

Port of Siuslaw

Draft Strategic Business Plan

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Prepared by Port of Siuslaw Commission & Staff
with assistance from
Business Oregon Ports Program &
Infrastructure Finance Authority

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Executive Summary

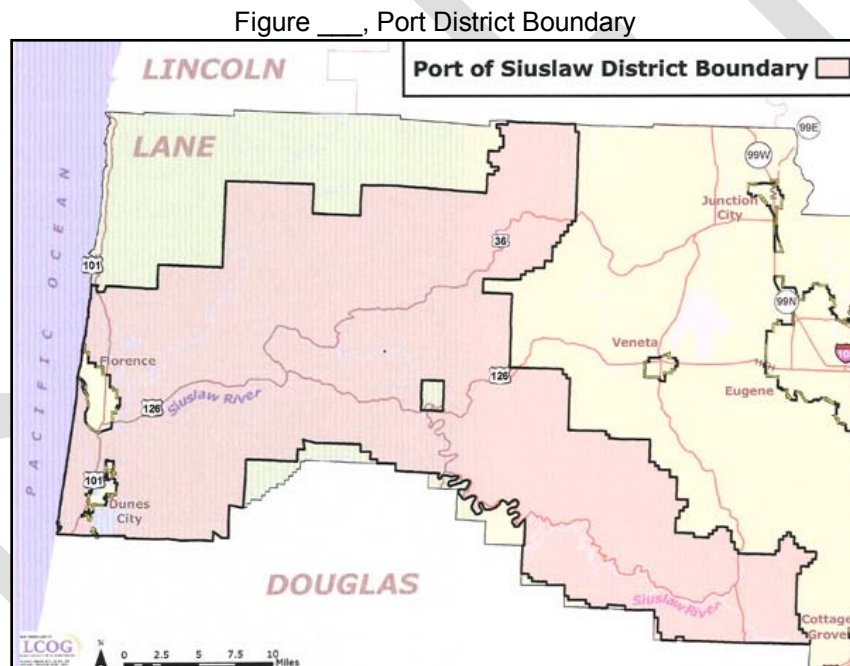
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According to Ports 2010: A New Strategic Business Plan for Oregon's Statewide Port System (Business Oregon Infrastructure Finance Authority, 2010), one out of six Oregon jobs is directly or indirectly tied to cargo, recreation, industrial, commercial or other activities at Oregon's ports. Port districts support thousands of family wage jobs and are a key component to sustaining the state's economy and quality of life. In wages alone, jobs related to Oregon's ports contribute over \$4.5 billion annually to the state's economy. Of the state's total employment of 1.6 million, ports supply 60,000 direct jobs, another 80,000 in indirect jobs, and an additional 120,000 in port-dependent jobs. The Ports 2010 report also notes the recreation value of port operations; in one year (2002), 18 of Oregon's 23 ports provided for over 700,000 recreation visits, resulting in \$75 million in trip spending and \$31 million in purchases of boat-related goods and services. Spending by port visitors resulted in \$109 million in sales, translating to \$41 million in wages and 1,670 jobs for Oregon's economy.

I. Port History & Mission

a. History: *Brief introductory statement summarizing when the Port was established and for what purposes (What prompted the formation of the Port?)*

The Port of Siuslaw was established in 1909—the first coastal port district authorized by Oregon Revised Statutes (ORS) Chapter 777. Oregon port districts were created to act as economic engines to promote trade and commerce within their service areas. The Port's boundaries were defined by the Siuslaw River watershed; the local economy at the time was based on fishing, canning and lumber. The Port district encompasses over 720 square miles in western Lane County, including the cities of Florence and Dunes City, the communities of Mapleton, Triangle Lake, Blachly, Swisshome, Deadwood, and unincorporated areas of Lane County. See Figure ____, Port District Boundary. The Port's base of operations is in Florence, five river miles from where the Siuslaw River meets the Pacific Ocean.



b. Mission Statement

“The Port of Siuslaw delivers high quality asset management and economic development services that enhance economic and community development for the district.” *have commission review to remove duplicate ec dev?*

Port Commissioners adopted this mission statement during the process of updating the current strategic plan. The mission reflects the Port's focus on creating and retaining jobs, as well as improving the quality of life for district residents. The Port of Siuslaw takes a broad view of economic development to include encouraging small

business and entrepreneurial growth, as well as business recruitment and expansion in relevant industries. Community development encompasses not only supporting sustainable business operations, but also ensuring adequate infrastructure to maintain an appealing, livable district and quality of life for residents. Promoting the natural environment, civic amenities and community aesthetics all support positive community development. Diverse recreational opportunities, high quality schools, accessible medical care—all of these elements, and more, are part of a healthy economy.

c. Overall Goals/ Strategic Objectives: *Brief thumbnails of the Ports overall goals for specific areas.*

The primary goal for the Port of Siuslaw is to promote economic and community development within the district. Objectives within this goal include:

- c.1. Marine Property & Facilities—Maintain and enhance waterfront marine facilities to expand tourism, recreation and business development; support safe ocean access for boaters; acquire/dispose of marine property to realize the Port's mission.
- c.2. Industrial Property—Expand economic development through planned industrial property acquisition, disposal and redevelopment.
- c.3. Aviation Property—Enhance transportation connections to promote business, tourism and recreation opportunities.
- c.4. Commercial Property—Improve economic development through deliberate commercial property acquisition, disposal and redevelopment.
- c.5. Recreational Property & Facilities—Maintain and improve the RV campground and related facilities to provide competitive amenities and increase revenue generation; acquire recreational property to further the Port's mission.
- c.6. Management—Employ best management practices for Port ordinances, policies and procedures, including emergency management protocols; ensure professional development and needed resources to allow Port staff and board to achieve the Port's mission.
- c.7. Financial—Actively pursue debt reduction and assure adequate financial reserves to accomplish future economic development services.
- c.8. Environmental—Collaborate with district entities to maintain good stewardship of the Siuslaw River estuary and promote sustainable operations.
- c.9. Community—Enhance district communities by supporting relevant industries and initiatives, such as tourism, recreation, fishing, Oregon wine, active transportation, art, and farm-to-table agriculture.

c.10. Marketing—Identify and implement specific marketing efforts to help achieve Port strategic planning goals.

d. Strategic Planning Process: *prepared using funds provided by OECDD and through a public process (describe).*

The Port began the process of updating its five year strategic plan in June 2012 with an all day special public meeting and long range planning session held in the upriver portion of the district near Lorane. Port staff and the Board of Commissioners, with the assistance of Business Oregon and the Ports Program, continued to work on the Plan over the next several months. The initial planning session, and all subsequent work, has been modeled on the strategic business plan template provided by Business Oregon. This Plan has been developed to meet the requirements of Business Oregon and to support the recommendations of Ports 2010: A New, Statewide Strategic Business Plan for Oregon's Port System.

The approach used in updating the Plan included a cooperative examination and assessment of Port assets, activities, condition and capacity, district needs and potential opportunities, and situational analyses. Parties involved in this examination and assessment included the Commission, staff, district business and community leaders, agency representatives, Port customers and tenants, and district residents.

An update was provided at the Commission's regular February 20, 2013 meeting and public input was invited regarding the Plan. In April 2013, a series of press releases and specific solicitations for public input were issued via online and print sources; over fifty requests were sent directly to district stakeholders, customers, and other agency partners. The 2013-18 Plan update was a listed agenda item at the Board's regularly scheduled monthly meeting on April 15, 2013, where public comment was accepted. Five detailed written comments and suggestions were received from members of the public in response to the solicitations. All input was reviewed and considered for inclusion in the plan. A draft Plan was included in the Commission's regular May 15, 2013 meeting packet. Review of the draft Plan was a listed agenda item and public comment was received.

Add summary of additional stages of public process for final draft.

II. Port Overview

The Port of Siuslaw promotes the commercial, industrial, maritime, recreational, tourism, and transportation sectors of the central Oregon coast regional economy. The district office is located in Historic Old Town Florence on the banks of the Siuslaw River. Port-owned facilities are located in Florence and Mapleton. See Figure ____, Location Map.

a. Port Description:

a.1. Operations, Facilities & Property: *What activities are the Port engaged in and what facilities does it operate and own? Describe and categorize property and facility types (marine, aviation, industrial, commercial, recreational, etc.)*

Currently, the Port of Siuslaw is primarily engaged in marine, industrial, commercial and recreational activities.

Marine facilities owned and operated by the Port and located on the Siuslaw River in Florence include: a 51 slip commercial and 53 slip recreational marina, both dredged in 2008; a 22,000 square foot (sf) commercial wharf renovated in 2013; a two-ton hoist located on the wharf; commercial forklift and workboat; a three-lane public boat ramp with 160' of transient vessel dock, and 240' of concrete boarding float installed in 2011; a 10,000 gallon capacity (4,000 gallon gas and 6,000 gallon diesel, above surface tank) marine fueling station; 500' of riverfront bulkhead underlying the boardwalk; and 758' of concrete transient vessel dock installed in 2009. A 50,000 cubic yard capacity, 500'x550', Dredged Material Disposal site (#19); 400' of riverfront bulkhead; and 875' of shear and debris booms are also owned and maintained by the Port in Florence. Two marine pumpout-dump stations are located on the docks, and funding for a floating restroom to be located on the river has been requested. In addition, the Port owns and operates a 140' transient vessel dock, public restroom and 12 space parking lot in Mapleton, approximately 15 miles upriver of Florence. In partnership with the Siuslaw Soil & Water Conservation District, the Port maintains the Siuslaw River Gauge in Mapleton.

The Port is also the local sponsor for maintenance of the federal navigation channel in the Siuslaw River by the US Army Corps of Engineers (USACE). An entrance channel into the Siuslaw, authorized at 18' deep and 300' wide, runs from deep water to river mile (RM) 0.2. From there, the channel is authorized at 16' deep and 200' wide, to the dock at Florence at RM 5.0. The channel widens at bends in the river. A turning basin opposite the dock is 16' deep, 400' wide, and 600' long. The turning basin was dredged to its authorized depth in 2010 by the Corps. From Florence, a 12-foot deep, 15-foot wide channel is authorized to river mile 16.5. At RM 15.8, the channel widens into an authorized turning basin 12' deep, 300' wide, and 500' long. Shoaling at the river entrance to the ocean usually requires dredging to 20'-22' to ensure the authorized depth of 18' between historically annual dredging operations. Annual costs for this entrance dredging ranged from \$600,000 to \$900,000. The entrance and south jetty shoals build during late winter and spring. The inside range and south turn shoals are affected more by river flood stages than by tidal action. In the past, a small hopper

dredge has removed material from the entrance shoals between April and October each year. As of 2013, no dredging has been authorized or is planned for the Siuslaw River. Shoals result from the river moving sand supplied by dunes to the south; in addition, shoaling results from movement of the river's normal bed load. Occasionally, when additional federal funding is available, the lower river, from RM 0.0 to the Highway 101 bridge near RM 4.8, is dredged by the same hopper dredge that works the entrance bar. This reach is supposed to be maintained to -12' mean lower low water (MLLW) to accommodate existing traffic. Estimated costs to return this section of the channel to its authorized depth exceed \$2.5 million. Removing shoals above the highway bridge with a hopper dredge is possible, but the lack of in-water disposal sites makes this dredging impractical. The channel above river mile 5.0 requires infrequent maintenance. A pipeline dredge last cleared the shoals at RM 5.5 and 6.0 in 1981. No dredging has been performed above that point since 1976. Some shoaling occurs from RM 5.0 to RM 16.0, but it has remained fairly constant and is not currently limiting traffic. The Siuslaw River jetties were built between 1893 and 1916, with significant extensions added in 1985, bringing the south jetty to a full length of 6,585' and the north jetty to 9,564'. Since that time, the south jetty has a total loss of 488' in length and the north jetty 499'. In 2011, USACE completed a Major Maintenance Report for needed repairs to the jetties. The cost estimate for the preferred repair plan is \$122 million.

Industrial land includes the Pacific View Industrial Park (PVIP), a 38-acre state certified shovel-ready site, located within Florence city limits three miles northwest of Old Town. This certification designates development could proceed within six months of acquisition for one of eight specified industry profiles. The Park is zoned light industrial and the Port is actively marketing this property for sale. The site is part of an enterprise and e-commerce zone and is fiber optic service capable.



Commercial facilities include the 0.71 acre Boardwalk property, comprised of a 28,000sf open grass space, the 585' boardwalk, and adjacent 199 space parking lot, all overlooking the river in Old Town. This property is one of the last open waterfront spaces in Florence and was developed for commercial application; however, recent input indicates some district residents prefer to keep the open space, with temporary usage for farmer's markets and similar events. The Port offers some leased parking in this lot. Additional commercial facilities include two leased restaurant buildings located on the wharf, one 6,000 sf and

one 5,000 sf; a 1,200 sf leased retail building (formerly the Port's district office) directly across the street from the wharf; a 5,000 sf leased retail/commercial building near the campground entrance; and rental of 60 covered storage units totaling 14,880sf.

Recreational facilities include a 102 site waterfront RV Campground, with a new 9,500sf, 12 site hiker-biker camp completed in 2013. The campground, located at the east end of Old Town Florence, includes public and camper-only restrooms and showers, new in 2011; a new laundry facility in 2012; RV dump station; car and boat wash; trails; gazebo; and a 75 space car and boat trailer parking lot. The 1,800 sf district office building also houses the campground and marina office, and a rentable 450 sf conference room. A 1,920 sf maintenance shop and 1,900 sf warehouse building are owned and used by Port staff. The Port owns and maintains two small pocket parks in Old Town, Anchor Park and Mariner's Plaza, as well as a 100 sf building which is used by the US Coast Guard Auxiliary and Oregon Department of Fish & Wildlife and is located adjacent to the boat ramp.

The Port owns a total of 38 parcels of real property. Please see Appendix ___, Port Property Inventory.

a.2. Revenue Centers: *What activities or facilities does the Port derive operational income from? Do those facilities generate enough revenue to cover their capital costs over time?*

Add photos of these facilities throughout. Use bullet points to break up and highlight points.

Sport fishing and recreation continue to be significant sources of revenue for the Port of Siuslaw, along with commercial lease activities. Operating revenue comes primarily from the campground and related activities (e.g. laundry, carwash), followed by lease income, marine fuel sales, and moorage, storage and parking fees. Minor operating income is generated from other use fees such as forklift operation.

The Port's campground facility appears to be generating sufficient revenue to cover its capital costs. The laundry building was recently replaced, including new equipment. Close attention to fee structures and value-added amenities—such as installing a vending machine to dispense laundry supplies—resulted in a revenue-positive process. Several improvements have been made in the campground in recent years, including upgrading electric service to 50amp and upgrading water/electric sites to full service. These customer-requested improvements resulted in increased customer satisfaction and enable the Port to continue to charge competitive rates.

Landlord activities generally appear to produce sufficient revenue to offset capital costs. The Port's retail/commercial buildings located on Bay Street and Harbor Street also appear to provide sufficient rent payments to cover long-term costs. The Bay Street building was the former Port office and several improvements were made to the property before it was leased. Port of Siuslaw management strives to find a sustainable balance between charging adequate

lease fees to pay for ongoing costs, while supporting small and emerging business growth within the district. The two restaurant leases on the Old Town Wharf present a more challenging financial picture. The timber wharf was built in 1966 and sustained significant damages in the intervening years due to fire, active use, and its location in the Siuslaw River waterway. The expected service life of the original wharf was 40 years. In 2013 the Port completed major repairs to the wharf to address structural deficiencies and provide an estimated additional service life of 30 years; cost of those repairs was \$1.8 million. Averaged over a thirty year span, that cost is covered by annual lease revenue from the two restaurants. However, the Port has received wharf replacement estimates of \$6 million. If the Port was successful in arranging financing to pay for that project, and presuming a 40 year service life as was the case for the original wharf construction, current annual lease payments would not cover that capital replacement cost. The Port is aware of this discrepancy and plans to negotiate future lease rates to help offset long-term capital costs. The Port is working towards full cost recovery in its operations. Temporary land and facility use fees (concessionaires, farmers markets) do not generate sufficient revenue to cover capital costs. Lease fees for the boardwalk area, for instance, cover some long-term costs such as replacement of the fire sprinkler system, but would not cover replacement of the entire boardwalk. The original boardwalk development/parking lot project was completed in 1998 at a cost of \$1 million.

Marine fuel sales do not currently provide sufficient revenue to offset capital expenses. The Port adds a small mark-up to the cost of bulk fuel but this increase is not enough to pay for expensive over-water fuel system replacement costs. Port management recognizes this shortfall and has taken steps to increase fuel price mark-up to help address this issue. Staff are also investigating other options, such as contracting the fuel sales and delivery system to an outside entity.

Moorage slip rentals appear to generate sufficient revenue to cover capital costs, particularly for the recreational marina. In 2012, replacement cost for one damaged concrete float, which provided three to four moorage slips, in the commercial marina was over \$11,000. If those three to four slips were rented throughout the year, moorage fees would cover the long-term costs. The challenge with the commercial marina is that it is not consistently occupied; the FY2014 budget proposes only \$12,000 in total revenue from commercial moorage. The recreational marina presents a more positive revenue scenario. In 1998, the Port reconstructed the recreational marina at a cost of \$450,000. Presuming a typical 40 year service life for new docks, moorage rate fees can cover capital replacement costs.

As noted in the Ports 2010 Plan, “Historically, ports and other quasi-public agencies are asked to provide services that were needed by society but were not profitable and therefore could not be provided by private enterprise.” Many Oregon port marinas charge rates that are sufficient to cover operations and maintenance costs, but few charge enough to cover facility replacement. Recent projects in the pacific northwest have demonstrated that moorage rates required to cover construction costs for marina docks and floats can amount to \$10 or

more per foot per month. In contrast, rates at port-owned marinas run approximately \$1 to \$6 per foot per month. “The moorage market on the Oregon coast and on the Columbia River is probably not strong enough to allow marina operators to raise rates to a level that would cover operating costs; however, these facilities are a key component to the local economy in many areas, and in order to preserve those economies the cost of replacing moorage facilities must be financed through tax revenues or grant programs.”

Transient vessel docks do not currently generate sufficient income to offset capital costs. The nature of transient vessels is that some visit just for the day and do not generate moorage payments under the Port’s current fee structure. Port management also weighs the economic value of providing easily accessible boat tie-ups for visitors to Historic Old Town Florence with the long-term costs of maintaining and replacing these facilities. In 2009 the Port completed replacement and expansion of the transient vessel dock that runs in front of the wharf, along with replacement of the landing from Bay Street that also serves one of the restaurant tenants on the wharf. The prior dock and landing had both deteriorated to the point that they had been closed for safety reasons. Total cost of this replacement facility project was \$2.2 million. This capital cost will not be covered by operating revenues for this facility.

Covered and outside storage rental revenues have not offset long-term costs. In addition, the Port is re-evaluating the use of its properties and the provision of covered and outside storage is no longer a core activity of the Port of Siuslaw. In 2013, the outside storage areas are planned to be removed to make room for expanded campground sites. Economic considerations and needs dictate that the Port be more financially self-sustaining. To that end, the Port plans to remove the indoor storage buildings, which have reached the end of their service life and would require substantial capital costs for replacement of the buildings. In their place, additional pull-through RV campsites would be installed, another amenity that has been frequently requested by customers. Port staff are in discussion with two different entities who may desire marine-related shop space on Port property. If those discussions bear fruit, the Port plans to retain a portion of one of the storage buildings and remodel it into rentable shop space.

Parking fees generated from the Harbor Street parking lot do not currently cover capital costs. In 2011, the Port had the Harbor lot resurfaced at a cost of \$32,000. Current parking fees in the lot are minimal, in part because of maintenance funding assistance received from the Oregon State Marine Board (OSMB). If fees are increased, parking lot maintenance grant assistance is reduced. Port management is presently evaluating the cost benefit of keeping fees low to retain the full percentage of Marine Board funding versus increasing fees to provide adequate revenue to cover long-term costs. Another consideration is that OSMB has, in the past, consistently offered grant funding for major maintenance and capital work on the parking lot. Those grants typically cover 75%-100% of project costs.

Up until 2013, no parking fees were charged for the Nopal parking lot specifically. Some revenue was generated from that facility as part of land use

fees for events held on the Boardwalk area, including rental of the parking lot for use by the carnival during the annual Rhododendron Festival. Port staff have recently evaluated and increased use fees charged for concessionaires on Port property. In addition, the Port has recently added new monthly parking rental fees to increase revenues from these lots with a goal of full cost recovery.

Miscellaneous fees for service are charged for items such as forklift and work boat operation by Port staff. Rates for these services have not been sufficient to cover associated capital costs for these services and equipment. However, equipment such as the forklift and work boat are also used by Port staff in day-to-day operations, such as deploying debris booms, removing debris from docks, and moving materials on Port property. This equipment is therefore employed in maintenance of other Port facilities, not just for direct customer fee-for-service work. Port management has been recently evaluating and increasing fees for service to more adequately cover long-term costs.

In general, revenue from Port activities and facilities, along with tax revenue, currently covers operational expenses, but not all capital costs. Grants and loans remain necessary to fund required capital maintenance and replacement costs to allow the Port to accomplish its mission. The Port continues to work towards a full cost recovery operation.

Add chart/graph illustrating which do cover costs??

a.3. Non-revenue activities: *What activities or facilities does the Port operate or own that don't generate income and/or require ongoing subsidies? Do any of those facilities or amenities contribute to revenues generated from other Port activities or facilities?*

As a local government, the Port of Siuslaw has ongoing operational costs that do not generate revenue. Examples of these activities include costs of complying with state, county and local rules, such as the public records and meetings laws, public contracting laws, local budget law, annual audits, and required Port employee and Commissioner trainings. In addition, the Port chooses to operate in a transparent manner and endeavors to make information readily available to district residents, resulting in costs for activities such as filming and web broadcasting of Commission meetings, operation of a website to provide electronic versions of meeting packets and minutes, budget documents, annual audits, strategic plans, and more. The Port also accrues costs for keeping the public informed of district activities, such as media postings, speaking engagements and attendance at meetings. Port Commissioners and staff also participate in local, regional, state and national organizations to collaborate on joint projects and find cost-efficiencies in sharing resources.

Some Port facilities do not currently generate direct revenue and are simply maintained for public use. As part of preparation of this Strategic Plan, Port management is evaluating each of these facilities to determine if there are ways they can be made to generate income, and if so, implement steps to accomplish that. If the evaluation reveals the facility or activity cannot feasibly be made to produce income, Port leadership will determine if the value of the facility/activity to district residents is high enough that it warrants continued

subsidizing of costs by other operations, or if the activity should be ended and/or the facility transferred, sold or donated.

In Historic Old Town Florence, the Port's boardwalk is one of the most notable and popular locations for both residents and visitors. The actual wood structure and the bulkhead beneath it generate no direct revenue for the Port, even though the boardwalk is heavily used. Concessionaire and ground use fees are issued for the grass area adjoining the boardwalk, but, due to concerns on maintaining safe pedestrian and emergency access, the boardwalk itself is not leased. Similarly, the Port's two mini-parks in Old Town Florence, Anchor Park and Mariner's Plaza, are operated as a public benefit for tourists and residents and generate no income to the Port. Providing trash and recycle services on the boardwalk and parks are also an ongoing expense, without an offsetting revenue source. The boardwalk, and parks, as adjacent open spaces next to the temporarily leased grass field can be considered to contribute to concessionaire and land use lease revenue generation.

The boat ramp is another example of a facility that does not generate direct income for the Port. There is currently no fee for using the boat ramp. A minimal (\$2) parking fee applies to the nearby Harbor Street parking lot which offers boat trailer parking. The Port is fortunate the Oregon State Marine Board has provided consistent financial assistance to maintain and upgrade the boat ramp, however, the Port accrues ongoing maintenance and capital costs for this facility with no offsetting income source. In 2011, Marine Board grants paid \$75,000 towards replacing the boarding float. The boat ramp can be considered to contribute to generation of Harbor Street parking lot fees, as well as potentially to moorage rental fees and campground fees.

Dredged Material Disposal Site #19, the Port's only directly-owned disposal site, is another facility that does not currently generate revenue. Once the dredged material that currently fills the site has dried sufficiently to allow disposal, this material may be sold. However, the Port is obligated to pay royalty charges to the state of Oregon on all material sold, resulting in reduced income from sale of the material.

The entire Mapleton facility does not generate any direct revenue. OSMB provides funding to help with maintenance costs, and, again, they have a history of assisting with grant funding for capital costs for the facility. However, the Port maintains the Mapleton transient vessel dock, landing, parking lot and restroom 365 days per year and it generates no income for the Port.

Operation of the Harbor Street public restroom does not generate direct income either, although, one half of the facility is designated for use by campground guests therefore some portion of the restroom operations could be considered to indirectly contribute to income generation from the campground. Providing restrooms/showers is an important amenity to offer to campers. Because of its proximity to the boat ramp, the Marine Board also provides annual funding for maintenance for the half of the restroom that serves the public, as well as a history of grant assistance for capital costs. In 2011, OSMB grants paid \$41,000 to help replace the facility. The restroom is one of the only public restroom/showers available at no cost in Florence and is used by a large number

of visitors, homeless and transient residents. In addition, the Port, via Marine Board maintenance assistance, subsidizes the cost of operating the City of Florence public restroom in Old Town.

The small building used by the US Coast Guard Auxiliary (USCGA) also does not generate revenue to the Port. Currently, maintenance on the building is paid for by the Auxiliary, although the Port pays for utilities and has, in the past, paid for both maintenance and capital upgrades to the building. The Auxiliary provides services for boaters, including free safety inspections. Oregon Department of Fish & Wildlife (ODFW) personnel are present during fishing season collecting catch data and providing information to fishermen. Because USCGA and ODFW are both providing no cost services to boaters and fishers, their use of this facility could be considered as indirectly contributing to moorage slip rental, as well as, potentially, campground site rental and Harbor parking lot fees.

As noted previously, the transient vessel dock in Florence generates some direct revenue for overnight moorage and a small amount for hoist fees and potential seafood sales, but also is used by day trip boaters at no cost. Port staff and Commissioners must weigh the economic value of providing boating visitors easy access to Florence businesses, with the expense of subsidizing capital costs for the facility long-term. Likewise, the landing at Maple Street that links pedestrian access in Old Town to marine access on the transient vessel docks, does not provide any direct income to the Port. However, it can be considered as indirectly contributing to both overnight moorage fees on the transient vessel dock, hoist fees, and the building lease for Mo's Restaurant on the wharf, since the landing provides access to Mo's back door and is their service and delivery entrance. The Maple Street landing was replaced as part of the overall transient vessel dock project in 2009; cost of the landing was approximately \$60,000. The landing had been closed prior to replacement due to deterioration of the structure and safety concerns.

Marine pumpout-dump stations also do not generate any income for the Port. Again, the Marine Board offers annual funding for maintenance assistance grants, as well as a consistent history of providing 100% grant assistance for capital costs for the two units. In 2011, OSMB grants paid \$22,000 to replace the boat ramp unit. Presence of the stations at the boat ramp and on the transient vessel dock could be considered as indirectly contributing to collection of moorage fees, as well as potentially Harbor Street parking fees, campground site rental fees, and vending at the boat wash.

Joint maintenance of the Siuslaw River Gauge (with the Siuslaw Soil & Water Conservation District) is an example of a facility that offers no revenue to the Port and is essentially provided as a service to upriver district residents. It is also an example of the Port's ongoing collaboration with other local government entities to accomplish a community-driven benefit.

The bulkhead that protects the Harbor Street parking lot and riverfront campground sites, as well as provides a stable site for the landing that links the recreational moorage basin docks to the shore, is another example of a vital facility that generates no direct income for the Port. This 400' structure was built

in ____ and is failing in several locations. The Port is actively seeking funding to help pay for capital repair/replacement expenses and this project is identified as a critical issue for the Port. The bulkhead is a classic example of underlying infrastructure that is essential for operations and safety, but does not generate income and is therefore difficult to adequately fund for maintenance and long-term costs. Presence of a safe and functional bulkhead can be considered to indirectly contribute to revenue generation by moorage slip rental, parking lot fees, marine fuels sales, and campsite rental fees.

Add chart/graph showing facilities that don't cover costs?

b. Port Resources:

b.1. Operational: *What net revenue does the Port derive from operations, both before and after depreciation is accounted for?*

According to the Port of Siuslaw audited financial report for FY 2011-12, operating revenues accounted for \$534,023. See Table ____, Operating Revenues & Expenses Past Five Years. Operating expenses before depreciation totaled \$714,495. Depreciation expense for the year was \$416,093, resulting in net operating revenues before depreciation of \$180,472 and net revenues after depreciation of \$596,565.

Table ____ Operating Revenues & Expenses Past Five Years

	2011-12	2010-11	2009-10	2008-09	2007-08
Operating Revenue	\$534,023	\$459,781	\$476,316	\$444,650	\$489,106
Operating Expense Before Depreciation	\$714,495	\$712,668	\$655,132	\$607,400	\$626,087
Depreciation Expense	\$416,093	\$370,056	\$248,669	\$247,847	\$200,041
Operating Expense After Depreciation	\$1,130,588	\$1,082,724	\$903,801	\$855,247	\$826,128
Net Operating Revenue Before Depreciation	(\$180,472)	(\$252,887)	(\$178,816)	(\$162,750)	(\$136,981)
Net Operating Revenue After Depreciation	(\$596,565)	(\$622,943)	(\$427,485)	(\$410,597)	(\$337,022)

As can be seen in Table ____, above, operating revenues amounted to an average of 72% of operating expenses, before depreciation, over the past five completed fiscal years. Depreciation has increased significantly, over 200%, because of the capital improvements the Port has made in that time. Over the past five years, operating revenues accounted for only 50% of operating expenses after depreciation.

In recent history, operating revenues for the Port have been insufficient to cover operating costs, and the Port has relied on grant/loan funding to help pay for capital projects. Port management is working to increase revenues to cover operating expenses, and, ideally, capital expenses. However, despite best practices and diligent attention to cost recovery, the Port does not believe it will be able to complete necessary large capital projects, for example repair of the

bulkhead, without grant/loan assistance. The bulkhead project is an example of the Strategic Plan guiding specific outside funding requests to allow the Port to accomplish its mission.

b.2. Non-operational: What tax or other ongoing non-operational revenues (timber receipts, Marine Board maintenance grants, FAA funds, etc.) does the Port receive? Are Port properties included in an Urban Renewal District generating monies for specific Port projects?

The Port's permanent tax rate is \$0.1474 per \$1,000 of assessed value. In FY2012, property tax payments amounted to 27% of total operating and non-operating revenues. Primary operating revenue sources for the Port are RV campground fees, commercial leases, fuel sales, and moorage and storage fees. See Figure ____, Revenue Sources FY2012 and Figure ____, Revenue Sources FY2008. **Not sure if this section is staying here**

Figure ____, Revenue Sources FY2012

Revenue Source	2011-12	
Property Tax Revenue	\$290,028	27%
Campground Revenue	\$240,097	22%
Grants	\$215,991	20%
Lease Revenue	\$161,342	15%
Fuel Revenue	\$60,195	6%
Moorage Revenue	\$50,199	5%
Storage Revenue	\$22,190	2%
Misc Revenue	\$32,270	3%
Total Revenues	\$1,072,312	100%

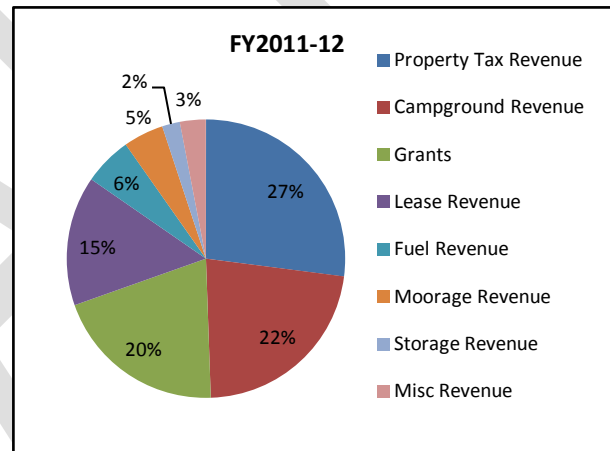
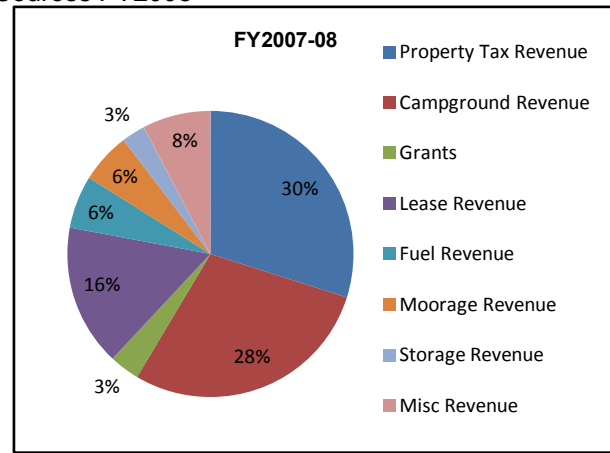


Figure ____, Revenue Sources FY2008

Revenue Source	2007-08	
Property Tax Revenue	\$234,580	30%
Campground Revenue	\$224,790	29%
Grants	\$26,858	3%
Lease Revenue	\$125,435	16%
Fuel Revenue	\$46,746	6%
Moorage Revenue	\$44,809	6%
Storage Revenue	\$20,959	3%
Misc Revenue	\$60,459	8%
Total Revenues	\$784,636	100%



Over the past five fiscal years, property tax revenues for the Port of Siuslaw ranged from 23% to 28% of total operating costs after depreciation, with an average of 26%. The Port's permanent tax rate is \$0.1474 per \$1,000 of assessed value. **Reference table; add addl lines to table below for clarity**

State forest sales revenue has been variable over the past five years, ranging from 1% to 3% of total operating costs.

The Oregon State Marine Board offers annual Maintenance Assistant Program grant funds to help with ongoing maintenance costs for Marine Board-funded facilities. These grant funds cover approximately half of the Port's operating costs for the eligible facilities and provide approximately 1% of total overall operating expenses for the Port.

While the City of Florence does have an Urban Renewal District which Port property taxes help fund, no monies from the Florence Urban Renewal Agency are designated just for Port projects.

Non-operating revenues for the Port have been increasingly impacted by debt service, due primarily to matching funds required for grant awards. Interest expense for FY2012 was \$73,482, up significantly from \$36,986 in FY2011. See Table ____, Non-operating Revenue Detail Past Five Years. This increase was due in large part to the \$601,000 loan acquired to complete repairs to the landing and transient vessel dock in Florence and the subsequent start of loan payments on that debt. The Port's current debt load is approximately \$1.6 million. See Table ____, Long-term Debt Summary on page ____.

Table ____ Non-operating Revenue Detail Past Five Years

	2011-12	2010-11	2009-10	2008-09	2007-08
Property Tax Revenue	\$262,014	\$256,204	\$248,660	\$240,089	\$225,314
State Forest Sales Revenue	\$28,014	\$23,079	\$14,589	\$25,153	\$9,266
OSMB Maintenance Grant	\$12,300	\$12,300	\$11,725	\$9,200	\$9,200
Other Grant Revenue	\$137,194	\$96,005	\$744,760	\$173,783	\$17,658
Interest Income	\$9,501	\$4,021	\$6,235	\$11,042	\$22,249
Interest Expense	(\$73,482)	(\$36,986)	(\$29,577)	(\$24,793)	(\$20,469)
Miscellaneous Income	\$22,769	\$40,300	\$24,143	\$15,368	\$11,843
Total Non-operating Revenue	\$398,310	\$394,923	\$1,020,535	\$424,689	\$275,061

The Port completed a comprehensive survey of all Port properties in 2013. Results of this survey revealed the Port owned 38 different properties, totaling over \$20 million in market value. Evaluation of the properties immediately determined nine of them were of no present or future value to the Port. The Commission has declared these nine properties surplus and they will be sold, traded or donated in coming years. Evaluation of the remaining properties will be completed and the Port expects several additional properties to be declared surplus. See Appendix ____, Port Property Inventory.

Table ____ Non-operating Revenue & Grants & Fixed Asset Sales

	2011-12	2010-11	2009-10	2008-09	2007-08
Non-operating Revenue (not including grants)	\$248,816	\$286,618	\$264,050	\$241,706	\$248,203
Total Grants	\$149,494	\$108,305	\$756,485	\$182,983	\$26,858
Total Non-operating Revenue	\$398,310	\$394,923	\$1,020,535	\$424,689	\$275,061
Gain on Sale of Fixed Assets	\$149,708	0	0	0	0

b.3. Outside sources: *What is the annual average of grant dollars the Port has received during the past 5 years and what have they been used for?*

During the past five fiscal years the Port has received \$1,169,400 in grant funds; an average of \$233,880 per year. During that same period the Port has taken on \$926,000 in additional debt. These outside source loan funds have been accrued to help pay for major capital projects, often to provide required matching funds for awarded grants. With the exception of one commercial bank loan for \$250,000, all loans are held by Business Oregon. See Table ____.

Show bar graph?

Table ____ Grants & Loans Received Past Five Years

	2011-12	2010-11	2009-10	2008-09	2007-08
Grants	\$137,194	\$96,005	\$744,760	\$173,783	\$17,658
Loans	0	\$601,000	0	\$325,000	0

Grant and loan funds have been used primarily to complete capital facility projects such as replacement of docks and marine infrastructure. Additional uses for these funds include maintenance dredging of marinas, tourism related projects, and completion of strategic plans. See Table ____.

Resize this table, row heights...

Table ____ Grant & Loan Purposes Past Five Years

FY2011-12			
Purpose	Grant Amount	Appropriation	Loan Amount
Replace boat ramp boarding float	\$75,000		
Harbor parking lot resurfacing & Replace pumpout at boat ramp	\$62,194		
TOTAL	\$137,194	0	0

FY2010-11			
Purpose	Grant Amount	Appropriation	Loan Amount
Wharf upgrades to allow installation of commercial ice machine	\$57,941		
Harbor parking lot resurfacing & Replace pumpout at boat ramp	\$24,384		
Tourism, brochures & advertising	\$7,500		
Tourism, web video	\$3,300		
Security cameras and lights	\$2,880		
Replace and upgrade Florence transient vessel dock, Maple Street landing, commercial hoist, wharf electrical service	0		\$601,000
TOTAL	\$96,005	0	\$601,000
FY2009-10			
Purpose	Grant Amount	Appropriation	Loan Amount
Replace and upgrade Florence transient vessel dock, Maple Street landing, commercial hoist, wharf electrical service	\$711,843	\$495,000	
Wharf upgrades to allow installation of commercial ice machine	\$31,163		
Tourism, web video	\$370		
Security cameras	\$1,384		
TOTAL	\$744,760	\$495,000	0
FY2008-09			
Purpose	Grant Amount	Appropriation	Loan Amount
Marina Dredging	\$154,115		\$75,000
2008-13 Strategic Plan	\$19,668		
Complete purchase of Industrial Park			\$250,000
TOTAL	\$173,783	0	\$250,000
FY2007-08			
Purpose	Grant Amount	Appropriation	Loan Amount
Establish Siuslaw Water Trail	\$15,659		
2008-13 Strategic Plan	\$1,999		
TOTAL	\$17,658	0	0

In addition to the grant projects detailed in Table ____, during the current fiscal year, 2013, the Port is completing major repairs to the Old Town wharf. This work is being accomplished with a \$1.5 million grant from the ConnectOregon III program of the Oregon Department of Transportation, along with matching loan funds of \$375,000 from Business Oregon via the Port Revolving Loan Fund.

Grant funds have averaged 26% of total operating expenses (after depreciation) over the past five years, with a low of 2% and a high of 84%. The high year occurred when the Port replaced the landing and transient vessel dock at a cost of \$2.2 million with grant/loan assistance from Business Oregon (the Port Revolving Loan Fund), the Oregon State Marine Board, US Fish & Wildlife Service, and the Clean Vessel Act, along with a federal transportation appropriation.

With the exception of the failing bulkhead along the waterfront, the Port's efforts to catch up with deferred maintenance and to complete major facilities repair/replacement are nearly complete. With the exception of bulkhead repair funding, the Port intends to structure revenues and manage expenses such that revenue will cover operating costs, as well as allow accumulation of reserves for future capital outlay. By policy, the Port sets aside a minimum of \$15,000 per year for future capital expenditures. One of the Port's financial goals for the next five years is an evaluation of how to better fund capital reserves; implementing an annual fixed percentage of net gain towards capital reserves is one idea to be considered.

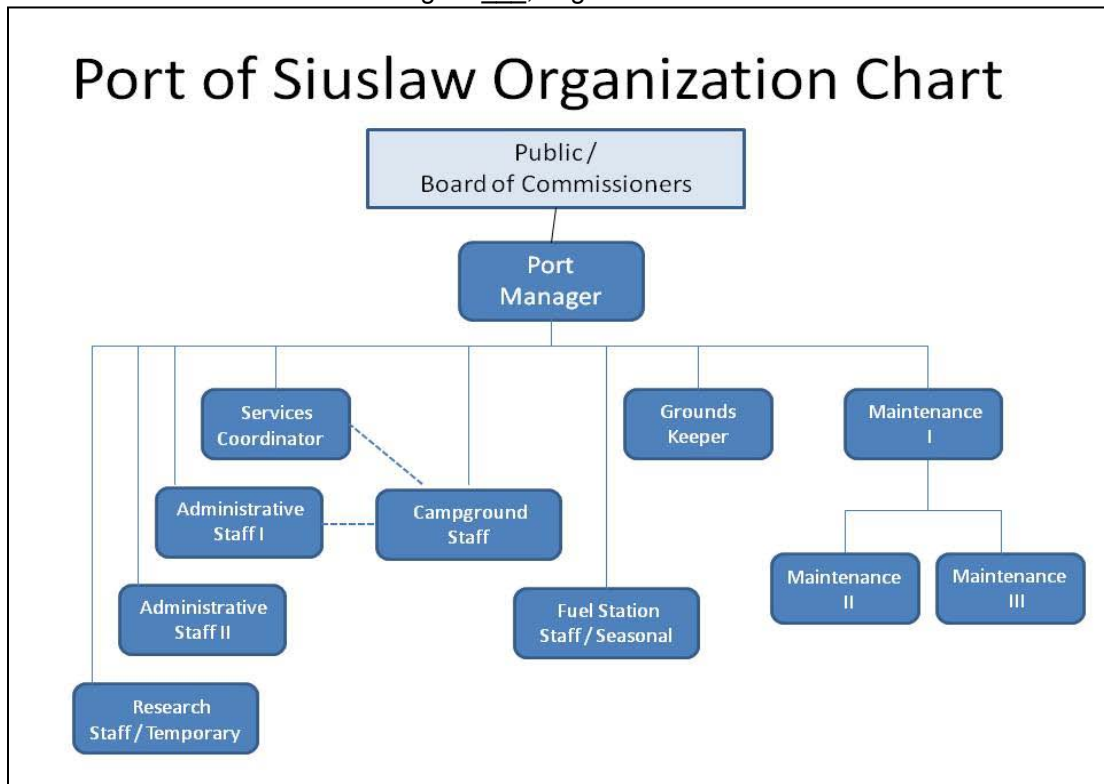
c. Port Policies and Procedures:

c.1. Operating procedures: *What is the management structure and what is the division of authority between management and the commission? All policies and procedures should support the Port mission statement.*

The Port of Siuslaw operates under a five member elected, volunteer Board of Commissioners. The Commissioners are responsible for setting policy, and for selecting and supervising the Port Manager. The Manager is responsible for day-to-day operations of the Port; for selecting and supervising the remainder of Port staff; the overall administration of the Port's fiscal matters and personnel policies; and the development, operation and maintenance of Port facilities.

Currently the Port of Siuslaw has eleven total staff members, approximately 8.5 FTE, including: a Manager, two administrative staff, a services coordinator, one campground office staff, one research staff, and five maintenance staff. See Figure ____, Organization Chart.

Figure ___, Organization Chart



The Board has adopted a Commission policy manual which covers the general operating procedures for the Board. The “Port of Siuslaw Commission Rules, Regulations, Duties & Responsibilities” document defines the primary responsibility of the Board as the formulation and evaluation of policy, with routine matters concerning the operational aspects of the District to be delegated to professional staff.

The Port also has a full set of adopted policies and ordinances to guide Commission and staff.

See Appendix ___ for Ordinances, Policies & Procedures List.

c.2. Governance: *Does the Port have established governances and what do they say about the division of authority, Commission conflict of interest, a requirement that the Commission follow proper procedures, and the a clear definition of fiduciary responsibility and conflict of interest? Include governances as an appendix to the plan.*

The Port Board has an adopted governance document: “Port of Siuslaw Commission Rules, Regulations, Duties & Responsibilities,” most recently revised in 2013. This document defines the role of Commissioners as public officials who must act in the best interests of the public and who are accountable

to the public through federal, state and local laws. The Commission Rules specify that Board members must operate under the general provisions for port districts and special districts established by the state of Oregon. The Rules further clarify that the primary duty of the Board is formulation and evaluation of policy and that routine operation of the Port is delegated to staff. Commission Rules note that the Board is responsible for monitoring the district's progress in attaining goals and objectives, while pursuing its mission.

The 24-page Commission Rules addresses the following topics:

- ❖ Rules & Regulations
- ❖ Rules of Conduct
- ❖ Compensation & Expenses
- ❖ Financial Disclosure
- ❖ Bonding
- ❖ Commission Liabilities
- ❖ Discretionary Immunity
- ❖ Conflicts of Interest
- ❖ Code of Ethics
- ❖ Harassment
- ❖ Commission Duties
- ❖ Commission Responsibilities

Specifically, the document notes that a Conflict of Interest can arise anytime a public official takes any action or makes any decision or recommendation, which can be perceived as giving benefit or detriment to the official or the official's relative, or a business with which the official or the official's relative is associated. The Commission Rules further stipulate that if a conflict of interest does arise, the official must announce publicly the nature of the potential conflict of interest before taking any action.

c.3. Commission: *Who's on the board, how long have they been on the board, and what are their backgrounds? Briefly restate what the governances require of Commissioners and what they're roles and responsibilities are. Have they undergone Board Training?*

The Port of Siuslaw Board of Commissioners is comprised of five elected officials. The four-year terms are staggered to allow continuity in Board service.

The present Board includes:

Position 1—John Buchanan. He has served on the Board since 2005 and, after a 50 year career as a firefighter, in May of 2013 announced his retirement from the Siuslaw Valley Fire & Rescue district where he has served as Fire Chief since 1996. Commissioner Buchanan resides in Florence and has been a public official for over 20 years. His current term ends June 30, 2013. Commissioner Buchanan completed board training through Special Districts Association of Oregon (SDAO).

Position 2—John Murphey. He was appointed to the Board in 2013 to fill a vacancy. He has served on a variety of elected and appointed boards for over

twenty years. Commissioner Murphey is co-owner of Coast Insurance Services Inc. and is a lifelong Florence resident. His current appointed term ends June 30, 2013. Commissioner Murphey completed SDAO and Lane Council of Government board trainings.

Position 3—John Scott. He has served on the Board since 2002 and retired in 2012 from a second career as a real estate broker, following a 35 year career in marketing/manufacture management. Commissioner Scott has served on a variety of elected and appointed boards for over ten years. He resides in Dunes City and his current term expires June 30, 2013. Commissioner Scott completed board training through SDAO.

Position 4—William Fleenor, Ph.D. He has served on the Board since 2011 and recently became a real estate broker following a varied career as a research scientist, inventor, educator, and business owner/CEO in packaging-manufacturing and technology services. Commissioner Fleenor has 12 years of service as an elected official, including four years as a county commissioner, along with service on a variety of local boards. He resides in Mapleton and his current term expires June 30, 2015. Commissioner Fleenor completed board training through both SDAO and the Association of Oregon Counties.

Position 5—Robert Thorp. He was appointed to the Board during his current term in 2012 to fill a vacancy, and also served on the Board from 2007-2010. Commissioner Thorp is retired following careers in law enforcement and human resources. He is a resident of Florence and his current term ends June 30, 2013. Commissioner Thorp completed board training through SDAO.

Add names of newly elected board? Delete repetitive info on Commission rules.

The Commission Rules document provides governance for the Board and defines the role of Commissioners as public officials who must act in the best interests of the public and who are accountable to the public through federal, state and local laws. The Commission Rules specify that Board members must operate under the general provisions for port districts and special districts established by the state of Oregon. The Rules further clarify that the primary duty of the Board is formulation and evaluation of policy and that routine operation of the Port is delegated to staff. Commission Rules note that the Board is responsible for monitoring the district's progress in attaining goals and objectives, while pursuing its mission.

All Port Commissioners complete new board member training, provided by Special Districts Association of Oregon or a similar authority, when elected to the Board, if they have not already done so as a result of prior board service. They are also provided copies of relevant Oregon Revised Statutes, the Oregon Government Ethics Commission guide, and the Port Commission Rules, along with copies of the Port's Strategic Business Plan and Adopted Budget. Board members are given the opportunity to attend trainings on Local Budget Law, Oregon Government Ethics rules, and other topics as desired. The Port also maintains a library of training materials, including SDAO's board member training, and Commissioners are encouraged to review these materials. Port staff arrange regular safety, human resources, ethics, and other trainings and

Commissioners are invited to attend. Funds are also budgeted for at least one Board member to attend the annual SDAO conference each year for continuing education.

c.4. Staff/Professional Development: *Identify organizational structure, key staff, how long they've been with the Port, and what they're professional background and expertise are. Talk about the Port's policy on professional development – both for staff and the commission – and identify as best you can professional development goals for key staff and the commission.*

The Port Manager is the supervisor for all other Port personnel, which currently includes two Administrative employees (one full-time and one part-time); a full-time Services Coordinator; a part-time Campground office employee; a temporary Research employee; a volunteer Camp Host; a part-time, seasonal Fuel Station employee; a full-time Groundskeeper; and three full-time Maintenance employees. The Manager has been with the Port since 2012 and has over twenty years of management experience in both the public and private sector. The two Administrative employees have been with the Port since 2007 and 2009, respectively, and have backgrounds in fisheries, grantwriting, human resources, and small business ownership. The Services Coordinator has been with the Port since 1999 and has filled multiple, increasingly responsible positions during that time. The Maintenance I employee has been with the Port since 2001 and has a background in construction.

Port management strongly believes in the value of professional development and has a history of scheduling regular trainings on a variety of topics. As training providers transition from in-person classes to more virtual options, the Port is also acquiring relevant training software for all employees. Board training software was acquired in 2012. Recent upgrades to the Port office conference room, including a 50" wall-mounted screen and computer interface, have been completed with the goal of making it an effective and accessible training venue for Board, staff and members of the public. Specific professional development goals for Port staff include basic supervision and human resources training for the Maintenance I staff; managerial, negotiation and procurement training for the Services Coordinator; and cash handling training for relevant employees. Professional development goals for the Commission include annual training/ refresher courses in elected official board training, governance, ethics, and public meeting law.

d. Financial and Market Conditions:

d.1. Competition: *What are the Port and the community's competitors (Other ports, other facilities, other communities or regions)? Do Port activities and facilities compete with private operations in the region?*

Competition for the Port district includes all other area providers of services and facilities which the Port offers; primarily other campground, moorage, fishing, and recreation providers. Specifically, the Port has identified the following competition for:

RV Campgrounds Other RV campgrounds in Florence such as Pacific Pines, B&E Wayside, Westlake Resort, Harbor Vista, Honeyman, and Three Rivers Casino.

Tourism Destination Other tourism destinations on the central coast such as Newport, Yachats.

Boat Launch Upriver launch sites such as Tiernan.

Moorage Winchester Bay offers vessel haul-outs. Upriver marinas such as C&D Docks, Siuslaw Marina; marinas on local lakes such as Westlake, Siltcoos Lake; other ports and marinas.

Industrial Land Development Other port districts with similar certified industrial lands.

Commercial Building Rental Real estate management companies, other local building owners.

Storage EPO Storage, other covered storage providers.

Laundromat 37th Street Laundry, other local providers.

Car wash—Car Wash & Shine, and other local providers.

Marine fueling Land-based fuel stations for customers with boats on trailers.

Energy generation Central Lincoln People's Utility District, potential wave generation companies.

Fishing Other central coast rivers and lakes; locations with closer ocean access.

Competitors for communities within the district include other cities and towns where new businesses and families may decide to locate, instead of within the Port district. Community competition also includes other attractions and locations seeking tourists and visitor-related revenues. For the wine industry, other wineries outside the district boundaries would be competitors seeking part of the same market share.

The Port can expect increased competition from the Three Rivers Casino & Hotel, operated by the Confederated Tribes of the Coos, Lower Umpqua and Siuslaw Indians, in the next one to two years. The Casino plans to double the number of hotel rooms, add a new restaurant and indoor aquatic center, and create a 60-space overnight RV park at their facility on Highway 126 just east of Florence.

Port of Siuslaw activities and facilities compete on a limited basis with private operations in the region. There are no other private RV campgrounds/ marinas on the Siuslaw River in Florence, however there are two others located upriver offering similar services. The Port's covered storage competes with at least one private RV/ boat storage business in Florence, but is not competitive with most private storage providers because the Port's units are gravel, without utilities, and not fully enclosed; the Port proposes to eliminate its covered storage during the period of this Strategic Plan. The Port's laundromat and car/boat wash compete marginally with local providers, although the laundry facility is small and has limited hours and the car/ boat wash is rudimentary.

d.2. Existing Markets: *What existing markets are served by the Port and communities facilities (Examples: recreational fishermen from Southern Oregon; local manufacturers looking to expand; small footloose manufacturers looking to relocate from high cost locations; retirees from California, etc.)*

The Port of Siuslaw and its facilities serve the following existing markets:

- Tourism & Eco-tourism
- Recreation (hiking, cycling, camping)
- Sport fishing (river and ocean)
- Recreational boating (motorized & paddle)
- Tour boats
- Marine Research (surveying, monitoring)
- Charter/ Guide fishing
- Commercial fishing (boutique fishery)
- Light industrial & commercial business creation/ expansion/ relocation.

According to Port of Siuslaw records, most Port visitors and facility users (approximately 80%) come from the Pacific Northwest and the west coast, with Oregon visitors predominating, and Willamette Valley visitors comprising the largest segment within Oregon. An additional 10% of visitors/ users come from throughout the nation, and approximately 10% of the Port's customers come from outside the United States.

Existing markets not served by Port-owned or operated facilities, but served by other businesses within the Port district include:

- Timber & value-added forest products
- Non-marine transportation (aviation, railroad)
- Real estate
- Injection molding, precision machine shop, tool & die, specialized plastics
- Farm-to-table and niche agriculture
- Oregon wine & craft beer
- Medical & healthcare
- Retiree relocation—In 2004, *USA Today* announced Florence was named the best place to retire in the US, according to Retirement Places Rated.

Like most Oregon coastal ports, the Port of Siuslaw is a designated harbor of refuge for vessels in need of assistance due to severe weather or other urgent situations. While the Port is not often called upon to act in this capacity, appropriate facilities need to be available to fulfill this obligation when needed. Typically, the Port's transient vessel dock in Florence has been used for this purpose.

As noted in the Oregon Ports Plan, even though a port district may not directly own or operate a business, they are catalysts for economic growth in the communities by encouraging development within the district, partnering for community improvements, and supporting cities and other entities to foster economic development. For instance, the Port of Siuslaw does not own a hotel, but the Port's activities directly impact occupancy for district lodging through

support of community events such as the annual Rhododendron Festival which includes a carnival placed in the Port's Nopal parking lot.

d.3. Port Resources & Financial Condition: *What are the Port's resources (operational surpluses, staff capacity) and assets (industrial land, buildings, other facilities) and what is the trend in the Port's financial condition and capacity?*

Port of Siuslaw resources appear stable. Cash reserves average \$275,000 between the Port's money market and checking accounts. This amounts to approximately a four to five month operating reserve. Over the past five years, through conservative budgeting and attention to expenses, the Port has expended only 50% to 90% of budgeted expenditures, allowing for year-end surpluses of \$150,000 to \$328,000. Staff capacity is presently adequate and is increasing through recent management focus on professional development, training and restructuring.

Assets of the Port of Siuslaw include the Port office building, shop and storage buildings, leased buildings, marine and land-based facilities, the industrial park land, equipment, vehicles, and inventory. Total assets for FY2012 were \$6,390,799. Port assets also include the recently inventoried 38 pieces of Port-owned real property with a 2012 total assessed value of \$10.3 million and market value of \$20.7 million.

Port liabilities are primarily from long-term debt, as well as deposits being held, payroll liabilities and deferred revenue from upcoming campground reservations.

The Port currently has five loans being repaid, with a sixth being drawn on in 2013 with payments expected to begin in FY2014. See Table ___, Long-term Debt Summary. These low-interest loans have been acquired to provide matching funds for grant awards to complete necessary infrastructure repairs and replacements, as well as improvements for economic development. The Port has a history of successfully leveraging funds to accomplish needed projects; in 2005 the Port completed repayment of a \$150,000 loan from Business Oregon to complete parking lot and RV campground improvements, and in 2009 the Port repaid a \$103,000 loan from Business Oregon, acquired to upgrade the commercial docks.

Table ___, Long-term Debt Summary

Loan Number - Purpose	Initial Balance	Balance on 6/30/12	Annual Payment	Year Ending
#040130 - Nopal Development	\$330,866	\$106,486	\$29,456	2016
#L0004 - Boardwalk Development	\$189,139	\$141,298	\$15,961	2025
#1000214241 - Industrial Park	\$250,000	\$250,000	\$11,280	2013
#524016 - Marina Dredging	\$75,000	\$70,218	\$5,876	2029
#040186 - Transient Vessel Dock	\$601,000	\$576,644	\$46,400	2031
#525196 - Wharf Repairs	~\$375,000	n/a	\$29,940	~2033

The oldest of the outstanding loans (#040130) dates to 1995 when the Port borrowed \$330,866 from Business Oregon to help complete the commercial dock and business site development project, better known as the boardwalk project. This project created the Nopal parking lot, the to-be-developed commercial space, the seawall and boardwalk, and renovated the commercial marina. The second loan (#L0004) is from 2000, also from Business Oregon, an additional \$189,139 was borrowed for the balance of the boardwalk project. The third outstanding loan (#1000214241) was accrued in 2008 in the amount of \$250,000 from Siuslaw Bank to complete purchase of the 38 acre Industrial Park land from Lane County. This five-year, interest-only loan comes due in calendar year 2013 and the Port will need to repay or refinance it at that time. In 2009 the Port completed dredging of its marinas for the first time in over twenty years and accrued an additional loan (#524016) of \$75,000 to accomplish this needed maintenance dredging. In 2011, the Port acquired a loan (#040186) of \$601,000 from Business Oregon to complete replacement of the transient vessel dock and landing, along with a new hoist and utility upgrades on the wharf. And, in 2013 the Port began drawing on a new loan (#525196) from Business Oregon to provide matching funds for the grant award to complete renovation of the Old Town wharf. That loan amount is expected to be \$375,000.

The Port's permanent tax rate is \$0.1474 per \$1,000 of assessed value. In FY2012, property tax payments amounted to 27% of total operating and non-operating revenues.

The Port's overall financial condition is stable. In spite of increasing liabilities, net assets have increased 19.7% since FY2008 and have shown steady growth, as reported in the Port's annual audited financial statements. See Table ___, Assets & Liabilities Past Five Years. One of the priorities of this five year plan is to address debt consolidation and repayment. Revenue bonds are one idea under consideration to fund projects needed in the future to help the Port achieve its mission. These bonds would be repaid through revenues generated by the facility improvements.

Table ___, Assets & Liabilities Past Five Years

Year	Assets	Liabilities	Net Assets
2011-12	\$6,390,799	\$1,266,290	\$5,124,509
2010-11	\$6,414,333	\$762,133	\$4,691,857
2009-10	\$5,588,269	\$668,392	\$4,919,877
2008-09	\$5,011,137	\$697,582	\$4,313,555
2007-08	\$4,706,155	\$425,895	\$4,280,260

III. Defining the Problem

-- Intent is to tie the Port's development efforts to the economic needs and opportunities of the communities they serve.

a. District Demographic Profile (Income, Poverty, Education, etc.): *Most of this information can be obtained from the Oregon Employment Division's Regional Profiles and from the underlying Census data.*

The Port of Siuslaw district covers over 720 square miles in rural, western Lane County. It includes the cities of Florence and Dunes City, as well the communities of Mapleton, Triangle Lake and unincorporated areas of the County. The southerly district boundary is at the Lane-Douglas County line and the northerly boundary is near Heceta Head on the Oregon coast. Inland, the boundaries extend as far as Horton to the northeast, near Noti and Vaughn to the east, and continue southeast to just outside of Cottage Grove, encompassing the Lorane area.

For purposes of determining demographic data, the Port district is comprised of six US Census County Divisions (CCDs): Dunes City, Florence, Middle Siuslaw River-Triangle Lake, North Siuslaw, South Siuslaw, and Upper Siuslaw CCDs. Of these, approximately 80% of the North Siuslaw CCD and 95% of the Middle Siuslaw CCD are included within the district boundaries. The remaining four CCDs are fully within the Port's boundaries.

Florence is the largest city within the district; its population accounts for approximately one-fourth of the district's estimated 32,000 residents (Census ACS 2005-2011 data). See Table ____, District Demographics.

A review of the data illustrates one of the most notable characteristics of the population of the Port of Siuslaw district—its age. Based on a weighted average from the Census county divisions, the median age of district residents is 57, compared to 38 for both Lane County and Oregon state residents, and 37 in the US. The district also has a significantly higher percentage of individuals age 65 and older, compared to County or state levels. Florence has been named a top retirement location in the nation on multiple occasions in the past ten years.

Table ____, District Demographics

	Population	Median Age	Percent of Population Age 65+	Per Capita Income	Percent Individuals w/ Income Below Poverty	Percent Individuals Age 25+ with at least HS Diploma
City of Florence	8,364	60.2	39.2	\$25,163	12.5	90.5
Lane County	349,832	38.6	14.8	\$24,105	17.4	90.3
Oregon	3,801,991	38.2	13.7	\$26,561	14.8	88.9
Dunes City CCD	2,514	57.1	31.7	\$29,530	7.4	92.5
Florence CCD	12,337	57.9	36.9	\$23,565	14.1	90.2
Middle Siuslaw River- Triangle Lake CCD	1,919	52.3	19.9	\$20,804	21.3	86.1
North Siuslaw CCD	11,961	59.6	37.0	\$23,301	11.1	89.4
South Siuslaw CCD	2,512	55.4	28.9	\$26,289	9.2	89.8
Upper Siuslaw CCD	1,587	46.1	16.3	\$22,207	11.5	90.9

(US Census, American Community Survey, 2007-11 & 2005-9)

There is less racial and ethnic diversity in Florence than in Lane County, the state, or the nation. The population in Florence is 93% White, versus 91% in the County, 89% in Oregon and 78% nationwide (Census ACS 2007-11). Percentages of Hispanic/ Latino residents in Florence (5%) are also lower than in the County (8%) or the state (12%).

Per capita incomes in the Port district overall (\$23,963), are somewhat lower than County (\$24,105) or state (\$26,561) incomes, and significantly lower than the US per capita of \$27,915. Individual poverty rates in the district average 12%, compared to 17% in Lane County and 14% state and nationwide. Median household income for the City of Florence is \$35,692, compared to \$42,621 in the County, \$49,850 in Oregon, and \$52,762 nationwide.

Basic educational attainment in the district is similar to regional levels. Within the Port district and Lane County, approximately 90% of residents age 25 and older have at least a High School diploma; statewide the rate is 89%, and nationwide it is 85%. For more advanced education, City of Florence residents lag behind regional levels. Only 13% of Florence residents age 25 and older have a Bachelor's degree or higher, compared to 17% in the County, and 18% in Oregon and the US (Census ACS 2007-11).

Because of limitations in Census data collection at the county division level, it is difficult to accurately compare district population over time. However, the City of Florence population increased 15% from 2000 to 2011, compared to 8% at the County level and 11% in Oregon. See Table ____, Population Change 2000-2011. Dunes City increased 5% during that same period.

Table ____, Population Change 2000-2011

Population	2000	2011	Number Change	Percent Change
City of Florence	7,263	8,364	1,101	15.2%
Dunes City	1,241	1,309	68	5.5%
Lane County	322,959	349,832	26,873	8.3%
Oregon	3,421,399	3,801,991	380,592	11.1%

(Census 2000 and ACS 2007-11)

The change in median age for Florence over the past ten years is also noteworthy; an increase of almost five years. See Table ____, Median Age Change 2000-2011.

Table ____, Median Age Change 2000-2011

Median Age	2000	2011	Percent Change
City of Florence	55.8	60.2	7.9%
Lane County	36.6	38.6	5.5%
Oregon	36.3	38.2	5.2%

(Census 2000 and ACS 2007-11)

Overall, the population of the Port district is growing at a steady rate, and aging at a faster than average rate. The Florence area, in particular, has a high preponderance of retired persons, with those accompanying characteristics

b. District Economic Profile (Workforce, Unemployment, Key Industries): *Most of this information can be obtained from the Oregon Employment Division's Regional Profiles.*

Related to its older than average population, the Port district has a much lower percentage of its population, age 16 and older, in the workforce; an estimated 43%, versus 61% for Lane County, 64% for state and national levels. See Table ____, Labor Force Data. The City of Florence has just 35% of its eligible population in the labor force. Total estimated labor force in the district is 27,055.

Table __, Labor Force Data

Location	Total Estimated Labor Force	Percent in Labor Force	Percent Unemployed	Key Industry Sector
City of Florence	-	35.2%	6.5	Arts/ Entertainment/ Recreation/ Accommodation & Food Services
Lane County	-	61.1%	10.4	Educational Services/ Healthcare & Social Assistance
Oregon	-	64.1%	9.8	Educational Services/ Healthcare & Social Assistance
Dunes City CCD	2,137	40.6%	3.6	Educational Services/ Healthcare & Social Assistance
Florence CCD	11,244	42.6%	6.4	Arts/ Entertainment/ Recreation/ Accommodation & Food Services
Middle Siuslaw-Triangle Lk CCD	1,661	51.8%	13.7	Educational Services/ Healthcare & Social Assistance
North Siuslaw CCD	10,880	39.3%	7.8	Educational Services/ Healthcare & Social Assistance
South Siuslaw CCD	2,155	45.7%	3.4	Educational Services/ Healthcare & Social Assistance
Upper Siuslaw CCD	1,237	61.0%	13.9	Educational Services/ Healthcare & Social Assistance

(US Census, American Community Survey, 2007-11 & 2005-9)

Unemployment rates within the Port district vary considerably by area, according to Census data, with an overall estimate of 7% for the six CCDs, compared to 10% in both Lane County and the state of Oregon (ACS 2007-11 data). More recent Oregon Employment Department data for Lane County shows County unemployment rates are similar to state rates, and both are consistently higher than national rates. See Table __, Unemployment Rates 2000-12. Data for 2013 match this same pattern, with April 2013 unemployment rates in Lane County and Oregon both at 8.0% and the US rate at 7.5%.

Because of the influence of Eugene/ Springfield on the Lane County data, it may also be useful to consider unemployment rates for the coastal counties to the north and south of the Port district. Rates for both Lincoln and Coos Counties are typically higher than those reported for Lane County.

Table ___, Unemployment Rates, Seasonally Adjusted, 2000-12

Year	Lane County	Lincoln County	Coos County	Oregon	US
2012	8.6	9.3	10.7	8.7	8.1
2011	9.5	9.9	11.4	9.6	8.9
2010	11.1	10.6	12.5	10.7	9.6
2009	12.2	10.4	12.8	11.1	9.3
2008	6.7	6.6	8.2	6.5	5.8
2007	5.2	5.5	6.6	5.2	4.6
2006	5.4	6	6.8	5.3	4.6
2005	6.2	7	7.6	6.2	5.1
2000	5.4	6.5	7.4	5.1	4

(OR Employment Dept, Local Area Employment Statistics)

Current key industry sectors within the Port district reflect the changes in the regional economy. Based on workforce estimates (Census ACS 2007-11), healthcare and education are the primary employers in the district, followed by the tourism-related fields of entertainment, recreation and lodging. The top five industry sectors for the district are:

1. Educational services/ Healthcare & Social Assistance
2. Arts/ Entertainment/ Recreation/ Accommodation & Food Services
3. Retail Trade
4. Construction
5. Professional/ Scientific/ Management/ Administrative & Waste Management Services

City of Florence industry employment aligns with the district. See Table ___, Industry Employment City of Florence.

Table ____, Industry Employment, City of Florence

2011 All Industry Establishments within Florence City Limits			
	Establishments	Avg Employment	Total Payroll
Total	383	3,340	\$ 100,678,274
Agriculture, Forestry, Fishing & Hunting	3	4	\$ 95,225
Utilities and Construction	29	109	\$ 4,908,436
Manufacturing	9	44	\$ 1,196,683
Wholesale Trade	12	19	\$ 832,820
Retail Trade	70	662	\$ 15,192,114
Transportation and Warehousing	5	50	\$ 1,615,310
Information	13	95	\$ 2,611,837
Finance and Insurance	16	118	\$ 4,212,717
Real Estate and Rental and Leasing	28	92	\$ 1,806,804
Professional and Technical Services	20	48	\$ 1,489,561
Management of Companies and Enterprises	3	20	\$ 811,854
Administrative and Waste Services	15	128	\$ 2,608,524
Educational Services	4	147	\$ 6,131,999
Health Care and Social Assistance	39	898	\$ 40,439,939
Arts, Entertainment, and Recreation	5	74	\$ 896,187
Accommodation and Food Services	62	600	\$ 8,118,115
Other Services (religious orgs, non-profits, car re	44	150	\$ 3,162,559
Public Administration	6	83	\$ 4,547,590

(Oregon Employment Department, Labor Market Information)

As part of this strategic planning process, Port Board and staff identified the following industries as occurring within the district and the surrounding region:

- Agriculture
- Alternative Energy Generation (wind, wave, solar)
- Arts
- Land Development
- Lodging/ Hospitality (including restaurants)
- Natural Resource Extraction (Lumber/ Wood Products, Gravel/ Rock).
- Recreation (hiking, cycling, boating, ATV)
- Retirement
- RV Maintenance/ Repair/ Retail Support
- Sport & Commercial Fishing
- Telecommunications
- Tourism
- Transportation (air, water, surface)
- Utilities
- Viticulture & Wine making

Top employers in the district are _____. Three Rivers Casino & Hotel (~500 employees)

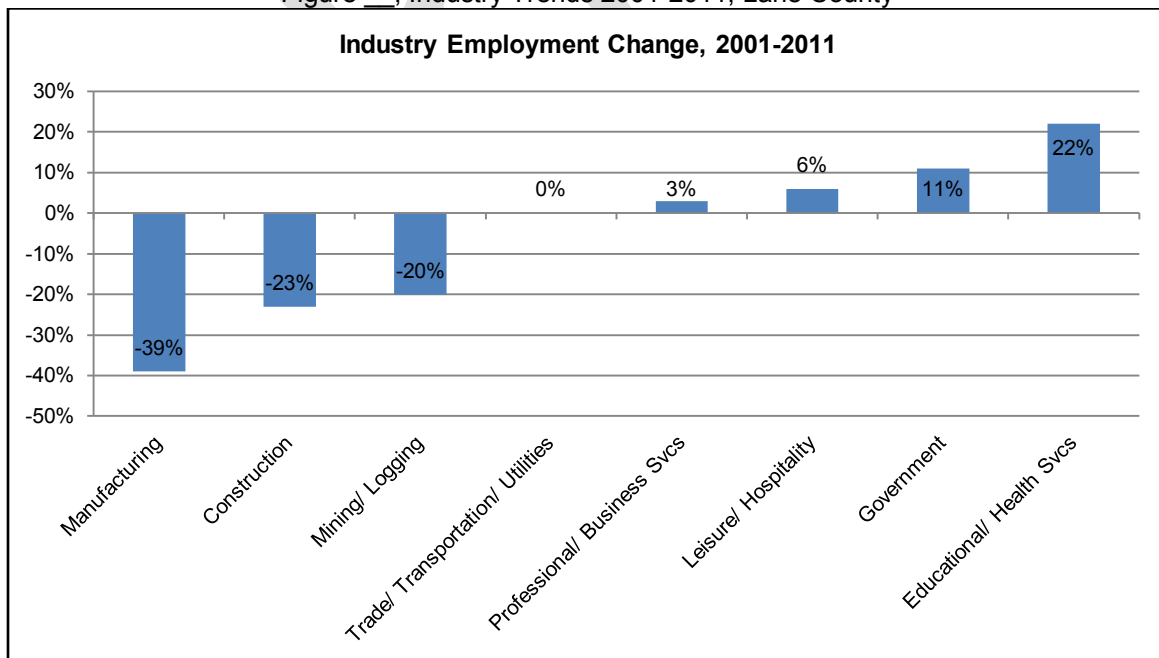
c. Trends for Regional Key Industries, State & National Industries: *Which industries are growing, which are mature (flat) and which are declining.*

Based on workforce estimates (Census ACS 2007-11), healthcare and education are the current primary industries in the Port district, followed by the tourism-related fields of entertainment and recreation. This contrasts with the Agriculture/ Forestry/ Fishing & Hunting/ Mining sector which had approximately 15% of the employees attributed to the more active sectors. The manufacturing sector included approximately 25% of the employees of the leading sectors in the Port district.

Lane County's key industry sectors closely aligned with the district; healthcare/ education was number one, followed by retail, manufacturing, tourism-related, and professional. Oregon and the US both had the same top three industry sectors as the County, with professional and tourism-related sectors alternating places for positions four and five.

In comparison, 1998 data from the Oregon Employment Department (OED) showed Lane County's principal industries were agriculture, education and tourism. A compilation of industry sector employment data between 2001 and 2011 by OED shows the largest declines occurred in manufacturing (-39%), construction (-23%), and mining/ logging (-20%) over the ten year period. See Figure __, Industry Trends 2001-2011, Lane County. Within the industry title of manufacturing, durable goods decreased 46%, wood products manufacturing decreased 46%, and transportation equipment manufactured dropped 77%.

Figure __, Industry Trends 2001-2011, Lane County

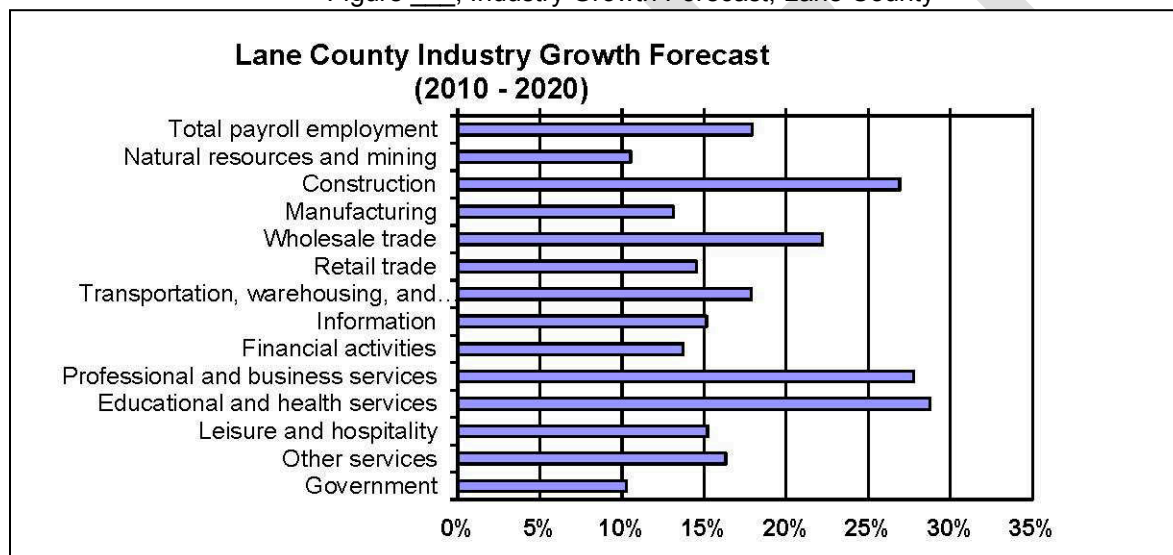


(Oregon Employment Department, Workforce & Economic Research)

Within that same ten year period, educational/ health services showed the largest employment increase (22%), along with government (11%), and leisure/ hospitality (6%). Under the educational/ health services category, healthcare alone increased 26%. The trade/ transportation/ utilities sector showed 0% change between 2001-2011, although within the sector, retail trade decreased 1% overall while general merchandise/ clothing stores, and food/ beverage stores both increased 2% and 5%, respectively. The professional/ business services category grew by 3% overall, while the administrative/ support services subcategory increased 18%.

For Lane County between 2010-2020, the Oregon Employment Department forecasts the largest growth in educational/ health services, followed by professional/ business services, and construction. See Table __, Industry Growth Forecast, Lane County.

Figure __, Industry Growth Forecast, Lane County



(Oregon Employment Department, Labor Market Information)

For the state of Oregon, all major industries are forecast to expand this year (Oregon Office of Economic Analysis, Oregon Economic Forecast, May 2013). Educational/ health services is expected to show the most growth, followed by professional and business services. Leisure and hospitality are also forecast to increase significantly, along with trade, transportation, and utilities; the public sector is expected to grow slightly, particularly in local k-12 education. Overall employment levels will still remain depressed following the recession, even though construction activity and tourism are both improving. Paper manufacturing, publishing, telecommunications, and utilities are all forecast to lose employment (OED, Employment Projections by Industry and Occupation 2010-2020).

On a national level, healthcare/ social assistance is forecast as the fastest growing industry, followed by professional/ business services (US Bureau of Labor Statistics Employment Projections, 2012). Construction and financial activities sectors are also forecast to grow significantly. The housing market is improving nationally, statewide and locally. Nationally, the most rapidly declining industries are manufacturing, transportation/ warehousing, and mining.

The 2010 Oregon Ports Plan refers to the following primary defined market areas for port districts:

- Tourism & Recreation (marinas, boat launch, parks, sport fishing, tour boats, pleasure craft, RV parks, eco-tourism)
- Marine Transportation (shallow draft cargo)
- Non-Marine Transportation (aviation, railroad)
- Land Development & Use (economic development facilitation, marine oriented industrial, dry land industrial, water oriented commercial, seafood processing)
- Other marine facilities/ services (commercial fishing)

Of these market areas, the Port of Siuslaw anticipates growth in Tourism & Recreation, Non-marine Transportation, and Land Development & Use over the next five years. The Port expects flat activity in commercial fishing and continued declining activity in Marine Transportation.

The Port anticipates a continuing change in focus from ocean fishing to river fishing as successful management of fisheries increases available river seasons, in conjunction with uncertainties regarding maintenance dredging at the river mouth which is necessary to ensure reliable ocean access. Recreation and tourism are growing local and regional industries and will be an increasing focus for the Port, both for the RV campground, hiking and cycling, as well as for boating and sport fishing. Increasing growth in charter, tour and guide boat businesses is also expected. According to the Oregon State Marine Board 2010 Triennial Survey, the Siuslaw River is the 15th most used waterway in the state, up from #19 in the 2008 Survey. Boaters reported 36,503 boat use days (the number of days a boat was used on the waterway) in 2010 on the Siuslaw River. In 2008, 26,028 boat use days were reported; a 40% increase. The Port continues to work with the City of Florence and other entities to promote the district as a tourism destination, with an emerging focus on eco-tourism.

Along with tourism expansion, related growth in service industries is anticipated.

Marine/ocean research is a growing regional industry, and the Port expects to increase its involvement in this area. Currently, one 56' research vessel moors with the Port year round; this vessel completes monitoring and research cruises for a variety of entities.

Live fish markets and related facilities are expanding businesses in the state and the Port expects growth in this area as well.

Business incubators to support emerging businesses are an increasing activity within the state and the Port has already begun work in this area and expects to expand this activity.

The Port expects increases in all medical and healthcare fields, along with internet-related businesses within the district.

Other emerging businesses within the district include alternative energy generation, biosolids/ soil amendments, and biofuels. Clean technology (including renewable energy) has been classified as a key industry according to Business Oregon. Wind, wave, solar and biofuel alternative energy sources are all part of a growing industry in Oregon and nationwide. Various wave and wind energy companies have investigated potential sites on the Oregon coast, including Newport to the north and Reedsport to the south. Solar energy is a growing industry within Oregon and within the district. In 2012, King Estate Winery installed a 1 MW solar power system at their winery in the east part of the district. The system has 4,144 solar panels on approximately 4 acres of land; King Estate is an active proponent of sustainable agriculture and environmentally-conscious business practices. As part of this five year plan, the Port is investigating the feasibility of incorporating alternative energy generation on Port property.

The wine industry, lead by King Estate, is expected to continue to thrive, along with increasing farm-to-table agriculture.

The forest products industry has been declining over recent decades and is expected to continue to decline in the district, along with manufacturing. Commercial fishing is expected to remain flat in the district. The Port of Siuslaw currently has less than ten active commercial boats that fish out of Florence. These boats primarily harvest Dungeness crab, Chinook salmon, Albacore tuna, Halibut, rockfish and shrimp. *Insert commercial harvest data.*

While the commercial fishing industry has been declining at the Port, the sport fishing industry has been actively growing. ODFW sports harvest statistics (based on returned angler tags) show a 211% increase in sport catch of salmon and steelhead in the coastal Siuslaw River system in the past five years. See Table ___, Sport Salmon & Steelhead Catch. These figures include spring and fall Chinook salmon, Coho salmon, and summer and winter Steelhead Trout.

Table ___, Sport Salmon & Steelhead Catch, 2007-2011

	2011	2010	2009	2008	2007
Coastal Siuslaw River	8,216	6,058	3,157	2,241	3,884

(Oregon Department of Fish & Wildlife, Sport Harvest Statistics)

d. Analysis: *How does the district's income, poverty and educational levels compare to the state and the nation? How are the demographics of the district changing? What's happening with the region's workforce and what are the job trends for the region? What's happening with the region's key industries (manufacturing, tourism, natural resources, services, etc.) - which are growing, which are declining – and how does that contrast with state and national trends.*

As referenced in the data above, the Port of Siuslaw's population has a higher median age than both state and national averages, coupled with a higher percentage of

individuals age 65 and older. Per capita incomes in the Port district are lower than state or national incomes, although individual poverty rates in the district are less than state or national rates. Educational attainment for district residents is slightly lower than in Oregon or the US. The City of Florence population is increasing at a higher rate than the state overall.

Over the past ten years, district demographics show a rapidly aging population, with increasing educational attainment and worsening poverty rates. Related to its older than average population, the Port district has a much lower, and decreasing, percentage of its population in the workforce compared to Lane County, the state of Oregon, or the US.

While fewer residents of the Port district are in the labor force, County and stateside workforce rates remain fairly constant. Job trends for the County are increasing across most industries. Healthcare/ Educational Services is the current primary industry in the Port district, followed by the Tourism-related fields of Entertainment and Recreation, then Retail, Construction, and Professional Services. Lane County's key industry sectors align with the district: Healthcare/ Education, followed by Retail, Manufacturing, Tourism-related, and Professional/ Business Services. Oregon and the US had the same top five industry sectors as the County.

Between 2001 and 2011, the largest industry declines in the County occurred in Manufacturing, Construction, and Mining/ Logging. Within that same ten year period, Educational/ Health Services showed the largest employment increase, along with Government, and Leisure/ Hospitality. The Trade/ Transportation/ Utilities sector showed no change. The Professional/ Business Services industry category grew slightly.

Forecasts for Lane County between 2010-2020 indicate the largest growth in Educational/ Health Services, followed by Professional/ Business Services, and Construction; slowest growth is forecast for Government and Natural Resources/ Mining. For the state of Oregon, Educational/ Health Services is expected to increase the most, followed closely by Professional/ Business Services, with Leisure/ Hospitality also increasing significantly. Slowest growth statewide is forecast for Government, Financial Activities, and Information. On a national level, Healthcare/ Social Assistance is forecast as the fastest growing industry, followed by Professional/ Business Services. Construction and Financial Activities sectors are also forecast to grow significantly. Nationally, the most rapidly declining industries are Manufacturing, Transportation/ Warehousing, and Mining.

The Port of Siuslaw's top ten taxpayers for 2012 included regional utilities, timber and wood products companies, a winery, a regional retail store, and real estate companies.

IV. Policy Context

a. Threshold Statement: *Strategic Plan has been prepared with funding from OECD and based on template provided by OECD. Port is committed to following its governance and this Strategic Plan. Port will update its five-year capital plan and its goals and objectives annually as part of the annual budgeting process. Sitting commissioners have undergone board training and have agreed on procedures for handling conflict-of-interest issues and have agreed to follow best practices and fiduciary responsibility as defined above. Flexibility has been provided in the plan to allow for unanticipated business opportunities that contribute to the Port's economic development or revenue enhancement goals.*

This Strategic Plan has been prepared based on a template provided by Business Oregon and the Port is committed to following its governance and this Plan. The Port will update the five-year capital plan, along with its goals and objectives annually as part of the budgeting process. Sitting commissioners have undergone board training and have agreed on procedures for handling conflict-of-interest issues and have agreed to follow best practices. Flexibility has been provided in the Plan to allow for unanticipated business opportunities that contribute to the Port's economic development or revenue enhancement goals.

b. Environmental Issues: *Discuss the Port's environmental values, practices and policies, and what the Port's role is in addressing local and regional environmental issues.*

The Port acts as a steward of the Siuslaw River Estuary and collaborates with other relevant organizations in this effort, including the Siuslaw Watershed Council and the Siuslaw Soil & Water Conservation district. The Port offers assistance to district entities for brownfields-type cleanups and encourages sustainable practices within the district. The Port is part of the Siuslaw Estuary Partnership project with the City of Florence to promote improved water quality and enhanced recreation opportunities in the estuary. In addition, as part of this strategic plan, the Port is investigating possibilities in alternative energy generation such as wind, solar and wave, as well as how to support upriver land owners in developing organic farming operations.

c. Statewide Planning Goal 9 – Economic Development: *How has and is the Port addressing Goal 9 (ownership of industrial or commercial lands or buildings; pursuing opportunities to purchase and develop industrial and commercial lands)? Are their properties available that would enhance the Port's ability to meet its economic development and revenue goals? Does the Port have adequate resources to do so?*

The Port owns the 38-acre, state certified 'shovel-ready', Pacific View Industrial Park and is actively marketing this property for sale. The marketing plan has been a joint effort with the City of Florence which has the adjoining Pacific View Business Park. The Port, the City, and Lane County all collaborate in long-range economic planning.

The Port also owns and leases four commercial buildings in Florence and is open to acquiring more commercial lands for lease.

While the Port has limited resources available to acquire new properties that can help further economic development, Port management is committed to increasing revenues and taking advantage of suitable development opportunities. If presented with an opportunity to acquire new properties that would further the Port's mission, all avenues for acquisition would be considered, including taking on additional debt if necessary. Each potential acquisition would be considered on an individual basis. One possible commercial waterfront marine property, for instance, may require a significant cash outlay before the property could begin to be profitable for the Port, while an established RV campground could have an immediate income stream.

d. Statewide Planning Goal 12 – Transportation: *How has and is the Port addressing Goal 12? What transportation facilities (marinas, docks, airports, etc.) does the Port own or operate? Are the Port's transportation projects and needs included in local and regional Transportation Plans?*

The Port owns and operates marinas, docks, transient vessel docks, a commercial wharf, and multi-use walkways. The Port promotes active transportation in all forms, including walking, bicycling, boating, paddling (kayak/canoe) and mass transit. In 2008 the Port partnered with the Siuslaw Watershed Council to complete the Siuslaw Water Trail, over 30 river miles of paddling trail in the estuary. In 2013, the Port added new hiker-biker campsites to provide needed services for the thousands of hikers and cyclists who travel the Oregon coast annually. One of the strategic projects included in this Plan is consideration of acquiring operation of the Florence Municipal Airport. In conjunction with the airport, the Port is also investigating options for zip cars or similar rentals to improve local transportation connections. Another project including in this Plan is continuing collaboration with the City of Florence on the Siuslaw Estuary Trail, a multi-use path to connect Old Town Florence with existing bike/pedestrian trails north of Highway 126. The Port of Siuslaw is an active partner in the Lane Area Commission on Transportation (LACT) for regional transportation project planning.

The Port also supports the Oregon International Port of Coos Bay's ongoing efforts to regain and expand rail service for the central and south coast. Two spur lines on the rail extend to two mill sites in Mapleton; both mills are inactive at present but are important industrial sites and may offer potential employment opportunities for the future if rail is preserved and expanded.

e. Statewide Planning Goal 17 – Water Dependent Use: *What is the applicability of Goal 17 to Port waterfront lands? Does property need to be preserved for maritime cargo activity or other marine-related activities? Is their waterfront property that could or should be redeveloped to increase economic activity, support local services and provide increased revenues for the Port?*

The Port is very involved in water dependent use and planning on a local and regional level, and is interested in addressing water-dependent use regulations. One major waterfront project currently being pursued by the Port is repair of the failing

Siuslaw River bulkhead. This project has been identified as a critical issue for the Port and, if not addressed, would have significant impact on other water dependent/related operations on and near Port land. As part of this five year Plan, the Port is also considering acquisition of the 300 acre Wilbur Island Mitigation Bank waterfront property, along with acquisition of the 51 acre Wilbur Riverside Boat Yard waterfront property. The Port is also investigating the possibility of developing new mitigation banks on existing Port-owned property. As an economic development agency, the Port supports appropriate development of waterfront lands. The Port is providing assistance to a new kayak rental business to be located on Port property in Old Town. The US Coast Guard, via Station Siuslaw River, is potentially locating some operations on Port property in Old Town and in the PVIP. As part of this Plan, the Port is evaluating ongoing new commercial property opportunities, including a possible seafood cannery/ smokehouse/ market, and vessel-based dining/ lodging businesses. The Port also plans to install a public crabbing/ fishing dock and is investigating additional ways to increase public access to the waterfront.

Based on management's analysis, none of the Port's current waterfront property needs to be preserved for maritime cargo activity or other marine-related use. The Port does have current waterfront properties would be suitable for redevelopment to increase district economic activity and provide increased revenues for the Port.

f. Statewide Port Strategic Plan Recommendations: *Address relevant recommendation.*

This five year plan addresses the recommendations of the Statewide Port Plan:

- The Port of Siuslaw will solidify a formal business relationship with the State Ports Program through an IGA or similar document, will continue to provide training for Commission and staff, and will comply with ongoing reporting and follow-up activities regarding this Strategic Plan.
- The Port has already and will continue to participate in the development of a statewide Capital Facilities Plan.
- The Port of Siuslaw Strategic Plan is consistent with the format, goals and objectives of the statewide template for port strategic plans.
- The Port continues to support the regionally significant industries of outdoor recreation, tourism, commercial and sport fishing, marine sciences, arts, and agriculture.
- The Port will improve communication with district residents and others regarding the activities of the Port and its importance to the local and regional economy.

g. Other Local and Regional Plans: *Reference other community, county and regional economic plans and describe how they relate the Port's plan? If other plans reference key industries or opportunities how does the Port plan address them?*

Reference City plan, County plan, LACT, Travel Oregon, etc.

h. Political Context and Analysis: *Characterize the working relationship of the Port with the county, local cities and special districts. What interest or advocacy groups are involved with local issues and how can they engaged or consulted. Are demographic changes driving changes in local and regional public perceptions and attitudes?*

The Port has a good working relationship with the City of Florence, Lane County, Siuslaw Valley Fire & Rescue district, Siuslaw Soil and Water Conservation district, Central Lincoln People's Utility District, Siuslaw Public Library District, Siuslaw School District, Heceta Water District, Western Lane Emergency Operations Group, Coast Guard Station Siuslaw River, and other regional government entities. Port management meets with representatives of many of these agencies on a quarterly basis to keep communication open and maximize opportunities for collaboration and mutual benefit. The Port also collaborates with area agencies to organize relevant training opportunities, such as a recent Oregon Government Ethics Commission session.

Local interest groups include environmentally focused groups such as the Siuslaw Chapter of the Surfrider Foundation, and fishery focused groups such as the Florence Salmon Trout Enhancement Program. The Port has worked with these and many other groups in the past and continues to collaborate with interest groups as indicated. One of the activities to be addressed as part of this plan is to improve communications with district residents; working with local interest groups will be an important part of achieving that goal. **Other groups?**

Demographic changes in the Port district population—increasing median age and a decreasing number of residents in the workforce—are likely having an impact on local perceptions and attitudes towards the Port. An aging population is sometimes hesitant to embrace new economic activities and may be reluctant to move away from traditional market activities. This situation provides greater incentive for the Port to improve communications with residents by sharing information and explaining the Port's changing roles in the community.

V. Situational Analysis

– in context of district demographic/economic profile

a. SWOT: Strengths, Weaknesses, Opportunities and Threats

As part of the strategic planning process, the Port completed a Core Competencies and Challenges analysis of its resources, demographics and economic profile.

Core Competencies

RV Campground & related operations
Experienced, knowledgeable & team-oriented staff
Experienced & well-trained Board
Well developed policy & planning documents
Completion of assets inventory
Scenic physical environment
Local amenities & attractions
Most major infrastructure upgraded
Good working relationship with area agencies
Major tourism location & destination
Ample volunteer base

Challenges

Maintaining public use facilities with limited revenues
Redefining focus from timber/ commercial fishing to tourism/ recreation
Large debt load and payments
Limited funds available to invest
Need for salary plan/ appraisal policy
Inadequate communication/ marketing of Port's mission and activities
Securing funding & completing repairs on bulkhead
Need to regularly follow-up on Strategic Plan
Limited local workforce
Limited access/ off I-5 corridor
Redesign campground to meet future needs

Opportunities

Growing tourism / recreation/ arts trends
Increasing recreational fishing
Make the most of 5 river miles from the ocean
Promote Historic Old Town Florence
Support new and existing district businesses
Grow CG and recreation
Increased partnerships with district entities
Revenue enhancement
Underutilized boardwalk area
Divest surplus properties

Threats

Current debt load
Lack of attention to details (training, policies...)
Lack of dredging/ jetty funding
Decreasing capital grant support
Inaccurate perception of the Port

One example of the results of this type of ongoing assessment is the Port's recent decision to eliminate covered storage and expand the RV campground. Providing covered storage is not a core competency of the Port and not an area that it was competitive in. Providing a superlative recreational camping experience is something the Port excels at, and it is a growing industry for the district.

Professional staff and an experienced board are strengths. Experienced management that believes in supporting, empowering and developing staff to their fullest abilities to maximize use of Port resources. Current management has expanded the number of staff in the past year to accomplish additional activities and make most efficient use of staff abilities. Use of 50% grant funded intern to accomplish property

research. Reorganization of staff to be most effective. Increased use of contractors where appropriate and economically efficient. Open-minded approach.

b. Critical Issues: *What issue or issues does the Port face that if left un-addressed would result in a serious erosion of the Port's facilities, revenues or capacity (EXAMPLE – Bulkhead of the dock underneath Gold Beach Cannery Building is failing. Port is moving to diversify but if the old dock fails it could lose a key asset).*

The most critical issue facing the Port at this time is repair of the failing bulkhead along the Siuslaw River. If this infrastructure failed, it would have catastrophic effects on the Port's RV campground, marina, boat ramp and waterfront walkways, as well as new business operations. Recreation, tourism and fishing revenues would all be negatively impacted.

A second critical issue facing the Port is review of, and any needed updates to, the Port's ordinances, policies and procedures, as well as clarification of jurisdictional boundaries between adjoining local governments.

A third issue is maintaining ocean access for essential activities, such as Coast Guard rescue operations. Station Siuslaw River completed 53 rescues in 2012. Their vessels need to be able to cross the bar to provide this lifesaving service. The Siuslaw Station's location between other Coast Guard Stations in Newport to the north and Coos Bay to the south allows them to respond quickly to central coast emergencies. Ongoing maintenance dredging and jetty repairs are needed to keep ocean access open.

A fourth critical issue is the Port's overall financial condition, particularly the current debt load and the resulting limitations on the Port's ability to realize its mission with reduced funds available to pursue economic development activities. Related to this issue is the challenge of how to pay for replacement of major infrastructure long-term, such as eventual replacement of the wharf.

c. Demand Analysis: *What type of demand is growing in the local and regional economy (housing, retail, etc.) based on key industry trends? What type of demand is decreasing? How do the Ports assets match up with demand and opportunity?*

To be finished.

d. District Needs: *Given demand, economic needs and the Ports assets, capacity and resources, what kinds of projects and strategies can the Port most effectively pursue to address the economic needs of its district and its residents.*

To be finished.

e. Risk Analysis: *What are the biggest risks facing the Port in pursuing strategies to achieve its economic development and revenue goals, including political risk?*

To be finished.

VI. Strategic Business Plan Goals and Objectives

The Port of Siuslaw's mission is to deliver high quality asset management and economic development services that enhance economic and community development for the district. For the coming five years, the Port has adopted the following strategic goals, objectives and action steps to accomplish its mission. See summary of actions by year in Table ____, Five Year Action Plan.

a. Property Goals: *(Marine, Aviation, Industrial, Commercial, Recreational, etc.)*

Goal: Manage Port properties, including acquisition and disposal, to maximize economic and community development in the district.

a.1. Marine Properties & Facilities

Bulkhead & Boardwalk

Background and Status

Insert background and status on bulkhead and boardwalk facilities.

Strategic Objective

1. Maintain and enhance waterfront marine facilities to expand tourism, recreation and business development for the district.

Action Plan

- ✓ Complete assessment and preliminary engineering for repairs to failing bulkhead, with possible bulkhead extension, (estimated cost \$1M-\$1.3M), by FY2014.
- ✓ Complete needed boardwalk repairs (powder coat poles & fence, repair boards, and replace fire suppression system (along with wharf system), by FY2016.
- ✓ Locate and secure funding and permits for bulkhead project by FY2017.
- ✓ Complete bulkhead repairs/extension by FY2018.

Marinas

Background and Status

Insert background and status on marinas.

Strategic Objective

2. Maintain and enhance marinas and public docks to support business creation/expansion and encourage tourism and recreation.

Action Plan

- ✓ Upgrade dock facilities as needed to provide competitive amenities for boaters: Complete security upgrades (cameras), phased each year, by FY2016. Complete feasibility assessment of upgrading services on moorage slips in east basin (F dock) by FY2014; if indicated, complete permitting and design, and install by FY2016. Assess and complete needed fuel dock upgrades (gate, dispenser, electronics) by FY2017. Potential moorage slip/boat house upgrades for Coast Guard use by FY2018.

- ✓ If successful in grant award, install and maintain floating restroom on Siuslaw River by FY2014.
- ✓ Replace debris and shear booms by FY2017. Research options with OSMB & Coast Guard by FY2014. Locate and secure funding assistance by FY2015.
- ✓ Complete permitting and design, and install crabbing/fishing dock to increase river access for public by FY2015.
- ✓ Investigate feasibility of houseboats/floating home leases and/or rentals, and adopt appropriate policy by FY2018.

Ocean & River Access

Background and Status

Insert background and status on dredging, shoaling, jetty condition and repairs, channel maintenance, Coast Guard rescues, etc.

Strategic Objective

3. Support maintenance dredging and safe ocean access to promote business, recreation and safe boating for the community.

Action Plan

- At the federal level, advocate for continued dredging, jetty maintenance (estimate \$100 million), and release of Harbor Maintenance Trust Fund (HMTF) for intended use, and also seek local solutions to keep the Siuslaw River bar passable (e.g. private dredging, mining collaboration), yearly through FY2018.
- Explore hydropower tidal/river and wind energy options for electric generation for Port use and/or demonstration sites, and prepare results and recommendation by FY2018.
- Investigate feasibility of potential use changes for Dredged Material Disposal (DMD) sites #19 and #22, and prepare results and recommendation by FY2018.

Marine Property Acquisitions & Disposal

Background and Status

Insert background and status on potential marine property acquisitions and disposals.

Strategic Objective

4. Enhance economic development within the district through deliberate marine property acquisition and/or disposal.

Action Plan

- Assess feasibility of acquiring 300 acre Wilbur Island Mitigation Bank property near Cushman for recreational use; if indicated, complete acquisition by FY2014.
- Assess feasibility of acquiring 51 acre Wilbur Riverside Boat Yard property on Highway 126 for possible future marine fueling station, boat storage area, boat ramp, recreational parking, and commercial fishing storage by FY2014. If indicated, complete acquisition by FY2015.

- Investigate feasibility of divesting the Port of Mapleton facility ownership and prepare results and recommendation by FY2017; if indicated, complete disposal by 2020.
- Pursue unanticipated marine business opportunities that contribute to the Port's economic development or revenue enhancement goals, ongoing.

a.2. Industrial Properties

Background and Status

Insert background and status on potential industrial property acquisitions and disposals.

Strategic Objective

1. Enhance economic development within the district through planned industrial property acquisition, disposal or redevelopment.

Action Plan

- ✓ Market and sell all lots in Pacific View Industrial Park (PVIP) by FY2018: Potential purchase of 10 acres by Central Lincoln People's Utility District (CLPUD) by FY2014; Potential purchase of undetermined acreage to US Coast Guard by FY2018, with possible development costs to Port.
- ✓ Assess feasibility of acquisition or redevelopment of former mill sites on Highway 126 and prepare results and recommendation by FY2018. If indicated, complete acquisition/ redevelopment of site(s) by FY2023.
- ✓ Pursue unanticipated business opportunities that contribute to the Port's economic development or revenue enhancement goals, ongoing.

a.3. Aviation Property

Background and Status

Insert background and status of potential aviation property acquisition.

Strategic Objective

1. Enhance transportation connections to promote business, tourism and recreation opportunities within the district.

Action Plan

- ✓ Investigate feasibility of acquiring/ operating/ developing the Florence Municipal Airport (rental cars, restaurant, fueling, fire station) and prepare results and recommendation by FY2018.
- ✓ Pursue unanticipated business opportunities that contribute to the Port's economic development or revenue enhancement goals, ongoing.

a.4. Commercial Properties

Background and Status

Insert background and status on potential commercial property development, acquisitions and disposals.

Strategic Objective

1. Enhance economic development within the district through deliberate commercial property acquisition, disposal or development.

Action Plan

- ✓ Maintain and improve Port leased facilities to maximize revenues, yearly through FY2018.
- ✓ Investigate paid parking fee/structure for Port lots, prepare report and recommendation by FY2014; if indicated, implement by FY2015.
- ✓ Investigate resolution of any encumbrances on boardwalk property and prepare report on findings by FY2015; evaluate partial development of property for Arts/Wine/Tourism or other venues (pavilion, convertible multi-use space for year round use, art lofts, retail), and prepare report and recommendation by FY2017.
- ✓ Potential installation of rental shop space (10,000sf) suitable for marine industry or Coast Guard use near Port maintenance shop by FY2018.
- ✓ Complete Port-owned property surveys and evaluation of all properties by FY2014. Declare and dispose of surplus properties by FY2018.
- ✓ Investigate feasibility of acquiring and/or developing commercial properties for lease, prepare results and recommendations on a yearly basis through FY2018; possibilities suggested include:
B&E Wayside RV Park on Highway 101,
former school properties on Quince Street,
former Rite-Aid building on Highway 101,
former Lotus Restaurant property on Bay Street,
former mill sites on Highway 126,
Wilbur Riverside Boat Yard property on Highway 126,
local wine/beer bar overlooking estuary,
cannery/smokehouse in Old Town,
vessel-based dining/lodging venue on the river.
If indicated, complete acquisition/development within one year of recommendation.
- ✓ Evaluate and, if feasible, establish business-incubator framework and/or facility to support new and emerging businesses in the district by FY2016; e.g. assist start-up kayak rental business by offering low lease rates and technical assistance for first two years of operation, assist upriver emerging organic farmers.
- ✓ Pursue unanticipated business opportunities that contribute to the Port's economic development or revenue enhancement goals, ongoing.

a.5. Recreational Properties

RV Campground

Background and Status

Insert background and status on campground and related facilities.

Strategic Objective

1. Maintain and improve the campground and related facilities to provide competitive amenities for customers to increase occupancy and revenue generation.

Action Plan

- ✓ Reconfigure and upgrade C Row by FY2014.
- ✓ Install kayak/canoe launch by FY2014.
- ✓ Upgrade gazebo by FY2014.
- ✓ Install online customer survey to capture customer requests by FY2014.
- ✓ Upgrade hiker-biker-paddler camp amenities (gear cabinets, electric service) by FY2015.
- ✓ Increase security (lights, cameras, gates, card locks) by 2015.
- ✓ Maximize full service at all campsites by FY2015.
- ✓ Remove covered storage buildings and install pull-through campsites by FY2015.
- ✓ Investigate and install rental RVs, cabins and/or yurts by FY2016.
- ✓ Install second restroom for campers by FY2016.
- ✓ Install clubhouse/community space by FY2016.
- ✓ Pave campsites and roads by FY2017.
- ✓ Replace existing picnic table tops & benches(110), campsite dividers, etc. with eco-friendly, sustainable, cost-effective materials, phased yearly, by FY2018.
- ✓ Investigate expanding campground into DMDS #19, prepare results and recommendation by FY2018.

Recreational Property Development & Acquisitions

Background and Status

Insert background and status on recreational properties.

Strategic Objective

2. Enhance economic development within the district through planned recreational property acquisition and development.

Action Plan

- ✓ Evaluate acquisition of Wilbur Island Mitigation Bank property for expanded recreational use by FY2014.
- ✓ Encourage new and expanded recreation-related businesses (e.g. kayak rental, charter fishing, gear/boat rentals) to operate in the district by providing technical assistance and/or business incubator services, ongoing.
- ✓ Evaluate acquisition of Wilbur Riverside Boat Yard property on Highway 126 for possible expanded public recreational access (clamming, etc.) and parking by FY2015.
- ✓ Investigate feasibility of establishing Siltcoos Lake kayak trail, prepare results and recommendation by FY2017.

- ✓ Evaluate feasibility of acquisition/ development of International Paper site by FY2017.
- ✓ In collaboration with the City of Florence and other entities, complete the Siuslaw River Estuary Trail sections located on Port property and support linkages with other trails, by FY2018.
- ✓ Pursue unanticipated business opportunities that contribute to the Port's economic development or revenue enhancement goals, ongoing.

b. Management Goals:

Goal: Manage Port personnel and resources to achieve maximum economic and community development services for district residents, businesses and organizations.

b.1. Policies & Procedures

Background and Status

Insert background and status on policies and procedures.

Strategic Objective

1. Ensure timely creation, adoption and implementation of best management practices for Port ordinances, policies and procedures, including emergency management protocols.

Action Plan

- ✓ Complete Intergovernmental Agreement or similar with Business Oregon by FY2014.
- ✓ Complete review and revision, as needed, of all ordinances, policies and procedures, including fee structures, by FY2014.
- ✓ Investigate and determine jurisdictional boundaries for adjoining/ overlapping local governments, by FY2015.
- ✓ Continue to practice risk management, complete annual SDAO review of best management practices and make revisions as indicated, ongoing.
- ✓ Continue partnership with Western Lane Emergency Operations Group and emergency management preparations, ongoing.

b.2. Staff & Board

Background and Status

Insert background and status on Port board and staffing.

Strategic Objective

2. Supply needed resources and professional development for staff and board members to ensure they can provide maximum economic development services to district residents and businesses.

Action Plan

- ✓ Acquire appropriate training software by FY2014. Continue to budget for and coordinate annual staff and board training, ongoing yearly.

- ✓ Continue to evaluate and organize staff/ contractors as needed to most efficiently manage port operations, ongoing, yearly evaluation in December.
- ✓ Initiate annual end of year statement by Board President by FY2014.
- ✓ Investigate feasibility of establishing advisory committees, prepare recommendation by FY2014; if indicated, begin committee meetings by FY2015.
- ✓ Create and implement transition plan for anticipated change in port management by FY2015.
- ✓ Investigate feasibility of implementing electronic records management system, prepare report and recommendation by FY2015; if indicated, implement system by FY2016.
- ✓ Pursue unanticipated business opportunities that contribute to the Port's economic development or revenue enhancement goals, ongoing.

c. Financial Goals:

Goal: Manage Port financial assets to maximize cost:benefit results in economic and community development for the district.

c.1. Debt Management

Background and Status

Insert background and status on current debt load.

Strategic Objective

1. Actively pursue reduction of existing debt to allow future economic development services within the district.

Action Plan

- ✓ Investigate options for debt consolidation to reduce annual loan payments, prepare recommendations by FY2014; if indicated, implement consolidation by FY2015.
- ✓ Continue to identify and implement measures to maximize revenues and reduce unnecessary expenses, ongoing.
- ✓ Annually evaluate and, if indicated, adjust rates for services to remain at market.
- ✓ Investigate applicability of using revenue or municipal bonds to fund needed projects, by FY2016.
- ✓ Complete Port-owned real property surveys, evaluations and disposal of surplus properties by FY2018.
- ✓ Investigate feasibility of establishing a revolving loan fund that district businesses could access for job creation/expansion, prepare report and recommendations by FY2015; if indicated, implement fund by FY2017.
- ✓ Pursue unanticipated business opportunities that contribute to the Port's economic development or revenue enhancement goals, ongoing.

c.2. Reserves

Background and Status

Insert background and status on current and future capital and operating reserves.

Strategic Objective

2. Ensure adequate financial reserves for the district to achieve its mission of economic and community development.

Action Plan

- ✓ Complete a Key Facilities Condition Survey by FY2014 (see 2002 SBP Appendix).
- ✓ Create and implement a 5-20 year capital maintenance plan to guide effective financial planning for major facilities maintenance and replacement costs, by FY2015; once plan is implemented, review and revise, as needed, annually as part of the budgeting process.
- ✓ Follow capital maintenance plan recommendations and best management practices to maximize service life of Port facilities, ongoing.
- ✓ Investigate and update policy for funding capital reserves, with required minimum amount set aside annually, by FY2014.

d. Environmental Goals:

Goal: Manage Port assets to maintain good stewardship of the Siuslaw River estuary and promote sustainable operations in the district to benefit community and economic development.

Background and Status

Insert background and status on Port environmental efforts and management.

Strategic Objective

1. Collaborate with district entities to ensure sound environmental stewardship within the Siuslaw River estuary.

Action Plan

- ✓ Renew partnership with Siuslaw Watershed Council and collaborate on estuary projects for community and economic development, ongoing.
- ✓ Support water quality monitoring in the estuary, ongoing.
- ✓ Offer technical assistance for brownfields and similar clean-up efforts within the district to promote redevelopment (e.g. former mill sites), ongoing.
- ✓ Install and maintain a floating restroom on the Siuslaw River by FY2015.
- ✓ Continue to promote sustainable operations, including renewable energy generation, at the Port and in the district.
- ✓ Continue to support removal of invasive weeds in the district.

- ✓ Pursue unanticipated business opportunities that contribute to the Port's economic development or revenue enhancement goals, ongoing.

e. Community Goals:

Goal: Manage Port assets to maximize community developments, promote community initiatives, and enhance quality of life for district residents.

Background and Status

Insert background and status on tourism, recreation and community development efforts in the district.

Strategic Objective

1. Enhance district communities by supporting relevant industries and initiatives, such as tourism and eco-tourism, recreation, fishing, Oregon wine, active transportation, art, and niche agriculture.

Action Plan

- ✓ Promote tourism, e.g. sponsor events (boat/RV show, fishing derby, wine fest, etc.), support establishment of convention hotel/ facilities, partner to install interpretive and informational signage, beautification, encourage access to waterfront and picnic facilities, participate in co-operative and cross-market advertising, facilitate community-wide online events calendar, promote public art, spearhead Rural Tourism Studio Program/We Speak Oregon/etc., ongoing.
- ✓ Offer technical assistance, such as business planning, financial analysis and grant writing, to existing and new district businesses and organizations, ongoing.
- ✓ Collaborate with local entities (City of Florence, Lane County, Confederated Tribes of the Coos, Lower Umpqua & Siuslaw Indians, Florence Area Chamber of Commerce, Siuslaw Watershed Council, Central Lincoln People's Utility District, Salmon Trout Enhancement Program, etc.) to accomplish community-driven initiatives, e.g. Arts & Economic Development, ongoing.
- ✓ Promote active transportation options (mass transit, zip cars, train, bicycle, pedestrian, paddle craft) within the district, ongoing.
- ✓ Investigate feasibility of installing a river walkway along Old Town, prepare report by FY2018.
- ✓ Pursue unanticipated business opportunities that contribute to the Port's economic development or revenue enhancement goals, ongoing.

f. Marketing Goals:

Goal: Effectively market Port assets and services to maximize community and economic development in the district.

Background and Status

Insert background and status on Port marketing efforts.

Strategic Objective

1. Implement specific marketing efforts to help achieve strategic planning goals and improve communications within the district.

Action Plan

- ✓ Identify and apply targeted marketing efforts for Port properties: promote industrial properties for sale, advertise campground and its improvements, and highlight public crabbing dock, ongoing.
- ✓ Implement marketing efforts for management goals, including clear messaging of the Port's mission and goals, consideration of advisory committees, and timely communication with district residents (newsletter, quarterly meetings), ongoing.
- ✓ Incorporate marketing to promote financial goals, such as debt consolidation, capital reserve funding, and the Port's overall fiscal condition, ongoing.
- ✓ Identify and complete specific marketing to support environmental efforts, including collaboration with other entities, examples of repurposed and sustainable construction, and technical assistance opportunities, ongoing.
- ✓ Investigate and put into practice marketing to accomplish community goals, such as trail systems, interpretive signage, upcoming events, and technical assistance options, ongoing.

Table ____, Five Year Action Plan

Port of Siuslaw Five Year Action Plan					
PROPERTY GOALS					
Marine Properties & Facilities	FY2014	FY2015	FY2016	FY2017	FY2018
<u>Bulkheads & Boardwalk</u>					
Complete bulkhead preliminary engineering					
Complete needed boardwalk repairs					
Secure funding and permits for bulkhead project					
Complete bulkhead repair					
<u>Marinas</u>					
Complete security upgrades, phased					
Complete feasibility assessment of F Dock upgrades					
Complete F Dock upgrades, if indicated					
Complete needed fuel dock upgrades					
Potential moorage slip/ house upgrades for Coast Guard					
Install floating restroom on Siuslaw River					
Replace debris and shear booms					
Research options with OSMB & Coast Guard					
Secure funding assistance					
Install crabbing/fishing dock					
Determine feasibility of houseboat/ floating home leases					
<u>Ocean & River Access</u>	FY2014	FY2015	FY2016	FY2017	FY2018
Advocate for continued dredging and jetty repair					
Explore renewable energy generation for Port use					
Investigate feasibility of changes to DMDS #19 & #22					
<u>Marine Property Acquisitions & Disposal</u>					
Assess/Acquire Wilbur Island Mitigation Bank property					
Assess feasibility of acquiring Wilbur Boat Yard					
Assess feasibility of disposing of Mapleton facility					
Industrial Properties					
Market and sell Pacific View Industrial Park property					
Potential purchase of 10 acres by CLPUD					
Potential purchase by US Coast Guard					
Assess feasibility of redevelopment of former mill sites					
Aviation Property					
Assess feasibility of operating Florence Airport					
Commercial Property					
Maintain and improve Port leased facilities					
Evaluate paid parking options; implement if indicated					
Investigate encumbrances on boardwalk property					
Evaluate partial boardwalk development					
Potential installation of rental shop space , 080B					

Port of Siuslaw Five Year Action Plan					
PROPERTY GOALS, continued	FY2014	FY2015	FY2016	FY2017	FY2018
Complete Port-owned property surveys and evaluation					
Declare and dispose of surplus properties					
Assess feasibility of new commercial lease properties					
Evaluate/Establish business-incubator system					
Recreational Properties					
<u>RV Campground</u>					
Reconfigure and upgrade C Row					
Install kayak/ canoe launch					
Upgrade gazebo					
Install online survey to capture customer suggestions					
Upgrade hiker-biker-paddler camp amenities					
Upgrade security					
Maximize full service at all campsites					
Remove storage buildings & install pull-through sites					
Investigate and install rental RVs/ cabins/ yurts					
Install second restroom for campers					
Install clubhouse/community room					
Pave campsites and roads					
Replace picnic tables, etc., with sustainable materials					
Investigate expanding campground into DMDS #19					
<u>Recreational Property Development & Acquisitions</u>					
Investigate feasibility of Siltcoos Lake kayak trail					
Investigate feasibility of International Paper site					
Complete Siuslaw Estuary Trail sections					
MANAGEMENT GOALS	FY2014	FY2015	FY2016	FY2017	FY2018
<u>Policies and Procedures</u>					
Complete IGA with Business Oregon					
Review & revise ordinances, policies and procedures					
Investigate and resolve jurisdictional boundaries					
<u>Staff & Board</u>					
Acquire training software					
Initiate annual statement by Board President					
Assess feasibility of advisory committees; implement					
Create & implement Port management transition plan					
Assess feasibility of electronic records; implement					
FINANCIAL GOALS	FY2014	FY2015	FY2016	FY2017	FY2018
<u>Debt Management</u>					
Investigate/ implement debt consolidation					
Annually evaluate rates, adjust as needed					
Assess feasibility of revolving loan fund; implement					
Investigate applicability of revenue/ municipal bonds					

Port of Siuslaw Five Year Action Plan					
FINANCIAL GOALS, continued	FY2014	FY2015	FY2016	FY2017	FY2018
<u>Reserves</u>					
Complete facilities condition survey					
Create & implement 5+ year capital maintenance plan					
Investigate & update policy for funding capital reserves					
COMMUNITY GOALS	FY2014	FY2015	FY2016	FY2017	FY2018
Investigate feasibility of river walkway along Old Town					

VII. Facilities and Business Plan

To be finished. Use format from 2002 SBP, Implementation & Milestones chart, break down goals per quarter? Review/update all plans annually in ~March-April, before budget process for next year.

a. Five-Year Capital Plan: Based on Property goals and objectives, updated annually as part of budget process.

Describe planned capital improvements to port land, buildings, facilities, equipment for next 5-20 years, prioritized phases, show preliminary costs, time frame and potential funding sources for each project.

Sample:

Capital Facility	Priority	New or Existing	Responsibility / Partners	Total Cost	Cost Remaining	Funding Source(s)
Bulkhead	5 year	Existing	Port, USACE, DSL, City			

b. Management Plan: Based on Management goals and objectives, updated annually as part of budget process. Includes Professional Development and Board Development goals.

c. Financial Plan: Based on Financial goals and objectives, updated annually as part of budget process.

d. Environmental Plan: Based on Environmental goals and objectives, updated annually.

e. Marketing Plan: Based on Marketing goals and objectives, updated annually.

Five Year Capital Plan

To be completed. Use format from 2002-7 SBP

Siuslaw Estuary Trail

Sample info from 2002 plan:

Project

Estuary Trail

Description

The need for improved public access to the Siuslaw River has been identified and documented in the City of Florence Downtown Plan. The plan proposes a one mile pedestrian / bicycle trail to connect the Old Town waterfront to the existing Munsel Creek Bike Path at Highway 126. The trail would serve as an alternative transportation corridor, and provide public access to observe valued estuarine habitat. The trail will link the Old Town commercial area to the Port of Siuslaw recreational area, and will then follow the estuary shoreline and salt marsh to Munsel Creek, and then follow Munsel Creek upstream to State Highway 126. This project will provide a unique opportunity for the public to observe habitat elements that are critical to Coho Salmon reproduction and development in the watershed. It will also expand day-use recreation activities and serve as a tourist attraction in the community.

The Port will provide leadership in the Master Planning and preliminary design phases of the project in coordination with the City of Florence and affected property owners. The Port proposes to construct a 0.4 mile segment of trail from existing public sidewalks around the perimeter of Port Property to the new Salt Marsh Restoration Site. Interpretive panels will be installed along the trail segment. The Port proposes to also manage the construction of the remaining 0.6 mile segment from Port property across easements from School District 97J and Safeway, Inc. to Munsel Creek. The Port will approach the Oregon Department of Transportation to develop a plan for the rehabilitation of the Munsel Creek / Highway 126 culvert to effectively accommodate improved fish passage and pedestrian use.

Goal and Strategy Relationships

The Estuary Trail project supports the following goals and strategies:

- *Goal 1: Promote Tourism & Recreation, Strategy 3: Expand Tourism & Recreation*

Anticipated Benefits

- *Attract new visitors and extend the stay existing visitors.*
- *Stimulate new visitor expenditures.*
- *Provide unique community educational experience.*

Financial Assessment

Project Cost: \$154,000

(Port portion is about \$90,000 of total)

Funding Sources: Port of Siuslaw '03 \$ 3,000 Port of Siuslaw '05/06 \$ 5,000 City of Florence \$ 10,000 School District 97J \$ 10,000 USFS '03 \$ 52,000 Other Assistance '05/06 \$ 74,000

This is a community oriented project that merits a suitable level of support. However, it has no identifiable business impact for the port and may actually cause the Port to commit limited resources for maintenance to the trail portion on Port land. Based on experience, the Other Assistance balance is large for a trail project. It is likely that the remaining funding balance may have to come from a number of different parties. Substantial time and effort may be required to assemble remaining funding, and it could take an extend period of time.





VIII. Appendices

Appendix _____, Port Property Inventory

Port of Siuslaw Property Inventory 2012

<u>Tax Account #</u>	<u>Property #</u>	<u>Map & Tax Lot</u>	<u>Market Value of Land</u>	<u>Market Value of Improvements</u>	<u>Market Value Totals</u>	<u>Assessed Value</u>	<u>Acres</u>
764132	#1	18_10_02_42_03000	\$500	\$0	\$500	\$500	0.1
764215	#2	18_10_02_43_01600	\$46,018	\$0	\$46,018	\$18,912	0.33
1738580	#3	18_12_22_00_00701	\$1,896,105	\$0	\$1,896,105	\$910,263	38.79
1656329	#4	18_12_22_23_01000	\$23,288	\$0	\$23,288	\$905	0.15
1759594	#5	18_12_22_23_01201	\$3,556	\$0	\$3,556	\$3,556	0.47
1797008	#6	18_12_26_00_00701	\$1,924,101	\$0	\$1,924,101	\$926,745	3.55
787919	#7	18_12_26_00_00800	\$500	\$0	\$500	\$500	70.45
794246	#8	18_12_26_31_06200	\$1,511	\$0	\$1,511	\$834	1.12
794261	#9	18_12_26_31_06202	\$1,511	\$0	\$1,511	\$834	0.12
794279	#10	18_12_26_31_06203	\$1,511	\$0	\$1,511	\$834	0.05
794287	#11	18_12_26_31-06204	\$1,511	\$0	\$1,511	\$834	0.01
794295	#12	18_12_26_31_06205	\$1,511	\$0	\$1,511	\$834	0.09
796464	#13	18_12_27_33_00400	\$500	\$0	\$500	\$500	0.25
796472	#14	18_12_27_33_00500	\$500	\$0	\$500	\$500	0.48
796480	#15	18_12_27_33_00600	\$500	\$0	\$500	\$500	0.30
796498	#16	18_12_27_33_00700	\$500	\$0	\$500	\$500	0.98
796977	#17	18_12_27_34_04500	\$500	\$0	\$500	\$500	1.68
1697489	#18	18_12_34_11_07101	\$2,517,106	\$122,820	\$2,639,926	\$1,096,000	2.28
1697497	#19	18_12_34_11_07102	\$1,068,860	\$0	\$1,068,860	\$426,178	0.71
1697505	#20	18_12_34_11_07103	\$476,912	\$2,068,850	\$2,545,762	\$1,711,134	1.20
1849163	#21	18_12_34_11_08802	\$225,678	\$9,213	\$234,891	\$147,064	0.11
802791	#22	18_12_34_11_12800	\$2,675	\$0	\$2,675	\$1,090	0.05
802809	#23	18_12_34_11_12900	\$2,675	\$0	\$2,675	\$1,090	0.03
1402856	#24	18_12_34_11_13200	\$292,542	\$51,503	\$344,045	\$266,566	0.82
1509015	#25	18_12_34_11_13200	\$268,167	\$0	\$268,167	\$99,010	0.82
804102	#26	18_12_34_21_01400	\$1,509	\$0	\$1,509	\$834	1.42
806107	#27	18_12_35_22_02500	\$49,386	\$0	\$49,386	\$20,204	0.00
4142954	#28	18_12_35_22_03500	\$0	\$19,189	\$19,189	\$19,189	10.13
1421831	#29	18_12_35_22_03502	\$774,399	\$37,060	\$811,459	\$343,546	0.96
1421849	#30	18_12_35_22_03502	\$331,925	\$75,960	\$407,885	\$190,490	0.96
1003514	#31	18_12_34_11_13200	\$438,842	\$227,113	\$665,955	\$509,167	0.82
1412558a	#32	18_12_34_11_13200	\$0	\$614,332	\$614,332	\$298,635	0.82
1412558a	#33	18_12_34_11_13200	\$0	\$614,332	\$614,332	\$298,635	0.82
1849171	#34	18_12_34_11_08803	\$410,324	\$101,338	\$511,662	\$292,544	0.20
1422979	#35	18_12_35_22_03500	\$2,957,490	\$787,840	\$3,745,330	\$1,777,121	10.13
1089034	#36	18_12_35_22_03501	\$126,456	\$114,720	\$241,176	\$134,297	0.11
1401809	#37	18_12_35_22_03503	\$1,501,811	\$495,060	\$1,996,871	\$835,885	2.92
764249	#38	18_10_02_43_01700	\$20,720	\$25,667	\$46,387	\$23,051	0.19
TOTALS			\$15,371,600	\$5,364,997	\$20,736,597	\$10,359,781	154.42

Appendix _____, List of Port Policies & Ordinances

Port of Siuslaw Ordinances, Policies & Procedures

Section 1

Port Commission Rules of Procedure – approved 6-5-74, revised 2-20-2013

Section 2

General Operating Policies and Procedures – approved 10-91

RV park, moorage, storage, fuel dock, maintenance

Section 3

District Meeting Room Rules – approved 9-10-97

Ordinances

1. Establishment of Rules and Regulations for Port Property
Est. 6-3-64, Amended 3-6-68
2. Small Vessel Facilities
Est. 12-9-69, Revised 8-3-72
3. Establishing a Pier Head Line
Adopted 5-3-72, Revised 1-22-75
4. General Codes and Definitions
Adopted 11-4-76
- 5.
6. Public Works Fund and Sale of Bonds
Passed 6-25-86
7. Authorizing a Loan from Special Public Works Fund
Dated 11-29-99
8. Repeals Ordinance #3.
Adopted 12-21-05
9. Establishing the West Lane Emergency Operations Group
Adopted 3-21-07
10. Authorizing a Loan from the Oregon Port Revolving Fund
Passed 4-23-08
11. Regulating use of Fireworks on Port Property
Passed 5-13-09

Policies

Removal, Disposal or Sale of Abandoned or Hazardous Vessel Policy, Adopted 4-8-98

Budget Review and Fixed Asset Records Policy, Adopted 4-9-97

Capitalization of Fixed Assets Policy, Adopted 8-12-97, revised 4-11-01, 7-15-09

Capital Maintenance Policy, Adopted 10-14-98

Commercial and Recreational Moorage Utility Policy, Adopted 7-14-99

Commissioner Travel Policy, Adopted 5-18-00

Concessionaire Policy, Adopted 6-11-97, amended 5-17-06, 3-21-07, 3-19-08

Delegated Purchasing Authority, Adopted 3-16-05

Purchasing Policies and Small Purchase Procedures, Revised 8-17-02

Fuel Pricing Policy, Adopted 5-13-98, Revised 6-13-01, 1-09-02, 6-18-03, amended 8-15-07

Gazebo Use Policy, Adopted 6-14-01

Grant Sponsorship Policy, Adopted 1-18-95

Identity Theft Prevention Policy, Adopted 6-17-09

Legal Counsel, Adopted 12-17-03

Live Aboard Policy, Revised 7-16-03, 6-18-08, 10-10-10

Lockout/Tagout Procedures, Adopted 12-5-12

Loss Prevention Policy Statement

Merchandise Pricing Policy, Adopted 9-8-99

Outside Storage Area Policy, Adopted 5-12-99, revised 1-21-04, 4-20-05

Personnel Policies, Revised 12-11

Public Contracting Rules and Amendments to the Oregon Public Contracting Codes, Adopted 3-16-05, revised 6-21-06, 4-27-11

Public Records Policy, Adopted 1-21-04

Real Estate Brokerage Commission Policy, Adopted 5-28-03

Real Estate Transactions and Property Management, Revised 2-19-03

Records Retention Policy, Adopted 12-5-12

Returned Check Policy, Adopted 11-19-03

Port of Siuslaw Commission – Rules, regulations, duties and responsibilities, Adopted 4-9-97, Revised 2-20-2013

RV Park Monthly Rental Policy, Adopted 1-13-99 Revised 6-13-01

RV Park and Marina Reservations, Deposits and Refunds Policy, Adopted 9-21-05
Amended 10-19-05

Safety and Accidents – Resolution amending the Personnel Manual, Adopted 1-16-00

Safety and Health Loss Prevention Program, Adopted 12-5-12

Seafood Sales Policy, Revised 6-12-02, 6-18-03, 10-17-07

Transient Dock and Floats Operations Policy, Revised 5-12-99

Vehicle Use Policy, Adopted 12-13-00

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