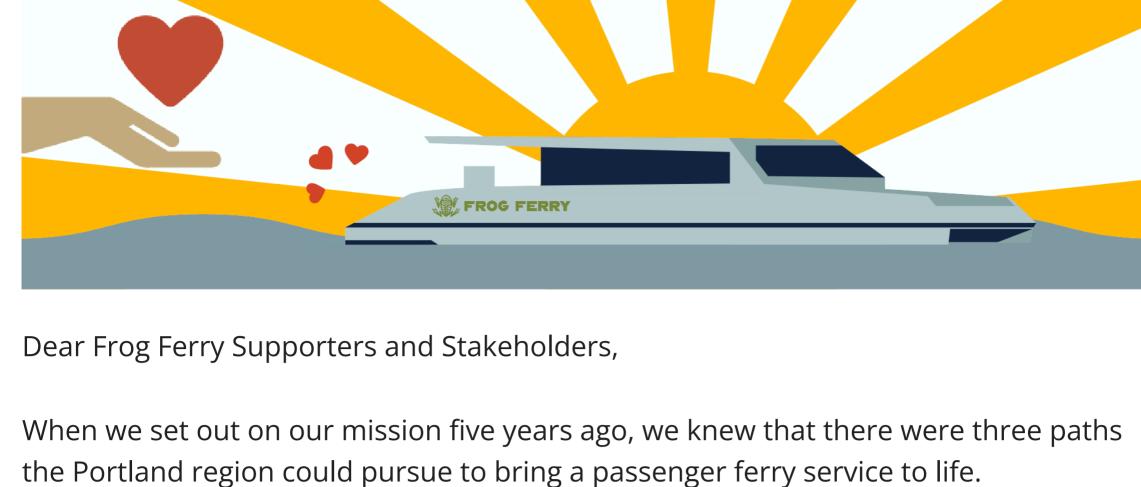


Crossroads: A Letter to Our Supporters and Stakeholders from our **Founder and Board Chair**



This is an operating model that has been successful in major cities such as Seattle, but requires time, attention, and resources of the lead agency.

This is what our transit agency has

Public agency led, planned, &

Can use existing publicly-owned

Longer planning cycle

Low ticket costs

docks

said they will not lead.

• Second, there could be a private ferry operation that would inevitably mean higher ticket prices for consumers since there is no public subsidy, with a return on investment for the company.

• First, our public agencies could lead the initiative as a wholly public operation.

agencies; a public-private partnership, in which Frog Ferry would manage the research, project management, and operations in partnership with a public agency that would help access funding and work with us to secure the dock

The third option was developed in our conversations with the public transit

- locations, infrastructure, and help us integrate with other modes of public transit. At that time, we viewed ourselves as a catalyst to help the region consider a new, proven, green transit mode—and we didn't envision a role beyond Phase I. Our 501(c)(3) status was awarded to us largely because we are
- doing the work our public agencies are not. **Potential Operations Structure: Public** Public - Private **Private**

This is what we have tried to pursue.

Efficient start up and planning

Low ticket costs (can tap into

Can use existing publicly-owned

Collaboration

public funding)

docks

This is a potential option we will

Efficient start up and planning

Higher ticket price (without

Potential not vet known for

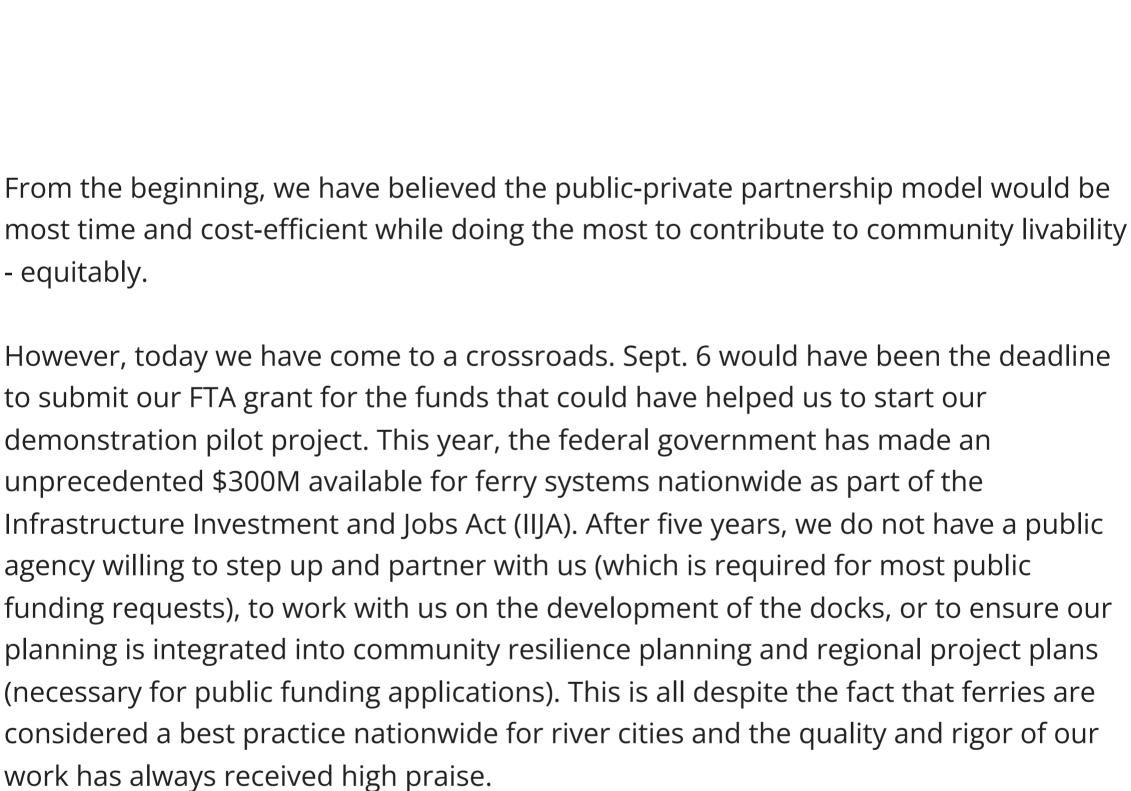
using existing public and private

Privately funded

subsidy)

docks/pilings

consider.



We have accomplished a lot, built many relationships, and have taken great strides

towards putting a boat on the water to help improve the livability of our community

following (you'll find these documents and information at frogferry.com):

Sourced docks and outlined a business plan for each for access

Organized ferry experts to consult on our operations

• Procured financial awards, sponsorships, and private donations

work would have taken. We have delivered a lot on a shoestring with a total

Received more than \$8M in pro bono professional services

Developed a proforma that demonstrates the financial feasibility

Completed Operational Feasibility Study

Completed Demand Study

"Joy in the Journey."

needs

grants.

and change transit patterns to help curb carbon emissions. We have accomplished the

• Garnered letters of support from more than 100 businesses, Neighborhood Associations, and River stewardship organizations • Developed a Community Benefit Plan through community engagement, (in partnership with Sunrise PDX) • Developed a project plan for a demonstration route from St. John's/Cathedral Park to our downtown core at RiverPlace dock

Developed a brand platform and marketing plan, detailing how we will deliver

• Provided an estimated savings of \$20-30M to taxpayers with the work delivered

Imagine if a public agency had tackled starting a new mode of transit—the dollars,

time, and attention the City would have committed to the project and how long this

investment of \$90K from the City and \$300K from the State (via TriMet) from two STIF

Designed a vessel that would meet our low-wake and low bridge clearance

- We essentially have a solution ready to address the climate and livability needs for our region we hear about every day - we are able to a put a boat on the water within 18
- We have appreciated and enjoyed your calls and emails asking, "How can I help?" We

(relative to other transit modes) and time-efficient solution.

recommend you sign up for our <u>newsletter</u>, follow us on our social channels (links provided at bottom of newsletter), and invite friends, family, neighbors, and

community members to do the same. We encourage you to support our organization

with financial contributions here, which will be matched 1:1 by a generous supporter

to help us. We suggest you continue to reach out to elected leaders and express how

you believe a ferry service can serve our community and environment. We have a

complex problem in climate change, and we offer a relatively simple, inexpensive

movement has been powerful and reflects the best of the Portland/Vancouver region.

months. We will not be able to do so until our City Leaders also make it a priority.

In the meantime, we are happy to engage in conversation with you. Our grassroots

We are forever grateful to you for your support and hope that at some point in the future, we can all enjoy being on the water together. With sincere appreciation, Susan Bladholm James Paulson

Susan Bladholm, Frog Ferry Founder/President and James Paulson, Frog Ferry Board Chair The last 6 months - Project Update

In our Spring newsletter we wrote about how we believe in a brighter future for

the millions of dollars we needed, if successful, to order our boat and make the

necessary dock improvements to run our pilot demonstration project from St.

our application, however they needed to see financial oversight, a financial

to be successful. Last year's application was a "pass through" partnership only,

meaning the City did not provide matching funds or implementation resources.

Portland. That belief has been at the core of our efforts as we have worked diligently

over the last 6 months to keep our project moving forward. All of our work was geared

towards applying for the annual FTA ferry grant today, Sept. 6th, which would provide

Johns/Cathedral Park to RiverPlace dock at the South Waterfront. Last year we were

not successful with our FTA grant application. In a debrief with the FTA, Frog Ferry and

members of PBOT were told that they liked the premise, plan, need, and storyline of

contribution from the City, and project management involvement from the City for us

Founder/President **Board Chair**

However this year, the City did not agree to our request to apply for this year's FTA grant. We had asked for a financial investment and project management resources. Without their partnership, we are not able to participate in this year's grant cycle. It will be another full year before those funds are eligible for Oregon again.

Over the last six months, we have done everything possible to position us well for this

TriMet/ODOT STIF Contract: We finished our contract with TriMet and received a

memo from them indicating there are no outstanding issues. After the contentious

public – private partnership model.

City Council meeting on April 13th where questions were raised about our documentation for the STIF contract, we submitted additional invoices against the ODOT STIF grant. Unfortunately, because our ability to pay out invoices was limited due to our constrained financial situation (this was an expense-based grant), and TriMet only approved a portion of our total expenses, deciding that most of our billings were unacceptable, we were not paid \$400K of a \$500K ODOT grant we were awarded in May 2021. The contract with TriMet concluded on June 30, 2022. Business Leadership: We had a forum on July 7th with business leaders in our community, organized by Jim Mark of Melvin Mark Companies. These leaders believe in the potential for a ferry service to bring about change and we asked them to help us fund a portion of the shortfall from not being able to recoup the majority of the ODOT grant. This inspired financial support to help move us forward. We raised approx. \$15K on the spot and in addition were generously offered a 1:1 match up to \$10,000.

being involved in a meaningful way. Our wide grassroots support, lean and efficient team, and passion for doing good for Portland have carried us through today. Fundamentally, we have "right" on our side—a ferry is a best practice for river cities, is a popular means to get people out of cars for the commute, and is a very costeffective transit mode (for costs for infrastructure as well as operations). We hope that in the future, the City will also recognize these benefits and make this endeavor a priority for the people of Portland. A note from our Finance Committee Chair The Frog Ferry Finance Committee is comprised of finance and accounting professionals with years of CPA and CFO experience in corporate, non-profit, and governmental sectors. This experience has directed Frog Ferry as an accountable and professional organization that maximizes every dollar received from foundations, businesses, and private donors. Frog Ferry operates with integrity, in compliance with

all federal and state regulations, and its fiscal management system aligns with the

Ms. Bladholm has done extraordinary work, often providing it to the organization at

no cost over the last five years, often at great personal expense. In our professional

Frog Ferry Board Member, Nina Byrd and Jim Mark, Melvin Mark Companies provide an overview of

Frog Ferry to business leaders on July 7.

Portland City Council: In April we had been asked to come back to City Council once

our dispute with TriMet had been resolved to ask for funding and support. We did so

and were unable to secure three commissioners willing to hear from us again, despite

the ongoing commitment from Commissioner Mapps, who has always supported our

initiative. Despite our outreach to all Commissioners in good faith, a proposed plan to

work with two City Bureaus for financial and project oversight—but with minimal work

given Frog Ferry's project team- the opportunity to tap into millions of dollars of

bring us back.

mission and purpose.

federal funding with a net savings to the City for dock improvements, and given the

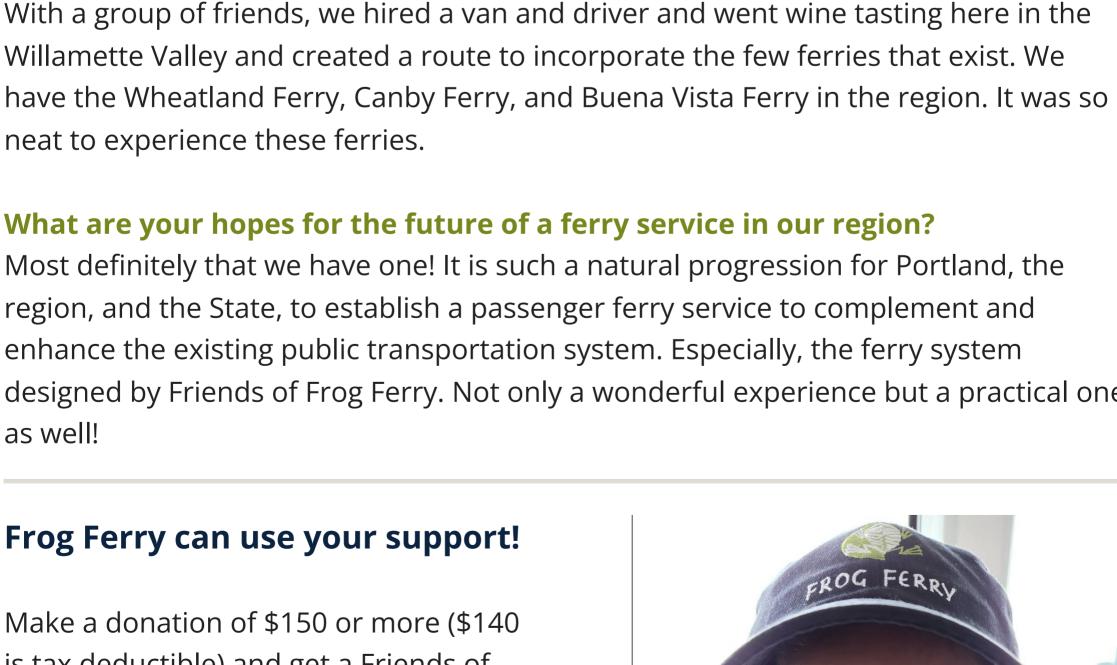
City's Climate Plan that includes Transportation as a key lever, City Council refused to

Bottom Line: We can't make a public-private ferry operation without a "public" agency

Volunteer Spotlight - Meet Alice Myton, Financial Services Leader at Myton Consulting

devices, Mother Nature has created some pretty spectacular stuff. Do you have a favorite ferry experience?

Why were you drawn to Frog Ferry?



in

have the Wheatland Ferry, Canby Ferry, and Buena Vista Ferry in the region. It was so neat to experience these ferries. What are your hopes for the future of a ferry service in our region? Most definitely that we have one! It is such a natural progression for Portland, the region, and the State, to establish a passenger ferry service to complement and enhance the existing public transportation system. Especially, the ferry system designed by Friends of Frog Ferry. Not only a wonderful experience but a practical one Frog Ferry can use your support! Make a donation of \$150 or more (\$140 is tax deductible) and get a Friends of

opinions, any claims that the Executive Director, Susan Bladholm, was improperly compensated are incorrect. Such claims were not based on generally accepted audit standards and not applied consistently from year-to-year. Any accusation of her profiting from this non-profit venture is wholly without merit. We believe that challenging Frog Ferry's documentation is a diversion from the quality of the feasibility studies, demand study results, and strong public support. A public ferry transportation system, when considering infrastructure as well as operational costs, unquestionably provides one of the most cost-effective and environmentally efficient systems of all public transit options. Efforts to discredit the value, quality, or integrity of Frog Ferry's work are unfounded and misinformed. -Scott South, Frog Ferry Finance Committee Chair

immediately fell in love with the project/mission. What role do you play on the team? I keep track of the finances for FFF, which is simply a natural role for me given my expertise. I help Susan and the Board by putting together the budget and reporting out actual financial results. What are some of your personal interests and passions? Getting out and enjoying our natural world, I love doing that. When left to her own

Well...it was a bit serendipitous. When leaving my previous employer, a co-worker

at Erickson Inc. (a global helicopter company) ... Portland is a small world. And, I

asked if I wanted to help FFF. I said "Yes, of course", not knowing a whole lot about the

organization. Low and behold, Susan and I had worked together a couple years earlier

Frog Ferry baseball cap or mask. Thanks to Ariah for showing her support for Frog Ferry on the Washington State

Ferry in Seattle. **Donate Now**

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as well!