

 **Metro** | *Meeting Summary*

TOD Steering Committee
Thursday, June 5, 2014
10:00 – 12:00 p.m.
Metro Regional Center, Room 370A

Committee Members Present

Mark Ellsworth, Chair
Derek Abe
Vince Chiotti
Carlotta Collette
Justin Douglas
Alisa Pyszka
John Southgate
Kathryn Krygier

Oregon Governor's Office
Alta Planning & Design
Oregon Housing and Community Services
Metro
Portland Development Commission
Greater Portland Inc
John Southgate Consulting
TriMet

Metro Staff and Guests

Elissa Gertler
Megan Gibb
Peggy Morell
Joel Morton
Meganne Steele
Camille Tisler
Jodi Wacenske
Jon Williams

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I. CALL TO ORDER, WELCOME AND INTRODUCTIONS, AND APPRECIATION

Chair Mark Ellsworth called the meeting to order at 10:04 a.m. Committee members and staff introduced themselves and noted their jurisdictional or agency affiliation.

II. APPROVAL OF MEETING MINUTES FOR March 13, 2014

Action Taken: Chair Ellsworth asked for a motion to approve the meeting minutes from March 13, 2014. Councilor Carlotta Collette made a motion to approve; Mr. John Southgate seconded the motion. The motion was unanimously **approved**.

III. TOD PROGRAM ORIENTATION

Ms. Megan Gibb provided an overview of the Work Plan that was approved by the Metro Council in June 2012 to provide the policy, governance and operating framework for the TOD Program. The TOD Program mission, objectives, governance structure, and project investment criteria were reviewed.

Ms. Meganne Steele then explained how cost premiums are estimated for TOD projects. She described the importance of determining the “base case” project which could be built without public participation, and the means by which TOD staff assess current market conditions and other factors that affect development economics at a particular location.

IV. ULI Work Plan update

Mr. Jon Williams described a proposed update to the urban living infrastructure (ULI) program work plan, and invited Steering Committee discussion before issuing a Seven-day Notice to the Metro Council for its approval. He explained that Metro contracted with Johnson Reid to conduct research that showed retail amenities contribute to the value and feasibility of nearby housing development projects. The (ULI) program was started in 2007 to support fixed improvements that bring new retail services and urban amenities to eligible areas. ULI Funding contribution is tied to the amenity’s value to specific high density residential projects.

Mr. Williams explained that the eligible areas are limited to locations where the TOD program owns land or is a core partner in downtown revitalization program. There has been little activity in this program recently. He outlined the proposed changes to the program that would allow funding within 500 feet from Metro TOD program land and/or from a planned or recent but not yet stabilized TOD project.

Mr. Chiotti observed that services and amenities have different market areas, and therefore the spheres of effect may be larger or smaller, depending on the type of amenity. Mr. Williams acknowledged the plausibility of that reasoning and suggested the 500 foot radius standard be revisited in one year, as part of an annual review.

Mr. Southgate and Ms. Krygier discussed the possibility of using ULI funds for non-Metro TOD projects. Ms. Gibb noted that while that would be allowable, there is another program (Downtown Revitalization) that does storefront improvements for non-Metro projects.

Per Ms. Pyszka's inquiry, Ms. Gibb explained that projects can apply for traditional TOD funding and ULI funds.

Mr. Douglas pointed out the possibility of focusing on areas where the market is weaker in order to stimulate it. Ms. Gibb and Mr. Williams explained that this program exists to increase the feasibility of construction in areas where the TOD program is teeing-up new projects. The committee then discussed the differences between gentrification and displacement, and the need to look at on the housing needs a station by station basis, considering a range of factors

Mr. Douglas observed that the revised wording of one of the eligibility guidelines (E1) is difficult to understand. Mr. Williams agreed to make edits to improve clarity.

Per Ms. Krygier's inquiry, Ms. Gibb explained that the ULI program uses a five year easement, unlike the TOD program which uses a 30 year easement. Ms. Krygier further inquired about the repercussions of the business failing. Ms. Gibb noted that the business may fail, but the improvements will attract another ULI type business to that location. Ms. Krygier explained that properties on TriMet-owned land are being developed in partnership with Metro, and that it would be helpful to have those properties eligible for ULI funding. The Steering Committee informally agreed and endorsed changing the eligibility guidelines to include both Metro TOD **and TriMet TOD** Program properties.

EXECUTIVE SESSION HELD PURSUANT TO ORS 192.660(1)(e), DELIBERATIONS WITH PERSONS DESIGNATED TO NEGOTIATE REAL PROPERTY TRANSACTIONS.

Chair Mark Ellsworth declared an Executive Session at 10:45 am, pursuant to 192.660(1)(e), for the purpose of deliberating with persons authorized to negotiate real property transactions to discuss the following project authorization: funding for 5135 Interstate and 8300 Interstate.

Members present: Derek Abe, Vince Chiotti, Councilor Carlotta Collette, Justin Douglas, Chair Mark Ellsworth, Kathryn Krygier, Alisa Pyszka and John Southgate.

Staff present: Megan Gibb, Elissa Gertler, Peggy Morell, Joel Morton, Meganne Steele, Camille Tisler, Jodi Wacenske, Jon Williams

Time executive session started: 10:45 am

Time executive session ended: 11:30 am

V. ACTION ITEM: 5135 N INTERSTATE

Chair Ellsworth asked the Committee for a motion to approve TOD funding in the amount of \$160,000 for 5135 N Interstate with the following conditions:

1. 4 story building

2. 25 residential units
3. Approximately 2,000 square feet of restaurant space
4. Construction to incorporate 12' first floor ceilings, grease ventilation, separate commercial and residential HVAC systems, sound attenuation, and structural steel beams to support storefront windows.
5. No parking spaces

Action Taken: Ms. Pyszka made a motion to approve. Councilor Collette seconded the motion. The motion **passed** unanimously.

Chair Ellsworth asked the Committee for a motion to approve ULI funding in the amount of \$90,000 for 5135 N Interstate with the following conditions:

1. Approximately 2,000 square feet of restaurant space
2. Tenants restricted to ULI program approved uses
3. Soft shell build out to include storefront windows and doors, diamond finish concrete floors, smooth wall sheet rock, public restrooms, grease interceptor, and oven hood.

Action Taken: Ms. Pyszka made a motion to approve with the caveat that the restaurant design be reviewed by staff or a consultant with restaurant design experience. Councilor Collette seconded the motion, which passed unanimously.

VI. ACTION ITEM: 8300 N INTERSTATE

Chair Ellsworth asked the Committee for a motion to approve TOD funding in the amount of \$350,000 for 8300 N Interstate with the following conditions:

1. 4 story building
2. 57 residential units
3. Approximately 1,652 square feet of retail or restaurant space
4. Not to exceed 16 parking spaces

Action Taken: Mr. Southgate made a motion to approve funding for the project with the outlined conditions. Mr. Chiotti seconded the motion, which passed unanimously.

VII. STAFF UPDATES

Ms. Gibb provided updates on the 4th and Main project, explaining that the grand opening took place last month, and noting that if an invitation is received to attend the opening of the new tenant which is a tap room, it will be passed along to the Steering Committee.

Ms. Gibb introduced Ms. Krygier who provided an update on TriMet projects that may come to the TOD Steering Committee. Ms. Krygier thanked the Metro TOD team for their partnership.

Mr. Jon Williams gave an update on the budget and induced ridership model.

VIII. ADJOURN

There being no further business, Chair Ellsworth adjourned the meeting at 11:45 a.m.

Attachments to the Record:

Item	Topic	Document Date	Description	Document Number
1	Agenda	06/05/14	June 5 Meeting Agenda	060514tsc_01
2	Meeting Summary	06/05/14	TOD S.C. Meeting Summary, 03/13/13	060514tsc_02
3	Work Plan	06/05/14	ULI Work Plan Modification	060514tsc_03
4	Staff Report	06/05/14	TOD S.C. Staff Report – 5135 N Interstate	060514tsc_04
5	Staff Report	06/05/14	TOD S.C. Staff Report – 8300 N Interstate	060514tsc_05
6	Cost per Induced Rider	06/03/14	Cost (Metro investment) per induced rider	060514tsc_06
7	Budget Report	06/03/14	FY 2013-14 TOD Program Budget Report	060514tsc_07

Meeting summary respectfully submitted by,

*Camille Tisler
Administrative Specialist*