

Port of Astoria Fiscal Year 2026-2027 Budget Message

On behalf of the Port of Astoria management team, I am pleased to present the proposed budget for Fiscal Year 2026–27. This budget represents management’s best estimate of available resources, operational needs, and capital investment priorities for the upcoming year. It also reinforces the Port’s ongoing commitment to its mission: to generate economic growth and prosperity in a safe and environmentally responsible manner through the creation of family-wage jobs and prudent management of Port assets.

The proposed FY2026–27 budget totals approximately \$20.6 million. The budget reflects a continued emphasis on maintaining and improving critical infrastructure while supporting the Port’s long-term financial sustainability and economic development goals.

The upcoming fiscal year is defined by significant capital investment, sustained operational stability, and strategic positioning for future growth. Through disciplined budgeting, aggressive pursuit of grant funding, and careful management of operating resources, the Port remains focused on strengthening its financial position while advancing several major infrastructure initiatives.

Revenue Highlights

The Port’s operating revenues remain diversified across leases, marine operations, airport activity, fuel sales, and service-related income. Operating income for FY2026–27 is projected at approximately \$11.6 million, an increase over both the current budget and prior-year actual performance.

Lease and rental income is the Port’s strongest and most stable revenue source, accounting for roughly 30% of all gross operating income. Waterfront West properties, including seafood processing facilities and industrial tenants, continue to anchor the Port’s financial performance. Revenue from other properties continue to trend upward with the addition of new tenants and annual rent increases.

The Port’s Boatyard continues to experience strong demand and operational growth. Haulout revenues are projected at \$1.25 million, representing a 25% increase over the current adopted budget and continuing a multi-year trend of record activity.

Cruise operations are also expected to remain a positive contributor to Port operations. Cruise-related dockage and bundled service revenues are projected to increase over the current year as Astoria remains an attractive destination within the Pacific Northwest cruise market.

At the Airport, fuel sales and lease revenues remain strong. While fuel pricing volatility continues to influence projections, both Jet A and Avgas activity are budgeted to stay consistent with long-term trends. Additional airport revenues are also anticipated through improved landing fee collection practices and expanded rental vehicle operations.



The proposed budget does not include revenue from log export operations. While prior years benefited from lease income and vessel activity associated with log operations, those activities concluded during the previous fiscal year and future activity remains uncertain.

Budget Priorities and Operating Outlook

The proposed FY2026–27 operating budget reflects ongoing investment in personnel, maintenance, utilities, and operational support services necessary to maintain Port facilities and provide reliable service to tenants, customers, and the public.

Personnel and benefit costs are expected to increase due to wage inflation, rising health insurance costs and Oregon PERS costs. Even with these pressures, operating expenses as a percentage of operating income are projected to improve compared to the current fiscal year budget.

The Port maintains close monitoring of inflationary pressures, utility costs, and supply-chain-related expenses while maintaining conservative assumptions within the budget. Management remains focused on balancing operational needs with long-term financial stability.

Capital Investment and Infrastructure

Capital investment remains one of the Port’s highest priorities in FY2026–27. The proposed budget includes approximately \$9 million in capital outlay, supported by over \$6.2 million in anticipated grant funding. Through continued success in securing outside funding, the Port is able to pursue major infrastructure improvements while minimizing impacts to operating reserves.

The rehabilitation of Pier 2 West remains the Port’s most significant long-term infrastructure priority. During FY2026–27, work will proceed on permitting, environmental review, mitigation requirements, and preconstruction planning associated with the larger rehabilitation project. This effort is supported by substantial state and federal funding previously secured through Business Oregon and the U.S. Department of Transportation’s Port Infrastructure Development Program.

The Port also continues to invest heavily in the Boatyard. Planned projects include engineering and design work associated with the Boatyard Master Plan, upgrades to haulout infrastructure, and preparations for a larger vessel lift capable of serving expanded commercial and maritime demand. These projects are intended to strengthen the Boatyard’s role as a regional marine service hub and create additional long-term revenue opportunities.

Additional capital priorities include:

- East Mooring Basin dredging and dock replacement projects;
- Ongoing maintenance dredging along the central waterfront;
- Repairs and rehabilitation planning for Pier 2 East;
- Airport taxiway realignment predesign work;
- T-hangar rehabilitation projects; and



- Continued planning and infrastructure development within the Airport Industrial Park.

These investments are critical to maintaining safe and reliable operations while positioning the Port to capitalize on future economic opportunities.

Looking Ahead

The Port of Astoria faces ongoing challenges common to ports and public agencies across the region, including aging infrastructure, inflationary pressures, permitting and regulatory complexities, and rising construction costs. However, the Port is also well-positioned to capitalize on significant opportunities in maritime services, tourism, industrial development, and aviation-related growth. Through partnerships with local businesses, regional agencies, tenants, and community stakeholders, the Port will continue working to support economic opportunity and long-term resiliency for the region.

This budget represents more than a financial plan. It is a roadmap for maintaining critical infrastructure, strengthening economic activity, supporting family-wage jobs, and preserving the Port's role as a vital public asset for Clatsop County and the surrounding region.

Thank you for your support and partnership. Together, we will ensure the Port of Astoria remains a vital economic engine for our community.

Sincerely,

Will Isom
Executive Director
Port of Astoria