



Oregon

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May 7, 2015

TO: Land Conservation and Development Commission

FROM: Jim Rue, Director
Anne Debbaut, Metro Regional Representative

SUBJECT: **Agenda Item 9, May 20-21, 2015, LCDC Meeting**

CITY OF TIGARD PRESENTATION

PUBLIC INFRASTRUCTURE FINANCE STRATEGY

I. AGENDA ITEM SUMMARY

City of Tigard and Department of Land Conservation and Development staff will provide the Land Conservation and Development Commission with a description of an innovative public-private partnership and infrastructure financing plan. The project was partially funded by a technical assistance grant from the department.

For additional information about this report, please contact Anne Debbaut, Regional Representative, at 503-725-2182 or anne.debbaut@state.or.us.

II. BACKGROUND

The Portland metropolitan region contains a limited number of industrial sites larger than 25 acres. The department awarded the city of Tigard a 2013-2015 technical assistance grant to develop a public infrastructure finance plan for 42 acres of undeveloped industrial property at the corner of Wall Street and Hunziker Road near Highway 217 in Tigard. Even though the site is located within the city limits, it is completely lacking in infrastructure that would make it suitable for development – no water, sewer, utilities, or roads. With grant assistance, the city formed a public-private partnership to advance the development of the property; partners included a land owner, a developer, and an engaged city.

Through the creation of this public infrastructure finance plan, the city was able to define the appropriate scale and scope of infrastructure, define the responsibilities of both public and private-sector partners, and provide a clear roadmap to public infrastructure financing mechanisms that support private-sector investment. In other words, the city was able to maximize the private sector's ability to locate new industrial, manufacturing, and employment-generating uses on the 42-acre site and also support redevelopment in the surrounding industrially zoned area. The city believes the project has benefits far outside the property boundaries.

A pre-application meeting was held with a developer and the city anticipates site preparation on the Hunziker property beginning this fall and construction in spring 2016. The concept includes an approximately 225,000 square-foot, multi-tenant development on 18 to 20 acres. The city is also working with Business Oregon and the Oregon Department of Transportation, through the Portland Metro Regional Solutions Center, for public grants or loans, or both, to support the city's portion of the infrastructure development.

The city's economic development team was also enabled by the grant to develop a process for creating a public-infrastructure finance strategy for employment lands. This process is grouped into a series of decision points and phases that may be combined into a model process that other cities in Oregon can use to guide their efforts to unlock the development potential of undervalued and underutilized employment lands.