



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

**DATE:** December 15, 2021  
**TO:** Board of Commissioners  
**FROM:** Kimberly Branam, Executive Director  
**SUBJECT:** Report Number 21-33  
Amending a Contract with Safeguard Security, Inc. for Properties within Broadway Corridor

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

Adopt Resolution No. 7438

This action by the Prosper Portland Board of Commissioners (Board) will amend a contract with Safeguard Security, Inc. (Safeguard) for an additional two years with additional funds in an amount up to \$2,200,000 for security patrols on Prosper Portland-owned properties within Broadway Corridor (see an aerial and security patrol route in Attachment A). Broadway Corridor consists of 32-acres in the River District Tax Increment Finance (TIF) district and is generally bounded by NW Glisan Street, NW Lovejoy Street, NW 9th Avenue, and NW 5th Avenue. The Broadway Corridor area encompasses several Prosper Portland-owned properties, including these, which are subject to this contract:

- The U.S. Postal Service Processing and Distribution Center Service (USPS Property) – 14-acre site located at 715 NW Hoyt Street;
- Block Y – 25,000 square foot public parking lot adjacent to Union Station, offering daily and hourly parking; and
- Station Place Garage – five-story public parking garage located at 1020 NW 9<sup>th</sup> Avenue, offering hourly, daily, and monthly parking.

Staff are seeking the Prosper Portland Board approve an amendment to the original contract in order to align security services with the schedule of abatement and demolition activities. Since that work has been delayed, staff are recommending amending the contract to add an additional \$2,200,000. If approved, the amendment with Safeguard will ensure consistent and comprehensive security for both Prosper Portland assets and the local community.

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

Authorizing the contract amendment will ensure that the agency is maintaining a healthy, complete neighborhood by providing consistent security services on what is currently a largely vacant site.

### **BACKGROUND AND CONTEXT**

Broadway Corridor, and particularly the USPS Property (which Prosper Portland and the City of Portland Housing Bureau acquired in September 2016), has been identified as perhaps the most significant redevelopment opportunity within Portland's Central City through multiple Portland City Council (City Council) adopted land use and development plans. Broadway Corridor is a key opportunity site for high-

density employment, mixed-income housing, and signature city attractions and amenities. The USPS Property offers the potential to create nearly four million square feet of new economic, business, social, and community development opportunities.

On March 13, 2019, the Prosper Portland through Resolution No. 7305 authorized a contract with Safeguard to provide Broadway Corridor security services for an amount not to exceed \$2,600,000. Since then, Safeguard has provided 24/7 exterior on-site security patrols, based on eight-hours weekday 12-hour weekend shifts, with a supervisor assigned to each shift. Safeguard always provides four guards monitoring the sites, with one guard assigned to the interior perimeter of the USPS property, one guard assigned to the Station Place Garage, and two who patrol the perimeter of the Station Place Garage, the Post Office, and Block Y. The guards change locations and rotate the frequency of patrols to ensure movement does not become stagnant.

Safeguard has also added patrol vehicles to maneuver around the sites more quickly and efficiently, increasing the visual appearance of security patrols, and has successfully addressed all five of the key concerns Prosper Portland's original solicitation:

- Camping around perimeter of properties – Security officers were able to use communications and de-escalation techniques to remove encampments.
- Daily auto break-ins at the Station Place Garage – Safeguard established the parking garage as one of the designated security job posts with around the clock security patrols, dramatically reducing car break-ins.
- Call the police as a last resort – With continual training in how to achieve compliance through persuasion and Verbal Judo, Safeguard has eliminated the need to call police except in rare case of threatening behavior.
- Partner with neighborhood residents and business owners – Safeguard has received many kudos and appreciations from surrounding businesses and residents for their presence and professionalism; they also partnered with Alliant Security, which patrols Union Station.
- Equitable representation in the workforce – Safeguard has a staffing rate of 50 percent women and/or People of Color, with a commitment of 60 percent during the contract term, and have now exceeded that with 70 percent of staff being women and/or People of Color.

### **EQUITY IMPACT**

As a certified, minority-owned firm with 70 percent of employees identifying as women and/or People of Color, Safeguard meets broader agency and Broadway Corridor specific equity objectives. In addition, Safeguard is a locally owned, family-operated business with a track of successfully providing security services for large sites. Safeguard pays employees above minimum wage with an opportunity to receive a performance-based \$0.50 per hour increase every six months, paid time off, and uniforms. Safeguard initially provided accident/illness insurance that serves as income replacement and 401k retirement savings plan; as of December 1, 2021, Safeguard was able to offer their employees a medical, dental, and vision plan.

All guards receive quarterly training in communication and de-escalation techniques through the State of Oregon Department of Public Safety, Standards, and Training Certification process, as well as Verbal Judo training, a communication style that prevents potential conflicts from escalating. In addition, Safeguard is a family-owned business where mentorship, coaching, and conflict resolution are common practices in the workplace. Safeguard employees have extensive experience working with at-risk and houseless populations around the city. This experience also includes working with the Office of former Mayor Charlie Hales on policy development for houseless populations and working with the Department of Community Justice for service delivery for individuals seeking transitional housing, addiction, mental

health services, food resources, transportation, and employment assistance. Safeguard has deep relationships and experience with community stakeholders including Transition Projects, Central City Concern, JOIN, Multnomah County Health Department, many of which are in the Broadway Corridor area.

### **COMMUNITY PARTICIPATION AND FEEDBACK**

While staff did not specifically seek out community participation for this amendment, the original selection was shared with the Broadway Corridor Streeting Committee as well as through a set of frequently asked questions created by Prosper Portland staff and posted on the Broadway Corridor webpage.

### **BUDGET AND FINANCIAL INFORMATION**

There are sufficient resources in the fiscal year (FY) 2021-22 River District Budget and Forecast for FY 2022-23 (see Attachment B), including the following resources for security services:

- USPS Property - \$621,000 (FY 2021-22), \$621,000 (FY 2022-23)
- Block Y - \$68,400 (FY 2021-22), \$68,400 (FY 2022-23)
- Station Place Garage - \$200,000 (FY 2021-22), \$200,000 (FY 2022-23)

While the two-year budget for security on these three properties is approximately \$1,778,800, staff is seeking approval for up to \$2,200,000 to accommodate any price increase, unforeseen issues, or additional delays in demolition.

Prosper Portland anticipates that at the end of demolition on the processing and distribution building, security costs related to the USPS Property will significantly decrease, as sight lines throughout the property will improve. At the completion of the demolition and termination of this contract, Prosper Portland will re-solicit for security services at USPS Property. Security for Block Y and Station Place Garage may or may not be included in the new solicitation, depending on neighborhood conditions and alternate security options.

### **RISK ASSESSMENT**

There are few risks to authorizing the contract with Safeguard. Not authorizing this amendment will expose Prosper Portland to increased trespassing and property maintenance costs.

### **ATTACHMENTS**

- A. Aerial and Security Patrol Route
- B. River District Financial Summary

**Aerial and Security Patrol Route**



**River District TIF District Financial Summary**

**Financial Summary  
 Five-Year Forecast**

River District URA Fund	Revised 4 FY 2020-21	Adopted FY 2021-22	Forecast FY 2022-23	Forecast FY 2023-24	Forecast FY 2024-25	Forecast FY 2025-26
<b>Resources</b>						
Beginning Fund Balance	72,237,857	58,598,141	7,003,308	3,887,162	2,275,956	869,628
<b>Revenue</b>						
Fees and Charges	3,578	3,616	2,110	-	-	-
Grants - Federal except HCD	500,000	-	-	-	-	-
Interest on Investments	975,375	470,737	95,475	-	-	-
Loan Collections	361,560	502,065	562,281	543,408	5,833,662	42,083
TIF - Short Term Debt	11,140,985	-	-	-	-	-
Property Sales	0	-	8,000,000	6,000,000	-	-
Rent and Property Income	1,477,623	2,014,997	2,446,726	2,576,789	2,699,728	2,866,614
Reimbursements	90,000	13,687	14,098	14,521	14,956	15,405
Transfers In	69,951,421	-	-	-	-	-
<b>Total Revenue</b>	<b>84,500,542</b>	<b>3,005,102</b>	<b>11,120,690</b>	<b>9,134,718</b>	<b>8,548,346</b>	<b>2,924,102</b>
<b>Total Resources</b>	<b>156,738,399</b>	<b>61,603,243</b>	<b>18,123,998</b>	<b>13,021,880</b>	<b>6,272,390</b>	<b>2,054,474</b>
<b>Requirements</b>						
<b>Administration</b>						
A00025-Debt Management-RVD	637,275	1,033,098	33,098	33,098	33,098	-
Administration Total	637,275	1,033,098	33,098	33,098	33,098	-
<b>Housing</b>						
A00166-Affordable Housing-RVD	2,336,007	9,366,715	5,876,228	-	-	-
Housing Total	2,336,007	9,366,715	5,876,228	-	-	-
<b>Infrastructure</b>						
<b>Public Facilities</b>						
A00483-Union Station Grant-RVD	50,000	-	-	-	-	-
Infrastructure Total	50,000	-	-	-	-	-
<b>Property Redevelopment</b>						
<b>Real Estate Management</b>						
A00276-Post Office-RVD	1,174,400	777,923	644,923	544,923	459,923	459,923
A00278-4th and Burnside-RVD	23,525	34,558	34,558	34,558	9,000	9,000
A00285-Block Y-RVD	89,860	86,493	88,267	90,128	91,778	93,496
A00286-Union Station-RVD	1,502,232	1,684,650	1,739,184	1,798,287	1,858,081	1,919,944
A00288-Centennial Mills-RVD	488,930	416,264	466,932	9,000	9,000	9,000
A00290-Station Place Prkng-RVD	538,797	807,661	649,082	671,074	680,313	694,552
A00291-Block R-RVD	15,347	34,128	34,734	35,371	36,008	36,645
A00292-One Waterfront North-RVD	20,661	9,000	9,000	9,000	19,652	19,652
A00293-Old Fire Station Mgmt-RVD	475,803	280,685	-	-	-	-
A00558-RD Small Lots - 9th & Naito-RVD	7,875	17,269	17,682	18,116	18,572	19,028
A00587-Block 25-RVD	98,887	35,054	35,054	35,054	-	-
<b>Real Estate Predevelopment</b>						
A00276-Post Office-RVD	10,283,782	22,660,000	55,000	7,957,000	-	-
A00278-4th and Burnside-RVD	105,000	5,000	5,000	5,000	-	-
A00587-Block 25-RVD	75,000	-	-	-	-	-
A00620-Post Office Grant-RVD	575,800	-	-	-	-	-
<b>Real Estate Disposition</b>						
A00288-Centennial Mills-RVD	200,000	300,000	-	-	-	-
A00293-Old Fire Station Mgmt-RVD	105,000	905,000	5,000	5,000	-	-
<b>Redevelopment Strategy</b>						
A00038-Superfund-RVD	436,360	382,320	46,080	79,200	79,200	-
A00279-Broadway Corridor-RVD	229,000	-	-	-	-	-
A00517-OT/CT Investment & Parking-RVD	2,500,000	10,951,177	-	-	-	-