

Determination Process for Marina and Airport Lease Rates & Schedule of Rates and Fees



Rates & Fee Determination Factors

1. Abide by Washington State Constitution, Article VIII, Section 7: *No Gifting of public funds*
2. Follow Strategic Plan
3. Follow Port's Operating Rates & Operating Budget Policies
4. Market value
5. Demand

Strategic Plan

Marina Strategy 4.3 and Airport Strategy 5.2

To manage operations, capital facilities, and lands in a manner that strives to generate sufficient revenues to offset operating expenses.



Operating Budget Policy

The Commission will set a budget on an annual basis. The Port budget shall balance operating and non-operating revenues with operating and non-operating expenditures with general fund tax levy revenue being used for capital improvement projects or for port reserve fund.

Operating Rates Policy

Port user fees and charges shall cover the cost of that service except to the extent that the Commission has determined that the service in question provides a general public benefit.

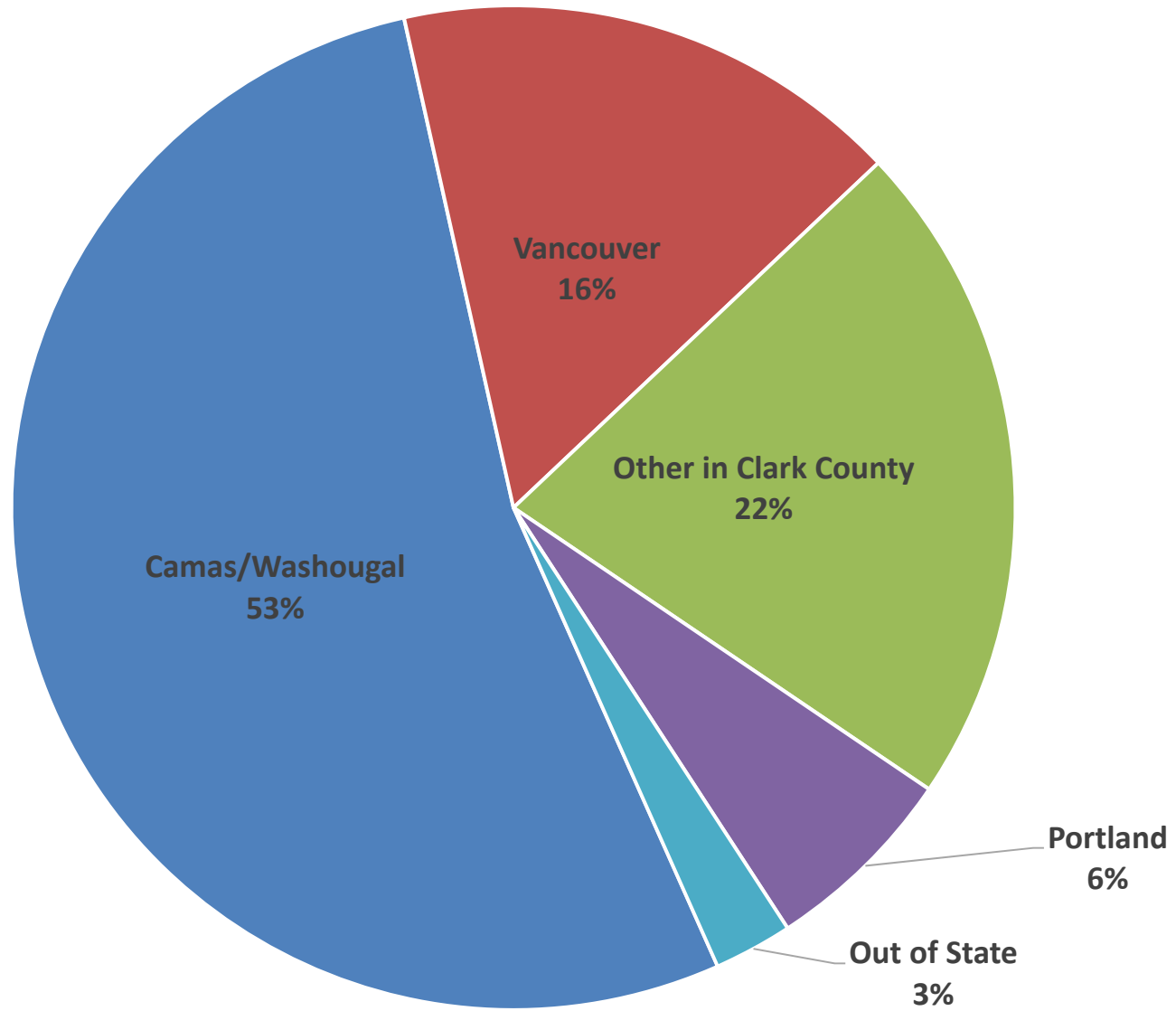
To establish appropriate pricing of leases, the Port will use the current market value of the leasable assets (land, buildings, and/or related infrastructure) as the basis for rent calculation. The asset will be revalued as appropriate and the pricing will be adjusted as warranted.

Market Value – Airport's

Survey local airports

Grove Field	\$204.75-\$375.00
Pearson Airfield	\$297.00-\$491.00
Portland-Troutdale Airport	\$256.42-\$390.00
<i>*Port owned hangars don't have electricity and experience high turnover due to this.</i>	
Twin Oaks Airpark	\$280.00-\$300.00
Port of Olympia	\$282.50-\$413.50
Scappoose Airpark	\$156.00-\$243.00

Where do Grove Field Tenants live?



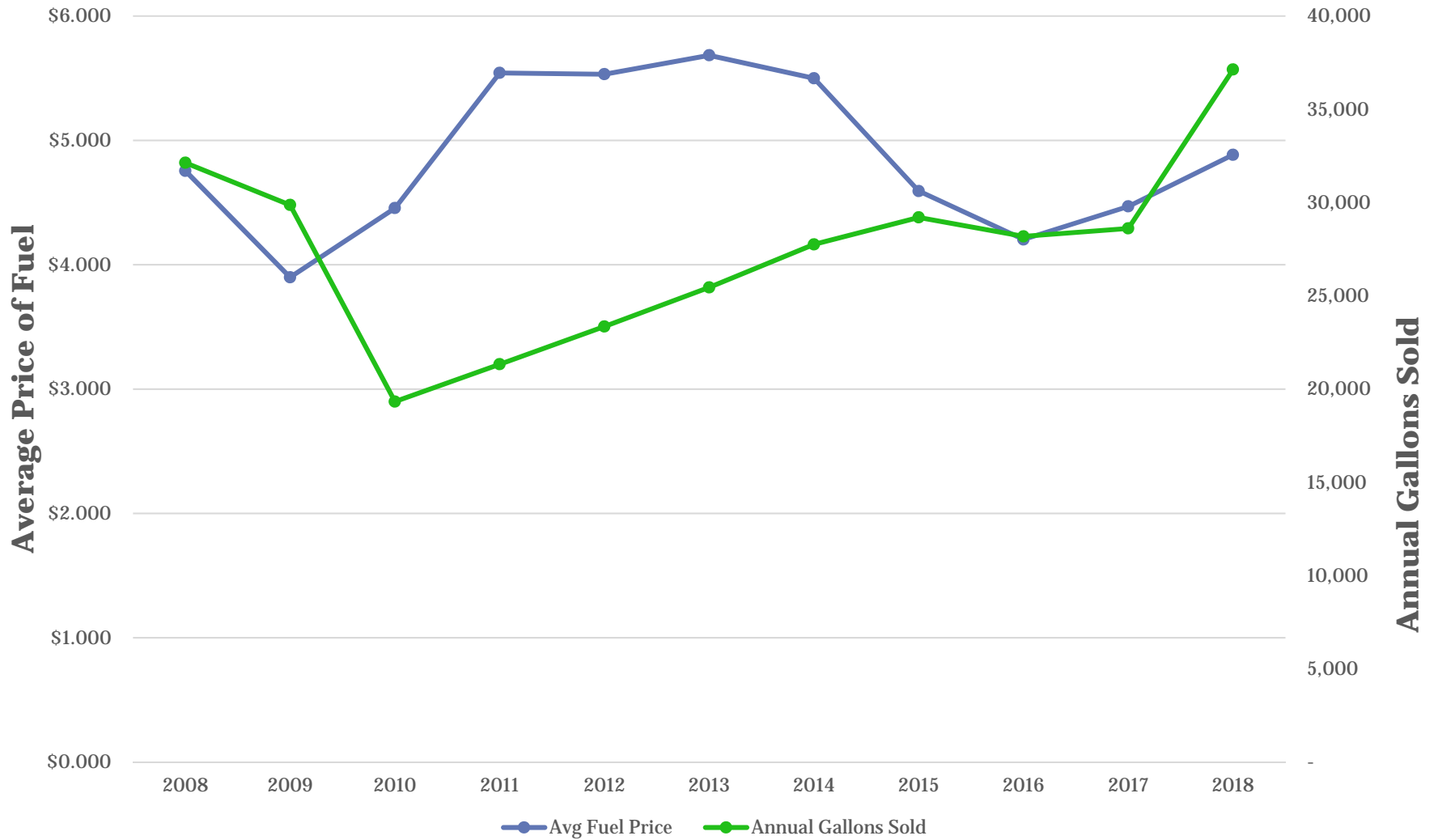
Demand

Grove Field Airport

Hangars

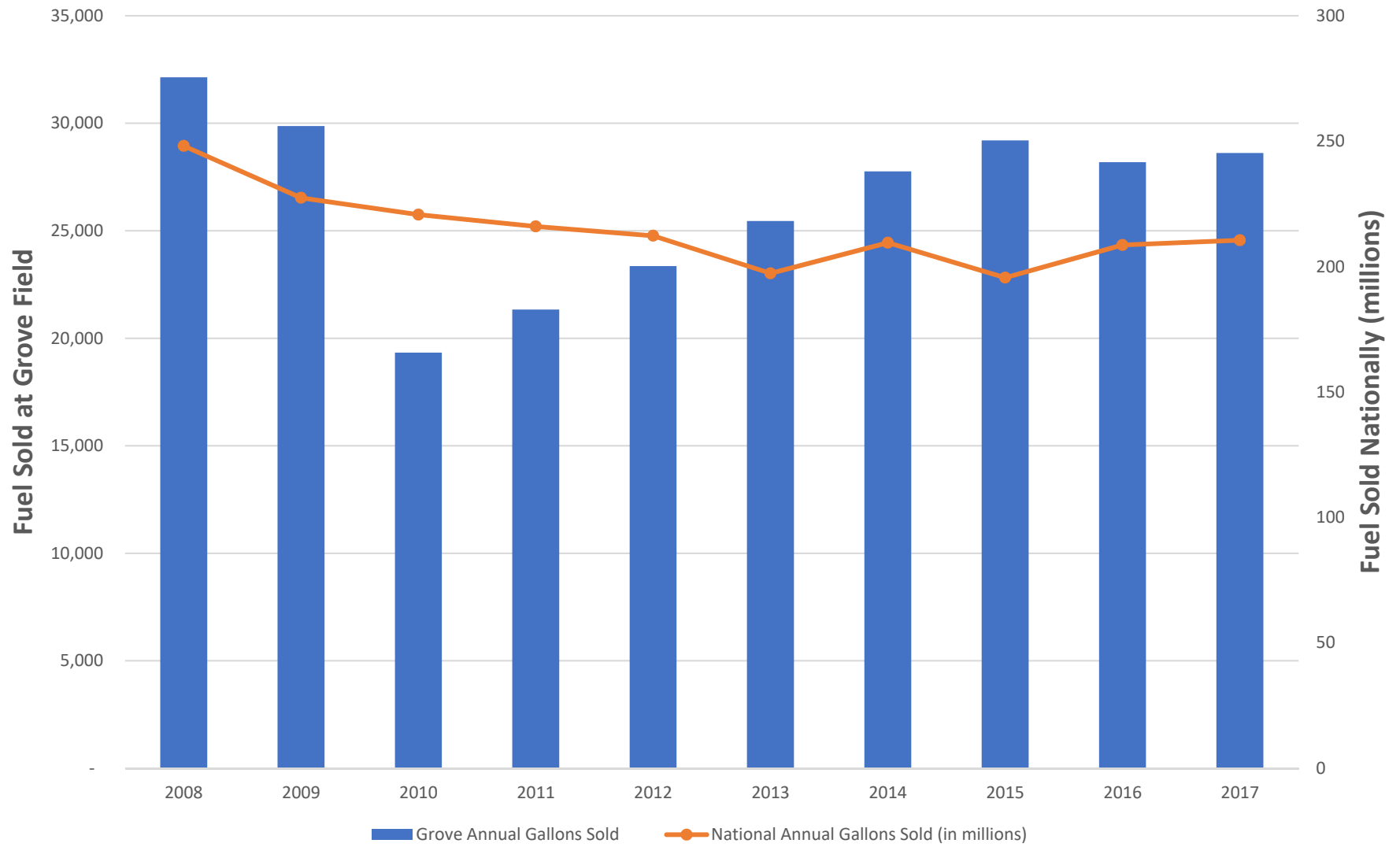
- Consistently 98-100% full for the last 9 years. Immelman Hangars caused a temporary drop in occupancy in 2017, with 7 tenants moving there. Re-opening of C Row hangars caused a occupancy drop in early 2018, but was filled within a couple months.
- Currently 23 on waitlist. 15 will take first available hangar and 8 want specific hangars.
- Other airports surveyed were also 98%-100% occupied.

Fuel Pricing and Annual Gallons of Fuel Sold Trend



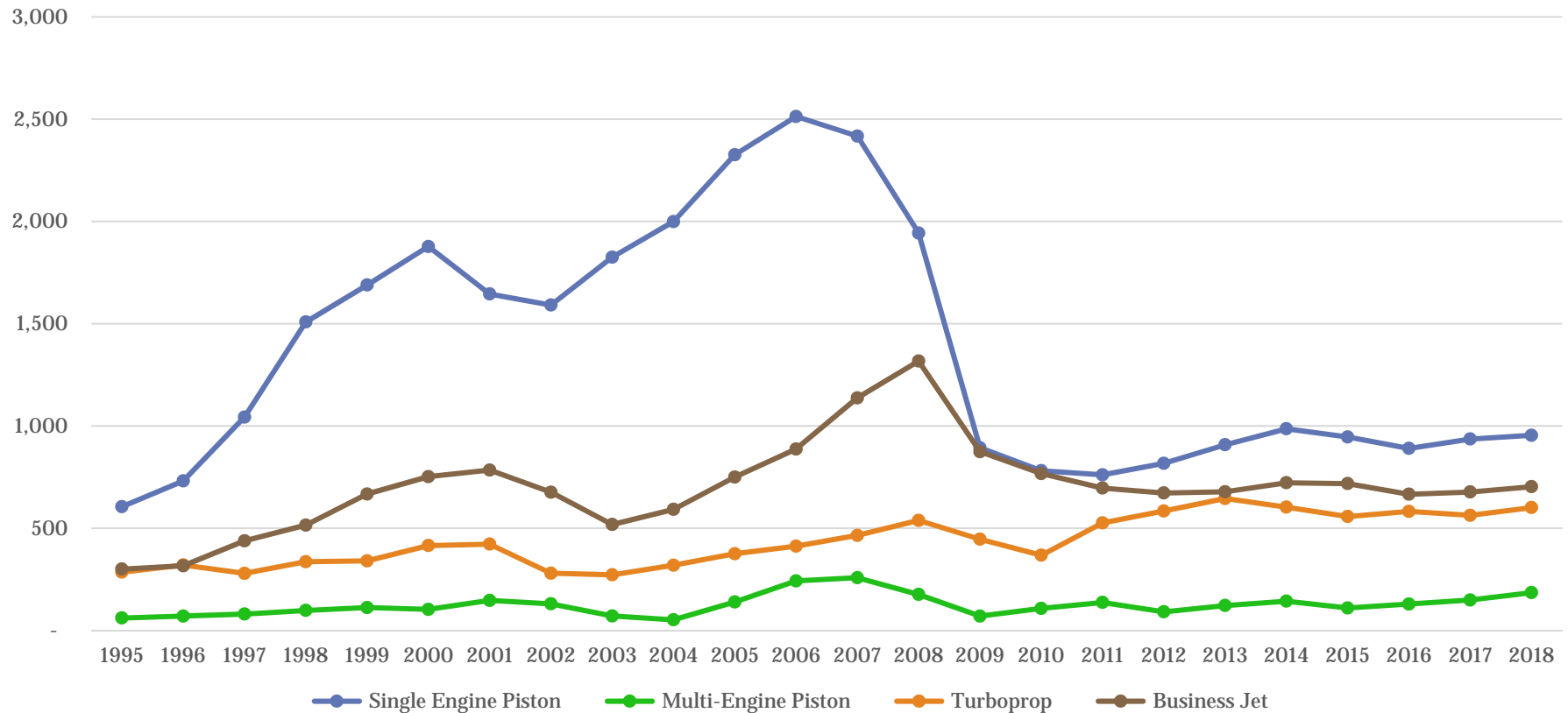
Trend of Fuel Sold at Grove versus Nationally

Source: GAMA 2018 Annual Report



Aircraft Manufactured Trend

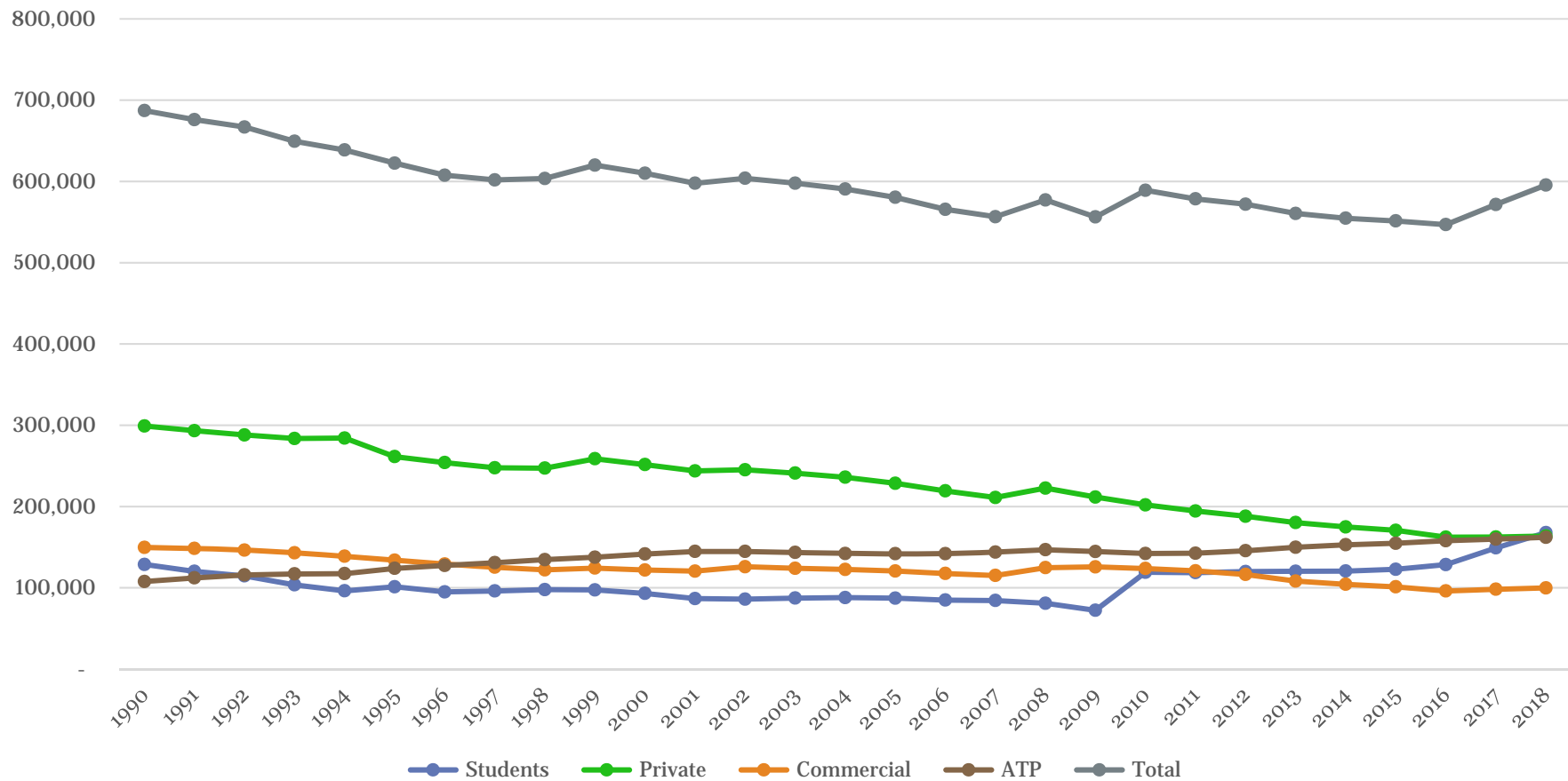
Source: GAMA 2018 Annual Report



- Piston Engine Airplanes increased by 5% from 2017; and are manufacturing 4.9% more than the last 5-year average.
- Turboprop Airplanes increased by 6.7% from 2017; and are manufacturing 3.4% more than the last 5-year average.
- Business Jets increased by 3.8% from 2016; and are manufacturing 0.8% more the last 5-year average.

Active FAA Certificated Pilot Trend

Source: GAMA 2018 Annual Report



- Washington State houses 3-4% of the total pilots in the United States.
- Overall active pilots grew by 3.9% since 2017; of those pilots, student pilots grew the most by 12.5%, followed by ATP, Commercial and Private pilots growing between 1.5%-1.8% since 2017.
- Women only comprise 7.34% of pilots; this has only grown by 1.57% since 1990 or 28 years.

Market Value – Marina's

Survey local marinas

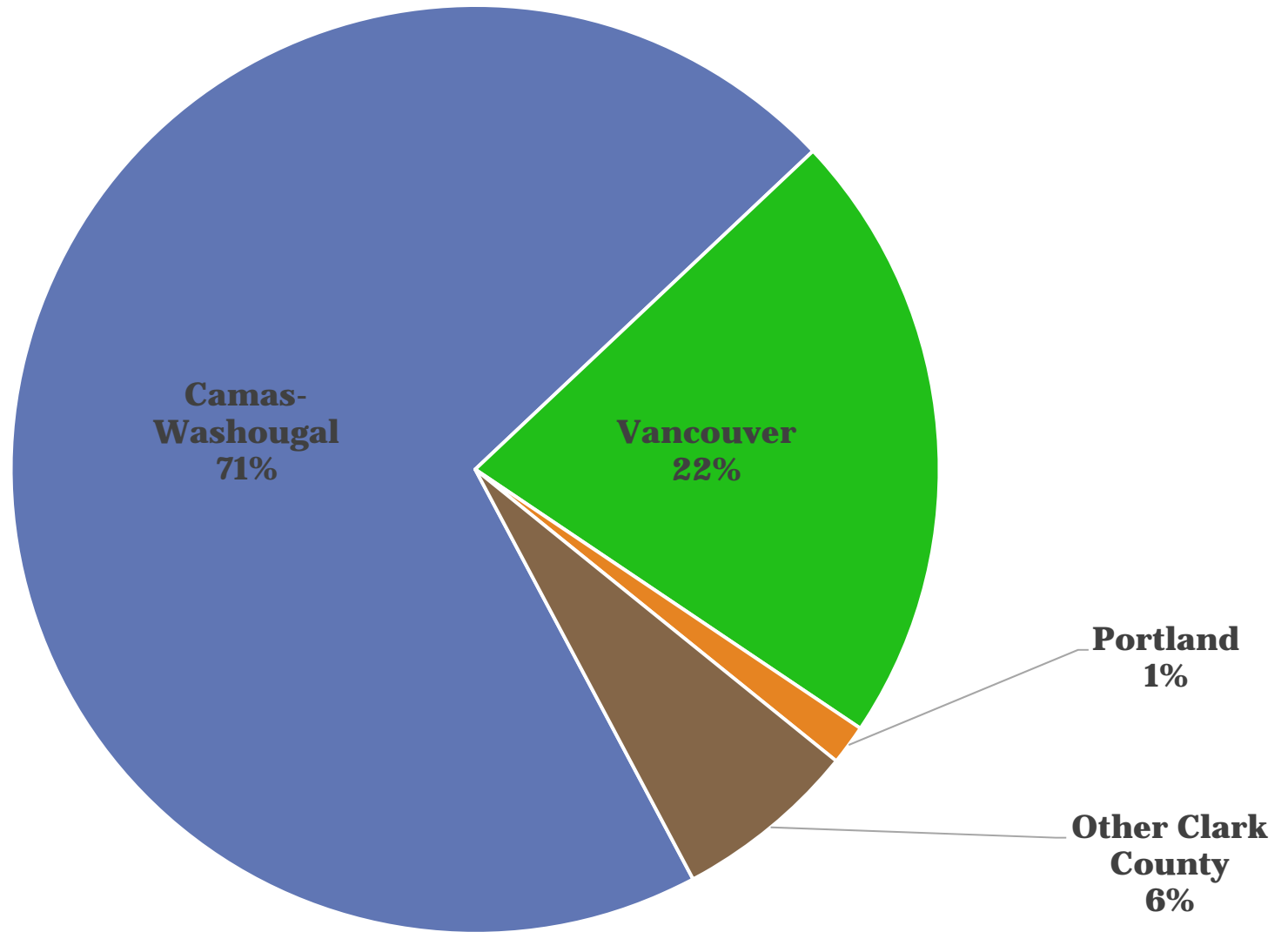
Uncovered Slips

Port of Camas-Washougal	\$90.00-\$193.50
Steamboat Landing	\$165.00-\$290.00
Columbia Crossings	\$201.80-\$343.25
Port of Hood River	\$128.16-\$171.28

Covered Slips

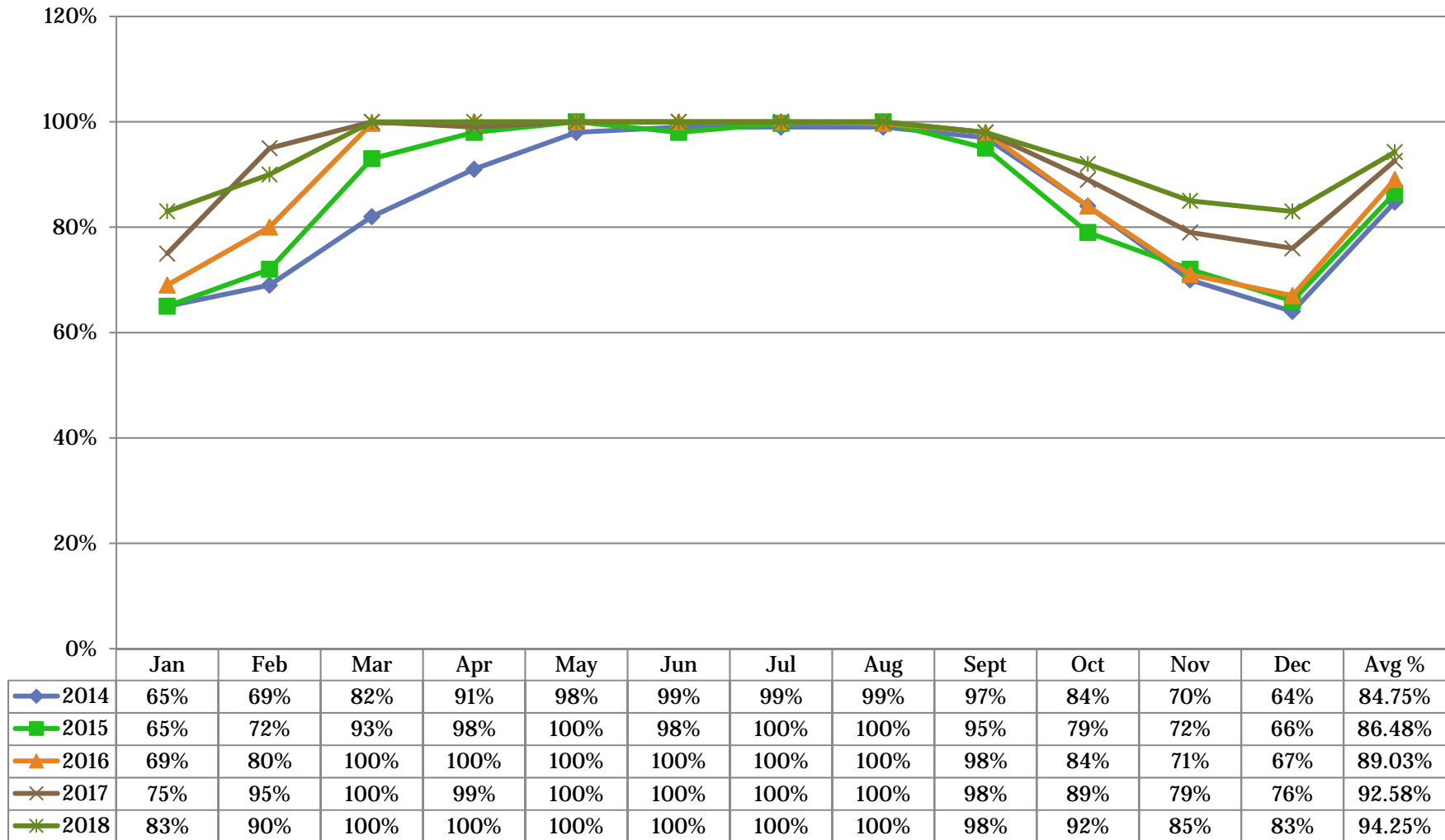
Port of Camas-Washougal	\$136.00-\$286.25
Steamboat Landing	No Covered Slips
Columbia Crossings	\$219.74-\$442.50
Port of Hood River	No Covered Slips

Where do POCW Marina Tenants Live?



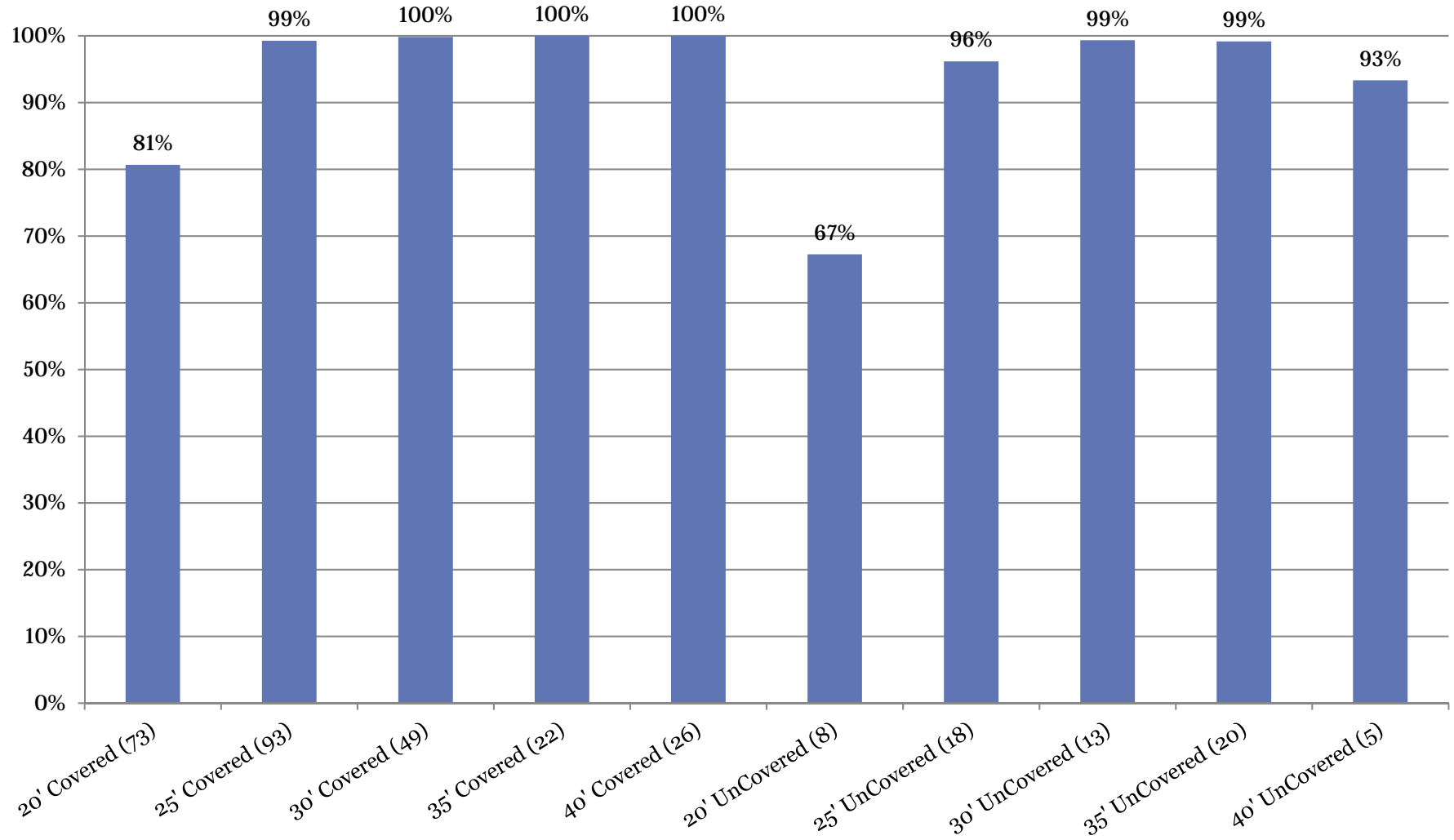
Demand

Moorage Slip Occupancy Rates 5 Year Trend



Demand

Annual Occupancy by Slip Size





- Runabout motor boats under 28 feet account for about 73% of total motor boating in the state.
- New boats entering the state in 2016: Personal watercraft (jet ski) gained 11.9 percentage points whereas runabouts lost 6.8 percentage points.
- 233,221 vessels were registered in 2016 compared to 270,672 in 2006.

Source: RCO Recreational Boating Plan