

BEFORE THE PORTLAND PLANNING AND SUSTAINABILITY COMMISSION

Testimony of Dr. John Talberth

In the Matter of Terminal 6 Environmental Overlay Code Amendment
and Environmental Overlay Zone Map Amendment

January 13th, 2015

1. My name is John Talberth. I am President and Senior Economist for the Center for Sustainable Economy and am offering this testimony on behalf of our members in the Portland metro region. Center for Sustainable Economy is an environmental economics think tank and advocate for sustainable economic development with over 25 years experience in land use and environmental policy issues.

2. Last week, CSE submitted extensive written testimony to you, and I presume you all have received that. Time does not allow me to review that testimony in detail, so here I will just reiterate our most salient points.

3. As it presently stands, the administrative record in this matter provides no justification for a final recommendation by this body or a subsequent decision by the City Council to approve either the code amendment or zone map amendment. The reasons are quite simple. As you know, any decision to approve the code amendment to limit rather than prohibit a conflicting use must rely on a complete natural resource inventory and rigorous analysis of economic, social, environmental and energy effects. State land use regulations, administrative law before the Land Use Board of Appeals, and case law before the Oregon Circuit Court of Appeals have set the ground rules for what an adequate inventory and analysis must contain and what process needs to be followed to conduct them. As the documentation before you sets forth in detail, the inventory and analysis fail on both counts, by a wide margin.

4. Neither the inventory nor the analysis was based on an early, robust, and inclusive process for citizen involvement. In fact, the words “citizen involvement” do not appear in any of the project documents, and it is clear that there was in fact no process at all despite unambiguous requirements to have one. In particular, “[l]ocal governments shall provide timely notice to landowners and opportunities for citizen involvement during the inventory and ESEE process. Notification and involvement of landowners, citizens, and public agencies should occur at the earliest possible opportunity...” (OAR 660-023-0060).

5. Nor were there any efforts to coordinate with all of the other state and federal agencies that have regulatory authority over aspects of this decision, including the Energy Siting Council, Army Corps of Engineers, Division of State Lands, National Marine Fisheries Service, or Oregon Department of Environmental Quality. Again, early involvement of these agencies is required yet no comments from these agencies were solicited, and no expert input was received.

6. In terms of content, the analysis is critically flawed because it is arbitrarily limited in scope to Terminal 6 and wildlife habitat when effects on other locations, riparian areas, open water, shallow water, and fish ought to have been addressed. Positive economic consequences are speculative at best. For example, job projections fail to recognize the extremely low labor intensity associated with propane exports relative to other uses Terminal 6 lands could support. A litany of significant negative economic consequences were ignored entirely, including: (a) US jobs lost from making China’s propylene industry more competitive; (b) negative fiscal impacts associated with servicing new infrastructure, emergency response, policing, regulatory oversight, and

reduced property values; (c) delays from rail congestion at a time when “[o]vercommitted rail appears to be the area’s most pressing competitive need;” (d) social costs of carbon emissions; (e) lost ecosystem services, and; (f) economic risks associated with catastrophic explosions, highly volatile employment, and abandonment of industrial infrastructure.

7. The environmental analysis fails to analyze impacts to a single species from the significant loss of habitat onshore or threats to fisheries in shallow and open water habitats affected by new dock infrastructure. The social consequences discussion overlooks perhaps the biggest social effect: a setback to the City’s environmental justice goals. Propane shipments to the facility and exports out of it will put environmental justice communities at increased risk. And despite this, the City completely skipped over the process required by the Civil Rights Title VI Plan for incorporating the principles of environmental justice analysis into decision-making. Given all this, it should be an easy matter for the Commission to send this proposal back to the starting gate. The bigger question in my mind, however, is how it got off the starting gate in the first place.

7. Portland is not a third rate colony that needs exports of fossil fuels and raw logs to thrive. Portland does not do economic development by whim and land use policy by exemption and amendment to accommodate every corporate snake oil salesman with a rap about jobs and tax revenues. Instead, we need to stick to the commitments made in the context of the visionary economic development, land use, and sustainability plans that have earned the City its reputation as a leader.

8. Our Climate Action Plan, Economic Development Strategy, the Portland Plan, Columbia Estuary Restoration Plan and Civil Rights Title VI Plan were developed with

extensive public and expert involvement and should not be tossed aside and ignored. Mayors come and go but these frameworks are meant to last and place sideboards on policy that guard against political caprice.

9. Development of Pembina's export terminal is fundamentally incompatible with these frameworks and so should not even have advanced this far. Going forward, we believe the Commission needs to integrate these frameworks into its land use planning process by screening out inconsistent proposals from the get-go in order to save us all from a long, painful process – a process a six-billion-dollar-a-year company like Pembina has endless resources to engage in but one that strains citizens, public interest organizations, you all, the City Council, and the court system to capacity.

9. Please stick to the plans and policies we have in place, nip this and other similarly reckless proposals in the bud, recommend to prohibit the conflicting use and get on with the business of sustainability that all of you pledged to advance.

Thank you for the opportunity to testify.

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