

Existing Conditions	Subject Area
Building footprints	Subject Area Boundary
2 ft & 10 ft contours	Taxlots in LID
Existing curbs	Area of Improvement
Existing sidewalks	Street Improvement
Street lights	Pedestrian Path Only
Fire hydrants	Area of ROW Acquisition



# PBOT

PORTLAND BUREAU OF TRANSPORTATION

37140

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Steve Novick Commissioner Leah Treat Director

July 1, 2015

**TO:** City Council Members

**COPY:** David McEldowney, Marty Maloney, Dan Schmidt, Matt Brown, Sara King

**FROM:** Andrew Aebi, Local Improvement District Administrator

**SUBJECT: July 1, 2015 – 10:15 AM Time Certain for SE 86th Court & Steele Street LID  
Resolution of Intent: Amendment to Resolution (Agenda Item #709)**

**Resolution Title:**

Declare intent to initiate local improvement district formation proceedings to construct street, sidewalk and stormwater improvements in the SE 86th Ct and Steele St Local Improvement District (Resolution; C-10051)

**Purpose of Amendment:**

Postpone LID Formation Hearing from July 29, 2015 to August 5, 2015 to allow adequate staff time to effect the LID changes proposed in Attachments 2 and 3 of this memorandum.

Therefore:

- 1) Change the following:

BE IT FURTHER RESOLVED, that the Council directs the Local Improvement District Administrator to initiate local improvement district formation proceedings as set forth in Section 17.08.070 of City Code and to schedule a Local Improvement District Formation Hearing on ~~July 29, 2015~~ August 19, 2015 beginning at 9:30 AM or on the earliest practicable date thereafter; and

- 2) Agenda item #710 is not being amended; however it should be passed to a second reading on August 5, 2015 so that this Ordinance can be considered at the same time as the subsequent LID Formation Ordinance if Council approves this Resolution.



*The Portland Bureau of Transportation fully complies with Title VI of the Civil Rights Act of 1964, the ADA Title II, and related statutes and regulations in all programs and activities. For accommodations, complaints and information, call (503) 823-5185, City TTY (503) 823-6868, or use Oregon Relay Service: 711.*

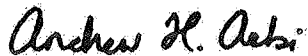
- 3) The subsequent LID Formation Ordinance will be proposed to be an emergency Ordinance so that assurance of performance under Section 17.24.055 of City Code for the Portland Public Schools / Native American Youth & Family Center development will still be provided on August 5, 2015, with an emergency LID Formation Ordinance on this date in lieu of a first reading on July 29, 2015 and a second reading on August 5, 2015.

Portland Public Schools will accept the voluntary reallocation of Garden Villa Apartments' assessment only if:

- 1) The Garden Villas Apartments' right-of-way dedication and temporary construction easement will be donated to the City by July 15, 2015; preferably on or before July 13, 2015.
- 2) There will be no change in ownership for the Garden Villas Apartments' property prior to recording of the right-of-way dedication and the temporary construction easement documents.

If either or both of these conditions are not met, then Council will be asked to cancel the voluntary reallocation of assessments in the eventual Final Assessment Ordinance for this LID.

Respectfully submitted,



Andrew H. Aebi  
Local Improvement District Administrator



Planning + Urban Design  
Development Services

**VIA EMAIL**

March 19, 2015

Andrew Aebi, LID Administrator  
City of Portland Bureau of Transportation  
1120 SW Fifth Avenue, Room 800  
Portland, OR 97204

**RE: Proposed SE Steele and SE 86<sup>th</sup> Local Improvement District**

Dear Andrew:

As you know, I have been representing the owners of the Garden Villas Apartments. I am writing you on their behalf in response to your letter dated February 9, 2015 outlining the City's proposal to form a Local Improvement District ("LID") for the improvement of SE Steele Street and SE 86<sup>th</sup> Court. As you have described it to us, the project is currently in the petition phase and you are seeking feedback from affected owners as to the City's proposal.

To be direct, we do not support the LID proposal and will vigorously oppose it in all available venues. The City has forwarded a proposal that unfairly shifts the financial responsibility of a private development project (led by Guardian Development) to just one of the properties that adjoins the improvements – specifically, the Garden Villas property. While we understand that the City is keenly interested in supporting an affordable housing project in Lents, it is the City's responsibility – not ours – to ensure that the housing project is financially viable.

We believe that the proposal does not meet the standards for LID formation as outlined in ORS or Portland City Code. Specifically, the City has not provided any justification as to why one property was singled out for participation (ours) while at least 13 other properties directly adjoining the project were exempted. If one were to accept the City's assertions of the benefits derived from the project, then certainly these properties would also be found to benefit from the project.

Further, the City's proposal fails to acknowledge that future development requirements for our property will include the extension of SE Steele Street along our north boundary line. This represents a future cost that Garden Villas would need to incur without any reasonable expectation of support from adjacent owners, including Portland Public Schools. In short, this strikes us as unbalanced, unfair, and out of keeping with Portland's long-standing policy related to local infrastructure financing.

To be clear, my clients are not opposed to the proposed improvements. However, they do not believe that the improvements provide any significant or measureable benefit to their property, and certainly the improvements will not enhance the value or marketability of their apartments. To the extent that we can be helpful in allowing the improvement to proceed, we would be willing to discuss a reasonable approach to providing the necessary right of way or easements so that the improvements can be built, either by the City or Guardian/PPS.

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Thank you for the opportunity to share our thoughts. If you would like to set up a follow-up discussion, I would be happy to do so. I can be reached at 503-341-3794.

Best Regards,

A handwritten signature in black ink, appearing to read "Matthew E. Brown", followed by a horizontal line extending to the right.

Matthew E. Brown, Principal  
Loci, Inc.

C: John Fox, Sean Mills – Garden Villas Apartments  
PBOT Commissioner Steve Novick



Planning + Urban Design  
Development Services

June 30, 2015

Andrew Aebi, LID Administrator  
City of Portland Bureau of Transportation  
1120 SW Fifth Avenue, Room 800  
Portland, OR 97204

**RE: SE 86<sup>th</sup> & Steele LID – Voluntary Cost Reallocation**

Dear Andrew:

As the representative for the owners of the Garden Villas property that has received proposed assessments for the SE 86<sup>th</sup> & Steele LID, I have been in discussions with Portland Public Schools (“PPS”) over the past several months. We have arrived at a mutual agreement on the reallocation of costs for the LID. PPS, as the lead petitioner, will voluntarily assume the assessment for the Garden Villas property.

As consideration for this arrangement, the owners of the Garden Villas property will dedicate approximately 1,356 square feet of right-of-way and approximately 860 feet in a temporary construction easement (“TCE”) to the City. Both of these areas will be dedicated to the City for a nominal cost of \$1.00 each. PPS and Garden Villas believe that this represents a fair allocation of costs and assignment of benefits of the proposed LID.

As part of this reallocation agreement, Garden Villas will deliver to the City all of the necessary right-of-way and TCE dedication documents by July 15, 2015. These documents will be delivered with the express understanding that the City will honor PPS and Garden Villas’ request for cost reallocation. If the City fails to honor this request, then Garden Villas reserves the right to remonstrate from the proposed LID and negate the dedication documents.

If you have any questions, please do not hesitate to contact me at (503) 341-3794.

Best Regards,

A handwritten signature in blue ink, appearing to read "Matt Brown", with a long horizontal flourish extending to the right.

Matt Brown, Representative  
Garden Villas Apartments





Sara King  
Director Planning & Asset Management

PORTLAND PUBLIC SCHOOLS  
501 North Dixon Street • Portland, OR 97227  
(503) 916-3257; SKing1@pps.net

June 30, 2015

Andrew Aebi, LID Administrator  
City of Portland Bureau of Transportation  
1120 SW Fifth Avenue, Room 800  
Portland, OR 97204

**RE: SE 86<sup>th</sup> & Steele LID – Voluntary Cost Reallocation**

Dear Andrew:

Portland Public Schools and Garden Villas are the parties that have received proposed assessments for the SE 86<sup>th</sup> & Steele LID. Over the past several months, we have been in discussions and have arrived at a mutual agreement on the allocation of costs for the LID. Portland Public Schools (“PPS”), as the lead petitioner, will voluntarily assume the assessment for the Garden Villas property.

As consideration for this arrangement, Garden Villas will dedicate approximately 1,356 square feet of right-of-way and approximately 860 feet in a temporary construction easement (“TCE”) to the City. Both of these areas will be dedicated to the City for a nominal cost of \$1.00 each. PPS and Garden Villas believe that this represents a fair allocation of costs and assignment of benefits of the propose LID.

Garden Villas will deliver to the City all of the necessary right-of-way and TCE dedication documents on or before July 15, 2015.

If you have any questions, please do not hesitate to contact me at (503) 916-3257.

Best Regards,

  
Sara King

CC: Matt Brown, Garden Villas

## IMPACT STATEMENT

**Legislation title:** Declare intent to initiate local improvement district formation proceedings to construct street, sidewalk and stormwater improvements in the SE 86th Ct and Steele St Local Improvement District (Resolution; C-10051)

**Contact name:** Andrew Aebi, Portland Bureau of Transportation

**Contact phone:** 503-823-5648

**Presenter name:** Andrew Aebi

**Purpose of proposed legislation and background information:**

This resolution will initiate local improvement district (“LID”) formation proceedings to improve SE 86th Court and SE Steele Street in the Lents Neighborhood adjacent to the old Foster School site and the new Native American Youth & Family Center (“NAYA”) site. This project reflects a partnership between the Portland Bureau of Transportation, Portland Public Schools (“PPS”) and NAYA. Only PPS and Garden Villas Apartments (“GVA”) are proposed for future LID assessment. Existing single family residential properties will be exempted from assessment; all of these lots are already developed, and the LID will not build nor acquire right-of-way for these properties’ future sidewalk, which will be required upon redevelopment of these properties. Outreach has also been made to owners of these exempt properties adjacent to the planned LID improvements. This project will eliminate approximately 375 feet of unpaved street in Lents, which is the neighborhood with the sixth-highest total centerline miles of unpaved streets in the City, and will help to reduce the City’s backlog of 56.5 centerline miles of unpaved streets as of July 1, 2014.

An eminent domain ordinance is being filed concurrent with this Resolution of Intent, and the two items will be read together as part of the Time Certain. The second reading of the eminent domain ordinance is anticipated for August 5, 2015, which would also be the anticipated date of the second reading for the SE 86th & Steele LID Formation Ordinance if Council approves this Resolution of Intent. Eminent domain is necessary to acquire the property rights necessary to construct this project, which is highly desired by spring 2016 concurrent with NAYA’s occupancy of its new site.

**Financial and budgetary impacts:**

- Most properties’ proposed assessments are 10% below what was proposed in 2010
- The level of confidence is Low.
- No change to staffing levels.
- 25% of the LID revenue (\$197,122.56) is to be added to the FY15-16 fiscal year budget.
- 75% of the LID revenue (\$591,367.68) is to be added to the FY16-17 fiscal year budget.
- The project is not currently in the 5-year CIP.



**Community impacts and community involvement:**

- This area of Lents north of SE Foster Road and east of SE 82nd Avenue of Roses has large superblocks and poor street connectivity. This project will improve neighborhood circulation and emergency response.
- Most of the LID expense is being borne by Portland Public Schools, which signed a petition in favor of the LID, and has entered into a partnership with Native American Youth & Family Center (NAYA). The street, stormwater and sidewalk infrastructure constructed by this project will serve the increasing diversity and population growth of Lents.
- The LID project has been designed so that existing single family residents have no current financial impact. Properties abutting the planned street improvements will have a much lower cost if they choose to redevelop in the future, since new curb will added at no cost to these property owners, and adding a new sidewalk behind an existing curb can often be done with an over-the-counter permit.
- GVA will be among property owners required to extend SE Steele Street to SE 82nd Avenue of Roses upon future redevelopment; however this LID will fully build out a new three-way intersection at SE 85th & Steele. GVA did not sign a petition in favor of the LID, and is opposed to its apportionment of the LID as petitioned and reflected in this Resolution of Intent. Continuing outreach is occurring among PBOT, PPS and GVA to address GVA’s concerns about the proposed LID.

**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

KK/jwf 6/23/15