

Petition for Creation of a Local Improvement District to Fund Capital Improvements Related to the Portland Mall Revitalization Project (LID)

To the Portland City Council:

The Undersigned, being the owner or contract purchaser of the property described below within the boundary of the LID herein described, hereby petitions the Portland City Council to form an LID to assist in funding the capital cost of the Portland Mall Revitalization Project (Project), subject to the terms and conditions of this petition.

Project Description. The Project will include the design and construction of tracks, overhead wiring, light rail station platforms and other capital improvements to streets and sidewalks, from the West end of the Steel Bridge and along NW and SW Fifth and Sixth Avenues from Union Station (NW Irving Street) to Portland State University (SW Jackson Street). The Project will be constructed and maintained generally in accordance with the Portland Mall Revitalization Project Conceptual Design Report-Final Supplement (FCDR) adopted by Resolution No. 36216 approved by the City Council on May 19, 2004. The Project is further described in **Exhibit A**. The total estimated cost of the Project is \$165 Million, of which approximately 60% is expected to come from Federal grants through the Federal Transit Administration, with the balance from a combination of local sources, including this LID.

LID Boundary. The LID will include all properties that lie within the boundaries shown on the map attached hereto as **Exhibit B**. The attached map also shows the boundaries of Assessment Zones A, B and C.

Maximum LID Assessment. The Total LID Assessment Amount will not exceed \$24.0 million.

Assessment Method. Properties within the LID owned by the State of Oregon and used by Portland State University will be assessed a total lump sum of \$7,000,000. All other properties within the LID will be assessed an amount equal to their Land and Improvement Value (Value) multiplied by a calculated Value Assessment Rate and a Distance Factor. The Value Assessment Rate will equal an amount not to exceed \$5.25 per thousand dollars of Value for Commercial properties and \$3.50 per thousand dollars of Value for Local Institutional and Residential properties. Local Institutional properties will include churches, theaters, museums, libraries, parks and other publicly owned or non-profit places of public assembly. Residential properties will include properties primarily in use for rental residential. All other properties will be classified as Commercial properties. Owner occupied residences and federally owned properties will be exempt. The Distance Factor will be equal to 1.00, 0.667 and 0.333 for properties within Assessment Zones A, B and C, respectively.

Estimate of Assessment. As an example, the assessment on a Commercial property with a Value of \$5 million that is within Assessment Zone A is estimated to be \$26,250, computed as follows: \$5,000,000 (Value) x \$5.25 / \$1,000 (Value Assessment Rate) x 1.000 (Distance Factor) = \$26,500. If financed over 20 years as provided below, annual payments would equal approximately \$2,453 per year at 6.75% interest.

Value and Land Area. The LID will be assessed and property owners will be billed after the construction of the project is substantially completed, presently scheduled in 2009. The Values

used in determining the assessments will be the Real Market Values contained in the property tax records of the Multnomah County Assessor at the time that the LID is assessed. If such information is not available in the County records, the Value will be established by a professional estimate. There presently is about \$5.4 billion in total Value within the district. This total Value and individual property Values may change due to new development, inflation, changed market conditions, adjustments to the LID boundary and other factors. Accordingly, the Value Assessment Rates and estimates of the individual assessments may also change. However, increases in the total Value will serve to proportionately reduce the \$5.25 and \$3.50 per thousand-dollar maximum Value Assessment Rates described above, and not to increase the \$24.0 million maximum amount of the Total Assessment.

Financing. The City will arrange long-term financing of the LID Assessments and make such financing available to property owners. The actual interest rate charged to property owners will be the interest rate at which municipal bonds for the LID are sold plus the percentage markup specified in the Portland City Code.

Future TriMet Light Rail LIDs. Properties within this LID will not be included in any future LID to finance capital improvements for further extensions of TriMet light rail (MAX) system during the term of this LID.

Time Limit. This petition is valid provided that the LID is formed by the City Council before December 31, 2005.

It is understood that this Petition constitutes a commitment by the undersigned to support the formation of an LID subject to the conditions of this petition and requirements of Title 17.08, Portland City Code.

Subject Property. This petition is for the following property or properties (State ID Number(s)):

Signed: _____

Name: _____

Address: _____

Phone: _____

Date: _____

Direct inquiries to:
LID HOTLINE - 503-962-2133
email: revitalize@portlandmall.org

Return signed petitions to:
Portland Mall Revitalization Project
710 NE Holladay Street
Portland, OR 97232
Fax (503) 962-2282

EXHIBIT A PROJECT DESCRIPTION

Specific improvements anticipated as part of the Project are described in the *Portland Mall Revitalization Project Conceptual Design Report-Final Supplement* (FCDR) dated May 12, 2004 as approved by the Portland City Council on May 19, 2004 pursuant to Resolution No. 36216, including, but not limited to, the following specific project elements:

- (a) Refurbishment of the existing roadway, intersections, brick sidewalks, sidewalk furnishings and public infrastructure, such as street lights and traffic signals, between NW Irving Street and SW Jefferson Street to “like new condition”.
- (b) Installation of new brick and/or concrete sidewalks, ornamental street lights and street trees between SW Jefferson Street and SW Jackson Street (except at the PSU Urban Center).
- (c) Construction of a continuous auto lane on Fifth and Sixth Avenues between Union Station and PSU as described in the FCDR.
- (d) Construction of up to four (4) vehicle pullouts between S.W. Alder Street and W. Burnside as part of the Project; provisions for future construction of up to two (2) additional vehicle pullouts in the same area; and construction of up to three (3) additional pullouts at locations with special circumstances, all as described in the FCDR.
- (e) As a condition of increasing the overall LID amount for non-PSU properties to \$17 Million from \$15 Million, replacement or modification of the existing bus transit shelters with a new “open” design to be approved by the Portland City Council after public input. The additional \$2 Million in capital provided by the LID will be matched by approximately \$3 Million in additional Federal funds for this purpose.
- (f) The City and TriMet will prune existing trees as appropriate to increase the amount of daylight and street lighting on the Mall sidewalks.
- (g) TriMet intends to implement approximately 5 minute weekday light rail headways on the Mall through a combination of base service and a dedicated Mall ‘shuttle’ service.
- (h) Temporary bus routing planned to occur during construction of the Mall will be conducted in such a way to minimize impacts on Downtown businesses.
- (i) The construction of the Project will be undertaken in several simultaneous 3-4 block segments and construction durations will be kept as short as possible so as to create minimum impacts to existing business on the Mall.
- (j) The City of Portland will commit annually at least \$500,000 (in 2004 dollars) (subject to annual adjustments) from increased parking meter revenues in the Downtown area to management, operation, maintenance, programming and security on the Mall as a supplement to funds already committed by the City, TriMet and the Downtown Clean & Safe Program. Amounts committed from the City and TriMet will not be less than the amounts budgeted by these agencies for FY 2003-2004, subject to annual adjustment to the opening date of the Project.
- (k) The City and TriMet will work with the property owners and other stakeholders on the Mall to form a Mall Management Entity to oversee the final design, construction and future management, operation, maintenance, programming, and security on the Mall. Upon completion of the Project, the operations of this entity will be funded through the funds outlined in (j) above.

EXHIBIT B MAP

Portland Mall Revitalization Local Improvement District

