



**DATE:** January 15, 2020  
**TO:** Board of Commissioners  
**FROM:** Kimberly Branam, Executive Director  
**SUBJECT:** Report Number 20-01

Approving an Amended and Restated Intergovernmental Agreement with the City of Portland Bureau of Transportation for Construction of the Congressman Earl Blumenauer Pedestrian/Bicycle Bridge

#### **BOARD ACTION REQUESTED AND BRIEF DESCRIPTION**

Adopt Resolution No. 7351

This action by the Prosper Portland Board of Commissioners (Board) will authorize the Executive Director to execute an Amended and Restated Intergovernmental Agreement (IGA) with the City of Portland Bureau of Transportation (PBOT) that will authorize an additional \$2,500,000 Prosper Portland investment in the Congressman Earl Blumenauer Pedestrian/Bicycle Bridge (Project) (formerly known as the Sullivan’s Gulch Pedestrian/Bicycle Bridge) located in the Oregon Convention Center Tax Increment Finance (TIF) District (see Project Renderings in Attachment A).

If approved, this action will provide PBOT with necessary funds to construct the Project, thereby providing a critical point of access between two thriving business districts—Lloyd and Central Eastside.

#### **STRATEGIC PLAN ALIGNMENT AND OUTCOMES**

This action aligns with Prosper Portland’s Strategic Plan by creating healthy connected neighborhoods.

#### **BACKGROUND AND CONTEXT**

PBOT will construct a new pedestrian/bicycle bridge over Interstate 84 and the Union Pacific Railroad to better connect the rapidly growing Lloyd and Central Eastside districts. The Project, called for in the Central City 2035 Plan as part of a larger “Green Loop,” will provide a safer, more convenient connection for people walking and cycling between the two busy areas. The Project will be located along the NE 7th Avenue alignment to best serve the geographic centers of both districts, link to existing and planned bike routes, and reduce conflicts with truck traffic. The Project is consistent with the Oregon Convention Center Urban Renewal Plan to make improvements to transit infrastructure that will stimulate private investment and retain and grow area employment. Furthermore, the Project is accounted for the agency’s Financial Sustainability Plan as a grants allocation.

The Prosper Portland Board authorized the original IGA through Resolution No. 7300 on February 13, 2019, directing the Executive Director to commit \$2,000,000 in funding to the Project. In exchange for the investment, PBOT staff recommended to City Council the addition of \$5,000,000 in eligible project costs to the Transportation System Development Charge (TSDC) Capital Project List entitled Post Office

Blocks Transportation Improvements, Phase 1. These improvements include but are not limited to extending Park and Johnson Streets through the Broadway Corridor redevelopment site and adding traffic signals at NW 9<sup>th</sup> and Everett and 9<sup>th</sup> and Glisan intersections located in the River District TIF District.

PBOT completed design and bidding of the Project in autumn 2019. Due to market conditions and the addition of bridge access improvements to the Project scope, the total cost of the Project is now estimated at \$17,500,000, an increase from the initial cost estimate of \$13,500,000 at the time of the Prosper Portland Board’s initial approval. This revised cost is based on a negotiated guaranteed maximum price with a general contractor; PBOT is responsible for any additional cost increases.

The IGA for which Prosper Portland staff is seeking authorization would contemplate the addition of an allocation of \$2,500,000 in Prosper Portland’s FY 2020-21 Oregon Convention Center Tax Increment Finance (TIF) budget dedicated to construction of the Project, which would bring the total amount of Prosper Portland funding to \$4,500,000.

In return for Prosper Portland’s additional contribution, PBOT staff will commit in a revised Memorandum of Understanding to recommend to City Council amending the PBOT TSDC project list within the Central City to:

- Increase the eligible project costs for the Post Office Blocks Transportation Improvements TSDC Capital Project from \$5,000,000 to \$10,000,000.
- Add a new TSDC Capital Project entitled OMSI Area Transportation Improvements in the amount of \$5,000,000.
- Add a new TSDC Capital Project entitled Central City Green Loop Transportation Improvements in the amount of \$8,000,000. The IGA terms presented will benefit three TIF districts: Oregon Convention Center, Central Eastside, and River District.

Following is a summary of the revised funding package for the Project:

	Original Funds	Additional Funds
PBOT (TSDCs)	\$11,000,000.00	\$1,500,000.00
Prosper Portland (Oregon Convention Center TIF)	\$2,000,000.00	\$2,500,000.00
Go Lloyd	\$250,000.00	-
Central Eastside Industrial Council	\$250,000.00	-
<b>Total</b>	<b>\$13,500,000.00</b>	<b>\$17,500,000.00</b>

### **EQUITY IMPACT**

The Project will be subject to the City of Portland’s Equity Policy through the Business and Workforce Equity programs. In addition to meeting contracting goals, Prosper Portland’s investment in the Project provides a series of community and public benefits including:

1. A more connected district by providing a safe alternative transit pathway for area residents and employees moving between Lloyd and the Central Eastside;

2. Additional transportation infrastructure supports the retention and growth of area employment;  
and
3. Partnerships to leverage public and private dollars for shared investment in Portland’s central city.

**COMMUNITY PARTICIPATION AND FEEDBACK**

PBOT partnered with organizations including Go Lloyd, Central Eastside Industrial Council, Oregon Department of Transportation, and Union Pacific Railroad on design and construction. In addition, PBOT staff conducted a series of public outreach sessions, including an open house and attending community and business association meetings to share progress and collect input throughout the course of the Project—most notably on design and the alignment. Prosper Portland staff has participated in several of those meetings providing feedback on aspects of the Project. In addition, agency staff engaged with the community during the annual budget outreach process and confirmed support for Prosper Portland to contribute to the Project.

**BUDGET AND FINANCIAL INFORMATION**

There are sufficient resources in the fiscal year (FY) 2019-20 Oregon Convention Center TIF district fund for the Project (see Attachment B). However, staff estimates that the Project will not be completed until FY 2020-21, and will request a budget revision in the coming months to adequately reflect the project timeline.

**RISK ASSESSMENT**

Prosper Portland’s contribution ensures PBOT has the full amount of financial resources required to construct the Project. The agency will mitigate its risk by contributing funds on a reimbursement basis and only for Project construction.

**ATTACHMENTS**

- A. Project Renderings
- B. Oregon Convention Center FY 2019-20 Budget

**Project Renderings**



Looking southwest from Lloyd Blvd



Span over I-84 from NE 7<sup>th</sup> to SE 7<sup>th</sup> Avenues

**Oregon Convention Center FY 2019-20 Budget**

**Financial Summary  
 Five-Year Forecast**

Convention Center TIF Fund	Revised FY 2019-20	Forecast <sup>1</sup> FY 2020-21	Forecast FY 2021-22	Forecast FY 2022-23	Forecast FY 2023-24
<b>Resources</b>					
Beginning Fund Balance	14,782,840	2,450,347	3,264,514	11,045,365	12,571,990
Revenue					
Fees and Charges	6,074	4,998	4,998	-	-
Interest on Investments	161,592	271,832	81,895	84,186	50,536
Loan Collections	551,871	561,754	611,172	611,173	1,231,114
Other Debt	-	-	8,000,000	-	-
Rent and Property Income	3,158,000	5,831,000	5,831,000	5,831,000	5,831,000
Total Revenue	3,875,537	6,669,584	14,528,865	6,506,365	7,112,650
Total Resources	18,658,177	9,119,931	17,793,379	18,451,724	19,684,640
<b>Requirements</b>					
<b>Administration</b>					
A00027-Debt Management-CNV	19,651	12,121	12,121	12,121	12,121
Administration Total	19,651	12,121	12,121	12,121	12,121
<b>Economic Development</b>					
<b>Traded Sector</b>					
A00111-Business Development-CNV	5,000	-	-	-	-
Traded Sector Total	5,000	-	-	-	-
Community Economic Development Total	-	-	-	-	-
<b>Business Lending</b>					
A00206-BL-General-CNV	150,000	150,000	150,000	150,000	-
Business Lending	150,000	150,000	150,000	150,000	-
Economic Development Total	155,000	150,000	150,000	150,000	-
<b>Housing</b>					
A00188-Affordable Housing-CNV	592,031	-	-	-	-
Housing Total	592,031	-	-	-	-
<b>Infrastructure</b>					
<b>Parks Total</b>					
-	-	-	-	-	-
<b>Transportation</b>					
A00521-Sullivan's Crossing Bridge-CNV	4,500,000	-	-	-	-
Transportation Total	4,500,000	-	-	-	-
Public Facilities Total	-	-	-	-	-
Infrastructure Total	4,500,000	-	-	-	-
<b>Property Redevelopment</b>					
<b>Commercial Property Lending</b>					
A00363-CPRL-General-CNV	500,000	500,000	500,000	500,000	-
Commercial Property Lending	500,000	500,000	500,000	500,000	-
<b>Real Estate Management</b>					
A00308-910 NE MLK Building-CNV	17,031	27,022	27,022	27,022	27,022
A00307-Frmv B&K Car Rental-CNV	13,500	13,500	13,500	13,500	13,500
A00309-Inn as Conv Car Mgmt-CNV	4,000,805	1,992,150	1,992,150	1,992,150	1,992,150
A00310-Block 49-CNV	1,142,242	1,113,000	1,113,000	1,113,000	1,113,000
A00384-100 Multnomah-CNV	10,000	10,000	-	-	-
Real Estate Management	5,183,578	3,155,672	3,145,672	3,145,672	3,145,672
Real Estate Acquisition	-	-	-	-	-
Real Estate Redevelopment	-	-	-	-	-

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Convention Center TIF Fund	Revised FY 2019-20	Forecast <sup>1</sup> FY 2020-21	Forecast FY 2021-22	Forecast FY 2022-23	Forecast FY 2023-24
A00310-Hotel Garage Operations-CNV	10,000	10,000	10,000	10,000	10,000
A00384-100 Multnomah-CNV	2,110,700	-	-	-	-
Real Estate Redevelopment	2,120,700	10,000	10,000	10,000	10,000
<b>Real Estate Disposition</b>					
Real Estate Disposition	7,304,278	3,185,672	3,155,672	3,155,672	3,155,672
<b>Redevelopment Strategy</b>					
A00298-Eco District-CNV	2,500	-	-	-	-
A00311-Project Development-CNV	418,208	1,000,000	1,000,000	1,000,000	-
A00437-Hotel Garage-CNV	4,084,782	-	-	-	-
Redevelopment Strategy Total	4,503,488	1,000,000	1,000,000	1,000,000	-
<b>Redevelopment Grants</b>					
A00385-Prosperity Investments Program (PIP)	100,000	100,000	100,000	100,000	100,000
Redevelopment Grants	100,000	100,000	100,000	100,000	100,000
Property Redevelopment Total	12,407,746	4,766,672	4,766,672	4,766,672	3,256,672
Total Program Expenditures	17,674,428	4,927,793	4,917,793	4,917,793	3,267,793
Personnel Services	191,614	382,121	382,668	397,985	374,650
Total Fund Expenditures	17,866,042	5,309,914	5,300,461	5,315,778	3,642,643
Intrafund Transfers - Indirect Charges	548,651	545,503	547,553	583,956	544,116
Contingency	245,484	3,264,514	11,045,365	12,571,990	15,407,881
Total Fund Requirements	18,658,177	9,119,931	17,793,379	18,451,724	19,684,640