

ALBANY CITY COUNCIL
AGENDA

Wednesday, May 13, 2026
6:00 p.m.

Council Chambers, City Hall
333 Broadalbin Street SW

Watch on YouTube: <https://www.youtube.com/user/cityofalbany>

Please help us get Albany's work done.

Be respectful and refer to the rules of conduct posted by the main door to the Chambers and on the website.

1. Call to order and pledge of allegiance

2. Roll call

3. Adoption of consent agenda

a. Approval of minutes [Pages 3-26]

- 1) February 23, city council meeting
- 2) February 25, 2026 city council meeting
- 3) March 9, 2026 city council meeting
- 4) March 11, 2026 city council meeting
- 5) April 6, 2026 city council meeting
- 6) April 22, 2026 city council meeting

b. Recommendation(s) to OLCC [Page 27]

- 1) Approve retail off-premises sales, liquor license application for Bite of Nature Grocers, LLC. DBA Albany Grocery Outlet located at 1950 14th Avenue SE

MOTION: _____

4. Presentations and Ceremonies

- a. Airport Study Presentation – Paul Trombino and Ryan Beathe [Pages 28-156]
- b. Draft Strategic Plan Presentation- Kayla Barber and SSW Consulting[Pages 157-202]

5. Public Comment

6. Informational Briefings/Staff Reports

- a. Local Fuel Tax Discussion – Paul Trombino [Pages 203-210]

7. Business from the Council

8. City Manager Reports

9. Next meeting dates

Wednesday, May 27, 2026; 6:00 p.m. meeting

Monday, June 08, 2026; 4:00 p.m. meeting

10. Adjournment

This meeting is accessible to the public via video connection. The location for in-person attendance is accessible to people with disabilities. If you have a disability that requires accommodation, please notify city staff at least 48 hours in advance of the meeting at: cityrecorder@albanyoregon.gov

Testimony provided at the meeting is part of the public record. Meetings are recorded, capturing both in-person and virtual participation, and are posted on the City website.



MINUTES

Monday, February 23, 2026
Meeting
Council Chambers, City Hall
Approved: Draft

Call to Order

Mayor Alex Johnson called the meeting to order at 4:00 p.m.

Roll Call

Councilors present: Mayor Alex Johnson, Carolyn McLeod, Marilyn Smith, Michael Thomson, Steph Newton (remote), Ramycia McGhee (remote), and Chris Van Drimmelen (4:01 pm)

Councilors absent:

Due to a technical error, the first minute of the meeting was not recorded, which included roll call and a portion of public comment.

Public Comment

4:00 p.m.

Mark Stewart provided public comment recommending council form a committee to discuss recent events. Stewart said we are on the edge of a constitutional crisis. He said there is going to be a deluge of issues and a massive group of angry people.

Nick Price provided public comment saying he was here in late January talking about taking moral inventory of the police department. He said surveys show faith in police and sheriff departments have dropped 10%. Price shared feedback regarding the Flock cameras and why he thinks they should be disabled.

Strategic Planning Engagement Update

4:06 p.m.

Sara Singer-Wilson with SSW Consulting shared a PowerPoint* presentation. She provided an update of the strategic planning process and goals. Singer-Wilson said the city is still on target to have it wrapped up in the spring and do a draft plan in May 2026.

Singer-Wilson gave an overview of the community engagement results and shared the four main themes based on feedback:

1. Improved condition of roads and traffic improvements
2. Housing affordability
3. Thriving downtown
4. Community safety

Singer-Wilson reviewed results of the staff survey. She reviewed the draft mission statement, vision statement, values, goals and next steps. Council provided comments and feedback.

Quarterly Financial Update

4:46 p.m.

Finance Director Jeanna Yeager and Budget Manager Jenn Ambuehl presented* the Quarter 2 Financial Report. She said overall funds are performing as expected, the City receives most of its tax revenue in Q2, investments are performing better than prior years, and expenditures remain driven by personnel as many projects are moving through procurement. Yeager said federal and state funding is still uncertain.

Business from the Council

4:53 p.m.

McLeod said she will be attending the Human Relations Commission Topic Tea event tonight. She said it should be a great opportunity to get to know your neighbors. McLeod said she has concerns about automated license plate reader(ALPR) cameras and a Democrat Herald article that came out about the public records request of who accessed the data. She said it raises serious questions about transparency, accountability, and ensuring compliance with state law. She said the city should take a conservative approach to ALPR use and consider a temporary moratorium on expanding ALPR deployment until oversight is strengthened.

Newton said she has been hearing a lot about the If I Were Mayor Contest. She said she also has concerns regarding the ALPR and originally voted no when they were first brought to council and will talk about it more at Wednesday’s meeting.

City Manager Report

4:56 p.m.

City Manager Peter Troedsson said on Wednesday night there will be opportunity for more discussion on the automated license plate reader cameras. He mentioned Sara Singer-Wilson said the council’s outreach helped boost our efforts to reach a broader cross section for the engagement survey. Troedsson presented the GOAT award to Councilor McLeod for the most public outreach responses on the Strategic Plan.

Next meeting dates

Wednesday, February 25, 2026; 6:00 p.m. meeting
Monday, March 9, 2026; 4:00 p.m. work session
Wednesday, March 11, 2026; 06:00 p.m. meeting

ADJOURNMENT

There being no other business, the meeting was adjourned at 4:58 p.m.

Respectfully submitted,

Reviewed by,

Erik Glover
City Recorder

Peter Troedsson
City Manager

**Documents discussed at the meeting that are not in the agenda packet are archived in the record. Documents from staff are posted to the website after the meeting. Documents submitted by the public are available by emailing cityrecorder@albanyoregon.org.*



MINUTES

Wednesday, February 25, 2026

Meeting

Council Chambers, City Hall

Approved: DRAFT

Call to Order and Pledge of Allegiance

Mayor Johnson called the meeting to order at 6:00 p.m. The Mayor led the pledge of allegiance.

Roll Call

Councilors present: Mayor Johnson, and Councilors Carolyn McLeod, Marilyn Smith, Ramycia McGhee, Chris Van Drimmelen, Steph Newton, Michael Thomson

Councilors absent:

3. Adoption of consent agenda

6:02 p.m.

- a. Appointments
 - 1) Appointments to Citizen Advisory Groups
- b. Approval of minutes
 - 1) February 09, 2026 city council minutes
 - 2) February 11, 2026 city council minutes
 - 3) December 08, 2025 city council joint meeting with Greater Albany Public Schools (GAPS)
- c. Recommendation(s) to OLCC
 - 1) Approve Retail on Premises sales and consumption liquor license Sybaris Inc., DBA Sybaris Bistro, Located at 133 5th Avenue SE
- d. Adoption of resolution(s)
 - 1) Certification of Annual Tax Exempt Properties

Lifeskills Geary-RES NO. 7486
 Lifeskills Oak-RES NO. 7487
 Parkrose-RES NO. 7488
 Periwinkle Place-RES NO. 7489
 Songbird Village-RES NO. 7490

Item 3B3 was withdrawn from the consent agenda by Councilor Smith.

MOTION: was made by McGhee and seconded by Van Drimmelen to move to adopt the consent agenda, as adjusted. The motion passed 6-0.

Smith said that there were three errors in the joint meeting minutes with GAPS for correction.

Smith noted that Board Member Stephanie Lunceford was not present, on page 15 of the packet/minutes there was a mention of SHARK Foundation it should be Scharpf Foundation; and under the School Resource Officer partnership section two active threat skills, should be changed to two active threat drills.

MOTION: was made by Van Drimmelen and seconded by McGhee to accept the minutes with corrections as identified by Councilor Smith. It passed 6-0.

Public hearing(s)

6:03 p.m.

Zoning Map Amendment Planning File ZC-04-25 530 Columbus Street SE and 2150 5th Avenue SE

Current Planning Manager David Martineau presented.



Johnson opened the public hearing at **6:04 p.m.** and read the standard script.

Conflict of Interest: None declared

Ex-parte Contacts: None declared

Report Site Visits: None

Abstain from proceedings: None

Challenges to Council right to hear the matter: None

Martineau read the meeting procedures.

Martineau said that NC zoning is a good buffer from CC zone to residential zone areas.

Applicant Testimony: 6:08 p.m.

David Dodson, WV Planning said that he was representing the applicant. The client is interested in rezoning because the existing duplex is considered a non-conforming use in the commercial zone, and NC zoning would allow it instead of a non-conforming use.

McLeod asked why this property came to be with current zoning?

Dodson said that the applicant inherited it from family, and is concerned that if the property were to suffer a loss it would be unable to be reconstructed. Additionally NC zoning provides a good transition area from what is a residential area to the north, and the commercial zone to the south.

McLeod asked if the property was in use as a duplex before it was inherited?

Dodson said that the property has been a duplex for a long time.

Public testimony from those who registered to speak: None

Entering exhibits into the record: None

Public Testimony from those who did not register to speak: None

Rebuttal Testimony: None

Johnson closed the public hearing at 6:13 p.m.

Council discussion: None

Assistant City Attorney Aidan Harris read the ordinance for the first time in title only.

MOTION: McLeod moved to read the ordinance for the second time in title only. Newton seconded the motion which passed 6-0.

Assistant City Attorney Aidan Harris read the ordinance for the second time in title only.

MOTION: McLeod moved to adopt the ordinance, Van Drimmelen seconded the motion which passed 6-0. City Recorder Erik Glover conducted a roll call voice vote and the vote was 6-0, Thomson, Smith, Van Drimmelen, Newton, McLeod, McGhee (yes). No- none.

East Albany Town Center-EATC Annexations with Concurrent Map Amendments with Concurrent Map Amendments planning files AN-01-25, CP-03-25, and ZC-03-25

6:17 p.m.

Current Planning Manager David Martineau presented.

Johnson opened the public hearing at 6:18 p.m. and read the standard script.

Conflict of interest: Johnson said that he knew the involved parties from the project via the Tiny Home Village project Hub City and directly talked to staff.

Assistant City Attorney Aidan Harris said that it would not be a conflict of interest.

Ex-parte contact: Johnson said that he talked with involved parties on the project, he shared his vision for the City of Albany with them and he took them on a tour of the city.

Break: Councilor McLeod requested a break/recess at 6:20 p.m.

Reconvene: Meeting resumed at 6:29 p.m.

Johnson said that he wanted to clarify his comments. He has known Darren Nichols for three years. He came to Johnson about the project, and he shared his vision of the project. Johnson introduced him to Community Development Director Matthew Ruetters and his staff. Drawings were returned, and Johnson performed a site visit only seeing the property site where the project would go. Johnson said that he went to the VFW(Veterans of Foreign Wars) and talked to folks there about the project and they seemed pretty excited about it. Johnson said that he did not feel there was a conflict in participating, but some of the council did. He said that he thinks he should step out of the hearing because two years ago a partner was a former campaign manager for Johnson. Additionally, the campaign manager filed a lawsuit against the city during that time, and Johnson stepped away from the dais at that point too. Johnson requested Council President Steph Newton preside over the hearing. Johnson said that this just protects the integrity of the process, and he knows everyone and refereed football for twenty-five years and wanted to do this right.

There was a brief pause/delay with the meeting in session, for the City Manager and Assistant City Attorney to confer.

Assistant City Attorney Aidan Harris conferred with the Mayor. Johnson said that based upon the guidance of the Assistant City Attorney; ex-parte contact/communication did occur, which he already shared. He said he would be asking Newton to takeover the remainder of the hearing so there is no appearance of impropriety.

Johnson left the dais and joined the audience.

Newton took over the hearing as chair.

Challenges to council right to hear the matter: None

Site visits: McLeod said that she drove by the site numerous times over the last few months, and observed the site.

McGhee said that the project is right by her house and she sees it every day.

Martineau read the meeting procedures, and presented the staff report and Powerpoint*.

He said that the East Albany Land Use Plan was adopted in 2023. The areas are designated as commercial, residential medium and low density. The area is roughly in the vicinity of Walmart, behind and to the south and consists of 11 subject properties. The GC designation would go away in favor of Village Center zoning.

Applicant Testimony: 6:42 p.m.

Applicant Darren Nichols spoke.

He said that he was in agreement with the report from staff. He said his company is a housing developer, who strives to provide workforce affordable housing mostly without subsidy. He said that the company looks for communities that are affordable. Nichols said that the property was being considered and the city had done a lot of work on the East Albany Town Center plan and the company realized it was a chance to do something special.

Newton asked about infrastructure improvement for roads, utilities stormwater etc. Nichols said that the development will pay its fair share, the project involves more infrastructure than the city would typically require.

Newton asked about traffic mitigation. Nichols said the company will do everything required.

Nichols said that this step of the process is just the annexation, the next step of the project will be designing it.

Newton asked if market conditions change and the project builds out at a lower intensity how does it impact infrastructure obligations, and will the company be able to carry those? Nichols said that those decisions haven't been made yet.

Nichols said that the council has likely seen conceptual drawings.

Troedsson said that this hearing is on the annexation of the land, not on the specifics of any development.

Nichols said that the land would not be eligible for a project of this scale with Linn County zoning. The city zoning would allow for a development proposal. Nichols left the witness table.

Ruettgers said that this portion of the process is annexation. The developer will enter into an annexation agreement that binds them to plans. He detailed infrastructure improvements, and system development charges.

Newton asked about service costs for police, fire, public works, parks etc. What costs are funded, and is there a gap that will occur.

Ruettgers said that as soon as the property is annexed it bears the city tax. He said that until the property is developed with residents, there is no additional burden until it is complete. Even at full buildout the project won't solve the property tax issue that Oregon has.

Newton asked about property taxes at full build out. Ruettgers said that it depends on what is built, presented plans were just conceptual at this point. The development phase would go through standard land use processes with multiple phases.

Smith said that the council tonight is just discussing the annexation. The annexation automatically triggers property taxes. There will be a difference between farm ground and city urban zoned property. Ruettgers said that was correct.

Thomson asked about transportation improvements and ODOT plans for upgrades to overpasses. Ruettgers said that there have been plans for both overpass interchanges for a couple of decades. There are challenges with it.

Newton asked about the farmworker housing project that is being built, and if they are sharing the road? Ruettgers said that the farm workers housing development is under construction near Goldfish Farm, it is east of the EATC project. The EATC project has been in coordination with that group.

McLeod asked about immediate need for city services once annexed? Ruettgers said there will be no real change until development. The fire services are currently provided by Albany Rural Fire.

Troedsson said that Albany fire already services the area through the rural fire district. The property taxes currently paid go to the rural district, and upon annexation they would go to the city. The police services are currently handled through APD and the county. Each responds based upon who can most appropriately handle it. APD wouldn't refuse a call for service from a property one block outside City limits.

Thomson said that Three Lakes Road is a rural road, and asked if it would see potential increases? Ruetters said that until the development plan is seen the city doesn't know what the impacts are.

Newton asked when the development plan be complete. Ruetters said that the city is just looking at annexing the property right now. It could sit for a while, there is no requirement for immediate development.

Public testimony:

Nicole White spoke on behalf of the VFW (Veterans of Foreign Wars). She said that the developer presented the idea to them, as they would also be annexed; given a border with the property. The developer has offered the VFW a new location in the development, and the VFW is in support of the annexation.

Entering exhibits into the record: None

Rebuttal Testimony: None

Newton closed the public hearing at 7:07 p.m.

The council expressed thoughts on the annexation, population growth, infrastructure, city services, and development.

City Attorney Aidan Harris read the ordinance for the first time in title only.

MOTION: Smith moved to read the ordinance for the second time in title only. Van Drimmelen seconded the motion. MOTION FAILED 5-1 with Thomson voting no. To have the second reading in the same meeting requires unanimous consent. Council consensus established that it will be brought back date certain/March 11, 2026 council meeting for a second reading.

Troedsson said the second ordinance to withdraw territory from the rural fire district doesn't need to be covered this evening because there was no second reading on the first ordinance.

Mayor Johnson retook the dais at 7:24 p.m.

Public Comment

7:26 p.m.

Mark Stewart- said that the City Council has chosen the least boring time in modern history to be in government. The cost of development on annexed land can literally change overnight based upon if someone tweets something mean to the President of the United States. Stewart said that on the strategic planning discussion, he wondered if there were any plans in place for the midterms if the federal government cancels the democratic process entirely. He asked if there was a plan in place for the homeless population that is going to grow under tariffs.

Remi Hill- submitted written and in person comment* pertaining to chemicals for disinfecting wastewater.

Action Item(s)

Ordinances/Resolutions – Ordinances/Resolutions – Amendment to AMC 15.08.030 – Economic Improvement District Assessment Duration, and setting public hearings for EID formation

7:32 p.m.

Finance Director Jeanna Yeager said that staff discovered that the Albany Municipal Code has a limit of a 3 year term for EID formation. The proposed changes would alter that language to match Oregon Revised Statute which is any term up to 5 years. This change

would keep the code current with any changes to state law, and would reduce an administrative burden in having to reform a district every 3 years.

Smith said that the EIDs take a lot of effort and time to setup, and five years seems to give a bit of breathing room.

Yeager said that was correct, a longer term would also be beneficial for the people that pay the charges.

Assistant City Attorney Aidan Harris read the ordinance for the first time in title only.

MOTION: Van Drimmelen moved to read the ordinance for the second time in title only. Smith seconded the motion which passed 6-0.

Assistant City Attorney Aidan Harris read the ordinance for the second time in title only.

MOTION: Van Drimmelen moved to adopt the ordinance. Smith seconded the motion which passed 6-0 and it was designated as ORD NO. 6075.

MOTION: Smith moved to adopt the resolution to set public hearings to consider establishment of a Downtown Voluntary Economic Improvement District. Van Drimmelen seconded the motion which passed 6-0 and it was designated as RES NO. 7491.

**Ordinances – Proposed Amendments to the Albany Municipal Code (AMC) 2.27-
Community Development Commission 7:37 p.m.**

Development Programs Analyst Kaitlin Martin and Comprehensive Planning Manager Anne Catlin presented. Martin said that staff proposed amendments in December. Council requested additional info. Staff returned in January with options for council consideration, and the ordinance was further revised to pickup council consensus. The proposed changes would reduce membership from 10 to 7 to make quorum easier, give each council member 1 appointment, and the mayor would also nominate 1 appointment. The positions would all be at large, three-year terms and term limits would be established of not more than three consecutive three-year terms. Lastly conflict of interest provisions necessary for CDBG (Community Development Block Grant) fund compliance are incorporated.

Martin said that staff initially proposed a longer effective date given the complexity of CDBG funds. Since that time, three resignations have happened reducing filled positions to 7, still with a quorum of 6. Staff is now requesting the ordinance be effective 30 days after adoption/standard adoption.

Thomson said that he feels the proposed changes capture the council discussion. Johnson asked if the terms will be staggered? Catlin said yes it takes place during the standard appointment process.

Assistant City Attorney Aidan Harris read the ordinance for the first time in title only.

MOTION: Newton moved to read the ordinance for the second time in title only. McLeod seconded the motion which passed 6-0.

Assistant City Attorney Aidan Harris read the ordinance for the second time in title only.

MOTION: Newton moved to adopt the ordinance. McGhee seconded the motion which passed 6-0, and it was designated ORD NO. 6076.

Resolutions – Award of Contract WWTP-26-02, AM-WRF Disinfection Study 7:42 p.m.

City Engineer Staci Belcastro presented. She said that the request was for approval of a contract to Kennedy Jenks for \$200,763 for predesign of the disinfection system at the

wastewater treatment plant. The current system will not meet regulatory requirements for the new discharge permit.

She said an RFP was used, even though the contract amount did not trigger procurement rules to require it.

MOTION: Smith moved to adopt the resolution. Van Drimmelen seconded the motion which passed 6-0, and it was designated as RES NO. 7492.

Business from the Council

8:01 p.m.

Newton said that in 2024 she had concerns about Flock cameras, and a recent report showing that federal immigration accessed LPR (license plate reader) data.

MOTION Newton moved to direct the City Manager, and Albany Police Department to immediately suspend operations of all Flock safety automated license plate reader cameras currently in use, within the City of Albany. Direct staff to take all necessary steps to terminate the city's contract with Flock safety at the earliest lawful opportunity, halt installation of any additional Flock cameras pending further council direction and return to council within 30 days with a public report detailing all agencies that have accessed Albany's Flock data, the number and purpose of searches conducted, all data sharing configurations and agreements, contract termination terms and financial implications, confirmation of data retention and deletion protocol. The motion was seconded by McLeod. Discussion took place.

MOTION: Newton moved to amend the motion that the City of Albany immediately suspend use of all Flock safety cameras and impose a moratorium on further deployment until council adopts a formal surveillance technology policy. The motion was seconded by McLeod. Discussion took place.

Police Chief Marcia Harnden provided a handout*. She said that staff were unable to reproduce what the report says. She provided information about criminal cases that have been assisted by the FLOCK cameras. IT Director Sean Park spoke he said that the Flock infrastructure resides on Amazon Web Services, AWS on GovCloud, it is a more secure platform. Banks and hospitals use them, and he is not aware of any 3rd party analysis on security. Discussion took place.

MOTION: Newton moved to amend her previous council motion to read that the Albany City Council immediately suspend operation of all Flock safety automated license plate reader cameras, pending further council action. Halt the installation of additional cameras and direct staff to obtain independent 3rd party verification of whether Albany's license plate reader data was accessed for immigration related searches, whether any federal or out of state entities accessed Albany's data prior to the disabling of nationwide lookup and the full technical architecture governing the data sharing, until the council votes to resume operations following a public review of that independent verification. The motion was seconded by McLeod.

MOTION passed 4 to 2 (Thomson, Van Drimmelen, McLeod, Newton-yes) (McGhee and Smith no).

MOTION: McGhee moved to have the Oregon Law Center present to the Albany City Council regarding where they got their data from, how it was obtained, and what it was used for. The motion was seconded by VanDrimmelen, MOTION passed. Extended discussion ensued.

McLeod said that she wanted to respond to the public comment by Mark Stewart. In Oregon, mid terms are managed by the Secretary of State and county clerks, not by the president. The Secretary of State is the chief of elections.

McGhee provided an update about recent Albany Visitors Association and other events she attended.

Johnson provided an update about events at Morrow Middle School.

City Manager Reports

8:31 p.m.

City Manager Peter Troedsson shared that the March 23, and March 25th meetings would be cancelled, due to a lack of business.

Next meeting dates

Monday, March 09, 2026; 4:00 p.m. work session

Wednesday, March, 11 2026; 6:00 p.m. meeting

ADJOURNMENT

There being no other business, the meeting was adjourned at 8:31 p.m.

Respectfully submitted,

Reviewed by,

Erik Glover
City Recorder

Peter Troedsson
City Manager

**Documents discussed at the meeting that are not in the agenda packet are archived in the record. Documents from staff are posted to the website after the meeting. Documents submitted by the public are available by emailing cityrecorder@albanyoregon.org.*



MINUTES

Monday, March 09, 2026
Meeting
Council Chambers, City Hall
Approved: Draft

Call to Order

Mayor Alex Johnson called the meeting to order at 4:01 p.m.

Roll Call

Councilors present: Mayor Alex Johnson, Carolyn McLeod, Marilyn Smith, Michael Thomson, Ramycia McGhee, and Chris Van Drimmelen

Councilors absent: Steph Newton (excused)

City Manager Peter Troedsson introduced Paul Trombino as the new Public Works director.

Public Comment

4:03 p.m.

Mark Stewart provided public comment in support of the Flock cameras being suspended.

Resolution to rename the Art Gallery in City Hall

4:07 p.m.

Parks & Recreation Director Kim Lyddane presented. She said back in October 2025 the Arts Commission discussed changing the name of the City Hall Art Gallery to the Gwenn Marchese Gallery and council supported a resolution then. Lyddane shared the recommended resolution.

It was general council consensus to bring the resolution to the March 11 council meeting for possible action.

ADA Rule Changes

4:09 p.m.

Communications & Engagement Manager Matt Harrington shared a PowerPoint* presentation giving an overview of the ADA rules changes for digital accessibility. He said this is important for equity & inclusion, risk mitigation, and community trust. Harrington said staff have already started work on this transition and shared what work remains.

Smith asked where the April 2026 deadline came from. Harrington said the Department of Justice entered this rule change in 2024 but there was a lot of uncertainty at the time. Smith said the confusion of what the rules meant emphasizes the importance of plain language in every document. She said she is happy to hear the fillable PDF will change for the better and for the great graphic on disabilities.

McLeod said this sounds like a great thing to do. She said she does have some concerns about where parts of the website may be down temporarily. Harrington said right now he's unable to provide a list of what portions may be down, and it is a strategy to be in compliance. He said staff will work hard to minimize that.

Johnson found some pre-existing exceptions. Harrington said there are some exceptions but they are limited.

Business from the Council

4:28 p.m.

There was no business from the council.

City Manager Report

4:28 p.m.

City Manager Peter Troedsson commended Matt Harrington for helping the city stay abreast of Americans with Disabilities Act changes. He said this is an original unfunded mandate which is complex. Troedsson said Harrington has provided training to staff already.

Next meeting dates

Wednesday, Wednesday March 11, 2026; 6:00 p.m. meeting

Monday, April 6, 2026; 4:00 p.m. work session

Monday, April 13, 2026; 05:15 p.m. joint city council and planning commission meeting

ADJOURNMENT

There being no other business, the meeting was adjourned at 4:29 p.m.

Respectfully submitted,

Reviewed by,

Erik Glover
City Recorder

Peter Troedsson
City Manager

**Documents discussed at the meeting that are not in the agenda packet are archived in the record. Documents from staff are posted to the website after the meeting. Documents submitted by the public are available by emailing cityrecorder@albanyoregon.org.*



MINUTES

Wednesday, March 11, 2026
Meeting
Council Chambers, City Hall

Approved: DRAFT

Call to Order and Pledge of Allegiance

Mayor Johnson called the meeting to order at 6:00 p.m. The Mayor led the pledge of allegiance.

Roll Call

Councilors present: Mayor Johnson, and Councilors Carolyn McLeod, Marilyn Smith, Ramycia McGhee, Chris Van Drimmelen, Steph Newton, Michael Thomson (6:02 p.m.)

Councilors absent:

Adoption of consent agenda

6:01 p.m.

a. Adoption of resolution(s)

- 1) Approving Resolution renaming the Art Gallery in City Hall as the Gwenn Marchese Gallery

MOTION: was made by McGhee and seconded by Smith to move to adopt the consent agenda. The motion passed 5-0 and it was designated RES. NO. 7493.

Presentations and Ceremonies

Presentation Pollywog Program Linn Benton Lincoln

6:01 p.m.

Leanne Trask with Pollywog presented. She shared the background of the organization and what services they provide for families. Trask said since they started in 2017, they have served about 4500 families in three counties.

Newton said she used to get the newsletter that was sent out and appreciates the efforts Pollywog does.

McLeod said when she first moved to Albany she remembered reading up on the classes and services Pollywog offers. She said she took some of the classes and is thankful for their services.

Presentation Albany Public Schools Foundation

6:09 p.m.

Executive Director Peggy Burris with the Albany Public Schools Foundation shared a presentation*. Burris said the APSF is a non-profit in town which supports our teachers and students. She shared what the foundation has accomplished and has been able to assist teachers and students with includes grants, school supplies, scholarships, swim lessons, and other items.

Newton thanked the APSF for the work they are doing.

Johnson said this is big in the community, thanked APSF for their work and said to invite City Council to their events.

McLeod said her daughter participated in the swimming event last year and loved it. Johnson said swimming safety is so important.

***Revised*-Ordinances-Reopened Record**

6:28 p.m.

Mayor Johnson said he had previously recused himself. He said after consulting with the City Attorney Sean Kidd that it was not necessary and he will not be recusing himself for the next item.

East Albany Town Center-EATC Annexation with Concurrent Map Amendments planning files AN-01-25, CP-03-25, and ZC-03-25

Mayor Johnson said the public hearing for this item was held and closed on February 25, 2026; the first reading of the ordinance was held the same day. He shared following that meeting, City staff were given a hard copy of testimony alleged to have been sent to the city prior to the February 25 deadline. Johnson invited Community Development Director Matthew Ruetggers and City Attorney Sean Kidd to speak.

Ruetggers said that he apologizes for the confusion on the testimony, staff received testimony from Camron Settlemier that was reportedly missed. The initial reaction is out of an abundance of caution and on the side of engagement, and staff developed a plan to re-open the record to receive the testimony then close it again.

However, when something is missed; he begins to wonder why it was missed. He said that he checked with David Martineau, who was listed as the contact for where the testimony was supposed to go, it was never received. Ruetggers said that IT staff was also contacted to investigate and do an analysis. Ruetggers said that IT review report showed that the sent email never arrived into city email servers. The analysis also looked to see if it was considered spam and rejected, and there was no indication that the mail arrived at city email servers.

Ruetggers said that he has two duties, one is to ensure that all testimony that was received by the deadline is incorporated into packets for consideration, and the second is to make sure that testimony received after the deadline is not admitted to the record.

Ruetggers said that there is no evidence the testimony was received, and staff cannot admit the testimony. Kidd said that council has been provided the testimony, with the packet and council has likely read it, but they should disregard the testimony in consideration of a decision this evening.

City Attorney Sean Kidd read the ordinance for the second time in title only.

MOTION: Smith moved to adopt the ordinance, Van Drimmelen seconded the motion.

Discussion ensued.

McLeod said that the city is growing at an uncomfortable rate for residents and provided some statistics from the National Community Survey.

Thomson said that there is likely sufficient buildable lands inventory for residential development without annexation.

The motion to adopt the ordinance was tied 3-3. (VanDrimmelen, Smith, McGhee- Yes), (McLeod, Newton, Thomson- No) Johnson voted yes to break the tie.

MOTION passed 4-3, it was designated ORD NO. 6077

Ordinance to withdraw territory from the Rural Fire Protection District

City Attorney Sean Kidd read for the ordinance for the first time in title only.

MOTION: Smith moved to read the ordinance for the second time in title only, Van Drimmelen seconded the motion. MOTION failed (McLeod, and Thomson voted no) to have the second reading of an ordinance in the same meeting requires unanimous consent. The ordinance will come back at the next council meeting.

Public Comment

6:43 p.m.

Zachary Draper said that he was an Albany resident and Commander of the Albany Veterans of Foreign Wars post. The post is active and the current buildings are no longer able to support events for veterans. He said he is excited to see the East Albany annexation.

Kevin Cornerstone said that he is an Albany resident and happy to see peaceful protestors between 3rd and 5th Street on Ellsworth Street. He said that he has heard reports about people impeding traffic on Ellsworth, acting like they are going to walk into traffic and then not, or people laying on the horn aggressively. He also said that he heard that on February 20 some city employees couldn't leave the parking lot because protestors were blocking the entrance on 4th street. Cornerstone said that he wants people to keep protesting, but he has some concerns about it.

Camron Settlemier said that he is an Albany resident and he wants to add his side of the story about the public process, public hearing and trust in local government. He said that he sent an email on Tuesday February 24 at 8:14 p.m, the evening before the first hearing. Settlemier said that he has the whole email with email header from the server. He said that when you submit testimony you expect government to receive it, and to let decision makers know about it. The City doubled down instead of trying to make it right, and they are not holding up fairness or public testimony submitted during a legal time frame. He said that when public comment is submitted an email comes back saying this was received, this does not happen for public hearings for land use or other matters. It goes to a black hole and one has to assume the city got it.

Mark Stewart said that initially he came to the meeting with the understanding that the public hearing for annexation would be completely reopened and further opportunity for public testimony would happen. He said that he recently had someone in a truck; stop and thank him for his service. He said that he felt horrible, and the more people that thank him for his service the worse he feels. Stewart said that he has to wonder how long it will be before people are no longer thanking him for his service, but rather they start demanding where were you? Where were you when neighbors were dragged off, children were kidnapped by the government, we were fleeced for billions of dollars and when habeus corpus died. Stewart said that he didn't have an answer for that.

Action Item(s)

Resolutions – Award contract to Brown & Caldwell for the Vine Street Viability Study

6:54 p.m.

City Engineering Staci Belcastro presented. She said that staff is requesting the approval of a contract with Brown and Caldwell for Vine Street WTP Viability Study consulting services in the amount of \$757,470.00. The plant is one of two that serve the city, and was constructed in the 1900s. The Water Master Plan recommended completion of a viability study for the Water Plant, and is identified in the capital improvement plan and current biennium budget. Belcastro said that the facility is seismically vulnerable, the buildings are historic and need investment.

MOTION: Van Drimmelen moved to approve the award of contract. Smith seconded the motion which passed 6-0, and was designated as RES NO 7494.

Resolutions – Exemption from Competitive Bidding to Purchase a Fire Engine using a Cooperative Purchase

7:02 p.m.

Assistant Fire Chief Kevin Vining presented. He said that the Fire Department was requesting approval to purchase a new Pierce fire engine using a cooperative purchase agreement. The cost will be around \$1 million dollars after a prepayment discount. Vining

said 4 of 5 five current engines are Pierce, and standardization on equipment offers efficiency.

Van Drimmelen asked how the equipment compares to other fire engines that could be purchased? Vining said there are three leading manufacturers of the equipment, cost is similar amongst them all; familiarity with equipment is the largest differentiating factor in selection.

Smith said that it was helpful to have a dealer located in Eugene, Oregon. Vining said yes, and a local repair shop in Albany is contracted for maintenance as well.

Johnson asked what the delivery time was on the fire engine? Vining said that it is an accelerated build, which means very minimal specification customization and will take 28-33 months for delivery. The city also used the accelerated build program for the last engine purchase.

Newton asked about the average life span of engines. Vining said the National Fire Protection Association (NFPA) has 15 years for front line service, and 10 years for reserve service

MOTION: Newton moved to approve the purchase using a cooperative contract for \$1,044,639. McLeod seconded the motion which passed 6-0 and was designated as RES NO 7495.

Business from the Council

7:08 p.m.

McGhee said that she has been receiving a lot of emails from constituents about items that are outside of City Council purview. She said that it would be helpful to have a document on hand to send out with a list of what the Council can or cannot do. This would help reduce multiple emails about items that are out of City Council purview and power. McGhee said that council wants to help, but there are things outside of scope and a plain language document addressing that would help.

Thomson provided comments about the City Manager Friday report that is emailed to council.

Newton said that she did hear that members of the Oregon Law Center are coming to the April 20 meeting for a report.

Johnson provided updates on events in Albany and the If I Were Mayor contest.

City Manager Reports

7:15 p.m.

City Manager Peter Troedsson shared that City Councilor 101 is on the city website under the government tab, it goes into detail about what the City Council can or cannot do. He said that council members can also send the public to him directly, and he can connect them with staff who can provide them with the information they need.

Next meeting dates

Monday, April 6, 2026; 4:00 p.m. work session

Monday, April 13, 2026; 5:15 p.m. joint meeting with Albany Planning Commission

ADJOURNMENT

There being no other business, the meeting was adjourned at 7:16 p.m.

Respectfully submitted,

Reviewed by,

Erik Glover
City Recorder

Peter Troedsson
City Manager

**Documents discussed at the meeting that are not in the agenda packet are archived in the record. Documents from staff are posted to the website after the meeting. Documents submitted by the public are available by emailing cityrecorder@albanyoregon.org.*



MINUTES

Monday, April 06, 2026
Meeting
Council Chambers, City Hall
Approved: Draft

Call to Order

Mayor Alex Johnson called the meeting to order at 4:01 p.m.

Roll Call

Councilors present: Mayor Alex Johnson, Carolyn McLeod, Steph Newton, Marilyn Smith, Michael Thomson, Ramycia McGhee, and Chris Van Drimmelen

Councilors absent:

Adoption of consent agenda

- a. Appointments
 - 1) Appointing Mark Stewart to the Public Safety Commission

MOTION: Van Drimmelen moved to adopt the consent agenda. McLeod seconded the motion which passed 6-0.

Public Comment

4:03 p.m.

Mark Stewart provided public comment about possible shortages in food, and gasoline supplies due to worldwide events. Stewart said that increases in fertilizer will occur which will impact the food supply. He said that the global energy crisis also impacts the City of Albany.

Action Items(s)

4:07 p.m.

Ordinances – EATC Annexations with Concurrent Map Amendments planning files AN-01-25, CP-03-25, and ZC-03-25, Second reading of Ordinance withdrawing territory from the Albany Rural Fire Protection District

Mayor Johnson said that the first reading of the ordinance to withdraw territory was held March 11, 2026, the vote to have a second reading was not unanimous so it was coming back tonight for a second reading.

City Attorney Sean Kidd read the ordinance for the second time in title only.

MOTION: Smith moved to adopt the ordinance, Van Drimmelen seconded the motion. City Recorder Erik Glover did a roll call voice vote, Yes (Van Drimmelen, Smith, McGhee) No (McLeod, Newton, Thomson). The motion was tied. Johnson voted yes to break the tie 4-3. Yes (Johnson, Van Drimmelen, Smith, McGhee). No (McLeod, Newton, Thomson). The ORD was designated ORD NO 6078.

Mayor Johnson read the standard script for notice of decision.

Resolutions- Award of Contract for Runway 16-34 Rehabilitation and REIL Installation at Albany Municipal Airport and Application for FAA Grant Funding and Required Local Match

Transportation Manager Robb Romeo presented. He said that the project would be for runway lights. The upgrades will add life to the runway. The Federal Aviation Administration would pay 95% of the project cost, the City would be responsible for 5% which will be assisted with funds from the Oregon Department of Aviation.



Smith asked if the FAA funding was certain to arrive. Romeo said the funding was guaranteed.

Thomson asked how many years will be added to runway life. Romeo said that slurry seal will prolong the life of the runway surface.

MOTION: Smith moved to adopt the resolution. McGhee seconded the motion which passed 6-0 and was designated RES NO. 7496.

Adopt by motion-Contract Increase Award Monday.com software

Deputy City Manager Kayla Barber presented. She said that the Monday platform was implemented in 2025 with 100 licenses as a pilot program. The software has had additional demand from staff. She said the request is 100 additional licenses, 50 to be purchased now and deployed to staff who are on a waiting list. The remaining 50 will be retained and phased in.

Barber said that Monday has increased transparency, efficiency and cross departmental collaboration. Over \$270,000 in hard savings which is the equivalent of 2 full time employees directed to other projects. She said that the proposed cost of \$196,000 will be the new additional total, once all the 100 added licenses are deployed. She said that Public Works has a current process involving 11 spreadsheets for capital planning and management that they intend to add into Monday. Project Administration and grants are additional projects being added into Monday.

Van Drimmelen said that he is a fan of Monday, from using it at work and loves the numbers on the hard savings.

MOTION: Van Drimmelen moved to approve the contract increase as specified. Smith seconded the motion, the motion passed 6-0.

Business from the Council

4:18 p.m.

Smith provided updates on involvement with League of Oregon Cities, and involvement with Community Services Consortium (CSC) and park improvements to Deerfield Park.

Newton said that she had a constituent reach out about rental assistance and CSC recently.

Newton said that she would like the council to consider adjusting the council meeting dates in the month of December 2026 from December 7 and 9 to December 14 and 16.

MOTION: Newton moved to adjust the annual meetings calendar dates for city council schedule in December 2026 from December 7 and 9 to December 14 and 16. McLeod seconded the motion. The motion passed 6-0.

Newton said that with fuel price increases it may make sense to have a discussion on a local fuel tax at the May 2027 election instead of November 2026. Troedsson said that staff is bringing back a discussion on May 13th so it may make sense to delay the discussion until that meeting.

Newton asked about flashing school zone lights in north Albany. Romeo said that contractors are waiting on parts, but the project was likely to be complete in a month or so.

McLeod said there will be a ribbon cutting at LBCC. She said that she received a constituent contact about crime at Talking Water Gardens and Draper Park, and a contact about debris on a vacant lot near Queen and Ferry and another with violations for code compliance.

McLeod requested an update on cleanup activities at Takena Landing Park, and if there was a specific plan for ivy removal.

McLeod said that she requested a report from APD on a recent protest in Albany. She said that she was happy to hear there were no reported injuries, or property damage.

Van Drimmelen thanked the Albany Fire Department for their quick response to a microwave fire he had at his house.

Johnson said the youth art gallery event was great. He provided an update on a grand opening for Valor Place and the If I Were Mayor contest.

City Manager Report

4:28 p.m.

City Manager Peter Troedsson said that the Peaceful Gardens Montessori applied for a change of occupancy on April 2, the process normally takes 2-3 weeks.

He said that the City Council has a joint meeting with the Planning Commission at 5:30 p.m. on April 13th.

Next meeting dates

Monday, April 13, 2026; 5:30 p.m. joint meeting with the Planning Commission

~~Monday, April 20, 2026 4:00 p.m. city council meeting~~ **Cancelled**

Wednesday, April 22, 2026; 6:00 p.m. city council meeting

ADJOURNMENT

There being no other business, the meeting was adjourned at 4:36 p.m.

Respectfully submitted,

Reviewed by,

Erik Glover
City Recorder

Peter Troedsson
City Manager

**Documents discussed at the meeting that are not in the agenda packet are archived in the record. Documents from staff are posted to the website after the meeting. Documents submitted by the public are available by emailing cityrecorder@albanyoregon.org.*



MINUTES

Wednesday, April 22, 2026
Meeting
Council Chambers, City Hall

Approved: DRAFT

Call to Order and Pledge of Allegiance

Mayor Johnson called the meeting to order at 6:10 p.m. The Mayor led the pledge of allegiance.

Roll Call

Councilors present: Mayor Johnson, and Councilors Carolyn McLeod, Marilyn Smith, Ramycia McGhee, Chris Van Drimmelen, Steph Newton, Michael Thomson

Councilors absent:

Adoption of consent agenda

6:10 p.m.

- a. Recommendation(s) to OLCC
 - 1) Approve retail on premises sales and consumption license, retail off premises sales manufacturing and production liquor license for JTHO, LLC., DBA Titan Valley Brewing, located at 212 1st Ave SE
- b. Award of contract(s)/bid(s)
 - 1) Award of contract for ST-26-01, 2026 Slurry Seals to Pave Northwest, Inc. of Marcola, Oregon

MOTION: was made by McLeod and seconded by McGhee to move to adopt the consent agenda as presented. The motion passed 6-0.

Presentations and Ceremonies

Presentation by CHANCE Recovery

6:10 p.m.

Emma Deane, Executive Director and John Phelps, Shelter Director presented *. They provided a summary of services offered by CHANCE, and their shelter facility. The Council asked questions and provided comments to CHANCE.

Presentation by Albany Police Diversity Alliance and Advisory Team (DAAT) 6:23 p.m.

Police Chief Marcia Harnden, and DAAT members John Phillips IV and Beth Huber presented*.

Harnden said that the DAAT was started in 2020. It involves hard conversations, paying attention to what is happening nationally and building local relationships. She said that John Phillips IV is a co-chair of the group, and Beth Huber is the co-chair from the Albany Police Department side.

Huber said that the primary role is to build trust through open discussion, and it is a big pillar of the 21st century policing model.

Phillips IV said that one of the largest achievements of the group is the creation of a bias crime and incident response model, which is considered by the Oregon Department of Justice as a best practice. Huber said that the group also opened lines of communication around immigration enforcement, especially for situations in Greater Albany Public Schools (GAPS). The Council asked questions and provided comments.

Presentation by Oregon Law Center

6:43 p.m.

Heather Marek, Senior Attorney for the Oregon Law Center presented*. She said that OLC is a legal aid non-profit, which provides free legal services to low-income Oregonians.



Those services range from housing to domestic violence. The firm has 11 offices around the state and also works with the immigrant community.

She provided information on a report that OLC did regarding Flock automatic license plate readers in Albany. McLeod said that she would like clarification that outside agencies are providing federal officers with login information to access automated license plate reader data. Marek said that yes, OLC learned of it via news reporting. Smith requested clarification that outside agencies are providing federal agencies with login information, and that OLC's source for that claim was national news? Marek said that was correct and she would provide the source of that information. The Council asked questions and provided comments about the information.

Police Chief Marcia Harnden and IT Director Sean Park presented.

Harnden said that the numbers presented were identical across jurisdictions. The City was in a big pool of agencies that consolidate data. The National Lookup program was a pilot program, and the city moved to get out of the National Lookup program in December 2025. Law in Oregon now restricts National Lookup, where agencies can't share data outside of Oregon.

Harnden said that Albany policy is much stricter than state law. Oregon law allows automated license plate reader cameras to be used for doing things like running registration for vehicles to look for expired insurance. She said that the audit logs for the system were provided to OLC in response to a public records request, the City did not have the logs, ran a search for the logs and provided them to OLC proactively.

She said that in the information compiled by OLC, there was a notation of ICE search in December 2025, even though it was restricted. Harnden shared that the search was actually from Lowden County Georgia, and ICE in this case stands for Interstate Criminal Enforcement team.

Park said that he had an extensive conversation with Flock and their technical staff regarding security of data and end to end security. He said that he came away from the conversation assured that APD has good controls on the system. In fact, he wishes the City had those controls over several city systems.

The Council discussed the information.

MOTION: was made by Smith to reestablish the Flock cameras, turn the initial one camera back on and place/install the other 3 when they have a place, for a total of four and resume the Flock contract. Overturn the previous decision and reinstate the camera, and require the Albany Police Chief to provide monthly updates. There was no second, and discussion ensued.

MOTION: was made by Smith to move to restart the Flock contract, with monthly reports from the police department regarding the program. McGhee seconded the motion. City Recorder Erik Glover did a roll call voice vote. MOTION failed in a roll call voice vote, 2-4. Yes-(Smith, McGhee) No-(McLeod, Newton, Thomson, Van Drimmelen).

Council discussion took place. There was general Council consensus to direct the City Manager to conduct a community conversation as soon as possible, likely in May, regarding the Flock camera program. Then evaluate the community conversation in the month of June for a possible reinstatement in June.

Public Hearing(s)

8:11 p.m.

Economic Improvement District (EID) – First Public Hearing

Johnson opened the public hearing at 8:11 p.m.

Finance Director Jeanna Yeager spoke. She said that the public hearing is the first of two total required by ORS. She said that the City is required to get opinions in favor or opposed to forming the district. Only one person has remonstrated so far.

Public Testimony:

Mark Stewart spoke. He said that he doesn't recognize anyone present as from the Chamber of Commerce or Visitors Center. He said that he understands that the Albany Downtown Association Director will present at the end of the session today. He wondered how networked they are with the chamber and visitors center. Stewart said with the possible economic turmoil upcoming it is important to be very networked, and he is curious how closely they work together.

Trina Henderson, Executive Director of the Albany Downtown Association spoke. She said that she wanted to thank Council for Downtown Albany. The EID works because of a true partnership with the city, downtown, business, chamber and Albany Visitors Association. She said that AVA is next door neighbors to the ADA, and Carmelle Bielenberg is the President and CEO of the Albany Chamber of Commerce and they just had a lunch together. Henderson said that the funds for EID stay local in Downtown. They help maintain clean and welcoming environments and bring activity to Downtown.

Johnson closed the public hearing at 8:16 p.m.

Smith asked what the next steps were? Yeager said that a letter is going out to each property owner with the amount of the assessment, and how the property owners can remonstrate against the EID formation. She said that those letters are required to be received by the May 27th public hearing date, or properties are opted into the program.

Public Comment

8:16 p.m.

Mark Stewart spoke. He said that if Council wants public feedback on Flock cameras they should hold a public hearing. He said that he was surprised no one mentioned it. He said that one camera has been stolen, it can be put up and will likely be taken down again, and it will get expensive.

Stewart said that he wonders if anyone in council business would make a motion to allow him to discuss how the oil industry works, and how a commodity functions. He said it is something the council needs to know. Stewart shared that there may be 300,000 Linn County residents looking for food and there may be huge logistics breakdowns.

Business from the Council

8:20 p.m.

McLeod said that she recently had an opportunity to tour ABC House.

Thomson said that he is excited Albany Partnership has received CDBG funds from the Community Development Commission. The group is going to look to buy life skills supportive housing.

Newton said that she is excited about a new stop sign near Fifth St and Elm. She said that she would like to investigate installing a blocked line crosswalk at 12th and Elm Street near Tadena Elementary School. Smith said that they are called ladder crossings.

Smith said that she would like to have a discussion in the future about HB4177, the Governor's veto and the practical implications for the next 18 months.

McGhee said that she and Mayor Johnson and Councilor Smith had the opportunity to visit the Farm Worker housing development behind Walmart.

Johnson said that he recently did a short video for Jackson Street, which is celebrating its 25th year. He provided information on other events taking place around Albany. Johnson said that the League of Oregon Cities conference is taking place soon.

City Manager Reports

8:28 p.m.

None

Next meeting dates

~~Monday, May 11, 2026; 4:00 p.m. work session~~ **Cancelled**

Wednesday, May 13, 2026; 6:00 p.m. meeting

ADJOURNMENT

There being no other business, the meeting was adjourned at 8:28 p.m.

Respectfully submitted,

Reviewed by,

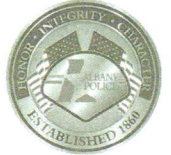
Erik Glover
City Recorder

Peter Troedsson
City Manager

**Documents discussed at the meeting that are not in the agenda packet are archived in the record. Documents from staff are posted to the website after the meeting. Documents submitted by the public are available by emailing cityrecorder@albanyoregon.org.*




MEMO



TO: Albany City Council

VIA: Peter Troedsson, City Manager

FROM: Marcia Harnden, Chief of Police 

DATE: April 14, 2026, for the May 13, 2026, City Council Meeting

SUBJECT: Retail Off-Premises Sales, Liquor License Application for Bite of Nature Grocers, LLC., DBA Albany Grocery Outlet, Located at 1950 14th Avenue SE

Action Requested:

I recommend the retail off-premises sales, liquor license application for Bite of Nature Grocers, LLC., DBA Albany Grocery Outlet, located at 1950 14th Avenue SE, be approved.

Discussion:

Bite of Nature, LLC., DBA Albany Grocery Outlet has applied for a retail off-premises sales liquor license. Based on the completed application and approval from the Albany Police Department, Bite of Nature Grocers, LLC., should be approved for the license.

Budget Impact:

None

ML:rj





TO: Albany City Council

VIA: Peter Troedsson, City Manager
Kayla Barber, Deputy City Manager

FROM: Paul Trombino, P.E., Public Works Director and Ryan Beathe, P.E., City Engineer III

DATE: May 1, 2026, for the May 13, 2026, City Council Meeting

SUBJECT: Presentation of Finding from the Albany Municipal Airport Economic & Financial Analysis

Purpose:

The purpose of this memo is to present an overview of the Albany Municipal Airport Economic and Financial Analysis, completed by EConorthwest (ECO) with support from Tiberius Solutions and Precision Approach Engineering. This work fulfills Strategic Plan priorities through an intentional evaluation of the airport’s future in the context of all City strategic themes. ECO will present the findings of the study which are summarized below.

Background/Discussion:

In 2025, the City initiated a two-phase analysis to understand the airport’s current operating and financial conditions and to evaluate potential long-term pathways for the airport property. ECO was selected following a competitive proposal process and began work in May 2025. Phase 1 assessed existing physical, financial, and regulatory conditions. Phase 2 evaluated a range of alternative futures for the airport, including continued aviation use and possible non-aviation redevelopment scenarios.

Throughout the project, the consultant team and City staff engaged with the Albany Airport Commission, the Economic Development Advisory Committee, the Federal Aviation Administration (FAA), and the Oregon Department of Aviation (ODA). These discussions helped clarify regulatory constraints, market conditions, and community priorities, and they provided valuable insight into opportunities and limitations associated with the airport’s long-term future.

The study confirms that the Albany Municipal Airport is a significant public asset with historic value and functional benefits that extend beyond its financial performance. In addition to being Oregon’s oldest continuously operating airfield (established 1920 and the first in the state listed on the National Register of Historic Places), the airport provides important support for emergency response, general aviation access, training activity, and regional mobility—services that would be difficult to replicate elsewhere. These contributions reflect the airport’s continued role in the state and national aviation systems and its value to users and the broader community. The airport also provides an established foundation for accommodating future aviation uses, emerging technologies, and expanding regional connectivity.

Multiple discussions with the FAA and ODA clarified that airport closure would require navigating complex and uncertain federal processes, including FAA and ODA review, repayment of grant obligations, and the resolution of leases and land-use designations. This process would take multiple years and carries no guarantee of approval, making closure substantially more complicated than a typical local land-use decision. If the airport were closed this fiscal year, estimated grant repayments would be roughly \$9.2 million for the FAA and \$460,000 for the ODA, likely negating any perceived near-term budget savings from closure.

While the analysis confirms that the airport operates with an ongoing biennial deficit of about \$200,000, the Oregon Department of Aviation's 2018 statewide impact study estimates that the Albany Municipal Airport supports roughly \$6 million in economic activity. This contrast is typical among smaller general aviation airports, and its interpretation is ultimately a policy decision for the City Council.

The study indicates that addressing the airport's financial challenges will require a multi-faceted approach. A combination of operational efficiencies, targeted aviation improvements, and selective non-aviation revenue opportunities could help strengthen performance over time, depending on market conditions and regulatory requirements. The analysis also highlights the need for continued community engagement to help align expectations and support the strategy for the airport's long-term direction.

Strategic Plan Impact:

This project is unique in that it touches on each of the City's Strategic Plan themes. The airport's role in providing reliable air access and emergency services strengthens **Great Neighborhoods** by promoting connectivity, safety, and livability. By supporting emergency response and essential infrastructure, retaining the airport enhances the City's commitment to **A Safe City**. This project advances **A Healthy Economy** by evaluating the airport's economic contribution and long-term viability for the Albany community. Lastly, the study aligns with **An Effective Government** by equipping decision-makers with data-driven guidance to optimize public asset use and ensuring accountability in future investments

Budget/Staff Impact:

None

Staff Recommendation:

Staff recommends that the City Council direct staff to take the following next steps:

1. Develop and implement a comprehensive marketing plan for the Albany Municipal Airport. As Oregon's oldest operating airfield (established 1920) and the first in the state listed on the National Register of Historic Places, the plan will enhance community awareness, increase general aviation activity, attract new tenants and businesses (including new aviation technology), and amplify the airport's regional economic impact. Key strategies include setting clear goals and metrics, conducting a SWOT analysis informed by the 2016

Airport Master Plan Update and the 2026 Economic and Financial Analysis Report, forging partnerships with local economic development organizations and the Albany Visitors Association, and using targeted digital content to highlight the airport's historic charm, convenient location, and on-site amenities. The plan will also explore positioning the historic 1929 Hangar and Albany Air Museum as a premier community event space—including expanded partnerships with the Experimental Aircraft Association (EAA) for Young Eagles rallies, fly-ins, and aviation-themed events. These efforts will position the historic airport as a vibrant economic asset for business attraction, job creation, and long-term regional growth.

2. Expand community and stakeholder outreach to build broader support for the selected long-term strategy.
3. Identify and pursue targeted enhancements for operational efficiencies and selective non-aviation revenue opportunities, consistent with FAA and ODA requirements.
4. Develop airport-wide design standards that preserve and prominently feature the airport's key historic elements—particularly the distinctive lattice-truss construction, redwood material and color palette, and architectural motifs of the 1929 Hangar, as well as the 1929 Steel Beacon Tower—to ensure visual consistency, reinforce the National Register Historic District identity, and guide future development, tenant improvements, signage, and enhancements.

Attachments:

1. Final Report: Albany Municipal Airport Economic and Financial Analysis
2. PowerPoint Presentation



May 2026

Albany Municipal Airport: Economic and Financial Analysis Report

City of Albany

ECOnorthwest

920 SW 6th Ave • Suite 1400 • Portland, OR 97204 • 503-222-6060



Acknowledgments

ECONorthwest prepared this report with support from the guidance and input of several partners, including members, staff, and leadership of the **City of Albany**. Most notably we are appreciative of the involvement and input of **Chris Bailey, Kristin Preston, Robb Romeo, Sophie Adams, Jeff Babbitt, and Ryan Beathe**. Other firms, agencies, and staff contributed to other research that this report relied upon, specifically **Tiberius Solutions and Precision Approach Engineering**. This work was financially supported by the **City of Albany**.

That assistance notwithstanding, ECONorthwest is responsible for the content of this report. The staff at ECONorthwest prepared this report based on their general knowledge of the economics of recreation, amenities, and regional economies. ECONorthwest staff contributing to this study included **Matt Craigie, Nicole Underwood, and Josie Rademacher**.

ECONorthwest also relied on information derived from government agencies, private statistical services, the reports of others, interviews of individuals, or other sources believed to be reliable. ECONorthwest has not independently verified the accuracy of all such information and makes no representation regarding its accuracy or completeness. Any statements nonfactual in nature constitute the authors' current opinions, which may change as more information becomes available.

For more information about this report please contact:

Matt Craigie
craigie@econw.com
ECONorthwest
503-222-6060





Table of Contents

Background and Purpose	7
Evaluation Methodology	9
Evaluation of Alternatives	12
Site Overview and Baseline Conditions.....	12
Operating Alternatives	13
Redevelopment Alternatives	28
Overall Evaluation of Airport Alternatives	38
Concluding Observations	40
Appendix A. Existing Conditions Assessment	44
Appendix B. Redevelopment Potential Assessment	100
Appendix C. Five-Acre Site: Regulatory Framework and Development Feasibility	137
Five-Acre Site: Regulatory Framework	137
Five-Acre Site: Development Feasibility.....	143



Executive Summary

The City of Albany is evaluating long-term options for the Albany Municipal Airport, a City-owned general aviation facility located within the city limits. The airport occupies approximately 92 acres in a visible and accessible location and serves both Oregon's statewide aviation system and the national aviation network.

City leaders are assessing the airport's future role from both a property and policy perspective. Key questions include how the airport supports the aviation system, what it costs to operate over time, what constraints accompany Federal Aviation Administration (FAA) and state funding, and how continued aviation use compares with other potential uses of the site.

This analysis evaluates a defined set of alternatives and identifies the operational, financial, regulatory, and community tradeoffs associated with each. It does not recommend a preferred outcome. Instead, it provides a framework to support decision-making and clarify the implications of different choices.

Alternatives Considered

The analysis evaluates six alternatives organized into two pathways:

- ◆ **Operating alternatives**, which maintain the airport within the federal and state aviation system and explore ways to improve performance over time.
- ◆ **Redevelopment alternatives**, which assume airport closure and transition of the site to non-aviation uses.

These pathways reflect fundamentally different policy directions, regulatory requirements, and implementation considerations.

The operating alternatives represent a cumulative set of strategies that build on one another, ranging from maintaining current operations to introducing targeted investments and limited non-aviation development.

- ◆ **Preservation of current uses** focuses on cost control, operational efficiency, and modest revenue adjustments.
- ◆ **Enhancement of current uses** introduces targeted capital investments to strengthen aviation activity and improve financial performance.
- ◆ **Modify current uses** introduces limited non-aviation development on a five-acre site to generate additional revenue.

The redevelopment alternatives represent a fundamentally different approach. Each assumes the City successfully completes the process required to close the airport and remove it from the aviation system. These scenarios eliminate aviation activity and allow the site to transition to non-aviation uses.



- ◆ **Employment center** focuses on industrial and employment uses that support job creation and long-term tax base growth.
- ◆ **Residential mixed-use** focuses on housing and mixed-use development.
- ◆ **Innovation campus** focuses on a coordinated campus anchored by an institutional or major user.

Operating alternatives can be combined and implemented incrementally. Redevelopment alternatives are mutually exclusive and depend on successful airport closure.

Evaluation of Alternatives

These alternatives frame the City's core decision: whether to maintain the airport as an operating asset, modify its function over time, or transition the site to non-aviation uses. Each pathway carries different implications for aviation access, land use outcomes, regulatory complexity, implementation timing, and how benefits and impacts are experienced across the community. The evaluation criteria reflect priorities identified through stakeholder engagement and review of City policies, including aviation access, financial performance, economic development, land needs, and ease of implementation. Exhibit 1 summarizes how each alternative performs across the evaluation criteria.

The **operating alternatives** represent incremental approaches that maintain airport operations while allowing for adjustments over time. These approaches can be combined and implemented as a coordinated strategy. They maintain continuity of aviation services, preserve roles such as emergency response and system connectivity, and allow the City to respond to changing conditions. Aviation-related development, such as hangar expansion, offers the most stable long-term revenue potential where demand exists but requires capital investment. Development of the five-acre site introduces an additional revenue opportunity, diversifies revenue sources, and can generate increased total revenue under favorable conditions. However, outcomes are variable, may not consistently be financially feasible, and may not exceed the value of continued aeronautical use. Taken together, these strategies can improve financial performance and reduce the level of subsidy, but they are unlikely to eliminate the structural deficit. Therefore, continued operation requires consideration of the City's willingness to support ongoing public investment.

The **redevelopment alternatives** represent a fundamentally different pathway. Each requires closure of the airport, completion of federal and state processes, and transition of the site to non-aviation uses. These alternatives depend first on whether the City can secure FAA approval to close the airport, a process that is complex, time-consuming, and uncertain. Redevelopment alternatives perform more strongly in supporting long-term economic development and meeting identified land needs. However, they involve greater uncertainty, longer timelines, and more complex implementation requirements. The feasibility of these alternatives depends on successfully navigating a regulatory process that may take multiple years and may not result in approval.



Taken together, the evaluation highlights a clear tradeoff:

- ◆ **Operating alternatives** provide a more immediate and flexible path that maintains aviation use and allows for incremental improvement, while requiring some ongoing public support.
- ◆ **Redevelopment alternatives** offer different long-term outcomes but require navigating a complex, expensive and uncertain process before those outcomes can be realized.

Exhibit 1. Evaluation Summary of Airport Alternatives

Evaluation Criteria	Airport Alternative Options					
	Operating Alternatives			Redevelopment Alternatives		
	Preserve Current Uses	Enhancement of Current Uses	Modify Current Uses	Employment Center	Residential Mixed-Use	Innovation Campus
Keep airport open to aviation	●	●	●	○	○	○
Improves financial performance/reduces subsidy	○	◐	◐	●	●	◐
Supports disaster preparedness and mitigation	●	●	●	○	○	○
Supports traded-sector jobs and economic development priorities	○	◐	●	●	◐	●
Maintains public control of the site	●	●	●	◐	○	◐
Meets an identified land need	n/a	n/a	n/a	●	◐	●
Ease of implementation	●	◐	◐	○	○	○

Source: ECONorthwest

Key: High ●; Medium ◐; Low ○



Key Observations

Several key observations emerged from the analysis:

- ◆ **The airport functions as an important public asset.** It provides value beyond its operating revenues, including emergency response, transportation access, and support for local economic activity, and remains part of the state and national aviation systems. While use of the airport is relatively limited and its economic contribution is modest, this is consistent with many publicly owned facilities that are maintained to serve specific, and sometimes infrequent, community needs. The importance of these functions is not uniformly recognized across stakeholders, which is typical for assets such as local airports, fairgrounds, and libraries. **Per the Oregon Department of Aviation’s 2018 Statewide Economic Impact Study¹, the airport supports approximately \$6 million in local economic activity. This framing provides important context for evaluating the airport’s role in the community and local economy, operational performance, and future investment priorities.**
- ◆ **Closing the airport would be far more complex and uncertain than a local land use decision.** Redevelopment is not simply a matter of selecting a preferred future land use. Any redevelopment pathway first depends on whether the City could close the airport and obtain release from federal obligations. That process would require substantial coordination with the FAA and ODA, likely over multiple years, and may or may not result in approval.

ECOnorthwest did not identify any examples of NPIAS airports closing in the past 20 years, underscoring the rarity of this outcome. This threshold issue is more significant than the relative merits of any individual redevelopment concept. If the City pursues redevelopment, the City would have a grant repayment obligation to the FAA and ODA. If the airport were to close in the current fiscal year, the estimated repayment obligation would be \$9,282,507 to the FAA and \$460,000 to the ODA.

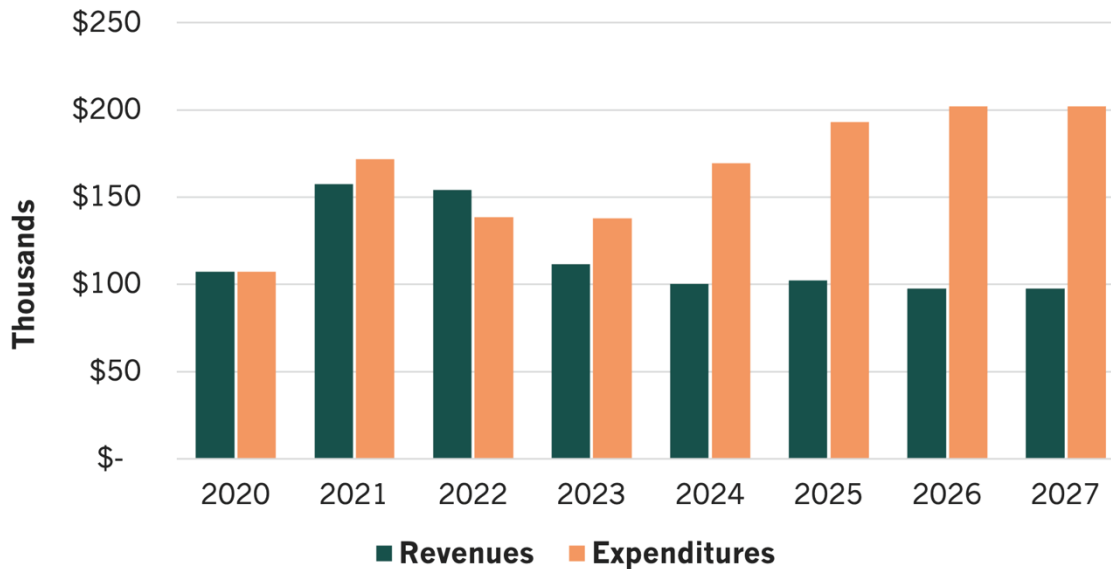
- ◆ **The airport operates with an ongoing deficit, but the significance of that deficit is a policy question for the City.** The analysis confirms that the airport operates at a deficit under current conditions. **The deficit was \$91,000 in FYE 2025 and is estimated to be approximately \$105,000 per year in the current biennium. This amount is less than one percent of the City’s planned adopted budget for FY27.**

The analysis also shows that some operating strategies can reduce that deficit over time, though they are unlikely to eliminate it entirely. Whether public subsidy is acceptable depends on how the City weighs the airport’s public functions, community priorities, and other demands on public resources.

¹ See page 27 of ECOnorthwest’s *Albany Municipal Airport Existing Conditions Assessment*, October 2025.



Exhibit 2. Revenues and Expenditures (Without Transfers)



Source: City of Albany, Tiberius Solutions

Note: Revenues were temporarily higher in FYE 2021 and FYE 2022 as a result of one-time federal grants received by the airport.

- ◆ **No single strategy resolves the airport’s financial challenges.** The analysis did not identify an action that, on its own, would “put the airport in the black.” That is, make it financially solvent on its own. **However, our research indicates that General Aviation airports are typically not money makers.** Our interviews with subject matter experts indicate that these types of airports can achieve only marginal revenues, and in many cases, are subsidized by parent agencies.

For the Albany Municipal Airport, a combination of operational measures, aviation-related investments, and limited non-aviation development can generate additional revenue, improving the airport’s operational and financial performance. Some of the options to reduce the annual operating deficit for the Airport would require the Airport to make upfront capital expenditures.

- ◆ **Additional engagement is needed to inform decision-making.** Targeted stakeholder discussions informed this analysis, but do not reflect the full range of community perspectives. Broader engagement is suggested to clarify priorities, including the airport’s role, tolerance for public subsidy, and assess support for either continued airport operations or a longer-term effort to explore closure.



Considerations for Next Steps

A central question moving forward is whether the City is interested in pursuing redevelopment of the airport at all, given the uncertainty and the time and effort required to close the airport and transition it to another use. Before advancing major capital investments or non-aviation development on the site, the City should clarify whether it intends to preserve the airport for the foreseeable future or explore a longer-term transition away from aviation.

In the near term, the City can:

- ◆ **Continue operating the airport while focusing on operational improvements,** including updating fees and leases in alignment with market rates and exploring cost-saving and revenue-generating options that do not depend on impactful long-term decisions about the site.
- ◆ **Explore Options for Additional Community Engagement.** At present, a limited—but passionate—number of stakeholders use and engage with the airport. The City should explore avenues for expanded community engagement that align with the City Council’s direction for the airport’s future. In the near term, the City can consider how a broader group of community members may use the facility, including for events, trainings, etc. Should the City Council’s direction point toward long-term redevelopment, the City will want to consider a much-expanded public engagement plan to evaluate community priorities.

If the City decides to maintain airport operations as a long-term direction, it could then consider advancing larger capital investments, including advancing the five-acre development opportunity. If the City decides to explore redevelopment seriously, it should avoid making major investments that could conflict with that direction.



Background and Purpose

The City of Albany is evaluating long-term options for the Albany Municipal Airport, a City-owned general aviation facility located within the city limits. The airport occupies approximately 92 acres in a highly visible and accessible location and functions as part of both Oregon’s statewide aviation system and the national aviation network.

To inform this effort, the City seeks a clearer understanding of the airport’s role, performance, and long-term viability. Key considerations include its function within the aviation system, operating costs over time, regulatory constraints associated with Federal Aviation Administration (FAA) and state funding, and how continued aviation use compares to other potential long-term uses of the site.

The airport operates under FAA grant assurances and is included in the National Plan of Integrated Airport Systems (NPIAS) as well as Oregon’s statewide aviation system. These designations require continued aviation use, impose restrictions on revenue use, and establish federal and state oversight. Any change in use would require a formal approval process. At the same time, the site represents a large, potentially developable property within the city. Decisions about its future require balancing these regulatory obligations with fiscal considerations, land supply needs, economic development priorities, and broader community objectives.

To support decision-making, the City engaged ECONorthwest to evaluate potential future pathways for the airport property. The ECONorthwest team was not scoped to recommend a preferred alternative and has not been asked to identify a specific course of action for the City. Instead, this report assesses a defined set of alternatives and outlines the operational, financial, regulatory, and community tradeoffs associated with each. The report is intended to provide a technical and analytical foundation to inform future policy discussions and community engagement.

Alternatives Evaluated

The alternatives evaluated in this study fall into two primary categories:

- ◆ **Operating Alternatives**, which maintain the airport within the federal and state aviation system while exploring ways to improve performance over time
- ◆ **Redevelopment Alternatives**, which would require the closure of the airport and a transition to non-aviation uses.

These categories reflect fundamentally different policy directions and regulatory pathways.



Operating Alternatives

Operating alternatives assume the airport remains open and continues to function within the federal and state aviation system. These alternatives retain aviation use and associated grant obligations while varying in the level of operational change and investment. The operating alternatives include:

1. **Preservation of current uses.** The airport continues to operate in its existing configuration, with an emphasis on cost control, operational efficiencies, and revenue enhancement. No physical expansion is assumed.
2. **Enhancement of current uses.** The airport remains operational with targeted capital improvements intended to strengthen aviation activity and financial performance. This builds on the preservation scenario.
3. **Modify current uses.** The airport continues operating while a limited portion of the site is repurposed for compatible non-aviation uses to generate supplemental revenue. This builds on the first two scenarios.

Each operating alternative preserves aviation access and emergency response capability but differs in its financial outlook, investment requirements, and implementation complexity.

Redevelopment Alternatives

Redevelopment alternatives assume the City pursues airport closure through applicable federal and state processes and transitions the site to non-aviation use. These alternatives eliminate aviation activity and associated grant obligations following formal release.

Conceptual redevelopment typologies evaluated in this study include:

- ◆ **Industrial Employment District**
- ◆ **Residential Mixed-Use District**
- ◆ **Campus-Style Development**

These redevelopment scenarios are evaluated at a high level for market demand, land use compatibility, and community alignment. This section also provides an overview of the process required to close the airport.



Evaluation Methodology

This report presents a structured comparative evaluation of alternative futures for the Albany Municipal Airport. ECONorthwest applied a common evaluation framework to assess how each alternative performs with regard to tradeoffs and financial and regulatory implications. The methodology integrates two background reports, an Existing Conditions Assessment and a Redevelopment Potential Assessment, together with stakeholder discussions that informed priorities and evaluation criteria. Together, these elements form the foundation for the side-by-side comparison presented in this report.

Background Reports

Existing Conditions Assessment (Appendix A). The Existing Conditions Assessment documents the airport’s physical characteristics and supporting infrastructure, current activity and role within the state and federal aviation system, and the regulatory framework that governs operations, including FAA grant assurances and relevant state requirements. It also summarizes historical funding and recent financial performance, including revenue sources, operating costs, and the resulting financial balance, and it describes the airport’s economic role in the community. This baseline serves as the reference point throughout the report for evaluating the operating alternatives.

Redevelopment Potential Assessment (Appendix B). The Redevelopment Potential Assessment evaluates the site under a hypothetical condition in which aviation use and associated federal constraints are removed. This “clean slate” analysis examines the development forms the site could support based on its physical capacity and configuration, market demand for employment, housing, and institutional uses, and its competitive positioning within the region. It also considers consistency with local and regional land use and economic development objectives. The assessment provides a benchmark for comparing continued aviation use with non-aviation alternatives.

Stakeholder Discussions and Priorities

ECONorthwest held discussions with the Albany Airport Commission, the Economic Development Advisory Committee (EDAC), the Oregon Department of Aviation (ODA), the FAA, and City staff to inform evaluation criteria and clarify priorities and constraints relevant to the airport’s future.

Exhibit 3 summarizes stakeholder priorities by group. Final policy direction rests with the City Council, and decisions about the airport’s future will require additional engagement with stakeholders and the broader public.



Exhibit 3. Stakeholder Priorities

STAKEHOLDERS	PRIORITIES
City of Albany	<ul style="list-style-type: none"> • Use land efficiently by focusing growth in compact, cost-effective patterns and maximizing existing infrastructure and services. • Support economic development and living-wage jobs by strengthening the local economy and maintaining adequate employment land for a range of site types and sizes. • Meet housing needs by ensuring sufficient residential land and diverse housing options in locations connected to jobs and services. • Support a safe, diversified transportation system. • Ensure planning decisions reflect long-range community interests.
Airport Commission	<ul style="list-style-type: none"> • Maintain the airport as a long-term public asset supporting transportation access, flight training, local businesses, and emergency response • Improve operational efficiency and financial performance so the airport is run cost-effectively, even if it is not fully self-supporting. • Preserve historical elements of the airport • Any redevelopment should be secondary to sustaining airport operations.
Economic Development Advisory Committee	<ul style="list-style-type: none"> • Steward public land for long-term community benefit and be cautious about repurposing or relinquishing public property. • Prioritize economic development outcomes, especially traded-sector jobs and other uses that meet community or regional needs (e.g., airport, regional sports fields, etc.). • Consider future demand and emerging opportunities in aviation and technology. • Exhaust options to keep the airport open before considering closure (e.g., FedEx cargo, vertical lift). • Housing is a lower priority relative to traded-sector and regional-need uses.
Oregon Department of Aviation (ODA)	<ul style="list-style-type: none"> • Maintain a reliable, geographically distributed network of public-use airports. • Preserve Albany’s role as a Category IV Local General Aviation airport within the Oregon Aviation Plan. • Ensure airport planning and operations remain aligned with state policy and funding requirements.
Federal Aviation Administration (FAA)	<ul style="list-style-type: none"> • Maintain a safe, efficient, and geographically distributed national airport system under the NPIAS. • Preserve Albany’s role in NPIAS and protect the federal investment in the airport. • Ensure any operational, facility, or land use changes comply with federal grant obligations and meet FAA standards.



Evaluation Criteria

ECONorthwest evaluated each alternative using qualitative criteria derived from stakeholder priorities and City policy objectives:

- ◆ Keeps the airport open to aviation
- ◆ Supports the financial performance / reduces the subsidy of the airport property
- ◆ Supports disaster preparedness and mitigation
- ◆ Supports traded-sector jobs and economic development priorities
- ◆ Maintains public control of the site
- ◆ Meets an economic or residential land need as identified by the City
- ◆ Ease of implementation

Each criterion is rated on a three-point scale:

- ◆ High (Symbol ●) The alternative option either already meets the criterion, or there would be few barriers to meeting the criterion.
- ◆ Medium (Symbol ◐) The alternative option could meet the criterion, but there may be an increased number of regulatory or cost factors to implementation.
- ◆ Low (Symbol ○) The alternative option would not meet the primary objective of the criterion.

In addition to these ratings, each alternative discussion addresses cross-cutting considerations such as regulator constraints, implementation challenges, and overall risk.



Evaluation of Alternatives

Site Overview and Baseline Conditions

The Albany Municipal Airport occupies approximately 92 acres in east Albany, adjacent to Interstate 5 between the Highway 20 and Knox Butte Road interchanges. The site lies within city limits and is served by public infrastructure. Surrounding uses include highway-oriented commercial development and hotels, the Linn County Fair and Expo Center, Timber Linn Memorial Park, and nearby residential neighborhoods.

The airport functions as a public-use general aviation facility. It includes a single north–south runway (Runway 16/34), taxiways, apron areas, hangars, and a small terminal and fixed-base operator facility. Runway 16/34 provides 3,004 feet of usable runway length and measures 75 feet wide. Although the total paved surface extends to 3,661 feet, blast pads and overruns are not available for takeoff and landing. The runway length, combined with surrounding development, constrains the feasibility of runway expansion and limits the types of aircraft that can operate at the airport.

The airport's operating revenues are generated primarily from lease income, fixed base operator income, and internal airport space rental. In FYE 2025, these sources totaled approximately \$91,000 and accounted for 90 percent of operating revenue (excluding transfers). Revenues have remained relatively flat in recent years, and excluding transfers were five percent lower in FYE 2025 than in FYE 2020. At the same time, operating expenses have increased substantially. Operating costs rose from approximately \$107,000 in FYE 2020 to about \$193,000 in FYE 2025. In FYE 2025, operating expenses exceeded operating revenues by roughly \$90,000 (excluding transfers). The operating fund has relied on transfers from capital funds to cover this shortfall, and the adopted FYE 2026–2027 budget assumes continued transfers and projects zero ending fund balance by the end of the biennium. Excluding transfers from the Airport Capital Projects Fund, the Airport Operating Fund is budgeted to have a deficit of approximately \$207,000 in the current biennium.

Certain cost drivers, including central services and stormwater charges, contribute to the operating gap and are influenced by broader City cost allocation policies. Absent changes in revenue generation, cost structure, or funding approach, the airport is expected to continue operating with an annual subsidy or internal transfer.

The airport also operates within a defined regulatory framework. It remains part of the NPIAS and Oregon's statewide aviation system. Prior federal funding subjects the City to FAA grant assurances, which require the property to remain available for public aeronautical use unless a formal closure and property release process is completed. These obligations limit the City's ability to convert airport land to non-aviation purposes without federal approval.



These physical, financial, and regulatory conditions establish the baseline from which the operating and redevelopment alternatives are evaluated. Additional detail on existing conditions is included in Appendix A.

Operating Alternatives

The operating alternatives assume the airport remains open and continues to function as a public-use general aviation facility. All scenarios share the same baseline conditions: the airport operates under FAA grant assurances, relies primarily on aviation-related lease revenue, and faces ongoing financial pressure because operating revenues have not consistently covered operating costs. The airport retains its role within the state and national aviation systems, and core aviation functions continue under each alternative.

The alternatives are cumulative:

- ◆ The **Preservation** scenario assumes continued operations with a focus on cost control, management improvements, and adjustments to fees, but no capital investment.
- ◆ The **Enhancement** scenario builds on Preservation by introducing targeted capital improvements intended to strengthen aviation activity and improve financial performance.
- ◆ The **Modify** scenario builds on the first two and assumes that approximately five acres of the site could be released from federal obligations and repurposed for compatible non-aviation uses to generate supplemental revenue, while the airport continues operating.



Operating Alternative 1: Preservation of Current Uses

Under this alternative, the City continues operating Albany Municipal Airport in its existing configuration. No changes are made to the runway, aviation activity mix, facility inventory, or on-site land uses.

The focus of this alternative is financial stabilization within the existing footprint and regulatory framework. The central question is whether operational and administrative changes alone can substantially improve financial performance. These strategies reflect common practices observed at comparable general aviation airports and are informed by peer examples where applicable.

Key Strategies

COST CONTROL AND OPERATIONAL EFFICIENCY

Opportunities to reduce airport operating costs are limited. The airport's cost structure is already relatively lean, and most potential actions would shift costs between City departments rather than reduce total costs to the City.

Personnel costs for the airport total \$126,800 for the current biennium, or approximately \$63,400 per year. Discussions with City staff indicate that this amount does not fully capture the total staff time required to support airport operations. Other direct operating costs, including insurance and bonds, contractual services, and miscellaneous expenses, total less than \$100,000 for the biennium. The largest share of the airport's operating budget for the current biennium is payments to other City departments, including \$77,700 for central services charges, \$73,500 for utilities (primarily stormwater), \$22,000 for public works administration, and \$15,000 for the street operating fund.

The City could reduce or eliminate these charges. For example, the Eugene Airport does not pay central service charges or stormwater fees to the City of Eugene. However, eliminating these charges would not reduce the City's total costs. Instead, it would shift costs from the Airport Fund to other City funds, improving the airport's financial position without generating net savings.

The City could also explore operational efficiencies through alternative management approaches. However, outsourcing administration to a private entity is unlikely to yield significant cost savings, given the already limited personnel budget and the need for private operators to recover costs and generate profit. As a result, it is unlikely that a private entity could administer the airport at a lower total cost.

However, combining airport operations with a neighboring airport could potentially offer cost savings. "Economies of scale" have been proven to achieve improved efficiencies for many operations that expand in size and scale. However, the magnitude of these potential savings is likely to be limited. If the Albany Municipal Airport were to join with a neighboring airport and achieve peak efficiency (i.e., the functions of both airports could be handled with the



operating expense of just one airport), this approach would essentially achieve a 50 percent reduction in airport personnel costs, resulting in savings of roughly \$30,000 per year. In reality, the efficiencies from combined airport operations would likely be much lower. Realistic cost savings would need to be determined through negotiations with any neighboring airport partners but would likely be less than \$10,000 of savings per year and may not result in any real savings at all, when considering the geographic separation and distance between the two airport locations.

Overall, the airport's cost structure is already lean, with little room for further reduction beyond internal cost shifts.

REVENUE ENHANCEMENT

The airport could look to grow its largest sources of operating income: leases, internal space rental, and fixed base operator income. However, opportunities for the airport to increase revenues are fairly limited. The 2021 statewide survey found Albany was already charging competitive rates for hangar ground leases and monthly tie-down fees. That study did show the Albany Airport was charging a relatively low rate for fuel flowage, but fuel flowage generated less than \$3,000 of revenue for the airport in FYE 2025. Thus, even with higher rates, fuel flowage is unlikely to be a significant source of airport revenue.

The City could consider implementing a landing fee for itinerant aircraft. For example, the City of Eugene Airport recently implemented such a fee and generated \$86,000 in the first three months, which is extrapolated to generate over \$400,000 per year, if the collection rate continues to improve with time. However, it is unclear if such a landing fee would represent significant revenue potential for Albany. The Eugene airport fee is based on a rate of \$5.28 per 1,000 pounds, and the fee is only charged on itinerant aircraft that are not based in Eugene. The Eugene airport is larger and busier than Albany Municipal Airport, has a higher share of itinerant aircraft, and accommodates larger/heavier aircraft. As a result, a similar fee structure would likely generate substantially less revenue at Albany.

Overall, available revenue measures may provide incremental gains but will not change the airport's financial position.



Operating Alternative 1: Evaluation

- ◆ **Financial performance.** Taken together, cost control and revenue enhancement strategies provide a limited opportunity to improve financial performance. Most cost reductions represent internal cost shifts rather than true savings, and revenue opportunities are modest in scale. These measures are insufficient to address the airport's structural operating deficit.
- ◆ **Regulatory and implementation complexity.** This alternative presents the lowest level of regulatory complexity. It does not require federal property release, airport closure procedures, or comprehensive plan amendments. Implementation is limited to administrative and operational actions within the City's existing authority.
- ◆ **Operational outcomes.** The airport continues to provide full aviation services, including general aviation access and emergency response capability, with no disruption to current users or services.
- ◆ **Overall assessment.** The Preservation alternative is the lowest-risk and easiest to implement but does not resolve the airport's underlying financial challenges. It establishes a baseline for comparison and demonstrates that operational changes alone are insufficient to achieve financial sustainability.



Operating Alternative 2: Enhance Current Use

Under this alternative, the City continues operating Albany Municipal Airport as a public-use general aviation facility and undertakes targeted improvements intended to strengthen aviation activity and improve financial performance.

This scenario builds directly on Alternative 1: Preservation of Current Uses. It adds targeted capital investments designed to increase the number of based aircraft, expand aviation services, or grow revenue-generating activity. The airport's core function remains general aviation. The site does not transition to commercial passenger service and runway, and site constraints continue to shape operational limits.

The central question is whether a targeted set of aviation-focused enhancements can increase activity and revenue enough to improve financial performance relative to the Preservation alternative. The following enhancements reflect concepts identified through staff and stakeholder discussions.

Key Strategy: Capital Improvements

DISPLACED THRESHOLDS AND DECLARED DISTANCES

Adjustments to displaced thresholds and declared distances could increase the usable runway length within existing safety and regulatory constraints. The current 3,004-foot runway accommodates approximately 95 percent of the small airplane fleet (12,500 pounds or less maximum gross takeoff weight). Increasing declared distances to approximately 3,610 feet would allow the runway to accommodate the full small airplane fleet, including certain business jets and turboprops that currently operate at reduced weights and cannot depart with full fuel loads.

With increased declared distances, these aircraft could depart with full fuel under typical summer conditions, improving range, efficiency, and operational flexibility. The change would also increase safety margins for turbine and multi-engine aircraft. Implementation would require FAA review and approval.

From a financial perspective, the impact of a displaced threshold is limited. The proposed adjustments to the displaced threshold and declared distances are estimated to allow the Albany Municipal Airport to accommodate roughly five percent more aircraft than the current runway limitations. Optimistically, this could result in a five percent increase in operating revenues. Annual revenues excluding transfers are budgeted to be \$97,700 in the current biennium. Thus, a five percent increase would result in a \$4,900 annual increase in revenue.

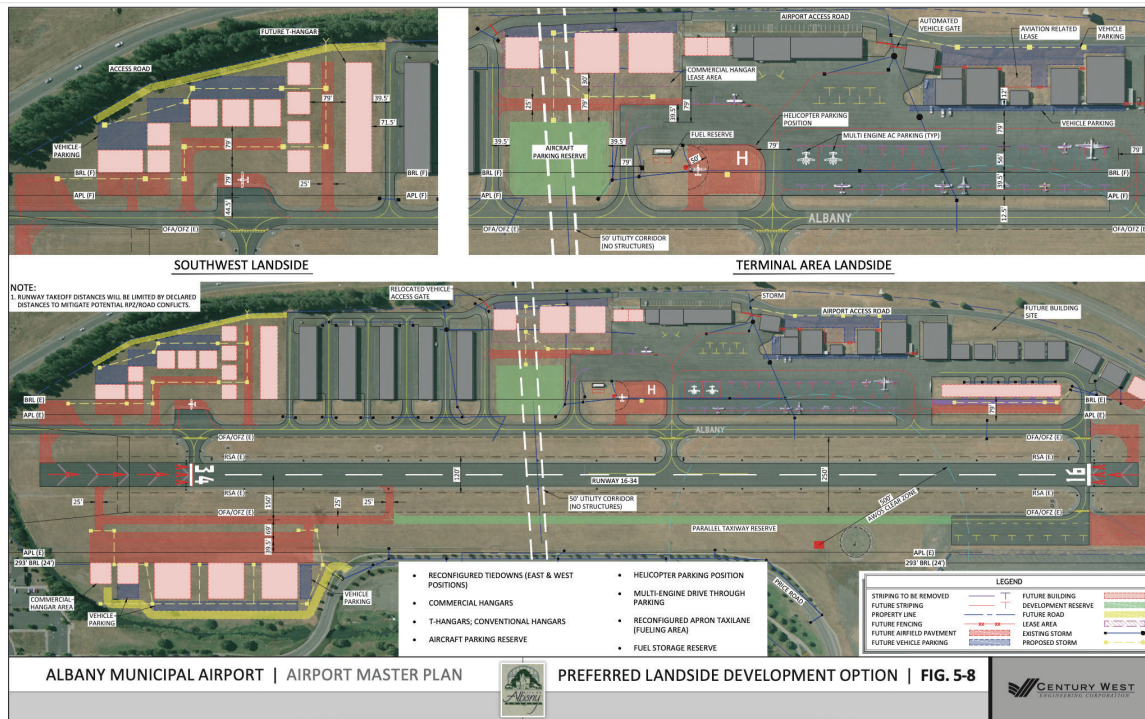
However, not all operating revenues would be directly impacted by increased airport usage, and operating expenses may also increase with activity. **As a result, this strategy is likely to have a negligible to minor financial impact on the airport.**



ADDITIONAL HANGAR CAPACITY

Additional hangar development represents the most direct pathway to increasing based aircraft and lease revenue. The Airport Master Plan identifies capacity for one new T-hangar building (11 units) and up to 21 additional conventional hangars totaling approximately 103,000 square feet. Stakeholders indicated that demand exists for new hangar space, although the timing and depth of that demand remain uncertain.

Exhibit 4. Airport Master Plan, Preferred Development Option



Source: Airport Master Plan

For this analysis, a partial buildout is assumed due to uncertainty of demand. As a result, the analysis assumes development of 11 private hangars (approximately 30,000 square feet) and 11 T-hangars (approximately 13,000 square feet).

The Airport currently charges \$0.31 per square foot *per year* for ground leases for private hangars and \$1,380 per year for T-hangar leases (flat fee). Because the airport does not currently have market-rate leases for developed hangars, our analysis assumes a lease rate of \$4.44 per square foot per year for developed hangars based on comparable market conditions. Construction cost for new hangars is estimated to be \$50 per square foot for T-hangars and \$100 per square foot for private hangars, resulting in total capital costs of roughly \$650,000 for T-hangars and \$3.0 million for private hangars.

The analysis considered two scenarios:

- ◆ **Low-cost, low-revenue.** The Airport would pay to construct the new T-hangars, but the other hangars would be developed through ground leases.



- ◆ **High-cost, high-revenue.** The Airport would pay to construct the new T-hangars and other private hangars.

Exhibit 5 summarizes the financial implications of the analysis. Annual lease revenue for the T-hangars is expected to be \$15,180. The private hangars are projected to generate \$9,300 in annual lease revenue if they are structured as ground leases, compared to \$133,342 per year if they are structured as building leases.

In both scenarios, the revenue stream generated by additional hangars would take a long time to repay the initial capital cost of construction. Assuming 3 percent annual growth in lease revenue and a 3 percent discount rate, it would take between 25 and 30 years for the net present value of lease revenues to equal the initial upfront construction cost.

Exhibit 5. Financial Implications of Additional Hangars (2026 \$)

	Low-Cost, Low-Revenue	High-Cost, High-Revenue
Construction Costs		
T-Hangars	\$650,000	\$650,000
Private Hangars	\$0	\$3,000,000
Total	\$650,000	\$3,650,000
Annual Lease Revenue		
T-Hangars	\$15,180	\$15,180
Private Hangars	\$9,300	\$133,342
Total	\$24,480	\$148,522

Source: City of Albany, Tiberius Solutions

Additional hangars would increase capacity for approximately 22 additional based aircraft, representing a 27 percent increase over current levels of 82 based aircraft. The increased number of aircraft would likely lead to increases in other operating revenues in addition to lease income. However, total airport operating revenues, excluding lease income and transfers, are budgeted to be \$40,000 per year in the current biennium. Even if all these revenues increased by 27 percent, it would result in a total revenue increase of \$10,800, and not all of these revenues are guaranteed to be impacted by increased airport usage. In theory, airport operating expenses would also increase with increased airport activity. As a result, net revenue gains outside of lease income are expected to be minimal.

Overall, additional hangar development represents a viable strategy to increase lease revenue. A ground lease approach minimizes upfront capital costs but generates relatively modest revenue. Airport-funded construction offers higher long-term revenue potential but requires significant upfront investment and carries greater financial risk. While the assumed demand for 22 additional based aircraft is consistent with the Master Plan, the timing of lease-up is uncertain. This uncertainty creates greater risk in scenarios where the airport funds construction, as compared to tenant-led development. In both cases, **financial returns are long-term and depend on the pace of market absorption.**



ON-AIRPORT RESTAURANT

New on-airport businesses, such as a small restaurant or aviation-related services, could generate lease revenue, increase fuel sales, and broaden the airport's customer base. Stakeholders noted that a restaurant could attract both aviation and non-aviation users and increase activity at the airport.

On-airport businesses or amenities could potentially generate additional airport revenue. Theoretically, if the businesses or amenities were attractive enough, they could spur increased airport activity, indirectly generating additional airport operating revenues. However, as was discussed for displaced thresholds and declared distances, even a five percent increase in airport activity is unlikely to have a significant net increase in operating revenues for the airport. Thus, on-airport businesses or amenities would primarily impact airport revenues through increased lease revenue.

For this analysis, we assume a single 1,000 square foot restaurant located within existing, underutilized building space owned by the airport. This reflects the smaller scale typical of airport dining facilities. A typical restaurant may range in size from under 1,000 square foot to 4,000 square foot. However, airport restaurants tend to be smaller in size than their non-airport counterparts.

Market rents for retail and restaurant space in Albany average approximately \$15 per square foot per year, which suggests potential lease revenue of about \$15,000 annually. However, it remains to be seen if there is sufficient demand at the airport for a restaurant to afford market-based rents. With a potential lack of demand, the airport may need to lower asking rents, potentially resulting in lease income of less than \$10,000 per year.

The Airport would also need to invest in significant tenant improvements to support restaurant use. Even within an existing building, restaurant tenants require upgrades to HVAC, plumbing, electrical systems, and interior finishes. These improvements typically cost \$100 to \$300 per square foot or more, resulting in total capital costs of approximately \$100,000 to \$300,000 or higher for a 1,000-square-foot space likely to generate less than \$15,000 per year in rent. Given the anticipated soft demand for restaurants at the airport, it is likely that the airport would need to pay for most (if not all) of this capital cost.

Overall, an on-airport restaurant can improve the user experience and modestly diversify revenue. However, **it does not provide a significant financial return and would require careful consideration of demand and upfront investment.**



FUTURE AVIATION OPPORTUNITIES (NOT MODELED)

The Airport could pursue additional aviation users, such as helicopter operations, air cargo services, or emergency response functions. Stakeholders also identified potential opportunities including FedEx operations, Life Flight services, and expanded military use. These opportunities depend on external demand and operational requirements and remain uncertain. The Airport can already accommodate some of these uses. While additional facilities, such as a helicopter pad, could support expanded activity, they are unlikely to drive significant new demand on their own.

Over the longer term, the airport could position itself to support emerging technologies such as electric aircraft and drone-enabled services. The timing and scale of these technologies remain uncertain. The City could take near-term steps to preserve flexibility, including maintaining compatible space and aligning policies to avoid constraining future uses. These opportunities may support long-term positioning and community benefits. However, they were not modeled in the financial analysis and do not represent a near-term or clearly defined revenue strategy.

Operating Alternative 2: Evaluation

- ◆ **Financial performance.** This alternative improves revenue potential compared to the Preservation scenario but does not close the airport's financial gap. Smaller improvements generate limited revenue, and the most effective strategy, hangar development, requires significant capital investment and long payback periods. Even if the market quickly absorbs additional hangars, the airport is likely to continue operating at a deficit or require ongoing subsidies.
- ◆ **Regulatory and implementation complexity.** This alternative remains within the existing regulatory framework and does not require airport closure or land release. However, specific improvements may require FAA approval, including Airport Layout Plan amendments and changes to declared distances. Implementation depends on capital planning, funding availability, and confirmation of market demand.
- ◆ **Operational outcomes.** The airport continues to provide full aviation services and may expand its role by accommodating a broader range of aircraft and users. Improvements could increase based on aircraft and activity levels, but operations remain constrained by runway length and site conditions.
- ◆ **Overall assessment.** The Enhancement alternative builds on the Preservation scenario by introducing targeted investments that increase activity and revenue potential. It improves financial performance but does not eliminate the need for subsidy. The most impactful strategies require significant capital investment and carry demand risk. This alternative represents a moderate improvement over current conditions but does not achieve long-term financial sustainability.



Operating Alternative 3: Modify Current Uses

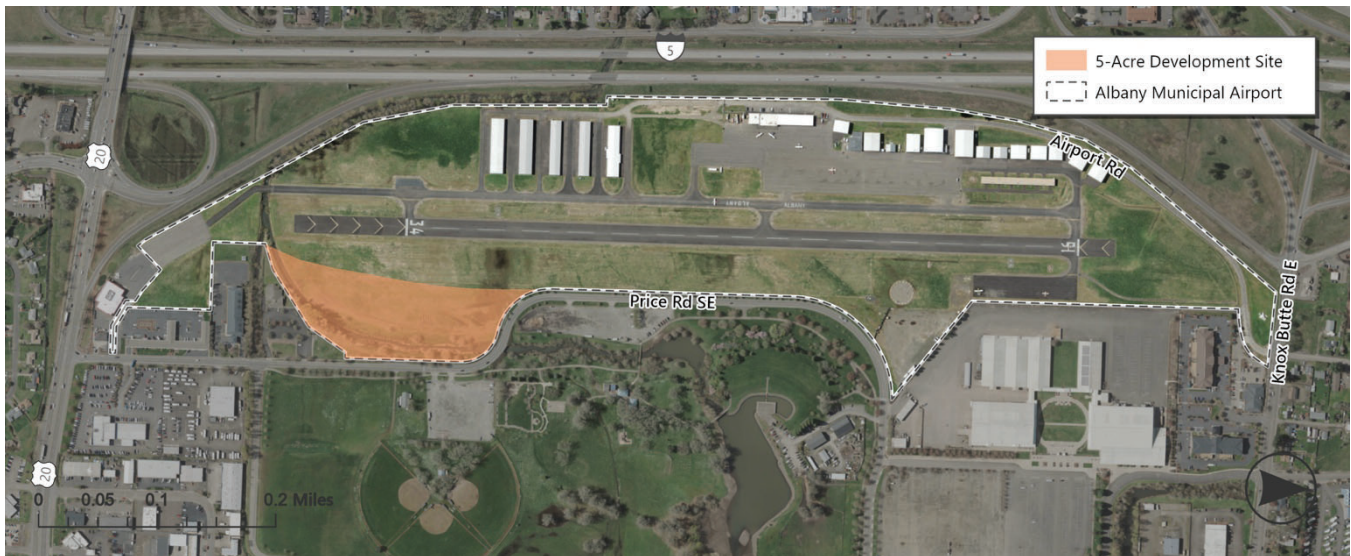
Under this alternative, the City continues operating Albany Municipal Airport as a public-use general aviation facility while repurposing a limited portion of the site for compatible non-aviation uses. Core aviation infrastructure, including the runway, taxiways, and hangars, remains in place.

This scenario builds on Alternatives 1 and 2 by introducing a new strategy: development of a portion of the site for non-aviation use. The central question is whether limited non-aviation development can generate enough additional revenue, in combination with operational improvements, to substantially improve financial performance. This approach reflects a strategy used at some airports to supplement aviation revenue while maintaining operations.

Key Strategy: Five-Acre Site Development

The opportunity under this alternative is the development of approximately five acres in the southeastern portion of the site for non-aviation use (Exhibit 6). This area represents a limited opportunity for redevelopment within the airport boundary, subject to FAA approval and compatibility with airport operations.

Exhibit 6. Albany Municipal Airport, Five-Acre Area



Source: ECONorthwest

Note: Boundaries are approximate; map is for illustrative purposes only (~5 acres).

The site is zoned Light Industrial and lies within the Airport Approach Overlay District. This designation allows industrial uses such as warehousing, distribution, and manufacturing, but imposes restrictions on height, lighting, and use characteristics to ensure compatibility with aviation operations. Development must remain outside protected airspace surfaces and must not interfere with airport activity.



The site's size and configuration limit development intensity. At approximately five acres, the site can support small-scale industrial uses rather than large-format facilities. Typical light industrial site coverage ratios range from 0.25 to 0.35, which would allow for a single-story building of approximately 50,000 to 80,000 square feet. The remaining area would accommodate truck circulation, parking, stormwater management, and landscaping.

Access to the site may be available from Price Road, subject to engineering and circulation review. Environmental considerations, including proximity to Cox Creek and associated stormwater requirements, do not preclude development but will require site-level mitigation and permitting. Additional detail is provided in Appendix C.

Taken together, these factors point toward low-intensity industrial uses that remain compatible with airport operations while providing a potential opportunity for additional revenue.

DEVELOPMENT FEASIBILITY

ECONorthwest evaluated the feasibility of industrial development on the site using a financial pro forma model (detailed in Appendix C). The analysis tested prototypical warehouse/distribution and manufacturing uses under a range of rent and construction cost assumptions. The model solved for the maximum annual ground lease payment a developer could afford while achieving a competitive return. This reflects a typical development structure for publicly owned land, where the City retains ownership and leases the site to a private developer.

The results indicate that warehouse and distribution uses are consistently more feasible than manufacturing due to lower construction costs relative to achievable rents. Across all scenarios, feasibility is highly sensitive to construction costs, lease rates, and absorption timing. Under favorable conditions, development can support a positive ground lease payment. Under less favorable conditions, development may not be financially feasible without a subsidy.

Based on the modeled results, the site could support ground lease revenue ranging from approximately **up to \$50,000 annually**, depending on market conditions and development type. Many of the modeled results yielded

ALTERNATIVE USES FOR FIVE-ACRE SITE

The five-acre site could accommodate a business incubator or flex industrial space intended to support small-scale manufacturing, aviation-related businesses, or emerging local firms. This type of development may align with broader economic development objectives, including business formation and workforce development.

Compared to conventional industrial or warehouse uses, a business incubator may generate lower lease revenues and could involve additional operating or programmatic costs. As a result, this use may have different financial implications for the airport.

Consideration of an incubator concept would involve balancing potential economic development outcomes with airport revenue objectives.



negative ground lease rates, meaning that development is not consistently financially feasible and may require subsidy under less favorable conditions.

In addition, achievable ground lease rates for industrial development (up to approximately \$0.22 per square foot annually) are lower than existing aeronautical ground lease rates for private hangars (approximately \$0.31 per square foot annually). This suggests that non-aeronautical development may not represent the highest-value use of the site. For the full feasibility analysis, see Appendix C.

HIGHEST AND BEST USE

To identify the most appropriate development outcome for the five-acre site, this analysis applies a highest and best use (HABU) framework. A HABU analysis provides a structured framework for evaluating what types of development are most supportable on a site. The analysis considers four dimensions—legal permissibility, physical feasibility, financial feasibility, and maximal productivity—to identify the use that is most likely to occur under typical market conditions. The four dimensions of the highest and best use framework are:

- ◆ **Legally permissible.** Considers whether a use would be allowed under applicable laws, regulations, and policy frameworks, including zoning, land use plans, and any relevant state or federal requirements.
- ◆ **Physically possible.** Evaluates whether the site's size, location, access, infrastructure, and environmental conditions could support the proposed use.
- ◆ **Financially feasible.** Assesses whether market demand and development economics would support the use, including whether expected revenues would justify development costs.
- ◆ **Maximally productive.** Identifies the use that generates the greatest overall value, considering both economic returns and broader public benefits such as job creation and alignment with community goals.

This framework ensures that the recommended use aligns with regulatory constraints, site characteristics, and market conditions.



Exhibit 7. Highest and Best Use Summary

HABU	DISCUSSION
<p>Legally Permissible</p>	<p>FAA approval is required for non-aeronautical use and would require and update the Airport Layout Plan. Light Industrial zoning allows industrial uses including warehousing and distribution and manufacturing, subject to airport overlay constraints. With FAA approval, industrial uses are permissible and have precedent at other airports.</p>
<p>Physically Possible</p>	<p>The five-acre site supports approximately 50,000 to 80,000 square feet of development based on typical industrial site coverage ratios. Site constraints limit development intensity but allow small-scale industrial uses. An industrial building of 50,000 to 80,000 square feet is adequately sized for a variety of uses.</p>
<p>Financially Feasible</p>	<p>Pro forma analysis shows feasibility under a limited range of conditions. The site could support ground lease revenue of up to \$50,000 annually, depending on market conditions. Feasibility is highly sensitive to construction costs and achievable rents, and some scenarios are not financially feasible without subsidy. Warehouse/distribution uses are generally more feasible than manufacturing.</p>
<p>Maximally Productive</p>	<p>While industrial use is legally permissible and physically feasible, it does not clearly represent the highest-value use of the site on a per-square-foot basis. Achievable ground lease rates for industrial development (up to approximately \$0.22 per square foot annually) are lower than existing aeronautical lease rates for private hangars (approximately \$0.31 per square foot annually). However, the larger development footprint of the five-acre site allows for greater total lease revenue potential than individual aeronautical uses. As a result, industrial development represents a tradeoff between lower unit value and greater scale. This approach may generate higher total revenue under favorable conditions but also introduces greater market risk, including the potential for limited or negative returns under less favorable conditions. As a result, industrial development reflects a potentially feasible and compatible use rather than a clearly superior financial outcome.</p>



Operating Alternative 3: Evaluation

- ◆ **Financial performance.** This alternative introduces a potential new revenue stream and may improve financial performance compared to Alternatives 1 and 2. Modeled outcomes range from an annual loss of approximately \$125,000 to an annual gain of \$50,000, reflecting sensitivity to market conditions and the potential need for subsidy under less favorable scenarios. While industrial lease rates are lower than aeronautical lease rates on a per-square-foot basis, the larger site area allows for greater total revenue and diversification of revenue sources. Even under favorable assumptions, however, revenue remains modest relative to the airport's operating deficit and does not eliminate the structural gap.
- ◆ **Regulatory and implementation complexity.** This alternative requires FAA approval to release land for non-aeronautical use and would require updates to the Airport Layout Plan. The City must demonstrate that the site is not needed for aviation purposes and that development is compatible with airport operations. Implementation also requires coordination with local land use processes, identification of a development partner, and negotiation of a ground lease. These requirements introduce additional complexity, uncertainty, and a longer timeline compared to Alternatives 1 and 2.
- ◆ **Operational outcomes.** The airport continues to operate as a public-use general aviation facility with no changes to core aviation infrastructure. Development of the five-acre site does not affect runway operations but introduces non-aeronautical activity on airport property. This represents a shift in land use while maintaining overall airport function.
- ◆ **Overall assessment.** This alternative allows the City to diversify revenue while maintaining airport operations. It can improve financial performance under favorable market conditions but does not eliminate the need for ongoing subsidy. Compared to continued aeronautical use, it reflects a tradeoff between higher per-square-foot lease rates and lower-risk aviation uses versus larger but more uncertain total revenue from non-aeronautical development. It also introduces market risk and regulatory uncertainty, including whether the FAA will approve the proposed use.



Summary of Operating Alternatives

The analysis of operating alternatives shows that no single strategy resolves the airport's financial deficit. Operational changes alone offer limited cost reduction, and aviation-related improvements can increase revenue but require upfront capital investment and time to realize returns.

Development of the five-acre site introduces a potential new revenue stream under continued airport operations. While industrial lease rates are lower than aeronautical lease rates on a per-square-foot basis, the size of the site allows for increased total revenue under favorable conditions. At the same time, feasibility is highly sensitive to market conditions, with modeled outcomes ranging from -\$125,000 to \$50,000 annually, indicating variability in performance and the possibility of subsidy under less favorable conditions.

Taken together, the analysis suggests that a combination of strategies could improve financial performance. Aviation-related development, such as hangar expansion, can provide more stable and predictable revenue where demand exists but requires significant capital investment. The five-acre site may supplement revenue where feasible, while operational measures such as raising lease rates and other fees (when possible) and managing costs can support incremental improvements. Additional tools, such as user fees, may contribute modestly but are unlikely to change overall financial outcomes.

If the City chooses to pursue operating strategies, these actions could reduce the level of subsidy required to maintain airport operations. However, they are unlikely to eliminate the need for ongoing City support.



Redevelopment Alternatives

The redevelopment alternatives assume the City elects to close Albany Municipal Airport and transition the site from aviation use to non-aviation development. Under each scenario, the runway, taxiways, and associated aviation facilities are decommissioned, and the property is repositioned for long-term redevelopment.

While the scenarios describe different land use outcomes, the feasibility of redevelopment depends first on whether the City can complete the airport closure process. Closure is not a local land use decision. Because the airport has accepted federal funding and remains subject to FAA grant assurances, the City must complete a formal federal process, address grant obligations, coordinate with the ODA, and comply with environmental review requirements. If this process is not successful, redevelopment cannot proceed regardless of the specific land use concept.

All redevelopment scenarios share the same baseline conditions and implementation pathway. Each assumes the City obtains release from federal obligations and gains full control of the property for non-aviation use. To enable redevelopment, the City would need to amend the Comprehensive Plan and zoning, decommission aviation infrastructure, and plan for infrastructure upgrades and phased development. Historic designation and preservation requirements would also need to be addressed through the applicable process.

The scenarios differ in land use program and intensity, but they share these same closure requirements, regulatory constraints, timing risks, and implementation complexity.

This section outlines redevelopment concepts at a high level. It does not repeat the detailed market and site analysis presented in the Redevelopment Potential Assessment (Appendix B). Instead, it focuses primarily on the procedural steps, regulatory requirements, and implementation considerations associated with airport closure, which are the primary drivers of feasibility, timing, and risk.

Closing the Airport: Procedures and Considerations

Closing an airport is a complex process that involves coordination among federal, state, and local agencies. Because the Albany Municipal Airport has received federal and state funding and is owned and regulated by the City of Albany, any decision to close or repurpose the airport would require several sequential actions. These actions generally fall into three categories: federal review and approval, state coordination, and local planning and administrative processes.

The steps below summarize the major components of the closure process. The exact sequence and requirements would need to be confirmed through coordination with the FAA and ODA.



Federal: FAA

PROCEDURES

The City owns the underlying airport property, but Albany Municipal Airport has received federal Airport Improvement Program (AIP) funding. As a result, federally funded easements and improvements are subject to FAA grant assurance requirements. These obligations must be resolved before the airport can close or the property can be converted to non-aviation use.

If the City chooses to pursue closure or redevelopment, it must request a release from federal obligations under FAA policy, including FAA Order 5190.6B (Airport Compliance Manual). This requires an FAA property release and airport closure approval, which are reviewed through a formal federal process.

The City must submit a formal application, which the FAA evaluates to determine whether the request serves the public interest in civil aviation. This requires demonstrating that the airport is not essential to the aviation system, that comparable facilities are available nearby, and that closure will not adversely affect aviation demand or safety. In making this determination, the FAA considers the airport's role in the National Plan of Integrated Airport Systems (NPIAS), current and projected aviation activity, the availability of alternative facilities, the status of federally funded improvements, environmental impacts, and input from the Oregon Department of Aviation.²

If the FAA approves the request, the City must address financial obligations tied to prior federal investments. Repayment funds must be returned to the airport and Airway Trust Fund or applied to eligible AIP projects at another NPIAS airport, typically within the same region. These requirements ensure that federal aviation investments are preserved or redirected to other public-use airports.

FAA policy emphasizes maintaining the national aviation system, and airport closures are rare. ECONorthwest did not identify any NPIAS airports closed in the last 20 years during our review. Requirements and outcomes vary based on each airport's grant history, obligations, and role within the system. As a result, the specific steps and likelihood of approval would need to be confirmed through coordination with the FAA.

FINANCIAL OBLIGATIONS

While the land itself does not require repayment, the City must reimburse the FAA for the unamortized value of AIP-funded improvements if the airport closes. Albany Municipal Airport has received \$12,552,678 in FAA grant funding over the past 20 years (from FYE 2007 to FYE 2026). These grants carry repayment obligations if the airport ceases operations within 20

² For more detail, see FAA Compliance Guidance Letter 2022-1: *The Process for the Release and Permanent Closure of Federally Obligated Airports* and FAA Order 5190.6B, *Airport Compliance Manual*, Chapter 22.



years, with the repayment amount declining by five percent annually over the life of each grant.

If the airport were to close in the current fiscal year, the estimated repayment obligation would be **\$9,282,507**. The majority of historical grant revenues subject to FAA repayment were received by the City in the past three years (FYE 2024 to FYE 2026). Thus, these repayment obligations will extend substantially into the future. This amount will decrease over time, as old grants are further prorated. However, this amount will increase with any new grants that the airport receives.

These repayment obligations represent a significant upfront cost that would need to be addressed as part of any closure decision.

**Exhibit 8. FAA Grant History, FYE 2007 to FYE 2026
(Nominal Dollars)**

FYE	Original	Pro-Rated
2007	\$ -	\$ -
2008	\$ 223,629	\$ 22,363
2009	\$ -	\$ -
2010	\$ 1,490,030	\$ 298,006
2011	\$ -	\$ -
2012	\$ 163,853	\$ 49,156
2013	\$ 281,700	\$ 98,595
2014	\$ -	\$ -
2015	\$ -	\$ -
2016	\$ 405,700	\$ 202,850
2017	\$ 1,291,500	\$ 710,325
2018	\$ 648,000	\$ 388,800
2019	\$ -	\$ -
2020	\$ -	\$ -
2021	\$ 511,611	\$ 383,708
2022	\$ 32,000	\$ 25,600
2023	\$ -	\$ -
2024	\$ 1,476,362	\$ 1,328,726
2025	\$ 5,078,293	\$ 4,824,378
2026	\$ 950,000	\$ 950,000
Total	\$ 12,552,678	\$ 9,282,507

Source: FAA, Tiberius Solutions



State: Oregon Department of Aviation (ODA)

PROCEDURES

In addition to federal oversight, the ODA plays a role in statewide aviation planning and coordination. ODA works with the FAA, local governments, and airport sponsors to support the operation and planning of public-use airports within Oregon and to maintain the state aviation system.

If the City pursues closure of the Albany Municipal Airport, ODA would participate in coordination with the FAA and other aviation stakeholders. Its role would focus on evaluating the airport's function within the state system and assessing potential impacts on regional aviation access and services.

ODA may also provide input during the review process, particularly where proposed changes could affect the availability of aviation facilities statewide. While the FAA makes the final determination, ODA's perspective helps inform how a proposed closure aligns with statewide aviation planning priorities.

FINANCIAL OBLIGATIONS

The Albany Municipal Airport received \$634,123 in grant funding from ODA between FYE 2007 and FYE 2026. These grants carry repayment obligations if the airport ceases operations within 20 years, with the repayment amount declining by five percent annually over the life of each grant.

If the airport were to close in the current fiscal year, the estimated repayment obligation would be approximately **\$462,419**. This number will decrease over time, as old grants are further prorated. However, this amount will increase with any new grants that the airport receives.



Exhibit 9. ODA Grant History, FYE 2009 to FYE 2026 (Nominal Dollars)

FYE	Original Amount				Pro-Rated
	COAR	PMP	PEP	Total	
2009	\$ -	\$ 55,318	\$ -	\$ 55,318	\$ 8,298
2010	\$ -	\$ -	\$ -	\$ -	\$ -
2011	\$ -	\$ -	\$ -	\$ -	\$ -
2012	\$ -	\$ -	\$ 4,809	\$ 4,809	\$ 1,443
2013	\$ -	\$ 17,187	\$ -	\$ 17,187	\$ 6,015
2014	\$ -	\$ -	\$ -	\$ -	\$ -
2015	\$ -	\$ -	\$ 5,277	\$ 5,277	\$ 2,375
2016	\$ -	\$ -	\$ -	\$ -	\$ -
2017	\$ 24,300	\$ -	\$ -	\$ 24,300	\$ 13,365
2018	\$ 129,150	\$ -	\$ 5,723	\$ 134,873	\$ 80,924
2019	\$ -	\$ 56,688	\$ -	\$ 56,688	\$ 36,847
2020	\$ -	\$ -	\$ -	\$ -	\$ -
2021	\$ -	\$ -	\$ -	\$ -	\$ -
2022	\$ -	\$ -	\$ -	\$ -	\$ -
2023	\$ -	\$ -	\$ -	\$ -	\$ -
2024	\$ 200,000	\$ -	\$ 4,330	\$ 204,330	\$ 183,897
2025	\$ 41,718	\$ -	\$ -	\$ 41,718	\$ 39,632
2026	\$ 42,750	\$ 46,873	\$ -	\$ 89,623	\$ 89,623
Total	\$ 437,918	\$ 176,066	\$ 20,139	\$ 634,123	\$ 462,419

Source: ODA, Tiberius Solutions



Local: City of Albany

PROCEDURES: LEASE OBLIGATIONS

If the City of Albany were to close the airport, one of the first considerations would be the existing leases associated with airport facilities and land. The airport currently includes a mix of building leases and ground leases tied to hangars and aviation-related operations. These agreements establish contractual rights and timelines that would need to be addressed as part of any transition away from aviation uses.

- ◆ **Building leases.** The City's existing building lease agreements are generally structured as short-term arrangements, often with one-year terms. Several of these leases allow either the City or the tenant to terminate the agreement with 30 days' written notice.
- ◆ **Ground leases.** The City's existing ground leases are generally structured with an initial 30-year term and options for two five-year renewals, with current lease expiration dates ranging approximately from 2029 through 2037. While these leases extend for longer periods, several include provisions allowing the City to terminate the lease with 180 days' written notice if the airport or the portion of airport property on which the leased premises are located closes due to a federal or state order or other circumstances beyond the City's control.

PROCEDURES AND CONSIDERATIONS: LAND USE AND PLANNING

Upon closing the airport, the City would need to evaluate whether existing land use designations and zoning regulations are appropriate for the site's future use. The airport property is currently designated Public and Semi-Public in the Albany Comprehensive Plan and is primarily zoned Light Industrial, with portions designated Regional Commercial.

Airport closure may result in the need to amend the Comprehensive Plan, zoning map, or updates to development regulations, depending on the type of redevelopment or future land use envisioned for the property. These changes would ensure that the site's regulatory framework aligns with any future use of the land.

In addition, the City may need to review other long-range planning documents that reference the airport, such as economic development strategies, transportation plans, and other policy documents. Updating these materials would help ensure consistency across planning efforts and address any gaps that may result from the airport no longer serving its current role in the City's land use and economic development framework. Such amendments would occur through the City's standard legislative planning process and may involve analysis by City staff, public review, and consideration by the Planning Commission and City Council.

All redevelopment scenarios are contingent on the successful completion of the airport closure and property release process.



Redevelopment Alternative 1: Industrial Employment District

Under this scenario, the airport site is redeveloped as an employment-focused district centered on industrial and flex uses. Development could include warehousing, manufacturing, and related business services, with buildings and site layouts designed to accommodate freight access, larger footprints, and phased expansion over time. The goal is to support job growth, traded-sector activity, and long-term tax base expansion.

- ◆ **Market demand.** Industrial demand in Albany and the broader region remains steady. Relatively low vacancy and rising rents point to continued interest in quality employment space. Demand is also supported by Albany’s role as a regional employment hub with an established base of manufacturing, warehousing, and distribution businesses that rely on regional access. Limited new development appears to reflect a shortage of suitable sites, not a lack of demand. Albany’s Economic Opportunity Analysis and the broader Southern Willamette Valley context both identify a limited supply of large (50+ acres), development-ready industrial sites.
- ◆ **Alignment with site characteristics.** The airport site offers a large, contiguous area that can accommodate larger buildings, flexible site layouts, and phased development over time. The site’s generally flat topography supports efficient construction and site planning, and access to public utilities reduces a common barrier to bringing new employment land to market. Its location provides strong regional connectivity, with convenient access to major routes and the broader Willamette Valley market, which is especially important for manufacturing and distribution users. Together, these characteristics make the site a strong candidate for industrial uses.
- ◆ **Community alignment.** An employment center aligns with Albany’s role as a regional employment hub and builds on the City’s established base in manufacturing and distribution. Over time, this type of redevelopment could support job growth, strengthen the traded-sector economy, and expand the local tax base. The EOA emphasizes maintaining a competitive short-term supply of employment land while promoting infill, redevelopment, and reuse within central employment zones. Consistent with this direction, the City’s Comprehensive Plan includes policies to designate sufficient land, across a range of parcel sizes and locations, to meet future employment and commercial needs.

Redevelopment Alternative 1: Evaluation

The Employment Center scenario represents the strongest near-term market opportunity and the most immediately feasible redevelopment pathway, given current market demand and the site’s core characteristics. The site already provides many of the physical conditions industrial users look for, including flat topography, strong regional connectivity, and access to public utilities. Redevelopment under this scenario would expand the community’s industrial employment base, support the City’s role as a regional employment center, and help maintain a competitive supply of employment land, consistent with the objectives identified in the City’s Economic Opportunity Analysis and Comprehensive Plan.



Redevelopment Alternative 2: Residential Mixed-Use District

Under this scenario, the site is redeveloped as a new mixed-use neighborhood that combines housing with supporting retail, services, and community amenities. Development would occur in phases and include a mix of housing types, with smaller-scale commercial uses that serve daily needs. The goal is to expand housing supply while creating a cohesive, serviceable district.

- ◆ **Market demand.** Albany’s housing indicators point to continued demand, even as market activity has cooled since the 2021 peak. Median single-family home prices have continued to rise through 2025 year to date, while sales volumes have slowed, suggesting demand remains, but turnover has moderated. Multifamily conditions show a similar pattern, with long-term rent growth, relatively low vacancy, and steady absorption over time. In the near term, the City’s pipeline, along with the East Albany Town Center LLC’s plans to develop 900+ units in East Albany, is likely to meet current demand and slow the need for additional new housing in the near term. On the commercial side, market demand is well-suited to neighborhood-serving retail, services, and small office uses that grow alongside new housing.
- ◆ **Alignment with site characteristics.** A mixed-use district is most competitive when it can offer convenient access, a clear neighborhood identity, and a development pattern that supports both housing and everyday services over time. The airport site’s scale and largely unconstrained, flat development area create flexibility to phase housing and supporting uses, and to plan for internal streets, open spaces, and community amenities as the district builds out.
- ◆ **Community alignment.** This scenario aligns with City objectives related to housing choice, affordability strategies, and accommodating growth within Albany. It also creates an opportunity to add neighborhood services and amenities that support day-to-day needs and reduce pressure to expand development outward into less serviced areas. At the same time, Albany’s Housing Needs Analysis indicates the City has enough land capacity to meet projected housing needs, which reduces the urgency to add more housing land. Even so, the airport site could remain a compelling housing option because it is well located and readily serviceable, and it can be planned as a cohesive district and delivered in phases over time.

Redevelopment Alternative 2: Evaluation

The Mixed-use District scenario could be an option if the City’s priority is to add housing and pair it with neighborhood-serving uses and amenities over time. Market indicators support continued demand across both ownership and rental segments, but the pace and phasing of development will matter, especially given the near-term pipeline of housing already in planning or construction. Because redevelopment of the airport site is inherently long-term, this scenario could be positioned as part of the City’s longer-term plan for where and how it accommodates growth, particularly if the City wants housing capacity in a location that can be served efficiently and planned as a cohesive district.



Redevelopment Alternative 3: Innovation Campus

Under this scenario, the site is redeveloped as a coordinated campus that supports education, workforce training, research, and innovation-oriented employment. Development would include a mix of institutional and private uses, such as training facilities, applied research space, business incubation, and flexible office or production space. The goal is to support long-term economic development through partnerships and innovation.

- ◆ **Market demand.** Demand for an innovation campus depends less on traditional real estate metrics – like rents, vacancy, or near-term absorption—and more on whether the region has emerging and growing innovation firms that need flexible space to scale, and whether a committed development partner is willing to deliver that space. Conversations with universities, entrepreneurs, and local businesses indicate interest in additional space for innovation, startups, and expanding companies, especially space that supports collaboration and can adapt over time.
- ◆ **Alignment with site characteristics.** Campus-style development typically requires a large, flexible site that can accommodate multiple buildings over time, shared amenities, and gradual expansion. The airport site’s size, regional connectivity, and ability to phase development support this form. Albany’s central location and access to Interstate 5 also position the site to serve a broader area for workforce training, education, and specialized programs. The site could complement the Southern Willamette Valley Innovation Corridor by providing space for activities that may not fit easily within university campuses, including applied research, specialized training, or business growth space tied to university–industry collaboration.
- ◆ **Community benefit.** The Innovation Campus scenario aligns with local and regional objectives related to business formation and expansion, workforce development, and collaboration. It may also provide opportunities for civic or community-serving organizations focused on workforce development and innovation to co-locate with private employers and training providers, creating year-round activity and broader regional value.

Redevelopment Alternative 3: Evaluation




The Innovation Campus scenario is a strong strategic fit if the City’s goal is to position the site for longer-term, partnership-driven development that advances business growth, entrepreneurship, workforce development, and innovation. The site has the physical characteristics that support a campus form, but the concept depends more on coordination and partnerships than on near-term market conditions. Success would likely require one or more anchor users, clear partnership commitments, and sustained leadership to move from a general concept to a defined program and development plan. As a result, this scenario is best viewed as a longer-term pathway that could be advanced alongside regional initiatives like the Southern Willamette Valley Innovation Corridor and implemented in phases as partners and users emerge.



Summary of Redevelopment Alternatives

Taken together, the redevelopment alternatives vary in their timing, market certainty, and dependency on partnerships. Employment uses are most directly supported by current market conditions, while housing and innovation-oriented concepts represent longer-term opportunities that depend on City priorities and external coordination.

Exhibit 10. Redevelopment Scenario Evaluation Summary Matrix

SCENARIO	MARKET DEMAND	ALIGNMENT WITH SITE CHARACTERISTICS	OVERALL ASSESSMENT
 <p>Employment Center</p>	<p>High Steady industrial/flex demand with relatively low vacancy and rising rents. Constrained supply of large (50+ acre), development-ready sites in the region enhance demand.</p>	<p>High Large, flat, contiguous site with access to public utilities and strong regional connectivity via I-5 and US 20. The site can accommodate large buildings and support phased development over time.</p>	<p>High The site is well suited to users such as warehousing and distribution and manufacturing that value I-5 access. Strong regional demand and a limited supply of large, development-ready sites would likely generate immediate market interest.</p>
 <p>Residential Mixed-Use</p>	<p>Moderate Demand persists across ownership and rental markets, but the existing and planned pipeline is likely to temper additional housing demand in the near-term. Potential to include small-scale commercial uses that complement a growing neighborhood.</p>	<p>Moderate The site's scale and generally flat terrain support a phased neighborhood with internal streets, open space, and supporting commercial uses. The site's location near existing neighborhoods and commercial areas does create opportunities for good integration. Would need buffering from I-5.</p>	<p>Moderate Existing housing pipeline tempers demand and would make phasing important. The HNA indicates no immediate need to add residential land, however, over the long term, the site could still be a good fit for a mixed-use neighborhood if City priorities shift or additional capacity is needed.</p>
 <p>Innovation Campus</p>	<p>N/A Demand depends less on rents and vacancy and more on whether partners and programs need flexible space for innovation and workforce uses. Universities and local businesses have expressed interest in space for startups and growing firms.</p>	<p>High The site is well suited to a campus concept because it offers a large, flexible, development-ready footprint with strong regional access, which is rare in the region.</p>	<p>Moderate Potential is impactful but depends on anchor users, partnerships, and sustained coordination. Development is likely longer-term and more reliant on institutional commitment than near-term market absorption.</p>

Source: ECOnorthwest



Overall Evaluation of Airport Alternatives

This section synthesizes the results of the preceding analysis and compares the full range of alternatives for the Albany Municipal Airport. ECONorthwest evaluated six alternatives that represent two distinct pathways for the future of the site: continued airport operations with incremental changes, or full redevelopment following airport closure.

The alternatives frame the City's core decision: whether to maintain the airport as an operating asset or transition the site to non-aviation uses. Each pathway carries different implications for aviation access, land use outcomes, regulatory complexity, implementation timing, and how benefits and impacts are experienced across the community, consistent with priorities identified through stakeholder engagement and review of City policies. The evaluation criteria reflect these priorities and include maintaining aviation access, improving the performance of the airport property, supporting economic development, meeting identified land needs, and ensuring the ease of implementation. Each alternative is evaluated using this consistent framework to allow for comparison across fundamentally different approaches.

The operating alternatives represent incremental approaches that maintain airport operations while allowing for adjustments over time. These approaches can be combined and implemented as a coordinated strategy. They maintain continuity of aviation services, preserve roles such as emergency response and system connectivity, and allow the City to respond to changing conditions. Aviation-related development, such as hangar expansion, offers the most stable long-term revenue potential where demand exists but requires capital investment. Development of the five-acre site introduces an additional revenue opportunity and diversifies revenue sources, but outcomes are variable and dependent on market conditions. Taken together, these strategies can improve financial performance and reduce the level of subsidy, but they are unlikely to eliminate the structural deficit.

The redevelopment alternatives represent a fundamentally different pathway. Each requires closure of the airport, completion of federal and state processes, and transition of the site to non-aviation uses. Closure is a prerequisite for any redevelopment scenario and would represent a significant change in the role of the site within the community, which may or may not align with City priorities. These scenarios are mutually exclusive and involve greater uncertainty, longer timelines, higher upfront costs, and more complex implementation requirements. They also allow for different long-term land use outcomes that may support economic development, housing, or institutional objectives.

Taken together, the evaluation highlights a clear tradeoff. The operating alternatives provide a more immediate and flexible path that maintains aviation use and allows for incremental change, while requiring some level of ongoing public support. The redevelopment alternatives offer the potential to reposition the site for different long-term uses but are contingent on airport closure and the successful navigation of a complex and uncertain regulatory process.

Exhibit 11 summarizes how each alternative performs across the evaluation criteria.



Exhibit 11. Evaluation Summary of Airport Alternatives

Evaluation Criteria	Airport Alternative Options					
	Operating Alternatives			Redevelopment Alternatives		
	Preserve Current Uses	Enhancement of Current Uses	Modify Current Uses	Employment Center	Residential Mixed-Use	Innovation Campus
Keep airport open to aviation	●	●	●	○	○	○
Improves financial performance/reduces subsidy	○	◐	◐	●	●	◐
Supports disaster preparedness and mitigation	●	●	●	○	○	○
Supports traded-sector jobs and economic development priorities	○	◐	●	●	◐	●
Maintains public control of the site	●	●	●	◐	○	◐
Meets an identified land need	n/a	n/a	n/a	●	◐	●
Ease of implementation	●	◐	◐	○	○	○

Source: ECONorthwest

Key: High ●; Medium ◐; Low ○



Concluding Observations

This analysis provides a structured evaluation of potential future pathways for the Albany Municipal Airport. It is intended to inform City decision-making rather than recommend a single preferred outcome. The analysis clarifies the tradeoffs associated with each alternative, identifies where uncertainty remains, and highlights where additional decisions, coordination, or analysis would be needed before the City could move forward.

Several observations emerged through this process:

- ◆ **The airport functions as an important public asset.** It provides value beyond its operating revenues, including emergency response, transportation access, and support for local economic activity, and remains part of the state and national aviation systems. While use of the airport is relatively limited and its economic contribution is modest, this is consistent with many publicly owned facilities that are maintained to serve specific, and sometimes infrequent, community needs. The importance of these functions is not uniformly recognized across stakeholders, which is typical for assets such as local airports, fairgrounds, and libraries.
- ◆ **Closing the airport would be far more complex and uncertain than a local land use decision.** Redevelopment is not simply a matter of selecting a preferred future land use. Any redevelopment pathway first depends on whether the City could close the airport and obtain release from federal obligations. That process would require substantial coordination with the FAA and ODA, likely over multiple years, and may or may not result in approval.

ECONorthwest did not identify any examples of NPIAS airports closing in the past 20 years, underscoring the rarity of this outcome. This threshold issue is more significant than the relative merits of any individual redevelopment concept. If the City pursues redevelopment, the City would have a grant repayment obligation to the FAA and ODA. If the airport were to close in the current fiscal year, the estimated repayment obligation would be \$9,282,507 to the FAA and \$460,000 to the ODA.

- ◆ **The airport operates with an ongoing deficit, but the significance of that deficit is a policy question for the City.** The analysis confirms that the airport operates at a deficit under current conditions. The deficit was \$91,000 in FYE 2025 and is estimated to be approximately \$105,000 per year in the current biennium. This amount is less than one percent of the City's planned adopted budget for FY27.

The analysis also shows that some operating strategies can reduce that deficit over time, though they are unlikely to eliminate it entirely. Whether public subsidy is acceptable depends on how the City weighs the airport's public functions, community priorities, and other demands on public resources.

- ◆ **No single strategy resolves the airport's financial challenges.** The analysis did not identify an action that, on its own, would "put the airport in the black." That is, make it



financially solvent on its own. However, our research indicates that General Aviation airports are typically not money makers. Our interviews with subject matter experts indicate that these types of airports can achieve only marginal revenues, and in many cases, are subsidized by parent agencies.

For the Albany Municipal Airport, a combination of operational measures, aviation-related investments, and limited non-aviation development can generate additional revenue, improving the airport's operational and financial performance. Some of the options to reduce the annual operating deficit for the Airport would require the Airport to make upfront capital expenditures.

- ◆ **Additional engagement is needed before moving from analysis to decision.** Targeted stakeholder discussions informed this analysis, but do not reflect the full range of community perspectives. Broader engagement is suggested to clarify priorities, including the airport's role, tolerance for public subsidy, and assess support for either continued airport operations or a longer-term effort to explore closure.

Considerations for Next Steps

The analysis did not identify an action that, on its own, would independently solve the airport's financial problem. Instead, it suggests a set of near-term actions to clarify priorities and reduce uncertainty.

In the near term, the City's first step is to determine whether there is interest in pursuing redevelopment at all, given the level of uncertainty, time, and effort required to close the airport. Redevelopment depends on a complex federal and state process that may take multiple years and may not result in approval. Understanding whether the City has an appetite to explore this path is a critical early decision.

Regardless of direction, additional engagement will be important. The City should explore avenues for expanded community engagement that align with the City Council's direction for the airport's future. In the near term, the City can consider how a broader group of community members may use the facility, including for events, trainings, etc. Should the City Council's direction point toward long-term redevelopment, the City will want to consider a much-expanded public engagement plan to evaluate community priorities.

In the near term, the City can continue to operate the airport while taking steps that are compatible with either pathway. This includes improving operational efficiency and evaluating lower-risk actions. At the same time, the City should be cautious about making significant capital investments until there is clearer direction on whether redevelopment will be pursued.

Taken together, the near-term focus is on clarifying direction, rather than committing to a single long-term path.



PATHWAY 1: CONTINUE AIRPORT OPERATIONS AND IMPROVE PERFORMANCE

If the City chooses to maintain airport operations, the focus would be on improving performance over time through a coordinated set of actions. Key next steps could include:

- ◆ **Maintaining and refining operational practices.** The City should continue to monitor lease rates and maintain alignment with market conditions while managing costs. This can be done regardless of which pathway the City pursues (closure or continued operation)
- ◆ **Exploring additional revenue mechanisms.** This includes further evaluation of fees, such as the landing fee implemented in Eugene. This can be done regardless of which pathway the City pursues (closure or continued operation)
- ◆ **Evaluating capital investments to support aviation activity.** Hangar development can generate additional revenue over time but requires significant upfront capital and has long payback periods. These investments should be evaluated based on funding availability and demonstrated market demand. Advancement should occur only if the City determines that maintaining airport operations is a long-term priority.
- ◆ **Advancing development of the five-acre site, if consistent with the long-term direction.** This strategy can diversify revenue but does not represent a clearly superior financial outcome compared to continued aeronautical uses and is sensitive to market conditions. Advancement should occur only if the City determines that maintaining airport operations is a long-term priority. Key considerations include:
 - FAA approval for non-aeronautical use and updates to the Airport Layout Plan. This would require building a strong argument for moving to non-aeronautical use.
 - Structuring and pricing a ground lease within regulatory constraints associated with publicly owned airport land.
 - Confirming development feasibility through private sector due diligence, including allowable uses, site constraints, and construction costs.

Taken together, these actions can improve financial performance and reduce the level of subsidy required to operate the airport. However, even with additional hangars and redevelopment of the five-acre site and supporting strategies, the airport may still require ongoing City support, especially given the timeline for implementing large-scale capital improvements.

PATHWAY 2: EXPLORE AIRPORT CLOSURE AND REDEVELOPMENT

If the City has an interest in redevelopment, the immediate focus would be on determining whether airport closure is feasible. This pathway requires coordination with the FAA and ODA and may take multiple years, with no guarantee of approval. Pursuing this path requires a willingness to invest time and resources into a process that may not ultimately allow redevelopment to occur.

Key next steps include:



- ◆ **Initiating coordination with the FAA and the Oregon Department of Aviation (ODA).** Early discussions would help define the process, requirements, and likelihood of approval for airport closure.
- ◆ **Engaging legal expertise.** Closure of a federally obligated airport involves complex regulatory and legal considerations, including compliance with grant assurances and potential repayment obligations. The City must demonstrate that the airport is not needed for current or future aviation demand and that closure is consistent with regional and federal aviation system needs.

Only if a viable path to closure is identified would the City proceed to detailed redevelopment planning and analysis.



Appendix A. Existing Conditions Assessment





October 2025

Albany Municipal Airport Existing Conditions Assessment

City of Albany

ECOnorthwest

920 SW 6th Ave • Suite 1400 • Portland, OR 97204 • 503-222-6060



Acknowledgments

ECONorthwest prepared this report with support from the guidance and input of several partners, including members, staff, and leadership of the **City of Albany**. Most notably we are appreciative of the involvement and input of **Chris Bailey, Kristin Preston, Robb Romeo, Sophie Adams, Jeff Babbitt and Ryan Beathe**. Other firms, agencies, and staff contributed to other research that this report relied upon, specifically **Tiberius Solutions and Precision Approach Engineering**. This work was financially supported by **the City of Albany**.

That assistance notwithstanding, ECONorthwest is responsible for the content of this report. The staff at ECONorthwest prepared this report based on their general knowledge of the economics of recreation, amenities, and regional economies. ECONorthwest staff contributing to this study included **Matt Craigie, Josie Rademacher, and Nicole Underwood**.

ECONorthwest also relied on information derived from government agencies, private statistical services, the reports of others, interviews of individuals, or other sources believed to be reliable. ECONorthwest has not independently verified the accuracy of all such information and makes no representation regarding its accuracy or completeness. Any statements nonfactual in nature constitute the authors' current opinions, which may change as more information becomes available.

For more information about this report please contact:

Matt Craigie
craigie@econw.com
ECONorthwest
503-222-6060





Table of Contents

Context and Purpose.....	1
Airport Property Profile.....	2
History and Context.....	2
Site Layout, Buildings, and Current Use	3
Site Access and Utilities.....	6
Regulatory Environment	6
Role in Broader Planning Frameworks.....	17
Financial and Economic Assessment.....	19
Airport Revenues and Expenditures	19
Statewide Rates and Charges Survey	24
Opportunities for Financial Improvement.....	26
Economic Impact	27
Preliminary Findings.....	29
Key Takeaways	29
Next Steps.....	31
Appendix A: FAA Grant Assurances	32



Context and Purpose

The Albany Municipal Airport is a General Aviation Airport centrally located in Albany, Oregon. The airport accommodates small single- and multi-engine aircraft, business class turbine aircraft (business jets and turboprops), and helicopters. The airport is also home to a few aviation related businesses and, as Oregon's oldest continuously operating airfield, it has several historic buildings and connections to Oregon's aviation history.

This memorandum provides an assessment of existing conditions at the airport, including its physical infrastructure, regulatory environment, land use context, and integration with broader city and statewide planning efforts. The purpose of this assessment is to help the City and community members understand how the airport is currently used, its financial situation, and to identify opportunities and limitations that are likely to influence improvements or changes to the airport properties. This work supports the City's ongoing efforts to understand how the airport properties can best serve the Albany community, both today and into the future, and lays the groundwork for informed decision-making related to policies, investments, and potential changes in land usage.

The findings presented here are based on site analysis, review of regulatory and land use documents including the 2016 Albany Municipal Airport Master Plan, engagement with City staff, and alignment with state and federal aviation guidance. These findings are intended to inform a second phase of this project which will explore various enhancement or redevelopment options of the airport.



Airport Property Profile

The Albany Municipal Airport is a City-owned general aviation facility with a long operational history. This section documents key characteristics of the property, including its historical context, physical layout, tenant operations, and regulatory considerations.

History and Context

Albany Municipal Airport is one of Oregon's oldest general aviation airports, with continuous aviation use dating back to the 1920s. The City of Albany purchased the initial 141-acre property in 1929 from a private party for \$14,000, equivalent to about \$264,000 in 2025 dollars.¹² Subsequent acquisitions expanded the site: 44.5 acres were added south of the original parcel in 1947, followed by 1.25 acres in 1968. At its peak, the airport encompassed more than 186 acres, not including additional land that later became Timber-Linn Park.

Over time, the land available for aviation use declined. The construction of Interstate 5 required relocating the historic buildings and runway to the east and resulted in the sale of 34 acres for highway right-of-way. A parcel at Knox Butte Road and Timber Street was leased and eventually sold to the Oregon National Guard for use as an armory. In the mid-1990s, roughly 46 acres were sold to Linn County for development of the Fair and Expo Center and to private parties for hotels and restaurants. Today, the airport occupies roughly 92 acres. While these land sales provided certain benefits, they also reduced the property available to generate ongoing lease revenue, creating challenges for the airport's long-term financial health.

Formal planning began in 1978 with the first FAA-funded airport master plan. In 1998, a 58.77-acre portion of the airport was listed on the National Register of Historic Places. This historic designation includes key features such as Hangar #1, Workshop Hangar #2, a rotating beacon tower, and a preserved segment of the original tangential runway (see Exhibit 1). This area is also included in the City's Historic Overlay District, which requires compliance with specific design and preservation standards for improvements that may affect historic resources.

¹ City of Albany. (2016). *Albany Municipal Airport Master Plan*.

https://albanyoregon.gov/finance/purchasing/bids?view_bid=674

² U.S. Bureau of Labor Statistics, *CPI Inflation Calculator*, accessed June 2025,

https://www.bls.gov/data/inflation_calculator.htm.



Today, the airport is owned by the City and managed through a mix of City-owned and privately owned hangars on City-leased land. It sits directly east of I-5, and is surrounded by a mix of residential, commercial, industrial, and publicly owned properties. To the northeast are hotels and the Linn County Fair & Expo Center. Timber Linn Memorial Park borders the site to the east which then leads into residential neighborhoods, while the Highway 20 corridor to the south contains commercial uses, including hotels and auto dealerships. To the west, I-5 separates the airport from additional commercial development.

Exhibit 1. Aerial Map of the Albany Municipal Airport



Source: ECONorthwest

Site Layout, Buildings, and Current Use

Albany Municipal Airport features a single runway (Runway 16/34) aligned roughly north-south, measuring 3,004 feet long and 75 feet wide. With the addition of blast pads and overrun areas, the total paved length extends to 3,661 feet. These additional surfaces are not used for standard takeoffs or landings but serve as safety buffers in case of undershoot or overrun. As a result, the runway can only accommodate small single- and multi-engine aircraft, along with some light business jets and turboprops.

A full-length parallel taxiway connects to the runway via three exit taxiways, allowing aircraft to circulate between aprons, hangars, and runways without interfering with flight operations. Aircraft parking and servicing occur on paved apron areas, which support both tie-downs and hangar access.



The airport includes 22 aviation-related buildings that support storage, maintenance, and operational activities. Two types of hangars are present:

- ◆ **T-Hangars:** Small, covered structures with individual bays for storing private aircraft.
- ◆ **Conventional hangars:** Larger enclosed spaces that support a mix of aircraft storage, maintenance, and community aviation uses.

Additional facilities include a General Aviation Terminal/Fixed Base Operator (FBO) building, which houses flight planning space, pilot amenities, and administrative functions, as well as an on-site fueling station. A full inventory of these buildings is provided in Exhibit 2.

Exhibit 2. Albany Municipal Airport Building Inventory

BLDG. NO.	BUILDING	OWNER	EXISTING USE	HISTORIC STATUS	
1	205	Conventional Hangar	Nagel	Aircraft Storage	No
2	225	Conventional Hangar	Perlenfein	Aircraft Storage	No
3	245	Conventional Hangar	Perlenfein	Aircraft Storage	No
4	285	Conventional Hangar	Gates	Aircraft Storage	No
5	305	11 unit T-Hangar (North)	City	Aircraft Storage	No
6	315	Conventional Hangar	Kasper	Aircraft Storage	No
7	335	Conventional Hangar	Kleve	Aircraft Storage	No
8	343	Conventional Hangar	Kizer	Aircraft Storage	No
9	355	Conventional Hangar	Kasper	Aircraft Storage	No
10	375	Quonset Hangar	City	Aircraft Storage	Yes
11	403	Conventional Hangar	Kasper	Aircraft Storage	No
12	415	Conventional Hangar (Bird)	City	Aircraft Storage	Yes
13	--	Electrical Building	City	Electronics Housing	No
14	445	Conventional Hangar	R2M Properties LLC	Aircraft Storage	No
15	475	Maintenance Building	City	City Maintenance Shop	No
16	485	Conventional Hangar	Miltenberger	Aircraft Storage	No
17	525, 533	GA Terminal/FBO Office* and Hangar	City	FBO operations; office, classroom, aircraft	No
18	695	10-Unit T-Hangar (South)	Miltenberger	Aircraft Storage	No
19	715	11-Unit T-Hangar (South)	Tarantola	Aircraft Storage	No
20	725	11-Unit T-Hangar (South)	Tarantola	Aircraft Storage	No
21	745	10-Unit T-Hangar (South)	Terhaar	Aircraft Storage	No
22	765	10-Unit T-Hangar (South)	Miltenberger	Aircraft Storage	No

Source: Albany Municipal Airport Master Plan



The airport primarily serves private pilots, flight training operations, recreational flying, and small business aviation activity. It is not a commercial airline facility and is not designated as a primary emergency response facility, though it may provide support in certain scenarios. As reported in the Albany Municipal Airport Master Plan there were about 80 based aircraft at the airport in 2012. On average, the airport is estimated to accommodate 55 to 75 aircraft operations (takeoffs and/or landings) daily or 20,000 to 28,000 operations annually.³

The City of Albany owns and leases several facilities at the airport, including an 11-unit T-hangar, the Quonset Hangar, the Bird Hangar, and the General Aviation Terminal and Hangar. Several small businesses operate from these City-owned buildings:

- ◆ **Classic Aero Designs.** This business manufactures interior aircraft products for homebuilt aircraft specializing in products for the RV series of aircraft manufactured by Vans Aircraft.
- ◆ **Eternal Wings.** This business provides aerial ash spreading services.
- ◆ **Infinite Air Center.** Infinite Air Center serves as the airport’s Fixed Base Operator (FBO), providing services such as aircraft fueling, hangar rental, ground handling, flight planning, and flight training. The business also offers amenities for pilots and aircraft owners, including a pilot lounge, maintenance coordination, and customer service support.

In addition to City-owned facilities, the airport includes 16 privately owned hangars located on City-managed ground leases. Leaseholders are responsible for their own improvements. A summary of lease terms is included in Exhibit 3.

Exhibit 3. Lease Structure Summary

LEASE TYPE	TAKEAWAYS
Building Leases	<p>Typically short-term, often just one year, and some lack clear renewal provisions. Leases allow either party to terminate with 30 days’ written notice.</p> <p><i>“LESSEE or CITY may terminate this agreement with a thirty (30) day advanced written notice.”</i></p>
Land Leases	<p>Generally structured as an initial 30-year term with the option for two 5-year renewals. Current leases expire between 2029 and 2037. The City may terminate with 180 days’ notice if the airport or part of the property is closed by federal or state order or other uncontrollable circumstances.</p> <p><i>“Termination in the Event of Airport Closure: should the Albany Municipal Airport, or any portion of the airport upon which the subject premises are located, close due to any Federal or State order, or any other reason beyond the reasonable sole control of the City of Albany, then the City of Albany may terminate this lease upon one hundred eighty (180) days written notice.”</i></p>

Source: City of Albany

³ City of Albany. (2016). *Albany Municipal Airport Master Plan*. https://albanyoregon.gov/finance/purchasing/bids?view_bid=674



Site Access and Utilities

The airport is directly adjacent to I-5 and is located between two full interchanges which are Highway 20 to the south and Knox Butte Road to the north. Primary airport access is via Aviation Way SE, which connects to Knox Butte Road E and links the airport to surrounding commercial and civic destinations. While not currently used for airport access, Price Road E runs along the airport's eastern boundary and separates it from Timber Linn Memorial Park.

The airport is served by public water and sewer infrastructure provided by the City of Albany. Electricity is supplied by Pacific Power, and natural gas is available from NW Natural. Telecommunications service is also available. Stormwater is managed on-site and discharged through two outfalls into Cox Creek and Waverly Lake. These utility connections are sufficient to support existing aviation uses and should be considered in the planning and design of any future development on the site.

Regulatory Environment

The Albany Municipal Airport operates within a layered regulatory environment that influences both its day-to-day operations and long-term development potential. These frameworks stem from local zoning codes, state and federal historic preservation protections, and federally mandated grant compliance obligations. Understanding these regulatory layers is important to identifying allowances and limitations on future use.

FAA Development Review

Any project proposed within the boundaries of the Albany Airport is subject to review by the Federal Aviation Administration (FAA), regardless of whether the project is funded publicly or privately. This oversight is intended to ensure that improvements are compatible with aviation uses and federal requirements. When a project can be demonstrated to be non-aviation related, the City may pursue a formal process with the FAA that limits the scope of review and reduces regulatory requirements. Projects that are deemed aviation related, however, are subject to full review under the National Environmental Policy Act (NEPA). These federal review processes shape the feasibility, scope, and timing of development within the airport boundary and represent a critical consideration for future improvements.

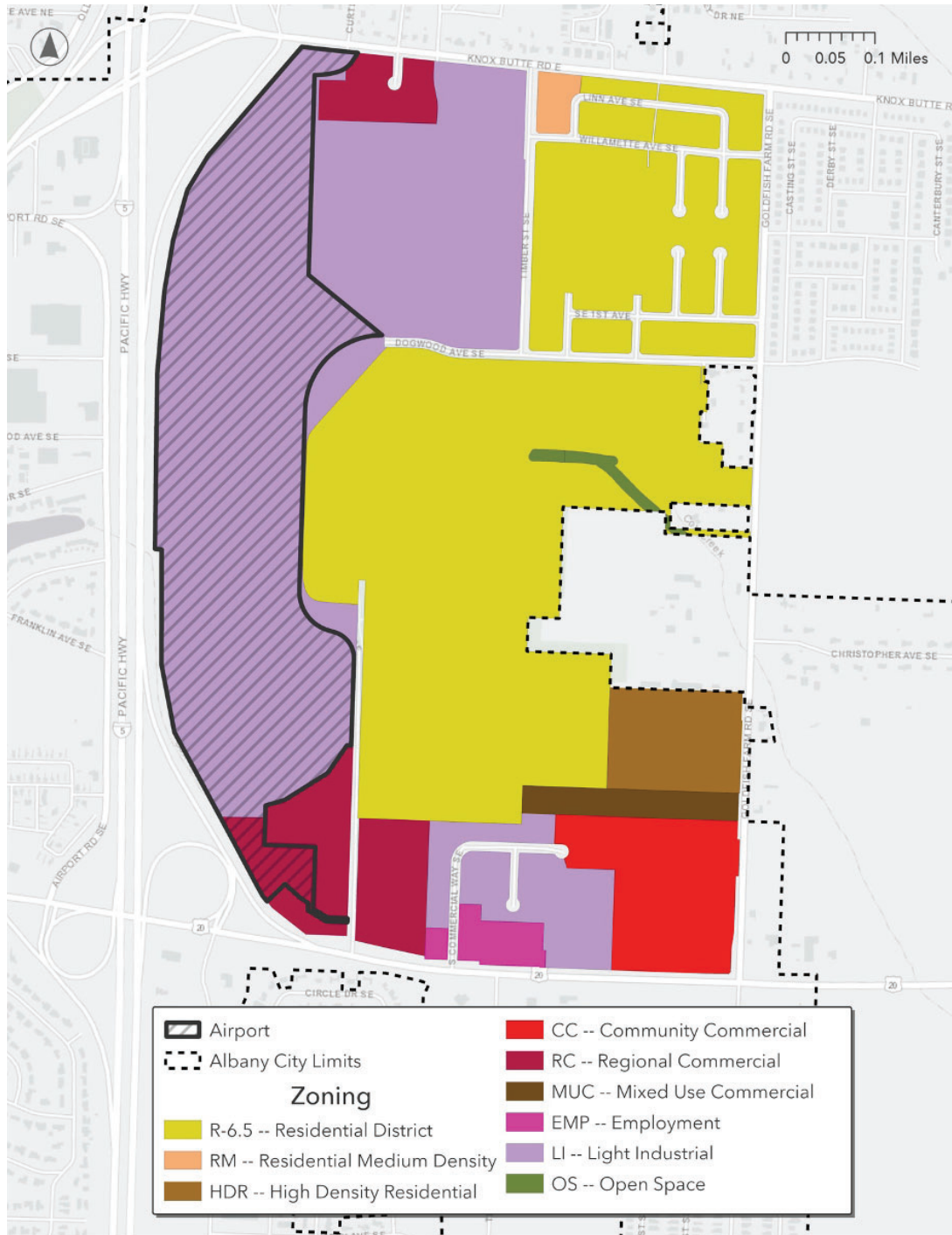
Zoning and Comprehensive Plan Designations

The airport is primarily zoned Light Industrial (LI), with a portion zoned Regional Commercial (RC). These zones permit a mix of aviation-supportive industrial and commercial activities. Under the City of Albany Comprehensive Plan, the site is designated as "Public and Semi-Public," consistent with its role as a city-owned transportation facility. Development on the site must comply with local code requirements related to permitted uses, setbacks, height, parking, and circulation. Future changes to zoning or plan designations would require formal City review and approval.



In addition to base zoning, the Airport Approach Overlay District establishes additional development standards to protect the operational integrity and safety of the airport. The overlay regulates building height, lighting, landscaping, and land uses within defined approach and transitional surfaces to ensure compatibility with aviation activity. It also restricts certain uses that could attract wildlife hazards, create visual or electronic interference for pilots, or otherwise conflict with FAA safety criteria.

Exhibit 4. Albany Municipal Airport Zoning



Source: City of Albany, ECONorthwest



Historic Preservation Overlay

A 58.77-acre portion of the airport is listed on the National Register of Historic Places and is subject to the City's Airport Historic District Overlay. This overlay applies to four contributing resources: Hangar #1, Workshop Hangar #2, a rotating beacon tower, and a segment of the original tangential runway. Development within this overlay must follow specific historic preservation requirements, including:

- ◆ Alterations to designated structures require historic review.
- ◆ Exterior improvements, demolitions, and new construction must be compatible with adopted preservation guidelines.
- ◆ Coordination with the State Historic Preservation Office (SHPO) and Section 106 consultation may be necessary if federal funding or permits are involved.
- ◆ The overlay also applies to site design and materials, meaning that even non-structural changes may be subject to review.

Easements

The airport property includes multiple easements that affect development and operations:

- ◆ Avigation easements preserve navigable airspace and protect aircraft approach zones, which may limit the height or type of future structures in affected areas.
- ◆ Utility and access easements facilitate service delivery and internal circulation and may affect site layout.
- ◆ Drainage easements support stormwater management and reduce flood risk; they must be maintained to ensure effective site drainage and compliance with environmental regulations.

Recognizing and planning around these easements is important when evaluating potential site changes.

Environmental Constraints

An environmental conditions inventory conducted in support of the 2016 Albany Airport Master Plan did not identify significant environmental constraints that would preclude future development. While the site contains some wetlands and stormwater features most appear to be man-made or limited in extent. Cox Creek is a perennial stream which means that development activities that affect Cox Creek would be subject to the City's Article 6 Natural Resource Districts (Article 6.280). No critical habitat or known occurrences of listed species were identified on the site, though additional field review may be warranted for a small number of sensitive plant species. The site operates under an NPDES 1200-Z permit for stormwater, which would need to be updated to reflect any new development. Essential fish habitat is located downstream but not on the airport property. Overall, environmental conditions present manageable considerations rather than prohibitive barriers.



FAA Grant Assurances

As a recipient of federal funding through the FAA’s Airport Improvement Program (AIP), the Albany Municipal Airport is required to comply with a set of **39 standard Grant Assurances**. These assurances define the obligations the City agrees to uphold in exchange for federal financial assistance and remain in effect for the useful life of the funded improvements or as otherwise specified in the grant terms. In some cases, obligations are also recorded as restrictive covenants in property deeds, but this does not appear to be the case for the Albany Municipal Airport.

The Grant Assurances influence a range of operational and land use decisions, including safety, financial practices, access rights, and facility management. Key obligations include:

- ◆ Maintaining public access for aeronautical use;
- ◆ Prohibiting exclusive rights to any one user;
- ◆ Preventing diversion of airport-generated revenue;
- ◆ Securing FAA review and approval for any change in use or disposal of airport lands or facilities.

These obligations limit the City’s ability to repurpose or redevelop airport property without FAA approval. Any change to aeronautical use—whether partial redevelopment or full closure—must be consistent with an approved Airport Layout Plan (ALP) and supported by a formal FAA property release. While FAA policy generally seeks to preserve aviation uses indefinitely, there is a process for decommissioning an airport, described later in this section. The grant assurances considered most relevant to this project are summarized below. The full list of grant assurances is included in Appendix A.

OREGON DEPARTMENT OF AVIATION

The City has also received financial support provided by the Oregon Department of Aviation (ODA), which assists in meeting local match requirements for Federal Aviation Administration (FAA) grant funding. In recent years, when the City has been responsible for contributing 10 percent of total project costs as a local match, ODA has covered a significant share of that obligation. In practice, this has reduced the City’s direct contribution to approximately one percent of total project costs, with the remainder supported through the FAA and ODA. This funding structure has eased the financial burden on the City while enabling continued investment in airport facilities and infrastructure.

PROJECT PLANNING/DESIGN AND CONTRACTING

- ◆ **Sponsor Fund Availability (Assurance 3):** Once a grant is given to an airport sponsor (The City of Albany), the receiving sponsor commits to providing the funding to cover their portion of the total project cost. The standard is 10 percent of the total eligible project cost, although it may be higher depending on the particular project



components or makeup. In recent years, fiscal years 2025 and 2026 the match is 5 percent. Once the project has been completed, the receiving airport also commits to having adequate funds to maintain and operate the airport in the appropriate manner to protect the investment in accordance with the terms of the assurances attached to and made a part of the grant agreement.

- ◆ **Consistency with Local Plans (Assurance 6):** All projects must be consistent with city and county comprehensive plans, transportation plans, zoning ordinances development code, and hazard mitigation plans. The airport sponsor and planners should all familiarize themselves with local planning documents before a project is considered and ensure that all projects follow local plans and ordinances.
- ◆ **Accounting System Audit and Record Keeping (Assurance 13):** All project accounts and records must be made available at any time. Records should include documentation of cost, how monies were actually spent, funds paid by other sources and any other financial record associated with the project at hand. Any books, records, documents or papers that pertain to the project should be available at all times for an audit or examination.

What does this mean and why does it matter? These assurances ensure the airport has the financial capacity and administrative systems necessary to support and manage FAA-funded projects. The sponsor must commit to covering its share of costs (typically 10 percent) and to funding long-term operation and maintenance. Projects must be consistent with local comprehensive plans, zoning ordinances, and hazard mitigation efforts. Additionally, accurate and auditable records must be maintained for all project expenditures. Together, these measures promote fiscal responsibility, local alignment, and transparency.

GENERAL AIRPORT

- ◆ **Good Title (Assurance 4):** The airport owner must have a Good Title to affected property when considering projects associated with land, building or equipment. Good Title means the sponsor can show complete ownership of the property without any legal questions or show it will soon be acquired.
- ◆ **Preserving Rights and Powers (Assurance 5):** No actions are allowed which might take away any rights or powers from the sponsor which are necessary for the sponsor to perform or fulfill any condition set forth by the assurance included as part of the grant agreement. If there is an action taken or activity permitted that might hinder any of those rights or powers it should be discontinued. An example of an action which can adversely affect the rights and powers of the airport is a Through-the-Fence (TTF) activity. TTF activities allow access to airport facilities from off-airport users. In many instances, the airport sponsor cannot control the activities of those operating off the airport resulting in less sponsor control. This loss of control can potentially have an adverse impact to airport users. For example, TTF activities many times do not pay the



same rates and charges as on-airport users, resulting in an unfair competitive advantage for business/users located off-airport versus those on-airport.

- ◆ **Airport Layout Plan (ALP) (Assurance 29):** The airport should at all times keep an up-to-date ALP which should include on it both current future boundaries, facilities/structures, and the location of any non-aviation areas and existing improvements. No changes should be made at the airport to hinder the safety of operations; also, no changes should be made to the airport that is not in conformity with the ALP. Any changes of this nature could adversely affect the safety, utility or efficiency of the airport. If any changes are made to the airport without authorization the alteration must be changed back to their original condition, or the airport will have to bear all cost associated with moving or changing the alteration to an acceptable design or location. Additionally, no federal participation will occur for improvement projects not shown on an approved ALP.
- ◆ **Disposal of Land (Assurance 31):** Land purchased with the financial participation of an FAA Grant cannot be sold or disposed of by the airport sponsor at their sole discretion. Disposal of such lands are subject to FAA approval and a definitive process established by the FAA. If airport land is no longer considered necessary for airport purposes, and the sale is authorized by the FAA, the land must be sold at fair market value. Proceeds from the sale of the must either be repaid to the FAA or reinvested in another eligible airport improvement or noise compatibility project. Land disposal requirements typically arise when a community is building a new airport and the land on which the airport was located is sold with the proceeds used to offset costs of the new airport. In general, land purchased with FAA funds is rarely sold by a sponsor.

What does this mean and why does it matter? Airports must maintain an up-to-date Airport Layout Plan (ALP) that accurately reflects current facilities, future development, and land use boundaries. Projects not shown on an approved ALP are not eligible for federal funding. Land acquired with FAA funds cannot be sold or disposed of without FAA approval, and proceeds must either be returned or reinvested in eligible airport projects. These assurances ensure land use decisions remain strategic, safe, and consistent with federal investment goals.

AIRPORT OPERATIONS AND LAND USE

- ◆ **Pavement Preventative Maintenance (Assurance 11):** Since January 1995, the FAA has mandated that it will only give a grant for airport pavement replacement or reconstruction projects if an effective airport pavement maintenance-management program is in place. The program should identify the maintenance of all pavements funded with federal financial assistance. The report provides a pavement condition index (PCI) rating (0 to 100) for various section of aprons, runways, taxiways, and a score for overall airport pavements.



- **Note:** The Oregon Department of Aviation performs the pavement study roughly every 3 years.
- ◆ **Operations and Maintenance (Assurance 19):** All federally funded airport facilities must operate at all times in a safe and serviceable manner. The airport sponsor should not allow for any activities which inhibit or prevent this. The airport sponsor must always promptly mark and light any hazards on the airport and promptly issue Notices to Airmen (NOTAMs) to advise of any conditions which could affect safe aeronautical use. Exceptions to this assurance include when temporary weather conditions make it unreasonable to maintain the airport. Further, this assurance does not require the airport sponsor to repair conditions which have happened because of a situation beyond the control of the sponsor.
- ◆ **Compatible Land Use (Assurance 21):** Land uses around an airport should be planned and implemented in a manner which ensures surrounding development and activities are compatible with the airport. To ensure compatibility, the sponsor is expected to take appropriate action, to the extent reasonable, including the adoption of zoning laws to guide land use in the vicinity of airports under their jurisdiction. Incompatible land use around airports represents one of the greatest threats to the future viability of airports.

What does this mean and why does it matter? The airport is responsible for maintaining pavements in good condition through a documented maintenance program with Pavement Condition Index (PCI) tracking. Federally funded facilities must be operated safely and remain serviceable at all times, with prompt hazard markings and NOTAM issuance. The sponsor must also take reasonable actions—such as implementing local zoning—to ensure that adjacent land uses do not interfere with airport operations. These assurances protect both physical infrastructure and the long-term functional viability of the airport.

DAY TO DAY AIRPORT MANAGEMENT

- ◆ **Economic Non-Discrimination (Assurance 22):** Any reasonable aeronautical activity offering service to the public should be permitted to operate at the airport as long as the activity complies with airport established standards for that activity. Any contractor agreement made with the airport will have provisions making certain the person, firm or corporation will not be discriminatory when it comes to services rendered as well as rates or prices charged to customers.

Provisions include:

- All fixed base operators (FBOs) on the airport should be subject to the same rate fees, rentals and other charges.
- All persons, firms or corporations operating aircraft can work on their own equipment.



- If the airport sponsor at any time exercises the rights and privileges of the assurance they will be under all of the same conditions as any other airport user would be.
- The sponsor can establish fair conditions which need to be met by all airport users to make the airport safe and efficient.

The sponsor can prohibit any type, kind, or class of aeronautical activity if it is for the safety of the airport. An example of an activity which may be considered for prohibition is sky diving. It is important to point out that the FAA will review such prohibitions and will make the final determination as to whether or not a particular activity type is deemed unsafe at the airport based on current operational dynamics.

- ◆ **Exclusive Rights (Assurance 23):** Exclusive Rights at an airport is often a complicated subject usually specific to individual airport situations. The assurance states the sponsor “will permit no exclusive right for the use of the airport by any person providing, or intending to provide, aeronautical services to the public...” There are exceptions to this rule. If the airport sponsor can prove that permitting a similar business would be unreasonably costly, impractical or result in a safety concern, the sponsor may consider granting an exclusive right. To deny a business opportunity because of safety, the sponsor must demonstrate how that particular business will compromise safety at the airport. Exclusive rights are very often found in airport relationships with FBOs, but exclusive rights can also be established with any other business at the airport which could assist in the operation of an aircraft at the airport. If an unapproved exclusive rights agreement exists it must be dissolved before a future federal grant is awarded to the airport. If a sponsor is contemplating denial of a business use at the airport, it is strongly encouraged that they contact their FAA Airports District Office (ADO) in order to ensure that they have all necessary information and that denial of access is not going to be seen as unjust discrimination. For more in-depth information on exclusive rights reference Advisory Circular 150/5190-6, "Exclusive Rights at Federally Obligated Airports.”

What does this mean and why does it matter? Airports must provide fair and equal access to aeronautical service providers who meet established standards and cannot unjustly favor one provider over others. Fees, rules, and lease terms must be applied consistently. Exclusive rights for any one provider are prohibited unless clearly justified by safety or impracticality and must be reviewed by the FAA. These assurances ensure open competition, equitable treatment, and consistent service availability for airport users.



LEASES AND FINANCIAL

- ◆ **Fee and Rental Structure (Assurance 24):** Simply put, the fee and rental structure at the airport must be implemented with the goal of generating enough revenue from airport related fees and rents to become self-sufficient in funding day to day operational needs. The airport sponsor should routinely monitor its fee and rental structure to ensure reasonable fees are being charged to meet this goal. Common fees charged by airports include fuel flowage, tie-down, landing fees, and hangar rent.
- ◆ **Airport Revenue (Assurance 25):** All airport revenue and local taxes on aviation fuel should be used toward the operating costs of the airport, the local airport system, or other local facilities which are owned by the same owner of the airport which will directly impact air transportation passengers or property or for noise mitigation on or off airport property. In other words, revenue generated by airport activities must be used to support the continued operation and maintenance of the airport. Use of airport revenue to support or subsidize other non-aviation activities or functions of the sponsor is not allowed and is considered revenue diversion. Revenue diversion is a significant compliance issue subject to scrutiny by the FAA.

What does this mean and why does it matter for Albany? Airports must establish a fee and rental structure designed to move toward financial self-sufficiency, regularly reviewing charges such as landing fees, hangar rents, and fuel flowage rates. All revenue generated from airport activities – including aviation fuel taxes – must be exclusively for airport operations, capital improvements, or noise mitigation. Use of funds for non-aviation purposes is prohibited and considered revenue diversion. These assurances uphold financial accountability and protect the integrity of federal investments.

OTHER FAA COMPLIANCE REQUIREMENTS

When an airport sponsor accepts an FAA Airport Improvement Program (AIP) grant, they adhere to all applicable federal contracting and procurement requirements. Advisory circulars are required for use in AIP funded projects. Included in each grant request is federal funding checklist that identifies the requirements an airport should consider before accepting the grant. The following items are noted in the checklist:

- ◆ ALPs should be up to date.
- ◆ A Property Map may need to be updated if acquiring additional property.
- ◆ Land Inventory may need to be updated if you have recently acquired land with federal assistance.
- ◆ Airports must hold good title to the airport landing area.
- ◆ Appropriate signage and markings must be in place.
- ◆ Runway protection zone (RPZ) and approach surface deficiencies must be identified and steps to address deficiencies must be noted.



- ◆ Runway safety areas (RSAs) must meet FAA standards if planning a runway project.
- ◆ Disadvantaged Business Enterprise (DBE) program goals or a good faith effort must be met on projects more than \$250,000.
- ◆ Procedures should be in place to handle bid protests.
- ◆ Open AIP grant projects need to be identified.
- ◆ Project closeout form must be submitted within 90 days of work completion.
- ◆ A “Certification of Economic Justification” must be included for routine pavement maintenance projects.
- ◆ A “Revenue Generating Facility Eligibility Evaluation” must be completed for hangar constructing or fueling facilities.
- ◆ A “Relocation Plan” must be completed if a project requires residences or businesses to be relocated.

SPECIAL CONDITIONS

In addition to the standard grant assurances discussed above, the state of the FAA may require “Special Conditions” to individual grants which supplement or expand the standard grant assurances. Special Conditions are unique to an individual airport can be project or administrative in nature. Airport sponsors need to be aware of such conditions that may be applied to their airport.



FAA GRANT ASSURANCES – PROPERTY RELEASE OBLIGATIONS

As a recipient of FAA Airport Improvement Program (AIP) funding, Albany Municipal Airport is subject to grant assurances that remain in effect for the useful life of funded assets (typically 20 years for facilities and 10 years for certain equipment) or, in the case of land purchased with federal funds, in perpetuity. Because Albany acquired its airport land without federal assistance, there is no repayment obligation for the land itself. However, the City must reimburse the FAA for the unamortized value of any AIP-funded improvements, such as runway overlays, lighting, fencing, or facilities, based on the remaining useful life of those assets. The repayment amount is calculated as the FAA's original funding share multiplied by the percentage of life remaining. Any closure or property conversion request must be formally submitted to the FAA, which will review grant records and determine final repayment obligations.

Closing an airport or converting obligated property to non-aviation use requires an FAA property release, which is reviewed and approved at FAA Headquarters. This process involves a formal application, fair market value appraisals, environmental review, and a plan for reinvesting proceeds in eligible airport projects. The FAA must determine that the action serves the public interest in civil aviation, which generally requires demonstrating that the closure will have a net benefit to the aviation system. This includes showing that the airport is not essential to the local or national airport network, that comparable facilities are available nearby, and that the change will not adversely affect aviation demand or safety. The state aeronautics agency's recommendation is also considered.

Repayment funds must either be returned to the Airport and Airway Trust Fund or applied to eligible AIP projects at another NPIAS airport, typically within the same region. These requirements ensure that federal investments in aviation are preserved or redirected to other public-use airports. For Albany, this means that while the land's value is unrestricted, improvements tied to past AIP grants remain a financial consideration in any redevelopment decision.*

*For more detail, see FAA Compliance Guidance Letter 2022-1: *The Process for the Release and Permanent Closure of Federally Obligated Airports* and FAA Order 5190.6B, *Airport Compliance Manual*, Chapter 22.



Role in Broader Planning Frameworks

The Albany Municipal Airport plays a limited but functional role in both local and state planning frameworks. Its primary contributions include supporting small-scale, non-commercial aviation activities and providing situational support during emergency events. Across planning documents, the airport is generally framed as a supportive asset rather than a central driver of City goals.

City of Albany Planning Frameworks

The airport is included in several long-range City of Albany planning documents, where it is treated as a supporting facility within the broader transportation and infrastructure network. These documents acknowledge the airport's current role and, in some cases, reference opportunities to evaluate its future use.

- ◆ **Comprehensive Plan (2025):** The airport is designated under the “Public and Semi-Public” land use category, which applies to transportation and other public service facilities. It is also addressed in Goal 12: Transportation, which calls for a safe, diverse, and efficient transportation system. Policy 9 supports maintaining the airport as a regional facility.
- ◆ **Strategic Plan (2024):** The plan includes a reference to the airport under Goal 2 (Healthy Economy), stating the need to “explore options for the future of the airport related to best use for the Albany community.” This language indicates interest in re-evaluating the airport's long-term role rather than committing to a particular use.
- ◆ **Albany Municipal Airport Master Plan (2016):** The Master Plan provides a 20-year planning horizon for airport layout and operations. It includes aviation activity forecasts, facility needs, and recommendations for improvements.

Collectively, these plans position the airport as a functional component of the city's infrastructure with some potential for strategic coordination but not as a primary focus of City investment or policy direction.

Role in the Oregon Aviation System

At the state level, the **Oregon Aviation Plan (OAP)** classifies Albany as a **Category IV: Local General Aviation Airport**.⁴ This category includes facilities that primarily support small, privately owned aircraft and accommodate non-commercial uses such as personal travel, flight training, and agricultural operations. The classification places Albany within a network of general aviation airports that enhance regional access but are not expected to serve commercial or high-capacity roles.

⁴ Oregon Department of Aviation. (2020). *Oregon Aviation Plan: Volume 1 – System Plan Update*. <https://www.oregon.gov/aviation/pages/planning.aspx>



The OAP establishes minimum infrastructure standards and helps guide investment priorities. Albany meets the Category IV runway length requirement of 3,000 feet (its runway measures 3,004 feet) but is not identified for substantial expansion or enhanced aviation activity.

Within the broader aviation system, Albany contributes by:

- ◆ Providing local air access in a portion of the Willamette Valley not directly served by commercial airports.
- ◆ Offering infrastructure that can support public safety operations, including search and rescue, firefighting, and law enforcement.

Emergency Preparedness Considerations

The airport is not designated as a primary emergency response facility in state or federal emergency plans but may be used in a support role in certain situations. According to the **OAP** and **State Emergency Coordination Plans (SECPs)**, general aviation airports like Albany may be used to support emergency operations if larger regional airports (e.g., Eugene, Salem-McNary, Corvallis) are unavailable or exceed capacity. Its involvement would depend on the specific nature of the emergency and the operational status of other facilities.

In these circumstances, Albany may serve as a secondary site for:

- ◆ Supporting light general aviation activity
- ◆ Staging small aircraft for supply delivery or aerial reconnaissance⁵
- ◆ Facilitating access for emergency personnel or equipment

The **City of Albany Emergency Operations Plan (2023)** notes the airport's potential to support local continuity-of-government functions or emergency coordination efforts. While its role in emergency response is limited by size and infrastructure, the airport may provide value as part of a distributed network of local facilities that contribute to response and recovery efforts during large-scale emergencies.

⁵ Aerial reconnaissance is the use of aircraft or drones to rapidly assess damage, identify hazards, and gather critical information from above, providing essential insights for disaster preparedness and effective hazard mitigation planning.



Financial and Economic Assessment

Airport Revenues and Expenditures

Exhibit 5 summarizes historical revenues for the Albany Airport operating fund in recent years. From FYE 2020 through FYE 2025, the largest sources of revenue for the airport have been lease income, fixed base operator income, and internal airport space rental. These three sources of funds totaled \$91,000 and accounted for 90 percent of operating revenue (excluding transfers) in FYE 2025. In some years, the operating fund received federal grants (totaling \$75,000 across FYE 2021 and FYE 2022). However, federal grants have not been a dependable source of operating income for the airport. In FYE 2025, the airport generated insufficient operating income to pay for operating expenditures, requiring a transfer of \$26,700 from capital funds to cover the operating deficit.

Revenues have remained essentially flat over this time period. Excluding transfers, operating revenues in FYE 2025 were 5 percent lower than in FYE 2020. Revenues were temporarily higher in FYE 2021 and FYE 2022 as a result of one-time federal grants received by the airport. Revenue from internal airport space rentals decreased by 43 percent. Interest earnings have also decreased in recent years as a result of dwindling ending fund balances in the operating fund.

Exhibit 5. Historical Revenue Trends, Albany Airport Operations, FYE 2020 to FYE 2025

REVENUES	2020	2021	2022	2023	2024	2025	TOTAL	PERCENT
Airport: Lease	\$ 44,231	\$ 60,053	\$ 63,246	\$ 53,888	\$ 55,891	\$ 57,112	\$ 334,422	44%
Internal Airport Space Rental	\$ 28,900	\$ 28,900	\$ 29,400	\$ 29,900	\$ 16,400	\$ 16,400	\$ 149,900	20%
Airport: Fixed Base Operator	\$ 19,620	\$ 18,500	\$ 18,000	\$ 18,000	\$ 18,000	\$ 18,400	\$ 110,520	15%
Federal Grants and Assistance	\$ -	\$ 43,000	\$ 32,000	\$ -	\$ -	\$ -	\$ 75,000	10%
Intrafund Transfers In	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,700	\$ 26,700	4%
Airport: Fuel	\$ 3,999	\$ 4,672	\$ 5,625	\$ 3,239	\$ 5,763	\$ 2,649	\$ 25,946	3%
Miscellaneous Revenue	\$ 5,341	\$ 38	\$ 3,398	\$ 816	\$ 546	\$ 6,641	\$ 16,778	2%
Interest	\$ 4,103	\$ 1,913	\$ 1,355	\$ 3,522	\$ 1,835	\$ -	\$ 12,729	2%
Airport: Tie Down Fees	\$ 945	\$ 425	\$ 1,120	\$ 2,135	\$ 1,680	\$ 1,015	\$ 7,320	1%
Total	\$107,138	\$157,501	\$154,144	\$111,500	\$100,115	\$128,916	\$759,314	100%

Source: Tiberius Solutions LLC with data provided by City of Albany

Exhibit 6 summarizes historical expenditures for the Albany Airport operating fund in recent years. The largest expenditures over this time period have been wages and salaries, central services, utilities, and benefits accounting for 65 percent of total expenditures. Some of these significant expenditures are outside of the airport's direct control, including city charges for central services (\$31,750 in FYE 2025), and utility expenses (\$24,200 in FYE 2025) that are primarily driven by stormwater service charges.

Operating expenditures have increased significantly in recent years, from \$107,180 in FYE 2020 to \$193,074 in FYE 2025, an increase of 80 percent, equal to a compound annual growth rate of 12.5 percent.



Exhibit 6. Historical Expenditure Trends, Albany Airport Operations, FYE 2020 to FYE 2026

EXPENDITURES	2020	2021	2022	2023	2024	2025	TOTAL	PERCENT
Wages & Salaries	\$ 10,593	\$ 44,682	\$ 24,736	\$ 27,250	\$ 29,656	\$ 32,574	\$ 169,490	18%
Central Services	\$ 29,107	\$ 26,342	\$ 22,302	\$ 16,900	\$ 31,750	\$ 31,750	\$ 158,151	17%
Utilities	\$ 18,163	\$ 20,565	\$ 23,821	\$ 28,412	\$ 33,409	\$ 24,200	\$ 148,571	16%
Benefits	\$ 7,176	\$ 36,126	\$ 18,211	\$ 19,601	\$ 21,646	\$ 23,267	\$ 126,026	14%
Insurance & Bonds	\$ 11,187	\$ 11,036	\$ 11,818	\$ 13,455	\$ 15,860	\$ 31,134	\$ 94,491	10%
Contractual Services	\$ 13,500	\$ 7,988	\$ 13,576	\$ 8,856	\$ 12,405	\$ 10,707	\$ 67,033	7%
Transfer to Street Operating	\$ 4,643	\$ 9,756	\$ 6,933	\$ 7,915	\$ 3,774	\$ 15,766	\$ 48,786	5%
Public Works: Administration	\$ 5,106	\$ 7,272	\$ 6,500	\$ 5,798	\$ 7,469	\$ 9,700	\$ 41,844	5%
Miscellaneous	\$ 5,111	\$ 2,801	\$ 5,453	\$ 5,992	\$ 4,172	\$ 4,067	\$ 27,597	3%
Maintenance	\$ 1,045	\$ 3,967	\$ 3,672	\$ 2,486	\$ 7,587	\$ 7,876	\$ 26,633	3%
Fuel System Costs	\$ 1,548	\$ 1,369	\$ 1,348	\$ 1,216	\$ 1,679	\$ 2,033	\$ 9,193	1%
Total	\$107,180	\$171,903	\$138,371	\$137,880	\$169,407	\$193,075	\$917,815	100%

Source: Tiberius Solutions LLC with data provided by City of Albany

Exhibit 7 shows the adopted biennial budget for airport operations for FYE 2026 and FYE 2027. The adopted budget shows a continuation of historical trends, including no growth in revenues, and significant growth in expenses. To offset the gap between operating revenues and expenses, the biennial budget assumes a transfer of \$199,300 from the capital projects fund to the operating fund. The funds transfer accounts for over 50 percent of all projected operating income in the current biennium. The adopted budget expects zero ending fund balance in FYE 2027 at the conclusion of the current biennium.

Exhibit 7. Adopted Biennial Budget, Albany Airport Operations, FYE 2026 to FYE 2027 Biennium

	FYE 2026 & 2027
Revenues	
Intrafund Transfers In	\$ 199,300
Airport: Lease	\$ 116,200
Airport: Fixed Base Operator	\$ 38,600
Internal Airport Space Rental	\$ 32,800
Airport: Fuel	\$ 6,400
Interest	\$ 2,300
Airport: Tie Down Fees	\$ 800
Total	\$ 396,400
Expenditures	
Central Services	\$ 77,700
Utilities	\$ 73,500
Wages & Salaries	\$ 68,600
Benefits	\$ 58,200
Miscellaneous	\$ 35,700
Insurance & Bonds	\$ 35,500
Public Works: Administration	\$ 22,000
Contractual Services	\$ 18,000
Transfer to Street Operating	\$ 15,000
Total	\$ 404,200

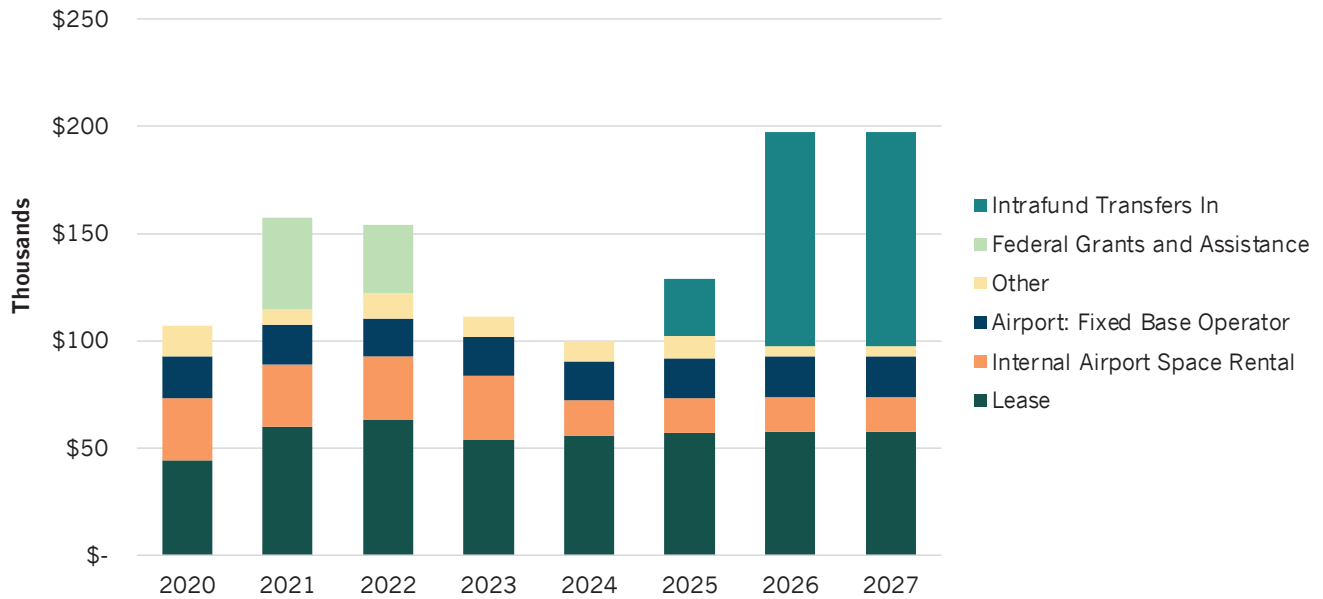
Source: Tiberius Solutions LLC with data provided by City of Albany

Exhibit 8 shows a summary of historical and budgeted revenues for airport operations, with individual line items grouped into major categories. The chart illustrates stagnant revenues from leases and fixed base operator payments, declining revenue from internal airport space



rentals, and the rapid increase in revenue from transfers from the capital projects fund. FYE 2021 and FYE 2022 also show the one-time federal grant revenues that the airport received for operations.

Exhibit 8. Historical and Budgeted Revenues, Albany Airport Operations, FYE 2020 to FYE 2027

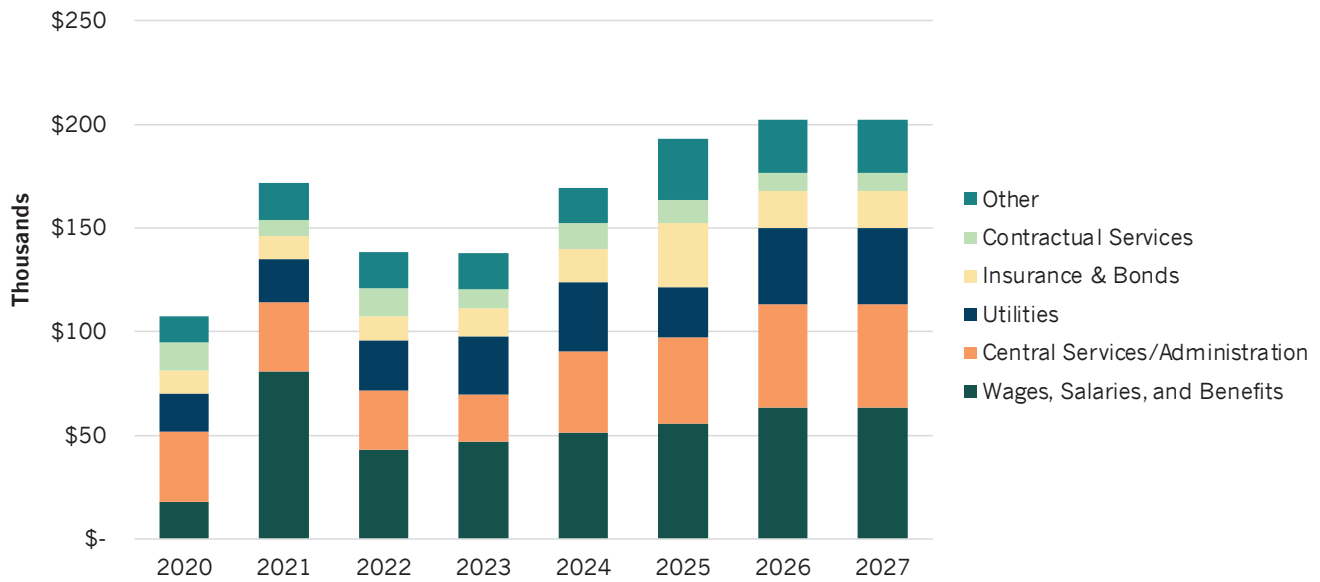


Source: Tiberius Solutions LLC with data provided by City of Albany

Exhibit 9 shows a summary of historical and budgeted expenditures for airport operations, with individual line items grouped into major categories. The chart illustrates steady growth in expenditures for nearly all major categories of expenditures, with the exception of contractual services. FYE 2021 also shows a one-time increase in expenditures for personnel, related to the one-time funds from federal grants received that year.



Exhibit 9. Historical and Budgeted Expenditures, Albany Airport Operations, FYE 2020 to FYE 2027



Source: Tiberius Solutions LLC with data provided by City of Albany

Exhibit 10 summarizes historical revenues for the Albany Airport capital funds in recent years.⁶ From FYE 2020 through FYE 2025, the largest sources of revenue for the airport have been grants and transient lodging taxes, with both fund sources being relatively volatile from one year to the next. Over the six-year historical period, grant funding has totaled \$1,881,524 (79 percent of total airport capital funding), and transient lodging tax has totaled \$398,200 (17 percent of total airport capital funding). Other sources have contributed just 4 percent of total capital funding. Capital expenditures have varied from year to year, with essentially all expenditures related to capital projects, with the exception of transfers to the operating fund in FYE 2025, and smaller maintenance costs in FYE 2022 and FYE 2023.

Exhibit 10. Historical Revenues and Expenditures, Albany Airport Capital Funds, FYE 2020 to FYE 2025

	2020	2021	2022	2023	2024	2025	TOTAL	PERCENT
Revenues								
Grants	\$ 7,852	\$ 253,909	\$ 514,407	\$ 44,012	\$ 44,012	\$ 1,017,332	\$ 1,881,524	79%
TLT	\$ 21,000	\$ -	\$ 176,800	\$ 55,400	\$ 72,500	\$ 72,500	\$ 398,200	17%
Transfers	\$ 2,000	\$ 46,500	\$ 9,534	\$ -	\$ -	\$ -	\$ 58,034	2%
Other	\$ 11,852	\$ 9,322	\$ 5,238	\$ 8,521	\$ 9,800	\$ 2,124	\$ 46,857	2%
Total	\$ 42,704	\$ 309,731	\$ 705,979	\$ 107,933	\$ 126,312	\$ 1,091,957	\$ 2,384,614	100%
Expenditures								
Capital Expenditures	\$ 59,484	\$ 58,328	\$ 508,318	\$ 4,588	\$ 4,598	\$ 1,488,213	\$ 2,123,529	98%
Maintenance	\$ -	\$ -	\$ 16,000	\$ 5,615	\$ 5,783	\$ -	\$ 27,398	1%
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,700	\$ 26,700	1%
Total	\$ 59,484	\$ 58,328	\$ 524,318	\$ 10,203	\$ 10,381	\$ 1,514,913	\$ 2,177,627	100%

Source: Tiberius Solutions LLC with data provided by City of Albany

⁶ For the purpose of this analysis, we combine both the FAA Annual Capital Grant Fund and the Airport Capital Projects Fund.



Exhibit 11 shows the adopted biennial budget for airport capital funds for FYE 2026 and FYE 2027. The adopted budget shows a continuation of historical trends with grants and TLT accounting for 96 percent of expected revenues. To offset the gap between operating revenues and expenses, the biennial budget assumes a transfer of \$199,800 from the capital projects fund to the operating fund. The funds transfer accounts for over 50 percent of all projected expenditures in the capital funds in the current biennium.

The adopted budget expects an ending fund balance of \$434,100 in FYE 2027 at the conclusion of the current biennium.

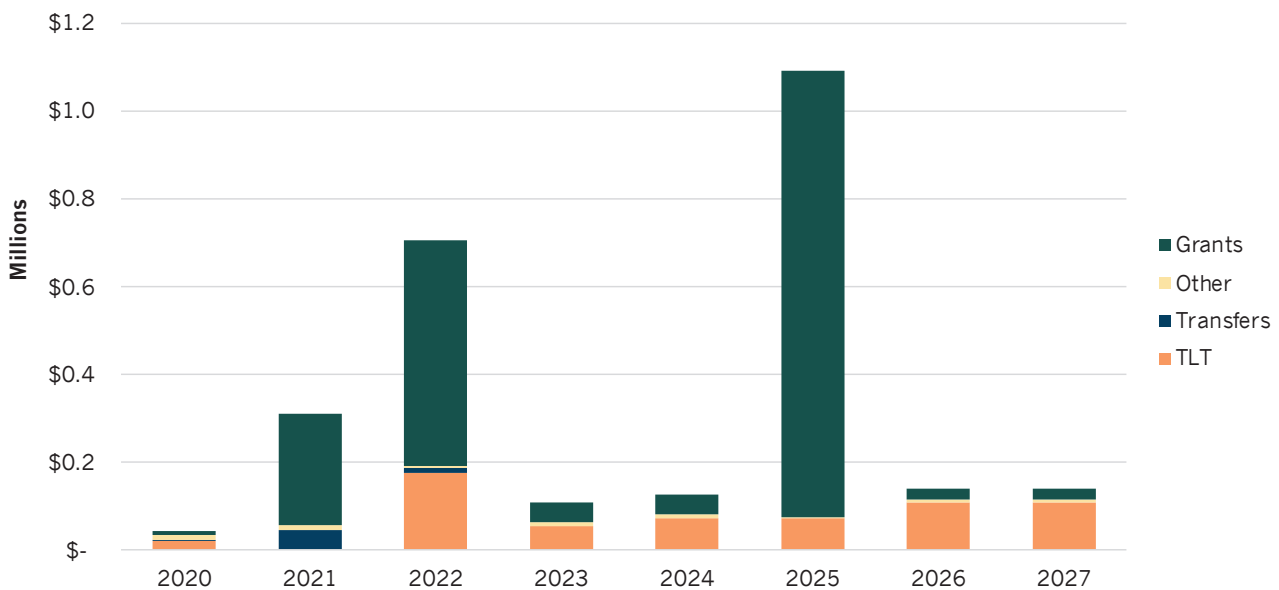
Exhibit 11. Adopted Biennial Budget, Albany Airport Capital Funds, FYE 2026 to FYE 2027

FYE 2026 & 2027	
Revenues	
TLT	\$ 217,900
Grants	\$ 49,500
Other	\$ 10,500
Total	\$ 277,900
Expenditures	
Transfers	\$ 199,800
Capital Expenditures	\$ 150,000
Total	\$ 349,800

Source: Tiberius Solutions LLC with data provided by City of Albany

Exhibit 11 shows a summary of historical and budgeted revenues for airport capital funds, with individual line items grouped into major categories. The chart illustrates the airport’s heavy reliance on grant funding for capital projects, and the volatile nature of that grant funding.

Exhibit 12. Historical and Budgeted Revenues, Albany Airport Capital Funds, FYE 2020 to FYE 2027



Source: Tiberius Solutions LLC with data provided by City of Albany

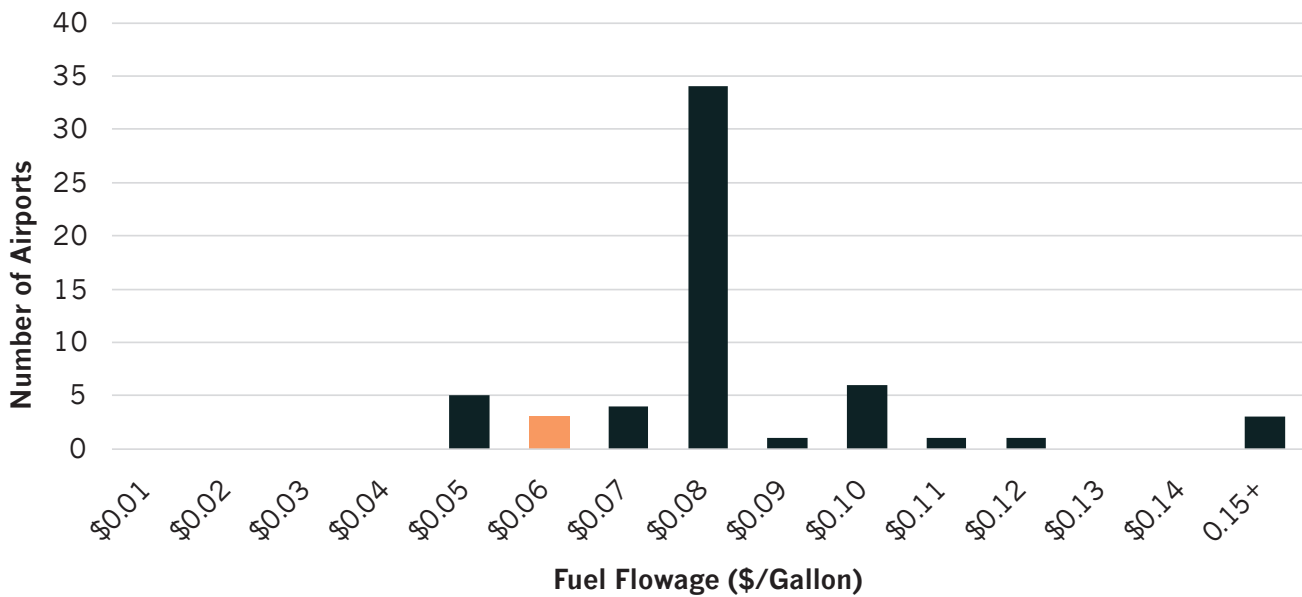


Statewide Rates and Charges Survey

In 2021, the State of Oregon conducted an Oregon Airports Statewide Rates and Charges Survey. Although the survey results are now four years old, they provide a snapshot comparison of the rates and charges imposed by the Albany Airport, compared to dozens of other airports across Oregon. In particular, the report included three types of rates and charges imposed by the Albany Airport: fuel flowage, tie down monthly fees, and hangar ground lease rates.

Exhibit 13 shows that in 2021, the Albany Airport charged one of the lowest rates for fuel flowage of all airports statewide. The State survey included 56 airports that imposed fuel flowage charges, with 48 of those airports charging more than the \$0.06 per gallon imposed by the Albany Airport. The majority of Oregon airports (34 out of 56) charged a rate of \$0.08 per gallon with a dozen airports charging even higher rates. While Albany charged \$0.06 at the time of the survey, the City has since raised the rate to \$0.08 per gallon as of 2025.

Exhibit 13. 2021 Fuel Flowage Charges for Albany Municipal Airport and Other Oregon Airports



Source: Tiberius Solutions LLC with data from 2021 Oregon Airports Statewide Rates and Charges Survey, prepared by Precision Approach Engineering.



Exhibit 14 shows that in 2021, the rate charged by the Albany Airport for monthly tie down fees was fairly typical for other airports statewide. The Albany Airport charged a rate of \$30 per month, which was higher than the rates for 29 other airports, and lower than the rates of 14 other airports statewide.

Exhibit 14. 2021 Tie Down Monthly Fees for Albany Municipal Airport and Other Oregon Airports

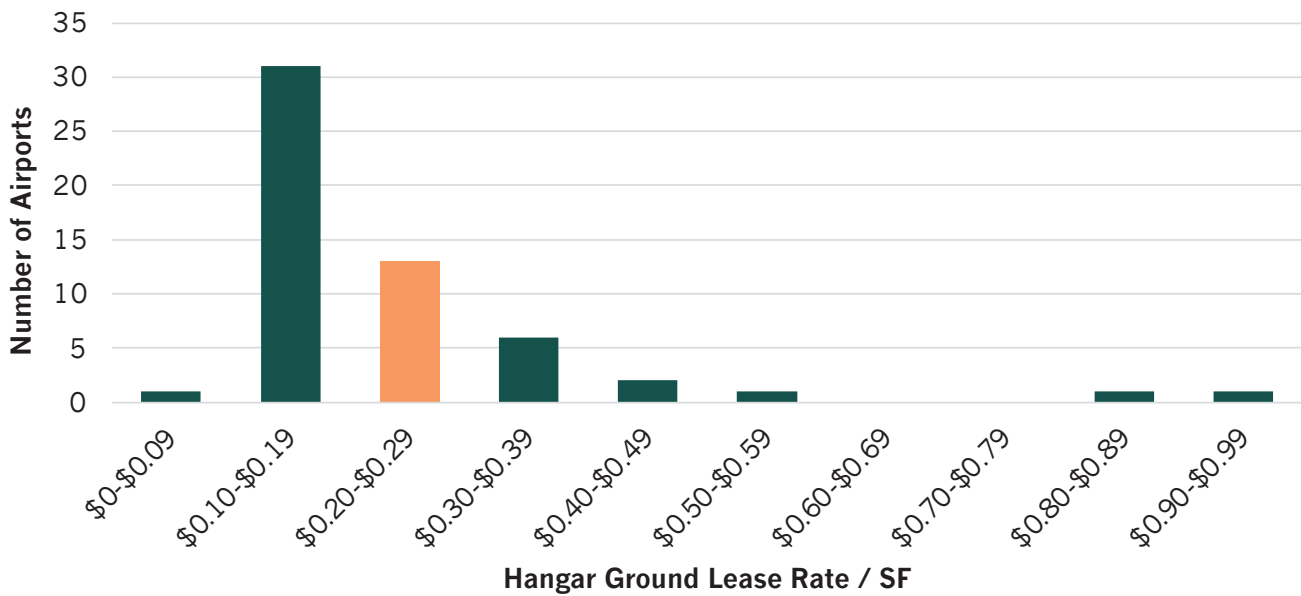


Source: Tiberius Solutions LLC with data from 2021 Oregon Airports Statewide Rates and Charges Survey, prepared by Precision Approach Engineering.

Exhibit 15 shows that in 2021 the Albany Airport charged \$0.25 per square foot for hangar ground leases, which was a typical rate for airports statewide. There were 40 airports that charged rates below the Albany Airport and 15 charged rates above the Albany Airport.



Exhibit 15. 2021 Hangar Ground Lease Rates per SF, Albany Airport and Other Oregon Airports



Source: Tiberius Solutions LLC with data from 2021 Oregon Airports Statewide Rates and Charges Survey, prepared by Precision Approach Engineering.

Opportunities for Financial Improvement

The Albany Airport has an unsustainable financial position. Annual operating expenditures for the airport significantly exceed operating revenues. Airport operations in the current biennium are only possible due to substantial transfers of funds from capital funds to the operating fund. Most capital fund resources come from federal grants, which are allocated for specific capital projects and cannot easily be used to subsidize airport operations. Furthermore, the ending fund balance of airport capital funds is expected to be \$434,100 at the conclusion of the current biennium in FYE 2027. For these reasons, it is impractical for the airport to rely on transfers from the capital projects fund to pay for airport operations in the long-term.

The airport could look to grow its largest sources of operating income: leases, internal space rental, and fixed base operator income. However, opportunities for the airport to increase revenues are fairly limited. The 2021 statewide survey found Albany was already charging competitive rates for hangar ground leases and monthly tie down fees. That study did show the Albany Airport was charging a relatively low rate for fuel flowage, but fuel flowage generated less than \$3,000 of revenue for the airport in FYE 2025. Thus, even with higher rates, fuel flowage is unlikely to be a significant source of airport revenue.

The City could potentially look to increase revenue received from the fixed base operator (FBO). However, any increase in revenue from the FBO would likely need to be negotiated as part of a new lease agreement. The current agreement is in place for another four years, offering little opportunity for short-term financial support. Conversations with a representative of the FBO suggested that their operations at the Albany Airport are successful, with increased



levels of business activity year over year. The FBO anticipates approval for foreign exchange students to attend flight school, beginning in 2026. The addition of foreign exchange students will further enhance the financial feasibility of FBO operations, while generating economic benefits for the City of Albany.

The FBO acknowledged challenges with increasing airport operating revenues due to the limited size of aircrafts that can be accommodated by the existing airport runway, and the distance of the airport from any large city. However, the FBO did think that more could be done to increase utilization of the airport, attracting more customers and generating more operating revenue. In particular, the FBO recommended opening a restaurant at the airport, leasing vacant land to private businesses, and constructing additional hangars to lease out to private parties.

Given the limited ability to increase revenues, the airport could explore strategies for cutting costs. Central service charges and stormwater service charges are two specific line items that stand out, as they do not directly relate to airport operations, and instead are payments to the City. Stormwater service charges nearly doubled from FYE 2020 (\$15,000) to FYE 2024 (\$29,000), before dropping to \$20,000 in FYE 2025.

Central services costs were \$31,750 in FYE 2025. These costs are intended to pay for the airport's share of municipal overhead costs, like all other city departments. However, given the unsustainable financial position of the airport, there may be an argument to reconsider the amount of central service costs allocated to the airport.

Ultimately, the disconnect between operating revenues and expenditures may be too significant for the airport to achieve financial sustainability through minor budgetary changes. Operating expenses in FYE 2025 exceed operating revenues by \$90,000. This analysis has not identified possible solutions that would produce sufficient budgetary changes to eliminate this budget gap.

Economic Impact

The Oregon Department of Aviation's 2018 statewide economic impact study, as documented in the Oregon Aviation Plan (OAP v6.0), estimated annual contributions for 97 airports using a model tailored to Oregon. The analysis included on-airport activity such as operations, tenant businesses, and capital projects, along with off-airport spending by general aviation visitors. These estimates reflect direct effects as well as secondary impacts that occur through business-to-business transactions (indirect effects) and household spending by employees (induced effects).

At the statewide level, Oregon's *airport system* supports:

- 213,240 jobs
- \$10.0 billion in annual payroll
- \$28.5 billion in total economic activity



At the local level, Albany Municipal Airport was estimated to support:

- 40 jobs (direct and indirect/induced)
- \$1.7 million in annual payroll
- \$5.9 million in total economic activity

These figures reflect the airport's role within the broader system. While limited in scale, the airport supports local employment and spending and may play a supporting role in business location decisions that prefer or depend on aviation access.



Preliminary Findings

Key Takeaways

- ◆ **The airport plays a limited role in the State’s aviation network and provides only modest economic development opportunities.** Albany Municipal Airport is classified as a Category IV – Local General Aviation Airport in the Oregon Aviation Plan. It primarily supports private flying, flight instruction, and occasional business travel. The airport is not identified for future capacity expansion, commercial service, or as a primary emergency response facility. Similarly, the airport has historically not been prioritized in the City’s economic development strategy, limiting its integration into broader growth or investment initiatives.
- ◆ **The airport has an unsustainable financial position.** Annual operating expenditures for the airport significantly exceed operating revenues. Airport operations in the current biennium are only possible due to substantial transfers of funds from capital funds to the operating fund. Since 2020, revenues have been flat while costs have risen sharply. Opportunities to raise revenue or cut costs are limited, and the gap between revenues and expenditures may be too large to close through minor budget adjustments. Without major changes, the airport’s financial position is unsustainable in the long term.
- ◆ **Physical and regulatory constraints limit runway expansion.** The runway (Runway 16/34) is 3,004 feet long, with overrun areas bringing the total paved surface to 3,661 feet. The runway, adjacent infrastructure and development, and surrounding land uses limit the potential for expansion, keeping operations focused on small single- and twin-engine aircraft.
- ◆ **Historic resource designations influence what changes are possible.** A portion of the airport, including the historic runway and associated hangars, is listed on the National Register of Historic Places. These features are important to some stakeholders and trigger preservation requirements for any physical changes. Historic overlays and community sentiment may pose limitations or opportunities depending on the direction of future planning.
- ◆ **Demand for expanded aviation use remains uncertain.** Although the Airport Master Plan identifies areas for potential hangar development, demand is uncertain. Lease revenues have been relatively stable, and regional aviation trends in the Airport Master Plan predicted modest or flat growth. The FBO sees opportunities to increase activity such as adding a restaurant, leasing vacant land to private businesses, and constructing additional hangars, but runway constraints and the airport’s location outside of a major city limit growth potential for aviation uses. A refreshed demand analysis will be needed in Phase 2 to assess whether future investment in expanded aviation uses is warranted.



- ◆ **Opportunities for non-aviation development while maintaining airport operations are limited.** Of the site’s 92 acres, only about 5 acres in the southeast corner appear potentially suitable for nonaviation use without disrupting aviation activity; the remainder is occupied by runways, taxiways, aprons, and other aviation-related facilities. The Airport Layout Plan (ALP) defines all current and planned uses for the property, and any change—such as converting aviation-designated areas to nonaviation use—requires FAA review and approval to ensure consistency with the ALP and compliance with the City’s federal grant obligations.
- ◆ **The site has potential for alternative land uses.** With direct access to I-5 between two interchanges, the airport site, if redeveloped, may support transportation, warehousing, or logistics uses. Housing could also be considered, though it would likely require more intentional planning. Redevelopment would require resolving FAA and regulatory obligations, but the site’s location and scale could support new economic roles.
- ◆ **Redevelopment is possible only through the FAA’s formal closure and property release process, given existing grant assurances and obligations.** Albany’s FAA Grant Assurances require the airport to be maintained for aeronautical use, meaning any change, whether partial redevelopment or full closure, must go through the FAA’s property release process. The FAA will only approve a release if it determines the change is in the public interest of civil aviation, typically requiring evidence that the airport is not essential to the local or national system, that comparable facilities are available nearby, and that the change will not harm aviation demand or safety. As part of this process, the City would also be required to reimburse the FAA for the unamortized value of any Airport Improvement Program (AIP)–funded improvements—such as runway overlays, lighting, fencing, or facilities—based on their remaining useful life (generally 20 years for facilities). Because Albany purchased its airport land without federal assistance, there would be no repayment obligation for the land itself.
- ◆ **Full redevelopment of the airport would require a long-term, coordinated effort.** Converting the site to a non-aviation use would be a multi-year undertaking involving substantial FAA coordination, infrastructure decommissioning, environmental due diligence, and market alignment. While precedent exists in other jurisdictions such as Vista Field in Kennewick, Washington, success would depend on sustained commitment and a clear redevelopment strategy.



Next Steps

Building on the existing conditions assessment, the consultant team will use this report as a baseline to evaluate future options for the airport. In Phase 2, we will conduct an alternatives assessment considering four scenarios:

- ◆ Preserve current uses.
- ◆ Enhance current uses.
- ◆ Modify current use by reallocating some property to non-aviation purposes.
- ◆ Redevelop the property for a new use

Each scenario will be evaluated for economic conditions, regulatory considerations, and physical feasibility. We will also assess the economic, fiscal, and community impacts of each option and prepare a comparative analysis. This will provide the City with a clear understanding of the trade-offs, opportunities, and constraints, supporting informed decision-making about the airport's future.



Appendix A: FAA Grant Assurances





ASSURANCES

Airport Sponsors

A. General.

1. These assurances shall be complied with in the performance of grant agreements for airport development, airport planning, and noise compatibility program grants for airport sponsors.
2. These assurances are required to be submitted as part of the project application by sponsors requesting funds under the provisions of Title 49, U.S.C., subtitle VII, as amended. As used herein, the term "public agency sponsor" means a public agency with control of a public-use airport; the term "private sponsor" means a private owner of a public-use airport; and the term "sponsor" includes both public agency sponsors and private sponsors.
3. Upon acceptance of this grant offer by the sponsor, these assurances are incorporated in and become part of this grant agreement.

B. Duration and Applicability.

1. **Airport development or Noise Compatibility Program Projects Undertaken by a Public Agency Sponsor.**

The terms, conditions and assurances of this grant agreement shall remain in full force and effect throughout the useful life of the facilities developed or equipment acquired for an airport development or noise compatibility program project, or throughout the useful life of the project items installed within a facility under a noise compatibility program project, but in any event not to exceed twenty (20) years from the date of acceptance of a grant offer of Federal funds for the project. However, there shall be no limit on the duration of the assurances regarding Exclusive Rights and Airport Revenue so long as the airport is used as an airport. There shall be no limit on the duration of the terms, conditions, and assurances with respect to real property acquired with federal funds. Furthermore, the duration of the Civil Rights assurance shall be specified in the assurances.

2. **Airport Development or Noise Compatibility Projects Undertaken by a Private Sponsor.**

The preceding paragraph 1 also applies to a private sponsor except that the useful life of project items installed within a facility or the useful life of the facilities developed or equipment acquired under an airport development or noise compatibility program project shall be no less than ten (10) years from the date of acceptance of Federal aid for the project.

3. Airport Planning Undertaken by a Sponsor.

Unless otherwise specified in this grant agreement, only Assurances 1, 2, 3, 5, 6, 13, 18, 25, 30, 32, 33, and 34 in Section C apply to planning projects. The terms, conditions, and assurances of this grant agreement shall remain in full force and effect during the life of the project; there shall be no limit on the duration of the assurances regarding Airport Revenue so long as the airport is used as an airport.

C. Sponsor Certification.

The sponsor hereby assures and certifies, with respect to this grant that:

1. General Federal Requirements.

It will comply with all applicable Federal laws, regulations, executive orders, policies, guidelines, and requirements as they relate to the application, acceptance and use of Federal funds for this project including but not limited to the following:

Federal Legislation

- a. Title 49, U.S.C., subtitle VII, as amended.
- b. Davis-Bacon Act - 40 U.S.C. 276(a), et seq.¹
- c. Federal Fair Labor Standards Act - 29 U.S.C. 201, et seq.
- d. Hatch Act – 5 U.S.C. 1501, et seq.²
- e. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 Title 42 U.S.C. 4601, et seq.^{1 2}
- f. National Historic Preservation Act of 1966 - Section 106 - 16 U.S.C. 470(f).¹
- g. Archeological and Historic Preservation Act of 1974 - 16 U.S.C. 469 through 469c.¹
- h. Native Americans Grave Repatriation Act - 25 U.S.C. Section 3001, et seq.
- i. Clean Air Act, P.L. 90-148, as amended.
- j. Coastal Zone Management Act, P.L. 93-205, as amended.
- k. Flood Disaster Protection Act of 1973 - Section 102(a) - 42 U.S.C. 4012a.¹
- l. Title 49, U.S.C., Section 303, (formerly known as Section 4(f))
- m. Rehabilitation Act of 1973 - 29 U.S.C. 794.
- n. Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);
- o. Americans with Disabilities Act of 1990, as amended, (42 U.S.C. § 12101 et seq.), prohibits discrimination on the basis of disability).
- p. Age Discrimination Act of 1975 - 42 U.S.C. 6101, et seq.
- q. American Indian Religious Freedom Act, P.L. 95-341, as amended.
- r. Architectural Barriers Act of 1968 -42 U.S.C. 4151, et seq.¹
- s. Power plant and Industrial Fuel Use Act of 1978 - Section 403- 2 U.S.C. 8373.¹
- t. Contract Work Hours and Safety Standards Act - 40 U.S.C. 327, et seq.¹
- u. Copeland Anti-kickback Act - 18 U.S.C. 874.1
- v. National Environmental Policy Act of 1969 - 42 U.S.C. 4321, et seq.¹
- w. Wild and Scenic Rivers Act, P.L. 90-542, as amended.
- x. Single Audit Act of 1984 - 31 U.S.C. 7501, et seq.²
- y. Drug-Free Workplace Act of 1988 - 41 U.S.C. 702 through 706.

- z. The Federal Funding Accountability and Transparency Act of 2006, as amended (Pub. L. 109-282, as amended by section 6202 of Pub. L. 110-252).

Executive Orders

- a. Executive Order 11246 - Equal Employment Opportunity¹
- b. Executive Order 11990 - Protection of Wetlands
- c. Executive Order 11998 – Flood Plain Management
- d. Executive Order 12372 - Intergovernmental Review of Federal Programs
- e. Executive Order 12699 - Seismic Safety of Federal and Federally Assisted New Building Construction¹
- f. Executive Order 12898 - Environmental Justice

Federal Regulations

- a. 2 CFR Part 180 - OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement).
- b. 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. [OMB Circular A-87 Cost Principles Applicable to Grants and Contracts with State and Local Governments, and OMB Circular A-133 - Audits of States, Local Governments, and Non-Profit Organizations].^{4, 5, 6}
- c. 2 CFR Part 1200 – Nonprocurement Suspension and Debarment
- d. 14 CFR Part 13 - Investigative and Enforcement Procedures 14 CFR Part 16 - Rules of Practice For Federally Assisted Airport Enforcement Proceedings.
- e. 14 CFR Part 150 - Airport noise compatibility planning.
- f. 28 CFR Part 35- Discrimination on the Basis of Disability in State and Local Government Services.
- g. 28 CFR § 50.3 - U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964.
- h. 29 CFR Part 1 - Procedures for predetermination of wage rates.¹
- i. 29 CFR Part 3 - Contractors and subcontractors on public building or public work financed in whole or part by loans or grants from the United States.¹
- j. 29 CFR Part 5 - Labor standards provisions applicable to contracts covering federally financed and assisted construction (also labor standards provisions applicable to non-construction contracts subject to the Contract Work Hours and Safety Standards Act).¹
- k. 41 CFR Part 60 - Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor (Federal and federally assisted contracting requirements).¹
- l. 49 CFR Part 18 - Uniform administrative requirements for grants and cooperative agreements to state and local governments.³
- m. 49 CFR Part 20 - New restrictions on lobbying.
- n. 49 CFR Part 21 – Nondiscrimination in federally-assisted programs of the Department of Transportation - effectuation of Title VI of the Civil Rights Act of 1964.
- o. 49 CFR Part 23 - Participation by Disadvantage Business Enterprise in Airport Concessions.

- p. 49 CFR Part 24 – Uniform Relocation Assistance and Real Property Acquisition for Federal and Federally Assisted Programs.^{1 2}
- q. 49 CFR Part 26 – Participation by Disadvantaged Business Enterprises in Department of Transportation Programs.
- r. 49 CFR Part 27 – Nondiscrimination on the Basis of Handicap in Programs and Activities Receiving or Benefiting from Federal Financial Assistance.¹
- s. 49 CFR Part 28 – Enforcement of Nondiscrimination on the Basis of Handicap in Programs or Activities conducted by the Department of Transportation.
- t. 49 CFR Part 30 - Denial of public works contracts to suppliers of goods and services of countries that deny procurement market access to U.S. contractors.
- u. 49 CFR Part 32 – Governmentwide Requirements for Drug-Free Workplace (Financial Assistance)
- v. 49 CFR Part 37 – Transportation Services for Individuals with Disabilities (ADA).
- w. 49 CFR Part 41 - Seismic safety of Federal and federally assisted or regulated new building construction.

Specific Assurances

Specific assurances required to be included in grant agreements by any of the above laws, regulations or circulars are incorporated by reference in this grant agreement.

Footnotes to Assurance C.1.

¹ These laws do not apply to airport planning sponsors.

² These laws do not apply to private sponsors.

³ 49 CFR Part 18 and 2 CFR Part 200 contain requirements for State and Local Governments receiving Federal assistance. Any requirement levied upon State and Local Governments by this regulation and circular shall also be applicable to private sponsors receiving Federal assistance under Title 49, United States Code.

⁴ On December 26, 2013 at 78 FR 78590, the Office of Management and Budget (OMB) issued the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards in 2 CFR Part 200. 2 CFR Part 200 replaces and combines the former Uniform Administrative Requirements for Grants (OMB Circular A-102 and Circular A-110 or 2 CFR Part 215 or Circular) as well as the Cost Principles (Circulars A-21 or 2 CFR part 220; Circular A-87 or 2 CFR part 225; and A-122, 2 CFR part 230). Additionally it replaces Circular A-133 guidance on the Single Annual Audit. In accordance with 2 CFR section 200.110, the standards set forth in Part 200 which affect administration of Federal awards issued by Federal agencies become effective once implemented by Federal agencies or when any future amendment to this Part becomes final. Federal agencies, including the Department of Transportation, must implement the policies and procedures applicable to Federal awards by promulgating a regulation to be effective by December 26, 2014 unless different provisions are required by statute or approved by OMB.

⁵ Cost principles established in 2 CFR part 200 subpart E must be used as guidelines for determining the eligibility of specific types of expenses.

⁶ Audit requirements established in 2 CFR part 200 subpart F are the guidelines for audits.

2. Responsibility and Authority of the Sponsor.

a. Public Agency Sponsor:

It has legal authority to apply for this grant, and to finance and carry out the proposed project; that a resolution, motion or similar action has been duly adopted or passed as an official act of the applicant's governing body authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.

b. Private Sponsor:

It has legal authority to apply for this grant and to finance and carry out the proposed project and comply with all terms, conditions, and assurances of this grant agreement. It shall designate an official representative and shall in writing direct and authorize that person to file this application, including all understandings and assurances contained therein; to act in connection with this application; and to provide such additional information as may be required.

3. Sponsor Fund Availability.

It has sufficient funds available for that portion of the project costs which are not to be paid by the United States. It has sufficient funds available to assure operation and maintenance of items funded under this grant agreement which it will own or control.

4. Good Title.

a. It, a public agency or the Federal government, holds good title, satisfactory to the Secretary, to the landing area of the airport or site thereof, or will give assurance satisfactory to the Secretary that good title will be acquired.

b. For noise compatibility program projects to be carried out on the property of the sponsor, it holds good title satisfactory to the Secretary to that portion of the property upon which Federal funds will be expended or will give assurance to the Secretary that good title will be obtained.

5. Preserving Rights and Powers.

a. It will not take or permit any action which would operate to deprive it of any of the rights and powers necessary to perform any or all of the terms, conditions, and assurances in this grant agreement without the written approval of the Secretary, and will act promptly to acquire, extinguish or modify any outstanding rights or claims of right of others which would interfere with such performance by the sponsor. This shall be done in a manner acceptable to the Secretary.

- b. It will not sell, lease, encumber, or otherwise transfer or dispose of any part of its title or other interests in the property shown on Exhibit A to this application or, for a noise compatibility program project, that portion of the property upon which Federal funds have been expended, for the duration of the terms, conditions, and assurances in this grant agreement without approval by the Secretary. If the transferee is found by the Secretary to be eligible under Title 49, United States Code, to assume the obligations of this grant agreement and to have the power, authority, and financial resources to carry out all such obligations, the sponsor shall insert in the contract or document transferring or disposing of the sponsor's interest, and make binding upon the transferee all of the terms, conditions, and assurances contained in this grant agreement.
- c. For all noise compatibility program projects which are to be carried out by another unit of local government or are on property owned by a unit of local government other than the sponsor, it will enter into an agreement with that government. Except as otherwise specified by the Secretary, that agreement shall obligate that government to the same terms, conditions, and assurances that would be applicable to it if it applied directly to the FAA for a grant to undertake the noise compatibility program project. That agreement and changes thereto must be satisfactory to the Secretary. It will take steps to enforce this agreement against the local government if there is substantial non-compliance with the terms of the agreement.
- d. For noise compatibility program projects to be carried out on privately owned property, it will enter into an agreement with the owner of that property which includes provisions specified by the Secretary. It will take steps to enforce this agreement against the property owner whenever there is substantial non-compliance with the terms of the agreement.
- e. If the sponsor is a private sponsor, it will take steps satisfactory to the Secretary to ensure that the airport will continue to function as a public-use airport in accordance with these assurances for the duration of these assurances.
- f. If an arrangement is made for management and operation of the airport by any agency or person other than the sponsor or an employee of the sponsor, the sponsor will reserve sufficient rights and authority to insure that the airport will be operated and maintained in accordance Title 49, United States Code, the regulations and the terms, conditions and assurances in this grant agreement and shall insure that such arrangement also requires compliance therewith.
- g. Sponsors of commercial service airports will not permit or enter into any arrangement that results in permission for the owner or tenant of a property used as a residence, or zoned for residential use, to taxi an aircraft between that property and any location on airport. Sponsors of general aviation airports entering into any arrangement that results in permission for the owner of residential real property adjacent to or near the airport must comply with the requirements of Sec. 136 of Public Law 112-95 and the sponsor assurances.

6. Consistency with Local Plans.

The project is reasonably consistent with plans (existing at the time of submission of this application) of public agencies that are authorized by the State in which the project is located to plan for the development of the area surrounding the airport.

7. Consideration of Local Interest.

It has given fair consideration to the interest of communities in or near where the project may be located.

8. Consultation with Users.

In making a decision to undertake any airport development project under Title 49, United States Code, it has undertaken reasonable consultations with affected parties using the airport at which project is proposed.

9. Public Hearings.

In projects involving the location of an airport, an airport runway, or a major runway extension, it has afforded the opportunity for public hearings for the purpose of considering the economic, social, and environmental effects of the airport or runway location and its consistency with goals and objectives of such planning as has been carried out by the community and it shall, when requested by the Secretary, submit a copy of the transcript of such hearings to the Secretary. Further, for such projects, it has on its management board either voting representation from the communities where the project is located or has advised the communities that they have the right to petition the Secretary concerning a proposed project.

10. Metropolitan Planning Organization.

In projects involving the location of an airport, an airport runway, or a major runway extension at a medium or large hub airport, the sponsor has made available to and has provided upon request to the metropolitan planning organization in the area in which the airport is located, if any, a copy of the proposed amendment to the airport layout plan to depict the project and a copy of any airport master plan in which the project is described or depicted.

11. Pavement Preventive Maintenance.

With respect to a project approved after January 1, 1995, for the replacement or reconstruction of pavement at the airport, it assures or certifies that it has implemented an effective airport pavement maintenance-management program and it assures that it will use such program for the useful life of any pavement constructed, reconstructed or repaired with Federal financial assistance at the airport. It will provide such reports on pavement condition and pavement management programs as the Secretary determines may be useful.

12. Terminal Development Prerequisites.

For projects which include terminal development at a public use airport, as defined in Title 49, it has, on the date of submittal of the project grant application, all the safety equipment required for certification of such airport under section 44706 of Title 49, United States Code, and all the security equipment required by rule or regulation, and

has provided for access to the passenger enplaning and deplaning area of such airport to passengers enplaning and deplaning from aircraft other than air carrier aircraft.

13. Accounting System, Audit, and Record Keeping Requirements.

- a. It shall keep all project accounts and records which fully disclose the amount and disposition by the recipient of the proceeds of this grant, the total cost of the project in connection with which this grant is given or used, and the amount or nature of that portion of the cost of the project supplied by other sources, and such other financial records pertinent to the project. The accounts and records shall be kept in accordance with an accounting system that will facilitate an effective audit in accordance with the Single Audit Act of 1984.
- b. It shall make available to the Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, for the purpose of audit and examination, any books, documents, papers, and records of the recipient that are pertinent to this grant. The Secretary may require that an appropriate audit be conducted by a recipient. In any case in which an independent audit is made of the accounts of a sponsor relating to the disposition of the proceeds of a grant or relating to the project in connection with which this grant was given or used, it shall file a certified copy of such audit with the Comptroller General of the United States not later than six (6) months following the close of the fiscal year for which the audit was made.

14. Minimum Wage Rates.

It shall include, in all contracts in excess of \$2,000 for work on any projects funded under this grant agreement which involve labor, provisions establishing minimum rates of wages, to be predetermined by the Secretary of Labor, in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a-276a-5), which contractors shall pay to skilled and unskilled labor, and such minimum rates shall be stated in the invitation for bids and shall be included in proposals or bids for the work.

15. Veteran's Preference.

It shall include in all contracts for work on any project funded under this grant agreement which involve labor, such provisions as are necessary to insure that, in the employment of labor (except in executive, administrative, and supervisory positions), preference shall be given to Vietnam era veterans, Persian Gulf veterans, Afghanistan-Iraq war veterans, disabled veterans, and small business concerns owned and controlled by disabled veterans as defined in Section 47112 of Title 49, United States Code. However, this preference shall apply only where the individuals are available and qualified to perform the work to which the employment relates.

16. Conformity to Plans and Specifications.

It will execute the project subject to plans, specifications, and schedules approved by the Secretary. Such plans, specifications, and schedules shall be submitted to the Secretary prior to commencement of site preparation, construction, or other performance under this grant agreement, and, upon approval of the Secretary, shall be incorporated into this grant agreement. Any modification to the approved plans,

specifications, and schedules shall also be subject to approval of the Secretary, and incorporated into this grant agreement.

17. Construction Inspection and Approval.

It will provide and maintain competent technical supervision at the construction site throughout the project to assure that the work conforms to the plans, specifications, and schedules approved by the Secretary for the project. It shall subject the construction work on any project contained in an approved project application to inspection and approval by the Secretary and such work shall be in accordance with regulations and procedures prescribed by the Secretary. Such regulations and procedures shall require such cost and progress reporting by the sponsor or sponsors of such project as the Secretary shall deem necessary.

18. Planning Projects.

In carrying out planning projects:

- a. It will execute the project in accordance with the approved program narrative contained in the project application or with the modifications similarly approved.
- b. It will furnish the Secretary with such periodic reports as required pertaining to the planning project and planning work activities.
- c. It will include in all published material prepared in connection with the planning project a notice that the material was prepared under a grant provided by the United States.
- d. It will make such material available for examination by the public, and agrees that no material prepared with funds under this project shall be subject to copyright in the United States or any other country.
- e. It will give the Secretary unrestricted authority to publish, disclose, distribute, and otherwise use any of the material prepared in connection with this grant.
- f. It will grant the Secretary the right to disapprove the sponsor's employment of specific consultants and their subcontractors to do all or any part of this project as well as the right to disapprove the proposed scope and cost of professional services.
- g. It will grant the Secretary the right to disapprove the use of the sponsor's employees to do all or any part of the project.
- h. It understands and agrees that the Secretary's approval of this project grant or the Secretary's approval of any planning material developed as part of this grant does not constitute or imply any assurance or commitment on the part of the Secretary to approve any pending or future application for a Federal airport grant.

19. Operation and Maintenance.

- a. The airport and all facilities which are necessary to serve the aeronautical users of the airport, other than facilities owned or controlled by the United States, shall be operated at all times in a safe and serviceable condition and in accordance with the minimum standards as may be required or prescribed by applicable Federal,

state and local agencies for maintenance and operation. It will not cause or permit any activity or action thereon which would interfere with its use for airport purposes. It will suitably operate and maintain the airport and all facilities thereon or connected therewith, with due regard to climatic and flood conditions. Any proposal to temporarily close the airport for non-aeronautical purposes must first be approved by the Secretary. In furtherance of this assurance, the sponsor will have in effect arrangements for-

- 1) Operating the airport's aeronautical facilities whenever required;
 - 2) Promptly marking and lighting hazards resulting from airport conditions, including temporary conditions; and
 - 3) Promptly notifying airmen of any condition affecting aeronautical use of the airport. Nothing contained herein shall be construed to require that the airport be operated for aeronautical use during temporary periods when snow, flood or other climatic conditions interfere with such operation and maintenance. Further, nothing herein shall be construed as requiring the maintenance, repair, restoration, or replacement of any structure or facility which is substantially damaged or destroyed due to an act of God or other condition or circumstance beyond the control of the sponsor.
- b. It will suitably operate and maintain noise compatibility program items that it owns or controls upon which Federal funds have been expended.

20. Hazard Removal and Mitigation.

It will take appropriate action to assure that such terminal airspace as is required to protect instrument and visual operations to the airport (including established minimum flight altitudes) will be adequately cleared and protected by removing, lowering, relocating, marking, or lighting or otherwise mitigating existing airport hazards and by preventing the establishment or creation of future airport hazards.

21. Compatible Land Use.

It will take appropriate action, to the extent reasonable, including the adoption of zoning laws, to restrict the use of land adjacent to or in the immediate vicinity of the airport to activities and purposes compatible with normal airport operations, including landing and takeoff of aircraft. In addition, if the project is for noise compatibility program implementation, it will not cause or permit any change in land use, within its jurisdiction, that will reduce its compatibility, with respect to the airport, of the noise compatibility program measures upon which Federal funds have been expended.

22. Economic Nondiscrimination.

- a. It will make the airport available as an airport for public use on reasonable terms and without unjust discrimination to all types, kinds and classes of aeronautical activities, including commercial aeronautical activities offering services to the public at the airport.
- b. In any agreement, contract, lease, or other arrangement under which a right or privilege at the airport is granted to any person, firm, or corporation to conduct or

to engage in any aeronautical activity for furnishing services to the public at the airport, the sponsor will insert and enforce provisions requiring the contractor to-

- 1) furnish said services on a reasonable, and not unjustly discriminatory, basis to all users thereof, and
 - 2) charge reasonable, and not unjustly discriminatory, prices for each unit or service, provided that the contractor may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.
- c. Each fixed-based operator at the airport shall be subject to the same rates, fees, rentals, and other charges as are uniformly applicable to all other fixed-based operators making the same or similar uses of such airport and utilizing the same or similar facilities.
 - d. Each air carrier using such airport shall have the right to service itself or to use any fixed-based operator that is authorized or permitted by the airport to serve any air carrier at such airport.
 - e. Each air carrier using such airport (whether as a tenant, non-tenant, or subtenant of another air carrier tenant) shall be subject to such nondiscriminatory and substantially comparable rules, regulations, conditions, rates, fees, rentals, and other charges with respect to facilities directly and substantially related to providing air transportation as are applicable to all such air carriers which make similar use of such airport and utilize similar facilities, subject to reasonable classifications such as tenants or non-tenants and signatory carriers and non-signatory carriers. Classification or status as tenant or signatory shall not be unreasonably withheld by any airport provided an air carrier assumes obligations substantially similar to those already imposed on air carriers in such classification or status.
 - f. It will not exercise or grant any right or privilege which operates to prevent any person, firm, or corporation operating aircraft on the airport from performing any services on its own aircraft with its own employees [including, but not limited to maintenance, repair, and fueling] that it may choose to perform.
 - g. In the event the sponsor itself exercises any of the rights and privileges referred to in this assurance, the services involved will be provided on the same conditions as would apply to the furnishing of such services by commercial aeronautical service providers authorized by the sponsor under these provisions.
 - h. The sponsor may establish such reasonable, and not unjustly discriminatory, conditions to be met by all users of the airport as may be necessary for the safe and efficient operation of the airport.
 - i. The sponsor may prohibit or limit any given type, kind or class of aeronautical use of the airport if such action is necessary for the safe operation of the airport or necessary to serve the civil aviation needs of the public.

23. Exclusive Rights.

It will permit no exclusive right for the use of the airport by any person providing, or intending to provide, aeronautical services to the public. For purposes of this paragraph, the providing of the services at an airport by a single fixed-based operator shall not be construed as an exclusive right if both of the following apply:

- a. It would be unreasonably costly, burdensome, or impractical for more than one fixed-based operator to provide such services, and
- b. If allowing more than one fixed-based operator to provide such services would require the reduction of space leased pursuant to an existing agreement between such single fixed-based operator and such airport. It further agrees that it will not, either directly or indirectly, grant or permit any person, firm, or corporation, the exclusive right at the airport to conduct any aeronautical activities, including, but not limited to charter flights, pilot training, aircraft rental and sightseeing, aerial photography, crop dusting, aerial advertising and surveying, air carrier operations, aircraft sales and services, sale of aviation petroleum products whether or not conducted in conjunction with other aeronautical activity, repair and maintenance of aircraft, sale of aircraft parts, and any other activities which because of their direct relationship to the operation of aircraft can be regarded as an aeronautical activity, and that it will terminate any exclusive right to conduct an aeronautical activity now existing at such an airport before the grant of any assistance under Title 49, United States Code.

24. Fee and Rental Structure.

It will maintain a fee and rental structure for the facilities and services at the airport which will make the airport as self-sustaining as possible under the circumstances existing at the particular airport, taking into account such factors as the volume of traffic and economy of collection. No part of the Federal share of an airport development, airport planning or noise compatibility project for which a grant is made under Title 49, United States Code, the Airport and Airway Improvement Act of 1982, the Federal Airport Act or the Airport and Airway Development Act of 1970 shall be included in the rate basis in establishing fees, rates, and charges for users of that airport.

25. Airport Revenues.

- a. All revenues generated by the airport and any local taxes on aviation fuel established after December 30, 1987, will be expended by it for the capital or operating costs of the airport; the local airport system; or other local facilities which are owned or operated by the owner or operator of the airport and which are directly and substantially related to the actual air transportation of passengers or property; or for noise mitigation purposes on or off the airport. The following exceptions apply to this paragraph:
 - 1) If covenants or assurances in debt obligations issued before September 3, 1982, by the owner or operator of the airport, or provisions enacted before September 3, 1982, in governing statutes controlling the owner or operator's financing, provide for the use of the revenues from any of the airport owner or

operator's facilities, including the airport, to support not only the airport but also the airport owner or operator's general debt obligations or other facilities, then this limitation on the use of all revenues generated by the airport (and, in the case of a public airport, local taxes on aviation fuel) shall not apply.

- 2) If the Secretary approves the sale of a privately owned airport to a public sponsor and provides funding for any portion of the public sponsor's acquisition of land, this limitation on the use of all revenues generated by the sale shall not apply to certain proceeds from the sale. This is conditioned on repayment to the Secretary by the private owner of an amount equal to the remaining unamortized portion (amortized over a 20-year period) of any airport improvement grant made to the private owner for any purpose other than land acquisition on or after October 1, 1996, plus an amount equal to the federal share of the current fair market value of any land acquired with an airport improvement grant made to that airport on or after October 1, 1996.
 - 3) Certain revenue derived from or generated by mineral extraction, production, lease, or other means at a general aviation airport (as defined at Section 47102 of title 49 United States Code), if the FAA determines the airport sponsor meets the requirements set forth in Sec. 813 of Public Law 112-95.
- b. As part of the annual audit required under the Single Audit Act of 1984, the sponsor will direct that the audit will review, and the resulting audit report will provide an opinion concerning, the use of airport revenue and taxes in paragraph (a), and indicating whether funds paid or transferred to the owner or operator are paid or transferred in a manner consistent with Title 49, United States Code and any other applicable provision of law, including any regulation promulgated by the Secretary or Administrator.
 - c. Any civil penalties or other sanctions will be imposed for violation of this assurance in accordance with the provisions of Section 47107 of Title 49, United States Code.

26. Reports and Inspections.

It will:

- a. submit to the Secretary such annual or special financial and operations reports as the Secretary may reasonably request and make such reports available to the public; make available to the public at reasonable times and places a report of the airport budget in a format prescribed by the Secretary;
- b. for airport development projects, make the airport and all airport records and documents affecting the airport, including deeds, leases, operation and use agreements, regulations and other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request;
- c. for noise compatibility program projects, make records and documents relating to the project and continued compliance with the terms, conditions, and assurances of this grant agreement including deeds, leases, agreements, regulations, and other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request; and

- d. in a format and time prescribed by the Secretary, provide to the Secretary and make available to the public following each of its fiscal years, an annual report listing in detail:
 - 1) all amounts paid by the airport to any other unit of government and the purposes for which each such payment was made; and
 - 2) all services and property provided by the airport to other units of government and the amount of compensation received for provision of each such service and property.

27. Use by Government Aircraft.

It will make available all of the facilities of the airport developed with Federal financial assistance and all those usable for landing and takeoff of aircraft to the United States for use by Government aircraft in common with other aircraft at all times without charge, except, if the use by Government aircraft is substantial, charge may be made for a reasonable share, proportional to such use, for the cost of operating and maintaining the facilities used. Unless otherwise determined by the Secretary, or otherwise agreed to by the sponsor and the using agency, substantial use of an airport by Government aircraft will be considered to exist when operations of such aircraft are in excess of those which, in the opinion of the Secretary, would unduly interfere with use of the landing areas by other authorized aircraft, or during any calendar month that –

- a. Five (5) or more Government aircraft are regularly based at the airport or on land adjacent thereto; or
- b. The total number of movements (counting each landing as a movement) of Government aircraft is 300 or more, or the gross accumulative weight of Government aircraft using the airport (the total movement of Government aircraft multiplied by gross weights of such aircraft) is in excess of five million pounds.

28. Land for Federal Facilities.

It will furnish without cost to the Federal Government for use in connection with any air traffic control or air navigation activities, or weather-reporting and communication activities related to air traffic control, any areas of land or water, or estate therein, or rights in buildings of the sponsor as the Secretary considers necessary or desirable for construction, operation, and maintenance at Federal expense of space or facilities for such purposes. Such areas or any portion thereof will be made available as provided herein within four months after receipt of a written request from the Secretary.

29. Airport Layout Plan.

- a. It will keep up to date at all times an airport layout plan of the airport showing
 - 1) boundaries of the airport and all proposed additions thereto, together with the boundaries of all offsite areas owned or controlled by the sponsor for airport purposes and proposed additions thereto;
 - 2) the location and nature of all existing and proposed airport facilities and structures (such as runways, taxiways, aprons, terminal buildings, hangars and

roads), including all proposed extensions and reductions of existing airport facilities;

- 3) the location of all existing and proposed nonaviation areas and of all existing improvements thereon; and
 - 4) all proposed and existing access points used to taxi aircraft across the airport's property boundary. Such airport layout plans and each amendment, revision, or modification thereof, shall be subject to the approval of the Secretary which approval shall be evidenced by the signature of a duly authorized representative of the Secretary on the face of the airport layout plan. The sponsor will not make or permit any changes or alterations in the airport or any of its facilities which are not in conformity with the airport layout plan as approved by the Secretary and which might, in the opinion of the Secretary, adversely affect the safety, utility or efficiency of the airport.
- b. If a change or alteration in the airport or the facilities is made which the Secretary determines adversely affects the safety, utility, or efficiency of any federally owned, leased, or funded property on or off the airport and which is not in conformity with the airport layout plan as approved by the Secretary, the owner or operator will, if requested, by the Secretary (1) eliminate such adverse effect in a manner approved by the Secretary; or (2) bear all costs of relocating such property (or replacement thereof) to a site acceptable to the Secretary and all costs of restoring such property (or replacement thereof) to the level of safety, utility, efficiency, and cost of operation existing before the unapproved change in the airport or its facilities except in the case of a relocation or replacement of an existing airport facility due to a change in the Secretary's design standards beyond the control of the airport sponsor.

30. Civil Rights.

It will promptly take any measures necessary to ensure that no person in the United States shall, on the grounds of race, creed, color, national origin, sex, age, or disability be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination in any activity conducted with, or benefiting from, funds received from this grant.

- a. Using the definitions of activity, facility and program as found and defined in §§ 21.23 (b) and 21.23 (e) of 49 CFR § 21, the sponsor will facilitate all programs, operate all facilities, or conduct all programs in compliance with all non-discrimination requirements imposed by, or pursuant to these assurances.
- b. Applicability
 - 1) Programs and Activities. If the sponsor has received a grant (or other federal assistance) for any of the sponsor's program or activities, these requirements extend to all of the sponsor's programs and activities.
 - 2) Facilities. Where it receives a grant or other federal financial assistance to construct, expand, renovate, remodel, alter or acquire a facility, or part of a facility, the assurance extends to the entire facility and facilities operated in connection therewith.

- 3) Real Property. Where the sponsor receives a grant or other Federal financial assistance in the form of, or for the acquisition of real property or an interest in real property, the assurance will extend to rights to space on, over, or under such property.

c. Duration.

The sponsor agrees that it is obligated to this assurance for the period during which Federal financial assistance is extended to the program, except where the Federal financial assistance is to provide, or is in the form of, personal property, or real property, or interest therein, or structures or improvements thereon, in which case the assurance obligates the sponsor, or any transferee for the longer of the following periods:

- 1) So long as the airport is used as an airport, or for another purpose involving the provision of similar services or benefits; or
- 2) So long as the sponsor retains ownership or possession of the property.

d. Required Solicitation Language. It will include the following notification in all solicitations for bids, Requests For Proposals for work, or material under this grant agreement and in all proposals for agreements, including airport concessions, regardless of funding source:

“The **(Name of Sponsor)**, in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 2000d to 2000d-4) and the Regulations, hereby notifies all bidders that it will affirmatively ensure that any contract entered into pursuant to this advertisement, disadvantaged business enterprises and airport concession disadvantaged business enterprises will be afforded full and fair opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award.”

e. Required Contract Provisions.

- 1) It will insert the non-discrimination contract clauses requiring compliance with the acts and regulations relative to non-discrimination in Federally-assisted programs of the DOT, and incorporating the acts and regulations into the contracts by reference in every contract or agreement subject to the non-discrimination in Federally-assisted programs of the DOT acts and regulations.
- 2) It will include a list of the pertinent non-discrimination authorities in every contract that is subject to the non-discrimination acts and regulations.
- 3) It will insert non-discrimination contract clauses as a covenant running with the land, in any deed from the United States effecting or recording a transfer of real property, structures, use, or improvements thereon or interest therein to a sponsor.
- 4) It will insert non-discrimination contract clauses prohibiting discrimination on the basis of race, color, national origin, creed, sex, age, or handicap as a

covenant running with the land, in any future deeds, leases, license, permits, or similar instruments entered into by the sponsor with other parties:

- a) For the subsequent transfer of real property acquired or improved under the applicable activity, project, or program; and
 - b) For the construction or use of, or access to, space on, over, or under real property acquired or improved under the applicable activity, project, or program.
- f. It will provide for such methods of administration for the program as are found by the Secretary to give reasonable guarantee that it, other recipients, sub-recipients, sub-grantees, contractors, subcontractors, consultants, transferees, successors in interest, and other participants of Federal financial assistance under such program will comply with all requirements imposed or pursuant to the acts, the regulations, and this assurance.
- g. It agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the acts, the regulations, and this assurance.

31. Disposal of Land.

- a. For land purchased under a grant for airport noise compatibility purposes, including land serving as a noise buffer, it will dispose of the land, when the land is no longer needed for such purposes, at fair market value, at the earliest practicable time. That portion of the proceeds of such disposition which is proportionate to the United States' share of acquisition of such land will be, at the discretion of the Secretary, (1) reinvested in another project at the airport, or (2) transferred to another eligible airport as prescribed by the Secretary. The Secretary shall give preference to the following, in descending order, (1) reinvestment in an approved noise compatibility project, (2) reinvestment in an approved project that is eligible for grant funding under Section 47117(e) of title 49 United States Code, (3) reinvestment in an approved airport development project that is eligible for grant funding under Sections 47114, 47115, or 47117 of title 49 United States Code, (4) transferred to an eligible sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport, and (5) paid to the Secretary for deposit in the Airport and Airway Trust Fund. If land acquired under a grant for noise compatibility purposes is leased at fair market value and consistent with noise buffering purposes, the lease will not be considered a disposal of the land. Revenues derived from such a lease may be used for an approved airport development project that would otherwise be eligible for grant funding or any permitted use of airport revenue.
- b. For land purchased under a grant for airport development purposes (other than noise compatibility), it will, when the land is no longer needed for airport purposes, dispose of such land at fair market value or make available to the Secretary an amount equal to the United States' proportionate share of the fair market value of the land. That portion of the proceeds of such disposition which is proportionate to the United States' share of the cost of acquisition of such land will, (1) upon application to the Secretary, be reinvested or transferred to another

eligible airport as prescribed by the Secretary. The Secretary shall give preference to the following, in descending order: (1) reinvestment in an approved noise compatibility project, (2) reinvestment in an approved project that is eligible for grant funding under Section 47117(e) of title 49 United States Code, (3) reinvestment in an approved airport development project that is eligible for grant funding under Sections 47114, 47115, or 47117 of title 49 United States Code, (4) transferred to an eligible sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport, and (5) paid to the Secretary for deposit in the Airport and Airway Trust Fund.

- c. Land shall be considered to be needed for airport purposes under this assurance if (1) it may be needed for aeronautical purposes (including runway protection zones) or serve as noise buffer land, and (2) the revenue from interim uses of such land contributes to the financial self-sufficiency of the airport. Further, land purchased with a grant received by an airport operator or owner before December 31, 1987, will be considered to be needed for airport purposes if the Secretary or Federal agency making such grant before December 31, 1987, was notified by the operator or owner of the uses of such land, did not object to such use, and the land continues to be used for that purpose, such use having commenced no later than December 15, 1989.
- d. Disposition of such land under (a) (b) or (c) will be subject to the retention or reservation of any interest or right therein necessary to ensure that such land will only be used for purposes which are compatible with noise levels associated with operation of the airport.

32. Engineering and Design Services.

It will award each contract, or sub-contract for program management, construction management, planning studies, feasibility studies, architectural services, preliminary engineering, design, engineering, surveying, mapping or related services with respect to the project in the same manner as a contract for architectural and engineering services is negotiated under Title IX of the Federal Property and Administrative Services Act of 1949 or an equivalent qualifications-based requirement prescribed for or by the sponsor of the airport.

33. Foreign Market Restrictions.

It will not allow funds provided under this grant to be used to fund any project which uses any product or service of a foreign country during the period in which such foreign country is listed by the United States Trade Representative as denying fair and equitable market opportunities for products and suppliers of the United States in procurement and construction.

34. Policies, Standards, and Specifications.

It will carry out the project in accordance with policies, standards, and specifications approved by the Secretary including but not limited to the advisory circulars listed in the Current FAA Advisory Circulars for AIP projects, dated _____ (the latest approved version as of this grant offer) and included in this grant, and in accordance

with applicable state policies, standards, and specifications approved by the Secretary.

35. Relocation and Real Property Acquisition.

- a. It will be guided in acquiring real property, to the greatest extent practicable under State law, by the land acquisition policies in Subpart B of 49 CFR Part 24 and will pay or reimburse property owners for necessary expenses as specified in Subpart B.
- b. It will provide a relocation assistance program offering the services described in Subpart C and fair and reasonable relocation payments and assistance to displaced persons as required in Subpart D and E of 49 CFR Part 24.
- c. It will make available within a reasonable period of time prior to displacement, comparable replacement dwellings to displaced persons in accordance with Subpart E of 49 CFR Part 24.

36. Access By Intercity Buses.

The airport owner or operator will permit, to the maximum extent practicable, intercity buses or other modes of transportation to have access to the airport; however, it has no obligation to fund special facilities for intercity buses or for other modes of transportation.

37. Disadvantaged Business Enterprises.

The sponsor shall not discriminate on the basis of race, color, national origin or sex in the award and performance of any DOT-assisted contract covered by 49 CFR Part 26, or in the award and performance of any concession activity contract covered by 49 CFR Part 23. In addition, the sponsor shall not discriminate on the basis of race, color, national origin or sex in the administration of its DBE and ACDBE programs or the requirements of 49 CFR Parts 23 and 26. The sponsor shall take all necessary and reasonable steps under 49 CFR Parts 23 and 26 to ensure nondiscrimination in the award and administration of DOT-assisted contracts, and/or concession contracts. The sponsor's DBE and ACDBE programs, as required by 49 CFR Parts 26 and 23, and as approved by DOT, are incorporated by reference in this agreement. Implementation of these programs is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the sponsor of its failure to carry out its approved program, the Department may impose sanctions as provided for under Parts 26 and 23 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1936 (31 U.S.C. 3801).

38. Hangar Construction.

If the airport owner or operator and a person who owns an aircraft agree that a hangar is to be constructed at the airport for the aircraft at the aircraft owner's expense, the airport owner or operator will grant to the aircraft owner for the hangar a long term lease that is subject to such terms and conditions on the hangar as the airport owner or operator may impose.

39. **Competitive Access.**

- a. If the airport owner or operator of a medium or large hub airport (as defined in section 47102 of title 49, U.S.C.) has been unable to accommodate one or more requests by an air carrier for access to gates or other facilities at that airport in order to allow the air carrier to provide service to the airport or to expand service at the airport, the airport owner or operator shall transmit a report to the Secretary that-
 - 1) Describes the requests;
 - 2) Provides an explanation as to why the requests could not be accommodated; and
 - 3) Provides a time frame within which, if any, the airport will be able to accommodate the requests.
- b. Such report shall be due on either February 1 or August 1 of each year if the airport has been unable to accommodate the request(s) in the six month period prior to the applicable due date.

Appendix B. Redevelopment Potential Assessment



DATE: February 24, 2026
TO: City of Albany
FROM: Josie Rademacher, Matt Craigie, Nicole Underwood – ECONorthwest
SUBJECT: Albany Airport Redevelopment Assessment

Background and Purpose

The City of Albany is evaluating the long-term future of the Albany Municipal Airport through a two-phase effort designed to assess existing conditions and explore potential expansion or redevelopment options for the site. This work supports the City’s goal to consider how the airport property can best serve the community over the long term.

Phase 1 of the project, the *Existing Conditions Assessment*, documented the airport’s operational, physical, and financial context. It included an inventory of facilities, infrastructure, and regulatory and environmental conditions, along with an analysis of the airport’s financial performance and economic role in the community. That work established a baseline understanding of how the airport currently functions and the challenges it faces.

Phase 2 of the project, *Evaluate Potential Alternatives*, builds on this foundation by analyzing a range of future scenarios for the airport property. This Redevelopment Potential Assessment is the first step in that process. It uses a comparative framework to explore what types of uses could be supported on the site assuming no regulatory or operational constraints. In other words, this analysis examines the site as a clean slate to understand what forms of development would be physically possible, financially viable, and beneficial to the community if aviation uses were no longer present or did not take up the full site.

This work does not assume that redevelopment will occur. It is a hypothetical

Key Findings from Phase 1

- » The airport plays a limited role in the State’s aviation network and provides only modest economic development opportunities.
- » The airport has an unsustainable financial position with annual operating expenditures exceeding operating revenues.
- » Physical site conditions and regulatory requirements limit runway expansion, constraining operations to small aircraft
- » Historic designations influence what changes are possible on the site.
- » While the Airport Master Plan identifies areas for aviation-related growth, demand for expanded aviation uses remains uncertain.
- » Opportunities for non-aviation development while maintaining airport operations are limited.
- » Given its location, size, and topography the site could be attractive for alternative land uses
- » Redevelopment is possible only through the FAA’s formal closure and property release process, given existing grant assurances and obligations
- » Full redevelopment of the airport would require a long-term coordinated effort between the City and the FAA.

exercise that establishes a baseline understanding of the site’s market potential and provides a framework for comparing alternative futures in the next stage of the project. The findings will inform the development and evaluation of redevelopment concepts, including their viability, economic potential, and alignment with community objectives.

Redevelopment Assessment Framework

This Redevelopment Assessment applies a modified *Highest and Best Use* framework to evaluate the Airport site’s redevelopment potential. The concept of Highest and Best Use comes from the world of commercial real estate appraisal where it is used to identify the use or uses on which the final opinion of value is based. Moreover, the framework identifies the uses that are possible and provide the most value to the developer of the property. The highest and best use framework asks: if the property were vacant, what use would be legally permissible, physically possible, financially feasible, and maximally productive? Typically, on *private property*, the use that is identified as the Highest and Best Use is the one that is eventually developed on the site.

For this exercise, we want to understand what uses would be most likely developed at the Airport property if it were no longer an airport. We therefore must pay attention to highest and best use concepts like “financially feasible” and “physically possible” but suspend use of the “legally possible” concept due to the assumption that if the property were to be redeveloped into a use other than an airport that its legal regulations—land use and zoning rules—would need to change. The concept of “maximally productive” poses a challenge with this exercise because the property is publicly owned. Public agencies, like the City of Albany, have opportunities to develop property for reasons other than to achieve a target return for investors. Instead, public agencies can develop public uses like parks and schools that, while not returning a financial reward back to the agency, provide essential community benefits. Public agencies may also partner with a private developer to develop a project that the real estate market would not enable without public support and financial backing.

Taken together, this modified framework provides a structured and transparent way to assess redevelopment scenarios that balance market realities with public objectives. It allows the City to consider a range of potential uses that are financially and physically viable while also reflecting broader community benefits and policy goals. The framework thus supports informed decision-making about redevelopment pathways that are both realistic and aligned with the City’s long-term interests.



Site Overview

This section describes the physical characteristics, surrounding context, and infrastructure that define the Albany Municipal Airport property and influence its long-term redevelopment potential. Because any change in use would occur many years in the future, understanding the site’s underlying suitability is a critical first step in evaluating what types of development could be supported over time. The airport occupies a highly visible location along Interstate 5 in eastern Albany, with proximity to major transportation corridors and a mix of residential, commercial, and public uses. Assessing the site’s configuration, access, environmental conditions, and regional connections provides important context for considering potential future land uses and development scenarios.

Location and Context

The Albany Municipal Airport is located in the city of Albany, directly adjacent and to the east of I-5 between the Highway 20 and Knox Butte Road interchanges. The site is surrounded by a mix of residential, commercial, public, and recreational uses. To the northeast are hotels and the Linn County Fair & Expo Center; Timber Linn Memorial Park borders the site to the east and transitions into nearby neighborhoods. The Highway 20 corridor to the south includes commercial uses such as hotels, restaurants, and auto dealerships, while I-5 separates the airport from additional commercial development to the west. This mix of nearby uses connects the airport to Albany’s broader commercial and community activity areas.

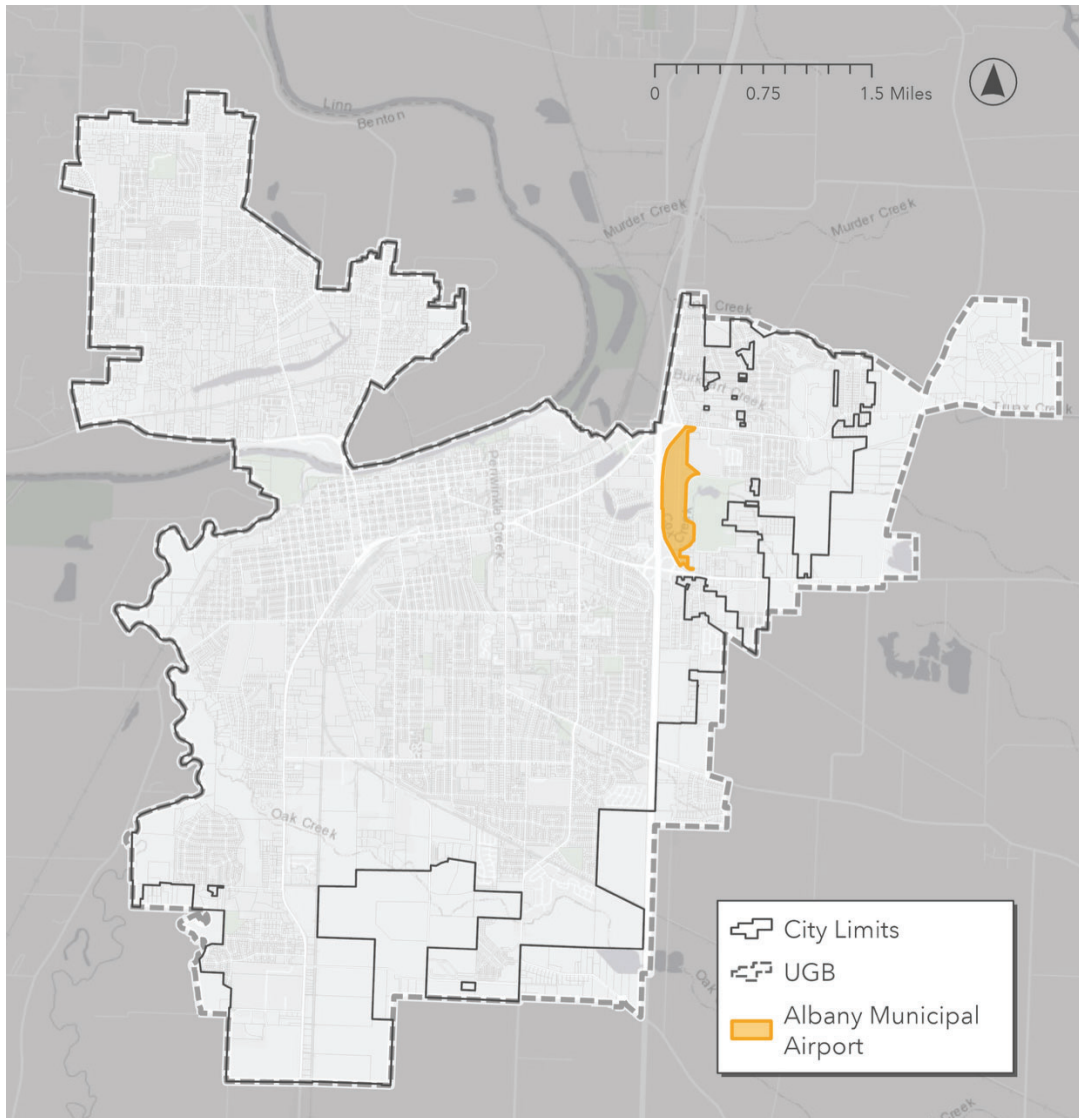
Exhibit 1. Aerial Map of the Albany Municipal Airport



Source: ECONorthwest



Exhibit 2. Albany Municipal Airport Location within the City of Albany



Source: ECONorthwest

Site Characteristics

The airport property encompasses approximately 92 acres, reduced over time from its historical extent of more than 186 acres due to highway construction, land sales, and right-of-way transfers. The property's compact layout centers around a single north-south runway (16/34) measuring 3,004 feet long by 75 feet wide, with additional paved safety areas extending the total surface to 3,661 feet. A full-length parallel taxiway, three exit taxiways, and paved aprons connect the runway to hangars and service areas.

As shown in Exhibit 1, the site contains 22 aviation-related structures supporting aircraft storage, maintenance, and operations. These include City-owned and privately owned



hangars, a General Aviation Terminal/Fixed Base Operator (FBO) building, and auxiliary aviation facilities. Hangar types include small T-hangars designed for individual aircraft storage and larger conventional hangars used for maintenance and multipurpose aviation functions. The FBO, Infinite Air Center, provides fueling, ground handling, hangar rental, flight training, and flight planning services. Additional tenants include Classic Aero Designs, specializing in aircraft interior components, and Eternal Wings, which offers aerial ash-spreading services.

Access and Infrastructure

Primary access to the airport is provided via Aviation Way SE, which connects to Knox Butte Road E and provides direct linkage to the regional roadway network. Price Road E runs along the eastern boundary, adjacent to Timber Linn Memorial Park, though it is not used for airport access. The site benefits from direct adjacency to I-5 and proximity to two full interchanges, enhancing connectivity for both aviation and potential non-aviation uses. The airport is served by public utilities including City of Albany water and sewer, Pacific Power electricity, and NW Natural gas, with telecommunications service available. Stormwater is managed on-site and discharged through two permitted outfalls into Cox Creek and Waverly Lake. Existing utility capacity is sufficient to support current aviation operations and could accommodate modest future development.

Environmental Conditions

An environmental conditions inventory completed for the 2016 Albany Airport Master Plan identified no significant environmental constraints that would preclude future development. The site includes limited wetlands and stormwater features, most of which are man-made or minor in extent. Cox Creek, a perennial stream, borders portions of the site and is subject to the City's Natural Resource District requirements (Article 6.280). No critical habitat or known occurrences of listed species have been documented on the property, though further review may be warranted for a small number of sensitive plant species. The airport operates under an NPDES 1200-Z industrial stormwater permit. Essential fish habitat occurs downstream but not within airport boundaries. Environmental conditions are considered manageable and do not represent prohibitive barriers to continued or alternative site uses.

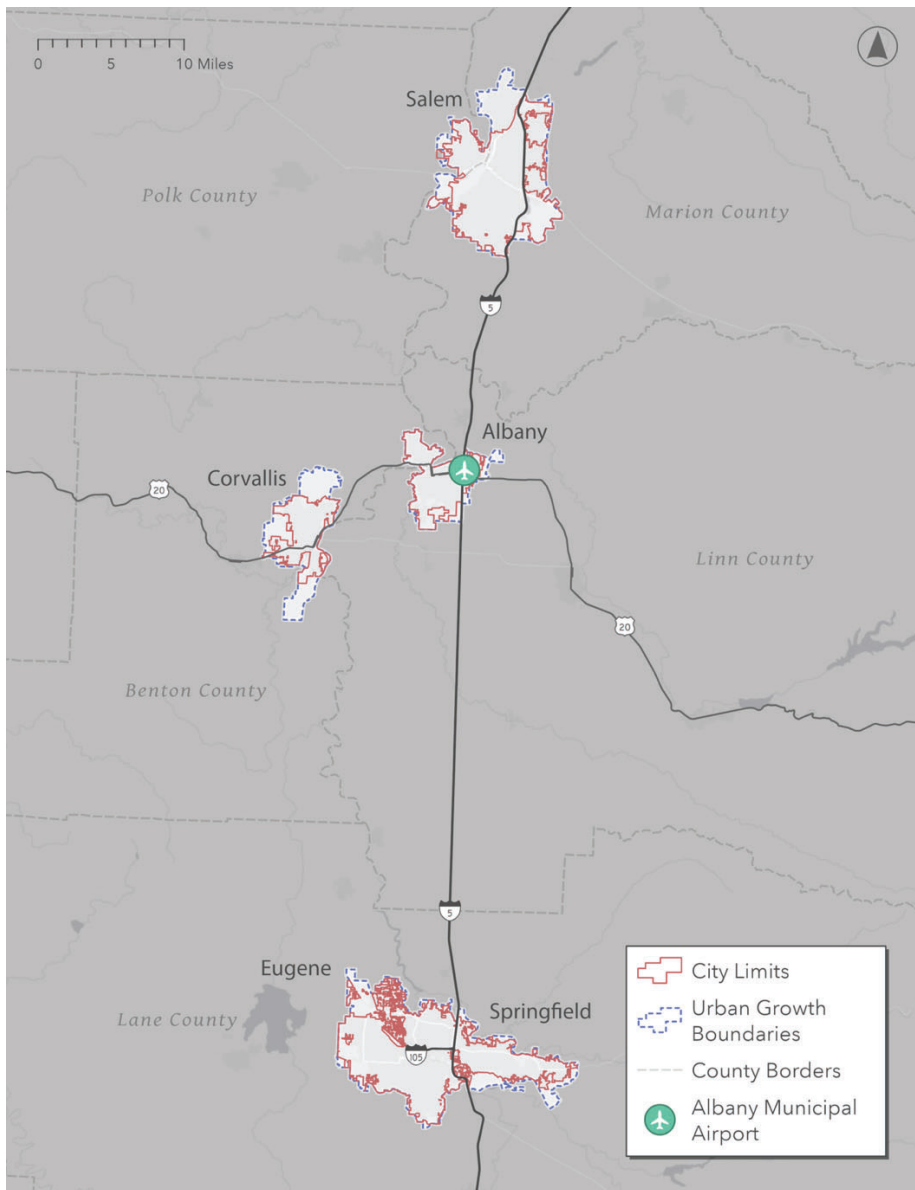
Regional Connectivity

The airport's location along I-5 and Highway 20 provides strong regional accessibility within Oregon's Willamette Valley. The site sits about 25 miles south of Salem, 40 miles north of Eugene, and 70 miles south of the Portland metropolitan area, placing it within an hour's drive of several substantial population and employment centers.



I-5 provides north–south access through Oregon, while Highway 20 serves as an important east–west corridor linking Albany with Lebanon, Corvallis, and communities farther east toward Bend. Freight rail service operated by Union Pacific and the Albany & Eastern Railroad is available nearby, providing regional connections to Oregon’s primary north–south and east–west rail corridors. These transportation routes connect the airport to regional labor markets, freight corridors, and surrounding communities. The site’s access to major highways, nearby rail infrastructure, and multiple population centers contributes to its long-term accessibility and supports both current aviation operations and a range of potential future uses, including industrial or logistics operations that depend on efficient freight connections.

Exhibit 3. Albany Municipal Airport Location within the Southern Willamette Valley Region



Source: ECOnorthwest



Scenario Framework: Hypothetical Redevelopment Concepts

Exploring multiple redevelopment scenarios allows the City to understand the range of potential futures for the airport property and how each could perform under different market and policy conditions. Each scenario represents a distinct combination of land uses that could occur if the site were redeveloped, given its location, access, and infrastructure. By testing several alternatives, the analysis identifies which types of uses are most likely to be supported by market demand and which best align with the community’s economic and land use objectives.

The scenarios described below are not redevelopment proposals. They are intended to be illustrative, providing a comparative framework for evaluating options (also referred to as Alternatives) for the airport property’s future.

Scenario Typologies

Industrial Employment District

Industrial or flex development suited to warehousing/logistics, manufacturing, and related uses. The concept is driven by the site’s direct highway access and ability to support larger facilities that depend on efficient freight connections. Its location along the I-5 corridor further reinforces its suitability for regional industrial and commercial activity.

Residential Mixed-Use District

A blend of residential, commercial, and employment uses that could create a more active district while supporting housing and local services. This concept is intended to create a new neighborhood that can deliver a range of housing types over time, paired with smaller-scale retail, services, and employment uses that meet day-to-day needs.

Innovation Campus

A research, technology, or institutional hub that leverages the site’s accessibility and potential for large, contiguous parcels. This concept could accommodate education, research, healthcare, or public-sector facilities that benefit from a campus environment and regional connectivity. This concept could build from the current momentum of the [Southern Willamette Valley Innovation Corridor Concept](#).



OTHER STAKEHOLDER IDEAS

Stakeholders suggested additional concepts beyond the scenarios evaluated in this assessment. We did not evaluate these further because they require decisions about programming, partners, and operations that are not part of this scenario-level assessment. The City could revisit them later with a defined proposal.

- » **Regional sports complex/fields:** The site could work well for tournaments, given nearby hotels, the Expo Center, and related amenities. We did not advance this as a standalone scenario because it is a very specific use that would require a more detailed market analysis and a defined program approach that is beyond the scope of this assessment.
- » **Regional retail destination (for example, an outlet mall):** Given the site's adjacency to other commercial uses, stakeholders suggested a regional retail destination. We did not advance this as a standalone scenario because this assessment tests a limited set of redevelopment concepts, and a regional retail destination would require a retail market analysis that is outside the scope of this project. For this assessment, we framed commercial as corridor-supporting uses intended to complement existing centers rather than competing with them.

Assumptions for Each Scenario

All three scenarios are evaluated under a consistent set of assumptions designed to explore the property's potential without the limitations of its current operational or regulatory framework. Key assumptions include:

- ◆ **No Aviation, Regulatory, or Historic Constraints:** The analysis assumes the airport is fully decommissioned and released from Federal Aviation Administration (FAA) requirements, allowing the site to be repurposed for non-aviation uses. Existing zoning and comprehensive plan designations are assumed to be flexible or amendable to support future redevelopment. Each scenario further assumes that any historic designation and related preservation requirements would either be incorporated into future site design or removed through the applicable process.
- ◆ **City Ownership and Control:** The property's current public ownership provides the City with an opportunity to shape the site's long-term vision. While future development could occur through sale, lease, or partnership, the City's current control allows for coordinated planning, phasing, and the ability to guide redevelopment toward community and economic goals.



- ◆ **Infrastructure Availability:** Public utilities and transportation infrastructure are assumed to be available and capable of supporting moderate to intensive development. Any system extensions or upgrades would be addressed through future planning and investment.

These shared assumptions create a consistent foundation for comparing the site suitability, market potential, and community implications of each hypothetical redevelopment scenario.



Market Conditions and Development Drivers

This section summarizes current and emerging market trends that provide context for understanding potential future uses of the Albany Municipal Airport property. Because any redevelopment would occur over a long-time horizon, these market conditions are not predictive but help illustrate the types of activities and land uses currently shaping growth across Albany and the broader Willamette Valley. The focus is on identifying development drivers such as population growth, employment patterns, and regional land availability that influence the feasibility of industrial, commercial, residential, and institutional uses. Together, these factors help frame how the site could fit within longer-term economic and development trends in the region.

Regional Economic and Demographic Trends

Understanding the area's population and economic profile is important because demographics play a key role in shaping the demand for housing, goods, and services. Factors such as age, income, education level, family size, and lifestyle preferences are all important considerations for determining future commercial and residential offerings. Demographics can inform which types of businesses are more likely to succeed, and which industries have a strong pool of potential workers in the area. These trends will influence the demand for different uses in Albany and future development on the airport property.

This section summarizes the key demographic and economic conditions and trends for Albany and the comparison geographies (Linn and Benton Counties and the state of Oregon) as it relates to development potential. We compare Albany to Linn and Benton Counties and Oregon to understand how the City fits within the counties and state. Detailed data, including sources, are included in Appendix A. Socioeconomic Conditions.

- ◆ **Albany is growing faster than the region and the state.** As of 2024, Albany had a population of 57,777 residents. Between 2014 and 2024, Albany's population grew by about a 13 percent (6,507 residents). Over this period, the city's growth outpaced the combined growth of Linn and Benton County (10 percent) and the state of Oregon (8 percent). Albany's population is projected to grow by 11,127 residents between 2020 and 2040.
- ◆ **Albany's demographics skew younger and toward larger households.** Children ages 0–19 make up the largest share of residents in Albany (27%), higher than Linn and Benton counties combined (24%) and Oregon (23%). Albany also has a slightly smaller share of adults ages 20–29 and a slightly larger share of adults ages 30–44 than the two-county area. Albany has a smaller share of residents age 65 and older (16 percent) than the two counties (18 percent) and the state (19 percent). From 2013 to 2023, growth was concentrated among older adults (65+, up about 40 percent or 2,662 people) and adults ages 30–44 (up about 20 percent).



Average household size in Albany is 2.56, above Benton County (2.36) and Oregon (2.43), and similar to Linn County (2.54). Albany also has a higher share of three-or-more-person households than Linn and Benton counties and the state, with about 40 percent of households having three or more members.

- ◆ **Albany’s median household income is slightly lower than the state.** Albany has a lower median household income (\$73,809) than the state overall (\$80,426). Albany’s median household income grew 35 percent between 2013 and 2023, which was slightly slower than the state (38 percent) and counties (36 percent). Albany has a lower share of households making over \$100,000 annually (35 percent) when compared to the state (40 percent).
- ◆ **Linn and Benton counties added jobs from 2010 to 2024, but at a slower pace than Oregon overall. Average wages in both counties are below the statewide average.** Between 2010 and 2024, Linn County employment grew 23 percent and Benton County grew 13 percent, compared with 25 percent statewide. Job gains in the two-county region were concentrated in education and health services, construction, and leisure and hospitality.

Average wages rose in both counties from 2010 to 2024 (up 14 percent in Linn and 8 percent in Benton), but statewide wage growth was faster (19 percent). By 2024, Oregon’s average wage reached \$71,313, compared with \$67,163 in Benton County and \$57,435 in Linn County.

- ◆ **Albany is a regional job center, and about one-third of its jobs are held by local residents.** In 2023, about 22,677 people worked in Albany. Most workers commuted in (about 15,144), while about 7,533 people both lived and worked in Albany (roughly 33 percent of Albany jobs). Many employed residents also commuted out (about 19,380). Albany residents tend to have shorter commutes than Linn County and Oregon overall, with about 42 percent commuting less than 15 minutes (compared with 34 percent in Linn County and 32 percent statewide).

Land Use Market Overview

This section summarizes how regional market conditions relate to potential land uses for the Albany Municipal Airport property. It highlights key trends across industrial, commercial, residential, and institutional sectors to provide context for the types of development the site could support if repurposed in the future.

Industrial

National industrial real estate continues to perform well and has expanded steadily since 2014, although growth has cooled from the exceptionally strong levels of the past few years. In Q3 2025, U.S. industrial users absorbed 45.1 million square feet of space, up 30 percent from the prior quarter and 33 percent from a year earlier, with year-to-date absorption



roughly in line with 2024.¹ Asking rents increased 1.7 percent over the past year, and nearly 60 percent of markets reported rent gains.² Vacancy held at 7.1 percent, while new construction deliveries fell to their lowest level in eight years, suggesting tightening supply.³ Despite tariffs, policy uncertainty, and slower consumer spending, demand remains focused on modern logistics and distribution facilities that support automation, higher power needs, and supply chain efficiency.⁴ Overall, the market has moderated from recent peaks but continues to show resilient demand for industrial space.

In Oregon, employment growth has trailed national averages, reflecting concerns about the state's business environment. Oregon ranked near the bottom nationally for job growth in 2023 and 2024, and employers cite the rising costs of doing business in the state and a limited supply of development-ready industrial land as barriers to expansion.⁵ This reinforces the importance of maintaining competitive industrial sites that can attract and retain traded-sector investment.

Across the Southern Willamette Valley, large industrial sites that are shovel-ready sites are limited. Many vacant sites face wetlands constraints, fragmented ownership, or costly utility extensions, as documented in regional assessments including Albany's 2020 Economic Opportunity Analysis. As a result, well-located and serviced sites tend to draw strong interest from users competing for a small number of viable options.

LOCAL AND REGIONAL TRENDS

Albany's industrial economy is shaped by its mid-Willamette Valley location and direct access to regional freight corridors. I-5, together with U.S. Highway 20 connects Albany to Salem, Portland, Eugene, and surrounding markets, supporting both manufacturing and distribution activity.

Albany's industrial base is diverse, including food processing, pharmaceutical manufacturing, titanium casting, metal finishing, research laboratories, resin manufacturing, and craft fermented beverage production.⁶ Major industrial and logistics employers in Albany include ATI (about 1,300 employees), Selmet (about 420), OFD Foods (about 400), and the Target distribution center (about 425).⁷

Looking ahead, Albany is planning for continued demand for industrial and other employment land through 2040. The City's 2020 Economic Opportunities Analysis (EOA) found that, while Albany may have enough industrial acres in the aggregate, the supply of sites does not match

¹ Cushman & Wakefield, [U.S. Industrial Market Beat, Q3 2025](#)

² Ibid

³ Ibid

⁴ Ibid

⁵ *The Condition of Oregon's Manufacturing Sector* (Business Oregon, 2024).

⁶ City of Albany. *Industrial Pretreatment Program: Industry-Specific Information*. <https://albanyoregon.gov/industrial-pretreatment/industry>

⁷ City of Albany. *Demographic Data: Community Profile*.





Albany Municipal Airport

*Economic + Financial Analysis Project:
Overview and Findings*

May 2026

Project Overview

Provide a clear, decision-ready picture of the Albany Municipal Airport today and what it could support in the future.

APPROACH

Establish a baseline of existing conditions, operations, and financial performance.

Describe the airport's economic role for Albany and the region.

Evaluate several potential future directions for the site.

Summarize the opportunities, and constraints of each option.

OUTCOME

This is a **preliminary assessment** to **inform future discussion.**

We are not tasked to recommend a specific path forward for the airport.

The Airport Today



92 acres

City-owned, within Albany city limits

NPIAS

Part of the FAA's National Plan of Integrated Airport Systems

~\$6M

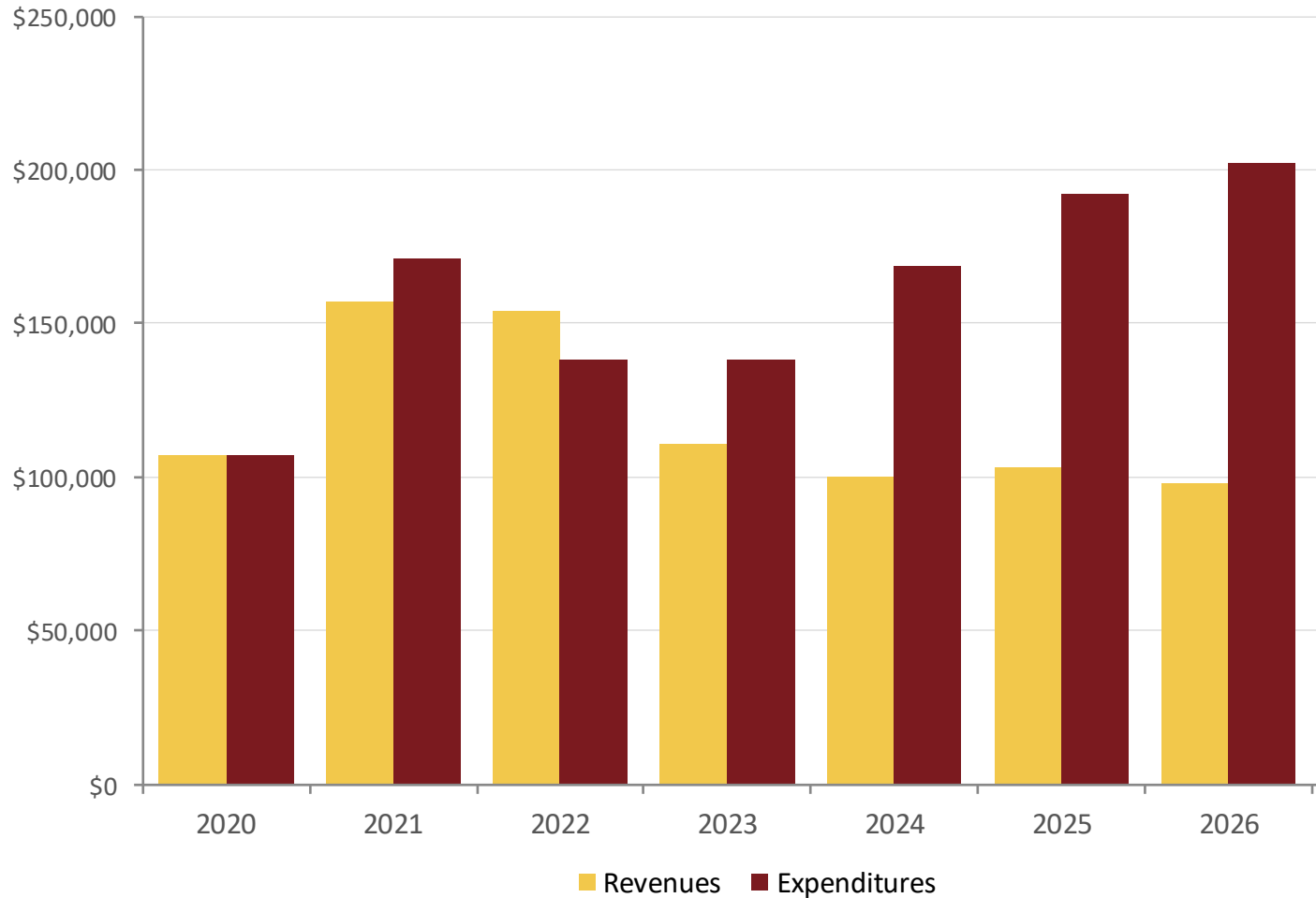
Annual local economic activity (per ODA 2018 Statewide Economic Impact Study)

~\$100,000

Estimated current annual operating deficit

Financial Picture

Operating revenues vs. expenditures (without transfers)



Key takeaway

Expenditures have grown steadily.

Revenues have not kept pace.

FYE 2026 operating gap:

~\$100,000

Note: Revenues were temporarily higher in FYE 2021 and FYE 2022 as a result of one-time federal grants received by the airport.

Property and Regulatory Conditions

Conditions that influence change at the airport today.



Physical and regulatory constraints limit runway expansion.

FAA design standards, surrounding land uses, and existing easements constrain how the runway and approach surfaces could change.



Historic designations are an underused asset.

The 1929 Hangar, Steel Beacon Tower, and National Register listing distinguish the airport, but these features are not widely recognized or actively used to attract tenants, events, or visitors.



Opportunities for non-aviation development on airport property are limited.

FAA rules require a release for non-aeronautical use; only a small portion of the site (the five-acre parcel) is reasonably available without affecting operations.

The Preliminary Project Pathways

OPERATING ALTERNATIVES

Keep the airport open and improve financial performance over time.

- **Three options: Preserve, Enhance, Modify**
- Cumulative — can be combined and phased over time
- Maintains aviation access and airport's role in the state and national systems
- Improves financial performance but unlikely to eliminate the structural deficit

REDEVELOPMENT ALTERNATIVES

Close the airport and transition the site to non-aviation uses.

- **Three Scenarios: Employment Center, Residential Mixed-Use, Innovation Campus**
- All depend on FAA approval to close the airport (a complex, multi-year process)
- Different long-term outcomes, but greater uncertainty and longer timelines

Operating Alternatives

Three cumulative strategies that keep the airport operational.

PRESERVE

Current uses, lower cost

- Continue operating in the existing configuration
- Focus on cost control, operational efficiency, and modest revenue adjustments
- No physical expansion

Assessment

Lowest risk; does not resolve underlying financial gap.

ENHANCE

Current uses + targeted investment

- Builds on Preserve
- Targeted capital investments — e.g., hangar expansion — to grow aviation activity
- Improves financial performance but does not eliminate need for subsidy

Assessment

Moderate improvement; requires capital.

MODIFY

Current uses + five-acre site

- Builds on Preserve and Enhance
- Develop the five-acre site for compatible non-aviation use
- Generates supplemental revenue while airport keeps operating

Assessment

Diversifies revenue; market-sensitive outcomes.

MODIFY



Why Airport Closer is Unlikely

Redevelopment is not a local land use decision. The FAA controls whether the airport can close.

0
NPIAS airport closures
in the past 20 years

~\$9.3M
estimated FAA repayment
if airport closes today

~\$462K
estimated state repayment
due to ODA in addition to FAA obligations

Closure process — what it would take

FEDERAL
FAA approval is the critical hurdle. Strict criteria, rare precedent.

STATE
ODA is advisory; focuses on regional aviation impacts.

LOCAL
Resolve leases; update zoning, Comprehensive Plan, and related policies.

Concluding Observations



The airport is an important public asset and one of historical significance.

It provides value beyond operating revenues — emergency response, transportation access, and ~\$6M in annual local economic activity — and remains part of the state and national aviation systems.



Closing the airport would be far more complex than a local land use decision.

Airport closure requires FAA approval and is an uncommon, multi-year process, requiring substantial repayment obligations.



The deficit is real, but its significance is a policy question.

The airport runs an ongoing operating deficit, less than 1% of the City's adopted budget. How much subsidy is appropriate is a Council judgment.



No single strategy resolves the financial challenges.

Multiple operating strategies will likely improve performance and reduce the subsidy though are unlikely to eliminate the gap entirely. It is important to note that most general aviation airports often operate with a loss.

Recommended Next Steps

Recommended actions from City of Albany staff.

1

Develop and implement a marketing plan.

Build on the airport's status as Oregon's oldest airfield (1920) and first National Register-listed aviation site to grow general aviation activity, attract tenants, and host community events at the 1929 Hangar.

2

Expand community and stakeholder outreach.

Build broader support for the selected long-term strategy through engagement beyond current airport users.

3

Pursue targeted operational improvements.

Identify cost-saving efficiencies and selective non-aviation revenue opportunities, consistent with FAA and ODA requirements.

4

Develop airport-wide design standards.

Preserve and feature historic elements — including the 1929 Hangar's lattice-truss redwood construction and the Steel Beacon Tower — to reinforce the National Register Historic District identity and guide future development.



CITY OF ALBANY
STRATEGIC PLAN
PRESENTATION

CITY COUNCIL
MAY 13, 2026

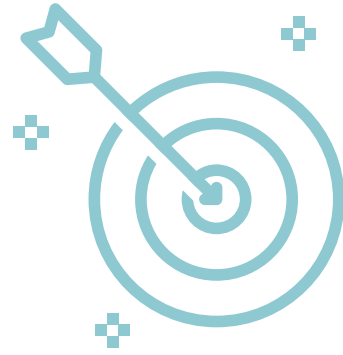


PRESENTATION OVERVIEW

- **Strategic Planning Journey + Engagement Results**
- **Review Draft Strategic Plan**
- **Gather Council Feedback**
- **Next Steps**



STRATEGIC PLAN PROJECT GOALS



● **Establish Long-Term Vision and Goals**

Create a strategic plan that defines broad vision areas (10–20 years), medium-term goals (3–5 years), and tactical objectives (1–2 years) aligned to each goal.

● **Measure and Ensure Accountability**

Develop clear measures of success to track implementation progress, demonstrate results, and maintain accountability to Council and the community.

● **Engage and Define Values**

Identify vision areas and core values through meaningful engagement with City Council, staff, and the community, ensuring they guide service delivery and decision-making.

● **Foster a Culture of Strategic Management**

Embed strategic planning into the City’s culture, aligning the plan with community, Council, and staff input, as well as the budget process and departmental work plans.

PROJECT TIMELINE

PLANNING + SCOPING

AUGUST - SEPT. 2025

- Kick-off meeting
- Review background materials
- Confirm workshop logistics
- Develop project gameplan + timeline
- Prepare Council interview questions

STRATEGIC PLANNING WORKSHOP

SEPT. - OCT. 2025

- Conduct Council interviews
- Prepare engagement summary memo
- Outreach debrief meeting
- Share outreach themes + agenda with City ELT
- Develop agenda + facilitation plan
- Facilitate SP workshop

STRATEGIC PLAN ENGAGEMENT

DEC. 2025 - FEB. 2026

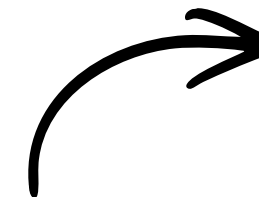
- Develop Communications + Engagement Strategy
- Develop engagement tools to support staff in their engagement
- Organize and analyze all engagement data

STRATEGIC PLAN DEVELOPMENT

FEB. - APRIL/MAY 2026

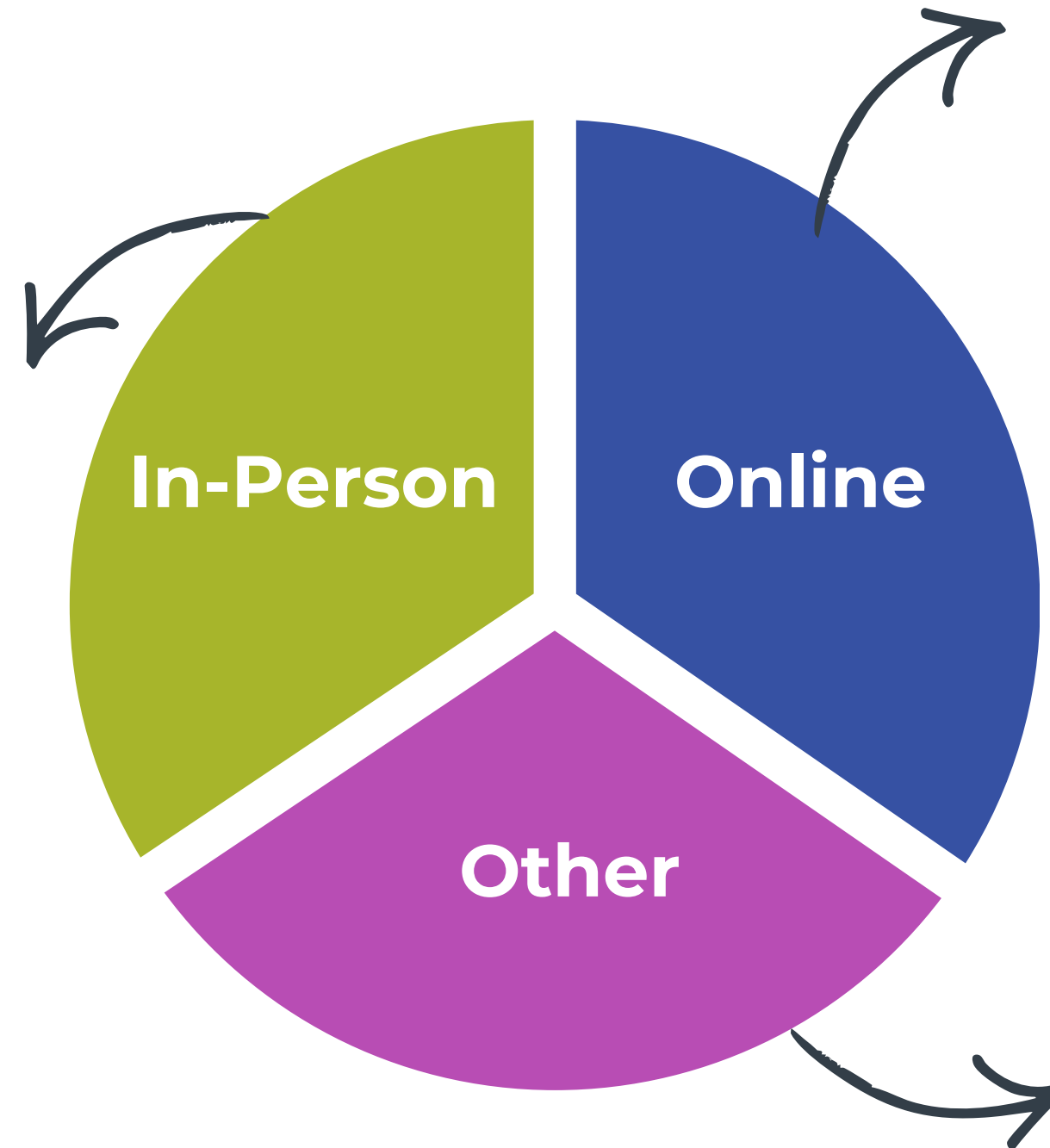
- Draft Mission, Vision, Goals, Values
- Share with project team
- Share with City ELT
- Present draft to Council
- Staff SP Workshop: Develop Objectives
- Prepare Draft Strategic Plan
- Draft indicators for strategic plan goals
- Review with Council, staff, and community
- Final SP draft
- Present to Council for adoption
- Prepare final deliverables

We are here!



HOW HAVE WE ENGAGED?

- Engagement boards at Library and Pool
- RCC Holiday Lunch Event
- Youth Focus Groups
 - Chamber Youth Leadership
 - West Albany HS Leadership Class
 - South Albany HS Leadership Class
- Staff Lunch-and-Learn event
- City Council Interviews
- Strategic Planning Workshop with City Council + Staff



- Community Survey
 - Staff survey
 - Page on the City Website
 - Emails
 - Social Media posts
 - Survey promotion in School District email to all families
-
- “Question of the Week” campaign (social media and passive engagement at City facilities)
 - Fact sheets, flyers, and table tents at City facilities and local businesses
 - Council custom survey link friendly competition

HOW WE ENGAGED

IN-PERSON EVENTS

- Engagement boards at Library and Pool
- Riverfront Community Center (RCC) Holiday Lunch Event
- Albany Youth Advisory Council
- Albany Chamber Youth Leadership
- West Albany High School Leadership Class
- South Albany High School Leadership Class
- Staff Lunch-and-Learn event
- Staff focus groups
- City Council interviews
- Strategic Planning Workshop with City Council and Staff

ONLINE

- Community Survey (1,684 responses)
- Staff survey (88 responses)
- Strategic Plan page on the City Website
- Emails
- Social media posts
- Survey promotion in Albany School District email to all families

OTHER

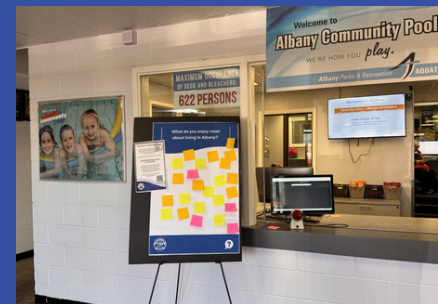
- “Question of the Week” campaign (social media and passive engagement at City facilities)
- Fact sheets, flyers, and table tents at City facilities and local businesses
- Survey flyers distributed by City Council

WHO DID WE HEAR FROM

1,552

Online full community survey responses

1,684 Total online engagement (including survey + “Questions of the Week” campaign)



58

Participants at RCC Holiday Lunch event

24

Participants at Chamber Youth Leadership event



over 3 events

129

Participants at South Albany High School Leadership Class engagement events



88

Staff survey responses

1

Staff lunch-and-learn event

1,933 Total community members + City staff engaged

Online “Question of the Week” survey responses

14

Week #1

11

Week #3

17

Week #5

28

Week #7

24

Week #2

23

Week #4

15

Week #6

WHAT DID WE HEAR?

What is your vision for a thriving Albany in 10 years? *(listed in priority order)*

- 1 Improved condition of roads and traffic improvements**
- 2 Housing affordability**
- 3 Thriving downtown**
- 4 Community Safety**

KEY TAKEAWAYS:

- Focus on improving what we have before expansion and growth
- Maintain our unique character and community connection as we grow
- Increase opportunities for living-wage jobs and variety of housing types

DRAFT STRATEGIC PLAN



STRATEGIC PLANNING FRAMEWORK

MISSION: Defines our purpose... why we exist.

VISION: Defines our direction... where we want to be in 10-20 years.

VALUES: Defines what guides us... the lens through which we work.



VISION AREAS:

Vision areas (10-20 years) align with our mission and advance the vision.



GOALS:

The goals are medium term (3-5 years) and align with priority areas to advance the vision.



TACTICAL OBJECTIVES:

The objectives (1-2 years) will describe how we will advance each goal area. They will be assigned a lead and timeline. Measures of success will be developed to track progress at the vision level.



MISSION STATEMENT

DEFINES OUR PURPOSE... WHY WE EXIST

We deliver quality public services, partner across the organization and community, and intentionally plan for the future to ensure Albany remains a safe, vibrant place to live.

Mission Themes:

- Support high quality of life for residents
- City is reliable and trusted
- City is strategic when thinking about future planning
- Focus on delivering foundational public services well
- Connected departments that are informed, collaborative, focused on solutions for community

VISION STATEMENT

DEFINES OUR DIRECTION... WHERE WE WANT TO BE IN 10-20 YEARS

Your hub city – safe, connected, beautiful.

Albany is Oregon's hub city - a safe, welcoming community where neighborhoods thrive, people connect, and thoughtful infrastructure and growth create opportunity for generations.

Vision Themes:

- A city where families feel safe
- Focus on providing foundational public services well before expansion to other services/amenities
- Trustworthy, transparent governance
- Residents enjoy amenities without having to leave town
- Feeling of neighborliness, small-town, unique character
- Infrastructure that keeps pace with growth
- Clean, vibrant public spaces
- Strong local balanced economy rooted in small business
- Connected neighborhoods

VALUES

DEFINES WHAT GUIDES US... THE LENS THROUGH WHICH WE WORK.



Service

We are accessible, responsive, and committed to serving our community.



Innovation

We embrace learning and seek continuous improvement.



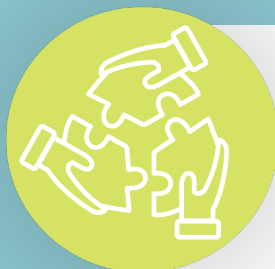
Stewardship

We are trusted stewards of public resources and responsible decision-makers.



Excellence

We deliver high-quality work through professionalism, preparation, and leadership.



Collaboration

We work together – with each other and our community – to achieve better outcomes.

Current Values (7):

- Transparent, open, and honest government
- Dedication to service
- Fiscal responsibility
- Personal integrity and honesty
- Excellence
- Teamwork
- A humane and diverse organization

STRATEGIC PLAN VISION AREAS

THE VISION AREAS OUTLINE ALBANY'S PRIORITIES FOR THE NEXT 10 TO 20 YEARS. THEY ALIGN WITH OUR MISSION AND ADVANCE THE VISION.



Reliable and Sustainable Infrastructure



Connected and Engaged Community



Healthy Economy



High-Performing Government



Safe and Resilient Community



Reliable and Sustainable Infrastructure

Albany is committed to strategic infrastructure planning, ensuring assets are well-maintained, dependable, and able to support the city's future needs.

Goals

- Develop a cohesive vision and identity for Albany's build out
- Ensure safe, reliable, and well-maintained infrastructure
- Establish a strategic, sustainable, infrastructure funding plan



Reliable and Sustainable Infrastructure

Albany is committed to strategic infrastructure planning, ensuring assets are well-maintained, dependable, and able to support the city's future needs.

Measures of Success

Percent of survey respondents rating Albany's "overall image or reputation" as excellent or good
Percent of survey respondents rating "overall quality of utility infrastructure" as excellent or good
Number of participants in Comprehensive Plan engagement opportunities
Average travel time on key corridors
Ratio of actual spending on emergency repairs to planned maintenance on the City's infrastructure
Increase in the amount of grant funds offsetting capital project costs
Ratio of capital improvement plan funded versus unfunded
Percent of survey respondents rating likelihood to "recommend living in Albany to someone who asks"
Percent of survey respondents rating "preservation of the historical or cultural character of the community" as excellent or good
Percent of survey respondents rating "overall quality of new development" as excellent or good
Percent of survey respondents rating "land use, planning, and zoning" as excellent or good
Percent of survey respondents rating "street repair" as excellent or good



Healthy Economy

Albany is a thriving regional hub with a diverse economy and strong local businesses. Our vibrant downtown and variety of housing attract and retain a sustainable workforce.

Goals

- Strengthen Albany's economic base by attracting and retaining a diverse mix of industries
- Create an environment where small businesses can start, grow, and thrive
- Expand housing opportunities to support economic growth
- Downtown is a vibrant hub for economic and social activity
- Advance Albany's role as a regional economic hub to support innovation, strategic opportunities, and a sustainable and skilled workforce



Healthy Economy

Albany is a thriving regional hub with a diverse economy and strong local businesses. Our vibrant downtown and variety of housing attract and retain a sustainable workforce.

Measures of Success

Net growth of jobs in target sectors
Average submittal review time for building permits
Average submittal review time for land use applications
Number of small business start-ups and expansions
Unique users of Small Business Development Center services
Downtown vacancy rate
Number of programmed days for Waterfront Avenue and Monteith Park
Number of unique touch points with innovation start-up companies and partners
Commercial and industrial vacancy rates
Percent of survey respondents rating "Availability of affordable quality housing" excellent or good
Percent of survey respondents rating "overall economic health" as excellent or good
Percent of survey respondents rating "vibrancy of downtown/commercial area" as excellent or good
Percent of survey respondents rating "Albany as a place to visit" as excellent or good



Safe and Resilient Community

Albany is a safe, inclusive, and resilient community where residents, services, and infrastructure are protected, supported, and trusted. We anticipate risks, reduce vulnerabilities, and are ready to respond and recover effectively.

Goals

- Enhance the security and resilience of Albany's information and technology systems to protect residents and operations
- Implement proactive hazard mitigation and emergency management strategies
- Enhance community safety through strategic implementation of technology and best practices
- Ensure parks, neighborhoods, and public spaces are designed and maintained to support safety and well-being
- Partner with the community to improve safety in private and public spaces, and neighborhoods



Safe and Resilient Community

Albany is a safe, inclusive, and resilient community where residents, services, and infrastructure are protected, supported, and trusted. We anticipate risks, reduce vulnerabilities, and are ready to respond and recover effectively.

Measures of Success

Percent of cybersecurity controls aligned with recognized frameworks	Average response time to mitigate graffiti and vandalism in the City's parks
Percent of audit-identified security issues mitigated by improved controls	Average response time to clean up camps in the City's parks and trails system
Percent of Albany's population receiving emergency notifications	Vision Zero index score
Overall crime rate for the City of Albany	Number of neighborhood watch groups in the City of Albany
Major crimes rate for the City of Albany	Percent of survey respondents rating "the quality of ambulance or emergency medical services" as excellent or good
Average response time for the Police Department	Percent of survey respondents rating "the quality of emergency preparedness" as excellent or good
Average response time for the Fire Department	Percent of survey respondents rating the "overall feeling of safety" as excellent or good
Number of reported criminal incidents in the Albany parks and trails system	Percent of survey respondents rating "how safe they feel in their neighborhood during the day" as very or somewhat



Connected and Engaged Community

Albany fosters a strong hometown identity, with distinctive and connected neighborhoods, accessible amenities, and opportunities for residents to participate in civic and community life. We seek opportunities to bring people together.

Goals

- Create vibrant places and opportunities where people gather
- Foster pride and a strong sense of place in Albany
- Strengthen civic engagement
- Promote an inclusive and welcoming community



Connected and Engaged Community

Albany fosters a strong hometown identity, with distinctive and connected neighborhoods, accessible amenities, and opportunities for residents to participate in civic and community life. We seek opportunities to bring people together.

Measures of Success

Number of active Community User cards issued at the Library
Number of unique renters for Library spaces
Number of unique renters for Riverfront Community Center spaces
Percent of survey respondents rating "overall confidence in Albany government" as excellent or good
Percent of survey respondents rating "Albany community...sense of civil/community pride" as excellent or good
Percent of survey respondents rating "the job Albany government does at welcoming resident involvement" as excellent or good
Percent of survey respondents rating "quality of life in Albany...as a place to work" as excellent or good
Percent of survey respondents rating "quality of life in Albany...as a place to visit" as excellent or good



High-Performing Government

Albany is proactive, strategic, and collaborative. We deliver efficient, transparent services that meet community needs now and into the future.

Goals

- The City operates under a culture of continuous process improvement and operational excellence
- The City recruits and supports a qualified and highly-engaged workforce that delivers exceptional service
- The City makes data-driven decisions that support the needs of today and tomorrow
- Revenues are diverse and resilient
- The City optimizes organizational resources through collaboration and shared solution-development



High-Performing Government

Albany is proactive, strategic, and collaborative. We deliver efficient, transparent services that meet community needs now and into the future.

Measures of Success

Voluntary turnover rate
Percent of employees who are proud to work for the City of Albany
Percent of departments with active performance metrics
Percent of recommended reserve balance for the General Fund
Ratio of annual revenue growth to expenditure growth in the General Fund
Annual hours redirected due to process improvements (overall)
Annual hours redirected due to process improvements (collaborative use of resources)
Annual hours redirected due to process improvements (technology)
Annual cost savings due to process improvements (overall)
Percent of employees who feel they receive proper training for their work
Percent of survey respondents rating "overall customer service by Albany employees" as excellent or good
Percent of survey respondents rating "the value of services for the taxes paid to Albany" as excellent or good

IMPLEMENTATION SYSTEM



IMPLEMENTATION PROCESS

YEAR 1: 2026-2027

Launch & Implementation

- Strategic Plan website and dashboard goes live Summer 2026
- Department workplans built (Spring-Summer 2026)
- Strategic budgeting process kick-off (Fall 2026)
- Strategic Plan Touch-Base (Winter 2027)
- 2027-2029 Biennial Budget Adopted (Spring 2027)

YEAR 2: 2027-2028

Measure and Refine

- Biennial community survey (Fall - Winter 2027)
- Strategic Plan Mid-Point Progress Check-in (Winter 2028)
- Department workplan adjustments (Winter - Spring 2028)

EVERY YEAR:

The City will conduct an annual touch-base of the plan to assess the progress accomplished, track measures of success, and address any unforeseen adjustments or opportunities that arise. The City will prepare an annual report to share and celebrate progress on the plan.

EVERY TWO YEARS:

Every two years, the City will conduct a community survey to gather feedback from community members to inform the strategic plan. Additionally, the Council will gather for their goal setting work session. Building on the results of the survey and Council goal setting, the City will complete a halfway point deep dive progress check-in to prioritize tactical objectives and consider adding any new objectives to support accomplishing the goals and vision areas.

EVERY FOUR YEARS:

A comprehensive update will be conducted every four years, involving significant community engagement; a review of the mission, vision, and values; and realignment of vision areas, goals, and tactical objectives with community priorities.

YEAR 4: 2029-2030

Plan the Next Chapter

- Biennial community survey (Fall - Winter 2029)
- 2030-2034 Strategic Plan Kick-off (Fall 2029)
- Strategic Plan Public Engagement (Winter 2029-Winter 2030)
- 2030-2034 Strategic Plan Adoption (Spring 2030)

YEAR 3: 2028-2029

Adjust and Deliver

- Strategic budgeting process kick-off (Fall 2028)
- Strategic Plan Touch-Base (Winter 2029)
- 2029-2031 Biennial Budget Adopted (Spring 2029)

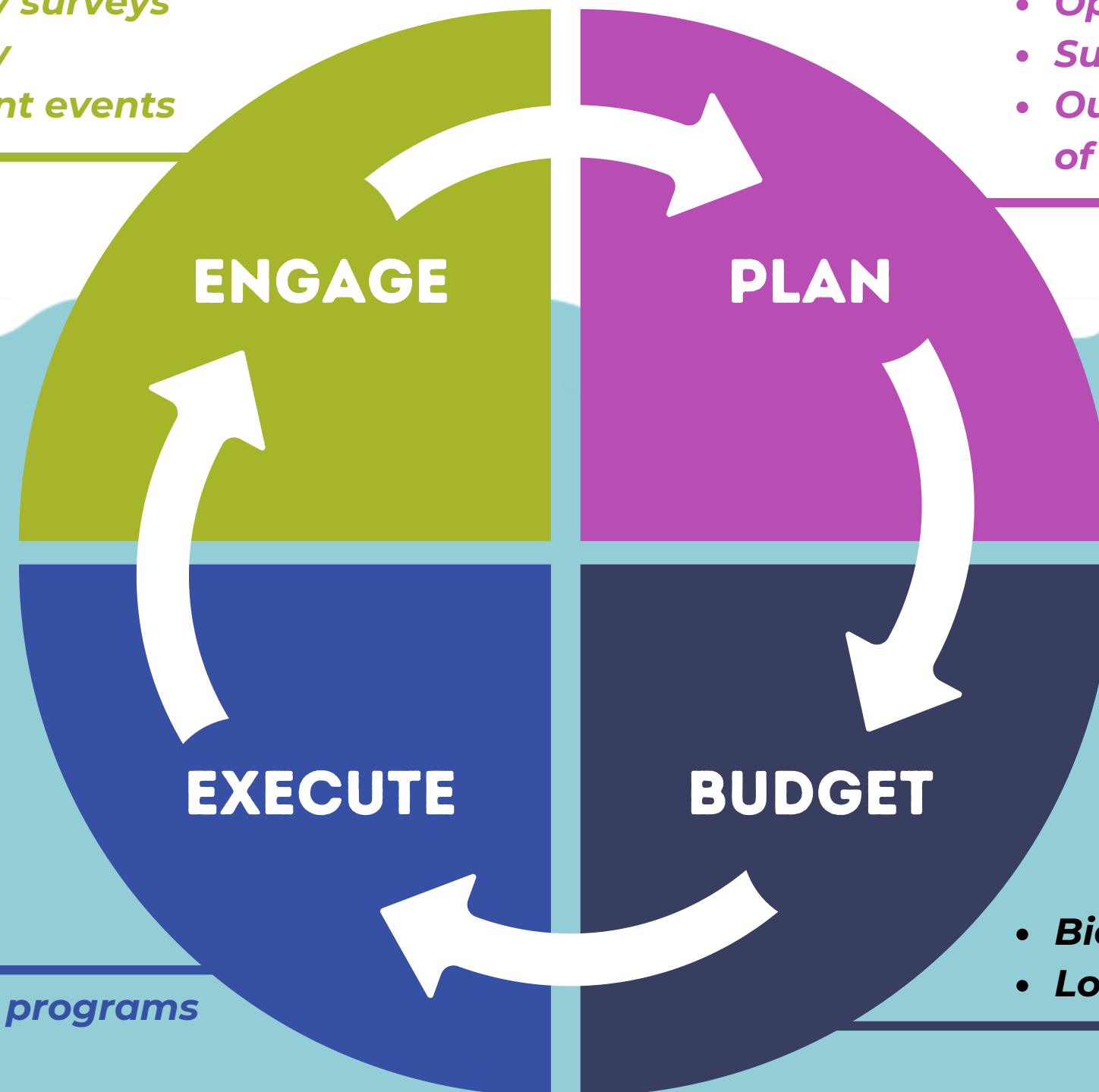
EVERY YEAR INCLUDES:

- Quarterly Strategy and Financial Updates
- Annual Reports on accomplishments
- Annual Department Updates

STRATEGIC BUDGETING CYCLE

- *Community surveys*
- *Community engagement events*

- *Strategic Plan*
- *Operating plans*
- *Supporting plans*
- *Outline measures of success*



- *Implement programs*
- *Monitor*
- *Adapt as needed*

- *Biennial budget*
- *Long-term models*

NEXT STEPS

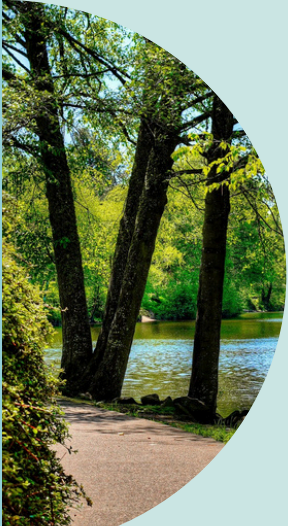
- 1** Review comments from the Community Review Period (May 1 - May 12)
- 2** Incorporate feedback from community review and Council to finalize strategic plan
- 3** Council vote to adopt strategic plan at May 27 meeting
- 4** Celebrate and begin implementation!



*Your hub city – safe,
connected, beautiful.*



CITY OF ALBANY
STRATEGIC
PLAN
FY 2026-2030



A Message from the City Manager

I'm pleased to share the City of Albany's 2026–2030 Strategic Plan. This plan reflects our community's priorities and provides a clear roadmap for the next four years as we continue building a strong, vibrant, and resilient Albany. We are at an important moment in our city's history. Albany is evolving into the largest city in this part of the Willamette Valley. Along with that growth come new opportunities, as well as the challenges that accompany transition from a small community to a larger and more complex city. This Strategic Plan is intended to help guide Albany through that next era by honoring the character and values that make Albany special while preparing thoughtfully for the future.

The plan is the result of extensive collaboration and meaningful engagement. We heard from residents, businesses, students, elected officials, City staff, and members of our boards and commissions. Your voices helped shape a plan grounded in community priorities and focused on practical action.

This plan will guide how we deliver services, make investments, and focus our efforts around five vision areas: reliable and sustainable infrastructure, healthy economy, connected and engaged community, safe and resilient community, and high-performing government.

Albany's future is shaped by the decisions we make today. This plan provides a clear path to manage growth responsibly, preserve community character, and meet the needs of current and future residents. I'm very grateful to everyone who contributed to this process, and I look forward to all the work that we'll accomplish together.



Peter Troedsson
City Manager, City of Albany



TABLE OF CONTENTS

Shaping Our Shared Future	03
Strategic Planning Process + Community Engagement	04
Mission, Vision + Values	09
Vision Areas (Goals + Tactical Objectives)	10
Reliable and Sustainable Infrastructure	11
Healthy Economy	14
Safe and Resilient Community	17
Connected and Engaged Community	21
High-Performing Government	24
Implementation	29
Strategic Budgeting	31
Acknowledgements	33

SHAPING OUR SHARED FUTURE

The City of Albany has a rich history of strategic planning. Over the years, strategic planning has played a critical role in how we operate, guiding our culture, priorities, and progress, and helping us build a more vibrant, thriving community.

What is a strategic plan?

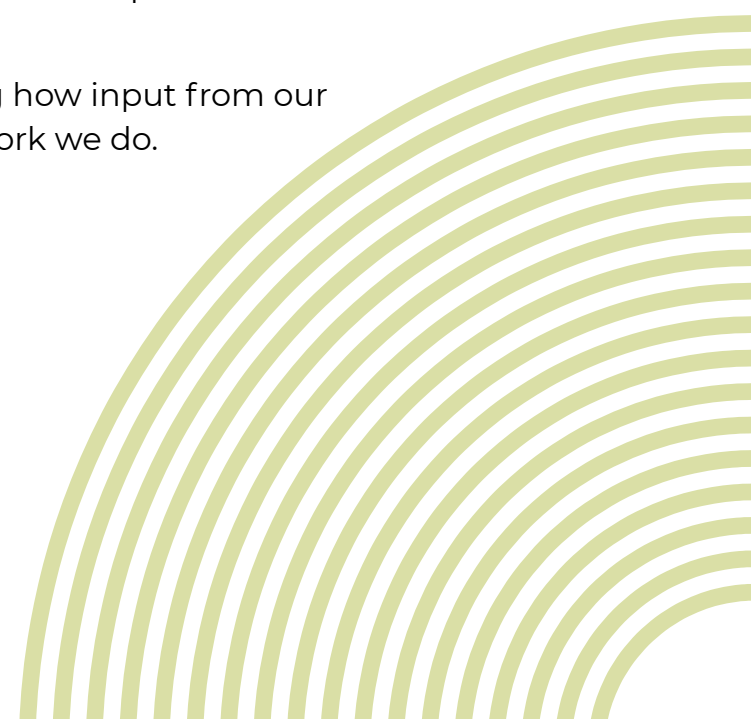
A strategic plan is our city's roadmap for the future. Our plan will guide how we deliver services, set priorities, and invest resources over the next 10-20 years, with input from staff and community members playing an important role.

Why are we updating our strategic plan?

Albany's 2022–2026 Strategic Plan has guided the City's work over the past four years and was developed following extensive Council discussion and community engagement. We're committed to updating the plan on a regular basis to ensure it reflects resident priorities and long-term needs.

Our updated plan guides the next chapter of our City's future, helping us be more proactive, intentional, and transparent by:

- Creating a clear vision for where we're headed.
- Understanding what matters most to the community.
- Aligning City Council, staff, and departments around common goals.
- Supporting smart decision-making and responsible budgeting.
- Tracking our progress and showing how input from our staff and community shapes the work we do.



STRATEGIC PLANNING PROCESS

What process did we use to update the plan?

In fall 2025, the City partnered with SSW Consulting to conduct a comprehensive update of the 2022-2026 Strategic Plan. Together, we set out to:

- **Establish Long-Term Vision and Goals:** Create a strategic plan that defines broad vision areas (10–20 years), medium-term goals (3–5 years), and tactical objectives (1–2 years) aligned to each goal.
- **Engage and Define Values:** Identify vision areas and core values through meaningful engagement with City Council, staff, and the community, ensuring they guide service delivery and decision-making.
- **Measure and Ensure Accountability:** Develop clear measures of success to track implementation progress, demonstrate results, and maintain accountability to Council and the community.
- **Foster a Culture of Strategic Management:** Embed strategic planning into the City's culture, aligning the plan with community, Council, and staff input, as well as the budget process and department work plans.

Project Timeline

The project was organized into four phases:

Planning & Scoping: August–September 2025

Council Workshop: September–October 2025

Engagement: December 2025–February 2026

Plan Development: February–May 2026



Phase 1: Planning & Scoping

The project started with getting the project team aligned, looking at past plans and data, organizing workshop details, and preparing for Council conversations. A cadence for regular check-ins and integration of the plan into day-to-day work was also established. This helps ensure the final plan is able to be executed rather than sitting on a shelf.

Phase 2: Council Workshop

On October 10, 2025, our project team met with Council to hear their priorities, held the strategic planning workshop, and compiled the major themes that emerged. This followed deeper one-on-one discussions with councilors to hear their perspectives on Albany today and into the future.

Phase 3: Engagement

Input from community members and staff is the foundation of the strategic planning process. During the engagement phase, we connected with over 1,750 community members and 120 City employees through a variety of intentional and inclusive engagement activities to understand their values, priorities, and insights to guide the plan update. The results of the engagement helped shape the City's updated mission, vision, values, vision areas, and goals.

Desired Engagement Outcomes:

- Unity around our mission, vision, values, vision areas, and goals.
- Shared goals reached through collaborative discussion and a specific plan to reach them.
- Alignment between the various plans that guide the organization.



HOW WE ENGAGED

IN-PERSON EVENTS

- Engagement boards at Library and Pool
- Riverfront Community Center (RCC) Holiday Lunch Event
- Albany Youth Advisory Council
- Albany Chamber Youth Leadership
- West Albany High School Leadership Class
- South Albany High School Leadership Class
- Staff Lunch-and-Learn event
- Staff focus groups
- City Council interviews
- Strategic Planning Workshop with City Council and Staff

ONLINE

- Community Survey (1,684 responses)
- Staff survey (88 responses)
- Strategic Plan page on the City Website
- Emails
- Social media posts
- Survey promotion in Albany School District email to all families

OTHER

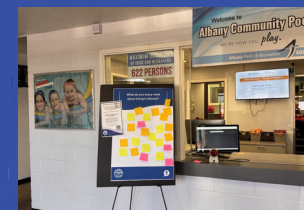
- “Question of the Week” campaign (social media and passive engagement at City facilities)
- Fact sheets, flyers, and table tents at City facilities and local businesses
- Survey flyers distributed by City Council

WHO DID WE HEAR FROM

1,552

Online full community survey responses

1,684 Total online engagement (including survey + “Questions of the Week” campaign)



58

Participants at RCC Holiday Lunch event

24

Participants at Chamber Youth Leadership event



88

Staff survey responses

1

Staff lunch-and-learn event

129

Participants at South Albany High School Leadership Class engagement events

over 3 events



TOP PRIORITIES FROM COMMUNITY ENGAGEMENT

The community engagement resulted in the following top priorities:

- Improve condition of roads and flow of traffic
- Economic development and job opportunities
- Housing availability and affordability
- Public safety
- Infrastructure (water, power, waste systems)

Key takeaways:

- Focus on improving what we have before expansion and growth
- Maintain our unique character and community connection as we grow
- Increase opportunities for living-wage jobs and variety of housing types

Key Takeaways from youth engagement:

Overall, youth priorities align with the input gathered from the broader community engagement. Youth emphasized that they would like to see:

- More community spaces/activities for youth
- More shopping and restaurants (e.g., better mall, both non-fast-food chains and fast-food chains mentioned)
- More community events

Phase 4: Plan Development

We used insights from the community and staff engagement to draft the City's updated mission, vision, values, and vision areas. We worked together to refine the mission, vision, values, and vision areas, and develop goals and tactical objectives through staff focus groups, a staff action planning workshop, and internal development meetings. Additionally, we worked with departments to assign timelines and project leads to facilitate implementation and accountability. We also developed intentional measures of success to track meaningful impact at the vision area level and allow staff to identify necessary adjustments and unforeseen opportunities to advance the vision areas during the planning period. This allows the plan to be a living, flexible document, that works for the community over time.

Throughout the process, we had several intentional touchpoints with City staff, Council, and community members. We engaged with over 120 employees from all City departments to support collaboration and continuity across the organization. We met regularly with Council to ensure alignment with the direction of the strategic plan. And we engaged with community members in multiple ways to gather their priorities for the future and make sure the resulting strategic plan reflected those priorities accurately.



MISSION

Defines our purpose...why we exist

We deliver quality public services, partner across the organization and community, and intentionally plan for the future to ensure Albany remains a safe, vibrant place to live.

VISION

Defines our direction...where we want to be in 10-20 years

Your hub city – safe, connected, beautiful.

Albany is Oregon's hub city - a safe, welcoming community where neighborhoods thrive, people connect, and thoughtful infrastructure and growth create opportunity for generations.

VALUES

Defines what guides us... the lens through which we work.



Service

We are accessible, responsive, and committed to serving our community.



Innovation

We embrace learning and seek continuous improvement.



Collaboration

We work together – with each other and our community – to achieve better outcomes.



Excellence

We deliver high-quality work through professionalism, preparation, and leadership.



Stewardship

We are trusted stewards of public resources and responsible decision-makers.

STRATEGIC PLAN

Framework

- **Vision Areas:** The vision areas outline our priorities for the next 10 to 20 years. They align with our mission and advance the vision.
- **Goals:** The goals are medium-term, highlighting achievable outcomes for the next three to five years. Together they advance their respective vision areas and help achieve the overall Albany vision of being your hub city – safe, connected, beautiful.
- **Tactical Objectives:** The objectives are more specific and measurable; they cover one-to-two-year projects within the plan period, and detail how we will advance each goal area. Each will have a lead and anticipated completion date to promote ownership and accountability.
- **Measures of Success:** Performance indicators to track meaningful progress during implementation and help inform any future adjustments or unforeseen opportunities for the vision areas.

VISION AREAS

What are Albany's priorities for the next 10-20 years?



Reliable and Sustainable Infrastructure



Connected and Engaged Community



Healthy Economy



High-Performing Government



Safe and Resilient Community



TOP COMMUNITY PRIORITIES

RELIABLE AND SUSTAINABLE INFRASTRUCTURE

Albany is committed to strategic infrastructure planning, ensuring assets are well-maintained, dependable, and able to support the city's future needs.

Goal *Develop a cohesive vision and identity for Albany's build out*

Tactical Objectives	Lead	Estimated Completion Date
Complete the Vine Street Water Treatment Plant assessment and identify next steps	Public Works	December 2027
Complete the Wastewater Master Plan	Public Works	September 2027
Make adjustments to parking system in Downtown to reflect increased activity and vibrancy	Community Development	June 2030
Update the Transportation System Plan	Public Works	March 2028
Complete a full update of the City's Comprehensive Plan	Community Development, City Manager's Office	December 2029
Strategically leverage surplus City parcels alongside priority vacant or underutilized employment lands to attract traded sector industries and catalyze targeted development	Community Development, Public Works	March 2028
Update the City's Area Plans to reflect changes in the Comprehensive Plan	Community Development	December 2029
Identify future locations for public safety facilities	Fire, Police	June 2030

Goal area continues on next page.

Tactical Objectives	Lead	Estimated Completion Date
Complete State of Oregon required Housing Capacity Analysis	Community Development	December 2029
Complete State of Oregon required Housing Production Strategy	Community Development	December 2030

Goal *Ensure safe, reliable, and well-maintained infrastructure*

Tactical Objectives	Lead	Estimated Completion Date
Complete the facilities maintenance assessment to identify outstanding and ongoing liabilities	Parks & Recreation	December 2026
Implement Public Dashboard for tracking street conditions and planned improvements	Public Works	March 2027

Goal *Establish a strategic, sustainable, infrastructure funding plan*

Tactical Objectives	Lead	Estimated Completion Date
Develop tools for communicating funding mechanisms for infrastructure	City Manager's Office	December 2026
Re-design the Capital Improvement Plan (CIP) process to provide an inter-departmental and connected five-year outlook for the City's infrastructure needs	Public Works, Finance	December 2028
Secure revenue for Transportation Improvements-streets conditions and traffic safety enhancements	City Manager's Office, Public Works	December 2028
Review the City's unfunded streets liability	Public Works	October 2026
Review and update System Development Charges (SDCs) to better reflect impacts of development of Albany's infrastructure	Public Works	December 2027

MEASURES OF SUCCESS
RELIABLE AND SUSTAINABLE INFRASTRUCTURE

Percent of survey respondents rating Albany's "overall image or reputation" as excellent or good	Ratio of capital improvement plan funded versus unfunded
Percent of survey respondents rating "overall quality of utility infrastructure" as excellent or good	Percent of survey respondents rating likelihood to "recommend living in Albany to someone who asks"
Number of participants in Comprehensive Plan engagement opportunities	Percent of survey respondents rating "preservation of the historical or cultural character of the community" as excellent or good
Average travel time on key corridors	Percent of survey respondents rating "overall quality of new development" as excellent or good
Ratio of actual spending on emergency repairs to planned maintenance on the City's infrastructure	Percent of survey respondents rating "land use, planning, and zoning" as excellent or good
Increase in the amount of grant funds offsetting capital project costs	Percent of survey respondents rating "street repair" as excellent or good

Strategic Planning Dashboard

Interested to learn how we are doing implementing the strategic plan? Visit the City's strategic planning webpage to see the progress of these measures of success and more!



HOW DOES THIS REFLECT COMMUNITY INPUT?

Albany's infrastructure is the foundation of a safe, functional, and livable community. Residents made clear that maintaining and improving the systems we rely on every day including our streets, utilities, and public facilities must come first. This plan reflects this desire by protecting these investments through disciplined maintenance, thoughtful upgrades, and long-term financial planning.

We also heard that Albany could do better in planning for future growth by addressing additional infrastructure proactively. By aligning infrastructure investments with land use, transportation, and economic development goals, the City will ensure that growth is supported, sustainable, and fiscally responsible.

This approach prioritizes reliability today while building the capacity needed for tomorrow.

Community Priorities:

- Improve road conditions and pavement maintenance
- Enhance traffic flow and reduce congestion
- Add or improve sidewalks and pedestrian crossings



TOP COMMUNITY PRIORITIES

HEALTHY ECONOMY

Albany is a thriving regional hub with a diverse economy and strong local businesses. Our vibrant downtown and variety of housing attract and retain a sustainable workforce.

Goal *Strengthen Albany's economic base by attracting and retaining a diverse mix of industries*

Tactical Objectives	Lead	Estimated Completion Date
Create and implement a coordinated economic development marketing strategy	Community Development	June 2028
Identify and make plans to address barriers to development including wetland mitigation and infrastructure costs	Community Development	June 2030
Investigate feasibility of a sports tourism facility	Community Development, Parks & Recreation	December 2027
Define and enhance economic development tools and incentives to attract targeted employers and support major investments	Community Development	March 2030

Goal *Create an environment where small businesses can start, grow, and thrive*

Tactical Objectives	Lead	Estimated Completion Date
Evaluate and implement options to support small business development organizations	Community Development	June 2027
Analyze and provide recommendations on a local business registration or licensing process	Community Development	June 2030
Evaluate and refine city policies, permitting processes, and incentives to ensure they are accessible and supportive of small-scale and startup businesses	Community Development	December 2028

HEALTHY ECONOMY VISION AREA CONTINUED

Goal *Expand housing opportunities to support economic growth*

Tactical Objectives	Lead	Estimated Completion Date
Develop and execute Housing Production Strategy	Community Development	December 2028
Complete execution of the Housing Implementation Plan	Community Development	June 2027
Develop an education campaign around housing options, availability, affordability, and state requirements	City Manager's Office	June 2027

Goal *Downtown is a vibrant hub for economic and social activity*

Tactical Objectives	Lead	Estimated Completion Date
Encourage Ongoing Activation at Monteith Park and Waterfront Plaza	Parks & Recreation	December 2026
Explore opportunities to incorporate public art into the downtown	Parks & Recreation	December 2028
Complete all activities and fulfill remaining obligations associated with the Central Albany Revitalization Area, and recognize and highlight the program's accomplishments.	Community Development	June 2028
Develop a recommendation for the future use of the Carnegie	Library	June 2029

Goal *Advance Albany's role as a regional economic hub to support innovation, strategic opportunities, and a sustainable and skilled workforce.*

Tactical Objectives	Lead	Estimated Completion Date
Capitalize on existing industry strengths, proximity to local universities, and emerging innovation sectors to capture cutting-edge, locally-grown talent and companies	Community Development	June 2030
Refresh and implement the City's Economic Development Strategy	Community Development	October 2027

Goal area continues on next page.

Tactical Objectives	Lead	Estimated Completion Date
Explore partnerships to offer an increased portfolio of workforce development classes and programs	Library, Community Development	June 2028

**MEASURES OF SUCCESS
HEALTHY ECONOMY**

Net growth of jobs in target sectors	Number of unique touch points with innovation start-up companies and partners
Average submittal review time for building permits	Commercial and industrial vacancy rates
Average submittal review time for land use applications	Percent of survey respondents rating "Availability of affordable quality housing" excellent or good
Number of small business start-ups and expansions	Percent of survey respondents rating "overall economic health" as excellent or good
Unique users of Small Business Development Center services	Percent of survey respondents rating "vibrancy of downtown/commercial area" as excellent or good
Downtown vacancy rate	Percent of survey respondents rating "Albany as a place to visit" as excellent or good
Number of programmed days for Waterfront Avenue and Monteith Park	

HOW DOES THIS REFLECT COMMUNITY INPUT?

A strong, diverse economy is essential to Albany's long-term livability and prosperity. The City is committed to fostering an environment where local businesses can thrive, new investment is welcomed, and residents have access to quality, living-wage job opportunities.

This means supporting the small businesses that define Albany's character while also attracting a broader mix of employers to strengthen economic resilience. It also requires aligning housing, infrastructure, and workforce development so that growth translates into real opportunity for the community. By taking a coordinated and intentional approach, Albany will support economic vitality that benefits both current and future residents.

Community Priorities:

- Support local small businesses and startups
- Attract new businesses and employers
- Improve infrastructure (roads, utilities, broadband) to support business growth
- Revitalize and promote downtown
- Invest in workforce training and partnerships
- Increase workforce housing, diversity of housing options, high-density to improve affordability



TOP COMMUNITY PRIORITIES

SAFE AND RESILIENT COMMUNITY

Albany is a safe, inclusive, and resilient community where residents, services, and infrastructure are protected, supported, and trusted. We anticipate risks, reduce vulnerabilities, and are ready to respond and recover effectively.

Goal *Enhance the security and resilience of Albany's information and technology systems to protect residents and operations*

Tactical Objectives	Lead	Estimated Completion Date
Complete a business network cybersecurity audit and controls assessment	Information Technology	December 2026
Rollout a citywide mobile device management system	Information Technology	June 2027
Update the citywide framework for continued cybersecurity review and management	Information Technology	December 2026
Implement an automated data governance system	Information Technology	December 2028

Goal *Implement proactive hazard mitigation and emergency management strategies*

Tactical Objectives	Lead	Estimated Completion Date
Develop continuity of operations plans (COOPs)	Information Technology, City Manager's Office	December 2027
Develop a consolidated emergency communications plan	City Manager's Office	June 2027
Deploy cloud-based failover and disaster recovery capabilities	Information Technology	June 2027
Develop a Resilience-Focused Natural Areas and Urban Forest Master Plan	Parks & Recreation	December 2028

Goal area continues on next page.

Tactical Objectives

	Lead	Estimated Completion Date
Identify, prioritize, and run table-top exercises and trainings with all departments	Information Technology, City Manager's Office	June 2028
Identify hazard areas and develop sustainable solutions for wildfire fuel reduction and defensible space	Fire	December 2028
Improve City's ability to stand up Emergency Operations Center (EOC)	Fire	December 2028
Develop strategies for enhancing life safety initiatives	Fire	December 2029

Goal *Enhance community safety through strategic implementation of technology and best practices*

Tactical Objectives

	Lead	Estimated Completion Date
Complete the Fire Standards of Coverage and Feasibility Study	Fire	June 2027
Examine workload metrics to identify gaps and recommendations for personnel alignment	Police	December 2026
Review and integrate AI into CAD/RMS to improve efficiency	Police	December 2026
Review performance and opportunities for the photo enforcement program	Police	September 2028
Develop strategies for implementing cloud-based solutions for digital evidence management	Police	December 2028

SAFE AND RESILIENT COMMUNITY

Goal *Ensure parks, neighborhoods, and public spaces are designed and maintained to support safety and well-being*

Tactical Objectives	Lead	Estimated Completion Date
Increase the number of security cameras in parks and along trails	Parks & Recreation	October 2026
Identify and prioritize lighting gaps along trails and sidewalks, and design a strategy for installing additional lighting	Public Works	December 2027
Educate the community on the City's available enforcement actions and how to report concerns	Police	June 2028
Explore opportunities to facilitate crime prevention through environmental design of parks and trails	Parks & Recreation	December 2030
Consider options for future maintenance of street trees	Parks & Recreation	December 2026

Goal *Partner with the community to improve safety in private and public spaces, and neighborhoods*

Tactical Objectives	Lead	Estimated Completion Date
Implement seismic stability program for our Historic Districts and structures	Community Development	March 2029
Development and implement a neighborhood traffic safety program	Public Works	March 2028
Explore options to expand the Park Ranger program	Police	December 2028
Implement Vision Zero Plan	Public Works	December 2030

**MEASURES OF SUCCESS
SAFE AND RESILIENT COMMUNITY**

Percent of cybersecurity controls aligned with recognized frameworks	Average response time to mitigate graffiti and vandalism in the City's parks
Percent of audit-identified security issues mitigated by improved controls	Average response time to clean up camps in the City's parks and trails system
Percent of Albany's population receiving emergency notifications	Vision Zero index score
Overall crime rate for the City of Albany	Number of neighborhood watch groups in the City of Albany
Major crimes rate for the City of Albany	Percent of survey respondents rating "the quality of ambulance or emergency medical services" as excellent or good
Average response time for the Police Department	Percent of survey respondents rating "the quality of emergency preparedness" as excellent or good
Average response time for the Fire Department	Percent of survey respondents rating the "overall feeling of safety" as excellent or good
Number of reported criminal incidents in the Albany parks and trails system	Percent of survey respondents rating "how safe they feel in their neighborhood during the day" as very or somewhat

HOW DOES THIS REFLECT COMMUNITY INPUT?

Albany's parks, neighborhoods, and public spaces are central to community life. While residents value these shared spaces, they also expect them to feel safe, accessible, and welcoming for everyone. The City is committed to creating an environment where people can confidently gather, move, and connect.

This requires a comprehensive approach that combines community policing, thoughtful design of public spaces, strong partnerships with community-based organizations, and investments in emergency preparedness and response. Addressing safety also means responding to complex challenges, including homelessness and behavioral health needs, in ways that are coordinated, compassionate, and effective.

By aligning prevention, response, and long-term solutions, Albany will strengthen both the perception and reality of safety across the community.

Community Priorities:

- Improve safety and maintenance in parks, trails, and public spaces
- Address homelessness and behavioral health needs
- Improve street lighting, crosswalks, and traffic safety
- Increase police visibility and community policing efforts
- Enhance emergency response capabilities (fire, EMS, disaster preparedness)



TOP COMMUNITY PRIORITIES

CONNECTED AND ENGAGED COMMUNITY

Albany fosters a strong hometown identity, with distinctive and connected neighborhoods, accessible amenities, and opportunities for residents to participate in civic and community life. We seek opportunities to bring people together.

Goal Create vibrant places and opportunities where people gather

Tactical Objectives	Lead	Estimated Completion Date
Complete the Library Strategic Plan and review implementable measures	Library	June 2027
Pilot "We're On The Move" recreation and cultural programming	Parks & Recreation	December 2026
Encourage placemaking and urban design through Comprehensive Plan and Area Plan updates	Community Development	December 2029
Update the Parks, Recreation, and Cultural Master Plan	Parks & Recreation	December 2028

Goal Foster pride and a strong sense of place in Albany

Tactical Objectives	Lead	Estimated Completion Date
Promote City and community efforts to preserve Albany's unique historic character and efforts to keep these resources intact and viable.	Community Development	December 2027
Evaluate opportunities to expand volunteer programs in our parks	Parks & Recreation	October 2027
Develop parks maintenance standards and priorities	Parks & Recreation	March 2027
Explore strategies for engaging new volunteers to support police community initiatives	Police	December 2027

Goal Strengthen civic engagement

Tactical Objectives	Lead	Estimated Completion Date
Host at least one civic engagement event per quarter	City Manager's Office	June 2027
Upgrade the City's website to improve access to information, usability, and online engagement	City Manager's Office	June 2028
Launch centralized interactive tools for community engagement	City Manager's Office	June 2029
Review and prioritize opportunities for increased accessibility to City services	City Manager's Office	June 2030
Begin review of ward map boundaries based on census data to ensure representation of residents of City government	City Manager's Office	June 2030

Goal Promote an inclusive and welcoming community

Tactical Objectives	Lead	Estimated Completion Date
Pilot a grant program for re-integrating members of the community experiencing homelessness due to opioid use	Finance	June 2027
Work with our local hospital system to improve interfacility transfers and wait times	Fire	June 2028
Review strategies and funding mechanisms for expanded behavioral health case management	Police	December 2026
Explore implementation of a community court program	Finance	June 2028
Identify opportunities for the Library to partner with community organizations to connect people to resources	Library	June 2028

**MEASURES OF SUCCESS
CONNECTED AND ENGAGED COMMUNITY**

Number of active Community User cards issued at the Library	Percent of survey respondents rating "Albany community...sense of civil/community pride" as excellent or good.
Number of unique renters for Library spaces	Percent of survey respondents rating "the job Albany government does at welcoming resident involvement" as excellent or good.
Number of unique renters for Riverfront Community Center spaces	Percent of survey respondents rating "quality of life in Albany...as a place to work" as excellent or good.
Percent of survey respondents rating "overall confidence in Albany government" as excellent or good.	Percent of survey respondents rating "quality of life in Albany...as a place to visit" as excellent or good.

HOW DOES THIS REFLECT COMMUNITY INPUT?

As Albany grows, maintaining the small-town feel and community character that residents value is essential. People want Albany to remain a place where neighbors know each other, community spaces are active and welcoming, and local identity is visible in everyday life. At the same time, building and sustaining public trust is essential to ensuring residents remain connected to the decisions that shape Albany's future.

The City is committed to preserving and strengthening this character by investing in the places and experiences that bring people together. Well-maintained parks, connected trails, and inclusive community activities create space for residents of all ages to interact, build relationships, and grow with Albany. Meaningful and regular community engagement strengthens transparency, fosters shared ownership, and helps ensure Albany continues to reflect the values and priorities of the community as it evolves.

Community Priorities:

- Upgrade and maintain existing parks and playgrounds (i.e., restrooms, seating, shade, and other amenities)
- Address homelessness and behavioral health needs
- Expand walking and biking trails
- More community spaces/activities for youth
- More community events



TOP COMMUNITY PRIORITIES

HIGH-PERFORMING GOVERNMENT

Albany is proactive, strategic, and collaborative. We deliver efficient, transparent services that meet community needs now and into the future.

Goal

The City operates under a culture of continuous process improvement and operational excellence

Tactical Objectives

	Lead	Estimated Completion Date
Develop and implement Albany Way training	City Manager's Office	October 2026
Create process improvement toolkits for departments	Information Technology	December 2026
Create active feedback processes for users of city services	City Manager's Office	October 2027
Design and implement a cohesive development services approach to enhance the customer experience and improve processes.	Community Development, Public Works	June 2030
Evaluate opportunities for emerging leaders training	Human Resources	June 2028

Goal

The City recruits and supports a qualified and highly-engaged workforce that delivers exceptional service

Tactical Objectives

	Lead	Estimated Completion Date
Evaluate and advance Vibe Team recommendations to strengthen the new hire experience	City Manager's Office	June 2027
Analyze and develop strategies for identifying and addressing compression issues in the City's compensation structure	Human Resources	June 2030
Develop and implement a modern performance management system that aligns with best practices to support successful teams	Human Resources	December 2026

Goal area continues on next page.

Tactical Objectives

	Lead	Estimated Completion Date
Review effectiveness of new supervisor training series and implement improvements where needed	Human Resources	March 2027
Implement skills-based recruitment practices emphasizing competencies and transferable skills	Human Resources	December 2027
Explore a model for internship opportunities at the City of Albany	Human Resources	December 2027
Explore options for increasing Fire training division capabilities	Fire	December 2029
Establish a cohesive employer brand	City Manager's Office	June 2028
Establish an Employee Wellness Team to recommend and implement whole-employee wellness initiatives	Human Resources	December 2027
Evaluate integration of Gallup Q12 Best Practices into performance management	Human Resources	December 2029

Goal *The City makes data-driven decisions that support the needs of today and tomorrow*

Tactical Objectives

	Lead	Estimated Completion Date
Identify and prioritize key data gaps for assessing overall organizational and process performance including cost recovery	City Manager's Office	March 2027
Update the City's enterprise data warehouse to ensure departments have access to data for decision making	Information Technology	June 2028
Ensure that all departments are tracking and utilizing data to review and adjust processes	City Manager's Office	June 2028
Evaluate options to enhance City lighting for safety and beautification	Public Works	June 2028
Ensure that all departments have received training in data storytelling	City Manager's Office	June 2028

Goal *Revenues are diverse and resilient*

Tactical Objectives

	Lead	Estimated Completion Date
Implement a fully burdened cost recovery approach to intergovernmental services	City Manager's Office	June 2030
Analyze and implement credit card and banking fees recovery mechanisms	Finance	December 2026
Complete 10-year financial models for all funds	Finance	June 2028
Review and update Community Development Fees	Community Development	December 2026
Develop a 5-year plan for addressing reserve levels	Finance	June 2027
Establish a Civic 501c3 to support the City's strategic plan initiatives	City Manager's Office	June 2028
Review public safety levy needs and pursue renewal	City Manager's Office	June 2029

Goal *The City optimizes organizational resources through collaboration and shared solution-development*

Tactical Objectives

	Lead	Estimated Completion Date
Establish a strategy for implementing the results of the City Hall space study	City Manager's Office	June 2027
Develop and implement a technology purchasing framework for review, management, and implementation of software and hardware solutions	Information Technology, Finance	December 2027
Develop an implementation plan for addressing the findings of the Airport Feasibility Study	Public Works	December 2028

Goal area continues on next page.

HIGH-PERFORMING GOVERNMENT

Goal area continued

Tactical Objectives

	Lead	Estimated Completion Date
Re-evaluate the City's role within the Linn Library Consortium	Library	June 2028
Explore opportunities for a shared Operations campus between Public Works, Parks, and Facilities	Public Works	June 2028
Complete a citywide fleet assessment to determine liabilities, needs, and future management structures	City Manager's Office	June 2030
Develop a plan for the long-term use of the City's transit facilities	Public Works	June 2028

Goal Equip staff with modern technologies and tools to deliver efficient, responsive, and accessible services

Tactical Objectives

	Lead	Estimated Completion Date
Complete the Munis reset project to enhance processes and improve transparency	Finance	March 2027
Implement a citywide e-procurement system	Finance	June 2027
Establish citywide artificial intelligence (AI) governance standards	Information Technology	June 2027
Develop and implement an AI integration plan that supports effective service delivery, both internal and external	Information Technology	June 2030
Implement passwordless systems to improve employee workflows and enhance security	Information Technology	June 2028

MEASURES OF SUCCESS HIGH-PERFORMING GOVERNMENT

Voluntary turnover rate	Annual hours redirected due to process improvements (collaborative use of resources)
Percent of employees who are proud to work for the City of Albany	Annual hours redirected due to process improvements (technology)
Percent of departments with active performance metrics	Annual cost savings due to process improvements (overall)
Percent of recommended reserve balance for the General Fund	Percent of employees who feel they receive proper training for their work
Ratio of annual revenue growth to expenditure growth in the General Fund	Percent of survey respondents rating "overall customer service by Albany employees" as excellent or good.
Annual hours redirected due to process improvements (overall)	Percent of survey respondents rating "the value of services for the taxes paid to Albany" as excellent or good

HOW DOES THIS REFLECT COMMUNITY INPUT?

Delivering excellent service to the community starts with strong internal systems. The City is intentionally investing in the people, processes, and tools that enable consistent, high-quality service—today and into the future. This means modernizing how we work, aligning resources with priorities, and building an organization that is resilient, efficient, and responsive.

Fiscal responsibility, transparency, and accountability remain foundational to public trust. At the same time, the City is focused on improving how services are delivered including streamlining processes, leveraging technology, and creating a more seamless experience for residents and businesses. Equally important is investing in our workforce to ensure we can attract, develop, and retain the talent needed to serve a growing community with excellence.

Community Priorities:

- Improve the experience of residents and businesses with the City
- Strengthen internal operations (finance, process improvement, communication, use of technology, etc.)
- Invest in staff development and retention

IMPLEMENTATION

Successfully implementing this strategic plan requires more than simply documenting goals. By cultivating a culture of strategic management, we'll keep the plan alive and relevant in the organization's daily work to serve Albany.

Strengthening our Culture of Strategic Management

This plan is designed to strengthen our culture of strategic management and guide the City in developing an increasingly efficient, effective, and transparent system of providing public services. Regular engagement from the community, City Council, boards and commissions, and City staff is essential to fostering a system that is responsive and accountable.

The strategic plan will be updated regularly to ensure the plan remains relevant in meeting current community and organizational needs, and maintaining alignment between the strategic plan, budget, and departmental work plans.

YEAR 1: 2026-2027 Launch & Implementation

- Strategic Plan website and dashboard goes live Summer 2026
- Department workplans built (Spring-Summer 2026)
- Strategic budgeting process kick-off (Fall 2026)
- Strategic Plan Touch-Base (Winter 2027)
- 2027-2029 Biennial Budget Adopted (Spring 2027)

EVERY YEAR INCLUDES:

- Quarterly Strategy and Financial Updates

YEAR 2: 2027-2028 Measure and Refine

- Biennial community survey (Fall - Winter 2027)
- Strategic Plan Mid-Point Progress Check-in (Winter 2028)
- Department workplan adjustments (Winter - Spring 2028)

EVERY YEAR:

The City will conduct an annual touch-base of the plan to assess the progress accomplished, track measures of success, and address any unforeseen adjustments or opportunities that arise. The City will prepare an annual report to share and celebrate progress on the plan.

EVERY TWO YEARS:

Every two years, the City will conduct a community survey to gather feedback from community members to inform the strategic plan. Additionally, the Council will gather for their goal setting work session. Building on the results of the survey and Council goal setting, the City will complete a halfway point deep dive progress check-in to prioritize tactical objectives and consider adding any new objectives to support accomplishing the goals and vision areas.

YEAR 3: 2028-2029 Adjust and Deliver

- Strategic budgeting process kick-off (Fall 2028)
- Strategic Plan Touch-Base (Winter 2029)
- 2029-2031 Biennial Budget Adopted (Spring 2029)

YEAR 4: 2029-2030 Plan the Next Chapter

- Biennial community survey (Fall - Winter 2029)
- 2030-2034 Strategic Plan Kick-off (Fall 2029)
- Strategic Plan Public Engagement (Winter 2029-Winter 2030)
- 2030-2034 Strategic Plan Adoption (Spring 2030)

EVERY FOUR YEARS:

A comprehensive update will be conducted every four years, involving significant community engagement; a review of the mission, vision, and values; and realignment of vision areas, goals, and tactical objectives with community priorities.

- Annual Reports on accomplishments

- Annual Department Updates

The graphic below illustrates what the implementation process will look like over the next four years to maintain alignment between the strategic plan, biennial budget, and department workplans. It also highlights where engagement will take place so the community, Council, and staff understand when and how they participate in this process.

STRATEGIC BUDGETING

The resulting Strategic Plan FY2026-2030 is the first plan built to incorporate strategic budgeting, a deliberate approach that links the City’s long-term vision with the allocation of resources. Strategic budgeting ensures that funding, staffing, and capital investments directly support the City’s priorities and desired outcomes, rather than simply responding to immediate needs. By aligning the plan and the budget in a cyclical process, Albany can proactively plan for the future, make informed financial decisions, and deliver the services and projects that matter most to the community. This approach strengthens transparency, accountability, and fiscal responsibility while allowing the City to execute its vision more effectively.



SUPPLEMENTAL DOCUMENTS



Our Strategic Plan was created in alignment with other City plans, including the Comprehensive Plan, Capital Improvement Plan, and many more. To see how all this work connects, scan the QR code to visit our website.

Strategic Budgeting Cycle

- **Community surveys**
- **Community engagement events**



- **Strategic Plan**
- **Operating plans**
- **Supporting plans**
- **Outline measures of success**

- **Implement programs**
- **Monitor**
- **Adapt as needed**

- **Biennial budget**
- **Long-term models**



ACKNOWLEDGEMENTS

CITY COUNCIL



Alex Johnson II,
Mayor



Steph Newton,
Ward 1



Michael Thomson,
Ward 1



Chris Van Drimmelen,
Ward 2



Carolyn McLeod,
Ward 2



Ramycia McGhee,
Ward 3



Marilyn Smith,
Ward 3

PROJECT TEAM

Kayla Barber,
Deputy City Manager

Matt Harrington,
Communications & Engagement Manager

CITY STAFF

- **Peter Troedsson,** City Manager
- **Kayla Barber,** Deputy City Manager
- **Sophie Adams,** Economic Development Manager
- **Staci Belcastro,** City Engineer
- **Mary Dibble,** Senior Management Analyst
- **Erik Glover,** City Recorder
- **Marcia Harnden,** Police Chief
- **Matt Harrington,** Communications & Engagement Manager
- **Eric Ikenouye,** Library Director
- **Makenna Kackley,** Deputy City Recorder/ Executive Administrative Assistant
- **Chris LaBelle,** Fire Chief
- **Kim Lyddane,** Parks and Recreation Director
- **Sean Park,** Chief Information Officer
- **Buck Pearce,** Police Captain
- **Kirstin Preston,** Operations Manager
- **Holly Roten,** Human Resources Director
- **Matthew Ruetters,** Community Development Director
- **Paul Trombino III,** Public Works Director
- **Jeanna Yeager,** Finance Director

TO CITY STAFF...

We would also like to include a special thank you to all of the City of Albany employees who provided feedback either through a survey, focus group, workshop, or development of objectives. The strength and forward-looking aspect of this plan would not be possible without your hard work and dedication. We look forward to bringing it to life with all of you.



To our community, we are deeply appreciative of your engagement with the City of Albany. Thank you for sharing your ideas, perspectives, and experiences with us through the community survey, focus groups, engagement boards at City facilities, and community events. Your input directly shaped the strategic plan, and we look forward to accomplishing these goals to best serve our community.

THANK YOU!



CITY OF ALBANY

333 Broadalbin St SW
Albany, OR 97321

541-917-7500



SSW CONSULTING

Prepared by **SSW Consulting**

Sara Wilson, Owner/Principal

Ashley Sonoff, Facilitation + Strategy Associate

Sasha Konell, Communications + Engagement Associate

Alex Logue, Communications + Engagement Associate

Kelsey O'Halloran, Communications & Engagement Strategist



TO: Albany City Council

VIA: Peter Troedsson, City Manager
Kayla Barber, Deputy City Manager

FROM: Paul Trombino III, P.E., Public Works Director

DATE: May 13, 2026, City Council Meeting

SUBJECT: Local Fuel Tax Discussion

Purpose:

The purpose of this memo is to present an overview of the findings of the Albany Transportation Listening Sessions held on April 1 and April 15, 2026. These sessions gathered direct resident input on the condition of the City’s roads and transportation infrastructure, project prioritization and execution, funding options, and broader community priorities. This work supports the City’s Strategic Plan by centering community voices in decisions for identifying funding for critical public infrastructure.

Background/Discussion:

In early 2026, the City convened two transportation listening sessions to better understand resident perspectives on Albany’s road network and potential approaches to addressing its long-term needs. Approximately two dozen residents participated across the sessions, representing a range of neighborhoods and viewpoints.

The sessions were facilitated by Swift Public Affairs. Participants expressed a consistent mix of deep concern for road conditions, some frustration with past project execution, and conditional support for future investment. Key themes that emerged include:

Geographic disparity in road quality, with older neighborhoods such as Monteith and Hackleman (particularly 3rd to 8th Streets on the Lyons side) described as being in significantly worse condition than newer developments and parts of North Albany.

A trust concern rooted in execution, highlighted by repeated examples of roads being repaved only to be reopened shortly afterward for utility work (e.g., Elm Street, 1st and 2nd Streets), the Queen Avenue railroad crossing, and roundabout installations. These experiences have drawn concerns of reactive rather than strategic planning.

Management vs. money debate, with some residents viewing the past figure of \$12 million annual transportation funding deficit as the core issue, while others emphasize the need for better prioritization, coordination, and accountability before seeking additional revenue.

Equity and heavy-vehicle impacts, including concerns that commercial and heavy vehicles (dump trucks, garbage trucks, semi-traffic) disproportionately damage roads originally designed for car traffic.

Strong support for preventative maintenance as a high-return strategy (extending road life by 10-15 years), provided it is implemented consistently and with visible quality.

Communication and transparency gaps, with residents requesting straightforward, mailed updates explaining budgets, prioritization criteria, timelines, and decision logic in plain language.

Divisions on funding mechanisms and scope, with mixed reactions to a gas tax, utility fee, or mileage-based fee and openness to hybrid approaches; sharp differences also exist on whether “transportation funding” should be restricted to pavement maintenance or include sidewalks, bike infrastructure, and transit.

Planning fatigue, with some participants expressing skepticism about repeated planning efforts without visible follow-through or commitment to prior plans.

Overall, the sessions reflect an engaged but cautious community. Residents care deeply about transportation infrastructure and are open to solutions – including new revenue though trust in the City’s ability to manage projects effectively, prioritize fairly, communicate transparently, and deliver results will be decisive.

Strategic Plan Impact:

These listening sessions directly support each of the City’s Strategic Plan themes. Improved road conditions and equitable infrastructure investment strengthen **Great Neighborhoods** by enhancing livability, connectivity, and quality of life across all areas of Albany. Reliable, well-maintained transportation networks advance **A Safe City** through safer travel and emergency response capabilities. The work contributes to **A Healthy Economy** by supporting business mobility, freight movement, and long-term economic vitality. Finally, the transparent community engagement process reinforces **An Effective Government** by using resident input to inform data-driven decisions and build accountability in public infrastructure management.

Budget/Staff Impact:

None

Staff Recommendation:

Staff recommends that the City Council direct staff to take the following next steps:

1. Develop and implement a comprehensive communication and transparency plan. This plan will directly address resident concerns by providing clear, plain-language explanations of prioritization criteria, project sequencing and coordination (especially with utilities), budget allocation, and preventative maintenance benefits through mailed updates, online dashboard, and other accessible formats.

2. Expand community and stakeholder outreach, including providing an update to listening session participants, and continue engagement as funding strategies and project priorities are further developed.
3. Develop defined project list which includes addressing residential street repairs, with particular focus on long-neglected areas such as Monteith and Hackleman, while improving coordination between road and utility work to prevent repeated disruptions.
4. Analyze funding options to present a complete financial strategy supported by clear data on current capacity versus needs, a defined scope for “local funding,” and enforceable accountability and reporting measures to improve trust as potential new revenue proposals are advanced.

Local Fuel Tax Discussion

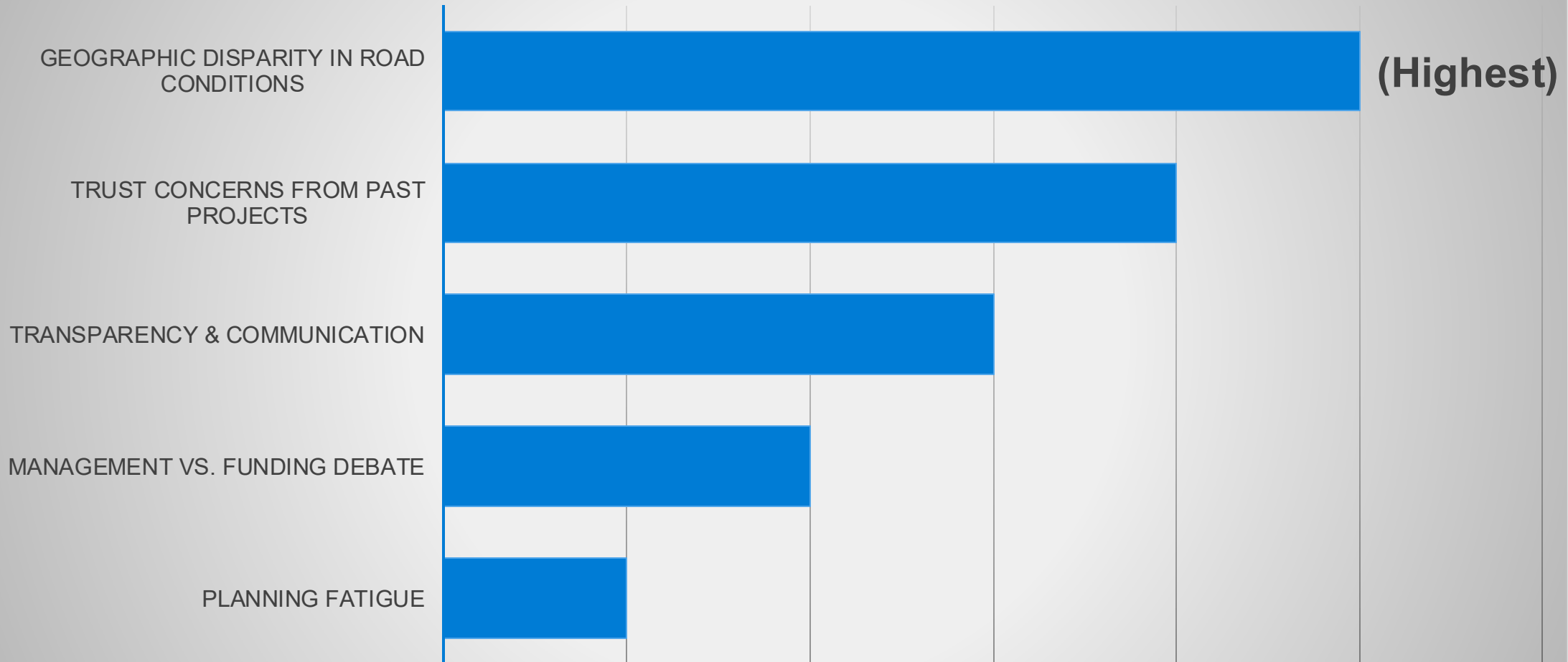
Key Findings & Recommended Next Steps

Paul Trombino III, P.E., Public Works Director

May 13, 2026



Key Findings



Emphasis



Recommended Next Steps

- Develop Communication Plan for transparency
- Expand Community outreach
- Develop defined project list
- Analyze funding options



Funding Opportunities

Revenue Tools

- Local Gas Tax
- Transportation Utility Fee
- System Development Charges (SDC)

Complementary Financial Strategy

- Identify grant opportunities
- Identify process improvements for time and cost savings in design, construction, and delivery of all projects

These opportunities will be analyzed alongside defined project lists, needs vs. current capacity data, and accountability measures.



Thank you

