

Broadway Corridor

Authorization of Infrastructure IGAs

June 1, 2022

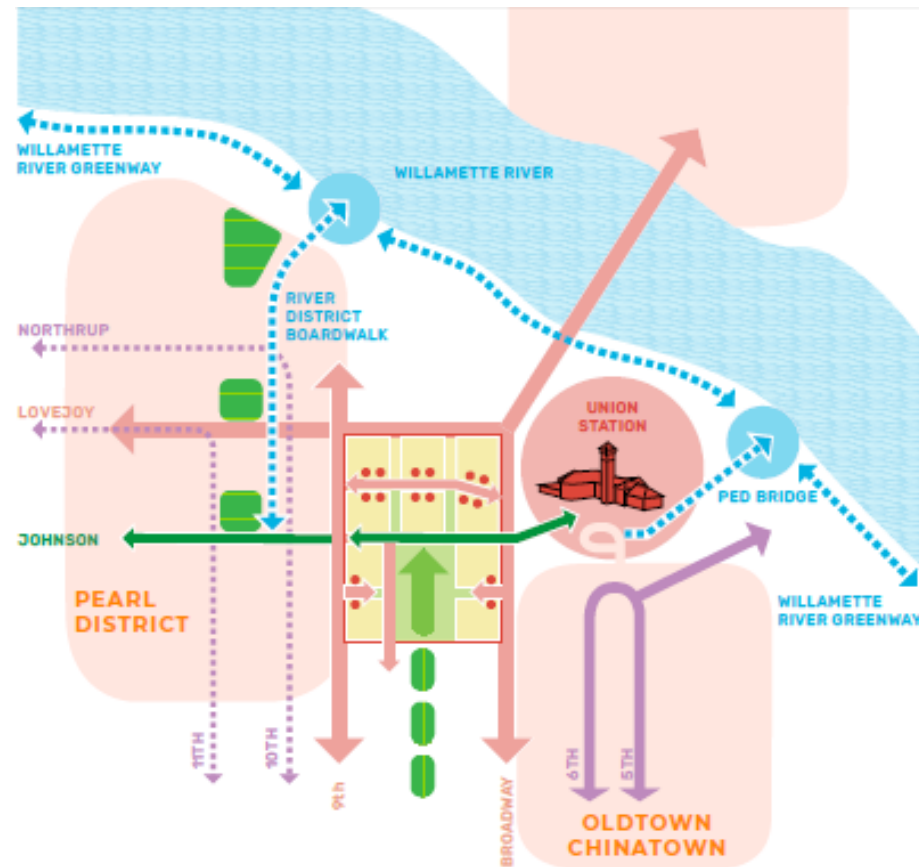


PROSPER
PORTLAND

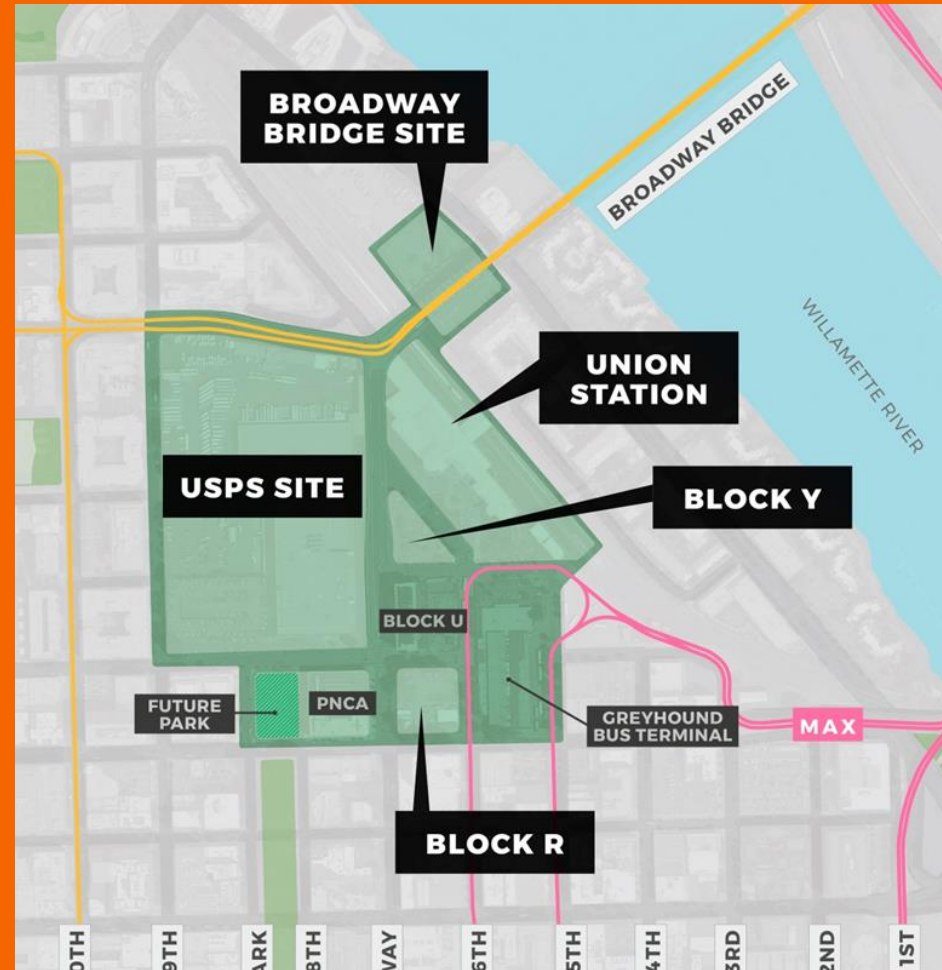
Action

Authorize three Intergovernmental Agreements (IGAs) necessary to further the redevelopment of the Broadway Corridor:

1. **PBOT/Prosper:** extend NW Kearney Street, NW Johnson Street, and NW Park Avenue and make certain intersection improvements
2. **BES/PWB/Prosper:** upgrade off-site water, sanitary and storm sewer utilities to service the district
3. **PPR/PBOT/Prosper:** design and construct new park and Green Loop segment



Context & Background



Potential



10% GROWTH

Accommodated
over next 20 years

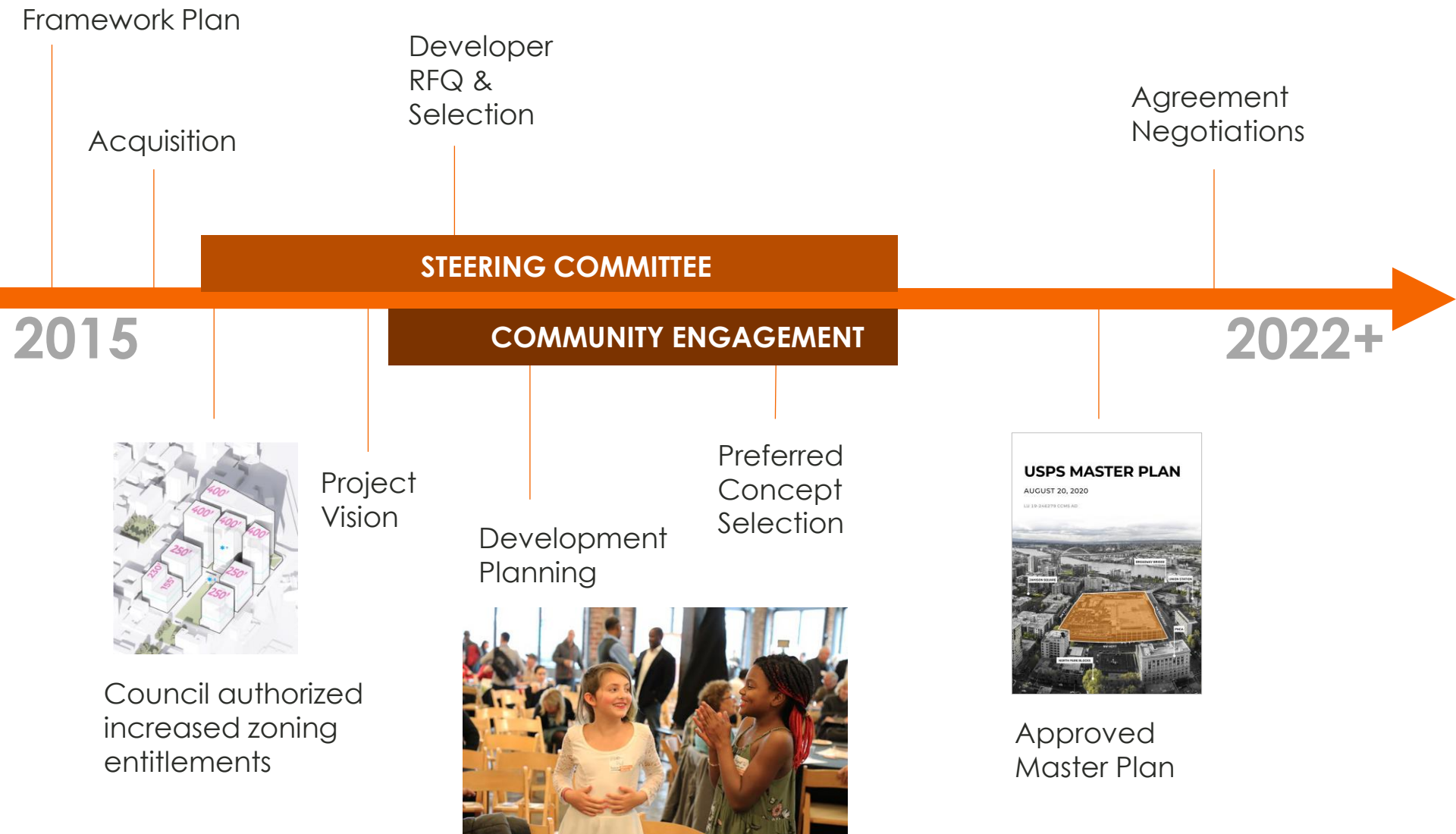


**4,000 to
8,800
JOBS**



**1,800 to
2,400
NEW HOUSEHOLDS**

Where We've Been



Related Approvals

- **Master Plan** – Design Commission approved August 2020
Established required infrastructure, open space, min/max development density
- **Funding & Finance Plan** – City Council approved September 2020
Established public funding and finance for extraordinary site conditions and community benefits
 - Directed LID and various infrastructure IGAs in alignment with Funding & Finance Plan; Application of City CBA Policy
 - Approved terms of Development Agreement & Community Benefits Agreement
 - Directed restructuring Line of Credit repayment with land sale proceeds and with partial forgiveness up to \$15M
- **Creation of LID** – City Council approved October 2020
Established public financing for ROW & Signal Improvements

City Investment & Revenue

| | City Investment | City Revenue |
|--------------|----------------------------------|--|
| | Public Infrastructure Investment | Estimated SDCs (2026 – 2036) |
| Water Bureau | \$0.8M | \$0.5M |
| BES | \$7M | \$7.5M |
| PBOT | \$14.3M | \$14.0M |
| Parks | \$11.4M | \$13.0M |
| | | Estimated Property Taxes (2028 – 2058) |
| General Fund | | \$63.0M |

TOTAL

\$33.5M

\$98.0M

Critical Path to Site Readiness

Site Prep (2021-2023)

- Demolition
- Soils Remediation

Ph. 1 Development (2025+)

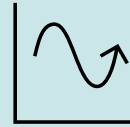
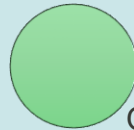
- Affordable Housing Ph. 1
- Private Development
- Relocation of USPS Retail

Ph 2. Development (2030+)

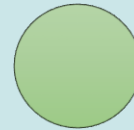
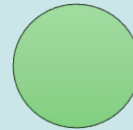
- Affordable Housing Ph. 2
- Remainder of Private Development



Secure new
partner(s) (2022)



Office Market
Rebound (~2025)



Infrastructure (2023-2024)

- NW Johnson & NW Kearney
- Off-Site Utilities

Garage Demolition & Infrastructure (~2030)

- Garage Demolition
- NW Park Avenue
- Park
- Complete Green Loop

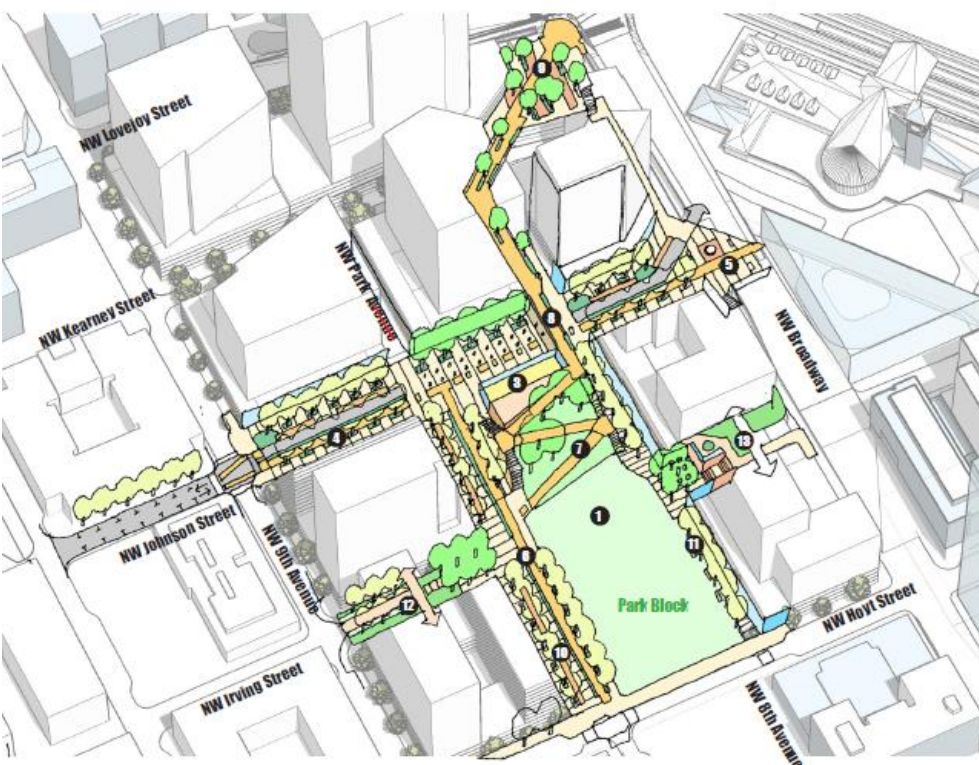
Why Now?

- Adopted **Master Plan defines required infrastructure** necessary for any development to occur
- **Delayed infrastructure delays development**
 - Phase 1 Affordable Housing utilizing housing bond resources
 - Lack of certainty deters developer and anchor tenant interest
- While current economic conditions are challenging, we benefit from leading with required infrastructure and likely **economic recovery prior to first land sale** once infrastructure is complete
- Delays **increase costs and risks** to Prosper Portland and City
 - Prosper Portland's ability to repay Line of Credit
 - PHB's ability to secure funds for Phase 1 affordable housing
 - Increases Prosper Portland's holding costs
 - Risks inflation on streets and open space; foregoes Prosper/PPR partnership opportunity
- **Delays equitable community benefits** including jobs, financial return to City (taxes and fees), and smart growth including affordable housing

Partnerships & Implementation

Master Plan

Streets & Traffic Mitigation
20% Open Space Dedication
Development Parcels & Density
Infrastructure Phasing



Development and Infrastructure Phasing

Phase 0 (2020 – 2025)

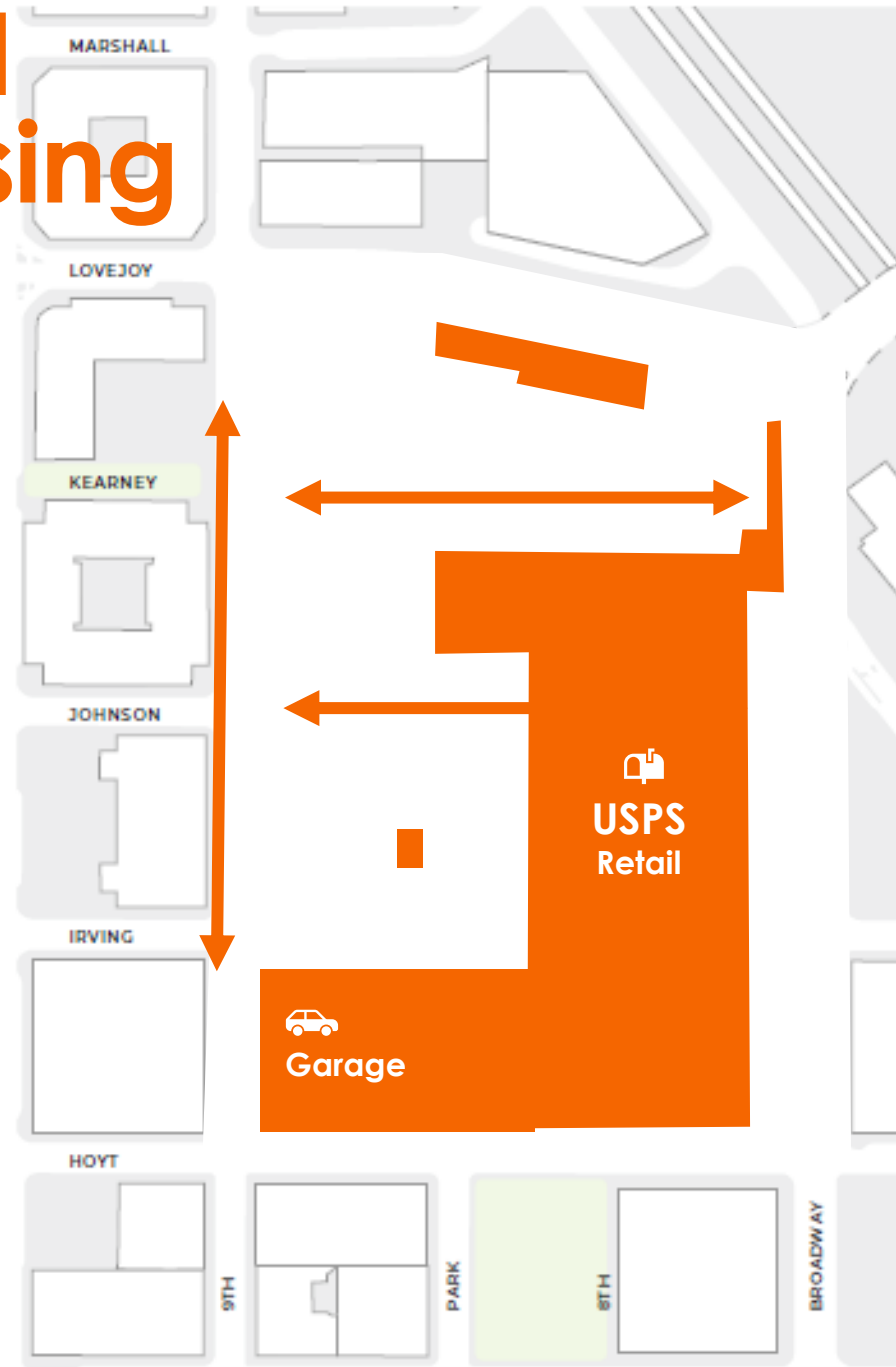
- **USPS Retail Relocation** (*complete*)
- **Demolition** (*underway*)
- **Hot Spot Soils Remediation** (*underway*)
- **NW Kearney, NW Johnson, Off-site Utilities** (*design underway; construction 2023-2025*)

Phase 1 (2026 – 2035)

- **Affordable Housing** (Parcel 4A)
- **Private Development**(Parcels 2, 5-9)

Future Phases (2032+)

- **NW Park Avenue, Green Loop & Park**
- **Affordable Housing** (Phase 2)
- **Additional Development Offerings**



No. 467

Streets & Signals IGA

Streets & Signals IGA

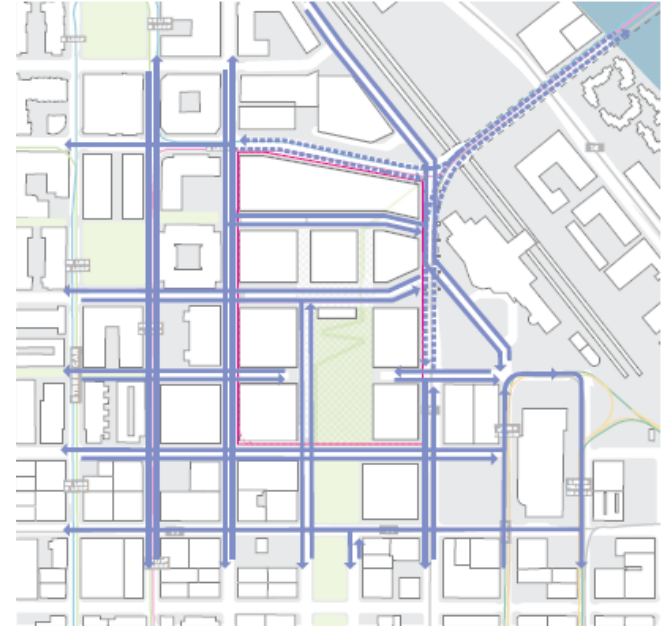
Parties: PBOT, Prosper Portland

Scope:

- Phase 1 (2023-2025): NW Johnson, NW Kearney, 9th & Lovejoy intersection
- Phase 2 (2032): Park Avenue, off-site traffic mitigation

Funding: \$27.6M

| Funding Source | Amount |
|----------------|---------|
| PBOT SDCs | \$4.6M |
| LID | \$23.0M |



Considerations:

- Necessary to unlock affordable housing and private development
- Council authorized LID assessed on parcels owned by Prosper, PHB, Greyhound
- Funding assumptions to be updated as informed by RAISE grant, interest costs, construction estimates
- Delineation and allocation of cost overruns (environmental, financing, construction) between PBOT and LID / Prosper

No. 468

Utilities IGA

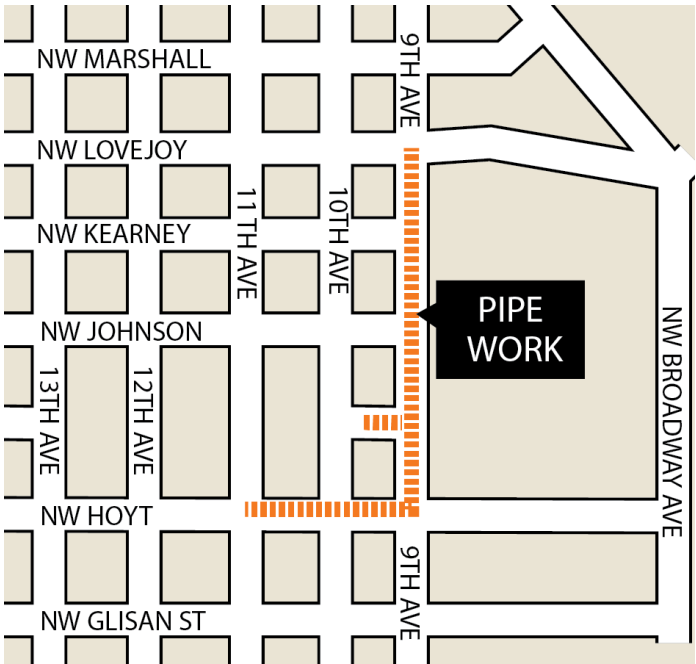
Utility Infrastructure IGA

Parties: BES, PWB, Prosper Portland

Scope: (2023-2024) Upgrade and install off-site water, sanitary and storm sewer utilities to service the district

Funding: \$7.8M

| Funding Source | Amount |
|------------------------|--------|
| Water Bureau | \$0.8M |
| Environmental Services | \$7.0M |



Considerations:

- Necessary to unlock affordable housing and private development
- PWB and BES responsible for cost overruns, except those arising from delays by Prosper and/or PBOT

No. 469

Open Space IGA

Open Space & Green Loop IGA

Parties: PBOT, PPR, Prosper Portland

Scope:

- Phase 1 (2022-2024): Design of USPS park and Green Loop standards; concurrent with design of PNCA Park Block
- Phase 2 (~2032): Construction of USPS park and associated segment of Green Loop

Funding: \$21.2M

| Funding Source | Amount |
|------------------|---------|
| PBOT SDCs | \$9.7M |
| Parks SDCs | \$11.4M |
| Prosper Portland | \$0.1M |



Considerations:

- Prosper and private developer to fund northern Green Loop segment (~ \$21M)
- Prosper to perform defined site prep work per City's open space standards with reimbursement by Parks (up to \$1.7M; included in sources above)
- Central City Master Plan requires 20% of site dedicated to open space

Next Steps – The Year Ahead

| | |
|----------------------|---|
| June | <ul style="list-style-type: none">• Prosper Board consideration of site prep contracts• Commence USPS building abatement and sitework |
| August | <ul style="list-style-type: none">• RAISE grants awards announced |
| September - November | <ul style="list-style-type: none">• City Council + Prosper Board actions:<ul style="list-style-type: none">• Update ROW LID financing (RAISE grant, financing costs, construction cost estimates)• PHB/Prosper Portland Affordable Housing IGA• OMF/Prosper Portland Line of Credit IGA |
| Mid-2023 | <ul style="list-style-type: none">• PHB & Prosper Portland identify development partners |

Return on Investment



**Welcoming Open Space
& Multimodal Connectivity**



**Quality Jobs
in Mixed-Income Community**



Leadership in Sustainable Growth



**\$98M in City revenues generated
over 30 years via taxes and fees**