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191235

Emergency Ordinance

*Authorize contract with Northwest Infrastructure LLC for the O'Bryant Square Demolition Project for an estimated cost of \$4,529,090 (amend Contract 30008381)

Passed

The City of Portland ordains:

Section 1. The Council finds:

1. O'Bryant Square is a City-owned property located at 800 SW Harvey Milk Street. It consists of a public plaza, operated by Portland Parks and Recreation (PP&R), and an underground parking garage operated by the Portland Bureau of Transportation (PBOT).
2. In 2018, PP&R and PBOT jointly closed the plaza and garage to the public, following a structural engineering assessment. That assessment recommended the closure due to "significant potential for facility failure during extreme loading conditions." The deficient structural elements included a century-old retaining wall in the SW corner of the property. This wall served as the foundation of a building demolished when the garage and plaza were constructed in 1973.
3. The structural assessment further identified ongoing water intrusion from the plaza into the garage, due to a failed waterproofing membrane, as a contributing factor leading to structural deterioration. The report concluded "that the structural components of the facility will continue to deteriorate at an accelerating rate if full replacement of the waterproofing membrane is not accomplished."
4. In the spring of 2021, installation of a fire hydrant on SW Washington Street severely damaged a joist supporting the garage ceiling, rendering it structurally non-functional. This portion of the ceiling is in the same corner as the deficient retaining wall. The hole in the ceiling created during the hydrant installation greatly increased the rate at which water infiltrates into the parking garage, potentially further

Introduced by

[Mayor Ted Wheeler](#)

Bureau

[Management and Finance;](#)
[Revenue and Financial Services](#)

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Requested Agenda Type

Regular

Date and Time Information

Requested Council Date

April 12, 2023

Time Requested

10 minutes

accelerating structural deterioration.

5. Deficiencies and ongoing structural deterioration have resulted in repairs not being a feasible option, and have created a situation that threatens public health, welfare, property, safety, and commerce.
6. The Bureau of Transportation required an emergency contract in accordance with PCC 5.34.110, and as authorized by ORS Chapter 279C, that provides for construction contract awards without the use of competitive sealed bidding.
7. Emergency conditions were declared by the Commissioner-in-Charge pursuant to Title 5 of the City Code and Charter authorizing the City to enter into an emergency contract to perform this work.
8. The Bureau of Transportation has prepared plans and specifications for the demolition project, applied for and/or received several permits required to complete the work, issued requests for offers from several general contractors through emergency procurement procedures and selected Northwest Infrastructure, LLC to perform this work and rapidly respond to emergency conditions.
9. The established cost is \$4,529,090. Funds are available in the Transportation Operating Fund FY 2022-23 budget, Bureau of Transportation, WBS Element 8TR000000085.
10. The Chief Procurement Officer entered into emergency contract #30008381 under the emergency authority and now seeks Council approval of that Contract under PCC 5.34.110.

NOW, THEREFORE, the Council directs:

- A. Emergency procurement contract #30008381 with Northwest Infrastructure, LLC for the purposes described in Section 1, which has been approved as to form by the City Attorney's Office, is hereby approved.
- B. The Mayor and City Auditor are hereby authorized to pay for the contract from the Transportation Operating Fund Budget when demand is presented and approved by the proper authority.

Section 2. The Council declares that an emergency exists because of the risks that threaten property, public health, welfare, safety, and commerce due to the impacts of structural failures at O'Bryant Square; therefore, this Ordinance shall be in full force and effect from and after its passage by the Council.

An ordinance when passed by the Council shall be signed by the Auditor. It shall be carefully filed and preserved in the custody of the Auditor (City Charter Chapter 2 Article 1 Section 2-122)

Passed by Council
April 12, 2023

Auditor of the City of Portland
Simone Rede

Impact Statement

Purpose of Proposed Legislation and Background Information

This ordinance will authorize an emergency contract to demolish the surface plaza and underground parking structure at O'Bryant Square, and backfill the property to match the grade of the surrounding streets. The plaza and parking structure were constructed in the early 1970s and have structurally deteriorated beyond the point where repairs are feasible. Ongoing structural deterioration presents a threat to public health, welfare, property, safety, and commerce.

Due to concerns over structural integrity of the parking garage, PBOT commissioned an engineering study in 2018 to evaluate the building. That study led to the closure of the parking garage, the plaza, and the portions of the roadway closest to the property (including relocating a bus stop one block west on SW Washington St) to the public due to the potential risk of a catastrophic structural failure.

There were two primary issues that led to the closure:

- The retaining wall in the SW corner of the parking garage, which supports SW Washington Street and SW 9th Avenue, shows visible signs of stress: horizontal cracking and inward deflection. A significant portion of this wall was re-used from a building that previously occupied the site, constructed in the early 20th century. Subsequent forensic analysis of this wall showed that the concrete mix and design do not meet current engineering standards, and the wall contains no reinforcing steel.
- Water intrusion from the plaza into the garage has caused deterioration of the structural system comprising the garage ceiling. Archive documents show that cracking in the ceiling and water intrusion was identified as a problem by city staff as far back as 1974, likely due to construction defects in the waterproofing membrane that sits beneath the plaza bricks. Patching and repairing damaged concrete and rebar has been an ongoing maintenance liability since that time. When the garage was still open to the public, significant effort was expended constructing and maintaining a system of pans and drains to capture water and spalling concrete from the ceiling, in order to prevent injuries to people and damage to property.

Subsequent to the closure of the garage and plaza, installation of a fire hydrant on SW Washington Street severely damaged a joist supporting the garage ceiling, rendering it structurally non-functional. This portion of the

ceiling, in the same corner as the failing retaining wall, is now supported by temporary timber posts. In addition, the hole in the ceiling created during the hydrant installation greatly increased the rate at which water infiltrates into the parking garage, potentially further accelerating the structural deterioration of the ceiling.

On December 12, 2022, the PBOT Commissioner and the Chief Procurement Officer invoked emergency procurement authority under City Code 5.34, expediting the contractor selection process. Since that time, engineering plans and specifications have been finalized for the project. Several of the required permits have been issued with others under review. A contractor, Northwest Infrastructure LLC, has been engaged and commenced mobilization activities. Demolition can begin as soon as the building permit is issued by the Bureau of Development Services.

Financial and Budgetary Impacts

The action will not create immediate or long term financial or budgetary impacts. The demolition project will eliminate an ongoing maintenance liability for PBOT. Construction of a new park on the property in the future will go through the regular city budgeting process.

Community Impacts and Community Involvement

Since its closure, the plaza has become a blight on the neighborhood. Many local property and business owners have expressed support for the demolition. The Portland Parks Foundation has commenced a visioning and outreach program to develop concepts for the new park that will be constructed on the site in the future. There is no known opposition to the proposed legislation.

100% Renewable Goal

Not applicable.

Budget Office Financial Impact Analysis

This ordinance authorizes an emergency contract with Northwest Infrastructure LLC for the demolition of O'Bryant Square in the amount of \$4,529,090 to complete the demolition of O'Bryant Square. An additional \$500,000 in project contingency is also required, bringing total demolition cost to approximately \$5,029,090. Secured funding for the demolition includes \$2.2 million in General Fund Capital set-aside resources transferred from Portland Parks and Recreation to PBOT in the FY 2022-23 Adopted Budget, \$670,000 of General Fund Policy set-aside, and \$750,000 from the Parking facility fund. There is an additional \$370,000 in project funding in question as to the source of funds coming from General Transportation Revenues or the General Fund. This leaves an unfunded liability for the demolition of O'Bryant Square between \$1.0 - \$1.5 million.

Discussions are currently underway with involved Council offices and involve bureaus on options to address the unfunded \$1.5 million.

Agenda Items

287 Regular Agenda in [April 12, 2023 Council Agenda](#)

Passed

Commissioner Dan Ryan Yea

Commissioner Rene Gonzalez Yea

Commissioner Mingus Mapps Yea

Commissioner Carmen Rubio Absent

Mayor Ted Wheeler Yea