



JOHNSON REID
LAND USE ECONOMICS

Memorandum

DATE: February 21, 2012
TO: Portland Development Commission
FROM: JOHNSON REID, LLC
SUBJECT: Assessment of Threshold Improvement-to-Land Value Ratios, Education District

This memorandum presents results of an analysis of property utilization in a hypothetical Education Urban Renewal District in the area of Portland State University's downtown campus (see map on Page 3). This analysis provides a measure of the current utilization of various properties within the district in comparison to their potential capacity. The Improvement-to-Land (I:L) Ratio is the primary indicator used in this analysis.

As discussed below, JOHNSON REID estimates that the threshold I:L ratio in the study area is 2.5.

Improvement-to-Land Ratio

The threshold I:L ratio represents the estimated ratio of "Improvement Value" to "Land Value" below which a property might be considered underutilized compared to its potential capacity and productivity. A property which demonstrates a ratio that is higher than the threshold is estimated to have sufficient value in its current improvements that it might be considered well-utilized, or a poor candidate for redevelopment for the foreseeable future.

A property which features a ratio at or below this threshold may be expected to redevelop in the foreseeable future, because the current built space on the property has relatively low value compared to the value of the land. This is an indicator that the land may be more valuable and productive under a different use than under the current use.

Figure 1 provides an example of the I:L ratios of two properties with identical land values, but different building improvements.

FIGURE 1: EXAMPLE IMPROVEMENT-TO-LAND RATIOS

Example:	Improvement (Building) Value:	Land Value:	Improvement- to-Land Ratio:
Property A	\$50,000	\$100,000	0.5
Property B	\$400,000	\$100,000	4.0

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Property A has a lower improvement value than land value, yielding an I:L ratio of 0.5. Property B has a higher value building, yielding an I:L ratio of 4.0. This example demonstrates that as a general rule a lower I:L ratio will correspond to a lower value improvement, and a higher I:L ratio corresponds to a higher value improvement.

In a relatively small geographic area where parcels share the same or similar zoning entitlements, the value of land should be fairly consistent. Therefore, major variations in I:L ratio can generally be attributed to the improvement side of the ratio.

In the example presented above, the I:L ratio can be used as an indicator of which property may or may not be considered underutilized. Property A, with its relatively low I:L ratio is a stronger candidate for redevelopment than Property B.

The higher improvement value of Property B indicates that it perhaps holds a larger, newer, and/or higher quality building than Property A. Any or all of these make Property B a less likely candidate for redevelopment. The property would be too expensive for a developer to purchase just to reuse the land, and there are likely to be less expensive properties available in the area, such as Property A.

In contrast, Property A has a smaller, older, and/or lower quality improvement. It is a stronger candidate for redevelopment. In a sense, the nearby Property B is a case in point that there are higher value uses for land in the area.

I:L Ratio and Highest and Best Use

The I:L ratio can be one indicator of whether properties are currently under their "highest and best use" (HBU). The HBU of a property is that use which is permitted, feasible and results in the highest value for the property. From a purely economic perspective, the HBU represents the best and most productive utilization of land.

Just because a property is not currently under its highest and best use does not mean that it is automatically a candidate for redevelopment. Many properties are under a lower value use, but their current use still retains enough value to make them too expensive as redevelopment sites. Therefore, a property must have a sufficiently low total value (land plus improvements) to make an affordable redevelopment site.

The I:L ratio is one indicator of whether the value of the current use is low enough to make the site a feasible candidate for redevelopment.

Education District Threshold I:L Ratio

The "threshold" I:L ratio below which a property may be considered underutilized, varies depending on the submarket. In stronger submarkets, such as the Brewery Blocks area, the threshold is higher because land is more valuable and there is greater potential to put redeveloped properties to more productive use. In weaker submarkets, such as Chinatown, the threshold is lower.

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Based on an assessment of current land and improvement values in the preliminary Education District boundaries, **JOHNSON REID estimates a threshold I:L ratio of 2.5 for the area.** This means that properties featuring an I:L Ratio between zero and 2.5 are more likely to redevelop over a 25-to-30 year period than those with a ratio of 2.6 or greater.

Properties in the study area which have an I:L ratio of 2.5 or lower may not currently feature the most economically productive use of the land. The closer to zero the ratio falls the more likely it is that higher value uses exist for the property.

It is important to note that I:L ratio is best used as a general estimate of the total area (acreage) of likely redevelopment land in a district. Any specific property will feature a range of additional factors which will make redevelopment more or less likely. These factors include overall real estate market conditions, lending conditions, owners' preferences, physical site factors, etc.



AFFIDAVIT

STATE OF OREGON)
) ss.
County of Multnomah)

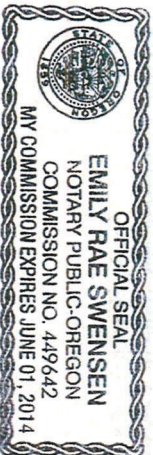
I, Keith Witcosky, being duly sworn do depose and say that:

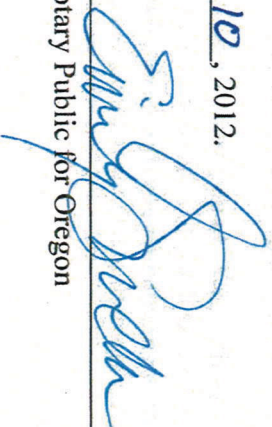
1. I am the Deputy Director – Government Relations/Public Affairs of the Portland Development Commission; and
2. In conformance with ORS 457.085(5), the Portland Development Commission presented via email copies of the proposed Education Urban Renewal Plan and accompanying Report to the governing body of each taxing jurisdiction affected by the Plan.



Keith Witcosky
Deputy Director – Government
Relations/Public Affairs

Signed and sworn to (or affirmed) before me on April 10, 2012.





Notary Public for Oregon

Jeff Cogen, Multnomah County Chair



501 SE Hawthorne Blvd., Suite 600
Portland, Oregon 97214
Phone: (503) 988-3308
Email: mult.chair@co.multnomah.or.us

April 26, 2012

Dear Members of the Central City Urban Renewal Evaluation Committee:

I regret that I am not able to be with you in person to voice my support for the Education Urban Renewal Area that is before you. Preexisting travel plans have me on a plane as this meeting kicks off, and I simply have not yet figured out how to be in two places at once!

When a proposed new urban renewal area for downtown Portland was first unveiled in the fall of 2010, it covered a 350-acre swath of downtown Portland and lacked a compelling strategic purpose that would guide investments of increasingly scarce public dollars. During the ensuing months, I and others voiced concerns that a new URA would only make sense if it was smaller and more targeted. I appreciate that Mayor Adams and the Portland Development Commission listened and that the Education URA before you is responsive to these concerns.

This URA is designed to deliver important region-wide economic benefits through a smaller and more-targeted approach that seeks to minimize the financial impact on local governments and the public schools. By helping Portland State University increase its capacity both to prepare more residents for 21st century jobs and to drive regional economic growth in an innovation-based economy, the Education URA will help position our region for long term economic success.

As Chair of Multnomah County, however, I am well aware that a plan that calls for regional economic success by redirecting tax revenues away from our critical human services is not a recipe for creating economic success for everyone in the region. For that reason, I am pleased that Mayor Adams, PSU, and the PDC were willing to sit down and find ways that this URA can support Multnomah County's work to empower all residents to succeed.

These discussions led to an Intergovernmental Agreement that, at its essence, embeds into the URA's economic development focus a commitment to pursuing our community's value that everyone deserves a real chance at economic prosperity. The Education URA, like all urban renewal areas, will cost Multnomah County significant tax revenue. However, by assisting with a building for the County's Department of Human Services, which significantly lowers the County's facilities costs, the net fiscal impact on Multnomah County is slight. In light of this, earlier today the Multnomah County Board of Commissioners approved this agreement.

Because the Education URA, in its current form, is appropriately targeted as to strategic focus, geography, and maximum indebtedness, I and the Multnomah County Board of Commissioners are supporting it. I am optimistic that after tonight's presentation and discussion, the Evaluation Committee will share our sentiment that the Education URA has struck a delicate balance and therefore should remain unchanged.

Sincerely,


Jeff Cogen
Multnomah County Chair

March 29, 2012

Scott Andrews, Chairman
Portland Development Commission
222 NW Fifth Avenue
Portland, OR 97209

Dear Chair Andrews:

Scott

The South of Market EcoDistrict Steering Committee (SoMa) lends its strong support for the proposed creation of the Education Urban Renewal Area. We encourage PDC and the Portland City Council to seize the opportunity to leverage tax increment financing with other public and private resources to accelerate Portland State University's leap into the ranks as one of the preeminent urban universities in the United States.

The SoMa Steering Committee Board is comprised mostly of long-standing private property owners who have a track record of developing downtown parcels for both housing as well as commercial uses. Our group is particularly focused on how to enhance partnerships which not only bring new taxable development to land near PSU, but do so in a manner that is driven by strategies for improved retail and other amenities important to attract more pedestrian and business activity from the central core of downtown Portland. Our group is also actively engaged in longer term solutions for sustainable elements such as green streets and district energy.

Thank you for pursuing this new urban renewal area and providing a specific focus which advances your strategies for research, commercialization and entrepreneurship. We are excited about the possibility of establishing successful partnerships with PDC and PSU to fulfill the goals of the area.

Sincerely,



Bob Naito
Chair, South of Market EcoDistrict Steering Committee

Exhibit D
**PORTLAND STATE
UNIVERSITY**

College of Urban and Public Affairs
Nohad A. Toulan, Dean Emeritus
Post Office Box 751
Portland, Oregon 97207-0751
PHONE: 503-725-5141
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Email: toulann@pdx.edu

April 3, 2012

Mayor Sam Adams
1221 SW 4th Avenue, Rm 340
Portland, OR 97204

Dear Mayor Adams:

I am writing to encourage you and the Portland City Council to support the proposed Urban Renewal Area in the South downtown area around Portland State University. As you know, tax increment financing has played a significant role in the development of our City and the University District. Since the 1960's Portland leaders have selectively used urban renewal resources to leverage other public and private resources toward investments that have grown the University. As a result, today we have a campus that serves, enriches, and enhances our City.

Looking forward, our University intends to make considerable new investments in academic and research facilities, housing, transportation infrastructure and urban public spaces. Our planning suggests that, in the next three decades, our research and enrollment growth will require over four million added square feet. This means we will be almost doubling the scale of our current campus. We expect this growth will stimulate considerable private investment and partnership also. We will need the City to be our close partner in realizing this vision, and Urban Renewal will be an essential part of this partnership.

The proposed URA is appropriately focused on the University District and the promotion of educational, research and economic development goals. Given the budget constraints that many public bodies are facing a broader URA might not be possible, while a smaller URA might not have the capacity to support potential growth. As you know, the Education URA will also address very real needs for affordable housing and improved human services through collaboration with the County.

Please give careful thought to this opportunity and make this long term investment in the future of our City, its university and its citizens. I would be happy to speak to you about this further if you would like.

Sincerely,



Dr. Nohad A. Toulan,
Dean Emeritus of the College of Urban and Public Affairs
Portland State University



PORTLAND BUSINESS ALLIANCE

Leading the way

April 10, 2012

Chair Scott Andrews
Portland Development Commission
222 NW 5th Ave
Portland OR 97209

Dear Chair Andrews:

The Alliance has long been a supporter of urban renewal as an economic development and urban revitalization instrument. When used correctly, urban renewal can promote job creation, increase property values and tax revenues, leverage other investments and offset the higher cost associated with urban development. We have had the opportunity to review the Proposed Education Urban Renewal Area as well as the Neighborhood Prosperity Initiative and would like to offer our comments on these proposals.

The Alliance is supportive of the Proposed Education Urban Renewal Area and encourages the city, Portland State University (PSU) and the overlapping taxing jurisdictions to include sufficient taxable project opportunities within the boundary to ensure the district's ability to generate increment and therefore be able to fulfill as many of the district's plan goals as possible. Additionally, any resources in the set aside that can be dedicated to PSU-supportive affordable housing projects, as well as any administrative, staffing and overhead costs that can be redirected to the development budget, are encouraged.

The Alliance is supportive of urban renewal resources being made available to neighborhood districts through the Neighborhood Prosperity Initiative; however, we are concerned with the large proportion of our limited urban renewal acres that these mini-districts consume relative to the economic and tax increment generation they provide. Moving forward, we ask that the city consider alternative financing tools, such as the general fund, that could adequately address the needs of areas that do not have the capacity to generate adequate amounts of tax increment financing to fulfill plan goals.

Proposed Education Urban Renewal Area

The Alliance is a strong advocate for improving post-secondary education. The Alliance Jobs Summit Action Plan calls for supporting the growth of PSU and OHSU in a manner that leads to increased innovation, business spin-offs and job growth due to research and development activities at the institutions. We supported education reform bills in the Legislature that improve educational outcomes. We are pleased to see the city take a focused look at strengthening PSU's role as a regional economic development engine.

The Alliance believes that accelerating the growth of PSU as a premier urban research university will improve partnerships with the business community, attract investment, foster additional research opportunities with OHSU and other institutions and generate economic development through research, innovation and tech-transfer.

The Alliance-adopted urban renewal investment criteria call for investments in projects that create a local and widespread halo effect of economic development and private investment. Using urban renewal as one financial tool to facilitate the growth of PSU as an economic generator for the city and the region is a worthy use of tax increment financing, and for this reason, the Alliance supports a PSU-focused urban renewal district.

Given the limited acreage remaining in the city's urban renewal cap, it is more important than ever to maximize the opportunities within this district to ensure that it has the financial capacity to create a significant halo effect for PSU and the surrounding area, as well as fulfill the general goals of urban renewal. In this vein, we encourage the city and the overlapping taxing jurisdictions to ensure that the boundary of the proposed district includes a strategic diversity of parcels where substantial tax increment generation is likely over a 30-year period. Given that significant portions of PSU's development projects will be tax-exempt, a strategic boundary that includes tax increment-generating parcels is critically important.

Given the size and scope of this proposed district, the Alliance also encourages the city to include student housing as part of the 30 percent set aside for affordable housing. Today's PSU students are much more diverse in age and in the ability to pay for housing. The presumption that students can be supported by parents no longer holds true. Allowing PSU students that otherwise fit the set-aside income criteria would help address PSU's growth projections and allow students needing affordable housing to live near campus, additionally reducing their transportation costs. This would also allow more focus of the available resources on projects that directly generate synergies with curriculum and economic development.

With respect to projected staffing overhead and administration costs for this district, we are concerned by the significant percentage assumed in the financial model. Given that this district has a relatively conservative growth projection and will have a considerable portion of non-increment generating projects, it is essential that PDC contain staffing overhead and administration costs so that as much resources are available for project development as possible. PDC and PSU should maximize staffing collaboration to the greatest extent possible so that a greater portion of TIF resources are preserved for actual project development.

The Alliance observes that the parcel and right-of-way containing the streetcar track on Southwest Fourth Avenue is not included in the proposed district. While not necessarily an urban renewal project per se, the streetcar realignment on this street has been a long-held commitment by the city and its partners, and its realignment is critical to the overall flow of Southwest Fourth Avenue. Fulfilling this project

component addresses traffic flow on a critical portal street into the central city, makes the streetcar system more efficient and re-establishes the development potential of adjoining properties that have been diminished by the current arrangement. As this area develops, we urge that, through efforts of PSU, the city and the private sector, this important project be fulfilled as part of any development scheme that occurs in this area.

Neighborhood Prosperity Initiative

The Alliance has also reviewed the Neighborhood Prosperity Initiative districts. We would reiterate with respect to these proposed areas that the city is nearing its statutory cap on acreage allowed in urban renewal districts. Therefore, it is very important that the remaining acreage be used in a manner that generates as much direct and indirect investment as possible. While we are supportive of urban renewal resources being made available to the neighborhood districts through this initiative, we are concerned with the large proportion of our limited urban renewal acres that these mini-districts consume relative to the economic and tax increment generation they provide. Moving forward, we ask that the city consider alternative financing tools, such as the general fund, that could adequately address the needs of areas that do not have the capacity to generate significant amounts of tax increment financing to fulfill plan goals.

Thank you for your consideration of these comments. We remain committed to working with the city on preserving and promoting the use of urban renewal as a critical tool for economic development.

Sincerely,



Sandra McDonough
President & CEO
Portland Business Alliance

cc: Mayor Sam Adams
Aneshka Dickson
John Mohlis
Steven Straus
Charles Wilhoite
Patrick Quinton



Bureau of Planning and Sustainability

Innovation. Collaboration. Practical Solutions.

Exhibit E Portland Planning and Sustainability Commission

André Baugh, Chair

Michelle Rudd, Vice Chair

Howard Shapiro, Vice Chair

Karen Gray

Gary Oxman

Don Hanson

Jill Sherman

Mike Houck

Chris Smith

Lai-Lani Ovalles

Irma Valdez

April 30, 2012

Mayor Sam Adams and Portland City Council
Portland City Hall
1121 SW 4th Avenue
Portland, OR 97204

Subject: Education Urban Renewal Area

Dear Mayor Adams and City Commissioners,

At a public hearing held on April 24, 2012 the Planning and Sustainability Commission voted unanimously in support of the Education Urban Renewal Plan (EDURA) as proposed by the Portland Development Commission.

In reaching our decision the Planning and Sustainability Commission finds that the proposed URA is consistent with the adopted City of Portland Comprehensive Plan and recommends that the Portland City Council adopt the EDURA as presented.

The PSC further finds that the proposed URA is supportive of some of the integrated strategies of the recently adopted Portland Plan (2012) and implements the City's Economic Development Strategy (2009).

In considering the EDURA, the Planning and Sustainability Commission discussed the issue of equity at some length and submits to the City Council the following observations:

- The EDURA benefits not only Portland State University but also appropriately Multnomah County and Portland Public Schools. However, in the process it has a small but discernible negative financial impact on each of the other five school districts in Portland.
- To advance the Portland Plan's equity goals, the benefits that Portland Public Schools accrues through redevelopment at Lincoln High School must be shared throughout the school district.
- The Planning and Sustainability Commission is concerned that the possible use of the Affordable Housing set aside for student housing would not be consistent with the goals of the Council policy establishing the set aside nor the housing goals of the Portland Plan.

Equity must involve more than MWESB contracting. We place that responsibility for implementing the Portland Plan's Framework for Advancing Equity in the EDURA on the Portland Development Commission and the Portland Housing Bureau. We ask PDC and the Housing Bureau to report yearly to the Planning and Sustainability Commission on progress toward each of the 12 Portland Plan measures within the EDURA. Without a strong commitment to advancing equity on the part of these key implementing agencies, the district could fail its potential to serve all residents of Portland.



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Thank you for the opportunity to participate in the review of this new and targeted use of urban renewal in the City and for considering our recommendations.

Sincerely,



André Baugh, Chair
Portland Planning and Sustainability Commission



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MEMO

DATE: April 12, 2012

TO: Planning and Sustainability Commission

FROM: Karl Lisle, Senior Planner, Central City Team

CC: Susan Anderson, Director; Joe Zehnder, Chief Planner

SUBJECT: Proposed Education Urban Renewal Area (EDURA)

1. Summary

The Portland Development Commission (PDC) is proposing the creation of an Education Urban Renewal Area (EDURA) in and around the Central City's University District (see map in attachment 2). The primary goal of the EDURA is to leverage resources to accelerate the growth of Portland State University (PSU), creating jobs, attracting investment, and bringing long-lasting benefit to the Portland Metropolitan region. Creation of the EDURA will implement parts of the City's *Economic Development Strategy* which calls for supporting increased activity and growth at Portland State University.

The EDURA will be administered by the PDC.

The Planning and Sustainability Commission (PSC) is asked to review the proposed EDURA Plan and determine that it is consistent with the City's Comprehensive Plan. The PSC's recommendation will be forwarded to City Council for their consideration and action at a public hearing on May 9, 2012 and vote on May 16, 2012.

2. Recommended Planning and Sustainability Commission Action

Staff recommends the following actions:

- 1) The Planning and Sustainability Commission send a letter to the Portland City Council finding that the EDURA Plan conforms with the City of Portland Comprehensive Plan, and



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2) The Planning and Sustainability Commission recommend that the Portland City Council adopt the EDURA Plan along with any other recommendations of the Commission.

3. Background

In 2008, after an extensive public process, the Westside Study Urban Renewal Advisory Group (URAG) recommended a series of actions including allowing the South Park Blocks and Downtown Waterfront urban renewal areas to expire, adding acreage to the River District urban renewal area in Old Town/Chinatown and studying the potential for new Central City urban renewal areas on the west side. In 2009-10 an evaluation committee helped create the framework that would eventually lead to the proposed EDURA.

In July 2009, Portland City Council adopted the City of Portland Economic Development Strategy, a five-year strategy to foster economic opportunity and job growth. The strategy calls for supporting the traded sector industries in which Portland has competitive advantage—Advanced Manufacturing, Athletic and Outdoor, Clean Technology and Software, increasing the global competitiveness of these engines of economic growth and to retain and create living-wage jobs. It calls for fostering urban innovation to position Portland at the cutting edge of sustainable solutions and maintaining the vibrancy of our central city. The academic, research, employment and cultural activities of Portland State University play a vital role in these areas.

Portland State University worked closely with the City in 2009-10 to create the University District Framework Plan. This plan lays out a bold vision for a growing and ambitious university closely integrated with the surrounding urban neighborhood. The framework plan proposes a district that could accommodate up to 20,000 additional students through employing a new model of campus/city development with deliberately blurred boundaries between the public and private, the university and the city. This model suggests that approximately 40% of new development in the University District should be non-university development and lends itself to public/private partnerships. The proposed EDURA is a key implementation element to realizing this vision.

4. Overview of Proposed EDURA

Key EDURA statistics:

- The EDURA encompasses 144 acres and includes a significant portion of the Central City's University District as well as some surrounding areas.
- Over 17 acres of land in this area has been identified as redevelopable.
- Over the life of the district, the EDURA is anticipated to provide up to \$169 million for investment in research facilities, business accelerators, affordable housing, and a variety of public and private development.

The EDURA is described more fully in the attached Urban Renewal Plan and Report and the attached PDC Board Report dated April 11, 2012.



5. Urban Renewal Plan Authority

Authority for the use of urban renewal was established by the Oregon Legislature and codified as Chapter 457 of the Oregon Revised Statutes (ORS). The statutes include criteria for the establishment of an urban renewal district, the development of eligible urban renewal areas, and the content of an urban renewal plan and urban renewal plan report.

Chapter 15, Article 1, of the Portland City Charter assigns general powers and duties related to urban renewal to the Portland Development Commission. The Commission is designated as the body that will serve as the City's urban renewal and redevelopment agency. PDC is responsible for carrying out all urban renewal functions. Proposed urban renewal plans and urban renewal plan amendments are prepared by the Portland Development Commission staff and approved by the Portland Development Commission prior to their submission to the Portland Planning and Sustainability Commission and Portland City Council.

ORS 457 also requires that the City's Planning Commission review urban renewal plans. The Planning and Sustainability Commission's recommendations on urban renewal plans are submitted to the Portland City Council for consideration and their decision on the plan.

On April 11, 2012, the Portland Development Commission held a public meeting on the proposed EDURA plan and approved the proposed urban renewal area by Resolution No. 6935. The EDURA Plan and accompanying Report prepared by the Portland Development Commission in accordance with ORS 457 are attached to this memo.

A recommendation from the Planning and Sustainability Commission and approval by the City Council is required for the City to adopt the proposed EDURA plan.

6. Relationship to Recommended Draft Portland Plan

Because EDURA documents have been prepared prior to the adoption of the Portland Plan, there is limited reference to the Portland Plan within the EDURA plan. The EDURA is however supportive of the integrated strategies of the Portland Plan as described below:

Thriving Educated Youth

Investments made with EDURA funding will significantly expand high-quality educational opportunities for the region's youth at Portland State University. The proposed district also includes Portland Public Schools' Lincoln High School site and EDURA funds will invest in improving the educational environment and intensity of development at the site. Finally, the EDURA will invest in a new facility for the Multnomah County Department of Social Services, an agency which provides programs supporting social and community prosperity to people of all ages including many youth.

Economic Prosperity and Affordability

The EDURA directly supports the City's Economic Development Strategy. Specifically, the EDURA responds to the strategy's goals to maximize competitiveness and drive urban innovation. Investing in



PSU's growth and development directly supports the City's international strategy, higher education and workforce development priorities. The EDURA will contribute directly to strategy objectives on Central City vitality, sustainability leadership and strengthening the Portland brand. Through the City of Portland Tax Increment Financing Set Aside Policy for Affordable Housing, the EDURA also presents the opportunity to make significant investments in new affordable housing and retaining existing affordable housing in the district.

Healthy Connected City

Investments made with EDURA funding will bring new public and private academic, commercial, and residential uses to help transform the University District into a complete healthy urban neighborhood.

7. Relationship to Portland Comprehensive Plan

ORS 457.095 requires determinations and findings by the governing body that the proposed urban renewal area plan is in conformance with the City's Comprehensive Plan. Detailed legal findings of the proposed urban renewal area plan's conformance with the Comprehensive Plan, and specific area and neighborhood plans, are attached to this memo. In general, the EDURA Plan has been found to be in conformance with the Comprehensive Plan because:

- The plan has been formulated through a public involvement process that is consistent with the Citizen Involvement (Goal 9) and Metropolitan Coordination (Goal 1) policies of the Comprehensive Plan.
- The projects in the plan are supportive of Comprehensive plan goals for Urban Development (Goal 2), Neighborhoods (Goal 3), Housing (Goal 4), Economic Development (Goal 5), Transportation (Goal 6), Energy (Goal 7), Environment (Goal 8), Public Facilities (Goal 11), and Urban Design (Goal 12).
- The projects in the plan are supportive of many of the goals and objectives of the Central City Plan and the Central City Transportation Management Plan.

Attachments:

- 1) Memo from PDC Chair Andrews to the PSC
- 2) PDC Board Report dated April 11, 2012
- 3) Draft Education Urban Renewal Plan & Accompanying Report
- 4) Findings of Fact for Consistency with City of Portland Planning Goals and Policies



April 12th, 2012

Findings of Fact for Consistency with City of Portland Planning Goals and Policies

As proposed, the Education Urban Renewal Plan (the "Plan") will provide tax increment resources to the 144-acre Education Urban Renewal Area. This will set forth a long-term partnership with Portland State University (PSU), Portland Public Schools (PPS), Multnomah County (the "County"), and the City of Portland (the "City") intended to accelerate the region's growth and excellence, attract private investment, enhance blighted properties and educate the region's workforce. Potential investments include the development of research facilities, business accelerators, affordable housing, and private development. Among the public benefits expected to occur are increases in assessed values as low-density properties redevelop, accelerated job growth through expanded availability and breadth of research and technology commercialization activities, and greater entrepreneurial and startup activity in Portland's industry clusters.

1. City of Portland Comprehensive Plan

The Education Urban Renewal Plan (EDURA) was prepared in conformity with the Portland Comprehensive Plan. The Portland Comprehensive Plan was adopted by the Portland City Council on October 16, 1980, and was acknowledged as being conformance with the statewide planning goals by the Land Conservation and Development Commission on May 1, 1981. It has been updated and acknowledged for continuing conformance to the statewide planning goals through successive periodic reviews. The first and most recent periodic review was completed in January 2000. The City is currently undergoing its second Comprehensive Plan Periodic Review update which is expected to be completed by the end of 2013.

Comprehensive plans describe a variety of public goals that are to be achieved over the long term. These goals are usually complimentary but there are times when one comprehensive plan provision can only be advanced at the expense of another; or when one provision is funded while others must wait. In determining whether the EDURA conforms with Portland's Comprehensive Plan, the city must sometimes choose between competing public goals. To do this the city will apply the following definition of "conform:"

- On balance, the purposes of the Comprehensive Plan are advanced as a whole; and
- Future compliance with the Comprehensive Plan is not precluded

The EDURA was prepared in conformity with the Portland Comprehensive Plan and is consistent with the following relevant Comprehensive Plan policies:

Goal 1, Metropolitan Coordination, calls for the Comprehensive Plan to be coordinated with federal and state law and to support regional goals, objectives and plans. The EDURA is supportive of this goal because:

1. These findings demonstrate that the EDURA is consistent with the City of Portland Comprehensive Plan which was acknowledged by the State of Oregon as consistent with statewide planning goals. The EDURA will provide tax increment

April 12th, 2012

revenues for physical improvements to support urban and economic development in parts of the Central City. This is supportive of the regional goals contained in Metro's Urban Growth Management Functional Plan which call for developing a compact urban form with a focus on investment in the Central City. The EDURA is also specifically supportive of the following Metropolitan Coordination Policy.

Specifically, the proposed district is supportive of the following policies:

Policy 1.4 Intergovernmental Coordination requires continuous participation in intergovernmental affairs with public agencies to coordinate metropolitan planning and project development and maximize the efficient use of public funds.

2. Representatives from other government agencies including Multnomah County and Portland Public Schools were included on the Potential Central City URA Evaluation Committee ("Evaluation Committee"). This group held a series of 14 meetings between May 2009 and August 2010 and helped shape the direction for future urban renewal areas in the Central City including this EDURA proposal.

3. The EDURA is consistent with this policy because all overlapping taxing jurisdictions were notified of this proposal, provided with draft authorizing documents and given the opportunity to comment. These jurisdictions include Portland Public Schools, Metro, Multnomah County and others. Any comments received will be addressed during the City Council approval process in May 2012.

Goal 2, Urban Development, calls for maintenance of Portland's role as the major regional employment and population center by expanding opportunities for housing and jobs, while retaining the character of established residential neighborhoods and business centers. The EDURA is supportive of this goal because:

4. The EDURA will facilitate new urban development in the Central City with more intense academic, commercial, office, and residential opportunities than currently exist.

Specifically, the proposed district is supportive of the following policies:

Policy 2.1 Population Growth, seeks to allow population growth within the existing city boundary by providing land use opportunities that will accommodate the projected increase in city households.

5. The EDURA is consistent with this policy because potential development sites within the district could accommodate a variety of future housing types including public and private student housing, affordable and market rate housing.

6. The EDURA is consistent with this policy because the City Council has established an overall goal of spending 30 percent of urban renewal funding on affordable housing projects and programs. Creation of the EDURA will consequently make

more funding available for housing programs and projects in the district. These projects will be determined by the Portland Housing Bureau.

Policy 2.2

Urban Diversity, seeks to promote a range of living environments and employment opportunities for Portland residents in order to attract and retain a stable and diversified population.

7.

The proposed EDURA is consistent with this policy because it will facilitate new development and redevelopment that will expand the wide range of commercial, employment and housing opportunities within the Central City.

Policy 2.9

Residential Neighborhoods, seeks to allow a range of housing types to accommodate increased population growth while improving and protecting the city's residential neighborhoods.

8.

The EDURA is consistent with this policy because it will enable additional funding for housing development projects and supportive programs including public and private student housing, affordable and market rate housing.

9.

The EDURA is consistent with this policy because new housing development in the Central City helps existing neighborhoods elsewhere in the in the city by absorbing some development pressure within the Central City.

Policy 2.10

Downtown Portland, seeks to reinforce the Downtown's position as the principal commercial, service, cultural and high density housing center in the city and the region. Maintains the downtown as the city's principal retail center through implementation of the Downtown Plan.

Policy 2.11

Commercial Centers, seeks to expand the role of major established commercial centers which are well served by transit.

10.

The EDURA is consistent with these policies because it will provide resources to support the continued development of the University District and south Downtown as a major academic, research, commercial and employment center within the Central City. The area is served by two MAX light rail lines, many bus lines, and is also served by the Portland streetcar. Increasing development in this area will support transit ridership and help reduce future reliance on the automobile.

Policy 2.12

Transit Corridors, seeks to provide a mixture of activities along major transit routes.

11.

The EDURA is consistent with this policy because Central City is the hub of the metropolitan region's transportation system. Creation of the EDURA will facilitate mixed-use development providing a range of new commercial, employment and housing opportunities along the Portland Streetcar and MAX light rail transit lines including the newly rebuilt and extended transit mall as well as the many bus lines that serve the region.

Policy 2.15

Living Closer to Work, seeks to locate greater residential densities near major employment centers, including Metro-designated regional and town centers, to reduce vehicles miles traveled per capita and maintain air quality. It also calls for locating affordable housing close to employment centers.

12.

The EDURA is consistent with this policy because it will support new affordable and student housing development within parts of the West End and Goose Hollow neighborhoods along with new housing, academic and employment activities in the University district. New and refurbished housing units within the EDURA will be in close proximity to and readily accessible from the public transportation network serving the region's highest concentration of employment opportunities.

Policy 2.17

Transit Stations and Transit Centers, seeks to encourage transit-oriented development patterns at transit stations to provide for easy access to transit service.

13.

The EDURA is consistent with this policy because the area includes MAX light rail and Portland streetcar station areas. The entire area of the EDURA is within easy walking distance of high-capacity transit. Many sites within the district boundary are ideal transit oriented development opportunities.

Policy 2.18

Transit-Supportive Density, establishes average minimum residential densities and minimum floor area ratios for non-residential development.

14.

Existing Comprehensive Plan Map designations in the proposed EDURA are consistent with these policies and, therefore, no changes are required as part of the district.

Policy 2.19

Infill and Redevelopment, encourages infill and redevelopment as a way to implement the Livable City growth principles and accommodate expected increases in population and employment. Encourages infill and redevelopment in the Central City, at transit stations, along Main Streets, and as neighborhood infill in existing residential, commercial and industrial areas.

Policy 2.20

Vacant Land, seeks full utilization of existing vacant land except in those areas designated as open space.

15.

The EDURA is consistent with this policy because it will provide resources to enable redevelopment on the significant vacant and underutilized lands within the area. The Bureau of Planning and Sustainability's *Draft 2011 Central City Development Capacity Report* identified 17.8 acres of vacant or underutilized land with current high density zoning within the EDURA boundary.

Policy 2.25

Central City Plan, seeks continued investment within Portland's Central City while enhancing its attractiveness for work, recreation and living. The Central City Plan is meant to coordinate development, provide aid and protection to

Portland's citizens, and enhance the Central City's special natural, cultural and aesthetic features.

16. The EDURA is consistent with this policy because it is almost completely within the Central City Plan District. Urban renewal funds and programs will help achieve the goals of the plan noted above. See also findings in Section 3 below pertaining to the *Central City's Downtown Policy*, *Goose Hollow Policy*, *University District Policy* and *West End Policy*.

Goal 3, Neighborhoods, calls for preserving and enhancing the stability and diversity of the City's neighborhoods while allowing for increased density in order to attract and retain long-term residents and businesses and insure the City's residential quality and economic vitality. The proposed district is consistent with this goal because:

17. The EDURA will facilitate the improvement and revitalization of parts of the Downtown's West End neighborhood, Goose Hollow and the University District. The Findings for Comprehensive Plan Goal 4, Housing (below) also apply.

Specifically, the proposed district is supportive of the following policies:

- Policy 3.3 Neighborhood Diversity** promotes neighborhood diversity and security by encouraging diversity in age, income, race and ethnic background within the City's neighborhoods.

18. The EDURA is consistent with this policy because this district is becoming one of Portland's more diverse urban neighborhoods. Of PSU's 30,000 currently-enrolled students, 23% are minority students and international student enrollment has increased by nearly 50% over the last 5 years. As the university continues to grow and develop, this diversity is expected to increase and begin to increase diversity in surrounding areas.

- Policy 3.4 Historic Preservation** seeks to preserve and retain historic structures and areas throughout the city.

19. The EDURA is consistent with this policy because the area contains a mix of historic buildings that will have greater access to funding resources which can help assist with preservation tools such as inventories and improve the condition of the district's physical structures. Potential preservation activities include seismic upgrades, assistance with adaptive re-use projects and storefront renovations.

- Policy 3.5 Neighborhood Involvement**, seeks to provide for the active involvement of neighborhoods, residents, and businesses in decisions affecting their neighborhood.

20. The EDURA is consistent with this policy because representatives from neighborhoods including the Portland Downtown Neighborhood Association, Goose Hollow Foothills League, and South Portland Neighborhood Association

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were included on the Evaluation Committee. This group held a series of 14 meetings between May 2009 and August 2010 and provided feedback on the initial framework used in the creation of this proposed Plan.

21. The EDURA is consistent with this policy because the City and Portland Development Commission hosted ten outreach events at various locations around the west side of the Central City between October 2009 and April 2012 and will host an open house on April 17, 2012 at PSU.

22. The EDURA is consistent with this policy because all area neighborhood residents and businesses have been notified of this proposal, provided with the schedule of public hearings, and given the opportunity to comment.

23. The EDURA is consistent with this policy because the Portland Development Commission is committed to continuing a forum for involvement throughout the duration of the Plan.

24. Findings under Comprehensive Plan Goal 9: Citizen Involvement also apply.

Policy 3.6 Neighborhood Plans, requires the City to maintain and enforce neighborhood plans that are consistent with the Comprehensive Plan.

25. The EDURA is consistent with this policy because EDURA funding will help support the growth and development called for in several existing neighborhood plans. The City Council has adopted neighborhood plans and amendments for the physical area that would be encompassed by the EDURA. These include but are not necessarily limited to: the Downtown Plan (1972), Central City Plan (1988), University District Plan (1995), Downtown Community Association (since renamed the Portland Downtown Neighborhood Association) Residential Plan (1996), Goose Hollow Station Area Plan (1996), and Downtown's West End Amendments (2002).

26. The EDURA is consistent with this policy because it will make these areas eligible for potential urban renewal funds and programs.

Goal 4, Housing, calls for enhancement of Portland's vitality by providing housing of different types, tenures, density, sizes, costs, and locations that accommodate the different needs of current and future households. The proposed district is consistent with this goal because:

27. The City Council has established an overall goal of spending 30 percent of urban renewal funding on affordable housing projects and programs. Creation of the EDURA will consequently make more funding available for housing programs and projects in the district as determined by the Portland Housing Bureau.

28. The EDURA may provide funding to support new housing projects in the West End, Goose Hollow, and University District. Each of these areas is designated for additional housing by the Comprehensive Plan and the Central City Plan.

Specifically, the proposed district is particularly supportive of the following policies:

Policy 4.1

Housing Availability seeks to ensure that an adequate supply of housing is available to meet the needs, preferences, and financial capabilities of Portland's households now and in the future.

Policy 4.3

Sustainable Housing encourages housing that supports sustainable development patterns by promoting the efficient use of land, conservation of natural resources, easy access to public transit and other efficient modes of transportation, easy access to services and parks, resource efficient design and construction, and the use of renewable energy resources.

29.

The EDURA is consistent with these policies because it will encourage new residential development in a section of Portland's Central City containing MAX light rail and bus lines, and that is served by the Portland Streetcar. This is a highly resource-efficient pattern of growth that will support bicycle use, pedestrian activity and transit ridership, and reduce reliance on the automobile.

30.

The EDURA is consistent with this policy because it will facilitate a range of mixed-use development that will provide new and redeveloped academic, commercial, employment and housing opportunities in the area along the light rail transit and streetcar lines and along main street segments.

Policy 4.5

Housing Conservation seeks to restore, rehabilitate, and conserve existing sound housing as one method of maintaining housing as a physical asset that contributes to an area's desired character.

31.

The EDURA is consistent with this policy because it will provide funding to assist with the preservation of federally-assisted units and repair, renovation, or replacement of existing affordable housing units in the district.

Policy 4.10

Housing Diversity promotes the creation of a range of housing types, prices, and rents to: 1) create culturally and economically diverse neighborhoods; and 2) allow those whose housing needs change to find housing that meets their needs within their existing community.

32.

The EDURA is consistent with this policy because it will provide additional funding for housing development projects and programs including a diversity of affordable and market rate housing as determined by the Portland Housing Bureau.

Policy 4.11

Housing Affordability promotes the development and preservation of quality housing that is affordable across the full spectrum of household incomes.

33.

The EDURA is consistent with this policy because it will enable additional funding for affordable housing development projects, preservation and rehabilitation of

existing affordable housing in the area, and supportive programs as determined by the Portland Housing Bureau.

Policy 4.12 Housing Continuum seeks to ensure that a range of housing from temporary shelters, to transitional, and to permanent housing for renters and owners is available, with appropriate supportive services for those who need them.

Policy 4.14 Neighborhood Stability seeks to stabilize neighborhoods by promoting: 1) a variety of homeownership and rental housing options; 2) security of housing tenure; and 3) opportunities for community interaction.

34. The EDURA is consistent with these policies because it will enable additional funding for housing development projects that will create a range of housing programs in the area from very low, low, moderate, and middle-income households, including affordable housing and homeownership programs as determined by the Portland Housing Bureau.

35. The EDURA is consistent with these policies because it may provide a source of funding to help ensure that existing affordable rental housing in the district remains affordable over the long-term through programs to be determined by the Portland Housing Bureau.

36. The EDURA is consistent with these policies because the PSU campus area already provides a wide range of publically-accessible gathering places and cultural activities that promote both student and broader community interaction. These opportunities are expected to increase with the further growth of the university.

Goal 5, Economic Development, calls for fostering a strong and diverse economy that provides a full range of employment and economic choices for individuals and families in all parts of the city. The EDURA is consistent with this goal because:

37. The EDURA contains properties within and adjacent to the Portland State University campus. Funds available through the EDURA will support continued institutional and private investment in this durable economic center and adjoining properties, including strategies to support the continued growth of Portland State University.

38. Retail activity contributes to the economy and quality of life in the downtown and larger Central City. The health of individual retailers is directly related to the health of other proximate businesses and the larger downtown environs (i.e., empty storefronts send a negative message to potential tenants). Funding available through the EDURA can be used to fund storefront improvements public infrastructure investment and other public/private partnerships that will improve the general retail environment within the district.

39. Funding available through the EDURA may be used to support the establishment of new or expansion of existing businesses including those within the clusters of

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economic activity targeted for public support by the City's Five-Year Economic Development Strategy.

Specifically, the proposed district is particularly supportive of the following policies:

Policy 5.1

Urban Development and Revitalization, calls for encouraging investment in the development, rehabilitation and adaptive reuse of urban land and buildings for employment and housing opportunities.

40.

The EDURA is consistent with this policy because the boundary contains a significant mix of existing older buildings that would have greater access to resources for preservation and redevelopment for new employment and housing opportunities through their inclusion in this district.

41.

The EDURA is consistent with this policy because small business loans and funding for storefront improvements made available through the EDURA could support building rehabilitation and building reuse.

Policy 5.2

Business Development, calls for sustaining and supporting business development activities to retain, expand and recruit businesses.

42.

The EDURA is consistent with this policy because it will facilitate funding for public-private partnership projects and programs that will help to improve the climate for business in the district through enhanced and targeted access to financial and human capital sources.

43.

The EDURA is consistent with this policy because it will help support and expand technology commercialization and business incubation programs such as the Portland State Business Accelerator – a highly successful project supporting the formation and growth of Portland start-up companies.

Policy 5.4

Transportation System, promotes a multi-modal regional transportation system that stimulates and supports long term economic development and business investment.

44.

The EDURA is consistent with this policy because it will facilitate a range of mixed-use development that will provide a range of new and redeveloped academic, commercial, employment and housing opportunities along the MAX light rail and the Portland Streetcar lines.

Policy 5.6

Area Character and Identity Within Designated Commercial Areas, promotes and enhances the special character and identity of Portland's designated commercial areas.

45.

The EDURA is consistent with this policy because it will facilitate a range of mixed-use development in and around the University District. This new

development will strengthen the developing academic and student-oriented character of the area.

Policy 5.7

Business Environment within Designated Commercial Areas, promotes a business environment within designated commercial areas that is conducive to the formation, retention and expansion of commercial businesses.

46.

The EDURA is consistent with this policy because it is intended to support further growth and development of Portland State University. In their 2010 University Framework Plan, Portland State University has a placed a high importance on seeking innovative partnerships with private businesses in new development projects. As the university grows, it is anticipated there will be increased private business activity in the district as well.

Policy 5.11

Science and Technology Quarter, establishes a Science and Technology

Quarter as the core of the region's biomedical, bioscience, and bioengineering industries and advances these industries by encouraging and capitalizing on the strengths of Portland's academic and medical institutions and the region's technology sector.

47.

The EDURA is consistent with this policy because it will support the continued growth and success of Portland State University. Portland State University is provides a critical educational and business incubation role in supporting the City's Science and Technology Quarter.

Goal 6, Transportation, calls for developing a balanced, equitable, and efficient transportation system that provides a range of transportation choices; reinforces the livability of neighborhoods; supports a strong and diverse economy; reduces air, noise, and water pollution; and lessens reliance on the automobile while maintaining accessibility. The EDURA is supportive of this goal because:

48.

Creation of the EDURA will facilitate new development within areas that are well served by transit and other alternative transportation modes. This will reduce the need for employees, students, and customers to rely on automobile travel, and reduce air pollution and traffic congestion on the City's street system.

Specifically, the proposed district is supportive of the following policies:

Policy 6.19 Transit-Oriented Development, seeks to reinforce the link between transit and

land use by encouraging transit-oriented development and supporting increased residential and employment densities along transit streets, at existing and planned light rail transit stations, and at other major activity centers.

49.

The EDURA is consistent with this policy because it will enable new development in a section of Portland's Central City that is served by MAX light rail, bus lines

and the Portland Streetcar, which is a resource-efficient pattern of growth. This pattern will support transit ridership and reduce reliance on the automobile.

Policy 6.22 Pedestrian Transportation, seeks to plan and complete a pedestrian network that increases the opportunities for walking to shopping and services, institutional and recreational destinations, employment, and transit.

50. The EDURA is consistent with this policy because it may provide funding for public improvement projects to enhance the pedestrian experience including improving sidewalks and amenities, planting street trees, installing street lighting, and installing pedestrian/ bicycle connections, throughout the district.

Policy 6.23 Bicycle Transportation, seeks to make the bicycle an integral part of daily life in Portland, particularly for trips of less than five miles, by implementing a bikeway network, providing end-of-trip facilities, improving bicycle/transit integration, encouraging bicycle use, and making bicycling safer.

51. The EDURA is consistent with this policy because Portland State University is one of the region's most significant bicyclist destinations. As noted above, creation of the EDURA could support public improvement projects to enhance the cyclist experience including improving bicycle facilities and safety throughout the district.

Policy 6.24 Public Transportation, seeks to develop a public transportation system that conveniently serves City residents and workers 24 hours a day, seven days a week and can become the preferred form of travel to major destinations, including the Central City.

52. The EDURA is consistent with this policy because it may provide funding for a variety of projects that support the existing and expanded public transportation system. Such improvements may include but are not limited to: improving bicycle and pedestrian connections to transit stops from surrounding neighborhoods; improving transit service and facilities such as the Portland Streetcar; and increasing transit demand through redevelopment that will support improved transit service.

Policy 6.41 Central City Transportation District, includes the Central City Transportation Management Plan Goal, policies, and objectives and classification maps, as part of the Transportation Element of the Comprehensive Plan.

53. The EDURA is consistent with this policy because it will help meet the goals of the Central City Transportation Management Plan by reducing vehicle miles traveled per capita in the Central City by increasing a wide range of development opportunities in the district – an area with rich transit access, excellent pedestrian and bicycle facilities and a high concentration of goods and services.

Goal 7, Energy, calls for a sustainable energy future by increasing energy efficiency in all sectors of the city. The EDURA is supportive of this goal because:

54. Portland State University is a leader in green technologies and innovation. The EDURA will support further development of academic and research facilities and programs at Portland State that will improve efficiency technologies in the future.

55. Portland State University is one of the City's pilot EcoDistrict areas with a commitment to neighborhood-scale sustainability. The EDURA will help support the physical and economic development of the EcoDistrict and ultimately significantly reduce the district's overall energy use.

Specifically, the proposed district is supportive of the following policies:

Policy 7.4 Energy Efficiency through Land Use Regulations, promotes residential, commercial, industrial, and transportation energy efficiency and the use of renewable resources.

56. The EDURA is consistent with this policy because it will enable new development in a section of Portland's Central City that is served by MAX light rail, bus lines and the Portland Streetcar, which is a resource-efficient pattern of growth. This pattern will support transit ridership and reduce reliance on the automobile and reduce energy demand related to transportation.

Policy 7.5 Energy Efficiency in Commercial and Industrial Facilities, encourages energy efficiency in existing commercial buildings and institutions by facilitating utility, local, state, and federal financial and technical assistance.

57. The EDURA is consistent with this policy because it will support significant renovation projects to existing academic facilities on the Portland State University Campus. These renovations will include major improvements in energy efficiency.

Goal 8, Environment, calls for maintenance and improvement of the quality of Portland's air, water, and land resources, as well as protection of neighborhoods and business centers from noise pollution. The EDURA is supportive of this goal because:

58. The proposed EDURA will facilitate new, denser development within areas served by MAX Light Rail, many bus lines and the Portland Streetcar, which is a resource-efficient pattern of growth. This pattern preserves natural resources (i.e., mitigates flood damage, promotes wildlife conservation) and reduces negative environmental impacts (i.e., air and water pollution) by encouraging urban development in existing urban areas adjacent to high capacity transit service, rather than on the region's fringes.

Specifically, the proposed district is supportive of the following policy:

Policy 8.14 Natural Resources: Conserve significant natural and scenic resource sites and values through a combination of programs which involve zoning and other

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land use controls, purchase, preservation, intergovernmental coordination, conservation, and mitigation. Balance the conservation of significant natural resources with the need for other urban uses and activities through evaluation of economic, social, environmental, and energy consequences of such actions.

59. The EDURA is consistent with this policy because it will not change existing zoning and other policies designed to protect natural resources and views in the Central City. District funds may be used to support public and private improvements designed to support the success of these policies including, but not limited to, acquisition of open space, stormwater management projects, tree planting programs and other "green infrastructure" projects.

Goal 9, Citizen Involvement, calls for improved methods and ongoing opportunities for citizen involvement in the land use decision-making process. The EDURA is supportive of this goal because:

60. Residents, business owners, property owners and other stakeholders of EDURA and surrounding areas were extensively involved in the process leading up to the proposal for this district.

Specifically, the proposed district is supportive of the following policy:

Policy 9.1 Citizen Involvement Coordination, calls for encouraging citizen involvement

in land use planning projects by actively coordinating the planning process with relevant community organizations, through the reasonable availability of planning reports to city residents and businesses, and notice of official public hearings to neighborhood associations, business groups, affected individuals and the general public.

61. The EDURA is consistent with this policy because the EDURA is result of a process led initially by an evaluation committee including representatives of both neighborhood residential and business representatives. Input from neighborhood interests from across the district were obtained through a series of public input sessions and through electronic outreach efforts.

62. The EDURA is consistent with this policy because after an extensive public process to consider the future of urban renewal areas in the Central City in 2007-2008, the Westside Study Urban Renewal Advisory Group (URAG) recommended a series of actions including that the City identify potential new urban renewal areas in downtown area. The URAG report was adopted by City Council on June 25, 2008.

63. The EDURA is consistent with this policy because the Evaluation Committee was formed in May 2009 to provide recommendations on the creation of a potential new downtown urban renewal area. The committee was led by Portland Mayor Sam Adams and was comprised of 24 members including representatives from:

- Northwest District Association
- Goose Hollow Foothills League
- Portland Downtown Neighborhood Association
- Nob Hill Business Association
- Multnomah County,
- Portland Public Schools,
- Portland State University
- Portland Business Alliance/ Downtown Retail Council
- PGE Park
- Multnomah Athletic Club
- Con-way

64. The EDURA is consistent with this policy because the Evaluation Committee met 14 times between May 2009 and August 2010. During this time information and testimony were reviewed concerning creating a new central city urban renewal area. In addition to participation as a committee member, as an invited presenter, or as a panelist, Evaluation Committee meetings were open to the public and community members who were invited to address the committee or submit comments.

65. The EDURA is consistent with this policy because seven public outreach events were held between October 2009 and September 2010 throughout the proposed urban renewal area for the purpose of informing the public regarding the proposed urban renewal district and obtaining public input regarding the general concept and details of any proposed district.

66. The EDURA is consistent with this policy because during the course of deliberation e-mail updates regarding committee agendas and summaries were e-mailed to a list of over 200 individuals and organizations including the leadership of the following neighborhood associations:

- Northwest District Association
- Goose Hollow Foothills League
- Old Town/China Town
- Portland Downtown Neighborhood Association
- Hillside
- Northwest Industrial
- Pearl District
- South Portland
- Southwest Hills Residential League
- Nob Hill Business Association
- Goose Hollow Business Association
- Portland Business Alliance/Downtown Retail

Information was also sent using the City of Portland's Office of Neighborhood Involvement Notification. Additionally, all materials were available online at www.pdc.us/four.

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67. The EDURA is consistent with this policy because briefings on a future urban renewal district were presented at public meetings before the Portland Landmarks Commission on August 9, 2010 and before the Portland Design Commission on September 2, 2010.
68. The EDURA is consistent with this policy because although the Evaluation Committee did not produce a formal recommendation or final report, the feedback and guidance from the committee was taken into consideration in the formation of the EDURA plan and boundary.
69. The EDURA is consistent with this policy because PDC Staff has given seven briefings on the proposal with a variety of neighborhood and business groups between November 2011 and April 2012.
70. The EDURA is consistent with this policy because the Portland Development Commission is committed to continuing a forum for involvement throughout the duration of the Plan.

Goal 11A, Public Facilities, calls for provision of a timely, orderly and efficient arrangement of public facilities and services that support existing and planned land use patterns and densities. The EDURA is consistent with this goal because:

71. The EDURA supports the efficient arrangement of public infrastructure and services by facilitating redevelopment of sites for more intense academic, commercial, office, and residential uses in the urban core of Portland which contains MAX light rail, Portland Streetcar and bus service as well as all other urban services necessary to support new development. These trends are consistent with the intensification of development in the urban core that is called for under the Comprehensive Plan and the Regional 2040 Growth Concept.

Goal 11 F, Parks and Recreation, calls for maximizing the quality, safety and usability of parklands and facilities through the efficient maintenance and operation of park improvements, preservation of parks and open space, and equitable allocation of active and passive recreation opportunities for the citizens of Portland. The EDURA is consistent with this goal because:

72. Public recreation improvement projects that may be eligible for EDURA funding include rehabilitation of existing parks, tree planting and other streetscape improvement programs, construction of active recreation facilities and performance venues. These actions will improve the quality of recreation opportunities available to Portlanders. Potentially eligible parks within the EDURA boundary include the South Park Blocks, and the parks and public spaces within the South Auditorium district including the Ira Keller Fountain, Pettygrove Park, and Lovejoy Fountain.

Goal 11 I, Schools, calls for enhancing the educational opportunities of Portland's citizens by supporting the objectives of Portland School District #1 and adjacent districts through assistance in planning educational facilities. The EDURA is consistent with this goal because:

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73. The proposed EDURA boundary includes Portland Public Schools (PPS) property at the Lincoln High School campus. EDURA funding may be used to facilitate joint redevelopment at Lincoln including improved school facilities.

Specifically, the proposed district is supportive of the following policy:

Policy 11.56, Maximize Investments calls for supporting school district facility and program investments in redeveloping neighborhoods through the City's allocation of housing assistance and park improvement investments.

74. Establishment of the EDURA will allow the City to continue to work with PPS on a variety of fronts that are supportive of increasing the attractiveness of the Central City for families with school aged children and with assisting PPS in planning for responding to those needs and demands. This includes but is not limited to the potential joint redevelopment of the Lincoln High School property in the Goose Hollow neighborhood.

Goal 12, Urban Design, calls for the enhancement of Portland as a livable city, attractive in its setting and dynamic in its urban character by preserving its history and building a substantial legacy of quality private developments and public improvements for future generations. The EDURA is consistent with this goal because:

75. Creation of the EDURA will provide funding resources to support new public and private development in the district with more intense academic, commercial, office, and residential uses that will create more diverse employment and affordable housing opportunities than currently exist. This new development will contribute to the University District's emerging specific character and identity.

Specifically, the proposed district is supportive of the following policies:

Policy 12.2 Enhancing Variety, calls for promoting the development of areas of special identity and urban character with the City's residential, commercial and industrial areas having attractive identities that enhance the urbanity of the City.

76. The EDURA is consistent with this policy because it focuses on increasing development activity in and around the University District. Home to Portland State University with over 29,000 enrolled students, this district has an emerging special urban identity unique to the Portland region. Urban renewal resources will help develop and strengthen this character.

Policy 12.3 Historic Preservation, enhance the City's identity by protecting its significant historic resources. Preserve and reuse historic artifacts as part of Portland's fabric. Encourage development to sensitively incorporate preservation of historic structures and artifacts.

77. The EDURA is consistent with this policy because it contains several historic buildings; these properties may have greater access to funding resources which will help improve the condition of the URA's physical structures. Potential preservation activities include seismic upgrades, adaptive re-use and storefront renovations.

Policy 12.4 Provide for Pedestrians, Portland is experienced most intimately by pedestrians. Recognize that auto, transit and bicycle users are pedestrians at either end of every trip and that Portland's citizens and visitors experience the City as pedestrians. Provide for a pleasant, rich and diverse experience for pedestrians. Ensure that those traveling on foot have comfortable, safe and attractive pathways that connect Portland's neighborhoods, parks, water features, transit facilities, commercial districts, employment centers and attractions.

78. The EDURA is consistent with this policy because it will encourage development that will improve the pedestrian experience including improving on-street character and safety and amenities, planting street trees, installing street lighting, and improving pedestrian/bicycle connections throughout the district.

2. Central City Transportation Management Plan (CCTMP)

The CCTMP was adopted by City Council in 1995 and is the principal planning document guiding transportation policies in the Central City. It was based on the framework to focus growth in the Central City, develop transportation and parking management strategies for each district of the Central City, support transit and other alternative travel modes, promote housing as a transportation strategy, and support regional air quality policies. The proposed district supports the following CCTMP policies:

Policy 1, Growth and Livability, amended the Central City Plan to adopt 75,000 jobs and 15,000 housing units as the economic and housing goals for the year 2010.

79. The EDURA is consistent with this policy because redevelopment projects assisted by the activities of the EDURA will help create increased employment and housing units within the Central City and therefore supports this policy.
80. The EDURA is consistent with this policy because catalytic, multi-block developments, assisted by the EDURA have the potential of improving street and pedestrian connectivity within the district.

Downtown District Strategies:

Strategy 1: Transit—1.1 Improve intra-downtown mobility by increasing transit circulation.

Objective: Provide for convenient circulation to travel in north/south and east/west directions within Downtown.

Strategy 2: Bicycles—2.1 Recognize the bicycle as an important mode of transportation within the Downtown.

Objective: Promote the use of bicycles for all types of trip purposes within the Downtown.

Strategy 3: Pedestrians—3.1 Recognize walking as an important mode of transportation.
Objective: Promote walking for all types of trip purposes within the Downtown.

81. The EDURA is consistent with these strategies because it will facilitate mixed-use development that will provide a range of new academic, commercial, employment and housing opportunities in the District along the MAX light rail lines and the Portland Streetcar. Such development profiles allow for increases in residential populations and commercial activity while minimizing the increase in auto traffic.

3. The Central City Plan

Adopted by the City Council in 1988, the Central City Plan calls for encouraging continued investment within Portland's Central City while enhancing its attractiveness for work, recreation and living. The EDURA is supportive of the following policies of the plan:

Policy 1, Economic Development, calls for the City to build upon the Central City as the Economic Heart of the Columbia Basin, and guide its growth to further the City's prosperity and livability.

82. The EDURA is consistent with this policy because job growth is a significant goal of the district. Funding available through the EDURA will be primarily used to support the further growth and development of Portland State University—a major economic engine and key player in educating the region's future workforce.

83. The EDURA is consistent with this policy because it may fund business loans and storefront renovations as well as larger development projects on underutilized commercial and institutional sites in the district.

Policy 3, Housing, calls for maintaining the Central City's status as the state's principal high density housing area by keeping housing production on pace with new job creation.

84. The EDURA is consistent with this policy because the City Council has established an overall goal of spending 30 percent of urban renewal funding on affordable housing projects and programs. Creation of the EDURA will consequently make more funding available for housing programs and projects in the district. Such projects and programs will be determined by the Portland Housing Bureau.

85. The EDURA is consistent with this policy because it will provide significant funding to the Portland Housing Bureau for housing development and preservation projects that may create a range of housing opportunities in the

area from emergency shelters to creation of very low, low, moderate, and middle-income households, including affordable housing and homeownership programs.

Policy 4, Transportation, seeks to improve the Central City's accessibility to the rest of the region and its ability to accommodate growth, by extending the light rail system and by maintaining and improving other forms of transit and the street and highway system, while preserving and enhancing the City's livability.

86. The EDURA is consistent with this policy because most of the necessary transportation infrastructure needed to support additional growth in the EDURA is already in place. Funding available through the EDURA may be used to construct new connections in conjunction with catalytic projects where connectivity standards are not being met. Localized improvements such as improved pedestrian connections and street trees are likely through redevelopment projects enabled by the EDURA.

Policy 5, Human Services, seeks to provide social and health services for special needs populations, and assist dependent individuals to become more independent.

87. The EDURA is consistent with this policy because it will provide resources to Multnomah County to help support and relocate the County's Department of Human Services to new facilities within the district.

88. The EDURA is consistent with this policy because the 30% set-aside of urban renewal funding for affordable housing may also be used to support social services within the District.

89. The EDURA is consistent with this policy because additional EDURA funds may be used to help support the growth and development of Portland State University's School of Social Work.

Policy 8, Parks and Open Space, recommends a park and open space system of linked facilities be built to tie the Central City districts together with the surrounding community.

90. The EDURA is consistent with this policy because improvement projects that may be eligible for EDURA funding include rehabilitation of existing parks, tree planting and other streetscape improvement programs, construction of active recreation facilities and performance venues. These actions will improve the quality of recreation opportunities available to Portlanders.

91. The EDURA is consistent with this policy because funding may be used to improve on the existing system of green streets in the district by undertaking the improvement of stormwater facilities, sidewalks and amenities, planting street trees, installing street lighting, and installing pedestrian/bicycle connections throughout the EDURA.

Exhibit E

April 12th, 2012

Policy 9, Culture and Entertainment, calls for the City to provide and promote facilities, programs and public events and festivals that reinforce the Central City's role as a cultural and entertainment center for the metropolitan and northwest region.

92. The EDURA is consistent with this policy because funding available through the EDURA can support further growth of cultural and entertainment activity and facilities at Portland State University as well as elsewhere in the district.

Policy 10, Education, seeks to expand educational opportunities to meet the needs of Portland's growing population and businesses, and establish the Central City as a center of academic and cultural learning.

93. The EDURA is consistent with this policy because its primary focus is to support the further growth and development of Portland State University. Portland State University is at the center of academic and cultural learning in the City.

Policy 11, Historic Preservation, seeks to preserve and enhance the historically and architecturally important buildings and places and promote the creation of our own legacy for the future.

94. The EDURA is consistent with this policy because it contains several historic buildings; these properties may have greater access to funding resources which will help improve the condition of the URA's physical structures. Potential preservation activities include seismic upgrades, adaptive re-use and storefront improvements.

Policy 12, Urban Design, calls for enhancing the Central City as a livable, walkable area that focuses on the river and captures the glitter and excitement of urban living.

95. The EDURA is consistent with this policy because it will invest in university and business growth and housing development. This increase in activity will increase the urban vitality of the area within the EDURA and may improve pedestrian connections between the district and the river through additional improvements to pedestrian projects such as the Montgomery Green Street.

96. The EDURA is consistent with this policy because it PDC or the Portland Housing Bureau will have design input to help promote design excellence in all projects receiving URA funding within the district boundaries.

Policy 14, Downtown District, Calls for strengthening the Downtown as the heart of the region, maintaining its role as the preeminent business location in the region, expanding its role in retailing, housing and tourism, and reinforcing its cultural, educational, entertainment governmental and ceremonial activities.

97. The EDURA is consistent with this policy because it will make urban renewal funds available to portions of the Downtown District for academic, commercial and housing development projects and storefront and historic building upgrades.

All of these activities are consistent with the policy of promoting the Downtown as the heart of the region.

Policy 15, Goose Hollow, calls for the protection and enhancement of the character of Goose Hollow by encouraging new housing, commercial and mixed-use development which retains or enhances a sense of community while improving the urban infrastructure to support a more pleasant and liveable community.

98. The EDURA is consistent with this policy because it may provide funding for private development desired at the Lincoln High School property to help meet Goose Hollow's objectives.

99. The EDURA is consistent with this policy because it may provide funding for the pedestrian connections and other improvements at the Lincoln High School property to help meet Goose Hollow's objectives.

Policy 16, University District: calls for the development of a distinct sub-district which has its character defined by its focus on Portland State University. That shapes the University District into a vital multi-cultural and international crossroads with an environment which stimulates lifelong learning collaboration between business and government and a rich cultural experience.

100. The EDURA is consistent with this policy because its primary focus is furthering the growth and development of Portland State University. It may provide funding for additional academic, research, commercial and residential development in support of the University, and infrastructure improvements to encourage the development of additional commercial projects and infrastructure improvements to better link the University area to the transit mall.

Policy 22, West End District, calls on the city to build on the West End's exceptional cultural and institutional assets, and its proximity to Portland State University, the Park Blocks, public transit, Goose Hollow and the Stadium area, and the Downtown retail core to foster its development as a vibrant Downtown neighborhood.

101. The EDURA is consistent with this policy because it may provide funding for new university and business development as well as new affordable housing and preservation of existing affordable housing in parts of the West End. A rich mix of housing, academic and business activities in the West end will help increase the vibrancy of the neighborhood.