Financing the Public Realm: TOD in Portland, OR

Sara King, AICP
Portland Development Commission
TOD + Transit-enhancing infrastructure resources:

- Tax increment financing
- New market tax credits
- Historic + affordable tax credits
- Metro TOD program (FTA funds)
- Federal MTIP funds
- System development charges
- Percent for Art program
TIF in Portland

- @13% of city in urban renewal areas
- Streetcar & LRT lines pass through URAs
- Land acquisition & disposition, gap financing; TIs, infrastructure, etc
- Key to Portland redevelopment success
Case Study: Gateway Transit Center Redevelopment

7 miles, 25 minutes by LRT
Metro 2040
Growth Concept
Gateway TC
Quarter Mile Radius
Gateway Regional Center Aspirations

- Significant jobs center
- Transit-oriented
- High-density housing
- Better ped environment
Gateway Assets

• Transportation and Accessibility
• Proximity to Portland International Airport
• View opportunities for high-rise developments
• Medical/health industry cluster
Gateway Challenges

• Lacks “sense of place”
• Perception as suburban shopping center
• Property ownership patterns
• Market – lagging rent levels for office and residential
• Need for street improvements and connectivity
• Lack of parks
Gateway TC
Master Plan

• 409,004 gsf commercial
• 310,484 gsf residential
• 246,470 gsf hotel uses
• 9,000 gsf supporting retail
• 225,555 gsf open space;
• 1,891 structured parking spaces
Phase I: Oregon Clinic

- 101,600 sf LEED silver medical office building
- ~ 180 employees
- $31.6M total cost:
  - $25M senior financing
  - $3M NMTC
  - $3.6M owner equity
- PDC: land assembly & disposition, parking garage construction
- $6M TIF (garage)
- Senior housing planned
### Oregon Clinic Commuting

<table>
<thead>
<tr>
<th>Commute mode</th>
<th>Previous location 2006</th>
<th>Gateway TC location 2007</th>
<th>Gateway TC location 2009</th>
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<tbody>
<tr>
<td>Drove alone</td>
<td>89%</td>
<td>70%</td>
<td>82%</td>
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<tr>
<td>Carpoled</td>
<td>5%</td>
<td>7%</td>
<td>5%</td>
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<tr>
<td>Took transit</td>
<td>1%</td>
<td>16%</td>
<td>11%</td>
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<tr>
<td>Walked/biked</td>
<td>3%</td>
<td>5%</td>
<td>1%</td>
</tr>
<tr>
<td>Other</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
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</table>
Public Improvements

- 99th Avenue Re-Alignment
- Wind & Water Scape
- 102nd Avenue Streetscape
Challenges:
-No Clinic funding of parking
-No FTA reduction in parking
-Slow TIF generation
-MTIP funds competitive
Partners in Gateway Transit Center

Investing in Portland’s Future

PDC
PORTLAND DEVELOPMENT COMMISSION

TRI MET

THE OREGON CLINIC
Specialty Medicine with Commitment, Care & Compassion

Metro | People places. Open spaces.
Recent Development

Gateway Arbors

Park Vista

Russelville Commons

Community Center

East Precinct Police Station

Oregon Clinic
Zoning

- High Density Zones:
  - Residential (RX)
  - Commercial (CX)
  - Employment (EX)
- Design Overlay
Building Heights

- Height limits allow for 6 - 10 story buildings, and over 15 stories near MAX stations
- Generous Floor Area Ratios range from 3:1 to 8:1
- High-quality architecture desired
- Emphasis on “Green and Sustainable” development