



MONTGOMERY PARK PUBLIC BENEFITS AGREEMENT

Portland City Council Hearing

November 21, 2024

Ryan Singer, AICP - BPS



THE BUREAU OF
**PLANNING &
SUSTAINABILITY**

PBOT
PORTLAND BUREAU OF TRANSPORTATION

Items for Consideration

November 21, 2024

- **Adopt** the Montgomery Park Public Benefits Agreement (Ordinance)

December 4, 2024

Continued:

- The *Montgomery Park Area Plan* including amendments to the Comprehensive Plan, Comprehensive Plan Map, Zoning Map, Zoning Code, Citywide Design Guidelines, and related amendments to the Guild's Lake Industrial Sanctuary and Northwest District plans (amend Code Title 33). (Ordinance)
- The Locally Preferred Alternative for the Montgomery Park Transit Project (Resolution)

Agenda

- **Presentation**

- Elements of the Public Benefits Agreement (1 slide)
- Value Capture Strategy and Land Value Analysis (1 slide)
- Summary of Benefits and Value (1 slide)
- Timeline/Next Steps (1 slide)

- **Public Testimony**

- **Council Discussion**

Recommendation

November 21, 2024

- **Adopt** the Montgomery Park Public Benefits Agreement (Ordinance)

Elements of the Public Benefits Agreement

Agreement with owners of 1535/former ESCO

Middle wage jobs: Target of 400 net new middle wage jobs on site within 12 years. If not met, per-job penalty payment into workforce development and training programs.

Affordable housing units: Provide early Affordable Housing units: 200 units at 60% MFI prior to or with market rate units within 7 years. Until met, projects must include 15% of units at 60% MFI.

Public Park: Minimum 40,000 square feet to be developed in area. Offsets to Outdoor Area zoning requirement and System Development Charges.

Commemoration of York: Participate in developing and funding a feature commemorating York, working with Portland Streetcar Inc. and the York Collective.

Funding a portion of the public streetcar extension: Funding through dedication of right-of-way, construction of streets, and Local Improvement District contributions.

Wealth building support: Incentives for affordable commercial space ownership.



Value Capture Strategy

- Current economic conditions preclude value capture
- Assumptions for value capture are for the next economic cycle
- Regulatory value capture mechanisms: Inclusionary Housing, green features, outdoor area requirements, affordable commercial space requirements, non-residential use requirements
- Public Benefits Agreement value capture mechanisms: up-front affordable housing, middle-wage jobs, park, commemoration of York
- Infrastructure: streetcar, public streets and below grade utilities are included in the Public Benefits Agreement



Estimated Value of Public Benefit Package Over Time

	Public Benefit	Value Capture	Public Benefit Value	People	Environment Resilience
Streets and Transit	1.3 miles of new Streetcar line	\$30 million	\$120 million	Estimated 3,000 new streetcar riders	~ 43% lower GHG emissions from auto use
Housing	2,000 units 200 affordable	\$1.9 million	\$84.6 million	4,420 people housed 442 in income restricted units	
Middle-wage Jobs	400 middle-wage jobs 500K+ sq. ft. of employment use	\$2 million	\$22.8 million	2,400 people employed 400 in middle-wage jobs	
Park/Open Space	40,000 sq. ft public park	\$4 million	\$14 million+	6,286 people living within a quarter mile of a park	Absorb ~ 1,000 pounds of carbon annually
	A complete neighborhood	\$37.9 million	\$241.4 million	More prosperous, equitable...	Greener, healthier future.

Timeline/Next Steps

November 13, 2024: City Council Public Hearing:

- Montgomery Park Area Plan
- Streetcar Extension Locally Preferred Alternative (LPA)

November 21, 2024: City Council Public Hearing:

- Montgomery Park Public Benefits Agreement

December 4, 2024: City Council meeting:

- Montgomery Park Area Plan – Continued
- Streetcar Extension LPA – Continued
- Montgomery Park Public Benefits Agreement - Continued

December 11, 2024: City Council Vote:

- Montgomery Park Area Plan
- Montgomery Park Public Benefits Agreement
- Streetcar Extension LPA

December 18, 2024: City Council vote (if necessary)

Recommendation

November 21, 2024

- **Adopt** the Montgomery Park Public Benefits Agreement (Ordinance)

Amendment 1 (Commissioner Ryan)

Montgomery Park Public Benefits Agreement Section 2 – Middle-Wage Jobs

•Subsection 2.3.2 Reporting (Underlined text is new text)

•**Reporting.** No later than April 1 of 7, 10, and 12 years after the effective date of this Agreement, Property Owners will provide Bureau of Planning and Sustainability (BPS) and Prosper Portland with a report identifying the total new jobs created and the total Middle-Wage Jobs on the Subject Properties since January 1, 2025. This report must include data demonstrating whether any jobs have been eliminated on the Subject Properties. The report must also include documentation and data supporting any reduction for Small Business Job Creation through lease or sale below market rates of non-residential square footage on the Subject Properties. For informational purposes, the report will include the following additional data: 1) the racial breakdown of employees holding the newly created middle-wage jobs in an anonymized manner and to the extent individual employees elect to disclose race or ethnicity or the employer otherwise has the information, and 2) information related to whether the businesses that created the new middle-wage jobs are new business to the city or have relocated from within the city, and if so, from where they relocated. This data may be collected through surveys or third-party sources as available.

