June 23, 2025 Finance Committee Agenda

City Hall, Council Chambers, 2nd Floor – 1221 SW Fourth Avenue, Portland, OR 97204

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Monday, June 23, 2025 12:00 pm

Session Status: Adjourned

Committee in Attendance:
Councilor Steve Novick
Councilor Mitch Green
Councilor Candace Avalos
Council President Elana Pirtle-Guiney, Vice Chair

Vice Chair Pirtle-Guiney presided.
Officers in attendance: Keelan McClymont, Council Clerk

Councilor Novick left at 1:03 p.m.

Committee adjourned at 1:26 p.m.

Regular Agenda

1

Financing Sidewalk Improvement and Paving Program (Presentation)

Document number: 2025-249

Introduced by: Councilor Eric Zimmerman

Time requested: 1 hour

Council action: Placed on File

2

Declare property at an unnamed road off NE 33rd Dr as surplus and authorize the Bureau of Transportation to dispose of the property by sale to WPC Marine LLC (Ordinance)

Document number: 2025-250

Introduced by: Mayor Keith Wilson

City department: Transportation

Time requested: 10 minutes (1 of 2)

Council action: Referred to City Council

Motion to send the Ordinance, Document Number 2025-250, to the full Council with the recommendation that it be passed: Moved by Green and seconded by Avalos. (Aye (3): Green, Avalos, Pirtle-Guiney; Absent (2): Novick, Zimmerman)

3

Vacate a portion of an unnamed road near the intersection of NE 33rd Dr and NE Marine Dr subject to certain conditions and reservations (VAC-10133) (Ordinance)

Document number: 2025-251

Introduced by: Mayor Keith Wilson

City department: Transportation

Time requested: 10 minutes (2 of 2)

Council action: Referred to City Council

Motion to send the Ordinance, Document Number 2025-251, to the full Council with the recommendation that it be passed: Moved by Green and seconded by Avalos. (Aye (3): Green, Avalos, Pirtle-Guiney; Absent (2): Novick, Zimmerman)

4

Declare property located near the intersection of N Midway Ave and N Columbia Blvd as surplus property and authorize the Bureau of Transportation to dispose of the property for fair market value (Ordinance)

Document number: 2025-252

Introduced by: Mayor Keith Wilson

City department: Transportation

Time requested: 10 minutes

Council action: Referred to City Council

Motion to send the Ordinance, Document Number 2025-252, to the full Council with the recommendation that it be passed: Moved by Green and seconded by Avalos. (Aye (3): Green, Avalos, Pirtle-Guiney; Absent (2): Novick, Zimmerman)

Portland City Council, Finance Committee
June 23, 2025 - 12:00 p.m.
Speaker List

Name	Title	Document Number
Elana Pirtle-Guiney	Council President, Vice Committee Chair	
Keelan McClymont	Council Clerk	
Steve Novick	Councilor	
Mitch Green	Councilor	
Candace Avalos	Councilor	
Christopher Herr	Council Policy Analyst	
Jonas Biery	DCA of Budget and Finance	2025-249
Millicent Williams	Director, Transportation	2025-249
Jody Yates	Maintenance Operations Manager, Transportation	2025-249
Lance Lindahl	Right of Way Agent II	2025-250, 2025-251
Drew Lowder	Right of Way Agent III	2025-252

Portland City Council Committee Meeting Closed Caption File

June 23, 2025 – 12:00 p.m.

This file was produced through the closed captioning process for the televised city Council broadcast and should not be considered a verbatim transcript. The official vote counts, motions, and names of speakers are included in the official minutes.

Speaker: Good afternoon. It is Monday, June 23rd at 12:01 p.m, and I am calling the meeting of the finance committee to order. Keelan, could you please call the roll?

Speaker: Pirtle-guiney here. Novick here. Green. Here. Zimmerman.

Speaker: Christopher, could you please read the.

Speaker: Statement of conduct?

Speaker: Welcome to the meeting of the finance committee to testify before this committee in person or virtually. You must sign up in advance in the committee agenda at wwe. Ed.gov council agenda finance committee or by calling 311. Information on engaging with the committee can be found at this link. Registration for virtual testimony closes one hour prior to the meeting. In person. Testifiers must sign up before the agenda item is heard. If public testimony will be taken on an item. Individuals may testify for three minutes unless the chair states otherwise. Your microphone will be muted when your time is over. The chair preserves order disruptive conduct such as shouting, refusing to conclude your testimony when your time is up, or interrupting others testimony or committee deliberations will not be allowed. If you cause a disruption, a warning will be given. Further disruption will result in ejection from the meeting. Anyone who fails to leave once ejected is subject to arrest for trespass. Additionally, the committee may take a short recess and reconvene virtually. Your testimony should address the matter being considered when testifying. State your name for the record. If you are a lobbyist, identify the organization you represent. Virtual testifier should unmute themselves when the clerk calls your name. Thank you.

Speaker: Thank you. Christopher. Colleagues, this meeting the finance committee has for items on the agenda. We will receive a presentation from city staff on their evaluation of financing options for the sidewalk improvement and paving program, or cip, as we directed in resolution 37705, we will consider 2 or 3 ordinances to declare property surplus or vacate property all in district two and north and northeast Portland. And i'll just note that there is a similar ordinance to those three that was heard in the transportation and infrastructure committee. That ordinance was a vacation of property that was a standalone. And because these are all related to declaring surplus, which we often sell, they've come to the finance committee. Keelan could you please call the first agenda item.

Speaker: Financing, sidewalk improvement and paving program.

Speaker: Thank you. So, colleagues, as you remember, we have passed a resolution in support of the sidewalk improvement paving program, and we have also passed a resolution about jobs, training and apprenticeship on programs like this. But we still need to figure out financing for this program. And we asked staff in one of our resolutions to look at options. For us, for how we might be able to pay for the cip program. Dca is here today to go over some of those options, and after his presentation, we'll have time for a discussion on what we hear, what our priorities are, and what direction we might want to move. Go right ahead.

Speaker: Great. Thank you, madam vice chair. Chair. Council president. Committee members. Appreciate it. So for the record, dca, budget finance and cfo jonas berry filling in today for the city's debt manager matt gorak is on vacation. Also, just acknowledging that city treasurer bridget o'callahan, who manages the public finance and treasury division, is online if needed, as was previewed. Kind of do a little ten minute ish tee up, highlight a few of the key questions, and then really lead into maybe getting some community input and community input. Any q&a i'll preview. The ultimate objective is to get direction, at least enough direction that we can come back to the finance committee with a borrowing ordinance, which then can pass on to full council to authorize the borrowing itself and allow us to then execute that bond issue. Next slide please, jenny. Thank you. The so just to tee up just for everyone has background. As was mentioned council approved resolution 3705 which kind of directed to get us to here put some some framework around the intended program to address sidewalk and pavement deficiencies. The amount identified in that resolution is up to 200 million total investment over multiple years. Program goals are restated here. I will also flag that pbot staff, sort of in conjunction with the financing conversation, but but somewhat separately as well are evaluating the implementation options and timelines. That's going to be important to the financing as well. We'll have a couple of touch points here today about that. We do have pbot staff and director williams in the room. So if there's questions specific to the projects or that work we can call those folks. Up next slide please. So the key questions that we're going to look to address and i'll guess i'll just say some of this is a little bit bleeding into kind of debt 101. This is also the first really major new borrowing that's been considered by council. We did have the ada bonds that were issued, which is kind of a carry on of some existing projects. So I want to take the opportunity to tee up some of those debt debt considerations as well. First question is what's the repayment source? That's probably the biggest question. It's under the current alignment looking at around 8 million in annual debt service beginning in fiscal 2627. And so that's a big question. There's trade offs no matter what revenue source we select. So that's that's a big question. We'll come back to that. What's the preferred payment timeline. Current assumption is a 20 year timeline that's not set in stone. So we want to get some feedback on that. What's the optimal bond sizing. We know that the resolution identified 200 million in total. But we're going to think about kind of how do we phase that in. It's probably not 200 million all at once upfront. So just need to do some thinking around what's optimal for this first issuance. What is the date that we should be targeting? When do we want to get that bond those bonds sold and get the money in the door. And there's some nuanced decisions to be made around that timeline. And then lastly, are there other options or considerations and just a preview what some of those will be? There's something called a reimbursement declaration that i'll preview, a way to get kind of projects potentially started sooner when ready before the financing. Is there an interest in doing any kind of interim borrowing? So a line of credit that then gets taken into different taken out with long term bonds. And then lastly, kind of what method of sale do we want to target. And we can talk a little bit about that when we get a couple slides on as well. Next slide please. So generally not specific necessarily to this borrowing although relevant to this borrowing. But but true of all borrowings at the city. The city has an existing debt management policy which centralizes the issuance responsibility in the public public finance division under the chief financial officer. And that policy has specific authorities that are given to the debt manager, the treasurer and the cfo. To help implement this. I'll flag that that policy is consistent with national best practices, and it's very important. You know, we have to keep in mind ultimately, that when we issue bonds, those are federal securities that are bound by federal security law and have a tax implications and have investors who are spending millions of dollars city, so that we can achieve city objectives. And those investors have an expectation that they get repaid. And so very important that we maintain healthy, consistent relationships, provide consistent information. And part of the way that that's done is through centralizing through a single point of contact or a single office within the city. So I just want to emphasize the importance of, of that, that policy, some of the very, very important considerations. There are some other ones, if you get if you want to get deeper in the weeds, but sort of the key categories of key considerations are what's called security, the pledged bond security. And that is the resource, the financial dollars that are legally committed and kind of first out of the gate to pay the bonds. So if we have bonds that are paid secured by the general fund, what that means is when we come to a budget decision making time, the first thing that we allocate dollars to are paying those bonds. So before we pay salaries, police, before we build anything, fund any programs, we pay those bonds back from the general fund, if that's the security, if the dedicated security is water revenues, the first dollars we spend from water revenues are to pay back those bonds. So that's the pledged security, which can be but is sometimes different from the repayment source. So we might have a pledge security that is the general fund. But we might say we expect to pay these bonds from spectator revenues, or we expect to pay these bonds from transportation revenues. That's a pretty common strategy. What that does is it allows us to have the security at the highest possible level, the general fund, which is the largest pool, let's let's say in that in of resources, investors really like that because we're saying we're going to pay them from the first property tax that comes in the door. Investors get paid first. We get the lowest cost of borrowing, the lowest interest rates. So that's a great strategy to use the general fund as security. But then to protect the general fund, have specific repayment source identified in this case perhaps transportation revenues or other revenues. Those repayment sources are. Identification of those repayment sources require making sure they're legally eligible. Can you spend for example, we couldn't fund sidewalk improvements and say we're going to use water revenues to pay for those. It has to have a legal eligibility eligibility requirement. We need to make sure that repayment source has consistency. So if it was something that was a five year revenue stream and we wanted to pay it off over 20 years, that's a mismatch. We need it to be cash flow availability. That's consistent with the term of the debt. So if we thought about a 20 year bond issue, making sure that it's repayment source that we expect to exist for, for beyond the term of that borrowing volatility, obviously if it's highly fluctuating, if we said, well, gee, last year we got 2 million and then we're going to get 5 million, and maybe year after that we'll get 3 million, we would want to set a 5 million expectation to pay from that source. We'd want it to make sure that that if that source is volatile, that we always have access to that or acknowledge that the general fund is, in fact, on the hook. The fourth bullet there, coverage or reserves coverage simply means do we have enough incoming revenue, enough cash flow from the repayment source to pay the bonds? If it's $1 million a year, we need to make sure we have $1 million coming in. Coverage means really the amount above that. And so often what we do when we structure bonds that are secured by the general fund, paid by another source, we want to make sure we've got a little cushion. So maybe it's a one and a half times if it's $1 million of payment of annual payment, we want to make sure we've got a million and a half of incoming revenue to make sure we've got a little coverage. If something unexpected happens. Similarly, we often say we would like to have some reserves set aside. So maybe it's one year of debt service. If it's $1 million a year of debt payment, debt service, we might say we want to set a million aside to make sure if for some reason, that revenue stream completely dries up, at least for one year, we have the ability to make the payment. And so in the case of utility water and sewer utilities, for example, coverage is often embedded as a requirement in the legal documents. Reserves are often embedded in the legal documents for general fund borrowings. They're typically not embedded in there. Those are things that are managed in-house, although we certainly could choose to embed those in the documents, either legally for investors or from a policy perspective, for the city. And then, as I mentioned, with any bond issue, there's trade offs, the revenues that we use to pay these bonds are are not available to pay for other things. And so that's always probably the most difficult calculus in deciding whether to do a borrowing. I'd also just flag there's also trade offs in that any revenue stream, any that's connected to a bond issue, may mean that that revenue stream is not available to pay other operations, other priorities. It also means that revenue stream is not available to pay other future bonds. So we know we have lots of other capital priorities, capital needs on the radar. And so we just have to be really mindful when we look at borrowings that. When we commit to make that debt service payment for 20 years, or whatever the term is, that does restrict the city's ability to invest in other things. And that's okay. That's normal. It's just it's just worth noting. I mentioned the bond repayment term or maturity. Those really mean the same thing. In this case, we're assuming 20 years. For the moment. The fourth box tax exempt eligibility is super, super important. Without going down into the weeds, tax exemption simply means we're we're borrowing for a public purpose. And since we are borrowing for a public purpose, the investors in the bonds, the people that give us their money with an expectation of return, they they get that return tax free so they don't pay taxes on the interest that we pay them, which means they expect a lower percentage rate of return. So if they're investing at. Who can I pick on if they're investing in a corporate security, pick your favorite, favorite or least favorite corporation, and you're going to get a 5% return. You'll get that 5% return, and then you'll pay your 15 or 30% taxes on that. If you're investing in the city, you don't need a 5% return to match that same outcome. You could get a 4% return and get the same dollars in your pocket as an investor. So instead of borrowing at 5% in that scenario, we would borrow at 4%. So that's a huge benefit to the city and to Portlanders. The federal government has very strict rules around when they will offer that tax exemption, and we have to comply with those rules if we're going to offer the bonds as tax exempt to investors and get that lower cost of borrowing. Tax regulations are not always logical. And so that makes it complicated. We have specialty legal counsel who helps us comply with this. One of the important, most important ones is that there can't be a private benefit. So we can't issue bonds and then say, well, xyz private company gets the majority of the benefit of this infrastructure. That's a private use. There's other examples. So that's one piece is making sure it's purely public use in this case sidewalk and street improvements very likely that it's public use eligible. But we still have to do some deep dive analysis and make sure that those maybe less logical elements of the tax regulations are being complied with. The second really important one is a spend down requirement. So basically we advise planning. You have to be able to spend the money down within a certain amount of time. You can't just invest in low cost bonds and then hold that money in pocket forever. Because by the way, when we hold it in balance, we can earn on it too. And the federal government says, well, we don't want you to use this as an investment tool. It's a tool to put infrastructure in the ground, which means we have to spend the money. Typically, we advise targeting a two year spend down, so whatever amount of dollars we think we can put in the ground in projects within two years or less is kind of where we would typically draw the bar in this case that we're talking about for cip 200 million, we know it's going to be over multiple years. What that means is we probably need to look at 18 to 24 month window. How much do we think we can actually spend and put in the ground. And that will be the guide for how we size that first upcoming bond issue. Lastly, on this slide here is just thinking about the financing timeline. The couple of pieces that i'll flag. One is having a dedicated debt manager, manager and a dedicated team allows us to keep an eye on the markets and make sure that we're, to the extent we can, optimally entering at the right time, when we can get the lowest cost of borrowing. And that's based upon looking at what other things might be coming to the market. Are there economic releases? Are there other volatility moments happening in global financial markets? So that's one piece of it. It also allows us to be efficient. So if we know we have a couple different needs that we can actually combine those into a single issue or get some efficiency in the process so that we're not having too much duplicative effort and getting some cost efficiencies there. The other important bond marketing consideration is what's called method of sale. This is probably a deeper discussion for another time on another topic. But the short version here is we have a path where what we often do, which is which is financial best practice, is do what's called a competitive sale, which is we along with a consultant that we hire specialty to this work and municipal advisor structure. All of the documents structure the bonds do. We don't really do direct pre-marketing, but there's sort of a pathway you put it out that does kind of marketing out to the world of investors. We pick a time and we pick a day, and then we get bids and we get the lowest cost. We pick the lowest cost bid, meaning the lowest interest to the city. And then we close the bonds with that investor. That's one pathway. Conventional expectation is that gets the city the lowest cost of borrowing, but it also means we don't have control. We have a lot less control over who bids, who participates, and anything down in the weeds like we have less control over who, who what, what is the pool of investors? It's just bank, a bank. Why? Investment company z and we pick we pick the winner. The other pathway which is used and the city has used in the past, is a negotiated sale where we actually do a competitive procurement. It's not exactly within procurement. So it has an exemption from typical procurement rules. But we essentially go out and find an underwriter, a group of underwriters, investors, which we have a little different ability to manicure. And for example, we could say we want to prioritize wsb or bipoc companies and have them participate in the underwriting syndicate. And then that dedicated we pick that team, and that team goes out and sells the bonds. The trade off there is we get a little bit of a little bit more control over some of those pieces, less control over the price. And so those are kind of the two general pathways. I would also flag that the negotiated pathway often takes a little more. It will take a little more time, frankly. Competitive pathways, probably a three month process negotiated might be 5 to 6 months or more because we have to go through that, that kind of identification process to identify the team and work with them. But they're both viable pathways. We don't have to decide that in the ordinance. The ordinance can authorize both paths. But I did want to flag before we can really go would be would be helpful to have guidance about which path council would prefer. I think I only have one a couple couple more slides here and then i'll stop talking. A critical and normal series of steps in the process is doing the due diligence and financing feasibility. We've already talked about a couple of these. We talked about debt payment source and cash flow adequacy. Identification of the projects is super important to confirm both tax exempt eligibility. And another critical consideration is, is making sure that the term the maturity of the financing. So in this current vision, it's a 20 year financing that that has to be either equal to or longer than the useful life of the assets. So in most cases, a public infrastructure that's 20 years is not difficult. We don't usually invest in things that have asset useful lives less than 20 years. But it does get complicated in this case. For example, in the case of streets. And we've been working with pbot on, on on this data asphalt streets or 20 year useful life concrete is 30. So we have to kind of do that calculus of what's the mix of things that are going to be invested if it's 90% asphalt streets? I don't know whether it is, but it's just imagine if it's 90% asphalt streets, then we might be limited in the term, the maximum term that we could do. If it's mostly, you know, concrete streets or other elements that have 30 year plus lifespans, then we can extend that lifespan or that maturity date a little bit further out. But we do need to get in the in the decision making process. We do need to get pretty granular in those asset useful lives so we can make sure we comply with that. Another piece of due diligence is looking at overhead and other administrative costs. There's some. Limitations on on how much of those can be treated as capital. And so we just need to make sure we're doing that due diligence. That's in progress. We talked about the projected spend down of funding. Consideration often is are there other funds committed to the project. In this case there aren't. So I don't think that's a consideration here for the cip program. Another couple of things that aren't on this slide, but i'll just mention maybe just one other one is also just making sure we're being mindful of operating and maintenance, sometimes not just for the city, for many governments, it's very compelling to invest in a new asset. And then we get 10 or 15 years down the road and realize, oh, wait a minute, there's a cost to operating and maintaining that asset or to reinvesting in that asset down the road. And so that's just an important consideration that we need to be thinking about as we're, as we're doing making these decisions about investing in new things. And that's going to be a different calculus for different types of types of projects. Next slide and last slide here. So to circle back around to one of the key questions which are what are potential repayment sources? I've covered this a little bit before but this will dig just just a little bit deeper into the options and trade offs. I mentioned the security of general fund in the city's nomenclature. We call that non self-supporting, meaning there isn't another resource supporting it. It's non self-supporting. It's supported and paid directly from the general fund as the security. There is a debt policy limit of 7% 7% of unrestricted general fund revenue. The current projection. And so this looks at things that are either authorized by council but not yet issued, or things that are projects that we know are coming down the pike, that we don't really have an option, and we expect to debt finance or those won't happen. And our current projection is that that is, around six will be at around a peak of around 6.5% by fiscal 27, 28. Once we get a couple of upcoming bond issues through the through the pipeline here in the next 18 months or so. So we're pretty close to that, to that limit. There's not a lot of capacity for additional bonds to be paid for by that source. It's important to note that because the city does many bond issues, often more than one a year paid from the same source, but certainly every few years we issue something that means there's also debt that rolls off as we pay off an older bond issue. That payment is no longer available. And so we get that that capacity back. And so we do anticipate in 2930, that's kind of when we hit that next point when on the on the general fund paid non self-supporting. That's kind of the next window when we would expect that capacity to start to open back up for, for new things. And then just as noted obviously that requires reductions to other general fund expenditures. The trade off to pay the debt service means other future general fund expenses will will need to be considered. Second category of option is what we call at the city self-supporting bonds, which means they are secured by the general fund. The general fund is the ultimate legal payment security, but we pay them from other sources. And in this case, the case of cip, the most likely revenue stream to look for would be the transportation operating fund, gtr, general transportation revenues. There is not a specific debt policy limitation, but we have traditionally operated under that same 7% rubric that that's the that's the sort of ideal target. There are a number of existing debt obligations that are paid for from gtr. And so we're currently, you know, well above that that percentage adding cip to that would would increase would increase that. And we work closely with, with pbot obviously to help get get eyes on those forecasts and what some of those trade offs would look like. And then of course, as mentioned, that obviously requires trade offs and what doesn't get funded from those gtr revenues, if that's the path we took. Lastly, put a placeholder there for other sources. There are other potential sources at the city. I’m not sure whether they are prudent or legally viable, but but would be open to exploring those if the committee or council wanted to, to look at anything else that might be out there. Short version is, you know, this stuff isn't easy. The issuance of the bonds is a pretty standard process. But in order to get to authorization, there's some really difficult decisions that need to be made, particularly around repayment source that can be committed to do that. That is the end of my presentation. I think I probably took more than ten minutes. Apologies and I will entertain any and all questions.

Speaker: Thank you. And given that we haven't had an opportunity to do debt one on one yet, I think it was important to go a little deeper than just ten minutes today. Colleagues, I am going to open it up for questions, but before I do that, I just am hoping that you can put some hard numbers to two of the things that you had on that last slide, so that we have a little more context here. You said that our debt policy limit for non self-supporting bonds is 7%. We are nearing 6.5% with current obligations. What is that half a percent? We calculate general fund in a few different ways. So I just want to make sure that we know what that number is. Instead of all of us trying to do the math and using different numbers, I think it's helpful for us to know what the delta is there. And when we say we're close, I certainly don't want to push that limit, but we need to know how close we are to pushing it. And the second question also on this slide, you said debt capacity will increase, especially in 2930 for the next couple of years. How much debt capacity or how much debt will be coming off the books? How much capacity does that open up? And also in terms of general fund payments, what are our payments that we will be losing off of the books from the general fund? And how much general fund will that free up between now and 2930?

Speaker: Yeah. Great questions all. I just pulled up a spreadsheet that hopefully I can translate quickly and with reasonable accuracy. The fiscal 2728, the six point roughly 6.5 estimate looks to me like we would have only around 3 million or so in capacity. Excuse me for additional debt, I will flag that does include. A placeholder projections for a few things. The general fund portion of a financing, upcoming financing, which we'll have a discussion about this fall for the cutter garage, formerly known as the kerby garage. The second phase of the ada ada street ramp project that was approved by council and then a placeholder for potential of bonds related general fund portion of potential bonds related to Portland harbor. So a couple of those things are less certain than others. So I just want to caveat all that that the current number is around 3 million. But it does assume a healthy number for some additional potential future obligations that council could decide to approach. Otherwise. So it's a complicated answer, but current projection is probably only maybe 3 million or so, unless we choose a different path in addressing future obligations. The drop off in fiscal nine, 2030 is predominantly related to expiration of, I think it was 25 or 30 years ago. The city issued pension obligation bonds to pre-fund a portion of that pension obligation. And that debt service ends in fiscal 2829. And so that's around 17 million ish. So that's that sort of next year when we then have some capacity within that 7% limit, it's a meaningful capacity within that 7% limit.

Speaker: And that's 17 million in general fund payments that would free up every year.

Speaker: Correct? Yeah. I mean, yeah, it will free up. Although I would also be cautious that that that reduction in debt service also is reflected in the forecast. So it's not necessarily new revenue that just pops up and we magically have available. It is factored into to the general fund forecast that's prepared because it's a known obligation and it's a known expiration.

Speaker: Colleagues.

Speaker: Questions councilor green.

Speaker: Thank you. Madam vice chair. Madam president okay. Thank you, jonas. And I just I think the presentation today really drives home the importance of having a very deliberate way of engaging in bond issuances. It's, you know, there's a lot of due diligence that goes into this to get the best price. So great conversation to have here. I do have a number of questions here. The build Portland bonds I think that are part of the current strategy and those are previously authorized. I wonder how those play into this mix at all. I think that there's a use for those bonds, but I know that there's I think it was like about $30 million in remaining capacity on those. Can you speak a little bit to that?

Speaker: Yes. I can't remember the exact amount, but that sounds right. At least rounded to the nearest 10 million that it was around 30 million of remaining capacity. We do anticipate. We have been for a couple of years anticipating issuing those that remaining authority in this calendar year. The current intention is with the kind of phase one of the ada bonds, is to combine that issuance with the remaining build Portland bonds that have already been projected and on the radar to get those cost efficiencies. That will be the end of that build. Portland authorization. And I would flag that the majority of what I believe, the majority of what those build Portland bonds will fund, actually replenishes for projects that have already been built or in motion or in the ground. And so it's not an example where it's sort of a but for if we don't issue these bonds, we don't do the projects we've already done or are doing the projects. And so these will now the issuance of the final issuance of that authorization will, will replenish that. Just looking at the spreadsheet here, our current estimate is that's around 1.5 million in debt service. That will pick up beginning in in 2526. Assuming issuance of those bonds this summer.

Speaker: That's that's very helpful. It's important not to know what you don't know what you're counting, what you can't count, and that sort of thing. So when we talk about so it looks like the self-supporting or non self-supporting stuff that's very thin, very thin pool to go to at this point. So we want to be maybe thinking about the self-supporting limited tax revenue bonds which need a revenue structure to back them. I'm curious. So for the $8 million in debt service annually, that was a 20 year assumption at like what, 4%? 5%?

Speaker: Yeah. I don't know what the exact interest rate assumption is, but that sounds right. Probably just somewhere north of four would be my that's.

Speaker: For the full. Is that for the 100 million?

Speaker: That would be that was 100 million over 20 years. Correct. It was about roughly 8 million a year beginning in 26, 27.

Speaker: So if we wanted to do this all as one tranche, we'd be we'd be setting ourselves up for about an $8 million obligation starting in the next fiscal year. If we issued them in this fiscal year. And that would involve some gtr trade offs. I wonder if director williams can come up and speak a little bit about what some of those trade offs would look like from that standpoint. Thank you.

Speaker: Good afternoon, millicent williams. For the record, pbot director. I'm sorry I was distracted and didn't hear your question.

Speaker: That's quite all right. So we were we were talking about maybe needing to think about a strategy of issuing these bonds backed by gtr revenues, not general fund, sort of non self-supporting. So if that were the case, also keeping in mind that we just passed an ordinance to expand the tnc scope of spend, what how do you see cip if funded in this way. Also encumbering potential fOregone revenues. How do you see that as kind of impacting? And I know this is a very vague and big question, but I wonder if you can give us a little bit of guidance on how we would think about engaging with pbot over the next year to think about?

Speaker: Sure. Thank you for the question, councilor. And I'm going to ask that jeremy patton also come up to assist with answering the question. The gtr, the additional gtr that would be generated based on the increase in the proposed or the originally proposed tnc fee, would roughly be about $5 million. Some of that has already been spoken for based on some direction from this council. So that leaves us roughly at $4 million. If we were to swap out some of our currently funded gtr efforts for cip programmatic work, it would essentially be reassigning some of the maintenance operations needs that we have to a longer timeline, only further causing impacts to the long term maintenance of those assets. So much of our gtr is expended on maintenance based activities. So it would be I don't want to call it robbing peter to pay paul, but it would require us to just shuffle the deck in such a way that we would see progress in one area, but perhaps see some decreased service in another.

Speaker: Yeah, that that is helpful. So it wouldn't be a reprioritization amongst cip type of project.

Speaker: Not. No. Cip is largely not covered by g funds. The gtr funds cover largely that maintenance and maintenance operations work. The cip, as I mentioned. Oh, you weren't there in an earlier committee meeting this morning. Much of our cip is funded through grants and other funds.

Speaker: I was.

Speaker: There oh, that's right, you were there. I'm sorry. My apologies. The days.

Speaker: That lead into weeks and the weeks.

Speaker: One one long council session. Yeah.

Speaker: Thank you. So, jonas, I am curious. That little inauspicious, you know, other revenue, other sources. Can you speak a little bit about that?

Speaker: Yeah. Yeah. So it's it was intentionally open because I think it's a very open discussion. But a couple of things that would be. That are out in the ether, I guess I would say one would be I've heard is a suggestion. We haven't done due diligence as to whether that's either, you know, legally eligible, what the steps would look like to get access with to that. Obviously there's trade offs. It's a 20 year. It would be a 20 year commitment. And so that's I think something new for pkf to even consider. The other open question is there another new revenue stream opportunity. And I don't have any intel about that. I just know in the context of budget, there's been lots of discussion about other potential revenue streams. And so that's really what that is there to capture. I would flag that. In any case, looking at the sort of other category, the timeline of when I think we would intend to issue the bonds within the next, say, 6 to 9 months might not be aligned with the timeline when a reasonable new revenue could be identified. And so that's just something to consider in that calculus as well.

Speaker: I’m going to try to wrap up my questions, but I want to follow up on that. So is that is that sort of a world in which you anticipate, like a bridge finance or kind of an interim financing strategy might come into play?

Speaker: It could be. Yeah, indeed. That would be a strategy to get there. I would caution that in the absence of, of sort of perfected expectations around a future revenue stream, even with the line of credit, we would need to be prepared to make other trade offs in the event that that future tbd revenue stream did not materialize. So it's kind of a half half step to get there, but it's certainly a pathway that would be open. It just is a different wrinkle in the discussion.

Speaker: Thank you. And i'll yield to other questions. I may come back, but I think i'll just leave the committee with this. As we think through this, I wonder if it's possible to separate parts of cip into different uses to then think about what we are paying for and getting for those things, and how we would finance that appropriately. Because, for instance, I wouldn't I would not think it appropriate to finance paving street paving with any kind of a pcf revenue source. But there may be a world where improved pathways and sidewalks that have a climate nexus could be something we can contemplate, but I’m not expecting an answer right then on that. Just hoping to seed conversation.

Speaker: Thank you, councilor. Councilor novick.

Speaker: Thank you, madam chair. My question is for director williams, which is, and I apologize, I’m not on the infrastructure committee, so maybe this exists and I haven't seen it. Is there? I mean, given our huge pavement maintenance deficit, does pbot have sort of like a list of here are the streets that are critical to maintain, to have any kind of functioning transportation system. Here's how much it costs to maintain them. Here's how short we are maintaining even those streets. Is there kind of like a priority list of if we have x amount of money? Here's the streets that from a perspective of the system as a whole, we should be trying to preserve. And here's, you know, here's the number of streets that we can preserve given current funding, and here's the streets that we can't preserve. And so we sort of get a picture of the opportunity cost of investing in anything, you know, other than the priorities.

Speaker: Yes, we do have that list.

Speaker: Okay.

Speaker: Did you want for me to.

Speaker: Well, I mean maybe you give me like two minutes on like, here's the, you know, okay, here's where we are. And then if you could send me the list afterwards, that'd be great.

Speaker: I can certainly i, I can do it. But I'm going to ask that jody yates, who is our maintenance operations group director, come forward and provide some insight as to the plan for those streets that we do maintain and what that looks like. Do you need a question? Repeated jody.

Speaker: Yes, please.

Speaker: Okay. Councilor councilor so.

Speaker: There's yates. I mean, yeah, just, you know, would you be able to sort of give it off the cuff thing of, you know, here's an example, here's an example of some of the streets that we can maintain with existing revenues. And here's examples of things that we are pretty important. But we expect to fail in the next 20 years without existing revenue and without more revenue.

Speaker: Okay. Thank you. I can now address the question. My name is jody yates. I'm the pbot's maintenance operations group director currently, and for about the past 15 years, we've only been maintaining pavement, maintaining streets of citywide significance. And so I would tell you, those are for the layperson, the ones with stripes on them. So, you know, your holgate 33rd, those, those sorts of streets, there's several in southwest. Those are the only ones receiving pavement maintenance right now. That's only about a 25, 30% of our streets by lane mile throughout the city, all local streets, neighborhood streets are not receiving pavement maintenance other than pothole repair. So it's pretty significant that any of this program could be then expended towards maintaining more of our local streets, which are where most of our people actually live, are on those neighborhood streets, local streets. Does that help answer your question?

Speaker: Yeah. I mean, and are you able to maintain all of the street to properly maintain all of the streets of citywide significance?

Speaker: No. They are also falling in slower decline on their. We use something called pavement condition index. And they are still slowly declining, but not near as fast as our local streets, which are not receiving any maintenance.

Speaker: How much more additional revenue per year would you need to make sure that the streets of citywide significance are not declining?

Speaker: That number I do not have handy in my head.

Speaker: Okay, is that gettable, though?

Speaker: Yes. Our asset manager has that number. Okay.

Speaker: Yeah, I just think that it's important when we talk about raising money for anything, to think about what the tradeoffs are and to be aware of that with the fact that we're falling behind, even on streets of citywide significance. And I mean, personally, my view is that if we're going to raise any additional money for transportation, we should address that before anything else. Oh, another thing is the streets of citywide significance. They tend to be big, long streets that probably cross, you know, district boundaries, I would think. No.

Speaker: Yes they do.

Speaker: Okay. Thank you.

Speaker: Thank you councilor.

Speaker: Eikenberry.

Speaker: As we are talking about different sources, it sounds like we have a number of options and opportunities, all of which have a very small margin that we could work within. Is it precedented for us to go to the bond market with the sale that is. Secured by a single source, for example, the general fund, but with a payback plan that comes from multiple sources?

Speaker: Yes. In fact, that's a strategy that we've used in either either scenarios where it's a project that has multiple viable funding sources or issuance, where we've done a single issue that includes multiple, multiple kind of projects. So that is viable to have it secured by the general fund and identify. We expect it to be paid from from multiple sources.

Speaker: Great. Thank you. Colleagues.

Speaker: Are there other questions.

Speaker: About some of the technical pieces here? Okay. And I just want to preview that after we get the technical questions answered. I do want to give our colleague, councilor smith, a moment to talk about what some of her vision was for the financing here, since she brought this forward to us and is in the room today. But I want to make sure we get technical questions answered first councilor.

Speaker: Green.

Speaker: Last one, I swear. So we do have a number of tax increment finance districts that are coming online in district one in particular. I know there's 1 in 4, but the parts of district four that need sidewalks are not going to be covered by tif district. So I’m curious how this could potentially intersect with that flow of funds, because I know that the purpose of those districts is to provide a revenue source for capital improvements and sidewalks and streets, I think would would fit the mark there. What control do we have, I think, is the bureau and working with prosper on that. And are we, jonas? Are we thinking about maybe a blended kind of strategy there where we kind of, in lieu of issuing limited tax, limited, limited tax revenue bonds? We're kind of partnering with prosper to see if we can complete that stack.

Speaker: It's a great question and a good thought. There's a couple of different angles into the conversation. One is around project prioritization, which is a community led, prosper led, lengthy process around identifying projects that are eligible. I don't know what's in I don't just I don't have the details to know what's currently in the identified or renewal plans, but other transportation and elements are included in there. That's often the case. There are pathways to modify that. So that's one angle. The other angle to the conversation is so to that angle, if there were identification of projects that would otherwise be cip funded, then that reduces them. They're funded through the tax increment revenue bond mechanism. And off of this other category of cip bonds. From an issuance perspective. The other thing I would flag is that when new urban renewal areas are formed, it typically takes a little bit of time before they generate enough tax increment revenue to support a borrowing. And so there's a little bit of a timeline potential timeline mismatch, at least with funding infrastructure projects up front from that, that tiff specific strategy. But it's certainly worth exploring to see what synergies could be identified there.

Speaker: Councilor may i, while the tif districts would provide the opportunity for infrastructure supports to be put in place, and councilor smith can correct me if I'm wrong. Some of what was proposed when we initially talked about introducing cip. And of course, you as co-sponsor, was that the needs were not necessarily those that were directly connected to or adjacent to some of those areas that were already going to be developed, but rather in everyday neighborhoods where people are trying to literally get their feet out of the mud so that their children have the option of walking safely to school so that they can traverse their neighborhoods without feeling unsafe, so that they could access transit stops in a way that makes sense in a modern society. So I think we have some opportunities to continue to evaluate how we both leverage the investments that are happening across the city that are more development driven or tif district driven, but also meet the goals of the objectives that were put forward, which were to make sure we were seeing people who had not previously been seen in the solutions that we were putting forward. One of the ways that I've talked about it with the pbot team is it's a block by, excuse me, a block by block initiative, in that we would be able to look at whole neighborhoods, recognizing that may not mean a corridor project as much as it really is, you know, a few few blocks at a time. And that's when earlier I talked about maintenance operations delivering a portion or smaller dbe firms delivering, and then looking at the larger cip down the road. That's what I was talking about. I think there's a tremendous opportunity to both leverage while providing the very basic service that I know that Portlanders are seeking as they think about the transportation bureau.

Speaker: That's very helpful. And i, you know, as we envision cip to be a five year plan, so to speak, and recognizing that it takes a few years for the tif resource to come online, we might say, look, let's let's front load the very get out of the mud type of work that you're talking about. But then as we can influence the action plans that we need to approve as council with prosper, we can maybe emphasize that a vast, a vast part of east Portland is going to be covered by this. And so we won't we want to maybe see those tax revenues go towards that as well. So thanks. Thank you.

Speaker: Councilor avalos. My memory might be hazy on this, but it is my recollection though, and I don't know if any of you can answer this question about tif. That tif is meant for sticks and bricks, though, that it can't actually be used on streets because we had this conversation in cully specifically, since cully has such terrible streets and barely any sidewalks, so I don't. Again, my memory could be hazy, but I just remember us having this distinct conversation many years ago. So can you clarify that tif could even go towards this? It's my understanding it's supposed to go towards buildings mostly.

Speaker: It does go towards building buildings more specifically, but in order for those buildings to be able to function in the way that they're supposed to, people to be able to access them in the way that they're supposed to, there is a requirement of some frontage improvements, if necessary. Now, not every entity that's built or rebuilt would require the extensive levels of frontage improvement, but there would be the expectation that those who are accessing those buildings would be able to do so safely, whether that was on a sidewalk, if there needed to be some street repair that was a part of it, there's going to be utility work that's going to happen. So all of that would need to be put back in order for people to be able to access safely. So that's, that's. It's an ancillary product of the initial investment in the sticks and bricks. One must do the other one to do the other. But it is not the driver, as is the case with some of the other development types of work that's proposed.

Speaker: I mean, I bring it up because I just want us to caution thinking that tif could be any kind of replacement to what we're talking about, because that's not my understanding. Of course, there's going to have to be sidewalk and other infrastructure whenever you build something. But again, we talked at length about it, about whether it could be used to improve, you know, lighting and sidewalks and road repairs. And we were told that that's not the purpose. So I just want to make sure that was clear and that I understood so that it doesn't get conflated, because I could because I think everybody right when we I feel like tiff gets used is like, oh, we can use tiff, we can use tiff. So I think we need to get super clear about what exactly the restrictions are, and I believe this is one of them. So I’d want to explore when we say we use tiff, that we're not saying that we can because that's not what the cip is about, is about. Right? The infrastructure of all the streets, not about just fixing the infrastructure around buildings that we build.

Speaker: Right. So the adjacency is what we think about or the utility, not utilities, but the utility of the infrastructure is what we think about when we talk about the tif districts. So it's the necessary components. It would not be something that's done. As would be the case with an ltac project. A fund is established and projects happen someplace else. These projects that are happening in support of a tif district, using the district as an example, water avenue would have to be addressed. And so it does in that case, speak to infrastructure in meaningful ways. And so all of those things you talked about signals, street lights, sidewalk and pavement are all component of that. But it is not the driver. It is just an ancillary product that comes out of it. But yes, you're absolutely correct.

Speaker: Thank you. Councilor, colleagues, our fellow councilor, councilor smith is up at the table now. And we've had a couple of people talk about what your intent was when you bring this. I’d love to give you the opportunity to just share a little bit about what you are hoping to see us come up with out of this committee. As we continue these conversations.

Speaker: Thank you. My name is loretta smith. I am a Portland City Councilor for district one and the author of the non-revenue version of cip that passed the big council and my original thought, which was which is actually in cip one, i'll call it that was to make sure that we have safe, secure sidewalks for people to walk to, to school. Families can play in parks without having to be worried about having some sort of safety issue, and to make sure that our potholes are filled. And as director williams talked about, I talked to her about potholes. And even deeper than the potholes, actually paving whole roads, because doing a pothole does not take care of the whole problem. You have to do the entire road. And my intention is to make sure that the paving of roads, particularly in those high crash corridors, that we're able to use cip to run up against, let's say, the 82nd avenue project that we're already doing. So we know those are areas that that have huge concern, particularly with vision zero and making sure communities of color, that they're not the ones that are always taking the hit in those high crash corridors. And that's because we don't have safe streets. And I do have to say. Director yates, thank you so much, because stark street has improved so much. Thank you so much. Stark street, in the last month. It has just gotten so much better, even past 80s. So I appreciate the work that pbot has done. So what we want to do is do neighborhood by neighborhood and identify particular streets that have been a problem. And I and I want to go back to the financing. Thank you to dcr berry because we probably should have given you all a slate of monies that are available out there that limited revenue bond. There's $1.5 billion left. And I asked the question, if, you know, if we took and spent the entire $1.5 billion that does not require it to go out to the public, would we be pushing up against our financial policies in terms of having enough money to pay? And from what I can remember from the conversation, dcr berry said, no, we wouldn't, and we're not asking for 1.5 million. We're asking for 200 million. Out of that $1.5 billion limited revenue fund. So it is a small piece of that. The other piece is 2627. There's 35 million that's dropping off a debt service that you all didn't talk about. So it should not be assumed that because the executive end has the first stab at where those dollars go, that they have to go, where the mayor says they have to go. Now, if we have $35 million, that's dropping off. Cip has just as much of a opportunity to use some of those general fund dollars as well. We're expected to get a new gas tax revenue somewhere between 18 and what, 22 million.

Speaker: From the state?

Speaker: Yes, in additional monies under this, if the 14.7 billion is approved in the in the state authorization, we're going to get about $22 million just from that alone, on top of what we already get. So I didn't hear a huge open conversation. The second piece is in terms of piecing things together, we received a grant to do sidewalks from the biden administration that we have not used as well. So there are so many different funds that can be interchanged with this. But like I’m saying, I am pushing for us to use some of that $35 million, eight of that $35 million going directly to cip, because I believe we have been so underinvested in in district one in terms of our sidewalks and infrastructure and safety and all of those things that we have just as much right to those dollars. And I do understand and I said it last week, there are a lot of things that are going to come up, whether it be some of our spectator venues that may need additional work that hasn't come before us yet. And I don't want us to think that we have to save something for something that has not that has not come before us first before cip. I don't want cip to be pushed back because they said, oh, we have to do the keller, we have to do the rose garden. We're going to have to do this. We are at the point in time right now we can't afford not to do cip and put sidewalks in district one and district four, because we have not had the investment in sidewalks and infrastructure to the degree that we should have in terms of maintaining those streets. So I don't want to get into this, this tug of war, what might happen. We know what is happening. Cip is on the table right now. None of those other things are on the table. We have to deal with the projects that are before us today. And I want us to look at, look at it like that, with also keeping in mind that we do have other things to do, but understanding that I’m only asking for 200 million of that, 1.5 billion that we have, and even if we spent down that 1.5 billion, we still would not hit that mark, that policy mark. And I just wanted to make sure you all understood that if we could do so, that that paper that you did for me and councilor green to show where are the different sources of money in the bonding opportunities, if you could email that to them so that they could see exactly what that looks like, that we're we're not trying to take money away from other projects or maintenance projects that should go forward. We're just trying to do in addition to with the drop off from the debt service from 2627.

Speaker: Thank you, councilor, and I think it would be helpful to get the background on those two revenue sources that councilor smith laid out the 1.5 billion limited revenue bond and also the sidewalk grant. I also think it would be helpful. I asked you earlier about the drop off of current bond payments in 2930, but if we could see a breakdown over the next, say, five years between now and then of how much money is coming off the rolls each year, that would be helpful. I know that's accounted for in the balanced budget that we've looked at, so that's not new money or extra money, but it does affect that bond capacity and how close we are to the 7%.

Speaker: And so councilor.

Speaker: So what we should do is before it, before you actually put it into a mayor's budget, look and see, get those numbers first, because we're just assuming that we're going to take those dollars and put them somewhere else. And that's not. So we determine where those dollars go to. And if we as a council determine that we want to spend that on an infrastructure project in in district one, we will and, you know, it will not stop any homeless or housing opportunities that that the mayor may have to spend those monies. But i, I caution us to not already bake in monies that we have not we have not decided to budget first. I mean, the raw numbers need to be seen first and then you can put that you can bake in the numbers. And the other thing, president pirtle-guiney, this is going to be a huge opportunity for minority contractors to be able to do work and to be able to get their go apprenticeships, to get their journeyman on this project alone for sidewalks. And so we're we're trying to look at a 30,000 foot level and how do we incorporate our folks at pbot. And with contracting out some of the services to smaller businesses, who this is the kind of work that they do. And that would be a win if we could do that.

Speaker: Thank you. Councilor, councilor, green. Councilor. Avalos, any other questions? Okay. This is clearly something we will need to continue to work on so that we can figure out where the funding comes from and put forward this third piece of the cip package that I know. Councilor smith, you have been patiently waiting on us to look at until we could get through the budget process. So thank you.

Speaker: I appreciate it. Thank you so much, colleagues.

Speaker: I am going to move us on to the next item on our agenda. I will note that we. Councilor novick had to leave to a another engagement. So we just have the three of us left here. Keelan could you please read agenda item number two?

Speaker: Declare property and an unnamed road off northeast 33rd drive as surplus, and authorized the bureau of transportation to dispose of the property by sale to ppc marine, llc.

Speaker: Colleagues. We have seen a few of these before where we are asked to declare property as surplus. This one is a little bit different in that for the first time we are seeing one where we're specifying sale to a specific entity as opposed to sale generally on the market. Mr. Lindahl. Go right ahead.

Speaker: Lance lindahl, city of Portland, pbot real property services I do have powerpoint slides. I'm not sure if they're ready to go. I didn't get a meeting invite to present, so I'm sorry I reached out earlier. No thank you for.

Speaker: Staff slides.

Speaker: Yeah, but I never got a link to the meeting to log in to run them.

Speaker: Could you give us an email to send the link to?

Speaker: Sure.

Speaker: Let's either get you the link or get the slides to. Christopher. Do you have the slides? Okay.

Speaker: It's a pretty short number of slides, so it might just be easiest to I'm sorry to put the burden on you guys, but it might be easier just to pull them up that way.

Speaker: Christopher. Normally I would say let's not have you do that so that you can keep track of everything else. But I feel like this may be straightforward enough that we could make an exception.

Speaker: That looks like it. Thank you. So continuing my introduction before you today is an action to vacate a street, which result in the title of the land reverting to the city under pbot control. Pbot has determined that the right of way is not needed for public street purposes, and requests that City Council approve the street vacation and a surplus land sale. Since these are two distinct actions, I have two separate sets of slides to share with you today. Both processes will need City Council approval in order for the city to release its control over the property. Next slide please. All right. The property is shown here with a red outline. As you can see, it sits between two other parcels that are already owned by wpc marine llc. City records show that the area proposed for surplus has never been approved as a public street. The property is only street connection is to northeast 33rd drive, which is located to the east. Next slide please. The property was declared to be excess back in 2023. Per the city surplus property process. It was formally submitted for citywide review. None of the other city bureaus have shown interest in acquiring the property. It was then declared surplus. Sale was authorized to wpc marine, since they already own the two abutting parcels located to the north and to the south. Next slide please. So conditions of the sale reflect city and community concerns that came up throughout the street vacation process and as a as a result, wpc marine will grant a 30 foot wide trail easement along the length of their southern parcel in support of a future extension of the marine drive 40 mile loop multi-use path. And also, the city will reserve a 20 foot wide sewer easement located over an existing 36 inch wide pressurized sewer main, which is shown there with the. Actually, I apologize, the trail has been shown with a green line and the sewer easement is shown with the red line. Next slide please. So approval of this surplus sale will provide the city with a number of direct benefits. Pbot will receive $310,000 in net revenue. This number is based on current market value of the property, with discounts made for the existence of the trail easement, the sewer easement, and remaining costs related to the street vacation process. And also, this would be a win for pbot because it would reduce our ongoing maintenance and liability concerns with this area. And in conclusion of the surplus process, pbot is requesting that the finance committee recommend that this item be moved to the full council with a request to declare the property as surplus. And then i'll continue on with my slides about the street vacation process. And then certainly at the end, if there's questions, let me know.

Speaker: Great.

Speaker: And there's a second. Yeah. All that's being pulled up. The second part of the project is the street vacation. The reason why this part of the process is needed is because the parcel in question has been mapped as public right of way for many years.

Speaker: Christopher, are you pulling up that second presentation while you do that? Keelan would you mind calling agenda item three just so that we do officially have this open as well?

Speaker: Good point.

Speaker: Vacate a portion of an unnamed road near the intersection of northeast 33rd drive and northeast marine drive, subject to certain conditions and reservations.

Speaker: Thank you colleagues. We now have agenda items two and three, both open since they're related. Which gave us just enough time to get the presentation up.

Speaker: Yep. I think this is the last slide in the set though. So if you could go back. Sure. Okay. Oh you can go ahead. Go to slide number two. All right. So the street vacation process wpc marine contacted pbot a number of years ago with a request to vacate this property. The standard street vacation petition process was completed, and in that signatures were obtained from other affected property owners. The proposal then completed the standard city notification process, and the planning sustainability commission unanimously approved the vacation after they held a public hearing. Public notices have gone out in recent weeks, including a notice in the daily journal of commerce and physical notification signs that have been posted at the street vacation area. And as of today, I've not received any concerns from the public about the proposals, both the surplus or the street vacation. Next slide please, chris. Here's a quick background. Kind of an odd set of circumstances happened for us to end up with this property. Prior to 1984, this area was unincorporated Multnomah County and Multnomah County back in the 1960s had proposed a street project, and as a part of that, they would have built connecting ramps between 33rd drive and northeast marine drive. They acquired the property in fee title at that time, but they never proceeded with constructing the project, so the property has sat vacant that entire time, although it has been used by some of the abutting property owners in recent years. And then in the 1980s, when the area was annexed, and then all the abutting roads were included and transferred to the city. Next slide please. And then pbot recently discovered that although the road jurisdiction had been transferred to the city, fee title ownership remained with the county, and that was resolved through a transfer of ownership that occurred in 2019. And as I've outlined here today, pbot has done an extensive review process and determined that the property is no longer needed for street purposes. Next slide please. For reference, here's an aerial image of the vacation area. And the area being vacated is shown in red. And the property is currently zoned as general industrial two. There are several boat marinas located to the north, and most of the other abutting properties in the area are owned by the port of Portland as a part of either the Portland international airport or their industrial properties nearby. Next slide please. So last slide. So here's a recent picture of the vacation area. This is taken from northeast 33rd drive. The bridge there looking west. The very excuse me the area to be vacated is located near the center of the photo. And as you can see, the area is not improved as public street is currently being used as both a private driveway and as a storage area for the adjacent business. And pbot is requesting that the finance committee recommend this item be moved to the full council with a request to vacate the public right of way. Thank you for your time. My apologies for the issues with the presentation, and I'm available to answer any questions you may have. Thank you.

Speaker: Thank you, mr. Lindell. And christopher, thank you so much for running those presentations for us so we could.

Speaker: Thank you, chris.

Speaker: See them up there, colleagues, are there any questions about either agenda item two declaring this property surplus or agenda item three vacating the property. Okay, I have just two quick questions. That area, as you mentioned, is the end of the bike path. And I'm wondering if you can describe a little bit more what the conversations have been about, ensuring that we have that easement, and if there have been any conversations about development related to that. The back end of that parking lot I know is often used. And along the side of the road there by people who are parking to ride the bike path, starting from the area across the street. And have there been any conversations with the property owner about whether they'll be making changes when they lose the city, the city interest in the property that would not allow members of the public to park in that area to use that pathway moving forward.

Speaker: Yeah, there's a lot of moving parts in this area. There's an lid proposal that's kicking around at the city. There's also the pending work on the columbia river levee, which marine drive is located on top of. So in the near future, this the projects here and before you today shouldn't really impact that flexibility of the public being able to park in that unapproved area right along 33rd drive that will remain in its current condition for now. But there's a longer term question about how this area is going to redevelop, because there's a number of proposals in the works right now in the private property world.

Speaker: Should I assume from that answer that that means that we're probably not looking at continuation of the bike path and the green loop there until we finish the levee work as well?

Speaker: Actually, I think extensions to the path could happen before that. It's that that connection right at marine drive and at the intersection, things there will probably have to be reworked in future years. But yeah, there's been strong support throughout from the abutting property owners, both the ones purchasing this one and the port of Portland, who owns the property to the west of extending that path and providing that much needed connection on the marine path.

Speaker: Perfect. I think this is I know that area decently well and this is a change that makes sense. But I do want to make sure that it doesn't limit the ability to extend that work in the future.

Speaker: Yeah, there should be lots of flexibility.

Speaker: Still perfect. Keelan do we have anybody signed up for public testimony on either of these agenda items?

Speaker: No one signed up.

Speaker: Okay, colleagues seeing no other questions. Thank you very much for your time. Keelan could you please take the role on agenda item two? I'm sorry. We need a motion, don't we? Yes, we're in committee. I'm used to council.

Speaker: I move that we recommend to full council to declare property at unnamed road. Our agenda item 250. Be recommended to full council for adoption.

Speaker: Second.

Speaker: Perfect. I think that covered it. Keelan, could you please call the roll?

Speaker: Novick. Oh, he's not here. Sorry. Green.

Speaker: Hi, avalos.

Speaker: Hi, pirtle-guiney.

Speaker: I thank you and colleagues. I would entertain a motion for agenda item three. This is document 251 to vacate this portion of road.

Speaker: I move that we recommend a full council for adoption. Item 2020 5-2 51, which is the vacation of this portion of road.

Speaker: Second.

Speaker: Thank you. Keelan. Could you please call the roll green?

Speaker: Hi, avalos.

Speaker: Hi.

Speaker: Pirtle-guiney i. Okay. And colleagues, I believe we have one more item left on our agenda. Keelan could you please read agenda item four.

Speaker: Declare property located near the intersection of north midway avenue and north columbia boulevard as surplus property, and authorize the bureau of transportation to dispose of the property for fair market value.

Speaker: Wonderful. Thank you very, very much. And mr. Louder. Please go right ahead.

Speaker: Afternoon.

Speaker: Do we have a presentation on this one as well?

Speaker: Yes.

Speaker: Okay.

Speaker: Good afternoon. My name is drew. Louder. I’m a right of way agent with pbot property pbot real property services. And today I’m presenting on the city's proposed declaration of surplus property at the intersection of north midway avenue and north columbia boulevard. This site is a vacant lot zoned r 2.5, meaning it's designated for single dwelling residential use. There's an existing curb and sidewalk along north midway avenue, and only a curb along north columbia boulevard, but space has been preserved for a future sidewalk. Pbot maintains the site even though it has no transportation related use. The city originally acquired this property in 1948 from Oregon state highway commission to help construct north columbia boulevard. Later in 2018, part of the site was reverted back to city control after a street vacation was removed. Was street vacation removed, an alley along the south side, and that was initiated by the property to the south. And at the end of 2024, pbot determined this lot was excess to our needs and submitted it for city wide review. There were no other bureau. No other bureaus expressed interest in using the property, and we received no public comment during the 60 day notice period. Because of that, under the city's administrative policy adm 13.02, this property falls under category three, meaning it's eligible to be sold on the open market to the highest bidder. If the ordinance passes, the city will sell the property for fair market value, generating one time revenue benefit and also return to the tax rolls and remove pbot responsibility for maintenance. This process aligns with the city policy for handling surplus property transparently and efficiently. So today we're requesting the finance committee's approval to move forward with this disposition so that it can be presented to City Council. Thank you for your time. I’m here for any questions.

Speaker: Thank you. Keelan do we have any public testimony signed up for this agenda item?

Speaker: No one signed up.

Speaker: Colleagues, are there any questions about this movement toward sale? I know this is in a residential neighborhood. Have we have had any direct communication with the directly adjacent homeowners? Have they been nonresponsive or have they responded positively?

Speaker: No one has reached out.

Speaker: No responsiveness?

Speaker: No. No response.

Speaker: Okay. Thank you. Colleagues. I would entertain a motion to move agenda item 2025 to 52 declaring property at the intersection of north midway and north columbia as surplus to full council with a due pass recommendation.

Speaker: I'll do it again.

Speaker: I moved because you said.

Speaker: You can't say so. I think you have to say the whole thing. I moved that we recommend full council agenda item 2020 5-252.

Speaker: With a due pass.

Speaker: Recommend a due pass recommendation. Yes.

Speaker: Second. But yeah you can if she says I’m entertaining blah blah blah blah blah, you can just say so that way you don't have to repeat it. Second.

Speaker: Thank you. Keelan could you please call the roll green?

Speaker: Hi, avalos.

Speaker: Hi.

Speaker: Pirtle-guiney.

Speaker: I and colleagues, I didn't say it on the other three, but all three of those passed unanimously. Thank you very much. Thank you. Colleagues. That is the end of our agenda for today. And I believe we are actually taking a little bit of time off in this committee in July. We have a bit of a light schedule coming up. Christopher, do we have either of our meetings scheduled in July or have both of them been postponed? Okay. So unless something else comes up that is pressing, this committee won't be meeting again until August, at which point we will have a collection of items coming from the administration that we need to consider. But we will also, I believe, start looking at some of the long term needs of the city, things like the debt overview that we touch the surface of today as we head into the fall. So with that, I will close our committee hearing. Thank you very much.