

Portland, Oregon  
**FINANCIAL IMPACT and PUBLIC INVOLVEMENT STATEMENT**  
**For Council Action Items**

(Deliver original to Financial Planning Division. Retain copy.)

1. Name of Initiator Keith Witcosky		2. Telephone No. X 3-3243	3. Bureau/Office/Dept. Portland Development Commission
4a. To be filed (date):  October 26, 2012	4b. Calendar (Check One)  Regular <input checked="" type="checkbox"/> Consent <input type="checkbox"/> 4/5ths <input type="checkbox"/>		5. Date Submitted to Commissioner's office and FPD Budget Analyst: October 24, 2012
6a. Financial Impact Section: <input checked="" type="checkbox"/> Financial impact section completed		6b. Public Involvement Section: <input checked="" type="checkbox"/> Public involvement section completed	

**1) Legislation Title:**

Approve the Third Amendment to the Amended and Restated River District Urban Renewal Plan (Resolution)

**2) Purpose of the Proposed Legislation:**

Provides public building findings which permit tax increment investment in the proposed Multnomah County Health Department Headquarters.

**3) Which area(s) of the city are affected by this Council item? (Check all that apply—areas are based on formal neighborhood coalition boundaries)?**

- |  |                                    |   |                                |
|--|------------------------------------|---|--------------------------------|
| <input type="checkbox"/> City-wide/Regional                | <input type="checkbox"/> Northeast | <input checked="" type="checkbox"/> Northwest | <input type="checkbox"/> North |
| <input type="checkbox"/> Central Northeast                 | <input type="checkbox"/> Southeast | <input type="checkbox"/> Southwest            | <input type="checkbox"/> East  |
| <input checked="" type="checkbox"/> Central City           |                                    |   |                                |
| <input type="checkbox"/> Internal City Government Services |                                    |   |                                |

**FINANCIAL IMPACT**

**4) Revenue:** Will this legislation generate or reduce current or future revenue coming to the City? If so, by how much? If so, please identify the source.

No impact.

**5) Expense:** What are the costs to the City related to this legislation? What is the source of funding for the expense? *(Please include costs in the current fiscal year as well as costs in future years. If the action is related to a grant or contract please include the local contribution or match required. If there is a project estimate, please identify the level of confidence.)*

There are no ongoing staff costs associated with this item.

**6) Staffing Requirements:**

- **Will any positions be created, eliminated or re-classified in the current year as a result of this legislation?** *(If new positions are created please include whether they will be part-time, full-time, limited term, or permanent positions. If the position is limited term please indicate the end of the term.)*

No.

- **Will positions be created or eliminated in future years as a result of this legislation?**

No.

*(Complete the following section only if an amendment to the budget is proposed.)*

**7) Change in Appropriations** *(If the accompanying ordinance amends the budget please reflect the dollar amount to be appropriated by this legislation. Include the appropriate cost elements that are to be loaded by accounting. Indicate "new" in Fund Center column if new center needs to be created. Use additional space if needed.)*

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount

**PUBLIC INVOLVEMENT**

**8) Was public involvement included in the development of this Council item (e.g. ordinance, resolution, or report)? Please check the appropriate box below:**

- YES:** Please proceed to Question #9.  
 **NO:** Please, explain why below; and proceed to Question #10.

**9) If “YES,” please answer the following questions:**

**a) What impacts are anticipated in the community from this proposed Council item?**

The Third Amendment does not have any direct impact to the community. However, it does allow for an investment in a County owned and operated development which will bring the following benefits:

- 1) About 250 public health professionals including doctors, nurses, and pharmacists who will work, eat, and shop in the neighborhood.
- 2) Construction jobs, minority contracting opportunities, and other economic activity associated with construction of a nearly \$38,500,000 development project.
- 3) The transformation of a blighted half-block into a newly constructed building.

The community’s primary concern is making sure the neighborhood is not negatively impacted by the thousands of clients who will use the health clinic services over the course of the year (parking, cueing, etc.).

**b) Which community and business groups, under-represented groups, organizations, external government entities, and other interested parties were involved in this effort, and when and how were they involved?**

Multnomah County and staff from Chair Cogen's Office were responsible for public involvement and community outreach. As part of that work, since November 2011, they have met with the following groups and individuals to explain the nature of the project, the uses, and the sources of funding:

- Dorian Yee – President, Old Town China Town Business Association (also on board for Transition Projects, Inc.)
- Howard Wiener, Livability Community Chair, Old Town Chinatown Neighborhood Association
- Doreen Binder – Executive Director, Transition Projects, Inc.
- Dave Davis – Chair, Pearl District Neighborhood Association
- Patty Gardner – Transportation & Design Review Committee Chair, PDNA Planning; River District URAC Chair

- Nancy Stovall – Chair, Old Town Chinatown Neighborhood Association
- Patrick Gortmaker - Chair, Old Town Chinatown Land Use Committee (also from Kalberer Co. and River District URAC)
- Paul Verhoeven - Vice Chair, Old Town Chinatown Land Use Committee (also Executive Director of Portland Saturday & Sunday Market)
- David Gold – Goldsmith Blocks, LLC
- Ed Blackburn - Executive Director, Central City Concern
- Thomas Manley, President of Pacific Northwest College of Art
- Al Solheim, Board Chair of Pacific Northwest College of Art
- Stephen McGeady, Board Vice-Chair, Pacific Northwest College of Art
- Adele Nofield, President of the Pearl District Business Association (also General Manager of Wilfs)
- Stephen Ying, Chair, Oregon Commission on Asian and Pacific Islander Affairs
- Louis Lee, Community Leader
- Multnomah County Community Health Council
- Old Town Chinatown Town Neighborhood Association Livability & Public Safety Committee

At each meeting, Multnomah County and Home Forward clearly explained the project, heard concerns and answered questions. Below is a summary of common questions and feedback.

Common questions:

- Who will work there?                      Who are your clients?
- What services will be provided?        Will there be retail?
- What will it look like?                    When will it happen?
- What is the process?

Feedback:

Overall reaction was described by the County as “cautiously supportive.” That is, this can be a good development, but it needs to proceed in a manner which acknowledges the challenges facing the neighborhood.

The challenge heard was the neighborhood’s desire to strike a successful balance between essential social services, businesses and residential needs. There is notable enthusiasm around having more people with disposable income to shop and eat in the neighborhood. There is also concern about additional concentration of social services in the neighborhood. The overall sense is that this project would serve as a compatible neighbor to the Bud Clark Commons.

People also expressed a strong desire for the block to not continue to sit empty and that it not include more low-income housing. Participants in prior development projects in the neighborhood spoke highly of Good Neighbor Agreements, and identified working relationships as essential to making those documents functional.

Suggestions and questions included lighting, parking and public restrooms.

Many had questions about what the process looks like between Multnomah County, the City of Portland, the Portland Development Commission and Home Forward. Process for public involvement is clearly very important. Participants noted their desire for more public engagement on the following topics:

Design – exterior and interior. Neighbors want say in what it looks like, and providers, clients and employees want say in layout.

Ground floor retail - there is a desire for Multnomah County to consider this.

The County committed to keep all involved and informed as the process moves forward and to continue talking to larger groups about the project.

The River District URAC was also briefed again on October 9, 2012, regarding the upcoming PDC Board and City Council actions. The URAC agreed to provide a letter in support of the project.

**c) How did public involvement shape the outcome of this Council item?**

Public involvement and support helped shape the PDC Board's comfort with approving the Third Amendment to the River District URA Plan.

It is also our understanding that County staff is making efforts to refine project elements to include active ground floor uses unrelated to the clinic activities.

**d) Who designed and implemented the public involvement related to this Council item?**

Home Forward and Multnomah County.

**e) Primary contact for more information on this public involvement process (name, title, phone, email):**

Emerald Bogue Walker  
 Officer of Multnomah County Chair Jeff Cogen  
 503-988-5772  
[Emerald.bogue@multco.us](mailto:Emerald.bogue@multco.us)

10) Is any future public involvement anticipated or necessary for this Council item? Please describe why or why not.

Yes, the County will continue to offer opportunities for public involvement and will manage public input as the project unfolds.

A rectangular box containing a handwritten signature in cursive script, which appears to read "Patrick Quinton".

Patrick Quinton  
BUREAU DIRECTOR

**J. Scott Andrews**  
Commission Chair

**Aneshka Dickson**  
Commissioner

**John C. Mohls**  
Commissioner

**Steven Straus**  
Commissioner

**Charles A. Wilhoite**  
Commissioner

**Sam Adams**  
Mayor

**Patrick Quinton**  
Executive Director

**DATE:** October 24, 2012

**TO:** Mayor Sam Adams

**FROM:** Keith Witcosky, Deputy Director

**RE:** Authorize the Third Amendment to Amended and Restated River District Urban Renewal Plan (Resolution)

**FOR MAYOR'S OFFICE USE ONLY**

Reviewed by Bureau Liaison \_\_\_\_\_

1. **INTENDED THURSDAY FILING DATE:** October 26, 2012
2. **REQUESTED COUNCIL AGENDA DATE:** October 31, 2012
3. **PRIMARY CONTACT NAME & NUMBER:** Keith Witcosky, 503-823-3243

4. **SECONDARY CONTACT & PREPARED BY:** Same

5. **PLACE ON:**  CONSENT  REGULAR

6. **FINANCIAL IMPACT & PUBLIC INVOLVEMENT STATEMENT ATTACHED:**  
 Yes  No  N/A

7. **(THREE) ORIGINAL COPIES OF CONTRACTS APPROVED AS TO FORM BY CITY ATTORNEY ATTACHED:**  Yes  No  N/A

## 8. BACKGROUND/ANALYSIS

**Introduction and History** – Portland City Council is being asked to approve, through Resolution, the Third Amendment to the Amended and Restated River District Urban Renewal Area. This Amendment provides legal findings which demonstrate how the County's Health Department Headquarters provides overall benefit to the River District Urban Renewal Area. This Amendment was approved by the Portland Development Commission Board October 24, 2012 and requires City Council approval in order to take effect.

On October 24, the PDC Board also approved a Grant Agreement with Multnomah County which authorized \$26.9 million in tax increment expenditures for the project.

The history of this agreement dates back to 2008. At that time, City Council approved amendments which raised the maximum indebtedness of the River District Urban Renewal Plan to \$343,719,650.

As part of that amendment, Multnomah County was to receive \$35,000,000 for a tax increment eligible project in the River District (or approximately 10.18 percent of the increased indebtedness). The plan amendment was appealed to the State Land Use Board of Appeals (LUBA) by the Friends of Urban Renewal and the ultimate outcome, in 2009, was an increase of maximum indebtedness by \$264,719,650.

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503-823-3200 Main  
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503-823-3366 TTY

During the appeal period the Oregon Legislature amended the statutes which govern Oregon's use of urban renewal (ORS 457). The core of the changes introduced a revenue sharing concept to specific circumstances within urban renewal plans. As part of the negotiation Multnomah County requested the agreement made during the River District Plan Amendments be memorialized into ORS 457. Therefore, language was added stating that Multnomah County would receive 10.18 percent of the total increase in River District indebtedness. The amount, based on the eventual increase in indebtedness of \$264,719,650, ended up being approximately \$26,948,640.

**Legal Issues** – None

**Link to Current City Policies** –

**Controversial Issues** – See Public Involvement form.

**Citizen Participation** - The County and Home Forward made significant efforts to present the project to stakeholders in Old Town/Chinatown and the Pearl District. This public involvement has resulted in an increased understanding of the project as well as comfort level with the use and operation of the facility.

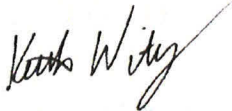
**Other Government Participation** – The PDC Board of Commissioners voted unanimously to approve the Third Amendment on October 24, 2012.

## 9. FINANCIAL IMPACT

The Third Amendment does not have any financial impact on the City or PDC.

## 10. RECOMMENDATION/ACTION REQUESTED

It is recommended that the City Council approve the Third Amendment which makes the required legal findings for investing in a publicly owned building which brings benefit to the River District Urban Renewal Area.



Keith Witcosky,  
Deputy Director