

# Partners Group #3 Meeting Notes

## Willamette Falls Legacy Project

January 27, 2014 9:00 AM to 11:00 AM

Museum of the Oregon Territory, Tumwater Room

Missing: State Senator Alan Olson

Substitute for Bobby Lee – Michael Williams of Regional Solutions

### I. Welcome and Introduction by Mayor Neeley and Kirstin Greene

### II. Site Status Update

Liam Thornton, Langley: Working on due diligence – in two ways:

- Planning Issues – comfortable with current path of the project
- Development issues – cost estimating, timing, who pays. Currently amassing information.

Peter McKittrick, Bankruptcy trustee:

- NRI has left the site
- Stormwater management system in place and signed off by DEQ
- Langley has 2 years to close
- No backup plan and little resources if Langley goes away
- Don't anticipate the bankruptcy estate keeping the property past April

### III. Framework Master Plan and Demonstration Plans Update - Mike Zilis

CIE #3 well attended, see lots of community support, champions.

Summary of Framework Plan and four core values:

- Key structures and industrial elements
- Site layout – street grid, waterfront path
- Transportation improvements and circulation changes
- Habitat restoration, shoreline roughness, re-establish tailrace flows
- Redevelopment parcels
- Building heights below the bluff
- Each block can “self-park”

### DISCUSSION

Mayor Neeley: plans should emphasize that the Lagoon is part of the site.

Tootie Smith: Has identification of historic buildings been an impediment?

Liam Thornton: To a degree, yes. The buildings don't have good lateral resistance (seismic load). We have not had a structural engineer look at them – this is based on the work that's already been done. It

does make redevelopment more difficult and costly, but it can be done. It does not prevent redevelopment, just a cost challenge.

Carlotta Collette: It's also an opportunity to keep those buildings for historic interpretation, architectural integrity, uniqueness.

Liam: Large volume space does create opportunities for certain types of tenants and users. Can take advantage of the large volume of the buildings.

Doug Neeley: Are there funds that we can access to help redevelopment of these buildings occur?

Mike Zilis: Yes. It will be a public private partnership. Our team has experience with historic redevelopment.

#### **IV. Master Plan and Vision Strategy**

Ben Shoenberger: Summary of land use process

Two main documents/products:

1. Land Use Application – Master Plan and Zone Change
  - a. Compliance with city development code
  - b. Zone change to mixed use
  - c. Design guidelines to ensure quality development
  - d. Adopted by City of Oregon City

Tootie Smith: Who pays for application fees and staff time? Answer: It is part of the WFLP budget.

2. Vision Strategy Report
  - a. Aspirational document
  - b. Economics/Financing strategy
  - c. Partnership opportunities
  - d. To be adopted by all partners

Liam Thornton: Is this land use application just for Blue Heron property or bigger? Answer: The piece next to Block 5 is already zoned MUD. It is not currently part of the Master Plan, could be incorporated later.

Carlotta Collette: What will the new zoning allow? Answer: We are creating a new zone, modification of mixed use downtown to include light industrial uses – broaden use list to allow a wide range of possibilities.

Matt Brown: Implementation of the Plan

Key words to consider:

1. Transformative action
2. Contingent Relationships
3. Patience

How does this project happen?

- Transformation has to start with Public Access – get people out to the Falls

- Create places for people – coordinated with private development
- Public access will lead to private investment. We may have to be patient for the private side
- Funding can be secured for public access and open space NOW
- Public infrastructure will more directly prepare the site for private investment – public investment needs to be contingent on private investment
- The next step in our process is to put together detailed cost estimates for each of these pieces
- Private dollar invested now may take 7, 10, 15 years to generate a return – important to keep in mind
- This partnership needs to last over time – longer than some of the political lifetimes of the current partners. Important to find and secure funding sources now
- Public sector shouldn't be asked to fund everything without any private commitment, but there are projects that can stand alone as public benefit

#### DISCUSSION:

Carol Pauli: Public access and open space will build support for the rest – infrastructure and private development.

Gary Barth: It's a bit of a chicken and egg problem – which comes first? Public or private development?

Carlotta Collette: Brooklyn bridge project example – started with public access, people got out and were able to see the opportunity and redevelopment occurred.

#### Abe Farkas: Where's the Funding?

Preliminary List of Resources - some are highly competitive, some are contingent upon certain types of uses, some are dependent on eligibility criteria:

- Tax Increment Financing – flexible
- CDBG HUD Section 108 – Allows borrowing at low interest rate – County gets \$ 2million each year, can lend 5 times that amount for economic development projects through this program
- Tax credits – historic, vertical housing, workforce housing, energy
- Impact Fees – fees from site can be dedicated for a particular geography rather than spread over whole city
- Property tax abatements – somewhat counter to TIF. Includes Enterprise Zones
- General Obligation Bonds
- Local Improvement District
- EB5 – employment based visa program – resources from foreign people who want to be citizens – foreign investment in job creation – low interest for developers
- Regulatory incentives – reducing parking ratios, expedited permitting
- Bonuses – FAR/Height – on or off site
- Foundations and trust funds
- Land banking
- Transient Room tax - tourism

- Lottery
- Brownfield loans/grants
- Transfer development rights
- Metro funding
- Crowd funding

We are going to show how each of these sources can be bundled, applied to private side or public side.

## DISCUSSION

What would be most helpful for partners leading to adoption of the strategy document?

Martha Bennett: Want to see a price tag (range), which funding sources are realistic, what might be the return on our investments.

Tootie Smith: For the county, we can adopt a resolution to support the vision, knowing there is no specific dollar amount tied to it.

Martha Schraeder: County has not typically used CDBG funds for projects like this, but could consider. Each entity will want to prioritize the funding sources or at least identify which ones pertain.

The long term implementation document will not delay adoption of the land use application.

Want to see MTIP, federal transportation dollars on the list.

Rep. Barton: Keep key legislators involved – no downside to that. Communicate these ideas. Also 99E is a state highway – there is money available for improvements there.

Carlotta Collette: Would it be worthwhile to brief key members of the legislature? We should offer at least. Keeping them all aware is important. No question that Washington County and Multnomah County will benefit as well.

Doug Neeley: We can get a lot of support through the public access piece – we should let everybody know that we plan to implement that first.

Roundtable: Are we on track/ on board for the land use application and direction of this project?

Carol Pauli: Yes

Michael Williams: Yes

Martha Bennett: Yes

Doug Neeley: Yes, transportation needs to be emphasized in the Oregon City process.

Gary Barth: Yes

Liam Thornton: Coordination of public agencies is encouraging. Don't slow down, keep the momentum. Implementation is a challenge. What you are doing is reducing risks for private sector.

Peter McKittrick: Concerned at first about putting the cart before the horse by planning without a property owner. But we've not let that happen, this is helping and not hindering private investment.

Brent Barton: Yes

Martha Schraeder: Yes. Challenge will be who's on first for infrastructure.

David Frasher: Yes. Each partner has something to offer, a diversity of funding. "This is Oregon's site. Not just Oregon City's."

Carlotta Collette: Yes. Need to start bringing in other regional actors – City of Portland, Multnomah County. Washington County has been supportive. We need more momentum as we go – the hill is going to get steeper. Not doing this isn't an option. Nancy Hales wants to add this to First Stop Portland tours.

Tootie Smith: Yes. We all have a contribution, but we need someone to organize us all and coordinate us all. I'm unclear on how that will work. I feel unorganized. More specific roles and responsibilities short term and long term. Define roles before asking us to adopt a resolution.

#### **V. February 6<sup>th</sup> Celebration**

Christina Roberston-Gardiner – Please invite your constituents and personal contacts to this event – we need to build momentum and increase awareness.

Gary Barth - Do we have an earned media strategy?

Christina – Yes. "Viral video" this summer, Oregonian media partner, etc.

#### **VI. Next Steps/Closing Comments**

Next meeting is April 7<sup>th</sup>. We'll have a draft strategy and implementation report for your review.

Today's presentation will be emailed out to all partners.