

Report on the Twenty-Eighth Amendment to
the
Downtown Waterfront Urban Renewal Plan

Portland Development Commission

June 18, 2008

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I. INTRODUCTION

The Downtown Waterfront Urban Renewal Report (the “Report”) contains background information and project details for the Twenty-Eighth Amendment to the Downtown Waterfront Urban Renewal Plan (as amended, the “Plan”). The Report is not a legal part of the Plan but is intended to provide public information and a basis for the findings made by the City Council as part of its approval of the Plan.

The Report provides the information required in ORS 457.085(3). The format of the Report is based on this statute.

The Twenty-Eighth Amendment to the Plan provides for the following changes:

- Removes area from the Plan
- Revises the Legal Description of the Plan
- Replaces Section H. Procedures for Changes in the Approved Urban Renewal Plan, in its entirety. These changes are housekeeping changes only in an effort to make the language in this section consistent in all urban renewal plans administered by the Portland Development Commission
- Completes a Financial Analysis of the Plan

The Report on the Twenty-Eighth Amendment to the Plan is a stand alone document and refers only to the changes identified in the Twenty-Eighth Amendment of the Plan.

The reasons, rationale and purpose for these changes are guided by the recommendations of the Westside Study Urban Renewal Advisory Group (URAG). These changes to the Plan will enable the areas being deleted to be added to the River District Urban Renewal Area, allowing the projects specified for the parcels to be completed through funding from the River District Urban Renewal Plan.

1. Public Participation Process

A joint process of public participation began in 2006 with PDC and the City of Portland staff interviewing 35 stakeholders to obtain their thoughts and ideas about the future of the downtown area, specifically concerning an update to the Central Portland Plan and reviewing three downtown urban renewal areas.

The Westside Study officially started in May 2007 when the PDC Commission directed staff in PDC Resolution # 6474 to look at the downtown urban renewal areas. Two of the Urban Renewal Areas (URAs), Downtown Waterfront (DTWF) and South Park Blocks (SPB), are due to expire in 2008 but still have important projects to complete. This expiration refers to the last date a URA can issue bonded indebtedness, which was set during the creation of the URA. The River District (RD) URA has performed beyond expectations and a boundary change could allow uncompleted projects in the DTWF and SPB

URAs to be completed as part of the RD Urban Renewal Plan. A Public Participation Plan was developed in cooperation with PDC staff and community stakeholders to ensure that there will be sufficient public input around the critical decisions about the future of these URAs.

2. Urban Renewal Advisory Group Formed

The PDC created the URAG in May of 2007. The URAG includes two PDC Commissioners (Charles Wilhoite and Mark Rosenbaum), two City Council members (Erik Sten and Dan Saltzman), Multnomah County Commissioner Jeff Cogen, Planning Commissioner Chairman Don Hanson and citizen budget committee member Jon Kruse.

As an extension of City Council/PDC's FY 07-08 Budget Advisory Committee, the URAG reflects the new relationship between the Council and PDC created by last year's city charter change, providing for greater Council involvement in the development of PDC's budget. The new advisory group also includes other local officials in recognition of the broad potential impact of this community discussion.

The charge to the URAG was to make recommendations regarding the future of three downtown URAs: DTWF, SPB, and RD. Specifically, they were asked to address the following questions:

- Should PDC expand the RD by up to 61 acres?
- Should PDC increase the maximum indebtedness of the RD, which will likely be reached in 2010?
- Should PDC extend the last date to issue debt for DTWF and SPB?

The URAG met for six months during 2007 and heard from a variety of stakeholders including:

- Pearl District Neighborhood Association
- Portland Downtown Neighborhood Association
- Old Town/Chinatown Neighborhood Association
- Old Town/Chinatown Visions Committee
- League of Women Voters
- Portland State University
- University of Oregon
- Portland Business Alliance/Downtown Retail Council
- Chinese Consolidated Benevolent Association
- Regional Arts and Culture Commission
- Representatives from non-profit and for profit housing organizations
- City of Portland Bureau representatives including Planning, Transportation, Housing and Community Development, and Parks & Recreation

3. Additional Community Meetings

PDC staff also briefed stakeholders at community meetings including:

- Downtown Neighborhood Association National Night Out event in the Downtown Waterfront
- Downtown Neighborhood Association Land Use committee
- Old Town/Chinatown Neighborhood Association
- Pearl District Planning and Transportation Committee
- Old Town/Chinatown Visions Committee

4. Electronic Communications

PDC staff created a web page dedicated to the Future of Urban Renewal that includes the opportunity for collecting comments electronically. People accessing the web site could also sign up for email notifications about the project.

5. URAG Recommendations Specific to the Downtown Waterfront URA

The URAG came up with 2 major recommendations for the DTWF URA:

- Remove 47.03 acres from the DTWF URA boundaries and add this area to the RD URA.
- Issue bonds in the DTWF URA to the extent that indebtedness will be repaid by the year 2024. This recommendation did not require any change in the Plan, it merely made specific recommendations about using authority already granted.

6. Report Format

The format of the Report is based on ORS 457.085(3) which requires that an urban renewal plan amendment which is a significant change, requiring a substantial amendment to the plan, be accompanied by a report which provides:

- A. A description of physical, social and economic conditions in the urban renewal areas of the plan, and the expected impact, including the fiscal impact, of the plan (or change) in light of added services and increased population;
- B. Reasons for selection of each urban renewal area in the plan;
- C. The relationship between each project to be undertaken and the existing conditions in the urban renewal area;
- D. The estimated total cost of each project and the sources of funds to pay such costs;

- E. The anticipated completion date for each project;
- F. The estimated amount of money required in each urban renewal area under ORS 457.420 to 457.460 and the anticipated year in which indebtedness will be retired or otherwise provided for under ORS 457.420 to 457.460;
- G. A financial analysis of the plan with sufficient information to determine feasibility;
- H. A fiscal impact statement that estimates the impact of the tax increment financing, both until and after indebtedness is repaid, upon all entities levying taxes upon property in the urban renewal area; and
- I. A relocation report which shall include:
 - 1. An analysis of existing residents or businesses required to relocate permanently or temporarily as a result of agency actions, under ORS 457.170;
 - 2. A description of the methods to be used for the temporary or permanent relocation of persons living in, and businesses situated in, the urban renewal area in accordance with ORS 285.045 - .105; and
 - 3. An enumeration, by cost range, of the existing housing in the urban renewal areas of the plan which are to be destroyed or altered, and of the new units to be added.

This report will address each of the required information category.

II. EXISTING PHYSICAL, SOCIAL AND ECONOMIC CONDITIONS AND IMPACT ON MUNICIPAL SERVICES

A map of the area to be deleted from the DTWF URA is shown in Figure 1. Figure 2 shows the new boundary of the DTWF URA. The area is reduced by 47.03 acres.

- A. Physical Conditions
 - 1. Land Use: see Figures 1, Downtown Waterfront Areas to be Deleted and Figure 2, New Boundary DTWF URA.
 - 2. Zoning: Since no new area is added, prior reports cover this section.
- B. Infrastructure

1. Transportation: Since no new area is added, prior reports cover this section.
2. Water, Sewer and Storm Drainage Facilities: Since no new area is added, prior reports cover this section.
3. Parks and Open Space: Since no new area is added, prior reports cover this section.
4. Public Spaces: Since no new area is added, prior reports cover this section.
5. Public Parking: The 3rd and Alder SmartPark garage is being removed from the Area. It is proposed to be added to the RD URA.

C. Social Conditions

Currently, PDC GIS shows the area to be deleted in the amendment contains approximately 690 residential dwellings (derived from the 2005 Central City Housing Inventory). The following social information in Table 1 shows information for

- the new RD Area
- the City of Portland as a whole
- the original RD
- for the “Deletion Areas” which would include both those from the DTWF and SPB URA deletion areas

Table 1. Social Characteristics

| | | | | | |
|------------------------|------------------|-------------------------|-----------------------------------|------|--------------------------------------|
| Population | 3576 | 551302 | Original River District URA | 2035 | 1541 |
| Households | 1944 | 234726 | New River District URA | 1530 | 414 |
| Social Characteristics | District URA 242 | City of Portland 22,127 | URA | 232 | DTWF and SPB Deletion Areas 10 |

| | | | | |
|----------------------------|--------------|----------------|--------------|--------------|
| Average Household Size | 1.47 | 2.29 | 1.26 | |
| Median Age | 39.3 | 36.9 | 34.6 | |
| Race & Ethnicity | | | | |
| White Alone | 2776 (77.6%) | 412133 (74.8%) | 1679 (82.5%) | 1097 (71.2%) |
| Black Alone | 303 (8.5%) | 38650 (7.0%) | 104 (5.1%) | 199 (12.9%) |
| American Indian Alone | 93(2.6%) | 5607 (1.0%) | 31(1.5%) | 62 (4%) |
| Asian Alone | 127 (3.6%) | 42479 (7.7%) | 87(4.3%) | 40 (2.6%) |
| Pacific Islander Alone | 13 (0.4%) | 2252 (0.4%) | 7(0.3%) | 6 (0.4%) |
| Some Other Race Alone | 120 (3.4%) | 25771 (4.7%) | 51(2.5%) | 69 (4.5%) |
| Two or More Races | 145 (4.1%) | 24409 (4.4%) | 76 (3.8%) | 69 (4.5%) |
| Hispanic Origin (Any Race) | 282 (7.9%) | 49,719 (9.0%) | 138 (6.8%) | 144 (9.4%) |
| Median Household Income | \$28,479 | \$52,206 | \$38,140 | |

Source: ESRI Business Analyst

D. Economic Conditions

1. Taxable Value of Property to be removed from the Downtown Waterfront Urban Renewal Area by the Twenty-Eighth Amendment: The 07/08 taxable value of property in the area is approximately \$97,914,680. The frozen base of the DTWF URA will be reduced by the historical frozen base value of the properties being removed from the area, as to be determined by the Multnomah County Assessor. The new frozen base will be calculated by the Multnomah County Assessor after adoption of the Amendment.
2. Building to Land Ratio: Since no new area is added, prior reports cover this section.

E. Impact on Municipal Services

Since the properties being removed from the DTWF URA are proposed to be added to the RD URA, there should be no negative impact on municipal services. In fact, since the projects which were to be completed on the properties will likely be completed in the RD URA, the impact on municipal services is a positive benefit as properties which are in need of rehabilitation will likely be improved through funding from the RD URA.

Figure 1. Areas to be Deleted

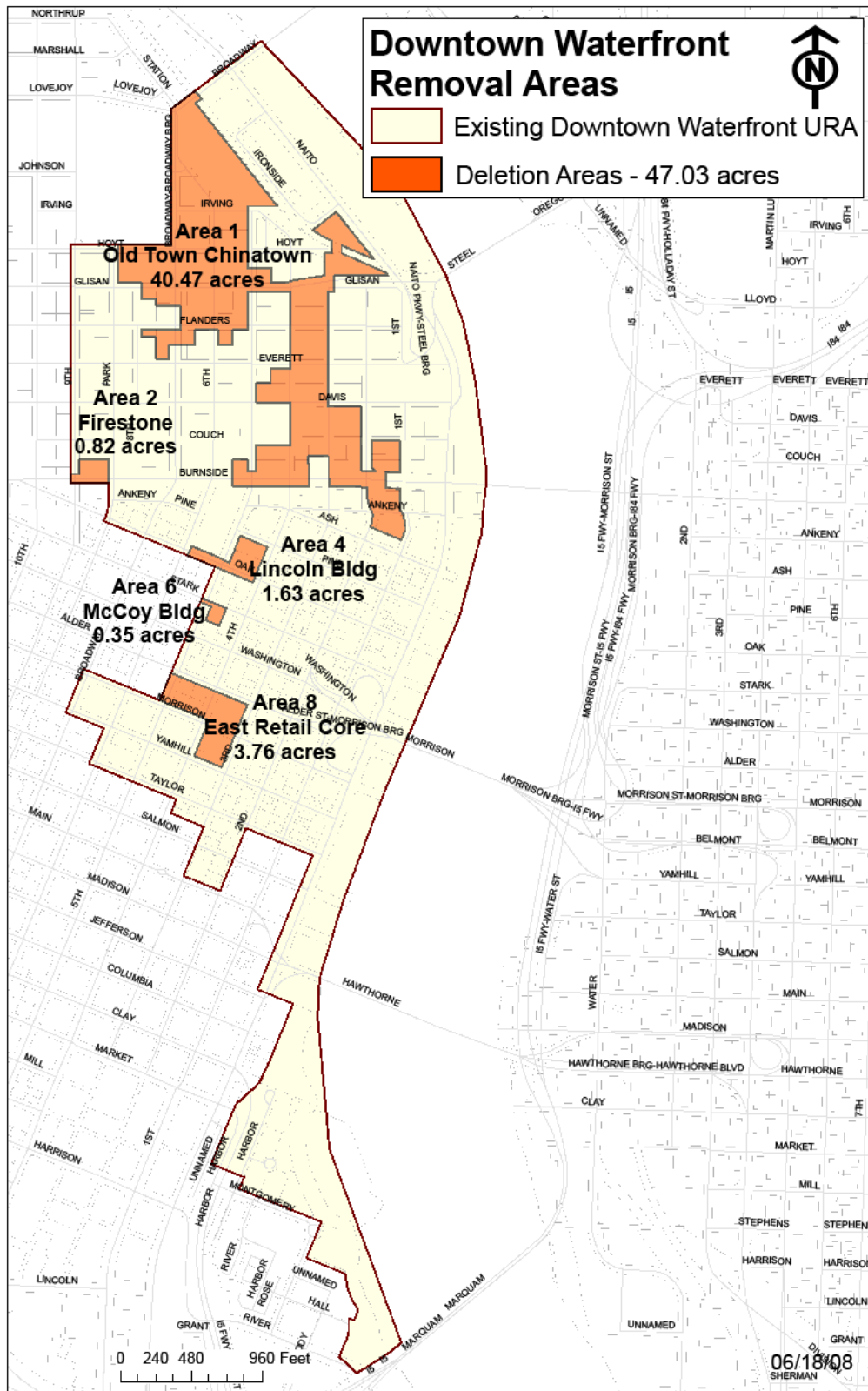


Figure 2. New Boundary DTWF URA



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

Since no new area is added, prior reports cover this section.

IV. THE RELATIONSHIP BETWEEN URBAN RENEWAL PROJECTS AND THE EXISTING CONDITIONS IN THE URBAN RENEWAL AREA

Since no new projects are added, prior reports cover this section.

V. THE ESTIMATED TOTAL COST OF EACH PROJECT AND THE SOURCES OF MONEYS TO PAY SUCH COSTS

Since no new projects are added, prior reports cover this section.

VI. THE ANTICIPATED COMPLETION DATE FOR EACH PROJECT

Since no new projects are added, prior reports cover this section.

VII. THE ESTIMATED AMOUNT OF TAX INCREMENT REVENUES REQUIRED AND THE ANTICIPATED YEAR IN WHICH INDEBTEDNESS WILL BE RETIRED

The City issued the Downtown Waterfront Urban Renewal and Redevelopment Bonds, 2008 Series A (the “2008 Series A Bonds”) in April 2008. With the issuance of the 2008 Series A Bonds, the maximum indebtedness of the Area was reached and no additional “new money” indebtedness may be issued. The 2008 Series A Bonds were structured with a final debt service payment on June 15, 2024 in conformance with the URAG decision to issue indebtedness which will be repaid by FY 2023-24.

Table 2 shows the projected tax increment revenues for the Area (after adjustments for discounts, under-collections and penalties) and the debt service on all outstanding bonds for the Area. The analysis shows that all remaining debt can be paid by FY 2023-24. Note that with the boundary adjustments contemplated by the Twenty-Eighth Amendment, there is no change to either the fixed Divide the Taxes revenues for the Area or projected allocations of the Special Levy.

Table 2. Tax Increment Revenues, Debt Service and Debt Repayment

| Fiscal Year | 2008-09 | 2009-10 | 2010-11 | 2011-12 | 2012-13 | 2013-14 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|
| | | | | | | |
| Divide the Taxes (before compression) | \$7,710,000 | \$7,710,000 | \$7,710,000 | \$7,710,000 | \$7,710,000 | \$7,710,000 |
| Less Compression | (462,600) | (462,600) | (462,600) | (462,600) | (462,600) | (462,600) |
| Divide the Taxes (after compression) | 7,247,400 | 7,247,400 | 7,247,400 | 7,247,400 | 7,247,400 | 7,247,400 |
| Less Delinquencies, Discounts | (289,896) | (289,896) | (289,896) | (289,896) | (289,896) | (289,896) |
| Divide the Taxes Collections | \$6,957,504 | \$6,957,504 | \$6,957,504 | \$6,957,504 | \$6,957,504 | \$6,957,504 |
| | | | | | | |
| | | | | | | |
| Special Levy (before compression) | \$3,593,132 | \$3,523,279 | \$3,550,367 | \$3,557,465 | \$3,553,801 | \$3,553,674 |
| Less Compression | (143,725) | (140,931) | (142,015) | (142,299) | (142,152) | (142,147) |
| Special Levy (after compression) | 3,449,406 | 3,382,347 | 3,408,352 | 3,415,167 | 3,411,649 | 3,411,527 |
| Less Delinquencies, Discounts | (137,976) | (135,294) | (136,334) | (136,607) | (136,466) | (136,461) |
| Special Levy Collections | \$3,311,430 | \$3,247,054 | \$3,272,018 | \$3,278,560 | \$3,275,183 | \$3,275,066 |
| Total Tax Increment Collections | \$10,268,934 | \$10,204,558 | \$10,229,522 | \$10,236,064 | \$10,232,687 | \$10,232,570 |
| | | | | | | |
| | | | | | | |
| Debt Service (less Payments from Reserves) | | | | | | |
| 2000 Bonds | \$4,574,063 | \$5,818,142 | \$5,820,705 | \$5,817,296 | \$5,817,189 | \$5,817,604 |
| 2002 Bonds | 0 | 0 | 0 | 0 | 0 | |
| 2008 Bonds | 5,624,356 | 4,377,022 | 4,375,456 | 4,378,941 | 4,378,928 | 4,381,599 |
| Total Debt Service | \$10,198,419 | \$10,195,164 | \$10,196,161 | \$10,196,237 | \$10,196,117 | \$10,199,203 |

Table 2. Tax Increment Revenues, Debt Service and Debt Repayment, continued.

| Fiscal Year | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--|----------------|----------------|----------------|----------------|----------------|
| | | | | | |
| Divide the Taxes (before compression) | \$7,710,000 | \$7,710,000 | \$7,710,000 | \$7,710,000 | \$7,710,000 |
| Less Compression | (462,600) | (462,600) | (462,600) | (462,600) | (462,600) |
| Divide the Taxes (after compression) | 7,247,400 | 7,247,400 | 7,247,400 | 7,247,400 | 7,247,400 |
| Less Delinquencies, Discounts | (289,896) | (289,896) | (289,896) | (289,896) | (289,896) |
| Divide the Taxes Collections | \$6,957,504 | \$6,957,504 | \$6,957,504 | \$6,957,504 | \$6,957,504 |
| | | | | | |
| | | | | | |
| Special Levy (before compression) | \$3,554,122 | \$3,555,641 | \$3,555,885 | \$3,554,033 | \$3,554,595 |
| Less Compression | (142,165) | (142,226) | (142,235) | (142,161) | (142,184) |
| Special Levy (after compression) | 3,411,957 | 3,413,415 | 3,413,649 | 3,411,872 | 3,412,411 |
| Less Delinquencies, Discounts | (136,478) | (136,537) | (136,546) | (136,475) | (136,496) |
| Special Levy Collections | \$3,275,479 | \$3,276,878 | \$3,277,103 | \$3,275,397 | \$3,275,915 |
| Total Tax Increment Collections | \$10,232,983 | \$10,234,382 | \$10,234,607 | \$10,232,901 | \$10,233,419 |
| | | | | | |
| | | | | | |
| Debt Service (less Payments from Reserves) | | | | | |
| 2000 Bonds | \$5,821,298 | \$5,819,228 | \$5,817,515 | \$5,819,465 | \$5,818,188 |
| 2002 Bonds | | | | | |
| 2008 Bonds | 4,374,383 | 4,379,628 | 4,382,092 | 4,376,289 | 4,378,185 |
| Total Debt Service | \$10,195,681 | \$10,198,856 | \$10,199,607 | \$10,195,754 | \$10,196,373 |

Table 2. Tax Increment Revenues, Debt Service and Debt Repayment, continued.

| Fiscal Year | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|--|----------------|----------------|----------------|----------------|----------------|
| Divide the Taxes (before compression) | \$7,710,000 | \$7,710,000 | \$7,710,000 | \$7,710,000 | \$7,710,000 |
| Less Compression | (462,600) | (462,600) | (462,600) | (462,600) | (462,600) |
| Divide the Taxes (after compression) | 7,247,400 | 7,247,400 | 7,247,400 | 7,247,400 | 7,247,400 |
| Less Delinquencies, Discounts | (289,896) | (289,896) | (289,896) | (289,896) | (289,896) |
| Divide the Taxes Collections | \$6,957,504 | \$6,957,504 | \$6,957,504 | \$6,957,504 | \$6,957,504 |
| | | | | | |
| Special Levy (before compression) | \$3,554,757 | \$0 | \$0 | \$0 | \$0 |
| Less Compression | (142,190) | 0 | 0 | 0 | 0 |
| Special Levy (after compression) | 3,412,566 | 0 | 0 | 0 | 0 |
| Less Delinquencies, Discounts | (136,503) | - | - | - | - |
| Special Levy Collections | \$3,276,064 | \$0 | \$0 | \$0 | \$0 |
| Total Tax Increment Collections | \$10,233,568 | \$6,957,504 | \$6,957,504 | \$6,957,504 | \$6,957,504 |
| | | | | | |
| | | | | | |
| Debt Service (less Payments from Reserves) | | | | | |
| 2000 Bonds | \$5,818,325 | | | | |
| 2002 Bonds | | | | | |
| 2008 Bonds | 4,379,425 | 6,945,585 | 6,949,440 | 6,946,560 | 2,424,500 |
| Total Debt Service | \$10,197,750 | \$6,945,585 | \$6,949,440 | \$6,946,560 | \$2,424,500 |

VIII. FINANCIAL ANALYSIS OF THE PLAN

Table 3 shows the projected incremental assessed value, projected tax rates that would produce tax increment revenues, projected maximum tax increment revenues that would be available for the Area, and the annual tax increment revenues (not adjusted for under-collection and penalties) expected to be collected. These, in turn, provide the basis for the projections in Table 2. Table 3 shows the effect of the boundary reduction, assuming property transfers out of the Area in FY 2009-10. Even with the boundary reduction, there is still more incremental assessed value than is needed to generate the fixed Divide the Taxes revenues, which is “released” to overlapping taxing jurisdictions.

Table 3. Projected Incremental Value

| Fiscal Year | 2008-09 | 2009-10 | 2010-11 | 2011-12 | 2012-13 | 2013-14 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|
| Frozen Base | \$70,866,644 | \$63,579,468 | \$63,579,468 | \$63,579,468 | \$63,579,468 | \$63,579,468 |
| Incremental Assessed Value | 905,143,390 | 833,959,206 | 856,397,673 | 879,397,101 | 902,971,516 | 927,135,290 |
| Total Assessed Value | \$976,010,034 | \$897,538,674 | \$919,977,141 | \$942,976,569 | \$966,550,984 | \$990,714,758 |
| Projected Maximum Tax Increment Revenues | \$30,212,938 | \$27,836,868 | \$28,585,846 | \$29,353,548 | \$30,140,442 | \$30,947,009 |
| Consolidated Tax Rate | \$21.0000 | \$20.7500 | \$20.5000 | \$20.2500 | \$20.0000 | \$20.0000 |
| Fixed Divide the Taxes to Raise | \$7,710,000 | \$7,710,000 | \$7,710,000 | \$7,710,000 | \$7,710,000 | \$7,710,000 |
| Incremental Assessed Value Needed for Divide the Taxes | \$367,142,857 | \$371,566,265 | \$376,097,561 | \$380,740,741 | \$385,500,000 | \$385,500,000 |
| "Released" Incremental Assessed Value | \$538,000,533 | \$462,392,941 | \$480,300,112 | \$498,656,361 | \$517,471,516 | \$541,635,290 |
| Divide the Taxes (before compression) | \$7,710,000 | \$7,710,000 | \$7,710,000 | \$7,710,000 | \$7,710,000 | \$7,710,000 |
| Less Compression | (462,600) | (462,600) | (462,600) | (462,600) | (462,600) | (462,600) |
| Divide the Taxes (after compression) | \$7,247,400 | \$7,247,400 | \$7,247,400 | \$7,247,400 | \$7,247,400 | \$7,247,400 |
| Special Levy (before compression) | \$3,593,132 | \$3,523,279 | \$3,550,367 | \$3,557,465 | \$3,553,801 | \$3,553,674 |
| Less Compression | (143,725) | (140,931) | (142,015) | (142,299) | (142,152) | (142,147) |
| Special Levy (after compression) | \$3,449,406 | \$3,382,347 | \$3,408,352 | \$3,415,167 | \$3,411,649 | \$3,411,527 |
| Total Tax Increment Revenues | \$10,696,806 | \$10,629,747 | \$10,655,752 | \$10,662,567 | \$10,659,049 | \$10,658,927 |

Table 3. Projected Incremental Value, continued

| Fiscal Year | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|
| Frozen Base | \$63,579,468 | \$63,579,468 | \$63,579,468 | \$63,579,468 | \$63,579,468 |
| Incremental Assessed Value | 951,903,159 | 977,290,225 | 1,003,311,967 | 1,029,984,253 | 1,057,323,346 |
| Total Assessed Value | \$1,015,482,627 | \$1,040,869,693 | \$1,066,891,435 | \$1,093,563,721 | \$1,120,902,814 |
| Projected Maximum Tax Increment Revenues | \$31,773,740 | \$32,621,139 | \$33,489,724 | \$34,380,022 | \$35,292,579 |
| Consolidated Tax Rate | \$20.0000 | \$20.0000 | \$20.0000 | \$20.0000 | \$20.0000 |
| Fixed Divide the Taxes to Raise | \$7,710,000 | \$7,710,000 | \$7,710,000 | \$7,710,000 | \$7,710,000 |
| Incremental Assessed Value Needed for Divide the Taxes | \$385,500,000 | \$385,500,000 | \$385,500,000 | \$385,500,000 | \$385,500,000 |
| "Released" Incremental Assessed Value | \$566,403,159 | \$591,790,225 | \$617,811,967 | \$644,484,253 | \$671,823,346 |
| Divide the Taxes (before compression) | \$7,710,000 | \$7,710,000 | \$7,710,000 | \$7,710,000 | \$7,710,000 |
| Less Compression | (462,600) | (462,600) | (462,600) | (462,600) | (462,600) |
| Divide the Taxes (after compression) | \$7,247,400 | \$7,247,400 | \$7,247,400 | \$7,247,400 | \$7,247,400 |
| Special Levy (before compression) | \$3,554,122 | \$3,555,641 | \$3,555,885 | \$3,554,033 | \$3,554,595 |
| Less Compression | (142,165) | (142,226) | (142,235) | (142,161) | (142,184) |
| Special Levy (after compression) | \$3,411,957 | \$3,413,415 | \$3,413,649 | \$3,411,872 | \$3,412,411 |
| Total Tax Increment Revenues | \$10,659,357 | \$10,660,815 | \$10,661,049 | \$10,659,272 | \$10,659,811 |

Table 3. Projected Incremental Value, continued

| Fiscal Year | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|
| Frozen Base | \$63,579,468 | \$63,579,468 | \$63,579,468 | \$63,579,468 | \$63,579,468 |
| Incremental Assessed Value | 1,085,345,916 | 1,114,069,051 | 1,143,510,264 | 1,173,687,507 | 1,204,619,182 |
| Total Assessed Value | \$1,148,925,384 | \$1,177,648,519 | \$1,207,089,732 | \$1,237,266,975 | \$1,268,198,650 |
| Projected Maximum Tax Increment Revenues | \$36,227,949 | \$37,186,703 | \$38,169,427 | \$39,176,718 | \$40,209,192 |
| Consolidated Tax Rate | \$20.0000 | \$20.0000 | \$20.0000 | \$20.0000 | \$20.0000 |
| Fixed Divide the Taxes to Raise | \$7,710,000 | \$7,710,000 | \$7,710,000 | \$7,710,000 | \$7,710,000 |
| Incremental Assessed Value Needed for Divide the Taxes | \$385,500,000 | \$385,500,000 | \$385,500,000 | \$385,500,000 | \$385,500,000 |
| "Released" Incremental Assessed Value | \$699,845,916 | \$728,569,051 | \$758,010,264 | \$788,187,507 | \$819,119,182 |
| Divide the Taxes (before compression) | \$7,710,000 | \$7,710,000 | \$7,710,000 | \$7,710,000 | \$7,710,000 |
| Less Compression | (462,600) | (462,600) | (462,600) | (462,600) | (462,600) |
| Divide the Taxes (after compression) | \$7,247,400 | \$7,247,400 | \$7,247,400 | \$7,247,400 | \$7,247,400 |
| Special Levy (before compression) | \$3,554,757 | \$0 | \$0 | \$0 | \$0 |
| Less Compression | (142,190) | 0 | 0 | 0 | 0 |
| Special Levy (after compression) | \$3,412,566 | \$0 | \$0 | \$0 | \$0 |
| Total Tax Increment Revenues | \$10,659,966 | \$7,247,400 | \$7,247,400 | \$7,247,400 | \$7,247,400 |

IX. IMPACT OF THE TAX INCREMENT FINANCING BOTH UNTIL AND AFTER THE INDEBTEDNESS IS REPAYED, UPON ALL ENTITIES LEVYING TAXES UPON PROPERTY IN THE URBAN RENEWAL AREA

Since no additional financing is involved from that already approved for the Area in prior Plan and Amendment documents, there is no new impact on taxing districts.

X. RELOCATION

No relocation is anticipated as a result of this Amendment. This amendment does not change the analysis for relocation which was provided when the Plan was originally adopted and previously amended.

XI. COMPLIANCE WITH STATUTORY LIMITS ON ASSESSED VALUE AND SIZE OF URBAN RENEWAL AREA

A chart showing the acreages and assessed values in the urban renewal areas in the City of Portland is shown in Table 4.

State law limits the percentage of a municipality's total assessed value and area that can be contained in an urban renewal area at the time of its establishment to 15% for municipalities with a population of 50,000 or greater. The deletion of 47.03 acres in the amendment will decrease the Area's acreage and therefore the total acreage in URAs. The total acreage is within the 15% area limit contained in Chapter 457 of the Oregon Revised Statutes.

The City also remains in compliance with the assessed value percentage, as shown below in Table 4. This chart is not updated for the change in frozen base to reflect the amendments on 6/18/08 to the DTWF Urban Renewal Plan. Those numbers will be reduced once the assessor calculates the new frozen base. Therefore, the numbers in the Frozen Base Assessed Value column are higher than what the final tabulation will show, but even so, still comply with the 15% restriction.

Table 4. Compliance with Acreage and Assessed Values

| Urban Renewal Area | Frozen Base Assessed Value | Acres |
|--|----------------------------|-----------|
| Airport Way | \$129,701,177 | 2,726 |
| Central Eastside | \$224,626,739 | 692 |
| Downtown Waterfront (6/18/08 <u>area</u> reduction is calculated) | \$70,866,644 | 232 |
| South Park Blocks | \$378,055,680 | 160.55 |
| Oregon Convention Center | \$248,689,281 | 594 |
| North Macadam | \$180,450,967 | 402 |
| River District | \$358,684,364 | 309.21 |
| Interstate | \$1,019,370,465 | 3,769 |
| Gateway | \$307,174,681 | 659 |
| Willamette Industrial | \$481,443,135 | 758 |
| Lents (Includes 6/18/08 Amendment: area and AV) | \$714,432,705 | 2,846.79 |
| Total | \$4,019,783,268 | 13,148.55 |
| Total Acreage, City of Portland | | 92,773 |
| Total Assessed Value City of Portland Less Incremental Assessed Value in Urban Renewal Areas | \$37,261,781,831 | |
| Percent of Portland AV in Urban Renewal Areas | 10.79% | |
| Percent of Portland Area in Urban Renewal Area | | 14.17% |