



PROSPER
PORTLAND
Building an Equitable Economy

DATE: March 14, 2018
TO: Board of Commissioners
FROM: Kimberly Branam, Executive Director
SUBJECT: Report Number 18-08

Authorizing an Intergovernmental Agreement with the City of Portland Bureau of Parks and Recreation in an Amount not to Exceed \$1,890,986 for the Leach Upper Garden Development Project

BOARD ACTION REQUESTED AND BRIEF DESCRIPTION

Adopt Resolution No 7264

This action by the Prosper Portland Board of Commissioners (Board) will authorize the executive director to execute an Intergovernmental Agreement (IGA) with the City of Portland (City) Bureau of Parks and Recreation (PP&R) for the Leach Upper Garden Development Project (Upper Garden Project). If approved, this action will provide \$1,890,986 in Prosper Portland funding to PP&R to assist with Upper Garden Project financing and marks a significant landmark in fulfilling the broader Leach Botanical Garden Master Plan.

STRATEGIC PLAN ALIGNMENT AND OUTCOMES

This action meets multiple Prosper Portland Strategic Plan objectives, including creating healthy, complete neighborhoods; supporting East Portland's regional assets through the use of urban renewal resources; and strengthening partnerships with public and non-profit partners to deliver on community priorities.

BACKGROUND AND CONTEXT

The Upper Garden Project is a collaborative effort between Prosper Portland, PP&R, Metro, and Leach Garden Friends. When complete, improvements made through the Upper Garden Project will enhance cultural, educational, and botanical offerings at Leach Botanical Garden.

Leach Botanical Garden is a City-owned, 17-acre regional natural attraction located near the intersection of SE 122nd Avenue and SE Foster Road in the Lents Town Center Urban Renewal Area (URA); see a Site Map in Attachment A. Created in the 1970s from the hillside estate of John and Lila Leach, Leach Botanical Garden is operated in partnership by PP&R and Leach Garden Friends, a 501(c)(3) non-profit organization.

Leach Botanical Garden, which is located on Johnson Creek, is maintained and developed for the purposes of education, research, stewardship, and conservation. In addition to its scientific value, Leach Botanical Garden provides critical natural and open space for residence of east Portland, serving more than 22,000 visitors per year, including families, plant enthusiasts, students in the nearby schools, and community organizations in East Portland such as Audubon, ROSE CDC, Human Solutions, and Wisdom of the Elders.

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Staff from Leach Garden Friends completed a Master Plan for the entire Leach Botanical Garden in 2010. The Master Plan detailed moving the main entrance closer to SE 122nd Avenue and Foster Road, increasing Leach Botanical Garden visibility and visitor functionality with parking, restrooms, and orientation and information services. In 2011, staff completed a Business Plan to identify new audiences and potential revenue streams that implement the Master Plan and help the facility become more self-sustaining in the future.

To further advance the Upper Garden Project, on September 24, 2014, Prosper Portland entered into an IGA with PP&R, contributing \$149,011 for schematic design, planning, and cost estimating.

Leach Garden Friends, in partnership with Prosper Portland and PP&R (the Project Team), undertook further refinements to the Master Plan and published the Leach Botanical Garden Development Plan in 2015 (Development Plan). The Development Plan strategically merged the Business Plan and Master Plan into a phased set of goals and capital improvement for Leach Botanical Garden. During this process, the Project Team prioritized the following goals:

- Improve Upper and Lower Garden connections
- Provide new gathering spaces and regional attractions
- Improve Upper Garden infrastructure and parking
- Restore and enhance existing site and connections

In 2017, the Project Team and partners continued design and permitting for the Upper Garden Project scope that is to be constructed with this funding. This work included design development, cost estimating, and land use permits. Construction, site development, and bid documentation for the Upper Garden Project will begin in 2018 and include:

- Right-of-way improvements to SE Claybourne Street
- Utilities serving the Upper Garden
- Public parking lots serving the Upper Garden entry and maintenance areas
- Landscape and irrigation for the Pollinator Garden, Woodland Hillside, parking buffers, and gathering lawn
- Fireside arbor and terrace
- Aerial tree walk
- Americans with Disabilities Act-compliant path network and staircases

See Attachment B for a Master Plan illustration that identifies locations of the Upper Garden projects.

Design and engineering documents and permitting for the Upper Garden Project will be completed by August 2018 with contracting awarded in November. Construction is anticipated to begin in January 2019.

EQUITY IMPACT

The Upper Garden Project enhances valuable green space in outer southeast Portland, a section of Portland that is deficient in developed park space and cultural opportunities. Within surrounding neighborhoods, communities of color compose greater than 30 percent of the population, exceeding city of Portland averages.

COMMUNITY PARTICIPATION AND FEEDBACK

Leach Garden Friends engaged in a broad outreach and engagement strategy from March 2015 until March 2017. While a few open houses were held at critical junctures, in general, the approach was to conduct outreach in the neighborhoods. Project team representatives from PP&R and Leach Garden Friends attended meetings and spoke at events sponsored by stakeholder groups. The team worked

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with many of these same groups to host specific events for their constituencies at the garden. “Cultural Ambassadors” conducted outreach in Spanish, Vietnamese, and Russian, interacting with people in a wide variety of places, from churches and community organizations to cultural events and housing complexes. Special site tours were also held for immediate neighbors of the garden. The goals of these sustained outreach efforts included diversifying the garden’s patrons, raising awareness of the garden, and gathering input for future improvements.

In addition to the community outreach work, Leach Garden Friends managed a successful capital campaign that raised more than \$1,260,000 for improvements.

BUDGET AND FINANCIAL INFORMATION

Prosper Portland funding for the Upper Garden Project is included in the Fiscal Year Lents Town Center URA Revised Budget (see Attachment C).

Total funding for the Upper Garden Project included in the IGA are:

\$5,565,054	PP&R System Development Charges Fund
\$1,890,986	Prosper Portland’s Lents URA funding
\$ 188,000	Metro Grant
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\$7,644,040	Total Construction / Permits and Construction Administration

Additional funds for the project not covered under IGA include \$1,260,000 raised by a Leach Garden Friends Capital Campaign. Part of this Capital Campaign includes a \$125,000 Prosper Portland Community Livability Grant. Total funding for the Upper Garden Project, including those funds outside of the IGA, equals \$8,904,040.

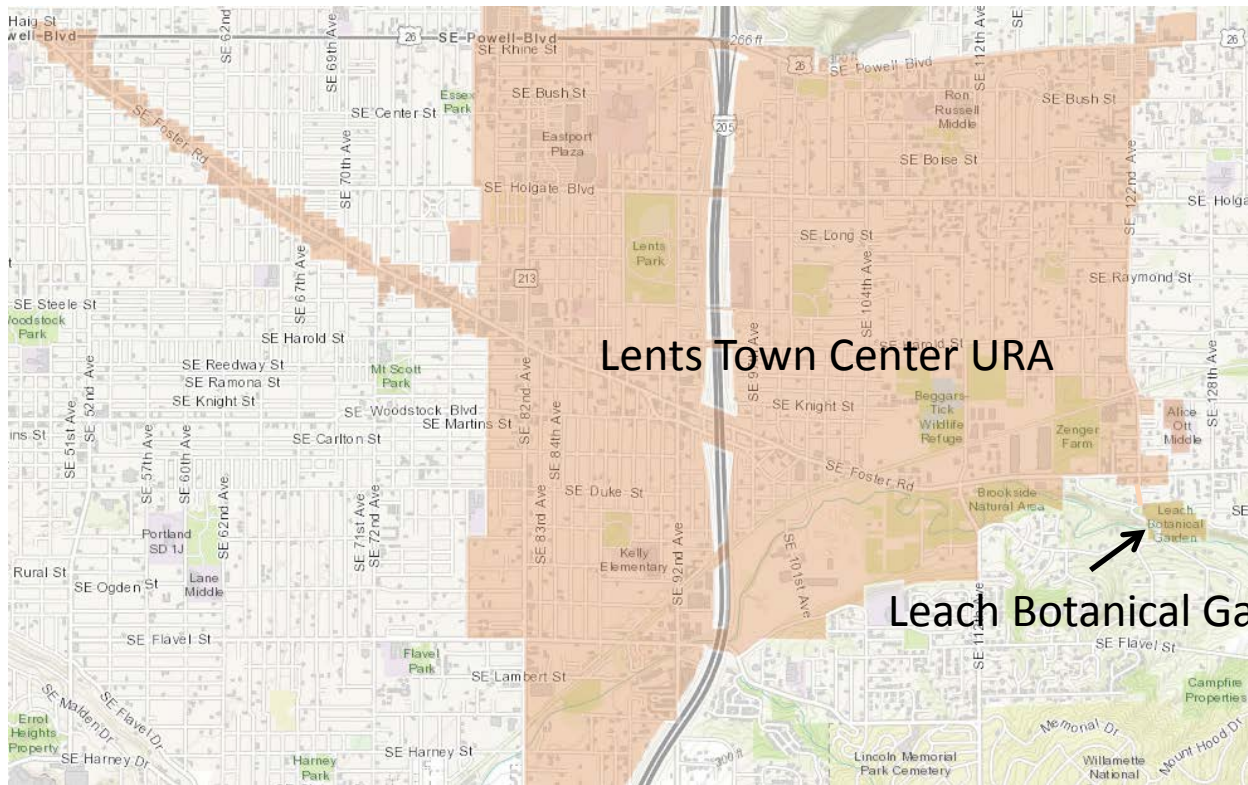
RISK ASSESSMENT

There is a risk that construction costs could increase. Should cost increases exceed the \$7,644,040 funding governed by this IGA, a component of the Upper Garden Project can be delayed until additional funds become available. This risk is partially mitigated by \$567,000 in contingency funds.

ATTACHMENTS

- A. Location of Leach Botanical Garden
- B. Master Plan for Leach Botanical Garden
- C. Lents Town Center URA Financial Summary

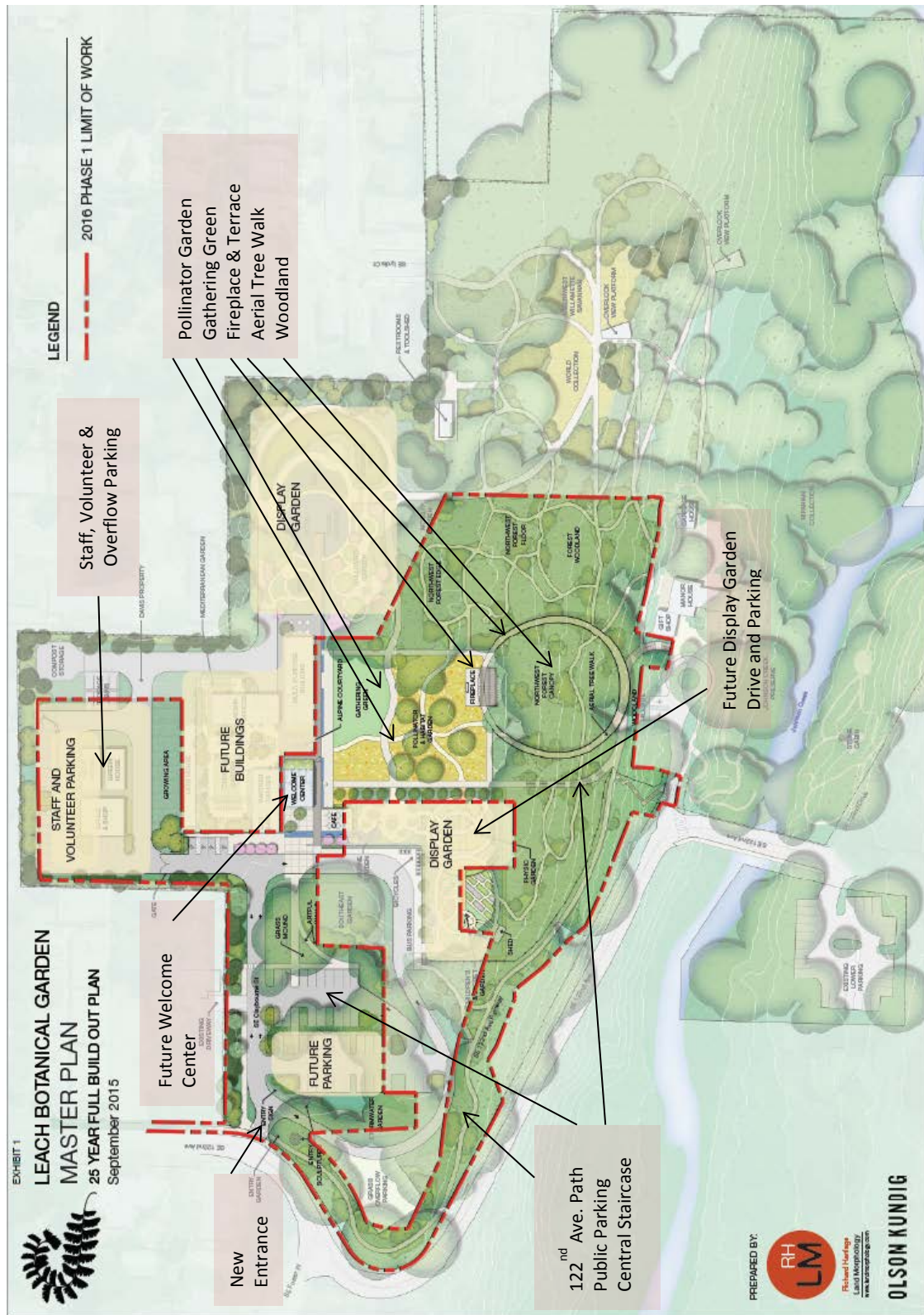
Location of Leach Botanical Garden



Lents Town Center URA

Leach Botanical Gardens

Leach Botanical Garden Master Plan



Lents Town Center URA Financial Summary

**Financial Summary
 Five-Year Forecast**

Lents Town Center URA Fund	Revised 1 FY 2017-18	Requested FY 2018-19	Forecast FY 2019-20	Forecast FY 2020-21	Forecast FY 2021-22	Forecast FY 2022-23
Resources						
Beginning Fund Balance	5,969,295	4,221,500	3,785,483	29,807,666	15,552,327	7,288,092
Revenue						
Fees and Charges	1,586	1,757	3,120	1,399	1,338	-
Interest on Investments	27,915	24,939	32,243	68,908	29,305	-
Loan Collections	1,700,591	874,583	614,653	461,053	461,053	461,053
TIF - Short Term Debt	10,989,000	11,988,000	11,988,000	-	-	-
TIF - Long Term Debt	27,200,000	-	28,469,003	-	-	-
Property Sales	0	200,000	-	-	-	-
Rent and Property Income	166,238	166,238	166,239	166,237	166,237	-
Reimbursements	64,905	64,905	64,905	64,905	64,905	-
Total Revenue	40,150,235	13,320,422	41,338,163	762,502	722,838	461,053
Total Resources	46,119,530	17,541,922	45,123,646	30,570,168	16,275,165	7,749,145
Requirements						
Administration						
A00029-Debt Management-LTC	38,243	38,243	38,243	38,243	38,243	38,243
Administration Total	38,243	38,243	38,243	38,243	38,243	38,243
Traded Sector						
A00113-Business Development-LTC	20,000	20,000	20,000	20,000	20,000	-
A00380-Lean Manufacturing-LTC	30,000	30,000	30,000	30,000	30,000	-
Community Economic Development						
A00121-Community Development-LTC	50,000	50,000	50,000	50,000	50,000	-
Business Lending						
A00208-BL -General-LTC	700,300	700,300	700,300	300,300	300,300	-
Economic Development Total	800,300	800,300	800,300	400,300	400,300	-
Housing						
A00170-Affordable Housing-LTC	18,536,204	6,748,506	3,055,191	3,124,361	2,059,950	1,792,049
Housing Total	18,536,204	6,748,506	3,055,191	3,124,361	2,059,950	1,792,049
Infrastructure						
Parks						
A00240-Leach Botanical Grdns-LTC	1,890,980	-	-	-	-	-
Transportation						
A00243-Foster-52nd to 82nd-LTC	1,453,800	-	-	-	-	-
Infrastructure Total	3,344,780	-	-	-	-	-
Property Redevelopment						
Real Estate						
A00325-Lents Little Lge Flt-LTC	7,500	7,500	7,500	-	-	-
A00326-Bakery Block-LTC	100,982	73,217	73,217	73,217	73,217	8,312
A00328-MetroAuto Whlsl WLot-LTC	9,500	-	-	-	-	-
A00329-MetroAuto Bldg & Lot-LTC	28,544	50	50	50	50	-
A00330-ArchtotronPrdctBldg-LTC	12,925	12,100	12,100	12,100	12,100	-
A00332-Real Estate Mgmt-LTC	41,200	33,000	33,000	33,000	33,000	-
Commercial Property Lending						
A00365-CPRL-General-LTC	19,306,030	1,001,000	6,001,000	6,001,000	1,001,000	-
Redevelopment Strategy						
A00331-Project Development-LTC	150,000	1,650,000	1,650,000	1,650,000	1,650,000	-
Redevelopment Grants						
A00130-CLG-General-LTC	250,000	250,000	250,000	250,000	250,000	259,213
A00501-Prosperity Investment Program (PIP) Grant-LTC	875,000	875,000	875,000	875,000	875,000	974,280
Property Redevelopment Total	20,781,681	3,901,867	8,901,867	8,894,367	3,894,367	1,241,805
Total Program Expenditures	43,501,208	11,488,916	12,795,601	12,457,271	6,392,860	3,072,097
Personnel Services	496,802	357,237	706,717	720,064	730,828	741,348
Total Fund Expenditures	43,998,010	11,846,153	13,502,318	13,177,335	7,123,688	3,813,445
Interfund Transfers - Indirect Charges	1,623,903	1,910,286	1,813,662	1,840,505	1,863,385	1,887,557
Contingency	497,617	3,785,483	29,807,666	15,552,327	7,288,092	2,048,142
Total Fund Requirements	46,119,530	17,541,922	45,123,646	30,570,168	16,275,165	7,749,145