

LCDC Tour Coos Bay Area

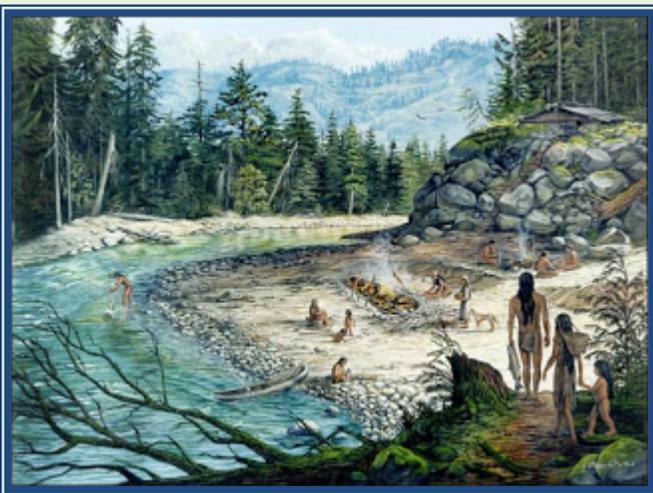
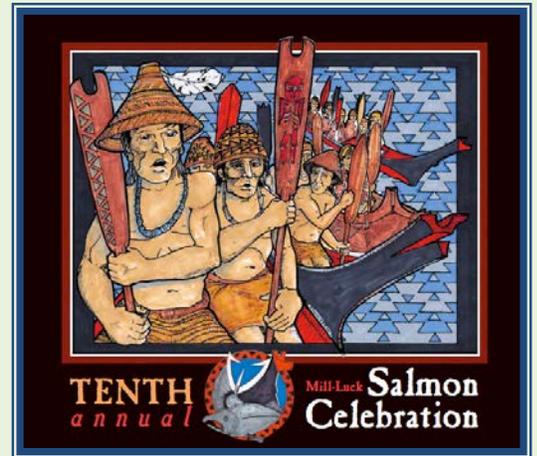
March 13, 2014

LCDC Tour of the Coos Bay-North Bend Area

Native American Heritage

The **Coquille Tribe and the Coos, Siuslaw and Lower Umpqua Confederated Tribe** have people, land and businesses in Coos County. Ancestors of the Coquille Tribe lived within the Coquille River watershed and around Coos Bay. The original Coquille Indians were called Mishikhwutmetunne, which is to say, "people living on the stream called Mishi." They were an Athabascan band, dating to 6,000 years ago, who lived on the east fork of the Coquille River. They also lived along bays and estuaries of the same area. The Coquille people resided in lean-to dwellings made of cedar planks and subsisted largely on deer, fish (especially salmon) and acorns.

Today, the Coquille Indian Tribe has over 900 members and a land base of 7,043 acres. After the United States reinstated federal recognition to the Tribe and restored its full sovereignty rights in 1989, the Coquille Tribal government created an administrative program that now provides housing, health care, education, elder care, law enforcement and judicial services to its members. The Tribe is the second largest employer in Coos County, Oregon, with successful business ventures in forestry, arts and exhibits, gaming and hospitality, assisted living and memory care, high-speed telecommunications and renewable energy.

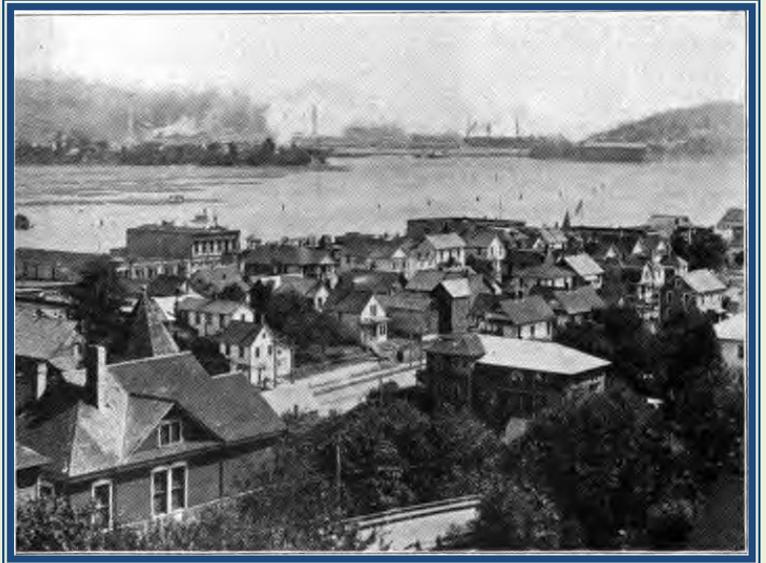


The Confederated Tribes of Coos, Lower Umpqua, and Siuslaw Indians trace their ancestry back to the aboriginal inhabitants of the South-Central coast of Oregon. The Confederated Tribes of Coos, Lower Umpqua and Siuslaw Indians are made up of 3 tribes (4 Bands): 2 bands of Coos Tribes: Hanis Coos (Coos Proper), Miluk Coos ; Lower Umpqua Tribe; and Siuslaw Tribe. The people lived in villages of cedar plank houses on the margins of the extensive estuaries of the Siuslaw, Umpqua, and Coos rivers. Men hunted and fished; while Women collected berries, roots and nuts. Their rich diet consisted of seafood, game, sea bird eggs and other delicacies. Deer and elk skins were fashioned into garments and blankets. Baskets were woven using a variety of materials, from

conifers to grasses. In 1984, the Tribes' sovereignty was recognized by the Federal Government and funding was restored for education, housing and health programs. In 1987, the Tribe approved a constitution and began to lay the groundwork for a self-sufficiency plan. Today the Tribe strives to perpetuate their unique identity as Indians and as members of the Confederated Tribes of Coos, Lower Umpqua and Siuslaw Indians, and to promote and protect that identity. The Tribe's goal is to preserve and promote their cultural, religious and historical beliefs while continuing to learn and grow as a part of the larger community.

Coos Bay (aka Marshfield)

There has been a permanent settlement on Coos Bay since 1853, when the town of Marshfield was founded there and named after the Massachusetts hometown of its founder, J. C. Tolman. By 1866 the inhabitants, who relied on the sea for their livelihood, had built the Cape Arago Light House. A post office was established in 1871 and the completion of the Coos Bay Wagon Road a year later connected Coos County with the Umpqua River valley in neighboring Douglas County, on the other side of the Coast Range of mountains. Marshfield was incorporated in 1874. One of the nation's oldest still-operating machine shops, the Nelson Machine Works-Coos Bay Iron Works, was established in 1888. In 1916, a rail line was completed that linked the region to other interior settlements and towns, which increased commercial trade and tourism. The McCullough Bridge and the Roosevelt Highway were completed in 1936, greatly improving overland transportation. Marshfield grew rapidly over the next forty years.



In 1944, citizens voted to change the town's name to Coos Bay. During WWII, local shipyards built minesweepers and rescue tugs. Large national lumber corporations came to Coos Bay during this period and expanded their operations through the 1960s. As stands of harvestable timber were diminished and the salmon and bottom fishery languished, the future promise of those activities began to wear

thin in the 1980s. What the Coos Bay communities have experienced since the 1970s is the unraveling of a traditional way of life—the sunset of an era of extractive activity. The Coos Bay communities enter the post-industrial twenty-first century largely bereft of the magnificent timber resource that sustained the local economy for more than a century. Although Coos County's population has remained relatively flat since the 1960s, newcomers continue to move to the area, many of them retirees looking for modestly priced real estate.

North Bend

In 1855, Asa M. Simpson, a Maine shipbuilder lured west by California's gold rush, arrived at the north bend of Coos Bay. Recognizing the value of the region's coal and timber, he set up a sawmill, established a shipyard, and hired master craftsmen to build ships that would carry lumber products worldwide. Oregon's only true clipper ship—the *Western Shore*—was built at North Bend in 1874.



Simpson's son, Louis Jerome Simpson, arrived in North Bend in 1899. He purchased the adjacent undeveloped town site of Yarrow, which he merged with his father's land in 1903 to create the City of North Bend. The nearby town of Porter was soon added. Simpson, who was mayor of the city from 1903 until 1915, donated land for factories, churches, and a hospital. Extensive docks became the face of the city and the location of early industries. In 1900, North Bend had fewer than 200 residents; by 1910, the population had grown to over

2,000. The town was connected by rail to the Willamette Valley in 1916, and roads and travel improved.

North Bend and the region were dependent on natural resource industries and experienced boom-and-bust cycles. By the early 1920s, the town was booming, and Menasha Woodware, the Kruse and Banks shipyard, and Keizer Memorial Hospital flourished. John E. Tourtellotte, a well-known Portland architect, designed five concrete buildings, including the Hotel North Bend. The town's fortunes changed in 1926, however, when a fire destroyed Stout Mill A, and North Bend fell into recession. The Depression was a local disaster, as North Bend's bank closed and emergency Myrtle wood money—local currency—was created to help the city survive.

The Coos Bay Bridge, designed by Conde McCullough, opened in 1936, helping complete the Roosevelt Highway (U.S. Highway 101). World War II and its aftermath brought prosperity to North Bend, which built a new airport and welcomed an expanded timber industry when the Weyerhaeuser Company arrived.

After the 1950s, the town experienced largely good times and high employment, but traditional extractive industries have declined since the 1980s. The weekly *North Bend News* closed in 1986; and Weyerhaeuser's sawmill closed in 1989, though Menasha and some wood chip exports remain. The Coquille Tribe purchased Weyerhaeuser's bay front property and opened a casino in 1995. Growth in tourism, a call-answering service, and a new regional airport have added to government and professional services in the community.



Today, North Bend's population is just shy of 10,000. A new airport terminal was completed in 2008 and in 2009, a bayside boardwalk restored a public connection to the estuary. Six times since 1943, most recently in 2004, North Bend rejected consolidation with the City of Coos Bay. Cooperation through mutual aid in police and fire services, a joint Bay Area Chamber of Commerce, crossover economic and cultural activity, and an athletic rivalry mark the pattern of relations between the two cities.

International Port of Coos Bay

With deep appreciation for beauty, diversity and resources of the magnificent region where it is located, the Oregon International Port of Coos Bay has a vision for the future and respect for the bay area's past. As Oregon's Gateway, the port actively seeks ways to promote the use of Coos Bay's deep water port to enhance the economy and quality of life in the region and strives to build a diversified, healthy and stable regional economy along Oregon's south coast.



Jordan Cove



Last year, the Jordan Cove Energy Project filed its request for approvals from the [Federal Energy Regulatory Commission](#) for a proposed \$7.5 billion liquefied natural gas export facility on the North Spit of Coos Bay. The company obtained FERC approvals for an import facility on the same site, but with changing markets, is now asking the agency to let it build and operate an export facility. The overall project will also involve a power plant and interstate pipeline.

Project proponents say that the objective of the project is to link excess natural gas supplies from Western Canada and the U.S. Rocky Mountains with growing consumer demand in Asia, Alaska, and Hawaii. As designed, the project calls for a shipping terminal with the capacity to export 1 million dekatherms of LNG per day and 320,000 cubic meters' worth of storage capacity. Associated with the LNG project are the 230-mile Pacific Connector Gas Pipeline and a 420-MW gas-fired power plant. Project proponents have filed an application to site the power plant with the State's Energy Facility Siting Council (EFSC).

Oregon Institute of Marine Biology

The University of Oregon has been teaching and conducting research in marine biology on the southern Oregon coast since 1924, when summer classes traveled to nearby Sunset Bay and used tents for dormitories and laboratories. In 1928-29, a portion of the Coos Head Military Reservation was selected as the permanent site for the University's marine program and in 1931 over 100 acres of the Reservation, including some Army Corps of Engineers buildings, was deeded to University of Oregon. These



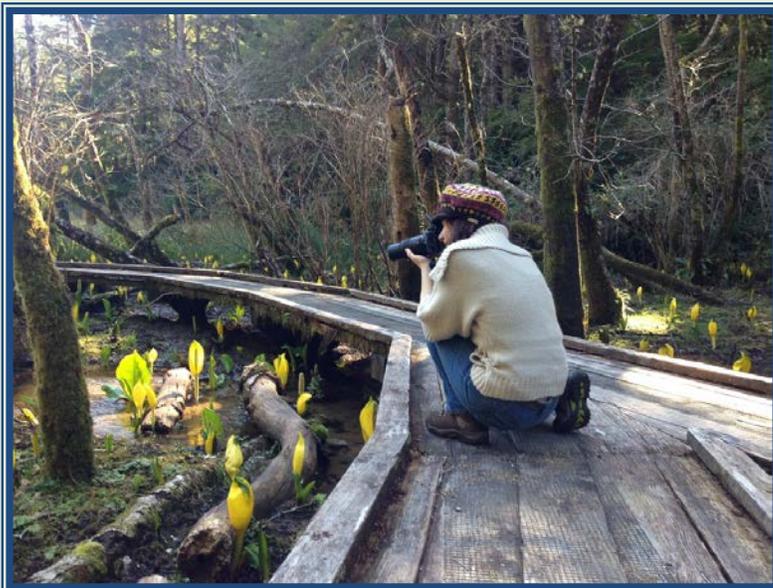
buildings became the first permanent classrooms, laboratories and dormitories. In 1937, the Oregon State System of Higher Education shifted stewardship of OIMB to Oregon State University (then Oregon State College) until the Second World War, when the site was reclaimed by the federal government for strategic purposes. After the war, OIMB was returned, first to Oregon State College, then in 1955 to the University of Oregon. Until the mid-1960's, the facility served as a summer field station. In 1966, the University undertook a two-year program of extensive building repairs and began using the marine station as a permanent, year-round research facility. A few years later, year-round educational programs were added to the existing summer teaching program. These teaching programs, as well as the research mission, continue to the present day. In 1985, OIMB added new teaching laboratories, research facilities and dormitories with a major grant from the federal government. In 1999, OIMB celebrated the construction of two additional research laboratories as well as the Loyd and Dorothy Rippey Library. An additional program of building renovation is currently in progress.

To sustain their role as a center of coastal and maritime activity the Port of Coos Bay in 2008, in partnered with the Oregon Institute of Marine Biology to request assistance from Oregon Solutions to produce a vision and implementation plan for a Coast and Ocean Center. The result of the project is the Charleston Marine Life Center, slated to open by early Summer, 2014. The small public museum and aquarium will serve the several million annual visitors who flock to the area to enjoy state parks, the Oregon dunes, and the South Slough Estuarine Research Reserve.



South Slough Estuarine Research Reserve

South Slough NERR encompasses a mixture of open water channels, tidal and freshwater wetlands, riparian areas, and forested uplands. The Reserve, established in 1972, supports and coordinates research, education, and stewardship programs which serve to enhance a scientific and public understanding of estuaries and contribute to improved estuarine management. South Slough Reserve is part of the National Estuarine Research Reserve System, a network of 28 reserves dedicated to research, education and stewardship.



Partnership for Coastal Watersheds

The Partnership for Coastal Watersheds Action Plan is intended to provide a roadmap for the Partnership for Coastal Watersheds to implement projects in Coos Bay's South Slough and Coastal Frontal watersheds to achieve the community's vision for its future. Through a series of facilitated meetings convened in 2011 and 2012, the Partnership for Coastal Watersheds Steering Committee, which embodies a diverse array of community perspectives, developed a Mission Statement and created a Community Vision for desired conditions to be achieved within the next 25 years. A suite of potential actions were also developed to assist in achieving the vision.

Jordan Cove Energy Project



The Project Proposal – LNG Import Facility Becomes Export Facility

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County Land Use Approvals

There are three discrete, but related regulatory reviews associated with the LNG facility, including the LNG terminal itself, the pipeline that will bring the liquefied natural gas to the plant from extraction areas, and a power plant that would generate electricity for the LNG terminal. The County first issued land use approvals for the LNG import facility (Jordan Cove Energy) in 2007 and for an associated marine terminal (Port of Coos Bay) in 2008. The LNG terminal decision was appealed, remanded and approved again in 2009. The Pacific Connector Pipeline was approved in 2010. That decision too was appealed, remanded and approved again in 2012. Project proponents have filed an application for an alternative alignment of the proposed pipeline, but that application has yet to be deemed "complete" by the Coos County. Several other permits and approvals were issued by the County during this period regarding the County wetland inventory, proposed fill at the site and a mitigation site at Kentuck Slough.

Project proponents are required to modify the County land use approval for the LNG facility to reflect the changing nature of the project, from the importing of natural gas, to that of an export facility. As of March, 2014, the application for the amended permit has not been submitted to the County. The preliminary application for a related gas-fired power generating facility on the site has been submitted to the Oregon Department of Energy for review by Oregon's Energy Facility Siting Council (EFSC). The application is currently under review for completeness.