

FOR IMMEDIATE RELEASE:

New study shows Portland Harbor Superfund clean-up will support the local economy

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A dollar spent on cleanup will generate more than a dollar in the Portland region.

The City of Portland has released a new study that analyzes the economic impacts of cleaning up the Portland Harbor Superfund site. It finds that clean-up will inject new spending into Portland's regional economy and support jobs.

According to the study conducted by ECONorthwest, a local firm specializing in economic analysis, for every dollar spent on cleanup, more than a dollar in additional spending will be generated in the Portland economy as those employed in the cleanup purchase other goods and services in the region.

The study evaluates short term economic impacts, including income, state and local taxes and fees, and jobs, that may be generated by investments in the cleanup of Portland Harbor. It concludes that firms in the Portland regional economy could provide most of the goods and services needed for the cleanup, and that the majority of cleanup spending could stay in the Portland regional economy.

A significant share of funding for the cleanup could come from outside the Portland region, given that potentially responsible parties include the U.S. Department of Defense, large multinational corporations, and businesses that have moved away from Portland. Money spent on cleanup by these parties would not otherwise be invested in the Portland area. Other businesses and public sector entities may transfer funding from current operations in Portland to cleanup activities.

"Cleaning up the Harbor will require a significant investment from the public sector and businesses," said Commissioner Amanda Fritz. "This study shows there will also be significant economic benefits in our community." Commissioner Fritz oversees Portland's Office of Healthy Working Rivers, which commissioned the study.

The analysis is based on data from the Lower Willamette Group's draft Feasibility Study submitted to the U.S. Environmental Protection Agency (EPA) in March 2012. Costs were entered into IMPLAN, an input-output model, to trace how spending circulates throughout the regional economy (including Multnomah, Clackamas, Columbia, Washington, and Yamhill Counties in Oregon; and Clark and Skamania Counties in Washington).

The analysis evaluates two cleanup alternatives – one with lower and one with higher costs – to illustrate a range of economic impacts. The alternatives considered economic outcomes associated with both cleanup and with longer term monitoring and maintenance.

The actual cost of Portland Harbor cleanup will not be known until the U.S. Environmental Protection Agency issues a Record of Decision – an action that is likely several years away. Allocation of cleanup costs among potentially responsible parties has not yet been determined.

The study and additional briefing materials are available on the Office of Healthy Working Rivers website – www.portlandonline.com/river.

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