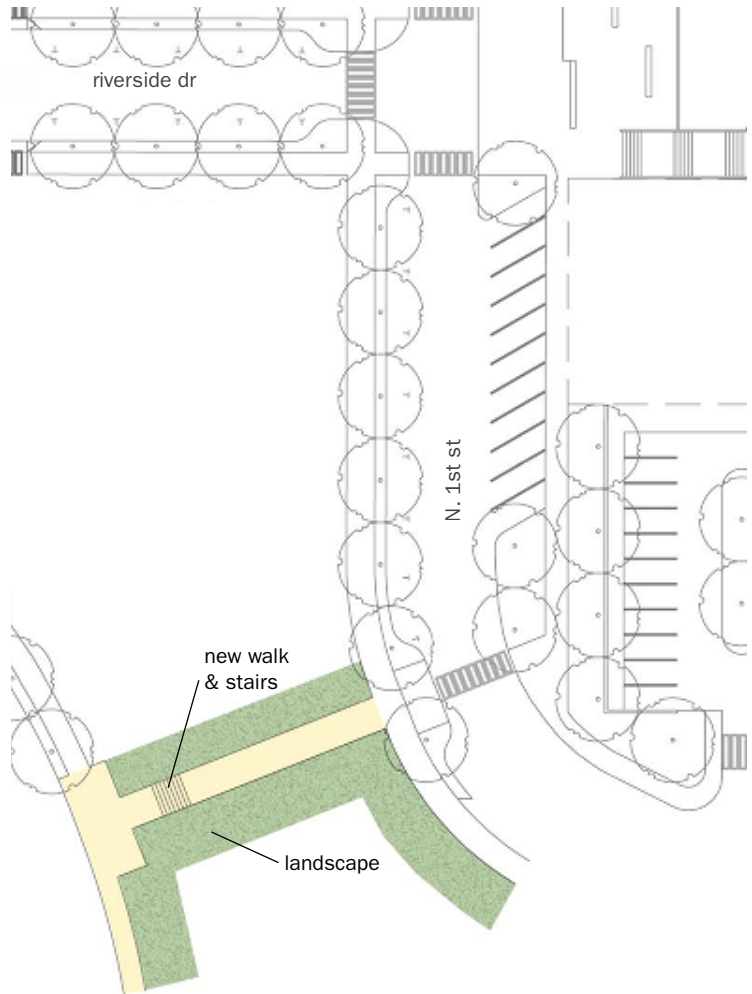
Description

An improved connection will better welcome pedestrians leading from the I-84 overpass to the southern end of Nichols Basin Park. Pedestrian oriented signage, public art, lighting, plantings, and crossings at 1st Street will benefit this connection.

Order of Magnitude Cost

1. Demo/Paving	\$44,100
2. Art	\$20,000
3. Landscape	\$48,000
Subtotal	\$112,100
Mobilization	\$8,968
Escalation	\$17,670
Contingency	\$33,652
Subtotal	\$172,390
Permitting & Design Fees	\$51,710
Total	\$224,100

NOTE: Estimates based on 2021 dollars.



Location



Existing Conditions at Site

Enhancement Project: Accessible Overlook

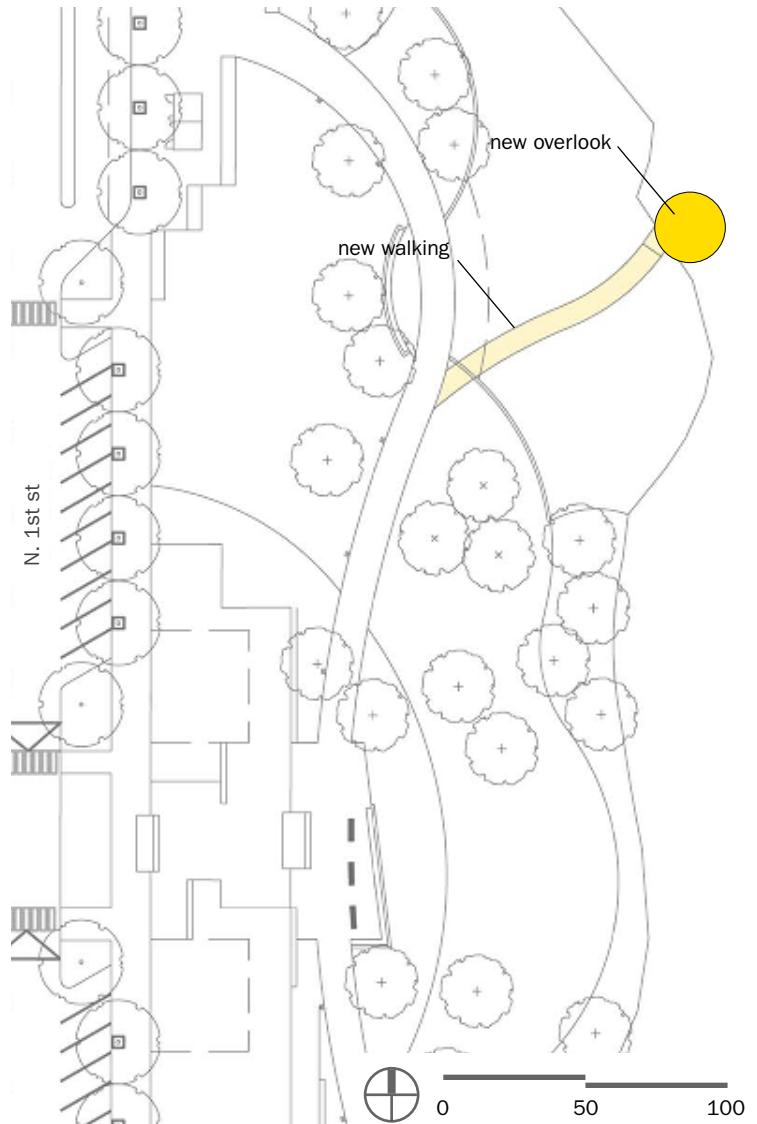
Description

An accessible overlook could be located where existing industrial pilings jut above water adjacent to the beach. A new concrete pathway would lead to a new structure built above the water enabling accessible viewing of the river and water activities.

Order of Magnitude Cost

1. Demo/Paving	\$32,600
2. Amenities	\$120,000
Subtotal	\$152,600
Mobilization	\$12,208
Escalation	\$24,054
Contingency	\$45,780
Subtotal	\$234,642
Permitting & Design Fees	\$70,358
Total	\$305,000

NOTE: Estimates based on 2021 dollars.



Location



Existing Conditions at Site

Enhancement Project: Riparian Edge Restoration

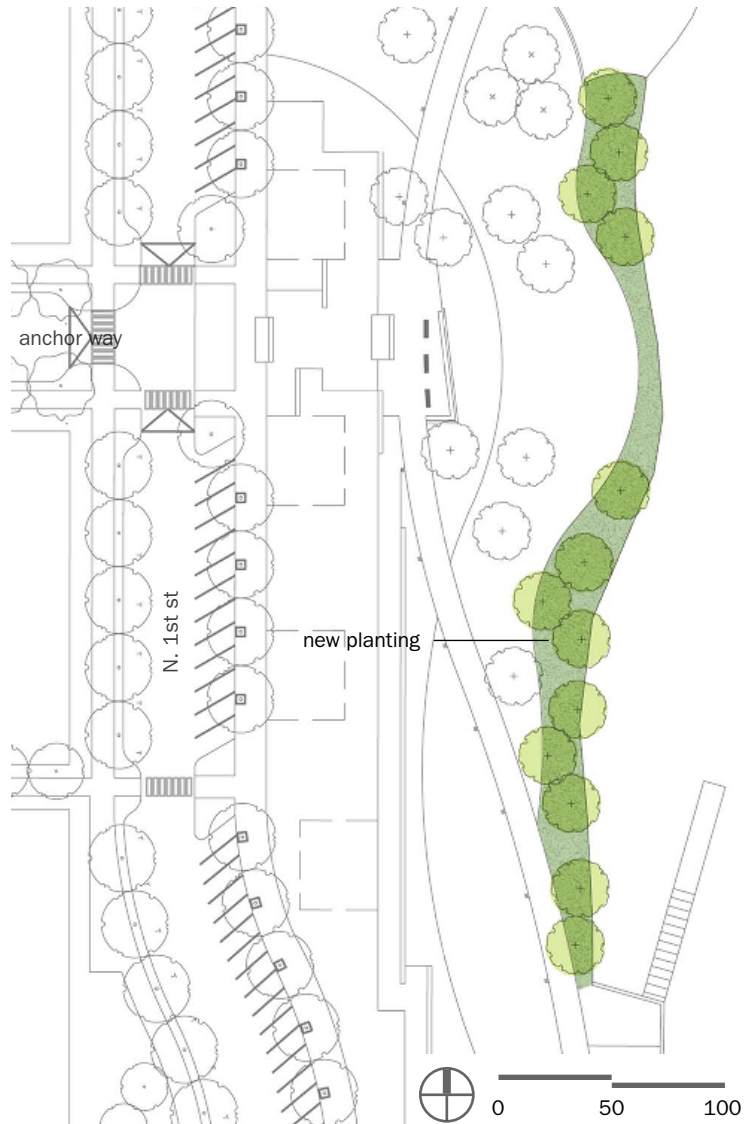
Description

This restoration effort aims to mitigate a neglected expanse of riparian environment and could contribute to a healthier aquatic ecosystem along this portion of Nichols Basin. Appropriate aquatic and engineering measures to be undertaken during construction to ensure its viability.

Order of Magnitude Cost

1. Demo	\$5,000
2. Landscape	\$170,000
Subtotal	\$175,000
Mobilization	\$14,000
Escalation	\$27,584
Contingency	\$52,500
Subtotal	\$269,084
Permitting & Design Fees	\$80,726
Total	\$349,810

NOTE: Estimates based on 2021 dollars.



Location



Existing Conditions at Site

Enhancement Project: Transit Stop

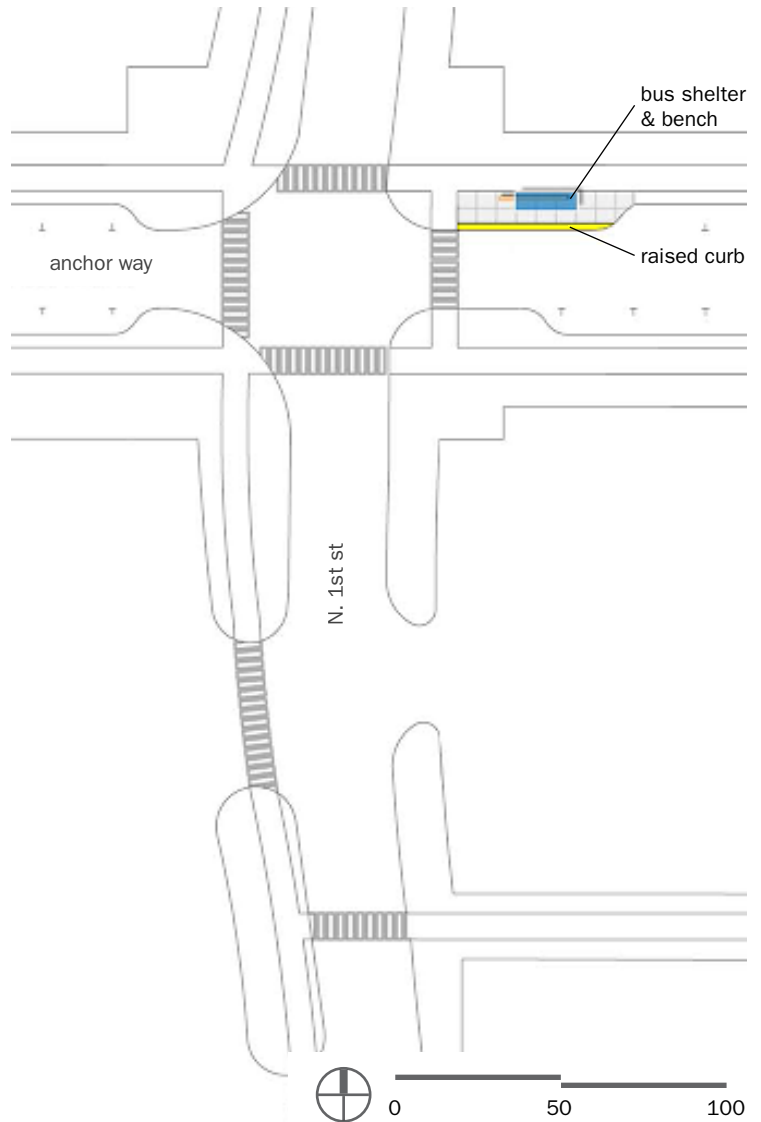
Description

A new transit stop will be installed at mid-block position on Anchor Way to provide primary public transportation connection on Lot 1. A new shelter, bench, and accessible curb conditions will meet city standards.

Order of Magnitude Cost

1. Amenities	\$12,000
Subtotal	\$12,000
Mobilization	\$960
Escalation	\$1,892
Contingency	\$3,600
Subtotal	\$18,452
Permitting & Design Fees	\$5,538
Total	\$23,990

NOTE: Estimates based on 2021 dollars.



Location



Transit Stop Example

Enhancement Project: Existing Dock Extension

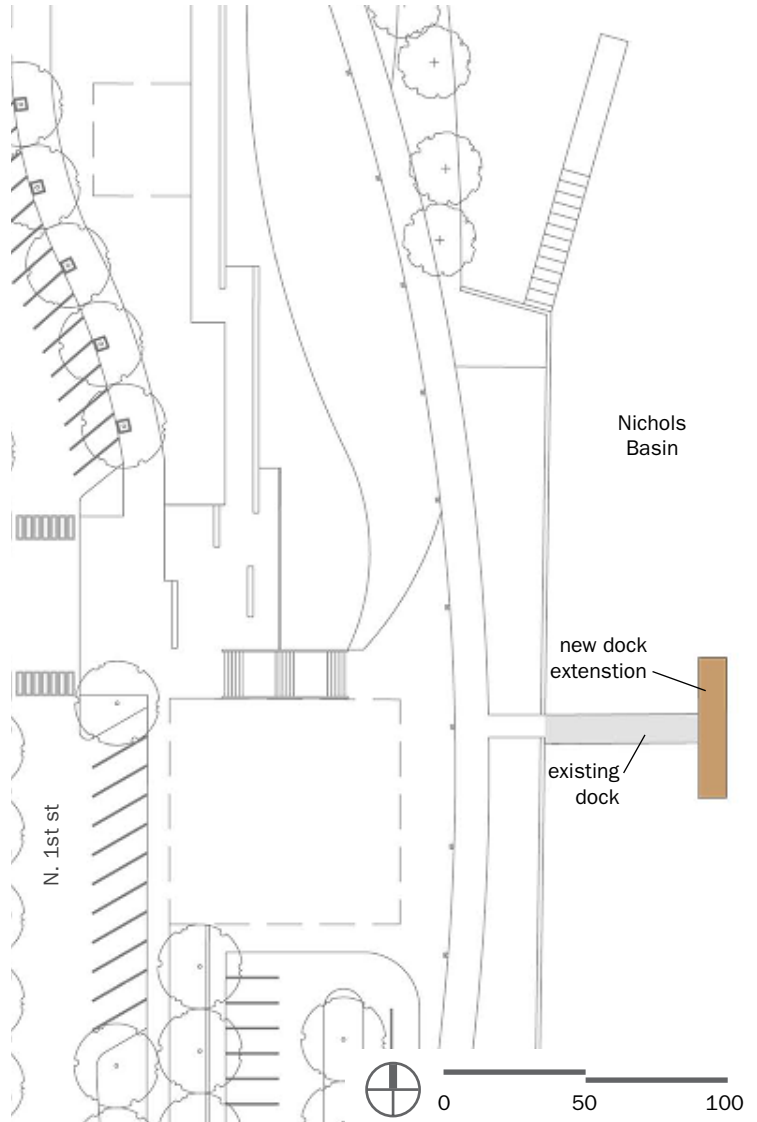
Description

This project will provide additional small watercraft loading/exiting capacity. New pilings, floating platform, and other required structures will be built to connect to the east end of existing gangway structure.

Order of Magnitude Cost

1. Demo	\$5,000
2. Amenities	\$100,000
Subtotal	\$105,000
Mobilization	\$8,400
Escalation	\$16,551
Contingency	\$31,500
Subtotal	\$161,451
Permitting & Design Fees	\$48,439
Total	\$209,900

NOTE: Estimates based on 2021 dollars.



Location



Existing Conditions at Site

Enhancement Project: Small Craft Floating Dock

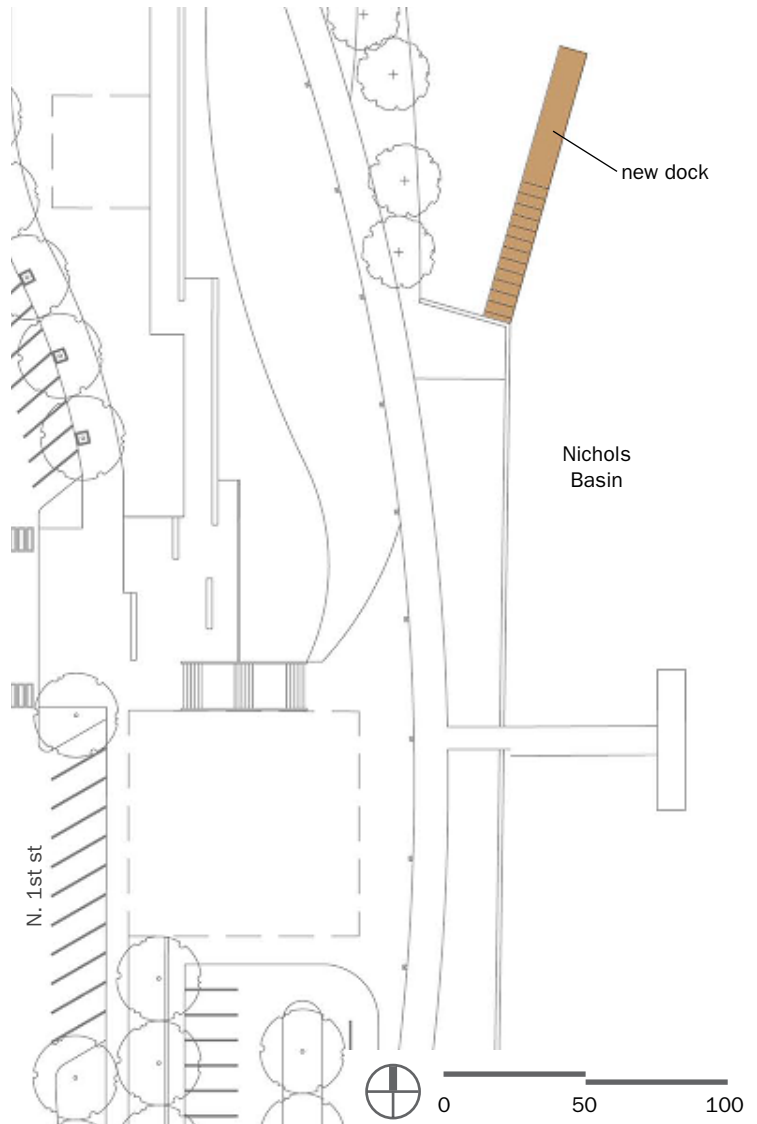
Description

The small craft dock will be located at the north end of the existing seawall and will serve as an additional public launch point for small watercraft. Components include; new pilings, ramp, floating platform, and other required structures.

Order of Magnitude Cost

1. Demo	\$5,000
2. Amenities	\$101,000
Subtotal	\$106,000
Mobilization	\$8,480
Escalation	\$16,800
Contingency	\$31,805
Subtotal	\$162,993
Permitting & Design Fees	\$48,897
Total	\$211,890

NOTE: Estimates based on 2021 dollars.



Location



Existing Conditions at Site

Enhancement Project: South End Connection

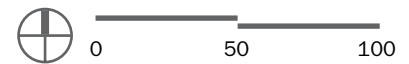
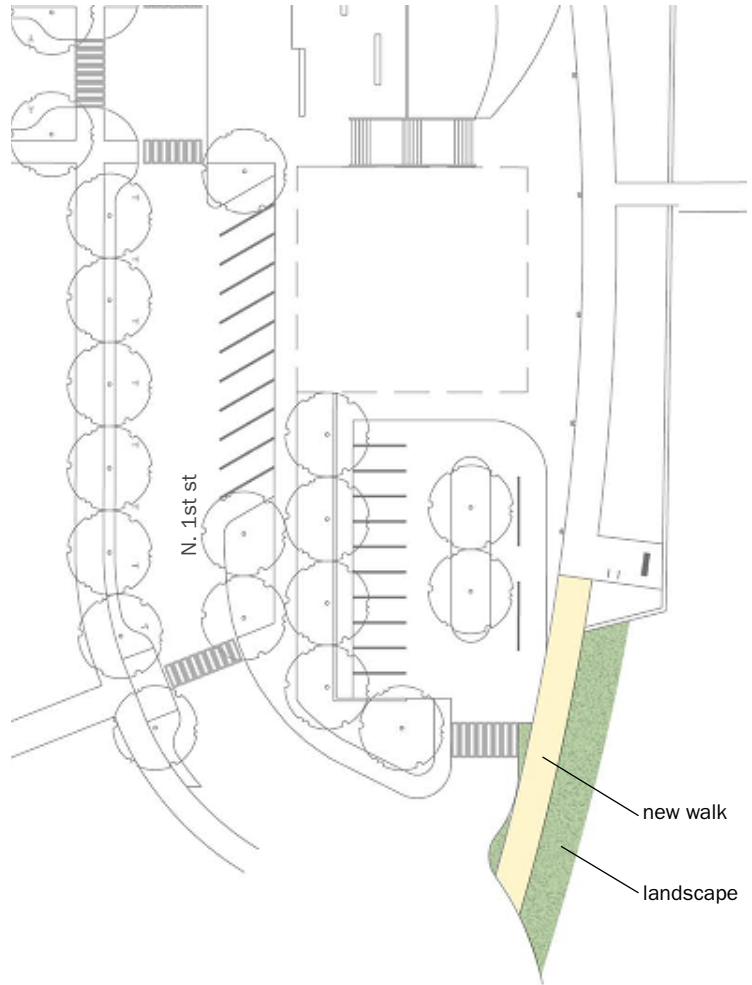
Description

This southern connection project will improve pedestrian connections between Nichols Basin park and Nichols Parkway as well as to the waterfront trail. The link will provide an accessible route at this location.

Order of Magnitude Cost

1. Demo/Paving	\$31,000
2. Landscape	\$24,000
Subtotal	\$55,000
Mobilization	\$4,400
Escalation	\$8,669
Contingency	\$16,500
Subtotal	\$84,569
Permitting & Design Fees	\$25,371
Total	\$109,940

NOTE: Estimates based on 2021 dollars.



Location



Existing Conditions at Site

Appendix

USES / ACRE

HOOD RIVER WATERFRONT

PROJECT	LOT AREA (SF)	LOT AREA (ACRES)	BUILDING AREA (SF)	BUILDING AREA/ACRE*	EMPLOYMENT	EMPLOYMENT/ACRE**	PARKING	PARKING/ACRE***
303 Portway	34,950	0.8	20,505	25,631.25	50	62.5	48	60
505 Portway	54,450	1.25	40,769	32,615.2	100	80	62	49.6
602 Anchor Way	55,182	1.27	32,000	25,196.85	30	23.62	27	21.26
489 N. Eighth	69,770	1.6	30,000	18,750	50	31.25	50	31.25
Nichols Way	37,805	0.87	29,896	34,363.22	50	57.47	64	73.56
TOTAL	252,157	5.79	153,170	26,454.23	280	48.36	251	43.35

Summary:

* An average building area of 26,500 SF per acre of mixed use employment

** An average of 48 jobs per acre of mixed use employment

*** An average of 43 parking spots per acre of mixed use employment

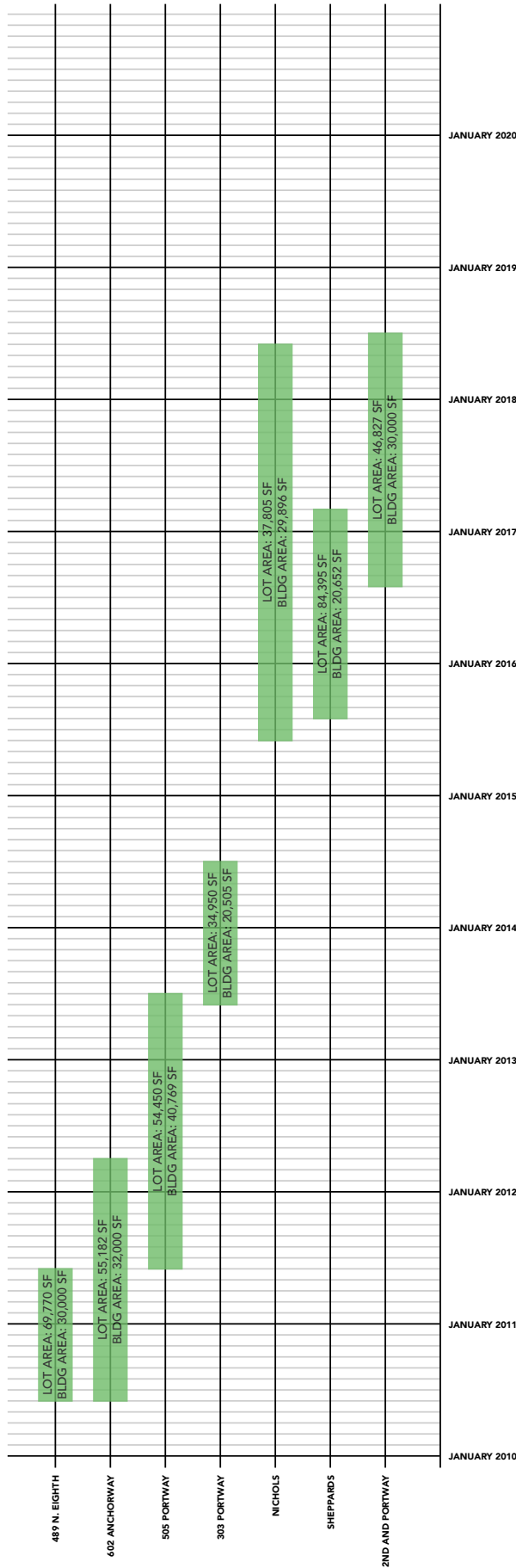
USERS

- DENTAL
- MEDICAL
- RESTAURANTS
- DAKINE INTERNATIONAL HEADQUARTERS
- TURTLE ISLAND FOODS
- LIGHT INDUSTRIAL
- RETAIL
- CIVIL ENGINEER
- HOOD TECH
- ADVANCED NAVIGATION AND POSITIONING CORPORATION
- CAMP 1805
- CNC FABRICATOR
- URGENT CARE CLINIC
- STOKED ROASTERS + COFFEEHOUSE
- PFRIEM FAMILY BREWERS
- SOLSTICE WOOD FIRE PIZZA, BAR, AND CATERING
- OVERWATCH IMAGING
- HOOD RIVER CHIROPRACTIC
- INTER-FLUVE, INC.
- WATERFRONT ENDODONTICS

AREA / YEAR

$$\frac{\text{BUILDING AREA (SF)}}{\text{NUMBER OF YEARS}} = \frac{203,822 \text{ SF}}{9 \text{ YEARS}} = 22,647 \text{ SF / YEAR}$$

$$\frac{\text{LOT AREA (SF)}}{\text{NUMBER OF YEARS}} = \frac{383,379 \text{ SF}}{9 \text{ YEARS}} = 42,598 \text{ SF / YEAR}$$

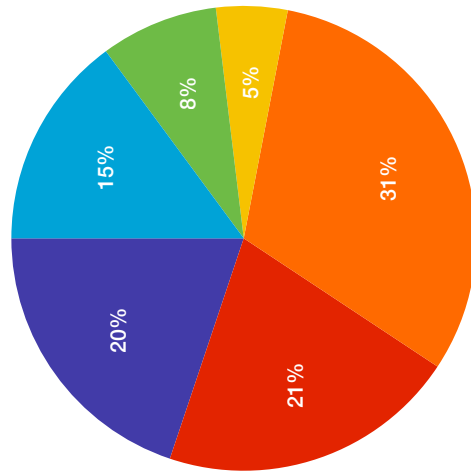


OCCUPANCY CHART

AREA OCCUPANCIES

OCCUPANCY	AREA (SF)
Light Industrial Technology	30,000
Retail	16,500
Industrial Offices	10,000
Agricultural Industry / Food + Beverage Production	63,000
Professional Offices	42,000
Recreation Headquarters	40,000

- LIGHT INDUSTRIAL TECHNOLOGY
- RETAIL
- INDUSTRIAL OFFICES
- AGRICULTURAL INDUSTRY / FOOD + BEVERAGE PRODUCTION
- PROFESSIONAL OFFICES
- RECREATION HEADQUARTERS



BREAKDOWN

- 489 N. EIGHTH
LIGHT INDUSTRIAL (30,000 SF)
- 602 ANCHOR WAY
AGRICULTURAL INDUSTRY / FOOD + BEVERAGE PRODUCTION (32,000 SF)
- 505 PORTWAY
RECREATION HEADQUARTERS (40,000 SF)
- RETAIL (1,000 SF)
- 303 PORTWAY
PROFESSIONAL OFFICES (17,000 SF)
- RETAIL (10,000 SF)
- NICHOLS
PROFESSIONAL OFFICES (20,000 SF)
- RETAIL (10,000 SF)
- SHEPPARDS
AGRICULTURAL INDUSTRY / FOOD + BEVERAGE PRODUCTION (21,000 SF)
- 2ND AND PORTWAY
AGRICULTURAL INDUSTRY / FOOD + BEVERAGE PRODUCTION (10,000 SF)
- PROFESSIONAL OFFICES (5,000 SF)
- INDUSTRIAL OFFICES (10,000 SF)

LOTONE SITEPLAN



- L.I. (LIGHT INDUSTRIAL) ZONE HAS 45' HEIGHT LIMIT
- L.I. ZONE ALLOWS UNLIMITED "INDUSTRIAL OFFICE"
- L.I. ZONE ALLOWS UNLIMITED "LIGHT INDUSTRIAL TECHNOLOGY"
- L.I. ZONE LIMITS RETAIL TO 2,500 SF AND MUST BE RELATED USES
- L.I. ZONE ALLOWS UNLIMITED PROFESSIONAL OFFICES EXCLUDING MEDICAL USES
- TAX LOT A HAS 7,000 SF TOTAL ALLOWED FOR COMMERCIAL USES AND 9,000 SF OF "PUBLIC FACILITIES"

LOT ONE EXTRAPOLATED DATA

LOT ONE HOOD RIVER

BUILDING	LOT AREA (SF)	LOT AREA (ACRES)	BUILDING AREA/ACRE*	BUILDING AREA (SF)	EMPLOYMENT/ACRE**	EMPLOYMENT (AVG.)	PARKING/ACRE***	PARKING
Tax Lot B	66,900	1.54	-----	7,000	--	20	--	40
Tax Lot C	51,000	1.17	26,500	31,005	48	56.16	43	50.31
Tax Lot D1	28,050	0.64	26,500	16,960	48	30.72	43	27.52
Tax Lot D2	27,700	0.64	26,500	16,960	48	30.72	43	27.52
Tax Lot E1	36,100	0.83	26,500	21,995	48	39.84	43	35.69
Tax Lot E2	34,900	0.8	26,500	21,200	48	38.4	43	34.4
Tax Lot F1	39,600	0.91	26,500	24,115	48	43.68	43	39.13
Tax Lot F2	35,700	0.82	26,500	21,730	48	39.36	43	35.26
TOTAL	319,950	7.35	26,500	160,925	48	299	43	290

* An average building area of 26,500 SF per acre of mixed use employment

** An average of 48 jobs per acre of mixed use employment

*** An average of 43 parking spots per acre of mixed use employment

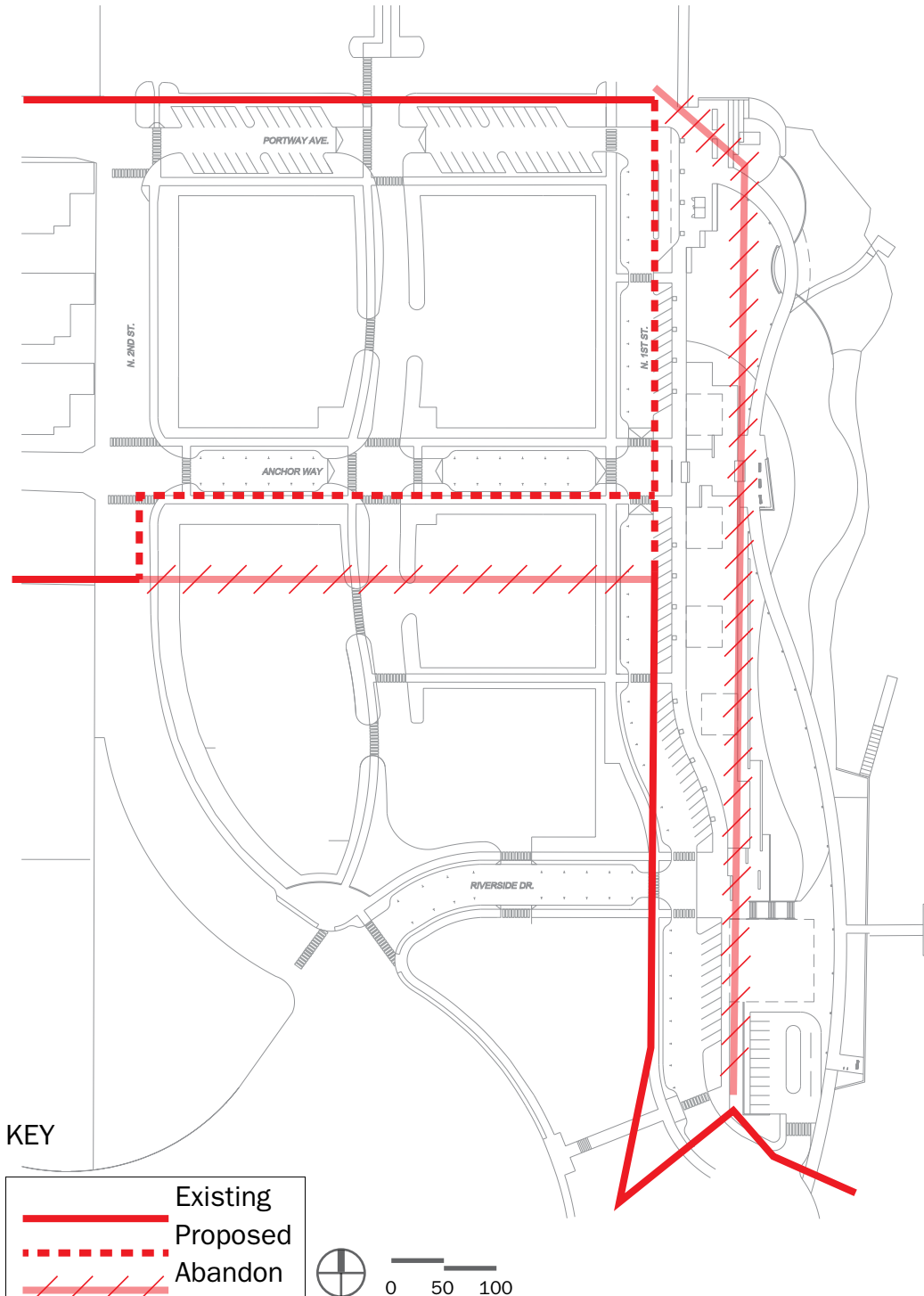
$$\text{LOT AREA / YEAR} = \frac{319,950 \text{ SF TOTAL LOTS AREA}}{42,598 \text{ SF/YEAR}} = \text{7.5 YEARS TO BUILD OUT}$$

BASED ON HISTORIC BUILD OUT

Utility Component: Power

Description

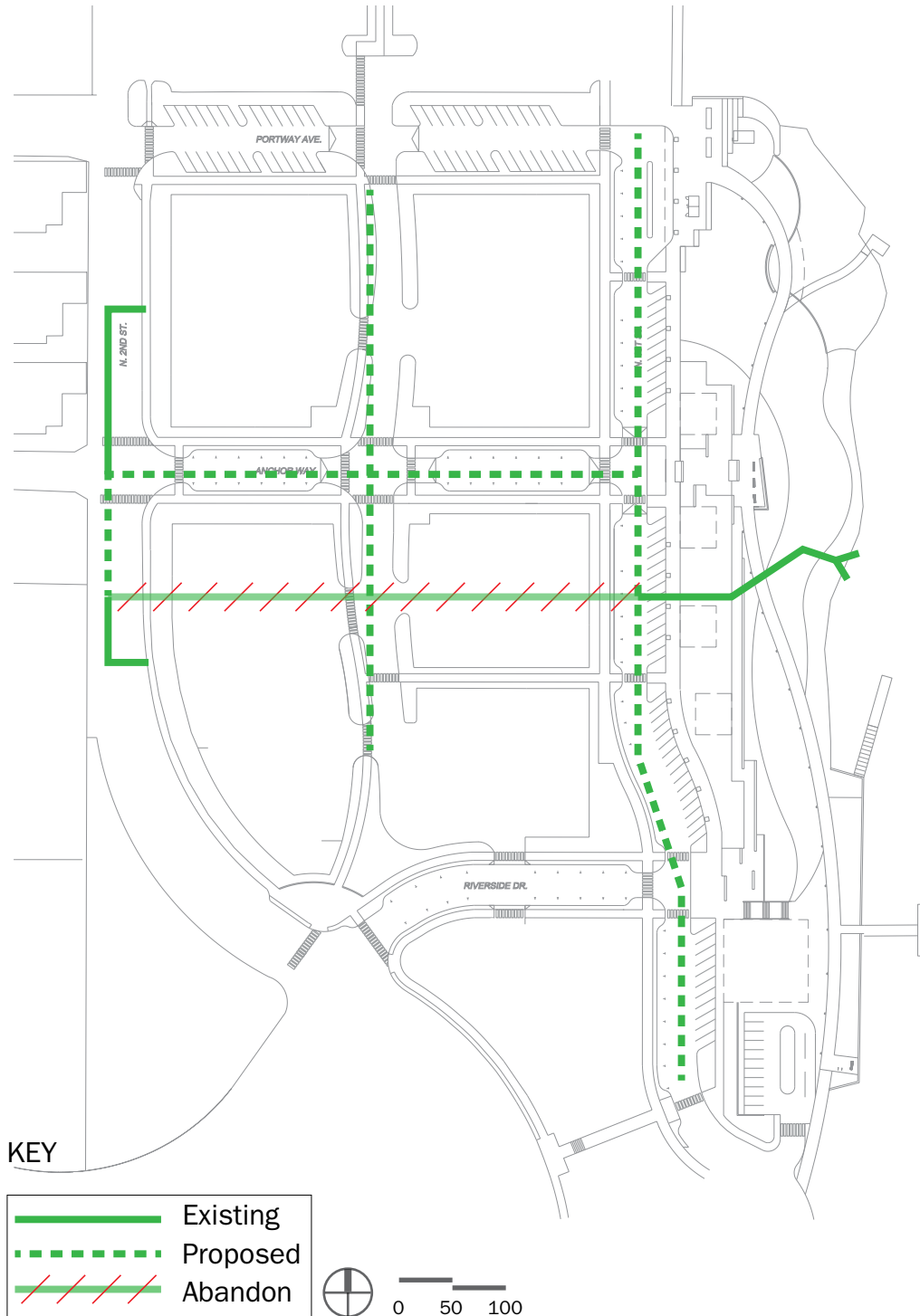
Underground existing power to be abandoned at the edge of Nichols Basin Park and relocated at the realigned 1st Street. In addition, the existing east-west run through Lot 1 will be abandoned in place of a new alignment which will align with the new Anchor Way.



Utility Component: Storm

Description

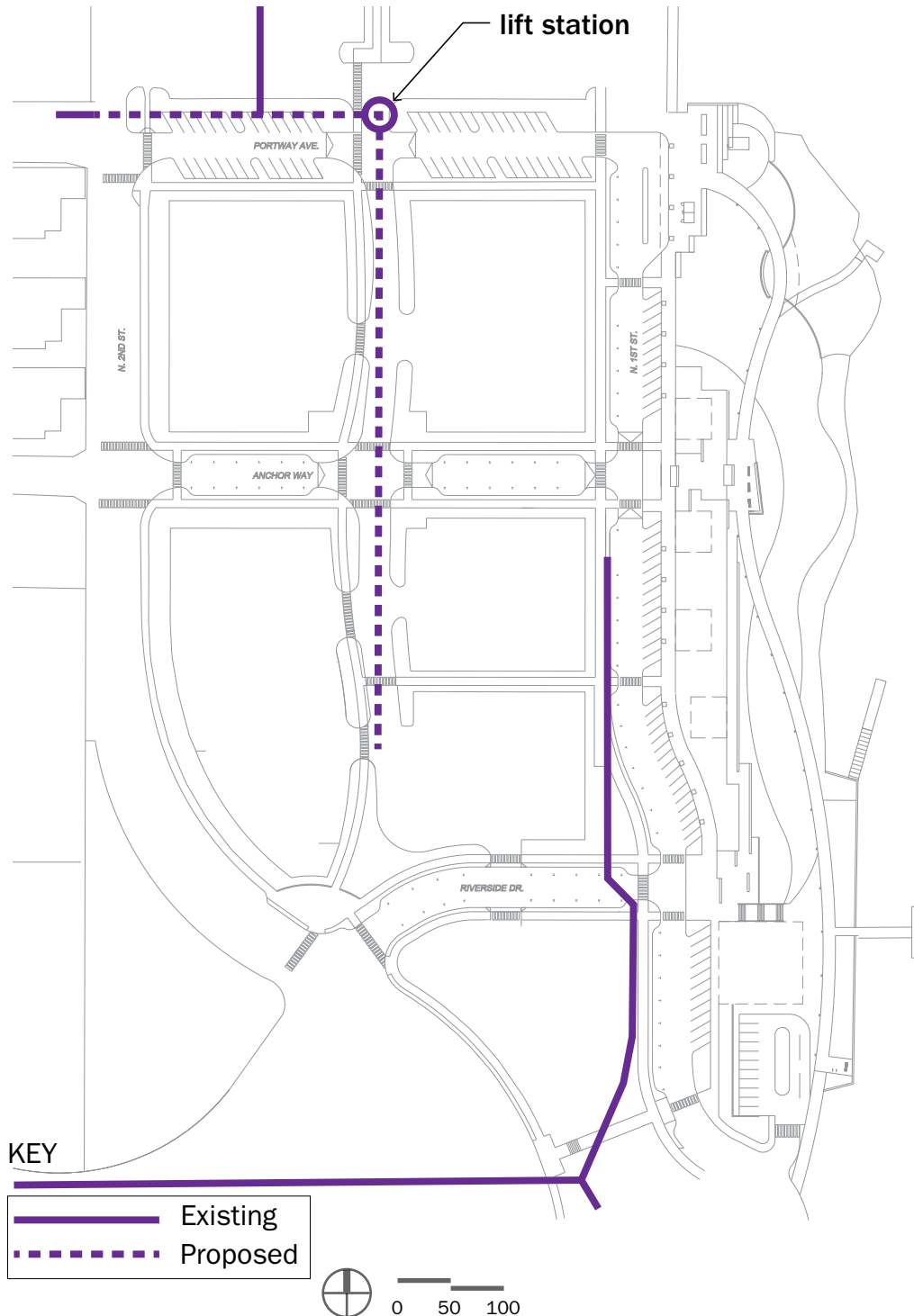
Existing east-west storm utility to be abandoned and realigned along new Anchor Way. This will connect to a new north-south run at 1st Street and connect to the existing outfall which daylights at Nichols Basin. Given the capacity of this outfall and requirements for cleaning of stormwater, new lots and streets will need to clean, infiltrate, and in some cases detain stormwater in order to assure proper functioning of the outfall. Additionally, a new north-south pipe will align with the Swerve driveway. This will capture surface water after cleaning from new pavements.



Utility Component: **Sanitary Sewer**

Description

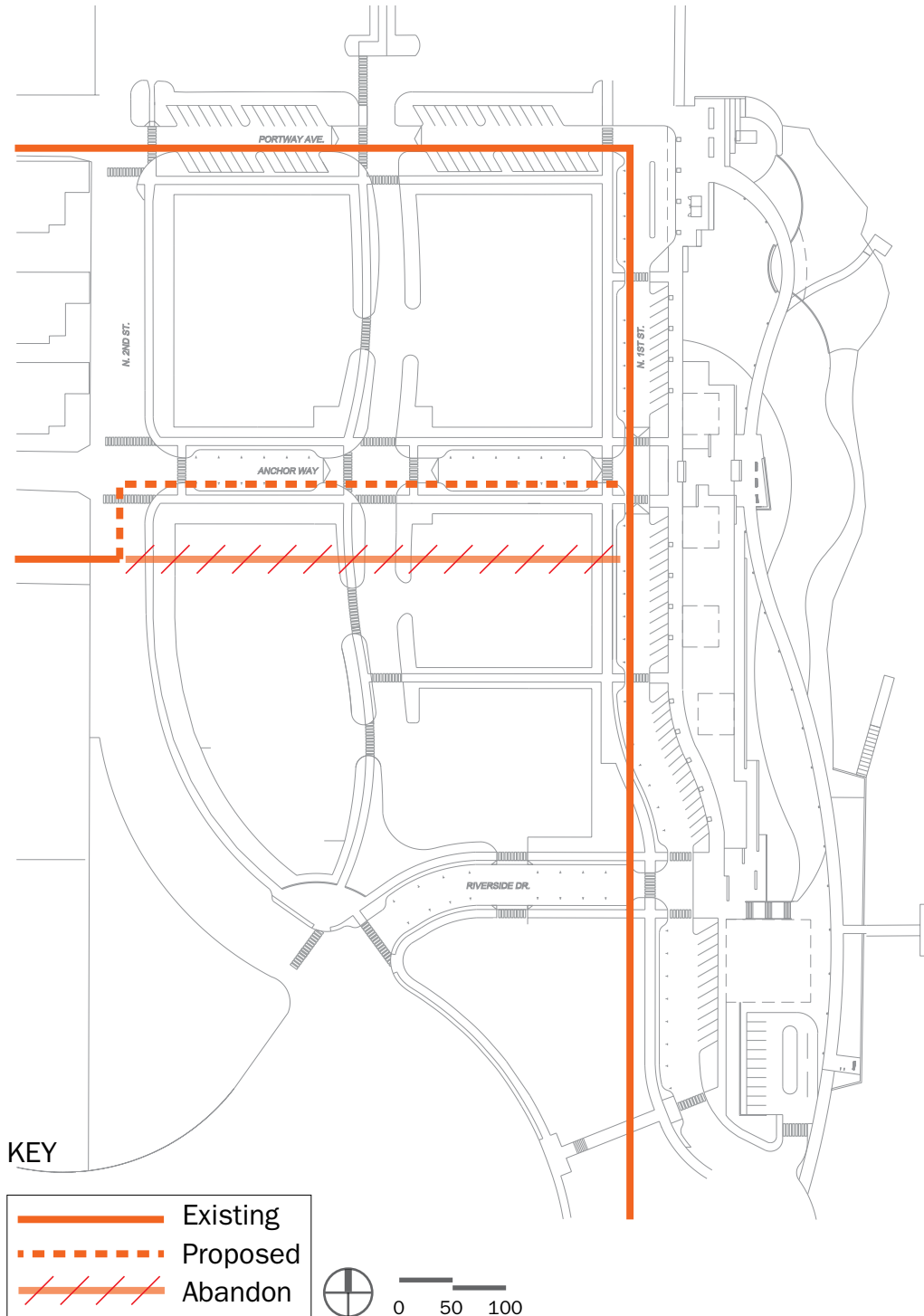
In order to serve the primary upland lots, new sewer lines will be extended from the northwest corner of Lot 1 and run along a north-south alignment along the “Swerve.” Due to grading challenges and elevation of existing sewer, an in-line lift station will need to be located along Portway Avenue.



Utility Component: **Communication**

Description

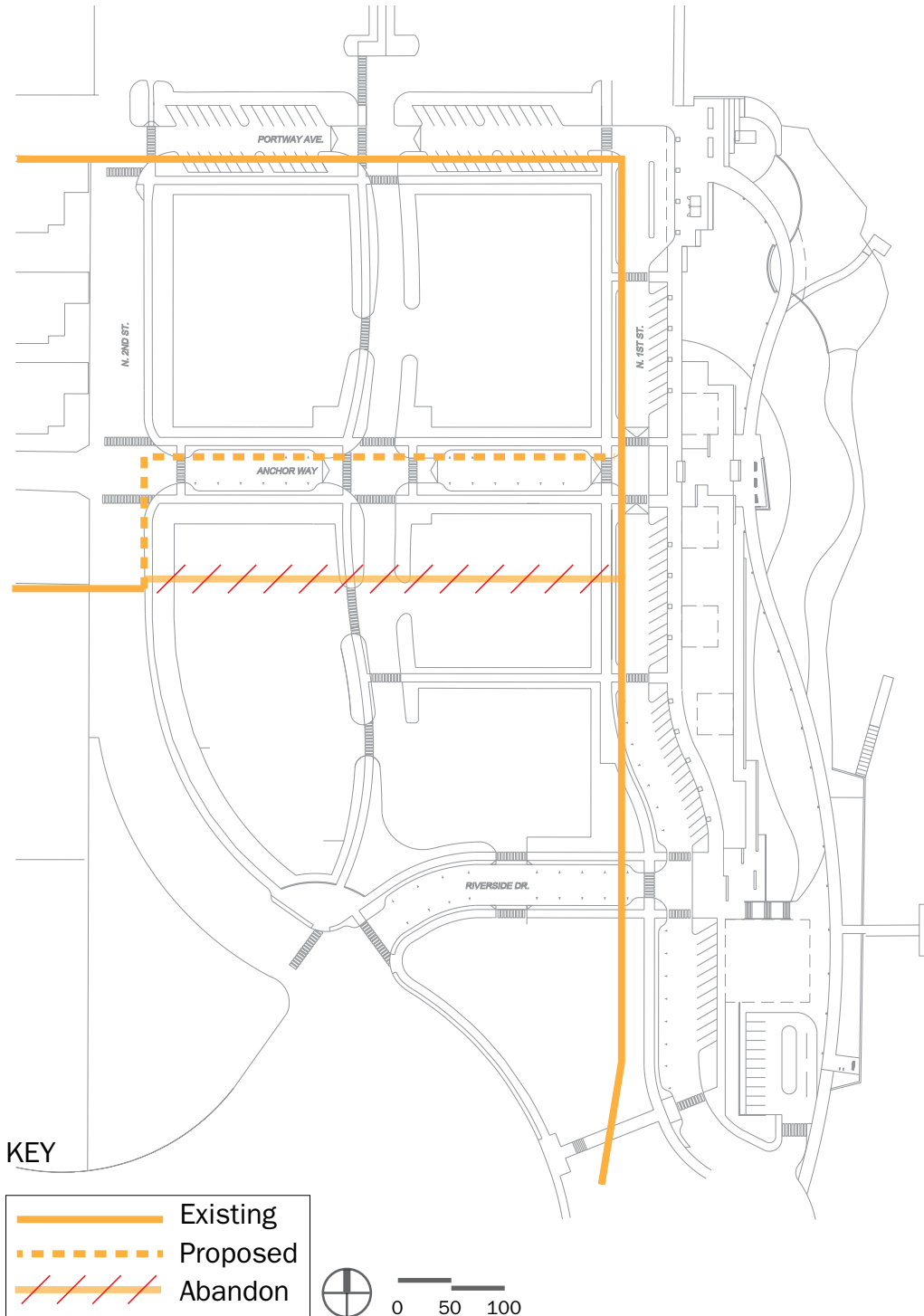
Existing east-west communication utility to be abandoned and realigned along new Anchor Way. The new alignment will connect to the existing north-south run along 1st Street.



Utility Component: Gas

Description

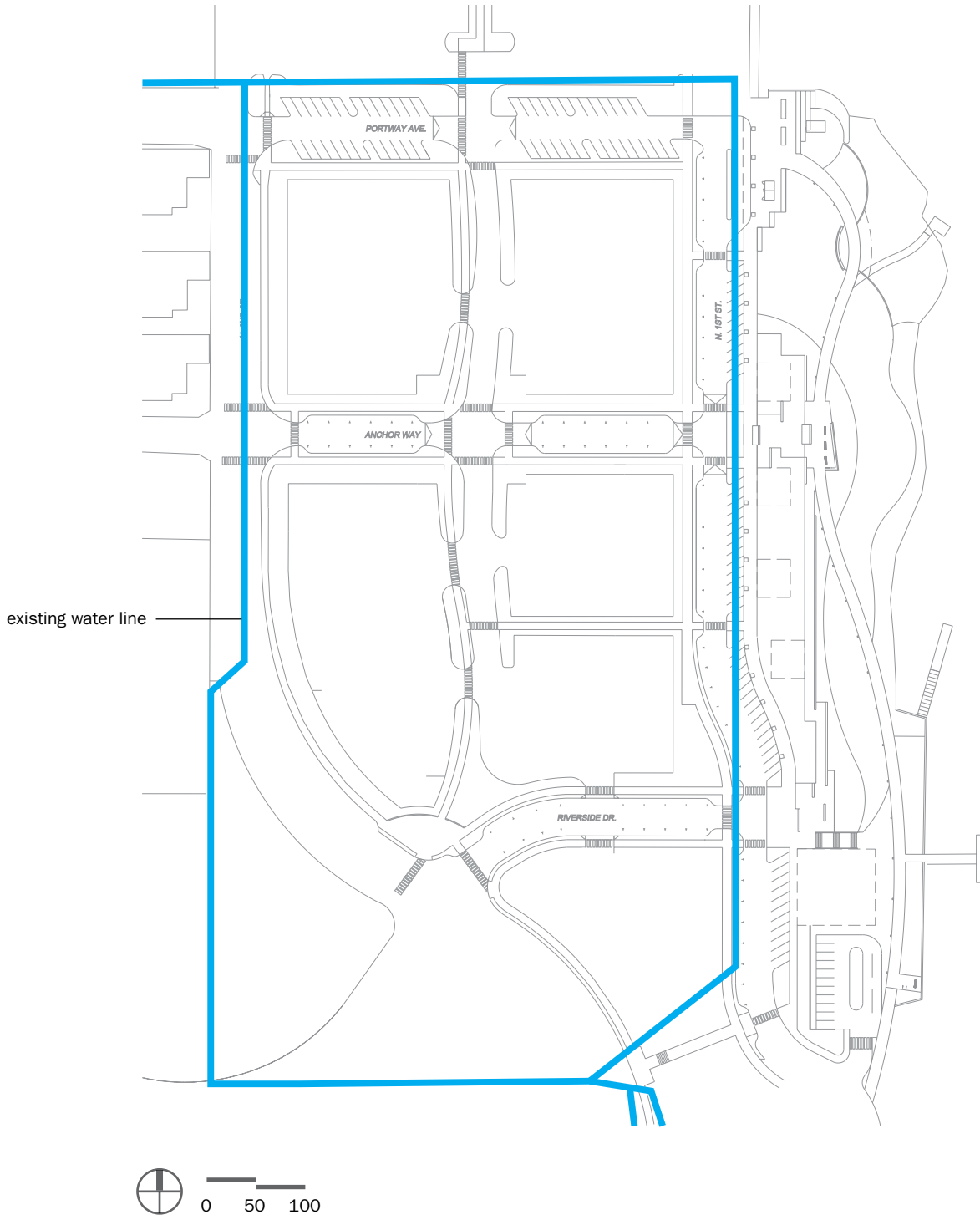
Existing east-west gas utility to be abandoned and realigned along new Anchor Way. The new alignment will connect to the existing north-south run along 1st Street.



Utility Component: **Water**

Description

The existing water utility loop around Lot 1 is sufficient to serve all of the new development lots. Therefore, there is not a need for a new water mainline.





Hood River
Lot 1 Development
Roadway Cost Calculator

ITEM	UNIT	UNIT PRICE	1ST ST (SOUTH)		1ST ST (NORTH)		PORTWAY AVE		ANCHOR WAY		RIVERSIDE DRIVE		SWERVE	
			QTY	SUBTOTAL	QTY	SUBTOTAL	QTY	SUBTOTAL	QTY	SUBTOTAL	QTY	SUBTOTAL	QTY	SUBTOTAL
Asphalt Concrete Pavement	SF	\$ 6.00	21843	\$ 131,058	16183	\$ 97,098	22906	\$ 137,436	11766	\$ 70,596	1951	\$ 11,706	11200	\$ 67,200
Concrete Pavement	SF	\$ 12.00	3435	\$ 41,220	3342	\$ 40,104	1065	\$ 12,780	4687	\$ 56,244	381	\$ 4,572	0	\$ -
Concrete Curb & Gutter	LF	\$ 32.00	1261	\$ 40,352	1188	\$ 38,016	1800	\$ 57,600	859	\$ 27,488	339	\$ 10,848	1000	\$ 32,000
Landscaping	SF	\$ 20.00	4091	\$ 81,820	4519	\$ 90,380	12667	\$ 253,340	4273	\$ 85,460	1472	\$ 29,440	15300	\$ 306,000
Concrete Sidewalk	SF	\$ 8.00	14308	\$ 114,464	9358	\$ 74,864	3818	\$ 30,544	6840	\$ 54,720	2600	\$ 20,800	4150	\$ 33,200
Specialty Concrete Sidewalk	SF	\$ 10.50	0	\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$ -	2000	\$ 21,000
CIP Concrete Seat Walls	LF	\$ 225.00		\$ -		\$ -	0	\$ -		\$ -	0	\$ -	50	\$ 11,250
Bollards	EA	\$ 1,200.00	16	\$ 19,200	16	\$ 19,200	0	\$ -	12	\$ 14,400	0	\$ -	0	\$ -
Street Lights	EA	\$ 12,000.00	5	\$ 60,000	5	\$ 60,000	4	\$ 48,000	4	\$ 48,000	2	\$ 24,000	0	\$ -
			Subtotal: \$ 488,114		\$ 419,662		\$ 539,700		\$ 386,908		\$ 101,366		\$ 470,650	



Hood River
Lot 1 Development
Preliminary Construction Cost Estimate

Summary of Public Infrastructure Projects

CATEGORY	ITEM	UNIT	UNIT PRICE	1ST ST (SOUTH)		RIVERSIDE DRIVE		1ST ST (NORTH)		PORTWAY AVE		ANCHOR WAY		SWERVE		TOTAL COST	
				QTY	SUBTOTAL	QTY	SUBTOTAL	QTY	SUBTOTAL	QTY	SUBTOTAL	QTY	SUBTOTAL	QTY	SUBTOTAL		
Demolition	Erosion Control	ALLOW	\$ 5,000	1	\$ 5,000	1	\$ 5,000	1	\$ 5,000	1	\$ 5,000	1	\$ 5,000	1	\$ 5,000	\$ 30,000	
	Surface Removal	SY	\$ 10	4400	\$ 44,000	600	\$ 6,000	5000	\$ 50,000	2250	\$ 22,500	550	\$ 5,500		\$ -	\$ 128,000	
	Rough Grading (1/SF)	ACRE	\$ 32,000	1.25	\$ 40,000	0.25	\$ 8,000	1.75	\$ 56,000	1.00	\$ 32,000	0.75	\$ 24,000		\$ -	\$ 160,000	
	Rough Grading (2/SF)	ACRE	\$ 64,000		\$ -		\$ -		\$ -		\$ -		\$ -	0.3	\$ 19,200	\$ 19,200	
Streets	N 1st Street (South)	LS	\$ 650,000	1	\$ 650,000		\$ -		\$ -		\$ -		\$ -		\$ -	\$ 650,000	
	N 1st Street (North)	LS	\$ 560,000		\$ -		\$ -	1	\$ 560,000		\$ -		\$ -		\$ -	\$ 560,000	
	Portway Avenue	LS	\$ 720,000		\$ -		\$ -		\$ -	1	\$ 720,000		\$ -		\$ -	\$ 720,000	
	Anchor Way	LS	\$ 480,000		\$ -		\$ -		\$ -		\$ -	1	\$ 480,000		\$ -	\$ 480,000	
	Riverside Drive	LS	\$ 140,000		\$ -	1	\$ 140,000		\$ -		\$ -		\$ -		\$ -	\$ 140,000	
	Swerve	LS	\$ 630,000		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -	\$ 630,000	
	Furnishings	ALLOW	\$ 24,000		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -	\$ 24,000	
	Temp Connection	ALLOW	\$ 25,000	1	\$ 25,000		\$ -		\$ -		\$ -		\$ -	1	\$ 25,000	\$ 25,000	
	Water- Fire Hydrants	EA	\$ 8,000	1	\$ 8,000		\$ -	1	\$ 8,000		\$ -		\$ -		\$ -	\$ 8,000	
	Storm - 12" pipe	LF	\$ 80	475	\$ 38,000		\$ -	450	\$ 36,000	450	\$ 36,000	950	\$ 76,000		\$ -	\$ 186,000	
Utilities	Storm - manholes	EA	\$ 5,000	4	\$ 20,000		\$ -	3	\$ 15,000	3	\$ 15,000	4	\$ 20,000		\$ -	\$ 70,000	
	Storm - infiltration	EA	\$ 40,000	1	\$ 40,000		\$ -	1	\$ 40,000	1	\$ 40,000	1	\$ 40,000		\$ -	\$ 160,000	
	Sewer - 8" pipe	LF	\$ 90		\$ -		\$ -		\$ -	625	\$ 56,250	275	\$ 24,750		\$ -	\$ 81,000	
	Sewer - manholes	EA	\$ 5,000		\$ -		\$ -		\$ -	3	\$ 15,000	1	\$ 5,000		\$ -	\$ 20,000	
	Sewer - lift station	ALLOW	\$ 80,000		\$ -		\$ -		\$ -	1	\$ 80,000		\$ -		\$ -	\$ 80,000	
	Existing Utility Removal	LF	\$ 15	1200	\$ 18,000		\$ -		\$ -		\$ -	2000	\$ 30,000		\$ -	\$ 48,000	
	Gas Main Relocation	ALLOW	\$ 35,000		\$ -		\$ -		\$ -		\$ -	1	\$ 35,000		\$ -	\$ 35,000	
	Power Relocation	ALLOW	\$ 65,000	0.75	\$ 48,750		\$ -		\$ -		\$ -	0.25	\$ 16,250		\$ -	\$ 65,000	
Telecom Relocation	ALLOW	\$ 30,000		\$ -		\$ -		\$ -		\$ -	1	\$ 30,000		\$ -	\$ 30,000		
Estimated Const Year				Subtotal:	\$ 936,750	\$ 159,000	\$ 770,000	\$ 1,029,750	\$ 816,500	\$ 678,200	\$ 678,200	\$ 816,500	\$ 1,029,750	\$ 816,500	\$ 678,200	\$ 816,500	
2021				Cost Escalation	\$ 147,655	\$ 25,062	\$ 121,371	\$ 162,314	\$ 128,701	\$ 106,901	\$ 106,901	\$ 128,701	\$ 162,314	\$ 128,701	\$ 106,901	\$ 128,701	
				30% Estimating Contingency:	\$ 281,025	\$ 47,700	\$ 231,000	\$ 308,925	\$ 244,950	\$ 203,460	\$ 203,460	\$ 244,950	\$ 308,925	\$ 244,950	\$ 203,460	\$ 244,950	
				Construction Cost:	\$ 1,365,430	\$ 231,762	\$ 1,122,371	\$ 1,500,989	\$ 1,190,151	\$ 988,561	\$ 988,561	\$ 1,190,151	\$ 1,500,989	\$ 1,190,151	\$ 988,561	\$ 1,190,151	
				30% Permitting & Design Fees:	\$ 409,629	\$ 69,529	\$ 336,711	\$ 450,297	\$ 357,045	\$ 296,568	\$ 296,568	\$ 357,045	\$ 450,297	\$ 357,045	\$ 296,568	\$ 357,045	
				Totals:	\$ 1,775,059	\$ 301,291	\$ 1,459,083	\$ 1,951,286	\$ 1,547,196	\$ 1,285,130	\$ 1,285,130	\$ 1,547,196	\$ 1,951,286	\$ 1,547,196	\$ 1,285,130	\$ 1,547,196	\$ 1,951,286

* - Cost Escalation is based on a 5% increase in construction costs per year with 2018 base year.

Public Infrastructure Projects Total \$ 8,319,045



Hood River
Lot 1 Development
Preliminary Construction Cost Estimate

Summary of Public Enhancement Projects

CATEGORY	ITEM	UNIT	UNIT PRICE	NORTH PLAZA		SOUTH PARK CONNECTION		BOAT STORAGE		OVERPASS CONNECTION		RIPARIAN EDGE		ADA OVERLOOK	
				QTY	SUBTOTAL	QTY	SUBTOTAL	QTY	SUBTOTAL	QTY	SUBTOTAL	QTY	SUBTOTAL	QTY	SUBTOTAL
Demolition	Erosion Control - Small	ALLOW	\$ 2,000	1	\$ 2,000	1	\$ 2,000	1	\$ 2,000	1	\$ 2,000		\$ -		\$ -
	Erosion Control - Large	ALLOW	\$ 5,000		\$ -		\$ -		\$ -		\$ -	1	\$ 5,000	1	\$ 5,000
	Rough Grading (1'/SF)	ACRE	\$ 32,000	0.1	\$ 3,200		\$ -		\$ -	0.1	\$ 3,200		\$ -	0.1	\$ 3,200
	Rough Grading (2'/SF)	ACRE	\$ 64,000		\$ -	0.1	\$ 6,400	0.3	\$ 19,200		\$ -		\$ -		\$ -
	Pile Demolition	ALLOW	\$ 8,000		\$ -		\$ -		\$ -		\$ -		\$ -	1	\$ 8,000
Paving	Ped Specialty Concrete	SF	\$ 10.5	6550	\$ 68,775	1200	\$ 12,600		\$ -		\$ -		\$ -		\$ -
	Pedestrian Concrete	SF	\$ 8.5	10000	\$ 85,000		\$ -	2350	\$ 19,975	3200	\$ 27,200		\$ -	800	\$ 6,800
	Asphalt Conc Pavement	SF	\$ 6		\$ -		\$ -	7250	\$ 43,500		\$ -		\$ -	1600	\$ 9,600
	Conc Curb & Gutter	LF	\$ 32		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -
	CIP Concrete Seat Wall	LF	\$ 225	100	\$ 22,500		\$ -		\$ -		\$ -		\$ -		\$ -
	Retaining Wall	LF	\$ 100		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -
	Concrete Stairs	LF	\$ 75		\$ -		\$ -	288	\$ 21,600	28	\$ 2,100		\$ -		\$ -
	Handrails	LF	\$ 100		\$ -	100	\$ 10,000	60	\$ 6,000	96	\$ 9,600		\$ -		\$ -
	Landscaping	SF	\$ 20	7500	\$ 150,000	1200	\$ 24,000	3150	\$ 63,000	2400	\$ 48,000	8500	\$ 170,000		\$ -
	Furnishings	ALLOW	Site Specific	1	\$ 6,000		\$ -		\$ -		\$ -		\$ -		\$ -
Amenities	Arts	ALLOW	\$ 20,000		\$ -		\$ -		\$ -	1	\$ 20,000		\$ -		\$ -
	Restroom Building	LS	\$ 275,000	1	\$ 275,000		\$ -		\$ -		\$ -		\$ -		\$ -
	Dock	SF	\$ 150		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -
	Gangplank	ALLOW	\$ 50		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -
	Pier	SF	\$ 250		\$ -		\$ -		\$ -		\$ -		\$ -	480	\$ 120,000
	Ex Pier Modifications	ALLOW	\$ 1,000		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -
				Subtotal:	\$ 612,475		\$ 55,000		\$ 175,275		\$ 112,100		\$ 175,000		\$ 152,600
				Estimated Const Year	Escalation*		\$ 4,400		\$ 14,022		\$ 8,968		\$ 14,000		\$ 12,208
				2021	15.8%		\$ 8,669		\$ 27,628		\$ 17,670		\$ 27,584		\$ 24,064
					30% Estimating Contingency:	\$ 183,743	\$ 16,500		\$ 52,583		\$ 33,630		\$ 52,500		\$ 45,780
					Construction Cost:	\$ 941,757	\$ 84,569		\$ 269,507		\$ 172,368		\$ 269,084		\$ 234,642
					30% Permitting & Design Fees:	\$ 282,527	\$ 25,371		\$ 80,852		\$ 51,710		\$ 80,725		\$ 70,392
					Totals:	\$ 1,224,284	\$ 109,940		\$ 350,359		\$ 224,078		\$ 349,810		\$ 305,034

* - Cost Escalation is based on a 5% increase in construction costs per year with 2018 base year.

Summary of Public Enhancement Projects Cont.

CATEGORY	ITEM	UNIT	UNIT PRICE	FLOATING DOCK		ALTERNATIVE DOCK		ANCHOR PLAZA		RIVERSIDE PLAZA		BUS SHELTER	
				QTY	SUBTOTAL	QTY	SUBTOTAL	QTY	SUBTOTAL	QTY	SUBTOTAL	QTY	SUBTOTAL
Demolition	Erosion Control - Small	ALLOW	\$ 2,000	\$ -	\$ -	1	\$ 2,000	1	\$ 2,000	1	\$ 2,000		\$ -
	Erosion Control - Large	ALLOW	\$ 5,000	1	\$ 5,000	1	\$ -		\$ -		\$ -		\$ -
	Rough Grading (1'/SF)	ACRE	\$ 32,000	\$ -	\$ -	0.1	\$ 3,200	0.1	\$ 3,200	0.1	\$ 3,200		\$ -
	Rough Grading (2'/SF)	ACRE	\$ 64,000	\$ -	\$ -		\$ -		\$ -		\$ -		\$ -
	Pile Demolition	ALLOW	\$ 8,000	\$ -	\$ -		\$ -		\$ -		\$ -		\$ -
Paving	Ped Specialty Concrete	SF	\$ 10.5	\$ -	\$ -	4000	\$ 42,000	2800	\$ 29,400		\$ -		\$ -
	Pedestrian Concrete	SF	\$ 8.5	\$ -	\$ -		\$ -		\$ -		\$ -		\$ -
	Asphalt Conc Pavement	SF	\$ 6	\$ -	\$ -		\$ -		\$ -		\$ -		\$ -
	Conc Curb & Gutter	LF	\$ 32	\$ -	\$ -		\$ -		\$ -		\$ -		\$ -
	CIP Concrete Seat Wall	LF	\$ 225	\$ -	\$ -	60	\$ 13,500	42	\$ 9,450		\$ -		\$ -
	Retaining Wall	LF	\$ 100	\$ -	\$ -		\$ -	140	\$ 14,000		\$ -		\$ -
	Concrete Stairs	LF	\$ 75	\$ -	\$ -		\$ -		\$ -		\$ -		\$ -
	Handrails	LF	\$ 100	\$ -	\$ -		\$ -		\$ -		\$ -		\$ -
	Landscaping	SF	\$ 20	\$ -	\$ -		\$ -		\$ -		\$ -		\$ -
	Furnishings	ALLOW	Site Specific	\$ -	\$ -	1	\$ 4,000	1	\$ 4,000	1	\$ 4,000	1	\$ 12,000
Amenities	Arts	ALLOW	\$ 20,000	\$ -	\$ -		\$ -		\$ -	1	\$ 20,000		\$ -
	Restroom Building	LS	\$ 275,000	\$ -	\$ -		\$ -		\$ -		\$ -		\$ -
	Dock	SF	\$ 150	500	\$ 75,000	500	\$ 75,000		\$ -		\$ -		\$ -
	Gangplank	ALLOW	\$ 50	500	\$ 25,000	500	\$ 25,000		\$ -		\$ -		\$ -
	Pier	SF	\$ 250	\$ -	\$ -		\$ -		\$ -		\$ -		\$ -
	Ex Pier Modifications	ALLOW	\$ 1,000	\$ -	\$ 1,000	1	\$ 1,000		\$ -		\$ -		\$ -
				Subtotal:	\$ 105,000		\$ 106,000		\$ 64,700		\$ 82,050		\$ 12,000
				8% Mobilization	\$ 8,400		\$ 8,480		\$ 5,176		\$ 6,564		\$ 960
				Cost Escalation	\$ 16,551		\$ 16,708		\$ 10,198		\$ 12,933		\$ 1,892
				30% Estimating Contingency:	\$ 31,500		\$ 31,800		\$ 19,410		\$ 24,615		\$ 3,600
				Construction Cost:	\$ 161,451		\$ 162,988		\$ 99,484		\$ 126,162		\$ 18,452
				30% Permitting & Design Fees:	\$ 48,435		\$ 48,896		\$ 29,845		\$ 37,849		\$ 5,535
				Totals:	\$ 209,886		\$ 211,885		\$ 129,330		\$ 164,011		\$ 23,987
												Enhancement Projects Total \$ 3,302,604	

	Estimated Const Year	Escalation*		
	2021	15.8%		

Port of Hood River: Previous Planning Studies

Description

The following represents some of the important planning efforts related to the Development of Lot 1.

June 2006: Port Properties Vision Plan (Phase 1)

Yost Grube Architecture
 Cost: \$15,000

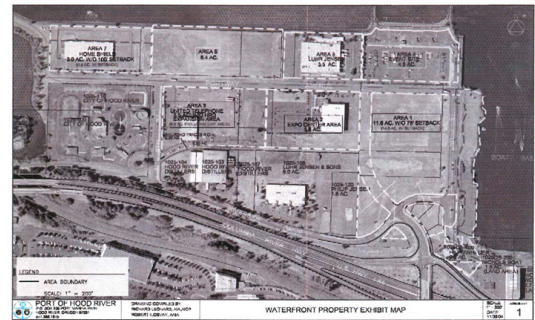
Predominately a research effort. Topics such as zoning, ownership, climate, natural factors, real estate activities, etc. that will affect the plan's evolution [were examined]. Summary memorandum delivered June 2006.



July 2006: Waterfront Industrial Market Assessment

E.D. Hovee & Company, LLC
 Cost: \$20,000

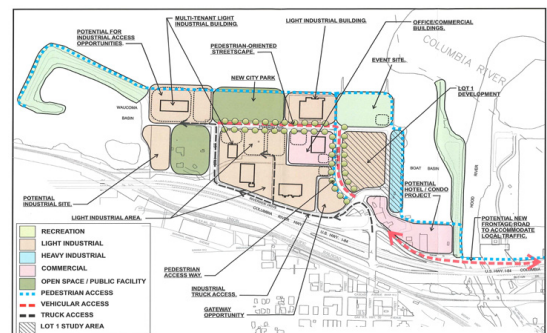
Provided an industrial market assessment for waterfront real estate. The assessment involved an examination of the economic context, interviews with representatives of 20 industrial and related firms operating in Hood River County and nearby Gorge communities, as well as a business survey. The assessment provided information on industrial land needs and opportunities.



2007-08 Waterfront Development Strategy

Group Mackenzie
 Cost: \$50,000

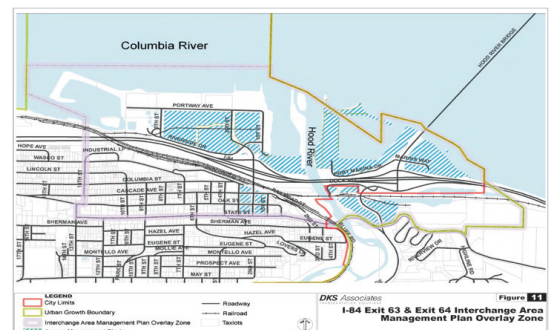
Intended to define community objectives; identify an overall concept that provides the framework for future waterfront development; and describe specific actions to guide the Port's investments, marketing, and business development over the coming 5-10 years.



September 2011: Interchange Area Management Plan

DKS Associates
 Cost: \$85,000

I-84 Exit 63 and Exit 64 interchanges, acting as refinement areas of the City of Hood River and Hood River County Transportation System Plans (TSPs) and as a facility plan for the Oregon Department of Transportation. It established the desired function of these interchanges and provided a long-range plan for infrastructure improvements and operations to achieve agency and community goals.



APPENDIX Q
2018 REAL ESTATE
ASSET STRATEGY

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Real Estate Asset Strategy



May 2018

Prepared by: Port of Hood River & EcoNW

Port of Hood River
1000 E. Port Marina Dr.
Hood River, OR 97031

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BACKGROUND AND PURPOSE

The Port of Hood River (The Port) maintains a property portfolio that includes vacant land and improved properties with leased buildings. The Port wants to maximize the management of these properties in a way that achieves the Port's policy goals. Port staff, with the assistance of the consulting firm ECONorthwest, have developed a **Real Estate Asset Strategy** to guide decision-making in the near and mid-term. This *Strategy* shows the overall picture of the Port's real estate portfolio by providing (1) a baseline understanding of existing building characteristics and performance and (2) an assessment of the development potential for vacant undeveloped Port-owned properties.

To inform the strategy, Port staff used market information and other assumptions to complete detailed analyses on both existing building performance and potential new development on vacant Port land.

Over the next several years, the Port will revisit the Strategy and refine its recommendations as decisions emerge and the bridge replacement effort is clarified. The strategy is connected to analysis tools that can be changed based on new assumptions, policies etc. It is meant to be an outline of a process that can and should be revised frequently to improve or verify its recommendations. This is a tool that can be employed for future boards and staff to enable proficient portfolio management.

This document is organized as follows:

- **Port Property Holdings.** This section provides a summary of the Port's existing buildings and vacant land holdings.
- **Real Estate Asset Strategy.** This section provides a framework for the Port's property related decision-making. It summarizes the Port's policy goals, the local real estate market context, and a set of development strategy options that the Port Commission can consider for real estate development in the near to mid-term. Finally, this section documents the Port Commission's direction to staff regarding real estate holdings and development for Fiscal Year 2018-2019.

There are several appendices that provide supplemental information to this strategy:

- Appendix A. Property Detail Cut Sheets
- Appendix B. Property Leasing Strategy
- Appendix B. Methods

PORT PROPERTY HOLDINGS

The Port currently owns five types of properties: Industrial, Commercial, Open space/recreational, the Marina, and the airport. The Port has 208,000 square feet of building space within these five property types. Because the Port owns numerous properties—both existing properties with leased buildings and vacant developable land—there are potentially many development options for the Port Commission to consider.

AIRPORT PROPERTIES



Identifier	Name	Square Feet	Map Key
AD1	Commercial Hangars	60,000	
AD2	Box Hangars	30,000	

ODELL PROPERTIES



Identifier	Name	Square feet	Map Key
M1	JWBP	28,314	
JWBP	Timber Incubator	10,000	
M2	Lower Mill-1015	60,984	
LM- MOU	1011 & 1017	206,038	
M3	Lower Mill-902	212,137	

WATERFRONT PROPERTIES



Identifier	Name	Square Feet	Map Key
Wasco	Wasco Building	13,310	
Big 7	Big 7 Building	41,670	

LI3	Maritime East	87,120	
LI4	Maritime West	87,120	
Maritime	Maritime Building	38,400	
Hal	Halyard Building	20,000	

LI1	Jensen S	15,350	
LI2	Lot D2	27,700	
Jensen	Jensen Building	53,582	

C1	Barman	35,283	
C2	B2	27,700	

C4	Marina Park	106,722	
Marina Park	DMV Building	2,320	
Marina Park	Chamber Building	5,757	

REAL ESTATE ASSET STRATEGY

The Port of Hood River derives much of its operating income from cash flows associated with its property assets. For this reason, the Port desires to think strategically about its property portfolio. This is an important exercise; careful management of the Port's real assets will not only maintain current cash flows but may open investment opportunities and enable actions that perpetuate the Port's economic development mission.

This section describes the framework for how Port Staff evaluated the Port's real estate portfolio, both at the individual property level, and from an entire portfolio perspective. Additionally, this section documents the process by which Port Staff presented options for near-term property related actions to the Port Commission and, ultimately, the decisions made by the Port Commission regarding those actions.

This section is intentionally organized to walk the reader through the real estate asset strategy—the core components of which are; (1) the Port's Policy Assumptions; and (2) a set of property-focused criteria. Later in this section, we document the process undertaken to recommend near-term actions to the Port Commission, and the results the Commission's deliberation and direction.

PORT POLICY ASSUMPTIONS

To have a strategy, one must have guiding principles or assumptions to identify and guide actions. Drawing from the Port's bylaws and other strategic documents, Port Staff developed seven "Strategic Policy Assumptions." The intention of these Policy Assumptions is not to define individual actions, but to, at a high level, state the goals the Port is trying to achieve when making property related decisions. The Policy Assumptions can be thought of as general guidelines for all real estate asset related decision-making.

The seven Policy Assumptions are presented below:

STRATEGIC POLICY ASSUMPTIONS

1. Balance financial return with other economic development objectives.
2. Increase real estate portfolio revenue and decrease financial reliance on the Bridge.
3. Maintain a broad portfolio to ensure that businesses at all stages have space to grow.
4. Consider projects that leverage the Port's public-sector resources and capabilities.
5. Develop and manage each property to maintain its separate financial sustainability.
6. Consider regional priorities and needs when making portfolio decisions.
7. Adhere to the Port's financial policies.

The policy assumptions reflect the Port's roles as an incubator for economic development in the Hood River area and a responsible steward of its properties. They balance the Port's desire to support Hood River area businesses at all stages of growth, with the need for the organization to be financially

resilient in the face of fluctuating market cycles and concerns regarding an over-reliance on the income from the Hood River Bridge.

Port Staff presented draft policy assumptions to the Port Commission during the March 22nd, 2018 work session. With input from the Commission and after consideration and discussion, staff brought amended policy assumptions to the Port Commission work session on April 3rd, 2018. The Port Commission confirmed the amended policy assumptions during the April 3rd meeting, and directed Port staff to use the amended assumptions going forward.

The policy assumptions presented above are the amended and final versions for fiscal year 2018/19. In future years, it may be appropriate for the Port Commission to reconsider one, several, or all the policy assumptions. Changes to Port owned assets, major swings in economic or market conditions, or unforeseen events, may require an adjustment or reconsideration.

EVALUATION CRITERIA

In addition to the policy assumptions described in the previous section, specific criteria are needed to thoroughly examine and decide on property-level actions. Moreover, where the policy assumptions are a high-level guide for the Port's approach to its real estate assets, the Port staff can use the evaluation criteria to evaluate each property's qualities and determine individual property actions.

Like the policy assumptions, Port staff created draft lists of evaluation criteria, presented them to the Port Commission for consideration, and then amended them as directed. There are two sets of evaluation criteria, shown below.

- The first set is for consideration of existing buildings. The existing building criteria poses questions about the buildings current cash flows, contribution to the Port's goals, and the potential for future earnings or redevelopment.
- The second set of criteria is for "Future Development Opportunities" or FDOs. These are Port-owned properties that may be suitable for new development or redevelopment (e.g. vacant land or a property with an aging building). The FDO criteria is almost solely focused on the property's future capacity for development and the potential results of that development.

EXISTING BUILDING ASSESSMENT

1. Does this property contribute to the Port's revenue?
2. What is the property's need for future capital investment?
3. What is the potential for redevelopment?
4. To what degree does this property fill an important market niche or need?
5. Does this property contribute to a diverse property portfolio?
6. What is the marketability of the property?

FUTURE DEVELOPMENT EVALUATION

1. What is the estimated development cost?
2. What are the risk factors in developing this property?
3. What is the job creation potential for this property?
4. What is the potential for this project to become a catalyst for other local projects?
5. What is the potential for this property to increase the Port's revenue base?
6. Does this property contribute to the Port's diverse property portfolio?
7. How would developing this property affect the Port's debt capacity?
8. What is the ideal timing to develop this property?

DECISION MATRIX

The policy assumptions provide the general guide for the Port’s asset strategy and the evaluation criteria provide a tool for individual property to property decision-making; how can all the Port’s properties then be evaluated side by side? To accomplish this task, Port staff worked with ECONorthwest to develop a decision matrix for both existing buildings and FDOs.

These decision matrices allow for a portfolio-wide view of existing buildings and FDOs—displaying the relative strength of each criterion side by side. Decision matrices are commonly used to encourage properties in need of action to “float to the top”, i.e. rank higher, in the aggregate, than all other properties. Here, Port staff is using the matrices differently. Port staff created a matrix for each set of properties, existing buildings and FDOs, and their corresponding criteria. They then used stoplight colors—green, yellow, and red—to show how well each property performed under each criterion. Here the point is less the aggregate “score” of each property, but a reflection on where each property stands in relation to its equivalents. Moreover, with finite resources, the Port has limited property investment options, the matrices are designed to help identify which properties may deserve the most attention, and how each property fits into the entire Port portfolio. Therefore, properties at the top of the list may warrant the most attention, but others farther down the list may require less pressing actions.

Using the evaluation criteria, Port staff analyzed each property—existing buildings and FDOs—and filled out the corresponding matrix. Port staff then brought the preliminary matrices to the Port Commission for comment and review during the April 3rd Port Commission Meeting.

The final matrices for fiscal year 2018/19 are discussed below.

EXISTING BUILDINGS

Exhibit 1 shows a summary of how the Port’s existing buildings perform for each criterion. The properties are ordered from best performance to weakest performance. Although the criteria evaluation exercise is qualitative in nature, the ranking of properties helps one understand the relative strength of each property.

Exhibit 1: Existing Building Analysis Summary

Property Name	Significant Cash Flow	High Demand	Provides Diversity	Highly Marketable	Low Capital Investment Need	High Redev't Potential
Maritime	●	●	●	●	●	●
Jensen	●	●	●	●	●	●
Wasco	●	●	●	●	●	●
Halyard	●	●	●	●	●	●
Big 7	●	●	●	●	●	●
Timber Inc.	●	●	●	●	●	●
Chamber	●	●	●	●	●	●
DMV	●	●	●	●	●	●

Source: Port of Hood River staff analysis

FUTURE DEVELOPMENT OPPORTUNITIES

The future development opportunities (FDOs) matrix in **Exhibit 2** is like the existing conditions matrix, however the framing is focused on the development potential for each FDO. In contrast to the analysis of existing buildings, the FDO evaluation is focused on future development potential.

Exhibit 2: Future Development Opportunities Analysis Summary

Name	#	Equity Req't under \$1.5m	Significant Cash Flow	Significant Job Potential	Immediate Opportunity	Shovel Ready	Provides Diversity	Fills Need	Catalyzes Development	Meets Return Req't
Maritime East	IL3	●	●	●	●	●	●	●	●	●
S. Jensen	IL1	●	●	●	●	●	●	●	●	●
Lot D2	IL2	●	●	●	●	●	●	●	●	●
Lower Mill 1015	M2	●	●	●	●	●	●	●	●	●
Lot B2	C2	●	●	●	●	●	●	●	●	●
Barman	C1	●	●	●	●	●	●	●	●	●
John Webber BP	M1	●	●	●	●	●	●	●	●	●
Lower Mill 902	M3	●	●	●	●	●	●	●	●	●
Maritime West	IL4	●	●	●	●	●	●	●	●	●
Marina Park	C3	●	●	●	●	●	●	●	●	●
Airport Box	AD2	●	●	●	●	●	●	●	●	●
Airport Commercial	AD1	●	●	●	●	●	●	●	●	●

Source: Port of Hood River staff analysis

Property related actions will be discussed in the next section of the report.

RECOMMENDATIONS AND ACTIONS, FISCAL YEAR 2018/19

This section provides a summary of Fiscal Year 2018/19 recommendations for existing buildings and properties with future development opportunities based on the qualitative evaluation process outlined in the previous two sections and analysis by Port staff. This is a “working document”, meaning that the Port Commission will revisit the recommendations outlined in this section each year (starting in 2019), with new information from Port staff based on market conditions, property inquiries, and other factors.

EXISTING BUILDINGS

The Port’s portfolio of existing buildings, excluding the airport and marina, consists of eight multi-tenanted buildings. Understanding what stage each of the Port’s buildings are at can help Port staff to be aware of potential future outlays or property repositioning options. All buildings follow a standard life cycle:

- **Retain/Maintain:** One to 20-year-old buildings that are stable cash producers. May need minor repairs (paint, flooring, doors).
- **Remodel:** 25- to 50-year-old buildings with major building system replacements required (Roof, HVAC, siding, windows).
- **Redevelop (FDO):** 40- to 50+-year-old buildings that need major structural repairs/changes.
- **Sell:** A building with a location or use that no longer fits with mission of the Port. Selling of the asset would fund a project that fits mission.

Exhibit 3 summarizes the life cycle stage and property performance for each of the Port’s existing buildings. For existing buildings, most of the Port’s long-term leases are expiring over the next five years. For buildings that will not be undergoing redevelopment, the recommendation is: **renegotiate these into triple net, or like kind leases**. While rental rates will not necessarily increase, the Port will be able to pass through actual operating expenses. This change will increase the Port’s net operating income, essentially doubling income at two buildings and improving performance for others.

The Maritime site is shown as both an existing building and an FDO. The site is large, and the proposal is to construct a building to the east of the existing building and keep the existing building functioning until it makes sense to demolish and rebuild. The S. Jensen site is a portion of land that has a small, decrepit building and vacant land that could host a new building while keeping the existing large Jensen building in place.

Exhibit 3: Recommendation Summary for Existing Buildings

Property Name	Life Cycle Stage	FY 2019 Action	Significant Cash Flow	High Demand	Provides Diversity	Highly Marketable	Low Capital Investment Need	High Redev't Potential
Maritime	Maintain/Redevelop	Develop Excess land- FDO	●	●	●	●	●	●
Jensen	Maintain	Develop excess land- FDO	●	●	●	●	●	●
Wasco	Maintain	Maintain	●	●	●	●	●	●
Halyard	Maintain	Maintain	●	●	●	●	●	●
Big 7	Remodel	New Roof	●	●	●	●	●	●
Timber Inc.	Remodel	Minor repairs	●	●	●	●	●	●
Chamber	Remodel	Roof repairs	●	●	●	●	●	●
DMV	Remodel	Maintain	●	●	●	●	●	●

DEVELOPMENT OPTIONS

Exhibit 4 summarizes near- and long-term recommendations for each FDO property, along with any immediate actions. This table is divided into properties with immediate actions and properties with long-term actions. There are four properties with immediate actions: Maritime East, South Jensen, the Lower Hanel Mill Lots, and the Airport Box property.

Exhibit 4: Recommendation Summary for Future Development Opportunities

Name	#	Recommendation		Immediate Actions
		Near-term	Long-term	
Immediate Actions				
Maritime Site	LI4	Develop	Hold	<ul style="list-style-type: none"> Budget for A & E in 2018/19 and construction in 2019/20 Revise lease with HRD Begin MOU negotiations Design site for future build out
S. Jensen	LI1	Develop	Hold	<ul style="list-style-type: none"> Budget for A & E and site preliminaries in 2018/19 Market the site for potential build to suit development 2019/20 Enter negotiations with parties 2019/20 Budget for construction in 2020/21
Lower Hanel Mill 902, 1011, 1017 & 1015	LI2	Sell	N/A	<ul style="list-style-type: none"> Complete Stadleman water line extension Finalize DDA with Neal Creek Forest Products Complete wetland mitigation and fill project
Airport Box	A1	Land Lease	Develop	<ul style="list-style-type: none"> Survey and prepare the site Market the site
Airport Commercial	A1	Hold	Land Lease/Develop	<ul style="list-style-type: none"> Complete COVI infrastructure extensions Complete south side underground utilities
Long-Term Actions				
Maritime West	LI4	Hold	Develop	<ul style="list-style-type: none"> Demolish existing building Redevelop site
Lot D2- Lot 1 LI	LI2	Hold	Land / Building Lease/Sell	<ul style="list-style-type: none"> Infrastructure needed
Lot B2- Lot 1-LI with commercial Overlay	C2	Hold	Land / Building Lease/Sell	<ul style="list-style-type: none"> Infrastructure needed
John Webber Business Park	M1	Hold	Sell	<ul style="list-style-type: none"> Extend utilities
Marina Park	C4	Hold	Develop	
Barman	C1	Hold	Sell/Develop/Lease	Clarify access

A. PROPERTY CUTSHEETS

This appendix provides a two-page profile of each of the Port's properties, including analysis of existing property performance, a land lease vs. sale analysis, a cash flow model, and (for some properties) a pro forma model showing the performance of a potential redevelopment project on the property.

B. EXISTING BUILDING STRATEGY

This appendix provides a narrative regarding a lease strategy for existing building and how that strategy impacts performance.

C. METHODS

This appendix describes how Port Staff and ECONorthwest reviewed the Port's portfolio of properties. This section also provides a listing of real estate definitions and assumptions that the team used to conduct the analysis.

APPENDIX R
PROPERTY LEASE
METHODOLOGY &
TEMPLATE REVIEW

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Tenant Impact Analysis

SF change			Base Rent Change					Additional Rent change					Implementation timeline and annual revenue increase					
Current Leased SF	Load factor	New leased sf	Current base rent PSF	Proposed base rent PSF	Proposed Total Base rent	Difference	% change	Current Adtnl rent PSF	Proposed Adtnl Rent PSF	Total Adtnl rent	Difference	% change	2019	2020	2021	2022	2023	2024
20031	1.14	22835	\$ 0.66	\$ 0.70	\$ 15,984.74	\$ 2,856.18	22%	\$ 0.19	\$ 0.34	\$ 7,859.64	\$ 4,020.25	105%						\$ 82,517.19
4031	1.14	4595	\$ 0.68	\$ 0.80	\$ 3,676.27	\$ 935.19	34%	\$ 0.32	\$ 0.34	\$ 1,581.66	\$ 654.53	71%					\$ 19,076.65	
917	1.14	1045	\$ 0.68	\$ 0.80	\$ 836.30	\$ 212.74	34%	\$ 0.32	\$ 0.34	\$ 359.81	\$ 66.37	23%	\$ 3,349					
4074	1.14	4644	\$ 0.64	\$ 0.75	\$ 3,483.27	\$ 860.13	33%	\$ 0.21	\$ 0.34	\$ 1,598.53	\$ 746.35	88%			\$ 19,277.73			
3800	1.14	4332	\$ 0.77	\$ 0.75	\$ 3,249.00	\$ 330.18	11%	\$ 0.21	\$ 0.34	\$ 1,491.02	\$ 693.26	87%	\$ 12,281					
2841	1.14	3239	\$ 0.62	\$ 0.70	\$ 2,267.12	\$ 494.99	28%	\$ 0.18	\$ 0.34	\$ 1,114.73	\$ 605.91	119%						\$ 13,210.83
500	1.14	570	\$ 0.50	\$ 0.70	\$ 399.00	\$ 149.00	60%	\$ 0.28	\$ 0.34	\$ 196.19	\$ 56.39	40%						
786	1.14	896	\$ -	\$ 0.80	\$ 779.55	\$ 779.55			\$ 0.34	\$ 308.41	\$ 308.41							
				\$ 0.73	\$ 31,714.07	\$ 7,656.78		\$ 0.20	\$ 0.34	\$ 14,509.99	\$ 7,151.46							
30923	1.04	32113	\$ 0.54	\$ 0.70	\$ 22,479.40	\$ 5,862.40	35%	\$ 0.23	\$ 0.32	\$ 10,417.46	\$ 3,221.46	45%	\$ 109,006					
10934	1.04	11371	\$ 0.54	\$ 0.70	\$ 7,959.95	\$ 2,037.95	34%	\$ 0.19	\$ 0.32	\$ 3,688.82	\$ 1,558.82	73%		\$ 43,161.26				
5940	1.04	6178	\$ 0.73	\$ 0.75	\$ 4,633.20	\$ 310.20	7%	\$ 0.20	\$ 0.32	\$ 2,003.99	\$ 837.99	72%			\$ 13,778.24			
2042	1.04	2124	\$ 1.07	\$ 0.75	\$ 1,592.76	\$ (592.24)	-27%	\$ 0.12	\$ 0.32	\$ 688.91	\$ 440.91	178%			\$ (1,815.93)			
451	1.04	469	\$ 0.85	\$ 0.85	\$ 399.36	\$ 15.36	4%	\$ 0.09	\$ 0.32	\$ 152.15	\$ 112.15	280%						
				\$ 0.71	\$ 37,064.68	\$ 7,633.68		\$ 0.17	\$ 0.32	\$ 16,951.33	\$ 6,171.33							
36146	1.06	38474	\$ 0.66	\$ 0.66	\$ 25,392.00	\$ 1,550.00	<i>Finance reconciling amount from past year</i>					118%						\$ 18,600.00
19540	1.02	19846	\$ 1.00	\$ 1.00	\$ 19,846.00	\$ 295.00	2%	\$ 0.94	\$ 1.18	\$ 23,501.00	\$ 5,154.00	28%	\$ 2,029					
12443	1.19	14857	\$ 1.10	\$ 0.98	\$ 14,559.00	\$ 870.00	6%	\$ 0.57	\$ 0.58	\$ 8,636.00	\$ 1,519.00	21%	\$ 10,440					
5000	1	5000	\$ 0.60	\$ 0.65	\$ 3,250.00	\$ 250.00	8%	\$ 0.15	\$ 0.22	\$ 1,112.00	\$ 374.67	51%	\$ 7,496					
2500	1	2500	\$ 0.68	\$ 0.65	\$ 1,625.00	\$ (78.00)	-5%	\$ 0.11	\$ 0.22	\$ 556.00	\$ 284.25	105%		\$ 2,475.00				
2500	1	2500	\$ 0.68	\$ 0.65	\$ 1,625.00	\$ (63.00)	-5%	\$ 0.10	\$ 0.22	\$ 556.00	\$ 297.33	115%		\$ 2,812.00				
				\$ 0.65	\$ 6,500.00	\$ 109.00				\$ 2,224.00	\$ 956.25							
2627	1.15	3013	\$ 1.09	\$ 1.35	\$ 4,067.92	\$ 1,195.92	42%	\$ 0.33	\$ 0.60	\$ 1,807.97	\$ 945.97	110%			\$ 25,702.69			
1400	1.15	1610	\$ 1.33	\$ 1.35	\$ 2,173.50	\$ 307.50	16%	\$ 0.25	\$ 0.60	\$ 966.00	\$ 559.00	137%	\$ 10,398					
482	1.15	554	\$ 1.31	\$ 1.35	\$ 748.31	\$ 22.30	3%	\$ 0.31	\$ 0.60	\$ 332.58	\$ 161.33	94%				\$ 2,203.62		
313	1.15	360	\$ 1.09	\$ 1.35	\$ 485.93	\$ 79.93	20%	\$ 0.33	\$ 0.60	\$ 215.97	\$ 111.39	107%						
197	1.15	227	\$ 1.40	\$ 1.35	\$ 305.84	\$ 29.84	11%	\$ 0.38	\$ 0.60	\$ 135.93	\$ 61.68	83%			\$ 1,098.27			
					\$ 7,781.50					\$ 3,458.45	\$ 1,839.36							
			Current Total PSF rent					Proposed Total PSF rent					proposed Total rent					
1200	1.15	1380	\$ 2.10	\$ 1.60	\$ 2,208.00	\$ (317.00)		\$ 0.60	\$ 828.00	\$ 2.20	\$ 3,036.00	20%	\$ 3,036					
523	1.15	601.45	\$ 1.90	\$ 1.60	\$ 962.32	\$ (30.68)		\$ 0.60	\$ 360.60	\$ 2.20	\$ 1,323.19	33%		\$ 1,323.00				
181	1.15	208.15	\$ 1.58	\$ 1.60	\$ 333.04	\$ 4.04		\$ 0.60	\$ 124.80	\$ 2.20	\$ 457.93	39%		\$ 1,323.00				
					\$ 3,503.36	\$ (343.64)		\$ 0.60	\$ 1,313.40		\$ 4,817.12							
													\$ 158,036	\$ 51,094.26	\$ 58,041.01	\$ 2,203.62	\$ 19,076.65	\$ 114,328.02

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Lease Transition Timeframe

	SF	Current Term expiration						Final Lease expiration						
		Q 3/4 19	Q 1/2 20	Q 3/4 20	Q 1/2 21	Q 3/4 21	Q 1/2 22	Q 3/4 22	Q 1/2 23	Q 3/4/23	Q 1/2 24	Q 3/4 24	Q 1/2 25	Q 3/4 29
Big 7														
Electronics Assemblers	20031											20031		
Gorge Net	4031									4031				
Gorge Net	917	917												
Big y fly	4074				4074									
Real Carbon	3800	3800												
Soniq Aerospace	2841											2841		
Jensen														
Tofurky	29795	29795												
RBS Batten	10934			10934										
ServePro	5940				5940									
Northwave	2042					2042								
Rob Arnold	451													
HRD	38474											38424		
Pfriem	19846													19847
Cloud Cap	14857	14857												
Timber Inc.														
Wyeast	5000	5000												
Oregon Brine	2500		2500											
Chief Consulting	2500			2500										
Marina Park														
Chamber	2627						2627							
Hearts of Gold	1400	1400												
CRA	482							482						
Aletta Wilson	313											313		
Cookie Gilpatrick	197						197							
DMV														
DMV	1200	1200												
Walden B	523			523										
Walden C	181			181										
Total Square footage	174956	56969		16638		14880		482		4344		61296		19847
% of Square footage		33%		10%		9%		0.3%		2%		35%		11%
														100%

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Port of Hood River
2019 Lease Policy

The Lease Policy is intended to provide a basis for decisions regarding the Leasing and management of Port owned buildings. Through consistent application, the Port can better meet both business targets and public policy goals as they pertain to Port assets. While the Policy provides a framework, the Port maintains its flexibility to negotiate each deal individually depending on the unique aspects of each deal.

Goals

1. Seek to recover all operating costs as defined in the Lease.
2. Seek to create a reserve account which can cover depreciation as well as future Capital Improvements.
3. Strive to achieve a minimum 4% annual return on cost.
4. Endeavor to fully implement the Policy by 2024 consistent with current Lease expirations.
5. Consider implementing a lease structure for incubating new businesses that will eventually “graduate” to the proposed Lease Template.

Lease Template

For future lease negotiations, staff shall utilize the Lease Template (Attachment ‘A’). Although each lease or renewal will be negotiated individually, all negotiations shall take place within the framework of the Lease Template and shall seek to achieve the terms outlined below:

1. Recovery of Operating Costs
 - a. Clearly define Port and tenant maintenance obligations.
 - b. Clearly define square footage allocations using a load factor.
 - c. Ensure that reconciliations fit current financial process.
 - d. Strive to include all non-reimbursables in the Base rate.
 - e. Include all existing and consider potential operating costs.
2. Recovery of Depreciation
 - a. Ensure that capital improvement replacement responsibilities are clearly outlined.
 - b. Strive for a reserve amount that is sufficient to cover Port capital improvements within 3-year timeframe.
 - c. Create a separate reserve account for all leased buildings (aggregate).

- d. Analyze large capital improvements on a cost/benefits basis and ability to recoup costs through rate escalations.
3. Achieve 4% return on all costs, excluding capital
 - a. Strive to include all costs are accounted for in initial rate set.
 - b. Base 4% profit on Gross rents and maintain it through annual CPI base rent adjustments
 - c. Strive to have rates that are consistent with market comparables.
 4. Update standard clauses regularly to allow for longevity of the Lease document.
 - a. Ensure insurance coverages are adequate and flexible.
 - b. Strive to have standard lease clauses conform with industry standards.
 - c. The standard lease term will be 5 years with up to 5 years of renewal options.
 - d. At each renewal, an in-house market rate comparison shall be conducted to ensure rates are consistent with the Market. If required by the tenant a third party study will be carried out with no less than 3 comparable properties supporting the rate.

Staff shall consider utilization of the Lease Template attached as Exhibit 'A'.

Lease Negotiations

Staff shall take the following steps in negotiating new leases:

1. Expiring Leases.
 - a. Provide tenant with new Lease Template prior to lease expiration.
 - b. Implement new rates immediately for tenants experiencing a less than 10% total annual increase, including CPI.
 - c. Rates for those with over a 10%, including CPI, increase will be phased in based on tenant needs and staff recommendations.
2. New Leases
 - a. The new lease will be fully implemented for new tenants and/or new buildings.
3. Missed Lease Renewal Notification Periods
 - a. If one renewal option exists when notification period is missed, Tenant will be allowed to continue under the existing lease until such time as that lease expires. When that lease expires, tenant will go directly to full implementation of the new Lease with no rate phasing.
 - b. If more than one renewal option exists, then at the time of expiration, the Tenant will sign a new lease with the Port. The first term will equal the existing renewal option length and rate total. Any additional renewal terms will be at

the new lease rate. Or the Tenant can choose to not include additional renewal terms.

4. Staff shall consider utilization of the Lease Rate Methodology attached as **Exhibit 'B'**.

Exhibits:

- A. Lease Template
- B. Lease Rate Methodology

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**Exhibit A
LEASE**

THIS LEASE is entered into at Hood River, Oregon by and between **PORT OF HOOD RIVER**, an Oregon municipal corporation, hereinafter referred to as "Lessor," and _____, an Oregon _____ [sole proprietorship; partnership; corporation; limited liability company], hereinafter referred to as "Lessee."

- 1. Leased Premises Description.** In consideration of the covenants of the parties, Lessor Leases to Lessee approximately _____ square feet of space in Lessor's building commonly known as the _____ Building ("Building") located at _____, Oregon ("Leased Premises"). The Leased Premises are identified in the attached "Exhibit A."

Building Name:
Building Address:
Lessee Suite/Description:
Leased Premises SF:

- 2. Term.** The Lease shall be binding when both parties sign the Lease. The Lease Term shall be for the period effective on _____ and continuing through _____. If not in default under the Lease, and if Lessee pays Lessor all Rent Lessee owes or may be responsible to pay under the Lease, Lessee has the option to extend the Lease for _____ extension term(s) of _____ year(s) each, through _____, provided Lessee gives Lessor written notice of Lessee's intent to renew the Lease for the additional term while the Lease is in effect. To be effective, Lessee's notice to renew must be received by Lessor no later than 90 days prior to the Lease termination date.

Effective Date:
Lease Expiration Date:
Renewal Options:
Renewal Notice Requirement:

- 3. Allowed Use.** Lessee shall use the Leased Premises for _____. The Leased Premises shall not be used for any other purposes without the written consent of Lessor, which may be granted or denied in Lessor's discretion.
- 4. Rentable Area Load Factor.** Each Building tenant, including Lessee, is responsible to pay for their share of Building Operating Expenses related to Building Common Areas; include interior Building space which is not available for lease to a third party and that is shared by Building tenants and shall include, but is not limited to: entry areas, hallways, stairwells, mechanical, IT, electrical and janitorial closets, shared restrooms and elevators. As shown in Exhibit AA "Load Factor" is calculated to determine Building tenant payments for Building Common Area Operating Expenses.

Load Factor Formula: The total Building square footage is _____ SF. The Building Common Area square footage is _____ SF. The total Building square footage divided by the total Building square footage minus the Building Common Area square footage equals the Load Factor %. The (Building Name) Load Factor is _____%.

Rentable Area square footage is the Leased Premises square footage (___SF) plus the Load Factor area square footage (_____SF). The Rentable Area square footage will be used to calculate Rent.

5. Rent

The rents Lessee owes Lessor shall be and consist of Base Rent (“Base Rent”), plus Additional Rent (“Additional Rent”). For purposes of this Lease, Base Rent and Additional Rent are referred to collectively as “Rent”.

5.1 Base Rent. Beginning on the Effective Date, Base Rent shown below, and shall be payable in equal monthly installments in advance on the first day of each and every calendar month during the Term of this Lease, except to the extent otherwise specifically provided elsewhere in this Lease. However, if the Lease does not begin on the first day of a month, rental for the first month shall be prorated to reflect the actual number of days in that month that the Lease is in effect and shall be payable immediately.

<u>Suite #</u>	<u>Rentable Area Square Footage</u>	<u>Rate per s.f. per month</u>	<u>Monthly Base Rent</u>

5.1.1 Renewal Term Base Rent. At the start of every renewal term, the Base Rental rate shall be set at the Market rental rate for Comparable Premises in the City of Hood River. No less than 2 comparable property rates shall be required to support the rate.

5.1.2 Consumer Price Index (CPI). Starting on the first anniversary of the Effective Date, and occurring annually thereafter, including any extensions of this Lease, Base Rent will be adjusted by adding to the monthly base rental amount payable during the previous 12-month period a percentage increase equal to the previous twelve months base rent amount times the percentage change in the Consumer Price Index for the Western Region Class BK, or a similar U.S. Government inflation index selected by Lessor (CPI) for the most recent 12-month period for which a published CPI is available. However, in no event will the annual increase be less than 1 percent or more than 5 percent.

5.2 Additional Rent. Additional Rent shall be all other sums of money that shall become due from and payable by Lessee to Lessor under this Lease, including without limitations, Operating Expenses as defined in Section 5.3.1 and Taxes and Assessments as defined in Section 5.3.2.

5.3 Additional Rent Calculation.

<u>Rentable Area (Square Footage)</u>	<u>Estimated rate per s.f. per month</u>	<u>Monthly Estimated Additional Rent</u>

5.3.1 Operating Expenses. Operating Expenses shall include all costs for the operation, repair and maintenance of the Building, Building Common Areas and Building Exterior Areas whether designated for a particular Building tenant or which benefit some or all Building tenants. Operating expenses may include but are not limited to:

5.3.1.1 All costs and expenses incurred by Lessor in maintaining and repairing the Building, the Building Common Areas and Building Exterior Areas, including but not limited to:

5.3.1.1.1 General Building Exterior Areas maintenance and repairs of paved areas including; resurfacing, painting, restriping, cleaning, sidewalks, curbs, snow removal, storm systems, drainage systems and sweeping;

5.3.1.1.2 Maintenance and repair of landscaping including plantings, irrigation and sprinkler systems, general landscaping maintenance;

5.3.1.1.3 Services for Building Common Areas such as janitorial, fire suppression, security and door locking system, elevator and HVAC maintenance;

5.3.1.1.4 General maintenance and repair of Building systems including plumbing, lighting and fixtures, siding and trim, flooring, HVAC, Roof and fixtures and garbage service.

5.3.1.1.5 Property management and administration fees required to enable the building to be tenanted and maintained.

5.3.1.2 All costs and expenses incurred by Lessor for utility usage and that is not separately metered and payable by Lessee or another Building tenant, including but not limited to: electricity, gas, water, telecommunications and internet provided in suite, as well as Building Exterior Areas, and Building Common Areas.

5.3.1.3 Operating Expenses shall not include (a) Lessor's capital expenditures, determined pursuant to Generally Accepted Accounting Principles as interpreted by Lessor, consistently applied, made in connection with Property or any equipment therein or thereon, except for those (i) required to comply with laws enacted after the date of this Lease, or (ii) made for the primary purpose of reducing Operating Expenses (b) attorneys' fees incurred in enforcing the terms of any lease; (c) any amount paid to an entity or individual affiliated with or otherwise related to Landlord which exceeds the amount which would be paid for similar goods or services on an arms-length basis between unrelated parties; (d) any cost of selling, exchanging or refinancing the Building or common areas and any tax increase caused by a revaluation of the Premises by virtue of a sale by Landlord; (e) Landlord's general administrative and corporate overhead not directly attributable to management or operation of the Building, and (f) costs for services normally provided by a property manager where the operating costs already include a management fee.

5.3.2 Taxes and Assessments. Lessee shall pay its proportionate share of all current assessments, real estate taxes, other taxes, fees and other charges levied or imposed by any governmental body against the Leased Premises, the Building, Common Areas and Building Exterior Areas and the property on which those sit, ,

whether or not now customary or within the contemplation of the parties. Payment of the taxes shall be made as an Additional Rent charge. Lessee's proportionate share of any taxes shall be based only on that portion of the taxes which is allocated to the Leased Premises including the load factor during the Lease Term. Lessee shall pay directly all taxes levied on or with respect to Lessee's personal property located on the Leased Premises.

5.3.3 Annual Adjustment/Reconciliations. Within a reasonable time following the end of each Lessor fiscal year ending June 30 ("Fiscal Year") during the Term, Lessor shall furnish to Lessee an itemized statement prepared by Lessor, setting forth Lessee's total Rent, including Additional Rent, for the preceding Fiscal Year, the estimated amount of Lessee's share of future Additional Rent for the upcoming Fiscal Year, and the Rent payments made by Lessee, including Additional Rent, during the prior Fiscal Year ("Itemized Statement"). Should Lessee's prior Fiscal Year Additional Rent payments exceed the actual Additional Rent owed, Lessor shall credit Lessee that over payment amount to apply to the next Fiscal Year Additional Rent amount. Should Lessee's prior Fiscal Year Additional Rent payments be less than actual Additional Rent owed, Lessee shall pay Lessor for such deficiency in a lump sum within thirty (30) days after receipt of the Itemized Statement.

The upcoming Fiscal Year Additional Rent payable by Lessee will be based on the preceding Fiscal Year actual expenses allocated to Lessee and any new or higher costs or expenses allocated to Lessee which Lessee will owe based on Lessor's forecast of the future Fiscal Year expenses, which shall be reflected in the Itemized Statement. The new monthly Additional Rent amount will be sent to Lessee by Lessor in the annual Itemized Statement. Lessor shall adjust the Additional Rent monthly payment amount beginning every July 1 of the Term, which Lessee shall pay monthly in advance on the first day of each month during the Fiscal Year. The updated Additional Rent payment payable by Lessee for July and any other month that begins after the Itemized Statement is sent by Lessor to Lessee shall be due within ten (10) days after the date Lessor sends the Itemized Statement to Lessee.

6. Building Common and Building Exterior Areas. Building Common Areas and Building Exterior Areas are provided by Lessor for the joint use or benefit of Building tenants, including Lessee, their employees, customers, suppliers and other invitees. Building Common Areas and Building Exterior Areas are identified in the attached "Exhibit B". Use of available Building Common Areas and Building Exterior Areas shall be subject to like, non-exclusive use on the part of other Building tenants. Lessee agrees that its usage of such Building Common Areas and Exterior Building Areas shall not interfere with or be inconsistent with the similar rights of other Building tenants. All Building Common Areas and Exterior Building Areas shall be subject to the exclusive control and management of Lessor. Lessor shall have the right from time to time to establish, modify and enforce equitable rules with respect to all Building Common Areas and Building Exterior Areas, which Lessee agrees to abide by. Lessee understands and agrees that other tenants may occupy the Building.

6.1 Building Exterior Areas include: public parking areas, access roads, driveways, entrances and exits, landscaped areas, and sidewalks, excepting those parking spaces that may be designated for use by particular Building tenants. As shown in Exhibit B

6.2 Building Common Areas include interior Building space which is not available for lease to a third party and that is shared by Building tenants and shall include, but is not limited to: entry areas, hallways, stairwells, mechanical, IT, electrical and janitorial closets, shared restrooms and elevators. As shown in Exhibit A

7. Parking. Lessee may park vehicles in Building Exterior Areas designated by Lessor for vehicle parking. [As part of this Lease Lessee may also park vehicles in _____ designated parking spaces located _____. Lessor shall have no obligation to monitor parking or enforce parking restrictions associated with Lessee's designated parking spaces.]

8. Maintenance and Repair.

Any maintenance and Repair item that is not considered a Capital Expenditure is an Operating Expense as defined in section 5 of this Lease. Lessor Obligations are maintenance and repair items that will be carried out by the Lessor and paid as an Operating Expense by the Tenant through Additional Rent.

8.1 Lessor Obligations. Lessor shall maintain the Building except for tenant leased premises, which are the responsibility of Building tenants, and shall maintain the Building property including: (i) Building Exterior Areas (ii) Building (exclusive of the Premises), and (iii) any Building Common Areas, (including stairs, corridors, restrooms, exterior and interior windows, plumbing and electrical equipment serving the Building, roof and elevators), except for equipment specifically servicing the Premises ("Lessee's Equipment"), in reasonably good order and condition except for damage occasioned by the act of the Lessee or Lessee's invitees, which damage shall be repaired by Lessor at Lessee's expense.

8.2 Lessee Obligations. Lessee shall at all times during the Term at Lessee's sole cost and expense, keep the Premises in good order, condition and repair. This obligation shall include, without limitation, the obligation to maintain, repair as necessary: floor coverings, wall coverings and paint, casework, ceiling tiles, HVAC exclusively serving the Premises, Window coverings, light bulbs, ballasts and fixtures, locks and hardware and all tenant Improvements.

9. Insurance

9.1 Lessee Hold Harmless Agreement. Lessee agrees to indemnify and save Lessor, Lessor's Port Commissioners, officers, employees and agents harmless from any claims by any persons, firms, or corporations arising from business conducted on the Leased Premises or from anything done by Lessee at the Leased Premises, and will further indemnify and save Lessor harmless from all claims arising as a result of any breach or default on the part of Lessee under the terms of this Lease, or arising from any willful or negligent act or omission of Lessee's agents, contractors, employees, or licensees in or about the Leased Premises, and from all costs, counsel fees, and liabilities incurred in any action or proceeding brought thereon; and in case any action or proceeding is brought against Lessor by reason of any such claim, Lessee, upon notice from Lessor, covenants to resist and defend such action or proceeding by counsel.

9.2 Lessee Insurance. On or before the effective date of the Lease and thereafter during the Lease Term, Lessee shall maintain insurance and provide Lessor with current certificates of insurance, including an additional insured endorsement, ensuring coverage of:

(a). Commercial General Liability insurance covering the insured against claims arising out of Lessee's operations, assumed liabilities under this Lease and use of the Leased Premises. The combined single limit shall not be less than One Million Dollars (\$1,000,000) per occurrence with a Two Million Dollar (\$2,000,000) aggregate limit. Lessee agrees to keep the policy in effect for the duration of the Lease Term. The policy shall name Lessor as additional insured, and expressly include Lessor's Port Commissioners, officers, employees, and agents as additional named insured. The policies shall state that the coverage is primary and will not seek any contribution from any insurance or self-insurance carried by Lessor and shall contain a clause that the insurer will not cancel or change the insurance without first giving Lessor at least fourteen days prior written notice. The insurance shall be provided by an insurance company registered to do business in the State of Oregon, or by a company approved by Lessor.

(b). Property Damage insurance covering (a) all furniture, trade fixtures, equipment, merchandise and all other items of Lessee's property on the Leased Premises and all alterations and other improvements and additions to the Leased Premises whether owned or constructed by Lessee or Lessor pursuant to the Lease. Such insurance shall be written on an "all risks" of physical loss or damage basis, for the guaranteed replacement costs new value without deduction for depreciation of the covered items and in amounts that meet any co-insurance clauses of the policies.

9.3 Building Damage or Destruction. Lessor shall maintain property insurance covering the Building, Exterior Building Areas and Building Common Areas providing protection against "all risk of physical loss". If the Leased Premises or Building are partially destroyed (more than 25%) by fire or other casualty, Lessor may decide to repair the Leased Premises or Building, or not, in Lessor's sole discretion. Lessor shall notify Lessee in writing of Lessor's intent regarding repair within 30 days after the date of the damage. If Lessor notifies Lessee that Lessor does not intend to repair the damage the Lease shall terminate effectively at the date of the damage. If Lessor notifies Lessee that Lessor intends to repair the damage the Lease shall continue and Lessor shall return the Leased Premises or Building to as good a condition as existed prior to the damage, in a prompt manner reasonable under the circumstances. If Lessee's use of the Leased Premises is disrupted during Lessor's repairs a reasonable portion of the Rent shall be abated during the disruption. In no event shall Lessor be required to repair or replace Lessee's property including Lessee's fixtures, furniture, floor coverings or equipment. In no event shall Lessee be entitled to recover damages from Lessor related to destruction of the Leased Premises or Building or related to repairs undertaken by Lessor.

10. Lessor Funded Tenant Improvements. The Tenant Improvement allowance is _____ per Square foot of Leased Premises. The Lessor/Lessee has agreed to make such improvements which are to be outlined in a future agreement that will become part of this Lease. If Lessee requests Lessor to make Leased Premises improvement changes that will increase the construction cost or improvement project soft costs beyond the Tenant Improvement

Allowance, and if Lessor in Lessor's discretion agrees to make changes, Lessor and Lessee will promptly execute a written agreement describing the changes and agree how the costs will be paid prior to such costs being incurred.

11. Tenant Alterations. Lessee shall not make any alterations, additions, or improvements ("Alterations") in, on or to the Leased Premises or any part thereof without the prior written consent of Lessor which Lessor may agree to, with or without conditions, or deny in Lessor's discretion after receiving a Lessee request to make Alterations Lessor will consider the following, among other issues: (i) the Alterations are nonstructural, do not impair the strength of the Building or any part thereof, and are not visible from the exterior of the Leased Premises; (ii) the Alterations do not affect the proper functioning of the Building heating, ventilation and air conditioning, mechanical, electrical, sanitary or other utilities, systems and services of the Building; (iii) Lessor shall have reviewed and approved the final plans and specifications for the Alterations; (iv) Lessee pays Lessor a fee for Lessor's indirect costs, field supervision or coordination in connection with the Alterations equal to five percent (5%) of the actual cost of such Alterations or such other sum as Lessor determines if Lessee agrees; (v) Materials used are consistent with existing materials in the Leased Premises and Building and comply with Lessor's Building standards; and (vi) before proceeding with any Alteration, which will cost more than \$10,000, Lessee obtains and delivers to Lessor a performance bond and a labor and materials payment bond for the benefit of Lessor, issued by a corporate surety licensed to do business in Oregon each in an amount equal to one hundred twenty five percent (125%) of the estimated cost of the Alterations and in form satisfactory to Lessor, or such other security as shall be satisfactory to Lessor.

12. Fixtures and Personal Property. Lessee shall not suffer or give cause for the filing of any lien against the Leased Premises or Building. Lessee shall promptly notify Lessor of, and shall defend, indemnify and save harmless, Lessor from and against any and all construction and other liens and encumbrances filed in connection with Alterations, or any other work, labor, services or materials done for or supplied to Lessee.

At the expiration or earlier termination of the Lease Term Lessee shall remove all furnishings, furniture, equipment, other personal property and trade fixtures from the Leased Premises in a way that does not cause damage to the Leased Premises. If Lessee fails to remove any personal property, this shall be an abandonment of such property, and Lessor may retain Lessee's abandoned property and all rights of Lessee with respect to it shall cease; provided however, that Lessor may give Lessee written notice within 30 days after the Lease expiration or termination date electing to hold Lessee to its obligation of removal. If Lessor elects to require Lessee to remove personal property and Lessee fails to promptly do so, Lessor may affect a removal and place the property in storage for Lessee's account. Lessee shall be liable to Lessor for the cost of removal, transportation to storage, storage, disposal, and other costs incurred by Lessor with regard to such personal property.

13. Condemnation. If more than twenty- five percent (25%) of the Leased Premises and/or Building shall be taken or appropriated under the power of eminent domain or conveyed in lieu thereof, Lessor shall have the right to terminate this Lease. If the Lease is terminated, Lessor shall receive all income, rent award or any interest thereon which may be paid or owed in connection with the exercise of such power of eminent domain or convey in lieu thereof, and Lessee shall have no claim against the agency exercising such power or receiving such conveyance, for any part of

such. If Lessor elects not to terminate the Lease, Lessor shall receive any and all income, rent award or any interest thereon paid or owed in connection with such taking, appropriation or condemnation.

14. Signs. Lessee shall not erect or install any signs, flags, lights or advertising media nor window or door lettering or placards visible from outside the Leased Premises or visible from the Building Common Areas or Exterior Common Areas without the prior written consent of Lessor, which Lessor may grant or deny in Lessor's discretion. Lessee agrees to maintain in good condition any signs or displays which are allowed.

15. Leased Premises Condition; Lessor Access. Lessee has inspected the Leased Premises and accepts them in AS IS condition. . Lessee shall return the Leased Premises to Landlord in good, broom clean condition, ordinary wear and tear condition at the termination of this Lease. Any cost to bring the Leased Premises back to acceptable condition shall be the sole responsibility of the Lessee.

Upon termination or expiration of this Lease, Lessor shall inspect the Leased Premises and shall either accept the condition AS IS, or require Lessee to remove personal property and/or repair the Leased Premises to a condition that is acceptable including reasonable wear and tear. Any cost to bring the Leased Premises back to acceptable condition shall be the sole responsibility of the Lessee.

Lessor shall have the right to enter upon the Leased Premises at all reasonable hours after 24 hours oral notice (without notice to protect public health and safety in an emergency) to inspect it or to make repairs, additions or Alterations to the Leased Premises or any property owned or controlled by Lessor. E-mail from Lessor to Lessee (or Lessee's on-site manager if any) may serve as notice of inspection of the Leased Premises. If Lessor deems any repairs reasonably required to be made by Lessee to be necessary, Lessor may give notice that Lessee shall make the same within 30 days (immediately in an emergency involving public health and safety), and if Lessee refuses or neglects to commence such repairs and complete the same in a timely manner, Lessor may make or cause such repairs to be made. If Lessor makes or causes such repairs to be made Lessee agrees that it will, within 30 days, pay to Lessor the cost thereof and pay Lessor's related costs.

Lessor shall provide up to 5 access keys to the Leased Premises or up to 5 access cards. Additional keys or lost keys may be purchased from Lessor for \$20 per key. Additional access cards may be purchased from Lessor for \$25 per card. If Lessor is managing a key system which requires issuance of a rekey Lessee shall be responsible for the cost associated with Lessor issuing a rekey.

16. Entire Agreement; Amendments. This Lease contains the entire agreement of the parties with respect to the Leased Premises. No prior agreement, statement, or promise made by any party to the other not contained herein shall be valid or binding. This Lease may not be modified, supplemented or amended in any manner except by written instrument signed by both parties.

17. Quiet Enjoyment. From the date the Lease commences Lessee will have the right to use the Leased Premises consistent with this Lease without hindrance or interruption by Lessor or any other persons claiming by, through or under Lessor, subject, however, to the terms and

conditions of this Lease. The foregoing notwithstanding, Lessee agrees that Lessor may make improvements to the Building and adjacent areas which may cause noise or otherwise temporarily disrupt Lessee's quiet enjoyment of the Leased Premises.

- 18. Waiver.** One or more waivers of any covenants or conditions by either party shall not be construed as a waiver of a subsequent breach of the same covenant or condition, and the consent or approval by Lessor to any act by Lessee requiring Lessor's consent or approval shall not be construed as consent or approval to any subsequent similar act by Lessee.
- 19. Assignment.** Lessee agrees not to assign or in any manner transfer this Lease or any estate or interest therein without the previous written consent of Lessor, and not to sublet the premises or part or parts thereof without like consent. Lessor will not unreasonably withhold its consent.
- 20. Default.** Time is of the essence of performance of all the requirements of this Lease. If any Rent or other sums payable by Lessee to Lessor shall be and remain unpaid for more than ten (10) days after the same are due and payable, or if Lessee shall fail to comply with any term or condition or fulfill any obligation of the Lease (other than the payment of Rent or other charges) within fourteen (14) days after written notice to Lessee specifying the nature of the default with reasonable particularity, or if Lessee shall declare bankruptcy or be insolvent according to law or if an assignment of Lessee's property shall be made for the benefit of creditors or if Lessee shall abandon the premises, then in any of said events Lessee shall be deemed in default hereunder. In the event of a default the Lease may be terminated at the option of Lessor. If the Lease is terminated, Lessee's liability to Lessor for rents and damages shall survive such termination and Lessor may re-enter, take possession of the premises, and remove any persons or property by legal action or by self-help with the use of reasonable force and without liability for damages. The foregoing remedies shall be in addition to and shall not exclude any other remedy available to Lessor under applicable law.
- 21. Holdover.** If Lessee does not vacate the Leased Premises when the Lease term expires, Lessor shall have the option to treat Lessee as a Lessee from month to month, subject to all the provisions of this Lease except the provisions for term and renewal, and at a rental rate equal to one hundred and fifty percent (150%) of the daily prorated amount of the Rent for the last period prior to the date of expiration. Lessor may choose to lower the rental rate and will notify Lessee of such choice in writing once Lessee is Holding over. Failure by Lessee to remove fixtures, furnishings, trade fixtures, or other personal property which Lessee is required to remove under this Lease shall constitute a failure to vacate to which this paragraph shall apply. If a month-to-month tenancy results from holdover by Lessee under this paragraph, the tenancy shall be terminable at the end of any monthly rental period on written notice from Lessor given to Lessee not less than 10 days prior to the termination date specified in Lessor's notice. Lessee waives any notice which would otherwise be required by this Lease or by law with respect to month-to-month tenancy.
- 22. Notices.** Whenever under this Lease a provision is made for notice of any kind, it shall be deemed sufficient if such notice to Lessee is in writing delivered personally to Lessee's registered agent if any, to the person signing the Lease, or to Lessee's on site manager if any who at the date of this Lease is _____, or sent by certified mail with postage prepaid to the address indicated on the signature page of this Lease; and if such notice is to Lessor, delivered personally to the Executive Director, 1000 E. Port Marina Drive, Hood River, OR 97031 or sent by

certified mail with postage prepaid to the address indicated on the signature page of this Lease. Notice shall be deemed given on the date of personal delivery or if mailed, two business days after the date of mailing.

23. Dispute Resolution. Any dispute involving this Lease may be resolved by court action or mediation if both parties agree. If the parties agree to use a mediator, they will each pay one half the costs of mediation. If mediation does not occur or does not result in a solution satisfactory to both parties, the dispute shall be resolved by arbitration. Any arbitration shall be in accordance with the rules of the Arbitration Service of Portland then in effect. The parties shall use a single arbitrator mutually agreeable to them. If they are unable to agree on an arbitrator, or a process to select one, either party may apply to the Hood River County Circuit Court to appoint an arbitrator. The award rendered by an arbitrator shall be binding on the parties and may be entered in the Hood River County Circuit Court. The prevailing party in court action or an arbitration proceeding, including any appeal therefrom or enforcement action, shall be entitled to recover their reasonable attorney’s fees and costs and disbursements incident thereto.

24. Authority to Execute. The persons executing this Lease on behalf of Lessee and Lessor warrant that they have the authority to do so.

DATED this ____ day of _____, 20---.

Lessee:		Lessor:	Port of Hood River
Signed:	_____	Signed:	_____
By:		By:	Michael McElwee
Its:		Its:	Executive Director
Address:		Address:	1000 E. Port Marina Drive Hood River, OR 97031
Email/phone:		Email/phone:	(541) 386-1645

Exhibit A
LEASED PREMISES

Exhibit B
COMMON AREAS

Exhibit B

Lease Rate Methodology

June 18, 2019

The Lease Rate Methodology is the component of the Lease Policy that outlines a lease rate selection method for current and future Port leases. While each lease is a negotiation, this methodology provides a frame work that is consistent between property assets.

1. Keep current with Market rates

- a. Port Staff will have up to date knowledge of and track market rates for each property type.
- b. Every 3 years or during or after market shifts, the Port will undertake a third-party market rate study to evaluate the current rates.

2. Evaluate Condition and Amenities

Port buildings will be evaluated regarding where they should be in the market i.e. above, below or level. The following factors will be evaluated in the analysis:

- a. Building Condition- based on standard appraisal methods, interior and exterior: Poor, Fair, Good, excellent
- b. Exterior Building Amenities- parking, landscaping, loading docks, bays or doors, building material and type
- c. Interior Amenities- ceiling height, elevator, windows, utility capacity and efficiency, HVAC type
- d. Use type- industrial vs office ratios, Warehouse vs production space (i.e. floor drains)

3. Rate Setting

Based on the evaluation of the above factors, each building will be given a rate that is reasonable in comparison with the market. That rate can go up or down depending on the space and its specific build out and negotiations with the tenant. Additional factors that will be considered in the rate shift are:

- a. Operating expenses- building with high operating expenses will either cap the operating expense OR reduce the base rental rate to compensate in order to keep the building within a reasonable market range.
- b. Large, scheduled improvements- if a large remodel is anticipated, then that should be reflected in the lease rate structure, i.e. utility efficiency which lowers operating costs, amenity improvement or condition improvement.

	Current				Proposed				Market				Condition				
	Base Rate PSF/MO	Base Rate PSF/YR	Total Rent/annual	Adtrnl rent PSF/MO	Base Rate PSF/MO	Base Rate PSF/YR	Total Rent/annual	Adtrnl rent PSF/MO	Cap	Adtrnl rent PSF/YR	Total annual	% increase		Base Rate PSF/MO	Base Rate PSF/YR	Total Rent/annual	
Big 7	\$ 0.65	\$ 7.81	\$ 288,687.48	\$ 0.73	\$ 8.76	\$ 367,350.41	\$ 0.87	\$ 10.50	\$ 442,081.50				\$ 0.87	\$ 10.50	\$ 442,081.50	Fair	
Jensen	\$ 0.59	\$ 7.02	\$ 353,172.00	\$ 0.71	\$ 8.52	\$ 444,776.11	\$ 0.87	\$ 10.50	\$ 548,373.00				\$ 0.87	\$ 10.50	\$ 548,373.00	Fair	
Maritime	\$ 0.66	\$ 7.92	\$ 286,104.00	\$ 0.66	\$ 7.92	\$ 304,714.08	\$ 0.65	\$ 7.80	\$ 300,097.20				\$ 0.65	\$ 7.80	\$ 300,097.20	Poor	
Halvard	\$ 1.00	\$ 12.00	\$ 234,612.00	\$ 1.00	\$ 12.00	\$ 238,152.00	\$ 1.00	\$ 12.00	\$ 238,152.00				\$ 1.00	\$ 12.00	\$ 238,152.00	Excellent	
Wasco	\$ 1.10	\$ 13.20	\$ 164,268.00	\$ 0.98	\$ 11.76	\$ 174,718.32	\$ 1.25	\$ 15.00	\$ 222,855.00				\$ 1.25	\$ 15.00	\$ 222,855.00	Excellent	
Timber Inc	\$ 0.60	\$ 7.20	\$ 76,692.00	\$ 0.65	\$ 7.80	\$ 78,000.00	\$ 0.65	\$ 7.80	\$ 78,000.00				\$ 0.65	\$ 7.80	\$ 78,000.00	Fair	
Marina Park	\$ 1.22	\$ 14.69	\$ 73,752.00	\$ 1.35	\$ 16.20	\$ 93,378.05	\$ 1.67	\$ 20.00	\$ 115,140.00				\$ 1.67	\$ 20.00	\$ 115,140.00	Good	
DMV*	\$ 2.02	\$ 24.25	\$ 46,164.00	\$ 1.60	\$ 19.20	\$ 44,544.00	\$ 1.67	\$ 20.00	\$ 46,400.00				\$ 1.67	\$ 20.00	\$ 46,400.00	Fair	
			\$ 1,523,451.48			\$ 1,745,632.97			\$ 1,991,098.70						\$ 1,991,098.70		
							15%									31%	
						\$ 222,181.49			\$ 467,647.22								
				Additional Rent													
				Current				Proposed									
	Adtrnl Rent PSF/MO	Adtrnl rent PSF/YR	Total annual	Adtrnl Rent PSF/MO	Cap	Adtrnl rent PSF/YR	Total annual	% increase									
Big 7	\$ 0.20	\$ 2.39	\$ 88,302.28	\$ 0.34		\$ 4.13	\$174,119.83	97%									
Jensen	\$ 0.21	\$ 2.57	\$ 129,360.00	\$ 0.32		\$ 3.89	\$203,416.00	57%									
Maritime	\$ 0.09	\$ 1.11	\$ 40,261.00	\$ 0.19		\$ 2.29	\$ 87,916.00	118%									
Halvard	\$ 0.94	\$ 11.27	\$ 220,164.00	\$ 1.18		\$ 14.21	\$282,014.67	28%									
Wasco	\$ 0.57	\$ 6.86	\$ 85,404.00	\$ 0.58	\$ 0.60	\$ 6.98	\$103,638.67	21%									
Timber Inc	\$ 0.13	\$ 1.52	\$ 15,213.00	\$ 0.22		\$ 2.67	\$ 26,688.00	75%									
Marina Park	\$ 0.32	\$ 3.87	\$ 19,429.00	\$ 0.88	\$ 0.60	\$ 7.20	\$ 41,450.40	113%									
DMV				\$ 1.47	\$ 0.60	\$ 7.20	\$ 16,704.00										
			\$ 598,133.28				\$935,947.57								\$ 337,814.29		

APPENDIX S

REAL ESTATE
DEVELOPMENT OPTIONS
FALL PLANNING
2020

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November 10, 2020
Fall Planning Session

Discussion Topic:
Real Estate Development Options

Overview:

Over several years, the Commission has considered a variety of development options to achieve Port goals including additional, non-bridge related revenue. A Real Estate Investment Strategy (“REIS”) was approved in 2018 and a new Lease structure was implemented in 2019. Staff has been working through next steps as directed by the Commission. In late 2019, the Commission held a Real Estate Work Session and consensus direction was given to staff on various real estate projects. This is an opportunity for the Commission to review the efforts completed (outlined below), consider next steps give staff direction on each project.

<i>Potential Project</i>	<i>Direction Given and Actions Taken</i>
Lower Mill	Retain one or two lots for Port development. Market remainder.
	<i>Retained architect. Completed conceptual designs and cost estimates for two buildings. Initial financial feasibility analysis completed.</i>
Airport	Pre-lease to non-active runway R&D companies, move to pre-development
Commercial Hangar	<i>Retained architect. Completed conceptual design and cost estimate. Market analysis done-- pre-lease interest for 12,000 s.f.</i>
Box/T-Hangars	Retained architect. Completed conceptual design and cost estimates. Determined eligibility of connection to taxiway for FAA funding.
Barman	Consider optimal land uses and determine developer interest but only after traffic impacts on other waterfront properties are considered.
	<i>Traffic analysis completed. Started work on Request-for-Information (RFI)-- on ED work plan.</i>
Industrial Land Acquisition	Pursue acquisition(s) opportunities.
	<i>Exit #62 Purchase Agreement signed. Due diligence completed. Commission decision to terminate. Additional acquisition opportunity identified.</i>
Lot #1	Consider recreation proposal. Preserve Preliminary Subdivision Plan (PSP), but consider alternative/phase approaches with City.
	<i>PSP extended for one year. Evaluation of phasing alternatives completed. Port build of Anchor Way extension considered and discussed with City.</i>

Potential Actions/Alternatives:

There are six projects to consider with various options for each. The Commission may consider moving forward with the next steps, understanding that development is a phased process with opportunity for discussion and change of direction throughout. The following pages outline each development opportunity and choice of direction.

Lower Mill

Project description: The Lower Mill has two shovel-ready lots where buildings could be constructed by the Port for lease. The other two lots remain for sale, with some wetland work left to complete on the larger lot.

Goals:

- Provide LI space for local business expansion
- Increase jobs in HR county
- Create long term cash flow

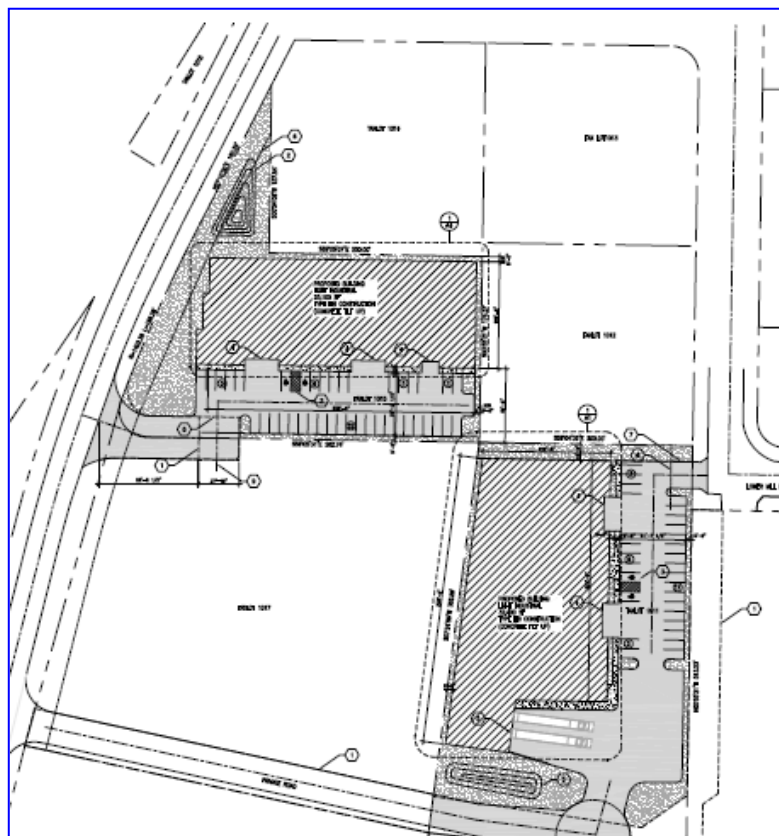
Actions taken: Completed 10% design and cost estimates.

Recommended next steps:

- Market smaller building to potential tenants for pre-leasing
- If get 50% pre-leased, prepare A&E RFP

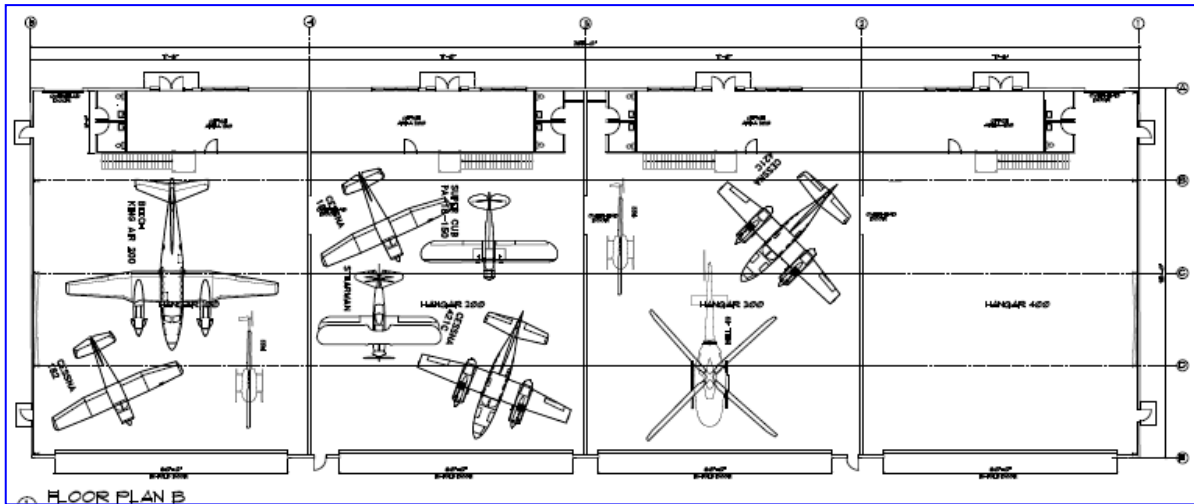
Building Size	Const. cost	Est. IRR	Est. occupancy
21,500-32,400	\$4 & 4.5 Million	2%	Q4-22

<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
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Airport- Commercial Hangar

Project description: As part of the Connect 6 project, the Airport now has two shovel ready building pads. Staff has soft marketed the design and there are interested parties ready to lease a building constructed by the Port.

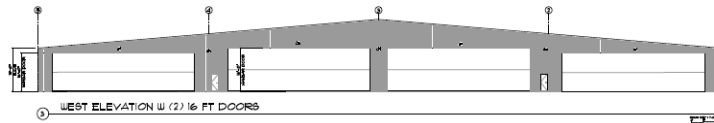


Goals:

- Provide R&D space for UAV companies
- Increase jobs in HR county
- Create long term cash flow

Actions taken:

- Completed 10% design and cost estimates.
- Local business commitment to lease 50% of building
- Completed infrastructure improvements (COVI)



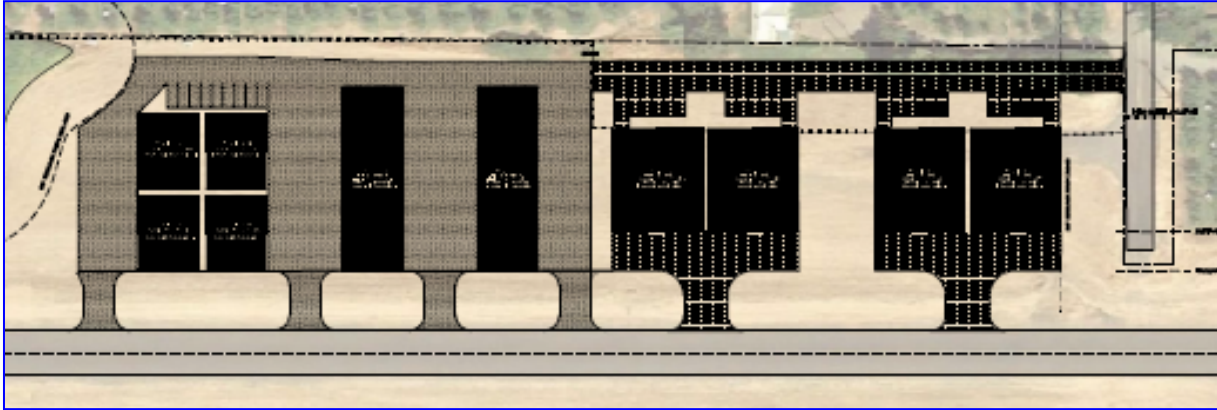
Recommended next step:

- Draft and execute lease for pre-lease commitment
- Issue RFP for design contract for final design

Building Size	Const. cost	Est. IRR	Est. occupancy
29,600	\$3.5 Million	34%	Q4-21

<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
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Airport Box-T Hangars



Project description: The airport has one location on the East side that could hold T and/or box hangars. These could be built by the Port and leased or built by private parties or a combination of Port and private ownership. The number of T hangars and the size of box hangars would depend on the market demand for each.

Goals:

- Meet market demand
- Create long term cash flow

Actions taken:

- Completed 10% design and cost estimates.
- Local interest list of 13 potential owners.
- Completed PNW airports land lease rate survey.
- Completed T hangar rate survey
- Included site design and construction costs in FAA NPE planning

Recommended next step:

- Market survey with materials to gauge size and ownership preferences
- Complete box hangar rate survey
- Issue RFP for design contract for final design

Building Size	Const. cost	Est. IRR	Est. occupancy
4000	\$390,000	-8%	Q4-21

<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
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Barman

Project description: The Barman property is the only C-2 zoned parcel left on the waterfront. As such, there is great interest from private developers. The Commission previously explored issuing an RFI/Q/P that could garner interest and ideas from the development community. This site best holds the potential for a public/private partnership to ensure a development project and secure long-term revenue without the use of Port capital.

Goals:

- Create long term cash flow
- Create jobs in HR county
- Create gateway to the Waterfront

Actions taken:

- Completed traffic study
- Basic RFI proposal

Recommended next step:

- Approve RFI strategy
- Issue RFI
- Review submittals with Commission



Lot Size
.86 acre

<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
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Lot #1

Project description: Lot 1 is a long-term development project that the Port has taken incremental development steps on for over 10 years. There are inherent challenges to development including infrastructure requirements, zoning restrictions and public expectations. Proceeding to implement the preliminary subdivision plan that has been approved by the City would require a commitment to invest in infrastructure that exceeds the financial capacity of the Port with few prospects for a return on investment in the near or medium term. The However the Commission may want to consider moving forward with one key infrastructure investment that will be required in any future development plan and doesn't require a decision on use or final plat design.

Goals:

- Pave the way for future development
- Demonstrate progress on transportation connectivity
- Support mass transit efforts

Actions taken:

- Concept plan for Anchor Way extension
- Initial land use & entitlements discussion with City

Recommended next step:

- Explore grant opportunities
- 10% engineering design and project cost estimate

Est. timeframe	Const. cost
	\$1.5 million

<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
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APPENDIX T

184 EXIT 63 & 64
INTERCHANGE AREA
MANAGEMENT PLAN

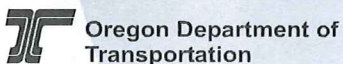
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Interstate 84 Exit 63 & 64 Interchange Area Management Plan

Interstate 84/2nd Street & Interstate 84/Button Bridge Road

Prepared for
City of Hood River
Hood River County



Prepared by
DKS Associates
TRANSPORTATION SOLUTIONS

Angelo
planning & group
Parametrix

December 2011



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Interstate 84 Exit 63 & 64 Interchange Area Management Plan

Interstate 84/ 2nd Street & Interstate 84/ Button Bridge Road

Hood River, Oregon

Prepared for

City of Hood River

Hood River County

Oregon Department of Transportation

Prepared by

DKS Associates

Angelo Planning Group

Parametrix

December 2011

Acknowledgments

The completion of this plan has been the collective effort of the following people:

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Bill Pattison, Historic Columbia River Highway Advisory Commission
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Appendix B- City of Hood River Municipal Code Amendments – Exhibits D and E
Appendix C – Hood River County Goal 12 Amendments – Exhibit C
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Appendix E- Technical Memorandum #1: Plans and Policies Review and Findings of Compliance
Appendix F- Technical Memorandum #2: Study Area Boundaries and Preliminary Goals and Objectives
Appendix G- Technical Memoranda #3: Existing Conditions
Appendix H- Technical Memorandum #4: Future Needs Analysis
Appendix I- Technical Memorandum #5: Alternatives Analysis
Appendix J- Interchange Area Management Plan Overlay Zone Maps
Appendix K – Port of Hood River Waterfront Area Transportation Impact Analysis

** Appendices are provided as a separate document. See Appendices for Interstate 84 Exit 62 Interchange Area Management Plan and Interstate 84 Exit 63 & Exit 64 Interchange Area Management Plan, Hood River Oregon, December 2011.*

ACRONYMS

HCRH	Historic Columbia River Highway
HDM	Highway Design Manual
IAMP	Interchange Area Management Plan
LOS	Level of Service
OAR	Oregon Administrative Rule
ODOT	Oregon Department of Transportation
OHP	Oregon Highway Plan
STIP	Statewide Transportation Improvement Program
TSP	Transportation System Plan
UGB	Urban Growth Boundary
V/C	Volume to Capacity

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CHAPTER 1: EXECUTIVE SUMMARY

This Interchange Area Management Plan (IAMP) for the I-84 Exit 63 & Exit 64 interchanges in Hood River, Oregon acts as refinement areas of the City of Hood River and Hood River County Transportation System Plans (TSPs) and as a facility plan for the Oregon Department of Transportation. It establishes the desired function of these interchanges and provides a long-range plan for infrastructure improvements and operations to achieve agency and community goals as the City continues to grow.

The IAMP was developed as a cooperative effort between the Oregon Department of Transportation, the City of Hood River, Hood River County, and the Port of Hood River. Further input from the community and local stakeholder groups was obtained through meetings with a Stakeholder Working Group and through public open house meetings. The process followed in the development of this plan is illustrated in Figure 1.

This plan has been organized to facilitate implementation, including only content needed to understand the direction for managing the transportation system within the area surrounding these interchanges and to guide future decision-making in a manner consistent with that direction. Documents containing detailed background information developed through the planning process that created the basis for findings and recommendations are included in a separate appendix.¹ Elements in this report include:

Introduction

- This chapter discusses the purpose of the I-84 Exit 63 & Exit 64 IAMP, the intended function of these interchanges, identification of the study area, and the goals and objectives for this plan developed by participating agencies and local stakeholders.

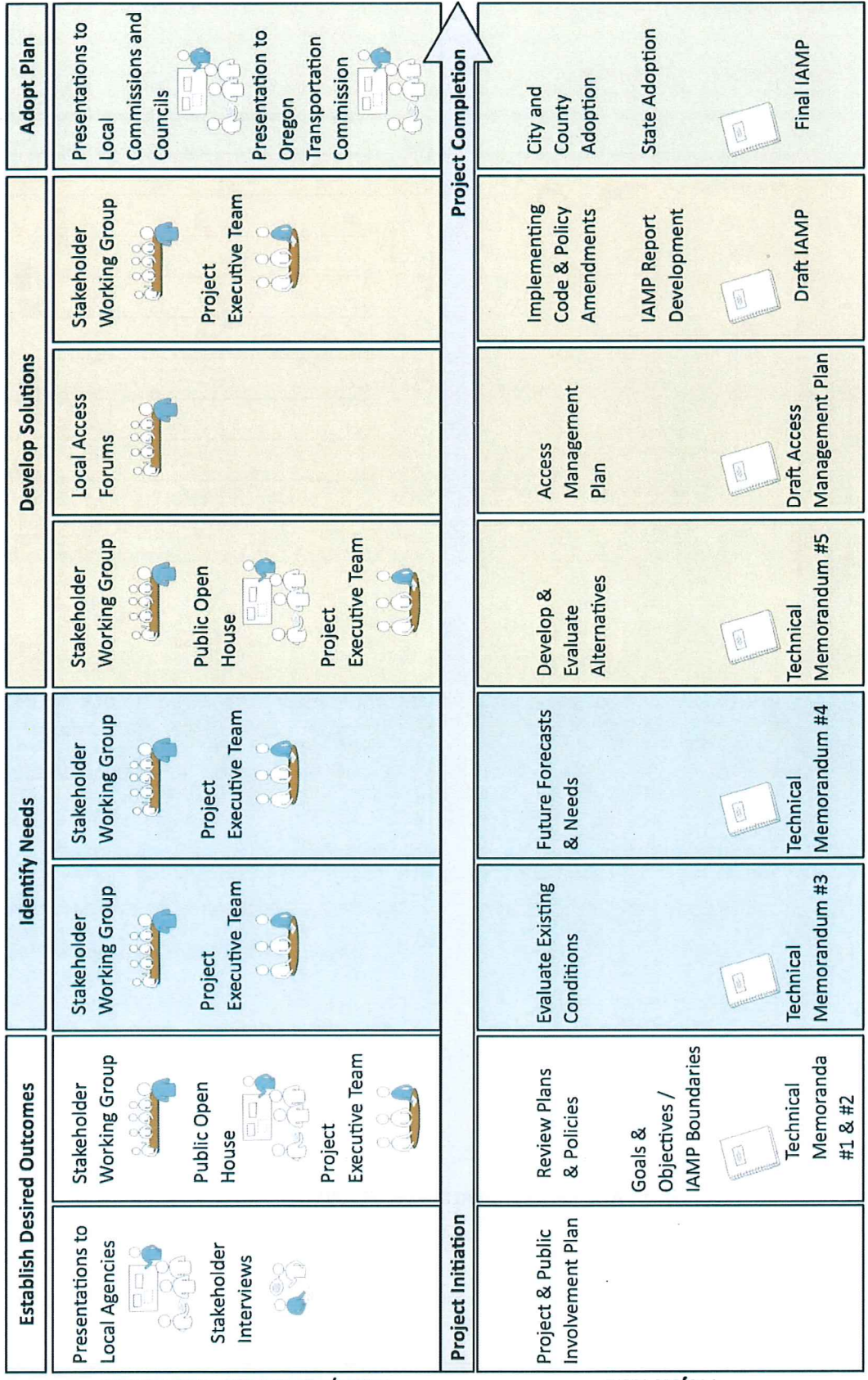
Management Plan

- A multimodal plan for transportation system improvements is provided for the I-84 Exit 63 and Exit 64 interchanges and surrounding areas, including projects for pedestrian and bicycle travel, as well as for motor vehicle needs.
- A supplementary planning study to evaluate changes in transportation system needs required to support a higher level of development intensity in the Hood River Waterfront is acknowledged. The findings from this study must be updated at the time the land use action is submitted.
- Access management plans are included to facilitate the ongoing maintenance of the interchange crossroads in a manner that is consistent with their intended function.
- Roles and responsibilities related to the adoption and implementation of the IAMP are outlined for the Oregon Department of Transportation, the City of Hood River, and Hood River County. Recommended amendments to City and County plans and development codes necessary to successfully adopt and implement the IAMP are also included as appendices.
- Planning-level cost estimates for recommended improvement projects are included to guide future financing strategies.

¹ *Appendices for Interstate 84 Exit 62 Interchange Area Management Plan and Interstate 84 Exit 63 & Exit 64 Interchange Area Management Plan, Hood River Oregon, May 2011.*

Monitoring and Updates

- A process for tracking future traffic growth and impacts in the interchange areas and comparison against forecasted conditions is provided.
- A list of potential actions or conditions that could result in a need to update the IAMP is provided and should be continuously reviewed as part of the ongoing monitoring process.



Project Completion

I-84 Exit 63 & Exit 64 Interchange Area Management Plan
 Figure 1 IAMP Development Process

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CHAPTER 2: INTRODUCTION

This chapter discusses the purpose of the Interchange Area Management Plan, introduces the management areas, describes the function of the interchanges, and outlines the goals and objectives.

IAMP Purpose and Intent

The I-84 Exit 64 - East Hood River Interchange project was identified as a high priority construction project by Hood River County, the City of Hood River, and the Port of Hood River. It is listed in the Approved 2008-2011 Statewide Transportation Improvement Program (STIP) and is being funded through OTIA III, with construction anticipated to be completed in 2011.

In accordance with Agency policies and State Administrative Rules, the reconstruction of the Exit 64 interchange requires that the Oregon Department of Transportation (ODOT) prepare an IAMP for the proposed Exit 64 - East Hood River Interchange project. Because of the proximity and nature of use of the Exit 63 interchange immediately to the west, both the Exit 63 and Exit 64 interchange areas are being included in the same IAMP.

IAMPs are required by OAR 734-051-0155(7) for any new or significantly reconstructed interchange. The Oregon Highway Plan policies further direct ODOT to plan and manage interchange areas for safe and efficient operation. The purpose of an IAMP is to protect the function of the interchange and, consequently, the state's and local agency's investment in the facility. New interchanges and improvements to existing interchanges are very costly. State and local government and their citizens have an interest in ensuring that their interchanges function efficiently. The IAMP will define how the land use and transportation systems within the interchange study area will function over the planning horizon (year 2031).

Interchange Function

Generally, an interchange is defined as a system of interconnecting roadways in conjunction with one or more grade separations that provides for the movement of traffic between two or more roadways or highways on different levels.² The function of an interchange is established by the characteristics of the connecting highway.

The I-84 Exit 63 and Exit 64 interchanges are components of I-84, an Interstate Highway and Freight Route. The Exit 63 interchange serves as the primary entrance into the commercial heart of the City of Hood River. It also serves as the primary entrance into the Port of Hood River property north of the interstate, which is currently underdeveloped, but is planned to support light industrial, recreational, and commercial uses in the future. Furthermore, the Exit 63 interchange serves as a link between downtown and the Hood River-White Salmon Bridge across the Columbia River and is the primary pedestrian connection between downtown and the Hood River Waterfront (Waterfront).

The Exit 64 interchange serves as a vital connection between the states of Washington and Oregon, connecting the central Gorge area and facilitating the local and interstate movement of freight. The

² *A Policy on Geometric Design of Highways and Streets*, American Association of State Highway and Transportation Officials, Washington D.C., 5th Edition, 2004, p. 743.

interchange also serves to facilitate the movement of recreational traffic from the interstate system to the numerous recreational areas in both Oregon and Washington states. A third function of the interchange is to facilitate the movement of commuters/ local residents and consumers between Washington and Oregon. Highway commercial development at the interchange provides interstate travelers with convenient gas, food, and lodging.

The Oregon Highway Plan (OHP)³ classifies I-84 as an Interstate Highway. According to the OHP, the primary function of an Interstate Highway is to “provide connections to major cities, regions of the state, and other states. A secondary function in urban areas is to provide connections for regional trips within the metropolitan area. Interstate Highways are major freight routes and their objective is to provide mobility.”

2nd Street (Exit 63) is owned by the City of Hood River south of I-84, by the Port of Hood River north of Riverside Drive, and by ODOT between these points. It is classified as a collector street for its entire length between Portway Avenue and State Street.

Button Bridge Road (Exit 64) is owned by ODOT through the interchange area. It leads to the Hood River-White Salmon Bridge across the Columbia River to the north, which is owned by the Port of Hood River, and to OR 35 to the south, which is classified as a Statewide Highway and is owned by ODOT.

Study Area

Figure 2 illustrates the Study Area for the I-84 Exit 63 & Exit 64 IAMP. The study area boundaries are State Street and the urban growth boundary (UGB) to the south, the UGB to the east and north, and 13th Street to the west.

The IAMP study area was chosen to reflect the general area where the interchanges would potentially influence land use and traffic patterns. As a general rule of thumb, lands located within approximately ½-mile from the interchanges are considered. However, the boundary was further refined through consideration of existing and planned land uses in the vicinity that will impact the interchanges, transportation facilities and traffic operations, and natural and cultural resources.

While the southern boundary at State Street is significantly closer to the interchanges than ½-mile, this limit was deemed appropriate for this area given the changes in topography and existing residential neighborhoods to the south that are unlikely to be redeveloped within the planning horizon.

In addition to mapping study area boundaries, Figure 2 also identifies study intersections and access management areas. Study intersections are key locations where safe and efficient operation is essential for adequate operation of the interchanges. These intersections were analyzed as part of the study to identify any safety or operational deficiencies through the planning horizon. Needed improvements to address deficiencies were developed and recommended for inclusion in State and local capital improvement plans. Within the Study Area, ODOT, the City of Hood River, and the Port of Hood River all maintain jurisdiction over one or more key roadways, as shown in Table 1.

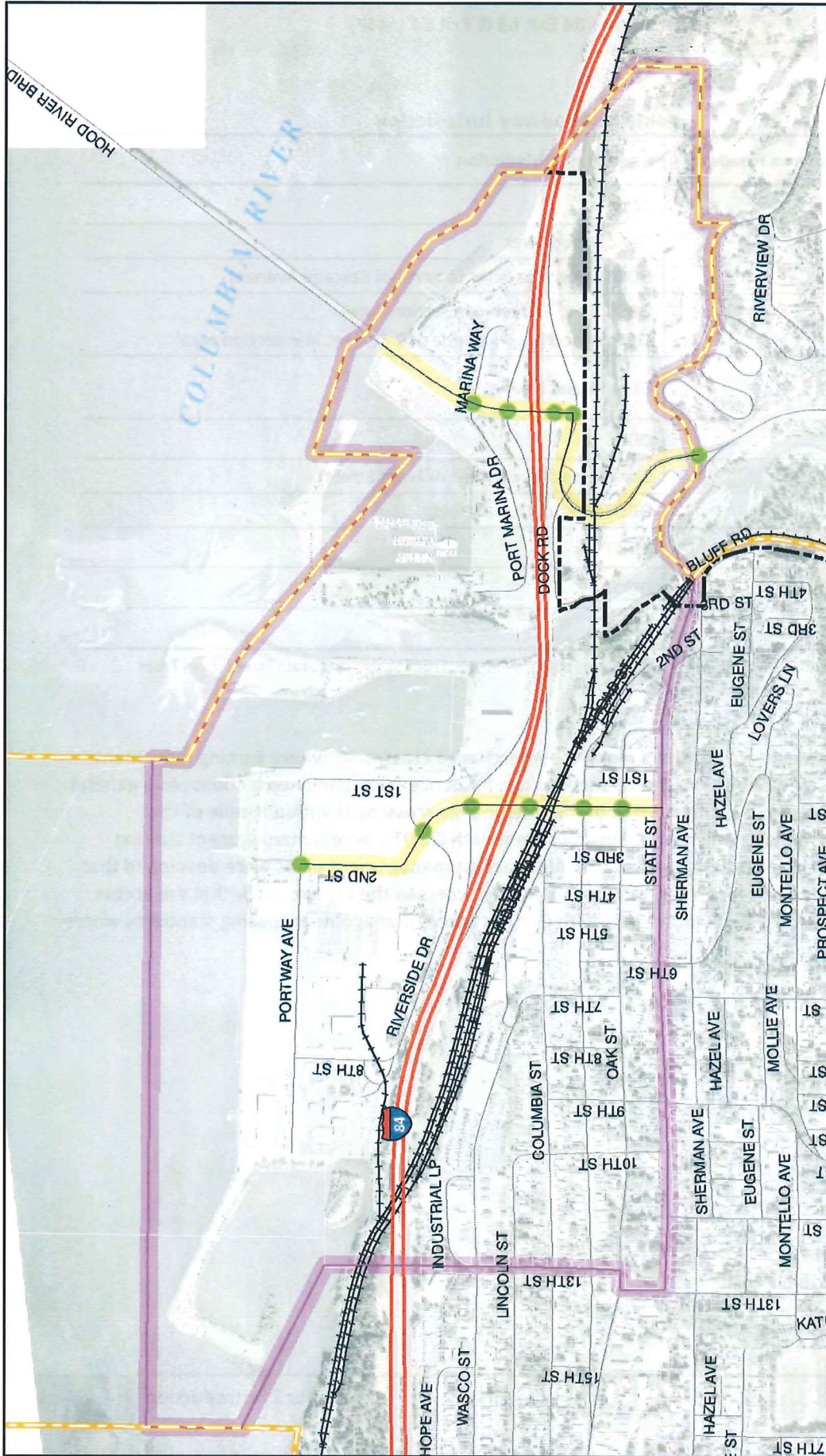
³ 1999 Oregon Highway Plan, Oregon Department of Transportation, Amended July 2006.

Table 1: Roadway Jurisdiction

Key Interchange Area Roadway	Agency of Jurisdiction
I-84	ODOT
2 nd Street	City of Hood River
	ODOT (Riverside Drive to north of Cascade Avenue)
Riverside Drive	ODOT (in 2 nd Street intersection area)
	City of Hood River (outside of 2 nd Street intersection area)
Cascade Avenue (from Oak Street to 1 st Street)	City of Hood River
Oak Street	ODOT
State Street	City of Hood River (West of Front Street)
	ODOT (East of Front Street)
Historic Columbia River Highway*	ODOT
Button Bridge Road	ODOT
OR 35	ODOT

* The Historic Columbia River Highway (US 30) runs over Oak Street, Front Street, and State Street (from Front Street to OR 35) and continues east of OR 35.

Access management areas are corridors along the interchange crossroads where turning movements related to driveways and public street intersections can influence interchange operations. As a general practice, these corridors include the length of the interchange crossroads within ¼-mile of the interchange ramp terminals, which would be consistent with ODOT's access management spacing standards for interchange areas. As part of the IAMP, access management plans were developed that provide short, medium, and long-range actions to modify access to the crossroads within the access management areas to provide conformance with ODOT's access management spacing standards where feasible.



**I-84 Exit 63 & Exit 64
Interchange Area Management Plan**

Figure 2 Study Area

- Study Area
- Study Intersection
- Access Management Area
- Interstate
- Roadway
- Railroad
- City Limit
- UGB
- Stream
- Parcel Boundary



1 inch = 1,000 feet

Parametrix

Goals and Objectives

The goals and objectives of this IAMP reflect the intentions and interests of ODOT, the City of Hood River, Hood River County, and other key stakeholders for the interchanges and transportation operations in the area. The goals and objectives are guided by, but not re-statements of, Oregon Highway Plan policies and OAR language. The objectives relate what the plan is trying to accomplish and are intended to be achievable and measurable. The objectives served as the basis for data collection and research, as alternative evaluation criteria to guide alternatives analysis and selection of the preferred alternative, and to guide management decisions.

Goal 1: Protect the function and operation of the interchanges and the state highways as follows:

- I-84 is classified as an Interstate Highway. It is part of the National Highway System and is a designated freight route between Portland and points east. The operational objective for Interstate Highways is to provide safe and efficient high-speed travel in urban and rural areas.
- Oregon 35 is classified as a Statewide Highway, which provides inter-urban and inter-regional mobility and provides connections to larger urban areas, ports, and major recreational areas not directly served by Interstate Highways.
- The Historic Columbia River Highway (HCRH) is classified as a District Highway. The operational objective for District Highways is to allow safe and efficient moderate to low-speed travel in urban and urbanizing areas for traffic flow, as well as bicycle and pedestrian movements. In addition, the HCRH has design and operational requirements not applicable to other highways in the state.
- The Hood River-White Salmon Bridge over the Columbia River is a privately owned facility, but is part of the National Highway System and provides an important link between Oregon and Washington. The area around the Exit 64 interchange should be managed to facilitate safe and efficient travel through the interchange and Hood River-White Salmon Bridge.

Objective 1a: The project alternatives meet the requirements of the Federal Interchange Policy and will accommodate design-year (2031) traffic demands as a threshold.

Objective 1b: The project alternatives are consistent with the OHP requirement that the maximum volume to capacity ratio for the ramp terminals of interchange ramps be the smaller of the values of the volume to capacity ratio for the crossroad or 0.85.

Objective 1c: Meet or move in the direction of ODOT access management spacing standards for access along interchange crossroads.

Objective 1d: The project alternatives are consistent with the intent of the Programmatic Agreement for the HCRH.

Objective 1e: The project alternatives are consistent with the intent of the I-84 Corridor Strategy.

Goal 2: Provide for an adequate system of local roads and streets for access and circulation within the interchange areas that reduces the reliance on the interchanges and on the interchange ramps.

Objective 2a: Any necessary supporting improvements to the surface street system have been (or will be) identified in the local comprehensive plan and funding or a funding source for these improvements has been identified.

Objective 2b: While recognizing the urban fabric of Hood River, the project alternatives propose surface street improvements that either meet the ODOT established access management standards or improve on the current conditions.

Objective 2c: The project alternatives propose surface street improvements that will operate adequately over the 20-year planning horizon.

Goal 3: Provide safe and efficient multi-modal travel between the connecting roadways.

Objective 3a: While recognizing existing capacity constraints and consistent with the Programmatic Agreement for the HCRH, the project alternatives will improve safety by adding capacity to reduce congestion and/or correcting geometric conditions that do not meet current standards.

Objective 3b: The project alternatives will improve bicycle and pedestrian safety by providing upgraded bikeways and walkways that meet current standards and include facility infill and extensions where needed to provide a continuous network while respecting the historic streetscape.

Goal 4: Ensure future changes to the planned land use system are consistent with protecting the long-term function of the interchange and the surface street system and the integration of future transportation projects and land use changes.

Objective 4a: The project alternatives were developed in partnership with affected property owners in the interchange area, the City of Hood River, Hood River County, the Oregon Department of Transportation, and other stakeholders, including interchange users.

Objective 4b: The City and County Comprehensive Plans and/or Transportation System Plans are consistent, or will be made consistent, with the project alternatives.

Objective 4c: The project alternatives are consistent with the County's Bike Plan.

Goal 5: Recognize the importance of the interchange function to support local and regional economic development goals and plans.

Objective 5a: The project alternatives are expected to reduce delay for vehicles, including commercial vehicles, accessing the freeway and increase safety.

Objective 5b: The project alternatives would facilitate access to, through, and from businesses in Hood River, while protecting the function and livability of downtown Hood River.

Objective 5c: The project alternatives recognize the importance of recreation and tourism to the regional economy.

Objective 5d: The project alternatives will recognize the local interest in supporting employment growth on the Port Waterfront property north of the Exit 63 interchange.

Goal 6: Ensure that the needs of regional through trips and the timeliness of freight movements are considered when developing and implementing plans and projects on freight routes.

Objective 6a: The project alternatives would facilitate freight access to and from the many industrial, agricultural, and forest products freight destinations in the interchange areas.

Objective 6b: The project alternatives recognize the importance of interstate travel and freight mobility within the corridor by improving mobility and access to the Hood River-White Salmon Bridge.

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CHAPTER 3: MANAGEMENT PLAN

This chapter describes plan actions for improving and managing the transportation system in the interchange areas through the year 2031 to maximize the operational life of the I-84 Exit 63 and Exit 64 interchanges, while ensuring that planned growth can be supported. It describes future operations within the interchange areas, identifies transportation improvements for the interchanges and surrounding street network, and includes access management plans to guide the planning of approach locations along the interchange crossroads (2nd Street and Button Bridge Road). Guidance for agency implementation of the IAMP is also provided, including recommended amendments to City and County plans and development codes.

Transportation System Improvements

Transportation system improvements are categorized by mode of travel, including improvements for the pedestrian, bicycle, and motor vehicle networks.

Pedestrian Network Improvements

This category of improvement projects includes those exclusively targeted at improving connectivity for pedestrians within the interchange areas. In addition to these, the Exit 64 Interchange reconstruction project will include sidewalk along the east side of Button Bridge Road from Marina Way through the interchange ramps to the south. Exclusive pedestrian network projects are listed below and illustrated in Figure 3.

- A. Construct sidewalk along both sides of OR 35/Button Bridge Road between State Street (Historic Columbia River Highway) and Button Bridge, as well as on the south side of OR 35/Button Bridge Road between Button Bridge and the Exit 64 interchange. The construction of sidewalk between State Street and Button Bridge could be included as part of the proposed OR 35/ State Street intersection improvement project.
- B. Explore the feasibility of constructing a multi-use trail under the I-84/Hood River Bridge and along the east side of the Hood River to connect Port Marina Park with State Street (Historic Columbia River Highway) without requiring travel through the Exit 64 interchange. At the north end, this trail would connect to a planned multi-use path that will connect to the Exit 64 interchange area, cross over the Hood River, pass around the shoreline of the Waterfront, and eventually connect to Jaymar Road. There are two separate segments of the trail proposed in this plan:

Segment 1: Connection between the existing bicycle/pedestrian bridge over the Hood River and the public frontage road (Dock Road) along the south side of I-84 that connects to OR 35 near the north end of Button Bridge. This trail would pass under the I-84/Hood River Bridge. All land required to accommodate this corridor is under public ownership. To complete this route, additional sidewalk should be constructed along at least one side of Dock Road. Bicycles could share the low-volume, low-speed travel lanes with motor vehicles on Dock Road.

Segment 2: Provide a connection between Dock Road and State Street following the existing informal dirt walking path along the eastern bank of the Hood River. This trail would pass under the Union Pacific Railroad Bridge and connect to Dock Road using publicly owned land between tax lots 300 and 400.

For both trail segments, key design issues such as vertical clearance (10-foot minimum) under the bridges and location of the flood plain must be addressed.

Bicycle Network Improvements

This category of improvement projects includes those exclusively targeted at improving connectivity for bicyclists within the interchange areas. In addition to these, the Exit 64 Interchange reconstruction project will include bike lanes along both sides of Button Bridge Road from Marina Way through the interchange ramps to the south. Exclusive bicycle network projects are listed below and illustrated in Figure 4.

- A. Provisions for safe bicycle travel are needed through the downtown. Shared lane markings on Cascade Avenue, Oak Street, and State Street have been proposed as part of an update to the City of Hood River Transportation System Plan.
- B. Bicycle travel would also benefit from the proposed multi-use trail recommended for pedestrians between Port Marina Park and State Street along the eastern bank of the Hood River.
- C. At the time improvements are being developed for the intersection of OR 35 with State Street, bicycle safety and accessibility of the Historic Columbia River Highway shall be addressed, with opportunities for public input provided.



**I-84 Exit 63 & Exit 64
Interchange Area Management Plan**

Figure 3 Pedestrian Network Improvements

LEGEND

- Study Area	- Parcel Boundary	- Sidewalk	- Sidewalk Part of Road Project
- City Limit	- Railroad	- Multi-Use Path	- Infill/New Sidewalk
- UGB	- Pedestrian Bridge	- Potential Trail Alignment	

Future

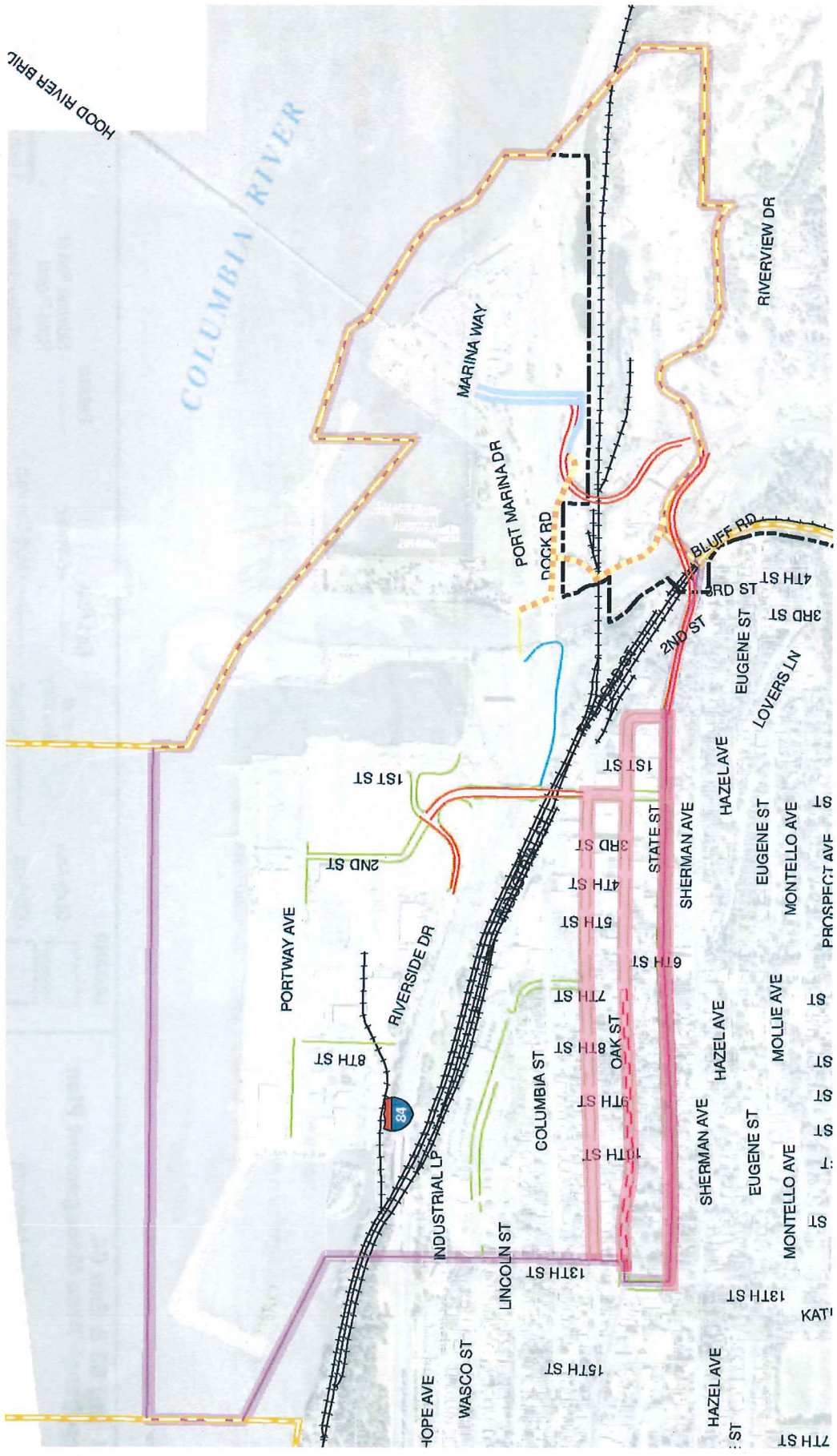
- Sidewalk Part of Road Project

- Infill/New Sidewalk

- Potential Trail Alignment

Scale: 0 400 800 1,200
1 inch equals 1,000 feet

DKS Associates
TRANSPORTATION SOLUTIONS



I-84 Exit 63 & Exit 64 Interchange Area Management Plan

Figure 4 Bicycle Network Improvements

LEGEND

- Study Area
- City Limit
- UGB
- Parcel Boundary
- Railroad

Existing

- Shoulder Bikeway
- Partial Shoulder Bikeway
- Sidewalk
- Multi-Use Path
- Pedestrian Bridge

Future

- Bike Lane Part of Road Project
- Shared Lane Markings
- Potential Trail Alignment

Scale: 0 400 800 1,200
1 inch equals 1,000 feet

DKS Associates
TRANSPORTATION SOLUTIONS

Motor Vehicle Network Improvements

Land Use Assumptions

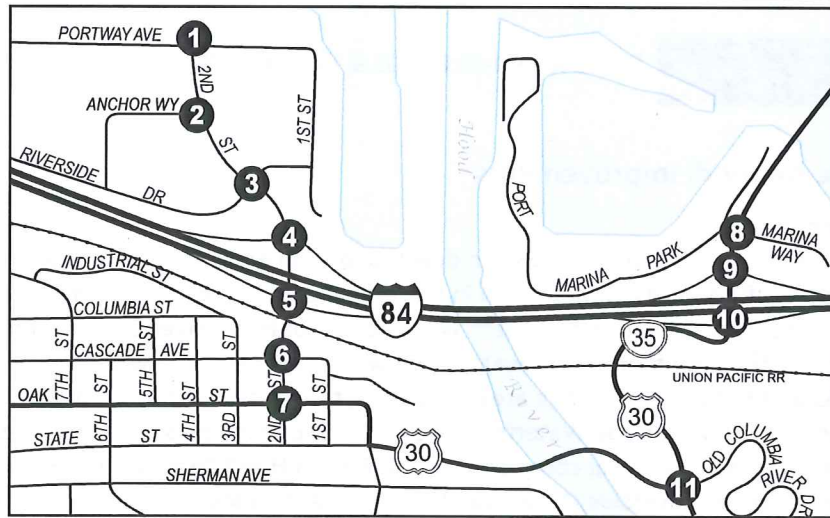
Traffic volume forecasts for the year 2031 were developed through estimation of continued regional growth in through traffic and city-wide growth in housing and employment within the urban growth boundary in a manner that would be consistent with the City of Hood River Comprehensive Plan and Map as of July 2009. The growth in local development would be consistent with full buildout of lands within the Exit 63 and Exit 64 interchange areas, including the Waterfront north of Exit 63. When forecasting future growth within the Waterfront area, land use assumptions were refined by modeling growth according to master planning completed by the Port of Hood River for the area bounded by Portway Avenue, 8th Street, Riverside Drive, and 2nd Street.⁴ A detailed description of land use assumptions for the year 2031 is included in the appendix.

Future Traffic Volumes

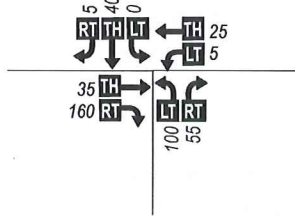
Traffic volume forecasts were developed for two time periods of interest for the I-84 Exit 63 and Exit 64 interchange areas: the summer Sunday p.m. peak hour and the summer weekday p.m. peak hour. The summer Sunday p.m. peak hour represents the 30th highest annual hour of traffic for I-84, which is the time period used by ODOT for design purposes. The summer weekday p.m. peak hour represents the time period where local commuting traffic combines with recreational traffic and often reflects a more appropriate design hour for the local transportation system.

Figures 5 and 6 display the forecasted turning movement volumes at study intersections for the year 2031 during the weekday and Sunday p.m. peak hour scenarios, respectively. Much of the growth in traffic to 2031 in the Exit 63 and Exit 64 interchange areas is attributed to growth at the Waterfront north of the Exit 63 interchange, employment growth in downtown Hood River, and continued growth in traffic across the Hood River-White Salmon Bridge. However, Exit 63 is also an important travel route for vehicles traveling to the south area of the city and to the Heights area along 13th Street.

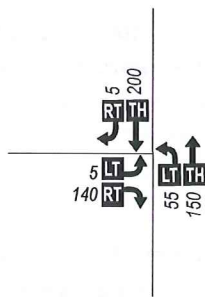
⁴ *Port of Hood River Central Area Build-Out Scenario*, Group Mackenzie, May 19, 2008.



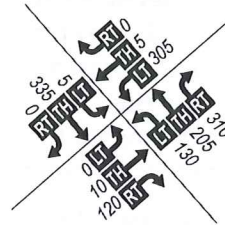
1 Portway Ave. @ 2nd St.



2 Anchor Wy. @ 2nd St.

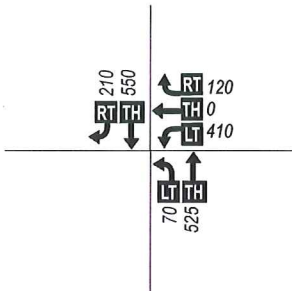


3 Riverside Dr. @ 2nd St.

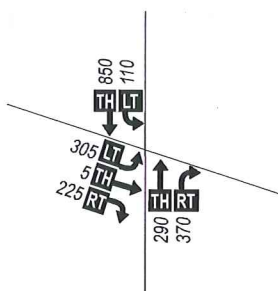


Traffic volumes shown at 2nd St./Riverside Dr. illustrate the demand for each movement with no turning restrictions in place and no alternative route provided for drivers entering or leaving the east approach. Volumes at intersections 1, 2, and 3 may vary with the type of mitigation implemented at the 2nd St./Riverside Dr. intersection.

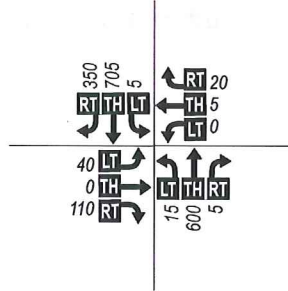
4 I-84 WB On/Off Ramps @ 2nd St.



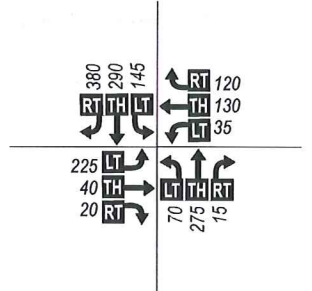
5 I-84 EB On/Off Ramps @ 2nd St.



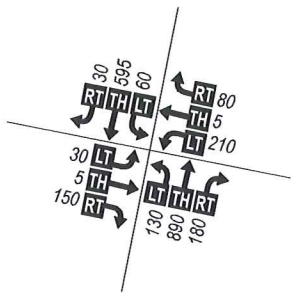
6 Cascade Ave. @ 2nd St.



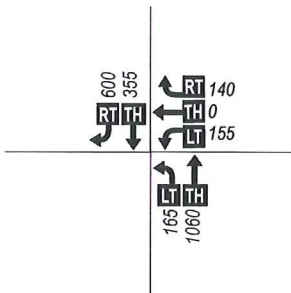
7 Oak St. @ 2nd St.



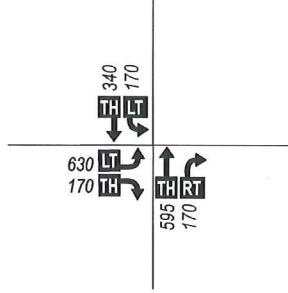
8 Marina Wy. @ Button Bridge Rd.



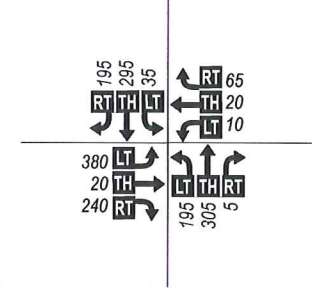
9 I-84 WB On/Off Ramps @ Button Bridge Rd.



10 I-84 EB On/Off Ramps @ Button Bridge Rd.



11 State St. @ OR 35



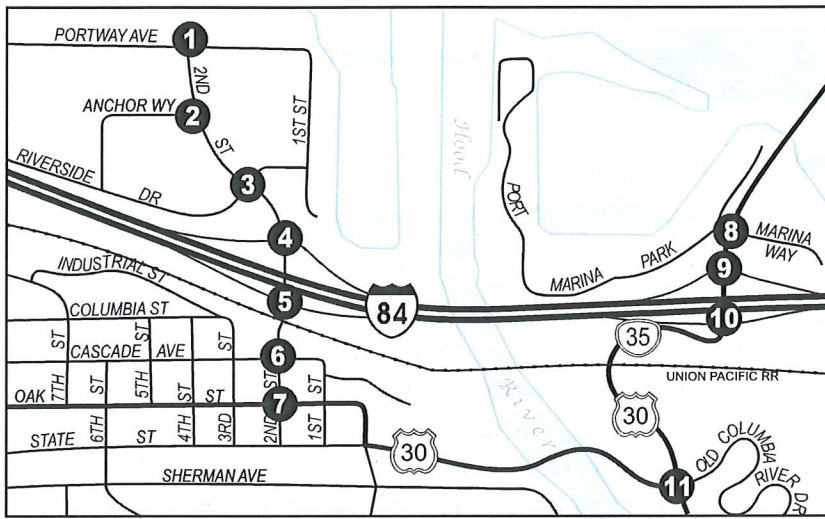
I-84 Exit 63 & Exit 64 Interchange Area Management Plan

Figure 5 2031 Weekday PM Peak Hour Traffic Volumes

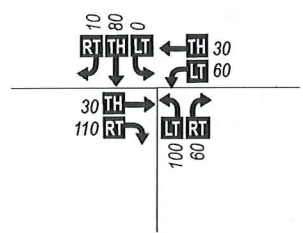
LEGEND

- 0** - Study Intersection & Number
- Right Turn Movement Traffic Volume
- Through Movement Traffic Volume
- Left Turn Movement Traffic Volume

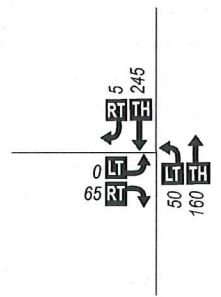




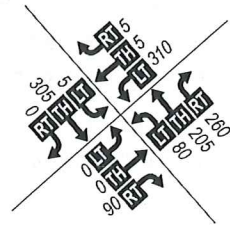
1 Portway Ave. @ 2nd St.



2 Anchor Wy. @ 2nd St.

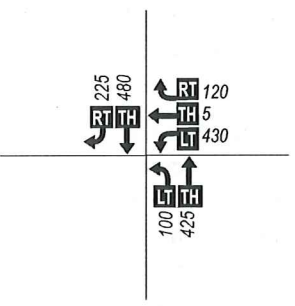


3 Riverside Dr. @ 2nd St.

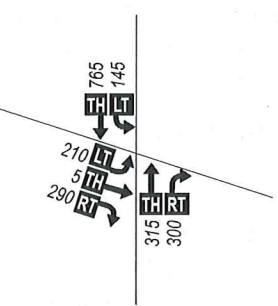


Traffic volumes shown at 2nd St./Riverside Dr. illustrate the demand for each movement with no turning restrictions in place and no alternative route provided for drivers entering or leaving the east approach. Volumes at intersections 1, 2, and 3 may vary with the type of mitigation implemented at the 2nd St./Riverside Dr. intersection.

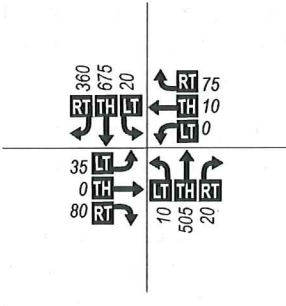
4 I-84 WB On/Off Ramps @ 2nd St.



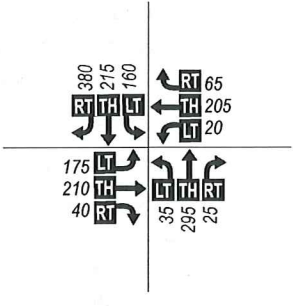
5 I-84 EB On/Off Ramps @ 2nd St.



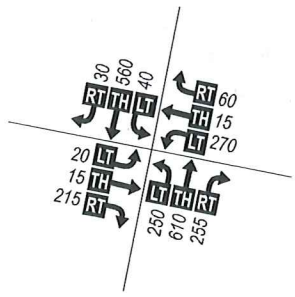
6 Cascade Ave. @ 2nd St.



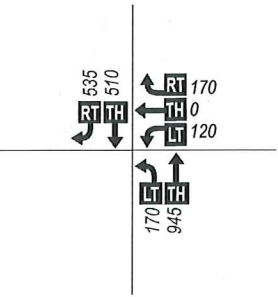
7 Oak St. @ 2nd St.



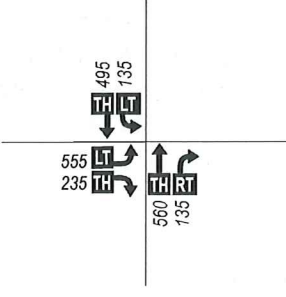
8 Marina Wy. @ Button Bridge Rd.



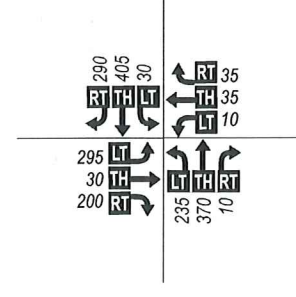
9 I-84 WB On/Off Ramps @ Button Bridge Rd.



10 I-84 EB On/Off Ramps @ Button Bridge Rd.



11 State St. @ OR 35



I-84 Exit 63 & Exit 64 Interchange Area Management Plan

Figure 6 2031 Sunday PM Peak Hour Traffic Volumes

- LEGEND**
- 0** - Study Intersection & Number
 - Right Turn Movement Traffic Volume
 - Through Movement Traffic Volume
 - Left Turn Movement Traffic Volume



Mobility Standards

ODOT, the City of Hood River, and Hood River County have adopted mobility standards for transportation facilities under their jurisdiction that require a minimum level of acceptable performance. While ODOT maintains jurisdiction of most study intersections within the Exit 63 and Exit 64 interchange areas, the City of Hood River applies the most restrictive standard where a transportation facility within the City Limits is maintained by ODOT or the County. For non-ODOT facilities that are outside of the City Limits, the County mobility standards apply.

Through the recent 2011 update of the City of Hood River's Transportation System Plan, the City's mobility standard changed from requiring a level of service C to only requiring a level of service D on City roadways. This change was primarily in response to the increasing difficulty of funding transportation improvement projects in a timely manner to support new development. The City of Hood River's mobility standards are included in the 2011 City of Hood River Transportation System Plan. Under Goal 4, Policy 4 states, "A minimum level of service (LOS) D on transportation systems serving new developments is desired on streets and signalized and unsignalized intersections. Level of service shall be based on the most recent edition of the Highway Capacity Manual. Where a facility is maintained by the County or ODOT, the more restrictive of the standards should apply."⁵

To maintain consistency with City mobility standards, it is recommended that Hood River County amend their mobility standards to allow LOS D operations (a LOS C is currently required) within the City of Hood River urban growth area.

ODOT mobility standards are given as volume to capacity (V/C) ratios and are based on roadway classification, designations, and posted speed limits. There are two types of mobility standards for state facilities that are used for different purposes. Those contained in ODOT's 1999 Oregon Highway Plan (OHP) are applied to the review of development proposals and for the determination of needed infrastructure improvements (i.e., No Build conditions). However, the mobility standards from ODOT's Highway Design Manual (HDM)⁶ are to be applied to the evaluation of all alternatives considered for roadway improvements through public investments.

Table 2 lists the mobility standards from the OHP and HDM that are applicable to Exit 63 and Exit 64 interchange area facilities (I-84 is classified as an Interstate Highway, 2nd Street and Button Bridge Road are classified as Local Interest Roads, Oak Street and the Historic Columbia River Highway are classified as District Highways, and OR 35 is classified as a Statewide Highway and Freight Route). While the recommended improvements included in this plan were designed to comply with the HDM standards, the mobility standards from the OHP will be used for all future interchange area operations monitoring, including the review of development proposals.

In addition to the mobility standards shown in Table 2, special conditions apply at some locations. At unsignalized intersections and road approaches, the volume to capacity ratios shall not be exceeded for either of the state highway approaches that are not stopped. Approaches at which traffic must stop, or otherwise yield the right of way, shall be operated to maintain safe operation of the intersection and all of its approaches and shall not exceed the volume to capacity ratios for District/Local Interest Roads within the urban growth boundary.

⁵ *City of Hood River Transportation System Plan*, DKS Associates, June 2011.

⁶ *Highway Design Manual*, Oregon Department of Transportation, 2003, p. 10-38.

Table 2: Applicable ODOT Mobility Standards (V/C ratios)

Highway Category	Inside Urban Growth Boundary	
	Non-MPO outside of STA's where non-freeway speed ≤ 35 mph	Non-MPO where non-freeway speed limit ≥ 45 mph
Oregon Highway Plan		
<ul style="list-style-type: none"> Applied to the review of development proposals and for the determination of needed infrastructure improvements (i.e., No Build conditions) 		
Interstate Highways	-	0.70*
Statewide (NHS) Freight Routes	0.80*	-
District Highways/ Local Interest Roads	0.90*	-
Highway Design Manual		
<ul style="list-style-type: none"> Applied to the evaluation of all alternatives considered for roadway improvements through public investments 		
Interstate Highways	-	0.65
Statewide (NHS) Freight Routes	0.70	-
District Highways/ Local Interest Roads	0.80	-

* The maximum volume to capacity ratio for ramp terminals of interchange ramps shall be the smaller of the values of the volume to capacity ratio for the crossroad or 0.85.

Roadway Improvements

Roadway improvements will require site plan review pursuant HRMC 17.20 Street and interchange improvements (defined as parking modifications, access removal, new lanes, new streets). The site plan review shall include findings and solutions addressing safety, mobility, and how the grid system, pedestrian system, bike system, parking and economic enterprise will be protected and/or enhanced by the proposed improvements.

Under No Build conditions in the year 2031, the intersections of 2nd Street at Cascade Avenue and OR 35 at State Street were found failing to comply with mobility standards during both the weekday and Sunday peak hours. In addition, the intersection of 2nd Street at Riverside Drive fails during the weekday peak hour. It should be noted that the construction of a traffic signal at the intersection of 2nd Street at Oak Street was assumed to have been completed under the No Build condition since this improvement has already been made a condition of approval on a past land use action.

While the intersection of 2nd Street at Oak Street complies with mobility standards, the queues extending to the north from the future traffic signal interfere with upstream intersections during both the weekday and Sunday peak hours. This queue spillback is significant enough to cause long queues on the I-84 Exit 63 interchange ramps that extend back into or beyond the section of the ramp used for deceleration from freeway travel speeds. This creates a similar situation to what has been a common problem at the I-84 Exit 64 eastbound off-ramp (to be mitigated by the interchange reconstruction project), where ramp queues extend to the freeway and create safety and operational problems.

Improvements needed to maintain safe and efficient operations at the study intersections and I-84 Exit 63 freeway off-ramps are described below.

I-84 Exit 63 interchange area motor vehicle improvement projects:

Improvements proposed for the I-84 Exit 63 interchange area are primarily focused on vehicle queue management, especially where those queues could encroach on the freeway mainline. These improvements are illustrated in Figure 7 and described below, including operations at each study intersection in Table 3.

- 2nd Street/ Riverside Drive intersection: Several alternatives were considered for mitigating operations at this intersection in the future when it can no longer comply with mobility standards. These included conversion to two-way stop control, restriction of turning movements, installation of a traffic signal, and construction of a roundabout. Most alternatives could either not provide sufficient capacity to comply with mobility standards, experienced queuing conflicts with the nearby I-84 westbound traffic signal, or required significant right of way acquisition. Only the alternative involving the removal of stop signs on 2nd Street approaches and restriction of turning movements to allow only right-in and right-out turn movements on the Riverside Drive approaches, in addition to allowing southbound lefts from 2nd Street to Riverside Drive was found to provide acceptable operations.

In response to these findings, the following improvements are recommended in this IAMP as one option for mitigating the 2nd Street/ Riverside Drive intersection in the future:

Remove stop signs on 2nd Street approaches and restrict turning movements to allow only right-in and right-out turn movements on the Riverside Drive approaches, in addition to allowing southbound lefts from 2nd Street to Riverside Drive. Lane configurations include (see Figure 7):

- Northbound: shared through/right turn lane
- Southbound: left turn lane (50' storage), shared through/right turn lane
- Westbound: right turn lane
- Eastbound: right turn lane

In the future, the 2nd Street/ Riverside Drive intersection may no longer comply with mobility standards and restrictions on turning movements may be required. One identified solution involves the removal of stop signs on 2nd Street approaches and restriction of turning movements to allow only right-in and right-out turn movements. While this solution was found to provide acceptable operations, it could significantly reduce the accessibility of some properties and result in undesirable diversion of traffic through other areas of the Waterfront.

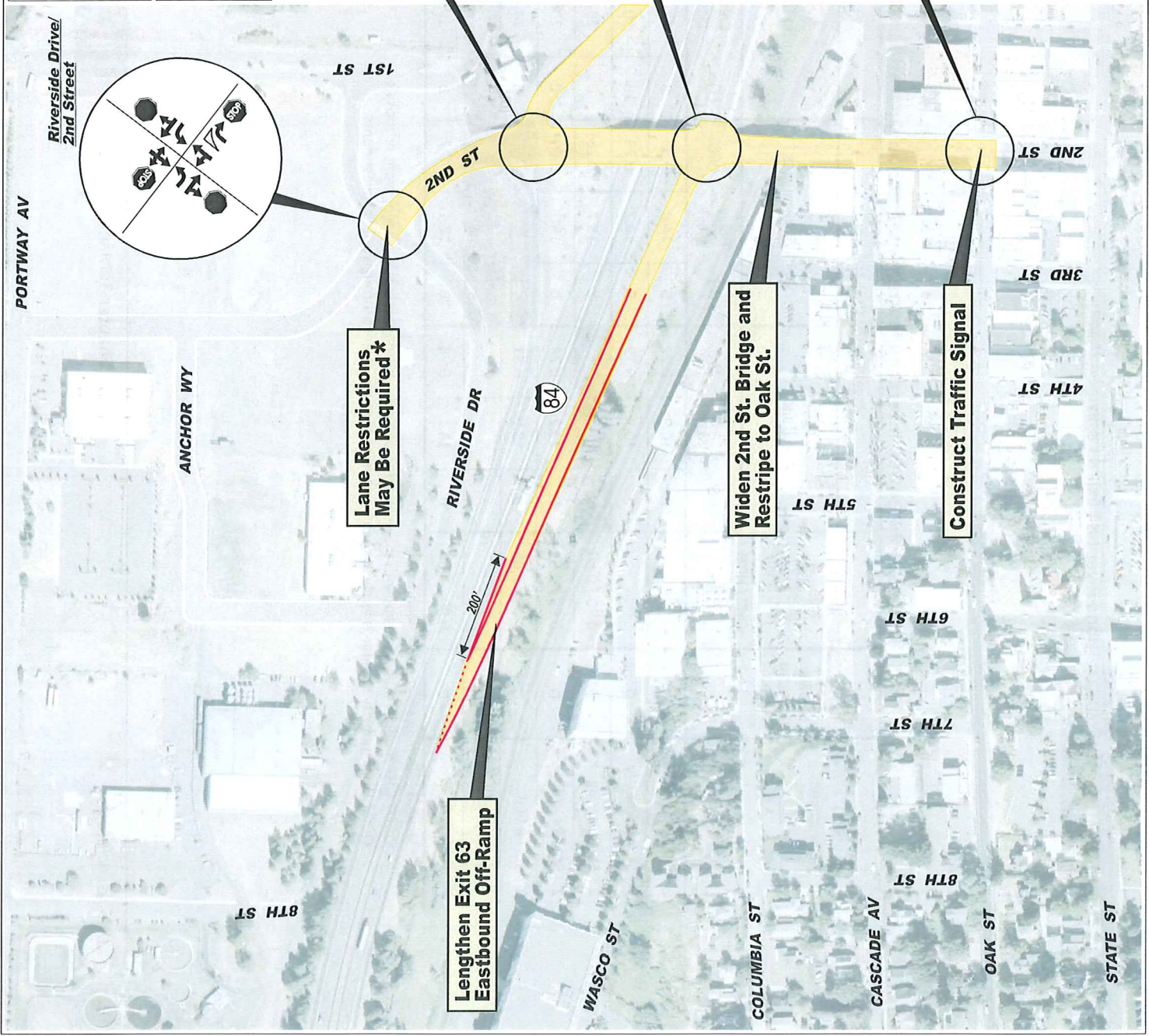
Changes to the 2nd/Riverside intersection should be expected in the future. However, such changes shall occur only when necessary and left turn movement restrictions shall occur only if no other solution is found to be acceptable. Any solution to mitigating the 2nd Street/ Riverside Drive intersection must be compatible with the long-term ability to safely and efficiently accommodate traffic movements through the I-84 Exit 63 interchange. All property owners in the Waterfront area shall be noticed at the time improvements at the 2nd Street/ Riverside Drive intersection are being considered and shall be allowed the opportunity to participate in the process of developing and selecting appropriate improvements.

I-84 Exit 63 & Exit 64 IAMP I-84 Exit 63 Interchange Area Improvements

LEGEND

- Lane Configuration
- Area of Improvement
- Stop Sign
- Traffic Signal

NO SCALE



* At the time mitigation is needed, other options will be explored to preserve the function of the interchange.

Table 3: I-84 Exit 63 Interchange Area Intersection Operations (2031)

Intersection	City Mobility Standard (LOS)	ODOT Mobility Standard (V/C ratio) OHP / HDM	Weekday PM Peak Hour						Sunday PM Peak Hour					
			No Build			With Improvements			No Build			With Improvements		
			LOS	Delay (sec)	V/C	LOS	Delay (sec)	V/C	LOS	Delay (sec)	V/C	LOS	Delay (sec)	V/C
2 nd St/ Portway Ave	D	-	B	10.9	0.22	B	14.0	0.59	B	12.7	0.28	C	15.5	0.69
2 nd St/ Anchor Wy	D	-	B	10.5	0.19	B	14.7	0.29	B	10.4	0.10	B	13.8	0.15
2 nd St/ Riverside Dr	D	0.90 / 0.80	E	40.6	0.94	C	15.7	0.26	D	29.0	0.84	B	14.4	0.19
2 nd St/ I-84 WB	D	0.85 / 0.65	C	20.2	0.74	B	15.1	0.60	C	20.0	0.71	B	12.6	0.50
2 nd St/ I-84 EB	D	0.85 / 0.65	B	18.9	0.81	B	16.7	0.74	B	14.8	0.68	B	13.6	0.57
2 nd St/ Cascade Ave	D	-	E			E	42.4	0.64	F	81.0	0.78	E	49.4	0.62
2 nd St/ Oak St	D	0.90 / 0.80	B	14.1	0.78	B	18.1	0.77	B	16.5	0.80	C	20.1	0.80

Notes: Shaded cells indicate mobility standard is not met.

ODOT OHP mobility standards apply to the evaluation of No Build conditions and development proposals.

ODOT HDM mobility standards apply to the evaluation of improvements through public investments.

Should turning movements be restricted as recommended, the elimination of left turns out of Riverside Drive to return to I-84 and the downtown will reduce the accessibility of some properties and may result in undesirable diversion of traffic through the industrial areas. Alternatives for addressing Waterfront area local circulation are discussed in the Access Management section of this plan. Depending on which alternative for enhancing local circulation is selected, an additional improvement to install all-way stop control at the intersection of 2nd Street at Portway Avenue may be needed.

- 2nd Street/ I-84 Exit 63 westbound intersection: Add a second westbound left turn lane on the off-ramp. The reconfigured westbound approach on the off-ramp would include:
 - Right turn lane (125' storage)
 - Shared through/left lane
 - Left turn lane (200' storage)

These improvements are primarily focused on keeping vehicle queues away from the freeway mainline and out of the portion of the off-ramp needed for deceleration from freeway speeds. If recurring congestion and unsafe ramp queues become a problem before these improvements can be funded and constructed, an interim solution includes:

- Install queue detection devices on the I-84 Exit 63 westbound off-ramp, communications with ODOT's Traffic Management Operations Center, and surveillance cameras for viewing the off-ramp. This will allow for operators to post warning messages on the variable message sign on I-84 westbound entering Hood River when deemed warranted by conditions on the Exit 63 westbound off-ramp. These cameras and queue detection shall be made available to 911 dispatch which will help provide an acceptable solution to seasonal traffic congestion at critical interchanges.
- 2nd Street/ I-84 Exit 63 eastbound off-ramp: Lengthen the I-84 Exit 63 eastbound off-ramp by 200 feet to provide additional queue storage as follows:
 - Shared through/left lane
 - Right turn lane (250' storage)

This intersection is shown in Table 3 as failing to meet mobility standards with these improvements in place during the weekday p.m. peak hour in 2031. While the City's mobility standards will be met, as well as ODOT's mobility standards from the OHP, ODOT's mobility standards from the HDM will not be. However, a design exception from ODOT will be sought based on the following:

- a. While the weekday p.m. peak hour is a time period of interest for facility design, it is the Sunday p.m. peak hour that represents the 30th highest annual hour of traffic in this area. Because the HDM mobility standards are to be applied to the 30th highest annual hour of traffic, they may not be directly applicable during the weekday.
- b. Operations at this intersection are improved compared to the No Build condition and continue to meet OHP mobility standards, providing more capacity for future growth.
- c. This intersection meets OHP mobility standards under No Build conditions and was not in need of improvement to comply with mobility standards. Rather, improvements were made to address safety needs related to interchange area queue management.

- d. The I-84 Exit 63 interchange improvements recommended in this plan are focused on system management rather than modernization. The interchange ramp terminals will have adequate capacity to serve future demand. However, improvements are needed to address vehicle queuing through the interchange, which is a result of the capacity-constrained downtown area immediately adjacent to the interchange.
- 2nd Street Improvements: Changes to 2nd Street from I-84 to Oak Street should be expected in the future, however such changes should occur only when necessary. Alternatives to parking removal and alternate lane configurations shall be considered only if no other solution is found to be acceptable. Any solution must be compatible with a long-term ability to safely and efficiently accommodate traffic movements through the I-84 interchange. All property owners in the downtown will be noticed at the time improvements are considered and shall be allowed to participate.
 - 2nd Street/ Cascade Avenue intersection: Traditionally, interchange crossroads are designed as arterial or collector streets that are able to gradually distribute large volumes of traffic away from the freeway system to many destinations on the surface streets. To do this effectively generally requires that the crossroad be managed such that direct access is limited within several hundred feet of the interchange.

While 2nd Street is designated as a collector street, the close proximity of Hood River's downtown limits the ability of 2nd Street to safely and efficiently move traffic away from the interchange as desired. To facilitate this, the City of Hood River had previously placed a condition of approval on a land use action requiring that the intersection on 2nd Street at Cascade Avenue be restricted such that only right-in and right-out turning movements could be made to and from the Cascade Avenue approaches. However, given the potential impacts to traffic circulation in the surrounding area within the downtown that could create other safety and operational problems, this action is no longer desired.

Through discussions with ODOT regarding the management of the 2nd Street corridor south of I-84, the City of Hood River has determined that the best approach is to leave the 2nd Street at Cascade Avenue intersection in its current condition with no mitigation. As opposed to the previous plan to restrict turning movements, leaving the intersection as-is provides a better balance between facilitating interchange operations and preserving the function of the downtown. Within the downtown, there are a number of important issues that must be considered, such as the preservation of parking, provision of a safe and convenient walking environment, truck access to the industrial area north of Columbia Street, and reasonable motor vehicle circulation and access to businesses.

In leaving 2nd Street at Cascade Avenue intersection in its current configuration, it is acknowledged that it will be unable to comply with the City's mobility standard, which requires operation at a level of service D or better. Therefore, as part of an overall interchange and downtown management strategy, the City will allow for an exception from the mobility standard at this intersection.

2nd Street is a critical pedestrian corridor between downtown and the waterfront. Pedestrian movements must be safe and carefully guarded at this intersection.

- 2nd Street/ Oak Street intersection: Construct traffic signal (already planned as a condition of approval on a past land use action). The built environment in the downtown limits the ability to implement further capacity improvements, such as separate turning lanes, without the elimination of on-street parking. Therefore, no new turning lanes are recommended at this time. The primary operational concerns for this intersection should be focused on managing queues so they don't compromise interchange safety and on pedestrian crossing safety.

I-84 Exit 64 interchange area motor vehicle improvement projects:

The current project to reconstruct the I-84 Exit 64 interchange will address a majority of the motor vehicle needs in this area through the year 2031. However, the intersection of OR 35 at State Street will require improvements as described below. Forecasted intersection operations for key intersections within the Exit 64 interchange area are shown in Table 4.

- OR 35/ State Street intersection: Construct traffic signal and modify lane configurations on intersection approaches to include:
 - Northbound: left turn lane (250' storage), shared through/right turn lane
 - Southbound: left turn lane (125' storage), through lane, right turn lane
 - Westbound: left turn lane (75' storage), shared through/right turn lane
 - Eastbound: left turn lane, through lane (150' storage), right turn lane separated from intersection (as existing)



Figure 8: Recommended Improvements at OR 35 / State St.

The construction of a traffic signal and associated turning lanes as recommended would have right of way impacts, which may require National Scenic Area review for improvements outside of the urban growth area (south of State Street/ Historic Columbia River Highway). However, a traffic signal will allow different timing plans to be implemented in response to changing demands during seasonal and event peak traffic times. The type of traffic control used for the eastbound right turn from State Street to OR 35 (e.g., signalized, yield, free movement) was assumed to be a free right turn movement into the existing second southbound lane on OR 35. However, should motor vehicle conflicts with bicycles and pedestrians become a concern, this movement could be signalized as well. Bicycle safety was raised as a specific concern at this intersection and must be carefully addressed during design because of the unusually high bicycle traffic accessing the Historic Columbia River Highway State Trail.

Table 4: I-84 Exit 64 Interchange Area Intersection Operations (2031)

Intersection	City Mobility Standard (LOS)	ODOT Mobility Standard (V/C ratio) OHP / HDM	Weekday PM Peak Hour						Sunday PM Peak Hour					
			No Build			With Improvements			No Build			With Improvements		
			LOS	Delay (sec)	V/C	LOS	Delay (sec)	V/C	LOS	Delay (sec)	V/C	LOS	Delay (sec)	V/C
Button Bridge Rd/ Marina Wy	D	0.90 / 0.80	B	11.6	0.58	B	12.7	0.58	B	16.8	0.67	B	17.7	0.67
Button Bridge Rd/ I- 84 WB	D	0.85 / 0.65	A	8.4	0.49	A	7.9	0.49	A	6.6	0.43	A	7.1	0.43
Button Bridge Rd/ I- 84 EB	D	0.85 / 0.65	B	17.0	0.59	B	16.9	0.59	B	14.2	0.57	B	14.4	0.57
OR 35/ State St	D	0.80 / 0.70	F	>60.0	>1.00	C	20.8	0.64	F	>60.0	>1.00	C	22.5	0.59

Notes: Shaded cells indicate mobility standard is not met.

No Build condition includes reconstruction of the Exit 64 interchange - to be completed in 2011.

ODOT OHP mobility standards apply to the evaluation of No Build conditions and development proposals.

ODOT HDM mobility standards apply to the evaluation of improvements through public investments.

Access Management Plan

The purpose of the Access Management Plan is to provide a long-range, comprehensive and coordinated strategy for accommodating access as property develops or as public improvement projects are constructed. It is anticipated that most improvements will occur incrementally over time. The goal of the plan is to provide clear direction and ensure progress is made toward improving the management of access in the interchange areas, while allowing sufficient flexibility to accommodate future development plans. Successful implementation will require continued collaboration between neighboring property owners, the City of Hood River, Hood River County, and ODOT staff.

Access Objectives

To provide a basis for decision-making during the development of the access management plan and to guide future policy decisions for the I-84 Exit 63 and Exit 64 interchange areas, a set of access management objectives was established. Given the constraints in the interchange areas, the objectives were used as guidelines and may not be applicable in all instances.

These objectives were intended to reflect current practices, policies, and regulations pertaining to the management of access within the interchange areas and include the following:

1. Create shared access points to reduce the overall number of accesses on the interchange area crossroads.
2. Provide inter-parcel circulation through cross-over easements, shared parking lots, or connecting driveways where feasible.
3. Seek opportunities to avoid turning conflicts when positioning approaches on opposite sides of roadways.
4. Utilize easements, frontage/backage roads, and other City streets to allow for secondary access to facilitate large truck and emergency service vehicle circulation.
5. Prohibit or restrict movements to accesses adjacent to turning pockets at signalized intersections.
6. Ensure that all properties are provided reasonable access to the public street network.
7. Meet, or move in the direction of meeting, ODOT's adopted access management spacing standards for Interchange Areas, as documented in the *1999 Oregon Highway Plan* (as amended 2006). Applicable spacing standards for the I-84 Exit 63 and Exit 64 interchange areas are shown in Table 5 and Table 6, respectively.

Table 5: I-84 Exit 63 Interchange Area Access Spacing Standards

Type of Access Point	Minimum Spacing Dimension*
Distance between ramp terminal and first major intersection on 2 nd St.	1,320 feet
Distance between ramp terminal and first directional median opening on 2 nd St.	1,320 feet
Distance between ramp terminal and last right-in/right-out approach on the right side of 2 nd St. (when moving toward I-84)	750 feet
Distance between ramp terminal and first right-in/right-out approach on the right side of 2 nd St. (when moving away from I-84)	750 feet

* Spacing standards for Freeway Interchanges with Two-lane Crossroads

Table 6: I-84 Exit 64 Interchange Area Access Spacing Standards

Type of Access Point	Minimum Spacing Dimension*
Distance between ramp terminal and first major intersection on Button Bridge Rd.	1,320 feet
Distance between ramp terminal and first directional median opening on Button Bridge Rd.	1,320 feet
Distance between ramp terminal and last right-in/right-out approach on the right side of Button Bridge Rd. (when moving toward I-84)	990 feet
Distance between ramp terminal and first right-in/right-out approach on the right side of Button Bridge Rd. (when moving away from I-84)	750 feet

* Spacing standards for Freeway Interchanges with Multi-lane Crossroads

Access Recommendations

The implementation of the access management plan is anticipated to occur incrementally over a long period of time through property development/redevelopment or public construction projects. The framework for the plan provides a structure of existing and planned public streets to work within and guidance for improvements on area properties to work toward the ultimate goal.

A key outcome of this plan is a reduction in direct access to interchange area crossroads, while maintaining the accessibility of abutting properties. Accomplishing this will require a combination of improvements to the public street infrastructure as well as cooperation among neighboring properties to establish effective access ways between businesses. This could include creating agreements to establish shared driveways or parking lots to establish inter-parcel circulation.

To help identify groups of properties where collaborate access planning and coordination are recommended, "Access Management Blocks" have been outlined in Figure 9 and Figure 10. For each block shown, the recommended plan for establishing property access will be documented for future reference. In planning for future access, property owners may elect to work around existing development or assume the site would be redeveloped in the future. Cooperation between property owners within access management blocks, as well as between access management blocks, will be essential for maximizing business accessibility throughout the interchange areas.

The access management block planning approach is intended to provide enough certainty and structure to guide future development and ensure progress is made toward the ultimate goal, but to also allow for enough flexibility to accommodate a variety of future development plans and site designs. However, the provision of this flexibility will require continued collaboration between property owners, City of Hood River, Hood River County, and ODOT staff as future development is proposed or as public improvement projects are planned to ensure each action is consistent with the intent of the plan and is compatible with the access needs of other properties.

The I-84 Exit 63 and Exit 64 interchange areas have been divided into 14 access management blocks, with many consisting of several adjacent parcels that have similar access constraints. Access recommendations have been provided for each access management block below, corresponding with Figures 9 and 10. It is anticipated that the following recommendations will be modified following coordination with area property owners, the City of Hood River, Hood River County, and ODOT. However, site plan review will be required pursuant HRMC 17.20 Street and interchange improvements (defined as parking removal, access modifications in IAMP blocks, new lanes, new streets, signalization modifications). The site plan review shall include findings and solutions addressing safety, mobility, and the effect of traffic beyond the immediate vicinity, pedestrian system, bike system, parking and economic enterprise will be protected and/or enhanced by the proposed.



**Lane Restrictions
May Be Required ***

- LEGEND**
- Access Management Block
 - Tax Lot

* At the time mitigation is needed, other options will be explored to preserve the function of the interchange.



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Figure 9
I-84 Exit 63 Interchange Area
Access Management Blocks



Figure 10
I-84 Exit 64 Interchange Area
Access Management Blocks

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- LEGEND**
- Access Management Block
 - Tax Lot

Block A	
<p>Existing Constraints:</p> <p>Block A includes one city block within Hood River's downtown. Access needs and opportunities are limited by the character of development in the downtown where properties are largely covered by buildings and on-street parking replaces the need for on-site parking.</p>	<p>Future Recommendations:</p> <p>Minimizing access points within the downtown allows for more on-street parking and reduces conflicts between pedestrians and motor vehicles where drivers would cross the sidewalk. There is currently one private access point directly to 2nd Street serving the City Hall and Police. As future site redevelopment occurs (including a new use replacing the City Hall and Police functions), the number of access points to Block A should be minimized with a priority placed on the elimination of access directly to 2nd Street (the primary route for traveling to and from the I-84 interchange).</p>
Block B	
<p>Existing Constraints:</p> <p>Block B includes one city block within Hood River's downtown and a small parcel adjacent to the east side of the 2nd Street bridge over the railroad tracks. Access needs and opportunities are limited by the character of development in the downtown where properties are largely covered by buildings and on-street parking replaces the need for on-site parking.</p>	<p>Future Recommendations:</p> <p>Minimizing access points within the downtown allows for more on-street parking and reduces conflicts between pedestrians and motor vehicles where drivers would cross the sidewalk. There are currently no private access points directly to 2nd Street from Block B. As future site redevelopment occurs, the number of access points to Block B should be minimized with a priority placed on avoiding access directly to 2nd Street (the primary route for traveling to and from the I-84 interchange).</p>
Block C	
<p>Existing Constraints:</p> <p>Access to Block C is constrained by the Columbia River to the north, the Hood River to the east, and I-84 to the south. Currently, a frontage road leading to Riverside Drive is the only means of access for this block.</p>	<p>Future Recommendations:</p> <p>With no future plans to construct new roadways in this area, the frontage road leading to Riverside Drive should continue to be used as the primary means of access to Block C.</p>

Block D	
<p>Existing Constraints:</p> <p>Access to Block D is constrained by the proximity to the westbound I-84 ramp terminals on 2nd Street to the west.</p>	<p>Future Recommendations:</p> <p>The primary means of access to Block D should be through Riverside Drive and a future Street. The number of direct access points to Block D should be minimized to avoid additional conflicts in the vicinity of the street intersections surrounding the property. Access points shall not be established directly to 2nd Street to avoid introducing turning conflicts within the interchange influence area.</p>
Block E	
<p>Existing Constraints:</p> <p>Block E is bound by roadways on all sides, including a private roadway (1st Street) that is part of the east end of the block. All of these roadways are physically accessible, but various street intersections create locations where turning conflicts could occur.</p>	<p>Future Recommendations:</p> <p>Because 2nd Street is the crossroad of the I-84 interchange, direct access should be minimized and located no further south than Anchor Way. Access points to Riverside Drive and Portway Avenue should be located far enough from nearby intersections to avoid turning conflicts.</p>
Block F	
<p>Existing Constraints:</p> <p>Block F includes one city block within Hood River's downtown. Access needs and opportunities are limited by the character of development in the downtown where properties are largely covered by buildings and on-street parking replaces the need for on-site parking.</p>	<p>Future Recommendations:</p> <p>Minimizing access points within the downtown allows for more on-street parking and reduces conflicts between pedestrians and motor vehicles where drivers would cross the sidewalk. There are currently no private access points directly to 2nd Street from Block F. As future site redevelopment occurs, the number of access points to Block F should be minimized with a priority placed on avoiding access directly to 2nd Street (the primary route for traveling to and from the I-84 interchange).</p>
Block G	
<p>Existing Constraints:</p> <p>Block G includes two city blocks within Hood River's downtown. Access needs and opportunities are limited by the character of development in the downtown where properties are largely covered by buildings and on-street parking replaces the need for on-site parking.</p>	<p>Future Recommendations:</p> <p>Minimizing access points within the downtown allows for more on-street parking and reduces conflicts between pedestrians and motor vehicles where drivers would cross the sidewalk. There are currently no private access points directly to 2nd Street from Block G. As future site redevelopment occurs, the number of access points to Block G should be minimized with a priority placed on avoiding access directly to 2nd Street (the primary route for traveling to and from the I-84 interchange).</p>

Block H	
<p>Existing Constraints:</p> <p>Access to Block H is constrained by the presence of I-84 to the south and a combination of the topography and the proximity of the I-84 westbound ramp terminal to the east.</p>	<p>Future Recommendations:</p> <p>Access to Block H shall be established from Riverside Drive. The location of access to Riverside Drive should provide adequate separation from the intersection with 2nd Street to avoid potential conflicts.</p>
Block I	
<p>Existing Constraints:</p> <p>Block I is bound by roadways on all sides and has the newly constructed Anchor Way running through it connecting Riverside Drive on the south to 2nd Street on the east. All of these roadways are physically accessible, but various street intersections create locations where turning conflicts could occur.</p>	<p>Future Recommendations:</p> <p>Because 2nd Street is the crossroad of the I-84 interchange, any direct access to 2nd Street north of Anchor Way should be consolidated through the existing Anchor Way intersection. Access points to Riverside Drive, Portway Avenue, and 8th Street should be located far enough from nearby intersections to avoid turning conflicts.</p>
Block J	
<p>Existing Constraints:</p> <p>Access to Block J is constrained by the railroad tracks and topography to the north and east, while the proximity to the OR 35/ State Street/ Historic Columbia River Highway intersection and Button Bridge limit access opportunities to the west and south.</p>	<p>Future Recommendations:</p> <p>Given the limited amount of property frontage on OR 35 and the Historic Columbia River Highway, access points should be minimized through the establishment of shared accesses between properties/businesses where feasible. Shared access points should be supported by the provision of cross-over easements between properties and internal connecting roadways or parking lots allowing for inter-parcel circulation.</p> <p>When establishing future access points, the distance from the OR 35/ State Street/ Historic Columbia River Highway intersection should be maximized to avoid conflicts within the intersection influence area. However, careful consideration must also be given to ensure adequate sight distance will remain to the north (curve and Button Bridge railing) and east (horizontal curve in highway).</p>

Block K	
<p>Existing Constraints:</p> <p>Access to Block K is constrained by the proximity to the I-84 westbound ramp terminals, the Hood River-White Salmon Bridge tollbooth, and the Columbia River.</p>	<p>Future Recommendations:</p> <p>Given the constraints noted above, access opportunities are limited. The number of access points to Button Bridge Road should be minimized and located to avoid conflicts with the closely spaced intersections and tollbooth operations. The access through the signalized intersection of Marina Way should be maintained as the primary access point to all properties within Block K.</p>
Block L	
<p>Existing Constraints:</p> <p>Opportunities for access are limited by the railroad tracks, the Hood River, steep topography, and the proximity to the OR 35/ State Street/ Historic Columbia River Highway intersection.</p>	<p>Future Recommendations:</p> <p>Given the steep slopes and proximity to the intersection with OR 35, establishment of direct access to State Street may be difficult. The number of access points to OR 35 should be minimized through the establishment of shared accesses between properties/businesses where feasible. Shared access points should be supported by the provision of cross-over easements between properties and internal connecting roadways or parking lots allowing for inter-parcel circulation. Where existing buildings/infrastructure and site circulation limit the ability to establish shared access points, prior site redevelopment may be required.</p> <p>When establishing future access points to OR 35, the distance from the OR 35/ State Street/ Historic Columbia River Highway intersection should be maximized to avoid conflicts within the intersection influence area. However, careful consideration must also be given to ensure adequate sight distance will remain to the north (curve and Button Bridge railing).</p>
Block M	
<p>Existing Constraints:</p> <p>Access to Block M is constrained by I-84, the Hood River, and the railroad tracks, leaving Dock Road as the only feasible means of access.</p>	<p>Future Recommendations:</p> <p>Dock Road should continue to be used for access to Block M.</p>

Block N**Existing Constraints:**

Access to Block N is constrained by the Hood River to the west, the Columbia River to the north, I-84 to the south, and the proximity to the I-84 westbound ramp terminals and the Hood River-White Salmon Bridge tollbooth to the east.

Future Recommendations:

Given the constraints noted above, access opportunities are limited. The number of access points to Button Bridge Road should be minimized and located to avoid conflicts with the closely spaced intersections and tollbooth operations. The access through the signalized intersection of Port Marina Drive should be maintained as the primary access point to all properties within Block N.

Waterfront Area Local Circulation

In the future, the 2nd Street/ Riverside Drive intersection may no longer comply with mobility standards and restrictions on turning movements may be required. One identified solution involves the removal of stop signs on 2nd Street approaches and restriction of turning movements to allow only right-in and right-out turn movements. While this solution was found to provide acceptable operations, it could significantly reduce the accessibility of some properties and result in undesirable diversion of traffic through other areas of the Waterfront.

Changes to the 2nd/Riverside intersection should be expected in the future. However, such changes shall occur only when necessary and left turn movement restrictions shall occur only if no other solution is found to be acceptable. Any solution to mitigating the 2nd Street/ Riverside Drive intersection must be compatible with the long-term ability to safely and efficiently accommodate traffic movements through the I-84 Exit 63 interchange. All property owners in the Waterfront area shall be noticed at the time improvements at the 2nd Street/ Riverside Drive intersection are being considered and shall be allowed the opportunity to participate in the process of developing and selecting appropriate improvements.

Access Management Plan Phasing

Without a known source of funding or public improvement project planned to follow adoption of the access management plan (beyond the I-84 Exit 64 interchange reconstruction), the timing of any actions will be uncertain. This section provides a general phasing structure for recommended access management plan actions, broken into short, medium, and long range time periods. This is provided to guide plan implementation and is not intended to be strictly adhered to (i.e., a long range action may precede a short range action if the opportunity arises).

Short Range Actions

- Adopt amendments to the City of Hood River Municipal Code needed to implement the access management plan objectives and recommended actions.

Medium Range Actions

- Establish cross-over easements and inter-parcel roadways as part of property development to consolidate and create shared access points.

Long Range Actions

- In the future, the 2nd Street/ Riverside Drive intersection may no longer comply with mobility standards and restrictions on turning movements may be required. One identified solution involves the removal of stop signs on 2nd Street approaches and restriction of turning movements to allow only right-in and right-out turn movements. While this solution was found to provide acceptable operations, it could significantly reduce the accessibility of some properties and result in undesirable diversion of traffic through other areas of the Waterfront.
- Changes to the 2nd/Riverside intersection should be expected in the future. However, such changes shall occur only when necessary and left turn movement restrictions shall occur only if no other solution is found to be acceptable. Any solution to mitigating the 2nd Street/ Riverside Drive intersection must be compatible with the long-term ability to safely and efficiently accommodate traffic movements through the I-84 Exit 63 interchange. All property owners in the Waterfront area shall be noticed at the time improvements at the 2nd Street/ Riverside Drive intersection are being considered and shall be allowed the opportunity to participate in the process of developing and selecting appropriate improvements.

Accommodating Increased Development Intensity on the Waterfront

The Hood River Waterfront (Waterfront) is a key area for local job creation and economic development and the City of Hood River, Port of Hood River, and ODOT recognize that higher density development may be desirable. In April 2011, in a collaborative effort between several IAMP stakeholders, a Transportation Impact Analysis (TIA) was prepared for the Port by Group Mackenzie⁷ that evaluated transportation impacts likely to result from a magnitude of development that is not presently reflected in State plans. According to the TIA, the existing zoning (Light Industrial and Commercial) could accommodate this potential level of Waterfront Development and the transportation impacts could be mitigated to accommodate adequate operations through the year 2031.

These findings and mitigation steps would need to be verified with an updated TIA at the time a future land use action is submitted. If the trip generation assumptions in the updated TIA exceed the IAMP assumptions, ODOT, the City of Hood River, Hood River County, and the Port of Hood River will work together to identify appropriate measures to accommodate increased densities in the Waterfront area and update the IAMP if necessary.

Adoption and Implementation

As land continues to develop within the interchange areas, compliance will be required with the access management and circulation plans developed through the IAMP process. As part of the adoption of the IAMP, a number of amendments will be made to state and local documents, plans, and regulations that will implement the IAMP. These include amendments to the City of Hood River and Hood River County Comprehensive Plan, Transportation System Plan, and development codes to reflect amendments contained in the appendix.

ODOT, the City of Hood River, and Hood River County, along with other stakeholders that include the Port of Hood River, have jointly prepared the I-84 Exit 63 & Exit 64 IAMP in recognition of the importance of Interstate 84 and these interchanges for the movement of people and goods to and from the Hood River region. It is anticipated that ODOT, the City, and the County will adopt the IAMP, thereby codifying a joint commitment to protect the function of the interchanges for current and future users, while protecting the function of the surface streets at the same time. The purpose of the IAMP and function of the interchanges are defined in this document. Separate adoption processes for the plans and implementing measures are envisioned for each agency. This section summarizes the implementation roles and responsibilities for the respective jurisdictions.

ODOT/State of Oregon Implementing Actions

Project Construction

- Develop needed transportation system improvements. Some of this work is underway as part of the I-84 Exit 64 interchange reconstruction project, with completion expected in 2011. Additional ODOT improvements, which are described in the plan, are proposed at the Exit 63 interchange and to the OR 35 at State Street intersection. Additional improvements to install queue detection devices on

⁷ *Port of Hood River Waterfront Area Transportation Impact Analysis*, Group Mackenzie, April 2011 (included in Appendix K for reference).

off-ramps and surveillance cameras within the Exit 63 and Exit 64 interchange areas should be advanced as a near-term project.

Agency Coordination

- ODOT will continue to coordinate with the City of Hood River, Hood River County, the Port of Hood River, and with applicable state agencies through the development review process to keep interchange area protections in place. ODOT will also monitor and comment on any future actions that would alter land uses in the vicinity of the interchanges to ensure the IAMP remains consistent with land use plans for the interchange areas.
- In the future when circumstances in the IAMP study area result in the need for changes to the IAMP, the City of Hood River, Hood River County, and ODOT shall prepare amendments to the IAMP management actions and to accompanying funding plans to implement those actions.

Policy Actions

- The Oregon Transportation Commission will adopt the IAMP.

City of Hood River Implementing Actions

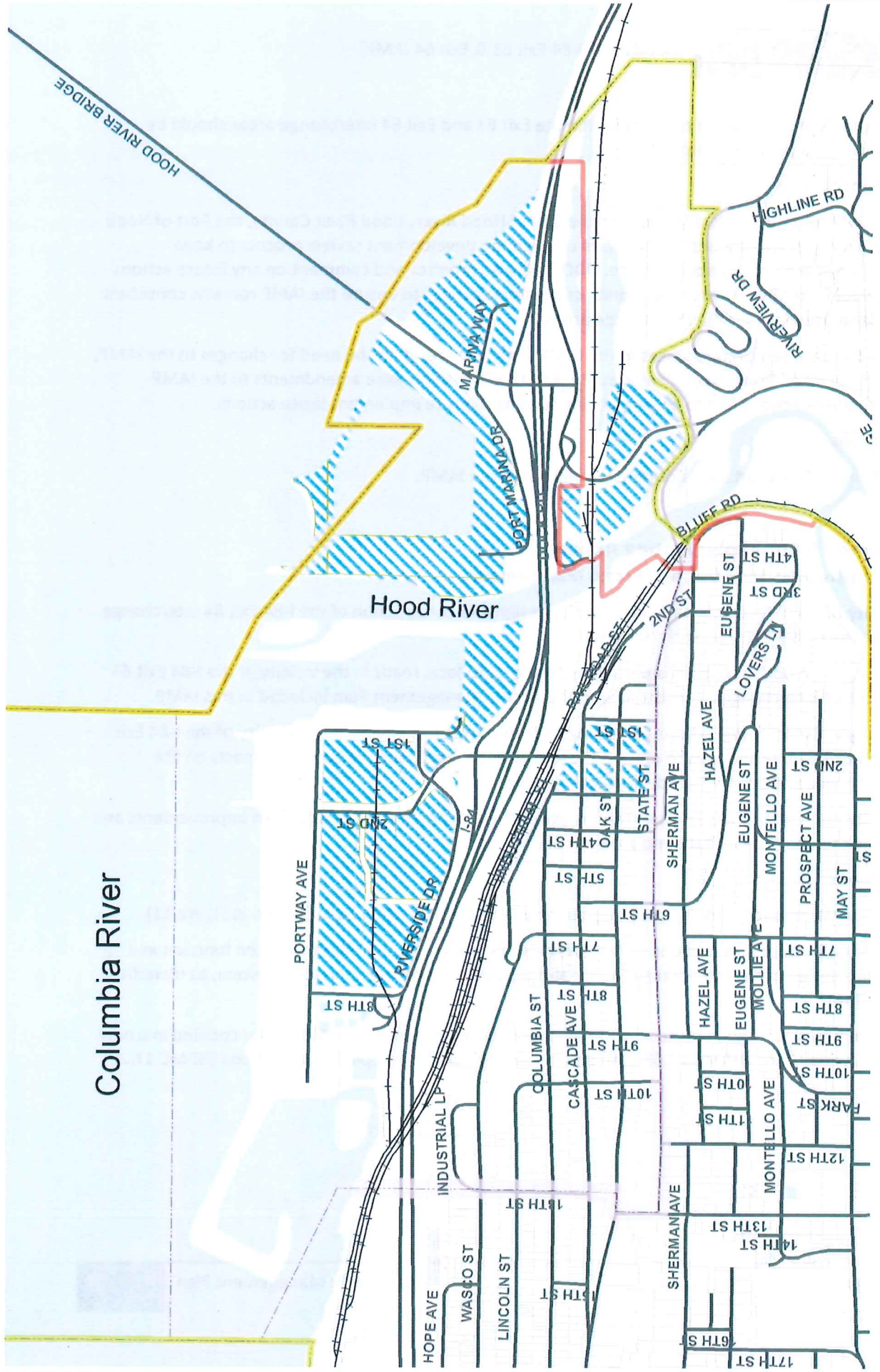
Project Construction, Land Use, and Access Management

- The City of Hood River will participate in the design and construction of the I-84 Exit 64 interchange reconstruction that is currently underway.
- The City will modify regulations pertaining to access to local roads in the vicinity of the I-84 Exit 63 and Exit 64 interchanges, consistent with the Access Management Plan included in this IAMP.
- The City will modify regulations pertaining to Traffic Impact Analyses in the vicinity of the I-84 Exit 63 and Exit 64 interchanges to require these studies to consider development impacts on the interchanges and on IAMP study area intersections.
- The City will amend their Transportation System Plan to incorporate local system improvements and will seek funding to facilitate implementation.

Policy Actions

- The City will amend its zoning plan map to include an IAMP Overlay Zone (shown in Figure 11).
- The City will adopt Comprehensive Plan policies that are consistent with the stated function and planned design of the interchange facility and the surrounding transportation system, as identified in the IAMP.
- Requirements for regulating access management consistent with the IAMP will be codified in a new IAMP Overlay Zone (HRMC 17.03.120) and in the City's site development regulations (HRMC 17.20).

Columbia River



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Figure 11

I-84 Exit 63 & Exit 64 Interchange Area Management Plan Overlay Zone

LEGEND

- City Limits
- Urban Growth Boundary
- Interchange Area Management Plan Overlay Zone
- Access Management Blocks
- Roadway
- Railroad
- Taxlots

NO SCALE

Hood River County Implementing Actions

Project Construction, Land Use, and Access Management

- The County will participate in the design and construction of the I-84 Exit 64 interchange reconstruction that is currently underway.
- The County will modify regulations pertaining to access to local roads in the vicinity of the I-84 Exit 63 and Exit 64 interchanges, consistent with the Access Management Plan included in this IAMP.
- The County will modify regulations pertaining to Traffic Impact Analyses in the vicinity of the I-84 Exit 63 and Exit 64 interchanges to require these studies to consider development impacts on the interchanges and on IAMP study area intersections.
- The County will amend their Transportation System Plan to incorporate local system improvements.

Policy Actions

- The County will amend its zoning plan map to include an IAMP Overlay Zone (shown in Figure 11).
- The County will adopt Comprehensive Plan policies that are consistent with the stated function and planned design of the interchange facilities and the surrounding transportation system, as identified in the IAMP.
- Requirements for regulating access management consistent with the IAMP will be codified in a new IAMP Overlay Zone (Chapter 17.03.090) and in the County's site development regulations for the Hood River Urban Growth Area, pursuant to Article 17 (Urban Growth Area Zoning Ordinance), Chapter 17.10 (Site Plan Review), Chapter 17.20 (Transportation Circulation and Access Management), and Chapter 16 (Land Division), Section 16.12.020 (General Design and Improvement Standards).

IAMP Adoption

It is anticipated that the adoption sequence will be as follows:

1. 45-day notice of adoption intent sent to state agencies by City and County
2. City planning commission advisory hearing to hear public testimony; deliberative hearings may be conducted at the discretion of the planning commission
3. City council legislative adoption hearings with coordinated staff report, public testimony, and deliberation
4. County planning commission advisory hearing to hear public testimony; deliberative hearings may be conducted at the discretion of the planning commission
5. County commission legislative adoption hearing with coordinated staff report, public testimony, and deliberation
6. Oregon Transportation Commission adoption hearing would take place at the first available meeting date after local adoption to consider amending the Oregon Highway Plan to include the I-84 Exit 63 & Exit 64 IAMP

Improvement Costs

Advanced planning for project funding will help implement needed improvements in a timely manner that supports development opportunities. Understanding the magnitude of costs associated with future projects can guide updates to System Development Charge rates, underscore the need for supplemental financing programs such as urban renewal districts or local improvement districts, and provides a basis for grant applications and potential public and/or private partnerships.

Planning-level cost estimates are provided in Table 7 to guide project budgeting. These estimates are intended to support long-range project programming and are based on available data sets and field observations, without the benefit of detailed surveys to accurately define potential environmental impacts, geological constraints, drainage needs, right of way impacts, and other factors that could affect construction costs. Therefore, as projects are developed in more detail in the future, the estimated costs should be updated.

Table 7: I-84 Exit 63 and Exit 64 Area Planning-Level Project Cost Estimates (2009 Dollars)

Improvement Project	Estimated Cost
Pedestrian Projects	
Construct sidewalk on both sides of OR 35/ Button Bridge Rd. between State St. (HCRH) and Button Bridge	<i>Cost included in OR 35/ State Street Traffic Signal motor vehicle project</i>
Construct sidewalk on south side of OR 35 from Button Bridge to Exit 64	\$60,000
Construct multi-use trail from State St. to Port Marina Dr. (includes sidewalk to OR 35 on Dock Rd.)	\$500,000
TOTAL	\$560,000
Bicycle Projects	
Implement shared roadway treatments on State St., Oak St., Front St., and Cascade Ave. through the downtown	\$60,000
TOTAL	\$60,000
Motor Vehicle Projects	
Mitigation for 2 nd St./Riverside Dr.*	\$310,000
Extended I-84 EB off-ramp and widened I-84 WB off-ramp with added 2 nd St. SB lane from I-84 WB to Oak St.	\$8,600,000
Construct traffic signal at 2 nd St./ Oak St. intersection	\$350,000
I-84 Exit 63/64 ramp queue detection and surveillance	\$230,000
OR 35/ State St. traffic signal and geometric improvements	\$1,100,000
TOTAL	\$10,590,000

* While appropriate mitigation is to be determined later, for budgeting purposes, a project including turning restrictions through construction of concrete islands was assumed.

Potential New Funding Sources

The projects listed in this plan are currently unfunded. The City of Hood River, Hood River County, Port of Hood River, and ODOT will need to cooperatively explore funding opportunities if improvements are to be made in a timely manner for supporting future growth. It is recommended that a wide variety of potential funding sources be considered, which may include strategies that have not been previously applied in Hood River.

This section describes several potential transportation funding sources, including State and County contributions, City sources (i.e., residents, businesses, and/or developers), grants, and debt financing. Many of these sources have been used in the past by other agencies in Oregon, and in most cases, when used collectively, are sufficient to fund transportation improvements for a local community.

State Contributions

Within the Exit 63 and Exit 64 IAMP area, many of the key roadways are not under City jurisdiction but instead are the responsibility of ODOT. The City should seek contributions (i.e., funding partnerships) from ODOT for projects located on state highways.

ODOT Contributions

ODOT funds projects on state highways under three primary programs: modernization, preservation and maintenance, and grants (see Grant Programs below). Programmed projects are included in the four-year Statewide Transportation Improvement Program (STIP), which is updated every two years. ODOT maintenance districts (District 2C for Hood River) also have available funds that may be used for small-scale projects such as infill of sidewalks on a state highway.

There are no STIP funds dedicated towards projects in the Exit 63 and Exit 64 IAMP area at this time. The City should work with ODOT to prioritize key projects for inclusion on the STIP that benefit both the City and State. Key projects could include the improvements to the Exit 63 interchange ramps, widening of the 2nd Street overcrossing bridges, Exit 63 and Exit 64 queue detection and surveillance, and improvements to the OR 35/ State Street intersection.

Direct Appropriations

The City can also seek direct appropriations from the State Legislature and/or the United States Congress for transportation capital improvements. There may be projects identified in the plan for which the City may want to pursue these special, one-time appropriations. In particular, projects that support economic development, such as the I-84 Exit 63 interchange improvements, may gain support for direct appropriations.

Developer Exactions

Exactions are roadway and/or intersection improvements that are partially or fully funded by developers as conditions of development approval. Typically, all developers are required to improve the roadways along their frontage upon site redevelopment. In addition, when a site develops or redevelops, the developer may be required to provide off-site improvements depending upon the expected level of traffic generation and the resulting impacts on the transportation system. While such improvements could be applied to many projects within the IAMP area, they may be most applicable to the intersection improvements on 2nd Street at Riverside Drive and Oak Street.

Urban Renewal District (URD)

A URD is a tax-funded district within the City. The URD is funded with the incremental increases in property taxes that result from the construction of applicable improvements. As desired, the funds raised by a URD can be used for, but are not limited to, transportation projects located within the URD boundaries. The City has already established URDs for the Waterfront and downtown core. Improvements within these districts could be considered for URD funding.

Transportation System Development Charges (SDCs)

SDCs are a funding source collected from new development that can be used to fund projects that increase the transportation system's capacity, but not for projects that target maintenance or operations. While the methodologies for determining the SDC rate may vary, a commonly used method is to base the rate on the estimated p.m. peak hour vehicle trips generated by a proposed development. Because a single-family home generates approximately 1.0 p.m. peak hour vehicle trip, it is often considered the base unit.

The City of Hood River has a current transportation SDC rate of approximately \$666 per single-family residence and \$69.60 per daily trip for all other uses. To help fund transportation improvements to support future growth, the City could consider increasing the SDC rate. For every increase in SDC rates of \$100 for single-family households and \$10 per daily trip for all other trip types, there would be an additional \$514,000 available for transportation improvements over a 21-year period.

Any of the motor vehicle projects in the IAMP area would be eligible for SDC funding through the City. The pedestrian and bicycle projects would not be eligible for City SDC funds under the current ordinance, however, the City is considering an amendment to their SDC ordinance that would allow for such use. The City's SDCs are a critical source of transportation funding and are likely to be spent on projects that directly support new growth. Therefore, it is uncertain how much could be dedicated to projects in the IAMP area. However, increasing the SDC rate would make more funds available citywide.

Hood River County has a current transportation SDC rate of approximately \$1,311 per single-family residence and \$137 per daily trip for other uses. The County's transportation SDC is a "reimbursement fee" for excess capacity in the existing county road system that is available to accommodate growth. New developments outside of incorporated areas are charged the County's transportation SDC, which may be used for any capital improvement project identified in the County's Transportation System Plan (including pedestrian and bicycle projects).

Local Improvement District (LID)

The City may set up Local Improvement Districts (LIDs) to fund specific capital improvement projects within defined geographic areas, or districts. LIDs impose assessments on properties within its boundaries and may only be spent on capital projects within the district. Because citizens representing 33 percent of the assessment can terminate a LID and overturn the planned projects, LID projects and costs must obtain broad approval of those within the LID boundaries.

Proportionate Share Cost Allocations

Proportionate Share Cost Allocations distribute the cost of improvement projects over new developments by charging a fee per trip added to the location in need of improvement. The rate charged is commonly the total cost of the improvement divided by the anticipated growth in trips at that location over a specified period of time. The City is currently exploring opportunities to establish a proportionate share rate for the improvements to the intersection on 2nd Street at Oak Street.

Street Utility Fee

A number of Oregon cities supplement their street funds with street utility fees. Establishing user fees to fund designated transportation activities, maintenance, operations, and/or capital construction ensures that those who create the demand for service pay for it proportionate to their use. The street utility fees are recurring monthly or bi-monthly charges that are paid by all residential, commercial, industrial, and institutional users. The fees are charged proportionate with the amount of traffic generated, so a retail commercial user pays a higher rate than a residential user. Typically, there are provisions for reduced fees for those that can demonstrate they use less than the average rate implies, for example, a resident that does not own an automobile or truck.

From a system health perspective, forming a utility fee also helps to support the ongoing viability of the program by establishing a source of reliable, dedicated funding for that specific function. Fee revenues can be used to secure revenue bond debt for financing capital construction. A transportation utility fee can be formed by Council action.

The General Fund Revenues

At the discretion of the City Council, the City can allocate General Fund revenues to pay for its transportation program. General Fund revenues primarily include property taxes, use taxes, and any other miscellaneous taxes and fees imposed by the City. This allocation is completed as a part of the City's annual budget process, but the funding potential of this approach is constrained by competing community priorities set by the City Council.

Special Assessments

A variety of special assessments are available in Oregon to defray costs of sidewalks, curbs, gutters, street lighting, parking, and central business district (CBD) or commercial zone transportation improvements. These assessments would likely fall within the Measure 50 limitations. One example is the 50/50 program. This is a match program for sidewalk infill projects where property owners pay half the cost of a sidewalk improvement and the City matches the investment to complete the project.

Grants

The City of Hood River should actively pursue State and Federal grants, in particular to complete the identified pedestrian and bicycle projects. Current grant programs include:

Federal Funding Sources

- Highway Safety Improvement Program
- Transportation Enhancements
- Recreational Trails Program
- Safe Routes to School (SRTS)
- New Freedom Initiative
- Community Development Block Grants
- Land and Water Conservation Fund
- Transportation, Community and System Preservation Program

State Funding Sources

- Oregon Immediate Opportunity Fund
- Oregon Transportation Infrastructure Bank
- Oregon Special Transportation Fund
- Oregon Bicycle and Pedestrian Program Grants
- Oregon Pedestrian Safety Mini-Grant Program
- Oregon Business Energy Tax Credits (BETC)
- Oregon Safe Routes to School (OSRTS)

Other Funding Sources

- American Greenways Program
- Bikes Belong Grant Program

Debt Financing

While not a direct funding source, debt financing is another funding method. Through debt financing, available funds can be leveraged and project costs can be spread over the projects' useful lives. Though interest costs are incurred, the use of debt financing can serve not only as a practical means of funding major improvements, but it is also viewed as an equitable funding source for larger projects because it spreads the burden of repayment over existing and future customers who will benefit from the projects. One caution in relying on debt service is that a funding source must still be identified to fulfill annual repayment obligations. Two methods of debt financing are voter-approved general obligation bonds and revenue bonds.

Voter-Approved General Obligation Bonds

Subject to voter approval, the City can issue General Obligation (GO) bonds to debt finance capital improvement projects. GO bonds are backed by the increased taxing authority of the City, and the annual principal and interest repayment is funded through a new, voter-approved assessment on property throughout the City (i.e., a property tax increase). Depending on the critical nature of projects and the willingness of the electorate to accept increased taxation for transportation improvements, voter-approved GO bonds may be a feasible funding option for specific projects. Proceeds may not be used for ongoing maintenance.

Revenue Bonds

Revenue bonds are municipal bonds that are secured by the revenue received by financing income-producing projects. In contrast to GO bonds, revenue bonds fund projects that generally only serve those in the community who pay for their services. Given the nature of revenue bonds, they may not be as applicable to transportation projects as are GO bonds and are most commonly used for other municipal projects such as sewer and water system upgrades where users pay a monthly fee for service. Interest costs for revenue bonds are slightly higher than for GO bonds due to the perceived stability offered by the "full faith and credit" of a jurisdiction.

CHAPTER 4: MONITORING AND UPDATES

Following adoption of the IAMP, regular maintenance is recommended to ensure it continues to meet the needs of area stakeholders.

Interchange Performance Monitoring

This plan identifies improvements to the transportation system surrounding the I-84 Exit 63 and Exit 64 interchanges that will provide for safe and efficient travel through the year 2031. However, it will be most effective if a proactive approach is taken. When needs are anticipated in advance, there is more time to develop funding and implementation strategies, which could include public and/or private partnerships, so incremental improvements are made in a timely manner and continue to support growth opportunities.

Recommended Process and Responsibilities

As the owner of most transportation facilities in the area, the primary responsibility for interchange area performance monitoring will be assigned to the Oregon Department of Transportation. However, the City of Hood River is encouraged to take an active role in this effort as well.

Performance monitoring will be carried out through regular tracking of traffic volumes through key intersections and roadways, as well as through findings included in Traffic Impact Analyses completed as part of proposed development applications.

Traffic Impact Analyses will be required by ODOT as part of approach applications pursuant to OAR 734-051, and will be required as part of land use applications filed with the City of Hood River pursuant to Hood River Municipal Code 17.20.060 and by Hood River County pursuant to Article 17, Chapter 17.20 (Transportation Circulation and Access Management). Any Traffic Impact Analysis being conducted relative to development partially or entirely within the IAMP overlay zone for the Exit 63 and Exit 64 interchanges (Figure 11) must include an account of weekday p.m. peak hour site generated trips through IAMP study intersections. Intersections impacted by 25 or more weekday p.m. peak hour site generated trips shall be analyzed for level of service and volume to capacity ratio during day of opening conditions. This requirement will not preclude Oregon Department of Transportation, City of Hood River, or Hood River County from requiring analysis of IAMP study intersections under other conditions.

The Oregon Department of Transportation shall obtain traffic volume counts at IAMP study intersections. Traffic volume counts shall minimally include two-hour weekday p.m. peak hour turn movement counts. New count data for each intersection should be obtained at least every two years. However, count data should be obtained more frequently where significant land development has occurred. ODOT should leverage the use of embedded traffic monitoring technologies to monitor traffic in the interchange areas (i.e., cameras, inductive loops).

Table 8 is provided to help forecast approaching needs for transportation improvements in the interchange areas. Within this table, an approximated phasing plan for transportation improvements identified for this area has been laid out assuming growth will occur on an even and linear basis over the next 20 years. Because land development is generally not that regular or predictable, the estimated year of need should be used with caution. Rather, the weekday p.m. peak hour volume targets for critical

Table 8: I-84 Exit 63 and Exit 64 Interchange Area Transportation Improvement Project Phasing Guide

Estimated Year of Need	Location	Project Needed	Critical Movement	Weekday PM Peak Hour Volume	OHP Mobility Standard
Near-Term	2 nd Street/ Oak Street	Signalize intersection with no geometric improvements.	Southbound Approach	600	0.90
2020	2 nd Street/ I-84 WB Ramps*	Construct second westbound left turn lane (200' storage) and extend right turn storage lane down ramp (125' storage). This will include bridge widening that will add an additional southbound through lane from this intersection to the 2 nd Street/ Oak Street intersection where the additional southbound lane will drop as southbound right turn lane.	Westbound Left Turn	400	0.85
	2 nd Street/ I-84 EB Ramps	Extend off-ramp a minimum of 200 feet and extend right turn lane further down ramp (250' storage).	Eastbound Right Turn	125	0.85
2025	OR 35/ State Street	Signalize intersection and reconfigure geometry to include a through/right shared lane with a separate left turn lane for the northbound and westbound approaches (250' storage for northbound left, 75' storage for westbound left). For the southbound and eastbound approaches, the lane configuration should include a left turn lane, through lane, and a separate right turn lane (125' storage for southbound left, 150' storage for eastbound through). The eastbound right turn lane may continue to be a channelized right that flows into an add lane that merges further south of the intersection.	Northbound Through/Left	400	0.80
2030	2 nd Street/ Riverside Drive	Mitigate failing operations in a manner that supports safe and efficient operation of the I-84 Exit 63 interchange through a project to be approved by ODOT and the City of Hood River. This assumes 1 st Street is still in place between Portway Avenue and Riverside Drive. If 1 st Street is removed, this project will be needed sooner.	Northbound Through/Right	500	0.90

* Recommended interim improvement including queue detection on the I-84 Exit 63 westbound off-ramp and surveillance cameras may be implemented prior to the 2nd Street/ I-84 westbound ramp improvements if needed.

movements at key intersections should be reviewed as part of the regular monitoring process. Traffic volume data obtained from Traffic Impact Analyses and other sources should be regularly reviewed with consideration to the phasing guide in Table 8 to identify intersection and roadway improvements that will be needed soon.

IAMP Updates

As area conditions change, the I-84 Exit 63 & Exit 64 IAMP should be reviewed to ensure it continues to address needs through the planning horizon and should be updated accordingly. Actions that should trigger an IAMP review include:

- A change to the City of Hood River or Hood River County Comprehensive Plan, Plan Map, or implementing zoning ordinances that will have a “significant effect” on the transportation system within the IAMP overlay zone. The determination of a “significant effect” shall be pursuant to OAR 660-012-0060.
- The construction of transportation improvement projects within the IAMP overlay zone that are inconsistent with planned and assumed projects in the City of Hood River or Hood River County Transportation System Plans or the I-84 Exit 63 & Exit 64 IAMP.
- An amendment or update to the City of Hood River or Hood River County Transportation System Plans.
- Significant modifications to the I-84 Exit 62 interchange that are inconsistent with the I-84 Exit 62 IAMP.
- Approval of a development of substantial size partially or entirely within the IAMP overlay zone that is consistent with the underlying zoning, but represents a worst-case trip generation scenario when considering the range of uses allowed in that zoning district. As a general guide, a development of substantial size from a trip generation perspective would generate 500 or more peak hour trips.

In addition to the above actions, consideration should be given to reviewing the IAMP for needed updates every five years. This could be done as part of the monitoring process and could be as simple as reviewing the above list for any actions that may have occurred since the last review.

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APPENDIX U
MARINA BASIN
PLANNING STUDY

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**Marina Basin Planning Study
Port of Hood River
December 2007**



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1. Context

This study was conducted to develop a framework for future development of the basin and to guide system upgrades and infrastructure improvements. The plan reviewed existing uses, future uses and evaluated potential market opportunities.

2. Background

A permit to construct the Hood River Marina basin was issued by the Corp of Engineers in 1968; construction work followed shortly after. The work consisted of installing groins, rip-rap breakwater and hydraulic fill to create a 24-acre enclosed basin and 19 acres of uplands.



Hood River 1968

Installation of docks, piling and upland improvements have progressed over the years based on demand and available funding. This included marina slips, a transient dock, fuel dock, sea-plane dock, boat ramp, tour boat dock, restrooms, parking and office buildings. The marina has been expanded several times over the years based on previous plans in place. Each expansion has attached to the existing dock systems and connected to available utilities.

Several additional piling have been installed to facilitate future expansion, however no docks have been installed.



Hood River Marina Park
Air Photo: January 22, 2007

3. Existing Infrastructure

The marina moorage has basic water and electrical service. It appears that the original docks had no services and they were added some time later. Power conduits and water lines were suspended from the whaler system, a practice that is avoided now due to maintenance and safety concerns. The most recent addition has integrated deck pull boxes for utilities.

The existing electrical service within the marina is inadequate; however, upland service capacity is likely available or easily upgraded by the provider. The location of the existing utilities, lack of integrated conduits in the dock and substandard services require an alternate solution for upgrading to meet future demands. Any proposed marina expansion would require some marina-wide upgrades.

A large vault, likely containing a back flow device, is located at the top of the gangway. This provides wash water to the marina and some limited fire suppression flow to the hydrant.

4. Market/Demand

Wet Moorage: There are 120 boats on the moorage waiting list, and an additional 22 on the boathouse list. The listed boats are principally smaller, in the 25-foot range. This data suggests that the moorage could expand by nearly 2/3, just based on the waiting list. This does not consider the likelihood that boaters with larger craft do not ask to be on the list because the moorage has little inventory to accommodate them. 48% of combined tenant and wait-list boats are 25' or under. It appears that about 80% of this 48% are power boats. This suggests an effective option of efficient dry, trailer storage, or an open dry-stack storage may be considered.

Dry Storage: Dry stack has also been effectively marketed to 20-25 ft performance ski boat owners. Upland real estate is valuable and storing boats on it should be considered a secondary use until in-water area is maximized.

Houseboats: These structures provide a very limited revenue base and they present a relatively high risk to the Port for fire and general pollution problems. In general, boathouses tend to be a depreciating eyesore over the long haul. The largest single boat in these structures is 31'. All of the current boathouse tenants and all of those on the wait-list could be efficiently accommodated in a 30 slip, 30' covered moorage pier. Some additional boat length data from owners on the waiting list should confirm this. Trading boathouses for covered slips would also be seen as a positive by the fisheries agencies. The water area covered by a covered roof would be about the same as is covered today, but modern covered moorage will integrate transparent roof structures and other light-transmitting techniques welcomed by fisheries agencies.

Seaplanes: This element is a logical use for the basin; however, it conflicts with other recreational uses. Because activities will increase in the basin, public safety may require relocation in the future. Relocating the moorage closer to the marina entrance would reduce potential for conflicts. At this time, seaplane moorage does not appear to be resulting in reasonable revenue for the space occupied and its impact on the basin. Adjustment of the rates would assist with future relocation/amenity upgrades.

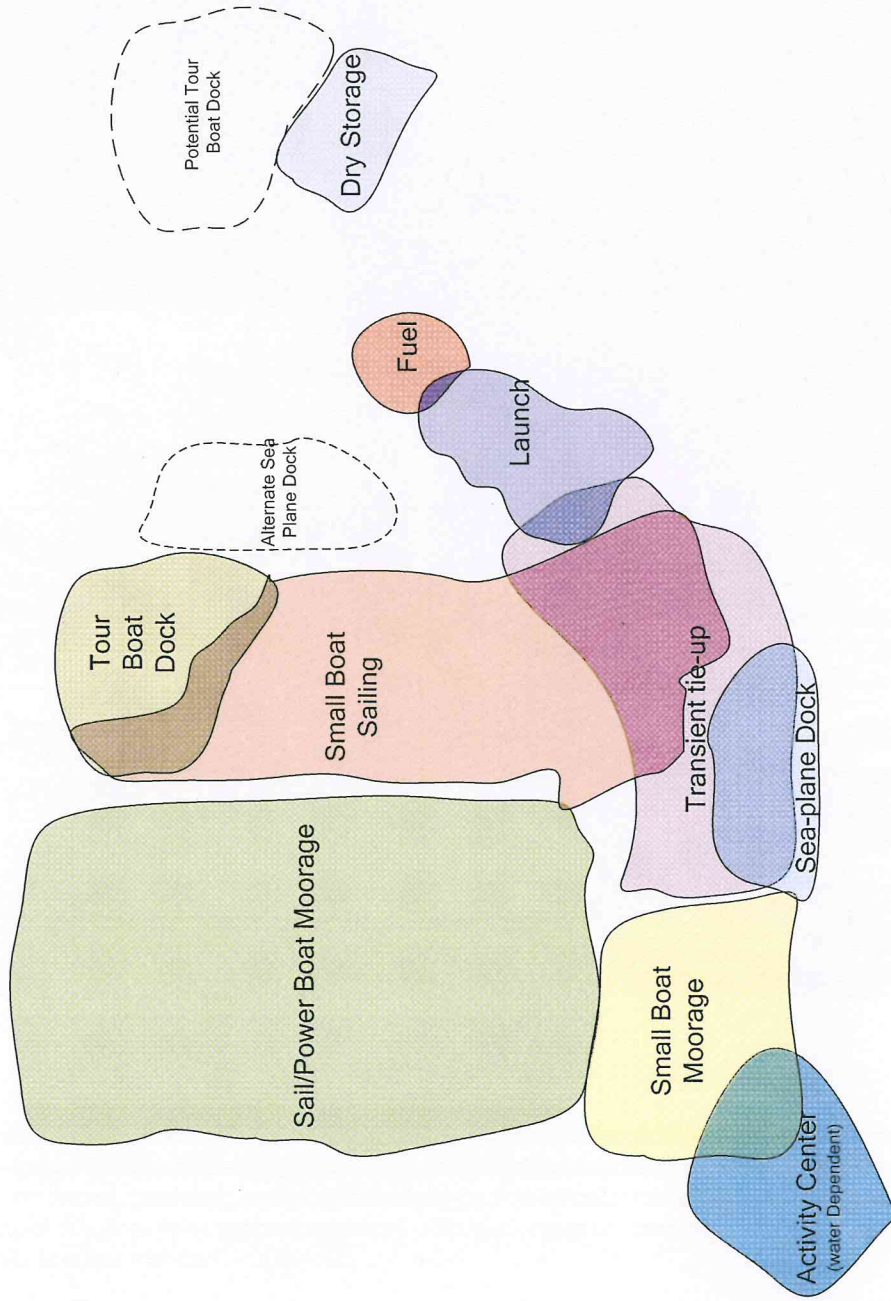
5. Basin Uses

Multiple uses occur in the Hood River Marina Basin. These uses are generally complementary water-dependant uses which enhance the vibrant waterfront character of Hood River. One key to enhancing this character is to identify current and future uses and organize them to enhance each use and reduce conflicts. Existing uses include wet moorage, transient tie-up, boat launch/retrieval, fueling/pump-out, sea-plane moorage, tour boat facilities and small vessel sailing. New uses include a programmed space for the Hood River Yacht Club, dry boat storage, small boat/shell storage on the water, sling/hoist launching, and enhanced waterfront trails/retail. The existing uses have been reconfigured to avoid conflicts and provided future expansion room. The diagram on Page 6 shows the basin and general use areas. These zones are diagrammatic and can be adjusted based on market demands.

Parking is a key consideration in expansion. Parking is typically only an issue during peak summer days and holidays, however expansion may require future overflow parking expansion in areas such as the ODOT Right of Way and other flexible 'green' parking areas.

Site Program Elements

- Sail Boat Moorage
- Power Boat Moorage
- Boat House Moorage
- Transient tie-up
- Public Launch Ramp
- Small Boat Moorage
- Sailing Club Storage
- Fueling
- Tour Boat Loading
- Sea Planes
- Small Boat Sailing
- Dry Storage
- Sling/Launch
- Activity Center



PROGRAM ELEMENTS

6. Expansion Options

Using this diagram on Page 6 as a guide several expansions were investigated. One option included maximizing moorage area, similar to past master plans. While numerous slips could be installed, demand is not present or anticipated in the general future to support this. Other options included a balanced development direction simply adding slips based on lowest cost. While these are more financially attractive, usability and future expansion suffers. For example simply adding all slips to the existing docks will work however access to new docks over old docks would suffer when replacement is required, also utilities are not satisfactory to add additional slips to existing.

Expansion of the moorage capacity can be accomplished in several ways, however moving and changing configurations is costly, thus developing an expansion plan which meets current and future needs is critical. The existing demand for moorage exceeds supply, thus a wait list exists. This results in most users paying on a yearly basis, maintaining revenue. Adding too many slips at one time will result in more seasonal users, likely reducing revenue. The ability to easily add slips tracking demand is central to the recommended option.

The current trend in boating is for longer and wider boats. However, local boating conditions and uses may not support this trend. In most markets larger boats also tend to be more likely to be in the moorage on a year-long contract, rather than seasonal usage.

Development of options included review of the existing market, review of general trends for the Gorge and review of wait list data. Options considered included reconfiguration of the basin, relocating/reconfiguring existing docks, and basic addition to existing docks. Detailed suggestions provided by Hood River Yacht Club (HRYC) have also been integrated into the proposed option.

7. Preferred Option (See figure on page 9)

Given the existing investment in the docks and piling, monthly rent charged and condition of the docks, adding to the existing configuration appears to be the best solution. This expansion would meet existing demand and would consist of building out to specific lines envisioned by the original plan. Future additions could add a new access to minimize walking distance or add to the existing marina configuration as needed.

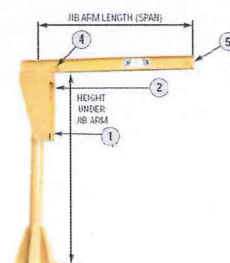
Specifics of the option include addition of sixteen 30-ft long slips initially, then twenty-eight 30-ft slips and ten 40-ft slips at a later date based on demand. These slip include double berths 25-ft and 31-ft wide respectively, to accommodate larger beamed boats.

Flat low level docks could be provided along C row South for rowing shells and crew shells. These users typically pay seasonally if the boats are stored on racks with a cover. Significant income can be obtained from these facilities. This design would not require removal of boat houses.

A dinghy storage dock would be added along the South West edge of the basin. This would include a walkway with low wood floats. Space on this would be rented to dinghy sail boats allowing them to keep the masts up, but the boat out of the water. Sufficient space for 30 boats would be available. This could also provide area for sailing schools and community education program use. Additional transient moorage would be provided along a dock connecting the sea-plane dock to the marina. This would complete a loop around the South West corner of the marina, and accomplish the goal of providing two exit paths from the marina, a common requirement of new marinas. Gates would be provided to control access and provide security.



TRAVEL LIFT



JIB LAUNCH CRANE

As suggested by HRYC, the existing Port maintenance area could be reprogrammed for additional community education storage and small sailing club use. Due to the location, parking, and close water access a reasonable lease revenue is possible for this facility.

Other improvements could include the addition of large boat launch pier/lift and extending the boat ramp for improved launching capacity. Extending the ramp is possible, but would require special methods, as ramps are built from the bottom up. OSMB funding may or may not be available for extending the ramp as the existing ramp functions and allows launching of a majority of the boats using the facility.

Initial Addition Area

We recommend this section of the marina be expanded first to utilize existing piling and minimize permitting. This initial work will not require in-water pile driving permits. Expansion in this area will also minimize required utility upgrades and allow assessment of impacts on demand when combined with providing upland storage. This work should include providing new concrete docks which provide areas for utilities within the decks and external hoops. This will allow reuse and relocation if required in the future.

Details:

1. Finalize utility upgrades and changes to service addition
2. Install 16 slips utilizing existing piling
3. Relocate boat houses based on size to provide additional slip spaces
4. Install Kayak/Shell storage docks as demand requires
5. Additional slips could be installed where shell storage is shown; however, house boats would need to be relocated

This following work would require in-water permits for pile driving.

Secondary Addition

This work will provide additional slips on the main moorage access walkway system. This addition will require full upgrades of utilities along the existing docks. It will provide additional moorage at the lowest cost, and will minimize impact to future expansion. The configuration shown provides larger slips with 'up-wind' docking as requested. Alternatively the existing sizes and configuration could be expanded North.

Details:

1. Finalize utility feeds/upgrades
2. Install piling and docks for 10 40ft slips — A Dock
3. Install piling and docks for 28 30ft slips — D Dock

Storage for dinghy and small sailing craft could be provided on the water. This would allow the mast to remain up and the boat dry. Most small dinghy craft do not have bilge pumps and are stored with the drain plug out on a floating dock.

Details:

1. Install dinghy dock and piling
2. Install 15x24 dinghy storage float modules

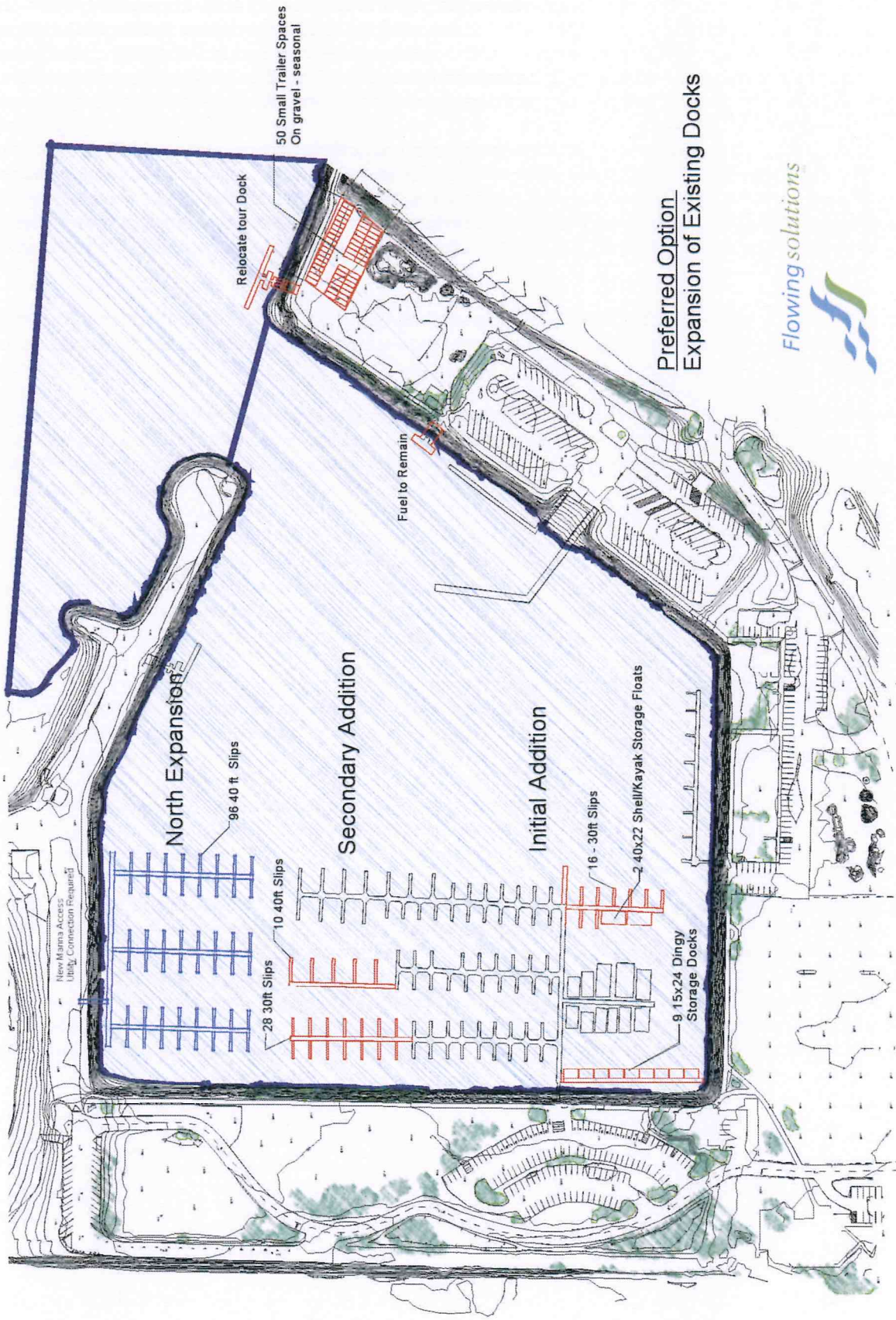
North Expansion

This work includes developing a new access and marina to the North. This will minimize walking distance to new slips, and provide a new base for larger slips and modern configuration. This new moorage will require new utility service and parking upgrades. By developing a new access point all components of the moorage can be sized based on modern needs. It would also allow the older section to be modernized by shifting tenants to the new facility before it is full.

Details:

1. Install new piling
2. Install new concrete slips and walkways
3. Install utilities/upland feeders
4. Develop required ADA parking near head of gangway

Preferred Option



Preferred Option
Expansion of Existing Docks



8. Permitting

The basin was originally conceived and permitted as a moorage, which will simplify permitting with some agencies. All pile driving, dredging and launch ramp work will require permits and be restricted to the preferred in-water work window.

Addition of docks to the existing floats will not likely require a permit; however, this should be verified. Also, depending on the DSL lease boundary, an amendment may be required.

The addition of new pilings and floats will require permits; however, the location, in a protected basin may be seen as having limited impact on endangered species. Further review of permit issues is required and interpretations can vary with agencies.

9. Rates/Management/Leases

Pricing: In the current structure, the smallest craft have the highest rates/ft/mo – approximating average Portland rates. The largest boats have the lowest. There is a 44' boat in the moorage taking up 2 slips, paying an effective \$1.12/ft/mo for each of them. For comparison, rates in the metro area are in the \$6+ range to accommodate boats of this size.

Rates should be increased to provide adequate revenue to cover operation and maintenance costs as required. Future upgrades and expansions will also require the rates to be increased.

The extremely low rates may be contributing to the waiting list by encouraging people to store their boat at the marina just to preserve their space. If the rates were on par with other similar marinas, these boats may be replaced with more active boaters.

Similar marinas would include Cascade Locks, Scappoose Bay, St. Helens, and several moorages on the Multnomah Channel. These moorages do not charge Metro rates, however they are much higher than current Port rates.

It may also be worth considering separate rates for port district residents and out of area residents. It is also advised to consider developing a strategy of favorable pricing or dry storage to encourage smaller boats (<25) to stay during the off-season.

10. Maintenance

Several maintenance issues exist at the marina. Immediate safety issues are being addressed and many have been resolved. Specific maintenance issues are listed below:

- No transition plate on ramp
- Cleats are inadequately attached to docks and/or attachments are failing
- Whaler thru-bolts need to be tightened
- Many boathouse to dock attachments are inadequate and too weak to sustain maximum wind loads
- Roof vents on some boathouses suggest interior plumbing w/o connection to sewer
- The stringers and log floats under several boathouse floats show signs of extensive deterioration
- Live-aboard boats should be inspected to see that the Y-valve in the waste tank plumbing is wired or otherwise secured in position to direct all sewage to the holding tank. Live-aboards are not allowed now.

11. Other Opportunities

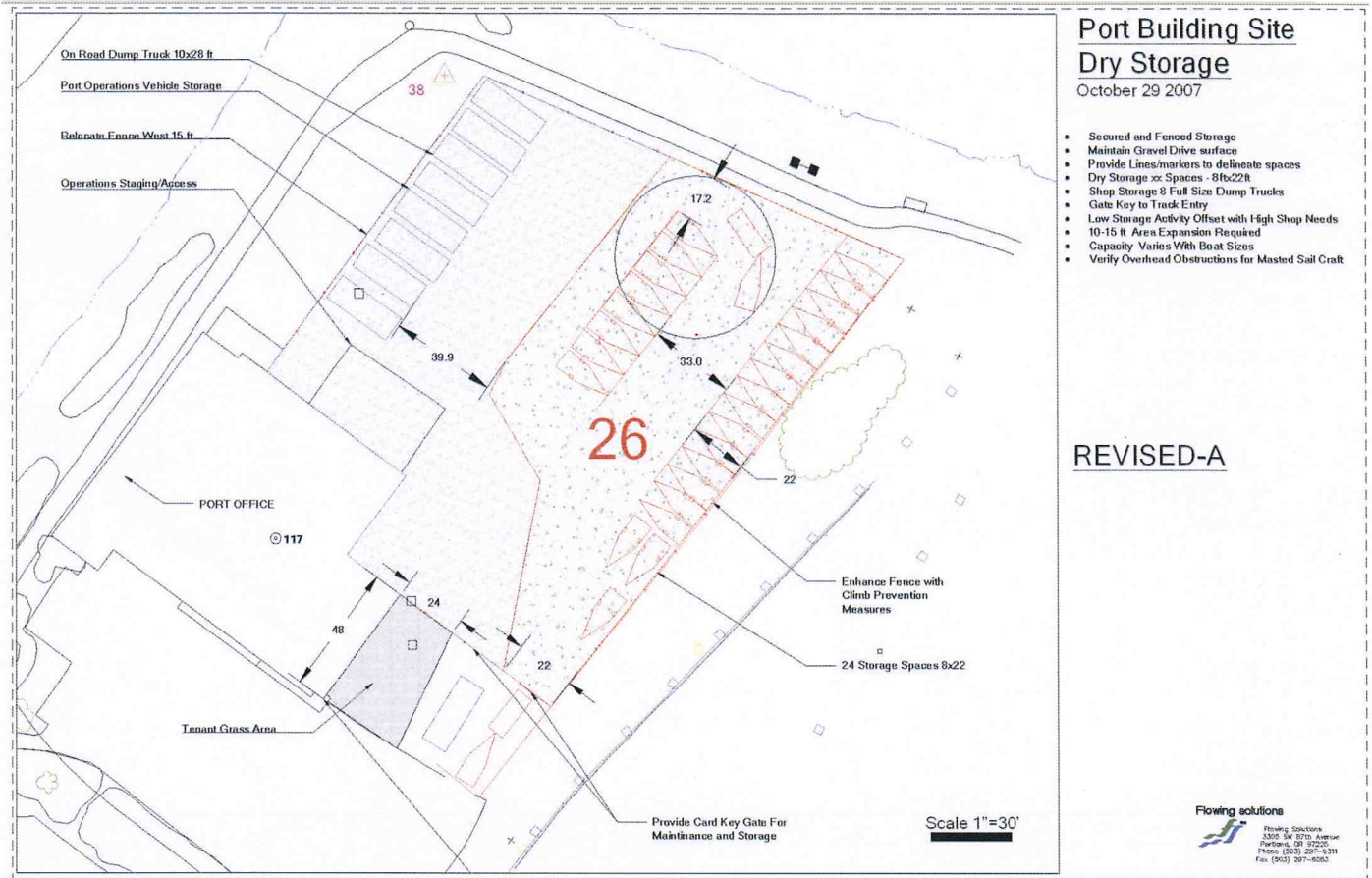
Dinghy Docks/Dry Storage: The long reach from Bonneville to Hood River has become a dinghy sailing/racing venue recognized world wide as one of the best. Cascade Locks and the Columbia Gorge Racing Association will host over 2,000 participants this year in a dozen events. Well-designed, properly marketed low storage docks and dry trailer storage for sailing dinghies could become a significant draw for the basin.

Several areas could be expanded to meet this need. Both the new Port building storage area, and the old Port maintenance yard could provide storage. A portion of the storage yard could be fenced to provide secure storage with card key access and gravel parking. This would allow people to store their boats on trailers, then use the existing ramp as required. This would keep the boat out of the water, clean and dry, and keep a wet slip open for another tenant.

The management of dry trailer storage could be made to be compatible with day launch fishing, using the same general facility. In the off-season, these can be de-rigged and taken elsewhere for storage. This area could be shared with seasonal port heavy equipment/snow plow operations. Demand for dry dinghy storage service has exploded over the last several years.

Suggested improvements are detailed on the following page.

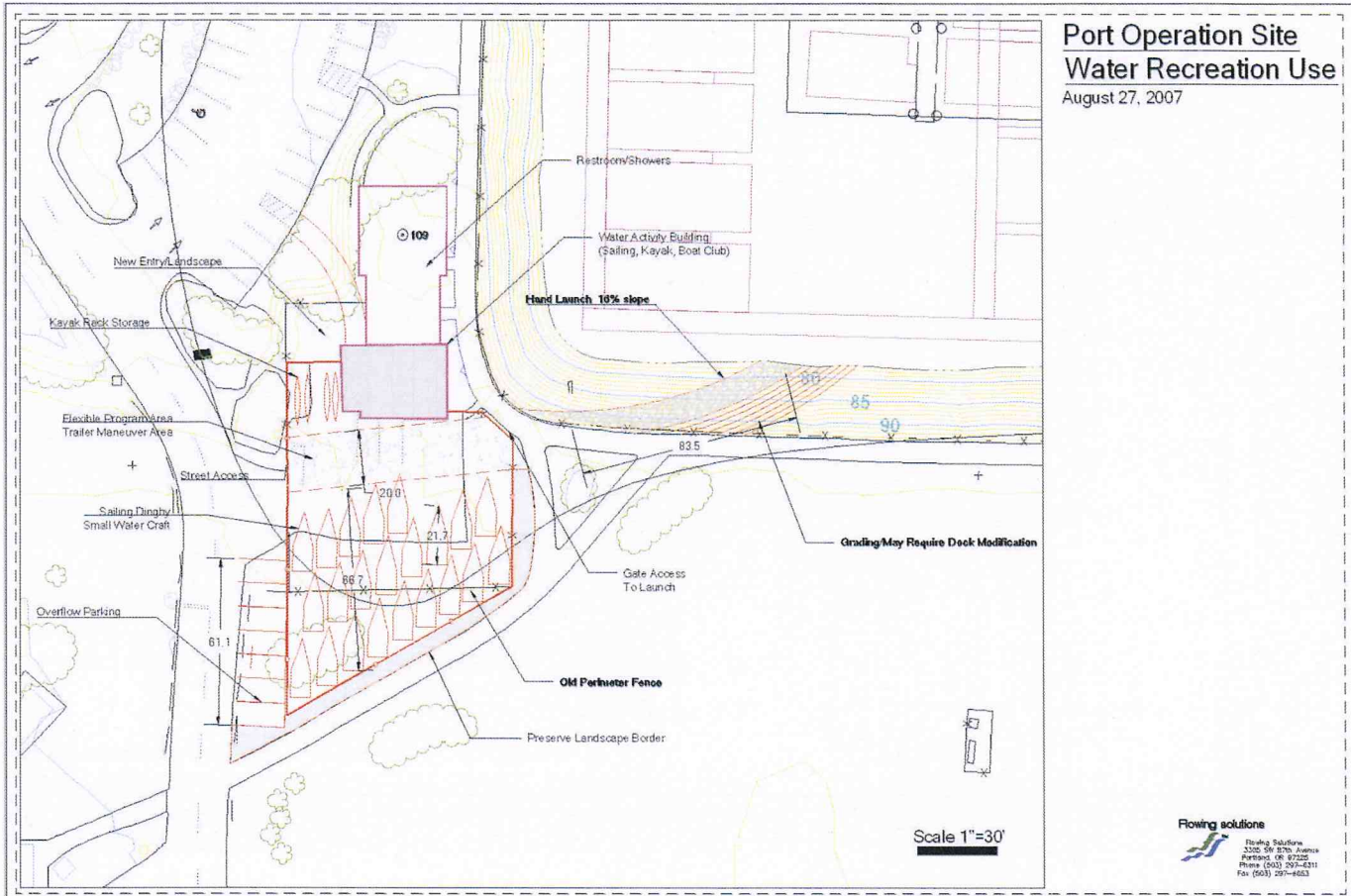
Port Building Site Dry Storage—2007



Other Opportunities (Continued)

Port Operation—Water Activity Center: This site could provide significant revenue and contribute to the energy level in the Marina area. A good tenant would provide water dependant activity, service public and private needs and activate this building and gateway to the Marina Park. The plan on the following page includes a layout for small boat storage, a hand launch ramp for kayaks, small sail boats and rowing dinghies. This ramp would not require motorized equipment for launching. The building could serve as a club house, training facility, or other related activities. Improvements could also utilize the Marina green area if it were within the guidelines. Parking would be shared with the marina, and overflow could utilize the Marina Park and other areas.

Port Operation Site—Water Recreation Use—August 2007



12. Hood River Marina Niche

This is a big recreational basin for a city of this size. It could be treated, positioned and used like the City's central park. Consider the diversity of activities you see in a large city park on a warm afternoon. The basin already shows a similar variety of activities, but with relatively low use levels. The diversity and apparent overlap represented by the bubble diagram could mean attractive vibrancy if the components are judged for their impact, and arranged into a form that minimizes interference.

Moving the Port office freed a significant area of prime waterfront space. Careful selection of water dependent or water related business is key to developing success in the Marina Basin, and surrounding properties. The two connected waterfront buildings are centrally located, adjacent to parking, and have excellent visibility from the road to attract both drive by and destination users. These buildings could serve as an anchor to future development.

The Hood River Marina needs to work to attract more activity and establish a buzz. Ideas to accomplish this include: Increase the Yacht Club's presence. Add some restaurant and entertainment components to the South shore. It may help to establish a name to market the open areas around the water to encourage more continuous activity through the year. Build a bandstand - sponsor a variety of concerts. Increase the sail training activity. Encourage watercraft & sail charter/rental. Seek-out & welcome any event that will add to the Basin's energy level. Organize social activities among the 250 boaters that may be in the new moorage - make the place buzz.

Position the place as a gateway to some of the best sailing water in the world. Position it as a waterfront destination for cruisers & landlubbers. Position it as a sparkling, cool oasis on the edge of the desert. Position it as a day trip destination from Portland.

Increasing activity will increase visitor use, which will require additional Port management and staff oversight. As use increase a funded harbor master position may be required.

13. Costs

Regardless of the option selected, upgrading the existing electrical system is recommended. The existing system does not have adequate capacity to meet demand based on modern boat loads. The new system would also include provision for expanding slips in the future. This initial cost will be required even if no slips are added. This system will require design by an electrical engineer to meet NEC 555. Cost for design and installation of this is \$250,000-300,000. New upland service upgrades are assumed to be covered by the utility provider. See following page for Cost Estimates.

CONCEPTUAL COST ESTIMATE

P H A S E 1	A	ESSENTIAL SERVICES			
		Utility Upgrades A,B,C row	1 LS	\$ 300,000	\$ 300,000
		INITIAL ADDITION			
		C-ROW SOUTH			
		16 30ft Slips	16 EA	\$ 15,000	\$ 240,000
		Soft Costs			\$ 108,000
				Subtotal	
				\$ 648,000	
				20% Contingency	
				\$ 129,600	
			Total	\$ 777,600	
P H A S E 2	A	SECONDARY ADDITION			
		A-ROW			
		28 30 ft Slips including pile	28 EA	\$ 13,000	\$ 364,000
		10-40 ft Slips including pile	10 EA	\$ 15,000	\$ 150,000
		Shell/Kayak Dock	1760 SF	\$ 45	\$ 79,200
		Soft Costs			\$ 118,640
					Subtotal
					\$ 711,840
					20% Contingency
					\$ 142,368
					Total
					\$ 854,208
		PADDLE/SAIL DOCKS			
		Dinghy Storage Dock	3240 SF	\$ 45	\$ 145,800
		Dinghy Walkway Dock	1440 SF	\$ 50	\$ 72,000
		Pile	8 EA	\$ 4,000	\$ 32,000
		Soft Costs			\$ 49,960
					Subtotal
			\$ 299,760		
			20% Contingency		
			\$ 59,952		
			Total		
			\$ 359,712		
GUEST DOCK					
Dock	2310 SF	\$ 50	\$ 115,500		
Pile	10 EA	\$ 4,000	\$ 40,000		
Soft Costs			\$ 31,100		
			Subtotal		
			\$ 186,600		
			20% Contingency		
			\$ 37,320		
			Total		
			\$ 223,920		
P H A S E 3		NORTH EXPANSION			
		96 40 ft Slips - including pile	96 EA	\$ 19,000	\$ 1,824,000
		Marginal Walk	2560 SF	\$ 50	\$ 128,000
		Pile	10 EA	\$ 6,000	\$ 60,000
		Soft Costs			\$ 402,400
					Subtotal
			\$ 2,414,400		
				20% Contingency	
				\$ 965,760	
			Total	\$ 3,380,160	
Soft Costs include 20% Permitting/Engineering					

APPENDIX V
2014 SBP EXCERPT,
MARINA BASIN

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Port of Hood River
Strategic Business Plan Excerpt

Marina Basin

D R A F T

May 11, 2021

Context: The Port manages a number of waterfront recreation sites that attract visitors from around the world and contribute to the quality of life in the community. A strategic assessment of these recreation sites prepared every five years as part of the Port's Strategic Business Plan update. This excerpt related the Marina Basin will serve as the basis for decisions about future capital expenditures, policies, use regulations, and upland development.

Vision: The Marina Basin serves as a multi-use recreational site that is safe, functional, welcoming and attractive. It serves the needs of marina tenants, guest boaters and fosters opportunities for participation by local residents and groups, particularly youth programs.

Standards:

- Maintain the Marina as a safe and efficient facility and assure continued status as a certified "Clean Marina."
- Efficiently manage the Marina wait list to ensure slips are leased in a timely manner.
- Maximize launch access for smaller size boats.
- Ensure compliance with proper maintenance standards for house boats.
- Prioritize local (Mid-Columbia Gorge) resident use and access.

Strategies:

- Continuously consider improvements to the Marina that meet market demand consistent with funding availability.
- Increase year-round activity and vitality in the Marina Basin.
- Seek ways to ensure the operation of the Marina is self-supporting through cash flow from slip lease income and Oregon State Marine Board (OSMB) funding.
- Monitor potential impacts of bridge replacement project and characterize mitigation needs for continued operation.

Actions:

- Collaborate with the OSMB to improve access ramps, docking facilities and the Guest Dock, and extend boat launch ramp paving.
- Collaborate with the Hood River Yacht Club and other user groups to increase public and private events and activities in the Marina, especially youth education and sailing programs.
- Evaluate the potential impacts of a future bridge replacement on launch ramp parking & access, and work to properly characterize mitigation needs. Evaluate market demand and financial feasibility of expanding the number of Marina slips; explore development of local resident discounted rate.
- Seek reasonable opportunities to increase the use of the Marina Basin for small vessel sailing and non-motorized watercraft, special emphasis on youth programs.

- Prepare and implement a maintenance plan for docks and moorage facilities; conduct rigorous condition assessment of each dock.
- Work with the Marina ad-hoc committee to encourage greater input from moorage tenants on management and maintenance practices.
- Coordinate with Department of State Lands to address conflicting uses at Marina Beach, access to Sandbar.
- Study the feasibility, potential safety benefit, and cost to locate the Sheriff's boat moorage to the Fuel Dock location, at least during summer season.
- Explore potential to develop a small boating center at either the S. Basin Docks or the NW corner of the Marina Basin with a roll down gravel launch, temporary seasonal float dock configuration.
- Conduct bathymetry study at Marina entrance area.
- Evaluate potential expansion and upland improvements to the South Basin for small boat storage and enhance launch access. Explore potential benefit of installation of a jib crane.
- Evaluate potential enhancements for observation areas, ADA water access, fishing platforms and other non-sailing uses of the Marina area.

Future Capital Projects

Year	Project	Estimated Cost	Potential Funding	Target
	Visitor Dock Rehabilitation	\$650,000	OSMB/POHR	2022
	Marina Basin Bathymetry Study	20,000	POHR	2022
	Expand HRYC Boat Storage Area	10,000	POHR/HRYC	2022
	Upgrade Existing and Expand South Basin Dock	\$550,000	POHR/Loan	2025
	A Dock Expansion	400,000	POHR/Loan	2024
	Yacht Club Building Improvements – Roll up door and observation deck.	65,000	HRYC/POHR	2022
	Small boat storage and launch and dock.	350,000	POHR/HRYC	?
	Covered Off-site Trailered Boat Storage facility	1,000,000	POHR/Loan	

APPENDIX W
WATERFRONT
RECREATION DRAFT
MODIFIED STRATEGIES

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Waterfront Recreation

The Port owns and manages several prominent recreation sites on the Hood River Waterfront. These sites attract visitors from around the world and provide a significant contribution to the tourism economy and quality of life of the Port District. Significant and growing seasonal demand for waterfront recreation requires a high level of management attention and maintenance work, particularly in the summer months. New and innovative types of recreation activities frequently emerge that may require new management approaches. An assessment of the Port's recreational sites is conducted every year as part of the annual budget process which serves as the basis for near-term decisions about capital and capital maintenance expenditures, policies and changes to Ordinance 24 which governs conduct on Port property. Overall direction for future planning and use of various functional areas of the waterfront is described in the 2016 Waterfront Site Assessment Report. See Appendix G for the full report.

A. Port Marina Park – The Port manages the open space and park facilities surrounding the Marina Basin to serve the recreational needs of the community and support the economic development goals of the Port District.

Strategies:

- a. Consistently consider opportunities to enhance the beauty and functionality of the park grounds, facilities and open space.
- b. Enhance riparian areas along the Hood and Columbia Rivers.
- c. Support organized recreation uses particularly youth activities.
- d. Maintain Marina Park as an area for passive uses that limits user fees.
- e. Seek ways to carry out management and maintenance actions in the most efficient way possible.
- f.

Standard:

Maintain Port Marina Park as a safe, attractive, and flexible open space for recreational users.

Actions:

- a. Prepare a comprehensive maintenance plan, including annual tasks, staff time and cost summary or the Port Marina Park to identify opportunities for greater efficiencies and reduced costs.
- b. Review Ordinance 24 and consider changes that respond to new uses and emerging challenges, particularly parking enforcement and trespass.
- c. Annually review policies associated with user requirements and fees associated with events and consider changes.
- d. Carry out a comprehensive study of the habitat functions and user impacts to the Swim Beach and “Sandbar”.
- e. Annually consider signage and notifications protocols to enhance user awareness of the risks associated with use of the Columbia River.

Future Capital Projects

- 1 SEE CAPITAL PLAN LIST

B. Event Site – The Port manages the Event site to provide a premier facility for intense recreational use, superior water access or multiple water sports and large-scale events.

Strategies:

- a. Annually, consider improvements to the Event Site that meet market demand, enhance the user experience and increase safety.
- b. Seek ways to reasonably increase revenue from Event Site users to meet increasing maintenance costs.
- c. Proactively respond to changing water levels, user needs, and enforcement requirements to decrease user conflicts.
- d. Increase communication with users to obtain feedback and communicate site activities and uses rules.

- e. Seek ways to increase use of the Event Site during shoulder seasons including as a hub for transit.

Standard:

Maintain the Event Site as the premier location for multiple uses including wind sports, events and mass transit.

Actions:

- a. Prepare an annual review of the high-water action plan and safety requirements for users.
- b. Prepare a comprehensive, long-term maintenance plan for Event Site facilities and structures: jetties, beach, restroom, dock and planting.
- c. Annually review parking management actions, concessionaire agreements and event user fees.
- d. Budget for incremental annual upgrades to improve functionality and appearance.

Future Capital Projects

1. SEE CAPITAL LIST

C. Other Recreational Sites – The Port will maintain and develop high quality recreational sites that promote river access, active recreation and passive open space experiences for community members and visitors. These sites include:

- Marina Beach: Multi-purpose swim and kiteboard area with the Port's focus on safety and attractiveness.
- Spit : Limited improvement public access to Columbia River.
- Nichols Basin: Scenic amenity with future development opportunities supporting non-motorized boating activity.
- Hook: Multi-use area for windsurfing, SUP, kayaking, and fishing.

Strategies:

- a. Maintain existing facilities, including access, parking and amenities.
- b. Consider long-term management costs before developing new or enhanced recreational sites.
- c. Seek funding and partnership opportunities to design, permit and develop additional recreational enhancements in all areas.
- d. Enhance ADA access throughout the Port's recreational areas.

Standard:

Identify, improve and maintain recreational sites for a variety of users, subject to adequate funding and consistent with the Waterfront Assessment Report.

Actions:

- a. Annually assess conditions to ensure maintenance standards are met for waterfront access, ramps, jetties, roadways, and parking areas.
- b. Seek ways to increase revenue for recreation sites and decrease expenses.
- c. Develop a plan to increase water access opportunities and riparian enhancements at the western end of The Hook.
- d. Monitor sites for invasive plants and take action to eradicate and minimize spreading.

Future Capital Projects NOTE: SOME ARE NEW CAPITAL PROJECTS

- 1 Hook: New Rigging Areas
- 2 Hook: 2nd Water Access ramp.
- 3 Hook: clean and improve riparian habitat
- 3 Marina Beach: handicap fishing platform
- 4 Nichols Basin: Launch Ramp for non- motorized boating
- 5. Nichols Basin: Swim Dock/Viewing Platform @ Frog Beach
- 6. Nichols Basin: Improve Riparian Habitat and Water Access

7. Nichols Basin: New Restroom Block and Plaza
- 5 Spit: habitat improvements along east shore of Nichols Basin

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APPENDIX Y
2007 HOOD RIVER
WATERFRONT
DEVELOPMENT
STRATEGY

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Hood River Waterfront Development Strategy

September 2007

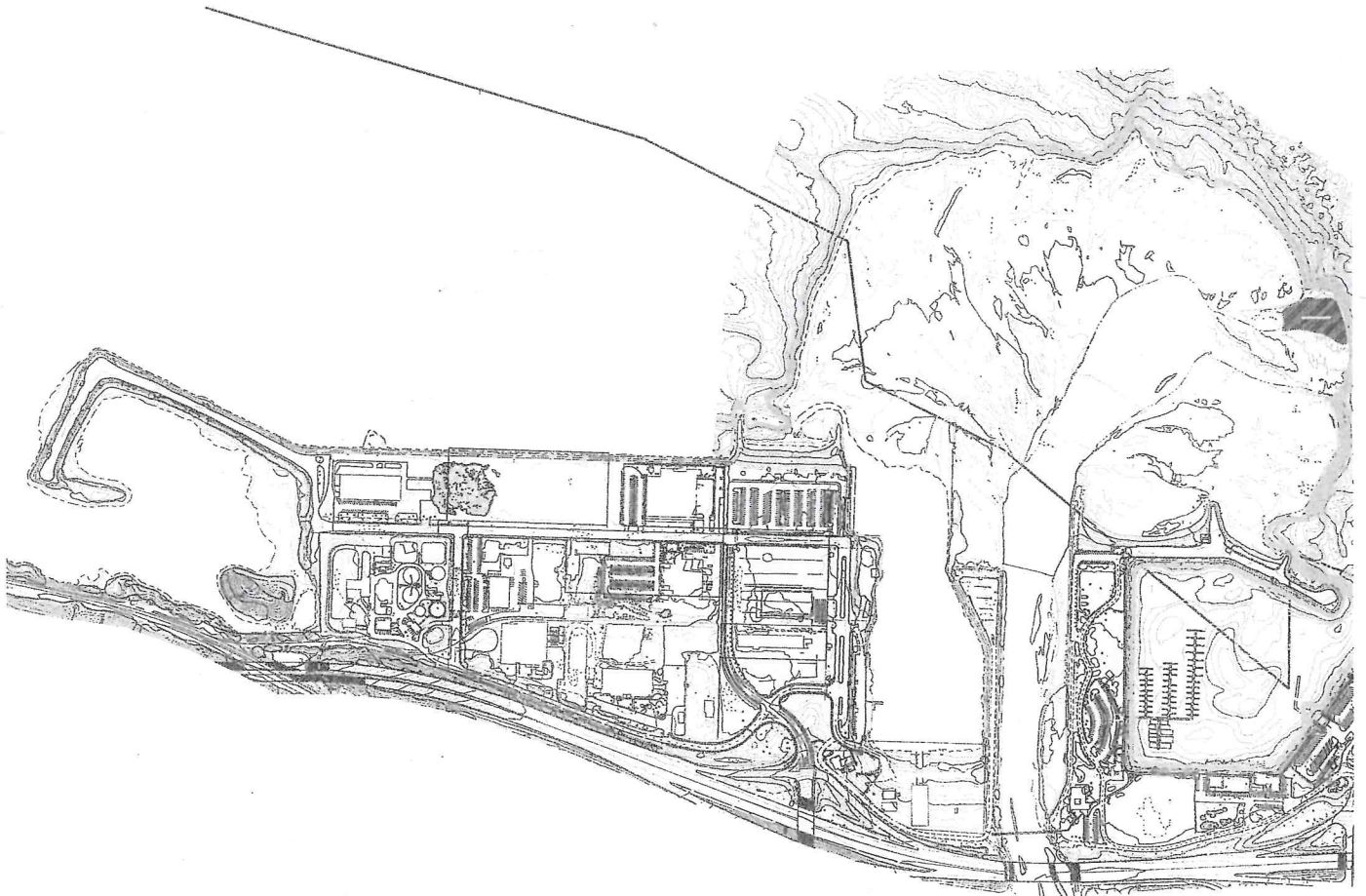


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APPENDIX

1. 2006 Covered Employment and Wages Summary Report –
Hood River County

I. INTRODUCTION

The Hood River Waterfront, adjacent to I-84 and on the Columbia River, is a unique public resource, both for economic development and for recreational use. The Port of Hood River, owner of a significant portion of the of the approximately 65-acre site, seeks to pursue appropriate development that creates jobs and new investment, while meeting public policy objectives. The Port also seeks to balance economic, recreational, development and public access, using a sustainable approach. This Waterfront Development Strategy is intended to:

- Define community objectives
- Identify an overall concept that provides the framework for future waterfront development
- Describe specific actions to guide the Port's investments, marketing and business development over the coming 5-10 years



II. DEVELOPMENT CONCEPT

A. PUBLIC OBJECTIVES

Because of its unique characteristics and developable areas, the Hood River Waterfront can accommodate an unusually diverse mix of uses and activities. To be successful, these uses will need to work together to achieve community objectives. The area currently includes private businesses; world-class recreation sites; innovative, homegrown companies; parks/open space; and vacant land for new development. Any development strategy for the waterfront needs to support this diversity of uses in a way that meets the aspirations of the City of Hood River and constituents of the larger Port District.

- Business Development
- Job Retention and Creation
- Support Quality Recreation
- Protect Riverine Habitat
- Ensure Quality Development
- Utilize Collaborative Process

Following are key public policy objectives:

1) Support Business Development

- Preserve current industrial uses
- Offer sites for local businesses
- Provide for a mix of employment types and uses
- Promote new private investment

The waterfront area is the current home of Hood River Distillers and other firms. Providing opportunities for these firms to prosper and grow is critically important. In a 2006 study, E.D. Hovee and Company identified a significant need for suitable sites to meet the expansion needs of firms currently in Hood River and the surrounding area. This objective supports both the existing investments and the market demand for employment land, and realizes that private investment will drive new development and proved a variety of desired uses.

2) Promote Job Retention and Creation

- Target quality jobs
- Enhance job opportunities for local residents
- Maintain minimum job density

The Port of Hood River Commission has expressed a focus on new employment growth for the waterfront area. This objective supports that focus and identifies that job quality is an important criteria of new employment. A quality job can be defined by the wages and benefits paid to employees. It is recommended that the Port adopt

a guideline requiring firms that locate in the waterfront area to pay at, or above, the county average for their industry. For example, the average wage paid for all manufacturing jobs in Hood River County in 2006 was \$32,710. Appendix 1 has a table of 2006 average wages for Hood River County employment, broken down by the potential industries for the waterfront properties. This information can be used as a guide and would need to be updated on an annual basis. In addition to wages, benefits provided to employees, such as medical coverage, are also elements of job quality and should be considered by the Port as part of the evaluation.

To ensure efficient use of limited land resources for job creation, a job density guideline should be considered. The recommended guideline is a minimum of 1 employee per every 1,000 square feet of building. For reference purposes, an office use averages approximately 1 employee per 350 square feet; a distribution/warehouse use averages approximately 1 employee per 2000 square feet.

3) Support High Quality Recreation

- Sustain existing recreational activities on the water
- Maintain and enhance waterfront recreation sites
- Improve pedestrian access to the river and downtown

The Columbia Gorge is a world-class center for windsurfing and kite boarding. The waterfront property provides an access point to the Columbia River for recreation and also is an outdoor space for families and others to enjoy the river. The Event Site, Hook, Spit and the future city park provide significant public space and water access that should be preserved. Public access, via a path along the water, and connections to the water and downtown, via a Public Access Way (PAW), are also important elements of future development.

4) Protect Riverine Habitat

- Provide for appropriate and adequate landscape plantings along the water's edge
- Protect areas of existing bio-habitat
- Insure upland development that does not degrade habitat conditions in the Columbia River

The Columbia River and adjacent shoreline have important habitat values. Habitat protection should be considered with any waterfront development. The character of the waterfront edge can be a transition between the natural environment and upland development. The boundaries of areas of commercial development

can provide design features that enhance compatibility with adjacent recreation areas.

5) Ensure Quality Development

- Promote sustainable development
- Promote placed-based planning principals
- Encourage quality design and construction
- Make strategic infrastructure investments

The waterfront area is a limited and very visible resource for the Port and the community. Ensuring that the development that occurs is of high quality is critically important. Development of the waterfront should support a vision of green development. Sustainable development is not a specific action; rather, it is an approach to development of the area. It includes infrastructure, building design and operation, and can even extend into the types of firms and the relationships between firms located in the waterfront area.

The uses in the waterfront area need to be compatible with one another and support, rather than detract from, other private and public investments. To ensure quality, the Port can seek adherence to certain design principles that promote quality, sustainable development.

The Port, with its infrastructure investments, should also contribute to the overall quality of development and stimulate private investment that meets the public objectives.

6) Utilize a Collaborative Process

- Build consensus for the development concept and strategies
- Respond to market opportunities, while also retaining longer-term potential
- Work with City to ensure appropriate land use regulations that support public objectives

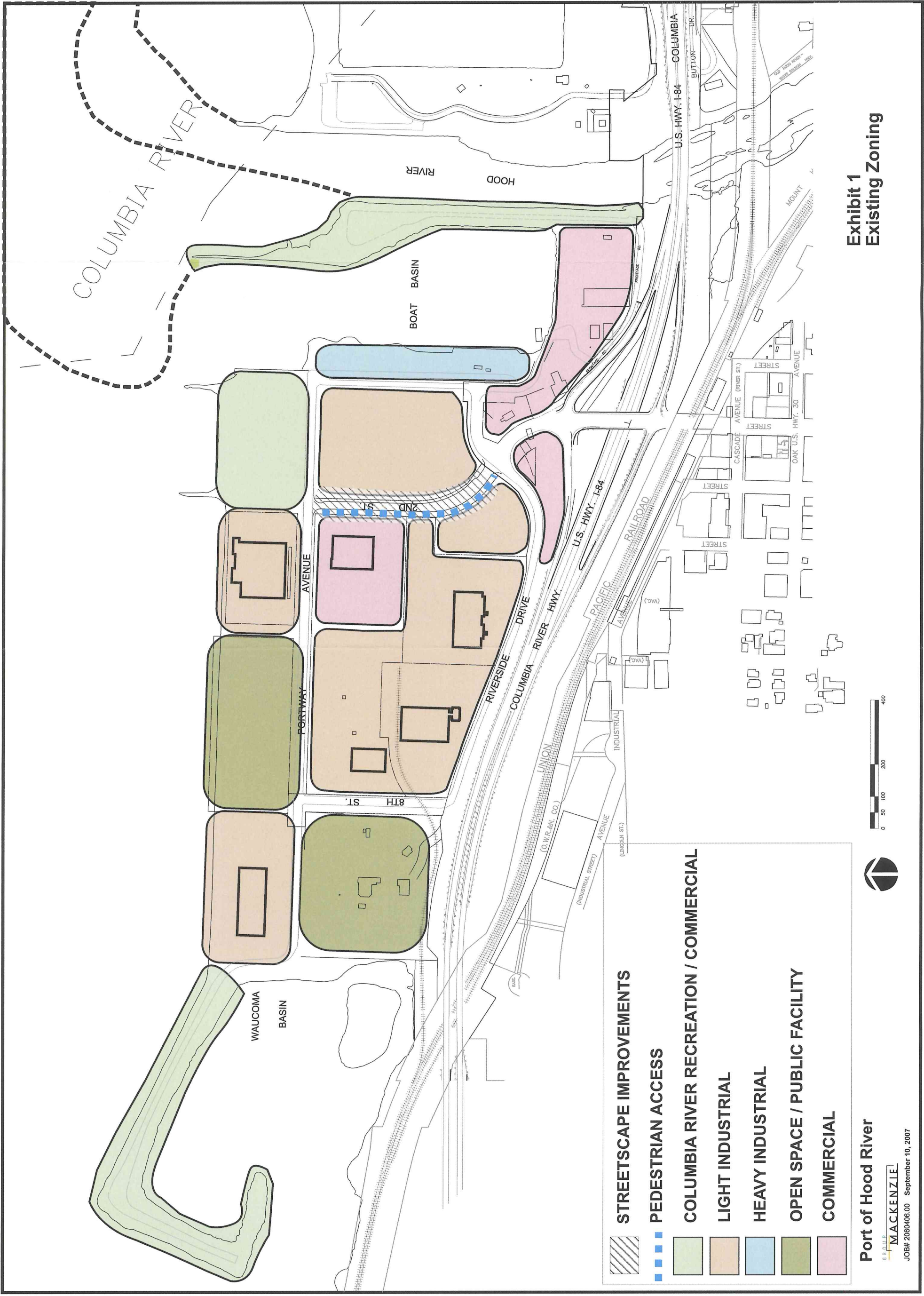
The waterfront area is a public resource. It is important that the process to determine the development strategy be collaborative, responsive to opportunities and supported by public policy.

B. DEVELOPMENT CONCEPT

Existing Land Uses/Zoning

The waterfront area is a unique combination of existing industrial users, public open space, municipal treatment facilities, underutilized properties and vacant land. The area is primarily zoned for light industrial uses, but also has some existing sites that are, or have recently been rezoned for, commercial zoning. The land adjacent to the Columbia River is a challenging combination of public use and existing industrial buildings. Most recently, the Nichols Boat Basin has become cut off from the river by sediment from the 2006 storms.

The area has the advantages of its proximity to the river and the recreational and public amenity that this provides. There is direct access from I-84 and to downtown Hood River. Access to the river is available and improvements have been made (or are planned) to ensure this access is preserved. There are undeveloped and underdeveloped sites that provide tremendous opportunity for new development. Exhibit 1 reflects the current land uses and zoning in the waterfront area.



STREETSCAPE IMPROVEMENTS

PEDESTRIAN ACCESS

COLUMBIA RIVER RECREATION / COMMERCIAL

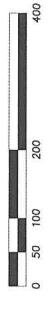
LIGHT INDUSTRIAL

HEAVY INDUSTRIAL

OPEN SPACE / PUBLIC FACILITY

COMMERCIAL

Port of Hood River
 GROUP
MACKENZIE
 JOB# 2060406.00 September 10, 2007



**Exhibit 1
 Existing Zoning**

Development Focus Areas

The purpose of the development concept and the strategies that support its implementation is to provide a focus for short- and medium-term Port activities. This strategy will allow the Port to concentrate actions on the most immediate opportunities that will result in the achievement of the public policy objectives.

Group Mackenzie worked with Port staff, the Commission, and current and potential property owners over several months to articulate a development concept for the waterfront area. This development concept was informed by:

- Previous direction and market studies by the Commission
- Public policy objectives identified above
- The existing development pattern in the waterfront area
- Immediate development opportunities emerging on both Port and private property at the industrial core of the waterfront
- The history of debate and discussion over the past 20 years about appropriate uses and the potential of the waterfront

The characteristics of the desired development concept began to emerge through this analysis. The key planning issues that were identified were land uses, the physical character of the area and access, both vehicular and pedestrian. The existing development pattern also had a major influence on the concept.

Exhibit 2 graphically represents the results of this discussion and analysis. The graphic identifies four subareas within the waterfront area that can be the focus of Port actions. Each of these areas is envisioned to respond differently to the planning issues of land use, character and access.

Area A

The area north of Portway Avenue, along the Columbia River, is now and is expected to continue to be a mix of developed sites and public open space. Building improvements and pedestrian enhancements are expected to occur. Access for trucks, autos and pedestrians will all be necessary.

Area B

This area, along with Area C, makes up the central employment area. Area B, with its frontages along Portway and 2nd Street, is envisioned as developing with a higher-level of design standards. Both Portway Avenue and 2nd Street are seen as being pedestrian-oriented streets, with landscape improvements to support

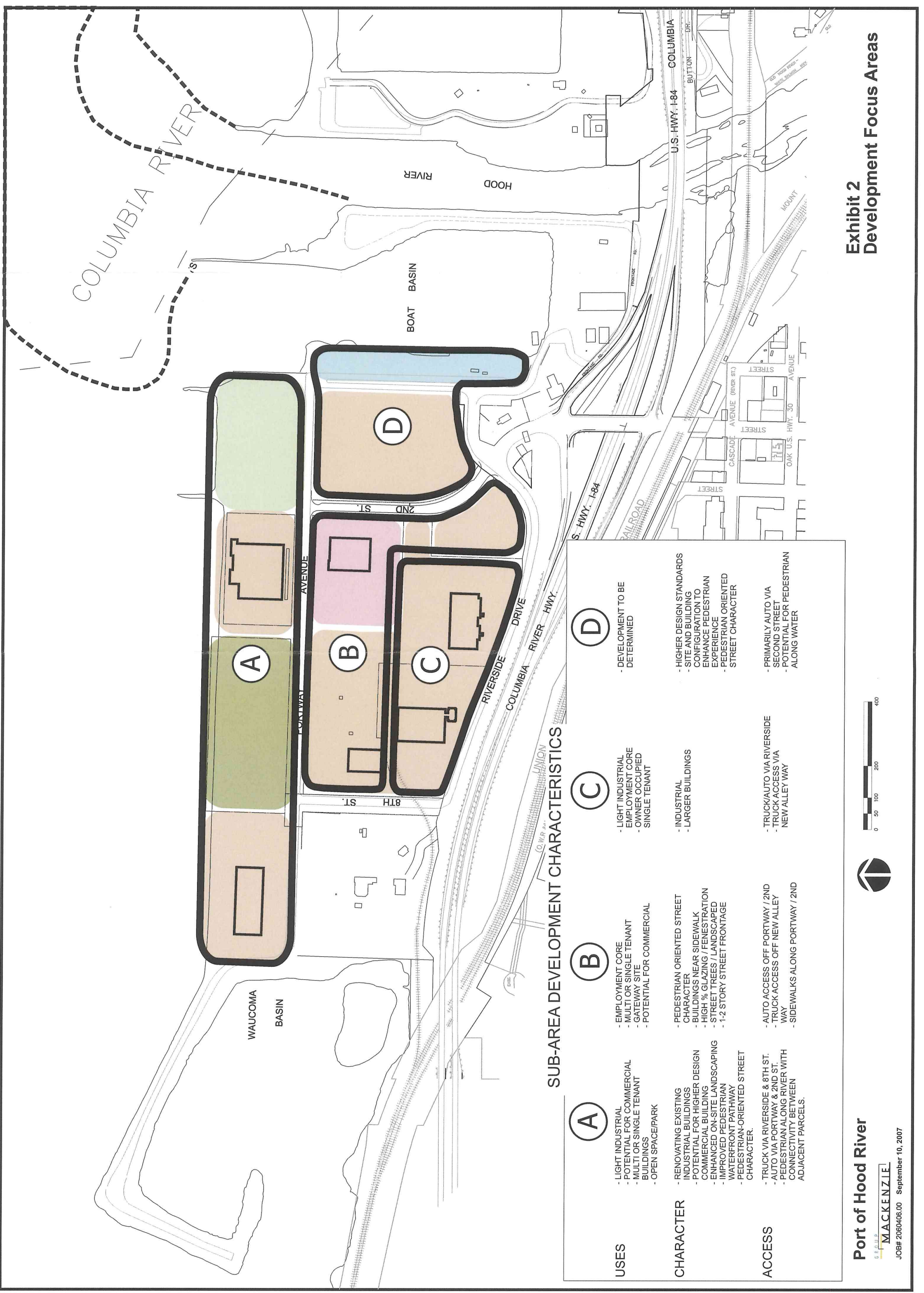
pedestrian use. Multi-story buildings are a possibility in this area. The site at the corner of 2nd Street and Riverside Drive is an important gateway to the entire waterfront area. The frontage streets provide auto and pedestrian access, with truck access being to the backs of the buildings, via a new truck access alley.

Area C

Existing industrial firms are located in this subarea. Their major access is via Riverside Drive, potentially supplemented by the new truck access alley.

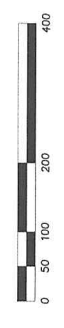
Area D

This is a development opportunity area. The area requires more study to determine its highest and best use. The site will be impacted by the resolution of the current uncertainties surrounding the Nichols Boat Basin. Because of its prominent location along 2nd Street and the boat basin, the site has the potential to be a pedestrian-oriented, higher design development.



SUB-AREA DEVELOPMENT CHARACTERISTICS

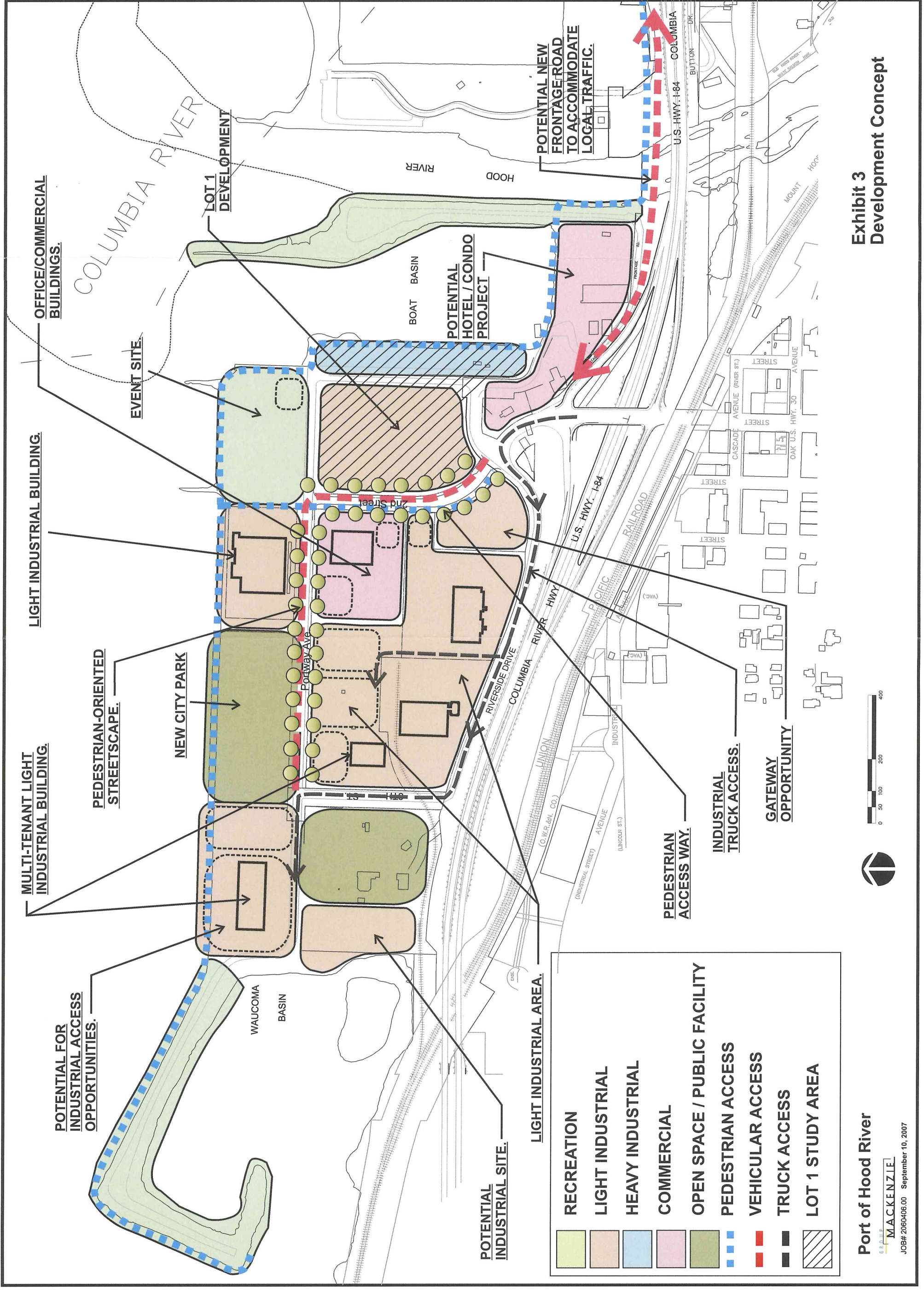
	A	B	C	D
USES	<ul style="list-style-type: none"> - LIGHT INDUSTRIAL - POTENTIAL FOR COMMERCIAL BUILDINGS - MULTI OR SINGLE TENANT - OPEN SPACE/PARK 	<ul style="list-style-type: none"> - EMPLOYMENT CORE - MULTI OR SINGLE TENANT - GATEWAY SITE - POTENTIAL FOR COMMERCIAL 	<ul style="list-style-type: none"> - LIGHT INDUSTRIAL EMPLOYMENT CORE - OWNER OCCUPIED SINGLE TENANT 	<ul style="list-style-type: none"> - DEVELOPMENT TO BE DETERMINED
CHARACTER	<ul style="list-style-type: none"> - RENOVATING EXISTING INDUSTRIAL BUILDINGS - POTENTIAL FOR HIGHER DESIGN COMMERCIAL BUILDING - ENHANCED ON-SITE LANDSCAPING - IMPROVED PEDESTRIAN WATERFRONT PATHWAY - PEDESTRIAN-ORIENTED STREET CHARACTER. 	<ul style="list-style-type: none"> - PEDESTRIAN ORIENTED STREET CHARACTER - BUILDINGS NEAR SIDEWALK - HIGH % GLAZING / FENESTRATION - STREET TREES / LANDSCAPED - 1-2 STORY STREET FRONTAGE 	<ul style="list-style-type: none"> - INDUSTRIAL - LARGER BUILDINGS 	<ul style="list-style-type: none"> - HIGHER DESIGN STANDARDS - SITE AND BUILDING CONFIGURATION TO ENHANCE PEDESTRIAN EXPERIENCE - PEDESTRIAN ORIENTED STREET CHARACTER
ACCESS	<ul style="list-style-type: none"> - TRUCK VIA RIVERSIDE & 8TH ST. - AUTO VIA PORTWAY & 2ND ST. - PEDESTRIAN ALONG RIVER WITH CONNECTIVITY BETWEEN ADJACENT PARCELS. 	<ul style="list-style-type: none"> - AUTO ACCESS OFF PORTWAY / 2ND - TRUCK ACCESS OFF NEW ALLEY WAY - SIDEWALKS ALONG PORTWAY / 2ND 	<ul style="list-style-type: none"> - TRUCK/AUTO VIA RIVERSIDE - TRUCK ACCESS VIA NEW ALLEY WAY 	<ul style="list-style-type: none"> - PRIMARILY AUTO VIA SECOND STREET - POTENTIAL FOR PEDESTRIAN ALONG WATER



Development Concept

The Development Concept for the waterfront area is presented in Exhibit 3. The concept builds upon the existing uses and the subarea analysis. Key elements of the Development Concept include:

- Public access along the waterfront
- A transition of intensity of uses from the Columbia River south to the I-84 freeway
- Industrial uses and public uses at their existing locations, north of Portway Avenue
- The Western Power Building site offers potentially the only opportunity for industrial river access
- A commercial development focal point is possible at the Event Site
- The Central Area, south of Portway Avenue and west of 2nd Street, is a mix of new light industrial and employment uses, existing industrial users and new commercial uses
- Parcelization occurs south of Portway and west of 2nd to create development sites for new users
- A gateway site opportunity exists at 2nd Street and Riverside Drive
- 2nd Street and Portway Avenue have an auto and pedestrian orientation
- Riverside Drive, 8th Street and a new access alley have a truck orientation
- Lot 1, the site east of 2nd Street, is a future development opportunity
- The site at the south end of the Nichols Boat Basin is a potential hotel/condo project
- Potential exists for new vehicle access across the Hood River
- The site west of the waste treatment facility has the potential for a new industrial site



	RECREATION
	LIGHT INDUSTRIAL
	HEAVY INDUSTRIAL
	COMMERCIAL
	OPEN SPACE / PUBLIC FACILITY
	PEDESTRIAN ACCESS
	VEHICULAR ACCESS
	TRUCK ACCESS
	LOT 1 STUDY AREA

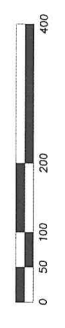


Exhibit 3
Development Concept

III. DEVELOPMENT STRATEGY

A. MARKET CONTEXT

The Development Strategy serves as the implementation tool for the Development Concept. The Strategy responds to the Public Objectives articulated in section II-A. The market context for the strategy is provided by the July 2006 “Port of Hood River Waterfront Industrial Market Assessment” prepared by E. D. Hovee and Company. Hovee’s work identified industrial market opportunities and key decision choices and made preliminary recommendations for the development of the waterfront. The following table identifies how this Development Strategy responds to the market report.

Hovee Recommendations	Development Strategy
Priority for employment intensive businesses	Zoning remains primarily for light industrial users; zoning modifications are recommended to support expanded employment-oriented uses
Focus on industrial and business uses	Central Area is reserved primarily for industrial users
Provide parcels for support recreation, retail, and office uses	Parcels are maintained for recreation adjacent to the water; office uses that support industrial are allowed and it is recommended that zoning code be modified to allow certain types of additional office uses; limited retail opportunities sites are created
Encourage rapid build-out to meet business needs	Initial implementation phase focuses on Central Area and immediate opportunities
Reserve priority sites for later development	Lot 1 is held for study and future development; Jensen waterfront parcel to be studied for future acquisition and redevelopment
Interior parcels for sale or lease	Interior parcels, south of Portway Avenue could either be for sale or lease; sale of any parcels would need to meet adopted Port policy, which states: <ul style="list-style-type: none"> ■ A development concept has been proposed by the potential purchaser that is clearly identified and described; ■ The proposed development appears realistic and feasible; ■ The proposed developed is compatible with other uses on the waterfront including recreations and industry; ■ Significant public objectives can be achieved by the proposed development which may include business retention, job creation, employment density, quality design, and sustainable design; ■ The proposed project, sales price and financing plan are consistent with the Port’s Strategic Plan and demonstrated a reasonable return consistent with the public policy objectives being achieved.
Waterfront parcels only for lease	Waterfront parcels only for lease
Prepare concept plan, supported by development criteria	Development Plan has supporting implementation strategies and development guidelines have been identified
Conduct a simplified initial RFP process, followed by open process for unsolicited offers	Demand is driving negotiated deals for end-users; DDA process is being used to ensure meeting public and Port goals; key development parcels will be studied and may be offered via RFP process in future
Prioritize sites available for sale	Central area sites are priority for sale to end-users
Other sites open to end-user & developers	Lot 1 and other periphery sites will be held for future disposition

B. DEVELOPMENT GUIDELINES

As the Port pursues implementation of the Development Strategy the following guidelines are recommended.

- Focus on firms that support public objectives
- Give priority to firms that meet wage/benefit and employment density goals
- Seek firms with immediate interest and need for expansion space
- Consider disposition of interior parcels for sale or lease
- Maintain waterfront parcels for lease only
- Use Disposition and Development Agreements to meet Port economic development and business goals
- Hold certain parcels for future development
- Consider a Port-developed commercial condominium to accommodate the needs of smaller businesses

C. IMPLEMENTATION WORK PLAN

The Implementation Work Plan breaks down the Development Concept (Exhibit 3) into two time frames: 1 – 2 Year Implementation Strategy (Exhibit 4) and 3 – 5 Year Implementation Strategy (Exhibit 5). Projects in the 1 – 2 year time frame are ones that are necessary in order to initiate development and set the development direction for future years. Projects in the 3 – 5 time frame are ones that are necessary to move forward or complete the Development Concept.

1-2 YEAR IMPLEMENTATION WORK PLAN

The strategies in this time frame include a reference number; specific action items; a category for each action item; and estimated duration. Estimated costs are provided for the Infrastructure/Improvements Action Items (I-1 through I-5).

Action Items are divided into three types: planning, infrastructure/improvements and studies. Each of the Action Items is in one of three categories. The categories are defined as follows:

- A: Must be completed as condition of development
- B: Contingent on an A item occurring, and must occur prior to development
- C: Independent development activity, not conditioned on either A or B

What follows is a brief synopsis of the 1 – 2 year Implementation Work Plan. Site specific impacts of the work plan can be found in Exhibit 4. Table 1 then provides greater detail of the work plan.

Planning Action Items

P-1 Create Subdivision for the Waterfront Area — Category A

The ability to create lots for either sale or lease is the major issue related to development in the waterfront area. While there are lots identified for tax purposes, the entire area is still currently a single legal tax lot. This action item identifies the steps necessary to complete a subdivision in the City of Hood River. This will allow lots to be legally transferred to firms. A subdivision strategy will include the creation of multiple lots, necessitating only lot line adjustments to meet specific company needs. During this process, a minimum of five new lots will be created south of Portway Avenue and two new lots west of 2nd Street. It is estimated that this process will require approximately one year. To meet immediate opportunities, it may be necessary to slightly modify this approach to create a transferable lot to a specific user in a shorter period of time, if possible.

P-2 Make Zoning Adjustments to Support Overall Development Strategy — Category B

The current Light Industrial (LI) zoning in the waterfront area may not meet the needs of potential tenants or achieve identified public policy objectives. In addition to “hard” manufactured products, the new economy is moving towards the production of “soft” or knowledge-based products. These types of companies are ones that meet the community’s employment objectives and could be a good fit in the waterfront area. These companies require a higher percentage of office than is currently allowed in the LI zone. There are three options to meet this market need:

- outright use – amend the current LI zone to allow a greater percentage of office, which would require a text amendment to the current LI zone;
- conditional use – allow additional office square footage as a conditional use, which would also require a text amendment (these would apply city-wide);
- waterfront subarea – create of a subarea within the LI zone, which would allow for a greater proportion of office use, solely in the waterfront area.

Discussions with the City would determine which of these options to pursue.

This action item also includes a rezone of a portion of the Expo Center site to LI as part of the partition strategy along the south side of Portway Avenue.

P-3 Follow Design Principles to Ensure Quality Development — Category B

Design guidelines or principles are a tool the Port can use to ensure that future development is of a standard that meets the public objective of “ensuring quality development.”

Infrastructure/Improvements Action Items

I-1 Portway Avenue — Category A

For development to occur along Portway Avenue, street improvements are required to meet city standards. Slca Consulting has prepared a report, dated May 18, 2007, which details the requirements and costs of the project.

I-2 Riverside Drive — Category A

The Development Strategy calls out that Riverside Drive should be the primary truck access street for the waterfront area. This street will likely require improvements to meet an expanded level of truck traffic.

I-3 Central Truck Alley — Category A

The Development Strategy identifies a new truck alley that will serve the industrial parcels in the central waterfront area. This new alley would be on a dedicated right-of-way that goes north from Riverside Drive. The alley would provide truck access to parcels that front on Riverside and on Portway Avenue, reducing their need to access loading areas from either Portway or 2nd Street.

I-4 Riverside/2nd Street Intersection — Category B

Improvements to the intersection island may be necessary to allow trucks improved turning access to Riverside Drive. This will support truck access to Riverside, and the industrial Alley, and reduce truck traffic on adjacent streets.

I-5 Western Power Building Landscape Upgrades — Category C

The Port should consider construction of landscape improvements around the building and a top-of-bank waterfront pathway.

Study Action Items

All of these action items require further analysis by the Port. Each could have long-term impact on the development of the waterfront area, and it is recommended that in the 1-2 year strategy each of them be carefully evaluated in the near term.

S-1 Industrial Site – Category C

Hood River Juice Company has tentative plans to build a new processing facility on land surrounding the Jantzen Building. This action item calls for the Port and HRJ to continue to collaborate on development of the parcel, which may include land sales, dedications, design and other related issues.

S-2 Hood River Distillers – Category C

Hood River Distillers has expressed plans to continue to expand current operations on the site in the waterfront area. The Port should collaborate with the company to assist in meeting their expansion needs.

S-3 Gateway Site at 2nd Street and Riverside – Category C

The parcel on the west side of 2nd, north of Riverside, is a key gateway site to the waterfront area. Development on this parcel will be important to set the tone and design for development throughout the area. The Port should continue to explore opportunities with unique public, private or non-profit users to ensure that the gateway potential for the site is realized. The Port currently owns a portion of the development parcel and should consider potential acquisition in order to control the entire development site. It also may be necessary to seek a zone change from its current LI designation to attain the desired uses.

S-4 East/West Frontage Road – Category C

The Port is studying the feasibility of a new vehicular bridge across the Hood River, north of the freeway. This access would connect the Port's two waterfront parcels and may reduce the traffic on the freeway. If feasible, this project would create access improvements and impact development potential at the south end of the Nichols Boat Basin.

S-5 I-84 Interchange – Category C

ODOT is currently engaged in an Interchange Management Plan for the three Hood River I-84 interchanges. The Port should work closely with ODOT to ensure that future development in the waterfront area is supported by changes or improvements to the interchanges.

S-6 Boat Basin – Category C

The Nichols Boat Basin was heavily impacted by the November 2007 runoff that created significant new sedimentation at the mouth of the Hood River. The result is that direct access from the

boat basin to the Columbia River has been, at least temporarily, eliminated. The basin, in its previous condition, supported industrial development on the surrounding land. That has been significantly reduced, if not eliminated. It is necessary to study the current condition of the basin, its impact and viability on future development.

S-7 Lot 1 – Category C

This parcel, east of 2nd Street to the boat basin, is a prime development parcel. Its location at the gateway to the waterfront area and its adjacency to 2nd Street, the water and the Event Site make it a key parcel in the Port’s portfolio. In the 1 – 2 year time frame, it is recommended that the site be studied for future development to include identifying the highest and best uses for the land. After completing a market study, a development strategy for this specific parcel should be completed.

S-8 Western Power Building – Category C

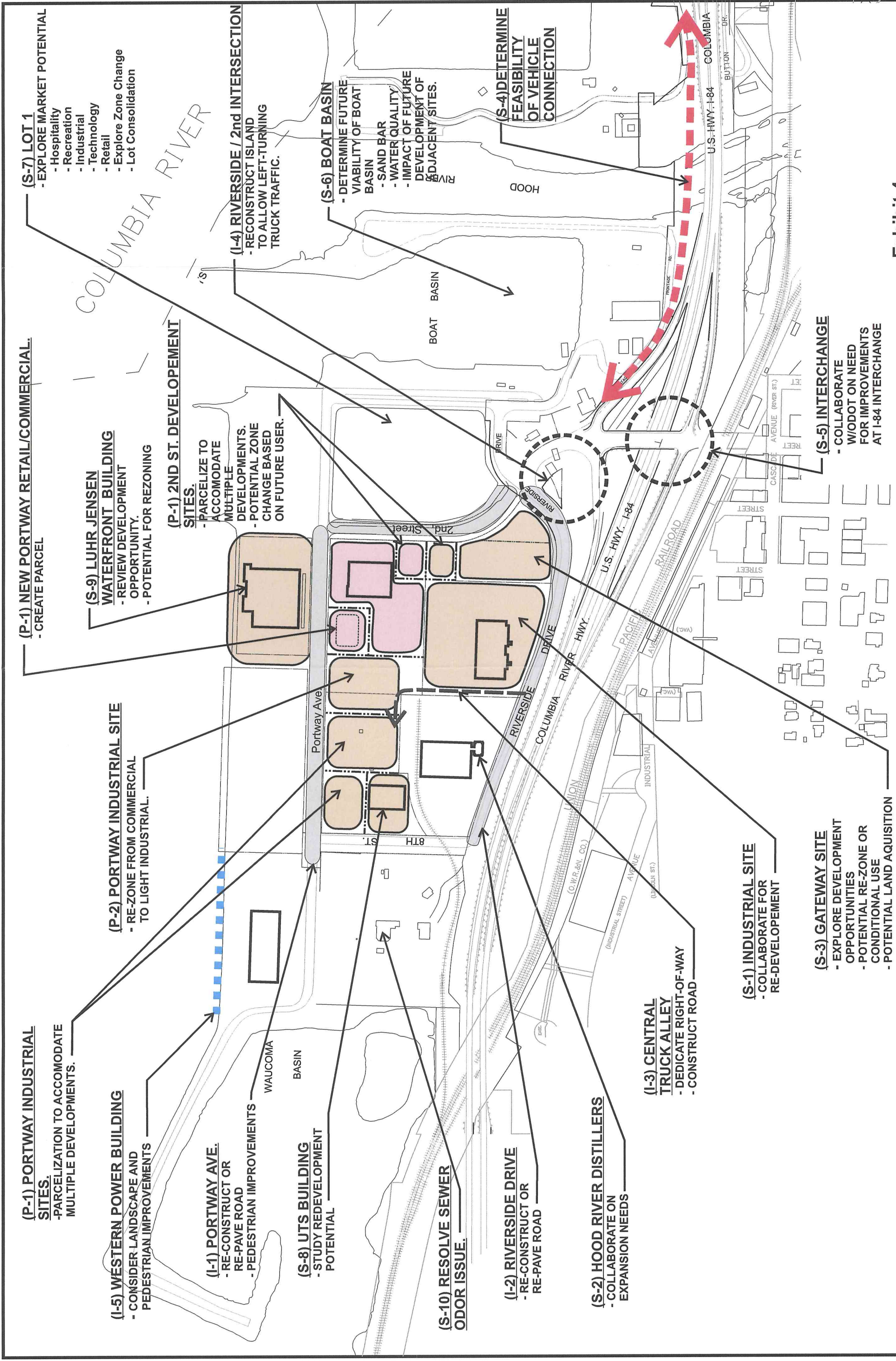
This parcel, at 8th and Portway Avenue, currently has the Port-owned UTS Building on it. The parcel presents a redevelopment opportunity, either for a multi-tenant or user building, which would be in addition to the existing building, or as a replacement to the existing building. The Port should study the redevelopment potential of the building and site.

S-9 Luhr Jensen Waterfront Building – Category C

This building is on a prime waterfront site, between the Event Site and the new city waterfront park. The building has a long-term ground lease; however, the site affords a valuable redevelopment opportunity. The key question will be whether re-zoning of this site is warranted and desirable as there are significant trade-offs between its industrial employment potential and alternative commercial uses that are more compatible with its waterfront location.

S-10 Sewage Treatment Facility – Category C

Odor from the treatment facility is an issue that will affect future development in the waterfront area. The city-owned facility is currently identifying measures that could be taken to reduce the impact of the odor. The Port should work with the city to resolve these issues.



(P-1) PORTWAY INDUSTRIAL SITES.
 - PARCELIZATION TO ACCOMMODATE MULTIPLE DEVELOPMENTS.

(I-5) WESTERN POWER BUILDING
 - CONSIDER LANDSCAPE AND PEDESTRIAN IMPROVEMENTS

(I-1) PORTWAY AVE.
 - RE-CONSTRUCT OR RE-PAVE ROAD
 - PEDESTRIAN IMPROVEMENTS

(S-8) UTS BUILDING
 - STUDY REDEVELOPMENT POTENTIAL

(S-10) RESOLVE SEWER ODOR ISSUE.

(I-2) RIVERSIDE DRIVE
 - RE-CONSTRUCT OR RE-PAVE ROAD

(S-2) HOOD RIVER DISTILLERS
 - COLLABORATE ON EXPANSION NEEDS

(I-3) CENTRAL TRUCK ALLEY
 - DEDICATE RIGHT-OF-WAY
 - CONSTRUCT ROAD

(S-1) INDUSTRIAL SITE
 - COLLABORATE FOR RE-DEVELOPMENT

(S-3) GATEWAY SITE
 - EXPLORE DEVELOPMENT OPPORTUNITIES
 - POTENTIAL RE-ZONE OR CONDITIONAL USE
 - POTENTIAL LAND ACQUISITION

(P-1) NEW PORTWAY RETAIL/COMMERCIAL.
 - CREATE PARCEL

(S-9) LUHR JENSEN WATERFRONT BUILDING
 - REVIEW DEVELOPMENT OPPORTUNITY.
 - POTENTIAL FOR REZONING

(P-1) 2ND ST. DEVELOPEMENT SITES.
 - PARCELIZE TO ACCOMODATE MULTIPLE DEVELOPMENTS.
 - POTENTIAL ZONE CHANGE BASED ON FUTURE USER.

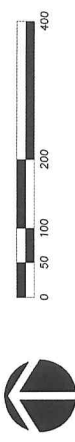
(I-4) RIVERSIDE / 2nd INTERSECTION
 - RECONSTRUCT ISLAND TO ALLOW LEFT-TURNING TRUCK TRAFFIC.

(S-6) BOAT BASIN
 - DETERMINE FUTURE VIABILITY OF BOAT BASIN
 - SAND BAR
 - WATER QUALITY
 - IMPACT OF FUTURE DEVELOPMENT OF ADJACENT SITES.

(S-4) DETERMINE FEASIBILITY OF VEHICLE CONNECTION

(S-5) INTERCHANGE
 - COLLABORATE W/ODOT ON NEEDS FOR IMPROVEMENTS AT I-84 INTERCHANGE

(S-7) LOT 1
 - EXPLORE MARKET POTENTIAL
 - Hospitality
 - Recreation
 - Industrial
 - Technology
 - Retail
 - Explore Zone Change
 - Lot Consolidation



Implementation Work Plan 1 - 2 Year Implementation Strategies

Table 1

Reference Number	Action Item	Category*	Estimated Duration	Estimated Cost
Planning				
P-1	Create Subdivision for the Waterfront Area	A	8 - 12 months	
	<i>Complete survey</i>			
	<i>Prepare preliminary subdivision plan that includes creation of lots on south side of Portway</i>			
	<i>Reduce Expo site lot size by moving west property line</i>			
	<i>Create three new LI lots west of Expo Center</i>			
	<i>Create new parcel for retail/commercial user from remaining Expo Site parking</i>			
	<i>Preliminary subdivision plan approval by the city</i>			
	<i>Prepare final plat</i>			
	<i>Final plat approval by the city/recorded by county</i>			
	<i>Lot line adjustments as necessary to accommodate future specific users</i>			
P-2	Make Zoning Adjustments to Support Overall Development Strategy	B	12 - 16 months	
	<i>Modify LI code to allow for office-oriented users</i>			
	Alternative 1: Outright use			
	Text amendment to code			
	Alternative 2: Conditional use			
	Text amendment to code			
	Alternative 3: Create waterfront subarea			
	Map and code change			
	<i>Modify Zoning Map to Support Development along Portway Avenue</i>			
	Re-zone western portion of Expo Center site from commercial to light industrial			
	Relocate existing commercial zone to another location within waterfront area			
P-3	Follow Design Principles to Ensure Quality Development	B	6 - 8 months	
Infrastructure/Improvements				
I-1	Portway Avenue (N. 2nd St. to N. 8th St.)	A	10 - 14 months	\$300,000 - \$400,000
	<i>Design and obtain permits</i>			
	<i>Repave road, pedestrian improvements</i>			
I-2	Riverside Drive	A	16 - 14 months	\$700,000 - \$900,000
	<i>Design and obtain permits</i>			
	<i>Reconstruct road</i>			
I-3	Central Truck Alley	A	8 - 12 months	\$400,000 - \$500,000
	<i>Dedicate additional right-of-way</i>			
	<i>Design and obtain permits</i>			
	<i>Construct road</i>			
I-4	Riverside/2nd Street Intersection	B	8 - 12 months	\$100,000 - \$130,000
	<i>Design and obtain permits</i>			
	<i>Reconstruct island to allow left-turning truck traffic</i>			
I-5	Western Power Building Landscape Upgrades	C	3 - 6 months	\$140,000 - \$170,000
	<i>Consider top of bank pathway improvements, as an element of future pedestrian-way along riverfront</i>			

- * A. Must be completed as condition of development
 B. Contingent on an A item occurring, and must occur prior to development
 C. Independent development activity, not conditioned on either A or B

Implementation Work Plan 1 - 2 Year Implementation Strategies

Table 1

Reference Number	Action Item	Category*	Estimated Duration	Estimated Cost
Studies				
S-1	Industrial Site <i>Collaborate for redevelopment</i>	C	---	
S-2	Hood River Distillers <i>Collaborate for redevelopment</i>			
S-3	Gateway Site at 2nd Street and Riverside <i>Explore development opportunities</i> <i>Conduct discussions with possible users</i> <i>Investigate potential re-zone or conditional use</i>	C	8-12 months	
S-4	East/West Vehicle Connector <i>Determine feasibility of vehicle connection across Hood River</i>	C	2 years	
S-5	I-84 Interchange <i>Collaborate with ODOT study</i>	C	2 years	
S-6	Boat Basin <i>Determine future viability, including:</i> <i>Sand bar</i> <i>Water quality</i> <i>Impact of future development of adjacent sites</i>	C	2 years	
S-7	Lot 1 <i>Explore market potential:</i> <i>Hospitality</i> <i>Recreation</i> <i>Industrial</i> <i>Technology</i> <i>Retail</i> <i>Identify development strategy</i> <i>Explore Zone Change</i> <i>Explore Lot Consolidation</i>	C	2 years	
S-8	UTS Building <i>Study redevelopment potential</i>	C	4-6 months	
S-9	Luhr Jensen Waterfront Building <i>Investigate potential redevelopment</i> <i>Consider acquisition by Port</i>	C	4-6 months	
S-10	Sewage Treatment Facility <i>Resolve sewer odor issue</i>	C	16-24 months	

- * A. Must be completed as condition of development
 B. Contingent on an A item occurring, and must occur prior to development
 C. Independent development activity, not conditioned on either A or B

3 – 5 YEAR IMPLEMENTATION STRATEGIES

Projects in the 1 – 2 year time frame are ones that are necessary in order to initiate development and set the development direction for future years. Projects in the 3 – 5 time frame are ones that are necessary to move forward, or complete, the Development Plan. Many of these action items are dependent on actions occurring in the 1 – 2 year time frame. These are noted. Action Items in this work plan are divided into two types: Site Development or Infrastructure Development.

A brief synopsis of the 3 – 5 Year Implementation Work Plan follows. Site specific impacts of the work plan can be found in Exhibit 5. The full 3 – 5 Year Implementation Work Plan can be found in Table 2, following Exhibit 5.

Site Development Action Items

SD-1 Portway Industrial Area

Following creation of legal lots (Item P-1 in the 1 – 2 Year Strategy), the Port is able to market these parcels for sale or lease and enter into Disposition and Development Agreements with desirable companies.

SD-2 New Portway Retail/Commercial Site

This lot was created as part of Action Item P-1 in the 1 – 2 Year Strategy. The Port can now develop this parcel for commercial/retail use and seek tenants or, alternatively, market the site to developers or users who will develop such a use.

SD-3 Luhr Jensen Waterfront Building

This building is on a prime waterfront site, between the Event Center and the new city waterfront park. In Action Item S-9, the site and building were studied for redevelopment potential. Implementation of this redevelopment plan can occur in this 3 – 5 year time frame. If necessary, zone change would occur.

SD-4 Lot 1

This parcel, east of 2nd Street to the Nichols Boat Basin, is a prime development parcel. In the 1 – 2 year time frame, the site was studied in Action Item S-8 for future development to include identifying the highest and best uses for the land and preparing a development strategy. Implementation of the development strategy would occur in this 3 – 5 year time frame.

SD-5 Potential Hotel/Condo Project

Naito Properties is determining the feasibility of a hotel/condo project on Nichols Boat Basin. The Port should continue to collaborate with the developer on this project.

SD-6 2nd Street Development Sites

Legal lots were created in Action Item P-1 in the 1 – 2 Year Strategy. Following this action, the Port is able to market these parcels for sale and enter into Disposition and Development Agreements with desirable companies. Zone changes may be required based on specific user needs.

SD-7 Gateway Site at 2nd Street and Riverside Drive

The parcel on the west side of 2nd, north of Riverside, is a key gateway site to the waterfront area. The development strategy developed in partnership with a potential user of the site should be implemented in the 3 – 5 year time frame.

SD-8 UTS Building Site

This parcel, at 8th Street and Portway Avenue, currently has the Port owned UTS Building on it. The redevelopment potential of the site was studied in Action Item S-8 in the 1-2 Year Strategy. If deemed feasible, the Port should implement the findings.

SD-9 Potential Industrial Site

This site may have development potential as an industrial site. The Port would need to acquire excess land from the treatment facility in order to have an appropriate sized development site. Access issues also need to be addressed. The Port should investigate the potential of the site for industrial development and consider moving forward on offering the site, if deemed feasible.

SD-10 Western Power Building – Category C

The site, being adjacent to the river and on Portway Avenue, affords a potential long-term redevelopment opportunity for the Port that meets public policy objectives. The site may offer an opportunity for direct water access for an industrial user. The site could be redeveloped for a single user or a new multi-tenant building that meets higher design standards than the current building. The parcel also could be subdivided for two uses.

Infrastructure Development Action Items

ID-1 Waterfront Pedestrian Access

Pedestrian access along the waterfront is a key public amenity. As parcels are developed, sections of the accessway should be completed.

ID-2 Event Site

The Event Site affords public access and use to the water. In order to take full advantage of the site, the Port should improve the pedestrian accessway and investigate the development of a structure or small commercial use that can serve as a focal point for expanded public access, views and activity on the site at the Cruise Ship Dock.

ID-3 Boat Basin

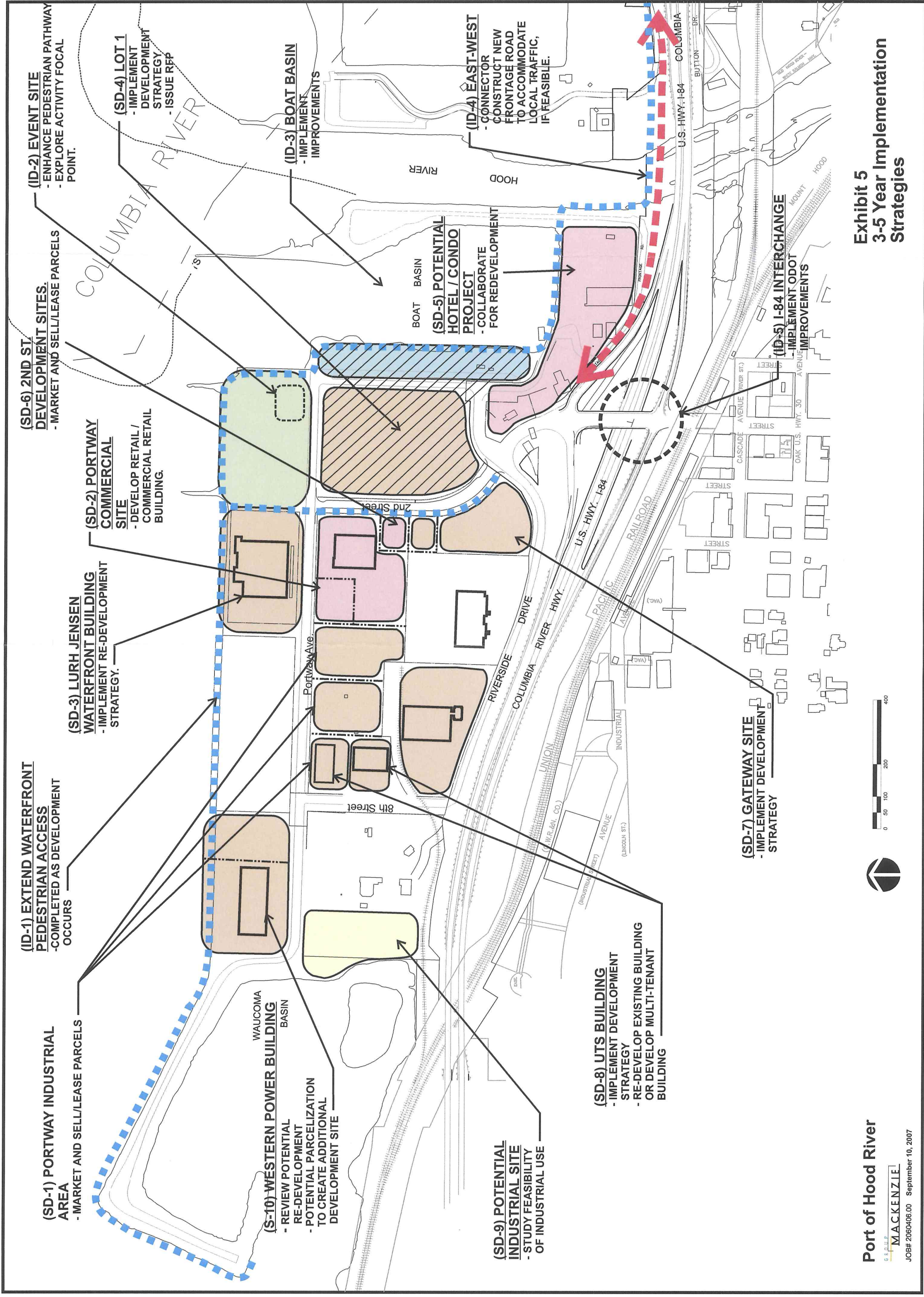
The impacts to the Nichols Boat Basin from the 2007 winter storm runoff were studied in Action Item S-6 in the 1 – 2 Year strategy. Implementation of the study findings would be done during this time frame.

ID-4 East/West Vehicle Connector

The feasibility study for a new vehicular bridge across the Hood River to improve connectivity in the waterfront area was done in Action Item S-4 in the 1 – 2 Year strategy. If deemed feasible, construction of improvements could be initiated during this time frame.

ID-5 I-84 Interchange

Collaboration with ODOT on interchange improvements would continue in this time frame.



**Exhibit 5
3-5 Year Implementation
Strategies**

Implementation Work Plan 3 - 5 Year Implementation Strategies

Table 2

Reference #	Action Item	1-2 Year Predecessor
Site Development		
SD-1	Portway Industrial Area	P-1
	<i>Market parcels for sale or lease</i>	
	<i>Enter into DDAs with users</i>	
SD-2	New Portway Retail/Commercial Site	P-1
	<i>Port may develop commercial building</i>	
	<i>Market to developers or users</i>	
	<i>Enter into lease agreements</i>	
SD-3	Luhr Jensen Waterfront Building	S-9
	<i>Implement redevelopment of site</i>	
SD-4	Lot 1	S-8
	<i>Implement development strategy</i>	
	<i>Issue RFP for site</i>	
SD-5	Potential Hotel/Condo Project	N/A
	<i>Collaborate for redevelopment</i>	
SD-6	2nd Street Development Sites	P-1
	<i>Market parcels for sale or lease</i>	
	<i>Enter into DDAs with users</i>	
SD-7	Gateway Site at Second and Riverside	S-3
	<i>Implement development strategy</i>	
SD-8	UTS Building Site	S-8
	<i>Redevelop existing building and/or</i>	
	<i>Develop multi-tenant building at Portway</i>	
SD-9	Potential Industrial Site	N/A
	<i>Investigate site for possible industrial use</i>	
SD-10	Western Power Building	N/A
	<i>Investigate potential redevelopment</i>	
	<i>Potential subdivision for multiple users</i>	

Implementation Work Plan 3 - 5 Year Implementation Strategies

Table 2

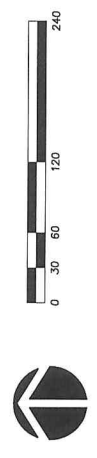
Reference #	Action Item	1-2 Year Predecessor
Infrastructure Development		
ID-1	Waterfront Pedestrian Access	N/A
	<i>Extend pedestrian access adjacent to waterfront as site development occurs</i>	
ID-2	Event Site	N/A
	<i>Improve pedestrian access</i>	
	<i>Investigate development of commercial focal point</i>	
ID-3	Boat Basin	S-6
	<i>Implement boat basin improvements</i>	
ID-4	East/West Vehicle Connector	S-4
	<i>Construct new frontage road to accommodate local traffic, if feasible</i>	
ID-5	I-84 Interchange	S-5
	<i>Collaborate with ODOT on improvements</i>	

IV. CENTRAL AREA BUILD-OUT SCENARIO

The Development Strategy for the Port’s waterfront property builds upon the Development Concept and then identifies an Implementation Work Plan based on achieving public objectives and the Port’s policy goals. Much of the focus of the Development Strategy is on the Central Area, defined as the area between Portway Avenue and Riverside Drive and 2nd Street and 8th Street. This area provides the most immediate opportunities for new employment development within the 5-year time frame of the Work Plans.

Exhibit 6 provides a conceptual diagram of a build-out plan that reflects the Development Strategy for the Central Area. This diagram is meant only to be representative of a build-out scenario. The actual development that occurs will be refined to reflect technical, legal and aesthetic considerations.

**Exhibit 6
Central Area Build-Out
Scenario**



Port of Hood River

GROUP
MACKENZIE
JOB# 2080406.00 07-12-07

V. CONCLUSION

The waterfront area provides a unique development opportunity for the Port of Hood River to meet public objectives and its own policy goals. The ability to plan and implement a sustainable development strategy that integrates employment, recreation, open space and support amenities is an attainable goal. This Development Strategy sets the framework for creating a place that provides the greater Hood River community with an outstanding location for work and play.

Appendix
OLMIS Covered Employment and Wages
Summary Report - Hood River County - 2006

NAICS	Industry	Average Pay
	Manufacturing	\$32,710
311	Food manufacturing	\$25,847
312	Beverage and tobacco product manufacturing	\$41,608
321	Wood product manufacturing	\$30,672
323	Printing and related support activities	\$18,322
332	Fabricated metal product manufacturing	\$27,250
335	Electrical equipment and appliance mfg.	\$27,682
339	Miscellaneous manufacturing	\$37,339
	Trade, Transportation. & Utilities	\$24,500
	Wholesale	\$27,473
423	Merchant wholesalers, durable goods	\$37,500
424	Merchant wholesalers, nondurable goods	\$24,117
425	Electronic markets and agents and broker	\$64,735
	Transportation, Warehousing & Utilities	\$38,407
221	Utilities	\$62,323
484	Truck transportation	\$27,195
	Information	\$47,251
511	Publishing industries, except Internet	\$30,473
	Financial Activities	\$29,315
	Finance & Insurance	\$35,662
522	Credit intermediation and related activities	\$32,887
523	Securities, commodity contracts, investm	\$76,671
524	Insurance carriers and related activitie	\$26,222
	Real Estate Rental & Leasing	\$21,986
531	Real estate	\$22,302
	Professional & Business Services	\$36,004
	Professional, Scientific & Technical Svcs	\$41,629
	Management of Companies	(c)
	Admin. & Support, Waste Mgmt & Remediation Svcs	(c)
	Education & Health Services	\$26,905
	Education	\$18,553
	Health & Social Assistance	\$27,369
621	Ambulatory health care services	\$33,036
624	Social assistance	\$13,519
	Leisure & Hospitality	\$13,696
	Total Federal Government	\$51,200
	Total State Government	\$29,226
	Total Local Government	\$35,005

Source: Oregon Employment Department

APPENDIX AA
FUNDING OPTIONS
FOR BRIDGE
REPLACEMENT

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**PRELIMINARY ANALYSIS OF
CONCEPTUAL FINANCE PLAN**

BI-STATE WORKING GROUP

MAY 19, 2021

AGENDA

- INTRODUCTION TO CONCEPT FINANCE PLAN ANALYSIS
- SUMMARY RESULTS
- DETAILS ON CONCEPT FINANCE PLAN ANALYSIS
- RESULTS/DISCUSSION

WHAT IS A CONCEPTUAL FINANCE PLAN?

- **KEY INPUTS INTO THE FINANCIAL PLAN ARE AT VERY EARLY STAGES OF DEVELOPMENT**
 - **ENGINEERING/COST ESTIMATES <5% LEVEL OF DESIGN**
 - **TRAFFIC AND TOLL REVENUE FORECAST AT CONCEPTUAL LEVEL**
 - **AMOUNT AND TIMING OF FEDERAL/STATE GRANTS ASSUMED**
 - **CONSTRUCTION CASH-FLOW REQUIREMENTS AT SKETCH-LEVEL**
- **NUMERICAL RESULTS ARE APPROXIMATE (“ORDER OF MAGNITUDE”)**
- **DESPITE ITS LIMITATIONS, THE CONCEPT PLAN SCENARIOS PROVIDE A REASONABLE BASIS TO START DISCUSSION ON FINANCE PLAN ISSUES**

WHAT IS THE PRELIMINARY ASSESSMENT?

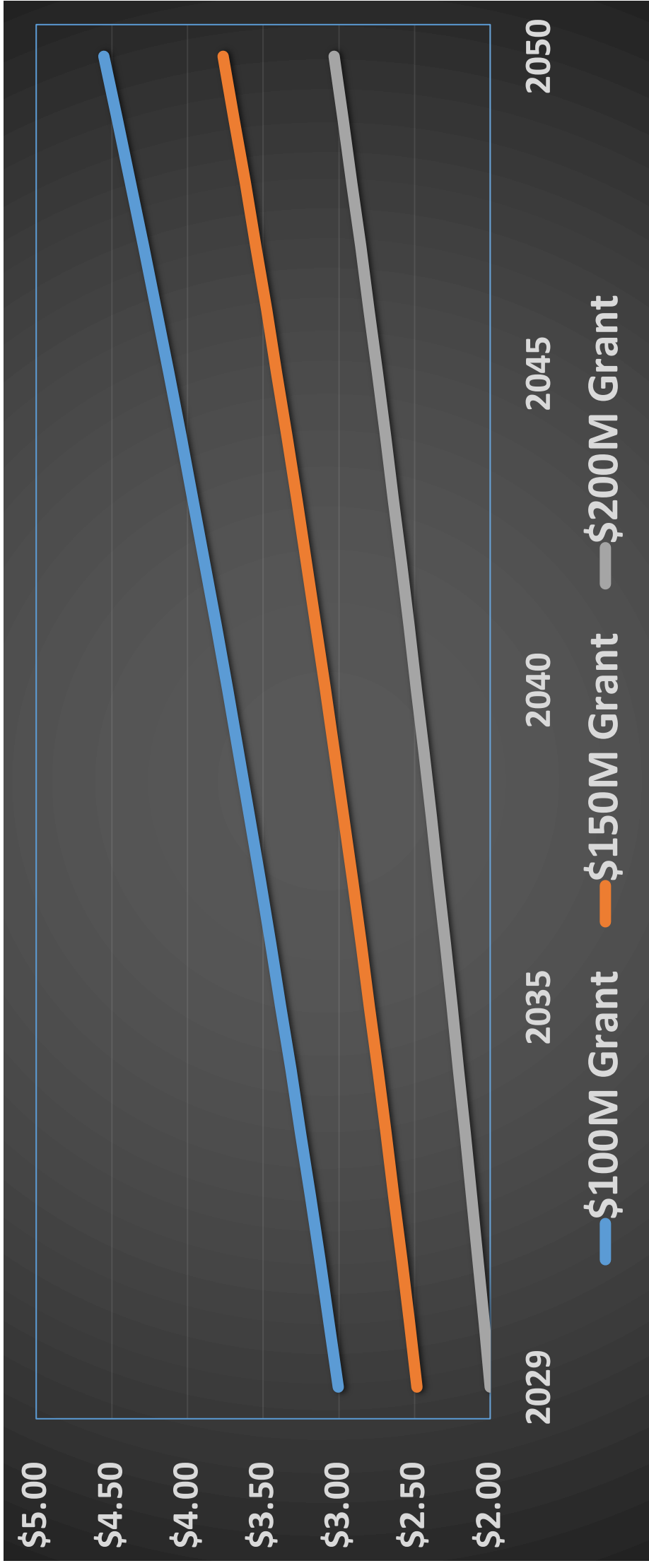
- 3 FINANCIAL SCENARIOS; THESE ARE **NOT** RECOMMENDED FINANCE PLANS
- ALL SCENARIOS ASSUME \$400M CAPITAL COST
- SCENARIOS ASSUME THE “PUBLIC” MODEL, BUT P3 WOULD BE SIMILAR BUT WITH DIFFERENT COSTS, INCLUDING COST OF CAPITAL
- ALL SCENARIOS USE SAME FINANCING STRUCTURE AND ASSUMPTIONS, EXCEPT:
 - EACH SCENARIO ASSUMES A DIFFERENT AMOUNT OF GRANTS
 - THE DIFFERENCES IN GRANT AMOUNTS MIRRORED BY DIFFERENCES IN THE AMOUNT OF BORROWINGS (TOLL REVENUE BONDS + TIFIA)
- SCENARIOS ESTIMATE THE TOLL RATE REQUIRED TO MEET **OPERATING REVENUE + DEBT SERVICE REQUIREMENTS** FOR THE SCENARIO

CONCEPTUAL CAPITAL FUNDING SCENARIOS

(MILLIONS OF YEAR-OF-EXPENDITURE DOLLARS)

	SCENARIO A	SCENARIO B	SCENARIO C
BUILD GRANT + LOCAL MATCH	\$6.2	\$6.2	\$6.2
STATE GRANTS 2021	\$10.0	\$10.0	\$10.0
OTHER FEDERAL/STATE GRANTS	\$200.0	\$150.0	\$100.0
TIFIA (NET FOR CONSTRUCTION)	\$91.3	\$116.0	\$126.7
TOLL REVENUE BONDS (NET FOR CONSTRUCTION)	\$92.5	\$117.8	\$157.1
TOTAL FOR DESIGN/ CONSTRUCTION	\$400.0	\$400.0	\$400.0

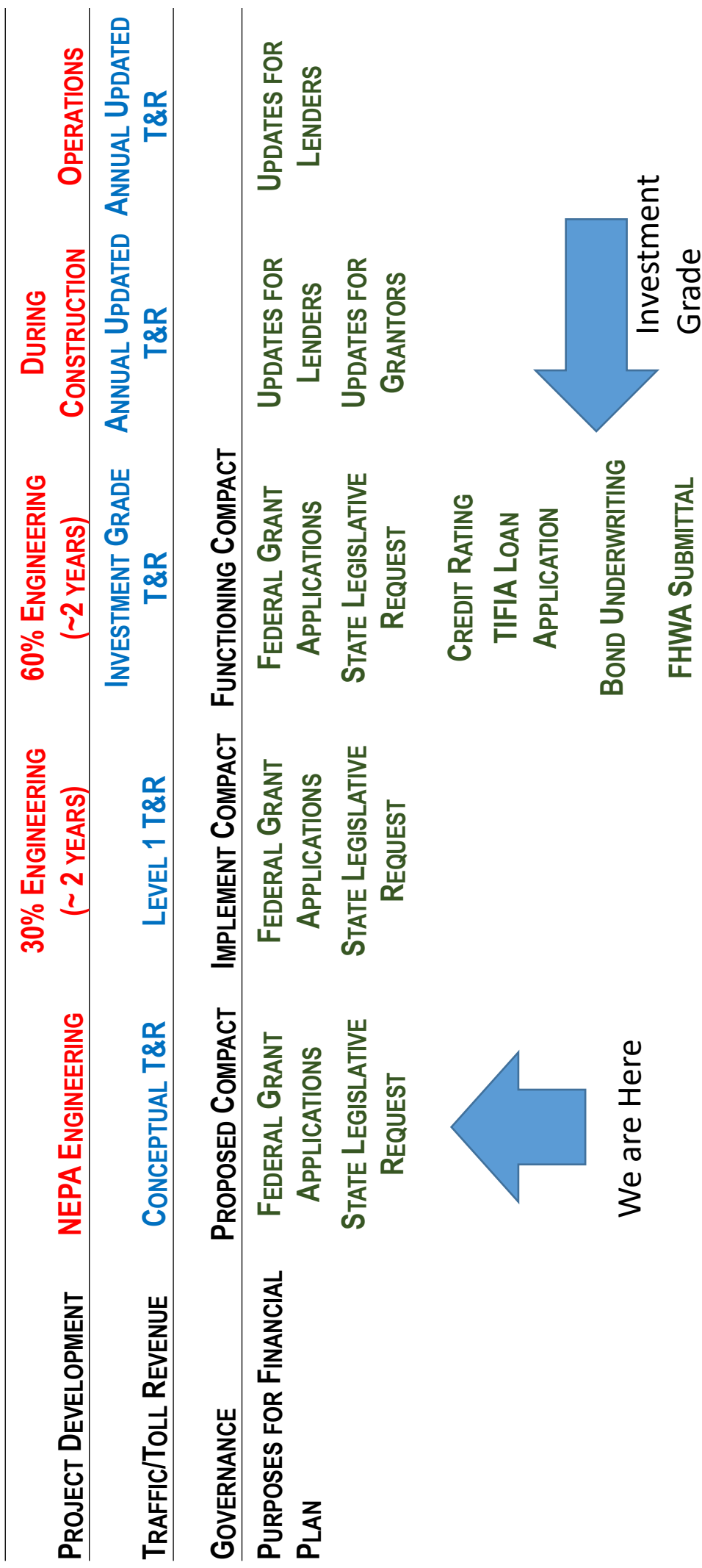
REQUIRED TOLL RATES FOR CONCEPT SCENARIOS: AUTO BREEZE BY RATE (PAY-BY-PLATE ~\$3 HIGHER)



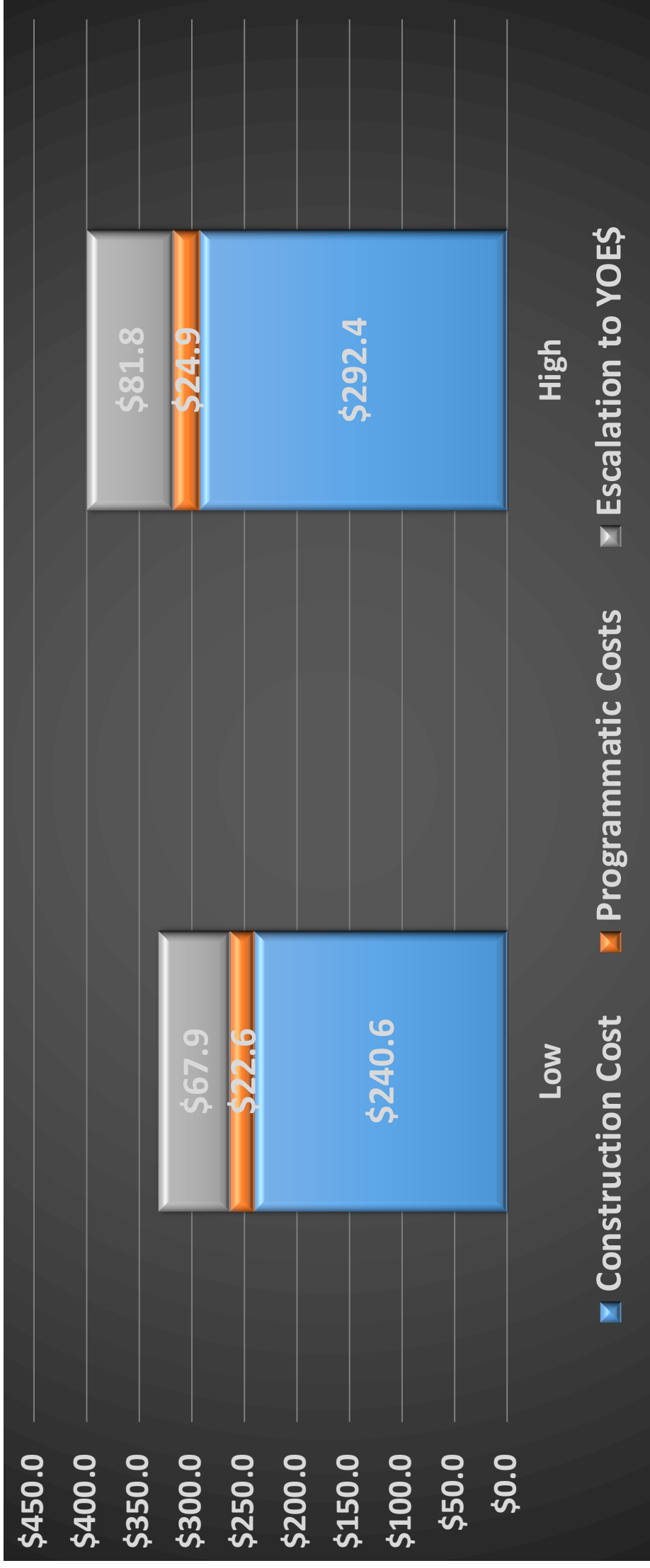
CONCEPTUAL FINANCE PLAN DETAILS

FACTORS/ASSUMPTIONS/ISSUES

EVOLUTION OF FINANCE PLAN



CAPITAL COST: SCENARIOS USE “HIGH”



CAPITAL COSTS: FUTURE REFINEMENTS

TWO MAJOR ISSUES MUST BE ADDRESSED IN UPCOMING ENGINEERING WORK:

1. INITIAL CONSTRUCTION SCHEDULE AND CASH FLOW

- HOW WILL BRIDGE BE CONSTRUCTED WITHIN THE IN-WATER WORK WINDOWS RESULTING FROM EIS?
- ADDITIONAL MARINE EQUIPMENT (BARGES, CRANES, ETC.) AND/OR TEMPORARY WORK BRIDGES NEEDED TO AVOID PROLONGED BRIDGE CONSTRUCTION PERIOD
- COST ESTIMATE INCLUDES AN ALLOWANCE FOR ADDITIONAL MARINE EQUIPMENT, BUT THIS IS BASED ON UNTESTED ASSUMPTIONS

2. ADDITIONAL GEOTECHNICAL INVESTIGATION REQUIRED

NET OPERATING REVENUES

OPERATING REVENUES

PLUS TOLL COLLECTIONS
PLUS PAY-BY-PLATE FEES
PLUS REBILLING FEES
MINUS UNCOLLECTIBLE (LEAKAGE)

OPERATING REVENUES

OPERATING EXPENSES

MINUS CREDIT CARD FEES
MINUS TOLL COLLECTION O&M
MINUS INSURANCE
MINUS FACILITY O&M
MINUS MANAGEMENT AND ADMINISTRATION

NET OPERATING REVENUE

ASSUMED BORROWINGS

- **TRANSPORTATION INFRASTRUCTURE FINANCE AND INNOVATION ACT (TIFIA) LOAN**
 - FEDERAL GOVERNMENT NON-RECOURSE LOAN
 - LIMITS ON AMOUNT OF LOAN GENERALLY 33% OF COST
 - CAN BE **SUBORDINATE** TO TOLL REVENUE BONDS. SENIOR TOLL REVENUE BONDS MUST BE INVESTMENT GRADE (BBB OR BETTER)
 - INTEREST RATE ON LOAN EQUIVALENT TO 30-YEAR TREASURIES
 - SOMEWHAT LENGTHY/EXPENSIVE LOAN APPLICATION PROCESS
- **TOLL REVENUE BONDS**
 - ONLY NET OPERATING REVENUES PLEDGED FOR REPAYMENT
 - SENIOR TO OR PARITY WITH TIFIA

OTHER BORROWING REQUIREMENTS

- **DEBT SERVICE COVERAGE RATIO (DSCR) = NET REVENUE AVAILABLE FOR DEBT SERVICE**

DEBT SERVICE (PRINCIPAL & INTEREST PAYMENT)

- **TOTAL DSCR: ASSUME 1.25X TOTAL OF SENIOR TOLL BOND DEBT SERVICE + TIFIA DEBT SERVICE**
 - \$10M ANNUAL SR. DEBT SERVICE + \$10M ANNUAL TIFIA DEBT SERVICE = \$20M
 - @ 1.25X COVERAGE: NET REVENUES MUST \geq \$25M

• **ISSUANCE COSTS/CAPITALIZED INTEREST**

• **RESERVE REQUIREMENTS**

- **BEFORE DEBT SERVICE:** DEBT RESERVE (CREATED WITH LOAN PROCEEDS) = 10% LOAN + OPERATING/WORKING RESERVE = \$5M
- **AFTER DEBT SERVICE:** NOT ADDRESSED IN THIS ANALYSIS, BUT COULD INCLUDE: REPAIR AND REHABILITATION RESERVE, TOLL REVENUE STABILIZATION RESERVE, ETC.

RESULTS

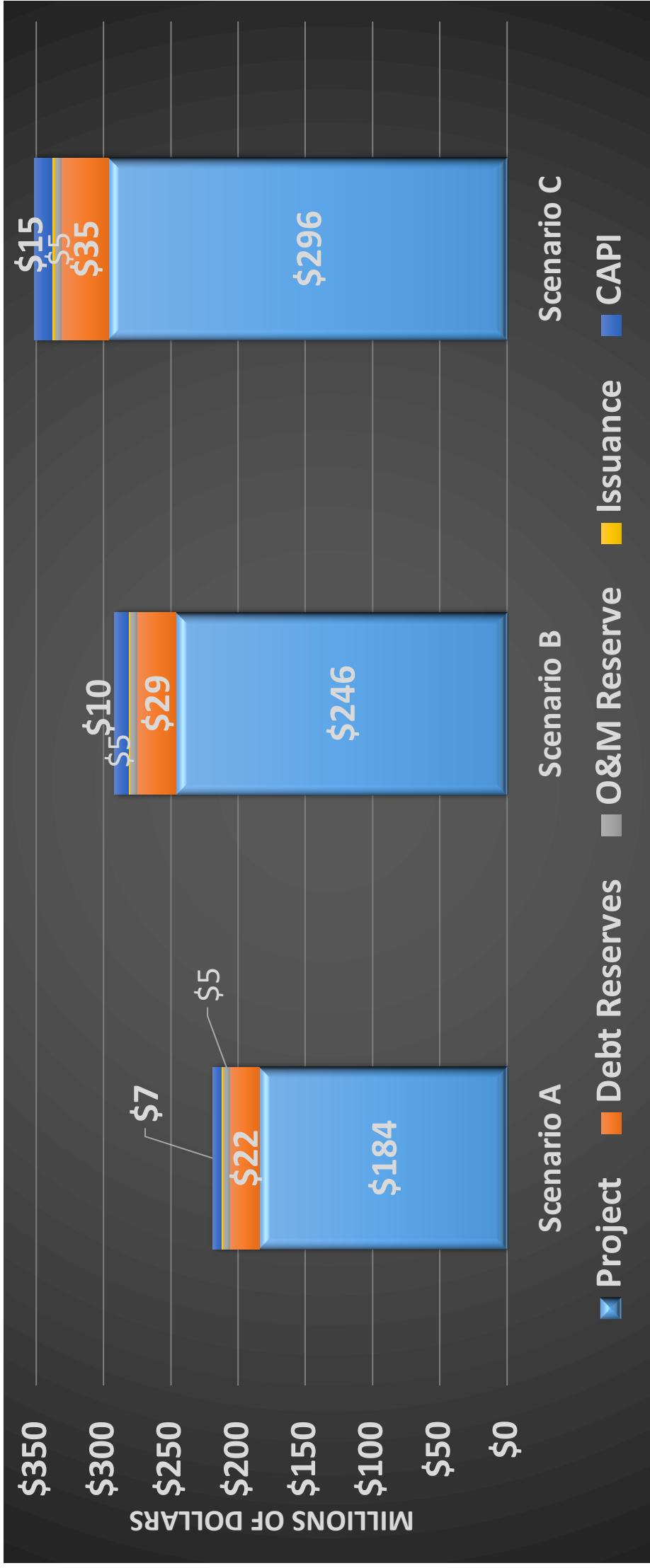
DISCUSSION

CONCEPTUAL CAPITAL FUNDING SCENARIOS

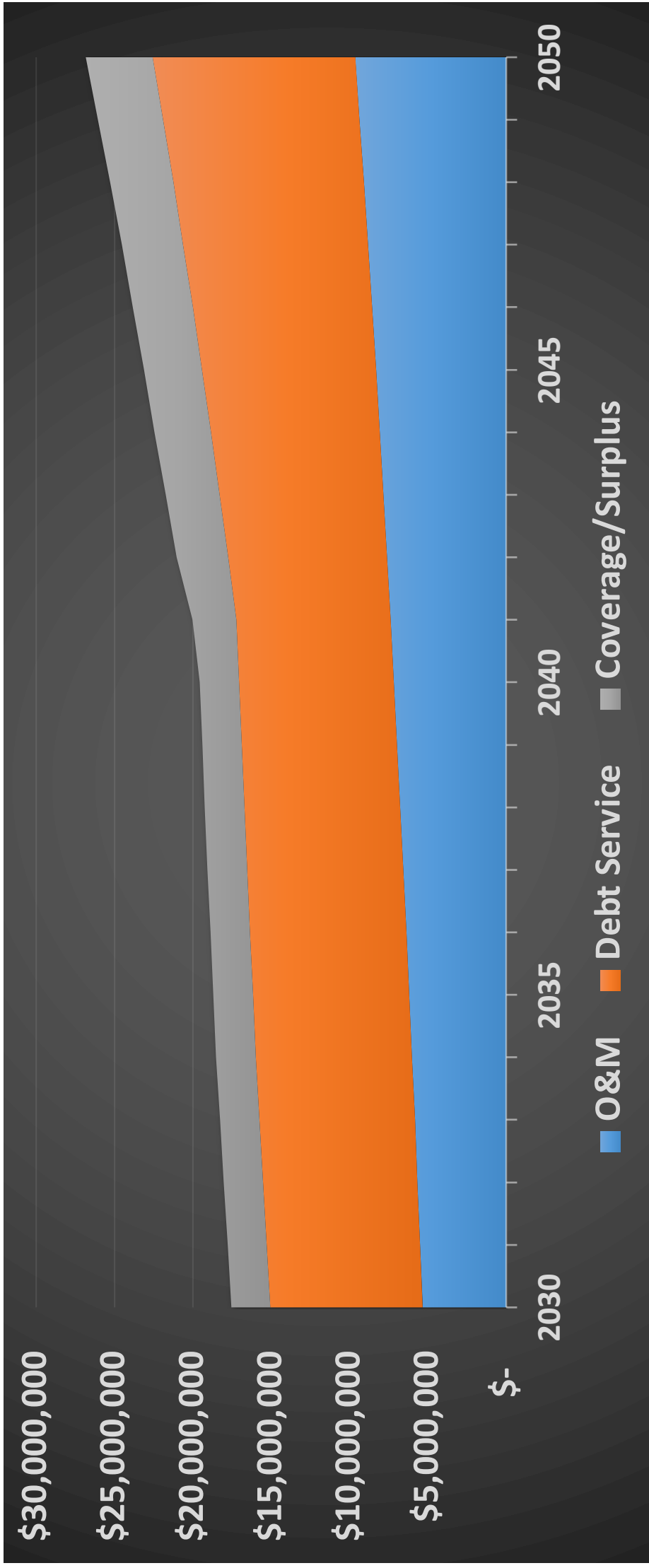
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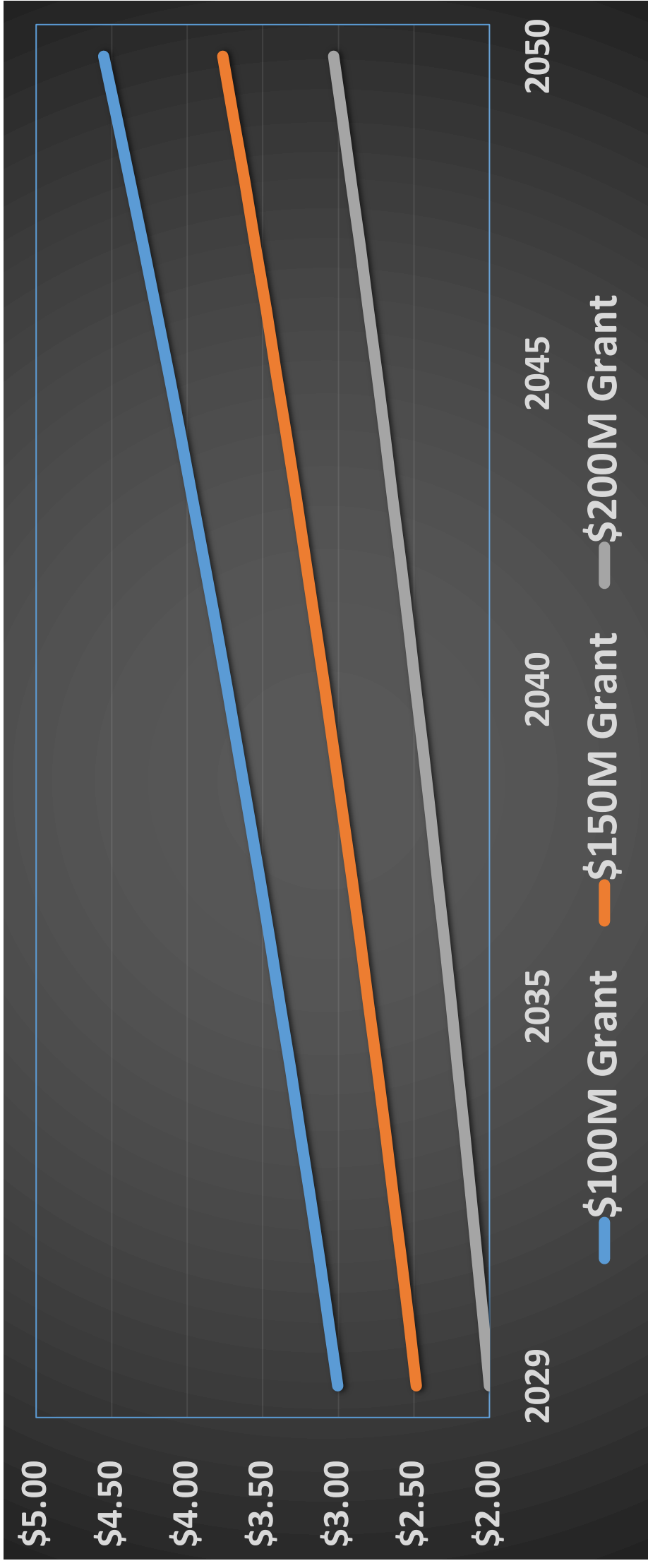
SIZE OF BORROWINGS



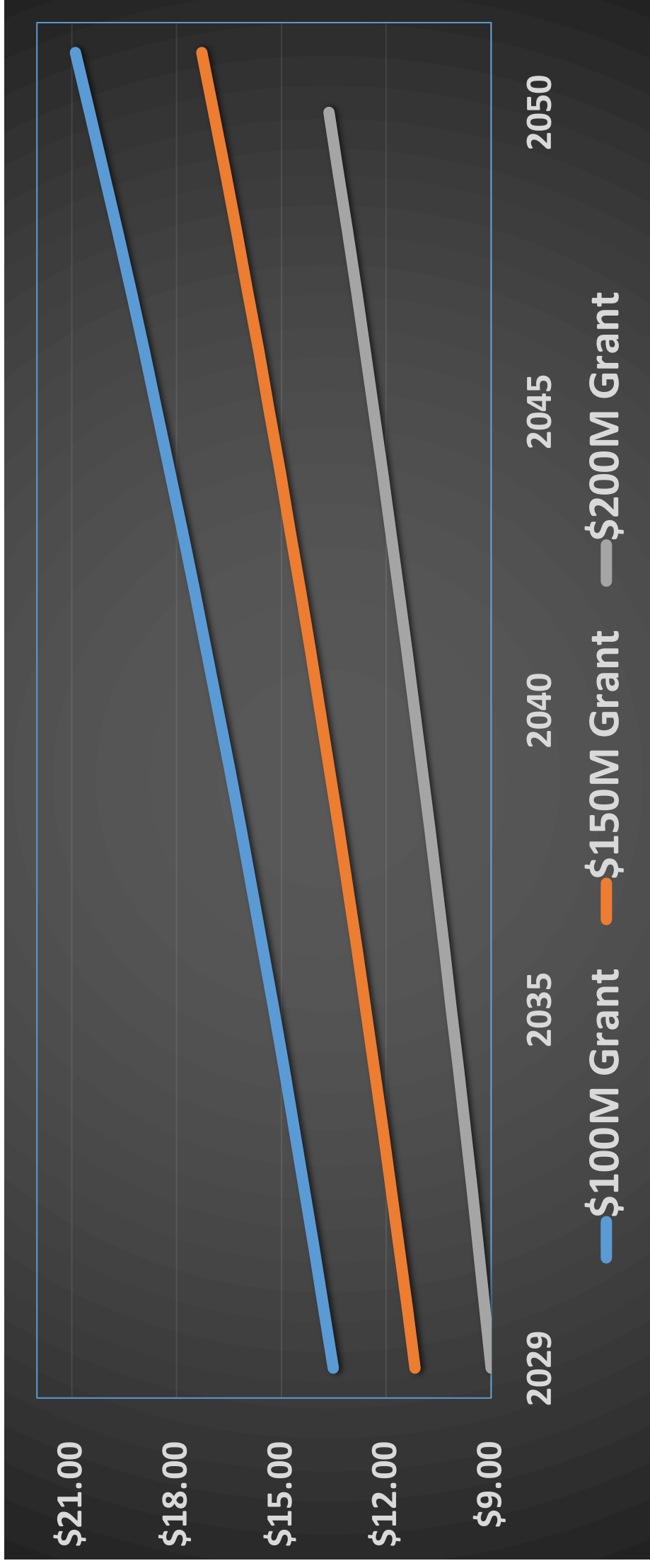
OPERATING REVENUE REQUIREMENTS



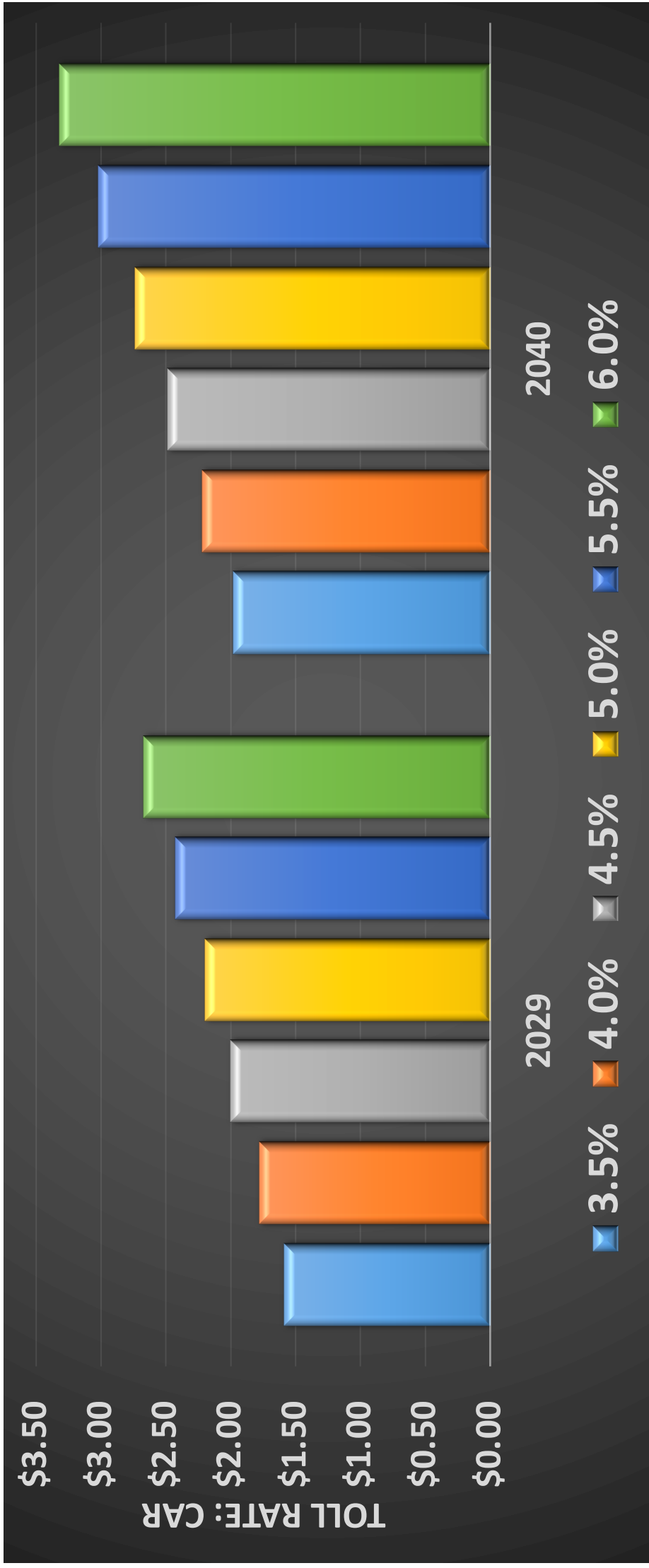
REQUIRED TOLL RATES FOR CONCEPT SCENARIOS: AUTO BREEZE BY RATE



REQUIRED BREEZEBY TOLL RATE FOR "AVERAGE TRUCK" "AVERAGE TRUCK" = 3 AXLES (BASED ON CURRENT COUNTS)



IMPACT OF “AVERAGE” INTEREST RATE ON TOLL RATE: \$200M GRANT - CAR BREEZE BY RATE



IMPACT OF "AVERAGE" INTEREST RATE ON TOLL RATE: \$200M GRANT - AVG. TRUCK BREEZEBY RATE

