

**Portland Planning and Sustainability Commission**  
**Tuesday, October 23, 2012**  
**6:00-8:00pm**  
**Meeting Minutes**

**Commissioners Present:** Karen Gray, Don Hanson, Mike Houck, Gary Oxman, Katherine Schultz, Howard Shapiro, Chris Smith, Irma Valdez  
**Commissioners Absent:** Andre' Baugh, Lai-Lani Ovalles, Michelle Rudd  
**BPS Staff Present:** Joe Zehnder; Eric Engstrom; John Gillam; Julie Ocken

*Vice Chair Shapiro* called the meeting to order at 6:00pm and provided an overview of the agenda.

**Items of Interest from Commissioners**

*Commissioner Houck:* Wild in the City on 10/25, 5:30-7:30 re: Intertwine Alliance. End of Japanese Garden's year of "healing gardens".

*Commissioner Smith:* Commissioners received an e-mail invitation to tour the Richmond neighborhood prior to the 11/13 PSC forum and parking study/report. Those who are interested should let Julie know so we can make sure we don't have a quorum of attendees. *Houck, Schultz, Smith, Shapiro* noted their interest. Other Commissioners have extensive knowledge of the area.

**Director's Report**

Joe Zehnder

- The 122nd Ave project was adopted at Council last week.
- This week we have CC2035 Concept Plan on Wednesday and N/NEQ on Thursday (both at 2pm time certain).
- We are looking to plan a half-day PSC retreat in early 2013. Julie will send out an inquiry about PSC members' availability soon. If you have specific topics you'd like to review at the retreat, please let Julie know.

**Consent Agenda**

- Consideration of [Minutes from 10/09/12 PSC meeting](#)

*Vice Chair Shapiro* asked for any comments for the consent agenda.

The Consent Agenda was approved with an *aye* vote.  
(Y8 – Gray, Hanson, Houck, Oxman, Schultz, Shapiro, Smith, Valdez)

**West Hayden Island**

Briefing: Eric Engstrom; John Gillam

Presentation: <http://efiles.portlandoregon.gov/webdrawer/rec/5227304/view/>

Eric's presentation provided an overall project update since the 08/14 PSC briefing, information about the recent Advisory Committee meetings and next steps in the WHI project process.

The health topic will be given a more in depth look at the 11/13 briefing.

We are entering the fifth year of the project. There have been a series of steps with the initial Community Working Group, Advisory Committee (AC), meetings, open houses, etc. including 21 AC meetings, specific topic meetings and presentations in the community.

The recent series of AC meetings included topic-specific work sessions on the transportation, financial, environmental and health impacts of the project. PSC members had tours of the site as well.

The AC includes members from the community, environmental interest groups, economic groups and agency members.

In 2010 Portland City Council Resolution #36805 directed BPS to create a concept plan to include at least 500 acres open space and no more than 300 acres for a future deep water marine terminal on West Hayden Island. The Resolution also directed BPS to develop a proposal for annexation of WHI as well as to conduct [additional studies](#), including:

- Access plans and traffic impacts
- Land management options (for open space)
- International operational/site design best practices (to reduce the footprint)
- Port-to-Port coordination opportunities
- Benefit-Cost Analysis
- Harbor Land Inventory

These additional studies are now complete.

In the fall of 2011 the AC arrived at a concept plan, with the help of Worley Parsons, an international engineering firm. It includes how a rail loop, marine, auto and bulk terminals could fit in the 300 acres. This was used to develop the details of the proposal.

The Proposal includes:

- Zoning
- Comp Plan designations
- TSP amendments
- Ordinance for Annexation
- IGA
- Technical reports

The zoning proposal includes:

- Industrial designation (IH) on 300 acres
- Use limited: "Deep Water Marine Terminal"
- Open Space designation on 500+ acres
- Limited parks/open space uses per the Concept Plan (trails, trailhead, non-motorized boat launch)
- Natural area focus, future mitigation projects anticipated
- Utility corridors allowed w/in existing easements, maintenance roads to serve utility corridors/uses

The zoning proposal also includes setbacks and buffers, and a cap on heavy trucks that can access the Port site via Hayden Island Dr.

The AC work session discussion focused on:

- N Hayden Island Dr: improvement costs, traffic volumes and design
- Truck Trips Impact Management: viability of truck cap on development

- CRC Construction and Timing: phased intersection improvements, relationship to Hayden Island plan and WHI development
- WHI Bridge: Consultant review of bridge costs and alternatives (2 vs 4 lane)

PBOT has contracted with GeoDesign to do pavement testing of N Hayden Island Dr. We expect that work to be completed by 10/26. That data will be used by PBOT to refine the design for a N Hayden Island Dr Improvement Project. That refinement will accommodate all roadway users (trucks, passenger vehicles, bicycles and pedestrians) and will fit within the existing cross section. It will recognize the need to redo the structure of the roadway to accommodate long-term heavy vehicle use but is still likely to be less expensive than the concept design published in an earlier draft of the West Hayden Island Plan.

We expect the refined design and the previous design to form a range of potential improvements and costs for the N Hayden Island Dr Improvement Project. The refined design will be presented at the 11/09 AC meeting.

The proposed interim CRC design splits traffic off the bridge, flowing it into N Hayden Island Dr. For trucks going south or coming from the north, the exit would be slightly farther west. The difference from previous versions is that through-connection is along south end, between the east and west sides of the community. This ramp layout is the phased CRC proposal, but it is yet to be determined how the final layout will be. It's proposed that the final, full interchange development for the CRC includes a freeway ramp split between Jantzen Dr and Hayden Island Dr. Bike/ped access from transit access to the manufactured home community will likely be on same route as trucks, so there is a need for improved crossings on N Hayden Island Dr. We believe there is enough right-of-way as it is now to accommodate all transportation modes. The right-of-way is 63-80 feet, and the road is excessively wide in most locations, so we would be looking to narrow the roadway and provide a buffer on the edges. A multi-use path (part of the Hayden Island Community Plan) is also an option.

The financial work session included:

- Review of the Port estimate of viable market cost per square foot to pencil out (\$5-7)
- Discussion of different cost elements that feed into cost per square foot of a future WHI:
  - Fill - to make project shovel ready
  - Environmental mitigation
  - Transportation improvements
  - Community benefits
- Assumptions about public/private investments, and future developer responsibilities
- Consultant completed an analysis of other state Port financial structures

One conclusion was that the \$5-7 was reasonable in terms of what the market can bear for industrial land generally, but there are a number of different ways to structure this, beyond the least-cost-per-square-foot.

There are a limited number of places where you can take a unit train off the main line and get it to a marine terminal, so that should factor into the cost factor, but there are not really many comparables in other cities, so this is a bit of an unknown.

While Federal and State laws may change, Portland has its values, and we will make decisions based on our Comp Plan and Portland Plan. The amount of cut-and-fill would be significant to review in a cost/benefit analysis. There is some cut onsite as part of the mitigation efforts for the project, so some of this is built in. Dredge management also complicates the financial position since Federal commitments supersede a local ability to regulate.

Natural Resource Mitigation

- Forest Mitigation: There is some AC support for the City methodology, especially for the riparian area mitigation. The criticism was based on the volume of mitigation (not yet 100 percent) and what criteria were used to evaluate existing environmental values on the island.
- Goal: Concern about achieving net increase in ecological function (current proposal is 88 percent)
- Cost: Continued discussion about assumptions
- Floodplain: Concern/questions about floodplain functions
- Port Letters: Proximity penalty and floodplain. Critique of City's methodology re: distance of Government Island to Hayden Island, which reduces the value of mitigation. As much onsite mitigation is most preferable. The 5 mile radius setting was done on the basis of BES' evaluation on habitat and hydrology.

Regarding the alleged concern from *Commissioner Smith* and *Commissioner Houck*: in terms of the City's methodology and credibility, *Commissioner Houck* noted there is no question about the methodology.

Cost assumptions are different between the City and the Port. This is part of what is driving the issues around mitigation. We have gone back and forth, trying to understand where each is coming from. Looking at the Port's assumptions, the City moved to revise its assumptions up a bit (but still think Port's assumptions are too high). The rail loop will define the size since we need to accommodate the size of the train, so this component can't be reduced significantly.

Staff shared a summary table of forest mitigation efforts: proposals and options in chart on page 22 of the [presentation](#). The Port's proposal includes protection of forest on WHI and enhancement on Government Island (GI), mitigating for about 49 percent. The City's proposal achieves 88 percent. The rules of Natural Resource Damage Assessment (NRDA) are strict about where you can do mitigation compared to where impact is, so WHI is valuable in this mitigation in addressing the river as a superfund. The Audubon's mitigation proposal is to protect WHI forest plus grant funding to a third party to ensure mitigation is at least 100 percent. Costs do not include land costs for WHI or GI because GI is owned by the aviation department of Port; by zoning open space on WHI for mitigation, that will affect the value Port could get out of the property in the future.

*Commissioner Houck* asked that for PSC members who want to have more background about mitigation policies (e.g. superfund, mitigation and trade-offs) connect with staff before the PSC makes a recommendation about the plan. Staff will help to facilitate this briefing session.

Regarding community benefits, this component is still separate from mitigation efforts. This piece includes things we're doing to mitigate for impacts at local level (e.g. the local jobs program but not jobs being created at Port). A grant program, security fund plus transportation updates and a recreation trail work are included in the community benefits component. Mitigation and community benefits need to be shared/done equally.

Health Analysis work session focused on the analysis draft prepared in partnership with Multnomah County, OPHI and Upstream Public Health, which was completed on 10/08. There is not yet a date for the revised draft to be released, but there is a PSC briefing scheduled for 11/13.

*Commissioner Smith* noted the health session was a good discussion but was concerned the agenda was not completed. Substantively he noted the summary of benefits/burdens chart is currently crafted for whole region. We need one for a more local WHI area too so we can judge the equity and mitigation efforts of the project. Looking at demographics of the island today, we don't see many longshoremen; if we're looking 15 years out when Port may be constructed and if the E Hayden Island plan builds out, there might be more people in the demographic

groups for whom jobs on the island would be fitting; it's difficult to plan for demographics 15-25 years out.

*Commissioner Oxman* noted there was lots of thoughtful feedback about the report. Benefits/burdens will be important for the policy decision. There was quite a bit of discussion about air quality, but it is a tricky discussion. There is a desire for more information, precision on health impacts, but it's difficult to know how much more specific we can get about air quality impacts.

*Commissioner Houck* noted a the question about job impacts. Based on the island community, there likely won't be jobs created in proximity to the impact. We should clarify this based on local vs regional benefits.

*Commissioner Gray* asked about what's considered local and what's regional. For the health analysis, we have been thinking about "local" as just the island... then there is the rest of the city, then the rest of the region.

*Commissioner Hanson* noted this was the first time we've done a health analysis as part of a planning project; this is different and personal. The session was valuable to hear the community's voice and concern, especially over the air quality map, diesel fumes and noise. There was lots of discussion about traffic safety (accommodating all modes on the island) and about opportunities to provide people ways to get more exercise and create a more walkable community. By putting in a light rail station, this will be a destination people will want to walk to. A trail can provide a recreational benefit for people to use open space (which doesn't exist along manufactured home community currently).

Next steps:

- Open House to continue to share with community – 11/07
- Final AC Meeting – 11/09
- PSC Health Briefing – 11/13
- PSC Public Hearing – 11/15

*Commissioner Houck* expressed concern about the timing of the two upcoming PSC dates.

*Commissioner Hanson* asked about how we come to a conclusion about mitigation – do we say "yes, 100 percent" is what we'll require, or do we get into the details? He didn't think more time/analysis for health report will be more beneficial in terms of making a recommendation. Timing is aggressive, but we should see what gets done before the first hearing on 11/15.

The draft report includes menu of potential mitigation options. Staff is trying to create a more user-friendly table for PSC to identify options that will happen anyway, things already in the proposed IGA and new things that would have to be worked on plus things staff would believe what are more viable options. The 11/09 AC meeting will focus highly on mitigation recommendations for the PSC to review.

Regarding the IGA, there is a formal version draft in the 08/14 WHI draft. Options discussed at the PSC and in AC meetings will get memorialized in the IGA. Staff will work with PSC to craft amendments to the IGA to address issues coming out of the PSC hearing and AC work. To the extent there is progress in this realm, this would be updated before the PSC hearing, or we will carry the existing IGA into the PSC hearing. Mitigation efforts are a key component the PSC could include in their decision/recommendation to Council.

*Commissioner Houck*: Based on the mitigation matrix plus the health impact information, do we need to update the ESEE analysis?

- We will need to if there is a change to the mitigation proposal. We are committed to roll in parts of health analysis as well as any proposed zoning changes. At minimum, the PSC will solidify the direction of changes, particularly to zoning and changes to the IGA as we move forward to Council.

The PSC hearings will start with what's on the table as the proposed draft with expectation of upcoming amendments.

Staff and AC members asked to please use them as a resource in the PSC's work, and members of the AC will provide more details at the PSC hearing to ensure this.

### **Adjourn**

*Vice Chair Shapiro* adjourned the meeting at 7:38pm.

Submitted by Julie Ocken, PSC Coordinator