Hillsboro 4th & Main

Presented by John Southgate,
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DOWNTOWN HILLSBORO HAS ALL THE ELEMENTS IN PLACE FOR SUCCESSFUL URBAN REVITALIZATION:

A historic main street

An active and growing employment base

Excellent access to high capacity transit

A wealth of cultural resources

Access to nature and wildlife

...and a vision and commitment to achieve a sustainable active 18-hour downtown.
Setting the stage for private investment

- Developer roundtables
- Zoning changes
- Urban renewal and other financial incentives
- Downtown investments, The Venetian, Sequoia, etc.
Metro & the City of Hillsboro acquired site in 1998 for $656,630; FTA joint development grant funds used for Metro’s share (90%).

Metro TOD Steering Committee and City of Hillsboro approval of developer selection and exclusive negotiations in January 2011.
Wells Fargo bldg.
Tokola Properties

- 3rd Central in downtown Gresham
- 30 years of experience in multifamily development
- Strong financial capacity
- Extensive multifamily portfolio
Hillsboro 4th & Main

- Adaptive reuse of former bank building
- 10,191 sq.ft. retail
- 71 market rate apartments
- Underground and tuck-under parking
- Supports transit, walk & bike trips
Fiscal & Economic Benefits

- 125 more residents to live & shop downtown
- 140 jobs during construction & 52 ongoing
- $25 m in new spending during construction
- $1.6 m in property taxes over 20 years
- $189,000 in income taxes in the first year
Financial gap & strategy

$16.5 m  total development cost
$13.2 m  appraiser’s estimate of value
$3.3 m  value gap

$1.1 m  Metro – pre-development; land write down; TOD grant;
$1.1 m  City – pre-development; payment of SDCs
$1.1 m  Tokola – pre-dev.; deferred dev. fee; additional equity
$3.3 m  contributions
Other Community Benefits

- Creates a signature new development
- Acts as a market catalyst for further redevelopment
- Stimulates downtown vitality
- Implements community aspirations
- Reduces reliance on automobiles
Project obstacles

- $3+ million gap (negative land value due to development requirements)
- Unanticipated environmental conditions required additional funds and DEQ oversight/involvement
- SHPO involvement
- BOLI limitations
- FTA approval process (differences in regional vs. federal approach)
Public Private Partnership Essentials