

Representative Caddy McKeown,

Chair, House Transportation and Economic Development Committee

Chair McKeown, Committees Members, Ladies and Gentlemen...I'm Patrick Trapp, the Executive Director for the Port of ST Helens, Columbia City OR. Thank you all for taking the time today to hear about both the opportunities and the challenges associated with realizing the full potential of the State's ports to serve as economic engines, both locally and regionally.

As I reflect on the changes in our economy, especially as it pertains to Columbia County, I know I'm preaching to the choir by saying many are still dealing with hard times, and recovery is very slow. Especially if you consider we, in Columbia County were most recently fighting to keep our jail operating, while still today County employees remain saddled with furlough days to make ends meet, and to keep services available.

The Port of St Helens, on the other hand, has been doing well...we had vacant buildings that required renovation, empty land available for expansion and new development, and a superior work force eager for family wage positions. Don't get me wrong...we're in no way rolling in the dough. We're just doing our best to retain and attract traded sector jobs to the area. You'll be hearing from multiple ports today, so I want to focus on just a few opportunities and the corresponding challenges in attaining those opportunities.

Dredging everywhere remains an issue...in our own small marina in Scappoose Bay the estimate to dredge is over \$1.8 Million; Challenges with Land Use and rezoning can be daunting...over 2 years and still counting; permitting w/ACOE for work on the River is a loonnggg term investment...2 years and counting. Not all gloom and doom...we have great prospects on the horizon...Northwest Innovations Works...a methanol production facility that is hoping to make a \$1.8 Billion dollar investment in Columbia County, providing roughly 225 permanent full time positions. For a County that's only assessed at \$4 Billion, it's a game changer.

As a landlord / tenant port and through a conservative fiscal approach and by managing risk we have realized a 26% annual growth in our beginning balance over the last six years. We have leveraged our tax increment (roughly \$1.9 Million) and combined that with tenant revenues, and grant opportunities over the last six years to complete over \$31 Million dollars in Capital improvements within the Port District. As a Special District we are uniquely placed to take advantage of State and Federal grants towards our economic development goals ... a great opportunity, yet at times, at least our Port has been stymied in our efforts to modernize key maritime assets because of the fears by some that these Port resources might, could, would be used for projects that are considered controversial within the State.

I mentioned vacant buildings...we spent the last few years recapitalizing three buildings for a total of roughly 75,000 SQ FT, and two new buildings have been built for an additional 65,000 SQ FT. We now have ORPet receiving every recycled plastic bottle from the state that goes through the ORBC, and an

777.065 Development of port facilities at certain ports as state economic goal; state agencies to assist ports. The Legislative Assembly recognizes that assistance and encouragement of enhanced world trade opportunities are an important function of the state, and that development of new and expanded overseas markets for commodities exported from the ports of this state has great potential for diversifying and improving the economic base of the state. Therefore, development and improvement of port facilities suitable for use in world maritime trade at the Ports of Umatilla, Morrow, Arlington, The Dalles, Hood River and Cascade Locks and the development of deepwater port facilities at Astoria, Coos Bay, Newport, Portland and St. Helens is declared to be a state economic goal of high priority. All agencies of the State of Oregon are directed to assist in promptly achieving the creation of such facilities by processing applications for necessary permits in an expeditious manner and by assisting the ports involved with available financial assistance or services when necessary. [1981 c.879 §6; 1993 c.106 §1]