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River fight ignites again

Businesses raise new concerns over city's intentions

BY JIM REDDEN

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Comments by a top Portland official are increasing business-related concerns about an ambitious city plan intended to improve the environmental and economic vitality in and around the Portland harbor.

Business owners and Port of Portland officials repeatedly said they worry the proposed River Plan will delay and increase the costs of needed improvement projects. Portland officials have replied that the new city review process in the plan could actually save them time and money.

But now, some business owners are alarmed by comments from Portland Bureau of Environmental Services Director Dean Marriott, who is criticizing a specific plan to clean up the Zidell barge-building site. The Zidell company has proposed spending \$20 million of its own money to rehabilitate 3,000 feet of river shoreline in the South Waterfront area.

"The plan is inadequate," says Marriott, whose agency helped write the River Plan. Among other things, he wishes that Zidell's plan provided more habitat for fish and other wildlife.

That response shocks T. Alan Sprott, vice president of Vigor Industrial, which owns and operates 65 acres of business property on Swan Island. Sprott has no stake in Zidell's site, which is far to the south. But he believes Marriott's position on the matter is evidence that the city will impose unreasonable demands on businesses that fall within the boundaries of the River Plan.

"Twenty million dollars is a lot of money," says Sprott, a member of the Working Waterfront Coalition formed in response the proposed plan. "If that's not good enough for the city, what is?"

For their part, Zidell officials are not opposed to restoring more property during their cleanup, but they are unwilling to spend any more of the company's money for such additional enhancements.

"Zidell is open to looking at what Marriott is talking about, provided the company contribution to the entire project remains the same," says Paul Fishman, a company consultant who owned NorthWest Ecosystem Services.

Fair comparison?

Marriott, however, insists it is unfair for critics to compare the Zidell site to the harbor area that's most immediately under consideration for the River Plan.

Zidell's property is in the emerging South Waterfront neighborhood. Company officials have promised to end their barge-building operations within a few years and redevelop their property with mixed-use housing and retail projects. By contrast, the harbor, which stretches from north of the Broadway Bridge to the confluence of the Willamette and Columbia rivers, would stay industrial under the proposed River Plan.

"They are apples and oranges," Marriott says. "You can't apply the city's interests there to the harbor."

But Marriott had previously alarmed harbor interests by abruptly dismissing their concerns over the River Plan. The Portland Business Alliance sent a six-page letter to Mayor Sam Adams on Oct. 20 outlining a series of objections to the plan, saying it could result the loss of river-related jobs.

"Extreme caution is called for in evaluating any policy that would negatively impact the viability of industries in the harbor," PBA president and CEO Sandra McDonough wrote in the letter.

Marriott responded with an Oct. 28 memo that said, "This is the same tired old argument one hears all the time about restoring damage to our natural resources. The past is past and why should companies be required to do anything to make amends for prior abuse."

Mayor Sam Adams agrees with Marriott on the Zidell site comparison.

"There's a lot of sloganeering going on (about the plan)," says Adams, who has been working to convince businesses to support the plan. "There's a lot of win-lose thinking."

At the same time, Adams acknowledges the city needs to be clear about what the plan will and will not do.

"Businesses want certainty and flexibility, and we need to provide that," Adams says.

The City Council is scheduled to hold its first formal hearing on the so-called North Reach phase of the River Plan on Jan. 28. Adams said final approval could come weeks or even months later.

Cleanup plan took years

The Zidell site encompasses 38 acres of riverfront property just north of the high-rise towers in South Waterfront and the 20 acres donated by the Schnitzer family to Oregon Health & Sciences University south of the Ross Island bridge. During World War II, Zidell's predecessors built transport and other ships there. After Zidell acquired the property, the company first dismantled ships on it, and then began building the barges that are still constructed there.

As a result of this activity, much of the land has been contaminated with oil, PCBs, asbestos and other toxic materials. Recognizing the problems, Zidell entered the voluntary cleanup program administered by the Oregon Department of Environmental Quality more than 12 years ago. Among other things, the program involved numerous studies to determine the extent of the contamination, leading to a preliminary cleanup strategy.

Last year, following several interim steps, the DEQ approved a detailed cleanup plan. And after further refinements to the plan, the company filed for permits with the Oregon Department of State Land and the Army Corps of Engineers, which will be advised by the National Marine Fisheries Service. That will soon trigger a public comment period.