

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.

