

DATE: January 11, 2017
TO: Board of Commissioners
FROM: Kimberly Branam, Executive Director
SUBJECT: Report Number 17-04
Update on Broadway Corridor

BOARD ACTION REQUESTED

No action is requested; information only.

SUMMARY

At the January 11, 2017 Portland Development Commission (PDC) Board of Commissioners (Board) meeting, PDC staff will provide an update on preliminary project scoping and stakeholder engagement activities currently underway and recommended next steps affiliated with the Broadway Corridor development opportunity. The Broadway Corridor study area (Study Area) is located in the River District Urban Renewal Area (URA) and is generally bounded by NW Glisan Street, NW Lovejoy, NW 9th Avenue, and NW 5th Avenue. The Study Area encompasses several PDC-owned properties including the recently acquired United States Postal Service (USPS) property, Union Station, Block Y, and Block R (see Attachment A).

BACKGROUND AND CONTEXT

The Broadway Corridor has been identified as perhaps the most significant redevelopment opportunity within Portland's Central City through multiple Portland City Council (City Council) adopted land use and development plans. Most recently, the Broadway Corridor Framework Plan (Framework Plan) was adopted by the PDC Board through Resolution No. 7147 on October 14, 2015 and by City Council through Resolution No. 37165 on November 5, 2015. The objective of the Framework Plan is to provide greater certainty regarding PDC's and the City's development objectives, desired public investments, and the financial capacity to meet those objectives and investments, with a particular focus on the USPS site. PDC subsequently acquired the USPS site in September 2016. Construction of a replacement facility for the USPS is underway and relocation is anticipated to occur by late 2018, freeing the existing location for redevelopment.

Prior to commencing redevelopment within the Study Area, a number of activities are underway and/or anticipated. Generally, these activities are proposed to occur over the following phases and timeframes:

Phase	Schedule	Key Activities
Phase I: Project Scoping	January – June 2017	<ul style="list-style-type: none"> • Solicit broad stakeholder input on draft developer solicitation and community engagement strategy • Establish an Owner’s Representative Team • Convene a Stakeholder Steering Committee • Modify USPS site height and floor area ratio allowances • Prepare communications strategy and materials
Phase II: Developer Solicitation	June – October 2017	<ul style="list-style-type: none"> • Market a developer solicitation • Select development partner to participate in master plan and first phase of development
Phase III: Master Plan	October 2017 – September 2018	<ul style="list-style-type: none"> • Prepare, submit, and seek approval of required master plan • Understand development strategy for the study area • Facilitate an iterative process of working groups, the Steering Committee and the developer that results in required public benefits that can be delivered by the development and PDC
Phase IV: Implementation	September 2018 onward	<ul style="list-style-type: none"> • Execute a Development Agreement (DA) • Issue additional developer solicitations as warranted • Convene an Oversight Committee to monitor community benefit and public investment implementation

The Purchase and Sale Agreement (PSA) between PDC and USPS governs that master plan activities must commence after January 2017; agreements with third parties for redevelopment of the USPS property must occur after January 2018; and property transactions (dispositions and/or land leases) must occur after January 2019. Additionally, the line of credit utilized to fund activities in the River District URA is anticipated to be paid off by the sale or lease of PDC-owned properties in the Broadway Corridor. The payoff of the line of credit is currently forecasted for June 30, 2020 and required by June 30, 2022.

At the January 11, 2017 PDC Board meeting, staff will seek input on next steps, including:

- Does the PDC Board support the activities proposed above?
- Does the PDC Board have preliminary thoughts or questions on the structure of upcoming developer solicitation, including specific criteria, stakeholder engagement, and/or the portion of the Study Area to be offered?

ATTACHMENTS

- A. Broadway Corridor Study Area

Broadway Corridor Study Area

