



Bureau of Planning and Sustainability
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MEMO

DATE: June 19, 2013
TO: Planning and Sustainability Commission
FROM: Eric Engstrom, BPS
CC: Susan Anderson and Joe Zehnder, BPS; Mike Rosen, BES
SUBJECT: West Hayden Island Work Session and Recommendation

On May 28, 2013 the Planning and Sustainability Commission met for a work session to discuss Commissioner amendments to the WHI Amended Proposed Draft which was released on April 9, 2012. The enclosed June 2013 Amended Draft contains all of the recommended amendments that Commissioners requested during the session detailed in strikethrough, showing language that has been removed, and underline, showing language that has been added, to facilitate your review of the updated plan. Below staff has highlighted some elements that we would like to draw attention to during your review.

Community Benefits Section Revisions

We have incorporated an updated Community Benefits Measures section (section 6) into the Intergovernmental Agreement. At the work session, Commissioners asked staff to remove the East Hayden Island Park and associated money (section 3.2.2), and put the funding into the Health Impact Assessment section 6.4. The main reason for the movement of funds is to allow for more flexibility in the future in determining how funds will be used to mitigate for impacts to the local community.

Based on commission direction, staff has streamlined the Community Benefit Measures section to provide two pots of money (described below) and allow for flexibility in the future to determine the best uses for the money. With the changes made by the commission, the previous organizational structure of that section no longer made sense. The changes tie the funds more clearly to direct and indirect impacts of a future marine terminal development. The Community Grant Program remains intact as proposed in the April 9th draft, but the rest



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of the funds are collapsed into a single Community Fund. Fund procedures and eligibility will be further developed by the City, Port and Advisory Committee after the HIA is completed.

Below is a side-by-side comparison of the different elements:

April Draft	June Draft
Community benefit grants = \$100,000 per year for 10 years + TBD ongoing per truck volume	Community benefit grants = \$100,000 per year for 10 years + TBD ongoing per truck volume
HIA funding = \$95,000	HIA funding = \$95,000
Funds to implement mitigation to address impacts identified in HIA findings = \$1million	Community fund = \$5 - \$17.4 million <ul style="list-style-type: none"> • Final amount TBD by City and Port in consultation with AC • Could be used for housing, parks and recreation, or other noise or air quality mitigation
Recreation improvements, trails, parks acquisition and + O&M (East and West Hayden island) = \$12.8 million	
Housing grant = \$3.6 million	

Port of Portland Sustainability Vision and Green Performance Goals

Based on Commissioner discussions at the May 28th work session and stakeholder feedback on the Port’s Sustainability Vision, staff suggested some edits to the Port’s guiding principle #8: Natural Resource Protection and the Environmental strategic goals. Attached to this memo are staff attempts to address some of the comments we heard and provide some language for review (Attachment A below). The Port has also reviewed our suggestions and we have attached their comments (Attachment B).

Port of Portland Sustainability Vision and Green Performance Goals

BPS proposes some edits to the Port's Sustainability Vision to align with the language in the Guiding Principle #8 (Natural Resource Protection) with language in the environmental section of the IGA. The suggested edits to the Environmental strategic goals, specifically #4, attempt to offer some examples of actions that can be taken to reduce diesel particulate emissions from trucks entering and exiting a new facility in the future. The Port has reviewed these suggestions and their comments are attached below.

Port's Sustainability Vision excerpt:

Guiding Principle #8: Natural Resources Protection: ~~Permanently protect at least 500 acres of West Hayden Island to~~ Achieve net improvement of ecosystem functions ~~retain significant natural resource functions~~ associated with West Hayden Island in the Columbia River. ~~Enhance those functions by preserving capacity for the Port to fulfill natural resource mitigation obligations.~~

Environment

1. Enhance natural resources in the City of Portland by:
 - a. Permanently setting aside 500 acres of open space on WHI from its current designation as farm and forest use consistent with the provisions of the annexation agreement;
 - b. Improving beyond baseline the habitat function of the 500 acre open space;
 - c. Pursue cumulative and comprehensive improvement over time; and
 - d. Continue improvement of habitat through adaptive management.
2. Preserve capacity on the 500 acres of open space for the Port to fulfill natural resource mitigation obligations.
3. Consistent with the WHI annexation agreement, the Port will fully comply with required mitigation for development impacts and will contribute to the overall net improvement of the ecological function on West Hayden Island.
4. The Port will continue to measure impacts on the local environment and community and develop annual goals and benchmarks for continuous improvement, above-and-beyond regulatory requirements. At a minimum the Port will comply with all local, state and federal air quality mandates related to air quality, water quality, natural hazards and fish and wildlife habitat. The Port is committed to mitigation of significant impacts identified through the NEPA process; and developing a cleaner operating marine facility than federal or state regulations require through utilization of reasonable available control technologies (for air quality), especially as they apply to toxic air pollutants including diesel particulate emissions from trucks and other sources. This may include, but is not limited to:
 - a. Developing contracts with terminal tenants to put strong incentives in place encouraging trucks entering and leaving the terminal facility to achieve early implementation of the EPA's diesel emissions reduction schedule

- (earlier adoption of cleaner engines, engine replacement, use of low sulfur fuels, etc.).
- b. Developing a terminal facility that provides the infrastructure to facilitate electrification or use of other cleaner fuels for ships, locomotives and on-site trucks.
5. The Port will reduce direct and indirect Port greenhouse gas emissions 15% below 1990 levels by 2020.
 6. The Port will utilize and require its tenants to implement operational activities that employ best management practices for the control of pest species to preclude occurrences. This will occur through:
 - a. Programs to exclude pest species from the terminal site through design and operations;
 - b. Following the City's bird-safe Building Guidelines. As applicable to industrial development, utilizing target specific control measures that avoid or minimize non-target mortality in wildlife depredation circumstances and/or pest control.
 7. WHI will achieve net zero landfill waste.¹
 8. The Port will incorporate WHI into its environmental management system (EMS), underpinned by measurable environmental goals, and subject them to biennial EMS conformance auditing by a third party
 9. The Port will comply with all local, state and federal water quality mandates and will continue to measure impacts on the local environment and develop annual goals and benchmarks for continuous improvement, above-and-beyond regulatory requirements. Water quality mandates currently include infiltration or treatment of on-site water or runoff from marine terminal facilities.
 10. Development will:
 - a. Meet or exceed all regulatory requirements;
 - b. Utilize the West Coast Technical Committee's *Sustainable Design and Construction Guidelines* to direct WHI marine terminal development;
 - c. Use the Best Management Practices (defined by benchmark study at time of pre-design) to inform WHI development; and
 - d. Mitigate all significant impacts identified through local, stated or federal permitting in NEPA processes.
 11. Marine tenants at WHI will achieve carbon neutrality in their own development and operations.

¹ The Port uses the One Planet Living definition of "zero waste" to mean no more than 2 percent of construction or normal operational wastes would go to landfills. (See separate goal for toxic and hazardous wastes)

Attachment B

Port of Portland (Greg Theisen) comments received, June 18, 2013 (in response to BPS suggested edits)

Here are our comments on the three items, all related to the IGA, Attachment G Port of Portland Sustainability Vision and Green Performance Goals coming from discussions with PSC, individual stakeholders and your draft response. Two items are from Attachment A, 76 and 77. The third item is based on the comments from Commissioner Baugh.

1. **76. IGA Section 10.2 Environment 8.** Request is to *“Insert stronger BMPs into document - Principle #8 for example, sets a lower standard for natural resources than are outlined in IGA.”* City staff has suggested the Port strengthen Principle 8 in alignment with IGA item 5.2 Intent. Item 5.2 states:

- *Fully replace the natural resource features and functions impacted by marine terminal development*
- *Reach a net increase in overall ecosystem functions*
- *Etc...*

These intentions do not appear in the prior IGA draft and we have yet to specifically comment on them. We do not support the first intention as a stand-alone item without balancing it with all of the intentions for the property. Nor is there any way we can completely replace the features in the landscape (like the 4-6 100+ year old ash trees). Under current zoning we are allowed by right to log the site or use it for agricultural purposes yet we are receiving no credit for forgoing existing allowed uses. Beyond forgoing these rights we have committed to the following in the IGA/Vision

1. *Enhance natural resources in the City of Portland by:*
 - a. *Permanently setting aside 500 acres of open space...*
 - b. *Improving beyond baseline the habitat function of the 500 acre open space*
 - c. *Pursue cumulative and comprehensive improvement over time; and*
 - d. *Continue improvement of habitat through adaptive management.*

This seems more than sufficient to reach a balanced approach to resource/habitat, economic and social conditions as covered in the ESEE. This language is consistent with the City Council Resolution for WHI and is based on a vision, principles and goals nearly identical to those just passed by the PSC and City Council in the Airport Futures project. We struggle to go beyond what was just adopted by the City and feel the existing language goes above and beyond what is required.

2. **77. Attachment G.** The request is to incorporate specific reference to the Audubon’s/City’s new Bird-Safe Building Guidelines. This issue is addressed in Attachment G Environment item 6. (p172 in proposed draft). The Bird-Safe Building Guidelines primarily relate to large urban center buildings. The Port discussed language addressing wildlife

mortality, including bird strikes and determined that our language in item 6 of the proposed draft addresses [wildlife safety](#) in a more comprehensive manner than the specific and almost certain to be outdated current Bird-Safe Building Guidelines. We have also committed to following best practices and current technologies for design of buildings that minimize bird hazards (p176 in proposed draft). The Port is uncomfortable adding specific language referencing specific guidelines the application of which is unpracticed and which may limit the approach to specific design and operational circumstances. Our current commitment in the Vision and Green Performance Goals is stronger than committing to what may be outdated Bird-Safe Building Guidelines at the time the facility is built.

3. **Commissioner Baugh's comments on diesel particulate matter.** The Port Vision for a Sustainable WHI, Environment, item 4 states:

*The Port will continue to measure impacts on the local environment and community and develop annual goals and benchmarks for continuous improvement, **above and beyond regulatory requirements**. At a minimum the Port will comply with all local, state and federal air quality mandates. In addition the Port is committed to:*

- a. Mitigation of significant impacts identified through the NEPA process; and*
- b. Developing a cleaner operating marine facility than federal or state regulations require through utilization of reasonable available control technologies (for air quality), especially as they apply to toxic air pollutants including **diesel particulate emissions from trucks and other sources**.*

As we have stated throughout this process, we are committed to going above and beyond regulatory requirements at the time the facility is designed, constructed and in operation. We remain unwilling to commit to current compliance goals or measures due to an evolving regulatory and technical construction and operational environment and the long time line associated with development of this nature.

We understand Commissioner Baugh is seeking a stronger commitment to address air quality impacts from trucks, rail and ships. The Port and BPS staff spent considerable time and went through multiple drafts crafting this language, working with our environmental folks to get it right. I hesitate to change it again. We feel this current language exceeds regulatory requirements without committing the Port of Portland to any one technology or measurement method given the future unknowns, such as the role natural gas might play in fueling ships or trucks.

Regarding your proposed new language about “developing contracts with terminal tenants...”, these types of measures are usually intended for truck heavy terminals such as a container terminal where trucking fleets dominate activity. As we have noted many times, bulk terminals will have very few trucks and while an auto terminal will have comparatively more trucks, it will still have much less than a container terminal. In the case of both bulk and auto terminals a significant percentage of trucks that frequent these facilities are not fleet trucks, but are owner/operator trucks where the ability of the terminal tenant to influence the equipment is limited at best. Although it would be repetitive and unnecessary, if you feel you

must have some changes here, we can accept moving some of the language from the Green Performance Goals to this section of Attachment G. So it might end as above and then state:
For example:

- *Marine vessels shall meet the North American Emission Control Area fuel requirements by increasing the use of alternative fuels and fuel efficiency.*
- *Require Energy Star or other high efficiency equipment.*
- *Mobile-source emissions will be reduced through a progression of regulatory measures including tighter emission standards for heavy-duty diesel trucks and off-road equipment nationwide.*