



**PROSPER**  
**PORTLAND**  
Building an Equitable Economy

**DATE:** November 18, 2020  
**TO:** Board of Commissioners  
**FROM:** Kimberly Branam, Executive Director  
**SUBJECT:** Report Number 20-48

Authorizing an Intergovernmental Agreement with the City of Portland to Provide Funds for Portland Harbor-Related Costs to be Placed into the Citywide Obligations Reserve Fund

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

Adopt Resolution No. 7402

This action by the Prosper Portland Board of Commissioners (Board) will authorize the Executive Director to enter into an intergovernmental agreement (IGA) with the City of Portland (City) transferring approximately \$1,443,200 for Prosper Portland's contribution for some limited Portland Harbor-related costs to be placed in the Citywide Obligations Reserve Fund over the next three years.

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

This action aligns with Prosper Portland's Strategic Plan by i.) creating healthy, complete neighborhoods by assisting in environmental remediation of the Willamette River and its shorelands, and by ii.) creating high-quality employment opportunities in both the remediation work and on future development opportunities adjacent to the river.

#### **BACKGROUND AND CONTEXT**

The Portland Harbor Superfund site has progressed from the investigation phase to cleanup design and implementation with the release of Record of Decision. The City has established a Citywide Obligations Reserve Fund to collect funds to address some of the City's (including Prosper Portland's) future long-term obligations for the Remedy Design phase of the Portland Harbor Superfund process. Applicable City bureaus and Prosper Portland are contributing to the Citywide Obligation Reserve Fund to meet the City's obligations to the U.S. Environmental Protection Agency to perform remedial design of the Portland Harbor Superfund site. Based on its past and current property ownership within the Portland Harbor Superfund Site, Prosper Portland has agreed to provide eight percent of the total estimated budget for the City's remedial design obligations to EPA to this Citywide Obligations Reserve Fund based on claimed remedial obligations for properties owned or operated by Prosper Portland. The amount for fiscal year (FY) 2020-21 is \$729,200; the current estimates for FY 2021-22 is \$637,200 and \$76,800 for FY 2022-23. Actual transfer amounts will be based on an annual estimated budget for remedial design prepared by the Bureau of Environmental Services and discussed at an annual meeting with Prosper Portland. The IGA provides that such costs must be appropriated in the adopted budget before Prosper Portland funds are disbursed to the City. The City's FY 2020-21 Adopted Budget includes Prosper Portland's contribution. The remainder of the authorized amount must be included in the City's Adopted Budgets before Prosper Portland funds are transferred to the City.

### **EQUITY IMPACT**

The work funded by this IGA may be subject to federal business and workforce equity contracting guidelines, which would prevail over Prosper Portland’s goals.

### **COMMUNITY PARTICIPATION AND FEEDBACK**

Staff discussed Prosper Portland’s Superfund contribution with the agency’s Community Budget Committee, which acknowledged the agency’s obligations and supported the budget commitment. No other public outreach has occurred specific to Prosper Portland’s contribution of funds for the project.

### **BUDGET AND FINANCIAL INFORMATION**

The total estimated transfer amounts through FY 2022-23 is \$1,443,200, although the IGA authorizes that actual transfer amounts will be based on an annual estimated budget for remedial design prepared by the Bureau of Environmental Services and discussed at an annual meeting with Prosper Portland. Prosper Portland’s internal accounting allocation has been split 60 percent to the River District Tax Increment Finance (TIF) District fund and 40 percent funded by program income from across all Prosper Portland TIF districts. Total funding over the three-year period of the IGA is anticipated to be:

- FY 2020-21: \$729,200
- FY 2021-22: \$637,200
- FY 2022-23: \$76,800

The \$729,200 has been included in the River District TIF District budget (see Attachment A) and General Fund (Indirect Fund) in the FY 2020-21 Adopted Budget. Actual transfer amounts will be based on an annual estimated budget for remedial design prepared by the Bureau of Environmental Services and discussed at an annual meeting with Prosper Portland. The City’s (including Prosper Portland’s) remedial design obligations are expected to continue through at least FY 2024-25.

### **RISK ASSESSMENT**

The Portland Harbor Superfund site is an exceedingly complex site and legal liabilities have not yet been determined regarding any of the site, including any properties owned or previously owned by Prosper Portland. Contribution to this fund does not preclude third-party suits nor is it a limitation on liability with respect to the EPA.

### **ATTACHMENTS**

- A. Fiscal Year 2020-21 River District TIF Fund
- B. Indirect Fund