

MINUTES
PORT OF SIUSLAW COMMISSION
SPECIAL MEETING, WORK SESSION
Wednesday, 8 April 2009

President Scott called the Work Session of the Port of Siuslaw Board of Commissioners to order at 12:05pm in the conference room of the Port of Siuslaw office at 1499 Bay Street, Florence, Lane County, Oregon.

ATTENDANCE: Commission: Commissioner Joshua Greene (Greene), Commissioner John Scott (Scott), Commissioner Bob Thorp (Thorp), Commissioner Bud Saulsgiver (Saulsgiver). Absent: Commissioner John Buchanan (Buchanan) Staff: Port Manager Mark Freeman (Freeman), Recording Secretary Susy Lacer (Lacer).

PURPOSE: The purpose of this work session was to discuss zoning and planning for Port property as related to City of Florence zoning regulations.

Greene explained the plan for this work session was to determine what the Port wants to do on Port property. Thorp recommended having more work sessions. The Board agreed. Freeman stated the Port-owned lands are primarily in the waterfront marine area and the limited industrial area (for PVIP) under the City's zoning areas, and that the draft plans being discussed now have eliminated the Old Town zoning overlay from the waterfront marine areas. Greene stated the City wants the Port to let them know what the Port wants for zoning related to Port property. Freeman stated he would like to see height zoning for Port property be similar to the Kyle building or other surrounding buildings (condominiums). Greene suggested mixed building sites and heights in the combined boardwalk and Nopal parking lot properties, allowing for lines of sight to the water. Greene noted the City takes advantage of the Nopal lot, even though it is owned by the Port. Greene suggested the City could build a municipal parking lot on the hill near the FEC, with a shuttle to Old Town. Freeman noted the Port could "bank" parking spaces for area businesses and earn revenue off parking available in the Nopal lot. Discussion on charging for parking in Nopal lot, with a gate to control entrance and potential credit card swipe to pay a perhaps \$2/day fee. Greene stated Freeman needs to make clear to the City that the Port is considering charging for parking in the Nopal lot. Scott stated the Port needs to establish the fact that the Port owns that parking lot as well as the parking lot next to the Port office, and that the City and/or public currently use many of those spaces. Greene stated the Port needs to review the City's parking space formula because the formula is not sustainable in heavy use situations. Freeman noted the draft zoning rules also remove the Port office parking lot from the Old Town zoning overlay. Freeman stated the draft maintains water dependent use requirements. Freeman stated he is recommending the widest possible uses for properties.

Freeman stated the allowed dredge spoils area is larger than the current area being used and that if the spoils area were expanded to the designated boundaries, there would still be room to add a travel lift in that area. Saulsgiver noted it is difficult to get an appointment for a haul-out in Charleston and that there would be lots of demand for a haul-out here. Saulsgiver suggested just using a tarp to collect any debris generated from hull cleaning, etc. Freeman stated adding a boat lift would help to procure funding for the needed bulkhead repair by adding economic development benefits to the bulkhead repair project. Freeman noted he would like the City zoning to retain the proposed Harbor of Refuge area near the North Jetty. Scott added the south side of the river, near the rock dock, would also be a good location for a Harbor of Refuge since infrastructure is already in place there. Scott stated the Port could consider opening the upriver end of the east basin

to use by floating houses/houseboats, and that doing so would generate revenue and could be a very popular rental/vacation home option. Scott stated the Port would need infrastructure in place to serve the floating homes. Thorp suggested the Port could charge based on length of vessel/home, at a higher rate than for boats based on the expected additional utility use. Freeman suggested the Port could place yurts for rent on the Port-owned small islands (old dredge spoils) upriver of the marinas, as primitive campsites for kayakers and other water users. Scott noted that these possible uses of Port property being discussed are the reasons the Port requires flexible options in the City's zoning to allow for any of these potential uses, and that it would be helpful for the City if Freeman cited some of these examples to explain our need to keep zoning as open as possible.

Thorp asked what would be the easiest step to generate the revenue needed to provide funding for the projects the Port needs to undertake. Discussion: selling unneeded properties, getting seed money for matching grants, increasing revenues provided by recreationists. Thorp stated the Port needs to be self-sustaining. Scott stated the Port's goal is to minimize zoning restrictions to leave options open for these possible uses. Scott stated that anytime there is an in-water use, the City should not be involved in regulating that use because other state and federal agencies (DSL, COE, DEQ) are already regulating that use and requiring permitting for any in/near water uses.

Discussion on whether to sell Port properties or lease them. Scott stated that managing retail/commercial properties is not the Port's area of expertise. Greene agreed but noted the Port could learn to do that, or could hire staff to do that, but the question would be whether that expense would be worth it for the expected revenue. Greene stated the lease option has not seemed to work for the Port to date. Thorp stated he would like to see a specific plan of action for where the Port should start on all of these potential projects. Greene stated the Port has some projects that have been in the works and are now being completed, further the Port needs to upgrade the commercial wharf, needs to have the turning basin dredged, needs to determine how best to sell the Port office property to finance a new Port office/rental building in the 080A site (and that upgrade will help to drive the bulkhead repair project and additional Port upgrades). Thorp asked what is the least expensive item that can be done first. Scott stated expanding/upgrading the campground. Saulsgiver stated adding floating houses/houseboats would increase revenues which would help pay for the bulkhead repair. Greene suggested selling the Nopal lot/boardwalk property as one unit, then the Port could be free of that ongoing maintenance expense. Greene suggested the Port look at a 15-20 year possible build-out plan, with a few different options, and use that plan to show to potential funders. Freeman suggested having a local architect customer do a quick sketch of this idea, especially a better utilization of the campground area. Greene suggested getting UofO architect students to draw up some plan options. Freeman stated he had asked last year and there was no interest shown from the school. Greene stated he believed the community would be receptive to the Port's plans if they could see a visual of the possible plans.

Scott noted the Port had received inquiries from a possible builder of floating homes/houseboats who was interested in starting such a business on Port property, and that providing moorage to floating homes/houseboats could be a good source of revenue for the Port. Thorp suggested the Port could work with the home/boat manufacturer and build the docks to suit. Discussion on revenues sources: perhaps charge a base rate fee, with an additional percentage or charge when the homes/boats are rented; noted that the Port needs to generate revenue if it is to survive. Greene stated the Port won't want to get stuck with an abandoned houseboat and will need to structure agreements accordingly. Freeman

noted that floating homes would need to be addressed in the City's zoning changes to make sure they would be allowed. Discussion on moving ahead with this possibility now. Greene noted there are no docks for houseboats/floating homes now, and that on a trial basis perhaps one of the commercial docks could be used. Discussion on possible locations. Scott suggested requesting a draft of what 2-3 floating homes might look like. Freeman noted the Port's existing marina dredging permit is only good for the existing marina, not beyond the log boom area, and that expanding that allowed dredging area would be very difficult.

Freeman noted he will be meeting with Sandra Belson and Carol Heinkel from the City regarding City zoning drafts on Monday. Greene will attend the meeting with Freeman. Greene suggested providing the City with an overview of ideas that the Port is considering, and assurances on what the Port is not considering. Freeman stated he wants to retain the option of placing a 4 story building on the 080A site. Greene stated the City is concerned with the Port moving forward with building out the boardwalk area and blocking views, and that the Port could alleviate some of those concerns. Freeman stated the Port wants to allow for possible 4 story buildings on the joint Nopal lot/boardwalk property, and that he would want to maintain that option for any developer who might need a four story building to make the development financially feasible. Scott stated the Port wants to request the City use minimal restrictions because the Port does not know at this time what development might occur on Port property. Greene stated that any developer of the boardwalk/Nopal property, or any other property, would want assurances that the investment they are making in the property would not be negated by over- or under-development in surrounding properties, thereby devaluing their development. Scott suggested researching costs to add gated, paid entry for Nopal parking lot use. Discussion on rates and use parameters. Greene noted there may be agenda items for the next Port meeting generated from the Monday zoning meeting.

The work session was adjourned at 2:10pm.

President