



Clatsop County

Board of Commissioners

800 Exchange St., Suite 410
Astoria, OR 97103
(503) 325-1000 phone / (503) 325-8325 fax
www.ClatsopCounty.gov

February 14, 2024

Port of Astoria
Will Isom, Executive Director
422 Gateway Ave., Suite 100
Astoria, OR 97103

The Board of Commissioners support the Port of Astoria's project to replace its aging marine travel lift at the Pier 3 boatyard. The Lift provides a critical service to the regional marine industry. Prominent within this industry is commercial fishing, which constitutes a major contributor to the economic health of the region and state. The commercial fishing industry depends on facilities to repair and maintain fishing vessels. The boatyard at the Port of Astoria is one such facility – one that offers an increasingly rare DIY business model which a substantial portion of commercial vessel owners highly value. The competitive advantage conferred on the Port by this business model is just one among other factors that account for the 80% increase in the number of haul outs that the boatyard has experienced over the past 7 years (2017-2023). However, due to complex economic circumstances beyond the Port's control, the average size of commercial fishing vessels has and will continue to steadily increase. The increased weight means that the existing lift is operating at or near capacity a much higher percentage of time than in the past, thereby accelerating the lift's depreciation (as evidenced by increasing repair costs). A growing number of haul outs and a rapidly depreciating marine lift produce a self-evident outcome adverse to the interests of the commercial fishing industry, the region, and the state. The Port is seeking to proactively prevent such economic damage by replacing the Lift sooner rather than later.

For 14 out of the past 20 years, Astoria has ranked in the top 10 in the nation for pounds of fish landed. Two of the processors who contribute to this consistently high ranking operate on Pier 2 West; these operations alone contribute over \$130M to the Oregon economy every year. Total contribution of all Astoria processors is far larger. Economic output of this size (in a rural area no less) depends on the synergy generated amongst the various cooperating firms that make this economic strength possible. This geographic concentration of firms, suppliers, coordinating entities, and related institutions (sometimes called a Regional Innovation Cluster, or RIC) has arisen and grown because of the mutual benefits they derive from proximity and the powerful synergies it makes possible, whether of knowledge exchange, mutual access to skilled labor pools, or the use of shared public goods. The marine lift at the boatyard is just one such public good that serves a key role in effecting the synergies and efficiencies that are the hallmark of the marine-based Regional Innovation Cluster in Astoria. Inherent to the nature of such synergies is the disproportionate impact that the loss of just one element can have on the RIC as a whole. In this case, the Lift makes the Pier 3 boatyard possible; the

boatyard, in turn, is one such element in the Astoria RIC. Loss of the Lift would have a disproportionate adverse impact on the health of the Astoria RIC. The Port seeks to prevent this outcome and maintain the economic benefits of the Astoria RIC by maintaining the strength of the Boatyard's marine lift.

We thank you for your consideration.

Sincerely,

A handwritten signature in blue ink, appearing to read "Mark Kujala". The signature is fluid and cursive, with the first name "Mark" and last name "Kujala" clearly distinguishable.

Mark Kujala, Chair
Clatsop County Board of Commissioners