

ORDINANCE No. 185327

Approve the Education Urban Renewal Plan (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

1. In the 2011 State of the City Address, Mayor Adams announced the City's intention to partner with Portland State University ("PSU") and propose a new urban renewal area focused on expanding PSU as a leading engine of economic growth and prosperity.
2. Across the United States, from New York to Utah to Tennessee, urban universities are sought after as opportunities for investment in an economic future.
3. Portland and the region are fortunate to have PSU, Oregon's largest university with an annual regional impact of more than \$1.4 billion, centrally located in the southern part of the City.
4. PSU is projecting a growth in enrollment from 30,000 in 2011 to more than 50,000 by 2035 and a projected growth in academic space of 4.2 million square feet.
5. PSU has established a foundation in centers of excellence which have already generated more than \$65 million in sponsored research and are forecast to exceed \$100 million by 2017.
6. The proposed Education Urban Renewal Plan in the form attached hereto as Exhibit "A" (the "Plan") would advance objectives of the 2009 City of Portland Economic Development Strategy and the Portland Development Commission (the "Commission") Revised 2010-2014 Strategic Plan which both place an emphasis on making investments that create jobs, maximize competitiveness, and drive urban innovation.
7. The Plan also includes opportunities to partner with Multnomah County and Portland Public Schools on strategic development sites within the Education Urban Renewal Area (the "Area").
8. The partnership with PSU will allow tax increment resources to uniquely leverage public and private investment and bring widespread benefit to the region.
9. The Area contains approximately 144 acres, has a maximum indebtedness of \$169,000,000 and a Plan End Date of June 30, 2041.
10. The Area, as a whole, is blighted based on the information set forth in Section II of the Report Accompanying the Education Urban Renewal Plan, attached and incorporated herein as Exhibit "B" (the "Report"). The indices of blight identified in the Report include:

- i. An analysis of improvement to land value ratios ("I:L") produced by Johnson Reid, LLC attached hereto and incorporated herein as Exhibit "C" and summarized in Section II.C.3 of the Report, identifies properties in the Area with I:L ratios below 2.5:1 as depreciated and underutilized compared to their potential capacity and productivity. As a result of such depreciated and underutilized properties, the Area is characterized by a growing or total lack of proper utilization of areas, resulting in a stagnant and unproductive condition of land potentially useful and valuable for contributing to the public health, safety and welfare, and therefore blighted in accordance with ORS 457.010(1)(h);
 - ii. Section II.A.2 of the Report describes building conditions in the Area and identifies a number of buildings owned or leased by PSU as being built prior to 1978, indicating a likely presence of lead-based paint, PCBs and asbestos. Because of possible safety issues arising from the presence of lead-based paint, PCBs and asbestos, such buildings are unfit for their intended purpose due to the defective quality of physical construction and therefore constitute blight in accordance with ORS 457.010(1)(a)(A); and
 - iii. Based on information from the Portland Bureau of Transportation, Section II.A.3 of the Report identifies street segments within the Area that need to be rebuilt or are in bad condition. Such inadequate rights-of-way constitute blight in accordance with ORS 457.010(1)(e).
- 11. The stagnant and unproductive condition of land, combined with the defective quality of physical construction of buildings and inadequate rights-of-way set forth in the Report result in the Area, as a whole, being blighted in accordance with ORS 457.010(1).
- 12. The rehabilitation and redevelopment of property within the Area are necessary to protect the public health, safety and welfare of the City. Based on the information set forth in Sections II.D and IV of the Report, the urban renewal projects described in the Plan will benefit the public health, safety and welfare of the City.
- 13. The Plan conforms to the City's Five-Year Economic Development Strategy and the City's Neighborhood Economic Development Strategy based on the information set forth in Section V.B of the Plan and the Plan provides an outline for accomplishing the urban renewal projects the Plan proposes.
- 14. The City of Portland Tax Increment Financing Set Aside Policy for Affordable Housing will apply to this Plan. The 30% Set Aside resources will be administered by the Portland Housing Bureau. TIF-supported housing investments in this URA will be guided by the investment priorities in the Portland Housing Bureau's Strategic Plan and other applicable City housing policies. In the fall of 2012, PHB will develop specific income guidelines for the EDURA and seek public comment.

15. Section VI of the Plan establishes the procedures for the relocation of displaced persons in accordance with ORS 281.045 to 281.105.
16. Acquisition of real property is not necessary for purposes of carrying out the Plan. As such, no real property acquisition is anticipated under the Plan as set forth in Section VII of the Plan.
17. Adoption and carrying out of the Plan is economically sound and feasible based, in part, on the Financial Analysis of the Plan as set forth in Sections VII and VIII of the Report.
18. The City, by and through the Commission, shall assume and complete any activities prescribed to it by the Plan.
19. The Commission has sought and received valuable input from overlapping taxing jurisdictions pursuant to ORS 457.085(5), citizens and other interested parties in the City, as indicated in the documents attached hereto as Exhibit "D".
20. On April 11, 2012, the Commission held a public hearing on the objectives of the Plan.
21. The Portland Planning and Sustainability Commission (the "Planning Commission") reviewed the proposed Plan at a public hearing on April 24, 2012. After considering testimony and other information presented, including information set forth in the Findings of Compliance attached and incorporated as Exhibit "E" (the "Report from the Planning Commission"), the Planning Commission found that the Plan conforms to the City's Comprehensive Plan and recommends Council approval of the Plan.
22. At a second public hearing on April 30, 2012, the Commission, after considering testimony and other information presented, adopted Resolution No. 6935 accepting the Plan and Report.
23. The Commission Executive Director, under authorization from the Commission's Board of Commissioners, submitted the Plan and Report, along with supporting materials, to the Council for final approval in accordance with the terms of the Plan and ORS 457.095.
24. On May 9, 2012, Council held a public hearing to receive comment on the Plan and accordingly made the determinations and findings contained herein.

NOW, THEREFORE, the Council directs:

- a. The Plan attached hereto as Exhibit A and incorporated herein by reference, is hereby approved.
- b. The Report and the Report from the Planning Commission attached hereto respectively as Exhibits B and E, and incorporated herein by reference, are hereby approved.
- c. The Commission shall administer the implementation of the Plan.

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- d. The Plan shall be financed, in part, by division of taxes as provided in ORS 457.420 to 457.450.
 - e. The City Auditor shall forward to the Commission and to the Planning Commission certified copies of this Ordinance upon adoption by Council.
 - f. The Commission shall record in the Deed Records of Multnomah County, Oregon, a copy of this Ordinance and the Plan upon adoption by Council.
 - g. The Commission, in accordance with ORS 457.115, shall publish notice of the adoption of this Ordinance approving the Plan, including the provisions of ORS 457.135, in the newspaper having the greatest circulation in the City within four days following the adoption of this Ordinance.

Passed by the Council: MAY 16 2012

Mayor Sam Adams

Prepared by: Lisa Gramp

Date Prepared: April 20, 2012

LaVonne Griffin-Valade

Auditor of the City of Portland

By

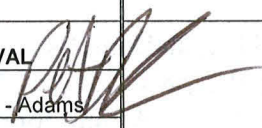
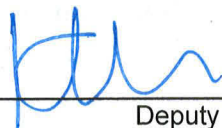


Deputy

788281

Agenda No. 185327
ORDINANCE NO.
Title

Approve the Education Urban Renewal Plan (Ordinance)

INTRODUCED BY Commissioner/Auditor: Mayor Adams	CLERK USE: DATE FILED <u>MAY 03 2012</u>
COMMISSIONER APPROVAL  Mayor—Finance and Administration - Adams	LaVonne Griffin-Valade Auditor of the City of Portland
Position 1/Utilities - Fritz	By:  Deputy
Position 2/Works - Fish	
Position 3/Affairs - Saltzman	
Position 4/Safety - Leonard	
BUREAU APPROVAL Bureau: Portland Development Commission Bureau Head: Patrick Quinton	ACTION TAKEN: MAY 09 2012 CONTINUED TO MAY 16 2012 9:30 A.M.
Prepared by: Morgan Masterman Date Prepared: April 13, 2012	
Financial Impact & Public Involvement Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/>	
Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Council Meeting Date May 9, 2012	
City Attorney Approval	

AGENDA
TIME CERTAIN <input checked="" type="checkbox"/> Start time: <u>2:00 pm (1 of 2)</u> Total amount of time needed: <u>1 hour total</u> (for presentation, testimony and discussion)
CONSENT <input type="checkbox"/>
REGULAR <input type="checkbox"/> Total amount of time needed: _____ (for presentation, testimony and discussion)

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:		
		YEAS	NAYS
1. Fritz	1. Fritz		<input checked="" type="checkbox"/>
2. Fish	2. Fish	<input checked="" type="checkbox"/>	
3. Saltzman	3. Saltzman	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/> abstained
4. Leonard	4. Leonard	<input checked="" type="checkbox"/>	
Adams	Adams	<input checked="" type="checkbox"/>	