



Section 5: Reuse Alternatives and Plan Selection

The desire to redevelop the Sears USARC site in a fashion that maximizes assets currently at the site, compliments the character already established in the surrounding area, and is economically viable and beneficial in the future meant that a variety of considerations were taken to account in the development of various reuse alternatives. Reuse alternatives considered for the redevelopment of the Sears USARC were based the following:

- ▶ An existing conditions assessment analyzing buildings and facilities onsite, surrounding transportation, land uses, zoning, and amenities as well as physical site conditions
- ▶ A reuse analysis conducted by E. D. Hovee & Company, LLC, detailing market demand and reuse potential for the site, including fiscal impacts and job creation
- ▶ A public outreach process conducted by the LRA
- ▶ Portland city goals and policies
- ▶ Notices of Interest received

Evaluation of Reuse Alternatives

Based on the various factors and considerations above, the following reuse alternatives were developed:

Alternative 1: Office/Industrial

Alternative 1 provides for the reuse of the site as an office/industrial facility that would function in a manner similar to the current use as a US Army Reserve Center. One of the Notices of Interest received, the Portland Office of Transportation/Portland Water Bureau, was considered consistent with this Alternative. The following advantages and weaknesses were identified with this type of reuse:

Alternative 1 Analysis:

Strengths/Opportunities:

- ▶ Utilizes the existing buildings and utilities largely as-is without significant modification
- ▶ Represents a similar use and impact to the neighborhood as the existing use
- ▶ Provides a “turnkey” facility for future user

Weaknesses/Challenges:

- ▶ Depending upon the selected end user, may not qualify for a Public Benefit Conveyance



- ▶ Is unlikely to increase property values in the neighborhood
- ▶ Requires City approval for continuation of a non-conforming use
- ▶ A potential for increased weekday traffic in the neighborhood exists, depending on the intensity of use

Alternative 2: Community/Educational

Alternative 2 provides for the reuse of the site for community/educational land uses; the Notices of Interest received from Portland Community College and the Westside Christian High School were consistent with this Alternative.

A community/educational use for the Sears USARC site could include a range of community-based programs and uses including early childhood and elementary education, religious education, after-school programs and activities, cultural activities, adult and continuing education, and other similar programs and functions.

Alternative 2 Analysis:

Strengths/Opportunities:

- ▶ Expands existing, compatible, neighboring current use with minimal external impacts
- ▶ Provides community space for neighborhood use
- ▶ Compatible with surrounding land uses
- ▶ May increase neighborhood property values

Weaknesses/Challenges:

- ▶ May increase neighborhood daytime traffic
- ▶ Requires City approval of conditional use permit under existing zoning code

Alternative 3: Residential

Alternative 3 provides for the reuse of the Sears USARC site as a new residential community that could include a variety of housing types under current zoning regulations, including multifamily attached rental apartments or for-sale condominiums. Additionally, these residential types could be provided at either market rates or subsidized in some form to provide workforce housing or permanent housing for the chronically homeless; the Notice of Interest received from Community Partners for Affordable Housing and Housing Authority of Portland was consistent with this Alternative.



Alternative 3 Analysis:

Strengths/Opportunities:

- ▶ Complies with existing residential zoning and neighborhood character
- ▶ Potentially provides for increased enrollment at neighborhood schools
- ▶ Helps meet city's growing housing demand
- ▶ Supports city initiatives for increasing minority homeownership
- ▶ Provides homeownership for middle-income families
- ▶ May increase property values in the neighborhood

Weaknesses/Challenges:

- ▶ Requires demolition of existing structures
- ▶ Market-rate housing may not qualify for Public Benefit Conveyance
- ▶ Would likely create more traffic in the neighborhood
- ▶ If units are provided at below market, additional subsidy would be required

Reuse Plan Selection Evaluation Criteria

In order to further evaluate the three reuse land use alternatives discussed above, the LRA developed a set of criteria against which the alternatives were tested to assist in selection of the preferred alternative. These evaluation criteria were as follows:

- ▶ **Zoning/Site Regulations:** Would the reuse alternative be allowed under the existing zoning? Would it require a conditional use permit or a change in zoning?
- ▶ **Physical Site Characteristics:** Does the reuse alternative fit well with the site's existing condition (environmental, utilities, traffic access, infrastructure, etc.)? Are there any potential negative impacts associated with the reuse (increased traffic, noise, etc.)?
- ▶ **Neighborhood Compatibility:** Does the reuse alternative fit within the existing neighborhood character? Does the reuse alternative provide needed services or infrastructure not currently present in the neighborhood? Does the neighborhood support the reuse alternative?
- ▶ **Market Demand:** Is there a market demand for the reuse alternative? Would the reuse alternative be able to remain on the site long-term?
- ▶ **City Policy:** Does the reuse alternative address any city policies or needs? Does the reuse alternative provide community benefit in line with city policy?



Plan Selection

In late 2007/early 2008, the LRA, along with the Bureau of Housing and Community Development and the Portland City Council worked together to review and analyze the three proposed land use alternatives and the Notices of Interest received. **A final decision on that matter is pending.**

Notices of Interest that are compatible with the selected land use will be given the following considerations:

- ▶ Their impact on local traffic patterns according to the traffic impact study performed on the Sears USARC and its surrounding vicinity
- ▶ The suitability of the site's existing transportation and utility infrastructure to support the proposed use
- ▶ The suitability of the site's existing facilities for the proposed use
- ▶ The level of support from the surrounding neighborhoods for the use

Reuse Master Plan Description

The Reuse Master Plan establishes a vision for redevelopment of the site, designates a land use preference for the property, and describes potential property transfer mechanisms that are available. The Sgt. Jerome Sears USARC Reuse Master Plan, when recommended by the LRA and approved by the Portland City Council **in June 2008**, will either be a general continuation of the current uses and activities on the site if it is an office or industrial type use, or it will generally change in function and character if a residential or educational type use is chosen. Since the Sears USARC site is currently zoned for residential uses and the existing Army Reserve Center operates there as a non-conforming use, the event of a selection of an office/industrial reuse will be defined and regulated by the City of Portland through an approved continuation of non-conformity or a rezoning of the property. A similar rezoning or conditional review situation would occur with any educational reuse plans, while reuse of the site for residential purposes would be allowed under current Portland zoning regulations.

Property Conveyance Mechanisms and Other Plan Implementation Considerations

The following section identifies the most applicable property conveyance mechanisms for the transfer of the Sears USARC property from federal to local public or private sector owners. There are several mechanisms available to transfer property from the federal government to a future owner. Of those, there are three mechanisms applicable to this property, as described below:



Public Benefit Conveyance

A Public Benefit Conveyance (PBC) provides for reuse of land and building assets for a public purpose. The Public Benefit Conveyance mechanism provides a community-based process by which certain government and not-for-profit organizations may propose the reuse of surplus military property to provide vital public services such as education, health care, open space or parks, park and recreation related uses, law enforcement, prisons, transportation terminal facilities, or other public buildings and facilities. The PBC mechanism also provides a process whereby government and not-for-profit organizations serving homeless individuals or families may propose the reuse of surplus military property to further their homeless provision goals.

As discussed in **Section 2**, the LRA received Notice of Interest applications for Public Benefit Conveyance consideration from five organizations regarding the Sears USARC property. The paragraphs below further discuss those requests, and their suitability for PBC consideration. **Once the decision is made regarding the final land use choice for the Sears property, their applicability to that chosen use will also be discussed.**

Portland Office of Transportation / Portland Water Bureau

A joint NOI application was received by the Portland Office of Transportation and the Portland Water Bureau for the reuse of the Sears USARC site as a maintenance and emergency response facility for the city. The PDOT is the lead response agency for a number of emergency situations and sought additional space to provide appropriate maintenance and staging areas for emergency response equipment.

As a division of the municipal government of the City of Portland, the Portland Office of Transportation would be eligible to be considered for a Public Benefit Conveyance.

Housing Authority of Portland

An NOI application was received from the Housing Authority of Portland, which proposed to use the property to construct a residential development aimed at individuals earning less than the area's median income and homeless families exiting transitional housing. The Housing Authority of Portland is considered an organization eligible to be considered for a Public Benefit Conveyance.

Community Partners for Affordable Housing

An NOI application was received from Community Partners for Affordable Housing in partnership with Neighborhood House to reuse the Sears USARC facility to construct a 110 unit mixed-use development, including attached single-family for sale homes, multi-family rental units, and a community services building with public outdoor space. The housing would be primarily geared towards individuals earning 80 percent of the area's median income or less and homeless families exiting transitional housing. The two organizations proposing to partner for this project would be considered eligible for a Public Benefit Conveyance.



Westside Christian High School

Westside Christian High School expressed interest in reusing the site for educational facilities and purposes, as its lease at its current location is due to expire in 2012 and cannot be renewed. Based on its proposed uses, the U.S. Department of Education determined Westside Christian High School would be eligible to receive up to a 100% public benefit conveyance discount.

Portland Community College

An NOI expressing interest to reuse the Sears USARC site for non-credit community educational purposes from Portland Community College (PCC). Support services related to transportation and financial services could be moved to the site as well under the PCC plan. Based on its proposed uses, the U.S. Department of Education determined Portland Community College would be eligible to receive up to an 80% public benefit conveyance discount, as the PCC is an institution of higher education accredited by the Northwest Commission on Colleges and Universities.

Negotiated Sale

The negotiated sale mechanism is available only to public entities for a public purpose and requires payment to the Army, based on the asset's fair market value. The Portland Office of Transportation/Portland Water Bureau, and Portland Community College as well as any other state or local public entity, would be eligible for this type of property transfer from the Army.

Public Sale

Public sales are auctions to the highest bidder and may be used to transfer property from the Army to any entity or organization--public, for-profit, or not-for-profit. Both the Portland Office of Transportation/Portland Water Bureau, and Portland Community College, as well as any other public or private entity would be eligible to potentially obtain the Sears USARC property via a public sale at fair market value.