

# Working Waterfront



## C O A L I T I O N

Portland Planning and Sustainability Commission  
Comprehensive Plan Update  
1900 SW 4th Avenue, Suite 7100  
Portland, OR 97201

April 28, 2015

**Subject: 2015 Economic Opportunities Analysis (EOA)**

Dear Planning and Sustainability Commissioners:

The Working Waterfront Coalition (WWC) is pleased to submit this testimony to the Planning and Sustainability Commission (PSC) on the 2015 Economic Opportunities Analysis (EOA).

Providing adequate growth capacity to meet 20-year employment growth by choosing the low end of the cargo forecast does not reflect what is happening in reality, on the ground in Portland's harbor lands. A low growth forecast is not supported by market trends and there is no evidence to suggest that harbor activity is slowing. In fact it is just the opposite. Companies such as Vigor Industrial, Canpotex, Daimler, Columbia Grain and Louis Dreyfus have all invested millions of dollars in expanding and improving their sites to accommodate current and anticipated cargo and industrial growth.

Examples of recent harbor lands investment include: Vigor Industrial, which brought in the largest dry dock for ship repair in the western hemisphere; Canpotex is installing a new ship loader and undertaking on site building expansion; Daimler's site reinvestment and development; Columbia Grain's \$40 million in improvements including storage and facility expansion, new conveyance system and building addition; and Louis Dreyfus investment of \$35 million in new equipment including loading and storage equipment. These substantial financial commitments indicate that these companies expect to move more products through their harbor facilities. The public investment needs to be considered as well including the Columbia River channel deepening completed in 2010, a multi-million public investment in the whole river system, which has served as a catalyst for billions of dollars in private investment throughout the lower Columbia River system.

Facility expansions and improvements allow for companies to hire more people for longer periods of time thereby contributing to middle-income job growth. Additionally, the 2035 population growth forecast indicates that new Portland residents will be looking for jobs; and they will be consuming goods and services, much of which are supplied by the movement of goods via our harbor industrial lands.

A low cargo forecast is counter to what is occurring on our harbor lands. Using a low cargo forecast is sending the wrong message, a message that says that Portland is not open for business. The low forecast could result in sending our industrial jobs elsewhere. It is contrary to previously adopted plans and what has been stated as a priority for our City. It is also inconsistent with Metro's regional growth forecast.

The low cargo forecast recommendation counters the economic prosperity direction set forth in the Portland Plan including prioritizing economic growth that supports an economically and socially diverse community, robust traded sector growth, increasing income self-sufficiency, trade and freight hub expansion, and adequate industrial land supply to meet future growth. There is also a social equity impact since an inadequate supply of industrial land limits opportunities for middle-wage job

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## COALITION

growth. The City has adopted previous plans with goals and policies that herald jobs and equity as important priorities for Portland yet now there is a proposed low cargo forecast that reverses the direction set forth in previous plans.

We understand the physical constraints of an Urban Growth Boundary (UGB). However, the existence of the UGB is not as impactful to harbor lands. Harbor lands are already constrained by a limited waterfront. Moreover, only a portion of already scarce river frontage is capable of supporting industrial activity. In addition, the amount of investment made in harbor lands over the past 170 years cannot be forgotten, which includes the massive rail and highway infrastructure to serve these lands. Harbor lands and harbor businesses have been steadily developed and cultivated over the last 100 years and are now receiving investments for the next 100 years.

In addition, the 60 percent brownfield redevelopment goal, at a cost of over 100 million dollars is unlikely to be achieved since the land value of industrial/harbor lands cannot support this expense. Brownfield redevelopment is an un-dependable source of future industrial land, most specifically in the next 20 years. The remediation cost for industrial – to – industrial brownfield redevelopment is four times the market cost for industrial land. There is a funding gap and the City and State do not have budget policies or economic strategies to address this gap.

Recommending a low cargo forecast is a policy choice --a discretionary choice--that the City can elect or forego. Will you send a message of support for industrial lands and middle-income job growth, or send a message that says the City is not supportive of our harbor lands, businesses, and middle-income workers? The City needs to support policies that improve opportunities for its residents through thoughtful stewardship of industrial lands, not cavalierly remove opportunities in pursuit of perhaps existential goals and pyrrhic successes. A low cargo forecast today will yield disinvestment in industry activity that produces negative economic consequences for generations that follow.

In conclusion, the WWWC is concerned that the 2015 EOA does not fully recognize the importance of harbor businesses to Portland's economy by considering a low cargo forecast in the EOA. The low cargo forecast is not based on fact. We appreciate the opportunity to comment on this important document and ask that the planning commission consider an EOA and Comprehensive Plan that are fact-based and reflects the realities of historic and current activity and investment on Portland's harbor lands.

Sincerely,

  
Jack Isselmann  
President

*Established in 2005, the Working Waterfront Coalition, with its extensive knowledge of harbor industry needs and active industry participation, is dedicated to working with its partners to ensure an appropriate balance between environmental concerns and the needs of river-related, river-dependent employers. Portland's Harbor is a vital employment area: home to thousands of valuable high-wage, high-benefit jobs. In addition, WWWC members are conscientious stewards of the environment, making significant investments in the harbor consistent with state and federal laws and regulations to reduce the impacts of human activity on the harbor's ecological resources.*