

PDC

PORTLAND DEVELOPMENT COMMISSION

DATE: February 13, 2008

TO: Board of Commissioners

FROM: Bruce A. Warner, Executive Director

SUBJECT: Report Number 08-17
Approve the Downtown Kenton-Denver Avenue Streetscape Plan and Forward to City Council for Adoption

EXECUTIVE SUMMARY

BOARD ACTION REQUESTED

Adopt Resolution 6556

ACTION SUMMARY

This action will approve the *Downtown Kenton-Denver Avenue Streetscape Plan* and forward to the City Council for adoption. The City Council adoption will provide the Portland Office of Transportation (PDOT) guidelines for the future improvements along N. Denver Avenue.

PUBLIC BENEFIT

The Downtown Kenton-Denver Avenue Streetscape Plan (Plan) is part of the larger Downtown Kenton Redevelopment Project, begun in fall 2005 by the Portland Development Commission (PDC). Currently, some one-third of properties within the Kenton business district stand vacant or underutilized, and Denver Avenue, the main street through Kenton, has narrow sidewalks, a wide roadway and limited pedestrian amenities. The streetscape improvements called for under the Plan will help transform Denver Avenue into a safer and more attractive place for pedestrians and shoppers, and help spur the revitalization of the Kenton Business District commercial corridor. Implementation of the Plan will also aid in "placemaking," helping to create a stronger identity and better visibility for the district and strengthen the connection between Denver Avenue, the surrounding community and the Interstate Max light-rail station which lies one block away.

This action will support the following PDC goals:

- Develop healthy neighborhoods
- Provide access to quality housing
- Help business to create and sustain quality jobs
- Support a vibrant central city (urban core)
- Contribute to a strong regional economy

PUBLIC PARTICIPATION AND FEEDBACK

The Plan and its designs were developed through an extensive public participation process. At its core was the Denver Streetscape Citizen's Advisory Committee (the CAC) comprised of 14 Kenton property owners, business owners, residents and city-wide representatives. The CAC was formed by PDC in 2006 and has met regularly since May of that year to advise PDC, its consultants and PDOT (the team) which worked on the Denver Streetscape project. The CAC toured other area streetscapes, reviewed case studies of work around the country, and developed a list of criteria by which to judge the success of the Denver streetscape designs. The final designs represent a compromise between the parking and loading needs of the Denver business owners, some of whom are light industrial or manufacturing in nature; and the desire on the part of many residents to have a more walkable, green, and attractive commercial destination.

The team also received feedback from the general public at a December 2006 Design Workshop, a series of three Open Houses held throughout 2007, and a January 9, 2008, briefing at the Kenton Neighborhood Association meeting. Turnout at these events was excellent, averaging more than 50 attendees at each event. Surveys done at these events show that the views expressed largely echoed the CAC's preferences and endorsed the final schematic designs.

The team also met individually with Denver Avenue business and property owners to assess how the new streetscape design could best accommodate their needs. The streetscape drawings were regularly reviewed by a Technical Advisory Committee (TAC), representing PDOT, the Bureau of Environmental Services (BES), Portland Water Bureau, Urban Forestry, TriMet, and the Bureau of Planning. The Interstate Corridor Urban Renewal Advisory Committee (ICURAC) also was regularly updated on the Denver streetscape design process.

COMPLIANCE WITH ADOPTED PLANS AND POLICIES

The *Kenton Downtown Plan* (2001) lists the revitalization of the Denver Avenue Business District into a neighborhood-serving retail corridor as a Kenton neighborhood priority. An update to the *Kenton Neighborhood Plan* included in the *Downtown Plan* states that a priority action is to "Create a pedestrian-friendly shopping area on Denver Avenue. Focus public investment on a project that supports a retail corridor on Denver Avenue."

The streetscape plan also supports multiple goals and objectives of *The Interstate Corridor Urban Renewal Plan*, including a thorough public outreach process, sustainability, and most specifically Urban Form goal #1 which states, "Target Street Improvements to complement light rail use and to leverage appropriate private investment."

FINANCIAL IMPACT

Current estimates prepared by PDOT estimate the cost of implementing the Plan at \$4 million, including a \$1.7 million construction cost. This estimate contains a 24% contingency which PDOT anticipates may be able to be reduced as the Plan proceeds through final design and more refined and detailed estimates are available. At this time, costs for implementing the Plan are primarily covered by Tax Increment Funds (TIF) within the

Interstate Corridor Urban Renewal Area (URA) proposed budget through FY 09-10. The Plan is also financed by a \$75,000 Oregon Department of Transportation Community Enhancement grant.

RISK ASSESSMENT

Construction costs for the streetscape improvements called for by the Plan could increase due to inflation or a change in the market by 2009. However, the substantial project contingency should help to offset any such costs.

WORK LOAD IMPACT

There is a moderate work load impact to this project; however, it has been included in the Development Department Business Plan and is a high priority project.

ALTERNATIVE ACTIONS

If the PDC Board of Commissioners does not approve the Plan as proposed, an alternative Plan could be developed or the improvement effort could be halted completely. This will require additional time and effort from staff and the community. Without the improvements called for by the Plan, public confidence that PDC and the City are committed to the revitalization of downtown Kenton may be questioned.

CONCURRENCE

The Plan was developed with input from PDOT, Portland Bureau of Planning, and BES, TriMet, Urban Forestry, and the Portland Historic Landmarks Commission. The PDC internal Interstate cross-functional team was regularly updated on the Plan and incorporated specific input from the Economic Development department. The ICURAC recommended approval of the *Streetscape Plan* at its January 14, 2008, quarterly meeting and expressed support for funding the streetscape construction.

BACKGROUND

North Denver Avenue, stretching from Watts Street north to Interstate Avenue, forms the heart of the downtown Kenton business district. The *Kenton Downtown Plan*, the *Kenton Neighborhood Plan*, and the *Interstate Corridor Urban Renewal Area Plan* all identify Denver Avenue as a key commercial corridor with neighborhood services and destinations.

While the main street offers several attractive historic buildings and is one block from a new Max light rail station and a large public park, many commercial properties along Denver Avenue and its side streets stand underutilized or vacant. In 2005, PDC began the Downtown Kenton Redevelopment Project to promote revitalization of this historic business district.

Among the key recommendations of this Project were to create streetscape improvements along Denver Avenue. Some preliminary concepts were developed in May 2006. The current streetscape has fairly narrow 10-foot sidewalks and a very wide three-lane roadway with a center-turn lane. The large expanse of concrete encourages drivers to speed past the business district making Denver feel unsafe and uncomfortable for pedestrians and shoppers. There are few amenities, such as trees, benches, and sidewalk lights. Preliminary concepts for improvement were developed in the Project's first phase.

In the summer of 2006, PDC assembled a project team to move from these initial concepts into schematic designs which could be implemented within the next few years. The project team was led by SERA Architects, along with landscape architects Greenworks, PDOT, and PDC. The team was assisted in its work by a 14-member Citizens Advisory Committee which met regularly to give input and many members of the general public who came to review and comment on the work as it progressed at a series of three public Open Houses and a Design Workshop. The team also met individually with Denver Avenue business and property owners to assess how a new streetscape could best accommodate their business needs. A Technical Assistance Committee assembled by PDOT also reviewed the designs.

The CAC and public developed a list of criteria with which to judge the success of the new Denver streetscape design. In brief, criteria included making the Denver street environment safe, attractive, unique, durable, pedestrian- and bike-friendly, and green. The new streetscape design strives to address all these criteria. Along with general recommendations for streetscape improvements, this Report contains detailed schematic drawings with block-by-block notations that address specific business concerns.

Among the most significant changes recommended is expansion of the sidewalks from 10- to 15-feet to create a more pleasant pedestrian environment with room for outdoor café tables and other retail amenities. The bike lanes which line both sides of Denver would also be widened to a more comfortable six-foot width. Attractive pedestrian-scale lights, benches, trees, and public art would also enhance the commercial area. The street would be more defined and visually narrower with decorative stone banding at curbside, concrete parking areas and intersections. Stormwater planters along the entire stretch of Denver would soften the concrete with green and capture and infiltrate stormwater runoff from the sidewalks and roadways.

In order to slow traffic, Denver's center-turn lane would be eliminated and delivery loading and unloading important to local businesses would be accommodated at curbside. PDOT is working closely with business owners to create the most effective loading zones and parking timing and signage. The two traffic lanes would be widened to 11-feet each to allow cars to pass around a curbside delivery truck without stopping the flow of traffic. Finally, the gateways at the north and south end of the district would be enhanced with new greenery and district signage to better mark the district.

If the Plan is approved, PDOT will be engaged to complete the Denver design and engineering and oversee the project bidding and construction. PDC anticipates entering into an additional Inter-Governmental Agreement with PDOT in connection with such work.

Next Steps:

Design:

Construction Design & Engineering (est. 2008)

Public Open House (est. Spring 2009)

Project Out to Bid (est. Spring 2009)

Construction (est. Summer-Winter 2009)

Process & Approvals:

Portland Development Commission (February 13, 2008)

Urban Forestry Commission (February 21, 2008)

Portland City Council (February/March 2008)

Portland Historic Landmarks Commission Update II (est. fall 2008)

ATTACHMENTS:

- A. Interstate URA Financial Summary
- B. Project Map

CC: C. Twete, Development Department Director
C. Herzberg, Senior Project Coordinator
M. Baines, General Counsel
J. Jackley, Executive Operations Manager

URA FINANCIAL SUMMARY

Financial Summary

Fund Summary - Five-Year Budget Projections

	<i>FY 2006-07 Revised Budget</i>	<i>FY 2007-08 Adopted Budget</i>	<i>FY 2008-09 Forecast</i>	<i>FY 2009-10 Forecast</i>	<i>FY 2010-11 Forecast</i>	<i>FY 2011-12 Forecast</i>
Interstate Corridor URA						
Resources						
Beginning Fund Balance	1,762,630	1,806,201	404,469	463,324	548,816	870,676
Interest - City Invest Pool	40,000	20,000	20,000	20,000	20,000	20,000
Loans - Interest Earned	64,216	79,840	79,840	75,778	71,216	67,716
Loans - Principal Collection	0	552,000	0	0	0	0
Real Property Sales	500,000	600,000	1,242,259	0	0	0
Tax Increment - L-T Debt	7,200,000	11,225,478	8,295,000	6,758,000	7,963,000	4,921,608
Tax Increment - S-T Debt	2,995,337	3,770,713	4,041,885	4,961,426	5,916,043	6,228,641
Total Fund Resources	12,562,183	18,054,232	14,083,453	12,278,528	14,519,075	12,108,641
Requirements						
Project Expenditures (does not include Personal Services or Indirect Cost)						
Development						
19018 - Interstate Redevelopment	415,000	316,000	241,000	481,000	1,531,000	900,000
19019 - Interstate DOS Program	250,000	250,000	300,000	300,000	300,000	300,000
19020 - Interstate Streetscape Improve	1,881,000	3,949,944	1,000,000	1,175,000	1,000,000	1,100,000
19021 - Interstate Trans Improvements	183,515	125,000	150,000	175,000	175,000	175,000
19023 - Interstate Community Liv.	996,000	300,000	100,000	220,000	220,000	270,000
19038 - Interstate Parks	0	1,361,000	350,000	755,000	1,005,000	505,000
19039 - N. Portland Library	0	0	250,000	0	0	0
19048 - Downtown Kenton Redev	0	25,000	100,000	800,000	1,500,000	700,000
19049 - Interstate Seismic Loans	400,000	400,000	400,000	400,000	400,000	400,000
Development Total	4,125,515	6,726,944	2,891,000	4,306,000	6,131,000	4,350,000
Economic Development						
19026 - IC Storefront Grants	495,333	400,000	400,000	400,000	400,000	400,000
70019 - IC Business Finance	1,574,133	1,325,000	1,350,000	1,850,000	1,850,000	1,750,000
70257 - IC Business Retention	60,580	50,000	50,000	50,000	0	0
Economic Development Total	2,130,046	1,775,000	1,800,000	2,300,000	2,250,000	2,150,000
Housing						
19025 - Affordable Rental Housing	720,000	1,500,000	1,500,000	1,500,000	1,500,000	502,000
19029 - Interstate Rental Repair	200,000	0	0	0	0	0
31043 - Interstate Home Repair	317,000	325,000	325,000	300,000	300,000	300,000
33419 - Interstate Homebuyer Asst	256,000	450,000	450,000	450,000	450,000	450,000
33431 - Affordable Homeownership Dev	0	650,000	675,000	0	0	0
34606 - Killingsworth Block	15,000	850,000	0	0	0	0
34612 - Crown Motel Aff. Rental Hsg	5,000	2,352,000	2,000,000	0	0	0
37919 - Interstate Hsg Pol/Plan	5,000	5,000	0	0	0	0
Housing Total	1,518,000	6,132,000	4,950,000	2,250,000	2,250,000	1,252,000
Central Services						
59148 - IC Debt Management	0	17,655	18,537	19,464	20,438	21,459
Central Services Total	0	17,655	18,537	19,464	20,438	21,459
Finance						
57148 - IC Debt Mgmt & Finance	21,814	0	0	0	0	0
Finance Total	21,814	0	0	0	0	0
Total Project Expenditures	7,795,375	14,651,599	9,659,537	8,875,464	10,651,438	7,773,459
Operating Transfers Out	500,000	0	1,242,259	0	0	0
Indirect Cost	2,465,607	2,998,164	2,718,332	2,854,248	2,996,961	3,146,809
Total Fund Expenditures	10,760,982	17,649,763	13,620,128	11,729,712	13,648,399	10,920,268
Contingency	1,801,201	404,469	463,325	548,816	870,676	1,322,580
Ending Fund Balance	0	0	0	0	0	-134,207
Total Requirements	12,562,183	18,054,232	14,083,453	12,278,528	14,519,075	12,108,641

PROJECT MAP

