

Google Groups

Official concerned letter

Rebecca Brakeley <rebeccabrakeley@gmail.com>

May 7, 2017 11:24 AM

Posted in group: **Planning Board**

Dear Portland Planning Board,

I am forwarding this letter to Reiterate our concerns for the Americold structure affecting our condo association. Thank you for listening to our concerns.

Condo owner association member, Scott Keysor, will be present for the walk through on May 18th and will voice our concerns in person.

Rebecca Brakeley
92 Salem St COA President
Portland ME

Sent from my iPhone

Begin forwarded message:

From: Rebecca Brakeley <rebeccabrakeley@gmail.com>
Date: December 12, 2016 at 10:09:06 PM EST
To: estrimling@portlandmaine.gov, sgo@portlandmaine.gov
Subject: Official concerned letter

Please see Urgent Letter attached.

Rebecca
92 Salem COA

Google Groups

scott keysor <scott.keysor@gmail.com>

May 8, 2017 7:48 AM

Posted in group: **Planning Board**

Planning Board,

Our condo owners association is writing to persuade you to reject the construction plans of the Americold cold storage facility proposed to be built on West Commercial Street.

The members of this association stand in strong opposition to the current design plans of the Americold structure. The white, seventy foot high, proposed building would tower over Commercial Street obstructing the views from residences like ours. Property values in the city are largely influenced by views of the water and this building would obstruct the view from Salem Street thus decreasing our property value significantly.

The tax paying property owners of this Association urge you to stand by the current zoning laws that require facilities to not exceed forty five feet in height. Please do not put corporations and big money ahead of Portland's citizens.

Sincerely,

Scott Keysor

92 Salem St COA

Portland Press Herald

Maine Voices column, Friday, May 12, 2017

City on brink of huge mistake:

Cold-storage facility far bigger than needed

Certainly a solution can be found that avoids scarring the landscape of Portland's valued western waterfront.

By Mark McCain and Sidney St. F. Thaxter
Special to the Press Herald

Take Portland's tallest building, Franklin Towers on Cumberland Avenue. Replicate it 16 times, creating a monolith that extends half a mile to Forest Avenue. That's the volume of shipping containers a warehouse proposed for Portland's waterfront could store every year.

Yet in violation of zoning crafted to ensure a working waterfront, most of that freight would have no maritime connection. Instead, the city's western waterfront would metastasize into a New England truck terminus.

Last year, maritime containers requiring local cold storage would have filled half of one of those 16 Franklin Towers. Even a decade from now, based on our calculations using Maine Port Authority's optimistic projections, only 40 percent of the warehouse freight would arrive or leave by ship. Reasonable people [are upset](#).

We can trace this community conflict to 2014, a year after [the Icelandic company Eimskip began service to Portland](#). At that point, the Port Authority spent \$7.2 million to increase the International Marine Terminal's acreage and, without market analysis, invited proposals for a "northern New England refrigerated logistics facility."

A local consortium designed a 1-acre maritime warehouse and a larger warehouse off-site.

Americold Logistics proposed a much taller, 3-acre warehouse to "easily accommodate all food and beverage imports for the New England region." That's a market area 400 percent larger than the Port Authority specified. Americold also stated that it might shift all its trucked cold-storage freight from an aging warehouse near Morrill's Corner to the maritime facility.

The Port Authority [selected Americold](#) without probing the inflated market size or the likely zoning violation. Later, when Americold announced the warehouse needed to be 60 percent higher than the 45-foot zoning limit, Portland's Economic Development Department shouldered all the work to win a zoning change. City staff did not require Americold to document storage demand, nor did it commission independent analysis until April – after six months of public pressure.

The project's site abuts the Fore River's deep-water channel. To ensure the land is used wisely, Portland requires development to be "dependent upon deep water" and "contribute to port activity." Yet data so far points to a warehouse that will store mostly trucked freight.

Undaunted, and anxious for a showpiece facility, the Port Authority has exaggerated the need for maritime cold storage.

"Most of the seafood that Eimskip delivers to Portland is now shipped to cold-storage warehouses in Massachusetts," Executive Director John Henshaw said at [a January Portland Planning Board hearing](#). "A cold-storage warehouse on the Portland waterfront would keep that seafood here and allow Portland companies to process, package and distribute it."

His prediction of a market-share surge is wishful thinking. We recently looked at three months of Eimskip's cold-storage imports. Nearly 40 percent went to a single processor that uses private warehouses in New Hampshire and Massachusetts. Another 40 percent went to other companies outside Maine. With significant infrastructure and workforce investments already at their current locations, they will not be drawn here by a new warehouse.

Henshaw said customers will include food producers and wholesalers, blueberry and lobster processors, and pharmaceutical companies: "Without cold-storage capacity, companies in these industries find it difficult to compete on a national and international scale."

But blueberry processors and pharmaceutical companies would continue to use mostly private cold storage. A waterfront location would be immaterial for many other companies, and the warehouse would provide scant benefit for Maine companies targeting national and international opportunities.

For on-site storage of international exports leaving by ship, companies would save \$7.50 per 30-cubic-foot pallet, compared with storage 3 miles away, according to the Port Authority: a third of a penny per pound of lobster.

Portland needs modern cold storage, but not on this scale. Wilmington, North Carolina, the 18th largest U.S. container port, recently opened a 3 million-cubic-foot cold-storage warehouse. Huge, yes, but smaller than Americold's proposed warehouse and less than 45 feet high.

Rather than blunder into a development that would scar Portland like the destruction of Union Station a half-century ago, we need a fair and legal solution. One option acknowledges freight will move primarily by truck for many years: Develop a warehouse off the waterfront.

If Eimskip's shipping volume grows by 350 percent within a decade, as it predicts, a maritime warehouse would gain traction. Market growth would allow the first warehouse to transition to exclusively trucked freight. And by then, the Port Authority may have data it now lacks to justify a warehouse taller than zoning allows.

ABOUT THE AUTHORS

Mark McCain, a carpenter, and **Sidney St. F. Thaxter**, a lawyer, are Portland residents.

May 10, 2017,

Beth Boepple, Chair
City of Portland Planning Board
389 Congress Street
Portland, Maine

Dear Chair Boepple and members of the Planning Board,

Here are a few reasons why no height increase should be approved in the Waterfront Port Development Zone for maritime cold storage:

- 1 • More than 80% of cold-storage imports at the International Marine Terminal are trucked to companies outside of Maine. The majority of that freight will never be stored in Maine, despite contrary claims by the Maine Port Authority.
- 2 • IMT cold storage will have a negligible impact on both cost structure and competitiveness beyond state borders for Maine companies, despite contrary claims by the Port Authority.
- 3 • Seven months after the first WPDZ text-amendment application, analysis that stands up to scrutiny still has not been provided about the maritime customer base for IMT cold storage.
- 4 • WPDZ zoning prohibits storage of product that does not either arrive or leave by waterborne transportation, except possibly on a temporary basis.
- 5 • Both the city and state consider northern New England to be the facility's appropriate market area; Americold has proposed a market area with four times as many consumers.
- 6 • There are strong legal and logistical reasons to develop a dual waterfront/inland port strategy.
- 7 • Redesign of Americold's proposed warehouse would make it zoning compliant with modest storage loss; however, appropriate volume is likely much less than proposed.

As you know, Americold Logistics LLC intends to lease 6.3 acres from the Port Authority. It has proposed a 120,000-square-foot facility with 15,864 pallet positions, about one-third "dry" and the rest frozen, with an annual turnover of about 300,000 pallets – equal to about 15,000 forty-foot containers.

The proposed warehouse is an aggregate of four components: Americold's outsized ambitions for IMT cold storage, the Port Authority's desire for a show-piece project, storage of trucked freight inappropriate to a marine terminal, and actual need. The first three components need to be separated from the last one to determine the optimal size.

Very few American ports have cold storage on site, although typically it is available within in a few miles of a port. So, for instance, if the 245-acre Rigby Rail Yard, about three miles away, already had a modern facility with capacity for 5,000 pallets and room for expansion, IMT cold storage would not be a priority.

1 • Growing Portland’s Seafood Industry?

The issue is not cold storage at the marine terminal per se, but rather easy access to high-quality cold storage with good highway and rail connections. That does not exist in Portland today.

“Most of the seafood that Eimskip delivers to Portland is now shipped to cold storage warehouses in Massachusetts,” John Henshaw, executive director of the Port Authority, said in a recent statement¹.

“A cold storage warehouse on the Portland waterfront would keep that seafood here and allow Portland companies to process, package and distribute it.”

Most likely, new cold storage in Portland would not generate a surge of related business growth. More than 80% of frozen seafood that arrives by Eimskip leaves by truck, and occasionally rail, to companies out of state for processing, packaging and distribution.² Those companies, which also source from other ports and providers, will not move to Portland when new cold storage becomes available. Nor will some even use it, except perhaps during occasional peak inventory periods.

The largest seafood importer, High Liner Foods, for instance, uses private cold-storage facilities in New Hampshire and Massachusetts for 24,000 pallets.³ Among New England’s 50 largest seafood importers⁴, only one is based in the greater Portland area: Portland Shellfish, ranked 26th.

2 • A Boon for Maine Businesses and Exports?

According to the Port Authority, likely customers for IMT cold storage will include food wholesalers, retailers, producers, and processors of products such as blueberries and lobster – as well as perhaps pharmaceutical and biomedical companies. “Without cold storage capacity,” Henshaw stated, “companies in these industries find it difficult to compete on a national and international scale.”

Some industries, however, including blueberry processing and pharmaceuticals, will continue to rely primarily or exclusively on private cold storage. Moreover, a waterfront location is not a key factor for most potential users, and it is a negligible factor in the competitiveness of Maine companies beyond state borders.

The very modest economic benefit of an IMT warehouse will accrue only to product needing on-site storage before being exported by ship: A savings of \$150 per 40-foot container, as compared to storage three or four miles away, according to the Port Authority. That equals \$7.50 for each 30-cubic-foot pallet, or about a third of a penny for each pound of lobster.

3 • A Waterfront Site for Waterborne Freight?

Tom Robinson is providing separate analysis to the board of significant errors and questionable use of data points in maritime freight-volume estimates⁵ produced by Woodard & Curran for the Port Authority.

As one flaw to highlight here, Woodard & Curran did not use Americold’s estimate of 20 pallet “turnovers” per pallet position each year, as stated in the RFP proposal. The consultant arbitrarily used an estimate of 12 annual turnovers, which inflated the necessary warehouse size by 60%.

Woodard & Curran also did not develop a baseline estimate of actual demand for storage. The consultant should have started by tabulating data such as pallet volume of Eimskip customers in 2015 and 2016 who used public cold storage elsewhere, but would have preferred on-site storage, and Eimskip freight forwarding which required on-site cold storage.

Instead, the consultant assumed that 100% of Eimskip's "temperature controlled freight" would be stored on-site. Yet High Liner Foods and many of the other out-of-state processors would have little need for the warehouse.

A separate study summary⁶ by Woodard & Curran provided a faulty comparison of Americold's current proposal with an identical facility 45' tall, without any underlying documentation:

"The study looked at the fees charged by four cold storage warehouses in Massachusetts. In each case, the study found it would be cheaper for a Maine company to store pallets in a Massachusetts warehouse than in a 45-foot-tall warehouse in Portland. However, the study found that a 65-foot-tall warehouse in Portland could offer lower fees than all of its competitors in Massachusetts."

That claim does not hold up. The study said an "average" customer of 525 pallet positions would pay \$735 in a 65-foot warehouse or \$782 in 45-foot one. That equals \$36.70 vs. \$39.13 for each stored pallet, or \$48.60 extra per 40-foot container in the 45-foot warehouse, assuming 20 turnovers a year. That's vastly less than \$600 extra, the cost a Maine company would incur by trucking a container to a Boston facility, according to the Port Authority.

4 • Meeting the Spirit and Letter of the Law?

Several city staff members have said that any combination of shipment by truck, rail or ship is permissible in the WPDZ, based on the allowable use of: "Warehousing and storage of goods which are awaiting shipment via cargo carriers."

The next allowable use in the WPDZ section, however, refers to "marine" cargo containers, not simply cargo containers – a modest reflection of repeated emphasis on maritime uses. References to "truck" and "tractor trailer" are absent in the WPDZ section. Reinforcing the maritime restrictions on warehousing and storage, bulk storage facilities in the WPDZ are limited to "materials delivered to a site by waterborne transportation or awaiting transportation from the site by means of waterborne transportation."

Sec. 14-319⁷ of the city's Land Use Code recognizes the importance of a scarce resource abutting the WPDZ: Fore River's deep-water channel. To ensure the land is developed wisely, uses are limited to those "dependent upon deep water **and** [emphasis added] which contribute to port activity. Nonmarine industrial activity may be allowed only on a temporary basis and only to the extent it will not preclude or impede any future water-dependent development."

"And" means the zone is limited to uses that meet both requirements. Without waterborne transportation as one half of the transit process, truck or rail transit fails because it is not "dependent upon deep water."

Mindful of WPDZ restrictions, Eastern Marine of Portland submitted a proposal⁸ to the Port Authority to build a maritime cold-storage warehouse of 50,400 square feet for product pass-through and consolidation. The proposal also included a 100,000-square-foot warehouse to be built off terminal for

long-term cold storage, value-added services and distribution. A possible second phase included expansion of 50,000 square feet at the marine terminal and 100,000 square feet off terminal.

The Port Authority rejected that proposal, according to Henshaw, because Eastern Marine “does not currently operate cold storage facilities. It scored poorly relative to Americold and was unresponsive to some of the RFP requirements.” Atlanta-based Americold, however, also did not respond to some of the RFP requirements. Further, the Port Authority did not discuss any alternatives with Eastern Marine, such as recommending that the local consortium engage an experienced cold-storage manager or establish a joint venture.

5 • Fourteen Million Target Consumers or 3.5 Million?

In its RFP,⁹ the Port Authority sought proposals for a developer to “fill the growing opportunity for a Northern New England refrigerated logistics facility,” a market with 3.5 million consumers. Americold responded with a proposal¹⁰ that included one-third dry storage, although the RFP requested only cold storage. More significantly, it proposed a warehouse that “could easily accommodate all food and beverage imports for the New England region.”

That is an area with four times as many consumers as northern New England, which both Portland’s Comprehensive Plan and the Port Authority specified as the appropriate market area for the warehouse.

Americold has not shared details of its business plan with Portland officials or residents. However, a New England-wide hub would presume, among other growth expectations, that Portland would appropriate three of Boston’s five largest containerized importers: Anheuser Busch InBev, United Liquors and Heineken. Possibly containers would be transshipped from the Port of NY/NJ to Portland – a route that McAllister Towing and Transportation hopes to establish soon.

A ground-transportation hub for New England food and beverage imports in Portland might trim pennies off pallet-distribution costs as compared to Boston, but other impacts would be negative.

A vibrant resurgent neighborhood overlooks the narrow marine terminal site, which parallels a central artery used daily by thousands of commuters, visitors and commercial vehicles. Northern New England product that arrives or leaves by water plays to the strengths of the terminal (although adding traffic to often-congested West Commercial Street). Truck-to-truck and truck-to-rail transfers have a net-negative impact, as would an oversized geographical reach for Portland’s niche port.

6 • One Warehouse and Distribution Hub or Two?

The zoning and urban-siting constraints of an IMT warehouse could be resolved by developing a linked off-terminal facility, as Eastern Marine proposed. It is doubtful that Americold’s Read Street warehouse, built about 60 years ago and retrofitted for cold storage, would be a suitable candidate. It would require significant capital improvements, probably without an acceptable return on investment, to compete with newer facilities. The Portland Press Herald reported on 8/31/2015 that Americold officials “say they’re evaluating whether to close that outmoded facility or keep it open for overflow and long-term storage.”

Ideally, an off-terminal warehouse would be part of an “inland port,” but city, state and regional officials have yet to articulate a plan to integrate that sort of development into regional freight logistics. An inland port would be a trade-development tool by providing higher capacity, lower congestion and lower distribution costs. It would handle appropriate elements of freight distribution, customs clearance, empty container storage and transshipments; it also could nurture small businesses by renting space and equipment in its distribution facility.

Current non-maritime users of the IMT, including L.L. Bean Inc. and Nestlé Waters North America, would be better served by an inland port with easier accessibility than West Commercial Street. The relocation of ground-transit operations also would allow the marine terminal to align its operations with WPDZ restrictions by focusing on waterborne import/export for northern New England.

7 • Does the Design Match the Urban Site?

As a size reference, a 1999 report by Tom Valleau, et al, proposed construction of a 2,000-pallet cold storage warehouse to serve the Portland-area seafood industry, which by then was deeply reliant on frozen imports, as it is today. The 81-page analysis concluded that the warehouse could be self-supporting with little or government subsidy. (In Americold's case, its ground-lease payments will be heavily subsidized by taxpayer investment.)

Portland needs modern cold storage, but not on Americold's proposed scale for our small niche port. Consider Wilmington, NC, the nation's 18th largest container port. It recently opened a three-billion-cubic-foot warehouse for cold storage. Huge, yes, but with a smaller footprint than Americold's proposed warehouse and a finished roof height of 47 feet.

A dual-warehouse plan would ease the marine terminal's “fixed constraints,”¹¹ which have pushed Portland residents into a battle with the Economic Development Department over appropriate height of buildings on the western waterfront. Regardless of the IMT facility's final pallet volume, Americold should revisit design, density and pallet-racking options suitable for the urban site. For instance, an earlier design Americold submitted to the Port Authority proposed “very narrow aisle” storage, which would provide about 25% greater storage capacity than the “conventional” storage Americold now states is necessary for all of its freezer storage.

Additionally, there are development sites nearby for office space to serve Eimskip employees and non-warehouse Americold employees. Elimination of a 65' x 96' wing and about 45 employee parking spaces would allow about 18,000 square feet of additional warehouse space¹² (65' x 278'). Current plans specify a roof height of approximately 65', with racking seven and eight pallets high. If the facility's roof height was reduced to 45', it could store 10,680 pallets with five-pallet racking, prior to any other design changes. The additional warehouse space would increase the total to about 13,500 pallets, including blast-freezer volume.

I believe, however, that projected growth of on-site storage of refrigerated pallets transported by marine vessels will show an appropriate volume far below 13,500 pallets for the IMT.

Sincerely,
Mark McCain
45 Summer Street, Portland

¹ **Statement by John Henshaw, executive director, Maine Port Authority:**

<http://www.mediafire.com/file/7ww7ogymqt1qmgj/Henshaw1-24-17PBcomments.pdf>

² **Refrigerated containers shipped to Portland via Eimskip, first quarter 2014, source: Datamyne**

Maine, and Everett MA cold-storage facility as consignee: 46 containers, 13%

11/ A.C. Inc. Quality Seafood, 125 Black Duck Cove Rd, Beals, ME

10/ Preferred Freezer, Everett, MA

8/ Bristol Seafood, 5 Portland Fish Pier, Portland, ME (59th largest N.E. seafood importer)

8/ Harbor Seafood, 9 Custom House Wharf, Portland, ME

7/ Portland Shellfish, 110 Dartmouth St, S. Portland, ME (26th largest N.E. seafood importer)

2/ Nova Seafood, 555 Commercial St, Portland, ME

NH, VT: 42 containers, 12%

33/ High Liner Foods, Portsmouth, NH (largest New England seafood importer)

8/ Lindt & Sprungli USA Inc, 1 Fine Chocolate Pl, Stratham, NH (only non-seafood consignee)

1/ Aquamarine Seafood Markets, 736 Pine St, Manchester, NH

MA, CT, RI: 170 containers, 49%

67/ High Liner Foods, Peabody, MA (largest New England seafood importer)

21/ Nordic Group, Inc., Nordic Fresh, 326 A St, Suite 2C, Boston, MA

18/ Ocean Trawlers Procurement, aka. Atlantika Inc., 253 Putnam Rd, New Canaan, CT (18th largest N.E. seafood importer)

16/ North Coast Seafoods, 7 Drydock Ave, Boston, MA

10/ Channel Fish Processing Co., 18 Foodmart Rd, Boston, MA (11th largest N.E. seafood importer)

9/ Southstream Seafoods, 100 Metro Center Blvd, Warwick, RI (7th largest N.E. seafood importer)

8/ F.W. Bryce Inc., 8 Pond Rd, Gloucester, MA (2nd largest N.E. seafood importer)

6/ Legacy Seafood Inc., 99 Poppasquash Rd, Bristol, RI

5/ ISI Seafood, Heritage Square, 1700 Post Rd, Fairfield, CT (16th largest N.E. seafood importer)

4/ Trufresh LLC, 2 Craftsman Rd, East Windsor, CT

4/ Arctic Linefish, AS, 100 Widett Circle, Boston, MA

4/ Ipswich Shellfish Fish Market, 8 Hayward St, Ipswich, MA

2/ Great Eastern Seafood, 14 Foodmart Rd, Boston, MA

2/ The Hadley Company, 156 Front St, Marion, MA (6th largest N.E. seafood importer)

1/ Pioneer International Corp., 26 Princess St # 1, Wakefield, MA

1/ Blue Sea Products LLC, 30 North Water St, New Bedford, MA

1/ Juncker Associates Seafood, 1 State Fish Pier, Gloucester, MA

1/ American Pride Seafoods, aka APS LLC, 40 Herman Melville Blvd, New Bedford, MA, subsidiary since 2013 of High Liner Foods

Remaining USA: 17 containers, 11%

34/ Hallvard Leroy USA, 501 Eastowne Dr #265, Chapel Hill, NC

21/ Arctic Fisheries Ltd, 965 Maryvale Dr, Buffalo, NY

6/ Samskip HF

3/ The Scoular Company, 2027 Dodge St, Omaha, NE

2/ Alliance Seafood, 891 South Azusa Ave, City of Industry, CA

1/ Trident Seafoods, 5303 Shilshole Ave NW, Seattle, WA

Canada: 13 containers, 8%

- 9/ BRT Provisioners Inc., 1368 Hwy 7, Keene, Ontario
- 8/ Breaker Fish Co., 2165-21000 Westminster Hwy, Richmond, BC
- 4/ West Fish Canada Ltd., 12 Eaton Ave, Dartmouth, NS
- 1/ Fisherking Seafoods, 267 Cobequid Rd, Lower Sackville, NS
- 1/ Marine Harvest Canada, 7200 Coho Rd, Port Hardy, BC

³ 2/24/17 email from Rick Barnhardt, vice president, U.S. supply chain, High Liner Foods, 183 International Drive, Portsmouth, NH, to Mark McCain: We have two self-operated cold storage facilities in New England: at our plant in Portsmouth (8,000 pallet positions) and our distribution center in Peabody MA (approx. 16,000 pallet positions). We also operate a distribution center and plant-attached cold storage in Newport News VA. The containers on Eimskip are bought FOB Peabody or occasionally Newport News. Our intention is to bring the containers into our own facilities directly. We do have seasonal builds in inventory based on our sales pattern and the nature of the quota season in Iceland so we do occasionally have peak needs for outside storage, generally in the fourth quarter. We do have a relationship with Americold nationally and would welcome an option outside of Boston.

We primarily use over the road transit, but we ship intermodal weekly to Southern California (one to two loads) and would be receptive to bringing rail inbound from Seattle (Alaskan Pollack) to a cold storage to be broken and shipped to the Portsmouth production facility.

⁴ Largest New England seafood importers:

<http://www.mediafire.com/file/j7rkznfkzv2ggrh/Page33AmericoldRFPproposal.pdf>

⁵ Woodard & Curran report:

<http://www.mediafire.com/file/l6x9clia6hjxcgk/Bldg.+Justification.PDF>

⁶ Second Woodard & Curran report:

<http://www.mediafire.com/file/ir6cfc8ma5xcd9y/Woodard%26Curran.pdf>

⁷ Portland WPDZ zoning:

<http://www.mediafire.com/file/m8v6simc0mt28lg/WPDZzoning.pdf>

⁸ Eastern Marine RFP proposal:

<http://www.mediafire.com/file/6zq67xbkg7s6k3c/EasternMarineProposalRFP.pdf>

⁹ Maine Port Authority RFP:

<https://assets.documentcloud.org/documents/2167668/west-cold-storage-rfp.pdf>

¹⁰ Americold Logistics RFP proposal:

<http://www.mediafire.com/file/58yngg05ckivyg2/AmericoldRFPproposal.pdf>

¹¹ EDD application to the Planning Board:

<http://www.portlandmaine.gov/AgendaCenter/ViewFile/Agenda/01242017-1925?packet=true>

¹² Adjusting the project's footprint:

<http://www.mediafire.com/file/1yztqwg8k061dly/removing+office+space.pdf>

Portlanders for the Western Waterfront

36 Salem Street, Portland, ME 04102

zoning45@gwi.net

To The Portland Planning Board,

Attached please find analysis regarding the proposed rezoning of the Waterfront Port Development Zone to accommodate the proposed Americold cold storage facility and to create a logistics hub on the waterfront. We are a group of fellow Portlanders who have been actively involved in this process and believe that these zoning changes are both unnecessary and counter-productive.

Before going into our specific concerns, we want to emphasize that we support a working waterfront and are not opposed to building a cold storage facility at the International Marine Terminal to serve the legitimate cold storage needs of Eimskip. The city and the Port Authority have aggressively marketed these zoning changes by suggesting that without these changes development of the waterfront cannot move forward. We strongly disagree. Our analysis exposes deep flaws in their justification, showing that a state-of-the-art facility that accommodates approximately 10,000 pallet positions is both economically feasible and more than sufficient to meet the current and foreseeable future needs of Eimskip. Such a facility can be built within the existing code.

While we support cold storage, we strongly oppose turning the western waterfront into a truck hub that consolidates warehouse operations from other parts of the city. The proposed plans would allow the construction of an entire corridor of warehouses along West Commercial Street, each as tall as the Casco Bay Bridge. This is not an appropriate use of the waterfront and will have irreparable implications for traffic along Commercial Street, for the gateway to the city, and the community as a whole.

To support our conclusions, please find attached, the following:

1. The Woodard & Curran study on Eimskip's potential cold storage needs that claims that a 10,800 pallet position facility would be insufficient.
2. Our analysis of this study that demonstrates that once you correct the methodological flaws, this study actually proves the opposite-that a facility can be built under current zoning that is more than sufficient.

3. The Woodard and Curran study regarding the costs of alternatively sized cold storage facilities, followed by analysis showing that the report misstates the competitiveness of a 45-foot warehouse vs. alternatives in the Boston area.

Eimskip's cold storage needs can be met within the existing code. Rezoning the entire WPDZ based on the flawed projected needs of a single building opens up the development of a truck hub that is neither marine-related nor an appropriate use of the last mile-and-a-quarter of Portland's waterfront.

Respectfully,

Tom Robinson

on behalf of Portlanders for the Western Waterfront



Proposed State of Maine West Commercial Street Cold Storage Facility

Model of Eimskip Cold Storage Need

The following pages describe a basic model that was prepared to evaluate the current and future projected cold storage needs of Eimskip. The current and projected needs were then considered relative to the storage capacities of:

1. An approximately 120,000 square-foot facility with an interior clearance height of 55 feet, a total building height of approximately 65 feet (as measured per the current zoning¹) and a capacity of 15,864 pallet positions. This configuration is consistent with the latest conceptual model proposed by Americold.
2. An approximately 120,000 square-foot facility with an interior clearance height of 35 feet, a total building height of approximately 45 feet (as measured per the current zoning¹) and a capacity of 10,860 pallet positions. This hypothetical configuration was prepared by Americold to assist with comparative studies but is not being proposed for construction.

Note that the difference in storage capacity specified for each building above is directly related to clearance height. Specifically, the height of the racking system used to store pallets is designed to reach up to the ceiling of the building, with necessary space reserved for lighting and mechanical equipment. The proposed 65-foot building can accommodate a racking system that is 8 rows high while a building that is limited to 45 feet would be able to accommodate a racking system that is 5 rows high. Therefore, though the building footprints are the same, the available storage capacity in each building is significantly different. Do to site constraints the footprint of the building is maximized at approximately 120,000 square feet

The following process was employed during the preparation of this model:

1. Collect Data from Independent Sources

To objectively evaluate the growth of Eimskip's freight shipments and resulting cold storage needs, three independent data sources were employed. These included:

1. Cold storage capacity need reported by Eimskip;
2. The total number of loaded containers shipped through the Port of Portland in 2014 and 2016²; and
3. The number of Eimskip ship calls to the Port of Portland in 2014, 2015, and 2016.

The intent of this method was to use independent sources of data to evaluate the same question, and assess the precision of the results.

¹ Per City of Portland Code of Ordinances, Sec. 14-47 the height of a flat-roofed building is measured for permitting purposes as the vertical distance from grade to the highest point of the roof beams.

² Containers that did not arrive in Portland or depart Portland via an Eimskip ship were excluded from this data.

2. Convert Eimskip's Reported Need to Pallet Positions and Estimate the Rate of Growth

Eimskip has reported the following cold storage capacity need estimates:

1. Immediate cold storage need would fill 30% of the proposed 65-foot cold storage facility's capacity;
2. In 3-5 years, this need will grow to 50% of the proposed 65-foot cold storage facility's capacity; and
3. In 10 years, the need will be three times the immediate need.

The proposed 65-foot cold storage facility contains 15,864 pallet positions, per the current design. Therefore, 30% would equal 4,760. In 3 to 5¹ years, this need would be 50% of 15,864, or 7,932 pallet positions. Finally, in 10 years, the need would be three times that of the current need of 4,760, or 14,280 pallet positions or 90% of the proposed 65-foot facility and 131% of the 45-foot building example. These data points and a linear trendline are plotted on the enclosed chart. A linear trendline was selected as this growth is based on Eimskip's predicted needs at certain points versus a forward-looking projection.

3. Estimate Freight Volume Rate of Growth from Container Data

Using the annual container shipment volumes from 2014 through 2016, Woodard & Curran estimated the total number of pallets shipped through the Port of Portland during these years. It was assumed that each 40-foot container would hold the equivalent of 20 pallets of freight and that each 20-foot container would hold 10 pallets of freight, which are commonly used conversion factors. This total annual volume of pallets was then divided by 12 to estimate the monthly throughput of pallets transiting the Port. Monthly averages were used as a simple and convenient unit of measure. No assumptions were made concerning the duration of storage for each pallet, as this varies widely and is based entirely on customer need as driven by ever-changing market conditions.

Eimskip then provided an estimated ratio of their total freight versus freight that would require storage in a cold storage facility. This factor (35%) was applied to the monthly total generated above to estimate the average number of pallets that would require cold storage each month during 2014, 2015, and 2016. The differences between these three numbers generated rates of growth between 2015 and 2015, and between 2015 and 2016, which were considered the increases in Eimskip freight that would require cold storage over these periods. A review of the available data, though limited, indicates an exponential growth rate, at least in the short term. Therefore, the available rates of growth were projected exponentially forward starting in 2017, and were plotted on the enclosed chart.

4. Estimate Rate of Growth of Port Calls

The number of Eimskip ships that called on the Port of Portland in 2014, 2015, and 2016 was plotted on the enclosed chart. In addition, Eimskip has reported that by 2020, they expect weekly port calls or 52 ships per year. This value was also plotted on the enclosed chart.

¹ For the purpose of this basic model, Woodard & Curran assumed that the 3 to 5-year projected need would be achieved in year 3.

5. Compare the Projected Increase in Eimskip Cold Storage Need to the Capacities of the Proposed 65-foot Building and the 45-foot Building Example

Based on information provided by Americold, the proposed 65-foot building would have a pallet capacity of 15,864 positions and the 45-foot building example would have 10,860 pallets. Eimskip's reported need for cold storage volume was compared to these capacities immediately (in 2017), in 3 to 5 years (assumed to be 2020), and in 10 years (2027), and the percentages of each building occupied by Eimskip freight during these years are presented on the enclosed tables.

Similarly, the annual containerized freight volume that would require cold storage, as developed using the rate of growth in container shipment data from 2014 through 2016, was compared to the capacities of the proposed 65-foot building and the 45-foot building example each year from 2017 to 2024 (the date the capacity of the 45-foot building example was exceeded). The percentages of each building occupied by Eimskip freight during these years are presented on the enclosed tables.

The rate of growth over time as estimated using the three referenced data sources was also compared graphically to the capacity of the 45-foot building example. The result is presented on the enclosed chart.

Findings and Conclusion

The following findings were developed in accordance with the results of this basic modeling effort:

- Consistent with the data presented on the enclosed chart, the rates of growth for Eimskip's reported increases in cold storage capacity need, the projection of increased freight volume that would require cold storage based on 2014 through 2016 container data, and the increase in port calls by Eimskip ships between 2014 and 2016, as well as the projected frequency in 2020, are all similar. This indicates good precision in the evaluation methods used during this modeling effort, and that conclusions that may be drawn from this model are likely reliable.

However, it is important to note that, as with all growth projections, the accuracy of the estimate decreases as the farther away one moves in time from the known data points. Further, with exponential business growth projections, it is expected that the rate of growth will at some point diminish until equilibrium is reached (e.g. due to market saturation or limitations in available shipping capacity). It is not known when equilibrium will occur, therefore, Woodard & Curran did not consider container growth projection data beyond approximately 2024.

- Based on the estimated growth in Eimskip's cold storage needs as assessed using the referenced data sources, the capacity of 45-foot building would be exceeded between 2023 and 2024.
- Greater than 50% of the capacity of the proposed 65-foot building would be occupied Eimskip freight between approximately 2020 and 2021. Therefore, the majority of the proposed building would be occupied by marine-related uses in a relatively short time following the completion of construction.

Consistent with the findings of this model, the following conclusion was derived:

- Based on projected growth rates, a building that is limited to 45 feet in height, with a resulting capacity of 10,860 pallet positions, would be insufficient to fill Eimskip's cold storage needs beyond 2023. As such, continuing to limit the allowable height for buildings in the Waterfront Port Development Zone to 45 feet would increase the risk of losing Eimskip as a container shipping partner for the Port of Portland.

It is relevant to note that this conclusion has been drawn based only on one customer's need, and multiple users are anticipated for the proposed facility. Therefore, it is possible that the capacity of the 45-foot building example will be exceeded by customer needs prior to 2023.

Enclosures

Eimskip Temperature Controlled Needs Estimates Based on Eimskip Growth Predictions, 2014-2016
Maine Port Authority Container Shipment Data, and Current and Predicted Annual Port Calls

Projection of Future Eimskip Need in Pallet Positions (PP) Relative to a 45-foot Building Example Based
on 2014 Through 2016 Container Shipment Data, Eimskip's Estimated 3-5 and 10-Year Growth
Projections, and Projection of Port Freight Growth Based on 2014-2016 Port Calls

**Eimskip Temperature Controlled Needs Estimates Based on Eimskip Growth Predictions,
2014-2016 Maine Port Authority Container Shipment Data, and Current and Predicted Annual Port Calls**

Estimate of Pallet Positions Required to Meet Eimskip's Immediate and Future Needs Based on Growth Predictions Provided by Eimskip	
Total Number of Pallet Positions in Proposed 65-foot Building (PP)	15,864
Eimskip Immediate Need (% of total proposed PPs)	30%
Eimskip Immediate Need (PP)	4,760
Eimskip Projected Need in 3-5 Years (% of total proposed PP)	50%
Eimskip Projected Need in 3-5 Years (PP)	7,932
Eimskip Projected Need in 10 Years: 3X Current Need (PP)	14,280
Percent of Proposed 65-foot Building Projected to be Occupied by Eimskip in 10 Years	90%
PPs in 45-foot Building Example	10,860
Difference Between PPs in 45-foot Building Example and Capacity Required to Fill Eimskip's Projected Need in 10 Years	(3,420)

Estimate of Pallet Positions Required to Meet Eimskip's Immediate Needs Based on 2014 Container Shipment Data	
Total Number of 40-foot Containers Loaded or Unloaded by Eimskip (Inbound+Outbound, Excludes Empty)	3,999
Total Number of 20-foot Containers Loaded or Unloaded by Eimskip (Inbound+Outbound, Excludes Empty)	690
Total Number of Pallets Shipped Through the Port (Annual, Assumes 20 Pallets per 40-foot Container and 20 Pallets per 20-foot Container)	86,880
Average Number of Pallets Shipped Through the Port Each Month	7,240
Percent of Monthly Average that is Temperature Controlled Freight (Provided by Eimskip)	35%
Capacity Needed to Support Average Monthly Temperature Controlled Freight (PP)	2,540
Capacity of a 45-foot Building Example (PP)	10,860
Percent of a 45-foot Building Needed to Fill Eimskip's Projected Need	23%

Estimate of Pallet Positions Required to Meet Eimskip's Immediate Needs Based on 2015 Container Shipment Data	
Total Number of 40-foot Containers Loaded or Unloaded by Eimskip (Inbound+Outbound, Excludes Empty)	4,471
Total Number of 20-foot Containers Loaded or Unloaded by Eimskip (Inbound+Outbound, Excludes Empty)	835
Total Number of Pallets Shipped Through the Port (Annual, Assumes 20 Pallets per 40-foot Container and 20 Pallets per 20-foot Container)	97,770
Average Number of Pallets Shipped Through the Port Each Month	8,148
Percent of Monthly Average that is Temperature Controlled Freight (Provided by Eimskip)	35%
Capacity Needed to Support Average Monthly Temperature Controlled Freight (PP)	2,860
Capacity of a 45-foot Building Example (PP)	10,860
Percent of a 45-foot Building Needed to Fill Eimskip's Projected Need	26%

Estimate of Pallet Positions Required to Meet Eimskip's Immediate Needs Based on 2016 Container Shipment Data	
Total Number of 40-foot Containers Loaded or Unloaded by Eimskip (Inbound+Outbound, Excludes Empty)	5,211
Total Number of 20-foot Containers Loaded or Unloaded by Eimskip (Inbound+Outbound, Excludes Empty)	1,457
Total Number of Pallets Shipped Through the Port (Annual, Assumes 20 Pallets per 40-foot Container and 20 Pallets per 20-foot Container)	118,790
Average Number of Pallets Shipped Through the Port Each Month	9,899
Percent of Monthly Average that is Temperature Controlled Freight (Provided by Eimskip)	35%
Capacity Needed to Support Average Monthly Temperature Controlled Freight (PP)	3,470
Capacity of a 45-foot Building Example (PP)	10,860
Percent of a 45-foot Building Needed to Fill Eimskip's Projected Need	32%

Capacity Need Increase from 2014 to 2015 (PP)	320
Capacity Need Increase from 2015 to 2016 (PP)	610

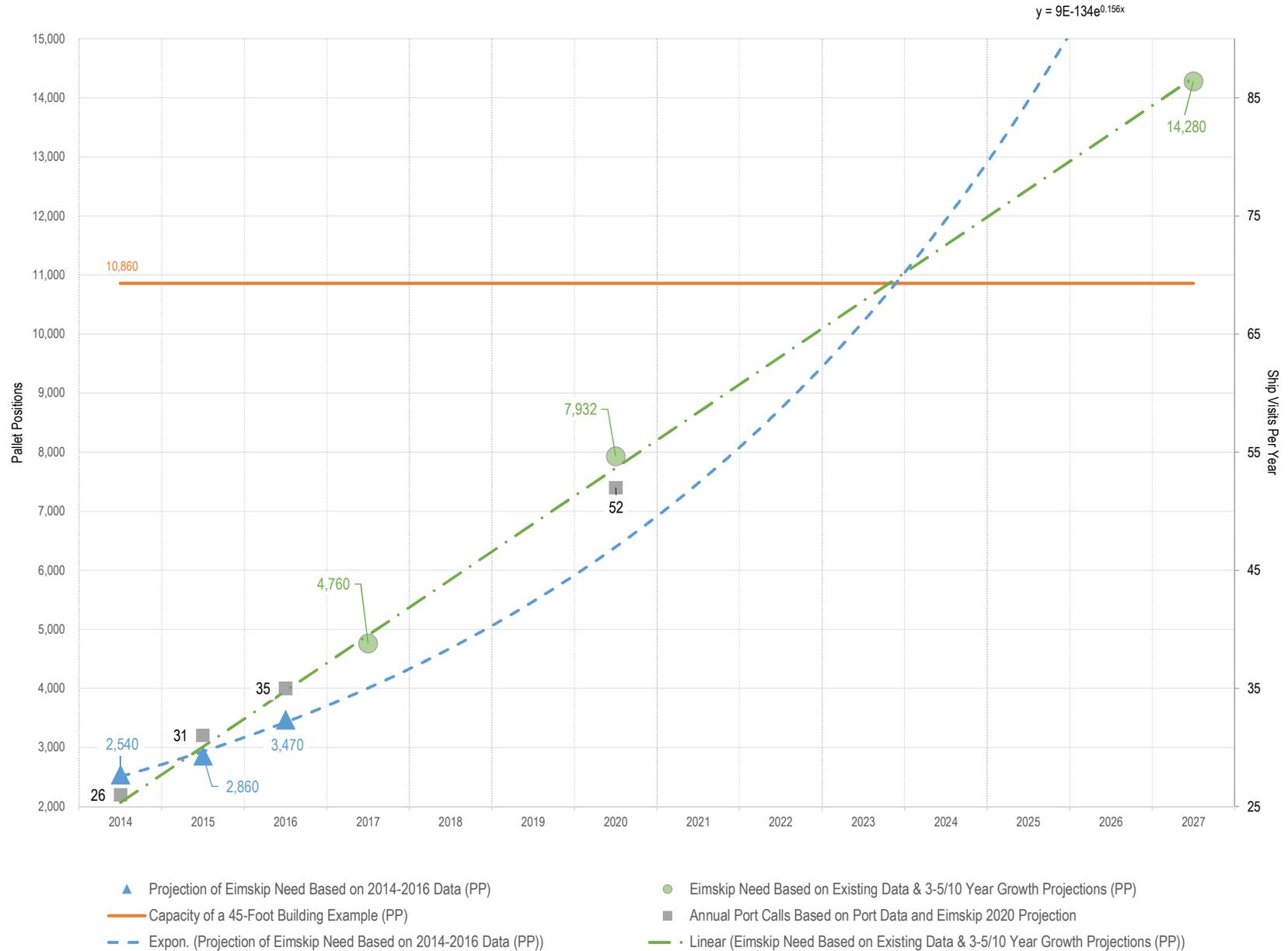
Percent of Proposed 65-foot Building and 45-foot Building Example Filled by Eimskip Using Reported Immediate Need, 3 to 5-year, and 10-year Growth Predictions		
Year	Percent of 45-foot Building Example Filled	Percent of Proposed 65-foot Building Filled
2017	44%	30%
2018		
2019		
2020	73%	50%
2021		
2022		
2023		
2024		
2025		
2026		
2027	131%	90%

Percent of Proposed 65-foot Building and 45-foot Building Example Filled by Eimskip Using Container Shipment Data: Exponential Projection		
Year	Percent of 45-foot Building Example Filled	Percent of Proposed 65-foot Building Filled
2014	23%	16%
2015	26%	18%
2016	32%	22%
2017	37%	25%
2018	44%	30%
2019	51%	35%
2020	61%	42%
2021	71%	49%
2022	84%	58%
2023	99%	68%
2024	117%	80%

Projected Port Growth Based on Annual Total Port Calls		
Year	Total Port Calls	Source
2014	26	Port Authority Data
2015	31	Port Authority Data
2016	35	Port Authority Data
2020	52	Eimskip Growth Estimate

- Growth Projections Provided by Eimskip:**
1. Immediate cold storage need would fill 30% of the proposed facility capacity.
 2. In 3-5 years, this need will grow to 50% of the proposed facility capacity.
 3. In 10 years, the need will be three times the immediate need.
 4. 35% of total freight shipped by Eimskip would have the need for storage at the proposed facility.
 5. By 2020 Eimskip projects to have weekly port calls (52 ships per year).

Projection of Future Eimskip Need in Pallet Positions (PP) Relative to a 45-foot Building Example
 Based on 2014 Through 2016 Container Shipment Data, Eimskip's Estimated 3-5 and 10-Year Growth Projections,
 and Projection of Port Freight Growth Based on 2014-2016 Port Calls



Analysis of Woodard & Curran Study:

“Proposed State of Maine West Commercial Street Cold Storage Facility Model of Eimskip Cold Storage Need” April 24, 2017

- Objective of the Woodard & Curran (W&C) study prepared for the MPA:
 - Evaluate current and future cold storage needs of Eimskip using alternative methodologies
 - Evaluate those needs relative to a 45' (10,860 pallet positions) vs a 65' (15,864 PP) option
 - The study attempts to demonstrate that Eimskip's stated growth projections are both:
 - Consistent with other methodologies using external data
 - Cannot be met by the 10,860 pallet position facility
 - Provide justification for the Rezoning of the IMT property to allow the taller building

- W&C Study Findings:
 1. Eimskip's projected needs are reasonable based on external data
 2. Eimskip's needs would exceed the facilities capacity by 2023
 3. Greater than 50% of the capacity of the facility would be marine-related uses by 2020-22
 4. The 45' building option is too small

- Problems with the W&C methodology and conclusions:
 - The W&C methodology is deeply flawed and misleading
 - Model assumptions were used which directly contradict statements by Eimskip and Americold
 - Using the same data and appropriate methodologies we refute findings #2-4
 - Without corroborating evidence, the W&C hypothesis that the 10,860 pallet position building is insufficient to meet Eimskip's needs cannot be made based on this study

Objective Data from the W&C Study

- The W&C study was based on the following external data set:

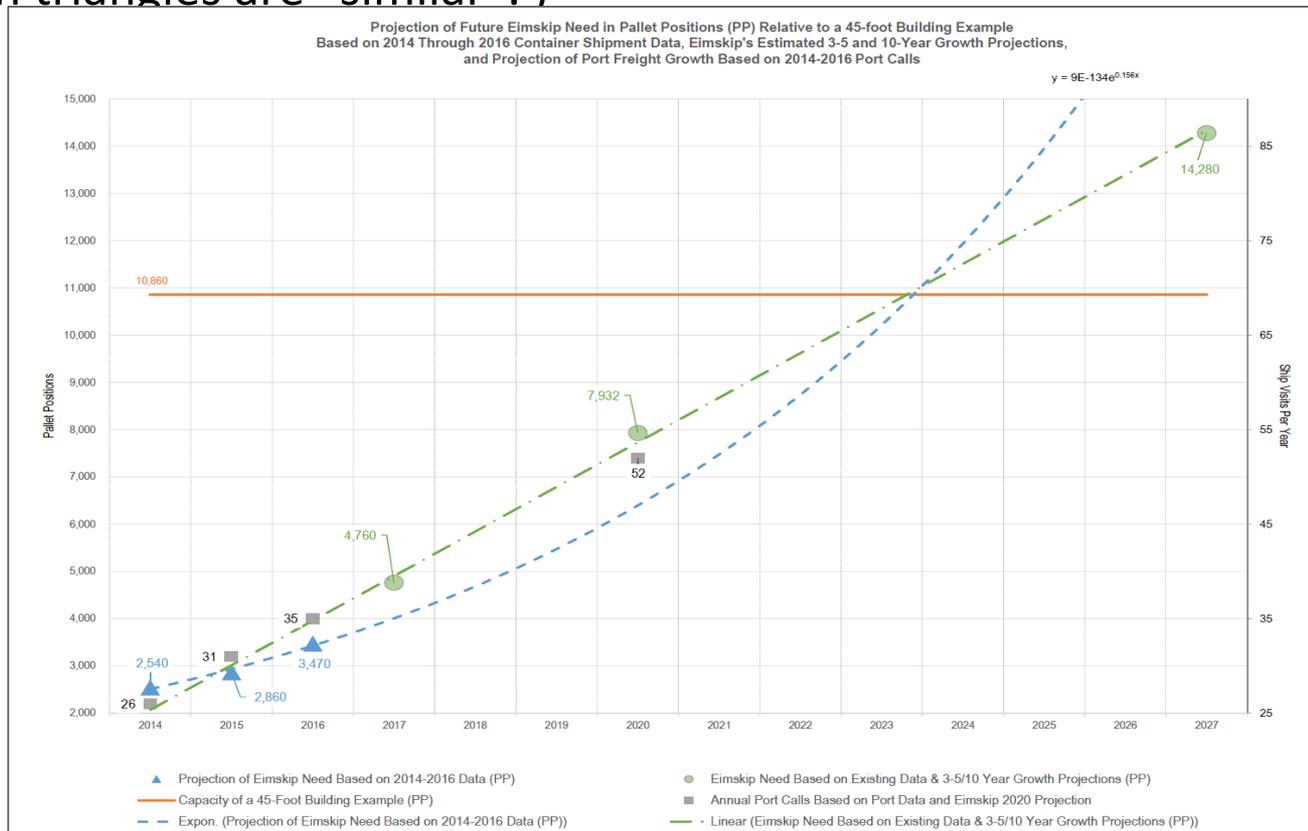
	Eimskip Potential Need Projection	Eimskip Potential Need Pallet Equivalent	Eimskip Ratio Freight requiring Temp Control		Port Calls Realized and Eimskip Estimate	Monthly Average Container Ship Volume thru Port
2014			35%		26	2540
2015			35%		31	2860
2016			35%		35	3470
2017	30%	4760	35%			
2018			35%			
2019			35%			
2020			35%		52	
2020-2022	50%	7932	35%			
2027	90%	14280	35%			

- Key W&C data assumptions:
 - The average pallet utilizing storage will be stored for 1 month
 - All freight requiring cold storage will utilize this facility
 - Eimskip will meet the 2020-2022 estimate by 2020
 - 100 % of freight requiring temperature control utilize the facility (1)

1)The report assumed that 100% of Eimskip's "temperature controlled freight" would be stored at the on-site warehouse. Some major Eimskip customers, however, operate their own cold-storage facilities or prefer public cold storage closer to their operations. A baseline estimate of actual demand would incorporate the pallet volume of Eimskip customers in 2016 who used public cold storage elsewhere, but would have preferred on-site storage, and Eimskip freight forwarding which required on-site cold storage.

Issue #1: The Right Axis Problem

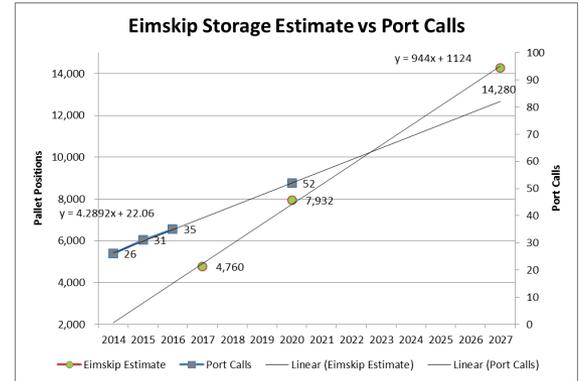
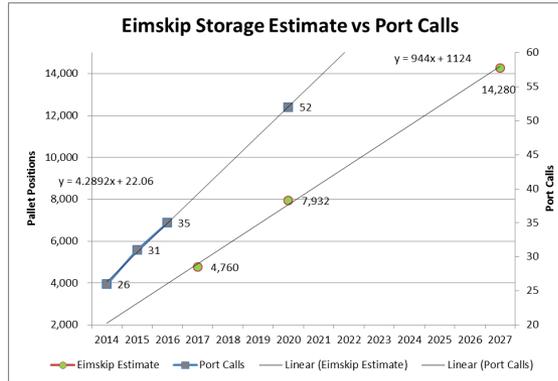
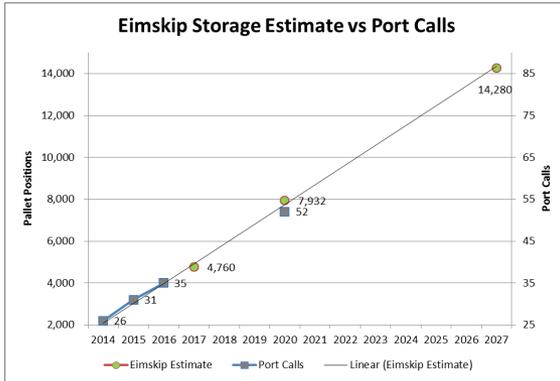
- W&C report claims the rate of growth of Eimskip's estimated cold storage needs is "similar" to the "increase in port calls by Eimskip ships as well as the projected frequency in 2020...". This claim is based on the chart of the external data below: (i.e. They are saying the Grey boxes and the Green triangles are "similar".)



5/12/17

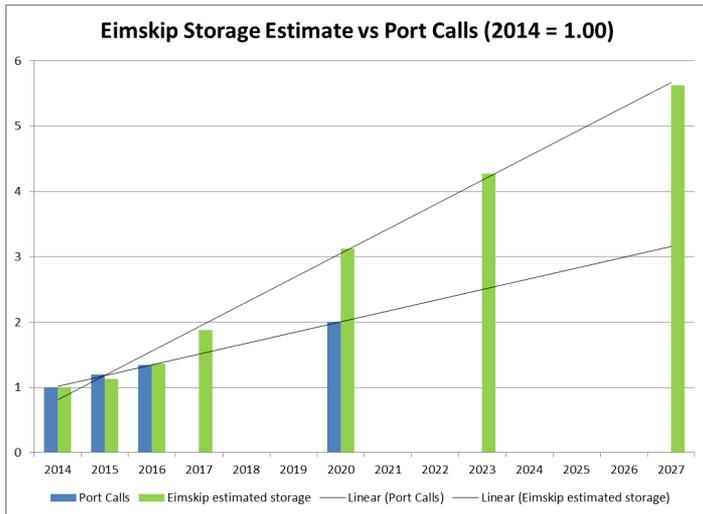
Issue #1: The Right Axis Problem

Question: Which Graph show Port Call growth “similar” to Eimskip’s Storage Estimate?



Answer: You cannot tell visually: they are all the same data! Only the right axis scale is different

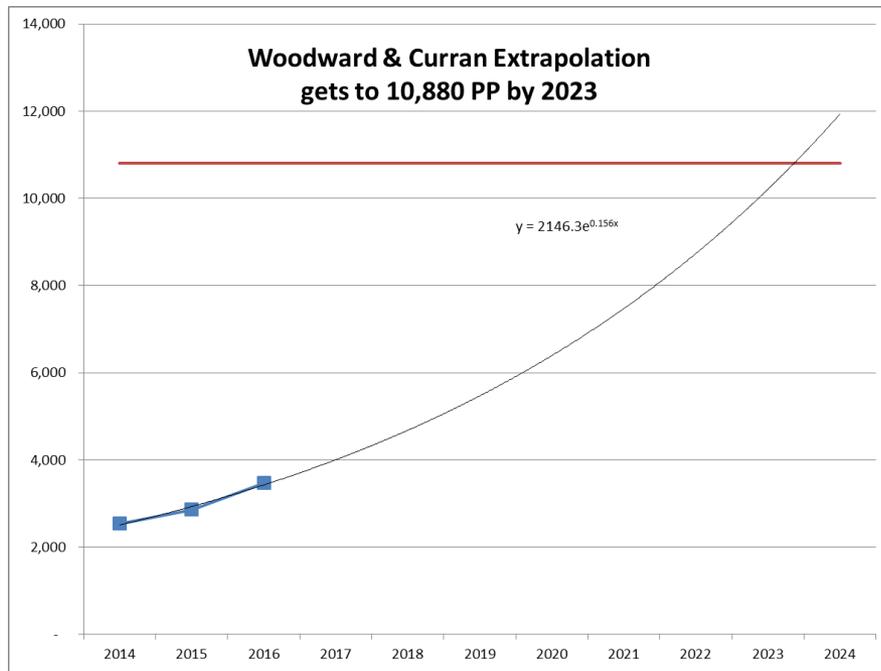
So let’s put them in unitary terms (2014 = 1) and graph them on the same axis



- **Wow!** Port calls are growing rapidly (8.5%) but much slower than Eimskip’s estimate of cold storage needs (14%).
- **Conclusion.** They are NOT Similar! The Eimskip storage growth rate estimate is 65% higher than the growth rate for port calls! Why is that?
- Just with this change (and there is more), if cold storage demand increased in line with port calls =
 - 8000 PP by 2020 vs 10860
 - 10160 PP by 2027 vs 14280
 - And this assumes port call grow at 8.5% forever

Issue #2: The Exponential Growth Problem

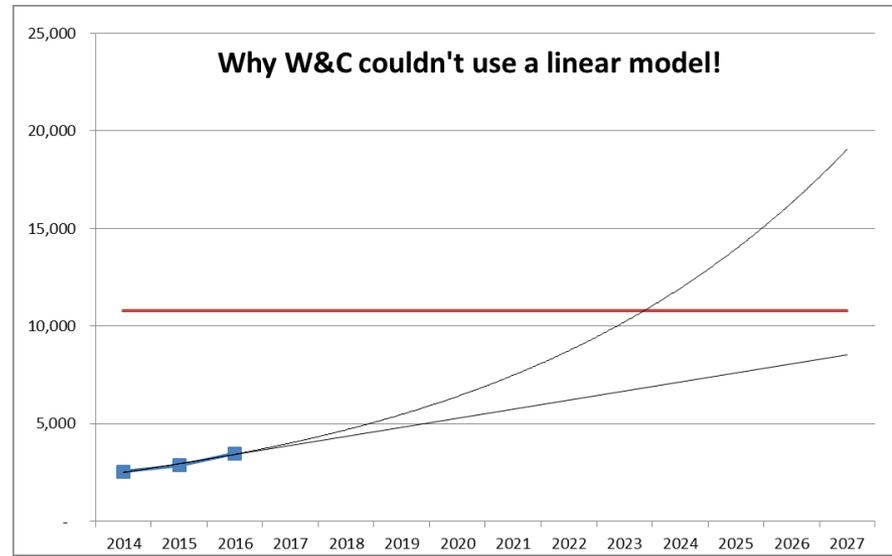
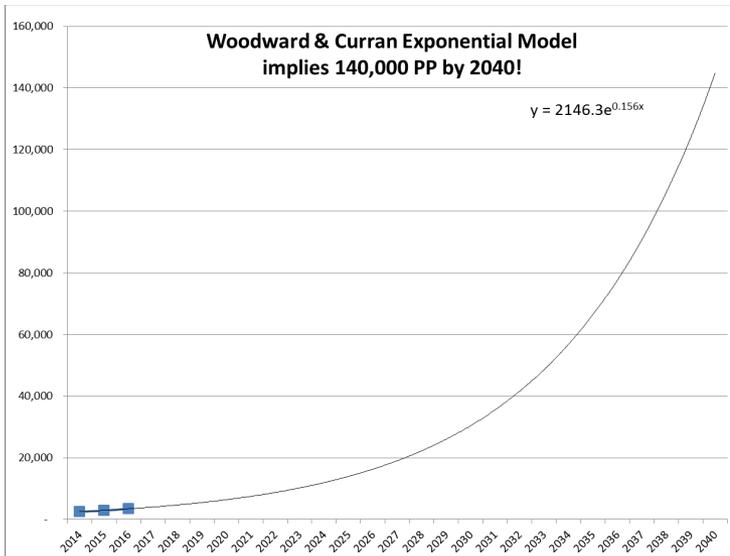
- W&C study compares shipment growth rates with the Eimskip estimate:
 - Evaluates the past 3 years of container shipments from Port Authority data
 - Incorporates Eimskip estimate of 35% being used for cold storage to create an implied historical cold storage demand
 - Assumes an *exponential* growth rate through the study period:



But why would we assume exponential growth? What in shipping grows exponentially?

Also, didn't Eimskip say that 35% of their freight volume will require cold storage? Even Eimskip's aggressive storage estimate is linear rather than exponential....

Issue #2: The Exponential Growth Problem



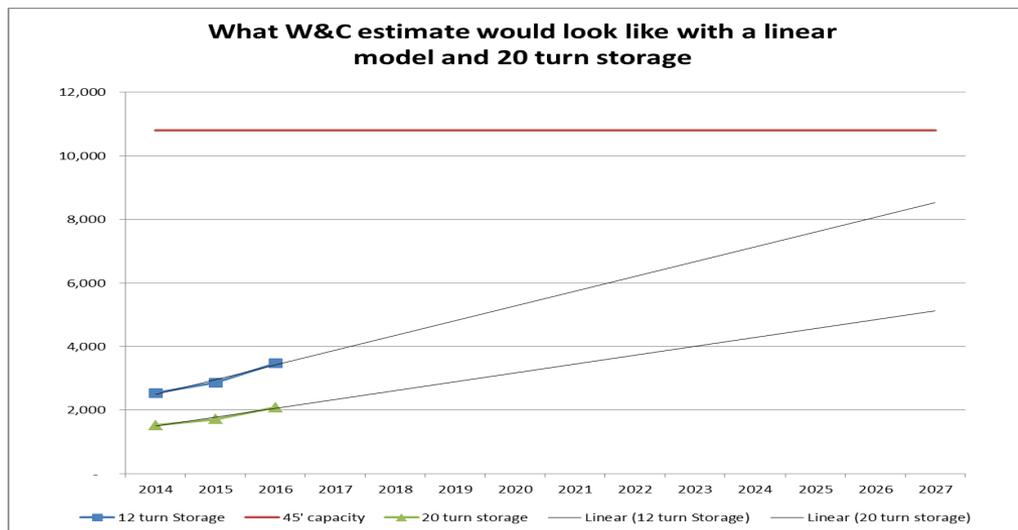
Using a linear growth model, Eimskip wouldn't come close to filling the 45' Facility by 2027. And that is not the answer the report requires...

In other words, the available trend in shipment data implies there must be exponential growth in cold storage demand for the 45' facility to be insufficient...

We conclude: If historical shipment trends persist, a 45' facility is more than sufficient

Issue #3: The Storage Turnover Rate

- W&C study assumes that 12 turn storage by dividing total annual pallets by 12. “No assumptions were made concerning the duration of storage for each pallet, as this varies widely...”
- However, The Americold proposal says explicitly on page 16:
 - “Americold plans to design and construct an expandable facility with an initial capacity of approximately 15k pallets. We calculate approximately 300,000 pallets...can be handled annually.”
 - $300,000/15,000$ equals 20 turn storage, not 12 turn storage.
 - Using 20 turn storage, Eimskip would need less than $\frac{1}{2}$ of the Americold facility



Conclusions based on Review of the W&C study

1. The data provided by Eimskip indicates a projected volume growth that is not supported by other metrics.
2. The W&C estimate of average monthly cold storage requirements is too high because it assumes an inventory turnover rate that is inconsistent with Americold's RFP response.
3. The rate of growth in storage requirements is estimated to be 65% higher than the estimated growth in projected port calls – with no reason why.
4. There is no empirical evidence to suggest that cold storage demand will grow exponentially when shipments are projected to grow linearly.
5. Adjusting for these shortcomings of the study methodology:
 - At 45' the proposed building is more than sufficient to meet Eimskip's needs.
 - At 65' the proposed building would be principally used for non-marine related uses for the foreseeable future.

Why not just look at the original Americold response to the Maine Port Authority RFP?

- Page 2: “Eimskip is contemplating moving their U.S. headquarters to the IMT West Cold storage facility, and storing up to 5,000 pallets positions..”
 - What changed from the original proposal? Why was the RFP for 15,000 PPs when Eimskip anticipated a need for 5,000?
- Page 17: “We currently operate a facility on Read Street in Portland. Based on our business plan calculations we may well continue to operate this site in conjunction to the new site at the IMT. We are also considering converting it to a dry facility...complementing the temperature-sensitive product that customers would store at the new facility.”
 - Clearly the RFP anticipates consolidation with Read Street.
 - “may well” means it is possible Read Street remains open, but not necessarily probable.
 - By implication, Americold needs 10k positions for needs beyond Eimskip.
- Page 2: “Americold and Eimskip had developed a Letter of Understanding expressing our mutual intent to establish an agreement for the joint development of a temperature-controlled storage facility...”
 - How could others effectively bid on the project if the principal customer already had an LOU with Americold?

The Business Case for a 65-foot-tall Cold Storage Warehouse Woodard & Curran

The cold storage warehouse proposed for the Portland waterfront could operate as a sustainable business with a building height of 65 feet, but the business model collapses if the height is shortened by 20 feet to comply with current zoning restrictions, according to a new study.

Portland-based engineering consultants Woodard & Curran used anticipated construction costs and industry data to create economic models for two hypothetical cold storage businesses—one with a 45-foot-tall warehouse and one with a 65-foot-tall warehouse.

Using the same footprint for both models, there would be a big difference in the number of pallets that could be stacked inside. The taller warehouse could hold 15,864 pallets, while the shorter one could hold only 10,680 pallets.

The shorter warehouse would operate with less volume, and therefore with lower efficiency and higher costs to the customers. Because larger warehouses in Massachusetts, could undercut the Portland warehouse with lower fees, customers would be more inclined to go there, leaving the Portland facility struggling to attract and retain business, Woodard & Curran concluded.

However, the study found that a 65-foot-tall warehouse in Portland could offer cheaper fees than its competition and therefore succeed in the marketplace.

Using industry standards, Woodard & Curran estimated the annual per-pallet costs for each pallet position in both warehouses. The estimates revealed that for an average cold storage user storing 525 pallets a year it would cost \$410,823 per year to store those pallets in the shorter warehouse rather than the \$385,308 cost for the same amount of storage in the taller one.

The study looked at the fees charged by four cold storage warehouses in Massachusetts. In every case, the study found it would be cheaper for a Maine company to store pallets in a Massachusetts warehouse than in a 45-foot-tall warehouse in Portland. However, the study found that a 65-foot-tall warehouse in Portland could offer lower fees than all of its competitors in Massachusetts.

A 65-foot-tall Portland warehouse would offer Maine food producers lower storage fees and also enable them to reduce their trucking costs. The cumulative cost savings would make their products more competitive. Moreover, the proposed facility's location opens up new International markets. That's because the warehouse would be adjacent to a container terminal served by Eimskip, a steamship line that specializes in moving refrigerated cargo.

Americold says the business won't work financially unless the building is 65-feet-tall. Understanding that the warehouse represents the last piece of a long-range plan that aims to revive the Port of Portland, the City of Portland is seeking to change the zoning to allow the project to move forward.

Completion of the Americold project can help ensure the future success of the Port of Portland and Maine's food production industry.

Response by Mark McCain

walworthmccain@maine.rr.com

207-632-3370

Woodard & Curran provided a faulty comparison of Americold's proposed 65' warehouse with an identical facility 45' tall:

"The study looked at the fees charged by four cold storage warehouses in Massachusetts. In each case, the study found it would be cheaper for a Maine company to store pallets in a Massachusetts warehouse than in a 45-foot-tall warehouse in Portland.

That claim does not hold up:

- The study said an "average" customer of 525 "pallet positions" would pay \$735 in a 65-foot warehouse or \$782 in a 45-foot warehouse annually for each pallet position.
- Using Americold's estimate of 20 turnovers a year, that equals \$36.70 vs. \$39.13 for each pallet stored for an average of 1/20th of a year – or \$48.60 extra per 40-foot container (which holds 20 pallets) in the 45-foot warehouse.
- That's vastly less than \$600 extra, the cost for a Maine company to truck a container (one way) for storage in a Boston warehouse, according to testimony of the Port Authority's John Henshaw at a 1/24/17 Planning Board hearing: "Just trucking a container from the terminal to Americold's Read Street warehouse would cost customers an additional \$150 per container. Trucking to Boston adds more than \$600 per container."
- In its overall analysis for the Maine Port Authority, Woodard & Curran also used faulty assumptions. For instance, although Americold estimate of 20 pallet "turnovers" per pallet position each year in its RFP proposal, Woodard & Curran arbitrarily used an estimate of 12 turnovers, which inflated the necessary warehouse size by 40%.
- Additionally, Woodard & Curran assumed that 100% of Eimskip's "temperature controlled freight" (35% of total volume) would be stored at an on-site warehouse. To establish baseline demand for on-site storage, it should have examined pallet volume of Eimskip customers in 2016 who used public cold storage elsewhere, but would have preferred on-site storage, and Eimskip freight forwarding which required on-site cold storage. That would show, for instance, that many out-of-state importers would not store freight in the warehouse. Potentially, Woodard & Curran is overstating storage demand by 200% - 400% by this error alone.

May 15, 2017

PC113

City of Portland Planning Board
389 Congress Street
Portland, Maine

Dear Members of the Planning Board-

First, I want to thank you for all of your hard work and service to Portland. It is much appreciated!

I am writing with regard to the proposed increase in zoning height on Portland's Western Waterfront. I have been following this issue since the beginning and have tried to have an open mind. I've attended many sessions and community meetings, and have spoken directly with city staff, and listened to many Portlanders express their ideas and concerns.

But I have to say that this situation feels like a classic 'bait and switch.' I attended the very first meeting at the International Marine Terminal last July, and they were talking about how they needed an exception to the zoning height for this one building (the Americold cold storage facility). Then several months later, at another meeting, they suddenly said they wanted to increase the zoning heights for the entire zone!

I recently attended the 'Eggs and Issues' meeting put on by the Portland Chamber of Commerce, and I was blown away by the amount of money and resource (the event was in a large ballroom, with three large video screens) that are being put into promoting this zoning change. Someone has even created a slick new website to promote it (here it is... <https://www.foodeconomymaine.com/>)

I've heard phrases like, "the zoning was created back in the 1990's and it really needs to be updated." Well, I've been to the meetings that show the history of the zoning, and many thorough studies were done at that time to analyze the landscape and create zoning heights that were in proportion to the landscape. **And the landscape hasn't changed since the 90's!**

The western waterfront is a gateway to the city, and is already congested. We need to remember that we have other assets to protect that also bring revenue to the city (i.e. the character and distinctiveness of Portland's neighborhoods which are a big draw to visitors and new permanent residents alike). The West End is a vibrant neighborhood on the peninsula and its views of the water and working waterfront contribute to its uniqueness. **We need protect this valuable asset!**

I have no problem with buildings (including cold storage) that are attractive and functional (and related to port activity) if they remain under the current zoning heights. We have to remember that changing the zoning heights will be a permanent change... once it's done, there is no going back. **I urge you to please oppose this change!**

Thank you for your time in considering these remarks.

Warm regards,



Leslie Pohl
263 York Street
Portland, ME 04102

May 8, 2017

To Members of the Planning Board:

I am very concerned about the proposed zone change on the western waterfront. Specifically, the 75-foot height limit suggests that developers will be allowed very high-intensity operations - a concentrated, heavy-industry area, with trucks and other equipment in and out almost non-stop, and all the accompanying noise, dust and traffic jams. West Commercial Street will likely be tied up many times throughout the day, and possibly the night, by trucks steadily entering and leaving the area. Frustrated drivers will be forced to seek roundabout routes through residential streets. Many of the residents on those streets will also lose valuable views of the water due to the height and bulk of the new buildings.

It seems increasingly that much – maybe most – of the activity will not be related to maritime business. The shorefront is too valuable to be taken up by non-maritime businesses that should be located in other industrial areas. I would urge the City of Portland to assist businesses that want to consolidate their operations to find suitable, affordable sites - inland.

Sincerely,

Peter Lawrence
5 Bond St.
Portland