

IMPACT STATEMENT

Legislation title: Adopt the 13th Amendment to the South Park Blocks Urban Renewal Plan (Resolution)

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Purpose of proposed legislation and background information:

This action would adopt the Thirteenth Amendment (Amendment) to the South Park Urban Renewal Plan (SPB Plan). If approved, the SPB Plan will be amended to contain a project that includes public buildings that benefits the urban renewal area (URA). Specifically, the amendment will allow for potential financial investment in the Multnomah County Central Library (Central Library) located at 801 SW 10th Avenue and the Arlene Schnitzer Concert Hall (Schnitzer) located at 1037 SW Broadway. While work to improve the Central Library and Schnitzer is consistent with goals of the SPB Plan, the original plan did not contemplate these projects as potential public buildings. In order to comply with Oregon Revised Statutes Chapter 457.085 (2)(j), which requires that an urban renewal plan that contains a project that includes a public building to also contain an explanation of how that public building will serve or benefit the plan area, staff are asking City Council to approve an amendment to the SPB Plan that would acknowledge potential investment in the Central Library and Schnitzer (owned by Multnomah County and the City of Portland, respectively).

The Central Library has served the community since 1913, providing a historic public space for all to gather, learn, create, and access the community's collective knowledge and resources. The Central Library receives approximately 665,000 visits per year for a variety of purposes including access to books and periodicals, job search assistance, and public gathering space. The building was renovated in 1997 and Multnomah County staff has more recently identified a series of infrastructure improvements necessary to continue to provide quality services and experience for the community. The proposed improvements span three areas of the library—replace a failing electrical transformer and remedy associated heating, ventilation, and air conditioning issues; increase the safety of the emergency exit path and address longstanding landscaping issues; and create additional quiet meeting and work spaces for small groups. The estimated project cost for these improvements is \$2,000,000 and work is expected to be completed by 2021. Central Library staff, which is currently refining the scopes and collecting bids for the projects, has committed to meeting the terms of the South Park Block Urban Renewal Area funds including the using the money in a way that is consistent with tax increment fund requirements and spending timelines.

The Schnitzer has served the Portland community since 1928. It originally opened as the Portland Publix Theater and then operated as the Paramount Theater. In 1972, the Portland City Council voted to give exterior of the Arlene Schnitzer Concert Hall Landmark Status; the building was subsequently placed on the National Register of Historic Places in

1976. The Schnitzer concert hall marquees require critical seismic, electrical, and cosmetic upgrades, including replacing rusting sheet metal; upgrading electrical wiring; updating structural elements to meet current seismic code; restoring the sign cabinet to its original appearance; and replacing the letter boards with electronic LED graphical displays. The estimated project cost for these improvements is \$1,800,000 and work is expected to be completed by late 2020. City of Portland staff (in coordination with Metro, which manages the Schnitzer), is currently working through the permitting process for marquee upgrades, has committed to meeting the terms of the South Park Block Urban Renewal Area funds including the using the money in a way that is consistent with tax increment fund requirements and spending timelines.

Financial and budgetary impacts:

While there are no direct financial impacts for the City on this action, Prosper Portland staff has allocated funding in the fiscal year 2019-20 Proposed South Park Blocks Urban Renewal Fund budget. Should the Prosper Portland Board of Commissioners approve an intergovernmental agreement with Multnomah County and City of Portland, Prosper Portland will commit up to \$1,500,000 to Central Library improvements and \$1,500,000 to Schnitzer improvements, respectively.

Community impacts and community involvement:

Prosper Portland staff attended the Downtown Neighborhood Association's Land Use and Transportation Committee meeting on May 21, 2019 and the Portland Business Alliance's Central City Committee meeting on May 30, 2019. At both meetings, staff discussed the opportunity for Prosper Portland to partner with both Multnomah County and City of Portland to invest remaining public purpose bond funds into two of downtown's cultural anchors—the Central Library and the Schnitzer. Both entities are supportive of investments in these two buildings and of the plan amendment requirement for the investments.

100% Renewable Goal:

This action does not increase or decrease the City's total energy use.

Budgetary Impact Worksheet

Does this action change appropriations?

- ☐ YES: Please complete the information below.
☒ NO: Skip this section

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount

Impact Statement for Requested Council Action

Thirteenth Amendment

to the

South Park Blocks Urban Renewal Plan

1. The following subsection 6 is hereby added to Section 400 "Goals and Objectives for the South Park Blocks Urban Renewal Area" subsection 3 "Public Improvements to Support Housing, Cultural and Park Areas sub A "General Goals":

"(6) Upgrade improvements and public amenities in the public Multnomah County Central Public Library and the Arlene Schnitzer Concert Hall."

2. The following clause is hereby added to the end of Section 400 "Goals and Objectives for the South Park Blocks Urban Renewal Area" subsection 5 "Historic Preservation":

"including the public Multnomah County Central Library and the public Arlene Schnitzer Concert Hall."

3. Public Building Projects – Explanation of Benefits to the Urban Renewal Area:

The Multnomah County Central Library (Central Library) is a cherished historic building, a downtown destination for locals and tourists alike. It is the hub of the Multnomah County Library system. The building, designed by architect A.E. Doyle, opened in 1913, and is on the National Register of Historic Places. It was remodeled from 1994 to 1997. One of the smallest main libraries of any comparable city, Central Library is among the busiest library buildings in the nation.

The Arlene Schnitzer Concert Hall (owned by the City of Portland) opened on March 8, 1928 as the Portland Publix Theater and then operated as the Paramount Theater. In 1972, the Portland City Council voted to give exterior of the Arlene Schnitzer Concert Hall Landmark Status; the building was subsequently placed on the National Register of Historic Places in 1976.

Providing funds for improvements and renovations to the historic public buildings known as the Multnomah County Public Library and the Arlene Schnitzer Concert Hall benefits the South Park Blocks Urban Renewal Area by sustaining the historic Central Library and the Arlene Schnitzer Concert Hall as cultural and iconic places drawing visitors and residents. Addressing some of the critical infrastructure and renovation needs of these treasured buildings will address many goals set forth in the South Park Blocks Urban Renewal Plan:

- to "promote downtown as the entertainment and cultural center of the metropolitan area,"
- "[further] establish the South Park Blocks as an art and cultural center in the City and region;" and
- "to preserve, protect and dramatize historical structures and locations within downtown, and promote the conservation of designated City landmarks."

END OF PLAN AMENDMENT

Technical Report on the Thirteenth Amendment

to the

**South Park Blocks Urban Renewal Plan
City of Portland, Oregon**

Prosper Portland

June 19, 2019

INTRODUCTION

ORS 457.085(2)(j) contemplates that an urban renewal plan may contain a project that includes a public building. The plan must include an explanation of how the building serves or benefits the urban renewal area. The intent of the Thirteenth Amendment to the South Park Blocks Urban Renewal Plan (the "Thirteenth Amendment") is to authorize the inclusion into the South Park Blocks Urban Renewal Area Plan, as amended (the "Plan") of improvements and restoration of the historic Multnomah County Central Library and the City of Portland-owned Arlene Schnitzer Concert Hall.

ORS 457.085(3) requires that an urban renewal plan be accompanied by a report that contains information specified in ORS 457.085(3) as follows:

I. A DESCRIPTION OF PHYSICAL, SOCIAL AND ECONOMIC CONDITIONS IN THE URBAN RENEWAL AREA

The Thirteenth Amendment does not change the analysis of the Physical, Social and Economic Conditions in the urban renewal area contained in the original, or any subsequently updated Technical Reports to the South Park Blocks Urban Renewal Plan (collectively, the "Report") that accompanied the original South Park Blocks Urban Renewal Plan and any amendments thereto (collectively, the "Plan").

II. THE EXPECTED IMPACT, INCLUDING THE FISCAL IMPACT, OF THE PLAN IN LIGHT OF ADDED SERVICES OR INCREASED POPULATION

The Thirteenth Amendment will not create a need for added services and will not increase the residential population within the URA. The Thirteenth Amendment therefore does not change any elements of the analysis in the Report accompanying the Plan.

III. REASONS FOR SELECTION OF EACH URBAN RENEWAL AREA IN THE PLAN

The Thirteenth Amendment does not change the URA boundaries or add new area to the URA. Therefore, the Thirteenth Amendment does not change the reasons for selection of the URA.

IV. THE RELATIONSHIP BETWEEN EACH PROJECT TO BE UNDERTAKEN UNDER THE PLAN AND THE EXISTING CONDITIONS IN THE URBAN RENEWAL AREA

ORS 457.085(2)(j) contemplates that an urban renewal plan may contain a project that includes a public building. The intent of the Thirteenth Amendment is to include making improvements and renovations to the historic public Multnomah County Central Library and the Arlene Schnitzer Concert Hall, which is expected to benefit the URA as described in the Thirteenth Amendment.

V. THE ESTIMATED TOTAL COST OF EACH PROJECT AND THE SOURCES OF MONEY TO PAY SUCH COSTS, AND THE ANTICIPATED COMPLETION DATE FOR EACH PROJECT OR ACTIVITY

The Thirteenth Amendment does not increase maximum indebtedness. Specific projects and expenditures will be determined in the annual budget process; the estimated project cost for the improvements and renovations to the Central Library is \$2 million and is expected to be completed by 2021; the estimated project cost for the improvements and renovations to the Arlene Schnitzer Concert Hall is \$1.8 million and is expected to be completed by late 2020.

VI. THE ESTIMATED AMOUNT OF MONEY REQUIRED IN EACH URBAN RENEWAL AREA UNDER ORS 457.420 TO 457.460 AND THE ANTICIPATED YEAR IN WHICH INDEBTEDNESS WILL BE RETIRED OR OTHERWISE PROVIDED FOR UNDER ORS 457.420 TO 457.460

The South Park Blocks Urban Renewal Area ("Area") reached its last date to issue bonded indebtedness in July 2008. While the Area has remaining capacity under its Maximum Indebtedness limitation, the Thirteenth Amendment does not include any changes to the last date to issue bonded indebtedness nor to maximum indebtedness. The City expects to repay all outstanding debt by June 15, 2024.

VII. A FINANCIAL ANALYSIS OF THE PLAN WITH SUFFICIENT INFORMATION TO DETERMINE FEASIBILITY

The South Park Blocks Urban Renewal Area ("Area") reached its last date to issue bonded indebtedness in July 2008. While the Area has remaining capacity under its Maximum Indebtedness limitation, the Thirteenth Amendment does not include any changes to the last date to issue bonded indebtedness nor to maximum indebtedness. The City expects to repay all outstanding debt by June 15, 2024.

VIII. A FISCAL IMPACT STATEMENT THAT ESTIMATES THE IMPACT OF THE TAX INCREMENT FINANCING, BOTH UNTIL AND AFTER THE INDEBTEDNESS IS REPAYED, UPON ALL ENTITIES LEVYING TAXES UPON PROPERTY IN THE URBAN RENEWAL AREA

The Thirteenth Amendment will not alter the impact of the tax increment financing upon taxing districts.

IX. RELOCATION REPORT.

Not applicable to the Thirteenth Amendment.

X. COMPLIANCE WITH STATUTORY LIMITS ON ASSESSED VALUE AND ACREAGE IN URBAN RENEWAL AREAS

ORS 457.420 requires that urban renewal areas not exceed 15% of the total assessed value or 15% of the total land area of the City. The Thirteenth Amendment is in compliance with ORS 457.420.