

OLD BUSINESS AGENDA ITEM

DATE: 4/26/2016
RE: Award Feasibility Study Contract to Market Advisory Group LLC
TO: Port of Newport Board of Commissioners
ISSUED BY: Kevin Greenwood, General Manager

BACKGROUND

The Port applied for and received a grant to help reimburse a portion of the costs related to obtaining grants to construct the International Terminal Shipping Facility. A number of studies were anticipated including a feasibility study to consider the markets with a good chance of using the terminal. Many financing sources will want to see that the project feasibility has been considered and this study will help substantiate the market conditions.

SUMMARY OF THE PROPOSAL

- The proposal was submitted by Matt Ranson, President of Market Advisory Group, LLC, Camas, Wash. Todd Chase, President FCS Group and a Port of Newport contract service provider, will serve as a sub-contractor on this project. Resumes attached.
- The objective of the project is to identify the near-term and long-term market potential for the International Terminal Shipping Facility located in Newport, Ore.
- Task 1. Review Shipping Terminal Concept Assumptions.
- Task 2. Review transportation/infrastructure public investments, private development, policy and plans that would hurt or benefit the facility.
- Task 3. Study and evaluate the primary and secondary markets based upon transportation/labor availability.
- Task 4. Identify list of markets and specific users including interviews to prove assumptions.
- Task 5. Identify commodities/goods that would benefit from facility and study issues, concerns.
- Task 6. Produce 20-40 page report with Powerpoint presentation to Port Commission at their June 21st noon work session. Report would be complete by end of May.

BUDGET IMPLICATIONS

The State Port Planning & Marketing (PP&M) grant will be used to pay 75% of this report. In the grant application, the Port budgeted \$18,500 for the project with PP&M paying \$13,875 and the Port paying for \$4,625. The MAG, LLC proposal comes in at \$14,000, \$4,500 under budget. PP&M will reimburse us for \$10,500 and the Port will pay \$3,500 out of the Construction Fund. This will leave \$39,500 available for other grant-required reporting and survey work. IFA has approved the Scope of Work.

Engineering and planning contracts are exempt from the State's public contracting rules (ORS 279). Todd Chase is the Port's contract economist and is a member of the MAG, LLC team. Todd's work on this contract is separate from the Port's standing contract with FCS Group and the Port will not be billed through FCS.

RECOMMENDATION

I would recommend that a Commissioner make a MOTION TO AUTHORIZE THE GENERAL MANAGER TO SIGN THE CONTRACT FOR A SHIPPING TERMINAL FEASIBILITY STUDY WITH MARKET ADVISORY GROUP, L-L-C IN AN AMOUNT NOT TO EXCEED \$14,000.

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From: [MURPHY Melissa * BIZ](#)
To: [Kevin Greenwood](#)
Subject: RE: Shipping Terminal Scope
Date: Monday, April 25, 2016 1:54:42 PM

The scope of the marketing work looks fine to me. Send me a copy of the contracts that you enter into to complete all the different pieces of the project (everything included in the IFA grant).

Thanks,

Melissa Murphy

Regional Coordinator, Infrastructure Division
(503)983-8857 Office/Cell

BUSINESS OREGON www.OREGON4BIZ.COM



From: Kevin Greenwood [mailto:kgreenwood@portofnewport.com]
Sent: Monday, April 25, 2016 9:09 AM
To: MURPHY Melissa * BIZ
Subject: FW: Shipping Terminal Scope

Melissa,

The Port is ready to begin incurring expenses against the PP&M reimbursement grant. Do you want to review these documents to ensure that they meet the SOW that I presented earlier? This is the marketing study proposal...

Kevin
(541) 265-7758
(541) 961-9517 cell

From: Todd Chase [<mailto:tkchase4220@gmail.com>]
Sent: Sunday, April 24, 2016 7:32 PM
To: Kevin Greenwood <kgreenwood@portofnewport.com>
Subject: Re: Shipping Terminal Scope

Hi Kevin,

Here is a revised work scope and budget along with a letter proposal and bios for me and Matt. Please let me know if you want to run this as a change order to my current contract with you or a new one with Matt.

We can arrange a phone call Monday to confirm approach, scope, etc.

Best regards,

Todd

On Fri, Apr 22, 2016 at 7:06 AM, Kevin Greenwood <kgreenwood@portofnewport.com> wrote:

Todd,

This is fine, but in order for me to present it to my council, there should be a deliverable (what will the Port actually receive?), an hour estimation, rate of work and bios on those producing the work. I'm sure this is just a rough draft but just wanted to give some feedback. Thanks,

Kevin Greenwood, General Manager
Port of Newport
600 SE Bay Blvd.
Newport, OR 97365
[\(541\) 265-7758](tel:(541)265-7758)
[\(541\) 961-9517](tel:(541)961-9517) cell
www.portofnewport.com

On Apr 21, 2016, at 5:02 PM, Todd Chase <tkchase4220@gmail.com> wrote:

<Newport Shipping Facility Market Feasibility Scope v1.docx>

April 25, 2016

Kevin M. Greenwood
General Manager
Port of Newport
600 SE Bay Boulevard
Newport, OR 97365

RE: Port of Newport Shipping Terminal Feasibility Study

Dear Kevin

I am pleased to present to you a proposal for a Feasibility Study to assess the market viability of a proposed shipping terminal and tenant(s) use in support of your continued efforts to secure grant and loan funds to develop your terminal sites.

Independent review of the current proposal and short term market viability thereof will be crucial in the justification of your current funding plan to the constituent funding agencies. We believe that this assessment should provide an objective review of the major project inputs, such as: overall terminal concept and development plan; assessment of the competitive landscape; and in-depth assessment of prospective terminal users; and an opinion of the overall market demand and financial viability of the Port's development site. The study final report will document findings and offer an opinion, which can be used by Port staff in your stakeholder engagement and funding process.

On this project, I am joined by Todd Chase, who will act as the project's lead economist. I will act as the project real estate advisor and manager of business affairs. Combined, we have delivered hundreds of feasibility studies and real estate advisory consultations to satisfied clients across the Pacific Northwest and nationally. Todd and I have a multi-decade working relationship in the consulting business and have successfully completed multiple consulting assignments together. Further, your working rapport and history with Todd provides continuity in client relations that will ensure that we deliver a consulting assignment that is reflective of yours and the Port's needs.

It is our understanding that this study work should be completed in a quick and efficient manner. We are ready and available to deliver to the Port a comprehensive review of the viability of the current terminal and tenant use proposal, in the timeline that you have proposed.

Thank you for the opportunity to propose our services and I look forward to discussing this matter and working with you.

Sincerely,

Matt Ransom
President

Attachment A

Newport Shipping Facility Market Feasibility Study

Work Scope

Objective: Identify the near-term and long-term market potential for a new marine shipping facility located in Newport.

Work Tasks

1. Shipping Terminal Concept Assumptions

Immediately upon notice to proceed, consultant shall meet or teleconference with Port staff and review prior background documentation to confirm the following assumptions:

- Facility Plan, potential concept
- Facility Operations assumptions (on and off site facility/infrastructure needs/costs)
- Public and private roles and responsibilities
- Regulatory requirements

2. Development Overview

Consultant shall identify recent and current public and private projects and programs on the local, county, state and federal level to provide a context for this shipping facility, including:

- Transportation and infrastructure investments
- Public and private developments
- Local business investments
- Supporting plans and policies

3. Market Overview

Consultant shall assimilate market data to determine the primary and secondary markets for this shipping terminal, including:

- Inventory of shipping terminals within primary market region
- Identification of existing and emerging markets
- Analysis of potential commodity/goods for “export” and “import”
- Potential Ancillary Uses

4. Primary and Secondary Terminal Users

Consultant shall identify potential terminal users (business name, location, etc.) and conduct interviews with a cross section of terminal users to document perceived issues, opportunities and constraints that the new terminal would face, including:

- Identification of representative businesses
- Potential shippers and freight forwarders (land and sea)
- Interviews with cross section of businesses to ascertain issues, concerns, opportunities

5. Primary and Secondary Commodity/Goods Suppliers

In addition to potential terminal users, the consultant shall identify potential businesses that would supply goods, commodities and services for the new shipping terminal, including:

- Identification of representative businesses that supply primary goods/commodities
- Interviews with cross section of businesses to ascertain issues, concerns, opportunities

6. Overall Feasibility Study Conclusion and Documentation

Consultant shall prepare market feasibility report with supporting Powerpoint presentation that includes the following sections:

- 1) Introduction/Project Overview
- 2) Development Overview
- 3) Market Overview
- 4) Terminal Operations
- 5) Terminal Users/Shippers
- 6) Terminal Commodity Suppliers
- 7) Interviews and Market Opportunities/Constraints
- 8) Near-term Market Feasibility
- 9) Terminal staging recommendations to optimize market penetration
- 10) Recommendations for Port of Newport

Schedule: complete all work by May 27, 2016 (or 5 weeks from notice to proceed)

Budget: \$14,000 (not to exceed budget). Please see attached estimate.

Todd Chase, AICP, LEED® AP | Senior Economist

Mr. Chase is a senior economist with over 30 years of experience in economic development consulting for public and private clients. His experience includes management of over 200 economic and fiscal impact studies and funding strategies, with emphasis on sustainable development. He specializes in providing creative infrastructure funding strategies and public/private project implementation; and has worked for ports, local and state governments, developers, special districts and banks throughout the U.S. and Asia.

Mr. Chase is also a member of the Association of Pacific Ports, the American Institute of Certified Planners, and the U.S. Green Build Council Leadership in Energy and Environmental Design.

He obtained a B.S. in Economics from the University of Florida; and completed master's coursework in finance at the Johns Hopkins University.

Representative Projects completed by Mr. Chase include:

NEWPORT

Port of Newport Grant Assistance
City of Newport LID Funding Services

BEND

Juniper Ridge Master Plan and Sustainability Strategy

PORT OF CASCADE LOCKS

Marine Park Action Plan

CLACKAMAS COUNTY

Economic Landscape Atlas and Target Market Strategy
Property Tax Research
Economic Landscape Phase 3
Economic Landscape Study
Fuller Road Transit Oriented Development Study
Transportation System Development Charge Update with Happy Valley
North Clackamas Urban Renewal Plan
Transportation System Plan Policy Phase

CLATSKANIE

Economic Opportunities Analysis
Goal 9 Economic Opportunities Analysis Update

PORT OF COOS BAY

Target Market Analysis and Urban Renewal Plan Update
Urban Renewal Plan Update

PORT OF GARIBALDI

Strategic Plan, Economic Analysis, and Implementation

PORT OF GOLD BEACH

Fish Waste Processing Facility Feasibility Study

HAPPY VALLEY

Economic Opportunities Analysis
Joint TSDC Update with Clackamas County
Rock Creek Code Update
Rock Creek Employment Center Development Strategy
Town Center Economic and Demographic Analysis

HEPPNER

Economic Opportunity Analysis

PORT OF HOOD RIVER

Economic Opportunities Analysis
Transportation SDC Update

HOOD RIVER JUICE COMPANY

Economic Impact Analysis

MANZANITA

Spindrift Lane Local Improvement District

MID-COLUMBIA GORGE

Economic Development District,
Telecommunications Master Plan

PORT OF COOS BAY

Urban Renewal Plan
North Spit Industrial Master Plan

PORT OF MORROW

Strategic Business Plan and Economic Impact Analysis

PORTLAND

Airport/International Center Return on Investment Analysis
Infrastructure Investment Pilot Study
Portland Area Regional Employment Study
Regional Economic & Employment Study with Vancouver
Regional Infrastructure Funding Strategy
Regional Workforce Innovation in Regional Economic Development, Global Competitiveness Strategy

REEDSPORT

Downtown and Riverfront Plan

SHERWOOD
Economic Opportunities Analysis

SUTHERLIN
Economic Opportunities Analysis

SILVERTON
Economic Opportunities Analysis

PORT OF ST. HELENS
Strategic Plan and Economic Impact Analysis
Grant Assistance

PORT OF THE DALLES
Strategic Business Plan and Economic Impact
Analysis

TIGARD
Economic Opportunities Analysis

PORT OF UMPQUA
Strategic Plan and Economic Impact Analysis

WARRENTON
Street, Water, Wastewater, Parks, and Storm
Drainage SDC Methodology Review

WASHINGTON COUNTY
Transportation Impact Fee Study

WEST HAYDEN ISLAND
Industrial Master Plan Return on Investment
Analysis

WILSONVILLE
Coffee Creek Implementation Plan
Economic Opportunities Analysis
Goal 9 Study

WORKSYSTEMS, INC.
Wired Global Competitiveness Study

STATE OF OREGON
Oregon Ports Economic Benefits Analysis
ODOT LID Handbook for Local Jurisdictions
DLCD Employment Lands Guidebook

California

LOS GATOS
Transportation Impact Fee Update

PUBLICATIONS/SEMINARS/SPEAKING ENGAGEMENTS

Ports: Partnering for Job Growth, Oregon Planner's
Journal—Oregon Chapter of the American
Planning Association, Mar/Apr 2013.

*Public Facility Planning: Using the PFP as a
Strategic Investment Tool*, Oregon APWA Spring
Conference, 2013

Fiscal Sustainability Benchmarks for Ports,
Association of Pacific Ports Winter Conference,
2013

Quantifying Economic Benefits, Association of
Pacific Ports Winter Conference, 2012

*ROI Analysis Techniques for Urban Renewal
Districts*, Association of Oregon Redevelopment
Agencies Fall Meeting, 2011

Total Asset Management and Beyond, Growth &
Infrastructure Consortium Conference, 2011

*Structuring Complex Financial Debt Transactions for
Infrastructure in New Market Realities*, Growth
and Infrastructure Consortium, 2010

Activity Impact Fees to Mitigate Street Deterioration,
Growth and Infrastructure Consortium, 2010

*Incentivizing Economic Development Using
Transportation Impact Fees*, Washington Finance

Officers Association, 2010

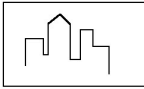
Targeted Area Redevelopment Handbook,
International Economic Development Council,
2006 (contributing author)

Commercial & Industrial Development Handbook,
Oregon Department of Land Conservation &
Development, 2006

*Creative Infrastructure Planning & Funding
Techniques: Findings from the Portland Area and
Beyond*, American Planning Association, Las
Vegas, 2008

*Portland Metro Region Real Estate and Land Use
Issues*, Oregon State Bar CLE Seminar, 2007

Oregon Corridor Planning, American Planning
Association Planning Conference, 1997



Matt Ransom

President

Mr. Ransom is an economic and real estate advisor with nearly two decades of project experience in consulting and real estate brokerage services. During this period, Mr. Ransom has advised clients on market viability, financial performance, land development, public infrastructure finance, and real estate brokerage services.

Mr. Ransom's consultancy specializes in providing expert advisory services in the areas of: development feasibility and market analysis; public financing and grant procurement; public infrastructure funding; and, brokerage of commercial and residential real property. Mr. Ransom is adept at providing comprehensive analysis of market trends and assessment of return on investment created by public and private infrastructure investments, and effectively documenting results.

Education:

Master of Urban and Regional Planning
Portland State University (1998)

Bachelor of Science
University of Utah (1993)

Professional Licenses:

Real Estate Broker: WA # 107805
AICP: #015918

Executive Education:

Senior Executive in Local Government
Harvard Kennedy School of Government

RE Brokerage Affiliation:

Windermere Crest Realty, Co.
Camas, WA

Representative Project Experience:

Market and Feasibility Studies: Assessing market need and depth for development projects, including due diligence analysis for real estate investments.

- Retail Market Study of Wal-Mart supercenter in Cottage Grove, OR; under contract to Ferrarini & Associates
- Site Selection and Lease Analysis for Creative Media Design (subsidiary of Jeld-Wen Corporation); Portland, OR
- Port of Cascade Locks Sail Park Feasibility Study; Cascade Locks, OR
- Site Development Feasibility and Market Study; Northwest Public Power Association; Vancouver, WA
- Columbia Gorge Regional Telecommunications Investment Plan; MCEDD, WA
- Market data assessment for Columbia Gorge Economic Study; Stevenson WA
- Market data assessment for Port site development assessment; Klickitat County WA

Fiscal Impact Analyses: Calculating the public and private sector returns on investment for major economic and development initiatives.

- Juniper Ridge Industrial Site Plan / Master Plan; Bend, OR
- Port of Coos Bay North Spit Industrial Site - Urban Renewal Plan Update; Coos Bay, OR
- River District Return on Investment / Fiscal Impact Assessment; prepared for Portland Development Commission, Portland OR
- West Hayden Island Return on Investment / Fiscal Impact Assessment; prepared for Port of Portland, Portland OR

Real Estate Brokerage Services: Providing clients with commercial real estate brokerage of purchase and sale transactions. Notable 12 month commercial activity:

- Acquisition for Buyer: Retail Commercial (Pasco, WA)
- Acquisition for Buyer: Multi-tenant Commercial (Longview, WA)
- Lease for Tenant: Class A Commercial (Vancouver, WA)