

The Port of Camas-Washougal 2019 Annual Report

It's our nature to *thrive*

message from the Chief Executive Officer



We view the next five years at the Port of Camas-Washougal with excitement. Our home market is robust. Our business lines — Aviation, Commercial Real Estate, and Maritime — are thriving. Our outlook is for steady gains into the next decade.

In other words, our time is now. The Port of Camas-Washougal anticipates a period of commercial success perhaps unrivaled in its 84-year history with the upcoming development of its waterfront and Steigerwald Commerce Center.

This fits into our strategy: growth that's sustainable and responsible. We want to increase our volume of business. It will lead to more jobs, more economic stimulus, more opportunity for Camas and Washougal. But here's the corollary to that strategy: We must grow with care.

The Port of Camas-Washougal is more than a collection of businesses. It's the

symbol of two cities working together to build a thriving and caring community.

With that role comes responsibility. It requires us to conduct ourselves in the public interest for the public good. We can grow and we want our neighbors to grow with us.

Economic stimulus: We're investing in businesses to keep them thriving.

Jobs: More than 1,000 jobs are traced to the Port with an annual payroll of \$30 million. As our business grows, so will employment.

Local hiring: We're actively connecting with our tenants to find out what they will need in the future to generate good, well-paid jobs. We're also working to connect those tenants with our local schools and community.

Small businesses: The Port has budgeted \$1.6 million to spend on capital improvements in 2019. Our policies

will continue to ensure that small, local businesses have every opportunity to share in that work.

Water quality: The Port is entrusted with the protection of the Columbia River. We'll continue to enforce and lobby for policies that prevent pollutant runoff into the river. Tenants at all of our facilities are required to follow State water quality regulations and we will work with them to ensure the highest levels of compliance.

We've got thousands of neighbors who feel invested in the Port. They work here. They play here. Most importantly, they live here. We've got a responsibility to them.

As we progress in these next five years, we want our neighbors and our communities to prosper with us. How do we make that happen? By following a simple strategy: growth with care.



John Spencer
District 1
2018 - 2022 Term



Bill Ward
District 2
2016 - 2019 Term



Larry Keister
District 3
2018 - 2022 Term

Featured Tenant

Logsdon Farmhouse Ales Relocates to Steigerwald Commerce Center

Logsdon Farmhouse Ales owners Jodie Ayura and John Plutshack celebrated the relocation of most of the company's operations from Hood River, OR to Washougal, WA in Steigerwald Commerce Center.

Logsdon Farmhouse Ales brewers are enjoying the transition from producing beer in a Hood River barn to using newer brewing equipment in downtown Washougal in the former Amnesia Brewing space.

Dave Logsdon and Charles Porter established Logsdon Farmhouse Ales in 2011. The Logsdon brewers started producing beer at the Washougal location in September 2018.

"Peche 'n Brett," oak aged ale brewed with peaches, is currently the most popular Logsdon beer, according to brewer Shilpi Halemane. Additional northwest fruit, including cherries, plums, apricots, blueberries, and nectarines, are also used in their barrel aged beer.

Logsdon Farmhouse Ales is leasing a 3,300-square-foot bay in Building 18 at the Port of Camas-Washougal's Steigerwald Commerce Center, in Washougal. There, the brewing company will expand its' barrel aging program and store beer.

Halemane worked at Widmer Bros. Brewery, in Portland, before he went to Logsdon Farmhouse Ales.

Mark Pearson, a brewer with Logsdon for a year in Hood River, is now working at the Washougal site. He was previously a brewer at de Garde Brewing, in Tillamook, Oregon.

Plutshack and Ayura moved from Illinois to the Northwest in 2002, and they have lived in Portland for 10 years.

The plans for the future of Logsdon Farmhouse Ales include the addition of a bottling line in the brewery area behind the Washougal taproom.



More information can be found on the website alexsmokehouse.com or look up "Alex Smokehouse" on Facebook. Bottles of Logsdon Farmhouse Ales beer can be purchased at Alex Smokehouse, 1834 Main St., Washougal. The restaurant and Logsdon Farmhouse Ales tap room are open in the former Amnesia Brewing location.



Growth & Expansion

The completion of a 6,000 square foot commercial hangar gave the Port the opportunity to expand services and business presence at Grove Field. Cascadia Cubs is located in one half of this new facility, and FlyCamas Aviation Training is located in the other half.

Cascadia Cubs, owned by Devin Sirois, construct, repair, and customize Piper Cub kit aircraft. The methods of construction are quite simple for these aircraft and usually employ fabric covering an aluminum airframe, although increasing interest is seen in alternative coverings such as fiberglass or aluminum. These “kit” planes are small, one to four-seat lightweight planes that are often used for transportation in remote areas of Alaska and Canada, and is one of the fastest growing aviation markets.

FlyCamas Aviation Training Center, owned by Aaron Van Schoiak, offers both high and low-wing aircraft for flight instruction, scenic tours, discovery flights, and rentals for personal use. FlyCamas now employs three full-time and five part-time instructors and has seen the business grow over 300% in the past year. This business generates interest and accessibility to flight through many avenues.



looking to the future for grove field

Maximizing Present Opportunity to Preserve for the Future

Airport Business Plan

The Port views Grove Field as a true asset not only to the flying community but also to the communities of Camas and Washougal, as it acts as the “Main Street” for air access into the region. Just as the cities are looking to maintain their downtown areas, the Port is constantly looking at ways to grow Grove Field through business development opportunities. Last year Airport Business Solutions was enlisted to develop an Airport Business Plan, which is a document that uses logical and disciplined structure to set out goals, objectives, and action plans that drive the day-to-day operation and management of an airport. This plan provides some direction and guidance for present opportunities, as well as outlines potential strategies for growth.

The Port of Camas-Washougal contracted for a business plan in the summer of 2018. The plan was completed in October and adopted by the Commission in November 2018 and presents a strategy and suggested timeline for implementing the recommendations of the business plan that included three scenarios:

1. Status quo
2. Removing some deficiencies
3. Obtaining federal funding to expand the airport (recommended option)

The Port’s strategic plan is to continue developing Grove Field for both economic and recreational uses in a way that minimizes the impacts to other priorities but plans for the future.

2019 Projects Include:

- Business Development with Flight School by Providing Additional Hangar and Classroom Space in AP-1
- Consider Opportunities to Purchase Real Estate Surrounding the Airport
- Begin Discussion on Conditional Use/Zone Change Process with County for Airport Development
- Create More Staff Presence at Airport
- Updated AOPA Website Information
- Implementing Ongoing Fuel Adjustments
- Update Master Record and Chart Supplement Through FAA
- Implement Airport Transient Log
- Projects:
 - a. Review Fuel Tank Relocation
 - b. Paint Over Incorrect Threshold
 - c. Install Kiosk Next to Fuel Terminal
 - d. Business Signs on AP-1



industrial park projects

Steigerwald Levee Realignment

The Army Corps of Engineers built the levee system around the area in the mid-1960s to protect against flooding, but development in the area and other problems with water control have led to flooding along Gibbons Creek, along the west edge of the refuge, affecting nearby homes, state Highway 14, Washougal's wastewater treatment plant and the Port of Camas-Washougal's industrial park. Restoring the floodplain around Steigerwald Lake National Wildlife Refuge improves trail systems (lengthened by 0.5 miles, new bridges and overlooks), reduces flood risk to SR 14 and private residences, removes all City and Port infrastructures from the FEMA flood zone, reduces the Port's average annual operation and maintenance costs by \$42,000 and other savings related to flood damage and dredging (\$500K-\$1M). The levee realignment restores over 900 acres of Columbia River floodplain habitat.

Rail Improvement

This is a phased contract provided by Schad Co. Rail Road Construction which provides priority classification of repairs needed on the rail system. Code 1 repairs included critical repairs and Code 2 are maintenance. AREMA grade switch ties and industrial grade hardwood crossties were used to repair poor crossties, joint bolts and tamp track in accordance with the railroad industry and BNSF standards.

Steigerwald Mitigation Planting

The contract awarded to Clark and Sons Excavating installed plants in the Wetland Enhanced Buffer Area to ensure compliance with wetland requirements per the City of Washougal Environmental Regulations and the Washington State Department of Ecology. Plants, logs and root wads were installed in the Enhanced Buffer Area of approximately 3.70 acres. The outer portion of the buffer area included coniferous and deciduous trees to shield the wetland from the proposed development and the inner portion of the buffer included native shrubs. In total, there were 3,350 plants, shrubs, and trees planted including Western Red Cedar, Big Leaf Maple, Red Alder, Cascara, Hazelnut, Red Elderberry, Serviceberry, and Tall Oregon Grape.

For Lease or Purchase

Steigerwald Property

This unique 100-acre parcel is market-ready for industrial development. Lot sizes range from 1.5-30 acres of heavy industrial zoned lots. Port buildings are for lease or "build to suit."

Located 15 minutes from the Portland International Airport, Steigerwald boasts spectacular views of the Gorge's protected natural landscape. Since 2008, the Port has experienced 87% growth with over 123,000 square feet of new building space opening to accommodate 19 new businesses in the Industrial Park. The Port's Opportunity Zones also offer appealing tax incentives for investors.





marina

Applying for Recreation and Conservation Office (RCO) Grants

The Port is always looking for ways to improve its bottom line by utilizing grant funding opportunities for capital projects and has applied for a recreational boaters grant from the Recreation and Conservation Office (RCO). These grants are available to assist in the renovating of boat launches, adding electricity to marinas, adding boat launch lanes, building parking and restrooms for marinas or launching areas, and designing and obtaining permits for boating facilities. The grant process is open and competitive, ensuring that only the best projects get funded.

In 2015-16 the Port received \$1.7 million in RCO grants for the design and construction of the Washougal Waterfront Park and Trail.

A committee of people knowledgeable about boating score the projects based on criteria established by the board and submit a ranked list to the board for funding consideration. This program is one of the few in the state that gives money directly to projects that help

maintain the state's long boating history and ensure that land for boating facilities is protected for future boaters. The grant money would be used to advance the Port's breakwater access design and permitting, which would include improved ADA access and electrical redesign.

Fuel Dock Replacement

The Port has contracted with GHD Inc., one of the world's leading professional services companies operating in the global market sectors of water, energy and resources, environment, property and buildings, and transportation, for the engineering and design of the marina fuel dock. The goal is to provide new and modern facilities for recreational boaters and tenants of the 350-slip marina. The work plan has been broken down into 3 phases:

Phase 1: Preliminary Engineering

Phase 2: Detail Design

Phase 3: Services during bidding and construction

The project is extensive and scheduled to be completed sometime in 2022. The estimated cost of the engineering and design is \$66,400.

Awards & Recognition



2019

Environmental Stewardship Award

In recognition of the Port's dedication to the environment, the Port was awarded the 2019 Environmental Stewardship Award by the Pacific Coast Congress of Harbormasters and Port Managers, Inc., an organization of commercial and recreational marina professionals promoting the development and growth of our industry and membership through communication, education and professional certification.



port waterfront

Port Chooses Lead Waterfront Developer

With the assistance of Port Owner's Representative Leland Consulting Group, the Port of Camas-Washougal announced it has chosen a lead Waterfront Developer – RKm Development to assist in the development of a vibrant mixed-use center and regional destination that will amplify and enhance the Camas and Washougal communities.

RKm Development is a long-time owner, developer, and operator of numerous local mixed-use development projects in the Portland Metropolitan region. Their vision for the Waterfront at Parker's Landing includes a harmonizing, multi-use area for dining, shopping, errands, family fun, and multi-generational entertainment, all next-door to beautifully designed residences with amazing waterfront

views of the river and scenic gorge. As agents for positive community growth, their depth and breadth of masterplan development experience will lend itself to creating a multi-faceted public epicenter, with design and programmatic elements that will not only boost the local economic engine, but also amplify the unique amenities of the site to attract visitors, customers and users from around the region.

"Roy Kim and his team have developed a variety of dense, livable, mixed-use suburban districts," reported David Ripp, Port CEO. "While the demographics for his signature projects are different, the approach is the same: Create a centralized community with diversity in mind."

Next steps include an Exclusive Negotiation Agreement (ENA), which is an agreement between the Port and the developer specifying a period of time in which the parties will negotiate exclusively on a development project. The ENA binds both parties from making any similar deals with other parties for a specific period. An ENA is the first stage in the formation of a formal contract.

Roy Kim and his company RKm Development understand the principles of suburban development, density, and new urbanism. But his most important development principle is understanding the market and creating a sense of place. We are excited to have them as part of our team!

RKm
DEVELOPMENT





Natural Play Area *grand opening*



June 7, 2019 / Washougal Waterfront Park at 3:30 pm

ADA accessible and will boast a 6-foot hill slide, log scramble, vegetation tunnel, xylophone area, and of course Eegah, our local Sasquatch.



2018

financial report

The Port of Camas-Washougal has three primary sources of income: revenue from Port operations (industrial park leases, hangar leases, and moorage leases), property taxes, and grants. In addition, the Port can borrow money by issuing general obligation bonds and revenue bonds.

Property taxes received by the Port go directly towards the new capital project

and paying down outstanding general obligation bonds and revenue bond debt. In 2018, the Port received \$2.488 million in property tax revenue; \$1.293 million went towards bond debt and the remaining \$1.195 million went towards capital projects.

All Port operations (Industrial Park, Airport, Marina and Administration) are funded by operating revenues, property

taxes are not used to support port operations. Port operations ended the 2018 year with a net income of \$301,150.

Find more financial information and the most recent State Auditor's Financial Report at:
<https://portcw.com/finances/>



Visiting Boaters

Serves over 7,000 boats every year.
Largest marina on the Columbia River.



Business Tenants

The Port is home to 52 businesses.



Land Lease

The Port produces over six jobs for each acre of land it leases.



Port Buildings

There are 20 buildings totaling nearly 275,000 square feet on Port property with an occupancy rate of 100%.



Parks & Trails

Port manages four parks (Washougal Waterfront Park, Captain William Clark Park, Marina Park, and Parker's Landing Historical Park) and four miles of trails along the Columbia River.



Tax Dollars

The Port collects \$2.488 million in property tax annually and receives just 2.5 cents from each dollar in property tax paid by Port constituents.

opportunity zone

Port of Camas-Washougal Industrial Park & Steigerwald Commerce Center

Two census tracts within the city of Washougal have been designated Opportunity Zones by the State of Washington, incentivizing private investment in the area through special tax breaks that will stimulate economic development and job creation. Governor Jay Inslee approved 139 tracts in 36 counties statewide for this new program on April 20, 2018. The initiative was a collaborative effort between the Port of Camas-Washougal, City of Washougal, Camas Washougal Economic Development Association, and Columbia River Economic Development Council.

The Opportunity Zone program was included in the Tax Cuts and Jobs Act of 2017, which was designed to provide tax incentives to investors who fund businesses in underserved communities. Washougal was one of the most impacted communities in the area during the Great Recession; approximately 17% of the city's job base was lost as compared to 5% in most parts of the Portland metro area. With this program, investors are able to defer paying taxes on capital gains that are invested in Qualified Opportunity Funds which are used to invest in distressed communities designated as Opportunity Zones by the governor of each state.

The Port of Camas-Washougal's Industrial Park and Steigerwald Commerce Center are designated in a Qualified Opportunity Zone.

The Port of Camas-Washougal and the City of Washougal have been successful in attracting state and federal funding for infrastructure in recent years and the City has updated its long term Comprehensive Plan to focus economic development efforts downtown and at the port industrial area. Several projects within the designated tracts are in various stages of planning, and the Opportunity Zone designation will help attract capital that will lead to development.

How Does the Opportunity Zone Program Work?

The law passed by Congress in December of 2017 states:

- To qualify, capital gains must be invested in a Qualified Opportunity Fund within 180 days of the date of the sale or exchange that generated the gain.
- The tax deferral is temporary (up to nine years) and the program ends on December 31, 2026.

For frequently asked questions, please visit the IRS website at: <https://www.irs.gov/newsroom/opportunity-zones-frequently-asked-questions>.



Upcoming Port of Camas-Washougal Events

Thursday, May 30 / 10 am to 3 pm
The Port's Conference Room
For an appointment, call 800 RED CROSS



Thursday, July 4 / 6 pm to 10 pm
Washougal Waterfront Park



Saturday, Aug. 24 / 10 am to 2 pm
Grove Field Airport



Saturday, Dec. 7 / 5 pm to 7 pm
Marina Park





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4TH of July CONCERT AND FIREWORKS!

