

EXHIBIT A

INTERGOVERNMENTAL AGREEMENT WEST HAYDEN ISLAND (WHI) LAND USE APPROVALS WORK PROGRAM AND TASKS AMENDMENT NO. 3

For Amendment No. 3 to the Intergovernmental Agreement, new language is shown as underlined, while language to be removed is shown as ~~strikeout~~, with the exception that the underlined "RECITALS" and "TERMS AND CONDITIONS" are not new language.

This INTERGOVERNMENTAL AGREEMENT (Agreement) is between the CITY OF PORTLAND, a municipal corporation of the State of Oregon (City) and the PORT OF PORTLAND, an Oregon public corporation (Port). Collectively the City and Port are referred to as Parties, and each individually as a Party.

RECITALS:

1. ORS 190.010 authorizes the Parties to enter into this Agreement.
2. West Hayden Island (WHI) is located on the western portion of Hayden Island, west of the BNSF railroad tracks, along the south shore of the Columbia River, approximately nine miles north of downtown Portland. WHI consists of approximately 800 acres and 5.8 miles of Columbia riverfront, used by a variety of wildlife species. The site also includes a dredge material handling facility, a City of Portland sewer outfall, right-of-way and electric transmission lines. In-water areas immediately adjacent to WHI are used for a variety of purposes, including habitat, recreation, and waterborne commerce.
3. WHI is located in unincorporated Multnomah County. Metro brought WHI into Metro's Urban Growth Boundary in 1983 for the expressed purpose of marine industrial land development. In Metro's 1995 2040 Growth Concept Plan, the northern portion of WHI was designated industrial and the southern portion designated as open space. In the 2004 Metro Title 4 decision, all of WHI was designated as Regionally Significant Industrial land and reflected on the updated 2040 growth concept.
4. In 2005 WHI was also identified by Metro as a high value riparian area and as a habitat of concern in the adopted regional inventory of significant natural areas. In consideration of the high urban development value also on the site, WHI received a designation of moderate habitat conservation area in Metro's Title 13 process. The shallow water habitat surrounding West Hayden Island is designated as "critical habitat" for salmonid species listed under the Federal Endangered Species Act.
5. The City has administered land uses on WHI using the Multnomah County zoning ordinance. The current zoning is Multiple Use Forest, MUF-19, with a Significant Environmental Concern (SEC) overlay.
6. The Port purchased WHI in 1994 for expansion of marine industrial facilities after Metro brought WHI into the UGB, in accordance with Metro's responsibility to provide a 20 year land supply for commercial, industrial and residential uses.
7. In the late 1990s, the Port took a number of steps to implement a comprehensive development program for marine facilities at WHI. The Port worked with the City to annex, zone and create a plan district for WHI. In 2000, the Port postponed the annexation, permitting and development planning work.

8. In the summer of 2007, the City began preparation of the Hayden Island Plan (for that portion of the island east of BNSF railroad tracks), which does not include WHI. The Hayden Island Plan was scheduled to coincide with the work on improvements planned for the I-5 corridor across Hayden Island, known as the Columbia Crossing.
9. Given the timing of the Hayden Island Plan and the Columbia Crossing, the City and the Port desire to work collaboratively together on future planning for WHI. The City and Port are initiating a process to develop a legislative proposal for annexation of WHI into the City of Portland for City Council consideration, and proceed with zoning the land in a manner compatible with Metro's 2040 Growth Concept Plan, Metro Titles 4, 11 and 13, and pertinent city, state and federal policies and regulations contingent upon the work contained in this agreement.
10. Metro Code section 3.07.1330(B)(4)(a), which is part of Title 13 (Nature in Neighborhoods), requires the City to develop a district plan in cooperation with the Port of Portland. The City uses a "plan district" framework, as defined in the Portland Zoning Code, to implement locally-specific area plans (which Metro refers to as "district plans"). The City and Port's objective is to complete the City legislative process for annexation, Comprehensive Plan and Map designation, zoning, and plan district adoption. Longer term, more detailed planning efforts, including any federally required environmental impact analyses, will be deferred until such time as there is a specific proposal.
11. The Port and the City recognize that the annexation and future development of WHI may have significant social, economic, energy, and environmental impacts.
12. The City and the Port are embarking on this in a full faith effort to consider annexation and application of appropriate City zoning to WHI, and the final decision in this process will be made by the Portland City Council.
13. It is in the City and Port's interest to outline the process and associated costs of the integrated land use planning effort between the City and Port, including work tasks, timelines, expected products and funding mechanisms.
14. The WHI planning process is envisioned as a collaborative effort between the City, Port and regional stakeholders to be conducted within the framework of, and consistent with, state and local land use policies and regulations. The process acknowledges the future importance of WHI in the bi-state regional economy and its importance in the regional ecosystem and open space network. The process will examine creative approaches to addressing annexation, Comprehensive Plan and Map designations, and zoning for future uses.
15. The City and Port acknowledge that decisions made in this process may be controversial. Accordingly, it is in the City and Port's interest that the process be fact-based, and managed in a way that maintains trust among stakeholders and avoids a real or perceived bias toward a specific outcome.
16. The City and the Port entered into Intergovernmental Agreement No.30000526, effective May 29 2009, passed by Council on May 28, 2009 (City Ordinance 182856), and subsequently amended on June 9, 2010 (City Ordinance 183884). The City and Port have worked collaboratively with a Community Working Group (CWG) since the original adoption of this IGA. Initial Foundation Studies are complete, and the City Council considered the CWG's recommendations on July 29, 2010.
17. On July 29, 2010 City Council adopted Resolution No. 36805, which directed the Bureau of Planning and Sustainability to prepare a proposal for annexation of WHI with the intent

to protect at least 500 acres as open space, and identify no more than 300 acres for future deep water marine terminal development. The resolution also outlined a set of parameters and next steps for WHI planning including consultant studies and the appointment of an advisory committee.

18. In late 2010 and early 2011 the West Hayden Island Advisory Committee assisted in development of the Request for Proposals (RFP) for the studies and selection of contractors to meet the objectives defined by City Council Resolution No. 36805. The cost of the additional studies, specifically the concept planning and cost benefit analysis, is higher than originally budgeted for under IGA amendment no. 2 and Ordinance No. 18411. An extension of the term of this Agreement is necessary because of the increased amount of time needed to select advisory committee members and to select and hire consultants. The extension will enable project staff to complete the project by July 30, 2012.
19. The City and Port propose to share up to \$440,000 additional cost for the work. The City will provide \$250,000 leaving the Port's share at \$190,000. Based on that resolution, the Parties agree an extension of the IGA would be mutually beneficial.

TERMS AND CONDITIONS

1. GENERAL AGREEMENT

This Agreement outlines the work the Parties will undertake to bring forward to the City Council a proposal to annex, adopt Comprehensive Plan designations, zone and create a plan district for WHI using a City legislative annexation process, updated based upon the Council Resolution No. 36805. The project will involve development of specific concept plans for City Council and Port Commission consideration. Community involvement is a central element of this planning process. Draft plans should be presented to the public in a neutral manner, without presuming the outcome of the process (see Section 2.E below).

Included is a description of the work program and tasks that the City will undertake and the portion of the planning costs that will be reimbursed by the Port.

The City and Port agree that while the Port is paying for a portion of the costs associated with this work, there is no guarantee that any or all of the work product will be adopted by the City Council, or the Port Commission, or adopted in the form recommended by the Planning Commission to the City Council.

2. CITY RESPONSIBILITY

- A The City agrees to work collaboratively with the Port in an ongoing planning process, as described in Exhibit 1, "Revised Work Program for Integrated Port and City West Hayden Island Annexation, Zoning and Planning" (which has been updated to reflect the new project end date). The planning process will include a public outreach component and solicitation of input from stakeholders as described in Exhibit 1; as well as an Advisory Committee, which will include Port representation, as described in Exhibit 2, "Advisory Committee Charter" (which has been updated based on Advisory Committee review and approval). The Bureau of Planning and Sustainability will prepare for and participate in periodic work sessions with both the City Council and Port Commission, at key project milestones, as described in Exhibit 1.

- B Consistent with the applicable state, regional and local annexation procedures, the Bureau of Planning and Sustainability (BPS) will prepare and present a proposal to City Council to annex, adopt Comprehensive Plan designations, zone and create a plan district for WHI. BPS will produce a written plan/report and documentation consistent with the project purpose described in Exhibit 1. BPS will coordinate with the Portland Bureau of Transportation (PBOT) as necessary to provide required transportation planning findings. The PBOT work plan is as outlined in Exhibit 3, Interagency Agreement between Portland Bureau of Transportation and Portland Bureau of Planning and Sustainability for the West Hayden Island Land Use Planning Process (hereafter referred to as the PBOT Agreement, which has been updated to reflect a final, signed agreement).
- C BPS will contract with a variety of consultant(s), as described in the List of Technical Reports in Exhibit 1. The purpose of these consultant contracts is to prepare a concept plan, complete technical work necessary to evaluate annexation of WHI, and to answer questions posed by City Council in its July 2010 resolution. The consultant(s) selected must meet minimum qualifications established by the City, including experience commensurate with the specific scope of work. The consultant(s) shall be selected by the City using City procurement processes. The City will include a member of the Advisory Committee or a person chosen by the Advisory Committee on all consultant selection committees.
- D The City will manage an Advisory Committee process and hire a professional facilitator as described in Exhibit 1.
- E The City will commit \$250,000 to fund staff and consultant costs associated with the time extension and additional consultant tasks requested by the Advisory Committee.
- F Notwithstanding Section 2.B above, nothing in this Agreement is intended to commit the City to annex WHI, limit or prohibit the City from initiating changes to the *Zoning Code*, or predetermine the outcome of any annexation proceedings or legislative land use proceedings concerning WHI in accordance with the law.

3. PORT RESPONSIBILITY

- A. The Port agrees to work collaboratively with the City in an ongoing annexation and planning process, as described in Exhibit 1 to the Agreement per Metro Title 13. The WHI annexation and planning process will include stakeholder involvement and public outreach as described in Exhibit 1. The Port will participate in this planning process consistent with its public mission to enhance the region's economy and quality of life by providing access to national and global markets.
- B. The Port will participate in the Advisory Committee. The Advisory Committee Charter is attached as Exhibit 2.
- C. The Port will provide studies, expertise, baseline information and data to BPS at the request of the City and/or Advisory Committee to complete all phases of the technical studies, concept plan development and the legislative land use process.
- D. The Port's goal is to create a WHI Plan District that allows for marine industrial and open space land use designation consistent with the Port's mission, state, regional

and local land use policies and regulations. Nothing in this Agreement is intended to be construed as Port approval of a specific annexation, comprehensive plan and map designation, zoning or plan district of its property on WHI. The Port reserves all rights to object to City Council determinations regarding planning for WHI and/or to withdraw its consent to annex WHI.

4. PAYMENT

The Port agrees to reimburse the City for certain reasonable costs associated with the City's management and staffing of the annexation and planning process in the amounts and on the terms specified in this Agreement and based on the work scope as outlined in Exhibit 1.

FY 2008/2009 and 2009/2010

- A. **Staff Time and Materials.** The Port agrees to reimburse the City for its actual cost of salary and benefits for staff time spent on the WHI annexation project for the following specific staff: one full time Senior planner; one full time City Planner 2; and additional assistance from environmental planning staff, PBOT planning staff, graphics staff, and communications staff. The total amount reimbursed by the Port for all staff and materials will not exceed \$245,000, for the City's FY 08/09 and FY 09/10.
- B. **Foundation Studies.** The Port agrees to reimburse the City for facilitation, economic, and environmental consultant work not to exceed \$195,000 during the City's FY 2009/10, based on mutually developed work scopes that have been informed by the CWG discussion.

FY 2010/2011

- C. **Staff Time and Materials.** The Port agrees to reimburse the City for its actual cost of salary and benefits for staff time spent on the WHI annexation project for the following specific staff: one full time Community Outreach and Information Representative; one full time City Planner 2; and additional assistance from environmental planning staff, PBOT planning staff, graphics staff, and communications staff. City staff at BES, OHWR, and Parks and Recreation will be involved in some elements of the project work plan as described in the Exhibit 1. The total amount reimbursed by the Port for all staff and materials in the City's FY 2010/11 will not exceed \$195,500.
- D. **Consultant Services.** The Port agrees to reimburse the City for external consultant services not to exceed \$191,000 during the City's FY 2010/11, based on work scopes that have been informed by the July 2010 City Council Resolution.

FY 2011/2012

- E. **Staff Time and Materials.** The Port agrees to reimburse the City for its actual cost of salary and benefits for staff time spent on the WHI annexation planning process for the following specific staff: one Community Outreach and Information Representative; one City Planner 2; and additional assistance from environmental planning staff, PBOT planning staff, graphics staff, and communications staff. City staff at BES, OHWR, and Parks and Recreation will be involved in some elements of the project work plan as described in the Exhibit 1. The total amount reimbursed by the Port for all staff and materials in the City's FY 2011/12 will not exceed

\$67141,000.

- F. Consultant Services. The Port agrees to reimburse the City for external consultant services not to exceed \$37153,500 during the City's FY 2011/12, based on work scopes that have been informed by the July 2010 City Council Resolution.

Generally:

- G. The Port agrees to reimburse the City for tasks identified in the PBOT Agreement. The amount of that reimbursement will be counted against the not to exceed limits stated in paragraphs A through F above. The PBOT Agreement identified expected apportionment of those tasks to FY 2009/10, 2010/11 and 2011/12.
- H. The Port will not pay for sick time, holidays, and vacation. The City will not bill the Port (and the Port will not pay) for any time the WHI planning staff spends working on any other project or administrative work. Within the budgetary limits described above, the Port also agrees to reimburse the City for materials costs such as printing the plan, copies of materials discussed at project-related meetings, and incidental costs related to CWG meetings. The Port will be billed monthly, in arrears, and will have thirty (30) days to pay the invoice. Each invoice will be accompanied by time recordings, in a form acceptable to the Port, showing the planning hours worked by planning staff exclusively on the Port's project.
- I. Reimbursement is not contingent on the City reaching specific conclusions in any of the individual work products, or contingent on the outcome of any annexation proceedings or legislative land use proceedings concerning WHI in accordance with the law.

5. COMMUNICATIONS

All formal communications and notices relating to the administration of this Agreement shall be directed to the following persons:

Port of Portland – Susie Lahsene
Bureau of Planning and Sustainability – Eric Engstrom

6. TERM

This Agreement shall be effective upon execution by both Parties and will terminate on ~~December 31, 2011~~ July 30, 2012. The Parties may extend the term of the Agreement by mutual written agreement.

7. TERMINATION

Any one of the Parties may terminate this Agreement without cause with 30 days written notice to the other Party. In the event of termination, the City shall invoice the Port for work performed through the date of termination and the Port shall pay in accordance with paragraph 4.

8. AMENDMENTS

This Agreement and its terms and conditions may be amended by mutual written agreement of the Parties. Amendments shall be valid only when reduced to writing and

signed by both Parties. Any amendment to this Agreement will incorporate a detailed schedule and budget for reimbursable costs incurred by the City, as described in Paragraph 4 above.

9. LAWS GOVERNING

This Agreement shall be construed and governed, in all respects, in accordance with the laws of the State of Oregon. Should any portion of this Agreement or any amendments thereto be adjudicated by a court of competent jurisdiction to be in violation of any local, state, federal law or regulation, then such portion or portions shall become null and void, and the parties may terminate this Agreement or they may agree to promptly renegotiate the Agreement to bring this Agreement into compliance with said laws.

10. MEDIATION

The Parties intend that this IGA will be used as a tool toward achieving their mutual goal of annexation, Comprehensive Plan and Map designation and a Plan District for WHI. In the event, however, that either the City or the Port believes that there is a conflict that cannot be resolved through this joint working process, either Party may request a review of issues by the Mayor and Executive Director of the Port, which may include mediation.

11. ENTIRE AGREEMENT

This Agreement, including Exhibit 1, Exhibit 2 and Exhibit 3, contains the entire agreement between the two Parties and supersedes any and all other agreements, written or oral, expressed or implied, pertaining to the subject matter hereof.

APPROVED BY:

CITY OF PORTLAND

By: _____
Sam Adams, Mayor

Date: _____

PORT OF PORTLAND

By: _____
Bill Wyatt, Executive Director

Date: _____

Approved as to form:

By: _____
LaVonne Griffin-Valade, Auditor

Date: _____

COUNSEL FOR THE
PORT OF PORTLAND

By: _____

Approved as to form:

CITY ATTORNEY

APPROVED AS TO FORM
By: _____
Linda Merrifield, City Attorney ^{KSB}
Linda Merrifield
CITY ATTORNEY

Date: _____

Date: _____

EXHIBIT 1

Revised Work Program for Integrated Port and City West Hayden Island Annexation, Zoning and Planning

Project Purpose:

Through Resolution #36805, City Council has directed the Bureau of Planning & Sustainability to develop a legislative proposal for annexation of West Hayden Island to the City with the intent to protect at least 500 acres as open space, and identify no more than 300 acres for future deep water marine terminal development. The bureau will bring a proposal to City Council for their consideration by June 2012.

The project will include consideration of annexation, Comprehensive Plan designations, zoning and WHI Plan District designations for WHI, consistent with statewide planning goals, statutes, and state, regional and local regulations. The City uses a "plan district" framework, as defined in the Portland Zoning Code, to implement locally-specific area plans. It is envisioned that the eventual WHI Plan District will establish the zoning for the property and allowed uses if approved by City Council. The WHI Plan District is intended to provide a decision-making framework for future review of specific proposals. The WHI Plan District will not provide immediate authorization for specific development at this time, and therefore no state or federal permit applications will be part of this process.

There will be stakeholder involvement and a public involvement program. Consultants with subject expertise will be used to provide background technical information and analysis to inform the city planning and annexation process.

Objectives:

1. Evaluate information and assumptions presented by staff and consultants, pursuant to City Council Resolution 36805.
2. Produce a long term vision and long-range plan for West Hayden Island that may serve as a foundation for an annexation decision to be considered by Council in June 2012.
3. Define desired types of industrial development, recreational use, and/or environmental protection and restoration opportunities.
4. Define a street plan, land use and open space concept plan, based on the City Council's parameters.
5. Identify needed infrastructure improvements and a strategy for phasing public and private investment to support the recommended vision or address deficiencies to serve existing development.
6. Identify future actions and policies that will enhance the quality of and facilitate further development of the recommended West Hayden Island vision.
7. Coordinate West Hayden Island planning with the Environmental Program update for East Hayden Island and the Columbia River southern bank.
8. Complete the West Hayden Island planning process by July 30, 2012.

Policy Context

As part of all planning processes the City of Portland must consider Oregon Statewide Planning Goals, the Metro Urban Growth Management Functional Plan (UGMFP), and the City of Portland Comprehensive Plan Goals and Policies. In 1983, West Hayden Island was brought into the Urban Growth Boundary for marine industrial land use purposes. WHI is designated as Marine Industrial Land on the Metro 2040 Growth Concept Map and as a Regionally Significant Industrial Area on the Title 4 map. WHI is identified by Metro as a high value riparian area and a Habitat of Concern in the regional natural resources inventory, and as a Moderate Habitat Conservation Area in Title 13, and requires the City to develop a district plan in cooperation with the Port to address the moderate HCA designation.

Project History (What Happened in Phase 1)

In the summer of 2007, the City began preparation of the Hayden Island Plan (for that portion of the island east of BNSF railroad tracks), which does not include WHI. The Hayden Island Plan was scheduled to coincide with the work on improvements planned for the I-5 corridor across Hayden Island, known as the Columbia Crossing. The City also initiated a new WHI planning process at that time, to respond to the regional policies noted above, and to ensure plans for the future of WHI are closely linked to plans for the rest of Hayden Island, and the Columbia Crossing.

During Phase I of the WHI Project a Community Working Group (CWG) was formed and met monthly to hear consultant updates on the Economic and Environmental Foundation Studies that would inform their discussions. Their charge was to advise City Council on how marine industrial, habitat, and recreational uses might be reconciled on WHI and, if they determined that a mix of uses is possible on WHI, to recommend a preferred concept plan. The CWG created a set of principles that will guide further planning in Phase II.

During phase one the City hired ENTRIX inc. to produce several Foundation Studies, providing background information about the environmental and economic aspects of the project. A number of other white papers were also produced by staff.

To help City staff in reviewing these products, a Technical Advisory Pool (TAP) was also created. The TAP functioned as a pool of experts on issues related to the West Hayden Island project. The TAP met intermittently to review information and provide their technical comments. Their comments are available on the project website. TAP members included representatives from Federal and State environmental and economic agencies, Metro, City Bureaus, PDC, Portland Audubon, and the Port of Portland.

In July of 2010 the City Council received a report from the CWG, and after hearing extensive public testimony City Council directed the Bureau of Planning and Sustainability to develop a legislative proposal for annexation of West Hayden Island to the City with the intent to protect at least 500 acres as open space, and identify no more than 300 acres for future deep water marine terminal development.

For more information, and specific project documents, refer to the project website:
<http://www.portlandonline.com/bps/index.cfm?c=49815>.

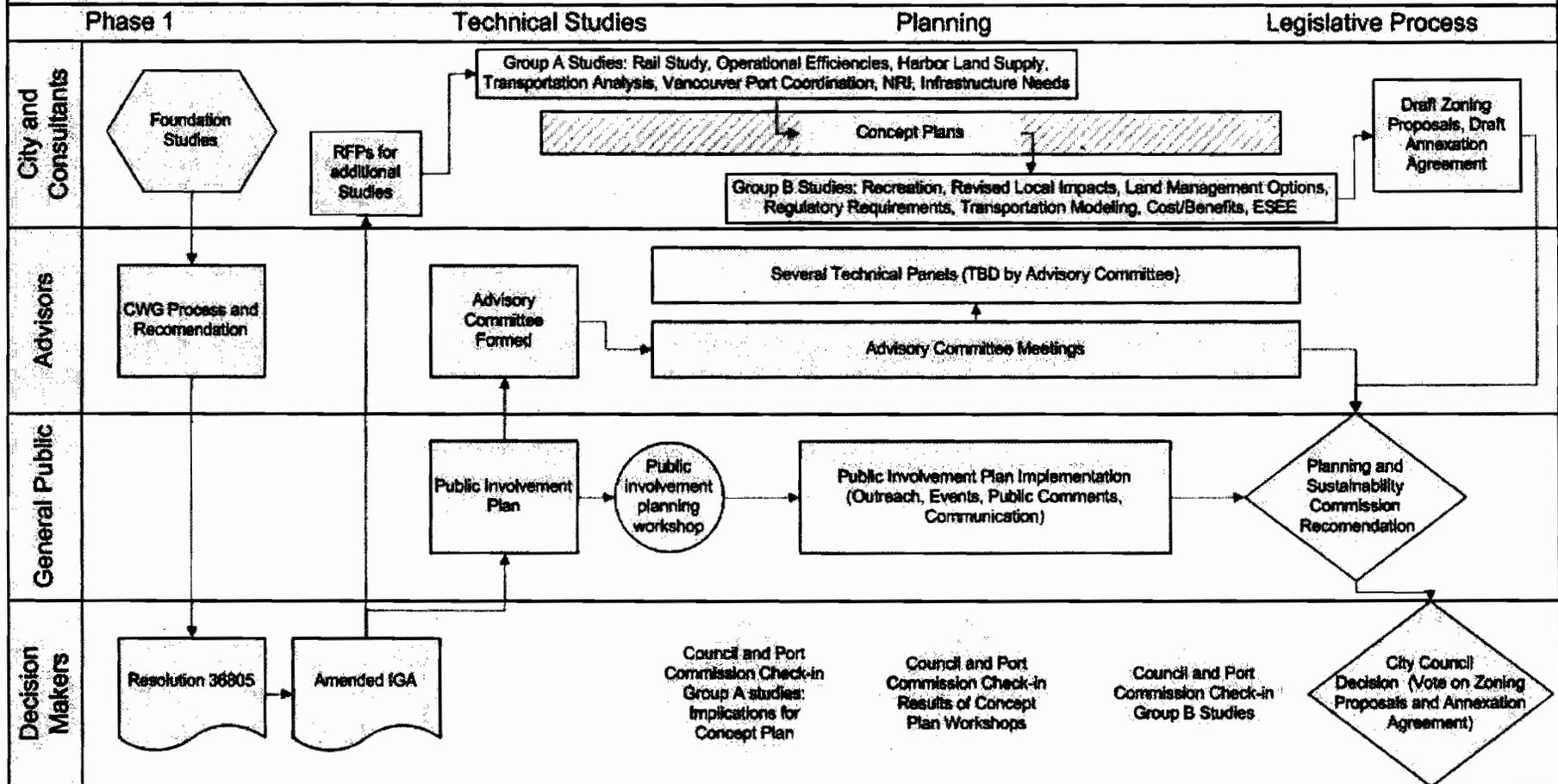
Revised Work Plan Organization

In order to undertake the West Hayden Island work plan there will be different groups with different roles responsible for ensuring a collaborative process between the City, the Port, stakeholders, and the wider public. The specific task list and timeline is outlined with the attached diagram, titled "West Hayden Island Work Plan" and list of deliverables.

During Phase I of the WHI Project a Community Working Group (CWG) was appointed by the Mayor and met monthly to discuss the Economic and Environmental Foundation Studies. The Mayor evaluated the continued role, structure and membership of the CWG in August/September 2010 and has recommended a broader public involvement program which will be implemented as follows:

- A. **Facilitator:** An independent facilitator will be hired by the City as a process manager to facilitate Advisory Committee meetings. This person will meet with City staff on a regular basis to discuss project progress.
- B. **Council Work Sessions and Port Commission check ins:** These public sessions will be scheduled at key milestones within the work program, so Council and the Port commission can more directly evaluate progress on the project.
- C. **Advisory Committee:** The primary function of the WHI Advisory Committee is to advise the Bureau of Planning and Sustainability on the West Hayden Island Annexation Project and related programs (see attached project diagram and list of deliverables). Members of the Advisory Committee will help ensure that: the project objectives are being met, the project stays on track, the work is done in a transparent way, and the end result is consistent with City Council direction.
- D. **Technical Panels:** Technical experts will be selected to review consultant studies to offer feedback and suggestions for changes before the reports are released for public use. The Advisory Committee will advise City staff on the formation of these expert panels.
- E. **Public involvement workshop:** A session will be held with residents of the island and adjacent communities as well as representatives from engaged interest groups. The goal of this workshop will be to elicit feedback from the public on outreach strategies and ways to receive comments on key project deliverables.

West Hayden Island Work Plan



West Hayden Island Work Plan

List of Technical Reports for Council (per Resolution 36805)

This list of technical reports has been compiled based on Resolution 36805. Each consultant will be asked to assess existing information produced during phase 1 for utility and completeness as it may relate to their research for the project.

Group A: Preliminary reports in these areas will be needed to identify core site planning issues/ requirements for the concept planning phase of the project.

- 1) **Rail Study (consultant):** This analysis will review different rail access scenarios that can be accommodated within a 300 acres footprint.
- 2) **Operational Efficiencies (consultant):** This report will review port site plan innovations around the world, with analysis of why these strategies would or would not work in Portland.
- 3) **Analysis/explanation of existing marine industrial land supply and needs (BPS and consultant):** A feasibility analysis of consolidation/expansion of existing sites will be included. This would involve an update of harbor lands inventory work done for the River Plan, and will include the Vancouver waterfront lands.
- 4) **Transportation Analysis/CRC Coordination (PBOT and consultant):** Part 1 of the Transportation analysis will develop concept street plan alternatives including consideration of a concept bridge design to avoid/minimize adverse impacts to HI Residents. This report will also look at transportation infrastructure needs and costs.
- 5) **Analysis of Vancouver Port Coordination (BPS):** This analysis will look at advantages and opportunities for increased coordination between the Port of Portland and Port of Vancouver as well as some research on interstate Port Authority logistics.
- 6) **Natural Resource Inventory (BPS, BES, OHWR):** The inventory will build on existing natural resource inventories, and Metro's inventory of regionally significant riparian corridors and wildlife habitat. The inventory is being done for East and West Hayden Island.
- 7) **Public Costs and Benefits - Infrastructure Needs(consultant):** Part I of the Public Costs and Benefits Report will identify infrastructure needs (bridge, water, sewer, etc) and associated costs. It will also include an analysis of the financial tools available to facilitate infrastructure development.

Concept Plans/Design Workshops: Concept plan development with the intent to protect at least 500 acres as open space and no more than 300 acres for future marine terminal development. (Include the industrial lands immediately east of WHI in the study area as a potential addition to the 300 acres.)

Group B: These reports will be based on the preliminary concept plan(s).

- 1) **Recreation Analysis (BPS w/ Parks):** This report will build off of what ENTRIX produced for the project as well as the Hayden Island Plan to look at nature based recreational options in more detail.
- 2) **Expand Local Impacts report (BPS):** This report builds on information from Phase One considering air quality (dust and emissions) noise, light and traffic impacts to be incorporated into Plan District. This work will focus on examining the impacts related to uses anticipated with the actual concept plan.
- 3) **Updated Cargo Forecast (consultant):** This analysis, to be initiated in mid-2011, will update Cargo Forecasts used by ENTRIX in the Economic Foundation Study using the most up to date numbers.

- 4) **Land Management Options (BES, OHWR):** This analysis will develop alternatives for how natural resource lands could be managed over the long term, including proposals for long term ownership, and strategies to pay for land mgmt activities.
- 5) **Regulatory Requirements (ESA, CWA, FEMA – OHWR/BES):** The proposal will include a report on regulatory requirements and how they may or may not be met. This may involve consultation about the concept plan with the BES-managed streamlining team.
- 6) **Public Costs and Benefits Report (consultant):** Part II of the Costs and Benefits report will be an analysis of the public costs and benefits associated with proposed public improvements (including independent review and update of the jobs and tax revenue estimates). The analysis will also look at the ecosystem services benefits of the 500 acres of open space.
- 7) **Transportation Analysis/CRC Coordination (PBOT and consultant):** Part II of this analysis will use the model output generated by PBOT (using most up to date CRC design options) to perform a transportation analysis of the WHI impact area in addition to the amount and geographic extent of traffic attracted to a new WHI bridge.
- 8) **Economic, Social, Environment, & Energy Document (ESEE) (BPS):** The ESEE report will analyze the current and potential consequences and tradeoffs of different natural resource protection program choices for Hayden Island.

EXHIBIT 2

West Hayden Island Project – Phase 2 Final WHI Advisory Committee Charter

I. Project Purpose:

Through Resolution #36805, City Council has directed the Bureau of Planning & Sustainability to develop a legislative proposal for annexation of West Hayden Island (WHI) to the City with the intent to protect at least 500 acres as open space, and identify no more than 300 acres for future deep-water marine terminal development. The bureau will bring a proposal to City Council for their consideration by December of 2011.

The project will include consideration of annexation, Comprehensive Plan designations, zoning and WHI Plan District designations for WHI, consistent with statewide planning goals, statutes, and state, regional, and local regulations. The City uses a “plan district” framework, as defined in the Portland Zoning Code, to implement locally specific area plans. It is envisioned that any WHI Plan District would establish the zoning for the property and allowed uses if approved by City Council. The WHI Plan District would be intended to provide a decision-making framework for future review of specific proposals. Any WHI Plan District would not provide immediate authorization for specific development at this time, and therefore no state or federal permit applications will be part of this process.

There will be stakeholder involvement and a public involvement program. Consultants with subject expertise will be used to provide background technical information and analysis to inform this process.

II. Project Objectives:

1. Evaluate information and assumptions presented by staff and consultants, pursuant to City Council Resolution 36805.
2. Produce a long-term vision and long-range plan for West Hayden Island that may serve as a foundation for an annexation decision to be considered by Council in December 2011.
3. Define desired types of industrial development, recreational use, and/or environmental protection and restoration opportunities.
4. Define a street plan, land use, and open space concept plan, based on the City Council's parameters.
5. Identify needed infrastructure improvements and a strategy for phasing public and private investment to support the recommended vision or address deficiencies to serve existing development.
6. Identify future actions and policies that will enhance the quality of and facilitate further development of the recommended West Hayden Island vision.
7. Coordinate West Hayden Island planning with the Environmental Program update for East Hayden Island and the Columbia River southern bank.
8. Complete the West Hayden Island planning process by December 2011.

III. Policy Context

As part of all planning processes, the City of Portland must consider Oregon Statewide Planning Goals, the Metro Urban Growth Management Functional Plan (UGMFP), and the City of Portland Comprehensive Plan Goals and Policies. In 1983, West Hayden Island was brought into the Urban Growth Boundary for marine industrial land use purposes. WHI is designated as Marine Industrial Land on the Metro 2040 Growth Concept Map and as a Regionally Significant Industrial Area on the Title 4 map. WHI is identified by Metro as a high value riparian area and a Habitat of Concern in the regional natural resources inventory, and as a Moderate Habitat Conservation Area in Title 13, and requires the City to develop a district plan in cooperation with the Port to address the moderate HCA designation.

IV. Project History (Phase 1)

In the summer of 2007, the City began preparation of the Hayden Island Plan (for that portion of the island east of BNSF railroad tracks), which does not include WHI. The Hayden Island Plan was scheduled to coincide with the work on improvements planned for the I-5 corridor across Hayden Island, known as the Columbia Crossing. The City also initiated a new WHI planning process at that time, to respond to the regional policies noted above, and to ensure that plans for the future of WHI are closely linked to plans for the rest of Hayden Island, and the Columbia Crossing.

During Phase I of the WHI Project, a Community Working Group (CWG) was formed and met monthly to hear consultant updates on the Economic and Environmental Foundation Studies that would inform their discussions. Their charge was to advise City Council on how marine industrial, habitat, and recreational uses might be reconciled on WHI and, if they determined that a mix of uses is possible on WHI, to recommend a preferred concept plan. The CWG created a set of principles (Attachment A) that will guide further planning in Phase II.

During phase one the City hired ENTRIX inc. to produce several Foundation Studies, providing background information about the environmental and economic aspects of the project. A number of other white papers were also produced by staff.

To help City staff in reviewing these products, a Technical Advisory Pool (TAP) was also created. The TAP functioned as a pool of experts on issues related to the West Hayden Island project. The TAP met intermittently to review information and provide their technical comments. Their comments are available on the project website. TAP members included representatives from Federal and State environmental and economic agencies, Metro, City Bureaus, PDC, Portland Audubon, and the Port of Portland.

In July of 2010 the City Council received a report from the CWG, and after hearing extensive public testimony, City Council directed the Bureau of Planning and Sustainability to develop a legislative proposal for annexation of West Hayden Island to

the City with the intent to protect at least 500 acres as open space, and identify no more than 300 acres for future deep water marine terminal development.

For more information, and specific project documents, refer to the project website: <http://www.portlandonline.com/bps/index.cfm?c=49815>.

V. Advisory Committee Charge

The primary function of the WHI Advisory Committee in Phase II is to serve in an advisory capacity on the West Hayden Island Project and related programs. Members of the Advisory Committee will help ensure that: the project objectives are being met, the project stays on track, the work is done in a transparent way, and the result is within the framework of City Council's Resolution 36805 and is consistent with the IGA and Work Plan adopted by the City Council and the Port. Members of the Advisory Committee will help:

- Shape the scope and accuracy of technical reports to City Council regarding additional questions about possible marine industrial development on WHI;
- Shape the language of a plan district for possible habitat, natural resource and recreation improvements and possible future marine industrial development on West Hayden Island, which should include requirements and standards that (may or will) guide future development activities; and
- Consider and integrate public input as part of their guidance to City staff

These responsibilities will be carried out by performing the following functions:

- Reviewing background materials to understand phase one of the WHI project;
- Advising staff on consultant scopes of work and hiring; in addition to including a member of the Advisory Committee or a person chosen by the Advisory Committee on all consultant selection committees;
- Reviewing changes in project activities or timeline, if those occur,
- Reviewing and commenting on the development of the concept plan (s); and offering comments to the Planning and Sustainability Commission;
- Advising staff on the formation of expert panels to review consultant and staff reports for technical accuracy;
- Advising City staff as they explore potential solutions to communications issues raised by the public as well as receiving public input to inform their project discussions;
- Advising City staff on ways to solicit public input on the plan district, and other legislative documents and also how to incorporate public input into the proposed planning documents; and
- Attending Council work sessions and Port Commission check-ins as needed to offer comments on project activities and progress.

The major process steps include:

1. Create site development alternatives (300 ac. terminal and 500 ac. habitat).
2. Develop WHI Evaluation Criteria based on CWG Working Principles and others to be developed.
3. Evaluate and modify alternatives to get a preferred alternative.
4. Develop an agreed to approach and perform a cost/benefit analysis of preferred alternative.
5. Conduct Economic, Social, Environmental and Energy Analysis on preferred alternative
6. Make recommendations regarding:
 - a. The preferred alternative including:
 - i. What conditions should be included as part of the initial zoning and annexation agreements.
 - ii. What issues/conditions can be addressed as part of an eventual development review process.
 - b. Whether costs outweigh benefits for the preferred alternative

VI. Membership

The Mayor has appointed 12 members to participate on the Advisory Committee. One seat will be filled by the Port of Portland. There are two EX Officio members: the City's Bureau of Planning and Sustainability and the City's Bureau of Environmental Services. The remainder of the membership will include people who live on Hayden Island and representatives from environmental and economic interest groups and organizations. Each appointee may also have an alternate.

Due to the complexity of the process, it is best to have one person represent each interest throughout the planning process to maintain continuity of discussion and recommendations. If necessary, AAC members may identify an alternate to represent them in their absence, preferably at the outset of the process.

It will be the responsibility of the primary AC member to keep the alternate informed so they can represent their group in case the primary AC member is absent. Alternates may attend AC meetings, but will not sit at the main table or vote, unless they are substituting for the primary AC member. Notice of substitution must be submitted to the AC facilitator in advance of AC meetings.

AC member resignations, changes, and replacements must be submitted in writing to the AC facilitator by the representative interest group/organization. As noted above, Mayor Adams or his designee will make all appointments to the AC, including replacements of existing AC members due to resignations or extended absences, based on nominations from the process interests, except for alternates, which may be named by appointees to the committee.

VII. Project Staff

The City will staff the AC process. A list of project staff and their roles can be found at www.portlandonline.com/bps/whi. Their goal is to provide a process that will be open, honest, and transparent with a special emphasis on early involvement in providing policy-setting input.

The project staff commits to:

- 1) Clearly define opportunities where the public can provide timely input so that there is an opportunity to affect change.
- 2) Be accessible, inclusive, meaningful, regular, timely, open, fair, and honest. This includes providing information in as much advance as practical.
- 3) Ensure a collaborative involvement process between the City and stakeholders, and meet the planning timelines of the City.
- 4) Provide an ongoing record of public input, questions, and responses, as well as a mechanism to make this information available to the public.
- 5) Include periodic community-based meetings in Portland where the public will be updated on committee activities and have the opportunity to inform policy-making.
- 6) Provide the public with a way to stay involved and informed during the process.
- 7) Provide interactive meetings with small group breakouts, which distinguish between information and input opportunities in public meetings.
- 8) Wherever possible, design interactive formats for all meetings to ensure a balanced and fair discussion of issues, ensuring all perspectives are heard.
- 9) Provide the AC with the relevant, objective information, in a timely fashion, necessary to make informed decisions. Presentations will provide the facts – pro and con – surrounding the issues in a readily understandable format.
- 10) Provide the big picture context and interconnections surrounding all issues, before asking the AC to make a recommendation.
- 11) Be responsive to AC requests for information and process support, be clear and transparent about staff positions, and be open to carefully considering AC recommendations.
- 12) Provide for an equally balanced process for all natural resource and economic elements of the project.

VIII. Technical Advisory Committee (TAC) and Technical Advisory Pool (TAP)

Technical experts will be selected by staff with the advice of the Advisory Committee to review staff and consultant studies, to offer feedback and suggestions for changes before the reports are released for public use. Some example panels may include specialty planning/design panels, environmental specialist panel to review/discuss NRI or site layout impacts on the island habitats, regional policy makers, and expert's panel to look at land management options and rail analysis panels. The NRI will be completed for Hayden Island as a whole and will include the southern back of the Columbia River.

City staff and other technical experts will be chosen to participate in technical panels based on their expertise in the subject matter of the studies. Members of the TAP (see below) from Phase I may be included in the pool of candidates for the panels.

The Technical Panels may meet for a ½-day workshop after reviewing reports, consultant studies or other work to offer feedback. They may also be asked to meet with the Advisory Committee to provide a summary of suggested changes/modifications for the specific report they are assigned to review.

The TAP, set up under Phase One of the project, would be transitioned into a pool from which to pull people into the Technical Panels, as well as to provide e-mail updates on project activities.

IX. Retained Technical Consultants

The City will retain consultants based upon feedback of the AC.

X. The Facilitator

An independent facilitator has been hired as a process manager by the City, separately from the other consultants. He will assist the AC and staff. He will also facilitate AC meetings and provide advice on the public involvement program. The facilitator's "client" is the AC process, but neither AC membership, nor process participation is a substitute for independent legal or other professional advice. That is the responsibility of the process participants. The facilitator will be responsible to ensure the AC process is fair, well run, and productive. The facilitator will be available as a resource to the City for minor conflict resolution and process improvement suggestions. As a neutral collaborative process provider, the facilitator will not act as an advocate for anyone on any substantive issue. However, the facilitator may propose substantive suggestions for AC consideration, but will not make decisions on substantive issues.

The Institute *for* Conflict Management, Inc. (ICM, or the facilitator) has been hired for this process. ICM's Executive Director, Sam Imperati, will act as the facilitator. ICM, Sam Imperati, and any subcontractors are not employees of any participant. ICM's written contract is available for review. The facilitator will not be influenced by payment source. The City has agreed that his status of facilitator will not be changed without first consulting with the AC.

The facilitator may have non-confidential, informal communications and perform facilitation activities with staff and AC members, between and during meetings. The facilitator will address situations where it appears a participant is not acting according to this Charter or if it appears probable that the AC will be unable to fulfill its Charge.

XI. Meeting Schedule and Process

The Advisory Committee will meet monthly from November 2010 to December 2011, or as required to keep track of issues and the progress of the project.

The Facilitator and City staff will prepare the Agenda for Advisory Committee Meetings, and organize, and schedule them.

XII. Public Involvement

A detailed Public Involvement Program for this planning process can be found at the project website. (www.portlandonline.com/bps/whi) As the City staff involves the broader community in the issues that the AC will be exploring, they will be providing summaries to the AC for their consideration and comment.

XIII. Collaboration Protocols

A. Quorum

A quorum is a simple majority of voting AC members or their alternates. If there is no quorum, the facilitator can cancel/reschedule or conduct the AC meeting and send all meeting notes and materials to the members for voting at the next meeting.

B. Open Meetings

Meetings of the AC, TAC, and AC subcommittees are open to the public and will include an opportunity for public comment. Notice of AC meetings will be posted in advance of meetings on the joint project website. Notice of subcommittee meetings will be posted in advance of meetings. AC and AC subcommittee meeting summaries will be posted on the website as soon as possible following each meeting.

C. Public Comment

The facilitator will provide periodic public comment opportunities for non-AC members during meetings before AC makes a decision. Comments from the public will be limited in time to allow sufficient opportunity to conduct the other portions of the AC agenda. Typically, comments will be limited to a maximum of three minutes per person. The public is encouraged to submit written comments to project staff for circulation to the full AC.

D. AC Member Commitments to Each Other

The AC members, project staff, and participants will participate in good faith, which means:

- 1) Prepare for and set aside time for the meetings and the whole process,
- 2) Participate fully, honestly and fairly, commenting constructively and specifically,

- 3) Speak respectfully, briefly and non-repetitively; not speaking again on a subject until all other members desiring to speak have had the opportunity to speak,
- 4) Allow people to say what is true for them without fear of reprisal from AC members, the City, or the Port,
- 5) Avoid side conversations during meetings,
- 6) Provide information as much in advance as possible of the meeting in which such information is to be used and share all relevant information to the maximum extent possible,
- 7) Generate and explore all options on the merits with an open mind, listening to different points of view with a goal of understanding the underlying interests of other AC members,
- 8) Consult appropriately with their interest groups/organizations and provide their input in a clear and concise manner,
- 9) Agreeing to work toward fair, practical and durable recommendations that reflect the diverse interests of the entire AC and the public,
- 10) When communicating with others, accurately summarize the AC process, discussion and meetings, presenting a full, fair and balanced view of the issues and arguments out of respect for the process and other members,
- 11) Success depends on a full airing of the ideas and opinions of each committee member. Members should be forthcoming and honest during discussions and in the consensus process. When a consensus recommendation is reached, each member owes it to the others and to the process to not attempt to effect a different outcome outside of the AC process once the AC has reached a consensus recommendation,
- 12) Strive vigorously for consensus and closure on issues, and
- 13) Self-regulate and help other members abide by these commitments.

XIV. Decision-Making Process

The Committee serves in an advisory capacity and its input will inform project activities. The Committee is not a decision making body.

The Planning & Sustainability Commission will make recommendations to City Council, who will make all final decisions regarding the concept plan(s) and annexation. The Port Commission, as owner of the property will make final decisions regarding design and implementation of development on West Hayden Island, in accordance with all applicable local, state, and federal regulations. As an advisory body, this committee should strive to craft and recommend approaches and solutions that are workable for a wide range of needs and interests, including feasibility of terminal development and should work towards completion of several concept plans by December 2011.

The group should engage in open and constructive dialogue to ensure that potential solutions are well tested and that diverging opinions are aired, discussed, and documented.

A. Developing Recommendations

The facilitator will assist the AC in identifying objectives, addressing the diversity of perspectives, and developing substantive, practical recommendations to implement its Charge. The AC will use a *Discussion Draft* process and a *Consensus Decision-Making* model to assist the process. The AC will make draft recommendations on an “issue-by-issue” basis, and then final recommendations as a “package” at each milestone, and again at the conclusion of the process.

B. Representative Voting

Each AC member will have one vote except those non-voting members (Ex Officio members are the City of Portland Bureau of Planning and Sustainability and the Bureau of Environmental Services .) A vote represents that the member will recommend to his or her organization or group that they should support or oppose the voted-upon proposal consistent with the member's vote. The names of those voting in favor and those voting against a proposal will be noted and included in the AC's recommendations and the City staff recommendations to the decision-makers.

C. Consensus

Consensus decision-making is a process that allows AC members to distinguish underlying values, interests, and concerns with a goal of developing widely accepted solutions. Consensus does not mean 100% agreement on each part of every issue, but rather support for a decision, “*taken as a whole.*” This means that a member may vote to support a consensus proposal even though they would prefer to have it modified in some manner in order to give it their full support. Consensus is a process of “*give and take,*” of finding common ground and developing creative solutions in a way that all interests can support. Consensus is reached if all members at the table support an idea or can say, “*I can live with that.*”

C.1. “1-2-3” Consensus Voting Method

The facilitator will assist the AC in articulating points of agreement, as well as articulating concerns that require further exploration. AC will use a “**Consensus Voting**” procedure for testing the group's opinion and adjusting proposals. In “**Consensus Voting,**” the facilitator will articulate the proposal. Each AC member will then vote “one,” “two,” or “three,” reflecting the following:

- “**One**” indicates **full support** for the proposal as stated.
- “**Two**” indicates that the participant **agrees with the proposal as stated, but would prefer to have it modified in some manner in order to give it unconditional support. Nevertheless, the member will fully support the consensus even if his/her suggested modifications are not supported by the rest of the group because the proposal, taken as a whole, is worthy of support, as written.**

- **“Three”** indicates **refusal to support** the proposal as stated.

The facilitator will repeat the consensus voting process, as reasonably necessary, to assist the group in achieving **consensus** regarding a particular recommendation, so that all members are voting “one” or “two.”

C.2. Cooling-Off Period

If a consensus is not reasonably forthcoming, the facilitator may table the issue for additional discussion with constituencies, the gathering of new information, or perhaps just sufficient time to consider options more carefully. The “cooling off” period recognizes we value getting as close to consensus as possible by way of dialogue, clarification, and consideration of alternatives. Absent an emerging consensus, the facilitator may make a recommendation for the AC to consider taking into consideration all of the available information and views. The AC may then revisit the issue.

C.3. No Consensus – Majority and Minority View

If a consensus on an issue is still not reasonably likely, as determined by the facilitator, the votes of those present at the meeting will be taken and recorded as a majority - minority vote. Majority is defined as at least 50% plus one of the AC voting membership in attendance. The proposed language and reasoning supported by the majority will be noted along with their names in the AC’s recommendations. Members voting in the minority will have their names, proposed language, and reasoning noted in the Minority Report(s). The facilitator will document these issues, the differences of opinion involved, and submit the report to the City staff for inclusion in the AC recommendations along with other stakeholder comments.

XV. Additional Understandings

A. Communications Outside of AC

AC members and staff can refer press, public, and other inquiries to the AC facilitator, City project staff, or the project website, if they desire.

B. Meeting Summaries

The facilitator will prepare AC meeting summaries. They will be provided electronically in draft form to the AC for proposed correction and comment. The final meeting summaries will be posted on the project website.

C. Public Records and Confidentiality

AC records, such as formal documents, discussion drafts, transcripts, meeting summaries, and exhibits are public records. This is not a mediation. It is a facilitation. As a result, AC communications (oral, written, electronic, etc.) are not confidential and may be disclosed. However, the private documents of individual AC members and the

private documents of the facilitator that are not shared with the City or Port are not considered public records and are not subject to disclosure under public records laws.

D. Process Conclusion

The AC process will conclude with submission of its recommendations to the City, when necessary funding and resources are no longer available, or when the City determine it is unlikely the AC will fulfill its Charge.

E. Amendment and Interpretation

Amendments to this document can be made by vote of the AC. The facilitator shall lead an AC discussion designed to reach a consensus on any process dispute or proposed amendment to these Collaboration Principles.

XVI. Signatures

We agree:

MEMBER	SIGNATURE
Susan Barnes	
Andrew Colas	
Andy Cotugno	
Pam Ferguson	
Rich Gunderson	
Don Hanson	
Chris Hathaway	
Brian Owendoff	
Sam Ruda	
Bob Sallinger	
Bob Tackett	
Victor Viets	

Attachment A: CWG Working Principles

The evaluation principles developed by the CWG should serve as core values to inform the proposal.

A good, multiple-use option will provide for:

- A net increase in ecosystem function.
- A positive contribution to regional economic health (e.g. jobs, wealth).
- An economically viable port facility.
- A positive contribution to the local community (e.g. health, transportation, property value, recreation facilities, and opportunities).
- An addition to, not competition with, the regional port system.
- Public access opportunities to West Hayden Island.
- Sustainable scale for any use included as part of the option.
- Flexibility to accommodate the unknown future.
- Taking advantage of the unique aspects and opportunities of the site.
- Consideration of impacts on multiple time periods i.e. current, mid-range, and future.
- Consideration of impacts on multiple geographies, i.e. local, sub-regional, and regional levels.

EXHIBIT 3

INTERAGENCY AGREEMENT
Between
Portland Bureau of Transportation
And
Portland Bureau of Planning and Sustainability
For the
West Hayden Island Land Use Planning Process

This Interagency Agreement ("Agreement") is made and entered into by and between the **City of Portland, Bureau of Planning and Sustainability** ("BPS" or "Bureau") and the **City of Portland, Bureau of Transportation** ("PBOT").

RECITALS

1. PBOT, as the transportation agency of the City of Portland, has responsibility for planning, improving, and maintaining the transportation system within Portland. PBOT also coordinates with regional and state transportation agencies as appropriate.
2. BPS is responsible for long range planning for the City of Portland. BPS is currently leading an 18 month planning process to create a plan district and annex West Hayden Island (WHI) into the City of Portland. Funded by the Port of Portland, the WHI planning process is a public collaborative effort between the City of Portland, the Port and regional stakeholders to create an integrated long-range development plan for West Hayden Island.
3. Both parties desire to enter into an agreement that will establish terms and conditions by which one party will engage and compensate the other party for performing specific services.
4. These services are identified in the Intergovernmental Agreement between the City of Portland and Port of Portland titled "West Hayden Island (WHI) Land Use Approvals Work Program and Tasks" dated May 28, 2009 and adopted by the Council of the City of Portland pursuant to Ordinance No. 182856.

SCOPE OF WORK

PBOT will provide the following services and/or perform the following tasks for the Bureau of Planning and Sustainability for the West Hayden Island project.

- Task 1. Project coordination and management. Attend project team meetings, Community Working Group (CWG) meetings, including a CWG 1-2 day workshop and Technical Advisory Pool meetings as requested as part of Phase 1 of the project. **Completed**

In Phase 2 of the project attend Advisory Committee meetings and provide technical report review as needed. Provide regular briefings for PBOT senior staff, relevant work units within PBOT and the Mayor and his staff. Provide WHI project updates to the City's

CRC Technical Advisory Committee. Provide updates jointly with BPS staff to the Portland Freight Committee. **In Progress**

- Task 2. Research and background information. Compile technical and policy reports, base data and information from previous Port of Portland (Port) studies of WHI, the Columbia River Crossing (CRC) project and other sources that are relevant to WHI. **Completed**
- Task 3. Transportation analysis coordination. Meet with David Evans and Associates (DEA) staff to determine specific assignments of DEA and PBOT to conduct the transportation modeling and analysis work as outlined in Task 4. Provide oversight of DEA of their preparation of a technical memo that responds to Community Working Group questions (attached as Appendix A) and summarizes the transportation analyses and findings conducted as part of the Hayden Island Plan. PBOT and DEA will confirm the scope of the CWG questions with the City and CWG prior to start of the analysis. DEA will present the key findings from their Technical memo at an upcoming CWG meeting to be confirmed by City Staff. **Completed**
- Task 4. Transportation modeling and analysis. **In Progress**
- A. Develop a transportation model of existing and future base conditions for WHI and its study area. Future base conditions will incorporate CRC interchange design option D or the approved design option identified in the CRC Record of Decision.
 - B. Conduct transportation modeling analysis for a “highest impact development” scenario and “mitigation assessment” scenario for WHI. By mutual agreement of the Port, BPS and PBOT these two scenarios may be modified. These two scenarios will be evaluated both with and without a new WHI bridge connecting from the island to Marine Drive (four scenarios total). This work will be undertaken in coordination with the Port providing truck trip distribution assumptions. A memorandum will be prepared that summarizes findings in narrative form, supported by data and graphics.
 - C. PBOT will prepare the Transportation Impact Report as described in Appendix B.
- Task 5. Transportation policy assessment. Prepare transportation staff report that addresses State Transportation Planning Rule compliance findings and adoption requirements and specifies proposed Transportation System Plan amendments.
- Task 6. Transportation infrastructure assessment. Participate in an infrastructure assessment workshop with other city bureaus that will determine cost assumptions and methodologies needed prior to the concept planning phase of the project and set necessary guidelines for the infrastructure report. Review and provide technical oversight of the WHI Transportation Infrastructure Report prepared by an external consultant. The scope of work for this consultant report is outlined in Appendix C. PBOT will be responsible for validating the product quality and completeness of the consultant report. BPS will be responsible for financial management of the consultant services agreement. Also, review and provide comments of other transportation related reports prepared for the WHI planning process, such as a freight rail services study, as requested by BPS.
- Task 7. Comprehensive Plan and Zoning Code amendments. Assist BPS staff in preparing amendments to the *Comprehensive Plan* Policies and Objectives related to West Hayden

Island. Assist BPS staff in the creating a Plan District and associated codes to implement the policy amendments.

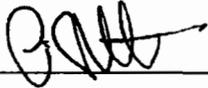
- Task 8. Technical Work Session & Design Workshops. This work includes preparation for and participation in the design workshops. PBOT staff will also participate in a technical work session with an external consultant to develop 2-3 concept street plans that will feed into the concept development planning process. This work may include collecting additional technical information as requested and coordination with other work units within PBOT.
- Task 9. Public hearings and adoption. Assist BPS staff in preparing hearing staff reports and materials. Attend public hearings before the Planning Commission and City Council and provide responses and information on transportation issues at the hearings.

The duties and/or timeline described in the scope of work above can be modified with the agreement of the Port, BPS and PBOT.

The parties agree as follows:

The Bureau of Planning and Sustainability authorizes a project budget for PBOT in an amount not to exceed \$42,000.00 in performance of the tasks identified above effective July 2010 through December 2011. BPS will reimburse PBOT for eligible and appropriate staff charges to this project. PBOT will track its expenses in SAP under cost object 7TRPNDP00021 which settles to BPS' SAP cost center PNCP000001.

Signed:



(Paul Smith, PBOT)

1-5-11

(Date)



(Joe Zehnder, BPS)

1-10-11

(Date)

Appendix A: WHI Community Working Group Questions to be addressed by DEA as part of Task 3: Completed

1) What are the existing access conditions from the east, what are the road conditions in general, and what is the potential for bridge access from the south?

DEA Focus: Summarize the Hayden Island plan traffic analysis. Review existing road conditions and access from the Hayden Island Plan and CRC work.

2) What are the environmental, economic, and livability costs and benefits of a bridge between WHI and Terminal Six?

DEA Focus: Review 1999 Draft EIS to summarize what the economic, social, and environmental etc. impacts were related directly to the supplemental bridge.

3) What are the consequences, assuming a percentage set aside for industrial use, for near-term development (e.g. a bridge, rail infrastructure, etc)?

DEA Focus: Briefly summarize that a future client's business plan will drive infrastructure development. Current uses (such as BPA/PGE power line maintenance, road ways and access ways, dredge material handling site, BES facilities, railroad) require certain infrastructure improvements that are allowed. These uses and the maintenance and improvement of, will continue as in the past.

Appendix B: Transportation Impact Report - Scope of Work

Transportation Impact Report

Define the traffic impacts associated with industrial development of WHI. This report will use the model output generated by PBOT and perform a transportation analysis of the WHI impact area. This report will also use methodologies, analytical tools and impact area specified by PBOT. This report will include the following tasks:

1. Conduct traffic operations analysis of the four future scenarios described in Task 4 of the BPS/PBOT interagency agreement for the West Hayden Island Planning Process. This analysis will assess key indicators of system performance including level of service and volume to capacity ratios as appropriate for critical intersections. This analysis would distinguish operations characteristics of automobiles and trucks.
2. Define the amount and geographic extent of traffic attracted to using a new WHI bridge.
3. Conduct a comparative transportation analysis of up to three different marine terminal uses as defined by BPS. This work would be linked to the concept plan work, and would evaluate several different terminal alternatives – such as grain, auto, mineral bulk, etc.

Appendix C: Transportation Infrastructure Report - Scope of Work

Define the transportation infrastructure needs and costs required to support industrial development in WHI. This report will use methodologies, analytical tools and impact area specified by PBOT. This report will include the following tasks: (Consultant should consider using tasks 2-6 as a guide for the design of an infrastructure assessment workshop for all necessary bureaus to discuss annexation cost assumptions and maintenance expenses).

1. Develop up to 3 concept street plan alternatives, including potential new street access connections to the east of WHI. These street plan alternatives are intended to be integrated with various industrial site plan configurations for WHI, which will be prepared by others.
2. Based on the outcome of task 1, define a recommended street plan and network of public right-of-ways in WHI. This task will include a plan view and cross-sections of the recommended street plan network. The recommended street plan will include water, sewer and storm water facilities, and all other public assets that will be located within the new public streets.
3. Based on the outcome of the Transportation Impact Report prepared by PBOT (as defined in Appendix B), identify transportation improvements needed to provide maintain adequate service levels in the study area resulting from development in WHI.
4. Based on the outcome of the Transportation Impact Report prepared by PBOT (as defined in Appendix B), identify transportation improvements needed to mitigate structural and neighborhood intrusion impacts on existing public streets in the study area resulting from development in WHI.
5. Identify a functional design for a new WHI bridge connecting from the island to Marine Drive for cost estimating purposes.
6. Prepare capital cost estimates, and maintenance and life cycle cost estimates, for each of the infrastructure requirements identified above that may become City assets.