



CITY COUNCIL MEETING STAFF REPORT

Meeting Date: June 7, 2021	Subject: Boeckman Dip Bridge Finance Plan Staff Member: Cathy Rodocker, Finance Director & Zach Weigel, PE, Capital Projects Engineering Manager Department: Community Development	
Action Required	Advisory Board/Commission Recommendation	
<input type="checkbox"/> Motion <input type="checkbox"/> Public Hearing Date: <input type="checkbox"/> Ordinance 1 st Reading Date: <input type="checkbox"/> Ordinance 2 nd Reading Date: <input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Information or Direction <input type="checkbox"/> Information Only <input type="checkbox"/> Council Direction <input type="checkbox"/> Consent Agenda	<input type="checkbox"/> Approval <input type="checkbox"/> Denial <input type="checkbox"/> None Forwarded <input checked="" type="checkbox"/> Not Applicable Comments: N/A	
Staff Recommendation: Review and provide feedback on the finance plan for the Boeckman Dip Bridge project.		
Recommended Language for Motion: N/A		
Project / Issue Relates To:		
<input checked="" type="checkbox"/> Council Goals/Priorities: Expand and Maintain High Quality Infrastructure	<input checked="" type="checkbox"/> Adopted Master Plan(s): Transportation System Plan Project UU-01	<input type="checkbox"/> Not Applicable

ISSUE BEFORE COUNCIL:

Staff will provide a proposed financing plan for the Boeckman Dip Bridge project and seeks City Council confirmation prior to proceeding with design of the project.

EXECUTIVE SUMMARY:

The Boeckman Dip Bridge project is identified as a high priority urban upgrade, Project UU-01, in the 2013 Transportation System Plan (Amended November 16, 2020). The bridge project will make needed safety improvements to Boeckman Road by correcting a vertical curve deficiency and upgrading the steep, narrow, rural roadway to an urban standard roadway with safe bicycle and pedestrian facilities that connect residential neighborhoods, jobs, schools, and commercial land uses.

Funding for the bridge project was first established on May 7, 2018, when City Council enacted Ordinance 817, approving the Year 2000 Urban Renewal Plan 11th Amendment. The Council action increased the maximum indebtedness of the Urban Renewal Area by \$14,509,101 and added the Boeckman Dip Bridge project to the Urban Renewal Projects and Improvement Activities. The result of the amendment approval allows Urban Renewal revenue to fund the majority of the Boeckman Dip Bridge project.

Beginning in 2019, work on the Boeckman Dip Bridge construction alternatives, environmental evaluation, and traffic impacts analyses began to help better inform project assumptions and anticipated costs. As a result of this work, City Council adopted Resolution No. 2890 on April 19, 2021, authorizing staff to proceed with the bridge design alternative with a full road closure during construction of the Boeckman Dip Bridge project.

The project cost to design and construct the selected bridge alternative is estimated at \$20.8 million. The current funding identified for the Boeckman Dip Bridge project consists of \$14.5 million in Year 2000 Urban Renewal funds, leaving a funding gap of \$6.3 million. Engineering and Finance staff have reviewed current and projected revenues and propose a financing plan that minimizes the funding impacts on other priority projects within the City while still ensuring the bridge project is adequately funded. The following sources of revenue are proposed to fill the gap in bridge funding:

\$1.1 M	Year 2000 Urban Renewal Program Income
\$0.7 M	Clackamas Vehicle Registration Fee
\$1.0 M	Willamette Water Supply Program Right-of-Way Lease
\$1.0 M	Road Operating Fund (Gas Tax Revenue)
\$1.0 M	*Fee-In-Lieu Transportation Fund
<u>\$1.5 M</u>	<u>Interfund Loan from the Wastewater Operating Fund</u>
\$6.3 M	Total

*The Fee-In-Lieu Transportation Fund is revenue from fees payed by private development for transportation frontage improvements that cannot be constructed at the time of development due to existing site constraints. Properties that pay this fee have satisfied their transportation infrastructure obligation, which is tracked by the Community Development Department.

As proposed, repayment of the Wastewater Operating Fund interfund loan would occur over a five year period with a projected annual payment of \$301,000 per year. The Frog Pond Infrastructure Fee will be adjusted on July 1, 2021, adding the Boeckman Dip Bridge funding gap to the project list, as allowed by the adopting resolution. For this reason, future collection of the Frog Pond Infrastructure Fee is the proposed source of the repayment funds, equating to 16 single-family residential building permits (\$306,992) per year. The annual payback amount is well below both the projected and historic annual collection of the Frog Pond Infrastructure fee, resulting in an economically sound and feasible method of repayment with little risk of default.

Should an unexpected slowdown in development occur within the Frog Pond district within the next five years, the Clackamas Vehicle Registration Fee can serve as a secondary source for the interfund loan repayment, with an annual collection of approximately \$435,000.

TIMELINE:

Once Council confirms the proposed funding plan for the Boeckman Dip Bridge project, Staff will determine if an alternative project delivery method is beneficial and will proceed with soliciting proposals for either an owner’s representative or engineering design team to begin 30% design. Once this critical milestone is achieved, environmental permitting and right of way acquisition can begin and a construction schedule can be established.

CURRENT YEAR BUDGET IMPACTS:

The approved FY 2020/2021 budget includes \$2,600,000 in Year 2000 Urban Renewal District funds for project design and overhead associated with the Boeckman Dip Bridge project (CIP #4212).

FINANCIAL REVIEW / COMMENT:

Reviewed by: CAR Date: 5/20/2021

Eastside Urban Renewal funds will be used to fund the FY2021-22 expenses as included in the proposed budget.

LEGAL REVIEW / COMMENT:

Reviewed by: BAJ Date: 6/2/2021

COMMUNITY INVOLVEMENT PROCESS:

A comprehensive and robust community involvement process will be defined and incorporated into the work scope as part of further project design work. To date, preliminary public outreach occurred as part of the Year 2000 Urban Renewal Plan amendment, Frog Pond master planning and subsequent land use reviews, and as part of the Transportation System Plan adoption.

POTENTIAL IMPACTS OR BENEFIT TO THE COMMUNITY:

The adopted Wilsonville Transportation System Plan includes the Boeckman Road Dip Improvements as a high priority to replace the existing road. Widening to accommodate bike lanes and sidewalks, updating the vertical profile to meet Public Works standards and improving sight distance are all necessary to provide sufficient transportation infrastructure and safe and accessible connections that will benefit the existing community. The project will also provide adequate space for the Boeckman Creek trail and wildlife passage under Boeckman Road at the bridge location.

ALTERNATIVES:

Numerous alternatives have been analyzed and considered for the Boeckman Dip project arriving at bridge construction with full road closure as the preferred option.

CITY MANAGER COMMENT:

N/A

ATTACHMENTS:

1. Boeckman Dip Bridge Finance Plan Presentation Slides

ATTACHMENT

Boeckman Dip Bridge Finance Proposal

City Council Work Session
June 7, 2021

Cathy Rodocker, Finance Director
Zach Weigel, Engineering Manager





Finance Proposal

FUNDING SOURCE	AMOUNT
Year 2000 Urban Renewal	\$14.5 M
Year 2000 UR Program Income	\$1.1 M
Clackamas VRF Fund Balance	\$0.7 M
WWSP ROW Lease Fund Balance	\$1.0 M
Road Operating Fund	\$1.0 M
Fee In Lieu Transportation Fund	\$1.0 M
Interfund Loan (Wastewater Operating)	\$1.5 M
Total Project Funding	\$20.8 M



Loan Details

Loan Source: Wastewater Operating
Term: 5 Years
Annual Payment Due: \$301,000/year

Repayment Proposal

- Frog Pond Infrastructure Fee (Primary)
 - \$306,992/year
 - Equates to 16 SFR permits/year
- Clackamas VRF Annual Collection (Secondary)
 - \$435,000/year available