



**Port of Tillamook Bay
Strategic Plan 2012 Update**

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TO: Michele Bradley, General Manager
FROM: Vicki Goodman
RE: Strategic Plan Update 3/2012
DATE: 4/6/2012

The attached document contains the edits provided by the Board of Commissioners at their March 2012 meeting. The Goal 4 Policy Statement is changed to two sentences from that very long one for the policy statement.

The Overview, Background, and list of policies remain as part of the final document. If you need any additional changes, just let me know.

Overview

The Legislature directed the Oregon Business Development Department (OBDD) to develop a Strategic Business Plan for Oregon's Statewide Port System.

The Plan, called Ports 2010: A New Strategic Business Plan for Oregon's Ports, was completed and adopted as OBDD policy in September 2010.

Ports may opt in or out of developing an agreement with the state, but in order to access technical and/or financial assistance, ports must develop a Strategic Business Plan and enter into an Intergovernmental Agreement (IGA) with OBDD.

The IGA defines the business relationship between an individual port and the State of Oregon.

BACKGROUND:

Port of Tillamook Bay's Strategic Business Plan was developed in the context of a statewide effort by the Oregon Legislature and the Oregon Business Development Department to

“Define the State of Oregon's future role, interest and investment in the statewide port system based on a realistic assessment of port markets, and economic and business development opportunities. It will identify infrastructure equipment, administrative, regulatory and governance needs of the ports, and also identify ways that Oregon's port system can best serve the interest of the state of Oregon and its residents”

Built on past planning efforts and lessons learned, the ports' current situations, and their future outlook, the state strategic plan provides a set of recommendations and implementation strategies intended to create a successful business relationship between Oregon's state government and all Oregon Ports.

The state plan goals are

- ✚ Improve state support and funding for ports to identify and grow their existing business lines, including marine cargo and transportation, property development, tourism and recreation, air and surface transportation, and marine-dependent facilities.
- ✚ Identify strategies for Oregon ports to tap into emerging markets and respond quickly to new opportunities.
- ✚ Organize the State's programs to facilitate the success of Oregon Ports consistent with the recommendations of the Statewide Port Strategic Plan.
- ✚ Provide education, outreach, training, advocacy and support for ports.
- ✚ Provide financing programs and investment strategies to improve the ports' ability to pursue existing business lines and new markets.
- ✚ Endorsement – Upon completion of public review, seek adoption of the Port Strategic Plan by appropriate state agencies along with support by Oregon's ports and OPPA.

VI. UPDATED STRATEGIC BUSINESS PLAN

March 2012

A. MISSION AND GOALS

Mission: Promote a fiscally sustainable Port of Tillamook Bay that contributes to the economic health of the county through responsible management of Port assets, resources and capabilities.

Management Goal:

Achieve continued success in fulfilling the stated mission of the Port by developing and maintaining necessary organizational and physical resources.

Financial Goal:

Assure the Port's fiscal stability and reliable financial condition for its ongoing missions.

Marketing Goal:

Market the Port as a "Destination" on the North Coast that offers employment, tourist facilities and mixed use development opportunities.

Environmental Goal:

Exhibit a conscientious stewardship of all lands, facilities and waters under the Port's control.

B. MANAGEMENT

Goal 1: Enhance the existing abilities of the professional staff and Board of Commissioners.

Policy: The Port of Tillamook Bay shall provide continual training opportunities to enable the professional development of its staff and Board of Commissioners.

- ✚ Strategy A: Utilize periodic training opportunities provided by Special Districts Association of Oregon (SDAO) to enable Board members and staff to increase their knowledge appropriate to their position.
- ✚ Strategy B: Encourage commissioner and staff participation in professional and advocacy organizations, including, but not limited to, Pacific Northwest Waterways Association, Oregon Public Ports Association, Northwest Area Commission on Transportation, Special Districts Association of Oregon (SDAO),

Goal 2: Use strategic planning to guide the Port.

Policy: The Port of Tillamook Bay supports strategic planning as the cornerstone of its future success in order to anticipate and prioritize resource and financial needs.

- ✚ Strategy A: Adopt a 5-year schedule for review and update of all plans (Strategic Plan, Port Master Plan, Capital Facilities Plan...)
- ✚ Strategy B: Review policies and procedures on a scheduled annual basis to ensure compliance with state and federal laws and to promote implementation of new plans.
- ✚ Strategy C: Prepare a Time Schedule for staff and Commission to implement the Strategic Business Plan 2012 Update
- ✚ Strategy D: Board to develop additional policies through use of a 2 person committee that will bring draft policies to the commission as a whole for review and action.

Goal 3: Improve the Port's external relationships.

Policy: The Port shall actively seek opportunities for outreach with other governments, private sector businesses and Port district citizens.

- ✚ Strategy A: Assign Port management staff and Commissioners to participate fully with the Economic Development Council of Tillamook County, the Oregon Business Development Department (OBDD), Tillamook Chamber of Commerce, Columbia Pacific Economic Development District, Regional Solutions Team, and others to ensure coordination of economic development efforts.
- ✚ Strategy B: Continue to update the Port's website, including Commission meeting summaries, to help citizens stay better informed on Port activities and decisions.
- ✚ Strategy C: Continue community outreach efforts to citizens and the state and federal delegations about port activities through presentations, radio interviews, email updates, always reminding audiences to check the website.

Goal 4: Develop the Port's physical resources (land, infrastructure and services)

Policy: Port-owned lands, including the Industrial Park, Airport and associated equipment and services, provide significant jobs and job-creation opportunities for Tillamook County. The Port shall develop its properties based on strategic planning, attraction of new business and financial returns adequate to ensure the continued success of the Port.

- # Strategy A: Prepare a Business Plan to analyze the feasibility of expansion of the Hooley Digester Facility. ***This item is complete and a project is moving forward.***
- # Strategy B: Attract new business to the Industrial Park by making the Industrial Park more attractive: (1) through site clean-up or “policing” of Port-controlled grounds, and (2) through adoption of a policy for reducing unsightly and unnecessary clutter of outside storage for all Industrial Park properties. ***There is a policy statement addressing this issue in the new lease document and employees are instructed to take care of any clutter they see as they perform their duties in the Industrial Park.***
- # Strategy C: Develop grant writing capability, either through training or hiring/contracting a skilled grant writer, in order to expand the Port’s ability to fund infrastructure development.
- # Strategy D: Continue to collaborate with resource agencies for a new intersection on Highway 101 to provide access to the port property and access for services including a new street, sewer, water and storm drainage to undeveloped port property.
- # Strategy E: Investigate development of water rights in recognition of potential for the port to be self sustainable.
- # Strategy F: Investigate improved capacity of wastewater collection /treatment at the Port.
- # Strategy G: Ensure availability of broadband services continues to meet the tenant needs.
- # Strategy H: “Develop a process to utilize the renewable resources of the Port’s Landfill #1132 site (a non-municipal wood waste landfill), thereby extending the life cycle of this facility and providing the Port with an additional revenue stream.”
- # Strategy I: Identify a means of renovating the historic buildings to recognize the history of the port.
- # Strategy J.: Develop a process to consider the sale of properties and/or improvements when appropriate. This may involve a requirement for property replacement as part of a transfer, or establishing a fund to replace properties sold.

- ✚ Strategy K.: Reacquire centrally located property within the Port's Industrial Park from owners who wish to sell no longer productive parcels.
- ✚ Strategy L Evaluate the development of new industrial space on Port property, either fully speculative or on a build-to-suit basis.

Goal 5: Maximize remaining rail asset value and level of service to the Port district.

Policy: Prepare a formal plan to analyze POTB rail issues.

- ✚ Strategy A.: Publish (with media and on the Port website) a statement and schedule regarding the POTB railroad explaining the necessity and rationale for the pending applications for (a) discontinuance of service, and (b) use of FEMA repair funds for alternate infrastructure projects within the Industrial Park. ***This strategy is complete.***
- ✚ Strategy B.: Forecast critical POTB railroad financial issues and needs, short-term and long-term, including deferred maintenance costs, investments necessary to maintain rail infrastructure, legal requirements and funding opportunities. ***This strategy is complete***
- ✚ Strategy C. Consider options available by rail line segment (Banks to Hillsboro segment, discontinued service segment and excursion service segment), including business options (sale or lease of segments and restoration of service), salvage opportunities and Rails and Trails. Port of Tillamook Bay Strategic Business Plan. ***This strategy is in progress.***

C. FINANCIAL

Goal 1: Facilitate appropriate use of FEMA funds

Policy: Utilize a Master Plan for the Industrial Park to guide future investments.

- ✚ Strategy A: Secure a Port Planning and Marketing Grant to prepare a Port Master Plan.

Goal 2: Improve Financial Reporting

Policy: Introduce a system to track depreciation of capital assets and incorporate into the Port's financial reporting.

- ✚ Strategy A.: Work with the port's auditor to establish an appropriate value to use as a standard for setting an initial value of the asset. Port properties are scheduled for re-assessment by the Assessor in 2012.

Goal 3: Improve Reliability of Cash Flows

Policy: The Port will seek to improve the reliability of revenue streams for operations.

- ✚ Strategy A.: Establish an operating line of credit based on either tax anticipation or projected revenue streams.
- ✚ Strategy B.: Periodically review the subject of increasing the Port's property tax rate to cover a greater share of general Port administrative and economic development costs.
- ✚ Strategy C.: Establish a lease rate policy based on a targeted return on asset value.

D. MARKETING

Goal 1: Maximize the effectiveness and utilization of Port assets and capabilities through an on-going Marketing program.

Policy: The Port shall actively market the area and Port opportunities.

- ✚ Strategy A.: Continue to coordinate economic development efforts with regional as well as statewide efforts.
- ✚ Strategy B.: Prepare and regularly update a Marketing Plan that promotes Port commercial and industrial land, the airport and facilities consistent with the need to grow the county economy.
- ✚ Strategy C.: Coordinate, as appropriate, potential cross marketing opportunities with representatives of other regional tourist attractions.
- ✚ Strategy D.: Work with the City of Tillamook and property owners located in FEMA-impacted areas to identify potential relocation opportunities on Port properties.
- ✚ Strategy E.: Target airport-related industrial users, and reserve sites with direct airport access for users requiring that access.
- ✚ Strategy F.: Actively lobby ODOT with respect to improving the reliability of access to Highways 6 and 22 from the Willamette Valley

Goal 2: Retention and Expansion of Existing Businesses

Policy: The Port shall work to anticipate and accommodate the needs of current businesses operating on Port properties.

- ✚ Strategy A.: Implement a program of annual interviews with businesses leasing property from the Port to assess needs and potential opportunities.

- ✚ Strategy B.: Work on joint marketing program for tenants operating on Port properties, such as monument signage identifying tenants along Highway 101.

E. ENVIRONMENTAL

Goal 1: Utilize accepted environmental standards to guide the Port's stewardship of its facilities and lands.

Policy: The Port shall work to maintain full and continuous statutory compliance for all operations on its property.

The policies in place and adopted as part of the Commission's action on this document last month are as follows:

1. The Port of Tillamook Bay shall provide continual training opportunities to enable the professional development of its staff and Board of Commissioners.
2. The Port of Tillamook Bay supports strategic planning as the cornerstone of its future success in order to anticipate and prioritize resource and financial needs.
3. The Port shall actively seek opportunities for outreach with other governments, private sector businesses and Port district citizens.
4. Recognizing that Port-owned lands, including the Industrial Park, Airport and associated equipment and services provide significant jobs and job-creation opportunities for Tillamook County, the Port shall develop its properties based on strategic planning, attraction of new business and financial returns adequate to ensure the continued success of the Port.
5. Prepare a formal plan to analyze POTB rail issues.
6. Utilize a Master Plan for the Industrial Park to guide future investments.
7. Introduce a system to track depreciation of capital assets and incorporate into the Port's financial reporting.
8. The Port will seek to improve the reliability of revenue streams for operations.
9. The Port shall actively market the area and Port opportunities.
10. Port shall work to anticipate and accommodate the needs of current businesses operating on Port properties.
11. The Port shall work to maintain full and continuous statutory compliance for all operations on its property.