



Project Concept – The Economic Benefit of Maintaining Coastal Ports

Oregon and Southwest Washington coastal ports, home to fishing fleets, marinas and recreational facilities, are critical to the economic survival of their communities. International trade, recreational boating and commercial fishing are more important to the economic health of coastal port communities now than ever before.

A recent U.S. Army Corps of Engineers study of the economic impacts of only recreational use of 18 Oregon shallow draft ports indicates that these ports generate, with multiplier effects, \$94.3 million in sales, \$35.9 million in income and 1,542 jobs. A more comprehensive study encompassing all port activities at Oregon and Southwest Washington coastal ports would be of value in accurately capturing the true value of these entities.

Project Purpose

The U.S. Army Corps of Engineers is charged with maintaining federal navigation channels and jetties that provide access to Oregon and Southwest Washington coastal ports. Currently, a very limited definition of commercial tonnage is used by the Corps and the Office of Management and Budget (OMB) when evaluating whether a federal navigation channel qualifies for annual operation and maintenance (O&M) funding to address channel and jetty needs.

The purpose of this project is to identify and quantify all economic activities associated with the navigation channels and other navigation features, such as jetties, at coastal ports in Oregon and Southwest Washington.

Project Scope

Identify and assemble existing economic impact information. Develop additional economic impact information as necessary and as feasible. Identify and assemble available information regarding port maintenance requirements and costs. Develop measures to characterize the relationship between port maintenance and economic benefits. Develop materials to educate the public and local, state and federal decision makers about the benefits of maintaining coastal ports.

Project Management

The proposal is a joint effort of CEDER and PNWA. CEDER will manage the project and will contract with PNWA and, as necessary, other contractors to perform specific work tasks. Glenn Vanselow will be the project manager. Glenn Vanselow and Kristin Meira will serve as lead consultants for PNWA.

Estimated Project costs

It is expected that consulting support, in addition to CEDER and PNWA, would be required to complete the study. Depending on the availability and cost of consultants, CEDER estimates the cost of this project to be approximately \$100,000-\$150,000.

Funding Sources

Funding sources have not yet been identified. In previous years, the Oregon Economic and Community Development Department funded similar studies. It is expected that additional sources of funding would need to be identified. In the past, port beneficiaries have funded the local cost share. That may be possible for this study.

Next Steps

- Establish a Coastal Ports Study Committee
- Agree on the project concept
- Identify potential funding sources
- Identify potential consultants
- Agree on work scope
- Apply for funds

Biographies

Center for Economic Development, Education and Research (CEDER)

CEDER is a 501(c)(3) non-profit corporation dedicated to educating and informing political and business leaders, media and the general public about the economic, social, political, historical and natural environment of the Columbia and Willamette Rivers, Puget Sound, the Oregon and Washington Coast and related estuaries and watersheds. In doing so, CEDER develops basic informational materials to educate regional policy makers and provides a forum for decision makers to establish a vision and set direction for the future of the region. More information about CEDER is available at www.pnwa.net/ceder.

Pacific Northwest Waterways Association (PNWA)

PNWA was founded in 1934 as the Inland Empire Waterways Association. IEWA led the effort to get Congressional authorizations and appropriations to build the locks and dams on the Columbia Snake River System. Bonneville Lock was the first, in 1938. In 1971, IEWA merged with a Coastal and Puget Sound ports and harbors association to become PNWA. Since then, PNWA has been the region's lead advocate for public policy and appropriations supporting regional navigation, transportation, trade, energy, and economic development interests on infrastructure development and maintenance and environmental issues. More information about PNWA is available at www.pnwa.net.

Studies

This team has completed two recent studies that have informed and shaped public policy on regional navigation and transportation issues. Both studies are available at www.pnwa.net/ceder:

CEDER completed a Columbia/Snake River System and Oregon Coastal Cargo Ports Marine Transportation System (MTS) study in 2005. This study provides a framework for maintaining and developing the region's navigation, railway and roadway transportation infrastructure. This study is being used to inform a 2007 study, "Oregon Port Needs and Projects", prepared for the Oregon Economic and Community Development Department.

In 2002, a PNWA study demonstrated the need to increase utilization of the federal hopper dredges to maintain Northwest navigation channels and harbors. This study prompted a federal GAO study, and informed subsequent beneficial changes in federal policy, including the imminent lifting of operating restrictions on the federal west coast hopper dredges *Essayons* and *Yaquina*.