

METRO
2019 LEGISLATIVE ISSUE IDENTIFICATION

Department: COO

Date: December 11, 2018

Person completing form: Andy Cotugno

Phone: 503-334-5286

ISSUE: Willamette Falls Locks

BACKGROUND: The Willamette Falls Locks were built in 1873 and purchased by the US Army Corps of Engineers in 1915. The Locks played a very significant role in supporting the growth of Oregon's agriculture and timber economies by providing a means of low-cost access to world markets. With the listing of the spotted owl and salmonid species as endangered, traffic through the Locks dropped dramatically leading to disinvestment by the Corps and closure for life-safety concerns in 2011.

In 2017-18, the Corps completed a "Disposition Study" to determine their long-term interest in the Locks. Through that process, the Corps has concluded there is no further federal interest in owning the locks due the lack of nationally significant economic benefit, and has called for their disposal to a non-Corps entity. As documented in the Disposition Study, the Corps' preferred method of disposal is to transfer the facility to an entity that intends to make repairs and reopen the Locks to river travel. Before that can happen, the Corps intends to seismically reinforce the upper gates which function as a continuation of the Willamette Falls dam structure, which is used to power the PGE hydroelectric dam. This will protect the Corps' interest in habitat restoration upstream, which would be in jeopardy in the event of a seismic failure. If no transferee is identified, the Corps' alternate plan is to permanently decommission the facility by replacing the upper gates with a concrete bulkhead, remove all of the mechanical and hydraulic equipment, pin the gates open and dispose of the facility "as-is" through the General Services Administration.

In 2015, the Oregon Legislature adopted SB 131 establishing a Task Force to address the significance of the Locks. That Task Force reported back to the 2017 Oregon Legislature about the importance of repairing and reopening the Locks to the public. This led to the adoption of SB 256 establishing a Commission to develop an approach to transfer the Locks out of the hands of the Corps to another existing or new entity to enable repairs and a return to public service. That Commission was appointed by Governor Brown and is now deliberating toward a recommendation.

In 2017, a coalition of local governments (including Metro) and private sector partners contracted for an economic study to determine the state and regional benefits of repairing and reopening of the Locks. That report can be found here: <http://orsolutions.org/wp-content/uploads/2018/07/WFL-Economic-Benefits-Final-Report-2018-0404.pdf>

As reported in that document, the benefits that are highly likely to occur and that can be readily quantified in economic terms are expected to be 2-5 times greater than the cumulative cost to repair and operate the Locks over a 30-year period. In addition, unquantified and more speculative benefits will simply add to the level of benefit that will be realized.

RECOMMENDATION: Work with local partners to:

1. Seek a funding contribution from the 2019 Oregon Legislature to enable the repair and reopening of the Locks. LC 2876 has been drafted to provide a lottery bond appropriation in an amount to be determined (but likely about \$12.8 million).
2. Seek assistance from the 2019 Oregon Legislature in establishing a governance structure for the entity to take ownership of, repair and operate the Locks. LC 2332 has been drafted authorizing the Department of State Lands to acquire and restore the Locks to an operational state.

LEGISLATIVE HISTORY:

- **1870** – The Oregon Legislature provided \$200,000, an approximate one-third contribution, to the Willamette Falls Locks and Canal Company for construction of the Locks. In addition, the Legislature set maximum rates that could be charged for passage through the Locks. The Locks opened as a private business in 1873.
- **1912** – After years of complaints about the exorbitant toll to pass through the Locks, the Oregon Legislature appropriated \$300,000 for an approximate one-half share to the Corps of Engineers to facilitate the Corps' acquisition and expansion as a "free passage" public facility.
- **2006** – Designation of the Locks as an Oregon Solutions project led to a series of repairs and intermittent closings and reopenings while they were still in the possession of the Corps of Engineers, until closure in 2011.
- **2015** – SB 131 adopted by the Oregon Legislature to address the state and local significance of the Locks.
- **2015** – Designated as an Oregon Solutions project in support of the 2016 Locks Task Force established by SB 131 and the 2018 Locks Commission established by SB 256.
- **2016** - \$500,000 appropriated by the Oregon Legislature; \$100,000 used toward the Economic Benefit Study and \$400,000 toward due diligence and engineering assessment in support of the 2018 Locks Commission.
- **2017** – SB 256 adopted by the Oregon Legislature to consider engineering, governance, funding, public outreach and state and federal advocacy leading to transfer of the Locks out of the hands of the Corps and to facilitate the repair and reopening of the Locks.
- **2017** – The FY 2017-2019 state budget includes funding to support Oregon Solutions facilitation of the Locks Commission deliberations as well as legal support from the Department of Justice.

OTHER INTERESTED PARTIES: Numerous governments and non-governmental organizations have gone on record in support of repairing and reopening the Locks to the public:

<ul style="list-style-type: none"> • Clackamas County • Multnomah County • Marion County • Polk County • Linn County • Milwaukie • Oregon City • Portland • West Linn • Wilsonville • Gladstone • Tualatin • Canby • Roseburg • Salem • Eugene • Independence • Confederated Tribes of Grand Ronde 	<ul style="list-style-type: none"> • Associated Oregon Counties • Columbia River Yachting Association • Willamette Falls Heritage Foundation • Willamette Falls Heritage Area Coalition • Clackamas County Historical Society • Clackamas County Heritage Council • Clackamas County Tourism Board • Clackamas County Business Alliance • Lake Oswego Preservation Society • Portland General Electric • National Trust for Historic Preservation • Oregon City Business Alliance • Willamette River Keepers • Portland Spirit • eNRG Kayaking • Pacific Northwest Waterways Association • Restore Oregon • Wilsonville Concrete Products • WyEast Expeditions
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IMPACT IF PROPOSED ACTION OCCURS: Action by the Legislature is one part of a complex set of actions required to repair and reopen the Locks. Legislation would help to identify or establish the implementing entity and provide much needed repair funding. Further action will be required including disposition by the Corps of Engineers, establishment of the implementing entity, contracting for repairs and establishment of an on-going funding source for operations.