

# IMPLEMENTATION

## INTRODUCTION

The *Burnside Transportation and Urban Design Plan*, adopted by the Portland City Council in December 2002 with wide-ranging public support, outlines recommendations that respond to the diverse needs of the central city and integrate Burnside more fully into the city's fabric. The plan:

- Identifies catalyst development opportunities;
- Recommends improvements to the right-of-way; and,
- Establishes a blueprint for public and private investment.

Implementation of the project, in conjunction with related catalyst development, has been estimated to catalyze approximately \$800 million in new development or redevelopment over the next twenty years, including the creation of 1,060 housing units and 3,330 new jobs. One of the primary challenges to implement the project is in securing funding given scarce transportation and public resources.

## COST ESTIMATES

Given the nature and geographical location of the project, costs and funding are easily and logically divisible into four distinct segments, each of which can be constructed independent of the others:

- Lower East (from E 14<sup>th</sup> Avenue to the east Burnside Bridgehead)
- Lower/Central West (from west Burnside Bridgehead to W 16<sup>th</sup> Avenue)
- Upper West (from W 16<sup>th</sup> Avenue to W 24<sup>th</sup> Avenue)
- Flanders Bike Boulevard

Estimated Costs by Segment (as of February 15, 2005)

	Lower East	Lower/ Central West	Upper West	Flanders Bike Blvd.	TOTAL
Estimated Construction Costs	\$9.9 M	\$10.5 M	\$5.2 M	\$1.9 M	\$27.5 M
3% - 2 Years Escalation	\$0.6 M	\$0.6 M	\$0.2 M	\$0.1 M	\$1.5 M
Soft Costs	\$3.6 M	\$3.6 M	\$1.7 M	\$1.1 M	\$10.0 M
ROW Acquisition	\$.04 M	\$0.04 M	\$0 M	\$0 M	\$0.08 M
<b>SUBTOTAL EST PROJECT COSTS</b>	<b>\$14.1 M</b>	<b>\$14.8 M</b>	<b>\$7.1 M</b>	<b>\$3.1 M</b>	<b>\$39.1 M</b>
15% Contingency	\$2.1 M	\$2.3 M	\$1.2 M	\$0.5 M	\$6.1 M
<b>TOTAL ESTIMATED PROJECT COST</b>	<b>\$16.2 M</b>	<b>\$17.1 M</b>	<b>\$8.3 M</b>	<b>\$3.6 M</b>	<b>\$45.2 M</b>

## FUNDING OPPORTUNITIES AND STRATEGY

The following table catalogs possible sources of project funding. Assessments regarding the ability to obtain financing or amounts to be associated with each source are also provided. The proposed umbrella strategy for project financing focuses on federal funding for the Lower East and Flanders Blvd. segments, Portland Development Commission financing for the Lower/Central West segment, and Portland Office of Transportation allocation for the Upper West segment.

SOURCE	NOTES/DESCRIPTIONS	SOURCE APPLICABILITY			
		Lower East <sup>1</sup>	Lower/Central West <sup>2</sup>	Upper West <sup>3</sup>	Flanders Bikeway
<i>Cost Reduction Strategies</i>					
Elemental Phasing	<ul style="list-style-type: none"> <li>Phase installation of some project elements; for example, coordinate sidewalk reconstruction with land/building development.</li> </ul>				
Stormwater Quality Measures	<ul style="list-style-type: none"> <li>Savings through coordination with Big Pipe project</li> </ul>				
Overhead Recovery Reduction					
<i>Portland Office of Transportation (PDOT)</i>					
System Development Charges (SDC)	<ul style="list-style-type: none"> <li>Project could be added to annually amended ordinance authorizing receipt of SDC revenues</li> </ul>	●●●	●●		
General Transportation Revenue (GTR)	<ul style="list-style-type: none"> <li>Combination of funds received in the form of transfers from the State Highway Fund, Multnomah County Gas Tax, on-street parking receipts, and other discretionary revenue.</li> <li>Intense competition for funds and project not currently on receiving list; however, upper west segment could be candidate if additional funds become available.</li> </ul>	●	●	●●●●●	●●
Revenue Enhancements	<ul style="list-style-type: none"> <li>Possible increase to on-street parking rates (as was done in conjunction with Transit Mall imp/Light Rail ext)</li> <li>Project would need to be prioritized to receive funds.</li> </ul>		●●		
Other Programmatic Expenditures	<ul style="list-style-type: none"> <li>Savings through coordination with ongoing improvements within project area. For example, General Fund Capital for direct burial street lighting in downtown could be coordinated with project implementation</li> </ul>		●		
<i>Municipal Utilities</i>					
	<ul style="list-style-type: none"> <li>Costs for relocating water facilities and for stormwater facilities could be borne by the municipal utilities rather than the project.</li> <li>Combined water/sewer capital budget=\$187.8 M (FY 04-05)—incorporating project cost has minimal impact.</li> </ul>	●●●	●●●		
<i>Portland Development Commission (PDC)</i>					
	<ul style="list-style-type: none"> <li>Project is within the legal funding capacity of several Urban Renewal Districts including Downtown Waterfront, Central Eastside and River District.</li> <li>Any PDC financial participation is limited to portions of projects within current urban renewal areas.</li> </ul>	● <sup>4</sup>	●●●●● <sup>5</sup>		

## CONCLUSION

Funding each of the four project segments will rely on different “majority” sources and a combination of other “minority” sources and the challenge should not be underestimated. However, it is important for all parties to visualize the entire project and place their contribution in perspective. Only through completion of the entire project can the leverage of each party’s contribution be maximized.

SOURCE	NOTES/DESCRIPTIONS	SOURCE APPLICABILITY			
		Lower East <sup>1</sup>	Lower/Central West <sup>2</sup>	Upper West <sup>3</sup>	Flanders Bikeway
<i>TriMet</i>					
	<ul style="list-style-type: none"> <li>Project positively affects provision/efficiency of transit, positive impact could be quantified in \$s.</li> <li>Requires discussion about agency's willingness/ability to contribute financially.</li> </ul>	●●●	●●●	●	
<i>Federal Government</i>					
Federal Highway Funds <sup>4</sup>	<ul style="list-style-type: none"> <li>Intense competition for Metro's limited federal transportation funds. Current Metropolitan Transportation Improvement Program (MTIP) has allocated \$2 M to Lower East segment.</li> <li>Congressman Blumenauer earmarked \$1.5 million for eastside in current transportation reauthorization bill pending in Congress.</li> <li>Other future funding may be obtained by working with legislative delegation and regional partners.</li> </ul>	●●●●●			
Housing and Community Development (HUD)	<ul style="list-style-type: none"> <li>East, central west segments are within HUD eligible areas, Federal Housing and Community Development block grant funds could be applicable.</li> <li>Funds largely dedicated to affordable housing projects.</li> <li>In the past, a portion of City's block grant funding transferred for infrastructure projects improving environment of low/moderate income housing.</li> </ul>		●●		
Enhancement Funds	<ul style="list-style-type: none"> <li>Flanders Street Bikeway qualifies for portions of federal transportation funds dedicated to Metro set-aside for bicycle, pedestrian network enhancements.</li> </ul>				●●●●
<i>State of Oregon</i>					
Infrastructure Bank (Gap Financing only)	<ul style="list-style-type: none"> <li>Federally sponsored infrastructure bank with low interest revolving loan fund possible source of short-term gap financing for the project.</li> </ul>	●●●	●●●	●●●	
Highway Safety Funds	<ul style="list-style-type: none"> <li>Federally funded grant to improve high accident intersections and corridors.</li> <li>Availability depends on analysis of project area traffic safety history.</li> </ul>	●●●			
Oregon Transportation Investment Act (OTIA)	<ul style="list-style-type: none"> <li>ODOT has sponsored “quality of life” projects assisting with redevelopment. Funds would need to be renewed in future.</li> </ul>	●●●●	●●●●●		
<i>Property Owners</i>					
Local Improvement District (LID)	<ul style="list-style-type: none"> <li>Requires detailed analysis to demonstrate relationship between project and property value increase/amount of property owner contribution.</li> <li>Existing Streetcar, Transit Mall LIDs significantly impact property owners.</li> </ul>	●●	●●	●●	

### NOTES:

<sup>1</sup> The challenge to fund the Eastside Segment will be obtaining sufficient federal funding and State controlled Highway Safety Funds over a reasonable period of time and with a certainty to allow borrowing from the Infrastructure Bank. Work will be required with Portland’s regional partners to insure that the Burnside/Couch Project is identified as a regional priority to the congressional delegation.

<sup>2</sup> All other local resources should be closely examined and applied as appropriate to maximize the leverage of any TIF invested in the project.

<sup>3</sup> Federal funding for this segment is ruled out by relatively narrow travel lane widths resulting from increasing sidewalk width and improving the pedestrian environment. This segment's reconstruction needs and on-going maintenance places a disproportionate burden on limited transportation dollars. PDOT has indicated an interest in addressing some of these needs through a revenue-bonding program tied to increases in the state or county gas tax and vehicle related fees.

<sup>4</sup> The Portland Development Commission, through the Central Eastside Urban Renewal District, has extremely limited financing capacity.

<sup>5</sup> Competition for PDC TIF funds is stiff, and the overall total indebtedness of the districts limited. Key to securing a high level of support for TIF is the ability to demonstrate the benefit of the project to the redevelopment of the Old Town/China Town area, which is the priority for expenditures directed by the City Council and PDC.

<sup>6</sup> Initial meetings have been held with the Salem FHWA Division Office. FHWA has a keen interest in this segment due to implications for “highway” safety and eliminating the bottleneck at NE 12<sup>th</sup>/Sandy/Burnside. Federal funds received through MTIP process require a local match of no less than 10%.

## NEXT STEPS

## LOWER EAST BURNSIDE AND COUCH

TASK	RESPONSIBLE PARTY
Continue to solicit federal funds both through MTIP and earmark process.	PDOT
Continue to work with the congressional delegation to solicit support for the project.	PDOT
Begin the federal prospectus work immediately as prerequisite to federal funding.	PDOT
Investigate ways to fund local match assuming federal funds allocated, approximately \$2 million.	PDOT
Proceed with preliminary engineering in FY 05-06.	PDOT
Coordinate with Portland Streetcar Inc.	PDOT
As additional funding becomes available, complete final engineering and construction.	PDOT
Determine funding for right-of-way acquisition at East 14 <sup>th</sup> for couplet design.	PDOT
Acquire right-of-way for East 14 <sup>th</sup> Avenue couplet design.	PDOT
As part of the Central Eastside Urban Renewal Study, continue using Tax Increment Financing (TIF) for local 10% match for federal funding for construction.	PDC
Expand the Central City Pedestrian Wayfinding Signage Program to include the Central Eastside, more specifically Burnside and Couch.	PDC
Pending selection of developer and due diligence for the Burnside Bridgehead development, finalize the streetscape and transportation design for the area.	PDC PDOT
Pursue the advance funding permit with the federal funding agency.	FHWA
Engage Regional Arts and Culture Council (RACC) to identify design team artist for preliminary engineering, final engineering and construction.	PDOT
Reinstall the Benson Fountain on Martin Luther King Jr. Boulevard and Burnside.	PDOT

## LOWER AND CENTRAL WEST BURNSIDE AND COUCH

TASK	RESPONSIBLE PARTY
Consider creation of a local improvement district (LID) for partial funding.	PDOT
Determine funding for area between W 14 <sup>th</sup> and W 16 <sup>th</sup> and outside the urban renewal area.	PDOT
Continue to refine funding strategy to determine availability of additional funding sources.	PDOT
Appropriate funds to begin 50% preliminary engineering in fiscal year 2005/06.	PDOT
Engage Regional Arts and Culture Council (RACC) to identify design team artist for preliminary engineering, final engineering and construction.	PDOT
Proceed with preliminary engineering in FY 05/06.	PDOT
Partner with TriMet to coordinate transit improvements and mall reconstruction.	PDOT TriMet
As additional funding becomes available, complete final engineering and construction.	PDOT
Acquire right-of-way at west 16 <sup>th</sup> Avenue for couplet design.	PDOT
Continue to coordinate with Bill Roberts Transit Mall renovation for light rail transit expansion.	PDOT
Coordinate with the Park Bureau's Park Avenue plan for the Park Blocks crossing at Burnside and Couch.	PDOT
As development opportunities emerge in the Lower West Burnside and Couch sub-area, allow for flexibility of the roadway design to accommodate development opportunities. Any modifications to the roadway design must be consistent with the intent and vision of the plan. Any modifications would happen within the development application process	PDOT
Include Burnside and Couch in the city's wayfinding program.	PDOT
Reconsider the existing building setback requirements (Zoning Code Chapter 33.510.215C – Special Building Lines) that apply to West Burnside between 10 <sup>th</sup> and 21 <sup>st</sup> Avenues in the context of a broader legislative planning project.	BOP
Reconsider the Old Town/Chinatown neighborhood maximum FAR and building heights in the vicinity of NW 4 <sup>th</sup> and 6 <sup>th</sup> Avenues in the context of a broader legislative planning project	PDOT BOP
Reevaluate zoning	BOP

BOP	Bureau of Planning
FHWA	Federal Highway Authority
ODOT	Oregon Department of Transportation
PDOT	Portland Office of Transportation
PDC	Portland Development Commission
RACC	Regional Arts and Culture Council
WLB	Willamette Light Brigade

## UPPER WEST BURNSIDE

TASK	RESPONSIBLE PARTY
Allocate local transportation funds for this section of the project	PDOT
Consider forming a local improvement district to supplement local transportation funds	PDOT
Proceed with preliminary engineering in FY 05-06.	
As additional funding becomes available, complete final engineering and construction.	PDOT
Investigate converting SW 16 <sup>th</sup> Avenue from one-way to two-way operation.	PDOT
Working with adjacent neighborhoods and businesses, examine the feasibility of providing pro-time parking on Burnside during off-peak hours.	PDOT
Reconsider the existing building setback requirements (Zoning Code Chapter 33.510.215C – Special Building Lines) that apply to West Burnside Street between 10 <sup>th</sup> and 21 <sup>st</sup> avenues in the context of a broader legislative planning project.	PDOT BOP
Engage RACC to identify design team artist for preliminary engineering, final engineering, and construction.	PDOT RACC
Research funding source for expanding the City's Central City Pedestrian Wayfinding Signage Program into NW Portland.	PDOT
Support TriMet efforts to modify bus routing to Morrison	PDOT

## FLANDERS BIKE FACILITY

TASK	RESPONSIBLE PARTY
Pursue federal and local transportation funds to pay for improvements	PDOT
Coordinate with Oregon Department of Transportation for constructing the bike/pedestrian bridge over I-405	PDOT
Coordinate design and construction of improvements with the Bicycle Transportation Alliance	PDOT
Engage RACC to identify design team artist for preliminary engineering, final engineering and construction.	PDOT RACC

## PUBLIC INVOLVEMENT

TASK	RESPONSIBLE PARTY
Appoint design advisory committees for each segment of the project	PDOT
Form a project-wide coordinating committee comprised of a representative from each advisory committee and Friends of Burnside/Couch	PDOT

## BRIDGE ENHANCEMENTS

TASK	RESPONSIBLE PARTY
Pursue ornamental bridge and street lighting.	WLB
Support installation of ornamental bridge and street lighting.	PDOT/Mult.Co.
Pursue a joint city/county plan to identify pedestrian and bicycle enhancements on the Burnside Bridge.	PDOT/Mult. Co.

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 PDC Portland Development Commission  
 RACC Regional Arts and Culture Council  
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