



McCormick & Baxter

Site Reuse Assessment: Final Report



City of Portland
Bureau of Planning

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For more information about this project, please contact
Steve Kountz, City Planner
503-823-4551
skountz@ci.portland.or.us

Copies of this report are available at
City of Portland
Bureau of Planning
1900 SW 4th Avenue, Suite 4100
Portland, Oregon 97201
503-823-7700

www.planning.ci.portland.or.us

Acknowledgements

Mayor Vera Katz, Commissioner in Charge
Gil Kelley, Planning Director

Project Staff

Steve Kountz, City Planner, Project Lead
Sallie Edmunds, Team Leader
Lee Rahr, Community Service Aide

U.S. Environmental Protection Agency

Alan Goodman, McCormick and Baxter Project Manager

Project Facilitator

Elaine Hallmark, Hallmark Pacific Group

McCormick and Baxter Site Reuse Advisory Committee

Pam Arden, 40 Mile Loop Land Trust, Portland Audubon Society
Nancy Chase, Metro Parks and Greenspaces
Cathy Crawford, University Park Neighborhood Association
Mike Fitz, North Portland Business Association
Tom Finlayson, Alex Jones, Greg Babcock, Mark Flatner, residential neighbors
Ron Hernandez, WAKE UP
Dr. Roy Heynderickx, University of Portland
Tom Kloster, Friends of North Beach
Charlie McCormick, McCormick and Baxter Creosoting Co.
Michael Ogan, Portland Development Commission
Shirley Schiller, Edgewater Condominium Association
Steven Shain, Triangle Park LLC
Deborah Stein, City of Portland
John Trumbull, Union Pacific Railroad
Bev Wilson, Friends of Cathedral Park Neighborhood Association

Technical Advisors

Robert Bernstein, Consulting Transportation Engineer/Planner
Jan Betz, Portland City Attorney's Office
William Dana, Oregon Department of Environmental Quality
Rob Ede, Hahn and Associates
Eric Hovee, E.D. Hovee and Company
Charles Landman, Oregon Department of Environmental Quality
George Lozovoy, Portland Bureau of Parks and Recreation
John O'Donovan, Portland Bureau of Environmental Services
Kevin Parrett, Oregon Department of Environmental Quality
Laurel Wentworth, Portland Office of Transportation
David Yamashita, Portland Bureau of Parks and Recreation

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Table of Contents

Executive Summary	1
1. Approach of the Project	9
A. Initiating and Scoping the Project	9
B. Analyzing the Site’s Development Potential	10
C. Developing Recommendations	11
2. Summary of Reuse Opportunities and Constraints	15
3. Conceptual Evaluation of Possible Uses	19
A. Reuse Criteria	19
B. Evaluation of Uses.....	21
4. Reuse Scenarios Considered	27
A. Four Proposed Scenarios	27
B. Market Feasibility of Scenarios	28
C. Traffic Analysis of Scenarios	32
D. Comments Received on Scenarios	35
5. Reuse Recommendations	37
A. Background	37
B. Recommendations	40
Appendix 1: Advisory Committee Working Agreement	43
Appendix 2: Summary Notes of Project Meetings	49
Appendix 3: Conceptual Site Plans for Reuse Scenarios	93
Appendix 4: North Beach Community Survey Results	107
Appendix 5: Advisory Correspondence on Soil and Sediment Caps	115

List of Figures

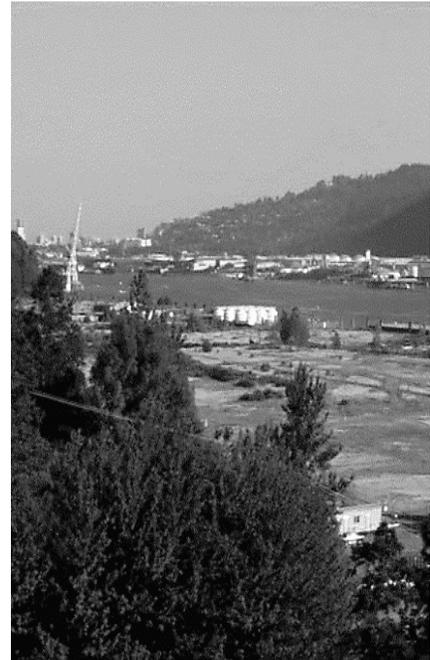
1. McCormick and Baxter Site and Vicinity.....	2
2. Advisory Committee and Technical Advisors.....	12
3. Synopsis of Project Meetings.....	13
4. Conceptual Evaluation of Alternative Uses Based on Reuse Criteria	22
5. Residual Land Value Analysis for Each Land Use Scenario.....	29
6. Traffic Generation.....	33

Executive Summary

A major public investment in the McCormick & Baxter Superfund Project in North Portland is nearing completion. The clean-up remedies are expected to be in place in 2003. Once safe for reuse, the site offers a rare opportunity to reclaim 50 acres of urban waterfront in the context of Portland's River Renaissance.

Redevelopment of the site also presents many complex challenges:

- What is the future of the surrounding North Beach waterfront (between University of Portland and Cathedral Park), that was historically industrial and is now mostly vacant or in public use? This area is part of the finite land supply available for harbor industrial growth, but it is constrained by marginal truck access and infrastructure needs.
- How do we return this Superfund site to beneficial use after more than \$20 million of public clean-up expense? The site is potentially a test case for what will become of the most challenging among the 40-70 properties in the harbor Superfund clean-up project now getting underway.
- How will the future use relate to the residential neighborhood at the top of the adjacent bluff? The potential for positive or negative impacts on these areas is high.
- What are the opportunities at this site to meet the expanding needs for riverfront habitat restoration, recreation, public access, and sustainable development?



View of the McCormick and Baxter site from Waud Bluff.

This report relates the progress and recommendations of a reuse assessment project for the McCormick and Baxter site. The City of Portland Bureau of Planning coordinated the project under contract with the U.S. Environmental Protection Agency (EPA). The reuse assessment is one of ten pilot projects being implemented around the country to launch EPA's Superfund Redevelopment Initiative.

About the Site

McCormick and Baxter Creosoting Company used the site as a wood-treatment facility for nearly 50 years and continues to own the property. The site has remained vacant since the company ceased operations in 1991. Wood-treatment operations resulted in contamination of soils, groundwater, and river sediments. In 1987, the Oregon Department of Environmental Quality (DEQ) entered into a Stipulative Order with the company requiring corrective actions. After further environmental investigation, EPA listed the property as a Superfund site in 1994. A multi-year clean-up project, led by DEQ under an agreement with EPA, is underway.



Figure 1. McCormick & Baxter Site and Vicinity





Panoramic view of McCormick and Baxter site.

The riverfront site, approximately 50 acres in size, is situated at the base of a steep bluff (see Figure 1). The immediate industrial area, which is zoned for heavy industrial use, is relatively isolated. It consists of two vacant properties: this one and a 34-acre parcel purchased by Triangle Park LLC in 1998 for future industrial development. Willamette Cove, a former industrial property directly north of the McCormick and Baxter site, was purchased by Metro in 1996 to be restored as a riverfront greenspace. Two railroads abut the McCormick and Baxter site: the (Burlington Northern Sante Fe) Railroad Bridge and a Union Pacific spur line along the base of the bluff. Access to the site is by Edgewater Street and Van Houten Place, two streets that ascend the bluff and serve the residential neighborhood.

Approach of the Project

The key elements of the approach were to (1) analyze the site's redevelopment potential, (2) engage stakeholders and the interested public in learning about, proposing, and jointly considering what uses would best fit the site; and (3) develop reuse recommendations. Chapter 1 describes these elements further. All apparent reuse options were considered, regardless of existing zoning regulations.

A team of consultants and inter-bureau staff prepared a series of reports on environmental constraints, market feasibility, transportation needs, legal requirements, and other factors pertinent to the site's future use. Their work was compiled in a companion document, the *McCormick & Baxter Reuse Assessment Project: Background Report*. Chapter 2 below summarizes this technical analysis.

The McCormick and Baxter Site Reuse Advisory Committee was organized to discuss and develop reuse recommendations for the site. The Committee represented a broad range of stakeholder interests, including the property owner, nearby landowners, community organizations, and the City of Portland. The Committee met eleven times between February 2000 and April 2001. It developed a working agreement in March 2000, which included an understanding that its reuse recommendations would be made by consensus. In the event that the Committee could not reach consensus, the agreement called for a Bureau of Planning recommendation that gives consideration to

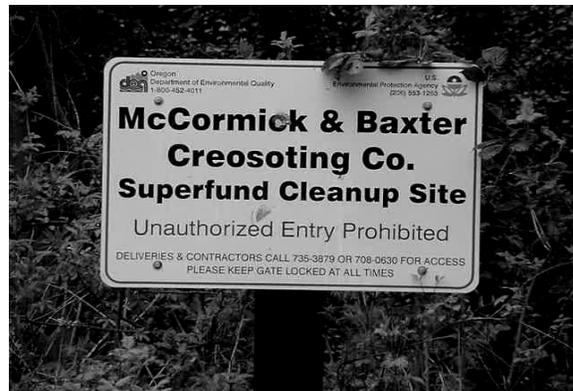
the differing perspectives of Committee members. The Bureau of Planning also held informal open houses and other outreach activities for neighbors and interested citizens to learn about and participate in this process.

The Committee took the following steps to develop reuse recommendations:

- Understand the environmental, legal, infrastructure, and economic conditions that influence the site's development potential.
- Incorporate each other's concerns into a list of reuse criteria that would support consensus recommendations.
- Propose and discuss a range of reuse ideas and site plans.
- Select three to four reuse scenarios for public review and further study.
- Propose and discuss reuse recommendations that the entire Committee would support.
- Attempt to develop consensus recommendations.

Reuse Obstacles and Opportunities

- The private market is not likely to move the property into productive use in the near term. Development costs from contamination liability, property encumbrances, and infrastructure requirements substantially exceed market land values.
- Most uses would require access improvements estimated to cost in excess of \$5 million.
- Reuse as a park could offer short-term economic advantages over other uses. For example, public acquisition through 'friendly condemnation' would establish a barrier to state and federal liability for past contamination.
- Access to the site is limited by distance from a collector street and truck route, steep grades, and railroad crossings. The local streets leading to the site, however, have adequate physical and operational capacity to accommodate modest traffic volumes, such as from industrial, residential, or multi-purpose recreation uses (generally less than 3,000 daily trips).
- Even lower traffic volumes (especially from trucks) would have significant negative impacts on the residential and campus environment along access streets.
- Higher intensity uses, such as a community shopping center or office complex, could generate tens of thousands of daily trips and potentially overwhelm the local street system.



Existing access to the site via Edgewater Street.

- Relative to other uses, a low-intensity park or open space would generate minimal traffic impact.
- Superfund remedies were designed to adequately protect workplace and recreational uses. Residential use would require further investigation and possibly additional protective measures.

Reuse Criteria and Scenarios Considered

What would make some uses better than others on this site? The Committee incorporated their concerns on this subject into a list of reuse criteria. Individual Committee members did not necessarily support, nor give equal weight to, each criterion. However, the Committee as a whole recognized that, in order to have the support of the full range of stakeholders, any development would require a reasonable balance of these criteria.

- Minimize traffic impacts.
- Minimize nuisance impacts.
- Minimize conflicts with industrial neighbors.
- Ensure adequacy of infrastructure.
- Get return on public clean-up investment.
- Be compatible with clean-up remedies.
- Minimize pollution impacts.
- Protect, enhance and restore fish and wildlife habitat.
- Increase public access to the river and neighborhood connections.
- Foster aesthetic quality.
- Foster efficient use of land.
- Serve an identified market or community need.
- Be consistent with the Comprehensive Plan.
- Reserve land for river-dependent or river-related uses.

These criteria were used to evaluate alternative land use types, as described in Chapter 3. Park, athletic field, and open space uses, in general, were found to be more consistent with the criteria than other uses, although the impacts of specific development proposals would vary.

Committee members presented and discussed a variety of reuse ideas and conceptual site plans (see Appendix 3). The Committee selected four reuse scenarios for further study and review at public open houses: an open space demonstration site, recreational



Land use transition in the North Beach area: scrapyards and townhouses.



Willamette Cove, a Metro 'greenspace' directly north of the McCormick and Baxter site.

use, industrial use, and mixed use (residential, commercial, and university facilities). Project consultants prepared market feasibility and traffic analysis reports for these four scenarios, which are included in Chapter 4.

The Committee was clearly divided on the acceptability of some uses. For example, while residential development may be economically viable in the short run, it would pose potential conflicts with future industrial use on the adjacent Triangle Park LLC site, and some stakeholders would not support a recommendation for residential use of the property. Also, while the City's zoning and comprehensive plan support heavy industrial use, much of the Committee objected to industrial use, citing truck traffic, pollution, and nuisance concerns.

Portland Parks and Recreation's *2020 Vision Plan Discussion Draft* (February 2001) identifies the McCormick & Baxter property as a potential site for a river park and sports fields. A growing community need exists for active and passive recreational areas. The site could be an important addition to Portland's park system. The riverfront setting, adjacent open spaces, intersecting trails, size, level terrain, and location between the St. Johns Town Center and University of Portland are well suited for use as recreational open space. A McCormick and Baxter park, located next to Willamette Cove and Waud Bluff and near Cathedral Park, would give North Portland neighborhoods an expansive riverfront amenity, comparable to the Oaks Bottom and Sellwood Park area in Southeast Portland. In a 1998 community survey for the *North Beach Vision and Action Plan*, 88% of the 354 respondents favored 'recreation' as the most appropriate use for the North Beach riverfront.

Reuse Recommendations

In July 2000, the Committee reached general agreement to recommend use of the site as managed open space, such as a park or natural area, but in the following months was unable to resolve whether to recommend this as a permanent or interim use. The property owner representative proposed a long-term lease of the site as an active park, to be reconsidered when other redevelopment options become feasible. Some Committee members supported this proposal, while others recommended securing permanent use of the site as a public park or other managed open space. Given this unresolved issue, the Committee's working agreement called for reuse recommendations by the Bureau of Planning. The decision-making process is described in Chapter 5.

As an inter-bureau representative of the City of Portland, the Bureau of Planning makes the following recommendations to the various parties that will have influence on the future use of the site. These parties include the property owner, DEQ, EPA, Portland City Council, and others.

1. Develop the site as a permanent park to include a variety of active and passive recreation uses. Rehabilitate the riverfront as a riparian buffer, generally 100-300 feet wide, to enhance natural-resource values while accommodating opportunities for environmental education, including an interpretive trail, viewpoints, and limited access to the river. Consider developing up to one third of the site for complementary non-recreational uses that are consistent with the Advisory Committee's reuse criteria.

2. The City of Portland should prepare a feasibility study to evaluate the costs and benefits of acquiring and developing the site as a park. Cost analysis should include predevelopment site management, access and infrastructure improvements, development and maintenance costs, and riparian habitat restoration. The study should include a funding strategy to develop the site, acquisition steps, and a preliminary phasing plan for development.
3. If the study finds that the site can be feasibly acquired and developed as a city park and possibly other complementary uses—and subject to approval by Portland Parks and Recreation (PP&R), City Council, the property owner, and lienholders—the site should be transferred to the City of Portland for use as a park. The acquisition agreement should provide a barrier from liability for existing site contaminants. It is PP&R’s position that public use be allowed only after the site is developed as a park. The site is not considered to be a park simply by acquiring the property; rather, the site needs to be developed according to an approved master plan.
4. DEQ and EPA should forego monetary reimbursement by the City of Portland for investigation and clean-up costs, because of the site’s severe development constraints and the resulting public benefits of park use. Support opportunities to fund natural resource enhancements on the site as mitigation for environmental damages under the harbor Superfund project.
5. The Division of State Lands should forego monetary reimbursement for river encroachment by historic fill below the 1859 waterline, because of this site’s contamination-related constraints to removing that fill and the public benefits of park use.
6. To the extent feasible, DEQ and EPA should incorporate eventual bank contouring, landscaping, stormwater management, and habitat restoration into the design and materials of the soil and sediment caps, in order to reduce public site costs and disruption of the caps once in place. (See the advisory letters from the Portland ESA Program (5/22/01) and U.S. Fish and Wildlife Service (8/28/00)).
 - Bank treatment should accommodate habitat functions and stormwater infiltration, in addition to isolating contaminants and stabilizing the cap. Treatment options that provide habitat benefits include configuring natural “roughness” or coves in the bank-line, laying back the bank, terracing above and below the waterline, and reintroducing a diversity of native vegetation including large hardwood species.
 - Implement a stormwater management plan during cap installation to prevent runoff from causing erosion or exposing contaminants.
 - Plant and maintain native vegetation over the riparian and upland portions of the site to stabilize the cap, enhance habitat functions, and allow for development of park uses.
 - To the extent feasible, use soil mixes that would support revegetation, riparian tree cover, and upland athletic fields and structures.
7. After completion of Superfund remedies, the site should be managed to provide for security, safety, and general maintenance.

1. Approach of the Project

A. Initiating and Scoping the Project

Work began on the McCormick and Baxter Site Reuse Assessment in November 1999. The City of Portland Bureau of Planning coordinated the project under contract with EPA. It is one of ten pilot projects being implemented around the country to launch the Superfund Redevelopment Initiative, EPA's national effort to work with communities in facilitating the return of Superfund sites to productive use. EPA provided funding for this project.

While the Superfund program's primary mission is to cleanup the nation's worst hazardous waste sites, the Redevelopment Initiative focuses attention on their reuse after cleanup. "Through this initiative, we will create jobs and encourage economic redevelopment in communities that are saddled with old abandoned hazardous waste sites," said EPA Administrator Carol M Browner, announcing the pilot projects in July 1999. Contaminated sites tend to pose unique challenges for redevelopment, which benefit from focused planning efforts. An additional advantage of reuse planning efforts is to help EPA design soil caps and other clean-up remedies to be consistent with predicted future uses.

Types of activities funded through the Redevelopment Initiative include assessment of alternative uses, technical analysis of reuse issues, public outreach, facilitation services, support for advisory committees, and inter-governmental coordination. Project funds cannot be used for rezoning actions, infrastructure financing, recruitment of developers, or land acquisition.

Predicting the future use of the site, which is one of EPA's goals for the reuse assessment, poses an intricate challenge: no specific development proposals are on the table; market potential exists for a variety of uses; economic obstacles are expected to prevent private investment in redevelopment for many years; the eventual reuse decisions will be shaped by various stakeholders (e.g., city zoning authorities, the property owner, lien holders, the developer); and the scope of this project does not include tools to implement a land use prediction. Given these circumstances, a multi-faceted approach was selected to both recommend and reasonably anticipate the site's future use.

The Bureau of Planning proposed a project work plan to EPA as part of its grant application, which EPA approved in October 1999. The primary elements of the work plan are as follows:

- Technical analysis of the environmental, legal, infrastructure, and economic conditions that influence the site's development potential;
- A facilitated process to involve stakeholders and the interested public to learn about, propose, and evaluate possible uses for the site;
- Newsletters, public meetings, media announcements, and other outreach activities to provide information and invite participation in project recommendations;

- Reuse recommendations for the site.

Early public involvement efforts were carried out to explain and ask for feedback on the proposed work plan and who should be involved. In November 1999 and January 2000, Bureau of Planning staff made presentations at the meetings of interested community organizations: Friends of Cathedral Park Neighborhood Association, University Park Neighborhood Association, Peninsula Coordinating Council, and North Portland Business Association. Project fact sheets were prepared and distributed at these meetings.

B. Analyzing the Site's Redevelopment Potential

Inter-bureau staff and consultants prepared a series of reports examining different aspects of the site's redevelopment potential. Their analysis was compiled in the *McCormick & Baxter Reuse Assessment Project: Background Report*. This technical analysis provided both an educational resource for stakeholders participating in the project and a factual basis for evaluating and recommending uses.

Although the site is in a 'heavy industrial' zone within the Portland Zoning Code, a wide range of possible uses were considered. These included marine-related industry, manufacturing, warehousing/distribution, industrial services, multi-tenant offices, retail, local services, lodging, single- and multi-dwelling residential, university facilities, commercial recreation, parks/athletic fields, and open space.

The Bureau of Planning prepared an overview of the physical setting, site history, surrounding uses, zoning, public services, and related planning projects. Maps were included showing the site and vicinity, utilities and existing structures, topography, floodplain, and zoning districts. The Bureau of Water Works, Bureau of Environmental Services (BES), and Fire Bureau submitted information and comments about the adequacy of services and infrastructure to support future uses at the site.

The Portland Office of Transportation analyzed the capacity of the transportation system to support alternative uses. This work addressed current transportation conditions, traffic volumes and forecasts, pertinent transportation policies, transit access, and trip generation from alternative uses. Given the substandard condition of existing streets and potential for significant neighborhood traffic impacts, engineering analyses and cost estimates of needed improvements were prepared on four alternative access routes to the site.

Hahn and Associates, an environmental consulting firm, was retained to identify site constraints related to contamination and cleanup. In coordination with BES and DEQ, Hahn and Associates prepared a report describing site contamination, the risk assessment and clean-up remedies of the Superfund project, and the related constraints anticipated for site development (e.g., on excavation, building construction, riverfront development, and land uses).

The Oregon Department of Environmental Quality (DEQ) and the Portland City Attorney's Office provided information on contamination liabilities, liens, and other legal

requirements. The Bureau of Planning and Office of Planning and Development Review prepared information on existing zoning requirements and the process and approval criteria for amending zoning requirements. A title report was also obtained for the property.

E.D. Hovee and Company, an economic consulting firm, was retained to prepare a market feasibility assessment of potential uses. Demographic, socioeconomic, and real estate data was compiled pertinent to the Portland metro area and North Portland submarket. Alternative development scenarios were evaluated based on market opportunities, conditions for market feasibility, and other factors of development potential.

C. Evaluating Possible Uses and Developing Recommendations

The McCormick and Baxter Site Reuse Advisory Committee was formed to develop reuse recommendations that represent a broad range of stakeholder interests. EPA provided an independent facilitator, Hallmark Pacific Group LLC, to help design and conduct an effective public process for developing reuse recommendations.

The Committee was made up of the property owner, nearby landowners, representatives of community organizations, and City of Portland staff. The Committee members, intergovernmental advisors, and consultants who participated in the project are listed in Figure 2. Letters to explain the project and recruit Committee members were mailed in January 2000 to the property owners within 400 feet of the site, including approximately 30 houses along the top of the bluff overlooking the site. Representatives of EPA, DEQ, the Port of Portland, and the Portland Brownfields Showcase asked to be considered technical advisors and be kept informed of the progress of the project, rather than serve as Committee members.

Between February 2000 and April 2001, the Committee held eleven meetings. A synopsis of the Committee meetings and project open houses is provided in Figure 3. Summary notes of these meetings are included in Appendix 2. The Committee decided at their second meeting to make their decisions by consensus, rather than voting, as described in the Committee's Working Agreement that was signed by each member (see Appendix 1). The working agreement specified that, if no consensus were reached, a Bureau of Planning recommendation would be developed, giving consideration to the differing perspectives of individual members.

Most of the first four Committee meetings (February and March 2000) consisted of educational presentations by the technical advisors for the project and follow-up questions and discussion. Early drafts of the reports and information prepared for the Background Report were presented at these meetings. The completed Background Report incorporated revised drafts following the Committee's questions and feedback. Summaries of related planning documents, including the *North Beach Vision and Action Plan*, were also distributed to the Committee.

Figure 2. Advisory Committee and Technical Advisors

McCormick and Baxter Site Reuse Advisory Committee

Property Owner

McCormick and Baxter Creosoting Company Charlie McCormick

Neighboring Landowners

Edgewater Condominium Association	Shirley Schiller
Metro Parks and Greenspaces	Nancy Chase
Residential neighbor on bluff and alternates	Greg Babcock, Tom Finlayson
	Mark Flatner, Alex Jones
Triangle Park LLC	Steven Shain
Union Pacific Railroad	John Trumbull
University of Portland	Dr. Roy Heynderickx

Community Organizations

40 Mile Loop, Portland Audubon	Pam Arden
Friends of Cathedral Park Neighborhood Association	Bev Wilson
Friends of North Beach	Tom Kloster
North Portland Business Association	Michael Fitz
University Park Neighborhood Association	Cathy Crawford
WAKE UP	Ron Hernandez

City of Portland

City of Portland Bureaus	Deborah Stein
Portland Development Commission	Michael Ogan

Facilitator

Hallmark Pacific Group, LLC	Elaine Hallmark
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Technical Advisors

Oregon Dept. of Environmental Quality	Bill Dana,
	Charlie Landman, Kevin Parrett
U.S. Environmental Protection Agency	Al Goodman
Portland Bureau of Planning	Sallie Edmunds, Steve Kountz,
	Lee Rahr
Portland Office of Transportation	Laurel Wentworth
Portland Bureau of Parks and Recreation	George Lozovoy,
David Yamashita	
Portland Bureau of Environmental Services	John O'Donovan
Portland Office of City Attorney	Jan Betz
Portland Office of Planning and Development Review	Kate Green
E.D. Hovee & Company	Eric Hovee
Hahn and Associates	Robert Ede
Consulting transportation engineer and planner	Robert Bernstein, P.E.

Figure 3. Synopsis of Project Meetings

Meetings	Agenda topics
Committee organization	
<i>Committee Meeting 1, 2-3-00</i>	<ul style="list-style-type: none"> ▪ Overview of Superfund Project, Bill Dana, DEQ ▪ Review project purpose, scope, and meeting schedule ▪ Review committee working agreement
Presentations on reuse opportunities and constraints	
<i>Meeting 2, 2-17-00</i>	<ul style="list-style-type: none"> ▪ Review revised committee working agreement ▪ General site characteristics ▪ Contamination and cleanup constraints on reuse, Rob Ede (Hahn and Associates) and Bill Dana (DEQ)
<i>Meeting 3, 3-2-00</i>	<ul style="list-style-type: none"> ▪ Mortgages, contamination liability, and other legal constraints, Charlie Landman (DEQ) ▪ Zoning, public services, and related planning projects
<i>Meeting 4, 3-16-00</i>	<ul style="list-style-type: none"> ▪ Transportation analysis and needed improvements, Laurel Wentworth (Portland Office of Transportation) ▪ Market feasibility analysis for reuse, Eric Hovee (E.D. Hovee & Co.)
Develop reuse criteria and scenarios	
<i>Meeting 5, 4-13-00</i>	<ul style="list-style-type: none"> ▪ Recreation and open space potential, George Lozovoy (Portland Parks & Recreation), Nancy Chase (Metro Parks & Greenspaces) ▪ Understand interests of participants ▪ Develop criteria for reuse that would support a consensus
<i>Meeting 6, 4-20-00</i>	<ul style="list-style-type: none"> ▪ Review draft reuse criteria ▪ Develop reuse scenarios for further study and public review
Public review and further study of scenarios	
<i>Meeting 7/ open house, 5-4-00</i>	<ul style="list-style-type: none"> ▪ Review and comment on site opportunities and constraints, draft reuse criteria, draft matrix evaluation of uses, and draft scenarios
<i>Open house, 5-9-00</i>	<ul style="list-style-type: none"> ▪ Review and comment on site opportunities and constraints, draft reuse criteria, draft matrix evaluation of uses, and draft scenarios
<i>Meeting 8, 5-18-00</i>	<ul style="list-style-type: none"> ▪ Zoning issues, Kate Green (Planning and Development Review) ▪ Market feasibility of reuse scenarios, Eric Hovee ▪ Review draft concepts for committee recommendations
<i>Planning Commission 5-23-00</i>	<ul style="list-style-type: none"> ▪ Briefing and comments on project, site opportunities and constraints, reuse criteria, and reuse scenarios
<i>Open house, 5-27-00 & 6-1-00</i>	<ul style="list-style-type: none"> ▪ Public review of, and comments on, site opportunities and constraints, reuse criteria, and reuse scenarios
Develop reuse recommendations	
<i>Meeting 9, 6-15-00</i>	<ul style="list-style-type: none"> ▪ Traffic analysis of reuse scenarios, Laurel Wentworth ▪ Discussion of draft recommendations the Committee will support
<i>Meeting 10, 7-11-00</i>	<ul style="list-style-type: none"> ▪ Discussion of draft recommendations the Committee will support
<i>Subcommittee, 8-30-00</i>	<ul style="list-style-type: none"> ▪ Optional meeting for Committee members to resolve outstanding issues on reuse recommendations
<i>Meeting 11, 4-5-01</i>	<ul style="list-style-type: none"> ▪ Update of progress since last meeting ▪ Discussion of draft recommendations by Bureau of Planning

The Committee took the following steps to arrive at reuse recommendations:

- Understand the environmental, legal, infrastructure, and economic conditions that influence the site's development potential.
- Incorporate each other's concerns into a list of reuse criteria that would support a consensus recommendation.
- Propose and discuss a range of reuse ideas and site plans.
- Select three to four reuse scenarios for public review and further study of market feasibility and traffic impacts;
- Propose and discuss recommendations that the entire Committee would support.
- Attempt to develop consensus recommendations.

The results of these steps are presented in the following chapters. The decision-making process for arriving at reuse recommendations is described in the last chapter. This report will be presented to City Council, EPA, DEQ, and the property owner, to consider in future decisions affecting the reuse of the property.

2. Summary of Reuse Opportunities and Constraints

A team of consultants and inter-bureau staff analyzed different aspects of the site's redevelopment potential. They prepared a series of reports examining environmental constraints, market feasibility, transportation needs, legal requirements, and other factors pertinent to the site's future use. Their work was compiled in the *McCormick & Baxter Reuse Assessment Project: Background Report*. This chapter summarizes reuse opportunities and constraints identified in their analyses.

Environmental Contamination and Cleanup

A major investment in environmental cleanup of the site is underway through the Superfund project. Isolation of contaminated soils and shoreline sediments to make the site safe for reuse is expected to be complete in 2003. Groundwater monitoring and treatment will continue afterward for several years.

Soils excavated from the site for constructing foundations and installing utilities will require special management practices. Generally, the soils on the site will be 'cleaned' through the Superfund project to a depth of six feet. Soils found to pose an unacceptable risk have already been removed to a depth of at least four feet, and a 'cap' of clean soil, two feet thick, will be placed over the entire site. Soils excavated below the cap for foundations and utilities would need to be managed as 'hazardous waste' if removed from the site, at a cost of approximately \$600 to \$900 per ton. Depending on circumstances, it may also be possible to dispose of excavated soils on the site for minimal cost. If a structure is proposed that requires a pile-supported foundation, special design considerations may be needed.

The clean-up remedies were designed to adequately protect workplace (e.g., industrial, commercial, and institutional) uses and park uses, which assume potential human exposure of generally 40 hours per week or less to lingering contaminants on the site. If residential use is proposed, a higher rate of potential exposure will be applied, and further investigation and possibly additional protective measures will be required. Technical constraints for residential use of the site are not expected to be prohibitive.

A 'cap' of clean fill materials will also be placed over contaminated river sediments along the shoreline. To maintain this sediment cap, DEQ restrictions are likely to prohibit near-shore dredging and limit disturbances from in-water construction and boat propellers. The location of the sediment cap has not yet been finalized, but current data suggests that it will not extend to the southern portion of the site's shoreline.

A long-term process of groundwater treatment is expected to continue for several years after completing the soil and sediment caps. At least 50 groundwater monitoring wells currently exist on the site. DEQ is likely to convert the wellheads to be flush with the ground surface and thus be less obtrusive. Future construction will either need to be designed around the wells and groundwater treatment facilities or propose relocation of these facilities within the site.

Legal Requirements

The McCormick and Baxter site is in a 'heavy industrial' zone under the city zoning code, like most of the Willamette riverfront north of the Broadway Bridge. The site is also designated 'Industrial Sanctuary' in the Comprehensive Plan. Changing to a non-industrial zone, if recommended, would ultimately require City Council approval. Rezoning would need to meet detailed approval criteria, including the adequacy of the transportation system and public services to support the uses allowed under the proposed zone.

Generally, a purchaser of contaminated property who knows or should have known about the contamination is liable to pay for cleanup costs. To encourage investment in previously contaminated sites, DEQ and EPA have programs that, under certain circumstances, can limit the liability of a future owner for cleanup of past contamination. If the site is found to be a source of contamination in the harbor Superfund project, the purchaser of the site may incur additional clean-up liabilities for harbor-wide contamination, separate from the liability for cleanup of the actual site. Public acquisition through eminent domain would establish a barrier to state and federal liability for past contamination.

Transportation and Infrastructure

Current access routes to the site are via Van Houten Place and Edgewater Street. Limitations of those routes include substandard width and curves; grades exceeding 8%; lack of sidewalks and stormwater facilities; railroad crossings; distance from a collector street and transit route (Willamette Boulevard); and distance from a designated truck route (Columbia Boulevard and Interstate Avenue). Trucks accessing the site must use local neighborhood streets.

Major transportation improvements would be required to accommodate most land uses. The Portland Office of Transportation evaluated four access-route options. Upgrading Van Houten Place, the least expensive option, was estimated to cost \$5.4 million. A new riverfront route to Swan Island, the most expensive option, was estimated to cost \$68 million. Generally, the financial burden for such improvements is the responsibility of the developer, although cost sharing may be possible through a local improvement district or grants.

The property is served by municipal water, electricity, telephone, and gas utilities. However, there is currently no public gravity sewer service to the site. Development of the site, other than for open space, would require installation of a pressurized sanitary sewer line from the property and pumping facilities. If the site were subdivided, a public pump station for sanitary sewer would be required, which is estimated to cost approximately \$1 million.

Economic Feasibility

Market opportunities exist for a wide range of uses. The property is one of the largest vacant sites available on the Lower Willamette River and in North Portland. Rail and harbor access offer important transport opportunities for some industries. The river setting and greenspaces nearby could benefit various commercial, residential, and recreational uses. The site is approximately one-half mile from the University of Portland, one mile from the St. Johns Town Center, and four miles from the I-5 freeway.

The North Portland market area is relatively 'job-rich,' having 2.6 jobs per household in 1996 compared to 1.6 in the metro area. Metro forecasts population growth of 9% in North Portland between 1996 and 2017, compared to 35% for the metro area, indicating that residential lands in North Portland are substantially built out.

Many uses of the site may not be financially feasible because of the relatively high development costs associated with liens and infrastructure needs. Liens owed on the property are estimated at nearly \$12 million. If the market value of the land does not cover development costs, the land may remain vacant with a 'negative land value' or the lienholders may settle for partial repayment.

Heavy industrial reuse would be consistent with prior use of the site and current zoning. Challenges for industrial reuse include lower land values to cover property liens and development costs, the relatively limited short-term demand for marine industrial uses, limitations on dredging and shoreline construction to maintain the proposed cap over contaminated sediments, steep access and distance from a designated truck route, and potential conflicts with non-industrial neighbors.

Industrial development is anticipated on the adjacent site to the south, which could discourage investment in residential development on this site. Additionally, housing on this site could create conflicts for adjacent industrial development. Intermediate uses or an open space buffer could be added to separate industrial and non-industrial areas and reduce potential conflicts.

3. Conceptual Evaluation of Possible Uses

A. Reuse Criteria

The reuse issues raised by Committee members were incorporated into 14 criteria for evaluating reuse options. The purposes of these criteria are to help evaluate reuse options and facilitate the development of consensus recommendations. The criteria are intended to reflect the varied interests of stakeholders, although each committee member would not necessarily support, nor give equal weight to, each criterion. The committee as a whole has recognized that, in order to have the support of the full range of stakeholders, any development of this site would require a reasonable balance of these criteria. No particular development proposal is likely to meet all of the criteria, but some developments could reasonably fit most of them. At their meeting on April 20, 2000, the Committee agreed upon a draft of the reuse criteria, which was later reviewed at four project open houses and other public events held in May and June. The criteria are listed and described below.

- **Minimize traffic impacts.** Impacts may include high traffic volume or speed on local neighborhood streets or major Peninsula streets, particularly on evenings and weekends; vibration, noise, and safety risks from trucks on local neighborhood streets; and congestion at off-site intersections. The neighborhood is vulnerable to traffic impacts, because access to the site is by minor neighborhood streets, rather than a major street or truck route.
- **Minimize nuisance impacts.** Nuisance impacts on people who live, work, and recreate in the area might include noise, vibration, glare, odors, and late-night operations, resulting potentially from some heavy industrial uses or major outdoor entertainment. Safety and security problems are other potential nuisance impacts that can result from inactive uses and under-maintained property.
- **Minimize conflicts with industrial neighbors.** Residential and some commercial development may conflict with adjacent industrial uses. City zoning designates the adjacent Triangle Park LLC site for heavy industrial use, where all types of industries may locate, including those not desirable in other areas due to objectionable impacts. Intermediate uses or an open space buffer could be utilized to separate industrial and non-industrial activities and reduce conflicts.
- **Ensure adequacy of infrastructure.** Major access route improvements and sanitary sewer extension would be needed to accommodate most uses. Higher intensity uses, such as an office complex or shopping center, could generate tens of thousands of daily trips and could overwhelm the local street system. If a zoning and Comprehensive Plan change is proposed to allow commercial, residential, or institutional development, one of the criteria for City Council approval is the adequacy of public services to support the proposed uses. High infrastructure costs may preclude the economic feasibility of many uses.

- **Get return on public clean-up investment.** DEQ has an estimated \$6.6 million mortgage on the property to recover costs incurred for site cleanup. If this site is found to be a source of contamination in the harbor Superfund project, the costs could be substantially higher. Use of the site for public purposes could be an alternative means of achieving a return on this public investment, given the economic challenges of reuse and recovery of cleanup costs in the short term.
- **Be compatible with clean-up remedies.** Consider uses that minimize disturbance of the soil cap, sediment cap, and underlying contaminants. Also consider uses that minimize potential exposure to lingering contaminants, in order to reduce public health risks.
- **Minimize pollution impacts.** Concerns include air and water pollution, recontamination of the soil and river sediments, litter, and light pollution. The riverfront location and proximity to residential neighbors heightens concern about pollution impacts from this site.
- **Protect, enhance and restore fish and wildlife habitat.** Concerns include revegetation of the site, restoring natural functions along the riverfront, and preventing adverse impacts on adjacent natural areas (Willamette Cove and Waud Bluff).
- **Increase public access to the river and neighborhood connections.** Potential improvements include park acquisition, trail development along the riverfront and railroad right-of-way, some public access to the river, an interpretive center, and/or interpretive viewpoints at the top of the bluff.
- **Foster aesthetic quality.** Designing new development to provide an attractive, quality environment along the Willamette River is one of the objectives of Portland's Willamette Greenway Plan. Examples include enhanced landscaping, green roofs, visually appealing structures, enclosed storage and screening, and emphasis of the riverfront as a natural amenity. Although not a public objective, the quality of views to the river is a concern of the private residences along the top of the bluff.
- **Foster efficient use of land.** Consider uses of the site that complement specific neighboring uses, such as the Triangle Park LLC industrial site, University of Portland, or Willamette Cove. Housing development is occurring north of the site, benefiting from proximity to the river, greenspaces, and St. Johns Town Center. The site has marine and rail access. Portland has a finite supply of marine industrial land needed to support port functions. This criterion can also be met by expanding opportunities for housing, employment, and recreational open space to efficiently accommodate regional growth.
- **Serve an identified market or community need.** Market need is an obvious prerequisite for private investment in reuse of the site. Market demand exists for a variety of industrial, commercial, and residential uses at properties comparable to the site. Community needs that could be met on the site include sports fields or other recreational uses, habitat restoration, riverfront trails, and a street connection at the base of the bluff.

- **Be consistent with the Comprehensive Plan.** Portland's Comprehensive Plan Map designates the site as 'industrial sanctuary.' If a zoning and Comprehensive Plan change is proposed to allow substantial commercial, residential, or institutional development, one of the criteria for City Council approval is for consistency with the policies of the Comprehensive Plan overall.
- **Reserve land for river-dependent or river-related uses.** Consider uses that need to be on or near the river, for water transportation or recreation, and uses that benefit from the riverfront location.

B. Evaluation of Uses

A conceptual evaluation of alternative uses for the site is provided in Figure 4. This matrix applies the reuse criteria developed by the Advisory Committee to a range of possible uses for the site. Uses are evaluated in general terms: strong fit, possible fit, and weak fit. The evaluation is intended to provide a conceptual comparison of the potential benefits and shortcomings of different uses, rather than to consider all possibilities.

Considering the varied interests of stakeholders that would be affected by reuse of the site, each possible use has resulting benefits and shortcomings in relation to other uses. In general, park, athletic field, and open space uses were found to be more consistent with the criteria than other uses, although the impacts of specific development proposals would vary.

Bureau of Planning staff drafted the evaluation of uses in Figure 4. Information provided by the Portland Office of Transportation was used under the criterion of 'minimizing traffic impacts.' Information provided by E.D. Hovee and Company was used in addressing the two economic criteria, 'serving an identified market need' and 'getting a return on public clean-up investment.' The criterion of 'overall consistency with the Comprehensive Plan' was not included in the matrix, because of the complexity of a balanced, policy-by-policy analysis of each use, and because amending the Comprehensive Plan would ultimately require such an analysis and a discretionary determination by City Council.

The Advisory Committee reviewed the matrix. Committee members did not necessarily agree on how each use is evaluated, although no specific objections were cited. Some uses could be evaluated differently, based on the weighting of issues within each criterion. For example, in evaluating traffic impacts, the comparative effect of 100 daily truck trips (i.e., large freight-hauling trucks) during weekdays and 3,000 daily automobile trips on weekends depend on one's perspective. The range of specific uses within each category could also be evaluated differently. For example, the 'University of Portland' category could include classrooms, offices, dormitories, or ball fields.

Figure 4. Conceptual Evaluation of Alternative Uses Based on Reuse Criteria

Use Considered	Minimize traffic impacts	Minimize nuisance impacts	Minimize conflicts with industrial neighbors	Ensure adequacy of infra structure	Get return on public clean-up investment	Be compatible with clean up remedies	Minimize pollution impacts	Protect, enhance, and restore habitat	Increase public access to the river and neighborhood connections	Foster aesthetic quality	Foster efficient use of land	Serve identified market or community need	Reserve land for river dependent or river-related uses
Industrial													
Marine/Barge Terminal	○	⊗	●	○	⊗	○	⊗	○	○	⊗	●	○	●
Non-Cargo Marine Related	○	⊗	●	○	⊗	○	⊗	○	○	⊗	●	○	●
Manufacturing	○	⊗	●	○	⊗	●	⊗	○	○	⊗	○	●	⊗
Warehouse/Distribution	⊗	○	●	⊗	⊗	●	○	○	○	⊗	○	○	⊗
Service Industrial													
R&D/Prototype Testing	○	●	○	○	○	●	○	○	○	○	●	●	⊗
Corporate/Regional Headquarters	○	●	○	○	●	●	●	○	○	○	●	●	⊗
Commercial													
Multi-Tenant Office	⊗	●	○	⊗	●	●	○	○	○	○	●	○	⊗
Local Service Retail	○	●	○	○	○	●	●	○	○	○	●	○	⊗
Destination Retail	⊗	●	⊗	⊗	●	●	○	○	○	○	○	⊗	⊗
Lodging/Conference	○	○	⊗	○	●	○	●	○	○	○	●	○	⊗
Residential													
Single Family/Estate	○	●	⊗	○	○	○	●	○	○	○	⊗	●	⊗
Townhouse/Rowhouse	○	●	⊗	○	●	○	●	○	○	○	●	●	⊗
Multi-Family Condominium	○	●	⊗	○	●	○	●	○	○	○	●	●	⊗
Multi-Family Apartment	⊗	●	⊗	⊗	○	○	○	○	○	○	●	●	⊗
Live/Work	●	●	○	○	●	○	●	○	○	○	●	○	⊗
Institutional													
University of Portland	○	●	○	○	○	○	●	○	○	○	●	○	⊗
Recreation													
Commercial Recreation	○	○	○	⊗	○	●	○	○	○	○	○	○	○
Small Craft Boating	○	●	●	○	○	○	●	○	●	●	○	●	●
Park & Athletic Fields	○	○	●	○	○	○	●	○	○	○	●	●	○
Open Space	●	●	●	●	○	●	●	●	●	●	●	●	○

Legend: ● = Strong fit ○ = Possible fit ⊗ = Weak fit

Industrial Uses

- Industrial reuse is not expected to be economically feasible in the short term, because site development costs exceed current industrial land values. Over time, the economic outlook for industrial use could improve with appreciation of land values and cost sharing for infrastructure improvements.
- The quality of truck access to the site, which is generally a standard requisite of industrial sites, is marginal. Industrial truck traffic would result in significant impacts on the residential and campus (University of Portland) environment along streets that access the site. Other challenges for industrial truck traffic are the steep grades of access routes and distance from a highway or arterial.
- Industrial development would be consistent with the site's industrial zoning and 'industrial sanctuary' designation in the Comprehensive Plan.
- Marine industrial uses (e.g., marine terminals, barge operators, ship repair, or manufacturers that use river transportation) would take advantage of the finite land supply on Portland Harbor. The short-term market demand for marine industrial use is limited. Expected DEQ restrictions to protect the sediment cap could limit or increase the construction costs of riverfront facilities.
- Industrial use offers the most potential for complementing the proposed industrial reuse of the adjacent Triangle Park LLC property.
- Industrial land values offer less potential for recovering public clean-up costs, compared to residential or commercial use.
- The projected traffic generation from light industrial uses or industrial parks is many times more than that of heavy industrial or marine industrial uses.
- Some heavy industrial uses would result in nuisance impacts (e.g., noise, vibration, odors, glare), pollution (e.g., smokestacks, river outfalls, spills of hazardous substances), or degradation of riverfront aesthetics (e.g., expansive utilitarian buildings, outdoor storage and equipment, structures extending over the riverbank).

Commercial Uses

- The capacity of the local street system significantly limits the amount of potential commercial development at the site. Intensive commercial use, such as a community shopping center or office complex, could generate tens of thousands of daily trips and potentially overwhelm the local street system.
- Commercial uses would support the highest property values to defray infrastructure costs and recover public clean-up costs. Inclusion of commercial uses on part of the site could improve the economic viability of a larger mixed-use development, as well as complement residential or recreational uses.
- Substantial commercial use would be inconsistent with the site's industrial zoning and industrial sanctuary designation in the Comprehensive Plan. Most commercial uses (cruise ship facilities and boat marinas are exceptions) would also remove part of the finite supply of land available on Portland Harbor for river-dependent or river-related uses.
- The Comprehensive Plan also recommends that 'ease of transit use' be a major consideration in approving locations for new office buildings and employment centers. The site is ½-mile and a steep walk from the nearest collector street and transit route, Willamette Boulevard.
- Commercial use could result in conflicts with the adjacent riverfront sites. Buffering and design considerations could reduce conflicts.
- Commercial uses would be compatible with the DEQ clean-up remedies.

Residential Uses

- Residential use is likely to result in conflicts with the proposed industrial use of the adjacent Triangle Park LLC site. The proximity of this large, vacant site, zoned for heavy industrial use, is also a likely impediment to residential investment and rezoning on the McCormick and Baxter site.
- Residential uses would support higher property values (than industry or recreation) to defray infrastructure costs and recover public clean-up costs.
- Residential use would serve an identified market need, and housing development is occurring in the vicinity. Residential use could also complement and be compatible with the nearby greenspaces and the residential neighborhood.
- The local streets leading to the site have adequate capacity to accommodate low-density residential development (e.g., 8 dwellings per acre), but significant impacts on the residential and campus environment along these streets would result.
- Residential use would be inconsistent with the site's industrial zoning and industrial sanctuary designation in the Comprehensive Plan. Residential use is also neither river-dependent nor river-related, and it would remove part of the finite supply of land available on Portland Harbor for marine-industrial uses.
- Further environmental investigation and possibly additional protective measures would be required by DEQ for residential use. Some Committee members have questioned the appropriateness of residential use on the site, because of lingering underground contamination and expected industrial impacts nearby.

Recreational and Open Space Uses

- Parks, athletic fields, and open space uses meet the reuse criteria overall more than the other uses considered.
- Portland Parks and Recreation's *2020 Vision Plan Discussion Draft* (February 2001) identifies the McCormick & Baxter property as a potential site for a river park and sports fields. Community need exists and is growing for active and passive recreational areas. The site could be an important addition to Portland's park system.
- The site's riverfront setting, adjacent open spaces, intersecting trails, size, level terrain, and location between the St. Johns Town Center and University of Portland are well suited for use as recreational open space. Parks and open space offer unique advantages for increasing public access to the river, fostering riverfront aesthetics, and restoring wildlife habitat. A McCormick and Baxter park, located next to Willamette Cove and Waud Bluff and near Cathedral Park, would give North Portland neighborhoods an expansive waterfront amenity, comparable to the Oaks Bottom and Sellwood Park area in Southeast Portland.
- In a 1998 community survey for the *North Beach Vision and Action Plan*, 88% of the 354 respondents favored 'recreation' as the most appropriate use for the North Beach riverfront, which includes the McCormick and Baxter site. Of the 160 Peninsula residents who responded, 92% favored recreation as the most appropriate use.
- Reuse as a park could offer short-term economic advantages over other uses. For example, public acquisition through 'friendly condemnation' would establish a barrier to state and federal liability for past contamination. Nevertheless, the availability of public funding for acquisition and site improvements is questionable.

- A park or open space use would generate minimal traffic impact relative to other uses. Average traffic generation from active recreational use, however, could vary from an estimated 55 daily trips for a city park to 3,300 daily trips for a typical multi-purpose recreation facility. With improvements, the street system has adequate operational capacity to accommodate multi-purpose recreational facilities, but the resulting trip generation would have significant negative impacts on the residential and campus environment along access streets.
- Recreation and open space uses would be compatible with the DEQ clean-up remedies. Estimated health risks from exposure to contaminants would be highest for residents (followed by site workers, then recreational users), based on the relative number of hours spent on the site.
- Recreation and open space uses would support relatively low land values to defray infrastructure costs and repay public clean-up costs. However, public uses could be seen as an acceptable non-monetary return on public expenditures, given the economic challenges of private redevelopment in the short term.
- Park and open space uses would be generally compatible with surrounding residential, greenspace, and industrial uses. Passive park and open space uses can result in safety and security problems, although trail use and dispersed activities offer an effective means of informal security. Sports field lighting can result in off-site glare, although impacts can be minimized with sensitive lighting design.

4. Reuse Scenarios Considered

A. Four Scenarios Proposed

After the preliminary steps of studying the site's development potential and looking at the range of possible uses through the lens of their reuse criteria, the Committee held a brainstorming meeting to propose reuse ideas. Committee members presented alternative site plans (included in Appendix 3) and listened to each other's ideas for preferred uses. The Committee then selected four reuse scenarios for further study and public review. The scenarios are listed and described below. As a common element in all four scenarios, the Committee recommended including a riparian greenbelt along the riverfront and extension of the Willamette Greenway Trail across the site.

Open Space Demonstration Site

A mix of open-space uses could be considered: demonstration projects for fish and wildlife habitat restoration on a formerly contaminated riverfront site; "best practices" demonstration projects for riverbank treatment; botanical research on contamination tolerance of plants; bioremediation of residual soil contamination through plants and trees that clean the soil; related interpretive and educational center; public viewing tower; or 2005 celebration facilities on a Lewis and Clark landing site.

Recreation

Potential recreational uses suggested include soccer fields, a golf learning center, indoor tennis or basketball courts, a canoe and kayak launching site, other programmed recreational activities, a riverfront park, and passive greenspace.

Industrial – No Change

The site may be used consistent with existing 'heavy industrial' zoning or landbanked until industrial land values cover property liens and development costs. Committee members proposed that construction of a new street at the base of the bluff should be required for truck access. It should provide viable access to the north and should consider connection with Terminal 4. Consider environmental protections and aesthetic enhancements, such as green roofs and flags. If landbanked, consider dedication of part of the large site for recreation or open space, to demonstrate safe use of the site and repay some of the public clean-up investment.

Mixed-Use Residential, Commercial, and University Facilities

A mixed-use community could be developed with condominium/townhouse residential, university housing, offices, supportive retail, university science facilities, and a riverfront park. Resort lodging and a restaurant could be considered on part of the riverfront.

Bureau of Planning staff hosted project open houses and other public events in May and June, 2000, to review these scenarios and the progress of the project. This chapter presents a summary of the comments received, as well as a market feasibility analysis and traffic analysis of each scenario.

B. Market Feasibility of Scenarios

Prepared by E.D. Hovee and Company for the City of Portland Bureau of Planning

Land Values Associated with Reuse Scenarios

Each of the four recommended scenarios carries definite implications in terms of the land value supported upon reuse. Three factors are integral to evaluating the land value that may be realized by the current or prospective owner:

- *Reuse Land Value* – what the property may be worth to a prospective owner or investor when *development ready* (after clearing all encumbrances and with infrastructure in place).
- *Existing Property Liens* – these reduce the value that may actually be realized by the existing owner. Reuse value *less* lien payments equals *residual land value* (net of liens but before infrastructure).
- *Infrastructure* – this element also must be deducted from reuse value to provide a full accounting of *residual land value* (with both liens and infrastructure costs deducted).

Figure 5 illustrates the potential interrelationships of these factors and their effect on residual land value for each of the four scenarios under consideration by the Committee.

As indicated by the chart, only one of the four scenarios considered has a realistic potential to yield a positive residual land value – assuming that the full costs of liens and infrastructure are to be assumed by the property owner and/or developer:

- The open space demonstration site concept does not support a positive land value even if a relatively high reuse value and no street improvements are both assumed.
- The recreation scenario likely generates the greatest negative residential land value (requiring significant offsetting funds from non-project sources) assuming street improvements but no need for on-site sewer.
- Industrial use also does not support the need to both remove existing property liens and make required infrastructure investment.
- Mixed use is the only scenario that likely generates a positive residual value – but only if the reuse concept can generate strong market interest to support potentially aggressive assumptions as to reuse land value for a prospective developer.

Figure 5. Residual Land Value Analysis for Each Land Use Scenario

	Land Use Scenario				Mixed Use	Comments
	Open Space/ Demonstration	Recreation	Industrial/ No Change			
<i>Reuse Land Value</i>						
Per square foot value	\$3.00	\$1.00	\$6.00		\$10.00	Assumes unencumbered by environmental liability.
Total value (49 acres)	\$6,403,320	\$2,134,440	\$12,806,640		\$21,344,400	Reflects build-out capability for full site.
<i>Existing Property Liens</i>						
Oregon DEQ	\$6,600,000	\$6,600,000	\$6,600,000		\$6,600,000	Senior lien.
US Bank	\$5,200,000	\$5,200,000	\$5,200,000		\$5,200,000	Subordinated to DEQ, amount to be confirmed.
Subtotal Liens	\$11,800,000	\$11,800,000	\$11,800,000		\$11,800,000	
<i>Residual Land Value</i>						
(Net of Liens)	(\$5,396,680)	(\$9,665,560)	\$1,006,640		\$9,544,400	Value before deduction of infrastructure cost.
<i>Infrastructure</i>						
Street Improvements	\$0	\$5,355,000	\$5,355,000		\$5,355,000	Assumes low cost Alternative 5 option exc. open space.
Sanitary Sewer	\$0	\$0	\$1,200,000		\$1,600,000	Pressure line & pump station, portables for open space.
Other	NA	NA	NA		NA	No estimates to date for water & other utilities.
Subtotal Public Infrastructure	\$0	\$5,355,000	\$6,555,000		\$6,955,000	
<i>Residual Land Value</i>						
(Net of Liens & Infrastructure)	(\$5,396,680)	(\$15,020,560)	(\$5,548,360)		\$2,589,400	Reuse value after deducting liens & infrastructure cost.

Note: Estimates are for illustrative purposes only and subject to change.

Source: E.D. Hovee & Company, May 17, 2000.

None of the above figures includes the *as yet to be determined* cost of potential environmental remediation and clean-up of the Willamette harbor. If a portion of clean-up costs is attributed to the McCormick & Baxter site, the reuse values indicated will be further impacted to the negative.

In particular, the cost of Willamette harbor cleanup could affect the reuse viability of the mixed use scenario. Even in the short term, uncertainty over environmental liability can be expected to further dampen market interest in purchase and/or redevelopment of the subject site.

Conditions for Market Feasibility

As was noted in the initial draft of this market report, the question of market feasibility ultimately hinges on how two related issues are addressed:

- Whether there is a market for the use being considered, i.e. tenants or purchasers.
- Whether the amount that users will pay for the site proves financially feasible, i.e. whether the value supported exceeds project cost.

For the McCormick & Baxter property, the *second question* is likely to prove to be the more critical. As indicated by this preliminary assessment, a variety of uses should be marketable – assuming a development cost that is competitive with market conditions elsewhere in North Portland and the metro area.

The major challenge is likely to be financial feasibility. To attract private purchaser investment and development interest, the value of the land (ready for development) at a minimum should exceed the costs for site acquisition, removal of encumbrances and cost of site-related infrastructure (notably street access and utilities).

Achieving this investment requirement will prove challenging if the property is to support a value adequate to remove existing liens (estimated at \$11.8 million) and cover costs of infrastructure (estimated at \$7 million or more except for recreation and open space options).

As this analysis indicates, for three of four reuse scenarios of interest to the Committee, the McCormick & Baxter property likely is associated with a *negative value*. Only mixed use redevelopment offers some prospect of financial feasibility. These prospects hinge on important assumptions regarding:

- Ability to generate market interest for the uses anticipated – possibly over a multi-year period.
- Willingness of buyer/seller to satisfy existing liens – or for lien holders to discount lien amounts.
- Ability to hold infrastructure expense at reasonable levels – including the low cost alternative identified for street improvements.
- Nominal or limited added environmental responsibility assessed to this property – for future cleanup of the Willamette River harbor.

Issues for Resolution

With the possible exception of mixed use, redevelopment of the McCormick & Baxter property does not appear to be financially feasible with present market conditions.

However, a variety of approaches could be considered (whether singly or in combination) to address this apparent funding gap:

- Work with the property owner to obtain site disposition at nominal value.
- Write down the amount of the liens currently outstanding.
- Allow low intensity use (e.g. open space) without need for significant infrastructure upgrade, especially for street access – a matter that would need to be determined in consultation with the Portland Department of Transportation.
- Rezone the property for higher value residential or commercial use.
- Provide public subsidy (or contributions) to offset the difference between site cost with infrastructure plus lien removal and ultimate reuse value.

Another approach to consider may essentially amount to *mothballing* the property for the immediate future. Low level open space uses that require no significant infrastructure investment could be encouraged – pending changes in market conditions that will better support urban reuse on a basis that is more financially viable.

A long-term hold strategy gives the time that may be needed for the market to come to the site. During this hold period, more extensive community planning combined with outreach to the development community may warranted –with less immediate time pressure for resolution of ultimate property disposition.

Marketing & Implementation Plan

The form that marketing and implementation of a plan for the McCormick & Baxter property takes will depend on a variety of factors including: reuse scenario selected, refined infrastructure cost, cooperation of lien holders, and interests of the owner of the subject site and immediately adjoining properties. If the recommendation of the Committee is to proceed to further test near-term development and reuse opportunities, the following marketing and implementation steps are suggested for consideration:

- Invite existing and nearby property owners, qualified developers, public agencies and other potential reuse partners to participate in a workshop or charrette – to present the McCormick & Baxter opportunity and seek input.
- Use the suggestions obtained from the workshop to shape reuse recommendations and strategy.
- Identify public funding incentives or other contributions that may be available to support a portion of development costs and improve financial feasibility for the uses intended.
- Prepare a development offering (or Request for Proposal) offering the property for sale/redevelopment consistent with property owner, lien holder, affected public agency and development interests expressed.

C. Traffic Analysis of Scenarios

Prepared by Robert Bernstein, Consulting Transportation Engineer/Planner, for the City of Portland Office of Transportation.

Estimates are provided below of traffic generation¹ and travel patterns for the land uses and activities comprised by each scenario. For all traffic generation estimates it was assumed that there are 34 developable acres on the site (excluding acreage needed for roads, etc.). Applicable traffic generation rates and totals are compiled in Figure 6.

Traffic Generation

As shown in Figure 6, park use and waterfront/heavy industrial use would generate a very limited amount traffic. Park traffic is mainly private autos, and would be spread throughout the day and the week, with some concentration on weekends and holidays. Industrial traffic comprises commuting employees and business-related trips (deliveries, etc.), and includes a relatively high proportion of heavy vehicles. Industrial traffic is generated primarily during the work week, though there may be evening and weekend traffic if businesses operate during those times.

The table also shows that light industrial, residential, and multi-purpose recreational uses would generate modest traffic volumes (less than 3,000 per day). Like the traffic generated by heavy industrial uses, light industrial traffic would be generated mainly during the work week. Residential traffic is generated throughout the course of the day and on weekends, with some peaking during the weekday commuter peak periods. Multi-purpose recreational uses would generate some traffic throughout the week, but its traffic would be mainly concentrated on evenings, weekends, and holidays.

Finally, the table shows that of all the land uses considered, commercial/retail and office uses have the highest traffic generation potential. An 80,000-square-foot shopping center by itself would generate substantial traffic volumes (6,000–8,000 per day on weekdays); these traffic flows would be present midday, in the evening, and on weekends, and would be significantly higher during the holiday season for some types of retail.

At maximum density and full buildout of the site, office uses could generate far more traffic than the shopping center: nearly 50,000 daily trips. (Of course, traffic generation would be proportionally less with less-than-full development of the site.) Office-generated traffic occurs throughout the day on weekdays, with significant peaks during the morning and evening commuter peak periods. However, offices generate little traffic on evenings and weekends.

¹ Source: *ITE Trip Generation Manual, 6th Edition*

Figure 6: Traffic Generation

Land Use	Daily Traffic Generation Rate (trips/day)	Daily Traffic Generation Total (site buildout)
Waterport/Marine Terminal	11.9 / acre	400
General Heavy Industrial	6.8 / acre	230
Industrial Park	63.1 / acre	2,100
Light Industrial	51.8 / acre	1,800
Single-Family Residential (8 DU / acre)	9.6 / DU	2,600
Condominium (8 DU / acre)	5.9 / DU	1,600
City Park	1.6 / acre	55
County Park	2.3 / acre	80
Regional Park	4.6 / acre	160
Multi-Purpose Recreation weekday	90.4 / acre	3,100
Saturday	97.6 / acre	3,300
General Office 2:1 FAR	11.0 / ksf FA	32,600
3:1 FAR		48,900
Research Center 2:1 FAR	8.1 / ksf FA	24,000
3:1 FAR		36,000
Shopping Center (80 ksf GLA) weekday	73.8 / ksf GLA	5,900
Saturday	99.4 / ksf GLA	7,900
holiday season (assume +30%)	129.0 / ksf GLA	10,300
Quality Restaurant (10 ksf) weekday	90.0 / ksf	900
Saturday	94.4 / ksf	940
Hi-Turnover Restaurant (10 ksf) weekday	130.3 / ksf	1,300
Saturday	158.4 / ksf	1,600

DU = dwelling unit
 FAR = floor area ratio
 ksf = 1,000 square feet
 FA = floor area
 GLA = gross leasable area

Traffic Patterns

The City's EMME/2 traffic forecasting model was used to identify the origins, destinations, and travel routes of traffic traveling to/from the site vicinity². The traffic model estimated that in the p.m. peak hour, the majority of site traffic (65%) travels to/from the surrounding St Johns/North Portland area: 39% to/from St Johns west of the site, and 26% to/from North Portland east of the site. Most of the remaining site traffic (28%) travels to/from – or beyond – the I-5 Corridor, while 7% travels to/from US30 and Northwest Portland via the St Johns Bridge.

Evaluation of Reuse Scenarios

Open-Space Demonstration Site

This scenario will generate minimal traffic – a couple hundred daily trips, mainly autos – which can be fairly easily accommodated by the local streets providing access to the site.

Recreation

“Natural” outdoor recreational activities – hiking, kayaking, bird-watching, etc. – will generate only modest volumes of traffic. Walking, biking, and roller-blading access to a long segment of the Willamette Greenway Trail may generate a bit more traffic, but it all can be fairly easily accommodated by the local streets providing access to the site. However, sports-related recreational activities – golf, soccer, batting cages, etc. – can generate as much as several thousand daily trips. Although the local streets serving the site have adequate physical and operational capacity to accommodate this traffic, an additional 1,000 – 3,000 daily trips will have significant impact on the residential environment along these local streets.

Heavy Industrial

Heavy industrial use of the site will generate only modest volumes of traffic that to a large extent will be concentrated during the work week. However, the truck traffic generated by industrial activity will have physical, operational, and neighborhood environmental impacts disproportionate to their numbers. An “industrial park” with light industrial uses will generate significantly more auto, van, and heavy truck traffic than heavy industry (2,000 trips/day). As is the case for the sports-related recreational uses, the local streets serving the site have adequate physical and operational capacity to accommodate industrial park traffic. However, the additional 2,000 daily trips will have significant impact on the residential environment along these local streets.

Mixed-Use

The mixed-use scenario has the potential to generate tens of thousands of daily trips. This volume of traffic can overwhelm the local street system providing access to the site. For this reason, traffic and street planning/analysis must be an integral element of site planning and development process from the outset. It will not be possible to develop a site plan, and then after the fact, to analyze traffic impacts and identify an adequate and feasible set of mitigation measures.

² To the extent that the specific uses on the site may differ from the uses in the surrounding area, the traffic patterns of site-generated traffic also may differ somewhat from the patterns identified by the EMME/2 model

D. Comments Received on Scenarios

The reuse scenarios proposed by the Committee were reviewed at four project open houses and other public events held in May and June. A summary of the comments received is provided below.

- Crime and homeless use may become an issue if the site is land-banked or used for park and open space.
- I think the Committee is in agreement on recommending a greenway along the river.
- The Committee should look separately at short- and long-term uses. No private use of the site appears feasible now. As a result, the least expensive may be the most viable.
- A cruise ship terminal should be considered for the site. Resulting traffic would occur in peak and be minimal most of the time. Cruise ships, however, tend to dock at seawalls in active and attractive areas, like downtown. Recruiting cruise ships to come to Portland has been studied before and the lack of docking facilities has been cited as a constraint.
- The University of Portland is concerned about land for expansion, but it is difficult to see beyond the liens, access requirements, cleanup liability, DEQ restrictions, and other limitations of this site. Ball fields may be realistic, but dorms and classrooms seem much less so. The University recently completed a ten-year plan. Others commented that the University should consider the site for long-term expansion, noting that the alternative of acquiring developed residential lots would be much more expensive.
- Access roads are the Achilles heel of this property, for costs and neighborhood impacts. I don't think residential use is feasible because of past contamination. I think that open space is the way to go.
- I still say this is an industrial site, and we should focus on a transportation fix for industrial use. Close Edgewater Street because it is too steep, and construct a new riverfront route between Terminal 4 and Swan Island. The road could be financed with urban renewal money. This area was industrial when people moved in, and the City needs industrial land. I disagree with housing here, not because of health concerns, but because this is industrial land.
- Is a new riverfront street feasible with trains sharing the street in some locations? The logic of the connection has merit and anything can be engineered, but the construction cost would be great. There are examples of passenger railroads sharing streets, such as MAX, but fewer freight train examples. Why would Union Pacific or the University of Portland consider such a proposal? The majority of the land around the base of the bluff at the University of Portland would pose problems for road construction.
- Land-banking seems to be the most likely use.

- The neighbors I've talked to would support either recreation, open space, or mixed residential. They would rather not have industry there.
- Neighbors at Edgewater Condominiums are concerned about potential overuse of Edgewater Street.
- I would rather not see the site put back into industrial use and recommend consideration of residential zoning.
- I would favor the mixed-use residential scenario.
- I would favor construction of a truck route through the site, connecting Port of Portland Terminal 4 and Swan Island Industrial Park, in order to alleviate neighborhood impacts from the projected growth of truck traffic in North Portland. Industrial reuse makes the most sense, but residential use would also be acceptable.
- Santos Goicoechea, a University of Oregon architecture student, recently completed a project for his masters degree proposing designs for habitat restoration and an interpretive center on the nearby Lampros Steel site (directly north of Willamette Cove). The proposal could also be relevant to the McCormick and Baxter site.

5. Reuse Recommendations

A. Background

Decision-Making Process

The McCormick and Baxter Site Reuse Advisory Committee developed a working agreement in March 2000, which included an understanding that their reuse recommendations would be made by consensus. In the event that the Committee could not reach consensus, the agreement called for a Bureau of Planning recommendation that gives consideration to the differing perspectives of Committee members.

The Committee held ten meetings between February and July 2000, to learn about the site's development potential, discuss reuse options, and prepare recommendations. In July, the Committee reached general agreement to recommend use of the site as managed open space, such as a park or natural area, but was divided on whether to recommend this as a permanent or interim use. The property owner representative proposed a long-term lease of the site as an active park, to be reconsidered when other redevelopment options become feasible. Some Committee members supported this proposal, while others recommended securing permanent use of the site as a public park or other managed open space.

Between July 2000 and April 2001, Committee members continued to work toward agreement on reuse recommendations. At their July 11 meeting, the Committee agreed upon a package of recommendations, subject to some changes that would be worked out through mailings or phone calls. The Bureau of Planning distributed a revised draft of recommendations based on the changes voiced at that meeting, and some members responded with objections or changes to parts of that draft. An optional Committee meeting was held on August 30 for members who wanted to be involved in trying to resolve the outstanding issues. The one issue that remained unresolved after that meeting was whether to recommend managed open space as an interim or permanent use.

The contract period for the project was scheduled to end in October 2000. In September, representatives of the property owner and Metro Parks and Greenspaces asked the Bureau of Planning to consider extending the project, pointing out that the Committee was close to consensus on a package of specific reuse recommendations. EPA agreed and the City requested extending the contract period to June 30, 2001. During Fall 2000, the property owner and Metro representatives held individual meetings to try to develop a joint recommendation to bring back to the full Committee. Those meetings reaffirmed support for a recreational open space recommendation but did not result in agreement on the interim-versus-permanent-use issue.

Project facilitator Elaine Hallmark contacted some Committee members in February to gather further input on this issue and seek areas of potential agreement. By March, full consensus of the Committee on how to bring the site into an open space use no longer appeared feasible.

Following the direction of the Committee's working agreement, the Bureau of Planning began work on preparing recommendations. From February through May 2001, Bureau of Planning met with staff of the City Attorneys Office, Bureau of Parks and Recreation, Portland Development Commission, Bureau of Environmental Services, Endangered Species Act Program, Office of Transportation, and Oregon Department of Environmental Quality (DEQ) to advise on reuse recommendations.

In March, Bureau of Planning staff submitted draft recommendations to the Advisory Committee, essentially proposing public acquisition and use of the site as a park, riverfront natural area, and possible non-recreational development on part of the property. The Committee met on April 5, 2001, to review and comment on the recommendations. The draft was later revised in response to the comments received from Committee members and City staff.

The recommendations below are made by the Bureau of Planning. These recommendations, however, are based largely on the Committee's learning and discussion process in this project. While conflicting interests of members led to disagreement on implementation methods, the report's primary recommendation for use of the site as a park and riverfront natural area is essentially a product of the stakeholder Committee. This report will be presented to Portland City Council for review and endorsement.

Recognition of Reuse Obstacles and Opportunities

- The private market is not likely to move the property into productive use in the near term. Development costs from contamination liability, property encumbrances, and infrastructure requirements substantially exceed market land values.
- Most uses would require access improvements estimated to cost in excess of \$5 million.
- Reuse as a park could offer short-term economic advantages over other uses. For example, public acquisition through 'friendly condemnation' would establish a barrier to state and federal liability for past contamination.
- Access to the site is limited by distance from a collector street and truck route, steep grades, and railroad crossings. The local streets leading to the site, however, have adequate physical and operational capacity to accommodate modest traffic volumes, such as from industrial, residential, or multi-purpose recreation uses (generally less than 3,000 daily trips).
- Even lower traffic volumes (especially from trucks) would have significant negative impacts on the residential and campus environment along access streets.
- Higher intensity uses, such as a community shopping center or office complex, could generate tens of thousands of daily trips and potentially overwhelm the local street system.
- Relative to other uses, a low-intensity park or open space would generate minimal traffic impact.
- Superfund remedies were designed to adequately protect workplace and recreational uses. Residential use would require further investigation and possibly additional protective measures.

Criteria for Reuse

The Committee developed the following reuse criteria, which incorporate all of the issues raised by the cross-section of stakeholders on the Committee. Individual Committee members did not necessarily support all of the criteria, nor balance them in the same way. However, the Committee as a whole recognized that in order to have the support of the full range of stakeholders, any development of this site would require a reasonable balance of these criteria. No particular development proposal is likely to meet all of the criteria, but some developments could reasonably fit most of the criteria. Further explanation of the intent of each criterion and concerns raised about them are provided in Chapter 3.

- Minimize traffic impacts.
- Minimize nuisance impacts.
- Minimize conflicts with industrial neighbors.
- Ensure adequacy of infrastructure.
- Get return on public clean-up investment.
- Be compatible with clean-up remedies.
- Minimize pollution impacts.
- Protect, enhance and restore fish and wildlife habitat.
- Increase public access to the river and neighborhood connections.
- Foster aesthetic quality.
- Foster efficient use of land.
- Serve an identified market or community need.
- Be consistent with the Comprehensive Plan.
- Reserve land for river-dependent or river-related uses.

Range of Views on Reuse Discussed and Understood

A range of scenarios for reuse, including residential, mixed use, commercial, light and heavy industrial, university facilities, recreation, and open space, were discussed by the Committee and shared at public open house meetings.

The Committee is clearly divided on the acceptability of some uses. For example, while residential development may be economically viable in the short run, it would pose potential conflicts with future industrial use on the adjacent Triangle Park LLC site, and some stakeholders would not support a recommendation for residential use of the property. Also, while the City's zoning and comprehensive plan support heavy industrial use, much of the Committee generally objected to industrial use of the property.

Park, athletic field, and open space uses, in general, were found to be more consistent with the Committee's reuse criteria than other uses, although the impacts of specific development proposals would vary. Some Committee members recommended permanent use of the site as a public park or open space, noting that the public has more than paid for the site in clean-up costs. In contrast, the property owner representative has favored a long-term lease for active recreational use, while retaining property ownership and the ability to redevelop the site in the future. To make the lease arrangement more appealing, he proposed that, if the park were converted to another use sometime in the future, that developer would be required to reimburse the City for interim park-development costs. Staff of Portland Parks and Recreation and

DEQ responded that the long-term lease option for a city park would not be feasible, citing concerns about limited funding for facilities in permanent parks, possible liability for past contamination, expected public opposition to future conversion of the park to another use, and accounting for long-term accrued interest on the DEQ mortgage.

The Committee met on April 5 to advise on the draft recommendations by the Bureau of Planning for public acquisition and use of the site as a park. Committee comments included general support for recreational use and natural areas, the property owner's continued preference for a long-term lease recommendation, concern about the level of recreation activity and resulting traffic generation, concern about taking the property from the owner through eminent domain authority, and recommendations for adequate security prior to active recreational development. Preparation of a park master plan prior to development would allow for further examination and resolution of these issues.

B. Draft Reuse Recommendations

The Bureau of Planning, as an inter-bureau representative of the City of Portland, makes the following recommendations to the various parties that will have influence on the future use of the site. These parties include the property owner, DEQ, EPA, Portland City Council, and others.

1. Develop the site as a permanent park to include a variety of active and passive recreation uses. Rehabilitate the riverfront as a riparian buffer, generally 100-300 feet wide, to enhance natural-resource values while accommodating opportunities for environmental education, including an interpretive trail, viewpoints, and limited access to the river. Consider developing up to one third of the site for complementary non-recreational uses that are consistent with the Advisory Committee's reuse criteria.
2. The City of Portland should prepare a feasibility study to evaluate the costs and benefits of acquiring and developing the site as a park. Cost analysis should include predevelopment site management, access and infrastructure improvements, development and maintenance costs, and riparian habitat restoration. The study should include a funding strategy to develop the site, acquisition steps, and a preliminary phasing plan for development.
3. If the study finds that the site can be feasibly acquired and developed as a city park and possibly other complementary uses—and subject to approval by Portland Parks and Recreation (PP&R), City Council, the property owner, and lienholders—the site should be transferred to the City of Portland for use as a park. The acquisition agreement should provide a barrier from liability for existing site contaminants. It is PP&R's position that public use be allowed only after the site is developed as a park. The site is not considered to be a park simply by acquiring the property; rather, the site needs to be developed according to an approved master plan.
4. DEQ and EPA should forego monetary reimbursement by the City of Portland for investigation and clean-up costs, because of the site's severe development constraints and the resulting public benefits of park use. Support opportunities to fund natural

resource enhancements on the site as mitigation for environmental damages under the harbor Superfund project.

5. The Division of State Lands should forego monetary reimbursement for river encroachment by historic fill below the 1859 waterline, because of this site's contamination-related constraints to removing that fill and the public benefits of park use.

6. To the extent feasible, DEQ and EPA should incorporate eventual bank contouring, landscaping, stormwater management, and habitat restoration into the design and materials of the soil and sediment caps, in order to reduce public site costs and disruption of the caps once in place. (See the advisory letters from the Portland ESA Program (5/22/01) and U.S. Fish and Wildlife Service (8/28/00)).

- Bank treatment should accommodate habitat functions and stormwater infiltration, in addition to isolating contaminants and stabilizing the cap. Treatment options that provide habitat benefits include configuring natural "roughness" or coves in the bank-line, laying back the bank, terracing above and below the waterline, and reintroducing a diversity of native vegetation including large hardwood species.
- Implement a stormwater management plan during cap installation to prevent runoff from causing erosion or exposing contaminants.
- Plant and maintain native vegetation over the riparian and upland portions of the site to stabilize the cap, enhance habitat functions, and allow for development of park uses.
- To the extent feasible, use soil mixes that would support revegetation, riparian tree cover, and upland athletic fields and structures.

7. After completion of Superfund remedies, the site should be managed to provide for security, safety, and general maintenance.

Appendix 1

Advisory Committee Working Agreement

MASTER

Working Agreements for a Consensus Process
Reuse Recommendations for McCormick & Baxter Site
 (Revised 2/15/00)

I. Purpose/Scope

The parties listed below have agreed to participate in a consensus process to develop recommendations for the City of Portland regarding reuse options for the McCormick and Baxter Superfund Site.

II. Participation

A. The following parties and representatives will participate in the consensus sessions and decisions on recommendations:

<u>Organization</u>	<u>Representative/Alternate</u>
<u>Property Owner</u>	
• McCormick & Baxter	Charlie McCormick
<u>Neighboring Landowners and Industrial Users</u>	
• Triangle Park/Zidell Marine	Steve Shain
• University of Portland	Roy Heynderickx/Jim Kuffner
• METRO Open Spaces	Nancy Chase/Jim Morgan
• Port of Portland	Trey Harbert/Brian Campbell
• Residential landowners on bluff	Jones/Finlayson/Flatner/Lowe
• Union Pacific Railroad	John Trumbull
• Edgewater Condo Assn.	Mel Mori, Pres./Shirley Schiller
<u>Community/Neighborhood Representatives and other Citizen Interests</u>	
• Friends of North Beach	Tom Kloster
• WAKE UP	Dave Soloos/Ron Hernandez
• University Park Neighborhood Assn.	Cathy Crawford/Mark Kirchmeier
• Cathedral Park Neighborhood Assn.	Bev Wilson/Jean Estey Hoops
• Trails- N. Peninsula/40 Mile Loop	Pam Arden
• Willamette Riverkeepers/Or Trout	(Being contacted)
• N. Portland Business Assn.	Mike Fitz/ Mike Salvo
<u>City of Portland</u>	
• City of Portland Bureaus	Deborah Stein
• Portland Development Comm.	Mike Ogan

move to
Resource

Participants represent the entity for which they are listed, and are responsible for keeping that group informed and getting its support for the recommendations developed and agreed to by consensus. *One participant will sit at the table to be the spokesperson for each participant organization or interest during meetings, but representatives may alternate or share their time when needed.*

- B. The following parties and representatives will work with the Consensus Committee as advisors and resources. They will assist with information and resources, but will not be a part of the consensus decision-making process. Additional advisors/resources may be brought in as needed.

City Bureaus and their consultants

- | | |
|--|------------------|
| • City of Portland Parks Bureau | George Lozovoy |
| • Portland Dept. Of Transportation | Laurel Wentworth |
| • Portland Bur. Of Environmental Serv. | John O'Donovan |
| • Portland Brownfields Showcase | Domonic Boswell |
| • Environmental consultant | Robert Ede |
| • Economic consultant | Eric Hovee |

State and Federal Agencies

- | | |
|-------|------------|
| • DEQ | Bill Dana |
| • EPA | Al Goodman |

III. Open Process and Commitment to Consensus

- A. All meetings of the consensus group will be open to the public. The group will decide the level of participation of the public attending meetings, and may decide to assist in some public forums to inform the broader community on the issues being addressed.
- B. Decisions on recommendations will be made by consensus of all named participants in their representative capacity. Consensus means common-ground outcomes arrived at by a process of hearing and understanding the differing perspectives of committee member's – outcomes that each committee member can live with and will support or at the least will not oppose. Representatives will bring the support of the entity or group that they represent. The City of Portland Bureau representative cannot commit the City Council, but will bring the consent of the Bureau of Planning.
- C. Whether or not a consensus recommendation is reached among committee members on future uses and zoning, an expected outcome of the project is submission of a report to EPA which includes the following:
- a background document summarizing reuse opportunities and constraints;
 - an evaluation of reuse alternatives and corresponding zoning designations;
 - a description of the consensus recommendations or differing perspectives of the committee; and
 - any other recommended actions decided by consensus of the committee.
- D. If a consensus recommendation is reached on the types of future uses on the site, that decision will be the reuse recommendation in the report to EPA. If no consensus is reached, a Bureau of Planning recommendation on types of uses and/or analysis of reuse alternatives will be included in the report, giving consideration to the differing perspectives of the committee.
- E. If a consensus is reached to recommend changing the Comprehensive Plan designation and/or zoning on the site, the Planning Director agrees to request that

the appropriate decision-making body initiate review and consideration of the recommended amendments. If no consensus is reached, a Bureau of Planning analysis of zoning alternatives will be included in the report to EPA, giving consideration to the differing perspectives of the committee.

IV. Procedures for the Participants

- A. Participants will attend meetings regularly. Participants may have one consistent alternate, who may attend all meetings as an observer, and may substitute for the regular participant in the event they are unable to attend.
- B. Participants will treat each other with respect throughout the process. They will listen to each other to understand the other's perspective, even if they disagree. One person will speak at a time. Participants will participate fully in letting the group know their perspective on issues, their concerns and their differing points of view. At the same time, participants will respect time constraints and will share the time with others.
- C. All participants will act in good faith in all aspects of these discussions. This includes being honest and refraining from undertaking any actions which will undermine or threaten this process.
- D. Participants shall make every effort to bring all aspects of their concerns about these issues into this process to be addressed. Members shall refrain from generating controversy in the press, other political processes or other public forums and from publicly criticizing the positions taken by any other participants during the consensus process.
- E. The facilitator will not act as spokespersons for any party and will refer all media inquiries to the spokesperson for the relevant party.
- F. All participation in this consensus process is voluntary and may be withdrawn. However, participants agree that before withdrawing they will discuss it with the facilitator and with the other participants and will give them the opportunity to understand the reasons for withdrawal and to encourage continued participation if appropriate.

V. The Facilitator

- A. The facilitator, R. Elaine Hallmark, is a neutral facilitator funded through an EPA grant. She will assist the parties to work in a way that fosters development of consensus.
- B. The facilitator will be responsible for helping to ensure that the process runs smoothly, developing meeting agendas, facilitating meetings, and any working group or interim sessions as needed, preparing and distributing meeting summaries and consensus recommendations. She may also work with the parties to help them resolve their differences and reach consensus on the various issues to be addressed.

SIGNED this 17th date of February, 2000.

<u>Alvrah Stein</u>	<u>Portland Bureau of Planning</u>
<u>Charlin McCormick</u>	<u>M & B</u>
<u>Beverly A. Wilson</u>	<u>Cathedral Park Neighborhood Assn.</u>
<u>Tom Kloster</u>	<u>TRENDS OF NORTH BEACH</u>
<u>Miguel Lopez</u>	<u>Portland Development Commission</u>
<u>Alex Jones</u>	<u>RESIDENT.</u>
<u>Mason Montas</u>	<u>Resident</u>
<u>H. William Lowe</u>	<u>Resident</u>
<u>GREG BABCOCK</u>	<u>RESIDENT</u>
<u>Ron Hanzert</u>	<u>WAKE-UP</u>
<u>John O'Donnell</u>	<u>BES</u>
<u>Mr. [unclear]</u>	<u>RESIDENT</u>
<u>Cathy Crawford</u>	<u>University of Portland Neighborhood Assn</u>
<u>Lance Anderson</u>	<u>40 MILE LOOP LAND TRUST; FRIEND OF PENINSULA CROSSING TRAIL</u>
<u>Nancy Chase</u>	<u>[unclear]</u>
<u>[unclear]</u>	<u>NORTH PORTLAND BUSINESS ASSOC</u>
<u>Gary Haber</u>	<u>Haber and Associates, INC.</u>
<u>Bill Dana</u>	<u>OREGON DEPT. OF ENVIRONMENTAL QUALITY</u>

Appendix 2

Summary Notes of Project Meetings

**McCormick and Baxter Site Reuse Advisory Committee
Summary of Meeting February 3, 2000**

The first meeting of the McCormick and Baxter Site Reuse Advisory Committee was held from 4 to 6 p.m. on February 3, 2000 at the University of Portland. The following people attended:

Committee Members and Alternates

Neighboring Landowners and Industrial Users

- | | |
|-----------------------------------|---|
| • Triangle Park/Zidell Marine | Steve Shain |
| • University of Portland | Roy Heynderickx/Jim Kuffner |
| • METRO Open Spaces | Nancy Chase |
| • Port of Portland | Trey Harbert/Brian Campbell |
| • Residential landowners on bluff | Alex Jones/Alison Montag/Tom
Finlayson/Mark Flatner/
Wm. Lowe |
| • Edgewater Condo Assn. | Shirley Schiller |

Community/Neighborhood Representatives and other Citizen Interests

- | | |
|--------------------------------------|-----------------------------------|
| • Friends of North Beach | Tom Kloster |
| • WAKE UP | Dave Soloos/Ron Hernandez |
| • University Park Neighborhood Assn. | Cathy Crawford/Mark
Kirchmeier |
| • Cathedral Park Neighborhood Assn. | Bev Wilson |
| • Trails- N. Peninsula/40 Mile Loop | Pam Arden |
| • N. Portland Business Assn. | Michael Fitz |

City of Portland

- | | |
|--|---------------|
| • City of Portland Bureaus | Deborah Stein |
| • Portland Development Comm. Mike Ogan | |

Facilitator

- | | |
|--------------------------|-----------------|
| • Hallmark Pacific Group | Elaine Hallmark |
|--------------------------|-----------------|

Resource People and Observers

- | | |
|----------------------------------|---|
| • City of Portland Planning Bur. | Steve Kountz, Sallie Edmunds,
Lee Rahr |
| • DEQ | Bill Dana & Kevin Dana |
| • HEWM | Marcia Newlands |
| • Neighbor | Lihua Lennox |

It was noted that the property owner, Charlie McCormick has agreed to participate, but was suddenly sent on a business trip to Russia, so could not make this meeting.

Introductions and Overview

Deborah Stein, Interim Director of the Portland Planning Bureau welcomed everyone, thanking them for their willingness to participate in this project. Following introductions by all, Bill Dana, Oregon Dept. of Environmental Quality, manager of the superfund cleanup on the site, gave a brief overview of the site and the status of cleanup. He will be at the next meeting to go into more depth and answer more questions. DEQ and EPA completed all the investigative work and issued a Record of Decision on the proposed cleanup 1996, which was revised in 1998. Excavation of contaminated soils to a depth of 4 feet has been completed. There will be a two-foot cap of clean fill over any remaining contamination by the end of 2001. They are now in the planning phase of the groundwater and sediment cleanup. They are trying to prevent both from moving into the river. They will treat what they can, but will primarily work to contain it. Monitoring and extraction wells will likely remain on site for some time.

Steve Kountz, Project Manager for the Planning Bureau, gave a brief overview of the purpose and scope of the Reuse Planning Project, in which this Committee is being asked to participate. This is one of 10 EPA Superfund Redevelopment Initiative Projects, funded to help move to reuse of superfund sites. The Planning Bureau received a grant from EPA to conduct this reuse assessment. The Bureau will prepare a background report, engage the public in this advisory committee process and in other public forums, such as open houses, and will develop a recommendation on future site use configuration.

Review of Working Agreements

The remainder of the meeting was spent discussing a set of working agreements for the Committee. The facilitator had prepared a draft for purposes of discussion. The Committee addressed the number of participants, who they represent, others who might be needed, and the role of various agencies in the process. Several neighbors from the bluff were in attendance as a result of a special letter from the City soliciting a representative from that area. Since this is not an organized neighborhood association, some discussion was held on how the residents should be represented and whether one or two representatives would be appropriate. Those in attendance will talk with each other and choose a spokesperson. It was made clear that anyone is welcome to attend the meetings, but for purposes of discussion and for being sure all the interests are represented in decisions, a designated spokesperson for each group is needed. Several groups have alternates, so that if one is not there the alternate will serve as the spokesperson. Elaine will work with people to firm up the representatives and missing interests.

Various agencies are assessing whether to be participants, having a voice in the consensus decisions, or simply to serve as resources to assist the group with information and technical resources as needed. There was discussion about getting information from other agencies not listed. It was agreed that any information needed will be requested from whatever source is available, and cooperation will be requested from any agency or organization needed to develop or implement a consensus recommendation.

The expected outcomes and decision-making process received much discussion. Deborah Stein clarified that the City has the responsibility to uphold its comprehensive

plan and zoning and is not entering this process with the preconceived idea of a zone change for the property. They do want to look at what would make sense and be realistic and acceptable given the variety of interests and the constraints of the site. Discussion clarified that consensus means a process in which all are interested in addressing everyone's needs to the extent possible so as to get a recommendation that all can live with and support or not block its implementation. A number of people made the point that if no consensus is reached, they would still like their work to count for something, and want to be sure their ideas will be conveyed to decision-makers. The City agreed to clarify its commitments as to the potential outcomes of the process and what they would commit to do with consensus and non-consensus recommendations in the next draft of the working agreements.

Elaine will incorporate the discussed clarifications into a revised draft of the working agreements for the next session. Any other suggested changes should be submitted to her before the next meeting. (She can be reached at 295-7898 (phone), 223-6520 (fax) or e-mail at ehallmark@mediate.com.)

Next Steps

Discussion on regular meeting times revealed that no time is good for everyone. The best time appeared to be the first and third Thursdays from 4 to 6 p.m. The next meeting will be held February 17, from 4 to 6 p.m. at the same meeting place - Teske Dining Room in the Commons Building at the University of Portland. (We will try meeting here again and see if the room is large enough for the group as time goes on.)

Steve Kountz distributed a tentative workplan based on meeting the first and third Thursdays of the month from now through June, outlining the expected information and discussion topics for the upcoming meetings.

“resource” to the group and will attend occasionally and when especially needed. They do not believe they need to be a part of the consensus. John Trumbull has agreed to be a representative for the Union Pacific Railroad, but had a conflict this meeting. We did not hear back about the regular representation of the Edgewater Homeowners’ Association. And we have so far been unable to obtain a representative from Willamette Riverkeepers or similar river interest group.

Review of Working Agreements

The Committee reviewed the revised working agreements. The participation section reflected the clarifications given earlier. The residents of the bluff advised that they had not yet selected a representative or decided how to rotate “at the table”, but they would follow up, and will participate as we go along.

Section III on expected outcomes and decision-making process had been revised per the discussion at the previous meeting. Deborah Stein clarified that the City has the responsibility to uphold its comprehensive plan and zoning, and is not entering this process with the preconceived idea of a zone change for the property. They do want to look at what would make sense and be realistic and acceptable given the variety of interests and the constraints of the site. They are obligated to provide a report with some type of recommendation to EPA at the conclusion of this process, pursuant to the grant from EPA. She reviewed the new language in the Working Agreements and clarified the commitments of the City. The City will make a report to EPA. If the Committee reaches a consensus on a reuse recommendation, that recommendation will be the reuse recommendation the City puts forward in the report. If no consensus is reached, a Bureau of Planning recommendation will be included in the report, giving consideration to the differing perspectives of the Committee. If a consensus is reached to recommend a zone change the Planning Director agrees to initiate the process.

Participants all agreed to accept the new language and that of the following sections on procedures and facilitation. Participants present signed the document. Elaine will follow up with those missing to be sure they accept the document and will also sign it.

Participant Views and Questions about the Site

The Committee took time to go around the room and hear the perspectives of each participant on what they are currently thinking they would like to see at the site and concerns or questions about the site. The following key points from the sharing were captured on the flip charts (similar items have been combined):

- ◆ An attractive industrial site
- ◆ Big playfield areas
- ◆ Unique piece of land
- ◆ If it remains industrial, have a viewpoint or interpretive site for education about what is going on

- ◆ Possible greenway around the site
- ◆ Rethink zoning while so much land along the river in this area is vacant
- ◆ Provide for people access to the river
- ◆ Housing is coming in further north along the river; don't rule it out here
- ◆ University of Portland expansion
- ◆ Maximize efficient use of land in the City; if give up industrial land, there is no way to replace it
- ◆ Trail - along the river or a "rails to trails" type of link from Edgewater to link with the 40 mile loop at the Springwater Trail in SE
- ◆ Provide for pedestrian recreation - link River to River for pedestrians
- ◆ Park area - nice to look at from above
- ◆ Concern about the remaining contamination and the amount of time people can spend on the site – working, living, recreating
- ◆ Have a dock - industrial products handled by barge to reduce traffic on the streets
- ◆ Be able to walk through the site
- ◆ Concern about industrial uses: air pollution, noise, cleanliness
- ◆ Consider aesthetics from above
- ◆ Transportation issues – trucks, pollution
- ◆ Open space - integrate neighborhoods with open space – mixed usage–trees, trails, things to help water quality
- ◆ Sports fields are needed, but consider impacts of lighting, traffic
- ◆ Industrial uses may bring new pollutants
- ◆ Noise and visual pollution concerns for University of Portland
- ◆ Traffic access may affect University activities
- ◆ River industrial property may be needed
- ◆ Connect Swan Island and Terminals 4 and 6
- ◆ Limit truck traffic from local streets
- ◆ Health concerns for neighbors
- ◆ Restore habitat for wildlife
- ◆ Aesthetics important for bluff residents – it becomes "our backyard"
- ◆ Change away from heavy industrial
- ◆ Traffic concerns to neighbors
- ◆ Limited useage (time periods) if industrial use
- ◆ Reclaim land as useable; reclaim some riverfront for people
- ◆ Light mixed use, with trails connecting
- ◆ Give back to the environment
- ◆ Pay back debt for the cleanup – requires some business use – i.e., golf park, University of Portland, commercial, attractive light industry; less desirable to go heavy industry with use of trucks

Project Workplan/Schedule

Steve Kountz briefly reviewed the outline for future meetings, identifying the information and technical experts scheduled to come to the Committee. It was suggested that if Committee members had specific questions for any of those coming, they could get them to Steve in advance and he would be sure the technical expert would be prepared to address them. A handout of the schedule and of names and contact numbers for participants and staff were distributed.

Site Description, Contamination and Cleanup Constraints on Reuse

Rob Ede of Hahn and Associates provided a background report on the site and presented an overview of the contamination, the cleanup and the constraints to reuse. Bill Dana from DEQ and John O'Donovan from the Bureau of Environmental Services participated and answered questions. Please refer to the written report for the information presented. The bottom line summarized by Bill Dana was that DEQ sees no use that would be absolutely prevented by the contamination onsite, although there may be increased costs of construction and some placement considerations for construction. No groundwater can be used (with limited exception). If residential uses were desired, the DEQ would have to do a further risk assessment and perhaps additional testing onsite to determine whether the cleanup is protective of human health given the periods of exposure for residential use. Additional cleanup could be required for such a use. There will be limitations on dredging and on excavating once the clean soil caps are in place.

Rob Ede will be available at the next meeting if there are further questions or clarifications needed once people have had a chance to review his report.

Next Steps

The next meeting will be held March 2 from 4 to 6 p.m. at the same meeting place - Teske Dining Room in the Commons Building at the University of Portland. The meeting topics will be informational presentations and discussion on:

- Mortgages, contamination liabilities, and other legal constraints
- Zoning and comprehensive plan requirements
- Availability of public services and utilities

The Committee agreed to a meeting schedule change, moving the meeting initially scheduled for April 6 to April 13 to accommodate schedules. It was also agreed to hold the April meetings at the Water Lab, which has a larger meeting space. The next meeting is still March 16 at the same location at the University of Portland. (Elaine will not be present to facilitate.)

Restrictions Due to Site Contamination - follow up with Rob Ede and DEQ

Some time was spent with follow-up questions and discussion in relation to consultant Rob Ede's presentation about the site's conditions regarding contamination and clean-up. Questions focused on what kinds of additional construction requirements would apply to specific types of development on the site. Although construction costs may be increased, depending on the development, most kinds of development should be possible.

Contamination Liabilities and Other Legal Constraints

Charles Landman, Legal Policy Advisor for DEQ presented information on the constraints on reuse of the site posed by the cleanup liability. Although the basic rule is that a purchaser of contaminated property who knows or should have known of the contamination is liable for the cleanup costs, DEQ and EPA have programs for insulating such a purchaser from the costs. The basic tool is a prospective purchaser agreement. Under the DEQ program, the agreement must provide a substantial benefit to the state and must not involve a prior owner or contributor to the pollution. Another tool, such as a consent decree, must be used if such a purchaser is to be protected from liability for contribution to other responsible parties for a share of the clean-up costs they incur. This is more difficult, but may be possible.

On this site, the State's costs are secured by a mortgage that is to cover all actual costs. The current amount is about \$3 million; \$3.5 million additional is estimated for the operation and maintenance needed over the next 30 years. EPA's costs are estimated to be about \$20 million, but they are not secured by a mortgage. Neither of these includes the potential costs from any liability for this property's contribution to the Portland Harbor cleanup, which will be difficult to assess until more is known about the harbor-wide contamination and clean-up project. Before the property can be put into use again, an agreement would need to be negotiated with DEQ to satisfy its mortgage. If the owner pays off the mortgage, the owner may do what it wants with the property. If a developer or a public entity were to "purchase" the property it would need to negotiate an agreement or pay off the mortgage. DEQ has an obligation to recover costs for the state, but it does not always recover all of its costs. DEQ can negotiate, and may waive some of its mortgage for an "important public purpose."

Zoning and Comprehensive Plan Requirements

Steve Kountz gave an overview of the City's zoning requirements and comprehensive plan policies pertinent to reuse of the site. The primary message is that the site is zoned for heavy industrial use, and the comprehensive plan designates the area as industrial sanctuary. Changing that would require reasons that meet specified criteria in the zoning code.

Public Services and Utilities

Steve Kountz also summarized the availability of public services to the site. A summary document was distributed. Some services may be difficult or expensive to provide, but can be made available. Transportation issues were raised. It was noted that discussion of transportation issues is one of the main agenda topics at the next meeting when the City's Office of Transportation will make a presentation.

Other Related Projects

Steve also distributed an informational paper describing some related public and private planning projects, such as the Willamette River Greenway Plan Update, which may affect the site.

Next Steps

The next meeting will be held March 16 from 4 to 6 p.m. at the same meeting place - Teske Dining Room in the Commons Building at the University of Portland. The meeting topics will be informational presentations and discussion on:

- Transportation Analysis and needed improvements
- Market feasibility analysis for reuse

The next meeting will be the last of the background information/presentation meetings. Beginning in April, the Committee will discuss the implications of the information it has heard, develop criteria for reuse, and begin looking at possible options for reuse.

**McCormick and Baxter Site Reuse Advisory Committee
Summary of Meeting March 16, 2000**

The fourth meeting of the McCormick and Baxter Site Reuse Advisory Committee was held from 4 to 6 p.m. on March 16, 2000 at the University of Portland. The following people attended:

Committee Members and Alternates

Neighboring Landowners and Industrial Users

- University of Portland Roy Heynderickx
- Residential landowners on bluff Alison & Alex Jones,
Greg Babcock

Community/Neighborhood Representatives and other Citizen Interests

- Friends of North Beach Tom Kloster
- WAKE UP Ron Hernandez
- Nancy Chase Metro
- Cathedral Park Neighborhood Assn. Bev Wilson
- N. Portland Business Assn. Michael Fitz
- Shirley Schiller Edgewater Condos

City of Portland

- City of Portland Bureaus Deborah Stein

Facilitator

- Bureau of Planning Barbara Hart

Resource People and Observers

- City of Portland Planning Bur. Steve Kountz and Lee Rahr
- Hahn and Associates Inc. Rob Ede
- City of Portland, Transportation Laurel Wentworth
- E.D. Hovee & Company Eric Hovee

Introductions and Overview

Facilitator Barbara Hart introduced herself and welcomed the group. Following introductions by all, Barbara asked for feedback on the March 2nd meeting summary. Nancy Chase from Metro stated that Joel Morten had attended in her absence on the March 2nd meeting.

Follow-up Questions:

A question was asked about who is going to sell the property, Charlie McCormick or DEQ. Steve Kountz stated that he will ask Jan Betz at the City Attorney's Office to clarify the matter. He added that, from what he has heard, the property owner and two lienholders, DEQ and U.S. Bank, would each need to agree to a sale of the property.

Addressing questions from the previous meeting, handouts were distributed with excerpts of an industrial lands inventory of Portland Harbor prepared by the Port of

Portland in 1997 and excerpts from the Portland Zoning Code citing conditional-use approval criteria for the Heavy Industrial zone.

Transportation Analysis and Improvements (Laurel Wentworth, Portland Office of Transportation)

Laurel Wentworth summarized the draft Transportation System Existing Conditions Report for the project, which was distributed at the meeting. The Portland Office of Transportation (PDOT) is currently working on a larger approach to transportation planning on the N. Peninsula, including the St. Johns Truck Study. As a condition of future development, PDOT will require that Zidell or the purchaser of the McCormick and Baxter site upgrade the access route to meet City standards. Traditionally, the developer pays for the improvement, but other sources such as a local improvement district or grant assistance may be available.

There are currently two ways to access the site, neither of which meet city engineering standards: the first is to use N. Portsmouth, N. McCosh and Van Houghten; the second is by using N. Edgewater and a driveway along the Union Pacific Railroad right-of-way. Four access route options were evaluated. The following cost estimates for needed improvements to those routes were provided:

- Burlington to N. Van Houten via new river route, - \$11 million
- Willamette Blvd. to N. Van Houten via Edgewater (\$7.8 million)
- N. Van Houten to N. Basin Ave. via new river route (2 alternatives – \$67.7 & \$63.9 million)
- N. Van Houten Place/N. McCosh from Railroad to Portsmouth Ave.(\$5.3 million)

A question was asked about other off-site inadequacies in the transportation system. The St. Johns Truck Study is looking at various problem areas and potential improvements in the Peninsula area. Truck access must be allowed to the site, although improvements and route limitations can be required.

Market Feasibility Analysis (Eric Hovee, E.D. Hovee & Co.)

Eric Hovee summarized the draft Market Feasibility Overview report for the project, which was distributed at the meeting. A primary opportunity for reuse of this site is to reclaim an environmentally contaminated site for uses that meet both community and market expectations. The greatest challenge may be to identify a use and a redevelopment program that attracts an interest that is financially feasible.

Mr. Hovee presented a demographic and socioeconomic profile of North Portland. Metro forecasts relatively little growth in N. Portland and minimal changes in the income structure. It is a job rich community averaging 2.6 jobs per household. The community is perceived as blue collar. It was noted that the community is not just blue collar. Responding to comments that the lifestyle marketing data on affluent households appears inaccurate, Mr. Hovee explained that the data, purchased from one of a few national data firms that provide that type of information (CACI), may not be completely accurate because it is taken from the 1990 census. He added that out-of-state purchasers and investors generally use this or similar data, and it is valuable to see what information is available to them.

Three use scenarios were suggested as a basis for initial discussion. Scenario A proposes industrial reuse by more than one company or type of industry. Advantages of this scenario would be consistency with zoning and relatively high-paying employment. Disadvantage would be the infrastructure and financial constraints and compatibility issues with residential uses above the bluff.

Scenario B suggests mixed use development with live-work opportunities, including condominiums and townhouses, business park, retail, and possibly an urban resort. Advantages of this scenario would be supporting the region's 2040 goals for increased density and travel reduction and offering the highest land values to pay for infrastructure and property liens. Disadvantages would be the need for rezoning, investment in transportation, and possible land use incompatibility with the adjoining Zidell/Triangle Park site.

Scenario C suggests recreational open space, both active (ballfields) and passive (wildlife viewing) open space. The advantages are the minimal infrastructure costs and the likely desirability of open space along the Willamette River. The disadvantage would be lost opportunity for meeting regional 2040 objectives for employment and population density.

Market prices per acre were discussed for industrial lands in the metro area. Hovee stated as a result of infrastructure needs and the liens on the site, the property most likely has a negative value. Land banking was discussed as an alternative to the above uses. This may allow land prices to increase or demands to increase enough to recover cleanup costs. Interim banking could include recreation or institutional use of the site.

Next Steps

The next meeting will be held April 13th from 4-6 p.m. at the BES Water Lab. The meeting topics will be:

- Understand the interests of the participants
- Develop criteria for reuse that would support consensus
- Develop a list of possible use-types to be considered

**McCormick and Baxter Site Reuse Advisory Committee
Summary of Meeting April 13, 2000**

The fifth meeting of the McCormick and Baxter Site Reuse Advisory Committee was held from 4 to 6 p.m. on April 13, 2000 at the Bureau of Environmental Services' Water Pollution Lab. The following people attended:

Committee Members and Alternates

Neighboring Landowners and Industrial Users

- | | |
|-----------------------------------|-------------------------------------|
| • University of Portland | Roy Heynderickx |
| • Triangle Park/Zidell | Steve Shain |
| • Residential landowners on bluff | Alison Montag /Bill Lowe/Alex Jones |
| • METRO Open Spaces | Nancy Chase |
| • Union Pacific Railroad | John Trumbull |
| • Edgewater Condo Assn. | Shirley Schiller |

Community/Neighborhood Representatives and other Citizen Interests

- | | |
|--------------------------------------|----------------|
| • Friends of North Beach | Tom Kloster |
| • WAKE UP | Ron Hernandez |
| • University Park Neighborhood Assn. | Cathy Crawford |
| • Cathedral Park Neighborhood Assn. | Bev Wilson |
| • N. Portland Business Assn. | Michael Fitz |
| • Trails/Audubon | Pam Arden |

City of Portland

- | | |
|--|---------------|
| • City of Portland Bureaus | Deborah Stein |
| • Portland Development Comm. Mike Ogan | |

Facilitator

- | | |
|--------------------------|-----------------|
| • Hallmark Pacific Group | Elaine Hallmark |
|--------------------------|-----------------|

Resource People and Observers

- | | |
|-----------------------------------|---|
| • City of Portland Planning Bur. | Sallie Edmunds, Steve Kountz,
Lee Rahr |
| • City of Portland Parks Bur. | George Lozovoy |
| • City of Portland Transportation | Laurel Wentworth |

Introductions and Overview

Facilitator Elaine Hallmark welcomed the group. Following introductions Bev Wilson commented that the meeting summary did not reflect the discussion at the prior meeting of taking into consideration what is next door to the site. She asked Steve Shain, since he was not present at the last meeting, whether the group was correct in saying there will be a barge facility on the Triangle Park property or should we say there may be a barge facility. Steve said the Triangle Park property will be used for industrial uses, which may include a barge building facility.

Follow Up Questions Regarding Transportation Issues

It was noted that both Laurel Wentworth from Portland Department of Transportation and John Trumbull from Union Pacific Railroad were present and willing to address questions remaining from the last meeting regarding various transportation issues. Some discussion followed regarding the burden of the first developer having to put in needed street improvements. Laurel pointed out that there are ways to have other property owners share costs (such as a public improvement district) or to get other funding, but generally the burden is on the developer. Mike Fitz suggested the group might want to recommend an exemption for public open spaces or recommend an urban renewal district. Mike Ogan pointed out that an urban renewal district is possible, but in a small area like this, there would be little benefit to raising funds.

Open Spaces

Nancy Chase spoke about using the property as open space. She said METRO would not likely be able to pay to purchase the property because the costs of restoring and maintaining it would be around \$20,000 per acre. New plantings would take 5 years of intensive planting and maintenance. Vegetative restoration would need to take place after the site is cleaned up. Otherwise, the site would be susceptible to takeover by blackberries and other undesirable, invasive plants. If just a trail area were dedicated, costs would be less. If it is just a greenway space around development, the costs would be borne by the developer.

Metro would like to avoid the costs of the street improvements. It might be “land banked” for a time and developed for public use later. METRO is land banking Willamette Cove until the Portland Harbor issues are addressed. It is a natural park for passive recreation. Other concerns about open space are the misuse by transients, motor bikes, etc. without lack of surveillance. Any decision would be a policy decision by the METRO Council. Mike Burton lives in the area and favors open space.

Active Recreational Uses

George Lozovoy of Portland Parks and Recreation described the considerations for active recreational uses of the site. There is a River Recreation Master Planning Process underway now. Use of this site would be factored into that process. It could be considered for active and passive uses and for programmed or unprogrammed activities. Questions to consider are whether it is appropriate to have a cultivated open space next to the river, with the maintenance that would require? Or could synthetic surfaces be used, which would allow year-round use and might give more protection to the cap over the contamination. The suggestion of a golf course or driving range was discussed, with some indications that it might be a positive use. A small course might fit, and examples have been successful elsewhere. George is not in charge of golf course development (John Zoller is), but he will get some further information. Ideas about this being an extension soccer field for the Delta Park fields was also thought to be a positive idea. Another idea was to use property for large indoor tennis, basketball or other sports courts, with large warehouse type buildings that would be well accommodated on the site.

George pointed out that programmed activities would likely need parking, but may or may not have to have permanent structures for rest rooms.

Discussion of Interests and Criteria for Reuse

The discussion continued with various suggestions, questions and ideas. Some issues raised were:

The Division of State Lands may have a right to claim against the land for “submerged lands” because it is filled land. They can require a lease. Both Roy Heynderickx and Steve Shain said their organizations had had to deal with this.

The question was raised as to whether anything really needs to happen to this land in the near future? It may be best to just let it sit until the economic conditions become more favorable for its redevelopment. Perhaps a portion of it should be obtained for open space and the rest held for future development, to satisfy the need for open space along the river, demonstrate that the site can be safely used, and as some repayment for the public clean-up effort that has gone into it.

Mike Fitz suggested that it is time to take a Peninsula wide look at the infrastructure needs of the next few years. With the expected expansion of Rivergate, the Port’s likely building on Hayden Island, and the increased truck traffic over the St. John’s Bridge, there is a definite need for an alternative truck route through the peninsula.

Since there is no broker to work on development or marketing of this site, the idea of carving out a portion for public open space or recreational use and letting the rest await such a development got considerable discussion. City ownership of a portion of the site would show the City’s support for the site. Leaving the zoning as IH until or unless there is a specific proposal allows most uses except residential. No one knows if values would ever warrant the transportation related costs. Being reality based and sequencing the site’s reuse based on the market made sense to many. The most important concern reiterated by many, is traffic. Environmental concerns are also high.

Elaine distributed a summary of the interests/criteria from the group’s earlier work. The comments had been “grouped” under 9 general criteria. She asked the group to look at the summary and see if these 9 criteria correctly reflect the group’s thinking, and if met in a reuse proposal, would likely get the support of the group. She requested participants to bring back additions, corrections, etc. to the next meeting. It was noted that it was possible that no land use would indicate an economically viable use of the property at this point in time.

Steve Kountz distributed a map of the site, with some sketches of possible uses to scale at the side. The idea is to give people an idea of what would actually fit on the site. He suggested people take several copies and sketch out some of their ideas for our discussion next week.

Next Steps

The next meeting will be held April 20 from 4 to 6 p.m. at the BES Water Pollution Lab. There will be a discussion of the criteria for reuse options and development of some alternative reuse scenarios. The scenarios will then be further researched and presented at the public workshops.

**McCormick and Baxter Site Reuse Advisory Committee
Summary of Meeting April 20, 2000**

The sixth meeting of the McCormick and Baxter Site Reuse Advisory Committee was held from 4 to 6 p.m. on April 20, 2000 at the Bureau of Environmental Services? Water Pollution Lab. The following people attended:

Committee Members and Alternates

Property Owner (of the site)

Neighboring Landowners and Industrial Users

- Residential landowners on bluff Alison Montag /Alex Jones/
Greg Babcock
- Edgewater Condo Assn. Shirley Schiller

Community/Neighborhood Representatives and other Citizen Interests

- Friends of North Beach Tom Kloster
- WAKE UP Ron Hernandez
- University Park Neighborhood Assn. Cathy Crawford
- Cathedral Park Neighborhood Assn. Bev Wilson
- N. Portland Business Assn. Michael Fitz
- Trails/Audubon Pam Arden

City of Portland

- City of Portland Bureaus Deborah Stein

Facilitator

- Hallmark Pacific Group Elaine Hallmark

Resource People and Observers

- City of Portland Planning Bur. Steve Kountz, Lee Rahr
- City of Portland Transportation Laurel Wentworth

Introductions and Overview

Facilitator Elaine Hallmark welcomed the group and noted that Roy Heynderickx had gone home ill this afternoon; Steve Shain could not come because of Passover; and Charlie McCormick was still out of the country. Elaine explained that the bulk of the meeting is focused on discussion of possible reuse scenarios for the site, with the goal of developing three scenarios to have further developed and to present to the broader public for further input and feedback. A quick review of the updated summary of the Draft Reuse Criteria was planned, to be sure that everyone's criteria is included in some way, even if all do not agree with all of the criteria.

Review Draft Reuse Criteria

Steve Kountz presented an updated draft of reuse criteria that attempts to reflect the various interests that members of the Committee have raised so far in the process. It groups the criteria into 12 categories and provides some description of what is meant by each. The Committee reviewed the list together and made the following suggested changes:

1. In 'Minimize Traffic Impacts' add major Peninsula streets as well as neighborhood streets.
2. Instead of 'Recover Public Clean-up Costs' try to capture the idea of returning value on the public's financial investment in the clean-up. The idea is that the return of value may be in the form of a public benefit and continued use rather than in repayment of the full costs of clean-up. Make it clear the public is not interested in subsidizing a private investment. Some noted that the public may have received the benefit in terms of the protection to people's health and safety from the clean-up.
3. Under minimizing pollution, it was suggested to separate the concept of new uses minimizing air and water pollution or any recontamination from the concept of looking for reuses that are most consistent with protecting the clean-up and the cap and allowing for the monitoring and maintenance that will be required. The latter could be added as a separate criteria.
4. It was urged that the community need/identified market should not preclude the use of the site for future expansion of the University of Portland. The University is a good neighbor (even though its traffic often brings complaints). The neighborhood would like to see it stay and even expand activities into this area.
5. An additional suggested criteria was one that would prefer uses related to the river or taking advantage of the riverfront location.

Potential Reuse Scenarios

The rest of the meeting was spent discussing potential scenarios. Several Committee members posted and described various scenarios which they had developed as ideas:

Cathy Crawford proposed a scenario of using the site for test gardens, which would require no improvements for facilities or services. She suggested they could be either public or private and could demonstrate the ability of various kinds of vegetation to further assist the clean up. They should be experimental or native plants requiring no fertilizer and no irrigation.

Bev Wilson presented three drawings of potential scenarios: 1) Passive & Active Recreation: contained a CSO swale along the railroad tracks, with a berm, then soccer fields. It had a greenway and path along the river, with a floating, self-contained ?Outhouse? for the public. It also suggested a viewing ramp with some interpretive signage to explain the industrial activities in the adjacent area. 2) Industrial Use: included vegetation along the riverbank to promote salmon and well designed, colorful industrial, warehouse-type buildings and a parking structure. Colorful flags with company logos in keeping with flags of ships were part of the decor. 3) A demonstration of water purification, creating drinking water from Willamette River water and raising salmon on the site. It also included a greenway path along the river, vegetation (willows) along the river bank, and an interpretive center in the shape of a salmon.

Tom Kloster presented four scenarios: 1) a nine-hole golf course with a 20 acre natural area with passive recreation, including a public viewing tower overlooking the river; 2) a public park connecting with Willamette Cove with 5 acres of picnic grounds, 4 soccer fields, 4 baseball fields, 15 acres of natural area and small scattered parking areas for cars; 3) a potential University of Portland expansion area with 12 residential buildings

for student housing, 4 educational buildings, 1 fieldhouse, 1 maintenance complex, 5 soccer fields, 3 baseball fields and a 15 acre park along the river front; 4) a "Host Neighborhood" showing a residential use of 120 homes with a 25 acre park with the idea of creating a whole neighborhood, not just some isolated housing units.

Steve Kountz presented four scenarios he had put together for consideration based on comments made at the last meeting: 1) Industrial "land banking" for future use, with a park dedication of a portion of the site; 2) a general industrial and office complex; 3) open space with a mix of passive recreation/open space and active recreation with a possible compatible commercial use such as a restaurant; and, 4) a mixed use showing townhouse/condominiums with supportive retail and service uses.

Mike Fitz proposed that it stay industrial in the "land banking" mode with nothing expected to be developed for a considerable period of time.

After discussion of the various possibilities around these and combinations of these ideas, the Committee agreed to have Steve Kountz ask for further refinement of four possible options to present at the upcoming public meetings, as follows:

Common recommendations for all scenarios. The Advisory Committee recommended including a riparian greenbelt along the riverfront and extension of the Willamette Greenway Trail across the site within all four scenarios.

1. Open Space Demonstration Site. A mix of open-space uses could be considered, such as: demonstration projects for fish and wildlife habitat restoration on a formerly contaminated riverfront site; "best practices" demonstration projects for riverbank treatment; botanical research on contamination tolerance of plants; bioremediation of lingering soil contamination through plants and trees that clean the soil; related interpretive and science educational facilities; public viewing tower; 2005 celebration facilities on a Lewis and Clark landing site.

2. Recreation. Potential recreational uses put forward include a golf learning center, soccer fields, indoor tennis or basketball courts, a canoe and kayak launching site, other programmed recreational activities, a riverfront park, and passive greenspace.

3. Industrial "no change." The site may be used consistent with existing "heavy industrial" zoning or land-banked until industrial land values cover property liens and development costs. Construction of a new street at the base of the bluff should be required for truck access. It must provide real viable access to the North and should consider connection with Terminal 4. Consider environmental protections and aesthetic enhancements, such as green roofs and flags. If land-banked, consider dedication of part of the large site for recreation or open space, to demonstrate safe use of the site and repay some of the public clean-up investment.

4. Mixed-use residential, commercial, and university facilities. A mixed-use community could be developed with condominium/townhouse residential, university housing, offices, supportive retail and services, university science facilities, and a riverfront park. Resort lodging and a restaurant could be considered on part of the riverfront.

The discussions made clear that the Committee does not have a consensus on these potential reuses, but is interested in having them further refined and in getting further feedback on them from the broader public. The areas of most controversy were the suggested use for residential purposes and for heavy industrial purposes.

Next Steps

The next meeting will be May 4 from **6 to 8 p.m.** and will be a joint Committee meeting and public open house. The thought is that the first part of the evening would be used to review the work of the Advisory Committee so far and present the criteria and the four scenarios. The public would be asked for their feedback, and the Committee would listen. Some time would be saved for Committee discussion toward the end. Various approaches may be used, depending on the number of people from the public who attend. The meeting/open house will be held at the BES Water Lab.

There will be an additional open house on Tuesday, May 9th to give more members of the public a chance to comment on what has been developed so far.

May 18th from 4-6 p.m. will be the Committee's meeting to develop its draft recommendation, which will then be reviewed by the public on May 27 and in a joint meeting with the Committee on June 1. Finalization of the recommendations is expected at the June 15 meeting.

**Summary of Comments Received at Open Houses, May 4 and 9, 2000
McCormick and Baxter Reuse Assessment Project**

The May 4th Open House was held from 6 to 8 p.m. at the Bureau of Environmental Services Water Pollution Lab, Bybee Room, 6543 N. Burlington. The May 9th Open House was held from 6 to 8 p.m. at the University of Portland, Buckley Center, Room 103.

The following people attended:

Committee Members and Alternates

Property Owner (of the site)

Neighboring Landowners and Industrial Users

- Residential landowners on bluff Alison and Alex Jones,
Greg Babcock, Tom Finlayson
- University of Portland Dr. Roy Heyndrickx
- Edgewater Condo Association Keith Stangel

Community/Neighborhood Representatives and other Citizen Interests

- Friends of North Beach Tom Kloster
- WAKE UP Ron Hernandez
- University Park Neighborhood Assn. Cathy Crawford
- Cathedral Park Neighborhood Assn. Bev Wilson
- N. Portland Business Assn. Michael Fitz
- Trails/Audubon Pam Arden

Facilitator

- Hallmark Pacific Group Elaine Hallmark

City of Portland

- City of Portland Bureaus Sallie Edmunds
- Portland Development Commission Michael Ogan

Resource People and Observers

- City of Portland Planning Bureau Steve Kountz
- City of Portland Transportation Laurel Wentworth
- Residential neighbors Marc and Karen Crowder

Questions and Comments on Site Opportunities and Constraints

How would Edgewater Street be upgraded, if required? Laurel Wentworth drew a cross-section of the street constructed to City standards and described improvements for pavement widening, drainage, and a sidewalk on one side.

What will the City do to reduce traffic impacts on Willamette Boulevard residents? Laurel Wentworth explained that the Office of Transportation is currently looking at

traffic calming solutions on Willamette Boulevard, in response to neighborhood concerns.

Is a new riverfront street feasible with trains sharing the street in tight locations? The logic of the connection has merit and anything can be engineered, but the construction cost would be great. There are examples of passenger railroads sharing streets, such as MAX, but fewer freight train examples. Why would Union Pacific or the University of Portland consider such a proposal? The majority of the land around the base of the bluff at the University of Portland would pose problems for road construction.

Comments on Draft Reuse Criteria

Crime and homeless use may become an issue if the site is land-banked or used for park and open space.

Questions and Comments on Recommended Reuse Scenarios

I think the Committee is in agreement on recommending a greenway along the river.

The Committee should look separately at short- and long-term uses. No private use of the site appears feasible now. As a result, the least expensive may be the most viable.

A cruise ship terminal should be considered for the site. Resulting traffic would occur in peak and be minimal most of the time. Cruise ships, however, tend to dock at seawalls in active and attractive areas, like downtown. Recruiting cruise ships to come to Portland has been studied before and the lack of docking facilities has been cited as a constraint.

The University of Portland is concerned about land for expansion, but it is hard to have much excitement about this site because of the liens, access requirements, cleanup liability, DEQ restrictions, and other limitations. Ball fields may be realistic, but dorms and classrooms seem much less so. The University recently completed a ten-year plan. Others commented that the University should consider the site for long-term expansion, noting that the alternative of acquiring developed residential lots would be much more expensive.

Access roads are the Achilles heel of this property, for costs and neighborhood impacts. I don't think residential use is feasible because of past contamination. I think that open space is the way to go.

I still say this is an industrial site, and we should focus on a transportation fix for industrial use. Close Edgewater Street because it is too steep, and construct a new riverfront route between Terminal 4 and Swan Island. The road could be financed with urban renewal money. This area was industrial when people moved in, and the City needs industrial land. I disagree with housing here, not because of health concerns, but because this is industrial land.

Land-banking seems to be the most likely use.

The neighbors I've talked to would support either recreation, open space, or mixed residential. They would rather not have industry there.

Neighbors at Edgewater Condominiums are concerned about potential overuse of Edgewater Street.

**McCormick and Baxter Site Reuse Advisory Committee
Summary of Meeting May 18, 2000**

The eighth meeting of the McCormick and Baxter Site Reuse Advisory Committee was held from 4 to 6 p.m. on May 18, 2000 at the University of Portland, Franz Hall, Room 214. The following people attended:

Committee Members and Alternates

Property Owner (of the site)

Charlie McCormick

Neighboring Landowners and Industrial Users

- | | |
|--|---|
| <ul style="list-style-type: none"> ▪ University of Portland ▪ Triangle Park/Zidell ▪ Residential landowner on bluff ▪ Edgewater Condo Assn. ▪ METRO | <p>Roy Heynderickx
Steven Shain
Alex Jones
Shirley Schiller
Nancy Chase</p> |
|--|---|

Community/Neighborhood Representatives and other Citizen Interests

- | | |
|--|--|
| <ul style="list-style-type: none"> ▪ WAKE UP ▪ Cathedral Park Neighborhood Assn. ▪ N. Portland Business Assn. ▪ Trails/Audubon | <p>Ron Hernandez
Bev Wilson
Michael Fitz
Pam Arden</p> |
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City of Portland

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| <ul style="list-style-type: none"> ▪ City of Portland Bureaus | <p>Deborah Stein</p> |
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Facilitator

- | | |
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| <ul style="list-style-type: none"> ▪ Hallmark Pacific Group | <p>Elaine Hallmark</p> |
|--|------------------------|

Resource People and Observers

- | | |
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| <ul style="list-style-type: none"> ▪ City of Portland Planning Bureau ▪ City of Portland Office of Planning and
Development Review ▪ E.D. Hovee & Co. | <p>Steve Kountz

Kate Green
Eric Hovee</p> |
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Introductions and Overview

Facilitator Elaine Hallmark welcomed the group. Following introductions by all, she reviewed the agenda and explained the handout of draft concepts for committee recommendations. Other meeting handouts included summary notes of the May 4 and 9 open houses, the Background Report for the project, and a market feasibility report prepared by E.D. Hovee & Co. on the proposed reuse scenarios.

Zoning Questions

Kate Green of the Office of Planning and Development Review answered questions about the uses allowed on the site under Heavy Industrial zoning and about other zoning requirements. Reviewing the uses in the four reuse scenarios proposed by the committee, she noted that open space, parks, golf courses, and a range of industrial uses and very limited commercial uses would be allowed within the Heavy Industrial

zone. Greenway overlay zoning on the site would require a land use review process for redevelopment of the site. Because the site also has a River Industrial overlay, new uses must be river-dependent or river-related unless the site is found to be unsuitable for such uses in a land use review. The mixed-use residential scenario would not be allowed unless the industrial zoning on the site is changed.

Changing the zoning to General Industrial would allow commercial uses of up to 25,000 square feet, but would not allow residential uses. Changing to the General Employment zoning would allow commercial up to 60,000 square feet. Housing could be allowed as a conditional use in this zone, with appropriate buffers. All zoning requires addressing the transportation and infrastructure needs of the particular use proposed.

Review Draft Concepts for Recommendation and Discuss Recommendations

Elaine Hallmark reviewed the first sections of the handout on draft concepts for recommendation. Referring to the list of recommended uses in the handout, Steven Shain recommended striking the word 'some' before development and striking the recommendation for a cruise ship facility because of traffic impacts.

Bev Wilson suggested that the committee task should be to recommend the next use on the site, rather than a use in the long-range future. Eric Hovee, referring to his market feasibility report on the proposed reuse scenarios, noted that only the mixed-use residential scenario would provide adequate economic return in the short run to cover property liens and infrastructure costs. Steven Shain suggested adding to the recommendation that the City of Portland should help resolve the reuse obstacles on the site. He also suggested that the committee consider support for DEQ writing down its lien based on recommended uses.

Charlie McCormick stated that the McCormick & Baxter Company would like to repay the debts on the property and would favor maximizing land value to do that. Although we probably cannot repay the debts immediately, he said, we would like to do so over time and retain the title. He added that he expects the property value to appreciate over time, and at some point development could generate enough revenue to pay back the debts. Asked whether use of some of the land for recreation or open space would meet the company's mission, Charlie McCormick said that he does not know, but rent for temporary use may be able to pay interest on the debts.

Roy Heynderickx stated that he is in full agreement with the review criteria and would support industrial use that meets those criteria. Ron Hernandez suggested that the land could be in public use for perhaps ten years, like a working land-bank situation, and then reevaluated. Eric Hovee added that U.S. Bank might consider discounting their lien to meet Community Reinvestment Act requirements or as a public relations effort. Pam Arden stated that she is concerned about the idea of recommending that the public repay a private debt. Many agreed that an interim use would allow the Portland Harbor liability to be addressed, as well as work on resolving the infrastructure and lien obstacles to a permanent use.

Charlie McCormick said that a lease may be able to be structured in a way that is acceptable. Asked whether the company or DEQ is in the driver's seat for sale or use of

the land, he said that it could be argued either way, adding that DEQ staff have said that they would like to see a successful use of the site.

Next Steps

The committee discussed and decided to cancel the June 1 meeting, because many members could not attend. To make up for this cancellation, another committee meeting was scheduled for Thursday, June 29, 4-6 p.m. Thus, the last two committee meetings will be held on June 15 and 29, 4-6 p.m., at the Water Lab. Finalization of the committee recommendations is expected at the June 29 meeting. Pam Arden suggested that materials should be mailed to committee members a week before the meetings, because of problems accessing email documents and the lack of time to read materials. Steve Kountz announced that the Planning Commission will hold a briefing session on this project on May 23, 9 p.m., at 1900 SW 4th Avenue. The upcoming open houses will be held on May 27, 10 a.m. to noon, and June 1, 6 to 8 p.m.—both at BES Water Lab.

**Summary of Public Comments Received, May 19 - June 8, 2000
McCormick and Baxter Reuse Assessment Project**

Lombard Street Fair

Steve Kountz, Portland Bureau of Planning, staffed a table at the Lombard Street Fair held on May 21, noon to 4 p.m. Newsletters and other project materials were distributed, and the reuse scenarios proposed by the Advisory Committee were explained. Tom Guinan (8528 N. Tioga) commented that he would rather not see the site put back into industrial use and recommended consideration of residential zoning. Susan Landauer (7706 N. Hodge) commented that she would favor the mixed-use residential scenario.

Public Open Houses

Open houses on the project were held on May 27, 10 a.m. to noon, and June 1, 6 to 8 p.m. Both were held at the Bureau of Environmental Services Water Pollution Lab, Bybee Room, 6543 N. Burlington. The open houses were announced in a project newsletter and an Oregonian article (May 15, 2000: D3). Steve Kountz staffed each open house.

No one attended the May 27 open house. On June 1, one person attended, Ray Piltz (7209 N. Buchanan), the Land Use Chair of the St. Johns Neighborhood Association. He commented that he would favor construction of a truck route through the site, connecting Port of Portland Terminal 4 and Swan Island Industrial Park, in order to alleviate neighborhood impacts from the projected growth of truck traffic in North Portland. He added that industrial reuse make the most sense to him, but that residential use would also be acceptable.

Other Contacts

Gerry Gast, Associate Professor of Architecture at the University of Oregon, contacted Steve Kountz and offered to lend display materials from a recently completed student project by Santos Goicoechea for his masters degree. The project proposes designs for habitat restoration and an interpretive center on the nearby Lampros Steel site (directly north of Willamette Cove).

**McCormick and Baxter Site Reuse Advisory Committee
Summary of Meeting June 15, 2000**

The ninth meeting of the McCormick and Baxter Site Reuse Advisory Committee was held from 4 to 6 p.m. on June 15, 2000 at the Bureau of Environmental Services Water Pollution Control Lab, Bybee Room, 6543 N. Burlington. The following people attended:

Committee Members and Alternates

Neighboring Landowners and Industrial Users

- | | |
|----------------------------------|-----------------------------------|
| ▪ University of Portland | Roy Heynderickx |
| ▪ Triangle Park/Zidell | Steven Shain |
| ▪ Residential landowner on bluff | Alex Jones
(at end of meeting) |
| ▪ Edgewater Condo Assn. | Shirley Schiller |
| ▪ METRO | Nancy Chase |

Community/Neighborhood Representatives and other Citizen Interests

- | | |
|--------------------------------------|----------------|
| ▪ Cathedral Park Neighborhood Assn. | Bev Wilson |
| ▪ University Park Neighborhood Assn. | Cathy Crawford |
| ▪ N. Portland Business Assn. | Michael Fitz |
| ▪ Friends of North Beach | Tom Kloster |

City of Portland

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|-----------------------------------|---------------|
| ▪ City of Portland Bureaus | Deborah Stein |
| ▪ Portland Development Commission | Michael Ogan |

Facilitator

- | | |
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| ▪ Hallmark Pacific Group | Elaine Hallmark |
|--------------------------|-----------------|

Resource People and Observers

- | | |
|---|------------------|
| ▪ City of Portland Planning Bureau | Steve Kountz |
| ▪ City of Portland Office of Transportation | Laurel Wentworth |
| ▪ Edgewater Condo Owner/resident | Vi Finney |

Introductions and Overview

Facilitator Elaine Hallmark welcomed the group and introduced the agenda. She noted that Charlie McCormick was called out of the country and could not attend this meeting. No changes were suggested to the summary notes of the May 18 committee meeting. Meeting handouts included the agenda, summary notes of the May 18 committee meeting, an amended draft (June 8) of concepts for recommendation, summary notes of public comments received, minutes of the May 23 Planning Commission meeting, transportation analysis of scenarios by Robert Bernstein, Metro's policy on right-of-way dedication, and summary notes of a June 6 meeting with Charlie McCormick.

Recommendations the group will support

Members were referred to the draft concepts for recommendations that was partially reviewed at the prior meeting. Elaine pointed out that the portion that had not been discussed was that on the more specific 'short-term' uses to be recommended. She suggested that we go around the room with each person stating what s/he would like to see included in short term recommendations that s/he believes to be supported by a consensus of the Advisory Committee.

Steve Kountz pointed out the draft notes of a meeting held with Charlie McCormick on June 6. He reviewed the recommendations made by Charlie McCormick to consider a temporary lease for recreational use of the site with terms that would not give a benefit to McCormick & Baxter, as well as a follow up assessment to explore and facilitate such a lease.

Laurel Wentworth said that a low-key, casual open space use with minimal improvements would probably not trigger requirements to upgrade access streets, but other uses would. She said there is no specific trip threshold for requiring street improvements.

Bev Wilson recommended consideration of community gardens at the site, noting that they are in demand across the city. She emphasized a concern expressed in earlier meetings that the site should look more attractive than it does now, and she suggested that it should at least be reseeded.

Deborah Stein said that she liked the open space recommendations for restoration, a community garden, or an educational or interpretive center. Such use could be managed, she suggested, by a non-profit or a school or university.

Cathy Crawford objected to the interim lease idea, stating that the public shouldn't put further subsidy into a temporary use on a private site. She recommended that the site could be used for planting by a commercial nursery, with no sales on site.

Shirley Schiller said that she likes the natural area concept with a path along the river, adding that there should be a responsible caretaker for the site. She noted this could be a private volunteer caretaker.

Mike Fitz noted an obstacle to the gardening proposal: that plants grown on the site couldn't be used for human consumption because of heavy metals in the soil. On one hand, Mr. Fitz favors going along with the owner's intent to pay off the debt and supporting variances to excessive city infrastructure requirements, in order to make the use economically viable. On the other hand, he thinks that a future use should not be allowed to access Willamette Blvd. and another access route should be required, to prevent traffic impacts on the neighborhood. He warned against potential nuisance impacts from open space, such as a nude beach. He would go along with an interim public or low impact use, and added the suggestion of Oregon State University Forestry projects.

Nancy Chase said that too much energy in this process has been put on what's economically feasible and the owner's views. No public agency or private developer, she said, wants to invest in the site with substantial Portland Harbor liability being unknown. She favors a guaranteed buffer in perpetuity along the riverfront and trail easement, because of the substantial public investment in this site, with the owner maintaining the rest of the property. She said that it is highly unlikely that a road would be approved through the Metro site. She thinks the group should make a long-term recommendation based on transportation capacity. Without a strong recommendation, the property will stay in limbo.

Tom Kloster agreed with Nancy Chase. He said that the project has been too hemmed in by the owner's constraints. The public outreach in the process has been disappointing. He thinks that the neighborhood wants something to happen on this site. He pointed out prior residential development proposals on this and the adjacent site, urging that this project should look beyond the committee members' ideas. He suggested that the North Beach survey result should be added as an appendix to the recommendation. A landbanking recommendation, he thinks, is a copout, based on getting the owner an eventual profit. The project really should look at both this site and the Triangle Park site and recommend the best use for this area. He pointed out a German proposal to hold festivals on distressed sites, in order to raise funds for improvements and draw attention to the sites. Once the improvements are in and paid for by the events, the property is sold or put to the best permanent use the owner determines. Such sites are usually in public ownership.

Roy Heynderickx felt strongly that there would be no way to have an interim use with McCormick and Baxter retaining ownership and ultimately benefitting from the property's appreciation. He suggested looking at a conservation group or non-profit entity such as the Public Land Trust to take the land in the interim. He also thought it made sense to have the land in managed open space until such time as another use becomes feasible. He urged that the Committee's strongest recommendation be the set of criteria for any development of the site whether it be short term or long term.

Steve Shain commented that having a public process to plan for a single private owner's site is a little presumptuous. He said there should be public ownership of the site because of the public investment. He suggested a recommendation to move forward with getting the property into public ownership, and working with the City to solve the transportation and other obstacles to more intensive uses. He noted that the claim to rents from the Division of State Lands for the submersible portion of the site is another obstacle to development. He objected that investing in an interim use on a distressed site like this would be sending good money after bad. He said that there are major differences between this and the Triangle Park site, pointing out that the nearly completed risk assessment on the Triangle Park site has found minimal contamination risks. He added that Triangle Park is not asking for a comprehensive plan change on its site or to be part of a public process.

Mike Ogan said that PDC does not have a position on the future use of the site. He expressed concern that the city has many underutilized industrial sites, and a mechanism for interim non-industrial use of this site could create public expectations for such interim uses on other industrial lands. He suggested that, if land on this site

is taken out of the city's industrial land supply, that loss of land for growth of the city's employment base should be made up in other locations.

Next Steps

Discussion among the Committee members seemed to point to eliminating the distinction between short term and long term uses, recognizing the fact that all uses are subject to change over time. Since there is only one meeting remaining to finalize the recommendations from the group, it was suggested that Elaine and Steve Kountz work on a draft recommendation to circulate before the meeting. The draft should include much of what had been previously reviewed in the "Concepts for Recommendations." Because private ownership is not likely to get the property into any active use, the draft should also include the recommendation to move the property into public ownership as soon as possible (recognizing negotiations will need to happen between the owner and the public entity—likely Oregon Dept. of Environmental Quality--EPA and others). The recommended immediate use would be for some sort of managed open space while the public entity works to overcome the barriers to a more intensive use. These ideas will be reviewed with the full membership of the Committee and finalized or changed at the last meeting. Additionally members requested that the individual "designs" and ideas for use of the site be included in the appendix to the report.

The next and last Advisory Committee meeting will be held on Tuesday, July 11, 4-6 p.m., at the BES Water Lab, Bybee Room. The committee decided to cancel the meeting that had been scheduled for June 29, because most members would not be able to attend, and to meet instead on July 11. Steve will get materials out early so Committee members can review them in advance and come prepared to finalize them at the meeting. Bev Wilson agreed to help call Committee members to update them and urge them to attend the final meeting.

Draft Meeting Summary
Landscaping and Habitat Considerations on McCormick and Baxter Site
July 6, 2000

Participants in the meeting were Jeremy Buck and Jennifer Thompson of the U.S. Fish and Wildlife Service, Bill Dana of the Oregon Department of Environmental Quality, and Barb Grover and Steve Kountz of Portland Bureau of Planning. The meeting was held from 11:00 a.m. to 12:30 p.m. at the USFW, 2600 SE 98th.

Bill summarized DEQ's cleanup remedies on the site. He said that the EPA's Record of Decision allows flexibility in the design of the soil cap to vary the landscaping and, to some extent, the topography, if the site is going to be used as open space. He said that DEQ will soon be proposing a sediment cap design for review and comments by USFW and other agencies.

Steve explained the Planning Bureau's reuse assessment project for the site. He asked for comments and recommendations about landscaping on the site, the potential for habitat restoration, and contamination issues related to landscaping and habitat.

Jeremy cautioned that restoration along the shallow-water embayment area should be designed for stabilization, not to attract salmonids or birds, until more is known about the contamination risks there through monitoring. The primary risk of contamination harming wildlife, he expects, would be through direct exposure. He thinks that the upland portion of the site would be suitable for restoration, because of the cleanup work being done to prevent exposure.

Jeremy recommended that managing stormwater and any surface water to prevent erosion into contaminated areas should be an integral part of a restoration plan. Jennifer stated that any wetlands and streams restored or created on the site for fish and wildlife habitat should not be used for stormwater management. It would be best to create separate water features if needed for stormwater treatment so that the natural features are not impacted by poor water quality or flashy runoff conditions. She referred to BES wetland projects near Columbia Slough, some as shallow as six inches deep, that are providing effective habitat. She recommended considering restoration, if practical, of the historical water features, variations in topography, and vegetation.

Planting of native cottonwoods, willows, oaks, and conifers was discussed. Jeremy noted that trees planted now could take 20-30 years to become significant heron habitat, by which time contamination-related risks will presumably have subsided. Jennifer also suggested considering the planting regimen of grasses and wildflowers in the Oaks Bottom area, which has similarities to this site. If the end use of the site will be park or greenspace, Jennifer and Jeremy recommended incorporating a landscaping and restoration plan into the design of the soil and sediment caps.

Jeremy offered to prepare brief written recommendations on the site's potential for long-term habitat use and general landscaping recommendations to consider in the design of the soil and sediment caps.

**McCormick and Baxter Site Reuse Advisory Committee
Summary of Meeting July 11, 2000**

The tenth and last meeting of the McCormick and Baxter Site Reuse Advisory Committee was held from 4 to 6 p.m. on July 11, 2000 at the Bureau of Environmental Services Water Pollution Control Lab, Bybee Room, 6543 N. Burlington. The following people attended:

Committee Members and Alternates

Property Owner

- McCormick & Baxter Creosoting Co. Charlie McCormick

Neighboring Landowners and Industrial Users

- University of Portland Roy Heynderickx
- Triangle Park/Zidell Steven Shain
- Residential landowner on bluff Tom Finlayson
- Edgewater Condo Assn. Shirley Schiller
- METRO Nancy Chase

Community/Neighborhood Representatives and other Citizen Interests

- Cathedral Park Neighborhood Assn. Bev Wilson
- University Park Neighborhood Assn. Cathy Crawford
- N. Portland Business Assn. Michael Fitz
- 40 Mile Loop, Portland Audubon Pam Arden
- WAKE UP Ron Hernandez

City of Portland

- City of Portland Bureaus Deborah Stein
- Portland Development Commission Michael Ogan

Facilitator

- Hallmark Pacific Group Elaine Hallmark

Resource People and Observers

- City of Portland Planning Bureau Steve Kountz
- Oregon Dept. of Environmental Quality Charlie Landman
- Oregon Dept. of Environmental Quality Bill Dana
- Oregon Dept. of Environmental Quality Kevin Dana

Introductions and Overview

Facilitator Elaine Hallmark welcomed the group. Following introductions by all, Elaine reviewed the agenda and the draft document of committee recommendations. No changes were suggested to the summary notes of the June 15 committee meeting. Steve Kountz reviewed the proposed outline of the final report, and he pointed out the review draft of chapters 3 and 4 among the handouts. Other meeting handouts included the agenda, summary notes of the last committee meeting, an amended review draft of final

committee recommendations, and summary notes of a July 6 meeting with U.S. Fish and Wildlife Service staff on landscaping and habitat considerations.

Final Consensus Recommendations

Referring to the review draft of committee recommendations, Elaine asked that the discussion be focused on the 'Recommendation' section (page 2), beginning with the first paragraph. Suggestions were made to replace the term "productive use," which may be too limiting, to beneficial or positive use. Clarification was requested on when the "completion of the cleanup" will actually occur, and Bill Dana explained that the completion of the soil and sediment caps is expected within two years.

Several concerns were expressed about the second paragraph. Acquisition by a non-profit land trust was suggested as an acceptable alternative to public acquisition. Charlie Landman suggested striking the reference to DEQ, noting that it is not DEQ's role to be a long-term landowner or to act as a land use authority. He added, however, that DEQ would consider the Committee recommendations in their negotiations on the property.

Concerns were expressed about expecting the property owner to give up ownership. Charlie McCormick questioned whether taking steps to transfer title on the property is within the scope of the Committee's work, and he suggested instead that the Committee focus on consideration of an appropriate interim use. Suggestions were made to (1) move the second paragraph to the end and (2) replace the term 'commencement of negotiations' (to move the property into public ownership) with a more moderate recommendation, such as to explore, investigate, or consider this action. One of the reasons cited for moving the property into public ownership is that the public has already invested millions in the site, and it would probably already be in public ownership if not for the site's liabilities. Another reason cited is the awkwardness of making a land-use recommendation on a single private property. Other members expressed concern that a Committee recommendation that does not include the property owner would be of little practical value.

A new recommendation was suggested to include the site in the Interstate Urban Renewal District. Doing so could allow for public acquisition, design and use restrictions in development agreements, and assistance with infrastructure financing. Steve Kountz noted that, because the process to establish the Interstate Renewal District is so far along, inclusion in another district may be more feasible.

Elaine suggested moving on to the third and fourth paragraphs and then coming back to the second paragraph. An objection was made that the third paragraph implies a recommendation for intensive use of the site. Instead, it was suggested, the recommendation should not rule out open space as an acceptable long-term use. If the second paragraph is revised, the term "public entity" in the third paragraph should be replaced accordingly. Regarding the recommendation to address safety concerns, clarification was suggested that this should not mean fencing the site. It was suggested instead that active use of the trail as a public space should be encouraged, to provide informal surveillance of the site.

In the fourth paragraph, consideration for rezoning from heavy to light industrial use was discussed. Steve pointed out the finding in the traffic report that light industry tends to generate far more traffic than heavy industry. He added that an earlier draft listed light industry as an acceptable use, which was revised to “industry with minimal truck traffic, nuisances, pollution, and aesthetic impacts.” Committee members suggested a strong recommendation that future uses should be in keeping with the reuse criteria. Charlie Landman noted that, if a steel mill was proposed on the site, he sees nothing in the current draft recommending that it should not be allowed. Deborah Stein noted that city zoning regulations are designed to apply to multiple properties, and she suggested exploring the use of private deed restrictions as a more practical option for establishing specific limitations on a single property.

The discussion focused again on the recommendation in the second paragraph on moving the property into public ownership. Charlie McCormick noted that public ownership would not necessarily result in beneficial use, adding that PDC and the Port of Portland have approached him in the past about specific heavy industrial proposals that the Committee would find unacceptable.

Incorporating various ideas that had been discussed, Elaine suggested replacing the second paragraph with a final paragraph recommending to “explore” certain actions: restricting the use of the property to meet the reuse criteria; public or non-profit ownership; and inclusion in an urban renewal district. These ideas continued to be discussed but were not opposed.

Wrap Up

The Committee members agreed by consensus to the recommendations as drafted, subject to the changes discussed. It was also agreed that the final wording of the changes will be worked out through mailings and/or phone calls to each Committee member. Elaine asked the Committee members whether or not they would like to sign the final recommendations and incorporate the signature page in the final report, and it was agreed to do so.

Elaine congratulated and thanked the Committee for their hard work and a successful outcome to the project.

differing views of the Committee. The Committee had met ten times and had not been able to reach a final consensus on the overall recommendation, largely revolving around long term versus short term commitment to open space or recreational uses of all or part of the property.

Recap of Progress Since Last Meeting

Steve Kountz reviewed the progress and discussions that had occurred since the group last met as a whole in June 2000, with a small group follow up meeting in the summer. He had sent an update in November 2000, reporting that discussions were ongoing between METRO and the property owner regarding some type of long term dedication of the property to open space or recreational uses. Since no agreement on the issue of whether to recommend a permanent dedication to those uses appeared to be emerging, the City then developed its recommendation. The City wanted the Committee to review the draft recommendation and give further input before it is submitted. Of course, if a consensus could be reached, the recommendation could still be changed to reflect the consensus.

Steve reported that since the group's last meetings, the City's Parks 2020 Plan has come out. It lists the McCormick & Baxter site as a desired park location and cites the need for more parks in the North Portland area. Steve has met with Parks and confirmed that they are still interested in full ownership of the property for development as a park. Parks and DEQ staff have reviewed Charlie McCormick's proposal for a long-term lease with various options for the longer term, and commented that they did not think it would be feasible. The City has learned that getting the property through condemnation, hopefully a 'friendly condemnation' to which the property owner would agree (rather than just a negotiated agreement), would protect the City from future liability for the Portland Harbor clean up or any other preexisting pollution originating at this site. The City would hope to work with DEQ and EPA to forgive the debt in exchange for public use of the property, and to work with the McCormick & Baxter Co. to acknowledge their repayment by their agreement to public ownership and dedication of the land to benefit the people of the City. The City might consider reserving a part of the property for future development, as some had suggested, compatible with the criteria developed by this Committee.

Steve Kountz reported that Steve Shain, who had a conflict and could not attend the meeting, had asked him to report that Triangle Park/Zidell supported the concept of public ownership of the property, but would like them to acknowledge that access should be by way of Van Houten Place.

Review of draft City Recommendation

Steve Kountz then reviewed briefly the City's draft recommendations, which had been distributed in advance. The five parts of the recommendation are summarized as:

1. Use all or most of the site for park and active recreation; rehabilitate and use riverfront as greenway, river access and trail. Consider small portion of site for redevelopment.

2. Transfer ownership of site to City or Metro for public purposes, considering use of eminent domain for acquisition to protect from liability for hazardous substances.
3. Consider the use of the site as park and greenway as mitigation for environmental damages under the Portland Harbor Superfund project, and as reimbursement for DEQ and EPA clean up costs on the site.
4. Design recommendations for final soil cap, bank and landscaping in completion of the clean up.
5. Manage the site to provide for security, safety, landscaping and general maintenance, encouraging public use, as opposed to fencing the site for security.

Steve noted that a site visit is set up to begin to address # 4, design recommendations.

Comments and Discussion

Questions arose about the status of the clean up and whether any of this could happen before the Harbor cleanup is complete. Kevin Parrett, the new Project Manager for DEQ, gave an update on the clean up status. Three remedies need to be completed:

1. Barrier wall between the site and the River is in preliminary design and moving to final design. It is expected to be completed by Fall.
2. Sediment capping under water can only be done during certain 'windows of opportunity' when it will not harm the salmon migrations. There is a window in December, which they are hoping to make, but if not, it cannot be done until next Summer.
3. Upland soil cap will be done as soon as the design is completed. This is where the future use planning is important. If the land use requires certain bank design elements, that could be factored into the remedy.

He noted that there will be some kind of ground water treatment system on the site. Security will be an issue for that as well as for the clean cap, which needs to be protected from future contamination. Questions came up about the limits to exposure and potential residential use. Kevin will verify, but he believes the current remedy will protect against all exposures as long as the cap is maintained.

Charlie McCormick supported the best use as sports fields, not just open space. He noted problems with safety related to Willamette Cove. He does not see why 1/3 of the site should be carved out for development. He would urge moving the development of the park into sports fields ahead of the 10 - 12 years Bureau of Parks anticipates, and do it as quickly as possible. He noted they had always used Edgewater Street for access and said it is simpler than entering through Van Houten. He still recommends the long term no-cost lease approach, which could give some possibility of re-paying the clean up costs, although deferred for now, and would give the City a chance to see if the recreational use was important enough to keep it permanently.

Each person then gave their comments, going around the room. The comments are summarized and combined here as follows.

- Generally supportive of the recreational uses and natural areas, including

trails

- Supportive of getting the property into use as quickly as possible
- Security concerns are important. Avoid more problems by having more active use, people coming through it regularly.
- Concerns about traffic for the sports fields, night activities, lighting, etc. Will require careful design and planning. Some kind of mitigation may be required for light pollution, noise, traffic. The Astronomers' Club would help regarding lighting. See Greg Babock.
- Concerns about "taking" the property against the owner's wishes. Urge working out an appropriate agreement with owner. Respect property owner's rights. Possibly give him the right to buy it back in future, paying for improvements, etc. Lease plan might allow for future needs of University, which neighbors see as growing. Problem is that once developed as parks, no one would let it get converted.
- Problem is the infrastructure required: road improvement and sewers and other amenities.
- Neighbors find it an exciting plan. Increased density in the area means more need for parks and access to river. No need to go into water - like beaches. See it like Willamette Park, above the water.
- Sports enthusiasts see need for as many ball fields as possible. Recommend against saving a portion of the property for redevelopment. Much pressure for more space for soccer in particular. Some would see the 20 year lease idea as feasible (some say 30, 50 or 100 years); others would want permanent dedication to support investment in development of sports fields. Sports fields are a benefit to the surrounding business community. Fields can operate without lights. 1995 bond issue to build soccer fields?could not find land available.
- Include in recommendation to work in partnership with Willamette Cove. Continue the trails/paths and tie in adjacent properties. Provide amenities for pedestrians, bikers and joggers.
- Tie Cathedral Park to Swan Island with walkways and eventually to East ~~Shore~~ Bank Promenade. Consider use of the barrier wall as a raised walkway.
- Some neighbors concerned about use of Van Houten, some with use of Edgewater, for access. University would not support a soccer fields complex if all access was through Van Houten.
- Concerns regarding maintenance, garbage problems, etc.

- Would have to be funded by City Council even to maintain the property while Parks looking for the money to develop it. Wonderful opportunity for the City. Many ideas about public/private partnerships and volunteers to do maintenance and even to get the fields developed. Consider grant funds for Lewis and Clark heritage site.
- Look at tax increment financing to benefit park development. Should not have to develop part of property to pay for the park. Others say Parks should pay system development charges.

Next Steps

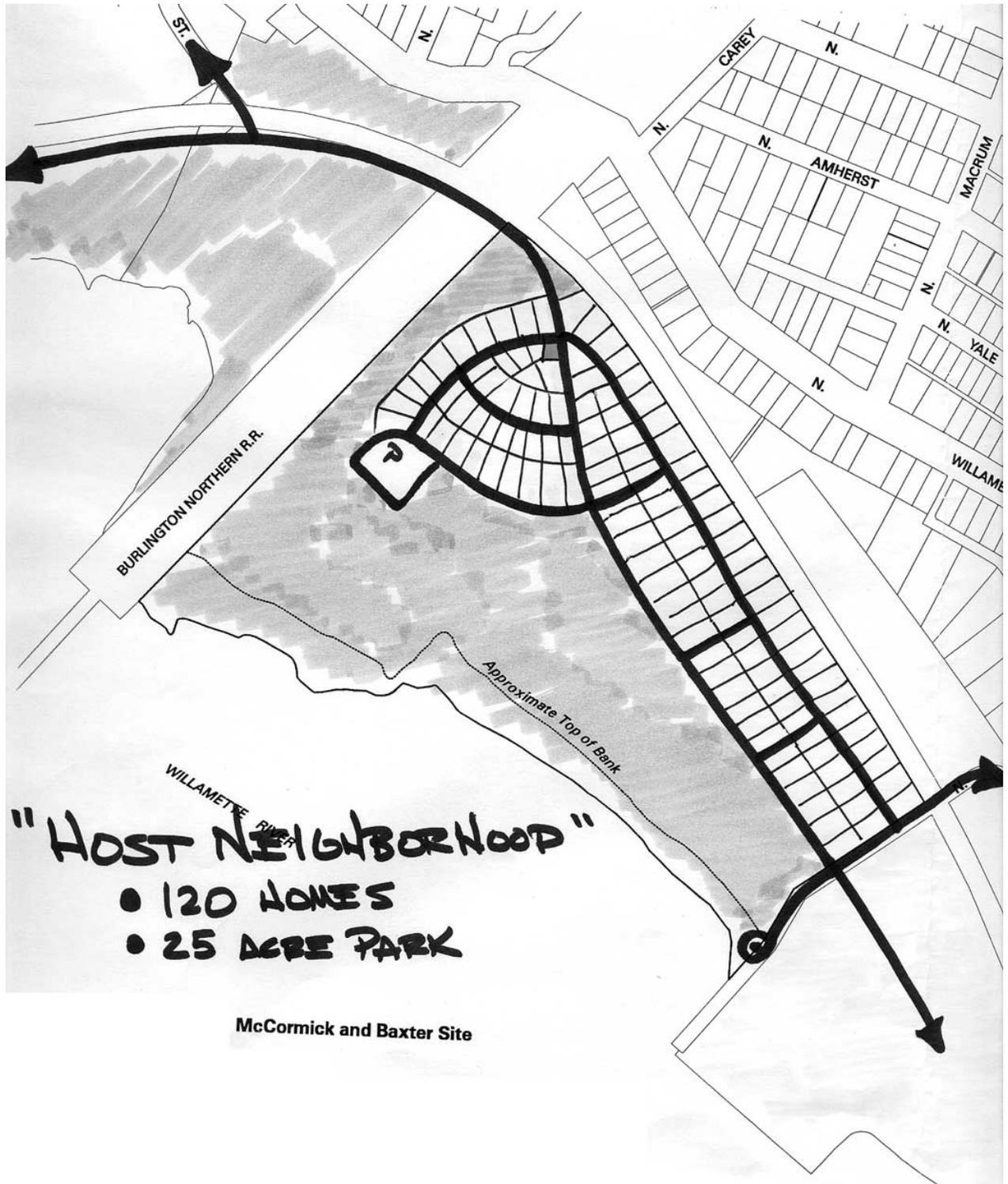
Steve Kountz and Deborah Stein reported that they will be meeting with Parks to discuss this further, and will meet with PDOT (transportation) to explore further the street costs and what could be done in the interim. They will also work with DEQ about recommendations for the design of the final site soil cap and landscaping.

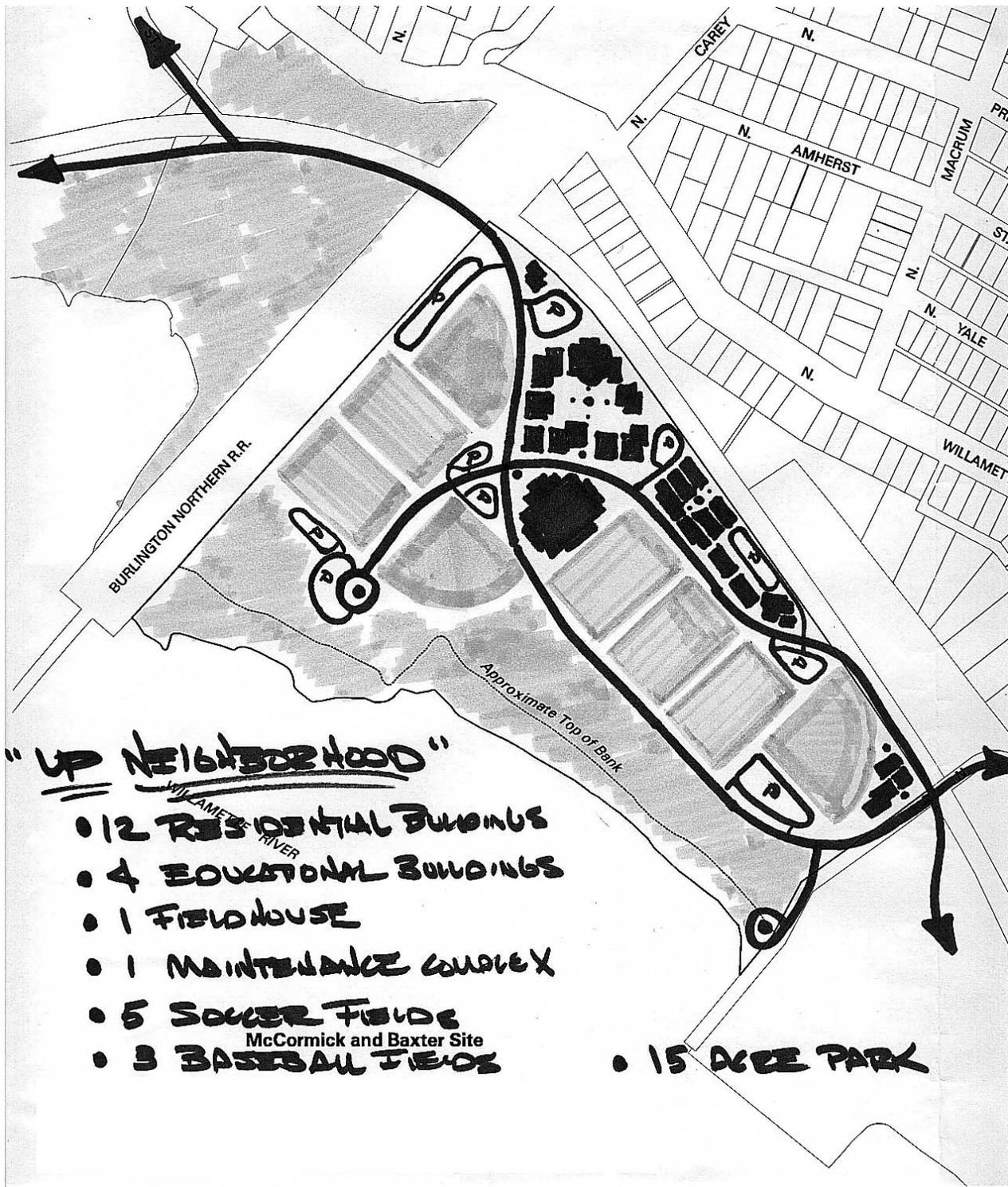
They acknowledged that it was clear at this meeting that although there is much support for some of the concepts, there is no clear consensus on exactly how to move it forward. Therefore, the City will move forward to develop a final report and recommendations. The report will be distributed to all members of the Committee, and will be submitted to City Council.

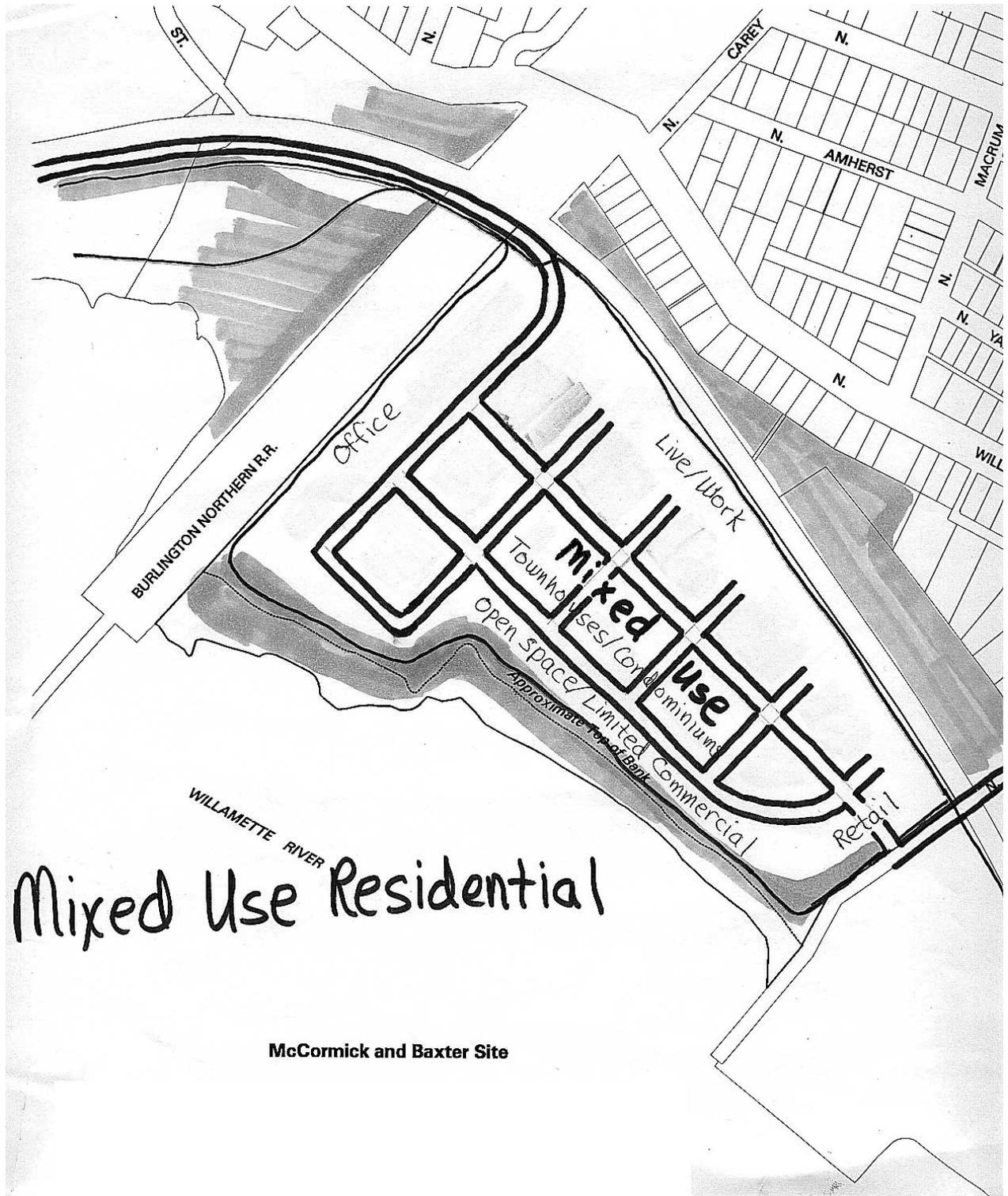
Deborah and Steve thanked everyone for all their hard work and their continued interest, and agreed to keep them informed as things move along.

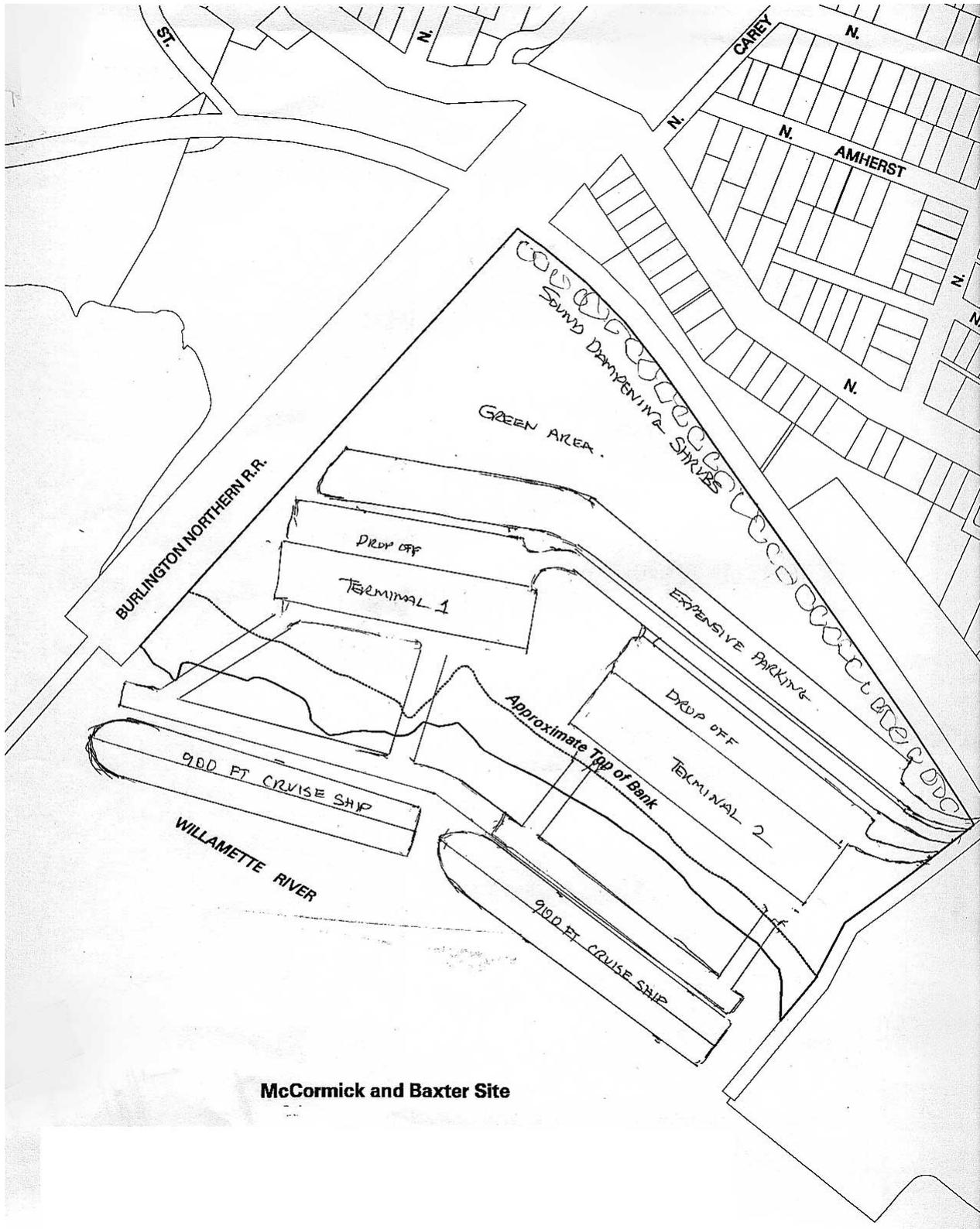
Appendix 3

Conceptual Site Plans for Reuse Scenarios

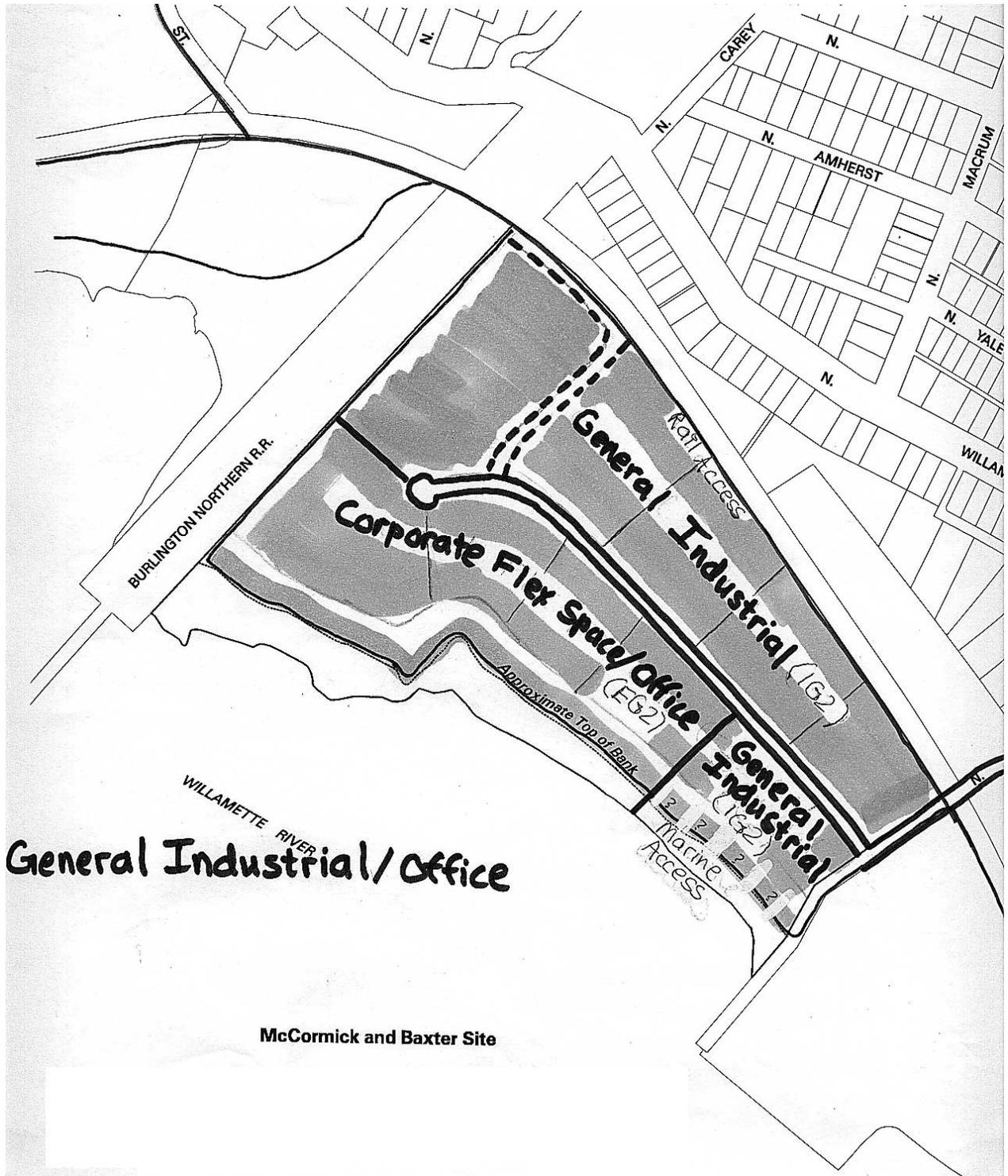




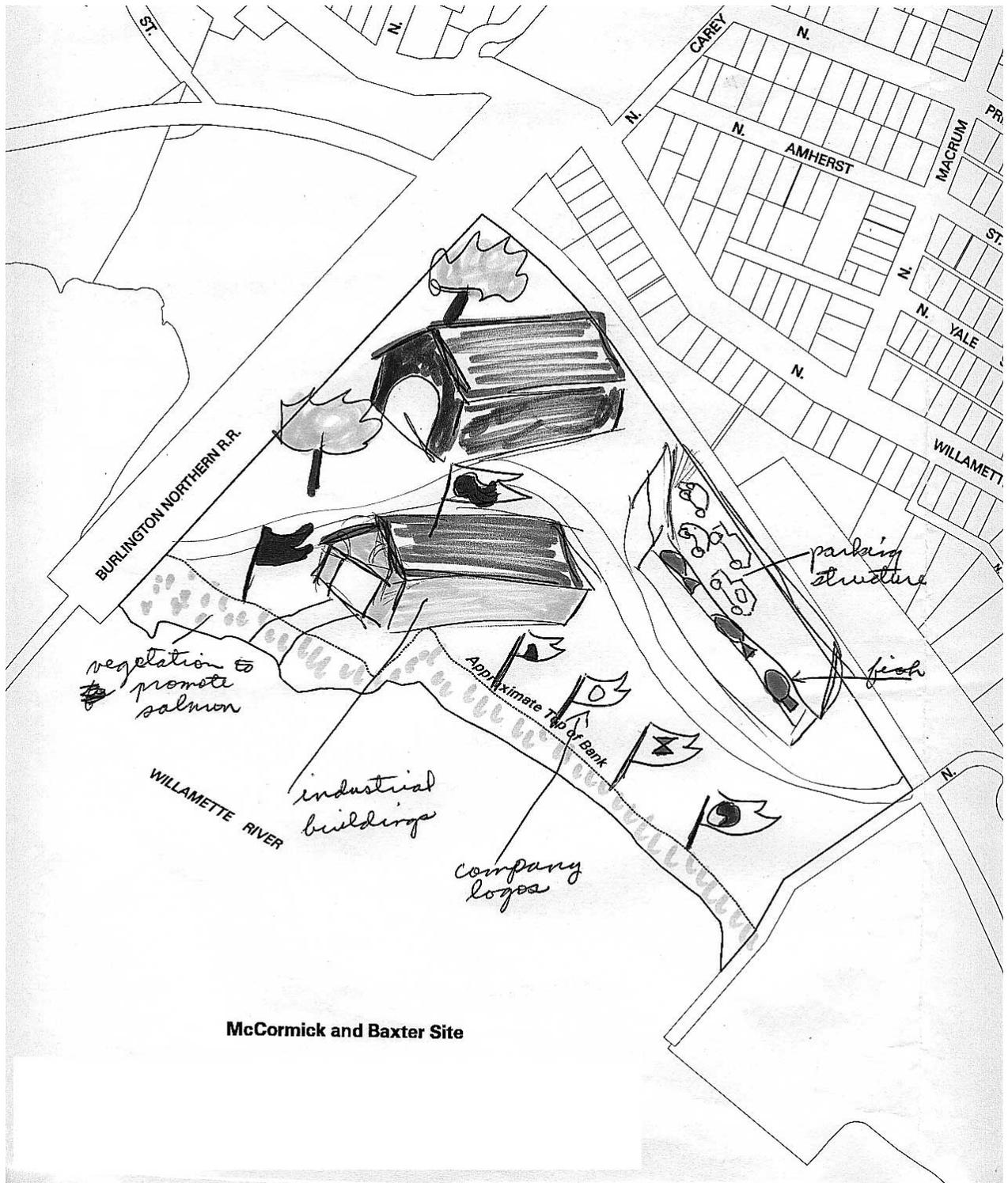


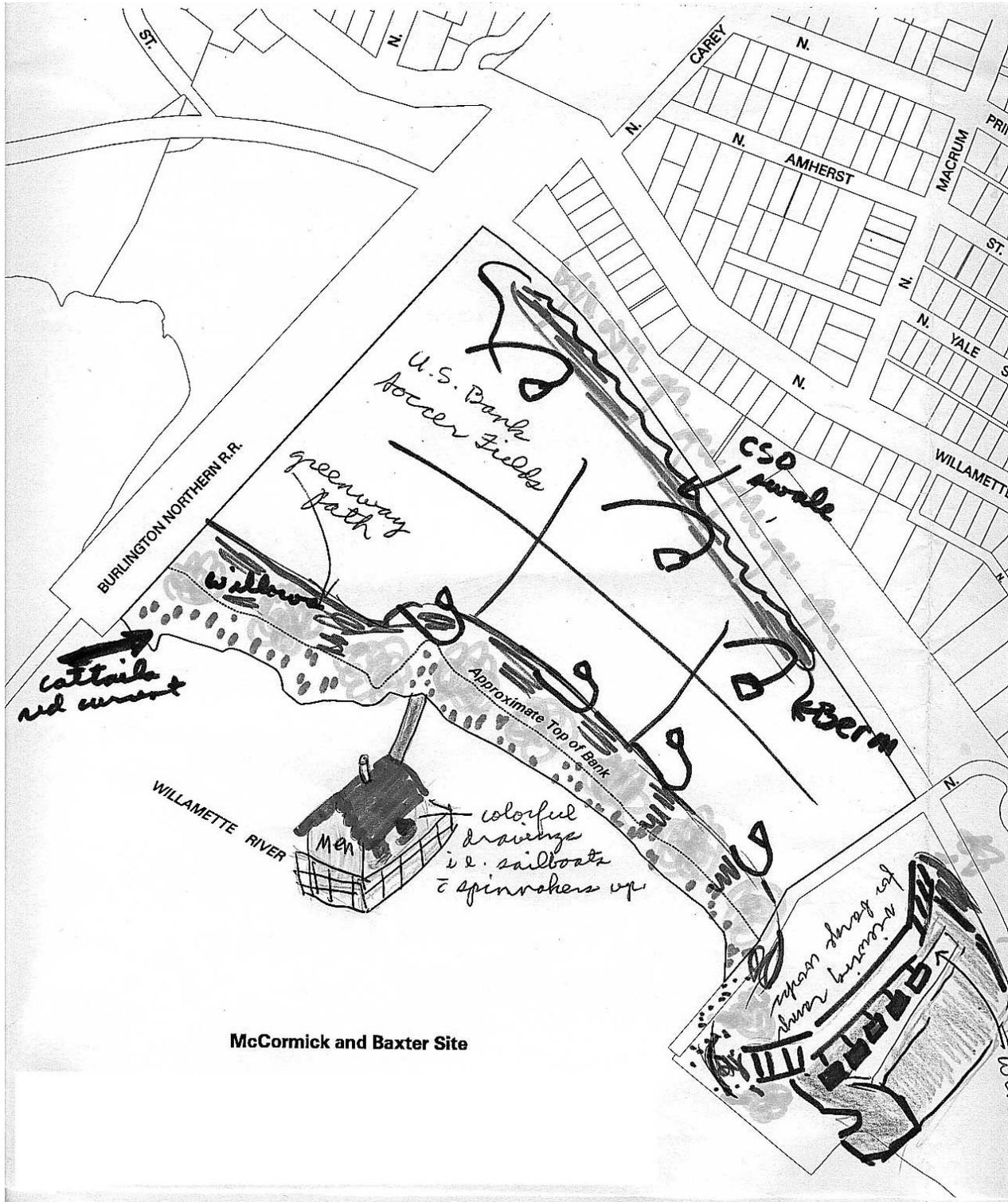


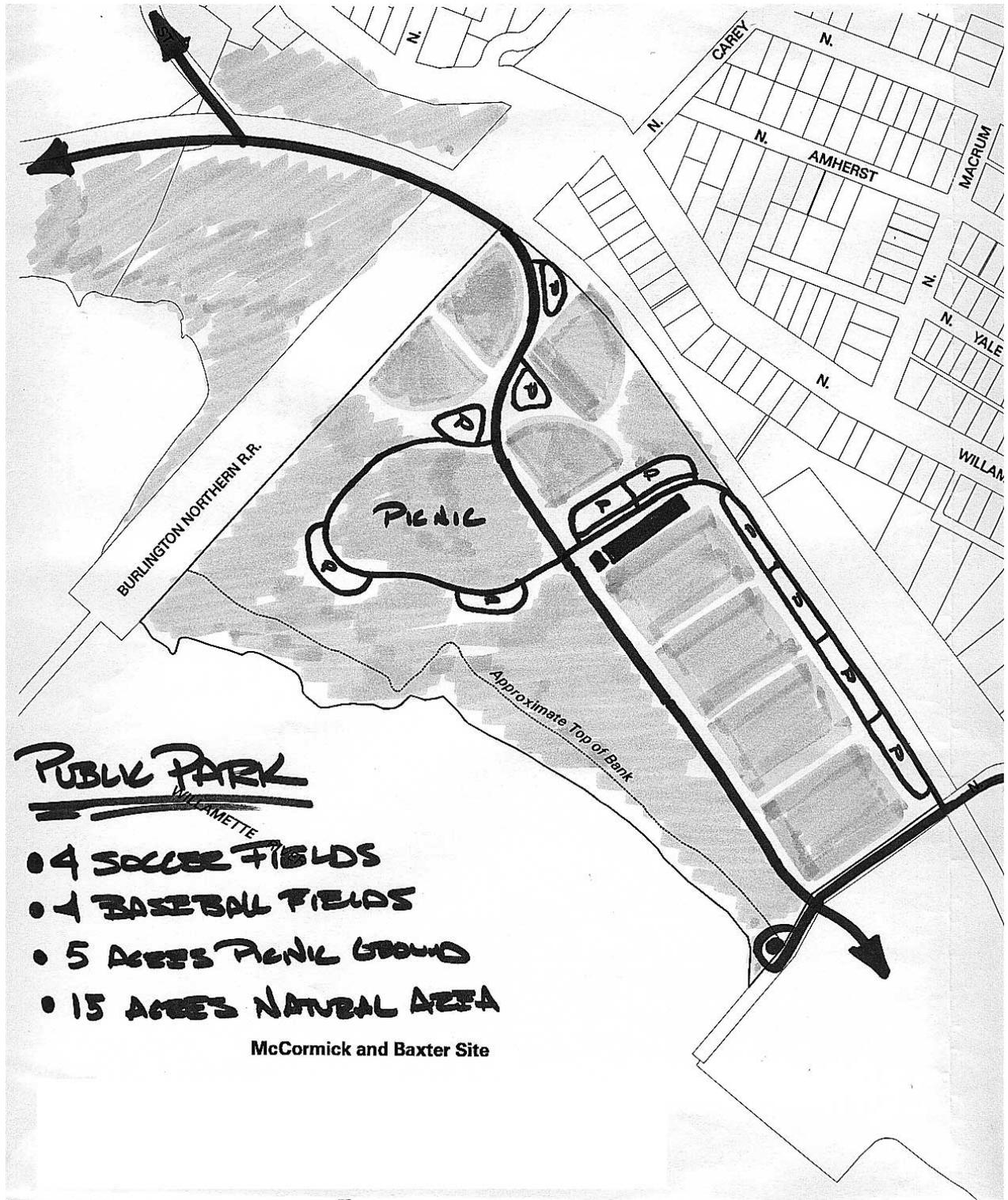
McCormick and Baxter Site

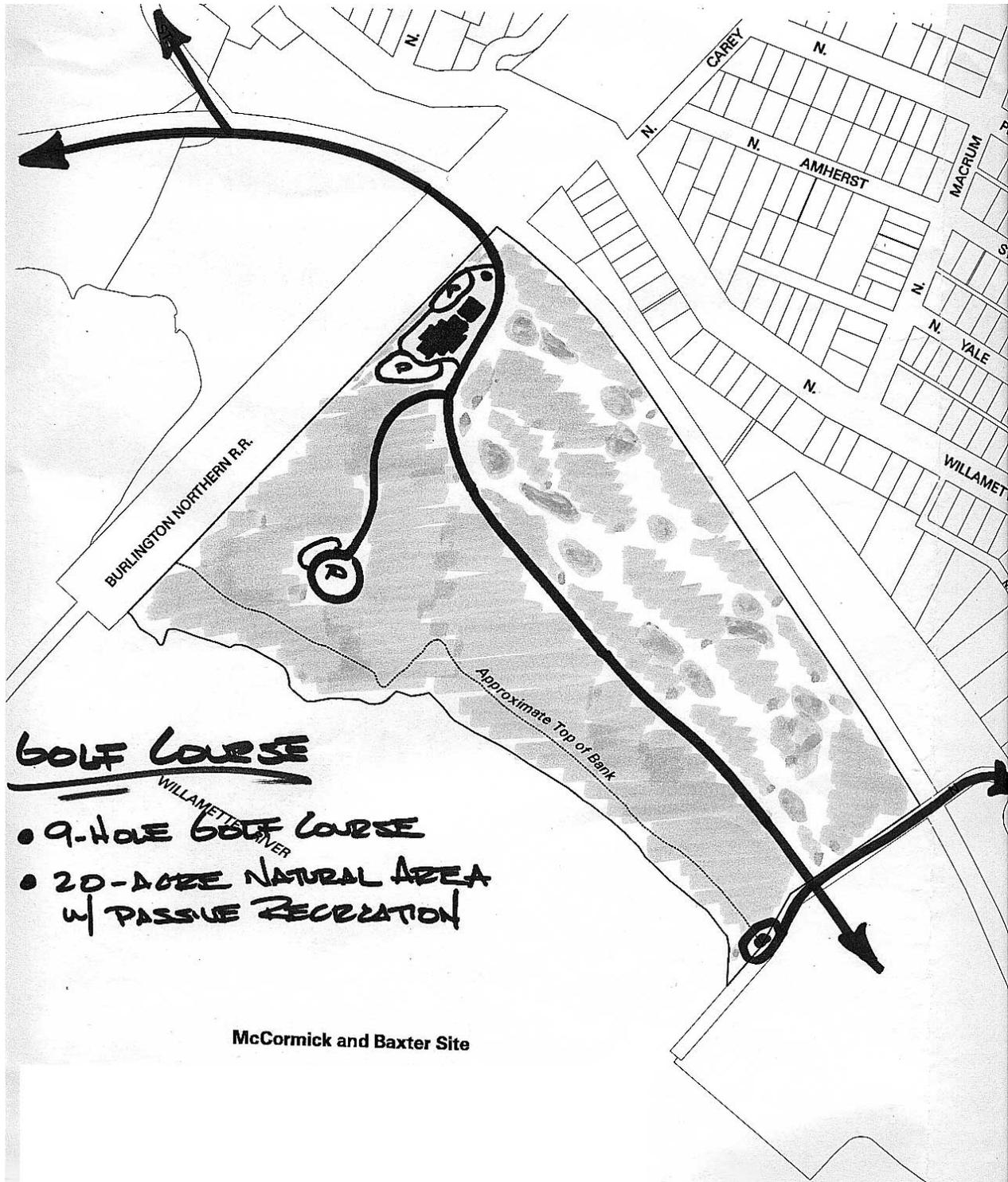


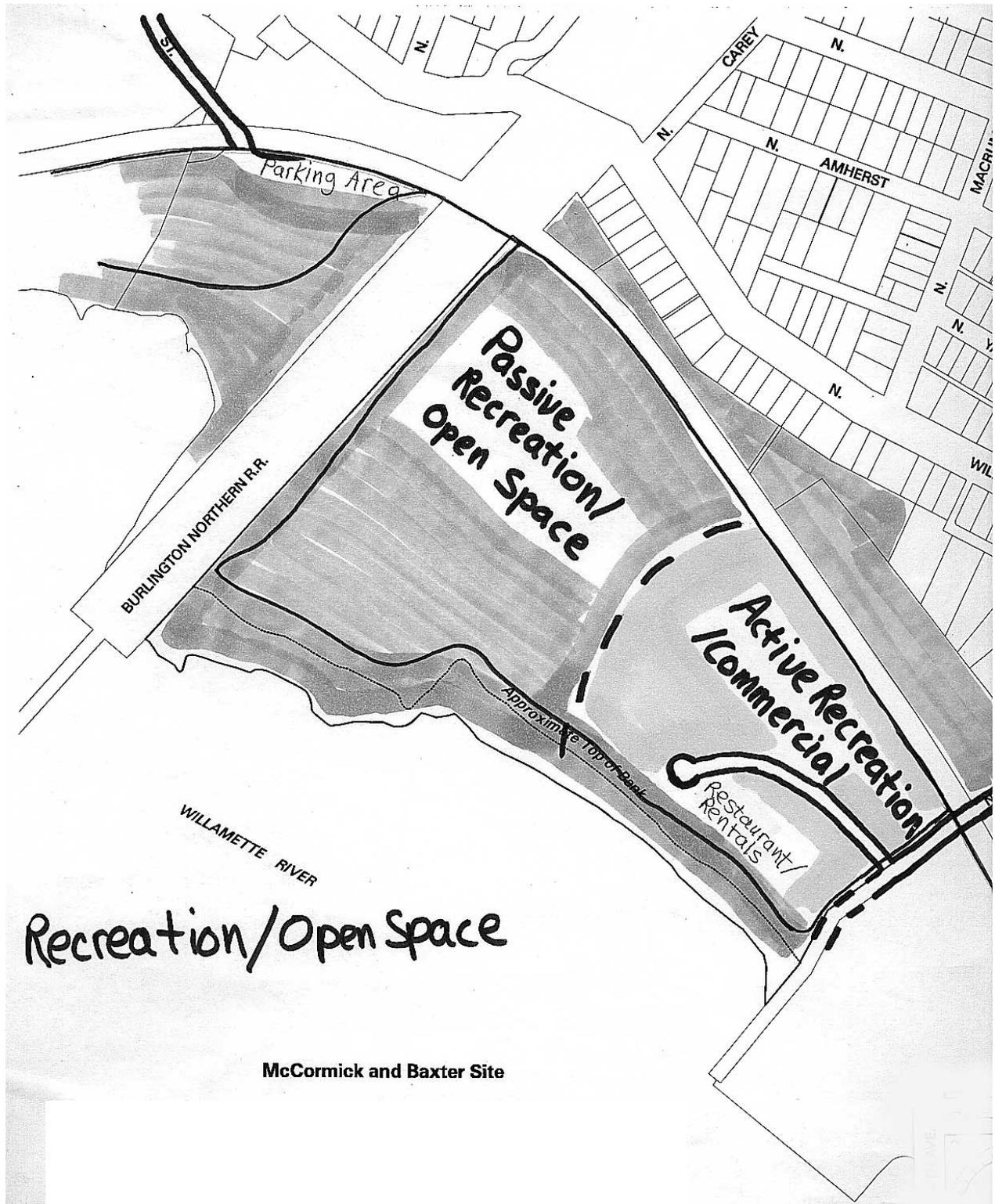




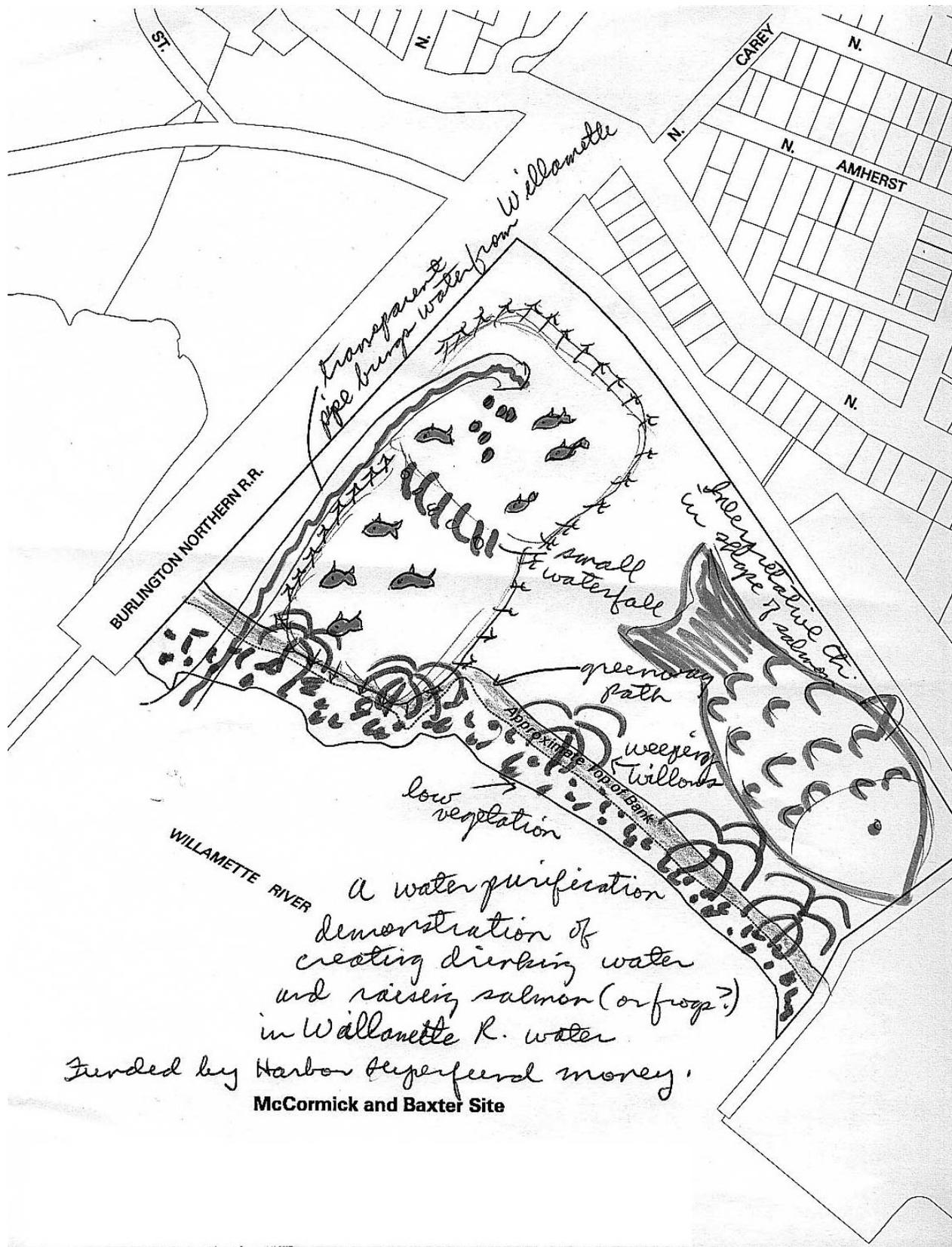








McCormick and Baxter Site



a water purification demonstration of creating drinking water and raising salmon (or frogs?) in Willamette R. water
Funded by Harbor Superfund money,
McCormick and Baxter Site

Appendix 4

North Beach Community Survey Results

**NORTH BEACH COMMUNITY SURVEY
SUMMARY OF RESULTS
November 18, 1998**

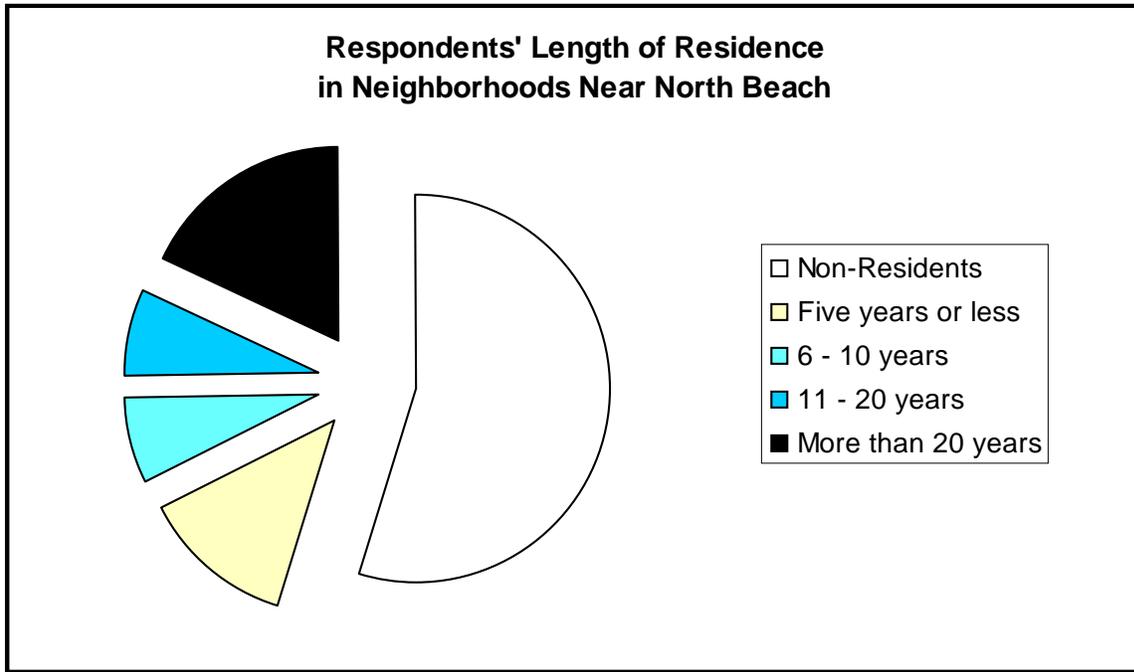
This summary describes the results of surveys distributed at a number of events in Cathedral Park between June and August, 1998 as well to students and faculty at the Open Meadow Learning Center. Additional questionnaires were distributed through each North Portland Neighborhood Association, the September 7 issue of the St. John's Review and at Open Houses on October 14 and 17, 1998. Three hundred and fifty-four (354) people responded to the survey.

Summary

- **Background and familiarity.** Respondents were relatively evenly distributed among non-residents of the North Beach area and residents, many of whom have lived in the area for over 20 years. Slightly less than half are generally familiar with the area while about one-quarter know nothing about it and the other 46% visit it once a year or more frequently.
- **Neighborhood needs:** Parks and open space, safe neighborhoods, riverfront access and culture/entertainment opportunities rank highest, respectively.
- **Land use preferences.** Respondents strongly support parks and open space uses and riverfront access in the area. Most do not support industrial development. They area relatively evenly split regarding the appropriateness of housing, mixed use or office/commercial development.
- **Riverfront use.** Recreation is seen as most appropriate, followed by shopping and housing. Only 6% of respondents say that water-dependent industrial uses are the most appropriate use of the riverfront.
- **Willamette Greenway trail location.** Most respondents favor a trail along the river. The remainder are relatively evenly split between a path that parallels the railroad tracks or one located along the bluff.
- **Planning for Willamette Cove.** Respondents rated safety associated with swimming as the most important planning consideration, followed by creating linkages to Cathedral Park and planning for passive recreational uses.
- **How to best meet community needs.** Most respondents say that public/private partnerships or public sector actions alone can best meet their objectives for North Beach. Few have believe that private sector development alone will do so.

Question 1: How long have you lived or worked on the Peninsula in North Portland?

Of 354 respondents, 160 (45%) live on the Peninsula. Of those that live there, over 40% have been residents for more than 20 years. Seventy-six respondents work on the Peninsula. All but five of these also live there. Most of the 194 non-residents say that they visit the North Beach area for concerts or other events at Cathedral Park, including the Jazz Festival, Blues Festival, Homowa or Symphony. Other reasons for visiting the area include friends and neighbors, recreation, work and shopping.



Question 2: How familiar are you with the North Beach area?

Nearly one-quarter of all respondents say they know nothing about the North Beach area. About 45% are generally familiar with the area, while 27% say they have visited the riverfront (not counting Cathedral Park) less than once per month during the last year and 17% have visited it more frequently. The proportion that is generally familiar with the area or visits it less than once per month is approximately the same within each group. People who have lived in the area from six to ten years are more likely to visit the area frequently (46%) or infrequently (31%) than those in any other group.

Question 3: Which of following future needs are most appropriate to the neighborhoods in the vicinity of North Beach for the future? (please check top three)

The need for parks and open space, safe neighborhoods, riverfront access and culture/entertainment ranked highest among respondents. Job opportunities and an efficient transportation system ranked lowest. There is no difference in the overall ranking of needs between residents and non-residents though they differ to some degree in relative percent of respondents (see table below).

Appropriateness of needs for North Beach neighborhoods

Needs	Residents		Non-Residents		All Respondents	
	Rank	Percent	Rank	Percent	Rank	Percent
Additional parks and open space	1	68%	1	62%	1	65%
Safe neighborhoods	2	64%	2	53%	2	59%
Riverfront access	3	61%	3	47%	3	54%
Cultural and entertainment opportunities	4	38%	4	42%	4	40%
Housing that is affordable to people with a range of incomes	5	35%	5	32%	5	34%
Opportunities for community involvement and participation	6	28%	6	27%	6	28%
Efficient transportation system	7	29%	7	21%	7	25%
Plentiful job opportunities	8	19%	8	13%	8	16%

About 7% of respondents identified other needs for the area, including:

- Bike path
- Less bike lanes
- Youth dance club
- Clean up the river and keep it clean
- Restaurants
- Community gardens
- Lower income housing
- Habitat education centers
- Improve Cathedral Park
- Law enforcement
- Nice housing/no more “ticky tacky” housing
- No housing development
- Retain natural beauty of north beach with nature trails
- Water taxi

Question 4: Which of the following uses would be most appropriate for the North Beach area in the future (check for both northern and southern portions of North Beach)

A significant percentage of respondents did not answer all or selected portions of this question (11% - 37% - varying by type of use). They were most likely to provide an answer related to parks and riverfront access and least likely to provide an answer related to industrial development and office or commercial uses. Of those respondents who did provide an answer, a number stated that they have no opinion. However, of those who answered the question, most people stated an opinion about the appropriateness of parks, riverfront access and industrial use. People are more likely to have an opinion about the appropriateness of uses in the northern portion of North Beach than in the southern portion.

Residents and non-residents alike feel strongly that parks and open space and riverfront access are most appropriate for North Beach while industrial development is least appropriate, particularly for the northern portion of the area. Respondents who stated an opinion are almost evenly split on whether housing is appropriate in the northern half of North Beach, though more non-residents than residents think it is appropriate. For both groups, more people say it is appropriate than inappropriate. Both groups, particularly

residents, say that shopping and office or other commercial activities are relatively inappropriate for both areas, except for shopping in the southern portion of North Beach, which non-residents see as more appropriate. Residents are almost evenly split about the appropriateness of mixed use development in either portion of the area, while a larger proportion of non-residents say it is appropriate.

Appropriateness of North Beach Area Future Land Uses

Use		Northern Portion				Southern Portion			
		No answer	Approp- riate	No opinion	Inapprop- -riate	No answer	Approp- riate	No opinion	Inapprop- riate
Housing	Residents	24%	41%	10%	50%	31%	45%	13%	42%
	Non-Resid.	32%	41%	26%	33%	39%	48%	26%	26%
	All respond.	28%	41%	18%	41%	35%	47%	20%	34%
Shopping	Residents	24%	32%	16%	52%	31%	28%	22%	50%
	Non-Resid.	32%	32%	27%	41%	37%	41%	28%	31%
	All respond.	28%	32%	22%	46%	34%	35%	25%	40%
Office	Residents	31%	20%	13%	67%	31%	33%	19%	48%
	Non-Resid.	37%	16%	28%	55%	41%	24%	33%	43%
	All respond.	34%	18%	21%	61%	37%	29%	26%	45%
Mixed use	Residents	23%	43%	15%	42%	32%	42%	17%	41%
	Non-Resid.	34%	52%	21%	27%	39%	53%	24%	23%
	All respond.	29%	48%	18%	34%	36%	47%	21%	32%
Parks	Residents	8%	95%	3%	2%	20%	87%	11%	2%
	Non-Resid.	13%	91%	7%	2%	27%	82%	13%	4%
	All respond.	11%	93%	5%	2%	24%	85%	12%	3%
Industry	Residents	27%	12%	11%	77%	32%	12%	14%	75%
	Non-Resid.	39%	12%	18%	70%	40%	17%	21%	62%
	All respond.	34%	12%	15%	73%	36%	15%	18%	68%
Riverfront Access	Residents	8%	93%	4%	3%	18%	87%	9%	4%
	Non-Resid.	21%	87%	11%	1%	29%	80%	17%	3%
	All respond.	15%	90%	8%	2%	24%	83%	13%	3%

Suggested additional uses for the area, include:

- Bike path (5 responses)
- Marina (4 responses)
- Amphitheater (3 responses)
- Use Sauvies Island for further commercial development and bridge crossing
- Small boat rental, restaurants
- Any non noise/air/water polluting use
- Clean river
- Community gardens
- Entertainment
- Green space
- High density housing
- Interpretive center
- Riparian preservation, wildlife preservation
- Rails to Trails
- Roller skating rink
- Nursery or gardening store
- Shoreline wetlands
- Specialty shops

Question 5: Which of the following actions do you think would best facilitate use of the North Beach area to meet the needs of the community?

Most respondents think a partnership of the public and private sectors or the public sector alone can most effectively meet community needs for North Beach (39% and 35% of respondents, respectively). Most of the rest (21%) say a combination of all of the above (private, public and public/private partnerships) will be most effective. Few respondents (only 6%) express confidence in private sector leadership in redeveloping the area. Slightly more residents than non-residents favor the public sector or a combination of all of the above, relative to the private sector or a public/private partnership.

Actions to Facilitate Use of North Beach to Meet Community Needs				
Respondents	Private Development	Public/Private Partnership	Public Sector	Combination of all three
Residents	3%	36%	36%	25%
Non-residents	7%	38%	30%	16%
Total	6%	39%	35%	21%

Question 6: What types of uses are most appropriate for the North Beach riverfront?

Most respondents (88%) say that recreation is the most appropriate use of the riverfront within North Beach. A smaller proportion say that shopping (26%) or housing (24%) is appropriate while few say that water-dependent industrial uses are appropriate (6%). Responses by residents and non-residents are very similar.

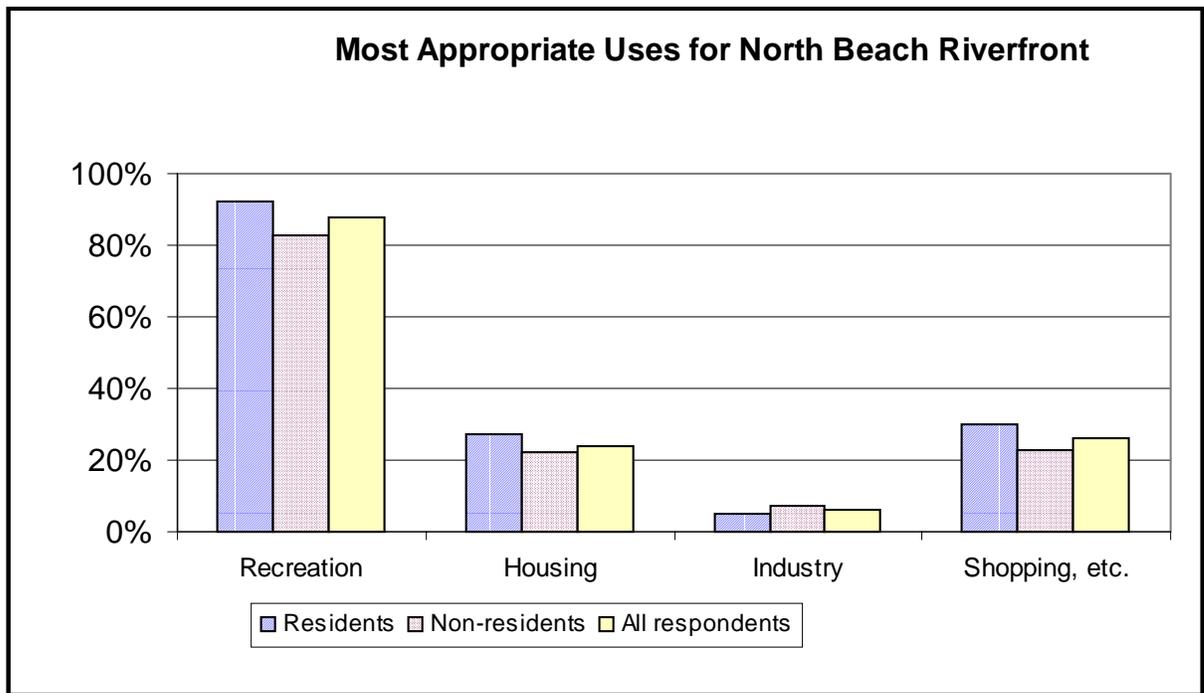
Most appropriate use of the riverfront				
Respondents	Recreation	Housing	Industry	Shopping
Residents	92%	27%	5%	30%
Non-residents	83%	22%	7%	23%
Total	88%	24%	6%	26%

Note: Because respondents were allowed to check more than one category, the total number of responses exceeds 100%.

Other suggested uses for the riverfront include:

- Trails (3 responses)
- Marina (2 responses)
- Mixed use (2 responses)
- Cultural facilities, youth clubs, garden areas, organic grocery
- Mix of high density housing/ commercial use
- Small amount of commercial and retail
- Natural habitat enhancement
- Parks & open space on one side, homes & restaurants , motel on the other
- RV camping
- Access to some restaurants

- Amphitheater
- Do not obstruct view - single story shopping only
- Interpretive center
- More community event, including performing arts
- Parks/recreation
- Preserve green space, nature trails
- Skateboard, clean water, clean pass
- Some boating and /or riverfront park
- Specialty shops
- Water taxis
- Wildlife refuge



Question 7: The Willamette Cove portion of North Beach is being planned as a future park. Of the following, what are the three most important issues to consider in this effort (please rank only three of the issues, with 1 being highest priority and 3 being lowest priority)?

When asked to rank the three most important issues related to planning for Willamette Cove, respondents most often ranked highest safety associated with swimming at the cove. This issue also had the best overall ranking. Creating linkages to Cathedral Park and planning for passive recreational uses at the site ranked second and third, respectively. Addressing conflicts with railroad traffic ranked last and creating a linkage to the University of Portland received the fewest number of responses.

Planning priorities for Willamette Cove

Planning Priority	Responses by ranking						Total Responses	Average Ranking
	1		2		3			
	No.	Percent	No.	Percent	No.	Percent		
Linkages to Cathedral Park	67	44%	51	33%	36	23%	154	1.80
Safety issues related to swimming hazards	86	63%	29	21%	21	15%	136	1.52
Linkages to the Peninsula Crossing Trail and 40-Mile Loop	28	21%	53	40%	51	39%	132	2.17
Possible conflicts with railroad traffic	5	9%	18	31%	35	60%	58	2.52
Linkages to University of Portland	4	9%	18	39%	24	52%	46	2.43
Automobile access to the area	9	16%	20	36%	26	47%	55	2.31
Passive recreational uses	39	31%	40	32%	46	37%	125	2.06

Other suggested priorities include:

- Ability to fund park maintenance without more taxes
- Getting community to use (including women and children)
- Nature/wildlife sanctuary/refuge
- A safe place for family activities
- Bike path along railroad tracks to downtown
- Environmental issues
- Youth recreation
- Skating

Question 8: If a future greenway trail running the length of North Beach were to be established, where should it most appropriately be located (please rank the following in order of priority with 1 being highest priority and 3 being lowest priority)?

When asked whether a Willamette Greenway Trail should be located along the Willamette River, the railroad tracks parallel to the river or the bluff above the river, the riverfront was the top choice of respondents. The bluff and the railroad tracks received nearly identical average rankings.

Preferences for Location of Willamette Greenway Trail

Location of Trail	Responses by ranking						Total Responses	Average Ranking
	1		2		3			
	No.	Percent	No.	Percent	No.	Percent		
Riverfront	117	49%	114	48%	6	3%	237	1.53
Bluff	14	13%	46	43%	47	44%	107	2.31
Railroad tracks	21	19%	41	38%	46	43%	108	2.23

Appendix 5

Advisory Correspondence on Soil and Sediment Caps



CITY OF PORTLAND
ENDANGERED SPECIES ACT PROGRAM



1900 SW Fourth Avenue, Suite 4100, Portland, Oregon 97201-5350 503-823-FISH(3474), FAX 503-823-7800 www.fish.ci.portland.or.us

May 22, 2001

Steve Kountz
Bureau of Planning, Suite 4100
1900 SW Fourth Ave.
Portland, OR 97201-5350

RE: Bank Design

Dear Steve,

It has come to the attention of the City of Portland's Endangered Species Act Program that the Department of Environmental Quality (DEQ) and Environmental Protection Agency (EPA) are in the process of designing a cap that would cover the bank at McCormick and Baxter and extend out into the river as part of a remedy for the superfund site. The ESA Program would like to encourage consideration of the following ideas for a design of the bank cap that would be "fish friendly".

The City of Portland's Endangered Species Act Program is working hard to meet the City Council's resolution to assist in the recovery of salmonids. Among the many elements necessary to achieve this vision is attention to appropriate bank and near shore designs in the lower Willamette River.

The importance of providing appropriate conditions for salmonids in the lower Willamette River was highlighted in a workshop sponsored by the City and the National Marine Fisheries Service (NMFS) in June of 1998. Workshop attendees representing agencies, academia and others with expertise in salmonid ecology and large low gradient rivers agreed that salmonids are utilizing the lower river. An important outcome of the workshop was the recognition that near shore and off channel habitats are being utilized by younger age classes of juvenile salmon (State of the Science of Fish Ecology in Large Low Gradient Streams, June 28, 1999).

Due to the extensive diking and filling of floodplains in the lower river, the ESA Program contracted with the Oregon Department of Fish and Wildlife to determine how current bank treatments and near shore developments are influencing salmonids. Although the results of this study will not be finalized until June 2004 there have been enough discussions with NMFS to provide some guidance for the design of bank treatments.

A key concept in reestablishing functioning habitat in the near shore or bank environment is to provide for a diversity of hydrologic (flow), depth and vegetative conditions that mimic conditions found in less altered rivers.

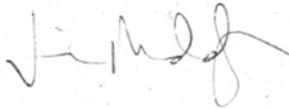
Providing for a diversity of flow and depth conditions is aimed at creating areas where flow velocities could be slower and where depths could be shallower than in areas along highly modified bank treatments such as the seawall along the Tom McCall Waterfront Park. There are a variety of methods for achieving these results. Reconfiguring the bank line by reintroducing "roughness" elements to dissipate the flows such as building in wood and boulder structures or by providing for sheltered coves would provide a diversity of flow conditions.

Shallow water habitat could be provided by a variety of features including cobble and boulder clusters as well as large wood. Finally, vegetation diversity could be restored through reintroduction of native vegetation, large wood, and vegetative over-hangings. Laying back the bank to facilitate the establishment of vegetation is an important element to incorporate into the bank design if depth and flow diversity can be provided for as well.

Taken together these elements help to increase the diversity of viable aquatic and terrestrial habitat for salmonids that provide important cover and feeding opportunities. The lack of appropriate cover and feeding opportunities in the lower river warrants serious attention to providing for these needs.

If you have any questions feel free to give me (503-823-7032) or our fish biologist Mike Reed (503-823-3399) a call.

Sincerely,



Jim Middaugh
Manager
City of Portland Endangered Species Program



United States Department of the Interior

FISH AND WILDLIFE SERVICE
Oregon State Office
2600 S.E. 98th Avenue, Suite 100
Portland, Oregon 97266
(503) 231-6179 FAX: (503) 231-6195

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2000 SEP -5 A 9:44

Reply To: 5313.1400
File Name: planbureau.wpd

August 28, 2000

Steve Kountz
Portland Bureau of Planning
1900 SW 4th Ave., Ste 4100
Portland, OR 97201-5350

Dear Mr. Kountz:

The U.S. Fish and Wildlife Service (Service) appreciated the opportunity to meet with the Portland Bureau of Planning on July 6, 2000, to discuss the possibilities for habitat restoration at the McCormick and Baxter Superfund site. We are providing the following suggestions to help identify possible restoration opportunities, and to assure that any restoration done at the site will minimize exposure to contaminants.

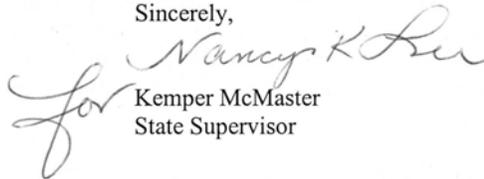
- Restoration activities that would attract fish or wildlife to the shallow-water embayment area should not be conducted until adequate cleanup of sediment occurs in the embayment.
- Plantings for bank stabilization or enhancement of the riparian zone are encouraged. However, aquatic plants that enhance food value or cover for fish, shorebirds, or waterfowl should be avoided near the embayment.
- Restoration activities in the upland portion of the site that enhance habitat quality and benefit wildlife could be a viable low-risk option, provided remediation efforts such as placing a four-foot cap over the site are completed. The primary risk for wildlife to become exposed to site contaminants (e.g., creosote and related products) would most likely occur by dermal contact and ingestion. A cap of clean material over the site would greatly reduce the likelihood of exposure to site contaminants, and would allow for restoration of the site for terrestrial species.
- A management plan that addresses all water on or entering the site should be developed and implemented during cap installation to prevent runoff from causing erosion or exposing contaminants. Wetlands and drainages constructed for stormwater management should be located away from the most contaminated areas. Natural water features that exist or could be restored on the property should be protected from stormwater runoff.

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- Planting hardwood species (e.g., cottonwoods, willows, and oaks) native to the area would also help to stabilize the cap and provide habitat for some terrestrial species. In areas where the cap provides soil too shallow to support native trees and shrubs, we suggest planting grasses and wildflowers. Similar site constraints were encountered at the Oaks Bottom Wildlife Refuge and the St. John's Landfill, so these sites could provide useful information regarding native plant selection, ideal soil conditions, and revegetation techniques.
- To the extent possible, considerations of future landscaping, contouring, topography, stormwater, and restoration should be incorporated in the design and materials used for the soil cap to minimize the short and long-term costs associated with these activities.

We appreciate the opportunity to meet with you and provide input regarding the restoration at the McCormick and Baxter site. Please contact Jeremy Buck or Jennifer Thompson of my staff at 503-231-6179 should you need additional information.

Sincerely,


for Kemper McMaster
State Supervisor

cc: Bill Dana, Oregon Department of Environmental Quality