

## IMPACT STATEMENT

**Legislation title:** Authorize contract with Shiels Obletz Johnson to provide owner's representative and project management services for the design and construction phases of the 10<sup>th</sup> & Yamhill SmartPark Garage Renovation Project. (Ordinance)

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

The 10<sup>th</sup> & Yamhill SmartPark Garage is a City-owned SmartPark facility ("Garage") which requires significant renovation to address deferred maintenance of both the parking levels and ground floor retail spaces.

The Garage is a seven-story building with 27,000 square feet of leasable retail space at or near the ground level with 799 parking spaces on floors two through seven. Levels one through four consist of concrete framing and levels five through seven change to steel framing.

As part of the City's SmartPark Garage System, the 10<sup>th</sup> & Yamhill Garage lends vital support to the downtown retail core by providing short-term parking at affordable rates to customers of nearby office, retail, and restaurant businesses. Since 2001, a series of planning documents were drafted and redevelopment scenarios pursued—all of which included re-positioning the Garage to be a catalyst for development, strengthening the City's retail core, and responding to residents' and business owners' concerns regarding the vitality of the area.

Under PBOT's management, it was determined that the Garage requires a number of improvements beyond what could be considered standard maintenance and upkeep activities. The most viable development program at this time is to keep the structure and address issues as part of a 10<sup>th</sup> & Yamhill SmartPark Garage Renovation Project (Project), including but not limited to, structural stability, the building systems, ADA compliance, and interior and exterior retail space.

In 2015 the Bureau of Transportation and the Portland Development Commission entered into an IGA to share in the cost of developing a design concept and scope of improvements for the Project based on all of the reports and evaluations of the building done to date. The recommended scope includes functional improvements to address deferred maintenance, ADA and parking-related upgrades as well as changes targeting areas with significant operational and visual impact – at the four corners of the building, surrounding storefronts, and building systems.

The total estimated cost for the improvements is \$25,000,000. It is anticipated the proposed improvements will increase the performance and value of the garage from both a parking and retail perspective.

This ordinance authorizes PBOT to enter into a contract with Shiels Obletz Johnson to provide project management and contract administrative services during design and construction of the project.

**Financial and budgetary impacts:**

The total project cost is estimated at \$25 million. This is a low confidence estimate because no design work has been completed. A blend of TIF, Garage revenue and bond sales will be used to fund the project. PDC will provide a contribution of \$5 million toward the Project. An IGA, as amended, with PDC has been approved by the Commission, outlines the conditions of the contribution. The Bureau of Transportation will be contributing the remaining funds through identified garage revenues and debt financing

The project is included in the current fiscal year budget and will extend to fiscal years 16/17 and 17/18.

**Community impacts and community involvement:**

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. Many adjacent property owners and retailers have encouraged an upgrade to the garage as one of their top priorities for the area.

Portland Building 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