

IMPACT STATEMENT

Legislation title: Amend Intergovernmental Agreement with the Portland Development Commission to provide funding for the design and construction of the 10th & Yamhill SmartPark Garage Renovation Project in an amount of \$5,000,000.00.

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Purpose of proposed legislation and background information:

In May 2011 City Council passed ordinance 184605 authorizing and Intergovernmental Agreement between PBOT and the Portland Development Commission (PDC). This Agreement outlines terms for the City and PDC to back the City Loan Guaranty for a \$5 million SoloPower loan. The IGA intent is for PDC to provide support to the City in the event the City Loan Guarantee is called upon. The support provides a contribution to a tax increment financing eligible project in the River District Urban Renewal Area. The 10 & Yamhill SmartPark Garage project has been identified and is eligible for TIF funding.

The amendment outlines PDC's contribution to the 10th & Yamhill SmartPark Garage Project and calls for PBOT and PDC to develop a retail management agreement for the newly renovated ground floor retail spaces. If such agreement is reached between PDC and PBOT within six months of the executed amendment PBOT shall not be required to repay PDC for the contribution to the project. If an agreement is not reached within the six month timeline and PDC has not waived its rights to negotiate the City agrees to reimburse PDC its contribution to the project.

Financial and budgetary impacts:

The SmartPark mission is to support the economic viability of the Central City by providing an affordable system of parking garages, which primarily meets parking needs of shoppers, visitors and business clients and by investing in other Central City transportation improvements. High-quality customer service and affordable rates are hallmarks of the City's SmartPark system

The Garage currently requires a number of improvements beyond what could be considered standard maintenance and upkeep activities including structural stability, building systems, ADA compliance, and renovation of the interior and exterior of the ground floor retail space.

No long term financial impacts or changes to the City policy or budget are required. This action does not amend the budget. There is not negative impacts if action is not improved. The project is currently in the Bureau of Transportation's budget for FY16-17 with SAP Project Number: T00487 and the grant ID is TR000176.

The total project cost required to update the garage space and interior and exterior of the ground floor retail spaces is \$25,000,000. The Portland Development Commission to provide funding for the design and construction in the amount of \$5,000,000.00. The project will be paid for from TIF funds identified in the amendment, garage revenue and bonds. There has been no design work completed and this is low confidence level estimate.

PBOT is currently in the process of hiring a design firm to prepare plans, specifications and estimates for the project as well as Project Management and Construction Management/General Contracting (CM/GC) firms. The consultant team will provide oversight and look for value engineering opportunities to reduce the construction costs and impact to the travelling public.

Community impacts and community involvement:

The project consists of improvements to the garage as well as the interior retail spaces and ground level exterior improvements. At this time it is anticipated that the current tenants of the retail spaces will need to move out of the building to make the needed improvements. Staff from the PDC and the PBA have been in communication with all tenants to discuss the project improvements and the anticipated schedule.

The garage improvements will require some restrictions to the use of the parking levels. During the pre-design phases of the CM/GC contract, the phasing and sequencing of construction will be extensively reviewed and discussed to ensure that access to the parking levels is maintained and there is minimal impact to the streetcar and light rail lines.

There has been significant outreach over the past several years during the discussions regarding the proposed plans for renovation and/or redevelopment of the garage including the Portland Business Alliance and a presentation to the Downtown Retail Council. Many adjacent property owners and retailers have encouraged an upgrade to the garage as one of their top priorities for the area.

Portland Business Alliance will be a resource in identifying vacant space within the downtown retail if existing tenants wish to relocate. In coordination with partners, it is anticipated the re-tenanting of the garage to be a competitive and open process that is consistent with the Retail Strategy, City goals, and PDC's 2015-2020 Strategic Plan.

During the design and construction phases project information about the scope and schedule will be provided to users of the garage as well as adjacent businesses.

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 6-7-2016