



# West Hayden Island Work Session

Planning and Sustainability Commission  
March 26, 2013



Bureau of Planning and Sustainability  
Innovation. Collaboration. Practical Solutions.



# WHI PSC Schedule

## Work Sessions

- 1/22 - project timeline, Port financial structure
- 1/29 - environment, tribal interests, and ownership
- 2/12 - community health, transportation
- 2/26 - continued on above issues
- **3/26 - economics, financial, wrap together**

## Decision Sequence

- 4/8 Release new plan
- 4/9 Briefing
- 5/7, 14th, 28th Hearings/Vote - public testimony taken



# Work Session Goal

Receive direction on the Packet 1 recommendations, and discuss overall project costs, financial viability options



# Today's Discussion Agenda

- Group A Discussion - 30 min
  - Recreation
  - Legal & IGA
- Floodplain Update (sep memo) - 15 min
- Group B Discussion - 1 hour
  - Economic Need & Benefit
  - Vancouver as Alternative
  - Goal 9
- Financial Viability - 1 hour



# What's in the Packets

## Packet 1 - Issue Discussion

- Cover Memo - discussion topics, stakeholders/ experts consulted with and staff recommendations
  - Attachment A - Economic / Finance staff responses
  - Attachment B - IGA / Other staff responses
  - Attachment C - Recreation staff responses
  - Attachment D - Econ/Fin. Technical comments
  - Attachment E - Econ/Fin. Stakeholder comments
  - Attachment F - Traded Sector Report
  - Attachment G - Bay Area Economics Memo
  - Attachment H - Recreation responses and letters



# What's in the Packets

## Packet 2 - Issue Discussion

- Cover Memo - Cost summary, gaps in funding and staff recommendations
  - Attachment A - Cost Summary (Nov. 2012)
  - Attachment B - Cost Summary (March 2013)
  - Attachment C - Port Commission Principles
  - Attachment D - Updated Project Timeline
  - Attachment E - Yearly Cost Assumptions





# Group A - Recreation Discussion

- Funding and Responsibility for Recreation (construction and maintenance)
- Align timing with terminal construction
- IGA considers Acquisition Costs for 3 acre EHI park parcel



# Group A - IGA / Legal Discussion

- IGA - Negotiated document accepted & signed by both parties.
- IGA mechanisms to address failures by either party to perform
- IGA provisions to cover future issues
- SB 766 applicability to WHI





# Flood Plain Issue

- Previous memo - cost ranged \$5M - \$62M
  - site specific - many variables
- Staff recommendation: a minimum \$18M floodplain reconnection project (200 acres)
  - Levee breach
  - Minimum excavation and grading (not balanced cut/fill)
  - New shallow water and wetlands
- Co-location with other mitigation preferred



# Group B - Economic Need and Benefit

- Forecasts indicate long-term need for additional terminal land on Columbia River
- Portland has lost market share in PNW
- ECONW Harbor Lands Report shows need for WHI in all but most conservative commodity forecasts
- ECONW Cost-Benefit Report states local benefits outweigh the costs in all but most conservative benefit estimates



# Group B - Vancouver as Alternative

- Vancouver has approximately 350 acres of vacant land
- ECONW study found both Vancouver and WHI land needed to satisfy most forecasts
- Vancouver lands have some similar constraints



# Group B - State Goal 9 Requirements

- City must meet land needs within its own borders
- Land needs based on Economic Opportunities Analysis, which assumes strong traded-sector base
- We can choose what sectors of the economy to emphasize in the future
- Deviation from strategy requires re-assessment of Portland Plan / Comp Plan Goals
- Family wage entry jobs important to Portland's equity strategy



# Financial Issues - Outline

- Overview Memo and Attachments (BPS staff)
- Port Commission Principles and Financial perspective (Port)
- Discussion / Initial Recommendations



# Financial Issues - Overview

## West Hayden Island

### Estimated Cost of Site Preparation and IGA-Related Mitigation

3/20/13



# Financial Issues - Overview

- Timeline of costs
- BAE Memo, business plan
- Impacts of package on feasibility
- Feasibility vs public benefit
- Financial gap & partners

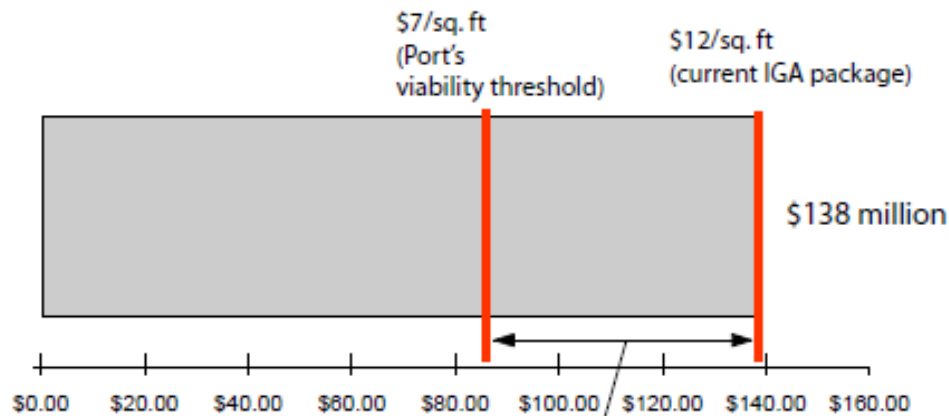




# West Hayden Island

## Estimated Cost of Site Preparation and IGA-Related Mitigation

3/20/13



\$52 million gap

	site preparation	env. mitigation	N. Hayden Island Drive	parks and rec. improvements	other community mitigation	total
current cost estimate (\$ millions)	\$62	\$44	\$10	\$16	\$6	\$138
federal, state, regional funding	●		●	●		-\$15 to \$20
value engineering	●		●	●		-\$5 to \$10
mitigation target (95% or 110%)		●				-\$15 to \$20
resulting Port expense	\$42 to \$49	\$22 to \$30	\$6	\$12	\$6	\$88 to \$103



# Financial Issues - Port Commission Principles

- Joint vision to balance social, environmental and economic aspects
- Regulatory and Legal Certainty needed for 300 acre development
- Mutual commitment to ensure open space remain and be used for restoration opportunities
- Develop financially viable development path
- Establish unambiguous mitigation measures addressing actual impacts



# PSC Project Timeline Summary

- 4/8 Release new plan
- 4/9 Briefing (and addled Discussion?)
- 5/7 1<sup>st</sup> hearing, public testimony
- 5/14 2<sup>nd</sup> hearing, public testimony
- 5/28 Work-Session & Vote

