

Ocken, Julie

From: Andre Baugh [Andre@groupagb.com]
Sent: Tuesday, September 25, 2012 9:19 AM
To: Engstrom, Eric (Planning)
Cc: Zehnder, Joe; Sam Imperati
Subject: RE: WHI

Thanks, I look forward to receiving the meeting notes and would be interested in attending the next financial discussion if my schedule allows. Eric also I would be interested in hearing your views so let's set up a meeting for coffee sometime soon.

Thanks for the follow up

Andre'
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From: Engstrom, Eric (Planning) [mailto:Eric.Engstrom@portlandoregon.gov]
Sent: Monday, September 24, 2012 9:03 PM
To: Andre Baugh
Cc: Zehnder, Joe; Sam Imperati
Subject: Re: WHI

Andre,

As it happens, the AC had a financial work session Friday that started to dig into this topic, and I think it will be useful for you to review those meeting notes, when they are available. Also, the list of people who attended the meeting may provide a list of next steps, and list of people to talk with. I have copied Sam Imperati, to ask that he send you the meeting notes when complete.

Depending on how they structure the deal, it could be revenue from ground lease, or it could be a deal that generates revenue on a % basis (as in a % of operator revenue based on commodity volume). At the moment the Port seems focused on the cost per sq. ft., but that is not the whole story I think.

We have some assumptions about what is publicly finance-able, and what is more likely to be carried by the private partner. As you may be aware, the private sector and public sector have different means to decide if a deal makes sense. A project can make sense to the private sector and still have more costs than benefits to the overall public. Or, a project can be beneficial to the public and still not pencil out for the private sector.

I'd be happy to discuss my perspective with you.

As for the Port, you could ask Sam Ruda to go over this with you.

-Eric

Sent from my iPad

On Sep 24, 2012, at 4:13 PM, "Andre Baugh" <Andre@groupagb.com> wrote:

9/26/2012

Following up your advice on if you can answer the questions of who should I call at the port? I have a couple of name to start at the port.

Andre'

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From: Andre Baugh

Sent: Wednesday, September 19, 2012 2:37 PM

To: Engstrom, Eric (Planning) (Eric.Engstrom@portlandoregon.gov); Zehnder, Joe

Subject: WHI

After reading the WHI economic Analysis I have questions which I believe only the Port could answer. My overall question, it is not clear from the reports provided how the Port generates revenue from proposed facilities on WHI? And for a 25 year projected general revenue horizon; what is the limit the port can fund (environmental concerns) based upon the revenue projection of uses? And why is this limit imposed; how is the limit derived from their general marine capital obligations and why? Then, how are continued maintenance, future capital improvements calculated into the revenue stream, how are projected federal request for funding projected to offset future uses which may increase revenue?

If you feel you can answer these and other detailed projected revenues and expenses proforma questions for the port great; otherwise I would like to meet with the port and have them answer these questions. Let me know how to proceed. Thanks

Andre' Baugh

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