

IMPACT STATEMENT

Legislation title: *Authorize application for grant in the amount of \$15 million from the Department of Transportation to fund local streets at Broadway Corridor

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Presenter name: TBD

Purpose of proposed legislation and background information:

The Portland Bureau of Transportation (PBOT) is designing the following new urban streets and a new traffic signal critical to unlock four million square feet of mixed-use, mixed-income, urban development at the former USPS site in Portland's Central City:

- NW Johnson St (NW 9th to NW Station Way)
- NW Kearney St (NW 9th to NW Station Way)
- Traffic signal at NW 9th Ave & Lovejoy Street

While the City of Portland has a City Council-approved a funding and finance plan for these and other Broadway Corridor improvements, staff have identified a federal funding opportunity through the U.S Department of Transportation's Rebuilding American Infrastructure with Sustainability and Equity (RAISE) grant to significantly offset local financial commitments.

Redevelopment of the 14-acre former USPS property at the heart of the Broadway Corridor district represents one of Portland's most significant prospects to further an equitable economy by advancing wealth creation opportunities through construction, development, and tenanting; creating a vibrant and welcoming neighborhood; and supporting living wage jobs. Community benefits include:

- Provides street infrastructure critical to catalyzing four million square feet of mixed-income development and public amenities on an underutilized site – stitching together the Pearl District, Old Town and Union Station and helping revitalize an area hit hard by the Covid-19 pandemic and regional housing crisis.
- Creates a Phase 1 affordable housing development parcel owned by PHB, and leverages Metro affordable housing bonds to create ~250 affordable (up to 60% median family income) housing units.
- Implements smart growth by housing 1,800 to 2,400 new households and 4,000 to 8,800 jobs (or approximately 10% of the jobs and residences projected to be added to Portland's Central City by 2035) in a mixed-income development, thereby reducing displacement pressures on adjacent neighborhoods.
- Directly creates at least \$16M in construction contracting opportunities for minority and other disadvantaged business enterprises, including application of the City CBA policy which supports Black, Indigenous, and people of color, as well as women in the construction trades.
- Leverages \$1B in multi-phase public and private investment with delivery of equitable community benefits through a precedent-setting Community Benefits Agreement,

including quality jobs and wealth creation during construction through ongoing operations.

Financial and budgetary impacts:

The total project budget is \$22M; staff intend to submit a RAISE grant request is for \$15,000,000, which would be matched by \$6M in Local Improvement District (LID) revenue and \$2M in Systems Development Charges (SDC).

- Reduces PBOT SDCs contribution (~\$2.5M)
- Reduces LID payments attributable to Portland Housing Bureau’s development of affordable housing (~\$1.5M)
- Reduces cost and risk of LID payments attributable to any parcels remaining in public ownership when LID payments come due in ~ 2032 (~\$2.5M)

Any grant award would be executed through an upcoming agreement between the U.S. Department of Transportation, Federal Highways Administration, and the City of Portland.

Community impacts and community involvement:

Prosper Portland conducted extensive community engagement to ensure equity, transparency, and collaboration are central to redevelopment of the Broadway Corridor. A 40-member Steering Committee helped refine development and community benefit priorities within the project vision and approved Master Plan; and Prosper Portland negotiated the terms of a Community Benefits Agreement with the Healthy Communities Coalition. The City’s core values are central to the project from ideation to implementation and Prosper Portland has worked collaboratively with city and external stakeholders to ensure fiscal responsibility while leading with racial equity.

100% Renewable Goal:

Not applicable

Budgetary Impact Worksheet

Does this action change appropriations?

- YES:** Please complete the information below.
 NO: Skip this section

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount