

## City-Funded Capital Projects: *4,985 jobs created*

### Overview

In November 2008, Mayor-elect Sam Adams and Commissioner Randy Leonard convened a work group of City Infrastructure Bureaus (Environmental Services, Water, Parks, Portland Bureau of Transportation, the Portland Development Commission and Office of Management and Finance) to discuss the development of capital programs in each bureau in a manner that maximizes the impact of those projects on the local economy. Specifically, bureaus were asked to present potential capital projects in terms of the number of jobs and the economic activity that results from employing citizens in the region (multiplier effect). As a result of those efforts, the Bureaus developed a list of projects that were submitted to the City's federal delegation requesting resources from the upcoming stimulus package being championed by President Obama. In addition to that, bureaus were asked to identify projects that could be funded by the City Council that would yield the greatest economic benefit.

The rationale for focusing on infrastructure in the City is the same as it is on the federal level: every \$1 of direct economic impact in expenditures and corresponding jobs generates between \$1.47 and \$2.02 of economic activity in Portland as the workers and companies employed by the project invest those dollars elsewhere in the local economy<sup>1</sup>. The multiplier effect varies based on variables such as the type of project, source of funding, and the labor-intensiveness of the project, etcetera.

Where projects require additional funding to be activated, the City will need to identify the returns to scale for any increased costs that may be shared with taxpayers and/or ratepayers to insure that the benefits yielded by the infrastructure projects exceed any negative impact to the economy suffered by taxpayers and ratepayers.

The following is an overview of the capital programs in infrastructure bureaus and priority projects for which City Council plans to fast-track implementation and identify funding in a way that will yield the maximum benefit to our local economy. In total, the capital programs of these City bureaus total **\$503 million of investment** that will create approximately **4,985 jobs** in our city.

### Bureau of Environmental Services

The Bureau of Environmental Services is undertaking approximately \$167 million in capital projects that will be in motion by the end of 2009. These projects incorporate a broad range of sewer system upgrades, and maintenance and repair activities throughout the city. The Bureau estimates that these projects will create approximately **1,911 jobs**, between now and the summer of 2011.

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<sup>1</sup> Source: ECONorthwest, January 2009; "Comparison of Economic Multipliers of Proposed Projects: An Analysis for the City of Portland." Refers to local economic impacts for public works projects that are federally funded or locally funded without increasing fees or taxes.

In the event resources become available through a rate increase above the current financial plan or elsewhere, the Bureau of Environmental Services would undertake additional infrastructure maintenance and repair projects totaling up to \$20 million that could be activated quickly, generating up to **168 jobs**.

### **Bureau of Housing**

The Bureau of Housing's capital program includes the development of two major projects that, if funded, will yield significant economic impacts:

- **The Resource Access Center** – The Resource Access Center will be a one-stop center for homeless services and housing. If the Council identifies the remaining funding necessary to implement this project, the \$48 million investment will generate an estimated **125 jobs**.
- **Veteran's Housing Project** – This project, if fully funded at the estimated cost of \$53 million, will generate an estimated **150 jobs**.

### **Portland Office of Emergency Management**

The Portland Office of Emergency Management (POEM), in concert with the Portland Water Bureau, have acquired the property and are in the process of designing a facility that will allow POEM and the Water Bureau Security and Emergency Management functions to co-locate with the existing Emergency Communications Center on SE Powell and 92<sup>nd</sup> Avenue. Funding would come proportionally from the Portland Water Bureau and from the General Fund. This project has an estimated cost of \$19 million, and if funding is provided by the City Council, it would generate an estimated **165 jobs**.

### **Portland Parks and Recreation**

The Portland Parks Bureau is budgeted to undertake approximately \$10 million in capital projects over the next year, generating an estimated 117 jobs and an economic multiplier of approximately \$15.8 million. Those projects are as follows:

- **River District Fields (\$3.1 million cost; 43 jobs)** – Develop a 2 acre park utilizing PDC resources to provide recreation opportunities within the River District
- **South Waterfront Greenway (\$4 million cost; 56 jobs)** -- Construct the central South Waterfront District Greenway utilizing PDC resources including multi-modal trails along the waterfront.
- **South Waterfront Neighborhood Park (\$2.8 million cost; 39 jobs)** – Develop a 2 acre park utilizing PDC resources to provide local recreation opportunities for the South Waterfront community.

The Parks Bureau has also developed its Master Plan to redevelop the Bureau's Mt. Tabor Maintenance Yard. The total cost of this project is estimated between \$53 million - \$85 million, but the Parks Bureau has broken the project into phases which will enable the City Council to fund the project in manageable increments. For Phase I, the Parks

Bureau will need approximately **\$10 million** in funding. This phase would create **102 jobs**.

### **Portland Bureau of Transportation (PBOT)**

The Portland Bureau of Transportation is budgeted to undertake approximately \$86 million in Transportation Infrastructure projects that will begin in the 2009-2010 budget year. This capital program, if fully executed, will generate approximately **1,209 jobs**. Highlights of PBOT's capital program include:

- **East Burnside and Couch Project (\$25 million cost; 351 jobs)** – This project will create a couplet with eastbound traffic on Burnside and westbound traffic on Couch. Includes streetscaping, and stormwater swales.
- **Gibbs Street Pedestrian Bridge (\$11 million cost; 157 jobs)** – This project includes the design and construction of the SW Gibbs Street Pedestrian Bridge over the I-5 freeway. The project will include elements to manage stormwater in the form of a swale or planter box.
- **Replacement of N. Vancouver Bridge over Columbia Slough (\$10 million cost; 146 jobs)** – This project will replace the existing weight restricted timber bridge with a new concrete bridge across the Columbia Slough. The project will include elements to manage stormwater in the form of a swale or planter box.
- **Cully Boulevard Green Street Project (\$6.4 million cost; 90 jobs)** – This project will plan and design street improvements for NE Cully Boulevard between NE Prescott St. and NE Killingsworth Street. Improvements will include bike lanes, street trees, and safety enhancements.

Additionally, the Portland Bureau of Transportation has submitted requests to the City's Federal Congressional delegation totaling \$87 million. If wholly funded, this package could generate an additional **1,271 jobs**.

### **Portland Water Bureau**

The Portland Water Bureau's current Capital Improvement Program includes a \$138 million dollar capital investment in the construction of a 50 million gallon underground reservoir at Powell Butte, known as Powell Butte II. This project improves the Portland Water Bureau's in-town storage capacity, and greatly enhances the Bureau's options in the likely event that the EPA requires them to decommission or cover the open reservoirs at Mt. Tabor. This project alone is estimated to create more than **1,507 jobs**, and is scheduled to break ground in the Spring of 2009.

### City-Funded Capital Projects

Bureau	Project Title	Estimated Cost	Jobs Created (14 per \$1M Direct Construction)	Date Funds Obligated for Construction	Schedule
BES	Ash Creek Sewer Rehab Dickinso	\$900,000.00	10	9/6/2008	11/25/2008
BES	Portsmouth FM Seg 2	\$25,000,000.00	285	10/20/2008	2/17/2009
BES	FABA Pump Station Diversion	\$150,000.00	2	10/22/2008	11/5/2008
BES	CBWTP Office Trailer Replc	\$160,000.00	2	10/27/2008	12/1/2008
BES	Portsmouth FM Seg 1	\$39,145,000.00	446	11/18/2008	3/18/2009
BES	NE 112th Ave. Storm Sewer	\$175,000.00	2	12/1/2008	3/1/2009
BES	S Airport 5	\$2,100,000.00	24	12/1/2008	3/31/2009
BES	Sumner & Killingsworth	\$435,000.00	5	12/1/2008	3/1/2009
BES	Oak Basin CP-B	\$13,284,000.00	151	12/15/2008	4/14/2009
BES	Foster Sewer Rehab	\$4,075,000.00	46	12/15/2008	4/14/2009
BES	Miles Place PS- Pump Replace	\$79,000.00	1	1/5/2009	4/5/2009
BES	NE 87th & Columbia	\$155,000.00	2	1/5/2009	4/5/2009
BES	CS Confluence Rest	\$309,000.00	4	1/9/2009	4/9/2009
BES	Cherry Park PS Imp Construction	\$250,000.00	3	1/15/2009	4/15/2009
BES	NW Irving & I-405	\$1,320,000.00	15	1/15/2009	5/15/2009
BES	NE 32nd Ave & Weidler	\$750,000.00	9	1/15/2009	5/15/2009
BES	Marine Drive PS	\$300,000.00	3	1/15/2009	4/15/2009
BES	Fenwick Bsn Rehab #1	\$720,000.00	8	1/15/2009	4/15/2009
BES	Sellwood Interceptor Upgrade	\$2,175,000.00	25	1/18/2009	5/18/2009
BES	SE 18th & McLoug: CS Replc	\$161,000.00	2	2/1/2009	5/2/2009
BES	SW Edgewood Dr: CS Recon	\$220,000.00	3	2/1/2009	2/15/2009
BES	Errol Confluence	\$554,000.00	6	2/1/2009	6/1/2009
BES	Elk Rock PS- Site Imprvmts	\$42,000.00	0	2/1/2009	5/2/2009
BES	CBWTP WW Headworks	\$8,473,000.00	97	2/1/2009	6/1/2009
BES	SE Clay-Taylor GRST	\$3,911,000.00	45	2/1/2009	6/1/2009
BES	SE Bybee Sewer Rehab	\$2,787,000.00	32	2/2/2009	6/2/2009
BES	FABA PS FM: Multnomah	\$7,000,000.00	80	2/6/2009	6/6/2009
BES	Elk Rock Bypass @ RD Sch	\$254,000.00	3	2/25/2009	5/26/2009
BES	WQF @ Outfall ACM139	\$79,000.00	1	2/28/2009	5/29/2009

BES	SE 2nd Sewer Replace	\$490,000.00	6	3/1/2009	5/30/2009
BES	NE 33rd & Hancock	\$165,000.00	2	3/1/2009	5/30/2009
BES	NE 45th & Davis	\$150,000.00	2	3/1/2009	5/30/2009
BES	NE 60th Sewer Rehab	\$1,203,000.00	14	3/1/2009	6/29/2009
BES	PCC Stormwater Retrofit	\$22,000.00	0	3/1/2009	5/30/2009
BES	Laurelhurst School	\$250,000.00	3	3/2/2009	5/31/2009
BES	CBWTP Digester Expansion	\$24,500,000.00	279	3/3/2009	7/1/2009
BES	Ash Creek Sewer Rehab	\$671,000.00	8	3/15/2009	7/13/2009
BES	Fanno PS Div MH Rehab	\$115,000.00	1	3/30/2009	6/28/2009
BES	Woods & Thomas PS Deco.	\$90,000.00	1	3/31/2009	6/29/2009
BES	Swan Island PS Ph2	\$6,000,000.00	68	4/1/2009	7/30/2009
BES	Lents San Swr Ext	\$4,590,000.00	52	4/1/2009	7/30/2009
BES	92nd & Marx H2S Removal	\$90,000.00	1	4/1/2009	6/30/2009
BES	Wellhead Storm.Treat.Fac.	\$202,000.00	2	4/1/2009	6/30/2009
BES	SE 83rd Pump Station	\$892,000.00	10	4/1/2009	7/30/2009
BES	UIC CAT2 Non-Compliant	\$1,464,000.00	17	4/1/2009	7/30/2009
BES	Tabor School 3	\$243,000.00	3	4/1/2009	6/30/2009
BES	Nob Hill Sewer Rehab	\$1,199,000.00	14	4/1/2009	7/30/2009
BES	Oak Basin CP-C/1	\$203,000.00	2	4/6/2009	7/5/2009
BES	S Airport 4	\$2,086,000.00	24	4/15/2009	8/13/2009
BES	SE Stark and 65th	\$328,000.00	4	4/16/2009	7/15/2009
BES	NE Skidmore: 22nd-29th Ave	\$1,083,000.00	12	5/1/2009	8/29/2009
BES	SE 41st & Alder	\$364,000.00	4	5/1/2009	7/30/2009
BES	N Fowler Sewer Rehab	\$244,000.00	3	5/4/2009	8/2/2009
BES	NE 122nd Ave WQF	\$466,000.00	5	5/5/2009	8/3/2009
BES	Umatilla PS Upgrade	\$785,000.00	9	5/29/2009	9/26/2009
BES	NE 148th Basin WQF Ph 2	\$4,275,000.00	49	5/31/2009	9/28/2009
BES	SE Harrison San Ext	\$115,000.00	1	6/1/2009	8/30/2009
BES	Royal Highlands LID	\$65,000.00	1	6/2/2009	8/31/2009
BES	SE 62nd & Morrison Rehab	\$332,000.00	4	6/30/2009	9/28/2009
<b>Subtotal</b>		<b>\$167,645,000.00</b>	<b>1,911</b>		
POEM	Emergency Communication Center	\$19,000,000.00	165		
<b>Subtotal</b>		<b>\$19,000,000.00</b>	<b>165</b>		
Housing Bureau	Resource Access Center	\$48,000,000.00	125	12 months	

Housing Bureau	Veteran's Housing Project	\$53,000,000.00	150	12 months	
<b>Subtotal</b>		<b>\$101,000,000.00</b>	<b>275</b>		
Parks	River District Fields	\$3,100,000.00	43	6 months from receiving go ahead by PDC	Start Design April 2009
Parks	South Waterfront Greenway	\$4,000,000.00	56		Estimated construction start Aug. '09
Parks	South Waterfront Neighborhood Park	\$2,800,000.00	39	3months	Start construction Feb 2009
<b>Subtotal</b>		<b>\$9,900,000.00</b>	<b>139</b>		
PBOT	47th & Columbia	\$4,100,000.00	57	6/9/2009	Summer 09
PBOT	Alderwood: 82nd/Cornfoot	\$2,355,066.00	33	5/9/2009	6/9/2009
PBOT	Kenton/Denver St Improvements	\$2,722,170.00	38	6/9/2009	Summer 09
PBOT	Russell St Improvements	\$2,990,836.00	42	1/9/2009	6/9/2009
PBOT	Leadbetter Overcrossing	\$10,446,000.00	146	4/9/2009	6/9/2009
PBOT	Cully Blvd	\$6,424,726.00	90	6/9/2009	Summer 09
PBOT	Gibbs Street Ped Bridge	\$11,249,440.00	157	6/9/2009	10/9/2009
PBOT	East Burnside	\$25,051,393.00	351	7/9/2009	Summer 09
PBOT	87th Ave LID	\$366,100.00	5	6/9/2009	Summer 09
PBOT	92nd Ave LID	\$2,406,500.00	34	6/9/2009	Summer 09
PBOT	N Burgard Bridge replacement	\$2,537,104.00	36	Funds available	Summer 2009.
PBOT	N Going Bridge over Railroad seismic strengthening	\$4,290,000.00	60	Funds available	Summer 2009
PBOT	Sandy & 57th	\$500,000.00	7	4/9/2009	Summer 09
PBOT	S Auditorium Street Lighting	\$500,000.00	7	3/9/2009	Summer 09
<b>Subtotal</b>		<b>\$75,939,335.00</b>	<b>1,063</b>		
Water Bureau	Automated Water Meter Reading Installation	\$50,000,000.00	550	9 months	
Water Bureau	Watershed Roads and Bridges Reconstruction	\$10,000,000.00	110	9 months	
Water Bureau	Eastside Streetcar	\$10,000,000.00	110	9 months	
Water Bureau	Forest Park Tank	\$5,000,000.00	55	9 months	
Water Bureau	PWB Interstate Maintenance Building Replacement	\$55,000,000.00	605	12 months	
<b>Subtotal</b>		<b>\$130,000,000.00</b>	<b>1430</b>		
<b>TOTAL</b>		<b>\$503,484,335.00</b>	<b>4,985</b>		