

PORT OF ASTORIA • 1 Portway Street • Astoria, Oregon 97103 • (503) 325-4521 • 1-800-860-4093 • Fax (503) 325-4525

RESOLUTION

NO. 2003-16

AMENDING RESOLUTION 2000-14 PORT PROPERTY MANAGEMENT POLICY

WHEREAS, on November 21, 2000 the Port of Astoria Commission adopted Resolution No. 2000 -14, Port Property Management Policy, and

WHEREAS, the Port of Astoria Commission wishes to amend the Policy,


NOW THEREFORE, BE IT RESOLVED, the Port Property Management Policy is amended to add Section 8 as follows:

8. Re-investment


- 8.1 The net proceeds of sale from any real property sold by the Port shall be re-invested in additional real property. Criteria for selection of new real property to purchase shall be: (1) location, with property contiguous to existing port property being preferable, (2) potential uses and compatibility of potential new property with the Port Strategic Plan, (3) cost and (4) availability. Property to be purchased shall be selected within one year of the sale of the original property unless the Commission clearly finds it in the best interest of the Port to delay selection.

In all other respects Resolution No. 2000-14 remains in full force and effect.

ADOPTED this 21st day of October, 2003 by the Port of Astoria Commission.



Dan Hess, President



Daniel J. Bergeron, Secretary

RESOLUTION

NO. 2000-14

ADOPTION OF PORT PROPERTY MANAGEMENT POLICY

WHEREAS, the Port of Astoria owns a significant amount of real property and piers; and

WHEREAS, the Port of Astoria Commission deems it in the best interest of the Port District to provide a policy for the orderly use, management, lease and sale of such properties; Now Therefore

IT IS HEREBY RESOLVED AND ORDERED:

1. All parcels of Port property shall be categorized into the following categories:

1.1 Category 1 – Property Held for Use By Port

Property with Port buildings or improvements on it, mitigation sites, airport runways, docks, and piers.

1.2 Category 2 – Property Held for Income

Property that can be effectively leased, developed or used for strategic purposes.

1.3 Category 3 – Other Property

Land unlikely to generate lease income or land not needed for strategic development or mitigation purposes.

2. General Policies.

- 2.1 Any lease or sale of Port property shall be consistent with applicable federal, state and local laws, Port ordinances, Port Commission policies, and the Port Strategic Business Plan, Site Development Plans or other plans as adopted by the Commission.
- 2.2 Port use and income property (Categories 1 and 2) shall not be sold and shall be available for lease only.
- 2.3 The Port of Astoria Commission shall be responsible for approval of all Port Property by category.

- 2.4 The Port of Astoria will provide opportunity for public comment at a Regular or Special Meeting before selling any Category 3 property. Notice of the public meeting shall be published in the local news, allowing for reasonable notice of the date of the meeting.
- 2.5 Land use values, lease rates, tenant allowances for improvements, and other terms for Port property shall be based on market value and competitive market terms. Agreements which enhance the opportunity for the Port to accomplish goals set forth in its Business and Master Plans may include economic incentives.
- 2.6 The Port shall not subordinate its interest in real property except to another government entity if necessary to participate in the financing of infrastructure improvements through a Local Improvement District.
- 2.7 The Port may construct tenant-specific improvements if (1) the cost of such tenant-specific improvements are recovered through additional rents during the lease term and (2) the Port received sufficient security to assure the Port that the Lessee will perform its obligations under the lease.

3. Options/Letters of Intent

- 3.1 Requests for options to lease or purchase Port property will be considered by the Commission on a case-by-case basis. Criteria to be used to evaluate options will include, but not be limited to assurances that: (1) the option will be in the Port's best interest; (2) the option property is marketable in the event the option is not exercised; and (3) the party requesting the option has the financial capability to complete the transaction.
- 3.2 Letters of Intent for the purchase, sale or lease of real property may be entered into by the Executive Director, but such Letters of Intent shall **not** commit the Port to any purchase, sale, or lease of real property without an Order of Approval of the Port Commission.

4. Lease Policies

- 4.1 All real estate rentals or leases shall be covered by a written agreement.
- 4.2 All leases shall contain the following terms:
 - 4.21 Ownership of all improvement shall be vested in the Port on termination of the lease.
 - 4.22 Construction of any improvement shall require the Port's written consent.

- 4.23 The tenant must pay all taxes assessed against the property.
- 4.3 Authority to enter into month-to-month rental agreements is hereby delegated to the Executive Director. All leases (for a longer tenancy than month-to-month) must be approved by Ordinance or Order of the Port of Astoria Commission, on a form approved by Port Counsel, pursuant to ORS 271.360 as it may be amended.
- 4.4 It is the policy of the Commission that delinquent lease payments or breaches of the terms of a lease be promptly addressed and leases canceled if breaches are not remedied as provided in each lease.

5. Exchanges

- 5.1 All property exchanged shall only be exchanged for property of equal or greater value. The value of the properties shall be determined by appraisal pursuant to ORS 271.350 (as it may be amended).

6. Brokerage Commissions


- 6.1 The Port may pay real estate commissions to real estate brokers licensed in the State of Oregon who are the procuring cause of land, building, and improvement leases and sales. No commission shall be payable if the broker has an interest in the sale, rental or lease transaction.
- 6.2 The Port will recognize a real estate broker as the procuring cause only after the real estate broker has registered the client in writing with the Port and the Port has determined that (1) the client has not previously contacted the Port; and (2) no other real estate broker has previously registered the client with the Port. The registration will be effective only when acknowledged in writing by the Port and will expire without notice to the broker unless the real estate broker reports not less than monthly on the client's continued interest in the property.
- 6.3 In the event a conflict between brokers arises with respect to the right to a commission, the Port will first request the brokers to resolve the conflict among themselves. If the brokers are unable to resolve the conflict, the Port may complete the transaction but withhold payment of any commission until it has received one set of written instructions signed by all brokers or until a decision binding on all brokers has been rendered by a tribunal of competent jurisdiction. All costs associated with obtaining such decision shall be paid by the brokers.
- 6.4 Commissions for sales will be payable at closing after transfer of deed. Commissions shall be payable on rentals and leases after acceptance and execution by both parties of the appropriate documents.

- 6.5 Commissions for leases shall be 4 percent of the rental to the Port for the first five years of the lease agreement, plus 2 percent of such rental for the balance of the first term. Commissions on leases shall not exceed the commission which would have been paid if the property had been sold rather than leased, based on the Port's standard sales commission.
- 6.6 Commissions on the sale of Port property, improved or unimproved, shall be 6 percent of the gross sales price.

7. Exceptions

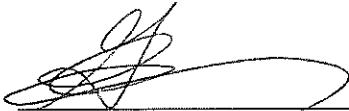
- 7.1 The Port of Astoria Commission may grant exceptions to these policies when circumstances warrant. Exceptions may include, but are not limited to, when exception will be consistent with the Port Strategic or Business Plans; will create significant family wage jobs; will enhance adjoining Port properties; or will assist the Port in achieving self-sustainability. The reason for the exception shall be clearly stated in the Commission Meeting minutes.

Dated this 21st day of November, 2000.



Daniel J. Bergeron, Commission President

ATTEST:



Glenn Taggart, Secretary