



City of Tigard

Memorandum

To: Alexander Craghead, Chair, City Center Advisory Commission

From: Sean Farrelly, Redevelopment Project Manager

Cc: Judith Gray, Senior Transportation Planner

Re: Downtown Conceptual Connectivity Plan Implementation

Date: October 4, 2010

The intent of the Downtown Conceptual Connectivity Plan is to establish a framework for improved multi-modal connectivity and circulation in Downtown Tigard. There are three objectives in the proposals for new Downtown streets:

- **Connectivity:** Foster the creation of smaller block structures, consistent with the walkable urban village envisioned by the Tigard Downtown Improvement Plan.
- **Circulation:** Create efficient routes into and around the Downtown.
- **Capacity:** Create parallel streets to accommodate the demand created by new Downtown development.

The plan would establish City policy and would designate street connections that would be adopted into the City's Transportation System Plan (TSP) and Comprehensive Plan. The Conceptual Connectivity Plan would be implemented incrementally over the next 50 years.

The plan was developed by a consultant team, led by SERA Architects, who collaborated with City staff and a technical advisory team of public agency representatives. The City Center Advisory Commission reviewed and provided input to the Plan.

Typical Methods of Implementation

In Tigard, plans for new streets are implemented through a mix of public and private actions. Priority street projects can be included in the City's Capital Improvement Plan. In that case, the City purchases right-of-way (ROW) from property owners and constructs the street improvements (such as it has for the Burnham Street project). Developers also can be required to construct street improvements through a condition of approval of their development application. In that case, the developer dedicates ROW for streets and constructs the street improvement that is roughly proportional to the impact of the development. Other methods for funding and constructing new streets are also used, such as through Local Improvement Districts.

Downtown Conceptual Connectivity Plan Implementation

There are two factors that complicate the implementation of the Conceptual Connectivity Plan in Downtown Tigard at this time:

1. Scarcity of public financial resources.

The ability of cities to fund capital street projects has become more challenging. The cost to acquire ROW and construct the full Downtown street network shown in the conceptual plan is conservatively estimated at \$28 million. The main sources of public funding for capital street projects are the State Motor Vehicle Fund (gas tax), Washington County gas tax, and Washington County Transportation Development Tax (TDT).

The statewide gas tax revenue has not kept pace with inflation and will continue to be impacted by improved car fuel efficiency. The TDT primarily funds projects that increase transportation capacity on arterials and collectors, which excludes many of the proposed Downtown streets. Additionally, the amount of available funds is dependent on new development in Washington County.

The City's general fund typically does not fund street projects. The City's Street Maintenance fee is dedicated to maintaining existing streets. The City has instituted a local 3-cent-per-gallon gas tax dedicated to the Pacific Hwy/Greenburg Road/ Main Street intersection project. However, this tax will expire when sufficient monies have been collected to pay for that specific project. Future funding of projects through new local gas taxes would be politically uncertain.

The City Center Urban Renewal District has a modest maximum indebtedness of \$22 million over 20 years (approximately \$21.5 million remains). Street improvement projects are included in the Urban Renewal Plan. However, while some urban renewal funds will be available for street projects, there are many other competing projects in the Urban Renewal Plan.

2. Current economic conditions.

The current recession and difficulty in obtaining private financing for real estate projects creates a challenging redevelopment outlook for the Urban Renewal District over the next 10 years. The type of development envisioned in the TDIP is riskier to finance, particularly in an untested market such as Downtown Tigard. Development opportunity studies have indicated that the cost of development currently exceeds the achievable rents. The cost to dedicate ROW (which reduces the amount of developable land) and construct street improvements would increase the amount of upfront capital a developer must have. This could impact the feasibility of desired projects in the short to medium terms.

Implementation Strategy

For these reasons, the Downtown Conceptual Connectivity Plan needs to be as dynamic and flexible as possible. Staff proposes an implementation strategy to guide the plan in the short to mid-term.

Prioritization of Streets on the Circulation Plan Map

The Downtown Tigard Conceptual Connectivity Plan will be considered a conceptual framework of desired connections to be implemented with new development over the next 50 years. It establishes desired basic system characteristics of circulation, connectivity, and capacity. The Downtown Conceptual Connectivity Plan Implementation Map (Map A) prioritizes roads based on whether the connection is needed for primary circulation, secondary circulation, or access.

The Ash Avenue rail crossing, Scoffins/Hunziker realignment, and Commercial Street realignment are priority projects that will significantly affect circulation. Most of the remaining proposed streets on Map A are somewhat flexible. The actual alignments are dependent on the type, level of intensity, and site plan of the development.

The primary circulation connections have the most potential for improving pedestrian, bicycle, and vehicle circulation. These connections also create access to properties that have a high level of redevelopment potential. As opportunities arise, specific street alignments will be identified with the intent to reflect parcel boundaries, to share the ROW dedication, and avoid creating sliver parcels.

The remaining non-primary connections that appear on the conceptual framework map are needed mainly to access new development. As long as the major goals are met, the street alignments are flexible and are dependent on the development's site plan. In certain cases, these connections may also be permitted to be private streets (with public easements), provided they meet City design standards.

Next Steps

Among the next steps to be taken to implement the Downtown Circulation Plan:

- 1) Finalize the Conceptual Connectivity Plan map.
- 2) Integrate the Conceptual Connectivity Plan into the Transportation System Plan.
- 3) Draft Development Code language, including design standards for private streets and pedestrian connections to implement.
- 4) Prepare more detailed cost estimates to help further prioritize projects.

Appendix

Potential Methods of Funding Street Improvements

Below are potential methods of funding street improvements. How and to what extent these funding sources are used will depend on future actions by the City Center Development Agency/City Council and recommendations by the City Center Advisory Commission.

1. Urban Renewal

Particularly in the early years of redevelopment, urban renewal funds should assist in paying for construction of street improvements. Urban renewal funds have already been allocated to contribute to the projects on Burnham and Main Streets. For projects that are listed in the Urban Renewal Plan (the Scoffins/Hunziker realignment and the Ash Avenue at grade crossing of the railroad), the role of urban renewal would be more significant. Urban renewal funds could be used in other strategic street projects, particularly where the cost of street improvements impact the feasibility of a potential redevelopment project.

2. Local Improvement District (LID)

A Local Improvement District (LID) is a method by which a group of property owners share in the cost of transportation infrastructure improvements. Property assessments are established in a defined area by agreement of the property owners and administered by the City. This method has been used to build street and other public improvements in the Tigard Triangle, notably Dartmouth Street.

This is the (simplified) process of how a Local Improvement District pays for street improvements:

- a) The LID is formed by agreement of the property owners. An estimated assessment is provided to the owners.
- b) City Council hearing and action is required to finalize the LID.
- c) The project is constructed.
- d) Assessments are collected from the property owners.

The advantage of a LID is that the costs are borne by the property owners whose properties are enhanced by improved streets. Additionally, the improvements can be built in a coordinated manner. The fees that are assessed can be significant; however they can be paid out over multiple years (usually ten). The City/CCDA could also contribute funding to the LID if appropriate.

3. Development Incentives

Incentives to a developer could offset the costs of the dedication of ROW and constructing street improvements. A possible incentive would be to allow a bonus of additional square footage to offset the loss of developable land. This could take the form of allowing additional building height or additional site coverage (over what is permitted in the

development code). Other potential incentives could be urban renewal funded low-interest loans or direct subsidy of developments that include the desired street improvements.

4. Grants

For street improvements that meet certain criteria, the City could apply for grant funding. For example, the City applied for and received \$425,000 in Federal Community Development Block Grant funding to pay for street improvements required for *The Knoll* project, including sidewalks on Hall and Hunziker. The City also applied for and received \$2.5 million in grant funding from Metro to finance the Main Street Green Street project. While grant programs are competitive and not guaranteed, any future opportunities for Federal, State, or Metro grant funding for street improvements in the Downtown will be pursued.

Other Policies to Assist Implementation

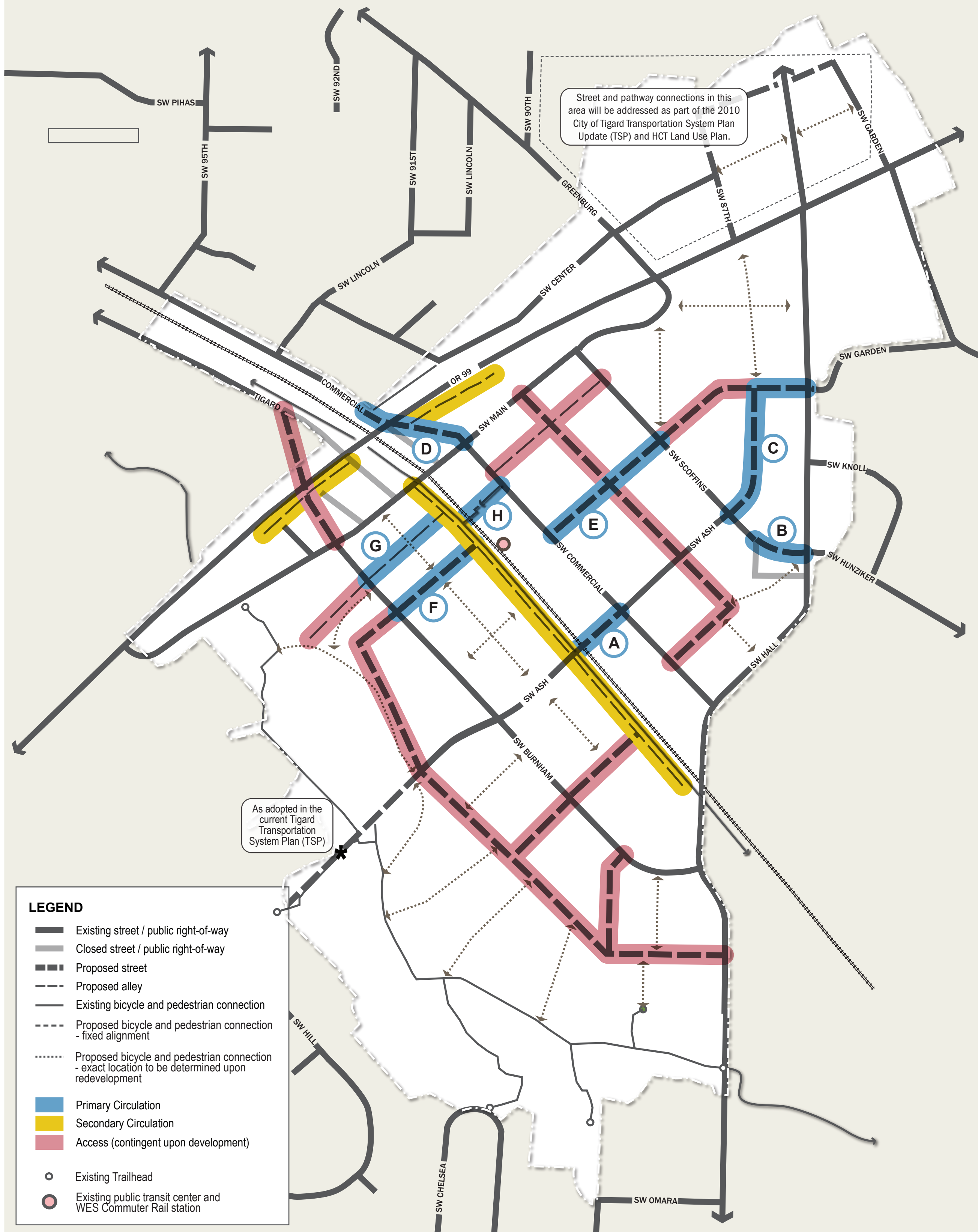
In addition to these funding sources, the following are additional potential actions that the City/CCDA could take to influence the implementation of the Downtown Circulation Plan.

Land Assembly

The City/CCDA could assist in land assembly in the Urban Renewal District. Larger parcels are typically more attractive to developers. Larger parcels facilitate the construction of new streets by allowing more options for the street connections to be integrated into the site plan.

High Capacity Transit

The City is currently advocating for High Capacity Transit in the Pacific Highway corridor. Such a line would be expected to have a stop in the vicinity of Downtown. High Capacity Transit would likely increase the value of property in the Downtown and its attractiveness to developers. As a consequence, the increase in property values would diminish the relative cost of constructing the street improvements.



Street and pathway connections in this area will be addressed as part of the 2010 City of Tigard Transportation System Plan Update (TSP) and HCT Land Use Plan.

As adopted in the current Tigard Transportation System Plan (TSP)

LEGEND

- Existing street / public right-of-way
- Closed street / public right-of-way
- Proposed street
- Proposed alley
- Existing bicycle and pedestrian connection
- Proposed bicycle and pedestrian connection - fixed alignment
- Proposed bicycle and pedestrian connection - exact location to be determined upon redevelopment
- Primary Circulation
- Secondary Circulation
- Access (contingent upon development)
- Existing Trailhead
- Existing public transit center and WES Commuter Rail station

Map location	Proposed connection	Type of connection	Potential implementation method
A.	Ash Avenue at grade railroad crossing	Primary Circulation	Public
B.	Scoffins/Hunziker realignment	Primary Circulation	Public
C.	Ash Avenue north of Scoffins (Garden connection)	Primary Circulation	Private/public
D.	Commercial Street realignment at Main	Primary Circulation	Public or private/public
E.	Scoffins-Commercial connection	Primary Circulation	Private/public
F.	Burnham St to rail corridor connection	Primary Circulation	Private/public
G.	Alley behind Main from Burnham to the rail corridor	Primary Circulation	Private/public
H.	Pedestrian connection from Commercial to Commuter Rail track crossing	Primary Circulation	Private/public