



DATE: August 12, 2020
TO: Board of Commissioners
FROM: Kimberly Branam, Executive Director
SUBJECT: Report Number 20-38

Authorizing an Amendment to an Intergovernmental Agreement with the City of Portland Bureau of Transportation for the Foster Streetscape Project in the Lents Town Center Tax Increment Finance District

BOARD ACTION REQUESTED AND BRIEF DESCRIPTION

Adopt Resolution No. 7393

This action by the Prosper Portland Board of Commissioners (Board) will authorize the Executive Director to amend the Intergovernmental Agreement (IGA) between Prosper Portland and the Portland Bureau of Transportation (PBOT) for the Foster Streetscape Project Final Design and Construction Project (Project) in the Lents Town Center Tax Increment Finance (TIF) District. The amendment increases funding for the Project from \$1,453,956 to \$2,103,956 for the construction of streetscape improvements along SE Foster Road (see Project Renderings and Map in Attachment A).

If approved, this action will reimburse PBOT for cost overruns associated with the unusually high bid costs and existing roadway conditions experienced during the construction of the streetscape improvements along SE Foster Road.

STRATEGIC PLAN ALIGNMENT AND OUTCOMES

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

BACKGROUND AND CONTEXT

In 2003, in response to community aspirations to create a safe, business-friendly street, PBOT, through an extensive public process to improve safety along SE Foster Road and support neighborhood businesses, developed the Foster Road Transportation and Streetscape Plan (Streetscape Plan). The Streetscape Plan extends from SE Powell Boulevard and SE Foster Road to SE 91st Avenue and SE Foster Road and includes restriping, sidewalk, crossing and safety improvements for the length of the corridor. The Streetscape Plan also builds on the Foster-Woodstock Streetscape Enhancement Project which was completed in 2014 and focused on implementing recommendations for the Lents Town Center Business District Transportation Plan (1999) along SE Foster Road and SE Woodstock Avenue in the Lents Town Center.

In 2014, Portland City Council adopted the recommendations of the revised Streetscape Plan. The focus of the Streetscape Plan is to help transform Foster into a successful commercial corridor by providing

greater accessibility for all modes of transportation, increasing safety and attractiveness to support local businesses and neighborhoods.

In December 2016, the Prosper Portland Board through Resolution No. 7225 authorized an IGA with PBOT for the Final Design and Construction of the Foster Streetscape Project in the Lents Town Center TIF District. That authorization provided funding in an amount not to exceed \$1,453,956. However, once construction of the improvements began in summer 2018 the Project experienced delays and cost overruns due in part to existing road and infrastructure conditions. This amendment increases the amount of Prosper Portland’s investment to \$2,103,956 and reimburses PBOT for costs incurred. The additional \$650,000 in Project funding considered in this authorization is from Tax Exempt Bonds raised in the Lents Town Center TIF District, and consequently the use of these funds is restricted to public infrastructure improvements, including streetscape improvements.

In addition to the Lents Town Center TIF funds, PBOT contributed \$3,600,000 and leveraged \$3,313,400 in federal funds to fully fund the Project. See the table below for a complete breakdown on the sources of funds utilized for the final design and construction phase of the Project.

Source of Funds	
Lent Town Center TIF	\$2,103,956
Fixing Our Streets	\$3,000,000
PBOT Systems Development Charges	\$600,000
Federal Funds	\$3,313,400
Total Project Costs	\$9,017,356

In exchange for Prosper Portland’s additional investment in the Project, 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 9th Avenue and Everett Street and NW 9th Avenue and Glisan Street intersections located in the River District TIF District.

EQUITY IMPACT

Federal funds leveraged in the project required 15 percent Disadvantaged Business Enterprise participation, and PBOT reports indicate that the contractor exceeded this goal.

Prosper Portland’s investment in the Project provides a series of community and public benefits by contributing to a transportation system that:

1. Prioritizes safety first;
2. Promotes equity by providing affordable and convenient travel options for everyone to better serve people of color, people with disabilities, and those who depend on transit; and
3. Improves sustainability by helping residents and businesses reduce carbon emissions.

COMMUNITY PARTICIPATION AND FEEDBACK

There has not been any public outreach related to this specific action. However, PBOT conducted significant public outreach throughout the streetscape improvement planning, design, and construction phases of the project. Outreach included five open houses attended by more than 450 people and a survey of more than 430 people (80 percent of whom supported the Streetscape Plan). The process also included multiple opportunities for public feedback, including targeted outreach to low-income communities of color and communities with limited English proficiency. Community feedback from businesses, neighborhood associations, schools, local organizations, and hundreds of residents was overwhelmingly supportive of the recommendations of the Streetscape Plan. Some stakeholders expressed concern about increased congestion. Throughout the entire process PBOT staff provided regular updates to the Foster Area Business Association and the Foster Powell Neighborhood Association.

BUDGET AND FINANCIAL INFORMATION

There are no resources in the Fiscal Year 2020-21 Adopted Budget for this action. Therefore, in a separate action on the August 12, 2020 agenda, staff will request the Prosper Portland Board adopt a budget amendment to fund this Project.

RISK ASSESSMENT

There are very few risks to this proposed action. Prosper Portland's contribution reimburses PBOT for costs incurred on the Project, and PBOT will submit certified invoices to ensure the funds were spent on TIF-eligible improvements.

ATTACHMENTS

- A. Project Renderings and Map
- B. Lents Town Center TIF District
- C. FY 2020-21 Budget

PROJECT RENDERINGS AND MAP

WHAT TO EXPECT DURING CONSTRUCTION:

- Construction is slated to begin in mid-May and be substantially completed by late October.
- SE 82nd to 90th Avenues: One lane of traffic will be maintained in each direction with no on-street parking during the full reconstruction of the roadway. This work is expected to last six months.
- SE 82nd Avenue: Westbound left turns from Foster Road at SE 82nd Avenue will be detoured.
- SE 52nd to 82nd Avenue: Periodic and localized construction activity will impact traffic on a block-by-block basis, with traffic reduced to one lane in each direction and a center turn lane. Parking restrictions will also be localized and periodic.

Funding for the \$9 million Foster Road Project comes from the Fixing our Streets Program, the Lents Town Center Urban Renewal District, Portland Transportation System Development Charges and a federal grant.

FOR BUSINESS OWNERS:

Prosper Portland may be able to provide a loan, grant or technical assistance to qualified businesses and property owners for the purpose of growing your business, improving your place of business or redeveloping your commercial property. Call or email Nixie Stark at Prosper Portland to find out if you are eligible. Nixie Stark (503) 823-0465 StarkN@ProsperPortland.us

FOR MORE INFORMATION & TO SIGN UP FOR UPDATES, VISIT:

www.saferfoster.com

Project Manager contact:

503.823.7780

Rich.Newlands@portlandoregon.gov



FOSTER ROAD STREETScape PROJECT

CONSTRUCTION SPRING-FALL 2018

www.SaferFoster.com



82nd Ave. Rendering by Jake Marshall, ASLA

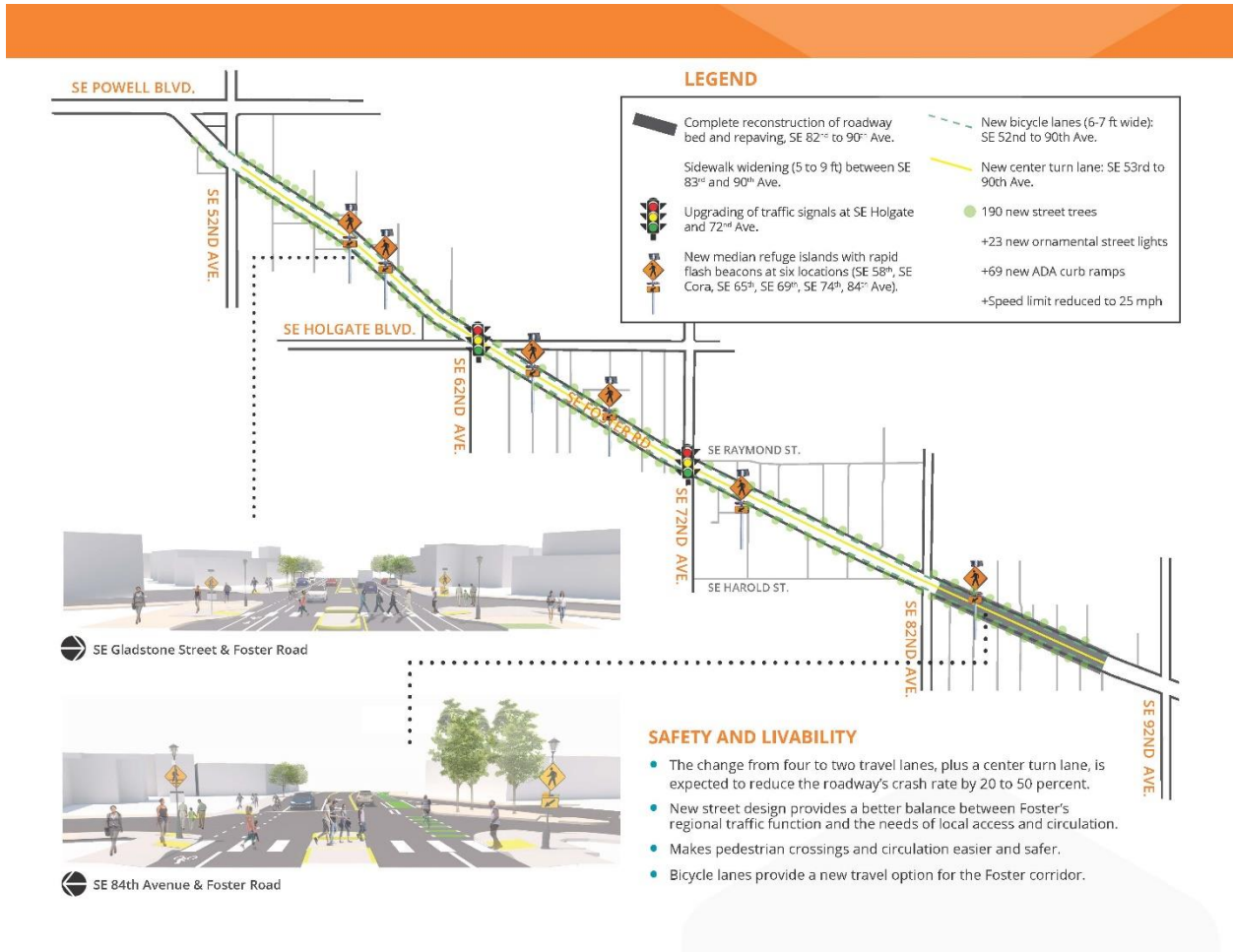
The Foster Road Streetscape Project will deliver a street that is safer and more attractive for people walking, biking, taking transit and driving. With improved crossings and other safety features, modern signals, new pavement, 190 street trees and new decorative street lights, the project will transform Foster Road into an inviting thoroughfare that supports a vibrant commercial district and enhances the quality of life in the surrounding neighborhoods.

The City of Portland complies with all non discrimination, Civil Rights laws including Civil Rights Title VI and ADA Title II. To request translation, interpretation, accommodation, modifications, or additional info please contact PBOT at 503-823-5185, or use City TTY 503.823.6868, or Oregon Relay Service: 711.

Portland Bureau of Transportation
503-823-5815 | @PBOTinfo
portlandoregon.gov/transportation



Lents Town Center TIF District



FY 2020-21 Budget

**Financial Summary
Five-Year Forecast**

<u>Lents Town Center TIF Fund</u>	<u>Revised 5 FY 2019-20</u>	<u>Adopted FY 2020-21</u>	<u>Forecast FY 2021-22</u>	<u>Forecast FY 2022-23</u>	<u>Forecast FY 2023-24</u>	<u>Forecast FY 2024-25</u>
Resources						
Beginning Fund Balance	7,290,065	360,588	3,872,846	6,204,591	5,016,410	9,222,853
Revenue						
Fees and Charges	3,120	1,399	1,338	-	-	-
Interest on Investments	506,111	652,077	424,023	258,504	128,963	35,904
Loan Collections	196,673	263,774	407,501	484,243	478,670	403,567
TIF - Short Term Debt	11,988,000	15,020,591	11,988,000	11,988,000	11,150,499	-
Property Sales	2,445,640	-	155,000	-	-	-
Rent and Property Income	108,418	-	-	50,000	-	285,388
Reimbursements	43,452	18,540	19,096	19,669	20,259	20,867
Total Revenue	15,291,414	15,956,381	12,994,958	12,800,416	11,778,391	745,726
Total Resources	22,581,479	16,316,970	16,867,804	19,005,007	16,794,801	9,968,579
Requirements						
Administration						
A00029-Debt Management-LTC	78,096	38,243	38,243	38,243	20,000	20,000
Administration Total	78,096	38,243	38,243	38,243	20,000	20,000
Economic Development						
Traded Sector						
A00113-Business Development-LTC	20,000	20,000	20,000	-	-	-
A00380-Lean Manufacturing-LTC	10,000	-	-	-	-	-
Community Economic Development						
A00121-Community Development-LTC	50,000	50,000	50,000	-	-	-
Business Lending						
A00208-BL-General-LTC	700,300	300,300	300,300	100,000	100,000	-
Economic Development Total	780,300	370,300	370,300	100,000	100,000	-
Housing						
A00170-Affordable Housing-LTC	4,583,993	3,042,251	2,437,006	7,011,209	1,876,962	713,064
Housing Total	4,583,993	3,042,251	2,437,006	7,011,209	1,876,962	713,064
Infrastructure						
Parks						
A00240-Leach Botanical Grdns-LTC	1,890,986	-	-	-	-	-
Infrastructure Total	1,890,986	-	-	-	-	-
Property Redevelopment						
Commercial Property Lending						
A00365-CPRL-General-LTC	7,201,000	4,001,000	3,001,000	2,000,000	1,000,000	-
A00623-Bakery Blocks-CPRL-LTC	2,445,640	-	-	-	-	-
Real Estate Management						
A00325-Lents Little Lge Fid-LTC	20,000	20,000	20,000	-	-	-
A00326-Bakery Block-LTC	257,708	-	-	-	-	-
A00329-MetroAuto Bldg & Lot-LTC	20,594	21,212	21,848	22,504	23,179	23,874
A00330-ArchtoIronPrdotBldg-LTC	29,787	24,061	24,342	24,624	24,907	-
A00554-Dagel Triangle-LTC	8,500	8,925	9,372	-	-	-
A00557-Tate Lot-LTC	11,700	12,260	12,850	13,466	14,115	-
Real Estate Predevelopment						
A00325-Lents Little Lge Fid-LTC	110,000	-	-	-	-	-
Real Estate Disposition						
A00326-Bakery Block-LTC	10,000	-	-	-	-	-
A00554-Dagel Triangle-LTC	5,000	-	-	-	-	-
Redevelopment Strategy						
A00331-Project Development-LTC	500,000	1,000,000	1,000,000	1,000,000	700,000	500,000
Redevelopment Grants						
A00130-CLG-General-LTC	500,000	270,000	270,000	280,000	280,000	280,000
A00501-Prosperity Investment Program (PIP) Grant-LTC	1,015,000	500,000	500,000	500,000	500,000	500,000
Property Redevelopment Total	12,134,929	5,857,458	4,859,412	3,840,594	2,542,201	1,303,874
Total Program Expenditures	19,468,304	9,308,252	7,704,961	10,990,046	4,539,163	2,036,938
Personnel Services	391,547	750,401	840,754	852,984	863,102	897,212
Total Fund Expenditures	19,859,851	10,058,653	8,545,715	11,843,030	5,402,265	2,934,150
Interfund Transfers - Indirect Charges	2,361,040	2,385,471	2,117,498	2,145,567	2,169,683	2,233,955
Contingency	360,588	3,872,846	6,204,591	5,016,410	9,222,853	4,800,474
Total Fund Requirements	22,581,479	16,316,970	16,867,804	19,005,007	16,794,801	9,968,579