

Sumner-Parkrose-Argay-Columbia Corridor Tax Increment Finance District Report

September 4, 2024 DRAFT

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INTRODUCTION

Oregon Revised Statutes (ORS) 457.087 requires the development of a Tax Increment Financing (TIF) District Report to accompany a proposed TIF Plan.¹ This report satisfies that requirement, providing technical information on existing conditions, proposed projects and financial analyses in support of the community co-created Sumner-Parkrose-Argay-Columbia Corridor TIF District Plan.

Section 1 addresses how and why the TIF District area was selected for inclusion in the Plan boundary and Section 2 provides additional detail on Proposed Projects and Financial Impacts over the life of the District. Section 3 provides a detailed Financial Analysis of the Plan and Section 4 addresses requirements around a Relocation Report. Select existing condition data points are referenced and relied upon in the body of this Report, Attachment A provides a detailed breakdown of existing conditions for future reference and transparency.

SECTION 1 – PROPOSED TIF DISTRICT AREA REPORT

Section 1.1 –Area Selected for the TIF District

Defining the TIF District boundary provides the ability to fund projects necessary to improve existing conditions for the community and address identified investment needs within specific areas. This section specifies the area recommended for the Sumner-Parkrose-Argay-Columbia Corridor TIF District and discusses the reasons for their inclusion. These areas were selected due to physical, social, and economic conditions as described in Attachment A² and their direct relationship to the investment needs detailed in Section 1.2.

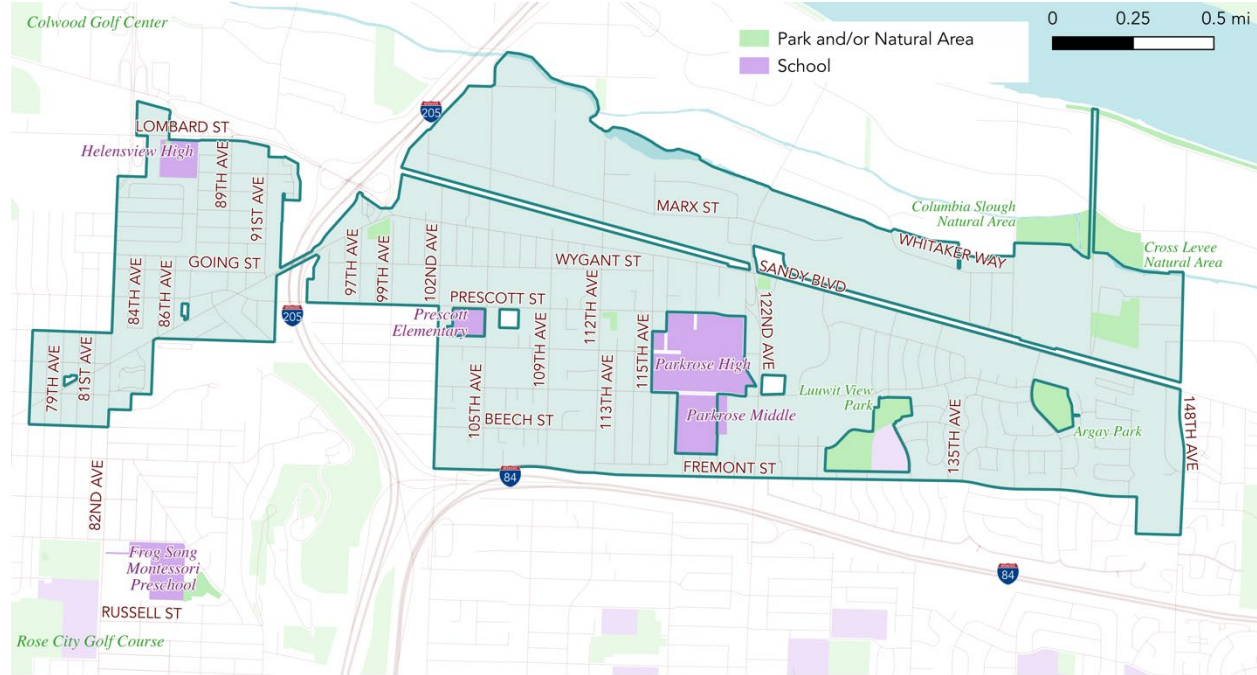
Establishing a dedicated TIF District for the Sumner-Parkrose-Argay-Columbia Corridor area ensures that this area—one of the most diverse in the City of Portland and the State of Oregon—receives the attention and resources required to stimulate growth, improve infrastructure, and support the local community.

The final TIF District boundary encompasses the Sumner, Parkrose, and Argay Terrace neighborhoods, as well as industrial lands within the Columbia Employment Corridor between NE Sandy Boulevard and the Columbia Slough. **Error! Reference source not found.** shows the areas included within the TIF District boundary.

¹ As used in this Report and the accompanying Plan, the term “TIF plan” has the same meaning as the term “urban renewal plan” as defined in ORS 457.010, and the term “TIF district” means the “urban renewal area(s)” (as defined in ORS 457.010) included within the TIF plan.

² Many of the geographies cited for social and economic conditions data in Section 2.1 overlap but extend outside of the TIF District boundary.

Figure A. Sumner-Parkrose-Argay-Columbia Corridor TIF District Boundary



Rationale for the TIF District Boundary

- **Concentration of underutilized properties and potential for equitable development:** The commercial residential areas within the recommended boundary include a mix of vacant properties and active sites that are underutilized, which could be positioned for targeted equitable redevelopment. This includes the development of business incubation spaces and workforce training centers to help residents gain better employment and economic stability. Given the diverse and underserved population in the area, residential development should support goals for affordable housing, housing that serves multigenerational households, and increased ownership opportunities. Parcel assembly may be required in areas with smaller lots. *[ORS 457.010(a)(b)(c)(h)]*
- **Alignment with planned infrastructure and transportation investments:** This boundary aligns with the East Portland Arterial Streets Strategy focused on improving multimodal transportation and increased safety for walking, rolling, and biking along key arterial corridors. Including these corridors in the TIF Districts is crucial for maximizing the impact of transportation investments, continuing community engagement, and ensuring comprehensive, sustainable development that mitigates existing harms to the community, including heat islands, brownfields, and road safety issues. Given the concentration of BIPOC-owned and small businesses in the area, all projects should help to advance community goals for equitable development of housing and commercial projects that support neighborhood businesses. *[ORS 457.010 (e)(f)]*
- **Obsolete buildings unfit for neighborhood-serving uses:** A concentration of older buildings and auto-oriented uses within this boundary, especially along Sandy Boulevard, has created commercial building stock that does not match the needs of the growing share of small businesses in the TIF District, which is increasingly racially and ethnically diverse. Investments

that transition the built environment to better meet the needs of neighborhood-serving commercial uses will help stabilize local businesses and advance employment and entrepreneurship goals for the community. [ORS 457.010(a)(b)(h)]

- **Alignment with mixed-use and multi-dwelling zoning:** The boundary aligns with areas for mixed-use and multi-dwelling zoning to support the development of housing that meets the community's needs, especially affordable housing and units that can accommodate families and multigenerational households. This approach ensures that housing investments are made where they are most needed, enhancing the livability of the corridor. Including manufactured home parks supports the goal of providing stable, affordable housing options and preventing displacement. [ORS 457.010(a)(b)(h)]

Parkrose

NE Sandy Boulevard has long been a retail anchor for the Parkrose neighborhood and surrounding areas—including workers in the Columbia Corridor—a role acknowledged in its designation as Historic Parkrose Main Street. The City of Portland's 2035 Comprehensive Plan identifies this area as a "Civic Corridor." Civic Corridors are designated as multimodal and mixed-use districts where many pedestrians use the corridor now or are expected to in the future, and where investments are needed to transition the landscape away from auto-oriented uses and support greater access for walking, biking, and rolling. As development happens, residents want to ensure the area remains a vibrant and welcoming hub for community gatherings, with commercial activities and local businesses that serve residents. NE Sandy Boulevard is also a segment of U.S. Route 30, which is an important connector for people and freight between Interstate 84 and the north coast of Oregon. Its long-standing role as a key route for freight has created an auto-centric design that lacks frequent and safe pedestrian crossings. Additionally, many of the streets south of NE Sandy Boulevard are paved, but lack sidewalks. TIF projects could improve connectivity and safety for pedestrians and other road users throughout the area. [ORS 457.010(a)(e)]

The Parkrose/Sumner MAX station is an important hub for connecting residents to employment opportunities in downtown Portland, Beaverton, and the broader region through connections to other transit lines. As part of the Better Red project, TriMet is considering long-term development opportunities for the station area, including residential and commercial development on part of the existing surface parking lot. The area near the Parkrose/Sumner MAX station includes two former motel properties that have been converted to transitional housing for houseless residents, operated by Multnomah County. Housing and supports for houseless neighbors are priorities identified in the Parkrose Community Plan. Including this area within the TIF District ensures ongoing investments support a range of affordable housing options and increase transit-accessible housing near this key transit station. [ORS 457.010(a)(e)(h)]

Parkrose also features several naturally occurring affordable housing properties and manufactured home parks which could be preserved and stabilized for long-term affordable housing. [ORS 457.010(h)]

Argay Terrace

The areas between NE 122nd Avenue and NE 148th Avenue include several larger tracts of vacant and underutilized land, including the former K-Mart store and legacy agricultural properties that could provide opportunities for equitable redevelopment to support community needs for affordable housing, middle-income housing, living wage jobs, and stability and growth for local businesses. The Parkrose-Argay Development Study, adopted in 2019, prepares the City to continue working with property

owners and the community to develop a complete, walkable community if the owners choose to redevelop the land. Some of the street grid in the TIF District was developed around existing farmlands. To facilitate potential redevelopment of these properties in alignment with current comprehensive plan designations and zoning, additional street connections will be needed to support the creation of new housing and neighborhood services. *[ORS 457.010(b)(c)(e)]*

Luwit View Park and Argay Park are vital green spaces in the area—though they are not contained within the TIF District boundary—that provide access to open space, recreation, and space for growing healthy foods. Improving multimodal connections throughout the neighborhood can help ensure more residents have safe access to these community assets, especially in an area with particularly low tree canopy coverage and elevated risk of urban heat island effects. *[ORS 457.010(a)(e)]*

Sumner and Roseway

The TIF District extends east of Interstate 205 to include parts of the Sumner and Roseway neighborhoods between NE Columbia Boulevard and NE Beech Street. Including these areas within the boundary leverages the potential along additional mixed-use corridors centered on NE Sandy Boulevard and NE Prescott Street and incorporates existing community amenities such as Helensview High School and the Gregory Heights branch of Multnomah County Library.

These corridors currently feature auto-oriented, low-density commercial development and could benefit from investments that support city and community goals to foster more active, mixed-use areas that provide additional housing, community amenities, and support growth and stability for local businesses. *[ORS 457.010(a)(g)]*

Many of the streets in the neighborhood south of NE Columbia Boulevard are unpaved or paved but lacking sidewalks. TIF projects could improve connectivity and safety for pedestrians and other road users throughout the area. *[ORS 457.010(e)]*

Columbia Corridor Employment Area

The northernmost area of the TIF District includes industrial lands that are a key location for employment, including living wage manufacturing jobs. This area is one portion of a broader employment corridor that runs from the confluence of the Willamette and Columbia Rivers in the west to Troutdale in the east. These areas are a trade and distribution gateway for the West Coast and an important location for industrial employment, including a growing warehouse and distribution sector. The portion of the Corridor located within the TIF District is dominated by large parking lots and paved areas with very few street trees, which contributes to the TIF District’s urban heat islands and higher levels of air pollution. *[ORS 457.010(b)(h)]*

According to the City’s most recent Employment Opportunities Analysis, the Columbia Corridor draws a high share of its workers from East Portland neighborhoods, including residential areas within the TIF District.³ Residents in TIF District neighborhoods have requested the City prioritize investments and programs that bolster pathways to local employment in the Corridor. Increasing local employment meets community goals for raising local household incomes, reducing commute times for workers in the TIF District, and ensuring that economic development in the area brings

³ Portland Bureau of Planning and Sustainability, “City of Portland Economic Opportunities Analysis Volume 1: Trends, Opportunities, and Market Factors,” March 2022. Available: <https://www.portland.gov/bps/planning/ea/ea-documents>.

community benefits for current residents, including those who are historically marginalized and economically vulnerable.

This area’s proximity to residential areas and the Columbia Slough watershed also necessitates investments that mitigate the environmental impacts of continued industrial and commercial activities and strengthen the area’s resiliency to natural hazards and the effects of climate change such as flooding and extreme heat events. In May 2024, voters in Multnomah County approved a \$150 million bond to invest in improvements to levees and floodwalls, pump stations, and drainage infrastructure. Approximately \$27 million of the bond funds will be dedicated to restoring the natural floodplain and improving stormwater absorption during flooding events.

Section 1.2 – Investment Need

This section presents the required findings to legally support the designation of the TIF District. The findings address the factors specified in the definition of “blighted areas” under ORS 457.010(1), which describes a blighted area as any region “detrimental to the safety, health, or welfare of the community” due to conditions such as “deterioration, faulty planning, inadequate or improper facilities, deleterious land use, or the existence of unsafe structures, or any combination of these factors.”

This section presents the required findings to legally support the designation of the TIF District. The findings for needed investments are linked to the existing conditions detailed in Appendix A and identify one or more of the statutory conditions listed in ORS 457.010(1)(a) through (i). The Sumner-Parkrose-Argay-Columbia Corridor TIF District meets the requirements as specified in ORS 457.010, as summarized in Table A. It is within the assessed value and size limitations imposed by ORS 457.420.

Table A. Relationship of Sumner-Parkrose-Argay-Columbia Corridor Investment Needs Findings to Existing Conditions

ORS 457.010 CONDITIONS	HOW THE SPACC TIF DISTRICT MEETS THESE CONDITIONS
<p>(a) The existence of buildings and structures, used or intended to be used for living, commercial, industrial or other purposes, or any combination of those uses, that are unfit or unsafe to occupy for those purposes because of any one or a combination of the following conditions:</p> <p>A. Defective design and quality of physical construction</p> <p>B. Faulty interior arrangement and exterior spacing;</p>	<ul style="list-style-type: none"> • Concentration of Older Buildings with Antiquated Systems and Deferred Maintenance (A): Many of the buildings in the area are older than 50 years. According to the report, more than 70 percent of buildings were constructed before 1970, which means they have exceeded their lifespan without adequate renovation and their internal systems may not have been updated to address increased risks from climate change. Many of the buildings used for commercial purposes are even older homes that were later converted for commercial use. These older buildings may have deferred maintenance, making them more difficult and expensive to renovate. • Health and Safety Issues in Multifamily Housing (D): The livability of multi-dwelling housing has a disproportionate impact on the quality of life of people of color and low-income households, larger proportions of whom live in multi-dwelling housing than the general population. The need for better and safer connections to neighborhood destinations, housing design supportive of healthy living that can accommodate multigenerational households, and improved residential open spaces was identified through extensive outreach to people of color, low-income, and immigrant households within the TIF District boundary. Many apartment complexes do not have shared outdoor spaces to serve families, especially in higher density areas.

ORS 457.010 CONDITIONS	HOW THE SPACC TIF DISTRICT MEETS THESE CONDITIONS
<p>C. Overcrowding and a high density of population;</p> <p>D. Inadequate provision for ventilation, light, sanitation, open spaces and recreation facilities; or</p> <p>E. Obsolescence, deterioration, dilapidation, mixed character or shifting of uses;</p>	
<p>(b) An economic dislocation, deterioration or disuse of property resulting from faulty planning;</p>	<ul style="list-style-type: none"> • Pre-Annexation Development Patterns: Most of East Portland developed under Multnomah County regulations and was then annexed into the city starting in the late 1970s. Because it was not developed as part of the city, the TIF District has a concentration of auto-centric uses and lacks amenities better available in other neighborhoods, such as adequate sidewalks, open space, street trees, and neighborhood-scale commercial corridors. As the city has grown, many of the older buildings in the TIF District have become functionally obsolete or out of sync with neighboring uses. • Concentration of Brownfields: The East Portland area, including the TIF District, has over 57 acres of brownfields. Given past auto-oriented businesses and ongoing light industrial activities, the Sumner-Parkrose-Argay-Columbia Corridor TIF District has a high concentration of potential brownfield sites which increases uncertainty in helping to reposition some of these sites for other uses. • Neighborhood Proximity to Industrial Activities: The TIF District contains about 5 percent of Portland’s overall industrial building space, most of which is located close to NE Sandy Boulevard and the Union Pacific railroad, an important multimodal freight corridor. While these industrial areas are an important source of employment for the TIF District and the city, without mitigation and buffering from residential areas, they contribute to the area’s urban heat island effect and higher levels of air pollution, which in turn can depress residential property values.
<p>(c) The division or subdivision and sale of property or lots of irregular form and shape and inadequate size or dimensions for property usefulness and development;</p>	<ul style="list-style-type: none"> • Prevalence of Small Lots: Almost 70 percent of vacant or underutilized lots in the TIF District are smaller than 10,000 square feet, making them difficult to develop effectively. • Legacy Agricultural Properties: Some of the street grid along the eastern edge of the TIF District developed around working farmlands which are no longer in agricultural use. Additional street connections and open space investments may be needed to facilitate potential redevelopment of these properties to uses that align with current

ORS 457.010 CONDITIONS	HOW THE SPACC TIF DISTRICT MEETS THESE CONDITIONS
	comprehensive plan designations and zoning in support of additional housing and neighborhood services.
(e) The existence of inadequate streets and other rights of way, open spaces and utilities;	<ul style="list-style-type: none"> • Inadequate Street and Active Transportation Infrastructure: The area has inadequate street infrastructure, leading to safety issues and accessibility challenges. NE Sandy Boulevard and NE 122nd Avenue are both part of the Vision Zero High Crash Network, with a high number of traffic incidents and pedestrian-involved crashes. As a designated Civic Corridor, NE Sandy Boulevard is in the process of revitalization into a safer multimodal corridor that supports access to local amenities and services, including the segment that forms Historic Parkrose Main Street. • Stormwater Management: Over time, the area will need improvements in stormwater management to prevent flooding conditions. The majority of the TIF District’s stormwater pipes are in unknown condition and may require upgrades. • Parks Level of Service. The TIF District lacks adequate parks per the Portland Parks and Recreation goal of providing a park within a half mile of every home in the city. Only 64 percent of homes in the TIF District have adequate access to parks.
(f) The existence of property or lots or other areas that are subject to inundation by water;	<ul style="list-style-type: none"> • Local Flooding Issues: Local business owners have indicated that inadequate on-street stormwater management creates flooding conditions in several areas within the TIF District.
(g) A prevalence of depreciated values, impaired investments and social and economic maladjustments to such an extent that the capacity to pay taxes is reduced and tax receipts are inadequate for the cost of public services rendered;	<ul style="list-style-type: none"> • Underutilized Properties: The area has numerous vacant and underutilized properties with deferred maintenance. About 40 percent of the acreage in the TIF District has an Improvement to Land ratio of less than 1, indicating a high potential for redevelopment of a large swath of the area’s land base. The depreciated values and impaired investments reduce the capacity to pay taxes and results in inadequate funding for public services. This is inconsistent with the City’s policies for the area and local stakeholder priorities.
(h) 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; or	<ul style="list-style-type: none"> • High Levels of Housing Cost Burden: The report highlights that nearly 60 percent of the TIF District's renter households experience housing cost burden, meaning they spend over 30 percent of their income on housing. This issue is more pronounced in the TIF District compared to the City of Portland, influenced by the lower rate of vacancy in the TIF District, which indicates higher demand for housing. • Concentration of Heat Islands. With large swathes of the TIF District covered by asphalt roads, large parking lots, and industrial buildings, and with areas of low tree canopy, 91 percent of homes in the TIF District are in the 75th percentile or higher of all temperature readings in the region, compared with 57 percent citywide. Higher urban temperatures can lead to poor health outcomes, especially for vulnerable populations.

ORS 457.010 CONDITIONS	HOW THE SPACC TIF DISTRICT MEETS THESE CONDITIONS
	<ul style="list-style-type: none"> • Homeownership Need: While 62 percent of residents are homeowners compared to 53 percent citywide, almost 60 percent of renters experience housing cost burden, spending more than 30 percent of their income on housing. Housing cost burden puts residents at risk of displacement and suggests a need to stabilize the TIF District’s households, including through greater opportunities for ownership. • Concentration of Manufactured Home Parks: The TIF District has 4 manufactured home parks with 171 homes, which is the third most common type of housing in the area. Manufactured homeowners are particularly vulnerable to displacement from increased rents or utility costs set by the owners of the underlying land. • Stabilization of Businesses: There is a significant need for affordable commercial space to support local businesses and additional supports for existing businesses to make needed building repairs. Many businesses are vulnerable to displacement as the area grows, creating a need for commercial community ownership opportunities and affordable commercial rental spaces.

Section 1.3 – Existing Conditions

Attachment A summarizes existing conditions in the SPACC District to inform investments and strategies. It draws on data collected from sources like the American Community Survey (ACS), market platforms, federal bureaus, and local data sources.

SECTION 2 – PROPOSED PROJECTS REPORT

Section 2.1 – Proposed Projects and Impacts

This section provides an overview of the proposed projects under the Plan and their connection to the current conditions within the TIF District (See Appendix A). It details how each project addresses the specific issues and investment needs identified in the area, demonstrating how these projects will improve conditions for the community (Table B).

The Plan identifies three project categories, organized within two work portfolios:

- A. Inclusive Growth (to be implemented by Prosper Portland)
 - 1. Economic and Urban Development (including Middle-Income Housing)
 - 2. Infrastructure

- B. Affordable Housing (to be implemented by Portland Housing Bureau)
 - 1. Affordable Housing (Housing Set-aside Policy eligible)

Tax Increment Finance Plans and districts enable public investments in public/private/community partnerships that would not otherwise be financially feasible, and for related planning that is not tethered to annual appropriations. Tax increment funds (TIF) generated by the creation of a TIF District provide a dedicated stream of tax revenue to accomplish those plans and policies, while leveraging outside funding sources to complement the TIF resources. The plan anticipates that the projects described in the Sumner-Parkrose-Argay-Columbia Corridor TIF District Plan will catalyze the development of vacant and underdeveloped parcels as well as the redevelopment and re-tenanting of underutilized properties with businesses and residents that will require access to City services.

Implementation of this plan will be undertaken with community leadership and ongoing engagement, as described in the Governance Charter (Plan Exhibit C). Prosper Portland and the Portland Housing Bureau will work in co-creation with the Community Leadership Committee to create re-occurring Five-Year Action Plans. The intent of the Five-Year Action Plan is to establish near-term investment priorities and associated budgets in accordance with the TIF Plan. The Five-Year Action Plans will additionally establish mechanisms for ongoing reporting and implementation oversight.

Table B. Plan Response to Existing Conditions

PROJECT	DESCRIPTION	EXISTING CONDITIONS
AFFORDABLE HOUSING (MINIMUM 45%)		
Single Family Home Repair	Support low-income community members who currently own their homes, so that they are more likely to be able to stay in place, through home repairs relating to life safety, code compliance, energy efficiency upgrades, and accessibility upgrades.	<ul style="list-style-type: none"> • Almost 60 percent of households experiencing housing cost burden. The majority of the TIF District’s renter households experience cost burden, meaning they spend over 30 percent of their income on housing. Given the number of households experiencing housing cost burden in the area, the TIF

PROJECT	DESCRIPTION	EXISTING CONDITIONS
Homeownership Support	Provide down payment assistance and other types of financial assistance, as well as the financial subsidization of the development of new homes. The preferred model for homeownership investments made under this plan is permanently affordable homeownership utilizing mechanisms such as down payment assistance, community land trusts, and covenants that ensure the homes remain affordable for subsequent buyers.	<p>District lacks adequate affordable housing supply.</p> <ul style="list-style-type: none"> • Residents are more vulnerable to changing economic conditions, making displacement more difficult to prevent. The BPS Economic Vulnerability Assessment determined a score of 82 for the District’s Census tracts, with any score over 60 considered a tract vulnerable to displacement. • Lower household incomes. Compared to Portland, a greater share of TIF District households earn less than \$50,000 (35 percent versus 30 percent). Overall, Median Household Income in Portland is \$85,876 compared to \$73,573 in the TIF District. • Share of manufactured home parks. There are four manufactured home parks in the TIF District with 171 housing units, which is 3 percent of all housing in the District. Supporting manufactured home parks could help maintain affordable housing, community stability, social equity, and prevent displacement and homelessness among vulnerable populations. • Lower growth in housing supply. The TIF District has expanded its multi-dwelling housing stock by 123 percent since 2000 whereas Portland’s multi-dwelling stock grew by 170 percent. At this time, no new units are under construction in the district, despite lower vacancy rates than the rest of the city.
Multi-family Rental Development	Develop new affordable rental housing in a variety of unit sizes, including family sized units and multi-generational options (two-bedrooms or larger).	
Rehabilitation and Preservation of Existing Regulated Housing	Provide funding to rehabilitate and preserve the affordability of existing regulated affordable housing.	
Acquisition & Rehabilitation of Existing Market-Rate and Naturally Occurring Affordable Housing <i>This category also includes manufactured housing park stabilization, preservation and development</i>	Purchase market-rate and naturally occurring affordable housing; including motels, foreclosed and unoccupied properties; make needed repairs and renovations; and convert to regulated affordable housing (for individual ownership, cooperative ownership, and rental).	
Opportunistic Land Acquisition	Prioritize opportunistic land acquisition of larger sites for future multifamily affordable housing.	

PROJECT	DESCRIPTION	EXISTING CONDITIONS
Capital Expenditures for Community Services for Houseless Neighbors	Prioritize housing development for people experiencing houselessness, and provide limited resources for capital expenditures related to community services, including shelters and food pantries, with a prioritization of unhoused residents or individuals displaced from the area.	
ECONOMIC AND URBAN DEVELOPMENT (MINIMUM 45%)		
Predevelopment	Support technical and/or financial assistance to determine the feasibility of development, redevelopment and renovation projects.	<p><u>Development Conditions</u></p> <ul style="list-style-type: none"> • A large share of underutilized properties. More than a third of the acreage (40 percent) in the TIF District has an Improvement to Land Value ratio of less than 1 compared. The TIF District has 123 vacant parcels and 46 underutilized parcels. • A large share of older buildings, that may be obsolete or in need of deferred maintenance, with nearly 70 percent of buildings built before 1970. • A concentration of potential brownfield sites given the presence of numerous legacy auto-oriented businesses and older commercial buildings. <p><u>Economic and Social Conditions</u></p> <ul style="list-style-type: none"> • A higher unemployment rate and lower average wages than the rest of Portland. High levels of retail and employment contribute to lower average wages in the TIF District, but average wages in the area are lower for almost all employment sectors compared to Portland as a whole. • A concentration of neighborhood and BIPOC-serving service and retail establishments, including home-based businesses. Historic Parkrose Main Street has been a longtime hub for local businesses
Land Acquisitions & Land Banking	Invest to acquire properties for development or redevelopment in conformance with the goals of this Plan.	
<p>Development, Redevelopment and Renovation</p> <p><i>This category also includes resources for residential properties and projects (e.g., middle-income housing) that do not qualify for support under the housing set-aside policy.</i></p>	<p>Support development, redevelopment and renovation activities, including:</p> <ul style="list-style-type: none"> • New construction • Building façade improvements • Remediation activities • Middle-income Housing • Professional services, building and site design assistance • Tenant improvements • Building repairs and upgrades • Climate, resilience and community solar projects • Seismic, fire suppression, other public safety improvements • Accessibility improvements; 	

PROJECT	DESCRIPTION	EXISTING CONDITIONS
	<p>landscaping enhancements; pedestrian amenities and lighting outside of the public right of way</p> <ul style="list-style-type: none"> • Permanent infrastructure to support food cart operations and other temporary, pop-up, seasonal and low-barrier opportunities for startup businesses and non-profits. • Adding tree canopy. 	<p>serving the neighborhood. Other commercial corridors in the TIF District have seen a growing share of small businesses and especially immigrant-serving businesses. Home-based businesses are also an important source of employment and opportunity for TIF District residents.</p> <ul style="list-style-type: none"> • A diverse population, with a higher share (42 percent) of residents who identify as Black, Indigenous, or people of color (BIPOC) compared to Portland as a whole (32 percent). • A concentration of urban heat islands. More than 91 percent of the housing units in the TIF District are in the 75th percentile or higher of all temperature readings in the region, compared with 57 percent of housing units citywide.
Arts and Culture	<p>Support Arts and cultural investments (not public art as a “public building,” defined in ORS 457.010) that celebrate and represent Priority Communities, developed by and/or in collaboration with local artists and community members who represent those communities.</p> <p>Prioritize murals, placemaking investments, arts and entertainment performance venues, or interactive, multicultural community art spaces that create a sense of community and instill pride.</p>	
Signage	<p>Develop signage that serves the greater purpose of the TIF district, including multi-lingual signage and directional signage to local businesses.</p>	

PROJECT	DESCRIPTION	EXISTING CONDITIONS
Infrastructure Investments Triggered by Development, Redevelopment or Renovation Activities	Invest in critical public safety improvements, transportation improvements, green infrastructure and/or other climate resilience investments triggered by, or that directly support, the implementation of other investments in this Plan.	
INFRASTRUCTURE (MAXIMUM 10%)		
Street and Utilities Improvements	Support new streets, street improvements (e.g., paving, pedestrian islands, beacon crossings), sidewalks, bike lanes and paths, greenways through Sumner on Alberta, stormwater improvements, new and/or relocated utilities (water, storm, sanitary sewer)	<ul style="list-style-type: none"> • Targeted transportation improvements will be needed in conjunction with development projects to continue the momentum of the East Portland Arterial Streets Strategy. Improvements planned for NE Sandy Boulevard, NE 102nd Avenue, NE 122nd Avenue, and NE 148th Avenue are aimed at creating safer and more bike-friendly and pedestrian-friendly corridors to improve access to key community amenities. This project will address longstanding safety and livability issues. Such projects will support district residents, who are 9 percentage points more likely to drive or carpool than Portland residents but may be more willing to walk or ride bikes if the transportation network is safer. • Incomplete sidewalk coverage. Only 66 percent of streets in the TIF District have sidewalks, limiting residents' ability to feel safe walking to schools, businesses,
Connectivity and Accessibility	Improve pedestrian and bicycle safety and connectivity while enhancing accessibility for individuals with mobility challenges, especially along Sandy Blvd. Prioritize connections and pedestrian-scale lighting near commercial corridors, industrial spaces, schools, parks and other institutions. Invest in key pedestrian crossings, including a crossing between the Sumner/Parkrose Transit Center and Max Station and pedestrian bridges.	

PROJECT	DESCRIPTION	EXISTING CONDITIONS
Public Recreation Investments	Support resilience, recreation, public and personal health outcomes, community gathering space and food access in public spaces. Prioritize new local parks, trails, and natural areas, especially ones that do not require use of motor vehicles to reach; supporting development of the Sumner Association of Neighbors Lot and/or Helensview into a park with recreational amenities; covered spaces and splash pads for existing parks; new and updated community centers; resilience hubs; community gardens, tree canopy, community gathering spaces, business-adjacent rest areas, athletic facilities such as basketball courts and soccer fields, and public exercise equipment (outdoor, permanently installed). Support inclusive spaces that are youth and family friendly.	<p>parks, and other neighborhood amenities.</p> <ul style="list-style-type: none"> • Sewer infrastructure including pump stations, stormwater pipes, and sewer pipes may need upgrading in conjunction with development projects.

Section 2.2 – Cost and Completion Dates

Some projects will require funding from multiple sources, and TIF will often be used to provide matching funds or gap funds to facilitate the implementation of a project. Although this section provides estimated completion dates for all projects, many projects will be funded in phases over a longer period, which means that expenditures for some projects could begin much earlier than the estimated completion dates listed below. Adopted Five-Year Action Plans will further refine and describe the funding priorities, estimated costs, and completion dates for these projects. Prosper Portland’s annual budget shall reflect the priorities and investments outlined in the Five-Year Action Plan and in conformance with the TIF Plan.

Table C. Project Cost and Completion Dates

PROJECT NAME	PROJECT COST (NOMINAL DOLLARS; % NET PLAN ADMIN & FEES)	ANTICIPATED COMPLETION DATE
Affordable Housing	At least \$128,936,491 (>45%)	2058

<ul style="list-style-type: none"> • Single Family Home Repair • Homeownership Support • Multi-Family Rental Development • Rehabilitation and Preservation of Existing Regulated Housing • Acquisition and Rehabilitation of Existing Market-Rate and Naturally Occurring Affordable Housing • Affordable Infill and Middle-Density Housing • Manufactured Housing Park Stabilization, Preservation and Development • Opportunistic Land Acquisition • Capital Expenditures for Community Services for Houseless Neighbors 		
<p>Economic Development</p> <ul style="list-style-type: none"> • Predevelopment • Land Acquisitions and Land Banking • Development, Redevelopment and Renovation • Middle-income Housing • Arts and Culture • Signage • Infrastructure Investments Triggered by Development, Redevelopment or Renovation Activities 	<p>At least \$128,936,491 (>45%)</p>	<p>2058</p>
<p>Infrastructure</p> <ul style="list-style-type: none"> • Street and Utilities Improvements • Connectivity and Accessibility • Public Recreation Investments 	<p>Up to \$28,652,554 (<10%)</p>	<p>2058</p>

SECTION 3 – FINANCIAL REPORT

Section 3.1 - Maximum Indebtedness and Debt Retirement

The maximum amount of the principal of indebtedness that may be issued or incurred under the Plan (the “**Maximum Indebtedness**”) is \$310,000,000 as shown in Table D. The estimated amount of TIF moneys required for the District to service this Maximum Indebtedness is \$412,800,000, which reflects the additional projected costs of the interest on borrowings (loans) which is not a part of the maximum indebtedness. It is anticipated that the indebtedness will be retired or otherwise provided for by FY 2058. Table E shows a summary of the financial capacity of the Area, including how total TIF revenue translates to the ability to fund tax increment projects in constant 2024 dollars in five-year increments.

Table D. Total Uses

USES SUMMARY	FIRST 5 YEARS	FIRST 10 YEARS	30 YEAR TOTAL
Bond Issuance Costs and Reserves	9,255	3,690,271	11,535,900
District-Wide Admin/Predev	369,817	2,320,277	11,938,564
Affordable Housing (PHB)	3,994,028	25,058,994	128,936,491
Inclusive Growth (Prosper Portland)	4,881,590	30,627,659	157,589,045
Total	9,254,691	61,697,201	310,000,000

Table E. Total Capacity Through Final Bond Payoff

	ACTUAL DOLLARS	ROUNDED DOLLARS
Total Net TIF	404,095,235	404,100,000
Maximum Indebtedness	310,000,000	310,000,000
Capacity (2024-25 \$)	212,136,753	212,100,000
Years 1-5	9,236,218	9,200,000
Years 6-10	26,685,548	26,700,000
Years 11-15	45,494,730	45,500,000
Years 16-20	61,923,614	61,900,000
Years 21-25	81,437,041	81,400,000
Years 26-30	104,287,006	104,300,000
Years 31-35	75,031,078	75,000,000

Section 3.2 – Financial Analysis

The total amount of TIF projected to be used for all projects, excluding administration and finance fees, is \$167,537,359 in 2024-25 dollars. The cost of administration and finance fees over the life of the Area increases this total to \$181,450,359. The Plan assumes an annual inflation rate of 3 percent per year. When accounting for inflation and based on the assumed timing of projects, the total project costs in nominal year-of-expenditure (“YOE”) dollars is \$286,525,536, which is within the \$310,000,000 maximum indebtedness established by the Plan. We estimate the frozen base assessed value of the Area to be \$1,123,860,390 or 1.3 percent of the City’s assessed value of \$80,988,896,967.

The estimated Sumner-Parkrose-Argay-Columbia Corridor Tax Increment Finance Plan revenues through Fiscal Year End (FYE) 2058 are calculated based on projections of the assessed value within the Area and the consolidated tax rate that will apply in the Area adjusted for discounts, and delinquencies. The long-term projections for FYE 2026 and beyond assume an annual growth rate of 3 percent for assessed value in the Area. These projections of growth are the basis for the projections in Table F, which shows the incremental assessed value, tax rates, and Sumner-Parkrose-Argay-Columbia Corridor Tax Increment Finance Plan revenues each year.

The first year of Sumner-Parkrose-Argay-Columbia Corridor Tax Increment Finance Plan collections is anticipated to be the fiscal year ending in 2026. Gross Sumner-Parkrose-Argay-Columbia Corridor Tax Increment Finance Plan financing (TIF) is calculated by multiplying the tax rate times the assessed value used. The tax rate is per thousand dollars of assessed value, so the calculation is “tax rate times assessed value used divided by one thousand.” The consolidated tax rate includes permanent tax rates only, except for \$0.5038/\$1,000 of the Portland Public Schools permanent rate levy (the “Gap Tax”). The consolidated rate also excludes levies for general obligation bonds and local option levies. The adjustments are for compression losses estimated at 5 percent and underpayments and delinquencies assumed at 4 percent.

The Area is anticipated to complete all projects and have sufficient Sumner-Parkrose-Argay-Columbia Corridor Tax Increment Finance Plan finance revenue to terminate the tax increment area in FYE 2058, a 33-year tax increment plan. Table G shows more detailed tables on the allocation of tax revenues to debt service. These assumptions show one scenario for financing and that this scenario is financially feasible.

Table F. Projected Incremental Assessed Value, Tax Rates, and Sumner-Parkrose-Argay-Columbia Corridor Tax Increment Finance Plan Revenues

Yr No.	FYE	Total Assessed Value	Frozen Base Assessed Value	Increment URA	Increment Shared	Tax Rate	Gross TIF URA	Gross TIF Shared	Adjustments (to URA)	Net TIF (URA)	PV of Net TIF (URA)
1	2026	1,157,576,202	1,123,860,390	33,715,812	0	19.00	640,460	0	(56,361)	584,100	567,087
2	2027	1,192,303,488	1,123,860,390	68,443,098	0	19.10	1,306,979	0	(115,014)	1,191,965	1,123,541
3	2028	1,228,072,592	1,123,860,390	104,212,202	0	19.20	2,000,442	0	(176,039)	1,824,403	1,669,587
4	2029	1,264,914,770	1,123,860,390	141,054,380	0	19.20	2,707,659	0	(238,274)	2,469,385	2,194,016
5	2030	1,302,862,213	1,123,860,390	179,001,823	0	19.40	3,471,892	0	(305,527)	3,166,366	2,731,335
6	2031	1,341,948,080	1,123,860,390	218,087,690	0	19.40	4,229,996	0	(372,240)	3,857,756	3,230,810
7	2032	1,382,206,522	1,123,860,390	258,346,132	0	19.40	5,010,843	0	(440,954)	4,569,889	3,715,738
8	2033	1,423,672,718	1,123,860,390	299,812,328	0	19.50	5,845,096	0	(514,368)	5,330,728	4,208,126
9	2034	1,466,382,899	1,123,860,390	342,522,509	0	19.50	6,677,767	0	(587,644)	6,090,124	4,667,573
10	2035	1,510,374,386	1,123,860,390	386,513,996	0	19.40	7,496,767	0	(659,716)	6,837,052	5,087,409
11	2036	1,555,685,618	1,123,860,390	431,825,228	0	19.40	8,375,617	0	(737,054)	7,638,563	5,518,260
12	2037	1,602,356,186	1,123,860,390	478,495,796	0	19.40	9,280,832	0	(816,713)	8,464,119	5,936,563
13	2038	1,650,426,872	1,123,860,390	526,566,482	0	19.40	10,213,204	0	(898,762)	9,314,442	6,342,682
14	2039	1,699,939,678	1,123,860,390	552,551,699	23,527,589	19.30	10,661,954	453,985	(938,252)	9,723,702	6,428,513
15	2040	1,750,937,868	1,123,860,390	591,428,042	35,649,437	19.20	11,352,964	684,321	(999,061)	10,353,903	6,645,776
16	2041	1,803,466,004	1,123,860,390	631,458,417	48,147,197	19.10	12,058,235	919,412	(1,061,125)	10,997,110	6,853,036
17	2042	1,857,569,985	1,123,860,390	672,677,354	61,032,241	19.00	12,778,078	1,159,359	(1,124,471)	11,653,607	7,050,624
18	2043	1,913,297,084	1,123,860,390	714,472,679	74,964,016	19.00	13,572,015	1,424,005	(1,194,337)	12,377,678	7,270,581
19	2044	1,970,695,997	1,123,860,390	758,169,599	88,666,008	18.90	14,326,259	1,675,420	(1,260,711)	13,065,548	7,451,099
20	2045	2,029,816,877	1,123,860,390	802,510,259	103,446,228	18.90	15,164,113	1,954,704	(1,334,442)	13,829,671	7,657,154
21	2046	2,090,711,383	1,123,860,390	848,181,138	118,669,855	18.90	16,027,103	2,242,368	(1,410,385)	14,616,718	7,857,206
22	2047	2,153,432,724	1,123,860,390	895,222,144	134,350,190	18.90	16,915,983	2,538,661	(1,488,606)	15,427,376	8,051,432
23	2048	2,218,035,706	1,123,860,390	943,674,381	150,500,935	18.90	17,831,529	2,843,843	(1,569,175)	16,262,355	8,240,001
24	2049	2,284,576,777	1,123,860,390	993,580,184	167,136,203	18.90	18,774,542	3,158,181	(1,652,160)	17,122,382	8,423,077
25	2050	2,353,114,081	1,123,860,390	1,044,983,162	184,270,529	18.90	19,745,845	3,481,948	(1,737,634)	18,008,210	8,600,821
26	2051	2,423,707,503	1,123,860,390	1,097,928,228	201,918,885	18.90	20,746,287	3,815,429	(1,825,673)	18,920,613	8,773,389
27	2052	2,496,418,728	1,123,860,390	1,152,461,647	220,096,691	18.90	21,776,742	4,158,914	(1,916,353)	19,860,389	8,940,930

28	2053	2,571,311,290	1,123,860,390	1,208,631,069	238,819,831	18.90	22,838,111	4,512,704	(2,009,754)	20,828,357	9,103,591
29	2054	2,648,450,629	1,123,860,390	1,266,485,573	258,104,666	18.90	23,931,321	4,877,107	(2,105,956)	21,825,365	9,261,514
30	2055	2,727,904,148	1,123,860,390	1,326,075,712	277,968,046	18.90	25,057,327	5,252,442	(2,205,045)	22,852,282	9,414,838
31	2056	2,809,741,272	1,123,860,390	1,387,453,555	298,427,327	18.90	26,217,114	5,639,038	(2,307,106)	23,910,008	9,563,696
32	2057	2,894,033,510	1,123,860,390	1,450,672,734	319,500,386	18.90	27,411,694	6,037,231	(2,412,229)	24,999,465	9,708,218
33	2058	2,980,854,515	1,123,860,390	1,515,788,488	341,205,638	18.90	28,642,111	6,447,370	(2,520,506)	26,121,605	9,848,531

Table G. Sumner-Parkrose-Argay-Columbia Corridor Tax Increment Finance Plan Revenues and Allocations to Debt Service

	24-25	25-26	26-27	27-28	28-29	29-30	30-31
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Prior Year Assessed Value	-	1,123,860,390	1,157,576,202	1,192,303,488	1,228,072,592	1,264,914,770	1,302,862,213
Frozen Base	1,123,860,390	1,123,860,390	1,123,860,390	1,123,860,390	1,123,860,390	1,123,860,390	1,123,860,390
Increment	-	33,715,812	68,443,098	104,212,202	141,054,380	179,001,823	218,087,690
AV (Baseline)	-	1,157,576,202	1,192,303,488	1,228,072,592	1,264,914,770	1,302,862,213	1,341,948,080
Taxes							
Consolidated Tax Rate for Du Jour	18.8344	18.9958	19.0958	19.1958	19.1958	19.3958	19.3958
Divide the Taxes (to Raise) Sal 4c	-	640,460	1,306,979	2,000,442	2,707,659	3,471,892	4,229,996
Net Tax Increment Revenues	-	584,100	1,191,965	1,824,403	2,469,385	3,166,366	3,857,756
Used for Du Jour	-	585,268	1,194,349	1,828,052	2,474,323	3,172,699	3,865,472
Debt Service							
LOC 1					-	-	-
LOC 2							-
LOC 3							
BOND 1							
BOND 2							
BOND 3							
Total Debt Service	-	-	-	-	-	-	-

	31-32	32-33	33-34	34-35	35-36	36-37	37-38
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Prior Year Assessed Value	1,341,948,080	1,382,206,522	1,423,672,718	1,466,382,899	1,510,374,386	1,555,685,618	1,602,356,186
Frozen Base	1,123,860,390	1,123,860,390	1,123,860,390	1,123,860,390	1,123,860,390	1,123,860,390	1,123,860,390
Increment	258,346,132	299,812,328	342,522,509	386,513,996	431,825,228	478,495,796	526,566,482
AV (Baseline)	1,382,206,522	1,423,672,718	1,466,382,899	1,510,374,386	1,555,685,618	1,602,356,186	1,650,426,872
Taxes							
Consolidated Tax Rate for Du Jour	19.3958	19.4958	19.4958	19.3958	19.3958	19.3958	19.3958
Divide the Taxes (to Raise) Sal 4c	5,010,843	5,845,096	6,677,767	7,496,767	8,375,617	9,280,832	10,213,204
Net Tax Increment Revenues	4,569,889	5,330,728	6,090,124	6,837,052	7,638,563	8,464,119	9,314,442

Used for Du Jour	3,979,028	4,141,389	1,581,730	6,874,890	4,645,349	5,472,556	6,324,580
Debt Service							
LOC 1	600,000	600,000	600,000				
LOC 2	-	600,000	600,000				
LOC 3			300,000				
BOND 1				3,020,574	3,020,574	3,020,574	3,020,574
BOND 2							
BOND 3							
Total Debt Service	600,000	1,200,000	1,500,000	3,020,574	3,020,574	3,020,574	3,020,574

	38-39	39-40	40-41	41-42	42-43	43-44	44-45
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Prior Year Assessed Value	1,650,426,872	1,699,939,678	1,750,937,868	1,803,466,004	1,857,569,985	1,913,297,084	1,970,695,997
Frozen Base	1,123,860,390	1,123,860,390	1,123,860,390	1,123,860,390	1,123,860,390	1,123,860,390	1,123,860,390
Increment	576,079,288	627,077,478	679,605,614	733,709,595	789,436,694	846,835,607	905,956,487
AV (Baseline)	1,699,939,678	1,750,937,868	1,803,466,004	1,857,569,985	1,913,297,084	1,970,695,997	2,029,816,877
Taxes							
Consolidated Tax Rate for Du Jour	19.2958	19.1958	19.0958	18.9958	18.9958	18.8958	18.8958
Divide the Taxes (to Raise) Sal 4c	10,661,954	11,352,964	12,058,235	12,778,078	13,572,015	14,326,259	15,164,113
Net Tax Increment Revenues	9,723,702	10,353,903	10,997,110	11,653,607	12,377,678	13,065,548	13,829,671
Used for Du Jour	6,734,659	7,366,119	8,010,613	8,668,423	6,373,369	10,107,352	7,840,348
Debt Service							
LOC 1							
LOC 2							
LOC 3							
BOND 1	3,020,574	3,020,574	3,020,574	3,020,574	3,020,574	3,020,574	3,020,574
BOND 2						3,020,574	3,020,574
BOND 3							
Total Debt Service	3,020,574	3,020,574	3,020,574	3,020,574	3,020,574	6,041,147	6,041,147

	45-46	46-47	47-48	48-49	49-50	50-51	51-52
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Prior Year Assessed Value	2,029,816,877	2,090,711,383	2,153,432,724	2,218,035,706	2,284,576,777	2,353,114,081	2,423,707,503

Frozen Base	1,123,860,390	1,123,860,390	1,123,860,390	1,123,860,390	1,123,860,390	1,123,860,390	1,123,860,390
Increment	966,850,993	1,029,572,334	1,094,175,316	1,160,716,387	1,229,253,691	1,299,847,113	1,372,558,338
AV (Baseline)	2,090,711,383	2,153,432,724	2,218,035,706	2,284,576,777	2,353,114,081	2,423,707,503	2,496,418,728
Taxes							
Consolidated Tax Rate for Du Jour	18.8958	18.8958	18.8958	18.8958	18.8958	18.8958	18.8958
Divide the Taxes (to Raise) Sal 4c	16,027,103	16,915,983	17,831,529	18,774,542	19,745,845	20,746,287	21,776,742
Net Tax Increment Revenues	14,616,718	15,427,376	16,262,355	17,122,382	18,008,210	18,920,613	19,860,389
Used for Du Jour	8,628,969	9,441,249	10,277,897	11,139,644	12,027,244	9,637,720	13,909,557
Debt Service							
LOC 1							
LOC 2							
LOC 3							
BOND 1	3,020,574	3,020,574	3,020,574	3,020,574	3,020,574	3,020,574	3,020,574
BOND 2	3,020,574	3,020,574	3,020,574	3,020,574	3,020,574	3,020,574	3,020,574
BOND 3							3,303,752
Total Debt Service	6,041,147	6,041,147	6,041,147	6,041,147	6,041,147	6,041,147	9,344,900

	52-53	53-54	54-55	55-56	56-57	57-58
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Prior Year Assessed Value	2,496,418,728	2,571,311,290	2,648,450,629	2,727,904,148	2,809,741,272	2,894,033,510
Frozen Base	1,123,860,390	1,123,860,390	1,123,860,390	1,123,860,390	1,123,860,390	1,123,860,390
Increment	1,447,450,900	1,524,590,239	1,604,043,758	1,685,880,882	1,770,173,120	1,856,994,125
AV (Baseline)	2,571,311,290	2,648,450,629	2,727,904,148	2,809,741,272	2,894,033,510	2,980,854,515
Taxes						
Consolidated Tax Rate for Du Jour	18.8958	18.8958	18.8958	18.8958	18.8958	18.8958
Divide the Taxes (to Raise) Sal 4c	22,838,111	23,931,321	25,057,327	26,217,114	27,411,694	28,642,111
Net Tax Increment Revenues	20,828,357	21,825,365	22,852,282	23,910,008	24,999,465	26,121,605
Used for Du Jour	11,562,494	12,561,495	10,573,165			
Debt Service						
LOC 1						
LOC 2						

LOC 3		-	-	-	-	-
BOND 1	3,020,574	3,020,574				
BOND 2	3,020,574	3,020,574	3,020,574	3,020,574	3,020,574	3,020,574
BOND 3	3,303,752	3,303,752	3,303,752	3,303,752	3,303,752	3,303,752
Bond Payoff						58,051,649
Total Debt Service	9,344,900	9,344,900	6,324,326	6,324,326	6,324,326	58,051,649

The Area is anticipated to complete all projects and have sufficient revenue to terminate the Area in FYE 2058, a 33-year program. The projects will be ongoing and the schedule for construction of projects will be based on the availability of funding and will be completed as directed by the Agency in accordance with the Five-Year Action Plans.

The amount of money available for projects in 2024 constant dollars for the Area is approximately \$167,537,359. This is calculated by taking the maximum indebtedness (MI) and bringing it back to constant 2024 dollars. This is done as the MI is referenced in constant dollars, so understanding how the MI relates to the inflation factor over 30 years is important to be able to make projections on the allocation of funds throughout the life of the Area.

Table H shows the approximate \$160,252,449 of 2024 constant dollars for projects inflated over the life of the Area including administrative expenses and bond issuance costs and reserves, reaching the total maximum indebtedness of \$310,000,000. The 3 percent inflation rate is the rate to use in the future if any amendment to increase maximum indebtedness is pursued in accordance with ORS 457.470.

The following tables are prepared to show that the Area is financially feasible as required by ORS 457. It assumes completion of projects as funding becomes available and in accordance with the Five-Year Action Plans. Annual expenditures for program administration are also shown.

Table H. Financial Feasibility

	Bond Issuance Costs and Reserves	District-Wide Admin/Predev	Affordable Housing	Inclusive Growth (Prosper Portland)	Total
Years 1-5	9,255	369,817	3,994,028	4,881,590	9,254,691
Years 6-10	3,681,016	1,950,460	21,064,965	25,746,069	52,442,510
Years 11-15	30,543	1,220,509	13,181,495	16,110,716	30,543,262
Years 16-20	3,701,574	2,771,941	29,936,965	36,589,624	73,000,104
Years 21-25	51,515	2,058,539	22,232,226	27,172,721	51,515,002
Years 26-30	4,061,997	3,567,297	38,526,811	47,088,325	93,244,430
Total	11,535,900	11,938,564	128,936,491	157,589,045	310,000,000

Section 3.3 – Fiscal Impact Statement

The impact of Sumner-Parkrose-Argay-Columbia Corridor Tax Increment Finance Plan financing of the maximum indebtedness, both until and after the indebtedness is repaid is on all entities levying permanent rate property in the Area.

The impact of Sumner-Parkrose-Argay-Columbia Corridor Tax Increment Finance Plan financing on overlapping taxing districts consists primarily of the property tax revenues foregone on permanent rate levies as applied to the growth in assessed value in the Area. These projections are for impacts estimated through FYE 2058 and are shown in Table I.

Other than the Portland Public Schools Gap Tax, the Portland School District and the Multnomah County ESD are not *directly* affected by the tax increment financing, but the amounts of their taxes divided for the Plan are shown in the following tables. Under current school funding law, property tax revenues are combined with State School Fund revenues to achieve per-student funding targets. Under this system, property taxes foregone, due to the use of tax increment financing, are substantially replaced with State School Fund revenues, as determined by a funding formula at the state level. The Gap Tax is not anticipated to be calculated in the division of tax revenues to be allocated to Prosper Portland, so the impact on the Portland Public Schools of the Gap Tax is a positive impact. The School District will need to complete appropriate paperwork with the Multnomah County assessor to ensure the Gap tax is not included in the division of taxes.

The City of Portland levies a tax to pay costs of its Fire and Police Disability and Retirement Fund (FPD&R) Plan. The rate for this levy is included in the consolidated tax rate for the Area. The levy is imposed such that, when the tax rate is divided for tax increment areas, tax collections are sufficient to provide both the amount requested by the City for the FPD&R Plan and amounts for tax increment plans. Taxpayers pay a higher amount of taxes as a result of the division of taxes. Tax collections for the Area attributable to the FPD&R levy are shown in Table I.

Since the properties within the TIF District are also already within the City's urban growth boundary, the City has planned for the need to provide infrastructure to these parcels through its existing plans and policies. In addition, since any new development will be new construction or redevelopment of existing buildings, the current building code requirements will address fire protection needs. Any potential impacts to the City will be countered by the increased revenue resulting from new jobs, stabilized housing, increased property tax revenues from development and redevelopment, and future increased tax base for all overlapping taxing jurisdictions.

Table I. Projected Impact on Taxing District Permanent Rate Levies

Foregone Revenue to Taxing Jurisdictions	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33	33-34
City	140,737	285,697	435,005	588,793	747,194	910,347	1,078,395	1,251,484	1,429,766
County	133,554	271,115	412,803	558,742	709,059	863,885	1,023,356	1,187,611	1,356,794
Library	37,514	76,153	115,951	156,943	199,165	242,653	287,446	333,583	381,104
Metro	2,970	6,030	9,181	12,427	15,770	19,213	22,760	26,413	30,176
Port	2,155	4,376	6,662	9,018	11,444	13,943	16,516	19,167	21,898
W Mult Soil/Cons	3,075	6,242	9,504	12,864	16,325	19,890	23,561	27,343	31,238
FPDR	86,097	181,018	285,125	385,925	522,399	636,467	753,957	902,315	1,030,856
Total Gov't	406,103	830,631	1,274,231	1,724,711	2,221,354	2,706,397	3,205,992	3,747,916	4,281,831
Reynolds	11,136	22,606	34,420	46,588	59,122	72,031	85,328	99,024	113,131
Parkrose	130,455	264,823	403,222	545,774	692,601	843,834	999,604	1,160,046	1,325,302
David Douglas	0	0	0	0	0	0	0	0	0
Centennial	0	0	0	0	0	0	0	0	0
Portland	7,538	15,302	23,299	31,536	40,020	48,759	57,760	67,031	76,579
Portland CC	435	883	1,344	1,819	2,308	2,812	3,332	3,866	4,417
Mt. Hood CC	14,363	29,157	44,395	60,090	76,256	92,907	110,058	127,723	145,918
Multnomah County ESD	14,071	28,563	43,491	58,866	74,703	91,015	107,816	125,121	142,945
Total Education	177,997	361,334	550,172	744,674	945,011	1,151,359	1,363,897	1,582,811	1,808,293

Foregone Revenue to Taxing Jurisdictions	34-35	35-36	36-37	37-38	38-39	39-40	40-41	41-42	42-43
City	1,613,396	1,802,535	1,997,349	2,198,006	2,306,475	2,468,753	2,635,849	2,807,906	2,982,369
County	1,531,052	1,710,538	1,895,408	2,085,825	2,188,757	2,342,753	2,501,321	2,664,597	2,830,155
Library	430,051	480,466	532,394	585,879	614,791	658,046	702,586	748,448	794,951
Metro	34,052	38,043	42,155	46,390	48,679	52,104	55,631	59,262	62,944
Port	24,710	27,607	30,591	33,664	35,325	37,811	40,370	43,005	45,677
W Mult Soil/Cons	35,250	39,382	43,639	48,023	50,393	53,938	57,589	61,348	65,160
FPDR	1,128,002	1,260,239	1,396,442	1,536,732	1,562,174	1,618,147	1,670,081	1,717,749	1,824,477
Total Gov't	4,796,513	5,358,811	5,937,977	6,534,519	6,806,594	7,231,553	7,663,427	8,102,315	8,605,734

Reynolds	127,660	142,626	158,041	173,918	182,501	195,341	208,562	222,176	235,981
Parkrose	1,495,516	1,670,836	1,851,416	2,037,413	2,137,956	2,288,378	2,443,265	2,602,751	2,764,468
David Douglas	0	0	0	0	0	0	0	0	0
Centennial	0	0	0	0	0	0	0	0	0
Portland	86,415	96,545	106,980	117,727	123,537	132,228	141,178	150,394	159,738
Portland CC	4,984	5,569	6,171	6,790	7,126	7,627	8,143	8,675	9,214
Mt. Hood CC	164,658	183,961	203,843	224,322	235,392	251,954	269,007	286,567	304,372
Multnomah County ESD	161,304	180,214	199,691	219,753	230,597	246,821	263,527	280,729	298,172
Total Education	2,040,539	2,279,752	2,526,142	2,779,923	2,917,108	3,122,349	3,333,683	3,551,292	3,771,944

Foregone Revenue to Taxing Jurisdictions	43-44	44-45	45-46	46-47	47-48	48-49	49-50	50-51	51-52
City	3,164,770	3,349,858	3,540,498	3,736,858	3,939,108	4,147,426	4,361,994	4,582,998	4,810,633
County	3,003,247	3,178,888	3,359,799	3,546,137	3,738,065	3,935,751	4,139,367	4,349,092	4,565,109
Library	843,570	892,905	943,720	996,060	1,049,970	1,105,497	1,162,690	1,221,599	1,282,275
Metro	66,794	70,701	74,724	78,868	83,137	87,534	92,062	96,727	101,531
Port	48,471	51,305	54,225	57,233	60,330	63,521	66,807	70,192	73,678
W Mult Soil/Cons	69,145	73,189	77,354	81,644	86,063	90,615	95,302	100,131	105,105
FPDR	1,866,917	1,976,101	2,088,561	2,204,395	2,323,704	2,446,592	2,573,167	2,703,538	2,837,822
Total Gov't	9,062,913	9,592,947	10,138,882	10,701,195	11,280,377	11,876,935	12,491,389	13,124,277	13,776,152
Reynolds	250,413	265,059	280,143	295,680	311,683	328,166	345,144	362,631	380,643
Parkrose	2,933,542	3,105,106	3,281,818	3,463,831	3,651,305	3,844,402	4,043,293	4,248,150	4,459,153
David Douglas	0	0	0	0	0	0	0	0	0
Centennial	0	0	0	0	0	0	0	0	0
Portland	169,508	179,421	189,632	200,149	210,982	222,140	233,632	245,469	257,662
Portland CC	9,777	10,349	10,938	11,544	12,169	12,813	13,476	14,159	14,862
Mt. Hood CC	322,987	341,876	361,333	381,373	402,014	423,274	445,172	467,727	490,959
Multnomah County ESD	316,408	334,913	353,972	373,604	393,825	414,652	436,104	458,200	480,958
Total Education	4,002,635	4,236,724	4,477,836	4,726,182	4,981,977	5,245,447	5,516,821	5,796,336	6,084,236

Foregone Revenue to Taxing Jurisdictions	52-53	53-54	54-55	55-56	56-57	57-58
City	5,045,097	5,286,594	5,535,337	5,791,542	6,055,433	6,327,241
County	4,787,606	5,016,778	5,252,826	5,495,954	5,746,377	6,004,312
Library	1,344,771	1,409,143	1,475,445	1,543,736	1,614,077	1,686,527
Metro	106,479	111,576	116,826	122,234	127,803	133,540
Port	77,269	80,968	84,778	88,702	92,743	96,906
W Mult Soil/Cons	110,227	115,503	120,938	126,536	132,301	138,240
FPDR	2,976,133	3,118,594	3,265,329	3,416,466	3,572,137	3,732,478
Total Gov't	14,447,583	15,139,157	15,851,478	16,585,169	17,340,871	18,119,243
Reynolds	399,195	418,304	437,985	458,258	479,138	500,645
Parkrose	4,676,486	4,900,339	5,130,908	5,368,394	5,613,004	5,864,952
David Douglas	0	0	0	0	0	0
Centennial	0	0	0	0	0	0
Portland	270,220	283,154	296,477	310,200	324,334	338,892
Portland CC	15,586	16,332	17,101	17,892	18,707	19,547
Mt. Hood CC	514,888	539,534	564,920	591,068	617,999	645,739
Multnomah County ESD	504,399	528,544	553,413	579,028	605,411	632,586
Total Education	6,380,774	6,686,207	7,000,804	7,324,838	7,658,594	8,002,362

Revenue sharing means that, at thresholds defined in ORS 457.470, the impacted taxing jurisdictions will receive a share of the incremental growth in the Area. The first threshold is when annual Parkrose Tax Increment Finance Plan finance revenues exceed three percent of the original maximum indebtedness of the Plan in 2041. At the three percent threshold, the Agency will receive tax increment revenue as stated in ORS 457.470(4)(a-e). The overlapping taxing districts would receive the remainder of the TIF revenues. Revenue sharing projections are shown in Table J in the column labelled “Increment Shared”.

If assessed value in the Area grows more quickly than projected, the revenue sharing triggers would be reached earlier.

Table J. Tax Increment Revenue Sharing

Yr No.	FYE	Total Assessed Value	Frozen Base Assessed Value	Increment URA	Increment Shared
1	2026	1,157,576,202	1,123,860,390	33,715,812	0
2	2027	1,192,303,488	1,123,860,390	68,443,098	0
3	2028	1,228,072,592	1,123,860,390	104,212,202	0
4	2029	1,264,914,770	1,123,860,390	141,054,380	0
5	2030	1,302,862,213	1,123,860,390	179,001,823	0
6	2031	1,341,948,080	1,123,860,390	218,087,690	0
7	2032	1,382,206,522	1,123,860,390	258,346,132	0
8	2033	1,423,672,718	1,123,860,390	299,812,328	0
9	2034	1,466,382,899	1,123,860,390	342,522,509	0
10	2035	1,510,374,386	1,123,860,390	386,513,996	0
11	2036	1,555,685,618	1,123,860,390	431,825,228	0
12	2037	1,602,356,186	1,123,860,390	478,495,796	0
13	2038	1,650,426,872	1,123,860,390	526,566,482	0
14	2039	1,699,939,678	1,123,860,390	552,551,699	23,527,589
15	2040	1,750,937,868	1,123,860,390	591,428,042	35,649,437
16	2041	1,803,466,004	1,123,860,390	631,458,417	48,147,197
17	2042	1,857,569,985	1,123,860,390	672,677,354	61,032,241
18	2043	1,913,297,084	1,123,860,390	714,472,679	74,964,016
19	2044	1,970,695,997	1,123,860,390	758,169,599	88,666,008
20	2045	2,029,816,877	1,123,860,390	802,510,259	103,446,228
21	2046	2,090,711,383	1,123,860,390	848,181,138	118,669,855
22	2047	2,153,432,724	1,123,860,390	895,222,144	134,350,190
23	2048	2,218,035,706	1,123,860,390	943,674,381	150,500,935
24	2049	2,284,576,777	1,123,860,390	993,580,184	167,136,203
25	2050	2,353,114,081	1,123,860,390	1,044,983,162	184,270,529
26	2051	2,423,707,503	1,123,860,390	1,097,928,228	201,918,885
27	2052	2,496,418,728	1,123,860,390	1,152,461,647	220,096,691
28	2053	2,571,311,290	1,123,860,390	1,208,631,069	238,819,831
29	2054	2,648,450,629	1,123,860,390	1,266,485,573	258,104,666
30	2055	2,727,904,148	1,123,860,390	1,326,075,712	277,968,046

31	2056	2,809,741,272	1,123,860,390	1,387,453,555	298,427,327
32	2057	2,894,033,510	1,123,860,390	1,450,672,734	319,500,386
33	2058	2,980,854,515	1,123,860,390	1,515,788,488	341,205,638

Table K shows the projected increased revenue to the taxing jurisdictions after the Central City – East Tax Increment Finance Plan proceeds are projected to be terminated. These projections are for FYE 2059. The table also shows the estimated impact of returned incremental assessed value on the FPD&R tax levy rate, which could be reduced by approximately 3 percent.

The Frozen Base is the assessed value of the Area established by the County Assessor at the time the Area is established. Excess Value is the increased assessed value in the Area above the Frozen Base.

Table K. Additional Revenues Obtained after Termination of TIF–FYE 2061

Taxing District	Tax Rate	From Frozen Base	From Excess Value	Total
General Government				
City	4.5770	5,143,909	8,908,763	14,052,672
County	4.3434	4,881,375	8,454,080	13,335,455
Library	1.2200	1,371,110	2,374,632	3,745,742
Metro	0.0966	108,565	188,024	296,589
Port	0.0701	78,783	136,444	215,227
E Mult Soil/Cons	0.1000	112,386	194,642	307,028
FPDR	2.7000	3,034,423	5,255,333	8,289,756
Subtotal General Government	13.1071	14,730,551	25,511,918	40,242,469
Education				
Portland	4.7743	275,512	477,161	752,673
Parkrose	4.8906	4,768,079	8,257,861	13,025,940
Reynolds	4.4626	407,014	704,909	1,111,922
Mt Hood CC	0.4917	524,972	909,202	1,434,174
Portland CC	0.2828	15,891	27,522	43,414
Multnomah County ESD	0.4576	514,279	890,682	1,404,960
Subtotal Education		6,505,746	11,267,336	17,773,083
Total		21,236,297	36,779,255	58,015,552

Section 3.4 – Assessed Value and Acreage Analysis

The Plan includes a provision indicating that it will be financed by tax increment revenues (TIF) allocated to the District, as provided in ORS Chapter 457, and that the ad valorem taxes levied by a taxing district in which all or a portion of the District is located, will be divided as provided in Section 1c, Article IX of the Oregon Constitution, and ORS 457.440. Pursuant to ORS 457.420(2), the Plan may only include such a provision if:

- The assessed value for the TIF District, when added to the total assessed value for other TIF Districts of the City, does not exceed a figure equal to 15 percent of the total assessed value of the City (exclusive of any increased assessed value for other TIF Districts and without regard to adjustments made pursuant to ORS 457.435 (2)(c), 457.455 or 457.470 (2) to (5)), and
- The acreage of the TIF District, when added to the acreage of other TIF Districts of the City, does not exceed 15 percent of the total acreage of the City.

As explained in this Section, the proposed TIF District complies with both the assessed value and acreage limits set forth in ORS 457.420.

As of the date that the TIF Plan is expected to be approved by the City, it is projected that the total Assessed Value for all real property in the City of Portland will be just over \$80.98 billion and the total acreage of the City will be 92,768 acres, as shown in Table L, below. In addition, as of the approval date, the total assessed value for the real property contained within all pre-existing TIF Districts will be approximately \$2 billion (2.5% of total City AV) and the acreage of such districts will be 2,729 acres (2.9% of total City acreage).⁴ Finally, the TIF District is being proposed for creation along with several other TIF Districts that, when combined, will account for up to \$9.49 billion in assessed value and 8,415 acres.⁵ If all six proposed TIF Districts are approved, the resulting total areas included in all TIF Districts within the City will contain \$11.49 billion in assessed value (14.2% of total City AV) and 11,144 acres (12% of total City acreage). These limits will fall within the threshold for assessed value and acreage established by ORS 457.420, which allows for the TIF Plan to include a provision for the division of ad valorem property taxes to finance the TIF District’s activities under the Plan.

Table L. Assessed Value and Acreage

	Frozen Base (as of FY 21-22 values)	Proposed Adjustments	Proposed values (as of FY 23-24 values)	Frozen Base (as of FY 21-22 values)	Proposed Adjustments	Proposed values (as of FY 23- 24 values)
TIF District	Frozen Base Assessed Value			Acreage		
Central Eastside	\$230,541,190	(\$230,541,190)	\$0	708	(708)	-

⁴ Prior to adoption of the proposed TIF District, Prosper Portland and/or the City are expected to either take action to amend the size of certain TIF Districts, allow some TIF Districts to expire, and/or otherwise amend the plans to release some or all of the assessed value and acreage associated with the following pre-existing TIF Districts: Central Eastside, Downtown Waterfront, Interstate Corridor, Lents Town Center, Oregon Convention Center, River District, South Park Blocks, and the Neighborhood Prosperity Initiative districts.

⁵ The proposed new TIF Districts include: Westside, Lloyd-Holladay, Central Eastside Corridor, Sumner-Parkrose-Argay-Columbia Corridor (SPACC), 82nd Avenue Area, and East 205.

Downtown Waterfront	\$55,674,313	(\$55,674,313)	\$0	233	(233)	-
Gateway Regional Center	\$307,174,681	-	\$307,174,681	659	-	659
Interstate Corridor	\$1,293,460,097	(\$1,293,460,097)	\$0	3,995	(3,995)	-
Lents Town Center	\$736,224,033	(\$736,224,033)	\$0	2,846	(2,846)	-
North Macadam	\$628,094,444	-	\$628,094,444	447	-	447
Oregon Convention Center	\$214,100,689	(\$214,100,689)	\$0	410	(410)	-
River District	\$432,292,135	(\$432,292,135)	\$0	315	(315)	-
South Park Blocks	\$305,692,884	(\$305,692,884)	\$0	98	(98)	-
Cully	\$1,071,144,885	-	\$1,071,144,885	1,623	-	1,623
Neighborhood Prosperity Initiatives (combined)	\$164,919,235	(\$164,919,235)	\$0	245	(245)	-
Westside (NEW)	\$0	\$2,401,540,540	\$2,401,540,540	-	492	492
Lloyd-Holladay (NEW)	\$0	\$842,896,040	\$842,896,040	-	261	261
Central Eastside Corridor (NEW)	\$0	\$551,392,310	\$551,392,310	-	486	486
Sumner- Parkrose-Argay-Columbia Corridor (NEW)	\$0	\$1,123,860,390	\$1,123,860,390	-	1,578	1,578
82nd Ave (NEW)	\$0	\$1,722,322,630	\$1,721,086,470	-	1,868	1,868
East 205 (NEW)	\$0	\$2,849,078,510	\$2,849,078,510	-	3,730	3,730
Total: TIF Districts	\$5,439,318,586	\$6,056,949,684	\$11,496,268,270	11,579	(435)	11,144
Total: City of Portland	\$76,142,269,310		\$80,988,896,967	92,768		92,768
Percent in TIF District	7.14%		14.19%	12.48%		12.01%

SECTION 4 – RELOCATION REPORT

Pursuant to ORS 457.087(9), this report must include: (a) an analysis of existing residents or businesses that may be required to relocate temporarily or permanently as a result of any of the proposed projects identified in Section 2.1, above; (b) a description of the methods to be used for the temporary or permanent relocation of such residents or businesses; 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 the new units to be added.

It is not anticipated that any of the proposed projects identified in Section 2 will require or result in the temporary or permanent relocation of any residents or businesses. In addition, it is not anticipated that any of the proposed projects identified in Section 2 will require or result in the alteration or destruction of any existing housing units. To the extent that temporary or permanent relocation is necessary, Prosper Portland and Portland Housing Bureau will comply with the requirements set forth in ORS 35.500 to 35.530 to protect the rights of any person or business impacted by such relocation. New housing units anticipated to be added within the TIF District are enumerated in Section 2.

Attachments to Report

A. Existing Conditions Report

Attachment A. Existing Conditions Report

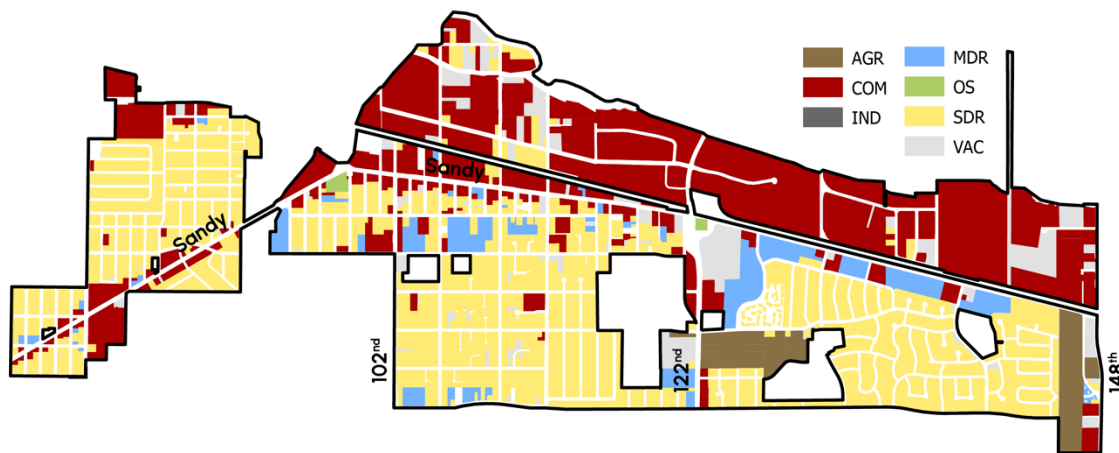
This section presents a high-level summary of existing conditions in the TIF District, covering key features of the built environment, population, economy, and development landscape.

Physical Conditions

This section describes the physical conditions of the TIF District, including existing land uses, zoning designations, and comprehensive designations.

Land Use

Figure B. Existing Land Use, Sumner-Parkrose-Argay-Columbia Corridor TIF District, 2024



The Sumner-Parkrose-Argay-Columbia Corridor TIF District is centered along the NE Sandy Boulevard commercial corridor, anchored by residential uses to the south, and light industry commercial uses to the north. The existing land uses on existing properties within the Sumner-Parkrose-Argay-Columbia Corridor TIF District are shown in Figure B. The TIF District comprises 1,578 acres, with 1,271 acres consisting of land within tax lots and the remaining 307 acres in the right-of-way, as summarized in Table F. Commercial uses make up 29 percent of the area, mostly between NE Sandy Boulevard and NE Whitaker Way. Multi-dwelling uses make up just seven percent of the TIF District’s acreage. The majority of housing in the TIF District is single-dwelling residential uses (35 percent of total TIF District acreage). Six percent of acreage (5 percent of parcels) are vacant, totaling 92 acres across 186 parcels.

Table F. Existing Land Use, Sumner-Parkrose-Argay-Columbia Corridor TIF District, 2024

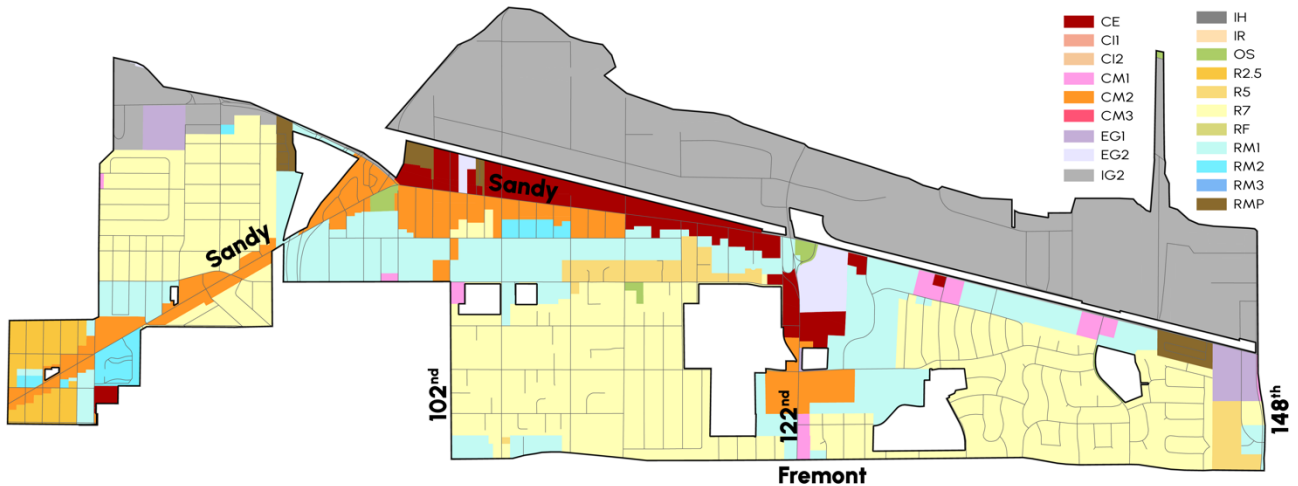
	PARCELS	SHARE	ACRES	SHARE
Single-Dwelling	3,025	79%	5,47.6	35%
Multi-Dwelling	77	2%	108.1	7%
Commercial	419	11%	441.8	28%
Vacant	186	5%	92.1	6%
Open Space	6	0%	3.7	0%
Agricultural	10	0%	51.5	3%

ROW	81	2%	307.0	19%
Other	32	1%	25.6	2%

Source: Regional Land Information System (RLIS), 2024

Zoning

Figure C. Zoning, Sumner-Parkrose-Argay-Columbia Corridor TIF District



Along NE Sandy Boulevard and NE 122nd Avenue, many commercial properties are zoned CM2 (Commercial Mixed-Use 2) with the remainder zoned CE (Commercial Employment), EG1 (General Employment), EG2 (General Employment), or CM1 (Commercial Mixed-Use 1). [Error! Reference source not found.](#) shows zoning designations of land within the TIF District boundary.

Over half of the acreage of the TIF District is zoned for residential development. The single-dwelling zoning is characterized by average lot sizes, with about one third of acreage devoted to R7 (Residential 7,000), as shown in Table G. Of the areas zoned for multi-dwelling residential, more than 90 percent are zoned RM1 which is a smaller-scale multi-dwelling designation mostly found adjacent to single dwelling residential zoning to act as a transition between residential zones and higher scale or commercial uses. The remaining RM2 areas are designated for medium-scale residential development.

Table G. Parcel Acres by Zoning, Sumner-Parkrose-Argay-Columbia Corridor TIF District, 2024

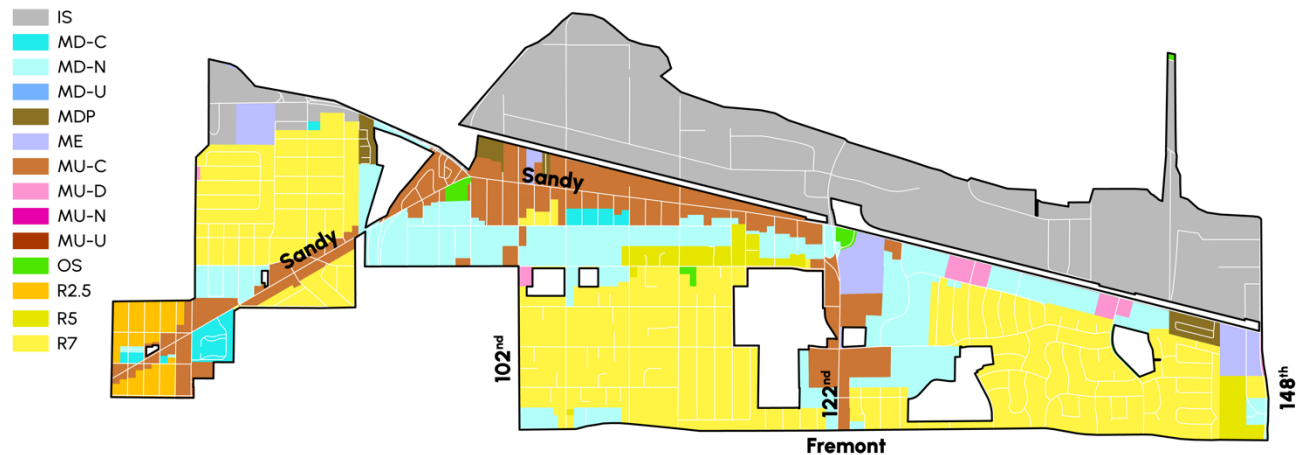
	ACRES	SHARE
Commercial Employment (CE)	69.1	4%
Commercial Mixed Use 1 (CM1)	15.8	1%
Commercial Mixed Use 2 (CM2)	99.9	6%
General Employment 1 (EG1)	22.0	1%
General Employment 2 (EG2)	17.1	1%
General Industrial 2 (IG2)	462.6	29%
Open Space (OS)	7.4	0%

Residential 2,500 (R2.5)	27.4	2%
Residential 5,000 (R5)	45.8	3%
Residential 7,000 (R7)	555.2	35%
Residential Multi-Dwelling 1 (RM1)	218.0	14%
Residential Multi-Dwelling 2 (RM2)	19.7	1%
Residential Manufactured Dwelling Park (RMP)	16.5	1%

Source: Bureau of Planning & Sustainability, 2024

Comprehensive Plan

Figure D. Comprehensive Plan Designations, Sumner-Parkrose-Argay-Columbia Corridor TIF



District

Under the Portland 2035 Comprehensive Plan, NE Sandy Boulevard and NE 122nd Avenue are designated "Civic Corridor" which is a street with high-quality transit service, multimodal facilities, mid-rise development, and landscaping. This designation is part of a broader effort to make the corridor safer, more accessible, and more pedestrian-friendly. **Error! Reference source not found.** shows the Comprehensive Plan Designations within the TIF District. The designations prescribe the intended future development types and scales. The Comprehensive Plan emphasizes mixed-use and multi-dwelling land uses in the Sumner-Parkrose-Argay-Columbia Corridor TIF District. Designations along the primary corridors in the TIF District include Mixed Use – Civic Corridor, and Mixed Employment which are high-scale, transit-oriented development designations. The TIF District includes areas designated as Multi-Dwelling – Neighborhood, which is a low-rise residential scale intended for areas near corridors and transit stations, to buffer the higher density corridors with lower density residential areas. Areas north of the Union Pacific Railroad line are designated as Industrial Sanctuary to support manufacturing and distribution operations and encourage the growth of industrial activities along key freight and distribution infrastructure.

Table H. Parcel Acres by Comprehensive Plan Designation, Sumner-Parkrose-Argay-Columbia Corridor TIF District

	ACRES	SHARE
Industrial Sanctuary (IS)	462.6	29%
Mixed Employment (ME)	39.1	2%
Mixed Use - Civic Corridor (MU-C)	179.0	11%
Mixed Use – Dispersed (MU-D)	12.7	1%
Multi-Dwelling – Corridor (MD-C)	19.7	1%
Multi-Dwelling – Neighborhood (MD-N)	212.1	13%
Institutional Campus (IC)	0.2	0%
Open Space (OS)	7.4	0%
Manufactured Dwelling Park	16.5	1%
Single - Dwelling 2,500	27.5	2%
Single - Dwelling 5,000	45.8	3%
Single - Dwelling 7,000	554.0	35%

Source: Bureau of Planning & Sustainability, 2024

Infrastructure

This section discusses the existing conditions of the area’s infrastructure and explains the need for many of the Plan’s projects. The Plan does not attempt to fund every infrastructure project that the City has planned or considered in the TIF District boundary.

TRANSPORTATION

Most of East Portland developed under Multnomah County regulations and was then annexed into the city starting in the late 1970’s. Because it was not developed under City of Portland regulations, many streets were built without adequate multimodal infrastructure. Today, East Portland can be hard to navigate without a car.

Features that make active transportation attractive in other areas of Portland, like sidewalks and low-stress bikeways, are harder to find east of 82nd Avenue. Wide arterial roads are the primary corridors of activity of East Portland. Residential streets are often poorly connected and sometimes unpaved. The vast majority of missing sidewalks on busy streets are in neighborhoods that were originally developed under County regulations. Where sidewalks were constructed, they were often “curb-tight”, lacking furnishing zones or street trees to buffer people walking from roadway traffic. Use of active transportation modes is lower in East Portland than in the city as a whole given the urban form of the area. The Sumner-Parkrose-Argay-Columbia Corridor TIF District contains multiple transportation facilities that act as barriers to cross-district mobility for cars, bikes, and pedestrians; Interstate 84 limits permeability between the district and the neighborhoods of Parkrose Heights, Russell, and Hazelwood, Sandy Boulevard is a state highway and freight corridor which makes getting to business and services on

Sandy difficult, and the Union Pacific Railroad line limits access points to the job-rich Columbia Corridor Employment Area.

Street Network

The street network in the Sumner-Parkrose-Argay-Columbia Corridor TIF District includes:

- **NE Sandy Boulevard** from NE Failing to NE 148th Avenue
- **NE 122nd Avenue** between NE Fremont and the Columbia Slough,
- **NE 148th Avenue** between NE Fremont and the Columbia Slough,
- Neighborhood Collectors – NE Prescott, NE Fremont, and NE Shaver Streets.
- The TIF District also includes land outside of the right-of-way to the north and south of Union Pacific Railroad line.

There are many substandard streets in the TIF District, including unimproved streets in the industrial area north of the railroad and residential streets lacking pedestrian and bicycle facilities. In total, there 1.5 miles of gravel roads in the TIF District.

Road Safety

The Parkrose District includes several high-traffic corridors, including NE Sandy Boulevard, which is noted for its safety concerns due to heavy traffic and limited pedestrian infrastructure.

In 2024, average daily traffic volume on NE Sandy Boulevard was approximately 8,500 (northbound) and 7,800 (southbound) vehicles per day.⁶ From 2017 to 2021, there were 28 serious injury crashes and six fatal crashes within the TIF District. During this period, 24 pedestrians and 17 bicyclists were hit by motor vehicles.⁷

Public Transit

The Parkrose/Sumner Transit Center, located at NE Sandy Boulevard and NE 96th Avenue, is a key hub within the TIF District. It is served by the MAX Red Line, which connects the Portland International Airport to downtown Portland and Beaverton. This line offers frequent service, with trains running every 15 minutes or less most of the day.

The TIF District is well-covered by several TriMet bus lines:

- **Line 12** (Barbur/Sandy Blvd) runs along NE Sandy Boulevard, providing connections from the Airport to downtown Portland and extending to Barbur Boulevard in Tigard.
- **Line 21** (Sandy Blvd/223rd) also serves Sandy Boulevard, running through the entire district and extending east to Gresham.
- **Line 22** (Parkrose) Connects Parkrose, Maywood Park, and Gateway, via 102nd, Shaver and Prescott.
- **Line 71** (60th Ave) connects the Parkrose/Sumner Transit Center to the Clackamas Town Center.

⁶ According to data supplied by the Portland Bureau of Transportation. Count location was east of 85th Avenue.

⁷ ODOT Crash Data System.

- **Line 73** (122nd Ave) runs north-south along NE 122nd Avenue, from the Parkrose/Sumner Transit Center to SE Foster Road, offering access to various neighborhoods and connecting to the MAX Green Line

Pedestrian and Bicycle Facilities

Within the Sumner-Parkrose-Argay-Columbia Corridor TIF District, only 66 percent of streets have sidewalk coverage. Pedestrian fatalities per capita are twice as high in East Portland compared to the city overall. To make these areas safe, the City must redesign streets to move people safely.

Efforts to address these issues are underway. The East Portland Arterial Streets Strategy is aimed at improving safety on 11 arterials east of 82nd Avenue, including NE Sandy Boulevard, NE 102nd Avenue and NE 122nd Avenue within the TIF District. Projects such as the NE 102nd Avenue Corridor Safety Project and the NE 148th Avenue Safety Project are in various stages of design and implementation. These projects focus on enhancing crosswalk visibility, adding protected bike lanes, and reconfiguring roadways to better accommodate non-vehicular traffic.

The community-driven Parkrose Community Plan also emphasizes the need for new pedestrian crossings on NE Sandy Boulevard and safer connections to schools and community destinations. The plan advocates for improving overall safety for pedestrians and cyclists in the neighborhood.

The TIF District includes a narrow strip of land from the Columbia Slough to Marine Drive, between NE 138th and NE 148th Avenues. There is currently a levy to create a path and bike trail to the Marine Drive Trail in this area. This project is currently going through Metro's Regional Transportation Plan process and the Street Trust is working on getting funding for the project.

SANITARY SEWER AND STORMWATER SYSTEMS

This summary is not a comprehensive summary of the BES's risk or assets, nor does it include a full list of the BES's Capital Improvement Projects or priority work as of 2024.

The Sumner-Parkrose-Argay-Columbia Corridor TIF District is served by sanitary sewers in Inverness and Upper Columbia Slough basins. Two pump stations serve the area within the TIF District, though they are not located within the TIF District boundary: Inverness and NE Marx Street & NE 105th Avenue. The pump stations are not predicted to have capacity constraints. This assessment is based on existing and future development predictions made by the Bureau of Planning and Sustainability as of 2023. However, capacity improvements may be required if significant zoning changes increase inflow.

The Inverness Pump Station pumps to the Columbia Boulevard wastewater treatment plant via a 36-inch force main in Marine Drive. The force main has experienced several structural failures recently and is located in a high seismic hazard area along the Columbia River. The Inverness Pump Station also requires condition upgrades and seismic improvements.

Sewer infrastructure in the TIF District is generally in good condition. Within the TIF District, 93 percent of the sewer pipes are in good or excellent condition, as shown in Table I. Approximately 1,888 linear feet of sanitary sewer pipe are rated poor or very poor/needs attention condition (approximately one percent of the sewer pipes, by length, in the District).

Stormwater is served by a combination of sumps and storm pipes that discharge to the Columbia Slough. The condition of storm pipes is less documented, with more than half of pipes in unknown condition, and another 35 percent in excellent condition.

Table I. Sewer and Storm Pipe Condition Summary for the Sumner-Parkrose-Argay-Columbia Corridor TIF District

CONDITION	STRUCTURAL GRADES	SEWER PIPE LENGTH (FT)	SEWER PERCENT BY LENGTH	STORM PIPE LENGTH (FT)	STORM PIPE PERCENTAGE
Unknown	Unknown	5,068	2.5%	39,961	55.4%
Excellent	1	142,234	69.0%	24,980	34.7%
Good	2	49,385	24.0%	3,020	4.2%
Fair	3	7,499	3.6%	3,098	4.3%
Poor	4	1,723	0.8%	952	1.3%
Very Poor/Need Attention	5	165	0.1%	76	0.1%
Total		206,074	100.0%	72,088	100.0%

Source: Portland Bureau of Environmental Services, 2024

Potential Issues and Concerns

BES lacks condition assessment data for half of the storm pipes and 23 percent of sumps in this area. Additional sumps or stormwater collection improvements may be required in locations where development occurs, especially where curbs are added to currently unimproved streets.

Potential Investment Needs

Rehabilitation and seismic upgrades to the Inverness pump station are currently the Bureau of Environmental Service’s highest priority due to the existing force main issues and significant consequences of failure. A planning study is underway to determine the best alternative for providing reliable sanitary sewer service to this area. One possible option is to reinstate a wastewater treatment plant at the pump station location and abandon the pump station and force main. This would increase resilience and reliability, as well as potentially increase the service capacity and expand the area served (depending on design).

WATER INFRASTRUCTURE

The majority of the district is within the Columbia South Shore Wellfield Protection Area. The Groundwater Protection Program helps prevent chemical spills that could seep into the ground and pollute drinking water.⁸ The Wellfield Protection area is in a highly liquefiable area. Incorporating seismic resilience into the water supply infrastructure in the TIF District is particularly important. Seismic activity can damage water and well infrastructure and, in a liquefaction event, the integrity of groundwater protective measures could be compromised, potentially allowing contaminants to enter the groundwater.

⁸ City of Portland, Groundwater Protection Program. Available: <https://www.portland.gov/water/groundwater-protection-program>

The district includes the former Parkrose Water District, which was annexed to the City of Portland in 1975. This area may still have small water pipes in need of upgrades.

The industrial-zoned portion of the district north of the railroad contains many parcels with redevelopment potential. Development in these areas will dictate the size of necessary water pipes and could necessitate upsizing of water mains. New water mains would likely require earthquake resistant pipe.

PARKS

Existing Parks

The one-acre Senn's Dairy Park and Community Garden is the only park within the proposed TIF District boundaries. There are no community centers or significant natural areas within the TIF district boundary. However, there are multiple other parks and natural areas adjacent to or near the TIF District boundaries, including the Cross Levee Natural Area, Rocky Butte Natural Area, Luuwit View Park, and Argay Park. During previous East Portland planning processes, community members identified the need for additional parks, green spaces and community gardens.

Level of Service

The Sumner-Parkrose-Argay-Columbia Corridor TIF District lacks adequate park facilities for residents. The City of Portland's Parks 2020 Vision includes the goal that there will be a developed park or natural area within a half-mile (10- to 15-minute walk) of every resident and a full-service community center within three miles of every resident. Portland Parks and Recreation has assessed levels of service throughout the city. According to Portland Parks and Recreation data, within the Sumner-Parkrose-Argay-Columbia Corridor TIF District, only 64 percent of housing units are within a half mile of a park, compared to 85 percent of housing units citywide. Note that while the level of service provides a quantitative measure of park provision it does not assess park quality, conditions, amenities, or accessibility.

Planned Parks and Trails

Many community members have advocated for increased investments in parks within the TIF District to enhance recreational access for residents. There may be opportunities to acquire and develop unused right-of-way and other underused sites for additional community gardens and shared spaces.

Key themes from the Parkrose Community Plan (2022) included creating community gathering spaces within the Sandy Boulevard Business District and Rossi Farms development and expanding community use of Prescott Elementary School grounds. Community members also saw potential for enhancing the Columbia Slough as a natural area, possibly in conjunction with redevelopment projects. Additional investments to support residents' use of local parks could include bike lockers, ADA improvements to existing infrastructure, and better transit access. During future parks planning processes, the community stressed the importance of involving residents to design parks that are culturally responsive and address urban heat island effects.

There is a levy to create a path at approximately 143rd Avenue and Sandy to connect to the Marine Drive Multiuse Trail, which Portland Parks and Recreation supports if major transportation crossings can be resolved. This project would help to support this area’s multimodal connectivity to other regional destinations.

Environmental Challenges

URBAN HEAT ISLANDS

Urban heat islands are urbanized areas that are significantly warmer than nearby areas. These areas can have daytime temperatures that are 1–7 degrees hotter and nighttime temperatures that are 2–5 degrees hotter than other surrounding areas. Climate change exacerbates this phenomenon, with regions like the Pacific Northwest experiencing average temperature increases of nearly 2 degrees since 1900 and more frequent heat waves.⁹

Many factors contribute to higher urban temperatures, but two of the most important are the share of impermeable, heat-absorbing surfaces like asphalt and concrete and the amount of tree cover and green spaces that cool the air with shade and moisture. Heat islands can increase energy consumption for cooling, leading to higher electricity bills and more pollution. Additionally, heat islands can cause health problems like heat stroke and exacerbate respiratory issues, especially for vulnerable populations and can also damage critical infrastructure.

The intensity of urban heat islands disproportionately affects low-income residents and BIPOC communities, often in formerly redlined areas where industrial development compromised environmental and public health. These communities continue to suffer from fewer natural amenities and heightened heat island effects in many places. Multnomah County’s report on the 2021 heat dome event indicates that 59 percent of the people who died from heat-related illness lived in areas with the highest mean temperatures.¹⁰

More than 91 percent of homes in the TIF District are in the 75th percentile or higher of all temperature readings in the region, compared with 57 percent of housing units citywide, as shown in Figure E.¹¹ A lack of street trees, mature tree canopy, and higher density industrial sites contributes to the urban heat island effect within the Sumner-Parkrose-Argay-Columbia Corridor TIF District. Although the areas within the TIF District have seen an increase in tree canopy coverage since 2014, they have among the lowest levels of coverage in the city, at less than 20 percent.¹² Street trees are also important for mitigating air pollution by absorbing particulate matter and preventing the formation of secondary pollutants.

Increasing tree canopy, vegetation, and green infrastructure has been identified as a community priority in many plans that intersect the Sumner-Parkrose-Argay-Columbia Corridor TIF District boundary. The

⁹ U.S. Department of Agriculture (n.a.). [Urban Heat Islands in the Northwest](#).

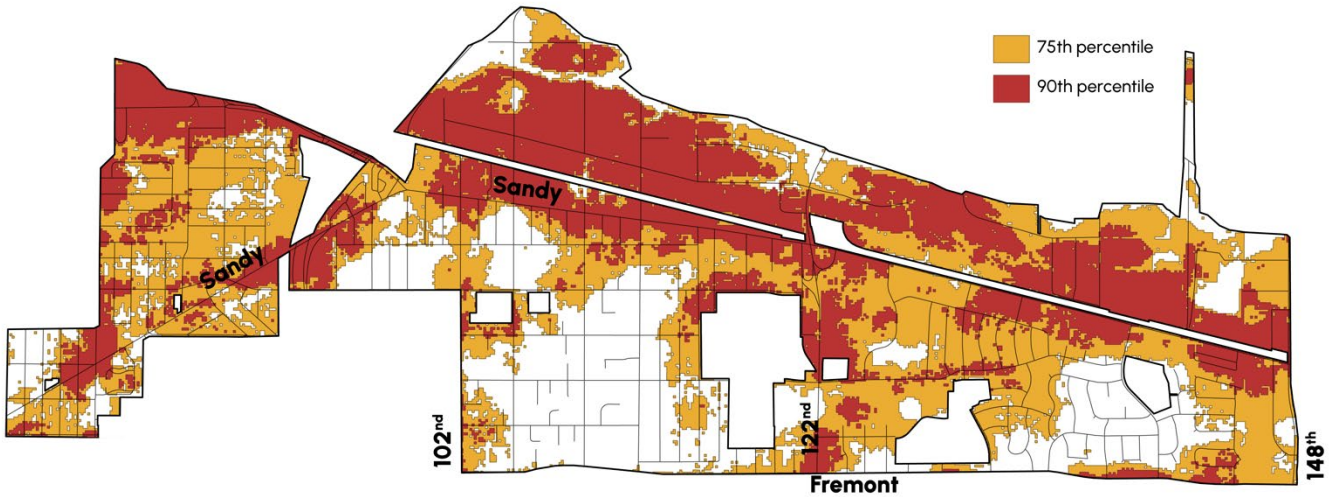
¹⁰ Multnomah County, “Health Impacts from Excessive Heat Events in Multnomah County, Oregon, 2021”, (report, June 2022), p. 14.

¹¹ EConorthwest analysis of data from City of Portland Bureau of Planning and Sustainability and Metro RLIS.

¹² Portland Parks and Recreation, Tree Canopy Explorer. Available: https://experience.arcgis.com/experience/7556b8b1017949cdb56145ec33aef814#data_s=id%3AdataSource_25-1874de03cd9-layer-11%3A20.

Parkrose Community Plan specifically calls for the addition of trees and green elements to reduce the urban heat island effect, provide a barrier between residential and industrial areas, improve community gathering spaces, and increase connections to nature.

Figure E. Percentile of Average Temperatures, Sumner-Parkrose-Argay-Columbia Corridor TIF District



AIR QUALITY

The TIF District has a higher population-weighted average respiratory health risk percentile (49.4) compared to the City of Portland (39.3) based on respiratory health risks determined through the EPA.¹³ Poor air quality links to a variety of respiratory health effects, especially for vulnerable populations, including those with heart or lung disease, older adults, children, people with diabetes, and people of lower socio-economic status.¹⁴ Urban air pollution is typically caused by transportation (use of private vehicles), domestic use of fossil fuels, industrialization, power generation, combustion and agriculture, producing air pollutants like Ozone (O₃), particulate matter (PM₁₀, PM_{2.5}), sulfur oxides (SO_x), nitrogen oxides (NO_x), carbon monoxide (CO), and Volatile Organic Compounds (VOCs).¹⁵

BROWNFIELDS

Given the high proportion of industrial and auto-oriented areas in the Sumner-Parkrose-Argay-Columbia Corridor TIF District, the area contains many potential brownfield sites that could add to the redevelopment costs. In 2013, the City conducted an inventory¹⁶ of potential brownfields by identifying vacant or underutilized properties from the City's Buildable Lands Inventory and cross-referencing them with the Oregon State Department of Environmental Quality (DEQ) inventory of environmental cleanup

¹³ US Environmental Protection Agency, 'EJScreen: Environmental Justice Screening and Mapping Tool,' <https://www.epa.gov/ejscreen>.

¹⁴ US Environmental Protection Agency, 'Particle Pollution and Respiratory Effects,' <https://www.epa.gov/pmcourse/particle-pollution-and-respiratory-effects>.

¹⁵ Airqoon, 'Urban Air Pollution: Sources and Pollutants,' <https://airqoon.com/resources/urban-air-pollution-sources-and-pollutants/>.

¹⁶ <https://www.portlandmaps.com/bps/brownfields/>

sites and leaking underground storage tanks. It is important to note that although these sites have been flagged by the DEQ, contamination has not been confirmed for many of them. Detailed Phase 1 and Phase 2 environmental site assessments would provide greater detail about the environmental status of these sites. This inventory indicated that there were over 57 acres of brownfield sites in commercial corridors in East Portland.¹⁷

Social Conditions

This section provides an overview of demographic conditions within the TIF District. All data within this section were compiled from the United States Census Bureau's 2018–2022 American Community Survey (ACS) 5-year estimates. The project team assembled data from 12 United States Census Bureau block groups that provide the best representation of demographic and social characteristics of the area. These block groups encompass an area that is larger than the boundary of the TIF District.

Population and Population Growth

The TIF District's population has grown at a slower rate compared to the City of Portland as a whole. An estimated 16,601 people live in the area. Between 1990 and 2022, the TIF District's population increased by 118 percent.¹⁸

Age

The TIF District's population is older compared to the rest of Portland. Seniors make up 18 percent of the Sumner-Parkrose-Argay-Columbia Corridor TIF District population compared to 14 percent of Portland's population. Youth under the age of 18 make up 15 percent of the TIF District's population, compared to 17 percent of the City's population, while working-age residents (aged 18–64) make up 68 percent of the population compared to 69 percent of the City's population.¹⁹

Race and Ethnicity

The Sumner-Parkrose-Argay-Columbia Corridor TIF District is a diverse community with a higher share of residents who identify as Black, Indigenous, and people of color (BIPOC) compared to Portland as a whole. BIPOC residents make up 42 percent of the District's population, which is 10 percentage points higher than Portland's population of BIPOC residents. The predominant BIPOC racial groups are Hispanic of any race (12.6 percent), Asian, non-Hispanic (11.0 percent), and Black non-Hispanic (10.8 percent).²⁰

Educational Attainment

Educational attainment in the TIF District is lower than Portland's overall educational attainment. While more than 50 percent of Portland residents have a four-year degree or higher, only 38 percent of those residing in the TIF District have achieved this level of education. Additionally, the share of

¹⁷ Source: <https://www.portland.gov/sites/default/files/2020-02/portland-brownfield-assessment-final-report-with-appendices.pdf>

¹⁸ U.S. Census Bureau, Decennial Census 1990, 2000, 2010, 2020.

¹⁹ U.S. Census Bureau, 2018–2022 ACS 5-year estimates, Table B01001.

²⁰ U.S. Census Bureau, 2018–2022 ACS 5-year estimates, Table B03002.

residents without a high school diploma is four percentage points higher in the TIF District than in the City of Portland.²¹

Commute Time and Transportation Mode

TIF District residents are more likely to drive or carpool to work than Portland residents. Residents are less likely to work from home and are less likely to use active transportation for their commutes. The share of District residents who commute by car is nine percentage points higher than Portland’s commuters. Commute times are slightly lower than Portland’s with most residents commuting between 0 and 29 minutes.

Economic Conditions

The following are economic trends identified in ACS data and other sources like the Quarterly Census of Employment and Wages (QCEW) and CoStar that have implications for new development in the Sumner-Parkrose-Argay-Columbia Corridor TIF District:

- **The TIF District’s population is growing, but not as fast as Portland’s.** The population within the Sumner-Parkrose-Argay-Columbia Corridor TIF District’s has increased by over 118 percent since 1990. During the same period, Portland grew by 135 percent.
- **Residents are vulnerable to changing economic conditions, making displacement more difficult to prevent.** The BPS Economic Vulnerability Assessment determined a score of 82 for the District’s Census tracts, with any score over 60 considered a vulnerable tract. Economic vulnerability means that residents are more likely to pay a large share of their income toward housing and transportation, belong to communities of color, lack college degrees, and have low incomes.²²
- **Housing cost burden affects over half of households.** Nearly 60 percent of the TIF District’s residents experience cost burden, meaning they spend over 30 percent of their income on housing. Twenty-eight percent of District residents are severely cost burdened meaning they spend more than 50 percent of their income on housing. In total, the Sumner-Parkrose-Argay-Columbia Corridor TIF District is 11 percentage points more cost burdened than the City of Portland, as summarized in Table J.

Table J. Cost Burden, Sumner-Parkrose-Argay-Columbia Corridor TIF District and Portland, 2022

	SPACC TIF DISTRICT	PORTLAND
Burdened	31%	24%
Severely Burdened	28%	24%
Total Burdened	59%	48%

²¹ U.S. Census Bureau, 2018–2022 ACS 5-year estimates, Table B15003.

²² U.S. Census Bureau, 2016-2020 ACS 5-year estimates, Tables B25106, B25010, B03002, B19013, B15002. Prepared June 19, 2022 by the Portland Bureau of Planning and Sustainability.

Source: U.S. Census Bureau, 2018–2022 ACS 5-year estimates, Table B25070.

- **Household income is lower in the TIF District.** Compared to Portland, a greater share of households earn less than \$50,000 (35 versus 30 percent) and a smaller share of households earn over \$150,000 (15 versus 25 percent). Overall, Median Household Income in Portland is \$85,876 compared to \$73,573 in the TIF District.

Business and Employment Conditions

The Sumner-Parkrose-Argay-Columbia Corridor TIF District includes the Historic Parkrose Main Street along NE Sandy Boulevard between NE 99th Avenue and NE 112th Avenue. This business district is a hub for smaller, family-owned shops. The TIF District also includes large national retail chains and a range of manufacturing, wholesaling, and other light industrial businesses in the areas north of the Union Pacific railroad. While the District is hub within the city for construction, manufacturing, and warehouse jobs, the area has a lower share of Portland’s overall employment (1.5 percent) compared to its population (2.4 percent) and wages are lower on average compared to the city as a whole.

- **The Sumner-Parkrose-Argay-Columbia Corridor TIF District is mostly composed of service, wholesale, and construction establishments.** Table K summarizes the share of establishments by industry, comparing the TIF District to Portland. Both construction and wholesale establishments make up a higher share of business in the TIF district compared to citywide totals by about 5 percentage points each. This highlights the role the TIF District plays as a center for industrial activities and services in the city.

Table K. Share of Establishments by Industry, Sumner-Parkrose-Argay-Columbia Corridor TIF District and Portland, 2022

	SPACC TIF DISTRICT		PORTLAND	
	Establishments	Share	Establishments	Share
Construction and Resources	74	11%	1,897	5%
Finance, Insurance and Real Estate	28	4%	2,910	8%
Manufacturing	42	6%	1,286	4%
Public Administration	suppressed	suppressed	173	0%
Retail	59	9%	2,615	7%
Services	363	56%	23,810	67%
Wholesale Trade, Transportation, and Utilities	84	13%	2,730	8%
Total	650	100%	35,421	100%

Source: Oregon Employment Department, Quarterly Census of Employment and Wages, 2022

Note: Industries with a small number of establishments and employees are suppressed for reasons of confidentiality required by the Oregon Employment Department.

- **Average wages in the TIF District are less than the citywide average for nearly all sectors.** There are 6,406 employees in the Sumner-Parkrose-Argay-Columbia Corridor TIF District. Given the concentration of services, construction, and wholesale businesses in the TIF District, employment in those sectors is the most common occupation in the area, making up 83 percent of jobs, as shown in Table L. Across all employment, average wages in the TIF District are \$42,043 compared with \$54,816 citywide. For each employment sector except construction,

average wages in the TIF District are lower than those same sectors in Portland as a whole, as shown in Table M. The disparity in pay ranges from 8 percent lower in manufacturing jobs and up to 53 percent lower in finance jobs.

Table L. Share of Employment by Industry, Sumner-Parkrose-Argay-Columbia Corridor TIF District and Portland, 2022

	SPACC TIF DISTRICT	PORTLAND
Construction and Resources	19%	5%
Finance, Insurance and Real Estate	2%	6%
Manufacturing	7%	5%
Public Administration	suppressed	3%
Retail	8%	8%
Services	49%	61%
Wholesale Trade, Transportation, and Utilities	15%	12%

Source: Oregon Employment Department, Quarterly Census of Employment and Wages, 2022

Note: Industries with a small number of establishments and employees are suppressed for reasons of confidentiality required by the Oregon Employment Department.

Table M. Average Pay Per Employee, Sumner-Parkrose-Argay-Columbia Corridor TIF District and Portland, 2024

	SPACC TIF DISTRICT	PORTLAND
Construction and Resources	\$42,771	\$39,285
Finance, Insurance and Real Estate	\$26,159	\$55,321
Manufacturing	\$38,602	\$42,135
Public Administration	suppressed	\$85,721
Retail	\$24,412	\$31,603
Services	\$29,333	\$39,478
Wholesale Trade, Transportation, and Utilities	\$52,475	\$61,898

Source: Oregon Employment Department, Quarterly Census of Employment and Wages, 2022

Note: Industries with a small number of establishments and employees are suppressed for reasons of confidentiality required by the Oregon Employment Department.

- **Unemployment is higher in the TIF District than in Portland.** In 2022, the Sumner-Parkrose-Argay-Columbia Corridor TIF District’s unemployment rate was 6.7 percent compared to 5.6 percent for Portland overall.²³

²³ U.S. Census Bureau, 2018–2022 ACS 5-Year estimates, Table B23025.

Development Conditions

This section describes the condition of buildings within the TIF District along with current market conditions in the residential and commercial real estate sectors.

BUILDABLE LANDS

According to the Bureau of Planning and Sustainability Buildable Lands Inventory, the TIF District has 123 vacant parcels and 46 underutilized parcels. Vacant parcels have either no structure, or a structure that covers less than 5 percent of the site area. Underutilized sites are non-vacant sites where the adjusted market value is less than the value of the land. About 80 percent of vacant parcels and 53 percent of underutilized parcels are under 20,000 square feet, as summarized in Table N. Most of the vacant and underutilized parcels are found in Commercial Mixed Use 2 (23 percent), Residential 7,000 (35 percent), and Residential Multi-Dwelling 1 (23 percent) zones, as summarized in Table O. While there are several large sites in the Sumner-Parkrose-Argay-Columbia Corridor TIF District that may be redeveloped in the future—including legacy farms—the prevalence of small buildable parcels limits the potential for catalytic redevelopment projects to expand housing, employment, or commercial opportunities unless they can be combined with neighboring parcels into larger sites.

Table N. Vacant and Underutilized Parcels by Parcel Size, Sumner-Parkrose-Argay-Columbia Corridor TIF District, 2024

PARCEL SIZE (SQ. FT.)	VACANT PARCELS (%)	UNDERUTILIZED PARCELS (%)
>100,000	7%	2%
50,000-99,999	1%	7%
20,000-49,999	13%	39%
10,000-19,999	11%	33%
5,000-9,999	39%	13%
<5,000	30%	7%

Source: Portland Bureau of Planning and Sustainability, 2024.

Table O. Vacant and Underutilized Parcels by Zoning, Sumner-Parkrose-Argay-Columbia Corridor TIF District, 2024

	VACANT PARCELS (% OF PARCELS)	UNDERUTILIZED PARCELS (% OF PARCELS)
Commercial Employment (CE)	8%	1%
Commercial Mixed Use 1 (CM1)	3%	2%
Commercial Mixed Use 2 (CM2)	20%	3%
Residential 2,500 (R2.5)	1%	1%
Residential 5,000 (R5)	2%	0%
Residential 7,000 (R7)	27%	8%
Residential Multi-Dwelling 1 (RM1)	11%	12%
Residential Multi-Dwelling 2 (RM2)	1%	1%

Source: Portland Bureau of Planning and Sustainability, 2024.

BUILDING TO LAND VALUE RATIO

Analyzing a property’s assessed value for its land and structures helps evaluate the economic condition of existing development in the area. The relationship between a property’s improvement value (buildings and other enhancements) and its land value, known as the Improvement to Land Value Ratio (I:L ratio), gives a high-level indication of development intensity. An I:L ratio over 1.0 suggests the property is less likely to be redeveloped, while a ratio of 1.0 or less indicates a higher potential for redevelopment.

Forty percent of acreage in the TIF District has an I:L ratio of less than 1.0 compared to 43 percent of properties citywide, as shown in Table P. Improvement to Land Value by Acreage, Sumner-Parkrose-Argay-Columbia Corridor TIF District, 2024. About 7 percent of properties (69 acres) in the TIF District have an I:L value of less than 0.25.

Table P. Improvement to Land Value by Acreage, Sumner-Parkrose-Argay-Columbia Corridor TIF District, 2024

	SPACC TIF DISTRICT	PORTLAND
3 or higher	13%	14%
1–2.99	47%	43%
0.5–0.99	27%	28%
0.25–0.49	6%	7%
Less than 0.25	6%	7%

Source: Regional Land Information System (RLIS), 2024.

BUILDING AGE

The age of buildings overall skews older in the TIF District compared to Portland. About 30 percent of buildings in the Sumner-Parkrose-Argay-Columbia Corridor TIF District were built between 1960 and 1980, more than double the share of buildings citywide. An additional 54 percent of buildings are older than 1960.

Buildings constructed before 1960 can contain hazardous materials and outdated systems that pose risks to current occupants. Many older buildings have insulation and flooring that contains asbestos, a chemical that poses severe respiratory risks if disturbed through decay or renovation. Lead-based paint, which was common before 1978, can cause serious health issues, particularly in children. Outdated electrical and heating systems increase the risk of fires, a particular risk in buildings that lack modern fire suppression systems and adequate exits. Aging plumbing systems can cause leaks and water contamination. Older buildings are also vulnerable to seismic activity due to the absence of earthquake-resistant designs. Poor insulation and ventilation contribute to mold growth and poor air quality, and radon resistant new construction has only been required in Portland since 2013. Finally, older buildings often do not comply with modern building codes, making thorough inspections and renovations essential for safety and habitability.

RESIDENTIAL REAL ESTATE MARKET CONDITIONS

While the TIF District contains an important area for manufacturing and warehouse services for the city, as well as a key historic commercial corridor in NE Portland, almost 40 percent of existing uses within the TIF District boundary are residential. The neighborhoods within the TIF District serve an increasingly diverse community of residents, including many immigrants, and a mix of young families and aging households. Demand for housing in the area is relatively strong, but conditions in the real estate market present challenges to adding additional needed housing to meet community needs.

- Lower rents in the TIF District limit the potential for residential development, despite more demand for housing in the area.** Market-rate rents for multi-dwelling units in the Sumner-Parkrose-Argay-Columbia Corridor TIF District are about 20 percent lower than Portland as a whole, at an average of \$1.66 per square foot compared with \$2.04 citywide, as shown in Table Q. Compared to areas of the city with comparable development costs and incentives, the TIF District’s low rents make the area less attractive for new residential development. This dynamic can be observed in the slower growth of multi-dwelling housing in TIF District compared to Portland overall. Between 2000 and 2024, the TIF District expanded its multi-dwelling housing stock by 123 percent compared to a 170 percent increase across the city. Fewer new housing units in the TIF District contributes to a lower vacancy rate (6.7 percent compared to 7.2 percent citywide) which indicates a more constrained housing market and higher demand for housing. Yet as of the first quarter of 2024, no new units were under construction in the TIF District.

Table Q. Multi-Dwelling Market Conditions, Sumner-Parkrose-Argay-Columbia Corridor TIF District, 2024

	SPACC TIF DISTRICT	PORTLAND
Multi-Dwelling Units (% of year 2000 total)	123%	170%
Vacancy Rate	6.7%	7.2%
Under Construction (Units)	0	5,183
Asking Rent (per square foot)	\$1.66	\$2.04

Source: CoStar, 2024 Q1.

- The TIF District lacks an adequate affordable housing supply.** According to the Portland Housing Bureau, the TIF District has 350 subsidized housing units out of a total of almost 5,700 homes. Of these units, 93 percent are designated for very low income (31–60 percent of Area Median Income) and 7 percent are designated for extremely low income (0–30 percent of Area Median Income). There are no low-income (61–80 percent of Area Median Income) or moderate-income (81–100 percent of Area Median Income) subsidized housing units within the TIF District boundary. The small share of affordable housing contributes to the higher rate of cost burden for renter households within the TIF District, at 59 percent.
- Most multi-dwelling housing units in the TIF District are considered naturally occurring affordable housing (NOAH).** NOAH is generally defined as units whose rents are not regulated, but that rent on the open market at rates that are affordable to households earning 60 percent or less of Area Median Income. Often these buildings are older, with fewer building amenities, or in need of repair. NOAH properties are vulnerable to redevelopment and repositioning at

higher rents, which can lead to displacement of existing residents. Approximately 57 percent of the TIF District’s market rate multi-dwelling units qualify as NOAH compared to 36 percent citywide.²⁴

- Manufactured homes are the third most common type of housing in the TIF District.** Four manufactured home parks in the TIF District provide 171 housing units. Manufactured homes account for 3 percent of housing in the Sumner-Parkrose-Argay-Columbia Corridor TIF District, compared to 1 percent citywide. Manufactured homes tend to be more affordable than other single-dwelling housing and provide an opportunity to build moderate wealth for their owners. Yet because manufactured homeowners do not own the land underneath their homes, they are especially vulnerable to increases in land rents and utility services for their homes, which can cause displacement.
- Homeownership is more common in the TIF District, but home values are lower than the city median.** Sixty-two percent of residents are homeowners compared to 53 percent of Portlanders. In 2023, the median home sale price in the district was \$95,000 lower than Portland’s median home sale price.²⁵ Lower and slow-growing home values can make it difficult for homeowners to weather economic shocks or keep up with maintenance and critical repairs due to lower incomes and more limited access to home equity credit.

OFFICE REAL ESTATE MARKET CONDITIONS

There are 51 office buildings and a total of 3,860 square feet in the TIF District, with a concentration of office uses along NE Sandy Boulevard between NE Beech Street and NE 122nd Avenue. Office rents in the area are much lower than citywide averages, at \$18.23 per square foot compared to \$26.88 in Portland, as shown in Table R. No new office space has been built in the Sumner-Parkrose-Argay-Columbia Corridor TIF District since 2003 and office vacancies are significantly lower than Portland averages, at 1 percent compared with 18 percent citywide. About 79 percent of existing offices are small scale buildings with less than 3,000 square feet, including converted single-dwelling homes. Of the remaining office properties, about one third are medical offices. The large share of small-scale offices in the Sumner-Parkrose-Argay-Columbia Corridor TIF District, combined with overall low vacancy rates suggests a need for affordable commercial spaces to accommodate small service-based businesses that serve the area. As of the first quarter of 2024, there are no new offices under construction within the TIF District or in Portland overall, likely due to the continuing effects of COVID-19 on remote work patterns.

Table R. Office Market Conditions, Sumner-Parkrose-Argay-Columbia Corridor TIF District, 2024

	SPACC TIF DISTRICT	PORTLAND
Inventory (% of year 2003 total)	100%	112%
Vacancy Rate	1%	18%
Under Construction (SF)	0	0
Asking Rent (NNN)	\$18.23	\$26.88

²⁴ CoStar, 2024. Analysis by ECONorthwest, May 2024. This analysis includes rental properties with more than 10 units. ECONorthwest modeled rents for properties that were missing rent data based on similar features (size, building age, amenities, etc.) of properties with recorded rent data.

²⁵ Multnomah County Assessor and Portland Bureau of Planning and Sustainability.

Source: CoStar, 2024 Q1.

RETAIL REAL ESTATE MARKET CONDITIONS

Service and retail businesses form the largest share of commercial activity within the TIF District. Since 2000, retail inventory has increased slightly, in line with trends for the city as a whole. Retail rents in the District are lower than the Portland average, as shown in Table S. The vacancy rate for retail uses within the TIF District is also lower (4.1 percent) than the city overall (5.2 percent), indicating considerable demand for affordable commercial spaces within the District’s business corridors. Despite this demand, there is no new supply in the development pipeline within the TIF District boundary.

Table S. Retail CoStar Market Conditions, Sumner-Parkrose-Argay-Columbia Corridor TIF District, 2024

	SPACC TIF DISTRICT	PORTLAND
Inventory (% of year 2000 total)	101%	101%
Vacancy Rate	4.1%	5.2%
Under Construction (SF)	0	8,261
Asking Rent (NNN)	\$16.84	\$21.11

Source: CoStar, 2024 Q1.

INDUSTRIAL REAL ESTATE MARKET CONDITIONS

The TIF District has approximately 3.4 million square feet of industrial development, and industrial inventory has increased faster than Portland’s overall industrial inventory, as shown in Table T. The Sumner-Parkrose-Argay-Columbia Corridor TIF District contains about 5 percent of the City of Portland’s total industrial square footage. Currently, the vacancy rate for industrial space in the TIF District is about 4 percentage points higher than the City of Portland, at 10.3 percent. Given the larger sizes of industrial buildings, turnover in tenancy can cause large fluctuations in the vacancy rate, which is measured by square foot.

Table T. Industrial Market Conditions, Sumner-Parkrose-Argay-Columbia Corridor TIF District, 2024

	SPACC TIF DISTRICT	PORTLAND
Inventory (% of year 2000 total)	125%	116%
Vacancy Rate	10.3%	6.6%
Under Construction (SF)	0	509,669
Asking Rent (NNN)	\$10.37	\$10.54

Source: CoStar, 2024 Q1.