

The Daily Journal of Commerce

Team Downscales Project Due to Cost Concerns

By Chuck Slothower

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The 4th & Montgomery project led by Portland State University has shrunk in response to escalating construction costs.

Conceived as a nine-story building, the downtown proposal has shrunk to seven stories. It's now 174,000 square feet, down from approximately 200,000 square feet.

That makes for increasingly tight quarters for PSU and its project partners – the city of Portland, Oregon Health and Science University and Portland Community College.

The four parties are moving forward with the \$102.5 million project. The City Council will consider a development agreement Wednesday, and the project team is scheduled to go before the Design Commission on Aug. 2 for a type III design review.

“In PSU and OHSU’s case, we each had a set amount of funds for the project,” said Dan Zalkow, PSU’s associate vice president for planning, construction and real estate. “The size decreased due to some higher-than-expected cost escalations.”

Private developers say competition for contractors, skilled labor shortages and increasing materials costs are making projects unaffordable.

As a result, instructional space has been cut, from nine classrooms to four. Office space for PSU’s Graduate School of Education and its School of Public Health has been reduced too.

The design is from SRG Partnership. Andersen Construction is on board as general contractor. Bora Architects conducted an initial programming study.

At one point, the project team considered using mass timber in the building. That proved impracticable, Zalkow said.

“It was considered and it was evaluated as an option, but it was determined not to work well economically or programmatically for this project,” he said. “It had some limitations to how the space was laid out that were challenging for us to work with.”

Instead, the building will feature concrete and steel.

The building will devote approximately 50,000 square feet to the joint OHSU-PSU School of Public Health. Another 30,000 square feet will be city of Portland offices. PCC will have 30,000 square feet for a dental clinic. PSU will also own approximately 14,000 square feet of ground-floor retail space, and the ground floor will have some common lobby space.

The property is bounded by Southwest Fourth and Fifth avenues and Montgomery and Harrison streets, near PSU’s main campus.

The building should have space for five or six retailers on Fourth and Fifth avenues and Montgomery Street, Zalkow said. The building’s Harrison Street side will have a loading area.

The retail spaces could include casual restaurants offering lunch fare in the college neighborhood. But other uses would be welcome, Zalkow said.

“We hope to have a mix that includes more than just places for lunch,” he said.

The city and PSU laid the groundwork for the 4th & Montgomery project in 2015, when the Portland Development Commission (now Prosper Portland) agreed to convey the property to PSU for the project. The city has also referred to the project as the “Jasmine Block,” a name dating to when the PDC owned the property.

If design review goes smoothly, the project team hopes to break ground in early December, Zalkow said. Completion is slated for Oct. 31, 2020.

OPB

4 Tweaks To Sell Southwest Washington Commuters On Portland Tolls

*By Amelia Templeton
July 16, 2018*

Oregon’s Transportation Commission met Thursday to hear public input on a proposal for implementing tolls to reduce congestion on Interstates 5 and 205 through Portland.

One key question: whether politicians in Southwest Washington will accept the plan.

An advisory committee has proposed first testing tolling on a portion of Interstate 5 through downtown Portland and on the Abernathy Bridge between Oregon City and West Linn. Under the plan, there would eventually be tolling along both I-5 and I-205 between the state line and their intersection near Tualatin.

The proposal faces stiff opposition north of the Columbia River. In Clark County, roughly half of the population commutes to Oregon for work.

Notably, U.S. Rep. Jaime Herrera Butler has vowed to oppose any proposal that unfairly targets Vancouver commuters.

In Oregon, reception has been more mixed. The Portland City Council has embraced congestion pricing and urged the state Transportation Commission to consider tolling on all of I-205 and I-5 throughout the metro area.

At Thursday’s hearing, a number of people shared alternative proposals, including some ideas that might make the proposal go down a little easier in Washington. Here are four interesting ideas.

Clearer Benefits For Public Transit

Shawn Donaghy, the chief executive of Clark County’s public transit agency C-Tran, suggested that the congestion pricing plan needs to include clearer benefits for bus service and other forms of transit — and that his agency needs to be part of the conversation.

“Public transportation by its very definition is an example of congestion mitigation and has been for over 100 years,” he said.

C-Tran recently launched the metro area’s first bus rapid transit line, The Vine. The agency is also a major player in Oregon. According to Donaghy, 12-15 percent of its bus service is on routes into Portland.

Donaghy told OPB that, ideally, he’d like to see a dedicated lane for buses included as part of the congestion pricing plan.

Income Tax Deduction For Washingtonians

Washington state Rep. Sharon Wylie, whose legislative district includes downtown Vancouver, supports congestion pricing.

“It’s amazing how quickly people who live in the West forget that almost every bridge that’s been built has been tolled for a while,” Wylie said. “I happen to believe it’s inevitable.”

She suggested Oregon transportation leaders need to find a way to sweeten the deal and reduce the burden on low-income commuters crossing the river.

“I think a lot of the people I represent would be willing to pay tolls if it helped their commute, and possibly if it was a deduction on their Oregon income tax,” Wylie said.

A London-Style Toll Zone

Several people suggested tolling more freeways or creating an entire toll zone in downtown Portland, among them Milwaukie Mayor Mark Gamba.

“There are a lot of relatively low-pay workers that commute back and forth, particularly through the 205 corridor. Their only option will be to divert onto surface streets,” Gamba said.

He encouraged the commission to adopt a system that’s been tested in cities like Singapore and London, where drivers are charged when they enter a particular area at peak times.

“My hope is that the next steps would include a conversation with Portland and with Metro to consider cordon pricing, and a process for using those funds to create a far more robust transit system,” he said.

Test Tolling, But Have A Control Group

John Charles, president of the libertarian-leaning Cascade Policy Institute, proposed running an experiment to see if drivers are willing to pay for a faster commute: Toll all of I-205 in Oregon and Washington, and leave I-5 untolled. Charles suggested that if people see that pricing can in fact reduce congestion, they might be more inclined to support it politically.

“I think for the people who want an alternative, there’s the answer,” Charles said. “I-205 is where we’re going to learn. If you don’t like that, I-5 is unpriced. You can join the scrum there and wait.”