

EXHIBIT SEVEN

GOALS AND GUIDELINES/PORTLAND DOWNTOWN PLAN,
AS UPDATED OCTOBER 1, 1980

Attached to the original and recorded
plan and available at the offices of
the City of Portland Development
Commission

RESOLUTION NO. **32406**

WHEREAS, the Council amended the Downtown Waterfront Urban Renewal Plan to include the entire area bounded by the Hawthorne and Marquam Bridges, Front Avenue and the Willamette River; and

WHEREAS, the Council directed the Portland Development Commission to prepare a development program for Council action prior to commencing development; and

WHEREAS, the South Downtown Waterfront Citizens' Task Force was appointed by the Mayor to work with Portland Development Commission and consultants on program alternatives and recommendations; and

WHEREAS, the Citizens' Task Force established community objectives to guide the redevelopment program which are consistent with the objectives of the Planning Guidelines, Portland Downtown Plan and the Downtown Waterfront Park policies and procedures; and

WHEREAS, a report containing three project alternatives was prepared and reviewed by government bodies and interested citizens; and

WHEREAS, the recommended South Downtown Waterfront Redevelopment program report incorporates comments and suggestions received during the alternatives review process and has been formally approved by the South Downtown Waterfront Citizens' Task Force, the City Planning Commission and the Portland Development Commission; and

WHEREAS, the Council has reviewed and considered the South Downtown Waterfront Redevelopment Program report and does now desire to formally approve it as a guide to development;

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Portland, State of Oregon, that the development of the South Downtown Waterfront should be guided by the following policies and procedures:

Land Use

1. The types and general location of land uses are depicted on the land use map which is attached as Exhibit "A".
2. Open space and recreation elements of the program include: a 150-200 slip marina with transient facilities, a terraced waterfront area, a multi-use breakwater/fishing pier, a continuous public pedestrian and bicycle esplanade between the Hawthorne and Marquam bridges, and a site for a light watercraft center near the Marquam bridge.
3. Mixed use waterfront commercial uses include restaurants, facilities for boaters, shops and office space.
4. The housing goal shall be to develop a minimum of 200 units.

5. Rehabilitation of the Granary building may occur if financially feasible, if not the building may be removed.

6. Private property located east of Harbor Drive which is not acquired shall be subject to the Downtown Waterfront Urban Renewal Plan provision regarding Redeveloper's Obligations.

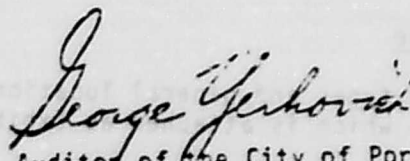
Circulation

1. The circulation concept is depicted on the circulation map which is attached as Exhibit "B".
2. Right-of-way shall be reserved for a light rail corridor and station.

Implementation

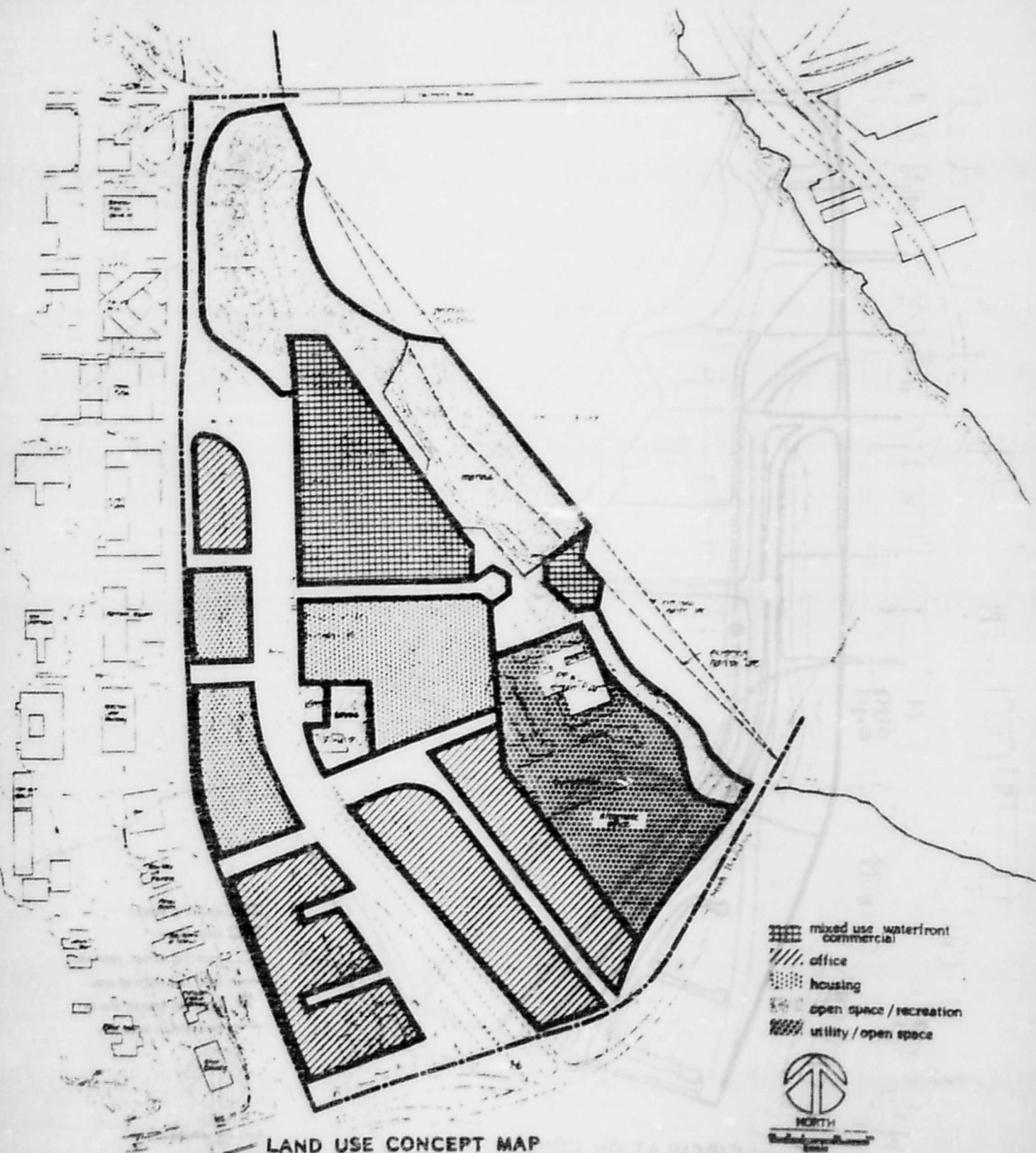
1. The Portland Development Commission may acquire property generally depicted on the acquisition map attached as Exhibit "C".
2. The Portland Development Commission may coordinate preparation of subdivision, development and construction plans and implement construction of utility, street, park, riverbank and marina basin public improvements.
3. The Portland Development Commission may initiate a developer selection process and negotiate development agreements for development parcels east of Harbor Drive.
4. The Portland Development Commission is directed to prepare an amendment to the Downtown Waterfront Urban Renewal Plan for Council approval to incorporate the provisions of this Resolution into the Plan.
5. The Portland Development Commission may be directed to negotiate a two year option with Pacific Power and Light Company at current market value for the undeveloped PP&L property which is not designated for acquisition or dedication on Exhibit "C". It is intended that this option may be exercised only for that portion of the property which is not needed for future PP&L facilities. This decision will be made within 180 days by the City Council on recommendation of the South Waterfront Committee and the Portland Development Commission.

Adopted by the Council APR 18 1979


Auditor of the City of Portland

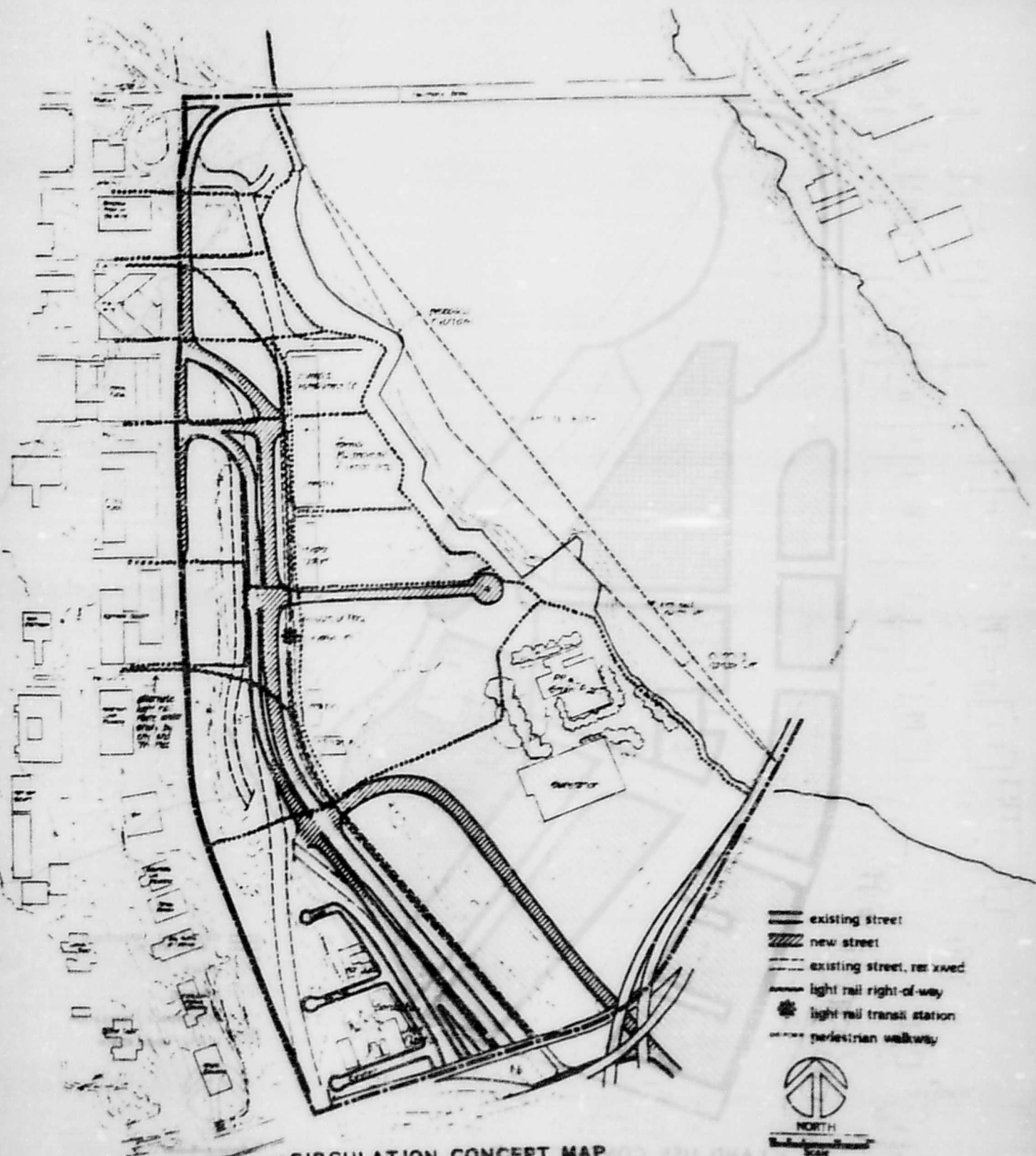
Mayor Goldschmidt
April 12, 1979
LLD:bw

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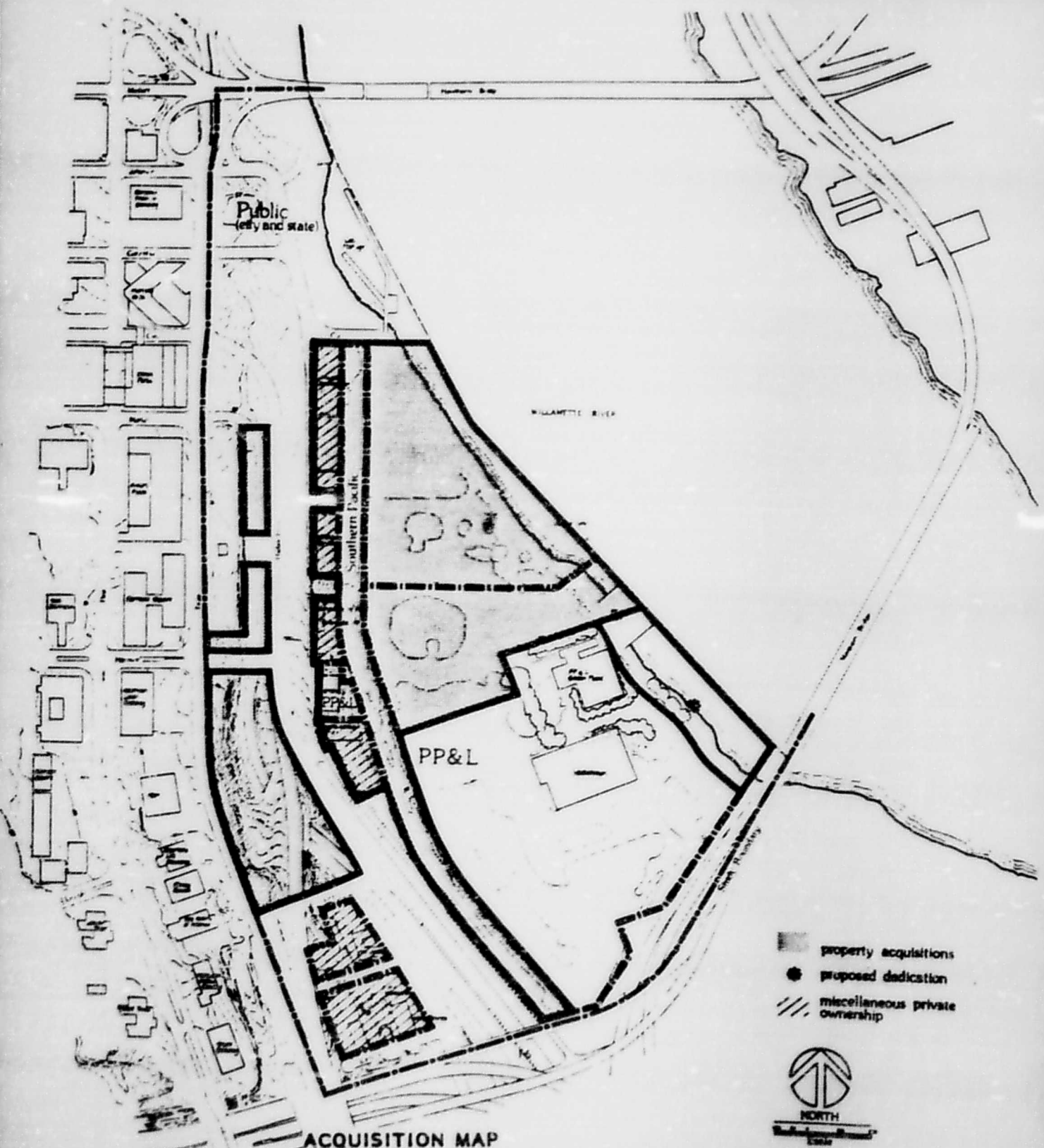


LAND USE CONCEPT MAP

EXHIBIT EIGHT - DOWNTOWN WATERFRONT URBAN RENEWAL PLAN
CITY COUNCIL POLICIES AND PROCEDURES--
SOUTH WATERFRONT ACTIVITY AREA



CIRCULATION CONCEPT MAP



JUL 23 1961

EXHIBIT NINE

CITY COUNCIL RESOLUTION NO. 32958

POLICIES AND PROCEDURES FOR THE
MORRISON STREET PROJECT ACTIVITY AREA

Note: Exhibit "A" to Council Resolution No. 32958 is, by reference, made a part hereof. Exhibit "A" contains the specific development guidelines for the Morrison Street Project and is available at the offices of the Portland Development Commission.

JUL 23 1981

RESOLUTION NO: 32958

PORTLAND DEVELOPMENT COMMISSION

WHEREAS, the Council approved the goals and guidelines for the Downtown Plan in December 1972, and adopted updated goals and guidelines in October 1980; and

WHEREAS, the Council adopted the Downtown Waterfront Urban Renewal Plan in April 1974, and subsequent amendments thereto, to serve as a guide to the redevelopment of a significant portion of downtown Portland, including the defined retail core; and

WHEREAS, the Downtown Waterfront Urban Renewal Plan provides for the enhancement of the retail core within the downtown; and

WHEREAS, in July 1980, the Council, by Resolution 32712, reaffirmed its support for and approved further consideration of a Morrison Street retail development project, hereinafter referred to as the "Morrison Street Project", by the Portland Development Commission; and

WHEREAS, in August 1980, the Council, by Resolution 32723, established a "Public Participation Process" for urban renewal projects within the Downtown Waterfront Urban Renewal Area that require the public acquisition of land for private use; and

WHEREAS, the Development Commission has completed a 12-month study of the issues, public objectives, and development options related to the Morrison Street Project and has undertaken extensive public review consistent with Council policy; and

WHEREAS, the Development Commission has prepared a report entitled "Final Recommendations for the Morrison Street Project", dated June 1981, by reference made a part hereof and hereinafter referred to as "the Report", which outlines objectives, a conceptual development plan, procedures and guidelines for the project; and

WHEREAS, the Report has undergone extensive public discussion, including a public hearing by the Portland City Planning Commission, which, as required by Council policy, has reviewed and approved the Report, subject to the findings of an independent report forwarded to the Council; and

WHEREAS, the Report has been reviewed by the City of Portland Design Review Committee and Historical Landmarks Commission, which bodies have submitted independent reports to the Council, as well as other organizations and citizens; and

WHEREAS, the Council has reviewed and considered the recommendations of the Development Commission, and the findings and comments of other public bodies, organizations and citizens, and does now desire to formally approve the objectives, development plan, procedures and guidelines for the Morrison Street Project as outlined in the Report;

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Portland that:

- A. In order to achieve a solid and sustainable retail component of the downtown, to achieve the major retail goals of the Downtown Plan, and to overcome limitations caused by diverse ownership and the likelihood that block-by-block development will not result in fulfillment of the Downtown Plan, a multi-block, publicly-assisted development project involving public acquisition of private property is necessary;
- B. The three-block area, more particularly described as Blocks 60, 61 and 50, City of Portland, is an appropriate location for such a publicly-assisted project;
- C. A clear public purpose and benefit have been demonstrated for the Morrison Street Project and a development plan prepared according to a procedure consistent with Council policy;
- D. The objectives, development plan, procedures and guidelines for the Morrison Street Project conform to the goals and guidelines of the Downtown Plan, the Downtown Waterfront Urban Renewal Plan, and other relevant City plans, policies and guidelines; and
- E. A development project featuring high-line and specialty department stores, small specialty shops, office space, possible residential and hotel uses, and parking, as more particularly described in the Report, will enhance existing and planned public and private investments made in the downtown and provide impetus for additional development; and

BE IT FURTHER RESOLVED that the Council hereby authorizes the Portland Development Commission to immediately proceed with actions necessary to undertake the Morrison Street Project as outlined in the Report, which shall serve as a guide to the development of the project, with the exception of the "Development Guidelines" on pages 15-19, which shall be amended by this Resolution; and

BE IT FURTHER RESOLVED that the Council hereby adopts the revised "Development Guidelines" for the Morrison Street Project, attached hereto as Exhibit "A", as a general set of ground rules for the project, subject to technical and administrative clarifications made thereto by the Development Commission as necessary to reflect changes in City codes and policy over time; and

BE IT FURTHER RESOLVED that the Council hereby authorizes the Development Commission to determine whether the Corbett or Goodnough Buildings should be retained or removed on the basis of how the selected development proposal meets the overall public objectives for the project; and

BE IT FURTHER RESOLVED that In evaluating development proposals, the Development Commission shall emphasize the following priorities: (a) development team qualifications and financial capability to carry out the project; (b) economic feasibility of the proposed uses/tenants; (c) fulfillment of the project objectives, particularly development of the type and amount of retail uses that best meet the Downtown Plan goals, and development of a project which serves as a unique attractor to, and asset within, the downtown and which creates a positive pedestrian environment at street level; and (d) the business deal and expeditious schedule offered by the developer; and

BE IT FURTHER RESOLVED that, because the Morrison Street Project is intended to fulfill a major public objective, the Council hereby commits to the reservation of parking spaces within the downtown parking inventory as necessary to support the project. The Council shall take appropriate actions to provide this assurance, including, but not limited to: (a) prioritize on-street spaces removed due to light-rail construction and other downtown transportation project for placement in parking facilities within the project site; (b) promote other downtown development activities, including housing projects, which will cause a net increase in the downtown parking reserve; and (c) if necessary, direct the preparation of and adopt revisions to the Downtown Parking and Circulation Policy and parking inventory as necessary to accommodate the parking required for the project; and

BE IT FURTHER RESOLVED that a total of 1,260 spaces shall be reserved within the downtown parking inventory for the Morrison Street Project. The Council recognizes that these spaces will likely be needed on a phased basis according to a project schedule approved by the Portland Development Commission. The reservation shall be calculated based on the gross floor area of the "desired development program" and parking ratios of 1.5 per 1,000 square feet for retail, and 0.7 spaces per 1,000 square feet for office and

BE IT FURTHER RESOLVED that the Development Commission should immediately prepare an amendment to the Downtown Waterfront Urban Renewal Plan as necessary to authorize public acquisition of private property within the project site and submit such for Planning Commission review and City Council approval.

Adopted by the Council JUL 16 1981

George Yehovak

Auditor of the City of Portland

Mayor Ivancie
July 16, 1981
FJl:bls

NINTH AMENDMENT TO THE
DOWNTOWN WATERFRONT URBAN RENEWAL PLAN

- Summary of proposed Modifications -

<u>Page</u>	<u>Amendment</u>
ii	Add reference to Ninth Amendment
vi	Add reference to Ninth Amendment
9	3) or 4) By acquisition and rehabilitation of property by private parties, with or without the financial assistance of the Commission; or
10	Parcels 17 and 18 for low Income Hotel and Social Service Center.
Exhibits 5	Add parcels 17 and 18 - Low Income Hotel and Social Service Center.

REPORT ON THE NINTH AMENDMENT
TO THE
DOWNTOWN WATERFRONT URBAN RENEWAL PLAN
CITY OF PORTLAND, OREGON

CITY OF PORTLAND DEVELOPMENT COMMISSION

NOVEMBER 6, 1985

Chapter 1 - INTRODUCTION

A 1979 amendment to the State's urban renewal law [ORS 457.085(3)] requires that an urban renewal plan change be accompanied by a report which describes:

- a. A description of physical social and economic conditions in the urban renewal areas of the plan and the expected impact, including the fiscal impact, of the plan in light of added services or increased population;
- b. Reasons for selection of each urban renewal area in the plan;
- c. The relationship between each project to be undertaken under the existing conditions in the urban renewal area;
- d. The estimated total cost of each project and the sources of moneys to pay such costs;
- e. The anticipated completion date for each project;
- f. A relocation report which shall include:
 - (A) An analysis of existing residents or businesses required to relocate permanently or temporarily as a result of agency actions under ORS 457.170;
 - (B) A description of the methods to be used for the temporary or permanent relocation of persons living in, and businesses situated in, the urban renewal area in accordance with ORS 281.045 to 281.105; and
 - (C) An enumeration, by cost range, of the existing housing units in the urban renewal areas of the plan to be destroyed or altered and new units to be added.

The Downtown Waterfront Urban Renewal Plan and the first six amendments to that plan were approved by the Portland City Council prior to the 1979 State law amendment. The seventh and eighth amendments, adopted by City Council on September 2, 1981, and April 21, 1983, respectively were done in accordance with the revised State law requirements and, therefore, were accompanied by the required report. This report will include only pertinent information concerning the Ninth Amendment to the Downtown Waterfront (DTWF) Urban Renewal Plan.

The Ninth Amendment to the DTWF Urban Renewal Plan in the City of Portland, Oregon, authorizes the Portland Development Commission, as the City's urban renewal agency, choose to assist a non-profit organization in the acquisition of two parcels of property. This property (see Exhibit A) is located within the approved boundaries of the DTWF Urban Renewal Project Area, and is described as all land and improvements within the following two blocks:

- o Parcel A - Block P Lots 2 & 3 Couch's Addition (designated as the 17th property acquisition).
- o Parcel B - Block 18 Lot 2 & 3. Couch's Addition (designated as the 18th property acquisition).

The above described is area shown on Exhibit 4 and the parcels are identified as acquisition parcels 17 and 18 on Exhibit 5 in the Downtown Waterfront Urban Renewal Plan. The parcels are also identified in Exhibit A to this report.

The information required by State law to be included in this report and responses and comments thereto are set forth below:

Chapter II - A DESCRIPTION OF PHYSICAL, SOCIAL AND ECONOMIC CONDITIONS IN THE URBAN RENEWAL AREAS AND THE EXPECTED IMPACT, INCLUDING THE FISCAL IMPACT, OF THE PLAN IN LIGHT OF ADDED SERVICES OR INCREASED POPULATION

A. Physical Conditions

The two parcels to be evaluated for acquisition both contain old, residential hotels.

Parcel A is the Beaver Hotel, a three story structure constructed in 1907, consisting of 27,693 square feet above grade. The ground floor is designated as retail space and the upper two floors as single room occupancy hotel units. The only tenant on the ground floor is the Jazz Nest Tavern which occupies approximately 1,800 square feet. The second and third floors were almost totally destroyed by fire in August of 1984. The second floor has been minimally rehabilitated and occupied. The third floor remains in its post fire damage condition and is not tentable.

The Parcel B is the Estate Hotel, a four story structure constructed in consisting of 32,678 square feet above grade and a full basement. The ground floor is occupied by a grocery and two taverns on the south west corner. The remainder of the ground floor is vacant or occupied by community service organizations, with all tenants paying below market rates.

The upper three floors are single room occupancy hotel rooms in need of some rehabilitation.

In 1973, the Portland Development Commission prepared a thorough and comprehensive report of the City's central area to determine if blight and deterioration exist as defined in ORS 457. The following table summarizes the findings of this report as they pertain to the condition of existing buildings on the property.

Parcel	# of Bldgs.	CONDITION OF STRUCTURES				
		Number of Buildings by Condition				
		Excellent	Good	Fair	Poor	Bad
A (Block P)	1			X		
B (Block 18)	1		X			

Since the report, Parcel A has been considerably damaged by fire. Parcel B is in a similiar condition as the '73 survey showed.

B. Existing Social & Economic Conditions of Parcels which may be Acquired

Parcel A is presently occupied by low income tenants on the second floor and by the Jazz Nest Tavern on the first floor.

The residential portion of Parcel B is presently managed by the Central City Concern. The tenants are typically low income. No displacement is anticipated. Central City Concern will become the owner/operators when acquisition is complete.

The ground floor is occupied by a grocery on the S.W. corner, a tavern on the N.W. corner and two non-profit organizations, Guardian Angels and Sister Marias. The ground floor tenants are anticipated, within time, to change under new ownership. The grocery has a 10 year lease while the remainder of the tenants are on month to month leases.

Exhibits B and C to this report show assessed value information for the two blocks and for other blocks in the vicinity for fiscal year 1984-85.

- TAV -- Total assessed value of the entire block in dollars.
- L -- Total assessed value of land in the block in dollars.
- I -- Total assessed value of improvements in the block in dollars.
- I:L -- A ratio, expressed as a decimal fraction of the assessed value of all improvements divided by the assessed value of all land.
- AV/SF-- The dollar per square foot value resulting from dividing total assessed value for the block by the total square footage of land area in each block.

Redevelopment will result in upgrading the two buildings to serve the low income residents in the Burnside Area. Parcel A is envisioned as a social service center for the low income and transient population. In concept, the primary uses would be a night shelter, clean up center and a medical clinic. Other potential uses are counseling, food service, day time drop-in center and other related uses which may serve the low income population.

Parcel B will remain as low income housing on floors 2,3, & 4. In the future it is anticipated that the ground floor uses will be upgraded to provide more cash flow to support the residential hotel operation.

The existing public and private infrastructure (water, sewer, storm drainage, power and telephone systems) are adequate to serve planned development without additional costs or the creation of other fiscal impact. Likewise, police and fire protection are adequate and need not be expanded because of this project.

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

- a. Taxes - If acquired, both parcels will be operated as non-profits providing housing services, it is anticipated the portion of the buildings dedicated to housing will be exempt from real property taxes. The commercial spaces not occupied by non-profit corporations will remain taxable. The top three floors of the Estate Hotel, parcel B are already exempted from real property taxes.
- b. Infrastructure - The infrastructure capacity of the area is adequate for serving all contemplated redevelopment without additional public investment.

Chapter IV REASONS FOR SELECTION OF EACH URBAN RENEWAL AREA IN THE PLAN

In the context of this report, the two parcels shall be considered a single "urban renewal area" even though the area is situated within a larger urban renewal project area. The reasons for undertaking this project are listed below.

1. To bring together, in one easily accessible location in the North of Burnside area, a number of the social service programs serving the low income and transient population.
2. To better coordinate complimentary, and sometimes overlapping, services provided by social service organizations and public agencies in the North of Burnside area.
3. To provide a permanent facility with adequate accommodations at reasonable operation and maintenance costs for a number of Burnside area social service programs.
4. To save and renovate an existing low income, Single Room Occupancy (SRO) hotel which would otherwise be closed and likely converted to non-residential use.
5. To provide a source of income from ground floor commercial tenants and upper floor residents, to provide growing equity to support services and the maintenance of housing for the downtown low income population.

Both hotels are key components in implementing the City's policies to maintain the supply of low income housing and provide the necessary support services to the low income, homeless population. There is strong policy support for the provision of low income housing and social services in the

North of Burnside Area. This policy support is documented in the Housing Policy of Portland Downtown Housing Policy and the North of Burnside Study.

The Downtown Plan, revised in June, 1981 deals with housing issues for all income groups, but each of the specific goals under maintaining a coordinated housing program addresses the needs of the low income.

Acquisition of these two hotels has been identified by the Central City Concern as key to maintaining an adequate supply of housing for low income, single room occupants and to centralizing the services for these people. Burnside Projects has identified the need for a social service center in their 1985 Neighborhood Needs Request to the City.

In addition to the Downtown Plan, the Housing Policy for Portland, the Downtown Housing Policy, the Downtown Waterfront Urban Renewal Plan and the North of Burnside Study all have specific references to retention of low income housing and related social services.

1. Downtown Housing Policy - October 3, 1979

- A. It is important that new and rehabilitated downtown housing be undertaken in the context of a "neighborhood". The City should see that services and amenities, which residents require to carry on their day-to-day lives and to make the area livable are provided for with each new and redeveloped housing project.
- B. Policies and Objectives
 - 1. Maintain low-income housing
 - a. To use vacant or under-utilized structures to replace low-income housing lost to new development.
 - b. To maintain and improve public services and facilities which support existing low-income housing.
 - c. To develop and integrate special housing and social services to meet the needs of the single room occupant and transient.
 - 2. Support related activities which reinforce downtown's residential neighborhoods.
 - a. Encourage rehabilitation and reopening of vacant residential buildings.
- C. Recommended Programs
 - 1. Acquisition assistance: low-income

- a. Funding Source: Tax increment urban renewal bond proceeds in the Downtown Waterfront Urban Renewal Project. City Housing and Community Development funds in the remainder of Downtown.
- b. Terms: The terms of assistance under this program are variable. They could include public acquisition, improvement and retention of the property with management contracted to an agency specializing in services to this population group. Or, the City may negotiate an option to purchase, prepare specifications for property improvements and management for low-income and then seek a purchaser to develop and operate the property under those terms.

2. Technical Assistance

- a. Funding Source: A combination of Downtown Waterfront tax increment bond proceeds and City Housing and Community Development funds.
- b. Terms: Technical assistance and consultation as well as assistance in dealing with public agencies would be available on a project by project basis to those owning, managing and developing downtown housing.

II Housing Policy for the City of Portland - March 29, 1978

A. Lower Income Assisted Housing

1. Objectives

- a. To provide decent housing for lower income households who cannot compete in the housing market.
- b. To minimize the impact of public housing projects on neighborhoods and assure a geographic balance in the distribution of such housing.

III Urban Design Plan and Program: Waterfront Renewal Area

A. Funding for Social Services

- 1. The needs of residents of the Urban Renewal Area for the range of social services - health care, legal assistance, employment assistance - are not being met and the level of service is expected to decline.
 - a. The city should designate the Urban Renewal Area as a target area for the Housing and Community

Development Fund.

- b. A portion of the tax increment funds should be earmarked for physical facilities for social service agencies.

IV North of Burnside Study - May 14, 1981

- A. Encourage the location of temporary housing, drop-in centers and social service facilities intended primarily for use by non-resident transients or travelers to be outside the residential areas in the north part of the study area along N.W. Glisan or Flanders.
- B. Suggested improvements.
 - 1. Establishment of a Multi-Service Center.
 - 2. Funding to assist existing temporary housing drop-in centers and social programs and services.
- C. Low-income housing in the North of Burnside area, particularly SRO hotels, is a significant resource and is difficult to replace.
- D. Concentrate and consolidate long term low-income housing and supportive services where largest concentrations are currently located. Two such areas exist in the area of Ankeny and Davis, First and Third Avenues; between Burnside and Flanders, Sixth Avenue and Broadway. Continue to support housing rehabilitation and the reopening of vacant buildings, but select buildings for public assistance based on the number of low-income units that can be accommodated within each building and the location of the building within existing concentrations. Social services targeted for the long-term residents of North of Burnside should also be located within these areas of residential concentration.

Chapter V - THE RELATIONSHIP BETWEEN EACH PROJECT ACTIVITY TO BE UNDERTAKEN UNDER THE PLAN AND THE EXISTING CONDITIONS.1. Acquisition

The acquisition of Parcel A would have some effect on the existing conditions. The residential hotel tenants on the second floor may be relocated as a result of the needs of the social services agencies. If relocated, they will be relocated in like facilities with similar rents and given moving assistance.

There is a tavern on the first floor. Its lease would not be renewed. The tavern will be given adequate notice and will not be forced to move before its lease expires. The remainder of the building is vacant.

The acquisition of Parcel B would have little or no effect on the existing conditions. None of the tenants are proposed to be relocated and none of the existing leases in the ground floor are anticipated to be terminated before their regular renewal dates.

2. Rehabilitation

Parcel A would undergo substantial rehabilitation to the ground floor space and the third floor residential rooms. The second floor may have some rehabilitation.

Parcel B will undergo some rehabilitation.

3. Administration and Planning

Central City Concern, Burnside Projects and the Portland Development Commission will work on the administration and planning.

Chapter VI - THE ESTIMATED TOTAL COST OF EACH PROJECT OR ACTIVITY ANTICIPATED COMPLETION DATE FOR EACH PROJECT OR ACTIVITY

	Parcel A	Parcel B
Acquisition	\$565,000	\$710,000
Rehab	500,000	170,000
Legal & Administration	28,000	25,000
Total	\$1,093,000	\$905,000
Total - 2 parcels		\$1,998,000

Sources of funds will be a combination of City Bureau of Community Development funds, Tax Increment bond proceeds, Private Financing, Foundation grants, State of Oregon Housing Division Bond funds and any other sources which can be secured. Assistance will be in the form of a loan or grant to Central City Concern to enable them to purchase and rehabilitate the buildings.

Purchase options may only be exercised by Central City Concern, if at all, only when all funds for acquisition, rehabilitation and soft costs are identified and funding commitments secured and the social service plan is completed.

Anticipated completion dates:

Parcel A - August, 1986
Parcel B - August, 1986

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

The HCD and Tax Increment funds have been identified and are available without new bonding indebtedness. Options may only be exercised if at all, only when other funds sufficient to complete the projects are identified. The possibility of acquiring one parcel without acquiring the other parcel may be evaluated. Either or both projects may be excluded from acquisition dependent on the outcome of the work program being completed by the Central City Concern and the Portland Development Commission.

Chapter VIII - RELOCATION REPORT

- a. The Beaver Hotel, Parcel A, would be purchased directly from the present owner by Central City Concern, a private non-profit corporation. The existing ground floor tenant is the Jazz Nest, whose lease will not be renewed when it expires in December of 1986. The new owner plans to allow the tenant to remain under the terms of the present lease.

There are 13 residential tenants on the second floor of the Beaver Hotel. These tenants may be relocated to another SRO hotel by the new owner.

The ground floor tenants of the Estate Hotel will be allowed to remain in occupancy until their lease terms expire, so no relocation is anticipated.

There will be no required relocation for the residential tenants in Parcel B.

- b. The residential tenants in Parcel A will be assisted in finding equivalent housing if required to move by the new owner. They will be provided moving assistance in accordance with the City of Portland Moving Assistance Program which comes in effect when relocation of residential tenants is required by rehabilitation consistent with the Downtown Plan. The financial moving assistance would be up to \$250 per tenant.

No business relocation is anticipated.

- c. No housing units are anticipated to be destroyed. Parcel A, the Beaver Hotel, would have an additional 30 units of housing in the rental range of up to \$226. There will also be additional emergency night shelter units on the bottom floor. The remaining 28 units on the second floor may or may not be altered.

157 units in Parcel B, the Estate Hotel, may be minimally altered. The rental range is \$100 - 150 per month.

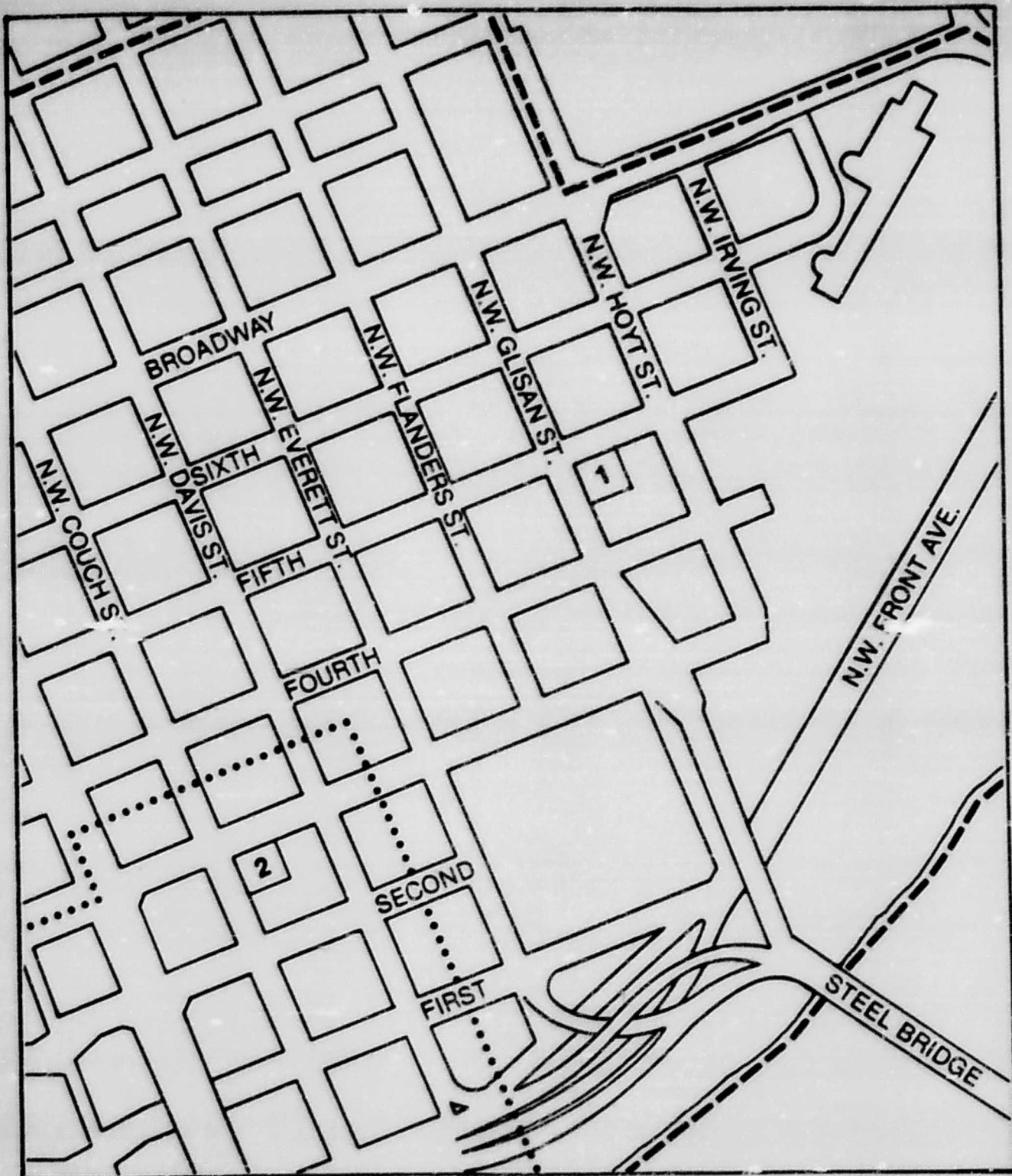
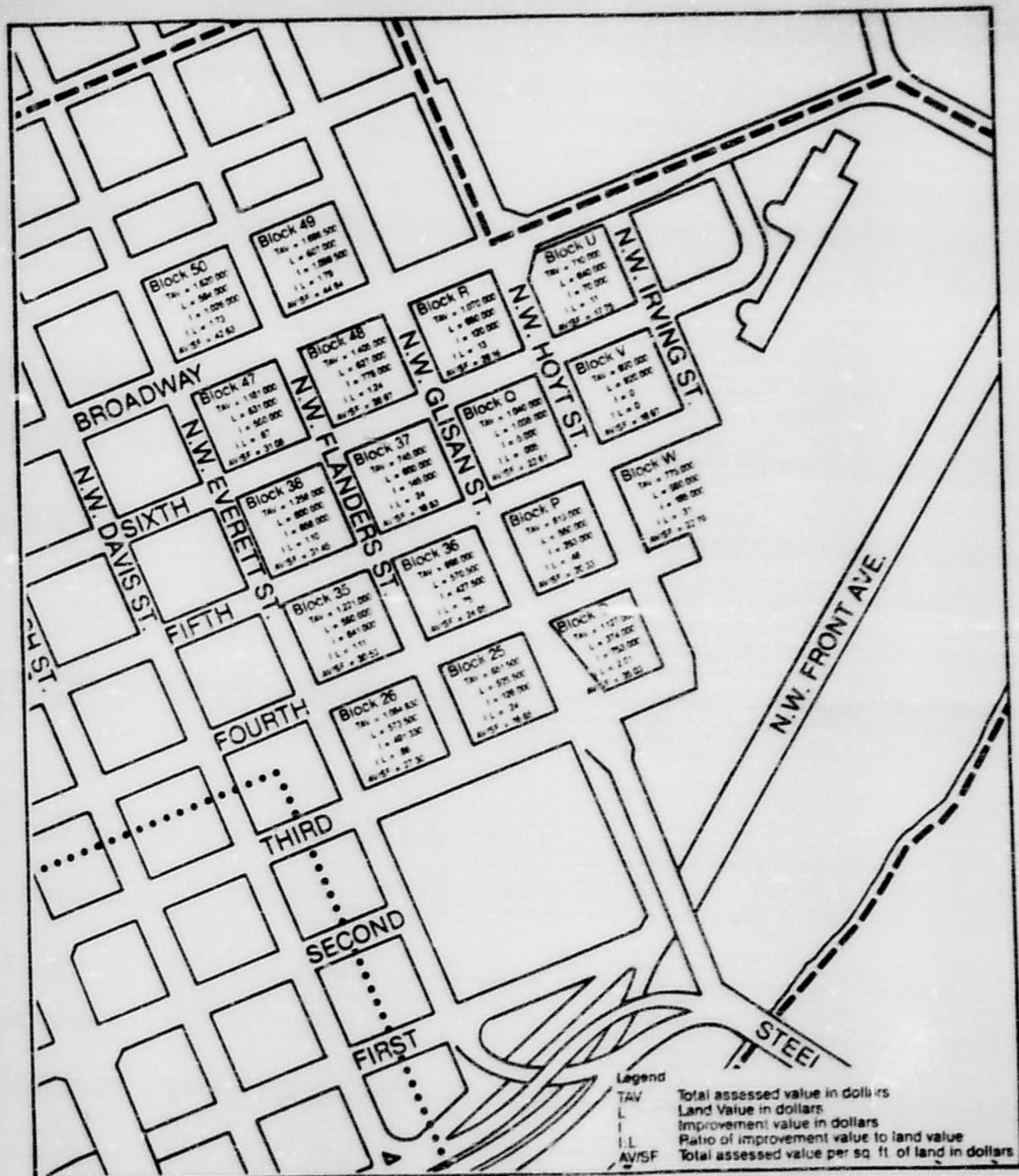


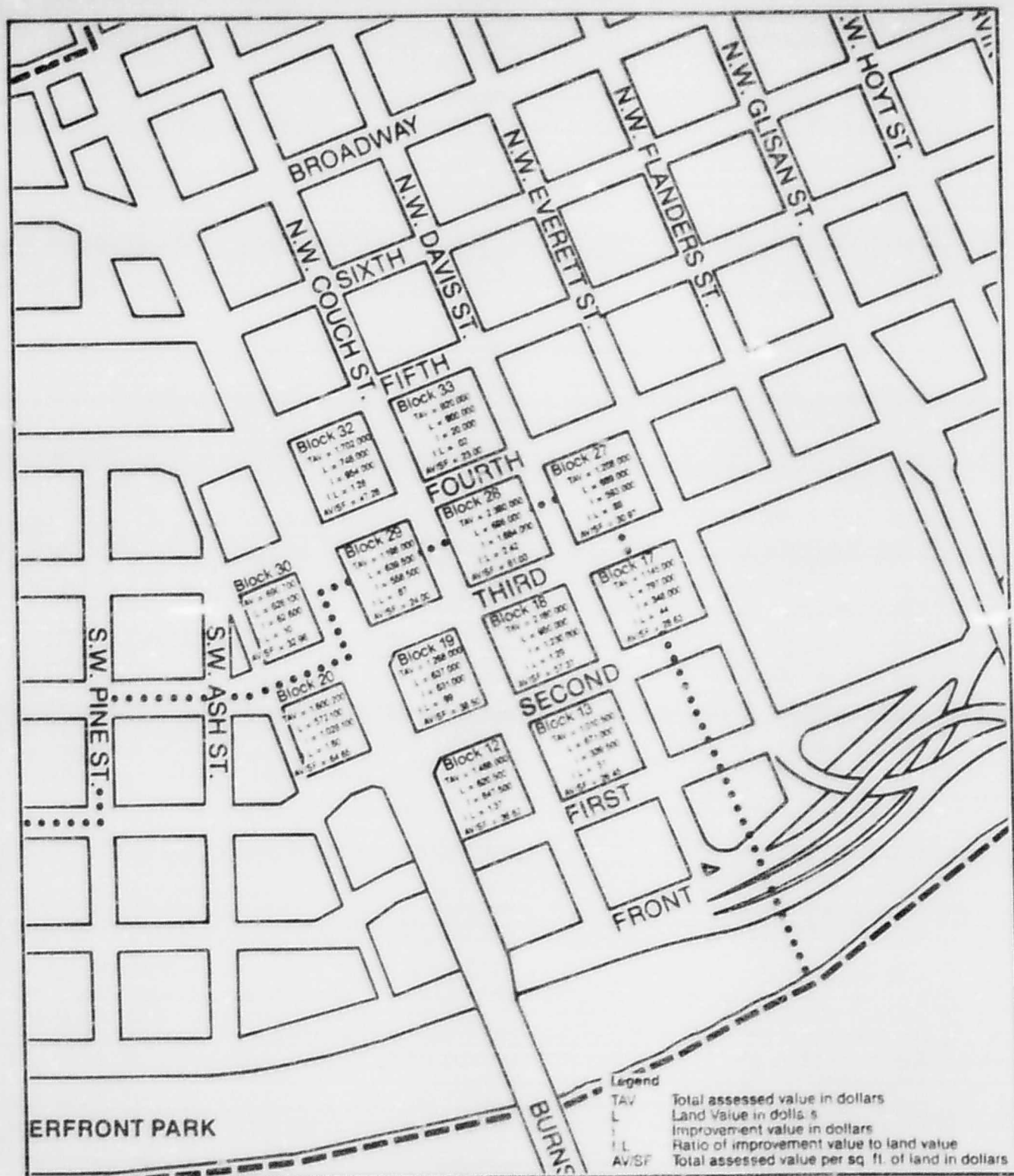
EXHIBIT A—Hotel Acquisition

1-Lots 2 and 3, Block P

2-Lots 2 and 3, Block 18



**EXHIBIT B — Beaver Hotel Vicinity —
Assessed Value of Property by Block and Ratio of
improvement Value to Land Value 1984-85**



**EXHIBIT C — Estate Hotel Vicinity —
Assessed Value of Property by Block and Ratio of
Improvement Value to Land Value 1984-85**



CITY OF

PORTLAND, OREGON

BUREAU OF PLANNING

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Annexation

Land Development

Land Use

Urban Design

REPORT AND RECOMMENDATION FROM THE PLANNING COMMISSION
TO CITY COUNCIL

PROPOSED AMENDMENT TO THE DOWNTOWN WATERFRONT
URBAN RENEWAL PLAN

DECEMBER, 1985

PORTLAND PLANNING BUREAU

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TABLE

Table 1 - Projects Proposed in the North of Burnside Study (1981)

APPENDICES

Appendix A - Locational Maps

Appendix B - Testimony to the Planning Commission

Appendix C - Related Documents

Appendix D - Portland Development Commission Staff Report

I. Introduction

A. Proposal

Attached is a proposal from the Portland Development Commission (PDC) to amend the Downtown Waterfront Urban Renewal Plan. The proposed amendment provides for the acquisition of the Beaver and Estate Hotels which will result in the upgrading of the two buildings to serve low-income residents. The properties will be acquired by a non-profit agency, the Central City Concern, for management. A portion of the Beaver Hotel will be used to house a social service center to consolidate in one location services currently located throughout the North of Burnside area.

The proposal also would amend a clause in the Downtown Waterfront Urban Renewal Plan to make it consistent with language contained in the recently adopted South Park Blocks Urban Renewal Plan. Section D (1) b. of the Downtown Waterfront Urban Renewal Plan establishes the procedures necessary to acquire and rehabilitate buildings. The amendment would allow for the acquisition and rehabilitation of property by private parties with or without financial assistance from the Portland Development Commission. Under the proposal, such action would not be considered a major amendment reviewable by the Planning Commission and City Council. This clause would also eliminate the need for the City to take actual possession of a designated property in situations where the goal is to facilitate private ownership for rehabilitation and conservation of the resource. The clause, therefore, would eliminate the liability associated with the City's temporary ownership of the property.

B. Location

As indicated on the attached maps (see Appendix A), the proposed amendment would affect the Beaver Hotel (Couch's Addition, Block P, Lots 2 and 3), located at 506 NW Fifth Avenue, and the Estate Hotel (Couch's Addition, Block 18, Lots 2 and 3), located at 225 NW Couch Street. The properties are located in Quarter Section 2929 and 2929.5 respectively. Both are located in the Burnside Neighborhood Association as well as within the existing boundaries of the Downtown Waterfront Urban Renewal Plan. The Estate Hotel also is located within the Skidmore/Old Town Historic District.

C. Review Process

The proposed amendment was initiated by Portland Development Commission staff and approved by the Portland Development Commission on November 6, 1985. Prior to Portland Development Commission review, the City of Portland Housing Advisory Committee reviewed the proposal on November 5, 1985, and voted unanimously to approve the amendment and forward it to the Portland Planning Commission for consideration.

In accordance with Oregon Revised Statutes (ORS) 457.085 (4), the Portland Planning Commission held a public hearing on the proposal on November 12, 1985. Notice of the hearing was published in "The Oregonian" and "The Daily Journal of Commerce." In addition, notices were sent to over 50 people and organizations contained on the standard Planning Commission mailing list and to interested individuals who had submitted their names to the Portland Development Commission. At the Portland Development Commission hearing held on the same subject one week prior to the Planning Commission meeting, an announcement was made of the upcoming Planning Commission meeting. Nearly four hours of presentations and testimony were heard by the Planning Commission. A total of 33 people testified with 8 people opposing the proposal and 25 supporting it. The issues and concerns raised at the Planning Commission hearing are summarized and addressed in the staff report under Section III (B). After evaluating the testimony and staff report, the Planning Commission voted unanimously to approve (with one abstention) the proposed amendment and to forward it to the City Council for final review.

D. Planning Commission Recommendation

Planning Commission recommends that the Portland City Council accept the proposed amendment to the Downtown Waterfront Urban Renewal Plan and adopt the ordinance containing a determination of findings in support of the proposal.

II. Background Information

A. Past Trends

For several years, the number of low-income residential hotel units has been declining steadily in the downtown area due to destruction by fire or replacement by more intensive land uses. Between 1970 and 1978, the total supply of SRO units decreased by 1,345. During the next five years, an additional 27 percent of the remaining units were lost (The Downtown Housing Inventory Update, Portland Development Commission, December, 1983). Overall, an estimated one-third of the existing single-room occupancy (SRO) units in the Downtown have been destroyed during the past fifteen years. While a number of City programs have been established to counteract this trend, the closure of these hotels has resulted in the displacement of low-income individuals, many of whom have had difficulty finding alternative housing.

The demand for low-income housing in the Downtown has not been diminishing at the same rate as the supply. A report (Downtown Housing Policy and Program) prepared by the Downtown Housing Advisory Committee in 1979 documented the need for additional housing units to accommodate both low- and middle-income groups, and especially the very low-income population that is concentrated in the Burnside area.

To address this problem, the City established numerous policies and objectives to encourage the retention of low-income residential units in the downtown area. Efforts to implement those objectives include, among others, the Single Room Occupancy Demonstration Program, the

Investor Rehabilitation Loan Program, the City's innovative emergency housing voucher program, and the Hotel Acquisition Program. Although successful at replacing or retaining some of the lost SRO units, many of these programs rely on federal funds which currently are targeted for reduction or abolishment within the next few years.

B. Existing Conditions

While the City has made substantial progress toward the attainment of its low-income housing goals, many past successes were made possible only through the assistance of various federal government programs. As such resources dwindle, local resources are becoming increasingly important in the City's bid to attain its low-income housing goals.

Because the number of SRO's is steadily declining in the downtown area, it has been determined that immediate action is necessary in order to reverse this trend and preserve the remaining resources. The situation is complicated by the fact that the leases on several residential hotels are expected to expire in the near future. This would enable the replacement of such housing units by more intensive development.

III. Findings

A. Analysis

Oregon Revised Statutes (ORS) 457.095 (1) through (7) establishes seven criteria to be used in the review of urban renewal plans. The following analyzes the proposal in terms of those criteria.

- "(1) EACH URBAN RENEWAL AREA IS BLIGHTED;
- (2) THE REHABILITATION AND REDEVELOPMENT IS NECESSARY TO PROTECT THE PUBLIC HEALTH, SAFETY OR WELFARE OF THE MUNICIPALITY;"

The attached report (see Appendix D) prepared by the Portland Development Commission (PDC) indicates that the proposed amendment is consistent with conditions (1) and (2). In 1973, the area contained within the boundaries of the Downtown Waterfront Urban Renewal Plan were determined to be "blighted" as defined by state law. It was also determined that the rehabilitation and redevelopment of the area as a whole was necessary to protect the health, safety, and welfare of the City.

Chapter II of the attached report describes the physical, social, and economic conditions of the Beaver and Estate Hotels. As is indicated by a 1973 survey, both hotels were considered to be in "fair" condition. Since then, however, the Beaver Hotel has been substantially damaged by fire. By providing for the acquisition and rehabilitation of the two hotels, the proposal will improve the overall quality of the Beaver and the Estate Hotels and also serve to stabilize this housing resource in the North of Burnside area.

"(3) THE URBAN RENEWAL PLAN CONFORMS TO THE COMPREHENSIVE PLAN AND ECONOMIC DEVELOPMENT PLAN, IF ANY, OF THE MUNICIPALITY AS A WHOLE AND PROVIDES AN OUTLINE FOR ACCOMPLISHING THE URBAN RENEWAL PROJECTS THE URBAN RENEWAL PLAN PROPOSES;"

The proposed amendment is evaluated below in relation to the City's Zone Code (Title 33), the goals and policies of the Comprehensive Plan, and related City land use plans and development policies.

1. Code Considerations

Both parcels proposed for acquisition have "C1," Central Commercial, zoning and Comprehensive Plan designations with "Z" Downtown Development Zone overlays. The Central Commercial designation allows commercial and housing activities that are appropriate to downtown development as well as some labor intensive, clean, light industrial uses. Both the existing and the proposed uses for the subject parcels are consistent with this designation.

The "Z" Downtown Development Overlay Zone was established to promote and encourage development in downtown Portland that is consistent with public policies and downtown development goals. All the regulations of the "D" Design Zone also apply in such areas. Because of its location in the Skidmore/Old Town Historic District, additional guidelines may apply to the Estate Hotel. Prior to any rehabilitation of the Beaver and Estate Hotels, the Design Section of the Bureau of Planning should be consulted to determine whether specific downtown design or historic guidelines apply and to decide what regulatory procedures should be followed.

The purpose of this report is not to determine whether the proposed rehabilitation of the subject properties is consistent with specific site considerations or design regulations. Rather, it is to determine whether the proposed amendment is consistent with the general intent of the goals and policies of the City's land use plans and the zoning code. Because residential hotels are acceptable uses in the Central Commercial Zone, the proposed amendment is considered to be consistent with this designation.

2. Consistency With City Goals and Policies

In March, 1978, the City Council passed Ordinance No. 145472 establishing a Housing Policy for the City of Portland which established policies and objectives to direct all housing-related actions in the City. One of six housing policies contained in the ordinance that is relevant to this discussion reads as follows:

"EXISTING HOUSING: MAJOR REHABILITATION

ASSISTANCE FOR REHABILITATION OF HOUSING BEYOND HOUSING MAINTENANCE CODE REQUIREMENTS WILL BE PROVIDED (1) IF THE ASSISTANCE IS SUPPORTIVE OF GENERAL COMMUNITY DEVELOPMENT ACTIVITY; (2) ON A VOLUNTARY BASIS; AND (3) IF THE EXISTING HOUSING: MAINTENANCE AND NEW HOUSING POLICIES ARE BEING FULFILLED."

This policy was incorporated into the City's Comprehensive Plan when it was adopted in 1981 and constitutes Comprehensive Plan Policy 4.7 Existing Housing: Major Rehabilitation. The proposed urban renewal amendment is in conformance with this policy because it is supportive of general community development goals that call for the stabilization of this housing resource.

Comprehensive Plan Goal 4: Housing expresses the City's commitment that all groups should have equal access to an adequate supply of housing.

GOAL 4: HOUSING

"PROVIDE FOR A DIVERSITY IN THE TYPE, DENSITY AND LOCATION OF HOUSING WITHIN THE CITY CONSISTENT WITH THE ADOPTED CITY HOUSING POLICY IN ORDER TO PROVIDE AN ADEQUATE SUPPLY OF SAFE, SANITARY HOUSING AT PRICE AND RENT LEVELS APPROPRIATE TO THE VARIED FINANCIAL CAPABILITIES OF CITY RESIDENTS."

The proposed amendment would serve a public need by providing for a sector of the population that is not being adequately served by the private market. The steady decline in SRO housing experienced over the past several years is evidence that public intervention is necessary to preserve this housing resource. To assure that the Beaver and the Estate Hotels are preserved as low-income housing, the proposed amendment places operation and management of the two hotels with a non-profit manager that is committed to this goal.

In addition to the housing goal and related policies, the proposed amendment to the Downtown Waterfront Urban Renewal Plan responds to other Comprehensive Plan policies including the following:

2.2 URBAN DIVERSITY

"PROMOTE A RANGE OF LIVING ENVIRONMENTS AND EMPLOYMENT OPPORTUNITIES FOR PORTLAND RESIDENTS IN ORDER TO ATTRACT AND RETAIN A STABLE AND DIVERSIFIED POPULATION."

3.3 NEIGHBORHOOD DIVERSITY

"PROMOTE NEIGHBORHOOD DIVERSITY AND SECURITY BY ENCOURAGING A DIVERSITY IN AGE, INCOME, RACE, AND ETHNIC BACKGROUND WITHIN THE CITY'S NEIGHBORHOODS."

3.6 NEIGHBORHOOD PLAN

"MAINTAIN AND ENFORCE NEIGHBORHOOD PLANS THAT ARE CONSISTENT WITH THE COMPREHENSIVE PLAN AND THAT HAVE BEEN ADOPTED BY CITY COUNCIL."

These policies call for the maintenance and retention of diversified neighborhoods offering a range of living environments. The proposed amendment is consistent with these policies in that it would help to stabilize housing and social services that cater to disadvantaged low-income individuals who are not provided for in other parts of the City.

Downtown Housing Policy and Program

Prior to adoption of the City's Comprehensive Plan, the City Council adopted the Downtown Housing Policy and Program in 1979. This document emphasized the City's commitment to assuring that the Housing Policies established for the City as a whole are applied in the downtown area. One of the downtown housing policies, as presented below, specifically addresses the need to maintain low-income housing in the downtown area.

MAINTAIN LOW-INCOME HOUSING:

"THE CITY RECOGNIZES THE IMPORTANCE OF DOWNTOWN AS A LOW-INCOME HOUSING RESOURCE APPEALING TO A VARIETY OF NEEDS AND LIFESTYLES AND SUPPORTED BY EXISTING SERVICES. IT ALSO RECOGNIZES THAT THIS HOUSING AND THESE SERVICES CANNOT BE EFFECTIVELY AND ECONOMICALLY REPLACED ELSEWHERE IN THE CITY. THEREFORE, THE CITY IS COMMITTED TO ASSURE THAT THE 5,183 LOW-INCOME UNITS WHICH EXISTED IN APRIL, 1978 BE MAINTAINED IN THE DOWNTOWN."

The following objectives were established in conjunction with this policy:

Objectives:

1. To assist in retaining and upgrading existing low-income units.
2. To use vacant or under-utilized structures to replace low-income housing lost to new development.
3. To maintain and improve public services and facilities which support existing low-income housing.
4. To develop and integrate special housing and social services to meet the needs of the single-room occupant and transient.
5. To provide programs to replace low-income housing removed by development and to assist displaced residents.

6. To encourage new low-income housing where it can be economically produced.

The purpose of the proposed amendment to the Downtown Waterfront Urban Renewal Plan is to allow for the acquisition of the Estate and Beaver Hotels to provide housing and social services for low-income people in the Burnside area. The proposal is consistent with the overall intent of this housing policy because it provides for the retention of single-room occupancy housing and social services as called for by Objectives 1 through 6.

When the Downtown Plan, originally adopted in 1972, was updated in 1980, the North of Burnside area was singled out for special review because of projected new developments in that area and an increase in transit service. These changes raised the possibility that downtown development pressures were shifting to the area north of Burnside.

To evaluate those trends, the Bureau of Planning undertook an extensive study of the North of Burnside area that included a 30-member advisory committee comprised of representatives of the business, development, residential, and social service communities.

North of Burnside Study

The North of Burnside Study includes two parts: the North of Burnside Land Use Policy and the North of Burnside Implementation and Management Program. The purpose of Part I of the Study was to evaluate downtown development trends and existing City policies as they relate to the North of Burnside; to produce a land use framework plan; and to establish policies to be used in evaluating and coordinating public and private capital investment. In May, 1981, City Council adopted the North of Burnside Land Use Policy Report and the North of Burnside Supplemental Report. The Supplemental Report contains a summary of background information including land use and demographic information, an analysis of market demand and supply, projected future development patterns, and an overview of public policy. The Land use Policy Report establishes a land use framework plan and nine policies for the area to guide decisions regarding the selection and use of public improvements and to influence private development.

The report supports the application of existing Downtown housing policies and objectives in the North of Burnside area in order to encourage a mix of housing opportunities, establish social services, and address the special needs of this diverse community. The related North of Burnside development policies are as follows:

- (1.) "CONCENTRATE AND CONSOLIDATE LONG-TERM LOW-INCOME HOUSING AND SUPPORTIVE SERVICES WHERE LARGEST CONCENTRATIONS ARE CURRENTLY LOCATED. TWO SUCH AREAS NOW EXIST BETWEEN ANKENY AND DAVIS, FIRST AND SECOND AVENUES; BETWEEN BURNSIDE AND FLANDERS, SIXTH AVENUE TO BROADWAY. CONTINUE TO SUPPORT

HOUSING REHABILITATION AND THE REOPENING OF VACANT BUILDINGS, BUT SELECT BUILDINGS FOR PUBLIC ASSISTANCE BASED ON THE NUMBER OF LOW-INCOME UNITS THAT CAN BE ACCOMMODATED WITHIN EACH BUILDING AND THE LOCATION OF THE BUILDING WITHIN EXISTING CONCENTRATIONS. SOCIAL SERVICES TARGETED FOR THE LONG-TERM RESIDENTS OF THE NORTH OF BURNSIDE AREA SHOULD ALSO BE LOCATED WITHIN THESE AREAS OF RESIDENTIAL CONCENTRATION."

- (2.) "ENCOURAGE THE LOCATION OF TEMPORARY HOUSING, DROP-IN CENTERS AND SOCIAL SERVICE FACILITIES INTENDED PRIMARILY FOR USE BY NON-RESIDENT TRANSIENTS OR TRAVELERS TO BE OUTSIDE THE RESIDENTIAL AREAS IN THE NORTH PART OF THE STUDY AREA ALONG N.W. GLISAN OR FLANDERS."

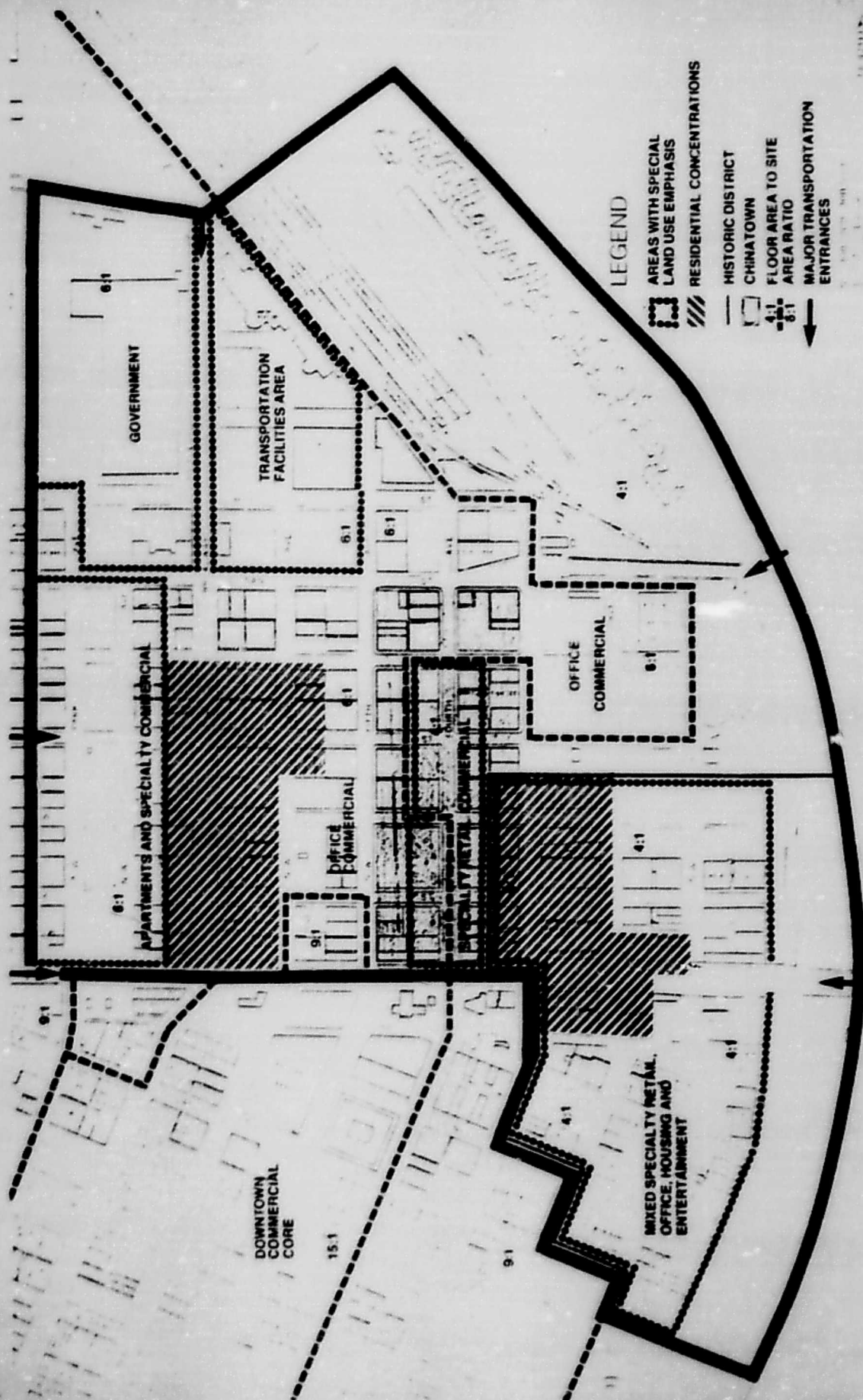
The policies quoted above refer to two distinct types of housing for the North of Burnside area. Policy (1.) calls for the concentration and consolidation of long-term low-income housing where the largest concentration currently exists: between Ankeny and Davis, First and Second Avenues; and between Burnside and Flanders, Sixth Avenue and Broadway. (See North of Burnside Land Use Map.) The Estate Hotel, which would continue to provide long-term, low-income housing under the proposed amendment, is located in one of the designated areas of residential concentration as specified by the North of Burnside Land Use Map.

Policy (2.) directs that temporary housing, drop-in centers, and social service facilities intended primarily for use by non-resident transients be located outside the residential areas in the northern portion of the study area along NW Glisan or Flanders. The Beaver Hotel, which would be used to house a social service center and drop-in facility, is located between Fifth and Sixth Avenues along NW Glisan as is permitted by the North of Burnside Land Use Map. Both the Beaver and the Estate Hotels are located in the areas specified for their respective uses.

The housing and social service-related policies represent just two of the nine policies established for the North of Burnside area. The other policies specify the location and recommended density of commercial retail and office space development, mixed specialty retail, government buildings, and transportation center. (See North of Burnside Land Use Map.) Because of the recognized diversity of uses competing for space in the North of Burnside area, the adopted policies were developed through an elaborate citizen involvement process. The products from that study, therefore, represent a delicate balancing of diverse interests.

The purpose of Part II of the North of Burnside Study was to establish an Implementation and Management Program to complete the regulatory changes necessary to carry out the adopted North of Burnside land use policies; to determine the potential development opportunities, programs, and projects which the City can encourage; to establish priorities for programs and projects based on need

NORTH OF BURNSIDE LAND USE POLICY MAP



and funding potential; and to develop a monitoring process to gauge development activity and effectiveness of the land use policies. The final report of the North of Burnside Implementation and Management Program was completed in July, 1982, and a Proposed Improvement Report was approved by the Planning Commission in September, 1982.

The list of recommended activities contained in the Implementation and Management Program includes rehabilitation and maintenance of existing SRO hotels; establishment of a multi-service center; funding to assist existing temporary housing, drop-in centers, and social programs and services; and additional emergency housing shelters for men and women. The Portland Development Commission is listed as the contact agency for each of these recommended activities. The proposed action, therefore, is totally consistent with the activities recommended in the Management Plan as ways to carry out the North of Burnside Land Use Policies.

The development that has taken place in the area since the adoption of the land use policies in 1981 is consistent with the type of development that was anticipated by the North of Burnside study. For example, the Greyhound Bus Terminal recently was relocated to the area designated by the land use plan as a transportation center. Mixed specialty retail uses are developing in and around the recently renovated New Market Village. Office commercial uses are developing in locations designated for that purpose. The proposed amendment to provide for the acquisition and rehabilitation of the Beaver and Estate Hotels is consistent with the intent of North of Burnside Policies (1.) and (2.) because it would stabilize these resources in the locations that were designated by the land use plan for housing.

A point worth noting is that the North of Burnside Land Use Policies do not rigidly dictate the separation of all land uses. In other words, they do not preclude specialty retail stores from opening in the areas designated for office development. Rather, the policies attempt to minimize potential conflicts among the diverse uses by recommending that certain types of development be concentrated in those areas best suited for their particular use.

The housing and social service policies take advantage of the fact that existing structures located in the areas specified for their use are either being used for low-income housing and social services or have the potential to be used for such purposes. Consequently, those areas were targeted for residential concentrations.

In summary, the proposed amendment meets criterion 3 as established by ORS 457.095 because it conforms with the City's Comprehensive Plan and related land use development plans. It also serves to carry out the intent of the Downtown Waterfront Urban Renewal Plan.

- (4.) "PROVISION HAS BEEN MADE TO HOUSE DISPLACED PERSONS WITHIN THEIR FINANCIAL MEANS IN ACCORDANCE WITH ORS 281.045 TO 281.105 AND, EXCEPT IN THE RELOCATION OF ELDERLY OR HANDICAPPED INDIVIDUALS, WITHOUT DISPLACING ON PRIORITY LISTS PERSONS ALREADY WAITING FOR EXISTING FEDERALLY SUBSIDIZED HOUSING;"

Chapter VIII of the attached report (see Appendix D) on the proposed amendment outlines the procedures to be used to relocate individuals should such action be necessary. The procedures provide for moving assistance in accordance with the City's Moving Assistance Program and meet the intent of Condition (4.).

- (5.) "IF ACQUISITION OF REAL PROPERTY IS PROVIDED FOR, THAT IT IS NECESSARY;

- (6.) "ADOPTION AND CARRYING OUT OF THE URBAN RENEWAL PLAN IS ECONOMICALLY SOUND AND FEASIBLE; AND

- (7.) "THE MUNICIPALITY SHALL ASSUME AND COMPLETE ANY ACTIVITIES PRESCRIBED IT BY THE URBAN RENEWAL PLAN."

Conditions (5.) through (7.) are addressed in Chapters II, IV, VI, and VII of the attached report. These chapters document the necessity of the projects and demonstrate their financial feasibility. Condition (7.) indicates that the City is responsible for carrying out any phase of the proposed amendment under its authority. The attached report demonstrates the City's willingness to comply with this directive.

B. Review of Planning Commission Testimony

A number of issues were raised during the nearly four hours of public testimony heard by the Planning Commission on November 12, 1985. Thirty-three people testified: 25 people presented information in favor of the proposed amendment and 8 people testified in opposition. Social service agencies, retail establishments, business associations, residential occupants, and homeless people from the area were represented.

1. Proponents

Proponents of the proposal testified on the merits of consolidating social services at the Beaver Hotel and on the needed expansion of night shelter facilities. Currently, social services and facilities are scattered at sites located throughout the North of Burnside area. The proposed amendment would consolidate such services at the Beaver Hotel which would confine the amount of client traffic to a smaller segment of the neighborhood. An indoor daytime shelter facility will be provided at the Beaver for individuals who currently congregate on the streets as well as

additional night shelter space. This should reduce outside daytime activity and replace the current daily line-up on Everett Street where transients usually wait to secure night time shelter. This should benefit local business from the standpoint that there will be less activity overall and activity will be concentrated at the edge of the revitalizing business district, rather than in the center.

Proponents also maintained that although the proposed facilities will aid the existing homeless population in the Burnside area, they are not likely to attract additional homeless. Homeless and dependent people have historically gathered in the North of Burnside; many have resided there for 15 to 20 years. In other words, social service organizations and housing has tended to locate in that vicinity in order to respond to the needs of the existing population rather than the other way around.

Proponents also emphasized that the proposed acquisition and rehabilitation of the Beaver and Estate Hotels is just one of several actions proposed by the Mayor as possible solutions to the homeless problem. Other proposed actions include an alcohol and drug treatment system, additional case management, street safety, and involuntary commitment provisions among others. All of these programs, together with the preservation of existing housing resources and the consolidation of social services, form a comprehensive approach for dealing with the homeless problem.

2. Opponents

Attached (Appendix B) is a copy of written testimony that was submitted by the Union Station Community Business Association in opposition to the proposal. It raises a number of concerns.

First, the Association questioned whether adequate public notice of the meeting was given. Section I(C) of this report reviews the attempts made by Planning Bureau staff to notify the public of the Planning Commission hearing. ORS 457.115 only requires that notification announcing the adoption of an urban renewal plan be published in the newspaper having the greatest circulation in the municipality. Because notice of the hearing was sent to over 50 organizations and individuals, was published in "The Oregonian" and "The Daily Journal of Commerce," and was publicly announced at a Portland Development Commission hearing on the same subject held one week prior to the Planning Commission hearing, staff is confident that the notification requirements were more than adequately met.

Second, it was maintained in the written testimony that the proposed amendment is in violation of certain North of Burnside Land Use Policies that call for strengthening of the Skidmore/Old Town Historic District, promotion of Chinatown as a special district, and encouraging medium density commercial development to