



Columbia Pacific Economic Development District

MEMORANDUM AND PROPOSAL January 7, 2019

TO: Jim Knight, Port of Astoria Executive Director
FR: Mary McArthur, Col-Pac Executive Director
RE: Port of Astoria Strategic Business Plan Update

The start of the new year is a good time to review the status of the Port's Strategic Business Plan, identify what needs to be completed, and to establish a 2019 completion time schedule. Attached is the current status of the Plan. Notably absent are updated financials, the in-depth analysis of the Port's assets requested by the Port Commission at their December meeting, tenant and public outreach, and preliminary feedback from Dave Harlan, Business Oregon's Ports Manager.

Completion of the Plan is a priority, so to that end, I'm going to recommend we begin the tenant and public outreach and provide Dave Harlan with the work done to date on the Business Plan. This can be done at the same time the Port is working on updating the financials and capital assets assessment. I'm also preparing an Executive Summary of the Business Plan.

I know the Port is facing an everchanging landscape, but a completed Strategic Business Plan will provide a definitive framework and direction for prioritizing and managing the issues proactively. Attached is a proposal for completion of the Plan.

Let's discuss this week if possible.

Thanks.

Port of Astoria Strategic Business Plan Status (January 6, 2018)

I. Port History and Mission	Completed Updated, Port Commission reviewed, requested edits have been made		
A. History			
B. Mission Statement			
C. Mission Statement Definitions			
D. Overall Goals			
E. Strategic Plan Development Process and Funding			
II. Port Overview			
A. Port Description	Completed, except for a description of Non-Revenue Activities	Will	
B. Port Resources	To do: Operational, Non-Operational and Outside Sources	Will	Include how Port now has cost centers, using GIS to manage properties
C. Port Principles, Polices and Procedures	Completed		
D. Financial and Market Conditions	Draft Complete except for Port Resources and Financial Condition.	Will	
III. Defining the Opportunity			
A. District Demographic Profile	Completed		
B. District Economic Profile	Completed		
C. Trends for Regional Key Industries	Complete, except for updated log exporting discussion	Mary/Jim	
D. Industry Trends for the State and Nation	Complete		

E. Analysis		Mary 1 st Draft, Jim Review	
IV. Policy Content			
A. Threshold Statement	Completed		
B. ORS 777	Completed		
C. ORS 198	Completed		
D. Environmental Issues	Completed		
E. Statewide Planning Goal 9— Economic Development	Completed		
F. Statewide Planning Goal 12— Transportation	Completed		
G. Statewide Planning Goal 17— Water Dependent Use	Completed		
H. Statewide Port Strategic Plan Recommendations	Completed		
I. Other Local and Regional Plans	Completed		
J. Political Content and Analysis			Public Input Required
V. Situational Analysis			
A. SWOT	Completed		
B. Critical Issues	Completed		
C. Demand Analysis	Completed		
D. District Needs	Completed		
E. Risk Analysis	Completed		
VI. Goals and Objectives			
A. Management Goals	Draft Completed		

B. Financial Goals	Draft Property Management Completed Debt Management Depreciation Reserves	Jim/Mary	Depreciation—All existing properties are fully depreciated Reserves—Currently at 90 days operating reserve. Near term goal is 6 months. Long term, 1 year.
C. Property Goals	Draft Completed		
D. Infrastructure Goals	Draft Completed		
E. Environmental Goals	Draft Completed		
F. Marketing Goals	Draft Completed		
VII. Facilities and Business Plan			
A. Five Year Capital Plan		Will	Jim. List of deferred maintenance. Priorities: 1. Emergency and safety 2. Repair facilities that create new and/or retain tenants
B. Management Plan		Jim/Mary	Mary. Include Port/Port Commission community involvement
C. Financial Plan		Will	Jim
D. Environmental Plan		Jim/Mary	Mary. Based on draft
E. Marketing Plan		Jim/Mary	Mary. East Mooring Basin, Airport, space behind Best Western. Coordinate with the County, Warrenton, CEDR on marketing strategies for highest and best use of Airport Industrial Park and North Coast Business Park.

			<p>Data Warehouse</p> <ol style="list-style-type: none">1. Site at NCBP2. Satellite facility at Airport Industrial Park— Environmental Science and Technology Center, including incubator space for technology start-ups3. Fiber optic hub4. Co-generation facility, which would also provide an alternate energy source for a NCBP Data Warehouse
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PORT OF ASTORIA STRATEGIC BUSINESS PLAN
Updated Proposal

Background:

The Port’s Strategic Business Plan has been a work in progress since mid-2016. The Port Commission engaged in seven public workshops to review and discuss the research findings and prioritize each of the key elements of the Plan. However, multiple changes have occurred within and outside the port which significantly altered the Port’s strategic future, including the sale of Tongue Point, lack of FEMA and ODOT funding for pier and airport repairs, closure of the causeway, and potential loss of log exporting revenue with China tariffs. The Port’s financial and capital asset management capacity has demonstrably increased over the last 18 months, providing new depth and detail for analysis and decision-making. Completion of the Strategic Business Plan has been a moving target as new data surfaces and needs to be considered and/or factored in. But the foundational components of the Plan are in place, and the remaining elements can be given at definitive completion timeframe.

Proposed Next Steps:

Plan Component	Complete By (Draft)
1. Preliminary review and feedback of SBP by Business Oregon Ports Director	January 31, 2019
2. Port Description—Non-Revenue Activities. Will to update	February 28, 2019
3. Port Resources—Operational, Non-Operational and Outside/Other. Will to update.	February 28, 2019
4. Financial and Market Conditions—Port Resources and Financial Condition. Will and Matt to update.	February 28, 2019
5. Trends for Regional Industries—Updating log exporting forecast will be dependent on global trade agreements. Recommended is interviewing Astoria Forest Products, and Oregon forest industry experts regarding their expectations, and potential contingency plans.	March 31, 2019
6. Opportunity Analysis <ul style="list-style-type: none"> • Tenant and Public Input (See next page) • Comparative Analysis with Port Assets and Financial Capacity 	March 31, 2019 April 30, 2019
7. Completion of Facilities and Business Plan	June 30, 2019
8. Draft SBP Completed	July 31, 2019
9. Formal Public and Business Oregon Review	September 30, 2019
10. Adoption of Port 2019—2029 Strategic Business Plan	October 31, 2019

Tenant and Public Outreach and Input—Given the changing landscape of Port finances, business opportunities and other challenges, now is an opportune time to initiate the tenant and public input process. Two public input tracks are recommended:

Tenant/Port User Interviews—Recommended is a series of small group interviews. Utilizing a set of jointly agreed upon questions that will best support the SBP, individuals will be interviewed in groups of 4–7 participants with similar interests/uses of the Port. Group interviews will last approximately 1 hour. All sectors of the Port would be invited to attend a session related to their experience with the Port. Mary McArthur would moderate the sessions, to ensure neutrality of the information collection and to encourage candor from the participants. At a minimum, each Port Commissioner would be encouraged to attend one session to hear the input first hand. All sessions would be available for Jim Knight to attend, as an observer.

Public Input—Recommended is meeting over the next two to three months with other local public stakeholders, including Clatsop County, the CEDR Board, city councils and chambers of commerce within the district, Col-Pac EDD, and Regional Solutions Team to hear their expectations and interest for the future of the Port of Astoria. Meetings with Clatsop County will identify the Port’s requirements for inclusion in their updated Multi-Jurisdictional Natural Hazard Mitigation Plan.

An Executive Summary of the Port’s draft Strategic Business Plan would be distributed to all participants prior to conducting interviews.

Budget:

Focused interviews with the tenants, port users and community at large, including Strategic Business Plan Executive Summary handout	\$ 5,000
Development of the strategic business plan components resulting from the additional financial and capital asset evaluation being prepared by staff, finalizing plan, preparation of public outreach materials	\$ 7,000