

42<sup>nd</sup> Avenue  
Neighborhood Prosperity Initiative  
Urban Renewal Plan

April 11, 2012

**Table of Contents**

- I. Introduction ..... 1
- II. 42<sup>nd</sup> Avenue NPI District Map and Legal Description ..... 2
  - A. Legal Description..... 2
  - B. Proposed Land Uses ..... 2
- III. Urban Renewal Projects..... 4
  - A. Projects ..... 4
- IV. Public Buildings ..... 4
- V. Relationship to Local Plans and Objectives ..... 4
  - A. Portland Comprehensive Plan ..... 4
  - B. City of Portland Economic Development and Neighborhood Economic Development Strategies .. 5
- VI. Relocation Policy ..... 5
- VII. Property Acquisition and Disposition Policies ..... 5
- VIII. Plan Financing ..... 6
  - A. General Description of the Proposed Financing Methods..... 6
  - B. Tax Increment Financing..... 6
- IX. Procedures for Amendments to the Plan ..... 6
  - A. Substantial Amendments..... 6
  - B. Council-Approved Amendments..... 7
  - C. Minor Amendments..... 7
- X. Other Provisions..... 7
  - A. Non-Discrimination ..... 7
  - B. Agreements to Implement This Plan ..... 7
  - C. Duration of Urban Renewal Plan ..... 7
  - D. Validity ..... 7

## I. Introduction

The Neighborhood Economic Development Strategy (the "NED Strategy") is a citywide initiative to foster economic opportunity and neighborhood vitality throughout Portland neighborhoods. On October 18, 2011, Mayor Adams and County Chair Cogen jointly announced the Neighborhood Prosperity Initiative (the "NPI"), one of the NED Strategy's key elements that will result in the creation of several small, innovative urban renewal areas, focused on neighborhood commercial areas. The goal of the NPI is to strengthen the economic competitiveness of business districts through community-planned and community-implemented actions. Under the NPI, six neighborhood commercial corridors (each, a "NPI District") successfully applied to be part of the first round of the NPI. Those areas include:

|             |                          |
|-------------|--------------------------|
| 42nd Avenue | Rosewood                 |
| Cully Blvd  | Division – Midway        |
| Parkrose    | 82nd Avenue and Division |

The NPI Districts were prioritized based on five criteria: concentrations of blighted properties in the commercial corridor, capacity of business/community organizations, concentrations of locally-owned businesses, concentrations of minority-owned and/or serving businesses, designation of commercial zoning and commercial uses along corridors, and demographic factors of poverty, low household incomes, and declining commercial investment. URAs generate revenue through tax increment financing ("TIF") which will provide a portion of each NPI District's funding for capital improvement projects. In order to be fully successful, each NPI District will require additional funding revenues beyond the TIF resources available to each NPI District. The Portland Development Commission ("PDC" or "Commission") intends to enter into intergovernmental agreements with its city and county partners to secure such additional funding revenues. This 42<sup>nd</sup> Avenue NPI Urban Renewal Plan (this "Plan") outlines a strategy to invest TIF in underutilized property in the 42<sup>nd</sup> Avenue NPI District (the "District") to meet the goal of the NPI.

Neighborhood support and ownership is critical, and as such, the formation process started with District-oriented organization of a broad cross-section of people representing the District's business community, residents, property owners, organizations, and community groups. It is the intention that everyone with a stake in the District and its future should be involved in preparing a plan that best meets the economic development needs of the District. Input has been solicited, received and considered in the development of this Plan.

In summary, this Plan will focus on enhancing the vitality of the business district, consistent with the following community-developed vision statement:

*The 42nd Avenue NPI District will be a welcoming, safe and walkable commercial district that nurtures a diverse population with affordable goods and services. The district will be distinctive for its vibrancy, with attractive storefronts, an interesting streetscape, and destinations where people can gather. The physical environment will foster stronger connections amongst community members and*

with nature, while also supporting a prosperous, inclusive and community-focused 42nd Avenue.

**II. 42<sup>nd</sup> Avenue NPI District Map and Legal Description**

The District shown in Figure 1 below contains 136.2 acres, including public right-of-way. There are 555 tax lots within the District, totaling 107.1 acres. The District overlaps portions of the following neighborhood and business associations:

- Cully Neighborhood Association
- Concordia Neighborhood Association
- Beaumont-Wilshire Neighborhood Association
- 42<sup>nd</sup> Avenue Business Association

**A. Legal Description**

The legal description of the District is attached as Exhibit 1, with an associated map as Exhibit 1.A.

**B. Proposed Land Uses**

The City of Portland’s Comprehensive Plan and implementing ordinances govern land use within the District. Any adopted change in the Comprehensive Plan or implementing ordinances shall automatically amend this Section, as applicable, without the necessity of any further formal action. This Section shall thereafter incorporate any relevant amendments, additions or deletions. To the extent this Section conflicts with the Comprehensive Plan or Zoning Code, the Comprehensive Plan and Zoning Code shall govern.

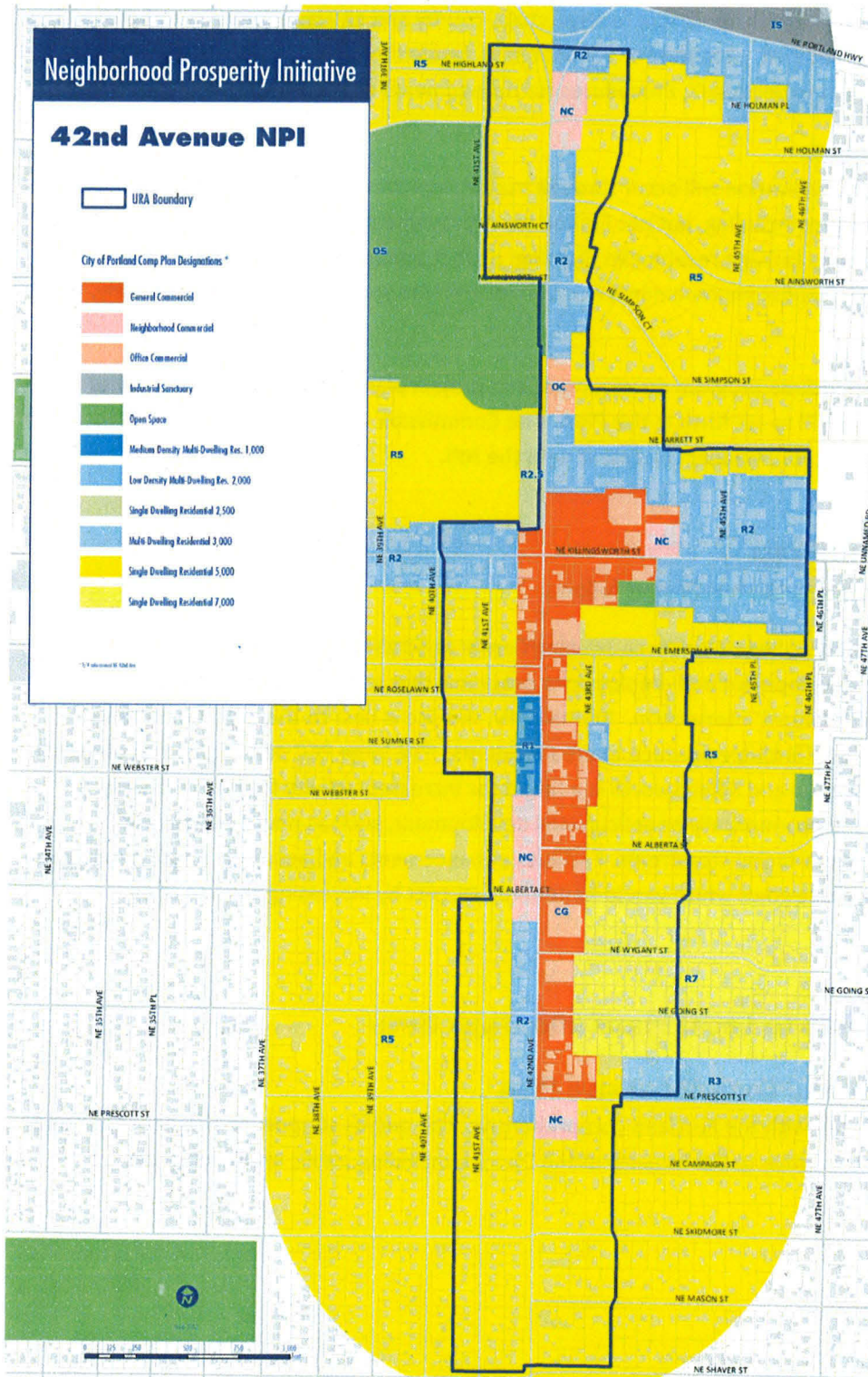
Title 33, Portland City Code is incorporated herein to establish the maximum densities and building requirements to be implemented with this Plan.

Table 1. Existing Comprehensive Plan Designations of District

| Comprehensive Plan Designation | Acreage      | % of Total  |
|--------------------------------|--------------|-------------|
| General Commercial             | 15.9         | 15%         |
| Neighborhood Commercial        | 3.3          | 3%          |
| Office Commercial              | 0.5          | <1%         |
| Residential 1,000              | 0.8          | 1%          |
| Residential 2,000              | 20.2         | 19%         |
| Residential 2,500              | 0.1          | <1%         |
| Residential 3,000              | 1.1          | 1%          |
| Residential 5,000              | 58.1         | 54%         |
| Residential 7,000              | 7.2          | 7%          |
| <b>Total</b>                   | <b>107.1</b> | <b>100%</b> |

\*Source: City of Portland Bureau of Planning and Sustainability

Figure 1. District Boundary and Comprehensive Plan Map



### **III. Urban Renewal Projects**

In order to achieve the goal of the NPI, the following projects will be undertaken in the District by the Commission, in accordance with applicable federal, state, county and city laws, policies and procedures. Such projects may be modified, expanded or eliminated as needed to meet the goal of the NPI as set forth in this Plan, subject to Section IX, Procedures for Amendments to the Plan.

#### **A. Projects**

Commercial corridor revitalization will occur through capital improvement projects, which could be public or private in nature, including, but not limited to, improvements to business exteriors and interiors, street furniture, garbage receptacles, lighting, district signage, gateway markers, and other small-scale, permanent capital improvements and administrative support therefore (collectively, the "Projects").

The Projects shall also include program development and project planning activities necessary to achieve the goal of the NPI as set forth in this Plan. The Commission will also undertake administration of all aspects of this Plan, in a manner consistent with the NPI.

### **IV. Public Buildings**

The Projects may include public buildings as follows:

The Portland Community College Workforce Training Center at 5600 NE 42<sup>nd</sup> Avenue is host to numerous economic development and employment programs that serve the District's population. It is located at the District's largest intersection. Additionally, the site is host to the Cully Community Market, which provides affordable produce to area residents. The large PCC parking lot that abuts the intersection of 42<sup>nd</sup> Avenue and Killingsworth is a target for increased activity for both the Cully Community Market and economically beneficial infill development, such as new buildings with pedestrian-friendly, street-facing storefronts. Facilities enhancements and aesthetic improvements to the site will facilitate these goals which would benefit the District by increasing the use of an underutilized property.

### **V. Relationship to Local Plans and Objectives**

#### **A. Portland Comprehensive Plan**

This Plan is in conformity with the Portland Comprehensive Plan and its supporting neighborhood and area plans, as a whole relative to the Projects of the District, including public improvements.

888881

## **B. City of Portland Economic Development and Neighborhood Economic Development Strategies**

The Five-Year Economic Development Strategy (the "Strategy") was adopted by the Portland City Council ("Council") on July 8, 2009, via Resolution Number 36714. The Strategy sets forth the approach for building the most sustainable economy in the world, with the goal of creating 10,000 new jobs in five years. Building a sustainable economy requires a balanced focus on job growth, innovation in sustainability and equality of economic opportunity through competitiveness, urban innovation and neighborhood business vitality. This Plan meets Strategy Goal 3:

- Goal 3: Neighborhood Business Vitality
  - Achieve equality of opportunity by stimulating economic activity in neighborhoods throughout the city.

This Plan also implements the NED Strategy, adopted by Council on May 25, 2011, via Resolution Number 36864. The NED Strategy articulates how community partners, business leadership and public partners can use focused neighborhood-level actions to collectively foster economic opportunity and neighborhood vitality throughout Portland. The goal of the NED Strategy is to create thriving commercial areas, successful neighborhood businesses and equitable access to quality jobs. In particular, the Plan will implement NED Strategy Objectives 1 and 2:

- Objective 1: Build Local Capacity to Achieve Economic Development Outcomes
  - A. Strengthen Community Capacity to Develop Neighborhood Economic Development Plans
  - B. Increase Citywide Community and Organizational Capacity
- Objective 2: Drive Neighborhood Business Growth
  - A. Connect Traded Sector and Neighborhood Work
  - B. Seed Investments to Implement Neighborhood Economic Development Plans
  - C. Expand Citywide Financial Tools for Neighborhood Businesses

## **VI. Relocation Policy**

All relocation activities will be undertaken in accordance with the requirements of ORS 281.045-281.105, PDC Relocation Policies and Procedures and any other applicable law or regulation.

## **VII. Property Acquisition and Disposition Policies**

No property acquisition or disposition is anticipated in this District.

## **VIII. Plan Financing**

### **A. General Description of the Proposed Financing Methods**

The Commission may borrow money and accept advances, loans, grants and any other form of financial assistance from the federal government, the state, city, county, or other public body, or from any sources, public or private, for the purposes of undertaking and carrying out this Plan, or may otherwise obtain financing as authorized by ORS 457 and Chapter XV of the City Charter. Upon request of the Commission, Council may from time to time issue revenue bonds, certificates, debentures or promissory notes to assist in financing project activities as provided by Section 15-106 of the City Charter.

The funds obtained by the Commission shall be used to pay or repay any costs, expenses, advancements and indebtedness incurred in planning or undertaking project activities or in otherwise exercising any of the powers granted by ORS 457 and Chapter XV of the City Charter in connection with the implementation of this Plan.

The total maximum indebtedness which may be incurred under this Plan is \$1,250,000.

### **B. Tax Increment Financing**

The Plan may be financed, in whole or in part, by fund allocated to the Commission as provided in section 1c, Article IX of the Oregon Constitution and ORS 457.420 through ORS 457.450.

## **IX. Procedures for Amendments to the Plan**

This Plan may be reviewed and evaluated periodically, and may be amended as needed, in conformance with statutory requirements. All amendments to this Plan shall be made pursuant to the following procedures.

### **A. Substantial Amendments**

Substantial amendments are solely amendments that:

1. Add land to the District, except for an addition of land that totals not more than one percent of the existing District; or
2. Increase the maximum amount of indebtedness that can be issued or incurred under this Plan.

Substantial amendments shall require the same approval process as required for initial plan adoption including the approval process as provided in ORS 457.095 and the notice requirement set forth in ORS 457.120.



**B. Council-Approved Amendments**

Council-approved amendments are solely amendments that:

1. Identify a project that includes a public building to the extent such project has not previously been identified in this Plan along with an explanation of how such project would serve or benefit the District.

Council-approved amendments require approval by PDC by resolution and by Council, which may approve the amendment by resolution. Council-approved amendments do not require any of the procedural or notice requirements found in ORS Chapter 457, including but not limited to the procedures set forth in ORS 457.085(4) and (5). To the extent that a Council-approved amendment involves a public building, such amendment shall explain how the project serves or benefits the District.

**C. Minor Amendments**

Minor amendments are amendments that are neither substantial, nor Council-approved amendments. Minor amendments may include changing the goals of the Plan or removing land from the urban renewal area. Minor amendments are effective upon adoption of a resolution by PDC approving the amendment.

**X. Other Provisions****A. Non-Discrimination**

In the preparation, adoption and implementation of this Plan, no public official or private party shall take any action or cause any person, group or organization to be discriminated against on the basis of age, race, color, religion, gender, sexual orientation, marital status, citizenship status, or national origin.

**B. Agreements to Implement This Plan**

The Commission may implement this Plan through one or more grant agreements with a neighborhood entity that will identify neighborhood needs, disburse and account for the use of Plan funds and carry out implementation of the Plan. It is the intention of the Commission to utilize such agreements to guide and specify public investments and private development to ensure that the Projects are in conformance with this Plan.

**C. Duration of Urban Renewal Plan**

No indebtedness, for which taxes divided under ORS 457.440 are to be pledged, shall be issued under this Plan (or under any of the Projects undertaken with respect to this Plan) once maximum indebtedness is reached.

**D. Validity**

Should a court of competent jurisdiction find any word, clause, sentence, section or part of this Plan to be invalid, the remaining words, clauses, sentences, sections or parts shall be unaffected by such findings and shall remain in full force and effect for the duration of this Plan.

## Exhibit A

**ENGINEERING PLANNING  
FORESTRY**

13910 S.W. Galbreath Dr., Suite 100  
 Sherwood, Oregon 97140  
 Phone: (503) 925-8799  
 Fax: (503) 925-8969

**LANDSCAPE ARCHITECTURE  
SURVEYING**

AKS Group of Companies:  
 SHERWOOD, OREGON  
 SALEM, OREGON  
 VANCOUVER, WASHINGTON  
[www.aks-eng.com](http://www.aks-eng.com)

**EXHIBIT 1**

## LEGAL DESCRIPTION, PAGE 1 OF 5

42<sup>ND</sup> AVENUE  
 NEIGHBORHOOD PROSPERITY INITIATIVE  
 URBAN RENEWAL AREA

## PORTLAND, OREGON

Beginning at the northeast corner of Lot 5 of the Plat of "Winona Addition", Assessor Map 1N2E 18CC, at the intersection of the southerly right-of-way line of NE Jarrett Street and the west line of the Plat of "Columbia Ecovillage Condominium", located in the Southwest One-Quarter of Section 18, Township 1 North, Range 2 East, Willamette Meridian, City of Portland, Multnomah County, State of Oregon;

1. Thence southerly 499 feet, more or less, along said west line of the Plat of "Columbia Ecovillage Condominium" to its intersection with the northerly right-of-way line of NE Killingsworth Street, Assessor Map 1N2E 18CC;
2. Thence southerly 80 feet, more or less, to the intersection of the southerly right-of-way line of NE Killingsworth Street and the east line of Lot 7, Block 2 of the Plat of "Jorbade", Assessor Map 1N2E 19BB;
3. Thence southerly 419 feet, more or less, along said east line and the east line of Lot 10, Block 2 of said Plat to its intersection with the northerly right-of-way line of NE Emerson Street, Assessor Map 1N2E 19BB;
4. Thence westerly 546 feet, more or less, along said northerly right-of-way line to its intersection with the west line of Lot 12, Block 2 of said Plat, Assessor Map 1N2E 19BB;
5. Thence southerly 40 feet, more or less, along the southerly extension of the west line of said Lot 12 to its intersection with the southerly right-of-way line of NE Emerson Street, Assessor Map 1N2E 19BB;
6. Thence westerly 26 feet, more or less, along said southerly right-of-way line to its intersection with a line parallel to and 55 feet easterly of the west line of Lot 11 of the Plat of "Almo Acres", Assessor Map 1N2E 19BB;
7. Thence southerly 309 feet, more or less, along said parallel line to its intersection with the north line of Lot 6 of the Plat of "Boundary Acres", Assessor Map 1N2E 19BB;
8. Thence easterly 30 feet, more or less, along said north line to its intersection with the west line of Partition Plat Number 2007-027, Assessor Map 1N2E 19BB;
9. Thence southerly 180 feet, more or less, along said west line to its intersection with the northerly right-of-way line of NE Sumner Street, Assessor Map 1N2E 19BB;
10. Thence southwesterly 56 feet, more or less, to the intersection of the southerly right-of-way line of NE Sumner Street and a line parallel to and 25 feet westerly of the east line of Lot 21 of the Plat of "Boundary Acres", Assessor Map 1N2E 19BB;

11. Thence southerly 360 feet, more or less, along said parallel line and the west line of Partition Plat Number 1996-064 to its intersection with the northerly right-of-way line of NE Alberta Street, Assessor Map 1N2E 19BB;
12. Thence southeasterly 56 feet, more or less, to the intersection of the southerly right-of-way line of NE Alberta Street and the west line of Partition Plat Number 1991-112, Assessor Map 1N2E 19BC;
13. Thence southerly 185 feet, more or less, along said west line to its intersection with the northerly right-of-way line of NE Alberta Court, Assessor Map 1N2E 19BC;
14. Thence southwesterly 67 feet, more or less, to the intersection of the southerly right-of-way line of NE Alberta Court and the west line of Lot 26, Block 1 of the Plat of "Steigerwald Addition", Assessor Map 1N2E 19BC;
15. Thence southerly 525 feet, more or less, along said west line and the west line of Lot 15, Block 1 of said Plat, the west line of Lot 26, Block 2 of said Plat and the west line of Lot 15, Block 2 of said Plat to its intersection with the northerly right-of-way line of NE Going Street, Assessor Map 1N2E 19BC;
16. Thence southeasterly 51 feet, more or less, to the intersection of the southerly right-of-way line of NE Going Street and the west line of Lot 28, Block 3 of said Plat, Assessor Map 1N2E 19BC;
17. Thence southerly 360 feet, more or less, along said west line and the west line of Partition Plat Number 2002-011 to its intersection with the northerly right-of-way line of NE Prescott Street, Assessor Map 1N2E 19BC;
18. Thence westerly 270 feet, more or less, along said northerly right-of-way line to its intersection with the west line of Lot 12, Block 3 of said Plat, Assessor Map 1N2E 19BC;
19. Thence southerly 60 feet, more or less, along the southerly extension of said west line to its intersection with the southerly right-of-way line of NE Prescott Street, Assessor Map 1N2E 19CB;
20. Thence westerly 36 feet, more or less, along said southerly right-of-way line to its intersection with the west line of Lot 5 of the Unrecorded Plat of "Wilshire Acres", being the northwest corner of Tax Lot 1800, Assessor Map 1N2E 19CB;
21. Thence southerly 602 feet, more or less, along said west line and the west line of Lot 20 of said Unrecorded Plat to its intersection with the northerly right-of-way line of NE Skidmore Street, being the southwest corner of Tax Lot 7700, Assessor Map 1N2E 19CB;
22. Thence southeasterly 55 feet, more or less, to the intersection of the southerly right-of-way line of NE Skidmore Street and the west line of Lot 8 of the Plat of "Forest Glen", Assessor Map 1N2E 19CB;
23. Thence southerly 280 feet, more or less, along said west line and the west line of Lot 33 of said Plat to its intersection with the northerly right-of-way line of NE Mason Street, Assessor Map 1N2E 19CB;
24. Thence southwesterly 54 feet, more or less, to the intersection of the southerly right-of-way line of NE Mason Street and the west line of Lot 29 of the Unrecorded Plat of "Wilshire Acres", being the northwest corner of Tax Lot 15000, Assessor Map 1N2E 19CB;
25. Thence southerly 289 feet, more or less, along said west line to its intersection with the northerly right-of-way line of NE Shaver Street, Assessor Map 1N2E 19CB;
26. Thence westerly 423 feet, more or less, along said northerly right-of-way line and the westerly extension thereof to its intersection with the westerly right-of-way line of NE 42<sup>nd</sup> Avenue, Assessor Map 1N1E 24DA;

27. Thence southerly 35 feet, more or less, along said westerly right-of-way line to its intersection with the northerly right-of-way line of NE Shaver Street, Assessor Map 1N1E 24DA;
28. Thence westerly 340 feet, more or less, along said northerly right-of-way line to its intersection with the north-south center line of Block 20 of the Plat of "Wilshire", Assessor Map 1N1E 24DA;
29. Thence northerly 2302 feet, more or less, along said north-south center line and the north-south center line of Block 27 of said Plat, the north-south center line of Block 9 of the Plat of "Going Street Addition", and the north-south center line of Block 2 of the Plat of "Going Street Addition" to its intersection with the southerly right-of-way line of NE Alberta Court, Assessor Map 1N1E 24AD;
30. Thence easterly 160 feet, more or less, along said southerly right-of-way line to its intersection with the west line of Block 1 of the Plat of "Going Street Addition", Assessor Map 1N1E 24AD;
31. Thence northerly 51 feet, more or less, to the intersection of the northerly right-of-way line of NE Alberta Court and the easterly right-of-way line of NE 41<sup>st</sup> Avenue, Assessor Map 1N1E 24AD;
32. Thence northerly 561 feet, more or less, along said easterly right-of-way line to its intersection with the north line of Lot 7, Block 5 of the Plat of "Hilton", being east-west center line of said Block 5, Assessor Map 1N1E 24AA;
33. Thence westerly 230 feet, more or less, along said east-west center line to its intersection with the west line of Lot 25, Block 5 of said Plat, Assessor Map 1N1E 24AA;
34. Thence northerly 258 feet, more or less, along said west line and the west line of Lot 16, Block 6 of said Plat to its intersection with the east-west center line of Block 6 of said Plat, Assessor Map 1N1E 24AA;
35. Thence westerly 5 feet, more or less, along said east-west center line to its intersection with a line parallel to and 4.84 feet westerly of the east line of Lot 24, Block 6 of said Plat, Assessor Map 1N1E 24AA;
36. Thence northerly 100 feet, more or less, along said parallel line to its intersection with the southerly right-of-way line of NE Roselawn Street, Assessor Map 1N1E 24AA;
37. Thence northwesterly 47 feet, more or less, to the intersection of the northerly right-of-way line of NE Roselawn Street and the easterly right-of-way line of NE 40<sup>th</sup> Avenue, Assessor Map 1N1E 24AA;
38. Thence northerly 630 feet, more or less, along said easterly right-of-way line to its intersection with the southerly right-of-way line of NE Killingsworth Street, Assessor Map 1N1E 24AA;
39. Thence northwesterly 64 feet, more or less, to the intersection of the northerly right-of-way line of NE Killingsworth Street and the easterly line of a 12.00 foot wide right-of-way per Multnomah County Deed Book 1603 Page 500, being the southwest corner of Tax Lot 5500, Assessor Map 1N1E 13DD;
40. Thence northerly 130 feet, more or less, along said easterly line to its intersection with a line parallel to 130 feet northerly of the northerly right-of-way line of NE Killingsworth Street, being the south line of Tax Lot 4700, Assessor Map 1N1E 13DD;
41. Thence easterly 383 feet, more or less, along said parallel line to its intersection with a line parallel to and 100 feet westerly of the westerly right-of-way line of NE 42<sup>nd</sup> Avenue, Assessor Map 1N1E 13DD;
42. Thence southerly 32 feet, more or less, along said parallel line to its intersection with a line parallel to and 98 feet northerly of the northerly right-of-way line of NE Killingsworth Street, Assessor Map 1N1E 13DD;

43. Thence easterly 100 feet, more or less, along said parallel line to its intersection with the westerly right-of-way line of NE 42<sup>nd</sup> Avenue, Assessor Map 1N1E 13DD;
44. Thence northerly 1229 feet, more or less, along said westerly right-of-way line to its intersection with the northerly right-of-way line of NE Ainsworth Street, Assessor Map 1N1E 13DD;
45. Thence westerly 268 feet, more or less, along said northerly right-of-way line to its intersection with the easterly right-of-way line of NE 41<sup>st</sup> Avenue, Assessor Map 1N1E 13DA;
46. Thence northerly 1131 feet, more or less, along said easterly right-of-way line to its intersection with the south line of Lot 4 of the Plat of "Van Laeken Addition", Assessor Map 1N1E 13DA;
47. Thence easterly 203 feet, more or less, along said south line to its intersection with the westerly right-of-way line of NE 42<sup>nd</sup> Avenue, Assessor Map 1N1E 13DA;
48. Thence easterly 270 feet, more or less, to the intersection of the easterly right-of-way line of NE 42<sup>nd</sup> Avenue and the north line of Tax Lot 11500, Assessor Map 1N2E 18CB;
49. Thence easterly 210 feet, more or less, along said north line and the north line of Tax Lot 11600 to its intersection with the west line of Tax Lot 11700, Assessor Map 1N2E 18CB;
50. Thence southerly 323 feet, more or less, along said west line and the west line of Tax Lot 11000 and Tax Lot 9500 to its intersection with the northerly right-of-way line of NE Holman Street, Assessor Map 1N2E 18CB;
51. Thence southwesterly 48 feet, more or less, to the intersection of the southerly right-of-way line of NE Holman Street and the west line of Lot 9 of the Plat of "Stokes Tract", Assessor Map 1N2E 18CB;
52. Thence southerly 352 feet, more or less, along said west line and the west line of Lot 16 of said Plat to its intersection with the northerly right-of-way line of NE Ainsworth Street, Assessor Map 1N2E 18CB;
53. Thence southwesterly 108 feet, more or less, to the intersection of the southerly right-of-way line of NE Ainsworth Street and the west line of Lot 32 of Said Plat, Assessor Map 1N2E 18CB;
54. Thence southerly 165 feet, more or less, along said west line to its intersection with the north line of Lot 36 of said Plat, Assessor Map 1N2E 18CB;
55. Thence easterly 38 feet, more or less, along said north line to its intersection with the west line of Lot 37 of said Plat, Assessor Map 1N2E 18CB;
56. Thence southwesterly 165 feet, more or less, along said west line to its intersection with the northerly right-of-way line of NE Simpson Court, Assessor Map 1N2E 18CB;
57. Thence southeasterly 57 feet, more or less, to the intersection of the southerly right-of-way line of NE Simpson Court and west line of Lot 49 of said Plat, Assessor Map 1N2E 18CC;
58. Thence southerly 417 feet, more or less, along said west line and the west line of Lot 54 of said Plat to its intersection with the northerly right-of-way line of NE Simpson Street, Assessor Map 1N2E 18CC;
59. Thence southeasterly 65 feet, more or less, to the intersection of the west line of Tax Lot 5000 and the southerly right-of-way line of NE Simpson Street, Assessor Map 1N2E 18CC;
60. Thence easterly 348 feet, more or less, along said southerly right-of-way line to its intersection with the west line of Tax Lot 5500, Assessor Map 1N2E 18CC;

Exhibit A

- 61. Thence southerly 246 feet, more or less, along said west line and the west line of Tax Lot 6600 to its intersection with the northerly right-of-way line of NE Jarrett Street, Assessor Map 1N2E 18CC;
- 62. Thence southerly 40 feet, more or less, to the intersection of the west line of Tax Lot 8200 and the southerly right-of-way line of NE Jarrett Street, Assessor Map 1N2E 18CC;
- 63. Thence easterly 718 feet, more or less, along said southerly right-of-way line to its intersection with the west line of the Plat of "Columbia Ecovillage Condominium", and the Point of Beginning.

Said 42<sup>nd</sup> Avenue NPI District Boundary Line delineates an Area containing 136 acres, more or less, and lying entirely within the City of Portland, County of Multnomah, State of Oregon.

3-8-12

**REGISTERED  
PROFESSIONAL  
LAND SURVEYOR**

*Nick White*

**OREGON  
JANUARY 9, 2007  
NICK WHITE  
70652LS**

**RENEWS: 6/30/12**



Report Accompanying the  
42<sup>nd</sup> Avenue  
Neighborhood Prosperity Initiative  
Urban Renewal Plan

April 11, 2012



**Table of Contents**

- I. Introduction ..... 1
- II. Description of Existing Physical, Social, and Economic Conditions and Expected Impact, Including Fiscal Impact, of the Plan in Light of Added Services or Increased Population ..... 1
  - A. Physical Conditions ..... 1
    - 1. Land Use and Zoning..... 1
  - B. Social Conditions..... 3
  - C. Economic Conditions..... 4
    - 1. Taxable Value..... 4
    - 2. Improvement Value to Land Value Ratio..... 4
  - D. Expected Impact on Municipal Services ..... 4
- III. Reasons for Selection of each Urban Renewal Area in the Plan..... 5
- IV. Relationship between Each Project and Existing Conditions in the Urban Renewal Area ..... 5
- V. Estimated Total Cost of Each Project and the Sources of Moneys to Pay Such Costs..... 5
- VI. Anticipated Completion Date for Each Project..... 5
- VII. Estimated Amount of Tax Increment Revenues Required and Anticipated Year in which Indebtedness will be Retired ..... 6
- VIII. Financial Analysis of the Plan..... 7
- IX. Impact of Tax Increment Financing, both until and after the Indebtedness is Repaid, upon all Entities Levying Taxes upon Property in the Urban Renewal Area..... 8
- X. Relocation Report ..... 9
- XI. Compliance with Statutory Limits on Assessed Value and Acreage in Urban Renewal Areas ..... 9

**I. Introduction**

This Technical Report accompanying the 42<sup>nd</sup> Avenue Neighborhood Prosperity Initiative Urban Renewal Plan (this "Report") contains background information and project details for the 42<sup>nd</sup> Avenue Neighborhood Prosperity Initiative Urban Renewal Plan (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 City Council ("Council") as part of its approval of the Plan. The Report provides the information required in ORS 457.085(3).

**II. Description of Existing Physical, Social, and Economic Conditions and Expected Impact, Including Fiscal Impact, of the Plan in Light of Added Services or Increased Population**

**A. Physical Conditions**

**1. Land Use and Zoning**

The 42<sup>nd</sup> Avenue Neighborhood Prosperity Initiative Urban Renewal Area, hereinafter referred to as the "District," shown in Figure 1 below contains 136.2 acres, including public right-of-way. There are 555 tax lots within the District, totaling 107.1 acres. Existing land use and zoning of the District are detailed in Tables 1 and 2.

Table 1. Existing Land Use of District

| Property Class | Acreage      | % of Total  |
|----------------|--------------|-------------|
| Miscellaneous  | 0.2          | <1%         |
| Residential    | 75.0         | 70%         |
| Commercial     | 21.0         | 20%         |
| Industrial     | 0.2          | <1%         |
| Multi-Family   | 10.6         | 10%         |
| <b>Total</b>   | <b>107.1</b> | <b>100%</b> |

\*Source: Multnomah County Office of Assessment and Taxation



Table 2. Existing Zoning of District

| Zoning Designation        | Acreage      | % of Total  |
|---------------------------|--------------|-------------|
| General Commercial        | 15.9         | 15%         |
| Neighborhood Commercial 2 | 3.1          | 3%          |
| Office Commercial 1       | 0.5          | <1%         |
| Residential 1,000         | 0.8          | 1%          |
| Residential 2,000         | 20.2         | 19%         |
| Residential 2,500         | 0.1          | <1%         |
| Residential 3,000         | 1.1          | 1%          |
| Residential 5,000         | 42.4         | 40%         |
| Residential 7,000         | 16.2         | 15%         |
| Residential 10,000        | 6.8          | 6%          |
| <b>Total</b>              | <b>107.1</b> | <b>100%</b> |

\*Source: City of Portland Bureau of Planning and Sustainability

## B. Social Conditions

Based on data provided by the City of Portland Bureau of Planning and Sustainability, the District significantly overlaps 2010 Census tracts with higher than citywide average poverty (16%) and/or lower than citywide median household income (\$48,500).

According to the 2010 Business Analyst estimates, the total population within a quarter-mile buffer of the District is 5,014. Race and ethnic background are shown in Table 3.

Table 3. Population Detail

| Race                                       | % of Total |
|--|------------|
| White                                      | 65%        |
| Black or African American                  | 14%        |
| American Indian and Alaska Native          | 1%         |
| Asian                                      | 7%         |
| Native Hawaiian and Other Pacific Islander | <1%        |
| Other                                      | 7%         |
| Two or More Races                          | 5%         |
| Ethnicity                                  | % of Total |
| Hispanic                                   | 13%        |

\*Source: 2010 Business Analyst

**C. Economic Conditions**

**1. Taxable Value**

The 2011/2012 taxable value of land, improvements and personal property in the District is \$81,011,867. This does not include utility value which will be determined by the County Assessor upon District approval.

**2. Improvement Value to Land Value Ratio**

One tool for assessing the economic health of an area is an improvement to land ratio (I:L) analysis. 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, underutilization and that the property may benefit from redevelopment.

Table 4. Improvement to Land Ratio

| Area                                 | Overall I:L Ratio |
|--------------------------------------|-------------------|
| 42 <sup>nd</sup> Avenue NPI District | 1.04:1            |
| Citywide <sup>1</sup>                | 2.22:1            |

\*Source: Multnomah County Office of Assessment and Taxation

Based on the information in Table 4, the I:L ratio of commercially zoned property within the District is significantly lower than that of similarly zoned areas throughout the City. Therefore, the District can be identified as demonstrating a growing lack of proper utilization of the area, resulting in a stagnant and unproductive condition of land potentially useful and valuable for contributing to the public health, safety and welfare of the District and therefore constituting blight in accordance with ORS 457.010(1)(h).

**D. Expected Impact on Municipal Services**

The fiscal impact of tax increment financing on taxing districts that levy taxes within the District is described in Section IX of this Report. This subsection discusses the fiscal impacts resulting from potential increases in demand for municipal services.

Commercial corridor revitalization projects and programs in the District are not expected to create an additional demand on municipal services. The projects and programs are expected to 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.

Projects and programs in the District 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.

<sup>1</sup> Includes only properties with Commercial or Central Employment zoning. Excludes all properties within the Central City, existing URAs and proposed NPI URAs.

### **III. Reasons for Selection of each Urban Renewal Area in the Plan**

There is one urban renewal area in the Plan. The reason for selection of the District is to reduce the blight described in the existing conditions set forth in Section II.C.2 of this Report.

### **IV. Relationship between Each Project and Existing Conditions in the Urban Renewal Area**

Commercial corridor revitalization will occur through capital improvement projects, which could be public or private in nature, including, but not limited to, improvements to business exteriors and interiors, street furniture, garbage receptacles, lighting, district signage, gateway markers, and other small-scale, permanent capital improvements and administrative support therefore (collectively, the "Projects"). The existing conditions described in Section II of this Report demonstrate that the District is underutilized compared to similarly zoned properties in other parts of the city, as shown in Table 4 above. The Projects will help private, nonprofit and for-profit parties reduce the underutilization of property in the District, described in Section II, while enhancing the vitality of the business district, creating jobs, increasing commerce, strengthening existing businesses, and increasing small business tenancy.

### **V. Estimated Total Cost of Each Project and the Sources of Moneys to Pay Such Costs**

The implementation of the Projects, which are expected to be discrete, small scale improvements to the commercial corridor of the District, will take place over the life of the Plan and as the sources of moneys set forth in Section VII of this Report are available. The estimated total cost of the Projects to be paid with tax increment financing is not anticipated to exceed total revenues identified in Section VII of this Report.

### **VI. Anticipated Completion Date for Each Project**

The Projects will be ongoing throughout the life of the Plan. Scheduling for the Projects will occur during the annual budgeting process for the District. The Projects identified in an annual plan are anticipated to receive allocations, determined through the budgeting process.

Exhibit B

**VII. Estimated Amount of Tax Increment Revenues Required and Anticipated Year in which Indebtedness will be Retired**

Table 5 shows the yearly tax increment revenues and indebtedness incurred for the Plan. It is anticipated that indebtedness for the Plan will be fully repaid by the end of FY 2021/22.

Table 5. Tax Increment Revenues and Indebtedness Incurred for the Plan

| Fiscal Year Ending June 30                        | 2013-14         | 2014-15         | 2015-16          | 2016-17          | 2017-18          | 2018-19          | 2019-20          | 2020-21          | 2021-22         |
|---|-----------------|-----------------|------------------|------------------|------------------|------------------|------------------|------------------|-----------------|
| <b>REVENUES</b>                                   |                 |                 |                  |                  |                  |                  |                  |                  |                 |
| Tax Increment to Raise (before Compression)       | \$73,389        | \$93,010        | \$122,251        | \$151,623        | \$125,000        | \$125,000        | \$125,000        | \$125,000        | \$82,781        |
| Less Compression                                  | (3,669)         | (4,651)         | (6,113)          | (7,581)          | (6,250)          | (6,250)          | (6,250)          | (6,250)          | (4,139)         |
| Tax Increment Imposed (after Compression)         | 69,720          | 88,360          | 116,139          | 144,042          | 118,750          | 118,750          | 118,750          | 118,750          | 78,642          |
| Less Adjustments for Discounts & Delinquencies    | (4,253)         | (5,390)         | (7,084)          | (8,787)          | (7,244)          | (7,244)          | (7,244)          | (7,244)          | (4,797)         |
| <b>NET TAX INCREMENT REVENUES</b>                 | <b>\$65,467</b> | <b>\$82,970</b> | <b>\$109,054</b> | <b>\$135,256</b> | <b>\$111,506</b> | <b>\$111,506</b> | <b>\$111,506</b> | <b>\$111,506</b> | <b>\$73,845</b> |
| Shared Tax Revenues to Raise (before Compression) | \$0             | \$9,220         | \$14,082         | \$19,047         | \$52,422         | \$72,905         | \$94,264         | \$116,272        | \$0             |
| Less Compression                                  | 0               | (461)           | (704)            | (952)            | (2,621)          | (3,645)          | (4,713)          | (5,814)          | 0               |
| Shared Revenues Imposed (after Compression)       | 0               | 8,759           | 13,378           | 18,094           | 49,800           | 69,260           | 89,551           | 110,459          | 0               |
| Less Adjustments for Discounts & Delinquencies    | 0               | (534)           | (816)            | (1,104)          | (3,038)          | (4,225)          | (5,463)          | (6,738)          | 0               |
| <b>NET SHARED TAX REVENUES</b>                    | <b>\$0</b>      | <b>\$8,225</b>  | <b>\$12,562</b>  | <b>\$16,991</b>  | <b>\$46,763</b>  | <b>\$65,035</b>  | <b>\$84,088</b>  | <b>\$103,721</b> | <b>\$0</b>      |
| <b>TOTAL REVENUES</b>                             | <b>\$65,467</b> | <b>\$91,195</b> | <b>\$121,616</b> | <b>\$152,246</b> | <b>\$158,269</b> | <b>\$176,542</b> | <b>\$195,594</b> | <b>\$215,227</b> | <b>\$73,845</b> |
| <b>PAYMENT OF INDEBTEDNESS</b>                    |                 |                 |                  |                  |                  |                  |                  |                  |                 |
| <b>INDEBTEDNESS REPAID</b>                        | <b>\$65,467</b> | <b>\$91,195</b> | <b>\$121,616</b> | <b>\$152,246</b> | <b>\$158,269</b> | <b>\$176,542</b> | <b>\$195,594</b> | <b>\$215,227</b> | <b>\$73,845</b> |
| <b>TOTAL INDEBTEDNESS PAID</b>                    | <b>\$65,467</b> | <b>\$91,195</b> | <b>\$121,616</b> | <b>\$152,246</b> | <b>\$158,269</b> | <b>\$176,542</b> | <b>\$195,594</b> | <b>\$215,227</b> | <b>\$73,845</b> |

2021/22

185258

Exhibit B

**VIII. Financial Analysis of the Plan**

Table 6 shows the existing assessed value of the District and projected incremental assessed value. It then shows the tax rate applied to these resulting assessed values and the reduction of these values by compression.

Table 6. Projected Incremental Assessed Value, Tax Rates and Tax Increment Revenues

| Fiscal Year Ending June 30                              | 2013-14             | 2014-15             | 2015-16             | 2016-17             | 2017-18             | 2018-19             | 2019-20             | 2020-21              | 2021-22              |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|----------------------|
| <b>Projected Assessed Value Growth</b>                  |                     |                     |                     |                     |                     |                     |                     |                      |                      |
| Frozen Base   | \$ 81,011,867       | \$ 81,011,867       | \$ 81,011,867       | \$ 81,011,867       | \$ 81,011,867       | \$ 81,011,867       | \$ 81,011,867       | \$ 81,011,867        | \$ 81,011,867        |
| Incremental Assessed Value                              | 4,101,226           | 6,229,053           | 8,410,076           | 10,645,625          | 12,937,062          | 15,285,785          | 17,693,226          | 20,160,854           | 22,690,172           |
| <b>Total Assessed Value</b>                             | <b>\$85,113,093</b> | <b>\$87,240,920</b> | <b>\$89,421,943</b> | <b>\$91,657,492</b> | <b>\$93,948,929</b> | <b>\$96,297,652</b> | <b>\$98,705,093</b> | <b>\$101,172,721</b> | <b>\$103,702,039</b> |
| Total AV Growth   |                     | 2.50%               | 2.50%               | 2.50%               | 2.50%               | 2.50%               | 2.50%               | 2.50%                | 2.50%                |
| Incremental AV Growth                                   |                     | 51.88%              | 35.01%              | 26.58%              | 21.52%              | 18.15%              | 15.75%              | 13.95%               | 12.55%               |
| <b>Consolidated Tax Rate</b>                            | 17.8944             | 17.9022             | 17.8954             | 17.8162             | 17.7042             | 17.5737             | 17.5414             | 17.5403              | 17.5391              |
| <b>Revenues Generated on Incremental Assessed Value</b> |                     |                     |                     |                     |                     |                     |                     |                      |                      |
| Amount to Urban Renewal Area                            | 73,389              | 93,010              | 122,251             | 151,623             | 125,000             | 125,000             | 125,000             | 125,000              | 82,781               |
| Amount to Taxing Jurisdictions                          |                     |                     |                     |                     |                     |                     |                     |                      |                      |
| City Permanent Rate                                     | -                   | 4,731               | 7,225               | 9,773               | 26,897              | 37,407              | 48,366              | 59,658               | 82,250               |
| County Permanent Rate                                   | -                   | 4,489               | 6,857               | 9,274               | 25,524              | 35,498              | 45,898              | 56,614               | 78,053               |
| Other Levies  | -                   | 9,283               | 14,168              | 18,994              | 51,619              | 70,722              | 91,100              | 112,355              | 154,881              |
| <b>Total Revenues</b>                                   | <b>\$73,389</b>     | <b>\$111,514</b>    | <b>\$150,502</b>    | <b>\$189,665</b>    | <b>\$229,040</b>    | <b>\$268,628</b>    | <b>\$310,364</b>    | <b>\$353,627</b>     | <b>\$397,965</b>     |
| <b>Tax Increment Revenues to Urban Renewal Area</b>     |                     |                     |                     |                     |                     |                     |                     |                      |                      |
| Tax Increment to Raise (before Compression)             | \$73,389            | \$93,010            | \$122,251           | \$151,623           | \$125,000           | \$125,000           | \$125,000           | \$125,000            | \$82,781             |
| Less Compression  | (3,669)             | (4,651)             | (6,113)             | (7,581)             | (6,250)             | (6,250)             | (6,250)             | (6,250)              | (4,139)              |
| <b>Tax Increment Imposed (after Compression)</b>        | <b>\$69,720</b>     | <b>\$88,360</b>     | <b>\$116,139</b>    | <b>\$144,042</b>    | <b>\$118,750</b>    | <b>\$118,750</b>    | <b>\$118,750</b>    | <b>\$118,750</b>     | <b>\$78,642</b>      |
| <b>Shared Revenues to Urban Renewal Area</b>            |                     |                     |                     |                     |                     |                     |                     |                      |                      |
| Less Compression  | \$0                 | \$9,220             | \$14,082            | \$19,047            | \$52,422            | \$72,905            | \$94,264            | \$116,272            | \$0                  |
| Tax Increment Imposed (after Compression)               | \$0                 | (461)               | (704)               | (952)               | (2,621)             | (3,645)             | (4,713)             | (5,814)              | 0                    |
| <b>Total Revenues to Urban Renewal Areas</b>            | <b>\$69,720</b>     | <b>\$97,119</b>     | <b>\$129,517</b>    | <b>\$162,137</b>    | <b>\$168,550</b>    | <b>\$188,010</b>    | <b>\$208,301</b>    | <b>\$229,209</b>     | <b>\$78,642</b>      |

185258

185258



## Exhibit B

### IX. Impact of Tax Increment Financing, both until and after the Indebtedness is Repaid, upon all Entities Levying Taxes upon Property in the Urban Renewal Area

The impact of tax increment financing on overlapping taxing jurisdictions consists primarily of the property tax revenues foregone on permanent rate levies as applied to the growth in assessed value within the District. Table 7 shows projected taxes foregone to all overlapping taxing jurisdictions.

Table 7. Tax Increment Revenues Foregone

| Tax Increment Revenues Foregone 2014-2022 | Total     | Present Value to 2014 |
|---|-----------|-----------------------|
| <b>Permanent Rates</b>                    |           |                       |
| City                                      | \$264,478 | \$189,333             |
| County                                    | 250,980   | 179,670               |
| Metro                                     | 5,582     | 3,996                 |
| Port                                      | 4,051     | 2,900                 |
| E Mult Soil                               | 5,778     | 4,137                 |
| PPS                                       | 275,879   | 197,494               |
| PCC                                       | 16,341    | 11,698                |
| Mult ESD                                  | 26,442    | 18,929                |

Table 8 shows projected tax revenues generated on the Incremental Assessed Value of the district that are allocated to overlapping taxing jurisdictions through revenue sharing.

Table 8. Shared Revenues

| Shared Revenues 2014-2021 | Total     | Present Value to 2014 |
|---------------------------|-----------|-----------------------|
| <b>Permanent Rates</b>    |           |                       |
| City                      | \$194,058 | \$126,431             |
| County                    | 184,154   | 128,377               |
| Metro                     | 4,096     | 2,855                 |
| Port                      | 2,972     | 2,072                 |
| E Mult Soil               | 4,240     | 2,956                 |
| PPS                       | 202,423   | 141,113               |
| PCC                       | 11,990    | 8,359                 |
| Mult ESD                  | 19,402    | 13,525                |

## Exhibit B

Table 9 shows the increase in permanent rate levy revenues that would occur after termination of the tax increment financing in FY 2022/23.

Table 9. Tax Increment Revenues Fully Regained

| Tax Increment Revenues Fully Regained - 2023 | Amount (nominal) | Present Value to 2014 |
|--|------------------|-----------------------|
| <b>Permanent Rates</b>                       |                  |                       |
| City   | \$32,622         | \$16,583              |
| County                                       | 30,957           | 15,737                |
| Metro  | 689              | 350                   |
| Port   | 500              | 254                   |
| E Mult Soil                                  | 713              | 362                   |
| PPS  | 34,028           | 17,298                |
| PCC  | 2,016            | 1,025                 |
| Mult ESD                                     | 3,261            | 1,658                 |

## X. Relocation Report

There are no businesses or residents to be relocated.

## XI. Compliance with Statutory Limits on Assessed Value and Acreage in Urban Renewal Areas

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 10 shows that the Plan is in compliance with ORS 457.420. This District is being planned concurrently with five other NPI districts. This table makes the assumption that all six districts are adopted on or around the same timeframe.

Table 10. Compliance with Statutory Limits on Assessed Value and Acreage

|   | <b>Frozen Base<br/>Assessed Value</b> | <b>Acres</b>    |
|---|---------------------------------------|-----------------|
| <b>Total City of Portland<sup>2</sup></b>                                   | <b>\$ 43,634,351,239</b>              | <b>92,768.0</b> |
| <b>Existing Urban Renewal Areas:</b>  |                                       |                 |
| Airport Way   | \$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 <sup>3</sup>  | \$1,290,430,925                       | 3,990.0         |
| Lents Town Center   | \$736,224,033                         | 2,846.3         |
| North Macadam   | \$192,609,397                         | 401.9           |
| Oregon Convention Center <sup>4</sup>                                       | \$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           |
| <b>Total Existing Urban Renewal Areas</b>                                   | <b>\$4,499,489,216</b>                | <b>12,336.5</b> |
| <b>% City in Existing Urban Renewal Areas</b>                               | <b>10.3%</b>                          | <b>13.3%</b>    |
| <b>Proposed Neighborhood Prosperity Initiative<br/>Urban Renewal Areas:</b> |                                       |                 |
| 42nd Avenue   | \$81,011,867                          | 136.2           |
| Cully Blvd  | \$81,000,273                          | 164.6           |
| Parkrose  | \$80,493,774                          | 142.6           |
| Rosewood  | \$78,774,383                          | 135.6           |
| Division – Midway   | \$80,201,117                          | 115.9           |
| 82nd Avenue and Division  | \$81,523,638                          | 108.8           |
| <b>Total Proposed Urban Renewal Areas</b>                                   | <b>\$483,005,052</b>                  | <b>803.7</b>    |
| <b>Combined Total - Existing and Proposed</b>                               | <b>\$4,982,494,268</b>                | <b>13,140.2</b> |
| <b>% City in Existing and Proposed Urban Renewal<br/>Areas</b>              | <b>11.4%</b>                          | <b>14.2%</b>    |

<sup>2</sup> Total City of Portland AV less incremental AV in Urban Renewal Areas (OMF)

<sup>3</sup> Frozen base value represents AV added to ICURA in July 2011 amendment. Actual frozen base will be determined by the County Assessor. Acreage reflects July 2011 amendment.

<sup>4</sup> Frozen base value represents 11/12 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 20th Amendment.



**Bureau of Planning and Sustainability**  
Innovation. Collaboration. Practical Solutions.

## Portland Planning and Sustainability Commission

André Baugh, Chair

Michelle Rudd, Vice Chair

Karen Gray

Don Hanson

Mike Houck

Lai-Lani Ovalles

Howard Shapiro, Vice Chair

Gary Oxman

Jill Sherman

Chris Smith

Irma Valdez

March 20, 2012

Mayor Sam Adams and Portland City Council  
Portland City Hall  
1121 SW 4<sup>th</sup> Avenue  
Portland, OR 97204

### Subject: Neighborhood Prosperity Initiative: Urban Renewal Areas

Dear Mayor Adams and City Commissioners,

At a public meeting held on March 13, 2012, the Planning and Sustainability Commission voted unanimously in support of six proposed Urban Renewal Plans as recommended in the following Portland Development Commission Resolutions:

Resolution 6924 - 42<sup>nd</sup> Avenue Urban Renewal Area  
Resolution 6925 - Cully Boulevard Urban Renewal Area  
Resolution 6926 - Parkrose Urban Renewal Area  
Resolution 6927 - Rosewood Urban Renewal Area  
Resolution 6928 - Division-Midway Urban Renewal Area  
Resolution 6929 - 82<sup>nd</sup> Avenue and Division Urban Renewal Area

In reaching our decision, the Planning and Sustainability Commission finds that the proposed URAs conform to the Adopted City of Portland Comprehensive Plan and recommends that the Portland City Council adopt the URAs as presented.

The PSC further finds that the proposed URAs are supportive of the Equity Framework and Integrated Strategies of the Portland Plan and that they work to implement the City's Neighborhood Economic Development Strategy.

In considering the Neighborhood Prosperity Initiative Urban Renewal Areas, the Planning and Sustainability Commission heard testimony from six community members who have participated in the efforts to date to create these districts and the volunteer non-profits that will administer them. The testimony was compelling and an indication that the value of these districts will be derived not only from the tax increment revenues that will accrue but from the energy and imagination of the community members that will lead the efforts to improve their neighborhoods as well.

Thank you for the opportunity to participate in the review of this new use of urban renewal in the City and for considering our recommendations.

Sincerely,

*Michelle Rudd*

Michelle Rudd, Vice Chair  
Portland Planning and Sustainability Commission



City of Portland, Oregon | Bureau of Planning and Sustainability | [www.portlandonline.com/bps](http://www.portlandonline.com/bps)  
1900 SW 4th Avenue, Suite 7100, Portland, OR 97201 | phone: 503-823-7700 | fax: 503-823-7800 | tty: 503-823-6868

## Introduction

The NE 42<sup>nd</sup> Avenue NPI Urban Renewal Area is one of six such districts created through the Neighborhood Prosperity Initiative (NPI), a partnership between the City of Portland and the Portland Development Commission as an implementation measure of the City's Neighborhood Economic Development (NED) Strategy. These districts build upon the Main Street<sup>®</sup> model based on community driven economic development further identified in the NED strategy. They will build local capacity to achieve economic development outcomes, drive neighborhood business growth and coordinate resources in support of neighborhood economic development. One component of the URA is the creation of neighborhood based administrative entities drawn from local area business and residential neighborhood representatives. These local entities will administer the distribution and expenditure of tax increment revenues collected within the urban renewal areas on physical improvements such as storefront improvements, building rehabilitation and improvements to the public realm such as sidewalk, lighting and landscaping improvements that will improve the appearance and function of neighborhood commercial centers within the districts.

Neighborhood Prosperity Initiative districts will function as urban renewal areas under state statute. This document is intended to meet the statutory requirements for land use planning consistency under ORS 457.095(3) by demonstrating conformance of the 42nd Avenue Urban Renewal Area with the Portland Comprehensive Plan and pertinent supportive neighborhood and area plans.

The following legal findings of fact will document the 42nd Avenue Urban Renewal Area's conformance with the City of Portland's Comprehensive Plan and all relevant supporting neighborhood and area plans.

## 42nd Avenue NPI Urban Renewal Area Findings on Portland's Comprehensive Plan Goals

The Portland Comprehensive Plan was adopted by the Portland City Council on October 16, 1980, and was acknowledged as being conformance with the statewide planning goals by the Land Conservation and Development Commission on May 1, 1981. It has been updated and acknowledged for continuing conformance to the statewide planning goals through successive periodic reviews. The first and most recent periodic review was completed in January 2000. The City is currently undergoing its second Comprehensive Plan Periodic Review update which is expected to be completed by the end of 2013.

Comprehensive plans describe a variety of public goals that are to be achieved over the long term. These goals are usually complimentary but there are times when one comprehensive plan provision can only be advanced at the expense of another; or when one provision is funded while others must wait. In determining whether the 42nd Avenue Urban Renewal Area (URA) conforms with Portland's Comprehensive Plan, the city must sometimes choose between competing public goals. To do this the city will apply the following definition of "conform".

1. On balance, the purposes of the Comprehensive Plan are advanced as a whole; and
2. Future compliance with the Comprehensive Plan is not precluded

The 42nd Avenue URA was prepared in conformity with the Portland Comprehensive Plan and is consistent with the following relevant Comprehensive Plan policies:

**Goal 1, Metropolitan Coordination**, calls for the Comprehensive Plan to be coordinated with federal and state law and to support regional goals, objectives and plans. The 42nd Avenue URA supports this goal because:

- These findings demonstrate that the 42nd Avenue URA is consistent with the City of Portland Comprehensive Plan which was acknowledged by the State of Oregon as consistent with statewide planning goals. The 42nd Avenue URA will provide tax increment revenues for physical improvements to an in-town neighborhood commercial area. This is supportive of the regional goals contained in Metro's Urban Growth Management Functional Plan which call for developing a compact urban form with a focus on investment in transit oriented communities, main streets and town centers. The 42nd Avenue URA is also specifically supportive of the following Metropolitan Coordination Policy.

**Policy 1.4, Intergovernmental Coordination**, requires continuous participation in intergovernmental affairs with public agencies to coordinate metropolitan planning and project development and maximize the efficient use of public funds.

- The 42nd Avenue URA is consistent with this policy because all overlapping taxing jurisdictions were notified of the proposal, provided with draft authorizing documents and given the opportunity to comment. These jurisdictions include school districts, Metro and Multnomah County. Any comments received will be addressed during the City Council approval process in April 2012.

**Goal 2, Urban Development**, calls for maintaining Portland's role as the major regional employment and population center by expanding opportunities for housing and jobs, while retaining the character of established residential neighborhoods and business centers. The 42nd Avenue URA supports this goal because:

- The 42nd Avenue URA will facilitate the redevelopment of the area with a more robust mixture of commercial uses that will provide more employment opportunities than currently exist as well as a more attractive environment for the surrounding residential neighborhood. Specifically, the amendment is supportive of the following policies:

**Policy 2.1 Population Growth** calls for allowing for population growth within the existing city boundary by providing land use opportunities that will accommodate the projected increase in city households.

- The 42nd Avenue URA will promote the redevelopment of the URA to better serve the needs of the surrounding Cully and Concordia neighborhoods by improving the physical condition of the existing structures and public realm within the URA and encouraging the location of additional neighborhood serving businesses (and jobs) that will meet the needs of the surrounding residents.

**Policy 2.2 Urban Diversity** calls for promoting a range of living environments and employment opportunities for Portland residents in order to attract and retain a stable and diversified population.

- The 42nd Avenue URA will promote the expansion of existing businesses and the development of new business within the URA. This area is racially and ethnically diverse and includes a broad range of age and income levels. According to 2010 Business Analyst data 34.6% of the population within ¼ mile of the 42nd Avenue URA are classified as minority. This is significantly higher than the 25.5% city wide minority population from the same data set. New investment may provide for rehabilitation of existing structures, development of new structures and increased investment in public amenities that will enhance this area's attractiveness to the surrounding neighborhoods.

**Policy 2.12 Transit Corridors** calls for providing a mixture of activities along major transit routes, Major Transit Priority Streets, Transit Access Streets, and main streets to support the use of transit.

- Killingsworth Street is a *Major Transit Priority Street* while both 42<sup>nd</sup> Avenue and Prescott Street are classified as *Transit Access Streets* according to the Transportation Element of the City's Comprehensive Plan. This URA is currently served by both the Trimet #75 and #72 bus lines. The 42nd Avenue URA will provide resources for physical improvements to the initiative area that will increase the attractiveness of this area to a wide variety of activities.

**Policy 2.13 Auto-Oriented Commercial Development** Allow auto-oriented development to locate on streets designated as Major City Traffic Streets by the Transportation Element. Also allow neighborhood level auto-oriented commercial development to locate on District Collector Streets or Neighborhood Collector Streets near neighborhood areas where allowed densities will not support development oriented to transit or pedestrians. Where neighborhood commercial uses are located on designated transit streets, support pedestrian movement and the use of transit by locating buildings and their entrances conveniently to transit users, pedestrians, and bicyclists and providing on-site pedestrian circulation to adjacent streets and development.

- Killingsworth Street is a *District Collector* while both 42<sup>nd</sup> Avenue and Prescott Street are classified as *Neighborhood Collector Streets* according to the Transportation Element of the City's Comprehensive Plan. Development within the 42nd Avenue URA will be subject to the current CG General Commercial Zone District Standards along Killingsworth Street and most of NE 42<sup>nd</sup> Avenue. Development standards applied within this zone allow for auto oriented activities while requiring physical development that is supportive of an enhanced pedestrian environment. Tax increment revenues made available through the 42<sup>nd</sup> Ave URA may be applied to pedestrian improvements to enhance the pedestrian and bicycle experience within the URA and connections to the surrounding residential neighborhoods.

**Policy 2.19 Infill and Redevelopment** calls for encouraging infill and redevelopment as a way to implement the Livable City growth principles and accommodate expected increases in population and employment. Encourage infill and redevelopment in the Central City, at transit stations, along main streets, and as neighborhood infill in existing residential, commercial and industrial areas.

**Policy 2.20 Utilization of Vacant Land** calls for providing for full utilization of existing vacant land except in those areas designated as open space.

- The NE 42<sup>nd</sup> Ave. URA supports policy 2.19 and 2.20 by making revenues directly available for enhancements to existing commercial and public property. Such investment will make the



remainder of this existing commercial area more attractive for private redevelopment efforts including investment in existing vacant or underutilized properties.

**Policy 2.22 Mixed Use** calls for a mechanism that will allow for the continuation and enhancement of areas of mixed use character where such areas act as buffers and where opportunities exist for creation of nodes or centers of mixed commercial, light industrial and apartment development.

- The 42nd Avenue URA includes: commercially zoned property (CN2 and CG), multi-dwelling residentially zoned property (R1, R2) and single family zoned property (R5 and R7). The 42nd Avenue URA supports policy 2.22 by making funds available for commercial enhancements within an existing mixed use area.

**Policy 2.26 Albina Community Plan** calls for promoting the economic vitality, historic character and livability of inner north and inner northeast Portland.

- The 42nd Avenue URA is located along the northeastern boundary of the Albina Community Plan Area. Pertinent sections of the Albina Community Plan include, but are not limited to:
  - Policy D: Economic Development which calls for activity to foster development of distinct well anchored commercial centers that serve the needs of the community and attract shoppers from across the region,
  - Policy E: Transit Supportive Land Use which emphasizes commercial development along transit corridors designed to be supportive of pedestrian uses,
  - And proposed programs to provide technical development and capital assistance to foster start-up businesses and expansion of existing businesses.
- The 42nd Avenue URA is consistent with the Albina Community Plan because it will direct capital investment to the physical improvement of the 42<sup>nd</sup> Avenue URA so that it will reach its potential for meeting the Albina Plan criteria as a transit served commercial center.

**Goal 3, Neighborhoods**, calls for the preservation and reinforcement of the stability and diversity of the city's neighborhoods while allowing for increased density in order to attract and retain long-term residents and businesses and insure the City's residential quality and economic vitality.

- The 42nd Avenue URA supports this goal by encouraging reinvestment in two of the public's largest capital assets, the existing building stock and commercial properties served by existing levels of urban infrastructure. The 42nd Avenue URA will contribute to the health and vitality of the Cully and Concordia neighborhoods by improving NE 42<sup>nd</sup> Avenue as a neighborhood commercial hub serving the surrounding residential neighborhoods. More specifically the 42nd Avenue URA supports the following Policies:

**Policy 3.1 Physical Conditions** calls for providing and coordinating programs to prevent the deterioration of existing structures and public facilities.

- By design, the URA supports this policy by making available tax increment revenues within district boundaries. These funds will be directed to building repairs and upgrades and public realm enhancements that will not only prevent the deterioration of existing structures and public facilities but contribute to their improvement over time.



**Policy 3.2 Social Conditions** calls for providing and coordinating programs to promote neighborhood interest, concern and security and to minimize the social impact of land use decisions.

- In addition to administering tax increment revenues which by law must be spent on physical improvements to the business area, the local administrative entities formed as part of the Neighborhood Prosperity Initiatives will serve as local forums for the identification and promotion of programs of local interest. Such programs may include other non-TIF supported economic development activities such as local marketing and branding activities as well as other business attraction, retention and community building efforts as may be defined by the local administrative entities.

**Policy 3.5 Neighborhood Involvement** calls for providing for the active involvement of neighborhoods residents and businesses in decisions affecting their neighborhood through the promotion of business and neighborhood associations. Provide information to neighborhood and business associations which allows them to monitor the impact of the Comprehensive Plan and to report their findings annually to the Planning Commission.

- The 42<sup>nd</sup> Avenue URA will be administered by a neighborhood based administrative entity comprised of business owners and tenants of the URA as well as residents from the surrounding residential neighborhoods. Deliberations of the administrative entity will be in conformance with all Oregon public meetings laws and City of Portland administrative rules regarding meeting notification and public participation.

**Policy 3.8 Albina Community Plan Neighborhoods** calls for including neighborhood plans developed as part of the Albina Community Plan. Neighborhood plans developed as part of the Albina Community Plan are those for Arbor Lodge, Boise, Concordia, Eliot, Humboldt, Irvington, Kenton, King, Piedmont, Sabin and Woodlawn.

- The 42<sup>nd</sup> Avenue URA includes portions of the Concordia neighborhood. Establishment of the 42<sup>nd</sup> Avenue URA will provide funding for private commercial property rehabilitation and public realm improvements that will be consistent with the Concordia Neighborhood Plan including but not limited to Policy 3, Economic Revitalization; Policy 6, Create a Safe and Attractive Neighborhood and Policy 7, Design all of which call for reinvestment in the 42<sup>nd</sup> Avenue commercial corridor.

**Goal 5, Economic Development**, calls for the promotion of a strong and diverse economy that provides a full range of employment and economic choices for individuals and families in all parts of the city. The 42<sup>nd</sup> Avenue URA is consistent with this goal because:

- The 42<sup>nd</sup> Avenue URA will provide funds for economic development projects including, but not limited to storefront improvement grants and commercial revitalization projects. The URA is specifically supportive of the following policies:

**Policy 5.1 Urban Development and Revitalization** calls for encouraging investment in the development, redevelopment, rehabilitation and adaptive reuse of urban land and buildings for employment and housing opportunities.

- The 42<sup>nd</sup> Avenue URA directly supports this policy by providing tax increment revenues that can leverage private investment in the 42<sup>nd</sup> Avenue URA.

**Policy 5.2 Business Development** calls for sustaining and supporting business development activities to retain, expand and recruit businesses.

- The 42nd Avenue URA will enable additional funding for economic development projects and programs including storefront improvement grants and loans, business retention and recruitment programs.

**Policy 5.3 Community-Based Economic Development** calls for supporting community based economic development initiatives consistent with the Comprehensive Plan and compatible with neighborhood livability.

- The 42nd Avenue URA supports this policy through the creation of a 42<sup>nd</sup> Avenue URA administrative entity comprised of local business and residential interests that will evaluate specific improvement requests and direct tax increment revenues towards revitalization projects and business retention/attraction programs that are consistent with neighborhood priorities.

**Policy 5.6 Area Character and Identity within Designated Commercial Areas** calls for promoting and enhancing the special character and identity of Portland's designated commercial areas.

**Policy 5.7 Business Environment within Designated Commercial Areas** calls for promoting a business environment within designated commercial areas that is conducive to the formation, retention and expansion of commercial businesses.

- The 42nd Avenue URA is directly supportive of Policies 5.6 and 5.7 in that it will create a local administrative entity empowered to distribute tax increment revenues for commercial property rehabilitation and enhancements to the public realm within the 42nd Avenue URA as well as programs directed at business attraction, retention and growth.

**Goal 7, Energy**, calls for promotion of a sustainable energy future by increasing energy efficiency in all sectors of the city. The 42nd Avenue URA supports this goal because:

- The 42nd Avenue URA will reinvigorate the NE 42<sup>nd</sup> Avenue commercial district as a neighborhood destination providing daily goods and services to the surrounding residential neighborhoods at a scale that promotes active transportation and reduces the need of Portlanders to rely on an automobile for their daily needs. More specifically the 42nd Avenue URA is supportive of the following policies:

**Policy 7.4 Energy Efficiency through Land Use Regulations** calls for the City to promote residential, commercial, industrial, and transportation energy efficiencies and the use of renewable resources.

- The 42nd Avenue URA supports this policy through its encouragement of reinvestment of an in-town commercial node providing goods and services to a surrounding residential neighborhood. Such proximity of goods and services to the surrounding neighborhoods reduces the need for auto trips and encourages the use of active transportation options.

**Policy 7.5 Energy Efficiency in Commercial and Industrial Facilities** calls for the City to encourage energy efficiency in existing commercial building and institutions by facilitating utility, local, state, and federal financial and technical assistance.

- Funds made available through the 42nd Avenue URA may be used for energy efficiency upgrades to existing commercial structures within the NE 42<sup>nd</sup> Ave URA and leverage additional public or private energy efficiency funding thereby supporting this policy.

**Goal 9, Citizen Involvement**, calls for improved methods and ongoing opportunities for citizen involvement in the land use decision-making process, and the implementation, review, and amendment of the Comprehensive Plan. This project followed the process and requirements specified in Chapter 33.740, Legislative Procedure. The 42nd Avenue URA is supportive of this goal because:

- Residents, business owners, property owners and other stakeholders of the 42nd Avenue URA and surrounding neighborhood were publicly invited to form their own neighborhood based decision making body with technical and financial support provided by the Portland Development Commission and the City of Portland. The URA project is supportive of the following policy:

**Policy 9.1 Citizen Involvement Coordination** encourages citizen involvement in land use planning projects by actively coordinating the planning process with relevant community organizations, through the reasonable availability of planning reports to city residents and businesses, and notice of official public hearings to neighborhood associations, business groups, affected individuals and the general public.

- On October 18, 2011, Mayor Sam Adams launched the NPI among nearly 100 community leaders at the Immigrant and Refugee Community Organization (IRCO), inviting six neighborhood commercial corridors in East and Northeast Portland to partner with PDC staff and to evaluate the feasibility and desirability of creating URAs.
- On November 7, 2011, PDC staff assembled the six district community groups back to IRCO to kick-off the community organizing process.
- On November 21, 2011, all of the districts successfully applied for and received a \$10,000 grant to help with facilitation, outreach coordination, translation, printing, and material expenses to help do the work of organizing the community around this Initiative.
- Community leaders formed an initial Steering Committee for the 42nd Avenue URA to provide local direction for the application of tax increment revenues towards community-identified capital improvements.
- The PDC maintained a project website with background documents and meeting summaries available for downloading.
- The 42nd Avenue URA authorizing documentation was posted to the project website as Adobe Acrobat files available for downloading prior to the PDC Board of Commissioners public hearing on March 12, 2012.
- Notice of the March 12, 2012 Portland Develop Commission public hearing to approve the 42nd Avenue URA was published in the Oregonian and online.
- Notice of the March 13, 2012 City of Portland Planning and Sustainability Commission public hearing to consider the 42nd Avenue URA was published in the Oregonian on 3/9/12 and online.

- Notice of the April 4, 2012 Portland City Council public hearing to approve the 42nd Avenue URA was mailed to all owners of real property within the City of Portland in mid-March 2012.

The 42nd Avenue URA initial steering committee also engaged in extensive public outreach activities. These outreach activities are documented in Exhibit D to the Ordinance.

**Goal 12, Urban Design**, calls for enhancing Portland as a livable city, attractive in its setting and dynamic in its urban character by preserving its history and building a substantial legacy of quality private developments and public improvements for future generations. The 42nd Avenue URA supports this goal by:

- Allowing investment of tax increment revenues in existing commercial buildings to preserve and enhance existing historic design elements while supporting improvements and new commercial development that will reinforce and enhance the URA's character and function. More specifically the URA will support the following policies:

**Policy 12.1 Portland's Character**, calls for enhancing and extending Portland's attractive identity. Build on design elements, features and themes identified with the city. Recognize and extend the use of city themes that establish a basis of a shared identity reinforcing the individual's sense of participation in a larger community.

- The 42nd Avenue URA includes a number of existing commercial buildings and converted residential structures that begin to define the character of the area and can help guide the physical appearance for new development and redevelopment activities.

**Policy 12.2 Enhancing Variety** calls for promoting the development of areas of special identity and urban character with the City's residential, commercial and industrial areas having attractive identities that enhance the urbanity of the City.

- Investment made possible through the 42nd Avenue URA may be used to improve the appearance and function of both private commercial buildings along the existing NE 42<sup>nd</sup> Avenue commercial area and the public realm including improvements that will enhance the pedestrian experience and connections with the surrounding residential neighborhoods.

**Policy 12.4 Provide for Pedestrians** calls for recognizing that auto, transit and bicycle users are pedestrians at either end of every trip and the Portland's citizens and visitors experience the city as pedestrians. Provide for a pleasant, rich and diverse experience for pedestrians. Ensure that those travelling on foot have comfortable, safe and attractive pathways that connect Portland's neighborhoods, parks, water features, transit facilities, commercial districts employment centers and attractions.

**Policy 12.5 Promote the Arts** calls for the City to humanize the City through promotion of the arts and excellence in design. Encourage the placement of art at locations that are visible to the public. Expand Portland's collection of Public Art. Punctuate the community with works of art used to emphasize focal points, mark transitional locations, celebrate public buildings and enhance the City's sidewalks, open spaces, plazas and parks.

- The 42nd Avenue URA supports Policy 12.4 and 12.5. Tax increment revenues made available through the NE 42<sup>nd</sup> Ave URA may be used for functional pedestrian improvements

and for other projects that will improve the public realm such as improved lighting, public art and landscape improvements.

**Policy 12.6 Preserve Neighborhoods** calls for preserving and supporting the qualities of individual neighborhoods that help to make and to respect and strengthen values in new development projects that implement this comprehensive plan.

- Tax increment revenues made available through the 42nd Avenue URA will be administered by an administrative entity comprised of local business interests and residential neighborhood representatives. Improvement projects identified through this neighborhood based decision making model will reflect the priorities and desires expressed by current neighborhood residents and businesses.

## Findings for the Cully and Concordia Neighborhood Plans

### Cully Neighborhood Plan

The Cully Neighborhood Plan was adopted by the City Council on December 18<sup>th</sup> 1991. The policies and objectives of this plan were adopted as part of Portland’s Comprehensive Plan by ordinance 165071. The proposed 42nd Avenue URA is supportive of the following Neighborhood Plan Policies:

#### 1. Neighborhood Identity

**Policy 1A Image** seeks to develop a strong neighborhood identity that creates a sense of place for residents of the neighborhood and unifies residential, commercial and industrial interests into a cooperative force for mutual improvement.

- The 42nd Avenue URA will promote this policy by providing tax increment revenues for storefront improvements and right-of-way enhancements. These efforts to beautify and increase the visibility of this commercial area are consistent with the objectives supporting this Policy. The creation of a local administrative entity comprised of business and residential interests will also serve to promote the “cooperative force for mutual improvement” described in the policy.

#### 2. Neighborhood Livability and Safety

**Policy 2A Livability and Communication** seeks to develop the communication, cooperation and commitment necessary among residential, commercial and industrial neighbors to nurture and sustain a vibrant, safe, diverse and stable community.

- Creation of a local entity to administer the expenditure of tax increment revenues supports this policy by providing a forum for existing businesses, together with local residential interests to develop a unified plan for attracting neighborhood oriented businesses to the area.

**Policy 2B Urban Character and Historic Preservation** seeks to maintain and improve the quality and historic character of the neighborhood's existing physical environment while attracting compatible development.

- The 42nd Avenue URA supports this policy through the provision of tax increment revenues for building remodeling and attracting new construction consistent with the goals of a quality physical environment.

**Policy 2C Safety** seeks to make the neighborhood safer and more cohesive through active involvement in crime prevention.

- Tax increment revenues through the 42nd Avenue URA may be used to improve lighting and implement other environmental design strategies to improve the safety of this commercial district as determined by the local administrative entity.

#### 4. Land Use and Recreation

**Policy 4B Commercial and Industrial Uses** seeks to maintain and encourage commercial and industrial uses which serve the neighborhood and provide stable employment.

- Creation of the 42nd Avenue URA may encourage new businesses to locate within this area by providing funding for individual business/building improvements and or by improving the public realm within which these businesses operate.

#### 6. Transportation

**Policy 6C Pedestrians, Bicycle Routes and Local Streets** seeks to improve sidewalks and bicycle paths to provide a safe transportation route.

- Tax increment revenues available through the 42nd Avenue URA may be used to fund such sidewalk and bikeway improvements within the commercial area as determined by the local administrative entity.

#### 7. Business and Industry

**Policy 7A: Support Businesses** seeks to improve the neighborhood as a location for business while enhancing it as a place to live and work.

- The 42nd Avenue URA specifically supports this policy by providing funding for such items as storefront improvements, parking area renovation and pedestrian enhancements that will improve the appearance of this area.

#### **Concordia Neighborhood Plan**

The Concordia Neighborhood Plan was adopted by the City Council October 1993. The policies and objectives of this plan were adopted as part of Portland's Comprehensive Plan by ordinance 166786 and

later readopted through Ordinance 167054. The proposed 42nd Avenue URA is supportive of the following Neighborhood Plan Policies:

**Policy A: Community Values and Involvement** seeks to strengthen the bonds of community shared by the areas diverse population of residents, businesses and service providers and to make the Concordia neighborhood an attractive and safe neighborhood.

- The local administrative entity created to direct the distribution of tax increment revenues can support Policy A by providing a forum for neighborhood deliberations and platform from which community improvement efforts are launched.

**Policy 1: Transportation** seeks to strengthen and diversify Concordia Neighborhood's transportation system and networks.

- Tax increment revenues available through the 42nd Avenue URA may be used to improve sidewalks, bus stops and bicycle facilities within the area in support of this policy.

**Policy 3: Economic Revitalization** seeks to foster a business climate in the neighborhood that is attractive to investors and business. It specifically calls for the investment of public resources to rehabilitate commercial area rights-of-way and stimulate private sector reinvestment within targeted local revitalization areas.

- The 42nd Avenue URA is specifically supportive of this goal by providing a funding mechanism through tax increment revenues for business improvements and business development within this area. Funds provided through the URA may be used to leverage additional private investment within the area.

**Policy 7: Design** seeks to reinforce the identity and character of the Concordia Neighborhood including through the revitalization of 42<sup>nd</sup> Avenue.

- Tax increment revenues available through the 42nd Avenue URA can be used for storefront renovations, pedestrian realm and parking area improvements and other physical development/redevelopment activity directly supportive of this policy.

Exhibit D

AFFIDAVIT

STATE OF OREGON            )  
  ) ss.  
County of Multnomah        )

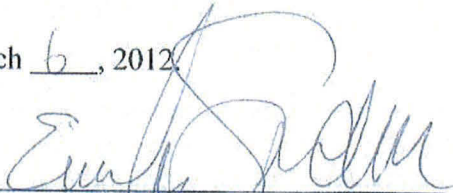
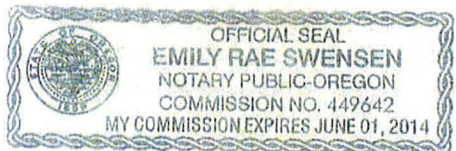
I, Keith Witcosky, being duly sworn do depose and say that:

1. I am the Deputy Director – Government Relations/Public Affairs of the Portland Development Commission; and
2. In conformance with ORS 457.085(5), the Portland Development Commission presented via email copies of the six proposed Neighborhood Prosperity Initiative Urban Renewal Area Plans and accompanying Reports to the governing body of each taxing jurisdiction affected by the Plans.



\_\_\_\_\_  
Keith Witcosky  
Deputy Director – Government  
Relations/Public Affairs

Signed and sworn to (or affirmed) before me on March 6, 2012.

  
\_\_\_\_\_  
Notary Public for Oregon



**Community Outreach Summary, Map, and Characteristics  
of the Proposed 42nd Avenue NPI District**

**Prepared by the Steering Committee:**

|                 |                  |
|-----------------|------------------|
| Carolyn Mistell | Eli Spevak       |
| David McKenzie  | Bob Granger      |
| Joan Winchester | Clarence Larkins |
| Anne Rothert    | Michael DeMarco  |

**Area Description**

NE 42nd Avenue is a neighborhood serving street. The area has numerous small businesses, including minority-owned/serving businesses. There is great momentum in this district for community building as a result of the collaboration created to respond to the Main Street application last year.

This area has a history of varying uses, including agricultural, industrial and commercial. The built environment is a reflection of this history, with a broad range of building types. The area lacks cohesive design and pedestrian amenities. The commercial district has some neighborhood-serving businesses, but is without some essential services. 42<sup>nd</sup> Avenue is the nearest commercial area to an ethnically, racially, linguistically, and economically diverse population.

It is home to several institutions/schools: St. Charles Church, Meek ProTech High School, Portland Community College, Alameda Montessori, the Ivy School, Hacienda CDC, Native American Youth and Family Center, Concordia University, Trinity Lutheran Church and School, and the Church of Jesus Christ of Latter-Day Saints.

Please note, the Area Map shown below identifies the urban renewal area boundary, where tax increment revenues will be collected. The investment area boundary, which predominantly includes commercially zoned property, is the area in which investments are targeted.

**Business association:** 42nd Avenue Business Association

**Neighborhood Districts:** Beaumont-Wilshire, Concordia, and Cully. Also the boundary of two neighborhood coalitions: Central Northeast Neighbors and Northeast Coalition of Neighborhoods.

**Outreach Activity**

The goal of outreach from the period of December 2011 through January of 2012 was to inform all members of the 42nd Avenue community of the NPI and its details, to engage representatives across the full diversity of the community in the initiative process, and to collaboratively decide whether to participate in the initiative.

To accomplish this goal, the organizing committee utilized a two-pronged strategy that focused on both broad outreach to inform all area denizens of the NPI and to invite them to participate, as well as deep outreach that targeted key stakeholder groups. Among these key stakeholders are area businesses, community based organizations and institutions, and members of historically underrepresented and vulnerable populations.

The outreach process was and continues to be iterative. All respondents and initiatives participants are encouraged to identify other stakeholders who have not yet been included, and to provide input that might improve the NPI process.

## Outreach Methods

### 1. Targeted outreach:

- Businesses:
    - Nearly every business owner in the 42nd Avenue district received a visit from the Project Coordinator or another member of the organizing committee.
      - Businesspeople were invited to participate in the initiative to whatever extent they pleased.
      - Many business owners received a follow-up visit.
      - A Spanish-language interpreter was utilized to help inform non-English speaking business owners.
    - The Project Coordinator attended the 42nd Avenue Business Association Holiday Social, as well as an association general meeting.
      - Information about the initiative was disseminated with a presentation and written materials. Businesspeople were given the opportunity to ask questions and raise concerns.
  - Organizations & Institutions:
    - All organizations and institutions operating in and around the district were contacted and consulted, including:
      - The Ivy School, St. Charles Church, Trinity Lutheran Church, Rigler School, DePaul treatment Centers, Portland Community College, Portland Public Schools, Rigler School, the National Association of Letter Carriers, the Ainsworth Street Collective, the Beaumont-Wilshire Neighborhood Association, the Concordia Neighborhood Association, the Cully Association of Neighbors, Hacienda Community Development Corporation, Verde, Native American Youth and Family Center, Concordia University, Straight Path Inc., the 42nd Avenue Business Association, Central Northeast Neighbors and Northeast Coalition of Neighborhoods.
    - The Project Coordinator and members of the organizing committee either attended standing meetings for many of these organizations and institutions, or set up independent meetings:
      - Neighborhood association meetings (Beaumont-Wilshire, Concordia, Cully)
      - Ainsworth Street Collective steering committee meeting.
      - Independent meetings with Hacienda CDC, Native American Youth and Family Center, Straight Path, Inc.
  - Historically underrepresented populations:
    - Organizing committee members worked to include members of underrepresented populations through existing avenues and partnerships, in addition to door-to-door outreach.
      - Through both Portland Community College's English as a Second Language program and St. Charles Church's Spanish language services, non-English speakers were encouraged to participate in the NPI process.
      - Additionally, organizing committee members reached out to organizations unaffiliated with the district, such as Neighborhood House and the Latino Network, for insights into reaching non-English speakers.
    - Stakeholder organizations, such as Hacienda CDC and Native American Youth and Family Center were encouraged to lend insights into reaching underrepresented populations.
- ➔ Members from all of these stakeholder groups participated in a stakeholder meeting. This group is intended to grow over time.

## 2. Broad outreach:

- Postcards: Community members living or conducting business within the proposed URA received postcard inviting them to participate in the NPI process by attending a community meeting, contacting the project coordinator, or providing input at the project website. These postcards contained information in both English and Spanish. Roughly 900 postcards were mailed.
- Pamphlets: English- and Spanish-language pamphlets detailing the NPI were provided to all people inquiring about the initiative. These pamphlets were distributed to all targeted stakeholders and also made available in both hardcopy and PDF file for the general public.
- Posters: English- and Spanish-language posters were placed strategically throughout the district. These posters invited community members to participate in the NPI process by attending a community meeting, contacting the project coordinator, or providing input at the project website.
- Door hangers: Organizing committee members distributed door hangers containing information similar to that found on the postcards and posters to addresses just outside of the proposed URA (those not receiving postcards). The door hangers were in both English and Spanish.
- Website: A project website was created to provide details about the 42nd Avenue NPI. The website provides technical information, updates, events and a live feedback form. Additionally, people can contact the initiative organizers directly through the website.
- Email: Invitations were distributed to community members via email. Recipients were encouraged to share the email with other members of the community and to visit the project website for more information and to provide feedback. Community members were also invited to a kickoff event to learn about the NPI and to lend their input to the process.

## 3. Kickoff event:

- A community event was held on the 25th of January. The purpose of this event was to inform people about the NPI, to solicit their input about the direction of the district, to encourage them to participate in an ongoing manner and to achieve consensus about continuing with the process.
- Attendance for this event exceeded 150 community members.
- Food, entertainment and door prizes were provided free of charge.
- Childcare and language services were also provided free of charge to those who RSVP'd.
- After a brief informational session, attendees engaged in guided discussion about the district in small breakout groups. The results of these discussions were shared with the larger group at the end of the evening.
- The outputs of this process were recorded and will be applied to the vision and action plan outline for the 42nd Avenue NPI.

### **Future Plans for Outreach**

Though the outreach effort was successful in reaching and engaging a large number of people, there is still work to be done to involve underrepresented people. These will require the nurture of relationships over a longer period of time. Specifically, initiative organizers will need to make stronger inroads with members of the Somali and Korean communities. Several area residents are of Somali descent, and a number of property and business owners are members of the Korean community. Additionally, though there was some representation from the Spanish-speaking community in this process, efforts to include Spanish speakers must ramp up over time. Generally, a concerted effort must be undertaken to build upon the progress that has been made to include the full socio-demographic diversity of the area.

