



DATE: July 18, 2018
TO: Board of Commissioners
FROM: Kimberly Branam, Executive Director
SUBJECT: Report Number 18-34
Update on the Oregon Harbor of Hope Portland Homeless Navigation Center

BRIEF DESCRIPTION OF INFORMATION ITEM

No action is requested; information only.

At the July 18, 2018 Prosper Portland Board of Commissioners (Board) meeting, staff will provide an update on the status of efforts to locate the Oregon Harbor of Hope (OHOH) Portland Homeless Navigation Center (Navigation Center) on Prosper Portland owned property. The Navigation Center is a temporary shelter providing short-term residency and services for up to 120 homeless persons with the goal of helping individuals transition to the next step in care, capability, and self-help (see Attachment A for a fact sheet and rendering).

Prosper Portland intends to enter into a master lease agreement with the City of Portland's Office of Management and Finance (OMF), supported by the Joint Office of Homeless Services of Multnomah County (JOHS), to provide property for OHOH to construct a Navigation Center on vacant Prosper Portland-owned property located at NW Naito Parkway adjacent to and under the Broadway Bridge. For more details about the property (commonly known as the Broadway Bridge Site), see Attachment B. Since the term of the master lease is anticipated to be terminable in less than five years, the Prosper Portland executive director has the authority to execute the transaction; however, staff would like to provide a formal update to the Prosper Portland Board at their July meeting.

STRATEGIC PLAN ALIGNMENT AND OUTCOMES

While the services provided by the Navigation Center do not directly meet Prosper Portland 2015-2020 Strategic Plan goals, the master lease will allow Prosper Portland to partner with private and municipal partners to address one of Portland's most pressing challenges.

BACKGROUND AND CONTEXT

Prosper Portland acquired the Broadway Bridge Site in 1987 as part of the broader Union Station acquisition. Over time, Prosper Portland dispositions of the broader property portfolio have led to several successful redevelopment projects, including Station Place Garage, Courtyard Marriott, The Yards, Station Place Tower, and Ziba Design Studio. Since 2000, Prosper Portland has partnered with several development partners to invest in and redevelop the Broadway Bridge Site, none of which led to ultimate investment and development. More recently, staff has characterized this property as a Mission Related Investment in the agency's Financial Sustainability Plan, but did not have any immediate or pending disposition plans. The Broadway Bridge Site is included as part of Prosper Portland's Broadway Corridor study area. The Broadway Corridor development and master planning work, which is

anticipated to conclude in 2019, does not currently contemplate the Broadway Bridge Site as a phase one development opportunity.

In early 2018, OHOH contacted the Office of the City of Portland Mayor Ted Wheeler indicating their interest in locating the Navigation Center on the Broadway Bridge Site. Staff from Prosper Portland, the Mayor's Office, OMF, JOHS, and OHOH has since negotiated general terms to temporarily locate and operate the Navigation Center on this site. As currently contemplated, Prosper Portland and OMF will execute a master lease agreement, with an initial term of two years, with three one-year options to extend for a maximum five-year lease term. This maximum lease term is critical to not impacting the broader community and agency goals of redevelopment of the Broadway Corridor area. OMF will then sublease the land to OHOH for the construction and operation (with their partner, Transition Projects) of the Navigation Center. Operations, maintenance, and security will be collectively managed between OMF, JOHS, OHOH, and Transition Projects, with little to no involvement by Prosper Portland.

Working under an existing long-term agreement between Prosper Portland and the Oregon Department of Environmental Quality (DEQ), OHOH will be responsible for any necessary site remediation work, including ensuring that any site work is in compliance with the existing Record of Decision, which requires the installation of engineered capping at the site to restrict occupant contact with subsurface contamination. Prosper Portland staff is working in cooperation with DEQ and OHOH to ensure these requirements are met.

Additionally, Prosper Portland is working with the City of Portland Bureau of Development Services and the Portland Bureau of Transportation to construct a curb cut along NW Naito Parkway for access to the Broadway Bridge Site and working with OHOH as they seek to resolve potential right-of-way and setback concerns. While Prosper Portland will not be responsible for any direct costs associated with site preparation or construction of the Navigation Center, staff will continue to provide ongoing support through bureau coordination to ensure policy and regulatory compliance.

After the master lease between Prosper Portland and OMF and the operating lease between OMF and OHOH are executed; permitting issues have been addressed; and environmental issues fulfilled; OHOH will operate the Navigation Center safely and securely for up to five years, after which the Broadway Bridge Site will again be available for Prosper Portland to accommodate future, permanent development that meets community and economic development priorities.

EQUITY IMPACT

The Navigation Center will provide short-term shelter and supportive service opportunities for up to 120 persons of all ages and circumstances to embark on a path to permanent shelter and productive, healthy lives. By executing a master lease, Prosper Portland will allow OHOH and its partners to provide support and services to some of the city's most vulnerable and marginalized individuals.

ATTACHMENTS

- A. Fact Sheet and Rendering
- B. Property Information – Broadway Bridge Site