

**MINUTES
JULY 28, 2015**

**PORT OF ASTORIA
SPECIAL SESSION
PORT COMMISSION CHAMBERS**

Call to Order

Chairman Raichl called the Special Meeting to order at 5:00 pm.

Roll Call

Commissioners present: John Raichl, Bill Hunsinger, Steve Fulton, Jim Campbell, and Robert Mushen.

Staff present: Executive Director Jim Knight, Director of Business Development Mike Weston, Operations Manager Matt McGrath, Finance Manager Jim Grey, Staff Accountant Will Isom, and Lease Specialist Ronnie Smith.

Port Counsel was Tegan Schlatter for this session.

Pledge of Allegiance

Presentations - Riverwalk Inn Proposals

Port Counsel, Tegan Schlatter, gave a statement on the current situation with the Riverwalk Inn, noting that the lease had been terminated, with an eviction hearing to be held on Friday, July 30th. She noted that the Port would need an operator to take over the Riverwalk Inn as soon as Friday, and that there would be various options available to establish operations.

Commissioner Fulton noted a potential conflict of interest and removed himself from the deliberations; remaining in the audience throughout the meeting.

Executive Director Jim Knight noted that at the time the meeting was originally scheduled, there was to be a business plan presentation by Mr. Kruparao Kancharla, who had been operating the Riverwalk Inn for a short time. However, Mr. Kancharla and Mr. Smithart of Hospitality Masters both agreed to dissolve their previous agreement, leaving the Port to seek other alternatives.

- **Ganesh Sonpatki, Param Group**

Mr. Colin Hunter, attorney for Mr. Ganesh Sonpatki, spoke to the Commission on behalf of his client. Mr. Hunter noted that the Commission had already received a presentation from Mr. Sonpatki nearly a year ago. He explained that the best operator for the hotel would be Mr. Sonpatki, as the Commission had already approved a lease assignment between him and Mr. Smithart on June 2nd, 2015.

Discussion followed regarding items such as: the lack of a current lease to continue assignment; honoring prepaid rooms; immediate occupancy for operations; and a lease term remaining to be settled.

- **William Orr, Hospitality Ventures, LLC**

Mr. Orr spoke to the Commission about the past of the hotel and noted that at one time, it was 'the place to be' in Astoria. He explained that the proposal of his group is to return the hotel to its former stature. He also expressed interest in refurbishing the old restaurant; as well as a desire to connect with other local business owners to establish a tourist corridor in the area.

- William Orr, Hospitality Ventures, LLC (Continued)
 Mr. Orr then gave some specific details from the proposal which included items such as: paying off debt; preferred lease terms; advance rent payment; possible room rates; and a few items for lease negotiations.
 Mr. Chester Trabucco spoke to the Commission about his past experience with the Elliot Hotel, and the ability to pull together a team for the hotel management.
 Mr. Mike Miller spoke to the Commission about his experience in architecture and a vision for the Astoria waterfront area.
 Discussion followed regarding items such as: development of the restaurant and responsibility for the buildings structure; building rehab estimates; and immediate occupancy for operations.
- Mark Hollander, Hollander Properties
 Mr. Hollander spoke to the Commission about several hotels that he and his father own in the Pacific Northwest, and his interest in the uniqueness of the Astoria area. He also talked about the Marriot brand, and the potential for growth for area hotels. Mr. Hollander noted that his interest is not monetary, but to take the community as a whole into consideration when rehabilitating the hotel. He also expressed interest in developing an additional six acres of waterfront property.
 Discussion followed including items such as: the ability for immediate occupancy for operations; restaurant rehabilitation; payment of debt from Hospitality Masters; and estimated investment amounts.

At 5:38 pm, between presentations, Commissioner Hunsinger requested that the Commission hold an Executive Session directly following the Special Session. Following the meeting, the Commission agreed to adjourn to Executive Session. Commissioner Raichl noted that the Commission would not be returning to the Special Session.

The Executive Session will be held in accordance with ORS 192.660(2)(e).

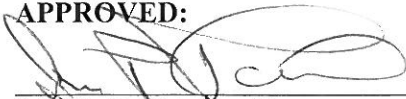
Next Meeting Dates

- Workshop Session – August 4, 2015 at 5:00 PM
- Regular Session – August 18, 2015 at 6:00 PM

Adjourned


Chairman Raichl adjourned the meeting at 7:23 pm.

APPROVED:



 John P. Raichl, President

ATTEST:



 Stephen C. Fulton, Secretary

Respectfully submitted by:
 Judy Farfan, Executive Assistant

08-18-2015

 Date Approved