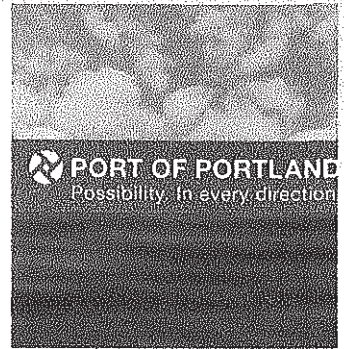


**Mission:** To enhance the region's economy and quality of life by providing efficient cargo and air passenger access to national and global markets.



April 27, 2015

Andre Baugh, Chair  
Portland Planning and Sustainability Commission  
1900 SWE Fourth Avenue, Suite 7100  
Portland, Oregon 97201

Dear Chair Baugh and Planning and Sustainability Commissioners:

The Port of Portland (Port) would like to thank you and the Bureau of Planning and Sustainability staff, in particular Steve Kountz, for your work on the City of Portland Economic Opportunity Analysis (EOA) March 2015 Proposed Draft. We appreciate this opportunity to comment on the EOA and the hard work of bringing multiple versions to the fore with changes based on public review.

In 2012, having participated on the EOA Technical Review Committee, we shared our support for the new methods the City used in assessing the need for freight facility land and the need for a detailed understanding of the City's industrial land market. That work has carried forward to the newest draft of the EOA. We continue to maintain that industrial land of all types is a vital part of the City's employment and economic fabric. The Port continues to support an EOA that is responsive to land demand needs as dictated through the Oregon Department of Land Conservation and Development Goal 9 process. To us, that means an EOA completed on the basis of a forecast and trends that more closely represents the harbor's ongoing economic significance and the irreplaceable value of harbor industrial lands.

In general, we find the EOA March 2015 Proposed Draft is problematic. By choosing the low forecast for harbor lands as opposed to the mid-range forecast cited in the last draft, the EOA diminishes the overall significance of the harbor in the City's economy; reduces the pressure to revitalize brownfields, and makes the goal of 60% brownfield redevelopment unlikely. The low harbor forecast also reduces the likelihood of limiting development constraints on harbor lands that are already in short supply. The tone of the EOA and its utilization of the low harbor forecast doesn't reflect the need for growing personal and household incomes through export and traded sector industries.

Selection and implementation of the low-end forecast for harbor lands is inconsistent with 50 years of cargo trends in the Lower Columbia River. This forecast is not aligned with current and anticipated market activity in the Portland Harbor and Columbia River. Finally, the low-end forecast is likely to create a self-fulfilling prophecy that will impact the ability of the City to attract investment and clean-up the Portland Harbor.

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Andre Baugh  
April 27, 2015  
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We urge the City of Portland to select the mid-range/most-likely harbor forecast, consistent with the Portland Plan policies and original direction established in the Comprehensive Plan.

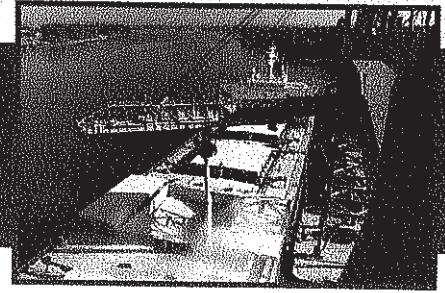
Thank you for the opportunity to share our perspective on the EOA. The need for industrial land, diverse job creation and freight transportation are very important to the Port of Portland. They are highlighted as strategic areas of focus in the Port's strategic plan and directly shape our business plans and budget. We look forward to continuing to work jointly with the City on these issues.

Sincerely,

A handwritten signature in cursive script that reads "Susie Lahsene".

Susie Lahsene  
Land Use and Transportation Policy Manager

# Impacts of Channel Deepening on the Columbia River



## IMPORTANCE OF THE SHIPPING CHANNEL

The Columbia River Navigation Channel runs from the Astoria bar to the Portland Harbor, a distance of 105 miles. Every year millions of tons of cargo worth billions of dollars flow into and out our region making this shipping channel a critical connection between our region and the rest of the world. In the fall of 2010 the Army Corps of Engineers completed deepening the navigation channel from 40 to 43 feet. Private industry responded with a wave of new investments coming into the river system. Since 2010 there has been more than \$1.3 billion dollars of investments made to facilities and transportation capabilities that are dependent on river commerce. Much of the investment made by private industry has been a result of the channel deepening.

## IMPORTANCE OF CHANNEL MAINTENANCE

Maintaining the shipping channel to 43 feet will help ensure the continued growth in cargo movement and related economic activity seen since the deepening. Firms made investments and built capacity assuming a level of commerce supported by a 43-foot shipping channel. A channel less than this depth would strand investments, reduce economic activity, and limit growth.

**\$489 Million**

Total Investment in the Portland Harbor

**\$1.3 Billion**

Total Investment on the Columbia River Since 2010

**\$4.7 Billion**

Additional Investments Planned for the Columbia River

Port	Project (On-Line Date)	Investment Amount	Description
Longview	Export Grain Terminal (2012)	\$230 million	New grain terminal
Kalama	Temco LLC (2015)	\$50 million	Increase capacity (grain)
	Kalama Export Grain (2011)	\$36 million	Increase storage capacity
St. Helens Port Westward	Global - Columbia Pacific Bio-Refinery (2018)	\$80 million	Increased storage and rail improvements
Vancouver	United Grain Corporation (2012)	\$80 million	Enlarge storage and handling capacity
	West Vancouver Freight Rail Access (2015)	\$228 million	Rail expansion, new loop track, and road improvement
	Tesaro/Savage CBR (2018)	\$100 million	Rail improvements and loading facilities.
	Tidewater Barge Lines (2015)	\$20 million	Three new tugboats
Portland	Columbia Grain (2015)	\$44 million	Upgraded grain storage and handling
	Kinder Morgan Bulk Terminal (2013)	\$10 million	New ship loading facilities
	ICTSI Oregon, Inc. (2011)	\$120 million	Long term lease of container terminal
	International Raw Materials (2014)	\$2 million	Improvements to rail and storage tanks
	LD Commodities (2014)	\$21 million	Expanded grain storage and moving facilities
	Vigor Industrial (2014)	\$50 million	Largest dry dock in the US
	Rivergate Road and Rail Improvements (2012)	\$82 million	improve road and rail access and capacity
	Canpotex - Portland Bulk Terminal (2013)	\$140 million	Increase efficiency of shiploading
	Shaver Transportation (2014)	\$20 million	New barge, new tug and new engines
<b>Total Investment Since 2010</b>		<b>\$1.29 Billion</b>	
<b>Proposed Investments</b>			
Longview	Millennium Bulk Terminal (2018)	\$600 million	New coal terminal
	Millennium Bulk Terminal (2018)	\$25 million	Smelter removal and environmental cleanup for new bulk terminal
Kalama	NW Innovations Works (2017-18)	\$1.8 billion	New methanol plant
St. Helens Port Westward	NW Innovations Works (2017-18)	\$1.8 billion	New methanol plant
Portland	Pembina (2018)	\$500 million	Propane export terminal
<b>Additional Investments Planned</b>		<b>\$4.73 Billion</b>	