

## **ORDINANCE No. 190254**

Approve the Amended and Restated Interstate Corridor Urban Renewal Plan 2021 to add projects and increase the maximum indebtedness (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

1. The Council adopted the Interstate Corridor Urban Renewal Plan (the “Original Plan”), by Ordinance No. 174829 on August 23, 2000, to provide tax increment funding and urban renewal authority to eliminate blight and foster development and redevelopment within the Interstate Corridor Urban Renewal Area (“Area”) in order to protect the public health, safety, and welfare.
2. The Original Plan has been implemented by Prosper Portland, the City of Portland’s Urban Renewal Agency.
3. The Council amended the Original Plan seven times, and with adoption of Ordinance 184773 on July 27, 2011, compiled the amendments into an Amended and Restated Interstate Corridor Urban Renewal Plan.
4. The Council has since amended the Amended and Restated Interstate Corridor Urban Renewal Plan five times (as amended, the “Amended and Restated Plan”).
5. The Portland Housing Bureau (“PHB”) requested Prosper Portland consider an additional amendment to the Amended and Restated Plan, in order to increase the maximum indebtedness and provide more funding for affordable housing projects in the Area.
6. As part of this process, PHB and Prosper Portland reviewed the increase of maximum indebtedness with the community-based oversight committees and with partner taxing jurisdictions, and engaged community stakeholders to consider, discuss, and finalize the proposed changes.
7. PHB and Prosper Portland completed this coordination process for the proposed changes and compiled the changes and all past amendments into a new Amended and Restated Interstate Corridor Urban Renewal Plan 2021 (the “Amended and Restated Plan 2021”), which is attached as Exhibit “A” to this Ordinance.
8. The Amended and Restated Plan 2021 has been prepared in conformance with ORS Chapter 457 and with public involvement in all stages of its development.
9. The Amended and Restated Plan 2021 adds projects, increases maximum indebtedness, and makes other associated changes to the Amended and Restated Plan, as described in more detail in the Report Accompanying the Amended and Restated Plan 2021, attached and incorporated herein as Exhibit “B” (the “Report”).
10. The maximum indebtedness is increased by twenty percent (20%) in this Amended and Restated Plan 2021, and the estimated time frame for division of tax revenues is increased by two years to Fiscal Year End 2024.
11. In accordance with Section XII (Procedures for Changes or Amendments) in the Amended and Restated Plan, which states that any amendment that increases the

maximum indebtedness is a substantial amendment to the Original Plan, the Amended and Restated Plan 2021 is a substantial amendment.

12. The approval procedures required by ORS 457.095 were followed, and notice of the December 16, 2020 Council hearing was sent on December 4, 2020 to postal patrons in the city of Portland, as required by ORS 457.120.
13. The Area, as a whole, is blighted (as defined in ORS 457.010(1)) based on the information set forth in Section II of the Report. The indices of blight identified in the Report include:
  - i. Based on information from the Portland Bureau of Transportation, Section II(B)(1) of the Report identifies the current conditions of streets within the Area that are in poor or very poor condition. Such inadequate rights of way constitute blight in accordance with ORS 457.010(1)(e).
  - ii. Based on information from the Bureau of Environmental Services, Section II(B)(2), there are sewer and stormwater lines in the Area that are in poor or very poor or immediate attention condition. Such inadequate utilities constitute blight in accordance with ORS 457.010(1)(e).
  - iii. Based on information from the Portland Water Bureau, Section II(B)(4), there are watermain deficiencies in the Area that are in poor or very poor condition. Such inadequate utilities constitute blight in accordance with ORS 457.010(1)(e).
  - iv. An analysis of the improvement to land ratio (“I:L”) in the Area, summarized in Section II (C)(2), shows that over seventy nine percent (79%) of the Area has an improvement to land ratio of less than 2:1. Such prevalence of depreciated values and underutilized properties constitute blight in accordance with ORS 457.010(1)(g).
14. The stagnant and unproductive condition of the land, combined with the inadequate rights of way set forth in the Report result in the Area, as a whole, being blighted as defined by ORS 457.010(1). Rehabilitation and redevelopment is necessary to protect the public health, safety and welfare of the community by curing the identified blight.
15. Section VII of the Amended and Restated Plan 2021 establishes the procedures for the relocation of displaced persons in accordance with ORS 457.095(2)(d), which is unchanged from the first Amended and Restated Plan.
16. Acquisition of real property is necessary to carrying out the Amended and Restated Plan 2021. The parcels to be acquired are designated in Section VII of the Amended and Restated Plan 2021 and are unchanged from the first Amended and Restated Plan.
17. No housing displacement is anticipated in the Amended and Restated Plan 2021. If displacement occurs, provisions for such displacement will be made in accordance with ORS 35.500 to 35.530.
18. Adoption of and carrying out the Amended and Restated Plan 2021 is economically sound and feasible, based on the Financial Analysis of the Plan as set forth in Sections VI, VII, and VIII of the Report.

19. The City will assume and complete any activities prescribed to the City by the Amended and Restated Plan 2021.
20. Pursuant to ORS 457.089(2), notice of the intended the Amended and Restated Plan 2021 was forwarded to the governing body of each affected taxing district on October 21, 2020 with confirmation of receipt of the documents by all taxing districts received as of October 27, 2020. Prosper Portland has consulted and conferred with such taxing districts, and the City Council has not received any written recommendations from these districts.
21. On October 14, 2020, the Prosper Portland Board of Commissioners held a public hearing and, after considering testimony and other information presented to it, recommended approval of the Amended and Restated Plan 2021 (Resolution No. 7400).
22. The Prosper Portland Executive Director, under authorization from Prosper Portland's Board of Commissioners, submitted the Amended and Restated Plan 2021 and the Report, along with supporting materials, to the Council for final approval in accordance with the terms of the Amended and Restated Plan and ORS 457.095.
23. On November 10, 2020, the Portland Planning and Sustainability Commission met to consider the Amended and Restated Plan 2021 and Report and draft findings of conformance with the Portland Comprehensive Plan.
24. On November 24, 2020, the Planning and Sustainability Commission held a public hearing and voted unanimously to recommend that the Portland City Council adopt the Amended and Restated Plan 2021 and find that it conforms to Portland's Comprehensive Plan, as shown on Exhibit C, attached.
25. On December 1, 2020, PHB and Prosper Portland met with the Multnomah County Board of Commissioners to review the Amended and Restated Plan 2021, including the projects, the increase in maximum indebtedness, and the estimated increase in the time frame of the plan.
26. On December 16, 2020, the City Council held a public hearing to review and consider the Amended and Restated Plan 2021, the Report, and the Planning and Sustainability Commission recommendation, and to receive public testimony.
27. Pursuant to ORS 457.095, the City Council has considered any public testimony on the Amended and Restated Plan 2021 and the Report, the materials provided by Prosper Portland, and the Planning Commission recommendations.
28. The City Council finds that the Amended and Restated Plan 2021 conforms to the Portland Comprehensive Plan, as shown in the Findings of Fact Report, attached as Exhibit 4 to the Amended and Restated Plan 2021.
29. The City Council finds, as set forth in the Findings of Fact Report, that the Area is blighted and that rehabilitation and redevelopment described in the Amended and Restated Plan 2021 is necessary to protect the public health, safety or welfare of the City.
30. The City Council finds that the Amended and Restated Plan 2021 provides an outline for accomplishing the urban renewal projects described therein, it complies with ORS 35.500 regarding housing and displacement, and adoption and carrying out of the Amended and Restated Plan 2021 is economically sound and feasible.

NOW, THEREFORE, the Council directs:

- a. The Amended and Restated Interstate Corridor Urban Renewal Plan 2021, attached hereto as Exhibit A, and incorporated herein by reference, is hereby approved and will be effective thirty (30) days after passage of ordinance.
- b. The Amended and Restated Plan 2021 amends and restates the Original Plan and the first Amended and Restated Plan in their entirety, incorporating and subsuming all prior versions, which are of no further force and effect to the extent their terms are absent from this Amended and Restated Plan 2021.
- c. The Report on the Amended and Restated Interstate Corridor Urban Renewal Plan 2021, attached hereto as Exhibit B, and incorporated herein by reference, is hereby approved.
- d. Prosper Portland shall administer the implementation of the Amended and Restated Plan 2021, and it and the Portland Housing Bureau shall assume and complete any activities prescribed to them by the Amended and Restated Plan 2021.
- e. The Plan shall be financed, in part, by division of taxes as provided in ORS 457.420 to 457.450.
- f. In conformance with the Amended and Restated Master Bond Declaration for Interstate Corridor Urban Renewal and Redevelopment Bonds, the Debt Manager has projected the Tax Increment Revenues with the Amended and Restated Plan 2021 and has concluded that increasing the Maximum Indebtedness will not cause Interstate Corridor Tax Increment Revenues to fall below one hundred thirty percent (130.00%) of the Maximum Annual Debt Service on outstanding Interstate Corridor Urban Renewal and Redevelopment bonds.
- g. The City Auditor shall forward to Prosper Portland and the Planning Commission certified copies of this Ordinance upon adoption by the Council.
- h. Prosper Portland shall record in the Deed Records of Multnomah County, Oregon, a copy of this Ordinance and the Amended and Restated Interstate Corridor Urban Renewal Plan 2021, upon adoption by the Council.
- i. Prosper Portland shall send a copy of this Ordinance and the Amended and Restated Interstate Corridor Urban Renewal Plan 2021 to the Multnomah County Assessor.
- j. Prosper Portland, in accordance with ORS 457.115, shall publish notice of adoption of this Ordinance approving the Amended and Restated Interstate Corridor Urban Renewal Plan 2021, including the provisions of ORS 457.135, in the newspaper having the greatest circulation in the City within four days following adoption of this Ordinance.

Passed by the Council: January 6, 2021

Mayor Ted Wheeler  
Prepared by: Justin Douglas  
Date prepared: December 3, 2020

**Mary Hull Caballero**

Auditor of the City of Portland

By *Keelan McClymont*

Deputy

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 Agenda No.  
**ORDINANCE NO. 190254**  
 Title

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<p style="text-align: center;"><b>INTRODUCED BY</b>          Commissioner/Auditor:  <b>Mayor Wheeler</b></p>	<p>CLERK USE: DATE FILED <u>December 8, 2020</u></p>
<p style="text-align: center;"><b>COMMISSIONER APPROVAL</b></p>	<p style="text-align: center;">Mary Hull Caballero          Auditor of the City of Portland</p> <p>By: <u>Keelan McClymont</u>  <small>Digitally signed by Keelan McClymont          Date: 2020.12.08 13:42:36 -08'00'</small>          Deputy</p> <p><b>ACTION TAKEN:</b>  <b>December 16, 2020 Passed to Second Reading January 6, 2021 at 9:30 am</b></p>
<p>Mayor—Finance &amp; Administration - Wheeler <small>Mustafa Washin</small></p>	
<p>Position 1/Utilities - Fritz</p>	
<p>Position 2/Works - Ryan</p>	
<p>Position 3/Affairs - Hardesty</p>	
<p>Position 4/Safety - Eudaly</p>	
<p style="text-align: center;"><b>BUREAU APPROVAL</b></p>	
<p>Bureau: <b>Prosper Portland</b>          Bureau Head: <u>Kimberly Branam</u>  <small>Digitally signed by Kimberly Branam          Date: 2020.12.07 14:02:20 -08'00'</small></p>	
<p>Prepared by: <b>Justin Douglas</b>          Date Prepared: <b>12/3/2020</b></p>	
<p><b>Impact Statement</b>          Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/></p>	
<p><b>Portland Policy Document</b>          If "Yes" requires City Policy paragraph stated in document.          Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p>	
<p><b>City Auditor Office Approval:</b>          required for Code Ordinances</p>	
<p><b>City Attorney Approval:</b>          required for contract, code, easement, franchise, comp plan, charter</p>	
<p>Council Meeting Date          December 16, 2020</p>	

**AGENDA**

**TIME CERTAIN**   
 Start time: 10 AM  
 Total amount of time needed: 45 min  
 (for presentation, testimony and discussion)

**CONSENT**

**REGULAR**

Total amount of time needed: \_\_\_\_\_  
 (for presentation, testimony and discussion)

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:		
		YEAS	NAYS
1. Rubio	1. Rubio	✓	
2. Ryan	2. Ryan	✓	
3. Hardesty	3. Hardesty	✓	
4. Mapps	4. Mapps	✓	
Wheeler	Wheeler	✓	