



PORT of OLYMPIA

Citizens Advisory Committee

MEMORANDUM

DATE: 25 July, 2017

TO: PORT COMMISSION

FROM: POCAC

**SUBJECT: Request for Project Scope Change
Business Diversification & Incubator Hubs Project**

Background

This February the Commission gave POCAC several projects for the 2017 year, including a combined request to investigate both Business Diversification for the Marine Terminal and Incubator Hubs.

The main goal of the Business Diversification task was to investigate potential Marine Terminal tenants with cargo shipments that might provide predictable income, as opposed to 'Project Cargo' with single or occasional shipments. The Incubator Hub task was to investigate existing similar entities, and identify possible opportunities for Port investment and/or support.

Co-current with the POCAC projects, the Port contracted with the Thurston County Economic Development Council for similar purposes: to study and identify potential long-term Marine Terminal users, and to use the POCAC if possible. After meetings with Port staff and the EDC, POCAC members awaited feedback from staff and the EDC to see how POCAC could best participate and collaborate to complete these projects.

Current Situation

The EDC had concerns about the deliverability and wide scope of their task, and requested a refined, 'pared down' scope. With staff, the EDC decided to focus on a single specific market segment – Renewable Energy – and to identify potential products, companies, logistics, how related non-containerized cargo moves, and what potential that might have for the Port.

Request

The POCAC respectfully requests that the Commissioners also refine our task. We propose that the POCAC use the market research blueprint and framework being developed by the EDC, and apply that to a second specific market segment – Agriculture. If the Commission agrees, we will submit a more detailed proposed project scope based on non-containerized agricultural cargoes: to investigate companies active in that market, their logistic chains, needed equipment and infrastructure, local and regional connections, and policies affecting import and export of those cargoes. We caution that even this more specific scope could take longer to complete than originally expected, and that to identify products, producers, logistics, volumes, timing, policies, etc., and related Port potential could take the POCAC well into next year.