



PROSPER
PORTLAND
Building an Equitable Economy

DATE: March 14, 2018
TO: Board of Commissioners
FROM: Kimberly Branam, Executive Director
SUBJECT: Report Number 18-09

Authorizing an Intergovernmental Agreement with Portland Bureau of Transportation in an Amount not to Exceed \$1,000,000 for Design and Construction of Lombard Pedestrian Enhancement Project

BOARD ACTION REQUESTED AND BRIEF DESCRIPTION

Adopt Resolution No. 7265

This action by Prosper Portland Board of Commissioners (Board) will authorize the executive director to enter into an Intergovernmental Agreement (IGA) between Prosper Portland and City of Portland (City) Bureau of Transportation (PBOT), providing funding in the amount not to exceed \$1,000,000 to design and construct the Lombard Pedestrian Enhancement Project (Project). When complete, the Project will feature pedestrian enhancements at key nodes of North Lombard Street, a major commercial corridor in north Portland within the Interstate Corridor Urban Renewal Area (URA), and be the first of several infrastructure investments from other municipal partners.

STRATEGIC PLAN ALIGNMENT AND OUTCOMES

The Project delivers on Prosper Portland's 2015-2020 Strategic Plan by strengthening and enhancing the Lombard commercial corridor as a complete and healthy neighborhood. The Project implements the key components of the Lombard Investment Strategy by constructing pedestrian enhancements along a two-mile stretch of North Lombard. The Project also aligns with the North/Northeast (N/NE) Community Development Initiative Action Plan goal to support business development and growth for business owners through Prosper Portland's Prosperity Investment Program (PIP) and community-based technical assistance.

BACKGROUND AND CONTEXT

The Interstate Corridor Urban Renewal Plan, adopted in 2000 and amended and restated in 2011, identifies transportation linkages as an important goal of creating complete neighborhoods for local residents and businesses. From 2001 to 2009, PBOT developed the Interstate Corridor URA Transportation Implementation Strategy with the Interstate Corridor URA Transportation Working Group, recommending investments in pedestrian and streetscape enhancements along North Lombard Street.

In 2014, Prosper Portland staff convened the Lombard Working Group, an approximately 25-member advisory body comprised of neighborhood residents and Lombard business owners to advise Prosper Portland and PBOT on priority improvements to the corridor. The Lombard Working Group's eight-month effort led to the 2015 Lombard Investment Strategy, which identified specific nodes for street

improvements and recommended investments along the corridor to assist and preserve existing businesses.

In 2016, Prosper Portland began to engage community members to develop the N/NE Community Development Initiative Action Plan to guide investment of the remaining \$32,000,000 in Interstate URA Tax Increment Financing (TIF) resources. While the N/NE Community Development Action Plan does not target any of the \$32,000,000 to the Lombard Investment Strategy, Prosper Portland has committed \$1,000,000 in previously earmarked resources for completion of the Lombard Pedestrian Enhancement Project.

The pedestrian enhancements funded by Prosper Portland will include the west (North Emerald to North Delaware avenues) and east (Interstate 5 to North Albina Avenue) priority nodes along North Lombard Street and implemented as part of the first phase of infrastructure improvements (see Attachment A showing Project nodes).

In addition to the infrastructure investments, Prosper Portland will reserve \$500,000 for business preservation and expansion activities along the corridor through the agency's Prosperity Investment Program (PIP) and by expanding technical services to area businesses. The pedestrian enhancements will include bike racks, sidewalk repair, street trees, pedestrian-scale street lights, curb ramp reconstruction, and bollards.

In addition to Prosper Portland's \$1,000,000 investment, the Oregon Department of Transportation (ODOT) has programmed approximately \$8,000,000 in street improvements along North Lombard Street to implement the some of the priorities identified in the Lombard Investment Strategy. PBOT will begin construction of the Prosper Portland-funded improvements in 2019 and the ODOT improvements in 2020.

EQUITY IMPACT

Prosper Portland's investment in the Project and in future business development has several positive equity impacts. One, this is a much-needed investment in the Lombard corridor which is bounded by neighborhoods with higher than City-average poverty rates and percentages of people of color. Two, the investment will be subject to Prosper Portland's Social Equity Policy, providing opportunities for minority/women/emerging/small businesses in design and construction contracts. Three, staff will prioritize PIP grants and technical assistance to businesses and property owners who are women and/or people of color and to property owners who have been in the area since 2000 or earlier.

COMMUNITY PARTICIPATION AND FEEDBACK

The eight-month community input process resulting in the Lombard Investment Strategy included public branding workshops, six walking tours, business outreach, a public open house, and a working group representing property and business owners that provided direct input. In addition, staff connected with community stakeholders during the N/NE Community Development Initiative process and discussed the Project with the Prosper Portland Budget Advisory Committee. Most recently, on January 25, 2018, Prosper Portland and PBOT staff met with the North Portland Land Use Group, a committee representing a coalition of North Portland neighborhood organizations, to review project status, the partners' investment commitment, and next steps.

BUDGET AND FINANCIAL INFORMATION

There are sufficient resources in the fiscal year 2018/19 Interstate Corridor URA budget for both the infrastructure investment in the Project and future PIP grants and business technical assistance (see Attachment B). Of the remaining budget in the Lombard Investment line item, \$500,000 will be

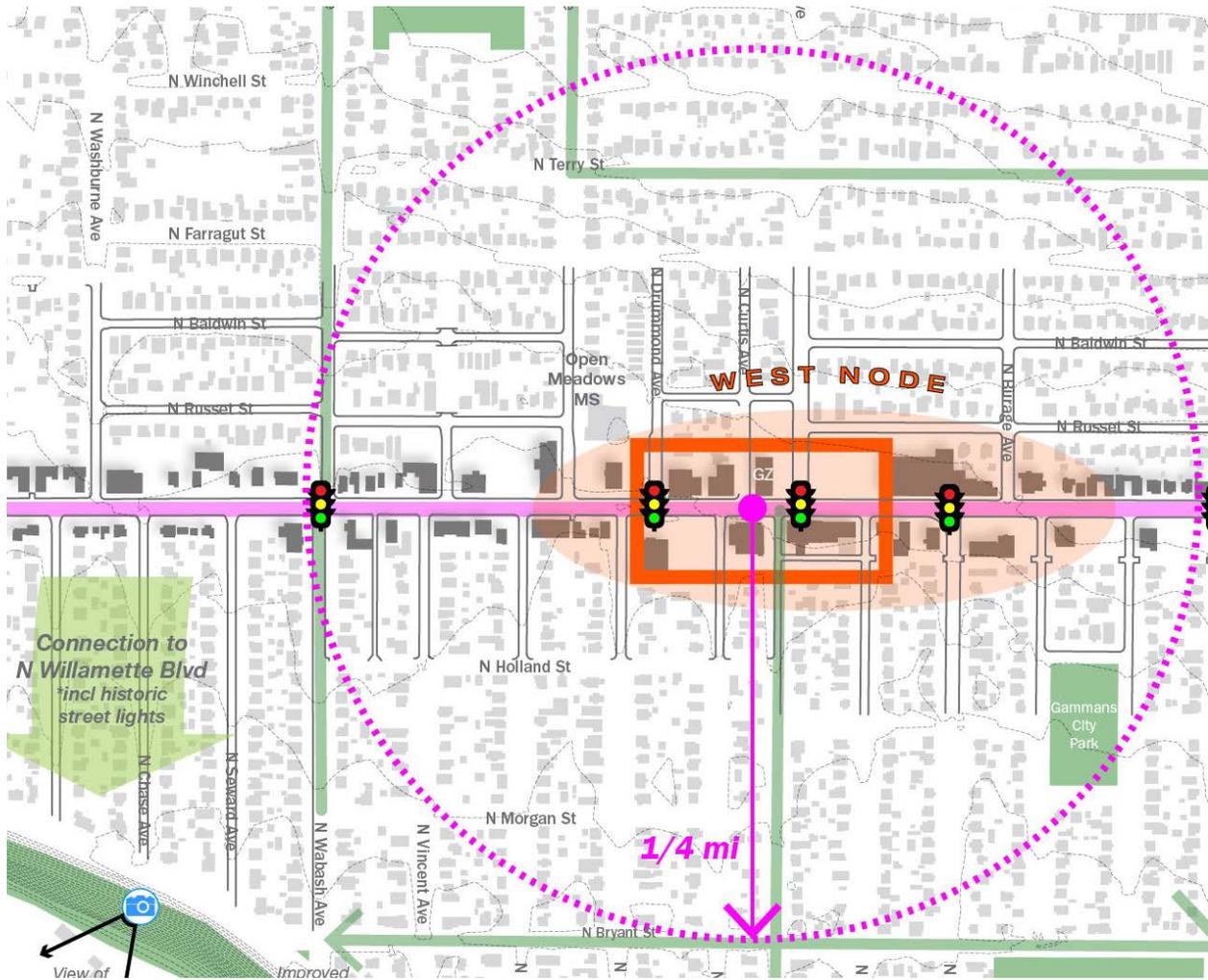
allocated to the Prosperity Investment Program line item and approximately \$700,000 will be allocated to the Community Development line item for community outreach activities in a future budget amendment.

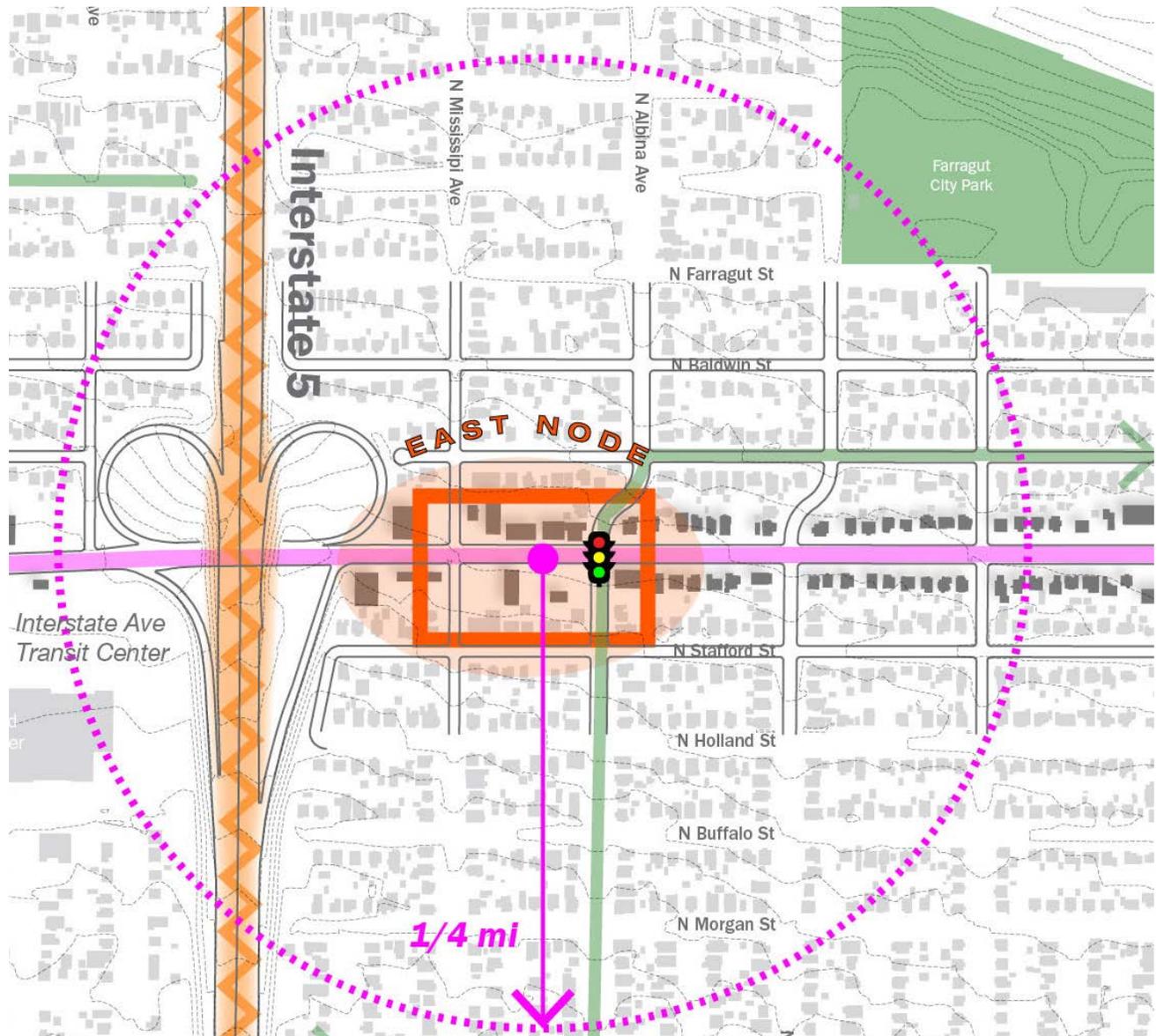
RISK ASSESSMENT

There are little to no risks to this action.

ATTACHMENTS

- A. Lombard Corridor Pedestrian Investment Map
- B. Approved FY 2017-18 and Forecast Years Interstate URA Budget





Interstate Corridor URA Financial Summary

**Financial Summary
Five-Year Forecast**

<u>Interstate Corridor URA Fund</u>	<u>Revised 2 FY 2016-17</u>	<u>Adopted FY 2017-18</u>	<u>Forecast FY 2018-19</u>	<u>Forecast FY 2019-20</u>	<u>Forecast FY 2020-21</u>	<u>Forecast FY 2021-22</u>
Resources						
Beginning Fund Balance	26,176,511	29,209,467	8,879,064	2,067,802	7,477,743	30,127,489
Revenue						
Fees and Charges	4,991	1,854	1,510	2,128	534	236
Interest on Investments	164,901	88,931	27,454	5,269	25,495	94,772
Loan Collections	647,961	231,898	188,870	265,989	66,762	29,517
TIF - Short Term Debt	18,981,000	18,981,000	18,981,000	18,981,000	18,981,000	-
TIF - Long Term Debt	0	9,000,000	5,253,240	-	26,387,990	-
Property Sales	502,160	-	-	-	-	-
Rent and Property Income	265,248	283,879	332,605	361,041	390,125	364,692
Reimbursements	71,526	93,366	93,956	104,823	115,913	106,465
Total Revenue	20,637,785	28,680,748	24,878,635	19,720,050	45,967,819	595,682
Total Resources	46,814,296	57,890,215	33,757,699	21,787,852	53,445,562	30,723,171
Requirements						
Administration						
A00030-Debt Management-ISC	23,532	22,532	22,532	22,532	22,532	22,532
Administration Total	23,532	22,532	22,532	22,532	22,532	22,532
Traded Sector						
A00114-Business Development-ISC	5,000	-	-	-	-	-
Community Economic Development						
A00122-Community Development-ISC	0	200,000	200,000	200,000	200,000	200,000
A00106-NPI & Main St Network-ISC	60,000	50,000	50,000	50,000	50,000	50,000
Business Lending						
A00209-BL-General-ISC	195,000	-	-	-	-	-
Economic Development Total	260,000	250,000	250,000	250,000	250,000	250,000
Housing						
A00171-Affordable Housing-ISC	9,625,515	35,742,422	21,341,369	4,301,428	11,508,793	8,639,570
A00516-N/NE Middle Inc Hsg-ISC	400,000	1,800,000	1,800,000	1,200,000	400,000	-
Housing Total	10,025,515	37,542,422	22,941,369	5,501,428	11,908,793	8,639,570
Infrastructure						
Transportation						
A00249-Killingsworth Stscape-ISC	200,000	60,000	-	-	-	-
A00250-Lombard Investment-ISC	0	1,228,985	-	-	1,000,000	-
Infrastructure Total	200,000	1,288,985	-	-	1,000,000	-
Property Redevelopment						
Real Estate						
A00335-Nelson Bldg-Indust-ISC	700,693	85,932	79,935	79,935	79,935	79,935
A00336-Spar-Tek Building-ISC	73,267	29,513	25,400	25,400	25,400	25,400
A00337-Argyle Lot-ISC	6,700	6,700	6,700	6,700	6,700	6,700
A00338-3820 NE MLK Prkng-ISC	12,066	11,566	11,566	11,566	11,566	11,566
A00340-Reiss House-ISC	8,892	-	-	-	-	-
A00342-Real Estate Mgmt-ISC	15,500	17,500	17,500	17,500	17,500	17,500
Commercial Property Lending						
A00366-CPRL-General-ISC	1,879,172	2,492,657	1,942,657	1,950,000	3,500,000	1,300,000
A00527-CPRL-PIP Match-ISC	0	1,350,000	1,350,000	1,350,000	1,350,000	550,000
Redevelopment Strategy						
A00333-MLK Alberta-ISC	311,180	996,520	230,138	200,858	210,005	227,575
A00341-Project Development-ISC	20,000	-	-	-	-	-
A00515-MLK Heritage Markers-ISC	0	250,000	-	-	-	-
Redevelopment Grants						
A00131-CLG-General-ISC	760,000	500,000	500,000	500,000	500,000	500,000
A00138-DOS-General-ISC	24,000	-	-	-	-	-
A00146-SIP-General-ISC	350,000	-	-	-	-	-
A00502-Prosperity Investment Program (PIP) Grant-ISC	700,000	1,200,000	1,200,000	1,200,000	1,200,000	500,000
Property Redevelopment Total	4,861,290	6,940,388	5,363,896	5,341,959	6,901,106	3,218,676
Total Program Expenditures	15,370,337	46,042,327	28,577,797	11,115,919	20,082,431	12,130,778
Personnel Services	493,544	583,288	677,936	700,445	710,864	721,040
Total Fund Expenditures	15,863,881	46,625,615	29,255,733	11,816,364	20,793,295	12,851,818
Interfund Transfers - Indirect Charges	2,075,948	2,365,536	2,434,164	2,493,745	2,524,778	2,569,611
Contingency	28,874,467	8,879,064	2,067,802	7,477,743	30,127,489	15,301,742
Total Fund Requirements	46,814,296	57,890,215	33,757,699	21,787,852	53,445,562	30,723,171