

INTERSTATE CORRIDOR *Urban Renewal Area*

REPORT ON THE AMENDED AND RESTATED
INTERSTATE CORRIDOR URBAN RENEWAL PLAN

June 8, 2011

Prepared by Elaine Howard Consulting, LLC and ED Hovee and Company, LLC
in conjunction with the Portland Development Commission
and the Portland Office of Management and Finance

Appendix C

Appendix C

TABLE OF CONTENTS

I.	INTRODUCTION.....	1
II.	A DESCRIPTION OF PHYSICAL, SOCIAL, AND ECONOMIC CONDITIONS IN THE URBAN RENEWAL AREA.....	3
A.	Physical Conditions: East Area	9
B.	Social and Economic Conditions: East Area	13
C.	Physical Conditions: West Area	17
D.	Social and Economic Conditions: West Area.....	21
E.	Removal Area: Existing Area.....	24
F.	Physical Conditions: Existing Area	24
G.	Social, Economic, and Housing Conditions: Existing Area.....	33
III.	EXPECTED IMPACT, INCLUDING FISCAL IMPACT OF THE PLAN IN LIGHT OF ADDED SERVICES OR INCREASED POPULATION.....	39
IV.	REASONS FOR SELECTION OF EACH URBAN RENEWAL AREA IN THE PLAN	40
A.	East Area.....	40
B.	West Area	41
C.	Existing Area	42
V.	RELATIONSHIP BETWEEN EACH PROJECT ACTIVITY TO BE UNDERTAKEN UNDER THE PLAN AND THE EXISTING CONDITIONS.....	42
A.	Infrastructure.....	42
B.	Property Redevelopment, including Housing.....	42
C.	Business Development	43
D.	Land Acquisition, Improvement, and Disposition for Redevelopment Projects	43
E.	Relocation.....	43
F.	Planning and Administration.....	43
VI.	ESTIMATED TOTAL COST OF EACH PROJECT AND SOURCES OF MONEYS TO PAY SUCH COSTS.....	44
VII.	ANCITICPATED COMPLETION DATE FOR EACH PROJECT	44
VIII.	ESTIMATED AMOUNT OF MONEY REQUIRED IN THE URBAN RENEWAL AREA UNDER ORS 457.420 TO 457.460 (TAX INCREMENT FINANCING OF URBAN RENEWAL INDEBTEDNESS) AND ANTICIPATED YEAR IN WHICH INDEBTEDNESS WILL BE RETIRED OR OTHERWISE PROVIDED FOR UNDER ORS 457.420 TO 457.460.....	45
IX.	FINANCIAL ANALYSIS OF THE PLAN WITH SUFFICIENT INFORMATION TO DETERMINE FEASIBILITY.....	47
X.	FISCAL IMPACT STATEMENT THAT ESTIMATES IMPACT OF TAX INCREMENT FINANCING, BOTH UNTIL AND AFTER INDEBTEDNESS IS REPAYED, UPON ALL ENTITIES LEVYING TAXES UPON PROPERTY IN URBAN RENEWAL AREA	50
XI.	RELOCATION REPORT	52
XII.	COMPLIANCE WITH LIMITATIONS ON ASSESSED VALUE AND ACREAGE IN URBAN RENEWAL.....	52
XIII.	APPENDICES.....	53

Appendix C

I. INTRODUCTION

This Report on the Amended and Restated Interstate Corridor Urban Renewal Plan (the “Report”) accompanies the Amended and Restated Interstate Corridor Urban Renewal Plan (the “Amended Plan”). The Amended Plan implements boundary changes to the Interstate Corridor Urban Renewal Area (“ICURA” or “Area”) made to the Interstate Corridor Urban Renewal Plan originally adopted on August 16, 2000 (the “Original Plan”) as a result of the North/Northeast Economic Development Initiative (“N/NE EDI”) as further described below. The Original Plan and Amended Plan are collectively referred to herein as the “Plan”. This 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 Portland City Council (“Council”) as part of its approval of the Plan.

As a result of prior urban renewal plan reviews and updates throughout the City of Portland (the “City”), community members from north and northeast Portland requested a process for review of ICURA and the Oregon Convention Center Urban Renewal Area (“OCCURA”). On December 10, 2008, the Portland Development Commission’s Board of Commissioners (the “Board”) directed Portland Development Commission (the “Commission” or “PDC”) staff to proceed with the N/NE EDI to put this request into action. From 2009 to 2011, the Commission conducted the N/NE EDI in partnership with the community to ensure that the Commission’s investments enhance livability and economic opportunity within ICURA and OCCURA, greater north and northeast Portland and the City at-large. PDC staff laid the groundwork with technical assistance agreements with each of the four Minority Chambers of Commerce, the National Association of Minority Contractors, and the Metropolitan Contractors Improvement Partnership. Consultants contacted more than 500 community residents and performed cultural and community-specific outreach, which resulted in a series of interviews and reports. In addition, over 40 stakeholder interviews were conducted to begin the formal process to amend the two urban renewal areas.

The outcome of this community process was the formation of the North/Northeast Economic Development Initiative Community Advisory Committee (the “N/NE CAC”). In August of 2009, the Commission convened the N/NE CAC to review the Original Plan and the OCCURA Plan and make recommendations regarding updates to these plans. Those recommendations were summarized in the North/Northeast Economic Development Initiative Community Advisory Committee Report which was reviewed by the Commission in July, 2010. Those recommendations are implemented in the Plan.

This Report provides technical information to support the Plan. ORS 457.220 (2) requires that any substantial change made in an urban renewal plan shall, before being carried out, be approved and recorded in the same manner as the original plan. The required elements of this Report are set forth in ORS 457.085 (3), subsections (a) through (i), as set forth below:

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

Appendix C

- (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 the indebtedness is repaid, upon all entities levying taxes upon property in the urban renewal area; and
- (i) A relocation report.

The balance of this Report addresses the requirements of ORS 457. In addition, this Report addresses compliance with the requirements of ORS 457.420 (2)(a), which sets limits on the amount of land area and assessed value within a jurisdiction that may be included within urban renewal areas.

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

In May, 2010, the N/NE CAC approved five separate expansion areas for ICURA. After this vote, and as a result of specific requests from community members, PDC staff added three additional areas totaling approximately 12 acres. The total expansion acreage is 415.54 acres (the “Expansion Area”). Approximately 230 acres of existing Interstate 5 right-of-way will be removed from ICURA (the “Removal Area”), for a net addition of 185.79 acres.¹

Total acreage moved from the OCCURA	169.92
Total acreage added which was in no urban renewal area	233.24
Arbor Lodge Park	10.35
Bridgeton Road	0.93
Friends of Children property	1.10
Expansion Area	415.54
Removal Area	-229.75
Net addition acreage	185.79

The Area resulting from the Amended Plan is shown in Figure 1. For the purposes of technical analysis for this Report, the Expansion Area (Figure 2) is divided into two areas: the area east of Interstate 5, including NE Martin Luther King Junior Boulevard (the “East Area”), and the area west of Interstate 5, including N. Lombard Street and the St. Johns Town Center (the “West Area”). The Removal Area is comprised predominantly of the properties in the Interstate 5 right-of-way (Figure 3).

This Report will also detail the information for the Area covered by the Original Plan (the “Existing Area”).

The East Area properties include the following areas, as recommended by the N/NE CAC, and as shown in Figure 2:

1. Properties north of Broadway/Schuyler presently in the OCCURA, including properties along NE Martin Luther King, Jr. Blvd. and NE Alberta Street;
2. Properties along NE Martin Luther King, Jr. Blvd. which are not presently in an urban renewal area;
3. NE Alberta Street properties which are not presently in an urban renewal area and a portion of NE Killingsworth Street; and
4. Additional areas added by community request following the N/NE CAC process:
 - a) Bridgeton Road: 0.93 acres of right-of-way
 - b) Friends of Children: 1.1 acre property at 44 NE Morris Street

¹ The Multnomah County Assessor’s office will make the final determination on acreage. These are estimates provided by the Portland Development Commission’s GIS system.

Appendix C

The West Area properties include the following areas, as recommended by the N/NE CAC, and as shown in Figure 2:

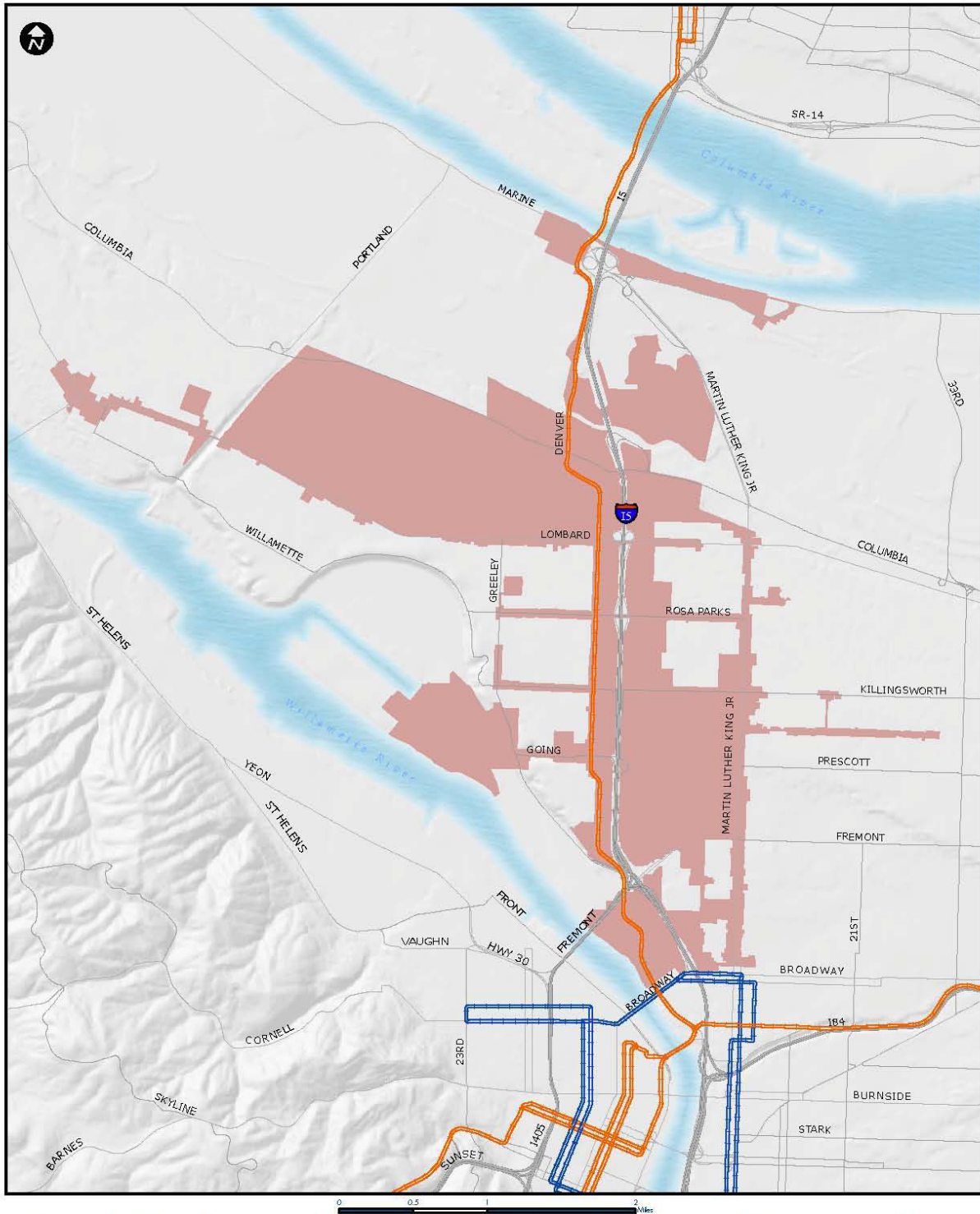
1. The south side of N. Lombard Street;
2. St. Johns Town Center Area;
3. Roosevelt High School; and
4. Additional area added by community request following the N/NE CAC process:
 - a) Arbor Lodge Park: 10.35 acres

The Removal Area is shown in Figure 3.

The Existing Area is shown in Figure 4.

Appendix C

Figure 1: Amended and Restated Interstate Corridor Urban Renewal Area

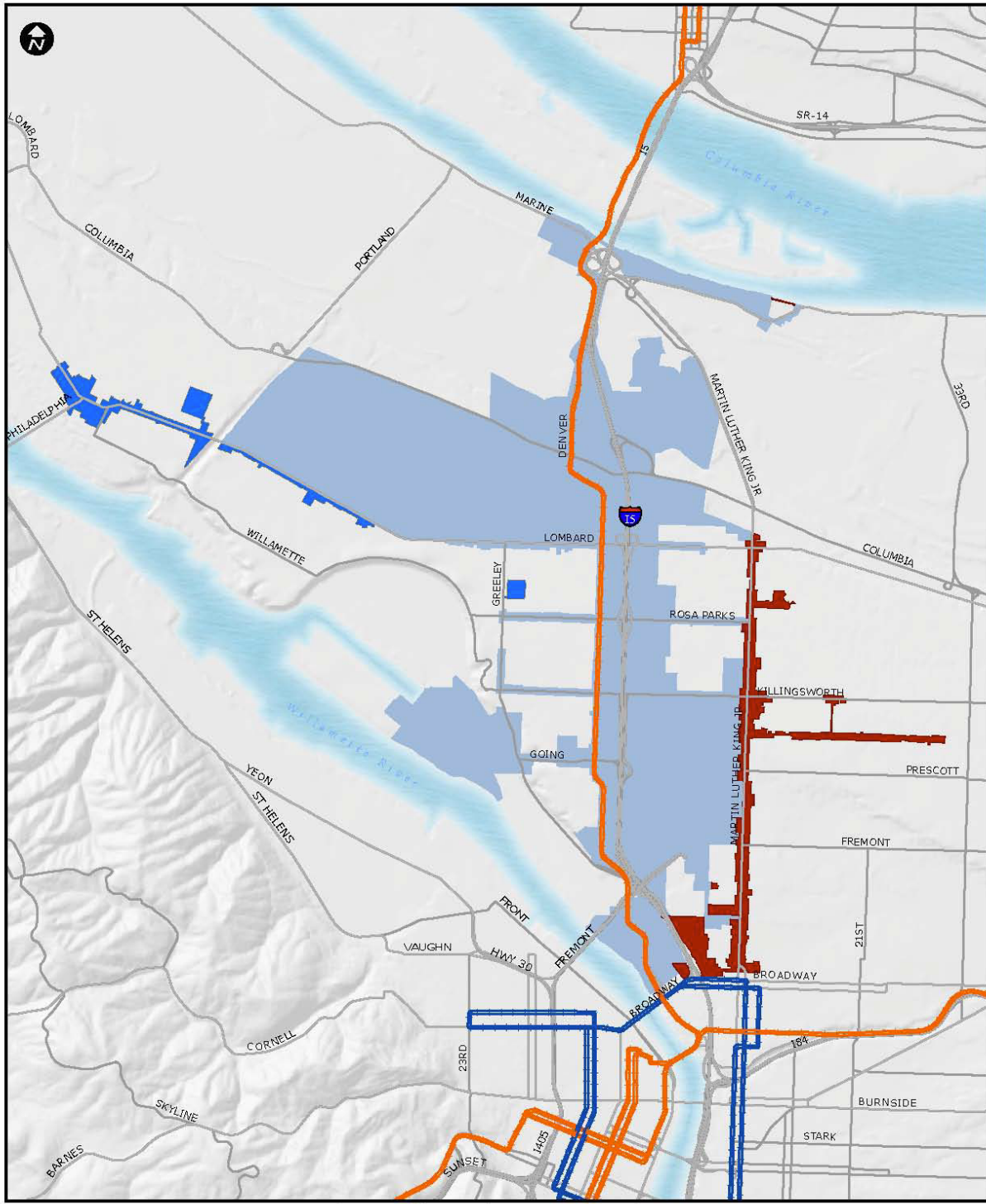


Amended and Restated Interstate Corridor Urban Renewal Area Boundary

Amended ICURA

The information on this map was created by the Portland Development Commission (PDC) GIS. Every reasonable effort has been made to assure the accuracy of these maps and associated data. However, inadvertent errors can occur and the PDC does not assume any responsibility for omissions or positional accuracy. This information is presented "as is" and without warranties, either expressed or implied. Information Sources: Portland Development Commission Geographic Information Systems (GIS), City of Portland Corporate GIS, April 2011

Figure 2: Expansion Areas

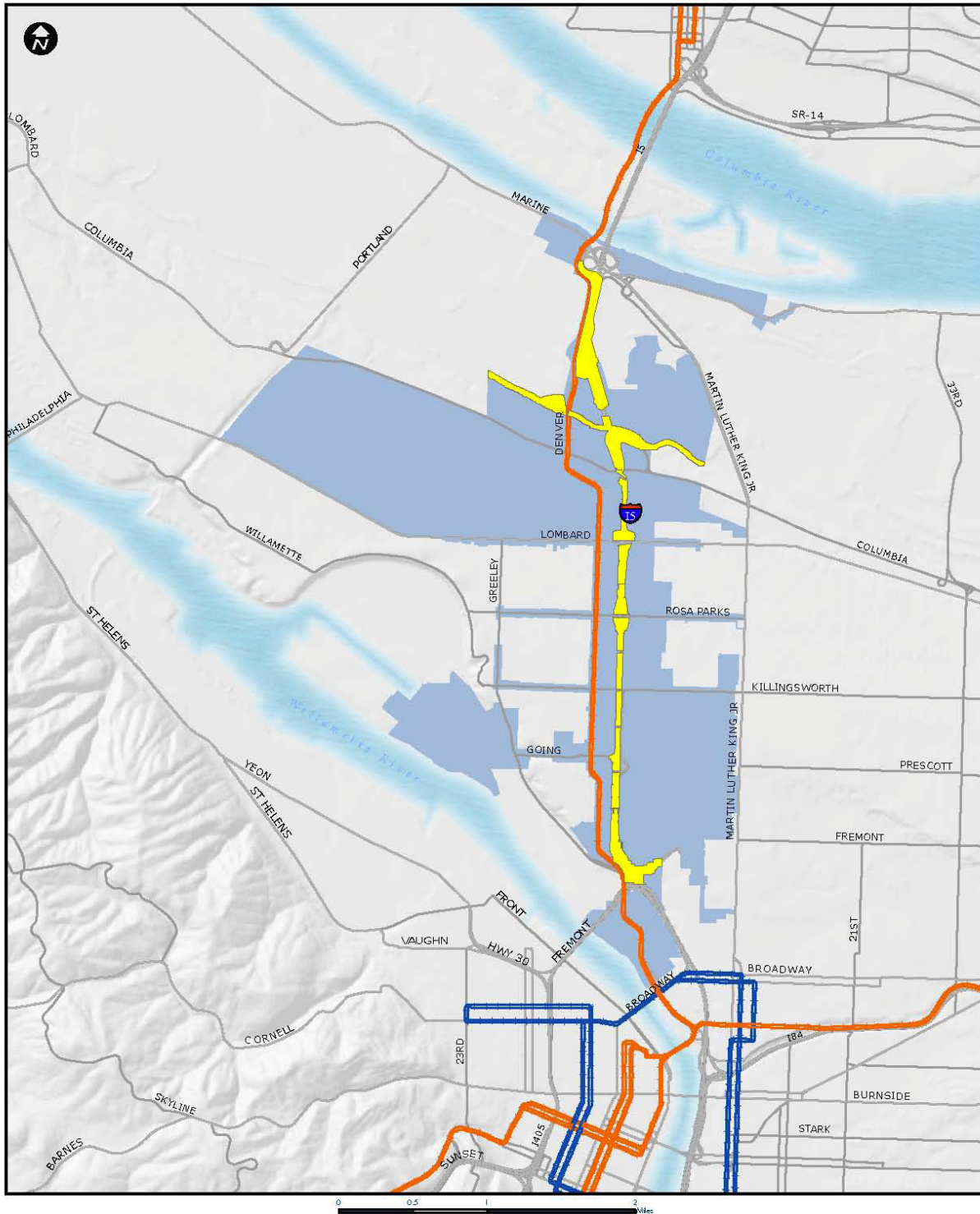


Interstate Corridor Urban Renewal Area - Amendment Areas

- ICURA
- Amendment Area East of I-5
- Amendment Area West of I-5

The information on this map was created by the Portland Development Commission (PDC) GIS. Every reasonable effort has been made to assure the accuracy of these maps and associated data. However, inadvertent errors can occur and the PDC does not assume any responsibility for omissions or positional accuracy. This information is presented "as is" and without warranties, either expressed or implied. Information Sources: Portland Development Commission Geographic Information Systems (GIS), City of Portland Corporate GIS, April 2011

Figure 3: Removal Area



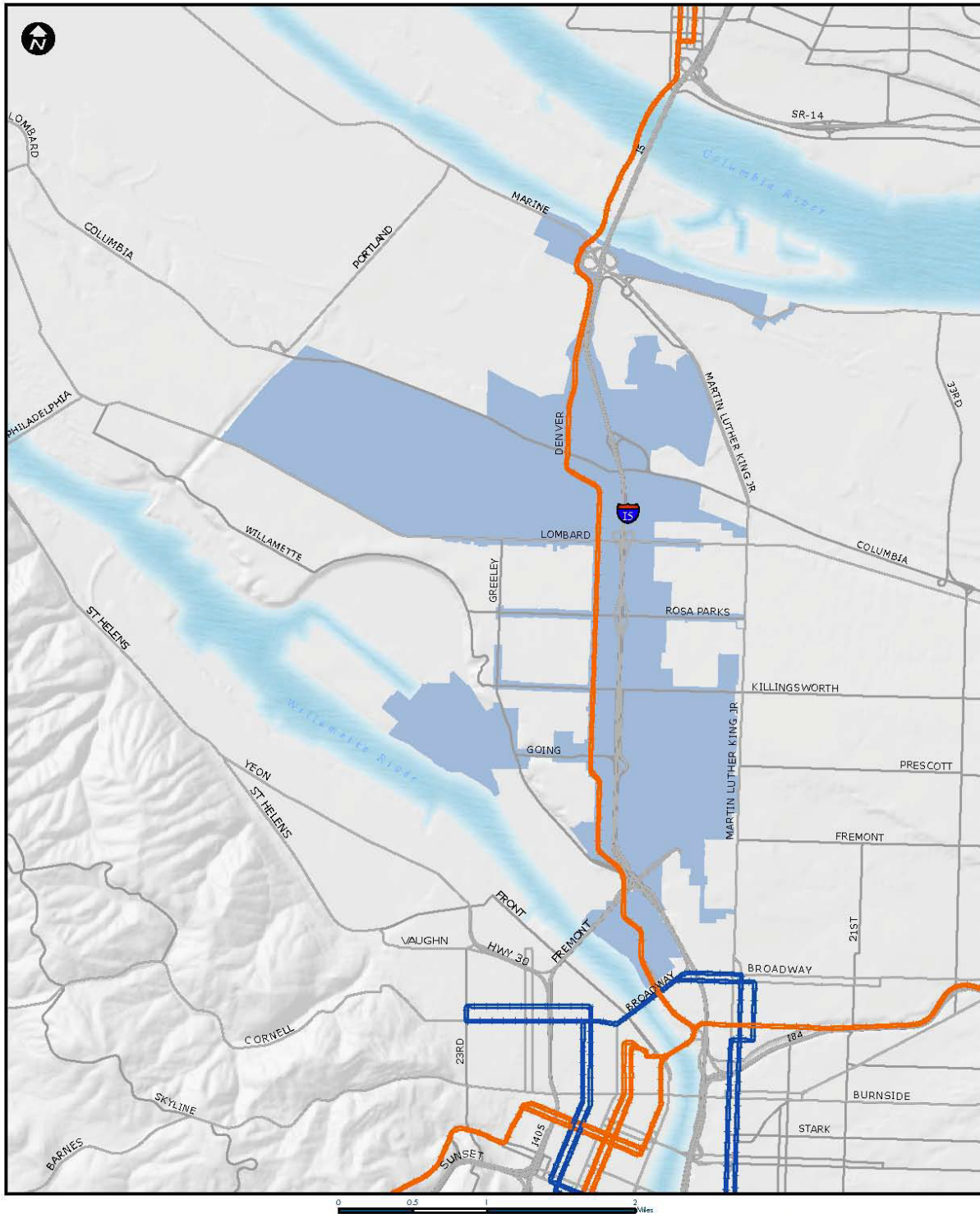
Interstate Corridor Urban Renewal Area - Amendment Areas

ICURA
 Right-Of-Way Removal

The information on this map was created by the Portland Development Commission (PDC) GIS. Every reasonable effort has been made to assure the accuracy of these maps and associated data. However, inadvertent errors can occur and the PDC does not assume any responsibility for omissions or positional accuracy. This information is presented "as is" and without warranties, either expressed or implied. Information Sources: Portland Development Commission Geographic Information Systems (GIS), City of Portland Corporate GIS, April 2011

Appendix C

Figure 4: Existing Interstate Corridor Urban Renewal Area



Existing Interstate Corridor Urban Renewal Area Boundary

ICURA

The information on this map was created by the Portland Development Commission (PDC) GIS. Every reasonable effort has been made to assure the accuracy of these maps and associated data. However, inadvertent errors can occur and the PDC does not assume any responsibility for omissions or positional accuracy. This information is presented "as is" and without warranties, either expressed or implied. Information Sources: Portland Development Commission Geographic Information Systems (GIS), City of Portland Corporate GIS. April 2011

East Area Analysis

A. Physical Conditions: East Area

The East Area contains 957 parcels and 276.46 acres, including 180.23 acres in parcels and 96.23 acres of right-of-way, as shown in Figure 2. It extends along NE Martin Luther King Junior Boulevard from NE Schuyler Street at the south end to NE Russell Street at the north end of the Area, including properties which were originally in the OCCURA and properties which have not previously been in an urban renewal area. The commercially zoned properties in the OCCURA north of NE Broadway and to the west of NE Martin Luther King Junior Boulevard are also included in the East Area.

Other additions are the commercially zoned properties along NE Alberta Street, some from the OCCURA, and other commercially zoned properties from NE Martin Luther King Junior Boulevard east to NE 31st Street. The East Area also includes a node of properties on NE Killingsworth Street, commercially zoned properties in the Woodlawn Triangle, right-of-way on Bridgeton Road that was previously left out of ICURA, and the Friends of Children property at 44 NE Morris Street.

1. Land Uses

The land uses as identified by the Multnomah County Assessor are shown in Table 1.1. Commercial uses are the most prevalent uses in the East Area, representing 68% of the acreage within the East Area.

Table 1.1- Land Use in East Area

Land Use	Parcels	Acres	Percent of Acres
None Specified	16	5.51	3.06%
Commercial	326	79.18	43.93%
Converted Commercial	175	33.68	18.69%
General Commercial	14	1.86	1.03%
Residential as Commercial	22	2.57	1.43%
<i>Cumulative Commercial Use</i>			<i>68.14%</i>
Industrial	13	4.1	2.27%
Multifamily	84	19.66	10.91%
Recreation	3	3.98	2.21%
Residential	304	29.69	16.47%
Total	957	180.23	100.00%

PDC GIS Data from Multnomah County Assessor 2010/2011

Appendix C

2. Zoning

The majority of the properties in the East Area, 71%, are commercially zoned, as shown in Table 2.1. Residential zoning accounts for 22% of the East Area.

Table 2.1- Zoning in East Area

Zone	Parcels	Acres	Percent of Acres
General Commercial	221	42.28	23.46%
Mixed Commercial/Residential	69	9.8	5.44%
Storefront Commercial	137	17.65	9.79%
Central Commercial	11	2.39	1.33%
Central Employment	272	56.34	31.26%
<i>Cumulative Commercial Zoning</i>			<i>71.28%</i>
General Industrial 1	6	2.31	1.28%
Open Space	5	4.64	2.57%
Residential 1,000	47	8.75	4.85%
Residential 2,000	37	5.54	3.07%
High Density Residential	135	24.98	13.86%
Central Residential	17	2.19	1.22%
<i>Cumulative Residential Zoning</i>			<i>26.86%</i>
<i>Sub-Total</i>	<i>957</i>	<i>176.87</i>	<i>98.14%</i>
Multiple Zones		3.36	1.86%
Total	957	180.23	100.00%

PDC GIS Data from Multnomah County Assessor 2010/2011
Some lots have multiple zoning designations

Appendix C

3. Comprehensive Plan

The majority of the properties in the East Area, 73%, are designated as commercial or industrial use in the Comprehensive Plan. Residential designations account for 23% of the East Area.

Table 3.1- Comprehensive Plan Designations in East Area

Comprehensive Plan Designation	Parcels	Acres	Percent of Acres
General Commercial	221	42.29	23.46%
Urban Commercial	206	27.45	15.23%
Central Commercial	11	2.39	1.33%
Central Employment	272	56.55	31.38%
Industrial Sanctuary	6	2.31	1.28%
<i>Cumulative Commercial/Industrial Designations</i>			<i>72.68%</i>
Residential 1000	47	7.94	4.41%
Residential 2000	37	5.54	3.07%
High Density Residential	135	24.98	13.86%
Central Residential	17	2.19	1.22%
<i>Cumulative Residential Designation</i>			<i>22.56%</i>
Open Space	5	4.64	2.57%
<i>Sub-Total</i>	<i>957</i>	<i>176.28</i>	<i>97.81%</i>
Multiple Comp Plan Designations		3.95	2.19%
Total	957	180.23	100.00%

PDC GIS Data from Multnomah County Assessor 2010/2011
Some lots have multiple comprehensive plan designations

4. Transportation and Infrastructure

The Portland Bureau of Transportation (“PBOT”) provided an evaluation of the current conditions of the streets in the East Area. They are shown in Appendix 1. The ratings are on a five-point scale, from very good to very poor, as shown in the table below. Twelve percent (12%) of the streets are in poor or very poor condition. The narrative in this section is from the PBOT evaluation.

The 2009 Interstate Corridor Urban Renewal Area Transportation Implementation Strategy identified the following need in the Existing Area. In order to fully provide for this need, the section of Bridgeton Street in the East Area would also be improved:

- **Bridgeton Streetscape:** develop a unique identity for NE Bridgeton Road, which could include street furniture, lighting, and curb extensions.

Appendix C

Table 4.1 - Street Conditions in East Area

Condition	East Area Length	Percent of Total
Very Good	20,201	30%
Good	30,413	45%
Fair	9,190	14%
Poor	4,393	7%
Very Poor	3,223	5%
Total	67,420	100%

Portland Bureau of Transportation

NE Martin Luther King Jr. Boulevard is the major transportation corridor in the East Area, and in order to facilitate development and redevelopment in the East Area, upgrading this street is vital. According to PBOT, there is also the identification of a future streetcar along NE Martin Luther King Jr. Boulevard from NE Broadway Avenue to NE Killingsworth Street.

5. Sanitary Sewer System/Storm Water System

The Bureau of Environmental Services (“BES”) provided mapping information on the current conditions of the sewer and storm water lines in the East Area. They are shown in Appendix 2. The ratings are 1-5, with 1 being the best condition and 5 the worst. The predominant ratings are 1 and 2. There are some sections with ratings of 3, 4, and 5. There are also some sections where there is a recommendation for potential sewer projects in the future, most notably along NE Martin Luther King Jr. Boulevard. NE Alberta Street also has a few blocks with recommended potential sewer projects.

6. Parks, Open Space, and Community Facilities

The Lillis-Albina Park and the Matt Dishman Community Center are within the East Area.

7. Water

The Portland Water Bureau provided the following information on the East Area. There are water main deficiencies in the East Area, as shown in the table below. The water mains listed in the table are currently included in the Water Bureau’s Needs Database, but are not high enough on the priority list to be included in the current Water Bureau’s Capital Improvement Plan. Depending on the type of redevelopment being considered, improvements to the water mains shown as deficient may be necessary in order to meet future water service demands for the renewal and development areas.

Table 5.1 - Water Main Deficiencies in East Area

Street	Extent	Size (in)	Length (ft)	Material
NE Bryant St	NE MLK Jr Blvd to NE 7th Ave	2	1240	Galvanized
NE Killingsworth Ct	NE 8th Ave to NE 9th Ave	2	470	Galvanized

Portland Water Bureau

The remaining water mains in the East area are in good to very good condition.

B. Social and Economic Conditions: East Area

1. Social Conditions

There are 388 parcels in the East Area classified by the Assessor’s office as having residential uses, 84 of which are classified as multifamily. The multifamily designation does not always mean it is a multifamily use, but rather that a multifamily use would be the highest and best use of the property.

Demographic data provided by the Portland Bureau of Planning and Sustainability gives information on Census block groups overlapping the Expansion Area. Since the information cannot be gathered precisely for the Expansion Area, the percentages of the overlapping block groups are used to summarize the social conditions in the Area.

Sixty-six percent (66%) of the residents are White, while 27% are Black/African American. Hispanic ethnicity accounts for 14% of the residents.

Table 6a.1 - Race in East Area

Race	Percent of Total
White	65.93%
Black/African American	26.58%
Native American	0.94%
Asian	0.91%
Pacific Islander	0.10%
Other	2.10%
Two or more Races	3.44%
Total	100.00%

Portland Bureau of Planning and Sustainability, American Community Survey 2005-2009

Table 6b.1 - Ethnicity in East Area

Ethnicity	Percent of Total
Not Hispanic or Latino	86.49%
Hispanic or Latino	13.51%
Total	100.00%

Portland Bureau of Planning and Sustainability, American Community Survey 2005-2009

Appendix C

Of the total male population, 11% have a high school diploma, 9% have a Bachelor's degree, and 4% have a Master's degree.

Of the total female population, 12% have a high school diploma, 11% have a Bachelor's degree, and 8% have a Master's degree.

Table 6c.1 - Education in East Area

Education	Percent Male	Percent Female
Population 25 years and over:	45.19%	54.81%
No schooling completed	0.79%	0.73%
Nursery to 12th grade, no diploma	5.53%	5.74%
High school graduate, GED, or alternative	11.43%	12.13%
Some college, less than 1 year	2.12%	3.26%
Some college, 1 or more years, no degree	9.00%	9.69%
Associate's degree	2.46%	4.13%
Bachelor's degree	9.14%	10.91%
Master's degree	3.77%	7.65%
Professional school degree	0.83%	0.57%
Doctorate degree	0.12%	0.00%

Portland Bureau of Planning and Sustainability, American Community Survey 2005-2009

Fifty-three percent (53%) of the residents own their homes, while 47% rent them.

Table 6d.1 - Home-ownership in East Area

Occupied Housing	Percent of Total
Rental	46.74%
Owner Occupied	53.26%
Total	100.00%

Portland Bureau of Planning and Sustainability, American Community Survey 2005-2009

The median family income in the East Area is \$39,935. The income distribution is shown in Table 6e.1 below. Close to half (46%) of families have incomes ranging from \$25,000 to nearly \$75,000. Approximately 35% have incomes of less than \$25,000.

Table 6e.1 - Income Distribution in East Area

Income Distribution	Percent of Total
Less than \$10,000	13.42%
\$10,000 - \$24,999	21.43%
\$25,000 - \$49,999	24.94%
\$50,000 - \$74,999	21.74%
\$75,000 - \$99,999	5.33%
More than \$100,000	13.15%
Total	100.00%

Portland Bureau of Planning and Sustainability, American Community Survey 2005-2009

Appendix C

Forty-six percent (46%) of the residents in the East Area are male and 54% are female. Forty-three percent (43%) of the residents are 21-39 years old.

Table 6f.1 - Age Distribution in East Area

Total Population	Percentage of Total
Male	46.49%
Female	53.51%
Under 5 years	7.52%
5-20 years	15.72%
21-39 years	43.62%
40-59 years	22.13%
60-79 years	9.48%
80+ years	1.52%

Portland Bureau of Planning and Sustainability, American Community Survey 2005-2009

2. Economic Conditions

One tool for assessing the economic health of an area is to analyze the improvement to land ratio (I:L) of the Area. Improvement to land ratio is an assessment of the real market value of the improvements on a parcel compared to the real market value of the land. If the ratio is low, it indicates a prevalence of depreciated values and indicates that the property may benefit from redevelopment.

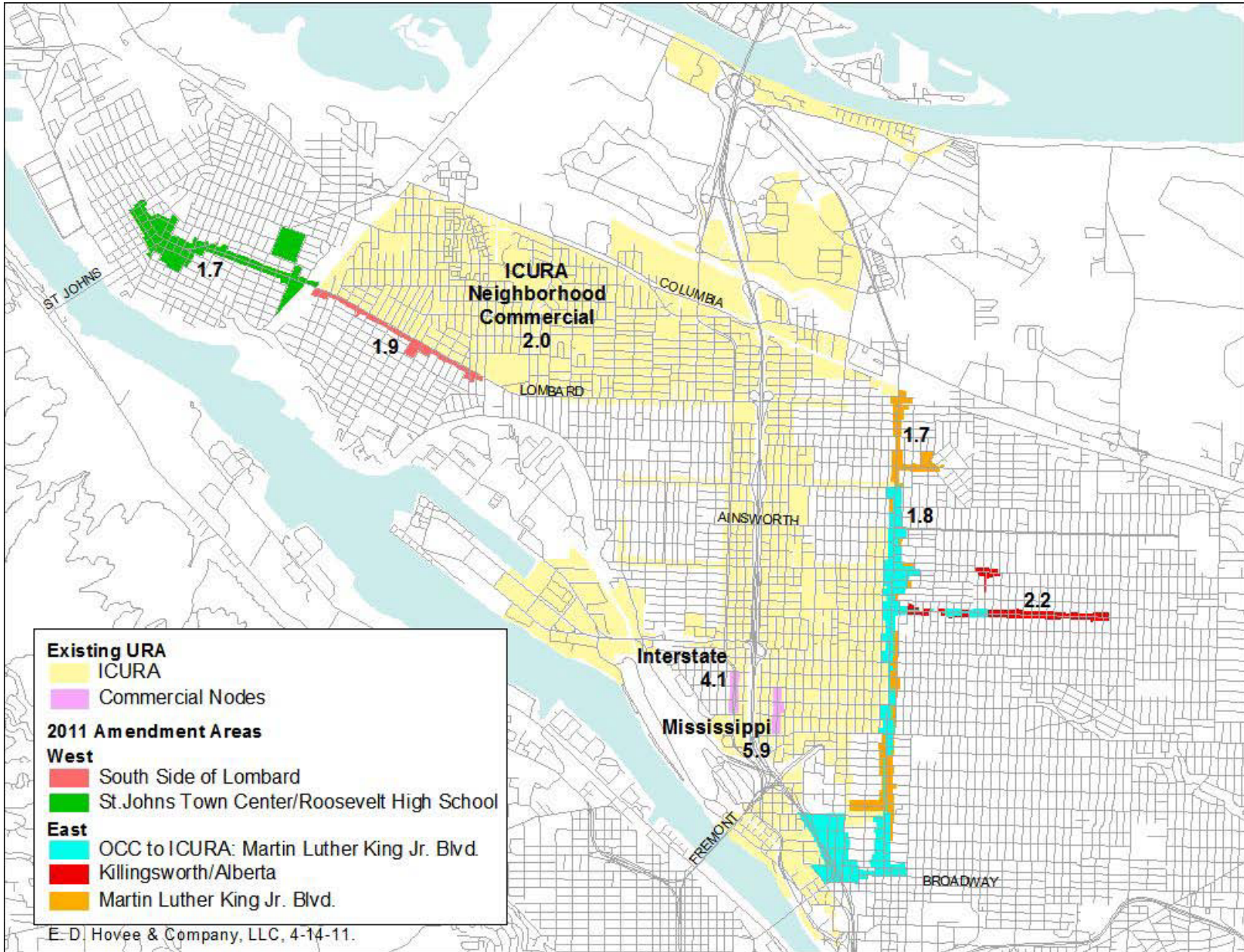
To establish a benchmark for a “healthy” I:L, properties within the Existing Area were analyzed to show what could ideally exist in a neighborhood commercial area. These can be seen in Figure 5: I:L in ICURA and Expansion Areas, and in Table 7.1 below. The benchmark I:L for the Area was determined by analyzing two areas of ICURA which have had significant redevelopment: sections of N. Mississippi and N. Interstate Avenues. In these areas, the I:L are 5.9:1 and 4.1:1, respectively. As shown in the table below, the I:L ratios in the East Area are much lower than the benchmark I:L in the ICURA. Future investment in the areas will promote higher property values, thereby increasing the I:L ratios in the future.

Table 7.1 - I:L Ratios in East Area

East Area	I:L
NE Martin Luther King, Jr. Blvd. not in an URA	1.8
NE Martin Luther King, Jr. Blvd. from OCCURA	1.7
NE Alberta Street and NE Killingsworth Street	2.2
Benchmark I:L Properties:	
N. Interstate in existing ICURA	4.1
N. Mississippi Avenue in existing ICURA	5.9

Analysis by ED Hovee and Company, LLC

Figure 5: Improvement to Land Ratios



West Area Analysis

C. Physical Conditions: West Area

The West Area contains 368 parcels and 139.08 acres, including 101.56 acres in parcels and 37.52 acres of right-of-way, as shown in Figure 2. It includes the commercially zoned properties on the south side of N. Lombard Street from N. Woolsey Avenue through the St. Johns Business District to N. St. Louis Avenue, the commercially zoned properties in the St. Johns Town Center, Roosevelt High School, located at 6941 N. Central Street, and Arbor Lodge Park.

1. Land Uses

The land uses, as identified by the Multnomah County Assessor, are shown in Table 1.2. Commercial uses are the most prevalent uses in the West Area, representing 58% of the acreage within the West Area.

Table 1.2 - Land Use in West Area

Land Use	Parcels	Acres	Percent of Acres
Not Specified	12	4.44	4.37%
Commercial	275	58.89	57.99%
Residential: Commercial Use	6	0.67	0.66%
Multifamily	11	4.81	4.74%
Residential	63	24.06	23.69%
Recreation	1	8.69	8.56%
Total	368	101.56	100.00%

PDC GIS Data from Multnomah County Assessor 2010/2011

Appendix C

2. Zoning

The majority of the properties in the West Area, 67%, are commercially zoned, as shown in Table 2.2. Residential zoning accounts for 24% of the West Area, however, 17% of that total is represented by Roosevelt High School, zoned R5 (Residential 5,000).

Table 2.2 - Zoning in West Area

Zone	Parcels	Acres	Percent of Acres
General Commercial	56	20.81	20.49%
Mixed Commercial/Residential	14	1.61	1.59%
Neighborhood Commercial 1	43	6.38	6.28%
Neighborhood Commercial 2	32	14.03	13.81%
Storefront Commercial	183	25.18	24.79%
<i>Cumulative Commercial Zoning</i>			<i>66.97%</i>
Residential 1,000	31	6.7	6.60%
Residential 2,000	7	1.05	1.03%
Residential 5,000*	1	17.11	16.85%
<i>Cumulative Residential Zoning</i>			<i>24.48%</i>
Open Space	1	8.69	8.56%
Total	368	101.56	100.00%

PDC GIS Data from Multnomah County Assessor 2010/2011 *Roosevelt High School

3. Comprehensive Plan

The majority of the properties in the West Area, 66%, are designated as commercial use in the comprehensive plan. Residential designations account for 25% of the East Area.

Table 3.2 - Comprehensive Plan Designations in West Area

Comprehensive Plan Designation	Parcels	Acres	Percent of Acres
Urban Commercial	198	26.87	26.46%
General Commercial	54	19.69	19.39%
Neighborhood Commercial	74	20.2	19.89%
<i>Cumulative Commercial Designation</i>			<i>65.73%</i>
Open Space	1	8.69	8.56%
Residential 1000	40	8.1	7.98%
Residential 5000*	1	17.11	16.85%
<i>Sub-Total</i>			<i>33.38%</i>
Multiple designations		0.9	0.89%
Total	368	101.56	100.00%

PDC GIS Data from Multnomah County Assessor 2010/2011 *Roosevelt High School

Appendix C

4. Transportation and Infrastructure

PBOT provided an evaluation of the current conditions of the streets in the West Area, as shown in Appendix 1. The ratings are on a five-point scale, from very good to very poor, as shown in the table below. Fifteen percent (15%) of the streets are in poor or very poor condition. The narrative in this section is from the PBOT evaluation.

Table 4.2 - Street Conditions in West Area

Condition	West Area Length	Percent of Total
Very Good	2,082	8%
Good	12,244	48%
Fair	7,332	29%
Poor	2,483	10%
Very Poor	1,178	5%
Total	25,319	100%

Portland Bureau of Transportation

St. Johns has a lack of adequate streetscape improvements to both mark the entries to the business district and to enhance pedestrian and bicycle safety in the area. St. Johns does not currently have streetscape improvements to mark the entry points at Lombard/Richmond and Philadelphia/Ivanhoe Streets. Additional gateway features are desired at the Portsmouth Cut and where the Peninsula Crossing Trail intersects N. Lombard Street.

The 2009 Interstate Corridor Urban Renewal Area Transportation Implementation Strategy identified the following need in the Existing Area. In order to fully provide for this need, the southern half of N. Lombard Street, in the West Area, would also be improved:

- Lombard Streetscape: streetscape improvements on N. Lombard Street from N. Woolsey Street to the Burlington Northern Santa Fe Railroad cut, including curb extensions, street lighting, and bicycle improvements, as identified in the St. Johns/Lombard Plan.

N. Lombard Street has heavy automobile traffic, and improvements are necessary to increase automobile, pedestrian, and bicycle safety on the street. N. Lombard Street requires curb extensions, pedestrian refuge islands, and pedestrian scale lighting between Fiske and Portsmouth Streets. There are also missing curb ramps on N. Lombard Street which must be installed, and bike lanes are not yet developed between Van Houton and Ida Streets.

Bike lanes in the West Area are underdeveloped. They are identified along Oberlin Street (parallel to and south of Lombard Street in University Park) and Central Street (parallel to and north of Lombard Street in St. Johns).

5. Storm Water System

In most cases, the storm water system is combined with the sewer system. The separated storm-sewer system in the area exists in the “fringe” area outside of the combined sewer system along the Willamette River and the Columbia Slough. The storm water system north of the Columbia Slough is fairly minimal, with primarily

Appendix C

small lines connecting into Oregon Department of Transportation outfalls or small swales that discharge into the Columbia Slough.

6. Sanitary Sewer System

BES provided mapping information on the current conditions of the sewer lines in the West Area, as shown in Appendix 2. The ratings are 1-5, with 1 being the best condition and 5 the worst. The map shows potential sewer projects throughout the St. Johns Town Center, with some additional potential projects along N. Lombard Street. The condition of the existing line through N. Lombard Street is in a range from 1-5, with no real predominant condition. The conditions of the lines in the St. Johns Town Center are predominantly 1 and 2, with a small section of 3 and 4.

7. Parks, Open Space, and Community Facilities

Arbor Lodge Park, the St. Johns Racquet Center, and the St. Johns Plaza are in the West Area. The St. Johns Racquet Center and the St. Johns Plaza are in need of renovation. Arbor Lodge Park renovations are proposed, including upgrading sidewalks to ADA standards.

8. Water

The Portland Water Bureau provided the following information on the West Area. There are water main deficiencies, as shown in Table 5.2 below. The water mains listed in the table are currently included in the Water Bureau's Needs Database, but are not high enough on the priority list to be included in the current Water Bureau's Capital Improvement Plan. Depending on the type of redevelopment being considered, improvements to the water mains identified as deficient may be necessary in order to meet future water service demands for the renewal and development areas.

Table 5.2 - Water Main Deficiencies in West Area

Street	Extent	Size (in)	Length (ft)	Material
N Mohawk Ave	N Lombard Way to N Lombard St	2	90	Galvanized
N Oswego Ave	N Lombard St south 100'	2	100	Galvanized
N Leavitt Ave	N Lombard St north 150'	2	150	Galvanized

Portland Water Bureau

The remaining water mains in the analyzed area are in good to very good condition.

D. Social and Economic Conditions: West Area

1. Social Conditions

There are 74 parcels in the West Area classified by the Assessor’s office as having residential uses, 11 of which are classified as multifamily. The multifamily designation does not always mean it is a multifamily use, but rather that a multifamily use would be the best use of the property.

Demographic data provided by the Portland Bureau of Planning and Sustainability gives information on Census block groups overlapping the Expansion Area. Since the information cannot be gathered precisely for the Expansion Area, the percentages of the overlapping block groups are used to summarize the social conditions in the Area.

Seventy percent (70%) of the residents are White, while 11% are Black/African American. Hispanic ethnicity accounts for 15% of the residents.

Table 6a.2 - Race in West Area

Race	Percent of Total
White	70.13%
Black/African American	11.45%
Native American	1.35%
Asian	1.95%
Pacific Islander	0.00%
Other	7.96%
Two or more Races	7.17%
Total	100.00%

Portland Bureau of Planning and Sustainability, American Community Survey 2005-2009

Table 6b.2 - Ethnicity in West Area

Ethnicity	Percent of Total
Not Hispanic or Latino	84.54%
Hispanic or Latino	15.46%
Total	100.00%

Portland Bureau of Planning and Sustainability, American Community Survey 2005-2009

Appendix C

Of the total male population, 10% have a high school diploma, 9% have a Bachelor's degree, and 6% have a Master's degree.

Of the total female population, 13% have a high school diploma, 11% have a Bachelor's degree, and 3% have a Master's degree.

Table 6c.2 - Education in West Area

Education	Percent Male	Percent Female
Population 25 years and over:	49.02%	50.98%
No schooling completed	0.38%	0.35%
Nursery to 12th grade, no diploma	8.54%	8.62%
High school graduate, GED, or alternative	10.34%	13.38%
Some college, less than 1 year	1.90%	2.41%
Some college, 1 or more years, no degree	9.30%	7.02%
Associate's degree	2.61%	2.48%
Bachelor's degree	8.77%	11.27%
Master's degree	6.16%	3.22%
Professional school degree	0.76%	1.52%
Doctorate degree	0.28%	0.68%

Portland Bureau of Planning and Sustainability, American Community Survey 2005-2009

Fifty-six percent (56%) of the residents own their homes, while 44% rent them.

Table 6d.2 - Home-ownership in West Area

Occupied Housing	Percent of Total
Rental	43.95%
Owner Occupied	56.05%
Total	100.00%

Portland Bureau of Planning and Sustainability, American Community Survey 2005-2009

The median family income in the West Area is \$41,455. The income distribution is shown in Table 6e.2 below. Just over 31% of families have annual incomes of less than \$25,000.

Table 6e.2 - Income Distribution in West Area

Income Distribution	Percent of Total
Less than \$10,000	8.47%
\$10,000 - \$24,999	22.94%
\$25,000 - \$49,999	27.57%
\$50,000 - \$74,999	21.91%
\$75,000 - \$99,999	10.09%
More than \$100,000	9.02%
Total	100.00%

Portland Bureau of Planning and Sustainability, American Community Survey 2005-2009

Appendix C

Forty-nine percent (49%) of the residents in the West Area are male and 51% are female. Thirty-eight percent (38%) of the residents are 21-39 years old.

Table 6f.2 - Age Distribution in West Area

Total Population	Percentage of Total
Male	49.00%
Female	51.00%
Under 5 years	9.89%
5-20 years	14.78%
21-39 years	37.80%
40-59 years	24.65%
60-79 years	9.48%
80+ years	3.40%

Portland Bureau of Planning and Sustainability, American Community Survey 2005-2009

2. Economic Conditions

A summary of Improvement to Land Ratio analysis is described in Section II.B.2. of this report. As shown in Table 7.2 below, the I:L ratios in the West Area are much lower than the benchmark I:L for the ICURA. Future investment in the areas will promote higher property values, thereby increasing the I:L ratios in the future.

Table 7.2 - I:L Ratios in West Area

West Area	I:L
South Side of N. Lombard Street	1.9
St. Johns Town Center	1.7
Benchmark I:L Properties:	
N. Interstate in existing ICURA	4.1
N. Mississippi Avenue in existing ICURA	5.9

Analysis by ED Hovee and Company, LLC

Appendix C

Existing Interstate Corridor Urban Renewal Area Analysis

E. Removal Area: Existing Area

As part of the Amended Plan, the Interstate 5 right-of-way and Columbia Slough in the Existing Area are being removed from the Area. The deleted right-of-way totals 229.75 acres, and is shown in Figure 3.

F. Physical Conditions: Existing Area

The Existing Interstate Corridor Urban Renewal Area (Existing Area) contains 11,870 parcels, totaling 3,804.22 acres, and includes 2,562.51 acres in parcels and 1,241.71 acres of right-of-way, as shown in Figure 4.

1. Land Uses

The land uses, as identified by the Multnomah County Assessor, are shown in Table 1.3. The most prevalent land use is Residential (45%). Commercial uses account for 17% of the Existing Area.

Table 1.3 - Land Use in Existing Area

Land Use	Parcels	Acreage	Percent of Total Acreage
Residential	9,916	1,165.49	45.48%
Industrial	343	604.07	23.57%
Converted Commercial	511	224.01	8.74%
Commercial	533	211.84	8.27%
Recreation	92	148.39	5.79%
Multifamily	288	138.61	5.41%
None Specified	137	62.94	2.46%
Residential, Commercial Use	33	4.29	0.17%
General Commercial	15	2.15	0.08%
Miscellaneous Use	2	0.72	0.03%
Total	11,870	2,562.51	100.00%

PDC GIS Data from Multnomah County Assessor 2009/2010

Appendix C

2. Zoning

Fifty-one percent (51%) of the Area is zoned for residential uses. Twenty-six percent (26%) of the Area is zoned for Industrial uses. Seventeen percent (17%) of the Area is zoned for Commercial and Employment uses. The remaining property is zoned Open Space.

Table 2.3 - Zoning in Existing Area

Zoning	Parcels	Acreage	Percent of Total Acreage
General Commercial	191	68.53	2.67%
Mixed Commercial/Residential	273	55.44	2.16%
Storefront Commercial	303	50.74	1.98%
Neighborhood Commercial	20	3.16	0.12%
Neighborhood Commercial 2	84	21.4	0.84%
Office Commercial 1	1	0.25	0.01%
Office Commercial 2	3	14.22	0.55%
Central Commercial	18	11.58	0.45%
General Employment	9	1.58	0.06%
General Employment 2	85	108.75	4.24%
Central Employment	541	97.12	3.79%
<i>Cumulative Commercial and Employment Zoning</i>			<i>16.89%</i>
General Industrial 1	231	84.97	3.32%
General Industrial 2	122	393.63	15.36%
Heavy Industrial	144	192.14	7.50%
<i>Cumulative Industrial Zoning</i>			<i>26.18%</i>
Open Space	105	156.05	6.09%
<i>Cumulative Open Space Zoning</i>			<i>6.09%</i>
Institutional Residential	87	43.74	1.71%
Residential 1,000	895	138.32	5.40%
Residential 2,000	1,365	207.04	8.08%
Residential 2,500	1,629	180.95	7.06%
Residential 5,000	4,858	597.61	23.32%
Residential 7,000	200	44.82	1.75%
R10 - Residential 10,000	1	1.11	0.04%
High Density Residential	675	82.83	3.23%
Central Residential	30	6.54	0.26%
<i>Cumulative Residential Zoning</i>			<i>50.85%</i>
Total	11,870	2,562.51	100.00%

PDC GIS Data from Multnomah County Assessor 2010/2011

Appendix C

3. Comprehensive Plan Designations

The Comprehensive Plan designations, as identified by the Multnomah County Assessor, are shown in Table 3.3 below. Of the total acreage, 52% is designated as Residential. Twenty-five percent (25%) is designated as Industrial Sanctuary and 18% as either Commercial or Employment.

Table 3.3 - Comprehensive Plan Designations in Existing Area

Comp Plan Designation	Parcels	Acreage	Percent of Total Acreage
Urban Commercial	576	106.18	4.14%
General Commercial	192	96.62	3.77%
Neighborhood Commercial	104	24.56	0.96%
Central Commercial	18	11.58	0.45%
Office Commercial	3	11.17	0.44%
Central Employment	535	96.32	3.76%
Mixed Employment	93	109.12	4.26%
<i>Cumulative Commercial and Employment Designation</i>			<i>17.78%</i>
Industrial Sanctuary	483	629.192	24.55%
Institutional Residential	155	57.6	2.25%
Central Residential	30	6.54	0.26%
Residential 1,000	857	146.33	5.71%
Residential 2,000	1,367	192.98	7.53%
Residential 2,500	1,662	184.86	7.21%
Residential 5,000	5,002	634.15	24.75%
Residential 10,000	1	1.11	0.04%
High Density Residential	685	95.73	3.74%
<i>Cumulative Residential Designation</i>			<i>51.48%</i>
Open Space	107	158.471	6.18%
Total	11,870	2,562.51	100.00%

PDC GIS Data from Multnomah County Assessor 2010/2011

4. Transportation and Infrastructure

PBOT provided an evaluation of the current conditions of the streets in the Existing Area, and are shown in Appendix 1. The narrative in this section is from the PBOT report. The ratings are on a five-point scale, from very good to very poor, which are shown in the table below. Fifteen percent (15%) of the streets are in poor or very poor condition.

Table 4.3 - Street Conditions in Existing Area

Condition	Existing Area Length	Percent of Total
Very Good	84,923	13%
Good	315,129	49%
Fair	143,338	22%
Poor	44,082	7%
Very Poor	50,249	8%
Total	637,721	100%

Portland Bureau of Transportation

The 2009 Interstate Corridor Urban Renewal Area Transportation Implementation Strategy identified the following needs and/or deficiencies in the Existing Area:

- Russell Streetscape Phase II: streetscape improvements are desired from N. Kerby Avenue eastward to NE Martin Luther King Jr. Boulevard, including construction of sidewalks and curb ramps, street lighting, and street trees.
- Killingsworth Street Streetscape Phase II: streetscape improvements are planned between N. Commercial Avenue eastward to NE Martin Luther King Jr. Boulevard.
- Lombard Streetscape: streetscape improvements on N Lombard from N Woolsey to the Burlington Northern Santa Fe Railroad cut, including curb extensions, street lighting, and bicycle improvements, as identified in the St. Johns/Lombard Plan.
- Lombard Station Area: establish a landscaped boulevard to promote pedestrian-oriented uses, create a safe, pleasant pedestrian link over I-5, and improve pedestrian access to the MAX station. Improvements include a new traffic light and road access to the Fred Meyer development.
- Bridgeton Streetscape: develop a unique identity for NE Bridgeton Road, which could include street furniture, lighting, and curb extensions.
- Marine Drive Improvements: realign NE Marine Drive at NE Bridgeton Road and NE Faloma/6th to reduce speed and traffic on Bridgeton Road.
- Ainsworth Streetscape and Bridge Improvements: construct sidewalk and storm water management frontage improvements along the south side of the street, provide a safe and pleasant bridge crossing for pedestrians and bicyclists, and link the MAX station to the Humboldt and Piedmont neighborhoods.
- Kerby Promenade: create a pedestrian-oriented street along N Kerby Avenue, south of Killingsworth Street, improving the connection between the Portland Community College and Jefferson High School campuses. The needs include street furniture, lighting, and curb extensions.

Appendix C

- Going/Greeley Interchange Redesign: continue to explore opportunities to focus truck traffic on routes that can better accommodate truck travel needs while improving neighborhood safety and livability.
- Prescott Station Area: improvements focus on Prescott and Skidmore Streets between N. Interstate Avenue and Maryland Avenue, and Maryland Avenue between Interstate Avenue and Prescott Street. Needs include sidewalks, storm water management, frontage improvements abutting the Fire Station, and possible frontage improvements along Prescott Street, Skidmore Street, and Maryland Avenue.
- Mississippi Streetscape: develop streetscape plan to widen sidewalks between Fremont Street and Skidmore Street.
- Overlook Station Area: N. Failing Street and bridge improvements to provide a safe and pleasant connection between the MAX station and Mississippi Avenue. The needs include street furniture, lighting, and curb extensions.
- Interstate Corridor Alley Improvements: alley improvements are needed, particularly to alleys behind tax lots abutting N. Interstate Avenue to locate vehicle access in alley and help encourage good pedestrian- and transit-oriented development along N. Interstate Avenue.
- Smaller scale transportation projects, including safer routes to schools and other needs, as identified in the Strategy.

5. Storm Water System

The separated storm sewer system in the Area exists in the "fringe" area outside of the combined sewer system along the Willamette River and Columbia Slough. In most cases, the separated storm sewers connect into the combined sewer outfalls to discharge to the receiving water body. The storm water system north of the Columbia Slough is fairly minimal, with primarily small lines connecting into ODOT outfalls or small swales that discharge into the Columbia Slough.

6. Sanitary Sewer System

Capacity for sanitary conveyance and treatment is not a significant problem in the Area since the combined system has capacity for dry weather flows. The provision for dry weather flows includes peak sanitary flow. Additional capacity for sanitary/combined conveyance and treatment was implemented by the Columbia Slough Combined Service Overflow (CSO) program in 2001. As part of this program, BES installed a 12-foot CSO storage conduit along Columbia Boulevard, with additional pumping and treatment at the Columbia Boulevard Treatment Plant (CBWTP). The new system reduces CSOs to the Columbia Slough by 99%. Sanitary sewage generated within the district south of Columbia Slough is conveyed to CBWTP either through the existing collection system or through the new CSO system. For sanitary flows generated north of Columbia Slough, BES has installed several small pump stations that send flows across the Slough into the main collection system that conveys sewage to CBWTP.

BES provided mapping information on the current conditions of the sewer lines in the Existing Area. They are shown in Appendix 2. The ratings are 1-5, with 1 being the best condition and 5 the worst. The predominant ratings are 1 and 2. There are some sections that are rated 3, 4, and 5.

Other BES conditions identified:

Appendix C

- BES Capital Improvement Projects in design in the Existing Area: N Russell Street, N. Fowler Street.
- Pre-design project: N. Denver Street.
- Bidding phase project: N. Killingsworth Street (in the bidding phase or on hold), and a project in the northern section of the ICURA, just south of N. Schmeer Street, that is in the same category.
- Under construction: N. River Street.
- There are numerous potential sewer projects throughout the Existing Area.

7. Parks, Open Space, and Community Facilities

There are a number of parks and other community facilities in the Existing Area. The parks are:

- Columbia Park
- Dawson Park
- DeNorval Unthank Park
- Farragut Park
- Kenton Park
- Madrona Park
- Mallory Meadows Park
- McCoy Park
- Northgate Park
- Overlook Park
- Patton Square Park
- Peninsula Park
- Sumner-Albina Park
- Trenton Park
- University Park

There is one community center at University Park.

There is one cultural center: the Interstate Firehouse Cultural Center.

The community gardens are:

- Beech Community Garden
- Boise-Eliot Community Garden
- McCoy Community Garden
- Patton Community Garden
- Portsmouth Community Garden

The Columbia Buffer, Peninsula Crossing Trail, and the Exeter Property are also in the Existing Area.

In July, 2009, the Interstate Corridor Urban Renewal Area Park Implementation Strategy was completed, which made recommendations for the following park improvements:

- Bridgeton Trail: engineer and build a half-mile promenade trail adjacent to the North Portland Harbor between Bridgeton Road and I-5, a missing link in the 40-Mile-Loop trail system.
- Lombard Station Area Acquisition: acquire land for a park near the intersection of Interstate Avenue and Lombard Street, a park-deficient area.
- Humboldt Acquisition: acquire land for a park in the Humboldt neighborhood, a park-deficient area.

Appendix C

- DeNorval Unthank Park: finish Master Plan implementation, including play equipment, landscaping, historic plaque, community gathering area, and sports field improvements.
- Dawson Park: finish Master Plan implementation, including waterplay feature, formal park entry, and furnishings.
- Continued funding for smaller-scale parks projects as identified in the 2009 Interstate Corridor Urban Renewal Area Park Implementation Strategy.

Another planned public amenity in the area is:

- Jefferson Frontage: public frontage improvements along the south side of Killingsworth Street, adjacent to the Jefferson High School football field and track.

8. Water

The Portland Water Bureau provided the following information on the Existing Area. There are numerous water main deficiencies, as shown in Table 5.3 below. The water mains listed in the table are currently included in the Water Bureau's Needs Database, but are not high enough on the priority list to be included in the current Water Bureau's Capital Improvement Plan. Depending on the type of redevelopment being considered, improvements to the water mains shown as deficient may be necessary in order to meet future water service demands for the renewal and development areas.

Appendix C

Table 5.3 - Water Main Deficiencies in Existing Area

Street	Extent	Size (in)	Length (ft)	Material
Alley between N Dana Ave and N Wayland Ave	N Houghton St to N Hunt St	2	640	Cast Iron
Alley between N Willis Blvd & N Hunt St	N Woolsey Ave to N Wayland Ave	2	290	Galvanized
Alley between N Commercial Ave & N Kerby Ave	N Jarrett St to N Ainsworth St	1.5	570	Galvanized
Alley between N Commercial Ave & N Kerby Ave	N Jessup St to N Jarrett St	1.5	250	Galvanized
N Campbell St	N Blandena St to 24" main in N Going Ct	2	210	Galvanized
N Beech St	N Gantenbein Ave to N Williams Ave	2	370	Galvanized
N Fairport Pl	N Bryant St to N Morgan St	2	375	Galvanized
N Buffalo St	N Montana Ave east 80'	2	80	Galvanized
N Simpson St	N Mississippi Ave to N Michigan Ave	2	110	Galvanized
N Jessup St	N Montana Ave west 110'	2	110	Galvanized
N Church St	N Missouri St to N Michigan St	2	250	Galvanized
N Jarrett St	N Missouri St to N Michigan St	2	230	Galvanized
N Humboldt St	N Maryland Ave to N Montana Ave	2	80	Galvanized
N Emerson St	N Maryland Ave to N Montana Ave	2	100	Galvanized
N Blandena St	N Michigan Ave to N Albina Ave	2	230	Galvanized
N Hunt St	N Delaware Ave to N Argyle Way	2	240	Galvanized
NE Baldwin St	NE Rodney Ave to NE MLK Jr Blvd	2	850	Galvanized
NE Wygant St	NE Rodney Ave to NE MLK Jr Blvd	2	300	Galvanized
NE Sumner St	NE Rodney Ave to NE Mallory Ave	2	90	Galvanized
N Prescott Ave	N Williams Ave to NE Cleveland Ave	2	170	Galvanized
N Going St	N Commercial Ave east 80'	2	80	Galvanized
N Hunt St	N Seward Ave to N Hamlin Ave	2	250	Galvanized
N Kiska Ct	N Kiska St south 180'	2	180	Galvanized
N Missouri Ave	N Winchell St to N Terry St	2	250	Galvanized
N Russet St	N Drummond Ave to N Curtis Ave	2, 4	120, 30	Galvanized

Portland Water Bureau

Appendix C

Table 5.3 – Water Main Deficiencies in Existing Area, continued

Street	Extent	Size (in)	Length (ft)	Material
N Burrage Ave	N Willis Blvd south 130'	2	130	Galvanized
N Gravenstein Ave	N Russet St south 80'	2	80	Galvanized
N Baldwin St	N Fowler Ave to N Washburne Ave	2	220	Galvanized
N Minnesota Ave	N Baldwin St to N Farragut St	2	220	Galvanized
N Borthwick Ave	N Columbia Blvd south 450'	2	450	Galvanized
N Blandena St	N Delaware Ave east 310'	2	310	Galvanized
N Delaware Ave	N Wygant St to N Blandena St	2	190	Galvanized
N Cook St	N Albina Ave east 160'	2	160	Galvanized
N Revere St	N Mississippi Ave to N Michigan Ave	2	180	Copper
N Beech St	N Borthwick Ave to N Commercial Ave	2	360	Galvanized
N Mason St	N Kerby Ave to N Commercial Ave	0.75	90	Galvanized
N Failing St	N Kerby Ave east 110'	2	110	Galvanized
N Failing St	N Michigan Ave to N Albina Ave	2	340	Galvanized
N Beech St	N Albina Ave to N Borthwick Ave	2	90	Galvanized
N Olin Ave	N Lombard St to N Vanderbilt St	2	150	Galvanized
N Hunt St	N Fiske Ave west 160'	2	160	Galvanized
N Hunt St	N Haven Ave east 110'	2	110	Galvanized
N Harding Ave	N Loring St north 160'	2	160	Galvanized
N Loring St	N Nesmith Ave north 150'	2	150	Galvanized
N Webster St	N Missouri Ave to N Michigan Ave	2	110	Galvanized
N Hodge St	N Fessenden St to N Cecelia St	2	480	Galvanized
N Clark Ave	N Interstate south 160'	3	160	Cast Iron
N Berkley Ave	N Hudson St north 520'	2	520	Galvanized
N Easy St	N McKenna Ave to N Houghton St	2	300	Galvanized
N Hudson St	N Fortune Ave to N Kimball Ave	2	320	Galvanized
N Missouri Ave	N Farragut St to N Baldwin St	2	250	Galvanized
N Minnesota Ave	N Terry St to N Winchell	2	230	Galvanized
N Kilpatrick St	N Delaware Ave east 200'	2	200	Cast Iron
N Simpson St	N Minnesota Ave west 120'	2	120	Cast Iron
N Borthwick Ave	N Fargo St north 90'	2	90	Cast Iron
NE Beech St	N Williams Ave to NE Cleveland Ave	2	100	Galvanized
N Shaver St	N Haight Ave to N Vancouver Ave	2	380	Galvanized
N Willis Ave	N Hereford Ave to N Gloucester Ave	2	320	Galvanized
NE Wygant St	NE Cleveland Ave west 150'	2	150	HDPE

Portland Water Bureau

The remaining water mains in the Existing Area that are not included in the table are in good to very good condition.

G. Social, Economic, and Housing Conditions: Existing Area

1. Social Conditions

There are 10,204 parcels in the Existing Area classified by the Assessor’s office as having residential uses, 288 of which are classified as multifamily. The multifamily designation does not always mean it is a multifamily use, but rather that a multifamily use would be the best use of the property.

Demographic data provided by the Portland Bureau of Planning and Sustainability gives information on Census block groups overlapping the Existing Area. As the Existing Area is much larger and actually represents several block groups, the data provided is very reliable in representing the social characteristics of the Area. The data for the Existing Area is also very representative of the data for the Expansion Area.

Sixty-two percent (62%) of the residents are White, while 21% are Black/African American. Hispanic ethnicity accounts for 15% of the residents.

Table 6a.3 - Race in Existing Area

Race	Percent of Total
White	62.40%
Black/African American	20.85%
Native American	1.95%
Asian	2.82%
Pacific Islander	0.82%
Other	4.92%
Two or more Races	6.25%
Total	100.00%

Portland Bureau of Planning and Sustainability, American Community Survey 2005-2009

Table 6b.3 - Ethnicity in Existing Area

Ethnicity	Percent of Total
Not Hispanic or Latino	84.92%
Hispanic or Latino	15.08%
Total	100.00%

Portland Bureau of Planning and Sustainability, American Community Survey 2005-2009

Appendix C

Of the total male population, 11% have a high school diploma, 11% have a Bachelor's degree, and 3% have a Master's degree.

Of the total female population, 12% have a high school diploma, 12% have a Bachelor's degree and 4% have a Master's degree.

Table 6c.3 - Education in Existing Area

Education	Percent Male	Percent Female
Population 25 years and over:	48.55%	51.45%
No schooling completed	0.60%	0.51%
Nursery to 12th grade, no diploma	7.65%	6.14%
High school graduate, GED, or alternative	10.63%	11.96%
Some college, less than 1 year	3.31%	3.23%
Some college, 1 or more years, no degree	8.46%	8.99%
Associate's degree	2.27%	3.85%
Bachelor's degree	11.12%	11.98%
Master's degree	3.26%	4.30%
Professional school degree	0.67%	0.39%
Doctorate degree	0.59%	0.10%

Portland Bureau of Planning and Sustainability, American Community Survey 2005-2009

Fifty-three percent (53%) of the residents own their homes, while 47% rent them.

Table 6d.3 - Home-ownership in Existing Area

Occupied Housing	Percent of Total
Rental	47.07%
Owner Occupied	52.93%
Total	100.00%

Portland Bureau of Planning and Sustainability, American Community Survey 2005-2009

The median family income in the East Area is \$39,535. The income distribution is shown in Table 6e.3 below. Approximately 31% of families have annual incomes of less than \$25,000.

Table 6e.3 - Income Distribution in East Area

Income Distribution	Percent of Total
Less than \$10,000	11.70%
\$10,000 - \$24,999	19.36%
\$25,000 - \$49,999	29.81%
\$50,000 - \$74,999	18.66%
\$75,000 - \$99,999	9.22%
More than \$100,000	11.26%
Total	100.00%

Portland Bureau of Planning and Sustainability, American Community Survey 2005-2009

Appendix C

Forty-nine percent (49%) of the residents in the Existing Area are male and 51% are female. Forty percent (40%) of the residents are 21-39 years old.

Table 6f.3 - Age Distribution in Existing Area

Total Population	Percentage of Total
Male	49.29%
Female	50.71%
Under 5 years	7.12%
5-20 years	16.80%
21-39 years	40.37%
40-59 years	24.79%
60-79 years	9.18%
80+ years	1.76%

Portland Bureau of Planning and Sustainability, American Community Survey 2005-2009

Appendix C

2. Economic Conditions

A summary of I:L analysis is described in Section II.B.2. of this report. As shown in Table 7.3 below, the I:L ratios of the commercially zoned properties in the Existing Area are much lower than the benchmark I:L for ICURA.

Seventy-eight percent (78%) of the commercial properties have an I:L below 4.0, the benchmark established in the Mississippi commercial area. Future investment in the Area will promote higher property values, thereby increasing the I:L ratios in the Area.

Table 7.3 - I:L Ratios in Existing Area Commercial Properties

I:L Value	Parcels	Percent of Parcels	Acreage	Percent of Acreage
No Improvements	121	13.60%	37.26	16.50%
0.00 - 0.49	74	8.30%	14.82	6.60%
0.50 - 0.99	71	8.00%	23.56	10.50%
1.00 - 1.49	131	14.70%	25.57	11.30%
1.50 - 1.99	155	17.40%	28.95	12.80%
2.00 - 2.49	115	12.90%	12.73	5.60%
2.50 - 2.99	58	6.50%	23.4	10.40%
3.00 - 3.49	33	3.70%	4.28	1.90%
3.50 - 3.99	16	1.80%	5.49	2.40%
<i>Properties with I:L < 4</i>	<i>774</i>	<i>86.90%</i>	<i>176.05</i>	<i>78.10%</i>
4.00 - 4.99	32	3.60%	9.53	4.20%
5.00 - 5.99	14	1.60%	4.58	2.00%
6.00 - 6.99	18	2.00%	4.89	2.20%
7.00 and Above	39	4.40%	21.22	9.40%
No Land/Improvement	10	1.10%	6	2.70%
No land	4	0.40%	3.05	1.40%
Total	891	100.00%	225.31	100.00%
Interstate Avenue Benchmark I:L = 4.1				
Mississippi Avenue Benchmark I:L = 5.9				

PDC GIS from Multnomah County Assessor 2010/2011

Appendix C

3. Housing Conditions: Existing Area

In August, 2010, a visual analysis of the exterior condition of the housing stock in the Existing Area was performed. Six areas were randomly selected to provide a geographical distribution throughout the Existing Area. The areas that were surveyed are shown in Figure 6. The total structures surveyed represent 5% of the total housing stock in the Existing Area. The structures were rated on an A, B, C scale.

A: No rehabilitation required

B: Rehabilitation required

C: Should be demolished

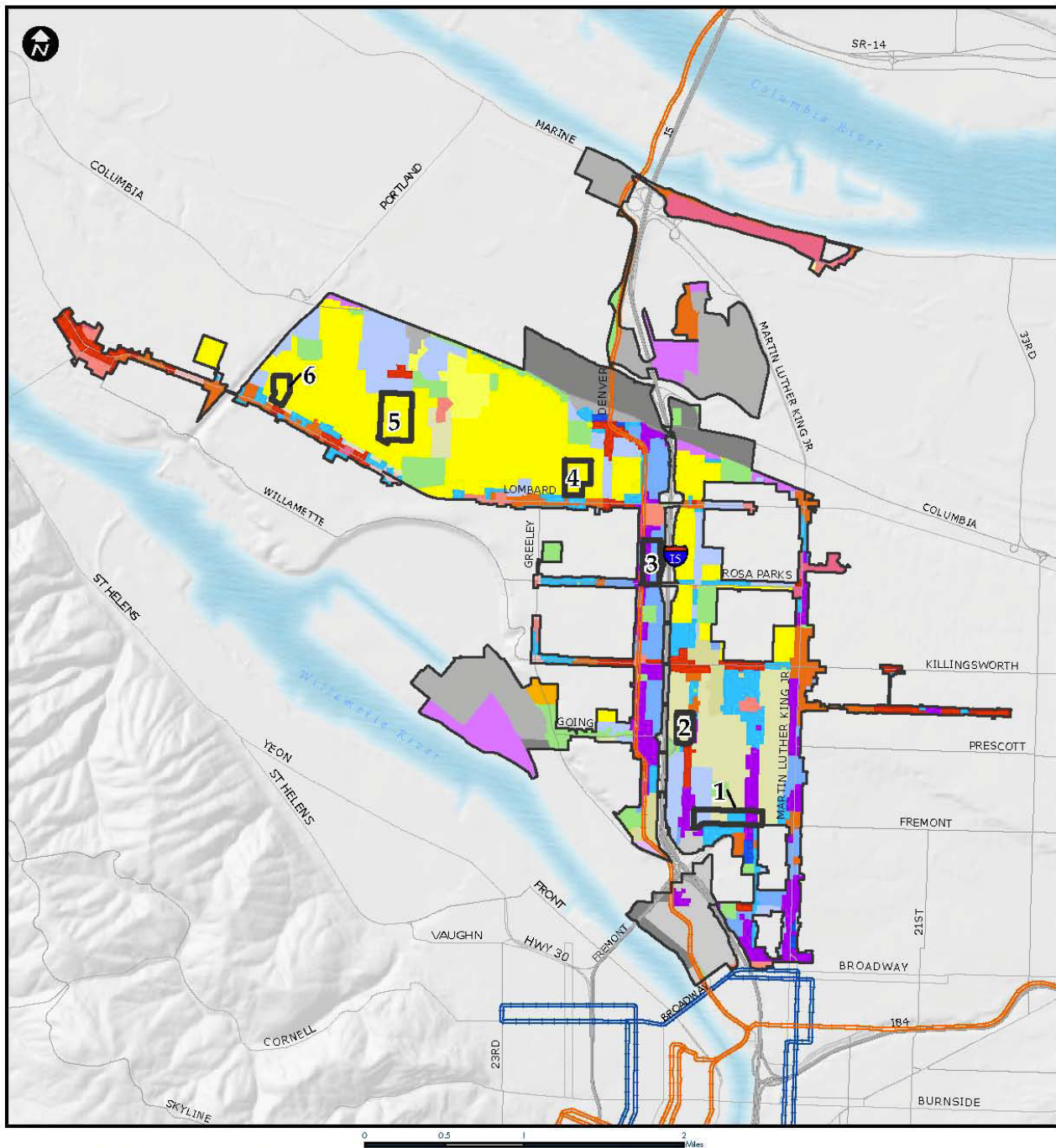
The following table (Table 8) displays the results of the analysis, showing that 68% of the structures are in need of some type of rehabilitation.

Table 8 - Housing Conditions

Area	A	B	C	Total
Area 1	28	75	1	104
Area 2	14	50	2	66
Area 3	22	68	1	91
Area 4	34	84	4	122
Area 5	71	113	2	186
Area 6	17	33	2	52
Total	186	423	12	621
Percentage of Total	30%	68%	2%	100%

Elaine Howard Consulting, LLC survey 8/2010

Figure 6: Housing Condition Survey



Amended and Restated Interstate Corridor Urban Renewal Area - Housing Condition Survey Areas

Zoning

- Open Space
- Single Dwelling Residential 10,000
- Single Dwelling Residential 7,000
- Single Dwelling Residential 5,000
- Single Dwelling Residential 2,500
- Low Density Multi-Dwelling Res. 2,000
- Medium Density Multi-Dwelling Res. 1,000
- High Density Multi-Dwelling Residential

Housing Condition Survey Areas

- Central Multi-Dwelling Residential
- Institutional Residential
- Neighborhood Commercial 1
- Neighborhood Commercial 2
- Office Commercial 1
- Office Commercial 2
- Storefront Commercial
- Mixed Commercial

- General Commercial
- Central Commercial
- General Employment 1
- General Employment 2
- Central Employment
- General Industrial 1
- General Industrial 2
- Heavy Industrial

The information on this map was created by the Portland Development Commission (PDC) GIS. Every reasonable effort has been made to assure the accuracy of these maps and associated data. However, inadvertent errors can occur and the PDC does not assume any responsibility for omission or positional accuracy. This information is presented "as is" and without warranties, either expressed or implied. Information Sources: Portland Development Commission Geographic Information Systems (GIS), City of Portland Corporate GIS, April 2011

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

The fiscal impact of tax increment financing on taxing districts that levy taxes within the Area (“affected taxing districts”) is described in Section X of this Report. This subsection discusses the fiscal impacts resulting from potential increases in demand for municipal services.

Assistance to property owners through economic development programs is not expected to have a negative fiscal impact in terms of demand on municipal services. The assistance would add value to properties, thereby potentially adding to the tax base and providing increment during the length of the Plan and tax revenues once the Plan is terminated. Various system development charges for each new development will help offset increased demand on municipal services. In addition, the business license fees would help augment the general fund to pay for services.

Any rehabilitation should reduce fire and life safety needs of buildings, as they would be in better overall condition. Development assistance would add value to properties, thereby potentially adding to the tax base and providing increment during the length of the Plan and tax revenues once the Plan is terminated.

Housing investment is anticipated to both help retain the existing number of low income housing units (both ownership and rental) and replace low income housing units lost through improved market conditions in the Area, as well as supply new workforce and affordable housing in the future. By retaining and replacing low income housing units, the city is effectively managing the limited resources available for low income housing. Other municipal resources would not have to be used for this purpose, which would allow for the funds to be used for other services. Providing low-income and workforce housing in the Area, in close proximity to jobs, retail and light rail transit, helps eliminate traffic and resulting pollution by reducing automobile trips. It also supports the retail trade in the Area, thereby keeping a healthy economy and a socio-economic balance. These potential housing developments will turn stagnant and unproductive land into land which contributes positively to the overall public health, safety and welfare of the Area.

Transportation improvements funded through tax increment resources help reduce the need to finance those improvements through other municipal resources, which allows for the funds to be used in other ways.

The combination of housing, transportation, and economic and commercial development assistance in the Area will address a lack of proper utilization that is resulting in stagnant and unproductive land. This assistance will result in a positive benefit to the overall public health, safety, and welfare of the community by addressing factors of blight.

For examples of other impacts, including community benefit and budget impacts, see the N/NE CAC Report, Appendix 3.

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

The reason for the selection of the Expansion Areas is to cure blight. Additional reasons for the specific areas are:

A. East Area

1. Properties north of Broadway/Schuyler presently in the OCCURA, including properties along NE Martin Luther King, Jr. Blvd. and N. Alberta Street

This area includes approximately 170 acres with an approximate assessed value of \$102 million. The priorities for the East Area, as formerly established by the OCC Urban Renewal Advisory Committee (OCCURAC), include Business and Redevelopment Loans, funding to realize the components of the NE Martin Luther King, Jr. Blvd. Action Plan, and N/NE Gateway and Heritage Markers. The Eliot Neighborhood Association Land Use Committee testified in support of inclusion of this area in ICURA. The OCCURAC also supported the inclusion of the East Area. There are specific requests from property owners for inclusion in ICURA.

There is significant need to address blighting conditions in the area which will extend beyond the termination of the OCCURA in 2013. There are properties which are underdeveloped and properties in need of rehabilitation. Potential projects in the East Area include the development of numerous vacant parcels. The tools offered by inclusion in the ICURA will help address these blighting conditions in this area.

2. Properties along NE Martin Luther King, Jr. Blvd. which are not presently in an urban renewal area

Properties along NE Martin Luther King, Jr. Blvd. not presently in an urban renewal area include approximately 72 acres with an approximate assessed value of \$35 million. When the OCCURA was amended to include NE Martin Luther King Jr. Blvd. and ICURA was subsequently created, many parcels along NE Martin Luther King Jr. Blvd. were left out of both districts. Much of this property is underdeveloped or in need of rehabilitation. The Eliot Neighborhood Association Land Use Committee and Woodlawn Neighborhood Association support inclusion of this commercial area in ICURA. There are specific requests from property owners for inclusion in ICURA.

Inclusion of the remainder of these properties into ICURA would allow this significant commercial corridor to make use of the economic development tools offered in the ICURA and address the blighting conditions in the Area. Potential projects in this area include a mixed-use development by Sakura Urban Concepts, Simpson Commons by Bridge City Builders, and the development of numerous properties owned by City Urban Projects.

3. NE Alberta Street properties which are not presently in an urban renewal area and a portion of NE Killingsworth Avenue

This Expansion Area includes 32 acres with an approximate assessed value of \$17 million. Although portions of NE Alberta Street are enjoying a recent renaissance, there are many structures within the Area which are still underdeveloped and in

Appendix C

need of rehabilitation. Many of these structures are owned by long-term residents of the neighborhood and the ability to both eliminate blight and support wealth creation in the neighborhood lead to the inclusion of these properties. Inclusion would also allow the opportunity for long-term residents to redevelop their own property, supporting community economic development in the neighborhood versus development by investors from outside the community. There are specific requests from property owners for inclusion in the ICURA. Potential projects include redevelopment of property owned by the Black United Fund and a mixed-use project by Riggins Remodeling.

The Killingsworth node was recently rezoned from residential to commercial due to the nature of its existing use, and represents an area in need of redevelopment. There are specific requests from property owners for inclusion in the ICURA. The tools offered by inclusion in the ICURA will help address these blighting conditions.

4. Additional areas added by community request following the N/NE CAC process:

a) Bridgeton Road

This addition is entirely right-of-way and is being included for potential streetscape improvements along the road, curing blight.

b) Friends of Children

This addition allows the Friends of Children to apply for financial assistance for building renovations, curing blight.

B. West Area

1. The South Side of Lombard Street

This expansion area includes 28 acres with an approximate assessed value of \$13 million. When the ICURA was originally adopted, the north side of Lombard Street was included in the area. The Portsmouth Neighborhood Association, Piedmont Neighborhood Association, University of Portland, and a N/NE CAC member requested the inclusion of the south side of Lombard Street into the ICURA. There are many business owners, including many Latino business owners, in this expansion area who have expressed interest in the tools provided by the ICURA to help improve physical structures and promote business development in the area.

There are many structures within the area that are underdeveloped and in need of rehabilitation. In addition, the Lombard Streetscape, a Gem List project, can move forward if the entire street is included in the ICURA. The tools offered by inclusion in the ICURA will help address these blighting conditions.

2. St. Johns Town Center Area

This area includes 81 acres with an approximate assessed value of \$67 million. The area is presently underdeveloped and is in need of rehabilitation, including building and streetscape improvements to help enhance the residential and business environment in the area. The St. Johns Neighborhood Association testified to the N/NE CAC that they conducted community outreach concerning the possibility of being added to the ICURA and had very strong support for the concept of inclusion in the ICURA. The University of Portland, St. Johns Boosters,

Appendix C

and The Friends of Cathedral Park sent letters of support for inclusion in the ICURA. The St. Johns Main Street Coalition also supports the inclusion. There are additional requests from property owners for inclusion in the ICURA.

Potential projects identified by community members include the redevelopment of several vacant car lots, an underutilized “gateway” site at N Ivanhoe St. and N Philadelphia Ave, and a city-owned brownfield site. The tools offered by inclusion in the ICURA will help address these blighting conditions.

3. Roosevelt High School

Portland Public Schools requested the inclusion of Roosevelt High School into the ICURA. While there are no specific plans for this area, likely projects would be to assist in the redevelopment of the portions of the site and building that would support joint community use and activities, and improve transportation access. The lack of adequate pedestrian improvements and streetscape are blighting influences which can be addressed through inclusion in the urban renewal area.

4. Arbor Lodge Park

The inclusion of Arbor Lodge Park allows it to be considered for future improvements.

C. Existing Area

The reason for selection of the Existing Area has not changed from the original adoption of the Area.

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

A. Infrastructure

There are new projects within the Expansion Area which fall under this existing project category. These include transportation improvements, streetscape and gateway improvements, pedestrian and bicycle safety improvements, parks improvements, improvements to plazas and athletic facilities, and renovations to existing structures in parks.

Existing conditions: the existing conditions of these project areas exhibit the existence of inadequate streets and other rights-of-way, open spaces, and utilities.

B. Property Redevelopment, including Housing

There are new projects within the Expansion Area which fall under this project category. The new projects will redevelop vacant and underutilized land which is causing a prevalence of depreciated values and impaired investments in the Area. New projects will assist in the rehabilitation and conservation of existing structures in the Area. The new projects will rehabilitate buildings that are unfit or unsafe to occupy due to the defective design and quality of physical construction, faulty interior arrangement and exterior spacing, or other design and building condition flaws. The new projects will redevelop structures which are causing a prevalence of depreciated values and impaired investments in the Area.

Appendix C

Existing Conditions: there are vacant and underutilized parcels, as well as buildings within the Area, that are in need of rehabilitation and causing a prevalence of depreciated values and impaired investments in the Area.

C. Business Development

There are new projects within the Expansion Area which fall under this project category. The new projects will assist property owners in improving their properties and will address blighting conditions in the Area. The new projects will assist private, nonprofit and for profit parties undertaking projects that are supportive of wealth creation, economic development, jobs creation, community livability, and sustainability.

Existing Conditions: the projects which are to be funded in the Area will be determined in the future, but the reason they will seek PDC participation is due to the under development and under utilization of the properties or the need to upgrade properties.

D. Land Acquisition, Improvement, and Disposition for Redevelopment Projects

There are two properties designated for acquisition at this time:

- 574 N. Alberta Street, currently owned by Portland Public Schools
- 7528 N. Fenwick Avenue, currently owned by Portland Public Schools

E. Relocation

There are no plans for projects which would incur relocation.

F. Planning and Administration

There is currently planning and administration provided for the Existing Area. These tasks will continue with the addition of the Expansion Area.

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

The remaining capacity is projected to be allocated to the following budget categories. The sources of moneys to pay for these costs are from the projection of tax increment revenues in Section IX of this Report. The maximum indebtedness of \$335 million remains unchanged as a result of the Amended Plan.

Table 9 - Project Costs

Budget Estimates	Existing Area FY 11/12 - 15/16 ²	Existing Area FY 16/17 - 22/23 ³	East Area FY 11/12 - 22/23 ⁴	West Area FY 11/12 - 22/23 ⁵	Total
Infrastructure	\$9,175,000	\$16,200,000	\$5,500,000	\$6,300,000	\$37,175,000
Property Redevelopment	\$18,850,000	\$33,000,000	\$9,500,000	\$3,500,000	\$64,850,000
Housing	\$11,034,765	\$33,600,000	\$6,250,000		\$50,884,765
Business Development	\$9,605,906	\$24,800,000	\$5,850,000	\$5,000,000	\$45,255,906
TOTAL					
Total	48,665,671	\$107,600,000	\$27,100,000	\$14,800,000	\$198,165,671

Portland Development Commission

VII. ANCITICPATED COMPLETION DATE FOR EACH PROJECT

The projects will be ongoing throughout the time frame of the Area. Due to the fluctuations in the economy, redevelopment and development projects will occur when market conditions allow. Scheduling for Public Improvement Projects will occur during the annual budgeting process for the Area.

Many of the programs are ongoing, such as the Development Opportunity Services program, the Storefront Grants program, the Business Finance program, the Green Features Grants program, the Neighborhood Economic Development program, the Target Industry Development program, and the Community Livability Grants program. These programs are anticipated to receive annual allocations, determined through the budgeting process.

² Figures from Requested FY 11/12 budget dated February 3, 2011.

³ Figures developed for N/NE CAC based on previous 5-year budget percentages. The N/NE CAC voted to increase economic development expenditures and decrease public improvement expenditures. The figures presented to the CAC were subsequently adjusted by \$8 million.

⁴ Figures estimated based on known projects in expansion areas in addition to a percentage of area program dollars.

⁵ Ibid

Appendix C

VIII. ESTIMATED AMOUNT OF MONEY REQUIRED IN THE URBAN RENEWAL AREA UNDER ORS 457.420 TO 457.460 (TAX INCREMENT FINANCING OF URBAN RENEWAL INDEBTEDNESS) AND ANTICIPATED YEAR IN WHICH INDEBTEDNESS WILL BE RETIRED OR OTHERWISE PROVIDED FOR UNDER ORS 457.420 TO 457.460

Table 10 - The Estimated Amount of Tax Increment Revenues Required

Fiscal Year Ending June 30	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Revenues								
Beginning Balance	\$ 6,292,169	\$ 6,292,169	\$ 6,292,169	\$ 6,292,169	\$ 9,340,933	\$ 9,340,933	\$ 9,340,933	\$ 9,340,933
EXISTING DISTRICT								
Tax Increment to Raise (before Compression)	\$16,822,250	\$18,022,377	\$19,228,748	\$20,448,771	\$22,144,182	\$23,994,187	\$25,982,498	\$28,100,888
Less Compression	(\$1,093,446)	(\$1,171,455)	(\$1,249,869)	(\$1,329,170)	(\$1,439,372)	(\$1,559,622)	(\$1,688,862)	(\$1,826,558)
Tax Increment Imposed (after Compression)	\$15,728,804	\$16,850,923	\$17,978,879	\$19,119,601	\$20,704,810	\$22,434,565	\$24,293,635	\$26,274,330
Less Adjustments for Discounts/Delinquencies	(\$943,728)	(\$1,011,055)	(\$1,078,733)	(\$1,147,176)	(\$1,242,289)	(\$1,346,074)	(\$1,457,618)	(\$1,576,460)
TOTAL NET TAX INCREMENT REVENUES	\$14,785,076	\$15,839,867	\$16,900,146	\$17,972,425	\$19,462,521	\$21,088,491	\$22,836,017	\$24,697,870
Bond Proceeds to Debt Service Reserve	0	0	0	\$2,694,624	0	0	0	0
Interest Earnings	94,383	110,113	125,843	157,304	233,523	233,523	233,523	233,523
TOTAL REVENUES - EXISTING	\$14,879,458	\$15,949,980	\$17,025,990	\$20,824,353	\$19,696,045	\$21,322,014	\$23,069,541	\$24,931,393
EXPANSION AREA								
Tax Increment to Raise (before Compression)	\$331,031	\$504,404	\$656,191	\$805,870	\$993,191	\$1,245,435	\$1,509,822	\$1,787,680
Less Compression	(\$21,517)	(\$32,786)	(\$42,652)	(\$52,382)	(\$64,557)	(\$80,953)	(\$98,138)	(\$116,199)
Tax Increment Imposed (after Compression)	\$309,514	\$471,617	\$613,538	\$753,489	\$928,634	\$1,164,481	\$1,411,684	\$1,671,481
Less Adjustments for Discounts/Delinquencies	(\$18,571)	(\$28,297)	(\$36,812)	(\$45,209)	(\$55,718)	(\$69,869)	(\$84,701)	(\$100,289)
TOTAL NET TAX INCREMENT REVENUES	\$290,943	\$443,320	\$576,726	\$708,279	\$872,916	\$1,094,612	\$1,326,983	\$1,571,192
Bond Proceeds to Debt Service Reserve	0	0	0	354,140	0	0	0	0
TOTAL REVENUES - EXPANSION	\$290,943	\$443,320	\$576,726	\$1,062,419	\$872,916	\$1,094,612	\$1,326,983	\$1,571,192
TOTAL REVENUES - ALL AREAS	\$15,170,401	\$16,393,301	\$17,602,716	\$21,886,772	\$20,568,960	\$22,416,627	\$24,396,523	\$26,502,586
Expenditures								
Bond/Line of Credit Debt Service (EXPANSION)								
Line of Credit Draw 1	\$25,043	\$80,909	\$92,468	\$92,468	\$0	\$0	\$0	\$0
Line of Credit Draw 2		\$7,637	\$17,457	\$17,457	0	0	0	0
Line of Credit Draw 3			\$10,376	\$20,752	0	0	0	0
Line of Credit Draw 4				0	354,140	354,140	354,140	354,140
Bond 1					26,162	52,325	52,325	52,325
Line of Credit Draw 5						35,230	70,460	70,460
Line of Credit Draw 6							36,926	73,852
Line of Credit Draw 7								38,807
Bond 2			0	0	0	0	0	0
Total Bond/Line of Credit Debt Service	\$25,043	\$88,546	\$120,300	\$130,676	\$380,302	\$441,694	\$513,850	\$589,584
Short Term Debt Repayment	265,900	354,774	456,426	577,603	501,467	661,772	821,986	990,462
Subtotal Expenditures for Plan Amendment	\$290,943	\$443,320	\$576,726	\$708,279	\$881,769	\$1,103,466	\$1,335,836	\$1,580,046
Expenditures Associated with Original Plan	14,879,458	15,949,980	17,025,990	18,129,729	19,687,191	21,313,161	23,060,687	24,922,540
Bond Defeasance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENDITURES	\$15,170,401	\$16,393,301	\$17,602,716	\$18,838,008	\$20,568,960	\$22,416,627	\$24,396,523	\$26,502,586
Ending Balance	\$ 6,292,169	\$ 6,292,169	\$ 6,292,169	\$ 9,340,933	\$ 9,340,933	\$ 9,340,933	\$ 9,340,933	\$ 9,340,933

Appendix C

Table 10 - The Estimated Amount of Tax Increment Revenues Required, continued

Fiscal Year Ending June 30	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
Revenues							
Beginning Balance	\$ 9,340,933	\$ 14,234,133	\$ 14,234,133	\$ 30,786,214	\$ 52,957,282	\$ 78,291,394	\$ 109,513,273
EXISTING DISTRICT							
Tax Increment to Raise (before Compression)	\$30,312,106	\$32,620,636	\$35,031,601	\$37,519,245	\$40,145,386	\$42,887,532	\$45,647,714
Less Compression	(\$1,970,287)	(\$2,120,341)	(\$2,277,054)	(\$2,438,751)	(\$2,609,450)	(\$2,787,690)	(\$2,967,101)
Tax Increment Imposed (after Compression)	\$28,341,819	\$30,500,295	\$32,754,547	\$35,080,494	\$37,535,936	\$40,099,842	\$42,680,612
Less Adjustments for Discounts/Delinquencies	(\$1,700,509)	(\$1,830,018)	(\$1,965,273)	(\$2,104,830)	(\$2,252,156)	(\$2,405,991)	(\$2,560,837)
TOTAL NET TAX INCREMENT REVENUES	\$26,641,310	\$28,670,277	\$30,789,274	\$32,975,664	\$35,283,780	\$37,693,852	\$40,119,776
Bond Proceeds to Debt Service Reserve	\$3,980,303	0	0	0	0	0	0
Interest Earnings	233,523	355,853	355,853	769,655	1,323,932	1,957,285	2,737,832
TOTAL REVENUES - EXISTING	\$30,855,136	\$29,026,130	\$31,145,127	\$33,745,320	\$36,607,712	\$39,651,137	\$42,857,608
EXPANSION AREA							
Tax Increment to Raise (before Compression)	\$2,077,362	\$2,379,414	\$2,694,443	\$3,020,594	\$3,362,955	\$3,720,041	\$4,083,277
Less Compression	(\$135,029)	(\$154,662)	(\$175,139)	(\$196,339)	(\$218,592)	(\$241,803)	(\$265,413)
Tax Increment Imposed (after Compression)	\$1,942,334	\$2,224,752	\$2,519,305	\$2,824,256	\$3,144,363	\$3,478,238	\$3,817,864
Less Adjustments for Discounts/Delinquencies	(\$116,540)	(\$133,485)	(\$151,158)	(\$169,455)	(\$188,662)	(\$208,694)	(\$229,072)
TOTAL NET TAX INCREMENT REVENUES	\$1,825,794	\$2,091,267	\$2,368,146	\$2,654,800	\$2,955,701	\$3,269,544	\$3,588,792
Bond Proceeds to Debt Service Reserve	912,897	0	0	0	0	0	0
TOTAL REVENUES - EXPANSION	\$2,738,690	\$2,091,267	\$2,368,146	\$2,654,800	\$2,955,701	\$3,269,544	\$3,588,792
TOTAL REVENUES - ALL AREAS	\$33,593,826	\$31,117,397	\$33,513,274	\$36,400,120	\$39,563,414	\$42,920,681	\$46,446,400
Expenditures							
Bond/Line of Credit Debt Service (EXPANSION)							
Line of Credit Draw 1	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Line of Credit Draw 2	0	0	0	0	0	0	0
Line of Credit Draw 3	0	0	0	0	0	0	0
Line of Credit Draw 4	354,140	354,140	354,140	354,140	354,140	354,140	354,140
Bond 1	52,325	0	0	0	0	0	0
Line of Credit Draw 5	70,460	0	0	0	0	0	0
Line of Credit Draw 6	73,852	0	0	0	0	0	0
Line of Credit Draw 7	77,615	0	0	0	0	0	0
Bond 2	0	558,757	558,757	558,757	558,757	558,757	558,757
Total Bond/Line of Credit Debt Service	\$628,391	\$912,897	\$912,897	\$912,897	\$912,897	\$912,897	\$912,897
Short Term Debt Repayment	1,206,256	1,201,192	218,393	-	-	-	-
Subtotal Expenditures for Plan Amendment	\$1,834,647	\$2,114,089	\$1,131,290	\$912,897	\$912,897	\$912,897	\$912,897
Expenditures Associated with Original Plan	26,865,980	29,003,308	15,829,903	13,316,155	13,316,405	10,785,905	10,785,905
Bond Defeasance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$98,750,107
TOTAL EXPENDITURES	\$28,700,627	\$31,117,397	\$16,961,192	\$14,229,052	\$14,229,302	\$11,698,802	\$110,448,908
Ending Balance	\$ 14,234,133	\$ 14,234,133	\$ 30,786,214	\$ 52,957,282	\$ 78,291,394	\$ 109,513,273	\$ 45,510,764

Appendix C

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

Table 11 shows the assessed values of the Existing Area and the Expansion Area, along with the projections for the incremental assessed values that include new development projections for the Area. It then shows the tax rate applied to these resulting assessed values and the reduction of these values by compression and delinquencies. The factors used in the analysis are agreed upon by the Commission and the Portland Office of Management and Finance (“OMF”), unless specifically noted:

- Real property appreciation rate of 2.5% until 2016, and then increasing slightly.
- Personal and utility appreciation at 2.5% annually.
- New construction estimates are from calculations by ED Hovee and Company, LLC until year 2016, and then a factor of 1% is used. This new development factor after 2016 of 1% annually was also supplied by ED Hovee and Company, LLC (as a relatively conservative estimate of potential valuation growth assuming full economic recovery nationally and regionally by 2015).
- Compression is estimated by the OMF at 6.5% annually
- Delinquencies are estimated at 6% annually.
- The tax rates for the overlapping taxing jurisdictions were provided by the OMF.

Appendix C

Table 11 – Projected Assessed Value Growth

Fiscal Year Ending June 30	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Projected Assessed Value Growth								
<i>Existing Area</i>								
Frozen Base	\$1,051,408,349	\$1,051,408,349	\$1,051,408,349	\$1,051,408,349	\$1,051,408,349	\$1,051,408,349	\$1,051,408,349	\$1,051,408,349
Incremental Assessed Value	772,578,474	827,764,083	889,632,425	957,985,668	1,038,181,801	1,130,588,138	1,227,020,562	1,327,745,409
Total Assessed Value - Existing	\$1,823,986,823	\$1,879,172,432	\$1,941,040,774	\$2,009,394,017	\$2,089,590,150	\$2,181,996,487	\$2,278,428,911	\$2,379,153,758
<i>Expansion Area</i>								
Frozen Base	\$239,028,056	\$239,028,056	\$239,028,056	\$239,028,056	\$239,028,056	\$239,028,056	\$239,028,056	\$239,028,056
Incremental Assessed Value	15,202,917	23,167,159	30,359,151	37,753,473	46,563,597	58,683,946	71,301,191	84,466,520
Total Assessed Value - Expansion	\$254,230,973	\$262,195,215	\$269,387,207	\$276,781,529	\$285,591,653	\$297,712,002	\$310,329,247	\$323,494,576
<i>Total Area</i>								
Frozen Base	\$1,290,436,405	\$1,290,436,405	\$1,290,436,405	\$1,290,436,405	\$1,290,436,405	\$1,290,436,405	\$1,290,436,405	\$1,290,436,405
Incremental Assessed Value	787,781,391	850,931,243	919,991,576	995,739,141	1,084,745,399	1,189,272,084	1,298,321,752	1,412,211,929
Total Assessed Value	\$2,078,217,796	\$2,141,367,648	\$2,210,427,981	\$2,286,175,546	\$2,375,181,804	\$2,479,708,489	\$2,588,758,157	\$2,702,648,334
Total AV Growth	17.38%	3.04%	3.23%	3.43%	3.89%	4.40%	4.40%	4.40%
Incremental AV Growth	9.56%	8.02%	8.12%	8.23%	8.94%	9.64%	9.17%	8.77%
Consolidated Tax Rate	21.7742	21.7724	21.6143	21.3456	21.3298	21.2227	21.1753	21.1644
Tax Increment to Raise (before Compression)	\$17,153,281	\$18,526,781	\$19,884,938	\$21,254,641	\$23,137,373	\$25,239,622	\$27,492,320	\$29,888,568
Less Compression	(1,114,963)	(1,204,241)	(1,292,521)	(1,381,552)	(1,503,929)	(1,640,575)	(1,787,001)	(1,942,757)
Tax Increment Imposed (after Compression)	16,038,318	17,322,540	18,592,417	19,873,090	21,633,443	23,599,046	25,705,319	27,945,811

Appendix C

Table 11 – Projected Assessed Value Growth, continued

Fiscal Year Ending June 30	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
Projected Assessed Value Growth							
<i>Existing Area</i>							
Frozen Base	\$1,051,408,349	\$1,051,408,349	\$1,051,408,349	\$1,051,408,349	\$1,051,408,349	\$1,051,408,349	\$1,051,408,349
Incremental Assessed Value	1,432,953,605	1,542,845,492	1,657,630,375	1,777,526,930	1,902,763,631	2,033,579,181	2,170,222,976
Total Assessed Value - Existing	\$2,484,361,954	\$2,594,253,841	\$2,709,038,724	\$2,828,935,279	\$2,954,171,980	\$3,084,987,530	\$3,221,631,325
<i>Expansion Area</i>							
Frozen Base	\$239,028,056	\$239,028,056	\$239,028,056	\$239,028,056	\$239,028,056	\$239,028,056	\$239,028,056
Incremental Assessed Value	98,203,788	112,538,196	127,496,068	143,104,895	159,393,388	176,391,538	194,130,667
Total Assessed Value - Expansion	\$337,231,844	\$351,566,252	\$366,524,124	\$382,132,951	\$398,421,444	\$415,419,594	\$433,158,723
<i>Total Area</i>							
Frozen Base	\$1,290,436,405	\$1,290,436,405	\$1,290,436,405	\$1,290,436,405	\$1,290,436,405	\$1,290,436,405	\$1,290,436,405
Incremental Assessed Value	1,531,157,392	1,655,383,688	1,785,126,443	1,920,631,825	2,062,157,019	2,209,970,719	2,364,353,643
Total Assessed Value	\$2,821,593,797	\$2,945,820,093	\$3,075,562,848	\$3,211,068,230	\$3,352,593,424	\$3,500,407,124	\$3,654,790,048
Total AV Growth	4.40%	4.40%	4.40%	4.41%	4.41%	4.41%	4.41%
Incremental AV Growth	8.42%	8.11%	7.84%	7.59%	7.37%	7.17%	6.99%
Consolidated Tax Rate	21.1536	21.1432	21.1335	21.1076	21.0985	21.0897	21.0337
Tax Increment to Raise (before Compression)	\$32,389,468	\$35,000,050	\$37,726,044	\$40,539,839	\$43,508,342	\$46,607,573	\$49,730,991
Less Compression	(2,105,315)	(2,275,003)	(2,452,193)	(2,635,090)	(2,828,042)	(3,029,492)	(3,232,514)
Tax Increment Imposed (after Compression)	30,284,152	32,725,047	35,273,851	37,904,750	40,680,300	43,578,081	46,498,476

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

The impact of tax increment financing is shown for three scenarios: Impacts From Creation to Bond Defeasance, Impacts for the Full Area From Amendment to Bond Defeasance, and Impacts From the Amendment Only. The data that reflects the amendment is shown from the year that the additional area will be reflected on the Multnomah County Assessor's tax rolls; 2013 through the projected termination of financing in 2027. The Impacts From the Amendment Only is shown in net present value in the last column in Table 12 below.

Table 12 - Revenues Foregone by Taxing Districts

Revenues Foregone 2013-2027	Impacts From Creation to Bond Defeasance: 2001/02 to 2026/27	Impacts for Full Area From Amendment to Bond Defeasance: 2012/13 to 2026/27	Impacts From Amendment Only: 2012/13 to 2026/27	NPV of Impacts From Amendment Only
Permanent Rates				
City of Portland	\$119,830,132	\$101,004,207	\$6,310,568	\$3,174,348
Multnomah County	\$113,714,266	\$95,849,175	\$5,988,491	\$3,012,336
Metro	\$2,529,078	\$2,131,747	\$133,188	\$66,996
Port of Portland	\$1,835,283	\$1,546,951	\$96,651	\$48,617
East Multnomah County Soil	\$2,436,686	\$2,206,778	\$137,876	\$69,354
Portland Public Schools	\$138,000,675	\$116,475,925	\$7,277,215	\$3,660,591
Portland Community College	\$7,403,968	\$6,240,767	\$389,912	\$196,134
Multnomah County Education Service District	\$11,980,395	\$10,098,214	\$630,919	\$317,365
Local Options⁶				
City of Portland	\$10,584,850	\$8,884,486	\$555,087	\$279,221
Multnomah County	\$23,058,455	\$19,640,320	\$1,227,093	\$617,254
Oregon Historical Society	\$1,172,699	\$1,103,389	\$68,938	\$34,677
Portland Public Schools ⁷	\$50,185,614	\$43,914,873	\$2,743,725	\$1,380,151

⁶ This assumes all existing local option levies will be renewed at their existing level.

⁷ Local Option rate includes Local Option passed in May 2011.

Appendix C

Table 13 shows the increase in permanent rate levy revenues due to the addition of properties under the Amended Plan that would occur after termination of the tax increment financing in FY 2026/27. The Portland Public Schools Local Option rate includes the Local Option passed in May, 2011.

Table 13 - Revenues Gained by Taxing Districts after Termination of Urban Renewal Area

	Revenues Gained: 2027-28	Present Value
Permanent Rates		
City of Portland	\$973,269	\$329,680
Multnomah County	\$923,596	\$312,854
Metro	\$20,541	\$6,958
Port of Portland	\$14,906	\$5,049
East Multnomah County Soil	\$21,264	\$7,203
Portland Public Schools	\$1,122,354	\$380,180
Portland Community College	\$60,316	\$20,370
Multnomah County Education Service District	\$97,306	\$32,961
Local Options		
City of Portland	\$85,610	\$28,999
Multnomah County	\$189,253	\$64,106
Oregon Historical Society	\$10,632	\$3,601
Portland Public Schools	\$423,161	\$143,339

The new impact of the Amended Plan is from two sources: properties being moved from the OCCURA to ICURA and properties being added to ICURA which are not presently in an urban renewal area, as explained below:

There is an annual impact as a result of the change in status of properties which are proposed to be added to ICURA from OCCURA. Since OCCURA receives revenues under a special levy formula, there is not an impact on the taxing jurisdictions based on the annual growth of assessed value in OCCURA. The impact is consistent each year until the maximum indebtedness is reached or the Area is terminated. However, when those properties are transferred to ICURA, they will be in an urban renewal area where the taxes from the increase in the assessed value will go to the urban renewal agency. While this is an annual change, the total burden to the taxing jurisdictions does not change as the overall maximum indebtedness of ICURA is not increased.

There is also an impact due to the inclusion of properties which were not formerly in an urban renewal area. The taxes raised as a result of the increase in growth of assessed value of these properties after their addition to ICURA will be allocated to the urban renewal agency.

With the maximum indebtedness of \$335 million, the total estimated impact to taxing jurisdictions from FY 2010-11 through 2026-27 is shown in Table 12. The actual impact can vary depending on the timing of the issuance of debt.

XI. RELOCATION REPORT

The existing Relocation Report is not altered by the Amended Plan.

XII. COMPLIANCE WITH LIMITATIONS ON ASSESSED VALUE AND ACREAGE IN URBAN RENEWAL

ORS 457.420 requires that urban renewal areas not exceed 15% of the total assessed value or 15% of the total land area of the City. Table 14 shows that the Plan is in compliance with ORS 457.420.

Table 14 - Compliance with Assessed Value and Acreage Limitations

Urban Renewal Area	Frozen Base Assessed Value	Acreage
Airport Way ⁸	\$124,710,302	1,841.4
Central Eastside	\$224,626,739	692.3
Downtown Waterfront	\$55,674,313	233.1
Gateway Regional Center	\$307,174,681	658.5
Interstate Corridor	\$1,051,408,349	3,804.2
Interstate Corridor - Proposed Amended and Restated Plan ⁹	\$239,022,576	185.8
Lents Town Center	\$736,224,033	2,846.3
North Macadam	\$192,609,397	401.9
Oregon Convention Center ¹⁰	\$248,951,143	410.0
River District	\$461,577,974	351.2
South Park Blocks	\$376,066,574	156.3
Willamette Industrial	\$481,443,135	755.5
Total Urban Renewal Areas	\$4,499,489,216	12,336.5
Total Assessed Value City of Portland Less Incremental Assessed Value in Urban Renewal Areas (10/11 TSCC)	\$ 42,375,354,541	
Total Acreage, City of Portland (10/11 TSCC)		92,773
Percent in Urban Renewal Areas	10.6%	13.3%

Additionally, ORS 457.220 states that “no land equal to more than 20% of the total land area of the original plan shall be added to the urban renewal areas of a plan by amendments”. The original acreage of ICURA was 3,772 acres. Twenty percent (20%) of that is 754.4 acres. Previous amendments added another 33.72 acres. The Amended Plan adds 415.54 acres, for a total addition of 449.26 acres or 11.91% of the original acreage. Therefore, the Plan is in compliance with ORS 457.220.

⁸ Airport Way frozen base represents Revised Frozen Base as of FY 11/12, provided by the County Assessor. Current FY 10/11 value is \$129,701,177.

⁹ Assessed value figure represents estimated AV to be added to ICURA. Actual frozen base will be determined by the County Assessor. Acreage reflects net acreage from expansion as well as reduction of right-of-way.

¹⁰ Frozen Base value represents current OCC Frozen Base and is overstated for estimation purposes. As a result of the 20th Amendment to OCC (July 2011), the reduced frozen base will be determined by the County Assessor. Acreage reflects reduction in acreage from 20th Amendment.

XIII. APPENDICES

- A. Map of Existing Street conditions
- B. Map of Existing conditions of the sewer and storm water lines
- C. N/NE Economic Development Initiative Community Advisory Committee Report