

DATE: January 9, 2014
TO: Board of Commissioners
FROM: Patrick Quinton, Executive Director
SUBJECT: Report Number 14-03

Authorizing an Intergovernmental Agreement with the Portland Bureau of Transportation for the Design and Construction of the Portland Streetcar Alignment Along SW Montgomery Street Between SW 4th and 5th Avenues; Providing Funding in an Amount Not to Exceed \$1,524,546 from the Education, South Park Blocks, and North Macadam Urban Renewal Areas

BOARD ACTION REQUESTED

Adopt Resolution No. 7037

ACTION DESCRIPTION

This action will authorize the Portland Development Commission (PDC) Executive Director to execute an Intergovernmental Agreement (IGA) between PDC and the Portland Bureau of Transportation (PBOT) for the design and construction of the Portland Streetcar (Streetcar) segment located along SW Montgomery Street between SW 4th and 5th Avenues across from Portland State University (PSU) (see Attachment A). This IGA will provide up to \$1,524,546 to PBOT for the design and construction of the Streetcar segment realignment (Project). The IGA budget for fiscal year (FY) 2013-14 and 2014-15 is as follows:

Urban Renewal Area (URA)	FY 2013-14	FY 2014-15	Total
South Park Blocks	\$152,426	\$0	\$152,426
North Macadam	\$152,426	\$0	\$152,426
Education	\$793,828	\$425,866	\$1,219,694
	\$1,098,680	\$425,866	\$1,524,546

BACKGROUND AND CONTEXT

In 2002, the City of Portland (City) Transportation System Plan (TSP) was adopted, including the proposed extension of the Streetcar from the terminus at SW 4th Avenue and SW Montgomery Street to a new terminus at SW River Parkway just west of SW Moody Avenue (RiverPlace Extension).

In 2003, PDC and PBOT entered into an agreement to fund the engineering and construction of the RiverPlace Extension. The RiverPlace Extension was built to provide new service and access to the multi-

family housing units close to SW Harrison Street and existing housing in RiverPlace, as well as to new development planned in the RiverPlace area.

At the time the RiverPlace Extension was being designed and constructed, approximately \$90,000 of funding from the South Park Blocks URA was used to provide for the inclusion of a temporary alignment track, electrification, and civil engineering work around Block 153. Construction of a permanent alignment diagonally through Block 153 was delayed so as to support future development of the block by PDC. Construction began on the RiverPlace Extension in 2004 and passenger service began in March 2005.

Over the next several years PDC and PBOT reviewed multiple options for the permanent alignment in conjunction with the redevelopment of PDC's Block 153 properties, including potential use as housing and as a commercial project called the Oregon Sustainability Center (OSC).

In 2010, PBOT was awarded and Portland City Council accepted an Oregon Department of Transportation (ODOT) ConnectOregon grant in the amount of \$1,958,641 for use in the construction of this project. It was contemplated at the time that PDC might provide matching funding in the approximate amount of \$1,500,000. This Board action will provide this contemplated match.

In 2011, PDC and PBOT entered into an IGA for the OSC Streetcar Relocation Project: Preliminary and Final Design. The Project entailed two phases of which only Phase I – Preliminary Design was completed. For that work PDC compensated PBOT in the amount of \$70,461.

In 2012, with the OSC development not moving forward, PDC and PBOT renewed discussion regarding a permanent double track alignment around the block on SW Montgomery Street that could fully accommodate a new development for Block 153. These discussions have resulted in the proposed IGA before the Board, which entails design and construction of a permanent alignment that will have the following benefits:

- Eliminates the single track bottleneck in the streetcar system;
- Provides a double-track on SW Montgomery Street and SW 4th Avenue;
- Minimizes streetcar queuing in the travel lane that results in motor vehicles entering the transit lane; and
- Minimizes pedestrian conflicts with the Streetcar.

COMMUNITY AND PUBLIC BENEFIT

The Project will provide the following benefits:

1. In accordance with the PDC Board-adopted Equity Policy, PBOT will be required to comply with both the Business Equity and Workforce Equity Programs;
2. Eliminate the single track bottleneck in the Streetcar system, removing conflicts with fixed route buses and light rail;
3. Provide a double track on SW Montgomery Street and SW 4th Avenue;
4. Minimize Streetcar queuing in the travel lane that results in motor vehicles entering the transit lane;
5. Provide investments in transit with system-wide links to where people want to go, thereby creating equity and access for all.

PUBLIC PARTICIPATION AND FEEDBACK

Staff at PBOT has met numerous times with adjacent property owners, PSU, and the Streetcar Citizen Advisory Committee to review design options and construction schedule and collect feedback from the community, which supports the Streetcar realignment.

BUDGET AND FINANCIAL INFORMATION

The total project cost is estimated at \$3,810,659. Funding has been identified in three URAs: South Park Blocks, North Macadam, and Education for FY 2013-14 and FY 2014-15 (see Attachment B). Due to shifts in the total project costs and amounts allocated to each URA, the budget line items will be adjusted in the PDC budget revision scheduled in spring 2014 to reflect the current distribution outlined below. PDC funding for FY 2014-15 is conditioned upon, and subject to, budget approval.

Additional sources of Project funding include a \$1,985,651 ODOT ConnectOregon III grant and \$230,000 from the City’s general fund.

SOURCES		USES	
ODOT Grant	\$1,985,651	Construction Costs	\$2,202,987
General Funds	\$230,000	Soft Costs	\$1,607,672
South Park Blocks URA FY 2012-13	\$70,461		
South Park Blocks URA FY 2013-15	\$152,426		
North Macadam URA FY 2013-15	\$152,426		
Education URA FY 2013-15	\$1,219,694		
TOTAL	\$3,810,659	TOTAL	\$3,810,659

RISK ASSESSMENT

The PDC may not legally commit funding beyond this FY. As such, PDC’s commitment to contribute \$425,866 next FY is subject to formal approval of next year’s budget. Should there be cost overruns, or should PDC’s budget request for second year funding not be approved, PBOT would need to find additional funding from other sources.

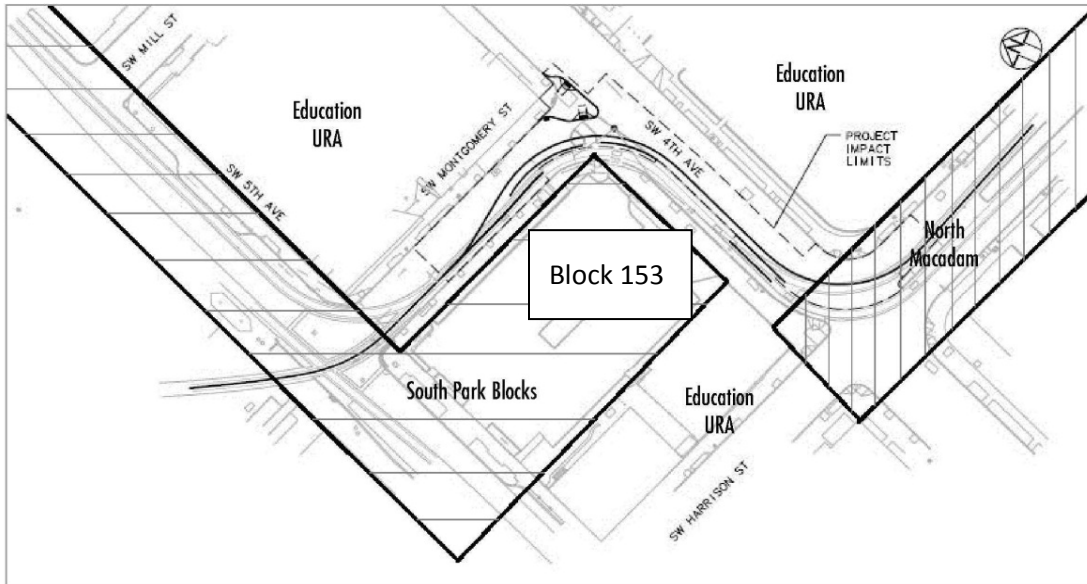
ALTERNATIVE ACTIONS

Should the Board elect to not authorize execution of the IGA, PBOT would no longer have identified matching funds and likely would have to forego the grant and general fund resources as well as the public improvements.

ATTACHMENTS

- A. Project Site Map
- B. Multi-URA Financial Summaries

Project Site Map



Multi URA Financial Summaries

Five-Year Forecast Program Requirements Detail

	Revised-3 FY 2012-13	Adopted FY 2013-14	Forecast FY 2014-15	Forecast FY 2015-16	Forecast FY 2016-17	Forecast FY 2017-18
Education District URA						
Resources						
Beginning Fund Balance	0	0	43,207	152,302	37,131	53,849
Long Term Debt	0	0	0	0	0	3,300,000
Property Income	0	0	3,200,000	0	0	0
Short Term Debt	0	1,264,872	1,650,083	1,983,126	2,384,340	2,663,048
Total Resources	0	1,264,872	4,893,290	2,135,428	2,421,471	6,016,897
Requirements						
Program Expenditures						
Business Dev						
Business Lending						
L02100395 BIF-General-EDU	0	0	0	0	0	650,000
Small Business & Community Dev						
B55101395 PSU Small Bus. & RE Prg-EDU	0	0	0	0	0	250,000
B55102395 School of Bus. Expansion-EDU	0	0	0	795,000	775,000	380,000
Total Business Dev	0	0	0	795,000	775,000	1,280,000
Infrastructure						
Transportation						
N39550215 District Systems-EDU	0	0	0	0	0	250,000
N39539915 Streetcar/Scapes-EDU	0	793,828	477,446	0	0	0
Total Infrastructure	0	793,828	477,446	0	0	250,000
Portland Hsg Bureau						
PHB Housing						
H15900395 PHB Staff & Admin-EDU	0	108,437	417,828	498,371	626,648	715,451
Total Portland Hsg Bureau	0	108,437	417,828	498,371	626,648	715,451
Property Redev						
Commercial Property Redevelopm						
P39550015 Neuberger Hall-EDU	0	0	0	0	0	425,000
P39550035 Multnomah County-EDU-Adm	0	0	400,000	490,000	600,000	1,495,000
P39550115 Research Fac. Expan-EDU	0	0	0	0	0	400,000
P39560115 Jasmine Tree-EDU	0	0	3,200,000	0	0	0
A35401395 Central City 2035-EDU	0	25,588	0	0	0	0
Total Property Redev	0	25,588	3,600,000	490,000	600,000	2,320,000
Total Program Expenditures	0	927,853	4,495,274	1,783,371	2,001,648	4,565,451
Personal Services	0	15,280	51,306	68,170	80,415	310,440
Transfers - Indirect	0	21,168	194,408	246,757	285,559	1,088,697
Total Fund Expenditures	0	964,301	4,740,988	2,098,298	2,367,622	5,964,588
Contingency	0	571	152,302	37,130	53,849	52,309
Operating Transfers Out	0	300,000	0	0	0	0
Ending Fund Balance	0	0	0	0	0	0
Total Requirements	0	1,264,872	4,893,290	2,135,428	2,421,471	6,016,897

Five-Year Forecast Program Requirements Detail

	Revised-3 FY 2012-13	Adopted FY 2013-14	Forecast FY 2014-15	Forecast FY 2015-16	Forecast FY 2016-17	Forecast FY 2017-18
North Macadam URA						
Resources						
Beginning Fund Balance	5,392,574	1,125,511	269,322	1,992,925	2,728,824	2,868,479
Fees and Charges	324,309	333,397	343,341	353,641	364,251	375,178
Interest on Investments	20,000	10,000	5,000	20,000	30,000	30,000
Loan Collections	0	31,130	31,130	31,130	31,130	15,565
Long Term Debt	18,000,000	0	0	0	0	0
Property Income	165,000	2,010,403	1,200,000	230,000	230,000	230,000
Short Term Debt	5,954,876	5,040,192	1,859,836	1,767,608	6,081,816	6,361,047
Total Resources	29,856,759	8,550,633	3,708,629	4,395,304	9,466,021	9,880,269
Requirements						
Program Expenditures						
Administration						
Financial Administration						
A45101325 Debt Management-NMC	20,000	20,000	20,000	20,000	20,000	20,000
Total Administration	20,000	20,000	20,000	20,000	20,000	20,000
Business Dev						
Business Lending						
L02110325 BIF-Cluster Group-Budget-NMC	0	300,000	300,000	300,000	300,000	300,000
L02100325 BIF-General-NMC	200,000	200,000	200,000	200,000	200,000	200,000
Traded Sector Business Dev						
B15102325 Site Recruitment-NMC	32,000	32,000	0	0	0	0
B15701325 Bio-Tech Build-Out-NMC	575,000	0	0	0	0	0
Total Business Dev	807,000	532,000	500,000	500,000	500,000	500,000
Infrastructure						
Parks						
N32511815 Central Dist Greenway-NMC-Adm	3,616,611	0	0	0	0	0
N32512615 Caruthers Park-NMC-Adm	367,778	0	0	0	0	0
N32514015 New Init - Parks & Gr-NMC-Adm	0	0	0	0	2,000,000	0
Public Facilities						
N32520115 Life Science Parking-NMC-Adm	0	1,703,625	0	0	0	0
Transportation						
N32530715 Trans Strategy Dev-NMC-Adm	50,000	50,000	0	0	0	0
N32530215 Light Rail-NMC-Adm	10,000,000	1,780,403	0	0	0	0
N32530315 South Portal Design-NMC-Adm	75,000	100,000	0	0	0	0
N32530515 EcoDistrict Conduit-NMC-Adm	380,000	0	0	0	0	0
N32534115 Trans Initiatives-NMC-Adm	100,000	50,000	50,000	50,000	2,000,000	0
N32539915 Streetcar/Scapes-NMC	0	130,613	0	0	0	0
N32530615 Central Dist Infra-NMC-Adm	0	0	166,000	166,000	83,000	0
Total Infrastructure	14,589,389	3,814,641	216,000	216,000	4,083,000	0
Portland Hsg Bureau						
PHB Housing						
H15430325 Affordable Rental Hsg-NMC	0	0	0	0	0	925,000
H15900325 PHB Staff & Admin-NMC	269,250	65,328	80,883	76,771	85,000	85,000
H15943325 Affordable Veterans Hsg-NMC	11,012,215	1,543,972	0	0	0	0
Total Portland Hsg Bureau	11,281,465	1,609,300	80,883	76,771	85,000	1,010,000
Property Redevel						
Commercial Property Redevelopm						
P32558015 RiverPlace Prop Mgmt-NMC-Adm	10,000	0	0	0	0	0
P32592015 Real Estate Mgmt-NMC-Adm	0	5,000	5,000	5,000	5,000	5,000

Five-Year Forecast Program Requirements Detail

	Revised-3 FY 2012-13	Adopted FY 2013-14	Forecast FY 2014-15	Forecast FY 2015-16	Forecast FY 2016-17	Forecast FY 2017-18
South Park Blocks URA						
Resources						
Beginning Fund Balance	10,924,732	5,822,473	4,013,897	7,528,423	7,291,039	7,127,482
Interest on Investments	65,000	10,000	10,000	10,000	10,000	10,000
Loan Collections	164,381	123,517	629,534	68,886	84,676	101,651
Property Income	36,000	9,000	3,200,000	0	0	0
Total Resources	11,190,113	5,764,990	7,853,431	7,607,309	7,385,715	7,239,133
Requirements						
Program Expenditures						
Administration						
Financial Administration						
A45101346 Debt Management-SPB	7,000	5,000	5,000	5,000	5,000	5,000
Total Administration	7,000	5,000	5,000	5,000	5,000	5,000
Business Dev						
Business Lending						
L02100346 BIF-General-SPB	0	100,000	100,000	100,000	100,000	100,000
L02110346 BIF-Cluster Group-Budget-SPB	290,000	100,000	100,000	100,000	100,000	100,000
Total Business Dev	290,000	200,000	200,000	200,000	200,000	200,000
Infrastructure						
Transportation						
N34630015 Dwn Retail Infra-SPB-Adm	20,000	0	0	0	0	0
N34639915 Streetcar/Scapes Imp-SPB-Adm	50,000	98,113	0	0	0	0
Total Infrastructure	70,000	98,113	0	0	0	0
Portland Hsg Bureau						
PHB Housing						
H15927346 Jefferson West Apts-SPB	50,000	0	0	0	0	0
H15900346 PHB Staff & Admin-SPB	519,512	203,633	0	0	0	0
H15910346 SPB Sect 8 Preservation-SPB	2,925,000	99,253	0	0	0	0
H15911346 1200 Tower Preservation-SPB	0	175,000	0	0	0	0
Total Portland Hsg Bureau	3,494,512	477,886	0	0	0	0
Property Redev						
Commercial Property Redevelopm						
P34652215 CC 2035-SPB-Adm	52,320	27,720	0	0	0	0
P34660115 PSU Carpool Lot-SPB-Adm	15,000	0	0	0	0	0
P34660215 Jasmine Tree Rstrmt-SPB-Adm	4,924	0	0	0	0	0
P34652115 Oregon Sustain Ctr-SPB-Adm	10,000	0	0	0	0	0
Commercial Real Estate Lending						
R01100346 CPRL-General-SPB	1,250,000	500,000	0	0	0	0
R03100346 Comm Energy Eff Retro-SPB	0	100,000	0	0	0	0
Community Redevelopment Grants						
G02100346 DOS-General-SPB	0	50,000	0	0	0	0
G03100346 SIP-General-SPB	88,499	50,000	50,000	50,000	0	0
Total Property Redev	1,420,743	727,720	50,000	50,000	0	0
Total Program Expenditures	5,282,255	1,508,719	255,000	255,000	205,000	205,000
Personal Services	188,587	90,409	14,818	13,263	11,697	16,127
Transfers - Indirect	96,798	151,965	55,390	48,007	41,536	56,556
Total Fund Expenditures	5,567,640	1,751,093	325,008	316,270	258,233	277,683
Contingency	5,622,473	4,013,897	7,528,423	7,291,039	7,127,482	6,961,450
Ending Fund Balance	0	0	0	0	0	0