

REPORT ACCOMPANYING THE ELEVENTH
AMENDMENT TO THE CENTRAL EASTSIDE
URBAN RENEWAL PLAN

City of Portland
Portland Development Commission

December 11, 2014

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I. INTRODUCTION

This Central East Side Urban Renewal Area Report (Report) accompanies the Central East Side Urban Renewal Plan (Original Plan), dated August 26, 1986 and adopted by Ordinance No. 158940, including all of the previous 10 amendments. The Eleventh Amendment to the Original Plan implements changes made to the Original Plan. The Original Plan and the amendment are collectively referred to herein as the “Plan.” This Report is not a legal part of the Plan but is intended to provide public information and a basis for the findings made by the Portland City Council (Council) as part of its approval of the Plan.

The Eleventh Amendment expands the original boundary of the Central East Side Urban Renewal Area (Original Area) by including an additional 16.2 acres, as depicted in Figure 1 (Amendment Area), and impacts both the financing and the expected physical, social, economic, and fiscal impacts of the Original Plan. The Original Area and the Amendment Area are collectively referred to herein as the “Area.” Specifically, the amended Plan will:

- 1. Adjust boundaries of the Original Area to add property for a net increase of 16.2 acres*
- 2. Extend the life of the Plan to issue debt by 5 years, from FY 2017/18 to FY 2022/23*
- 3. Update Section 100 – Introduction to include reference to the Eleventh Amendment*
- 4. Update Section 300 – Legal Boundary Description*
- 5. Update Section 400 – Goals and Objectives for the Central Eastside Urban Renewal Area*
- 6. Update Section 500 – Land Use Plan*
- 7. Update Section 600 – Project Activities*
- 8. Update Section 700 – Methods for Financing the Project*
- 9. Update Section 800 – Other Provisions*
- 10. Update Section 1000 – Duration and Validity of Approved Urban Renewal Plan*
- 11. Add new Section 1100 – Real Property Acquired by Agency*
- 12. Include map of urban renewal area with amendment area added*
- 13. Include map showing zoning/comp plan designations*
- 14. Include Bureau of Planning and Sustainability findings as Exhibit 4*

The reasons, rationale, and purpose for the changes in the 11th Amendment were guided by the overall goal of the City of Portland to reduce the burden of urban renewal on tax payers and the adoption of the City Council of Resolution No. 37072 on May 7, 2014 directing the Portland Development Commission and the Office of Management and Finance to prepare proposed amendments to six urban renewal areas. These changes to the Original Plan will enable tax increment revenues generated within the Area to continue to finance projects and activities that support the goals and objectives of the Plan.

Notice of a proposed amendment to an urban renewal plan must be provided pursuant to ORS 457.120 when the amendment will have the effect of either: (a) increasing the amount of maximum indebtedness authorized under the Plan, or (b) adding land to the urban renewal area, except for an addition of land that totals not more than one percent of the existing area of the urban renewal area. The Amended Plan qualifies as such an amendment because it adds land exceeding one percent of the Area's existing acreage and increases the maximum indebtedness of the Plan.

DRAFT

1. Public Participation Process

The formal public participation began in June of 2014 when the Portland Development Commission (PDC) established an Urban Renewal Amendment Advisory Committee (Advisory Committee) to provide input on the proposed amendments to six urban renewal areas. This Advisory Committee was formed of citizens and stakeholder representatives and met five times to provide input. They voted to support the increase of maximum indebtedness, to extend the duration and recommended the addition of projects and property to the Area, recognizing the need to develop the property in proximity to the Clinton Station on the Portland Milwaukie Light Rail Line and the need for additional resources to develop other key properties in the Central Eastside Urban Renewal Area, specifically the Oregon Department of Transportation blocks located on SE Water Avenue between SE Madison Street and SE Taylor Street and potential future development at the Oregon Museum of Science and Industry (OMSI) properties. They considered the request of the Brooklyn Action Corps to extend the Area into bordering neighborhood commercial areas, but recommended against any further expansion beyond the Clinton Triangle.

URA Amendment Advisory Committee Roster

- Debbie Aiona, League of Women Voters (*alternate: Kathleen Hersh*)
- Scott Andrews, President, Melvin Mark Properties, and Portland Development Commission Chair (outgoing)
- Jillian Detweiler, Committee Chair, Policy Director, Office of the Mayor
- Peter Finley Fry, Central Eastside Industrial Council
- Greg Goodman, Co-President, Downtown Development Group
- Marion Haynes, Vice President, Portland Business Alliance
- Brent Hieggelke, Chief Marketing Officer, Urban Airship
- Damien Hall, Attorney, Ball Janik
- Sean Hubert, Senior Director, Housing & Employment, Central City Concern
- Pat LaCrosse, OMSI Board Member Emeritus, Former PDC Executive Director
- Wade Lange, General Manager, American Assets Trust
- Nolan Lienhart, Director of Planning & Urban Design, ZGF Architects
- Jonathan Malsin, Real Estate Principal, Beam Development
- Brian Newman, Director, Campus Planning & Development, OHSU
- Rick Saito, Insite Development
- Kat Schultz, Principal, GBD Architects and CC 2035 West Quadrant Stakeholder Advisory Committee Co-Chair
- John Tydlaska, Economic Development Director, Multnomah County
- David Wynde, Deputy Chief Financial Officer, Portland Public Schools
- Helen Ying, Consultant, Chinese American Citizens Alliance Portland Lodge
- Dan Zalkow, Executive Director for Planning, Construction, and Real Estate, Portland State University

PDC staff briefed the Portland Planning and Sustainability Commission on September 9, 2014. They made the formal presentation for the Portland Planning and Sustainability Commission's findings on conformance with the Comprehensive Plan on December 9, 2014.

PDC staff also met with the following neighborhood associations and groups and hosted an open house on September 11, 2014 to provide information and receive input on the proposed amendment. Notification on the public open house was emailed to approximately 3,000 individuals, distributed via social media feeds such as Facebook and Twitter, and posted as a public notice in the Oregonian.

The Bureau of Planning and Sustainability (BPS) held an open house that was attended by PDC staff on July 9, 2014 for the Central City 2035 Southeast Quadrant Plan. Opportunities to provide feedback and learn about the proposed amendments was advertised by BPS to approximately 1,000 subscribers to the Southeast Quadrant Plan mailing list. During the course of deliberation on the amendment, information was sent using the City of Portland's Office of Neighborhood Involvement Notification and posted on the organization's blog website. Additionally, all materials were available online at <http://www.pdc.us/for-partners/public-participation/ura-amendments.aspx>.

Meetings included:

- Brooklyn Action Corps Neighborhood Association
- Buckman Community Association
- Hosford Abernathy Neighborhood District Association
- Kerns Neighborhood Association
- Old Town/Chinatown Community Association
- Portland Downtown Neighborhood Association
- South Portland Neighborhood Association
- SE Uplift
- Portland Business Alliance
- Central Eastside Industrial Council
- East Portland Action Plan Economic Development Sub-Committee
- District on the Move
- Pearl Planning Meeting

On August 14, 2014, PDC sent an informal letter to the taxing jurisdictions describing the fiscal impacts. The formal letter to the taxing jurisdictions prescribed by statute was sent on November 21, 2014.

2. Electronic Communications

PDC staff posted information about the amendments on the PDC web page, creating a new project link to the amendment process for all six amendments to urban renewal plans processed in 2014. <http://www.pdc.us/for-partners/public-participation/ura-amendments.aspx>

3. Report Format

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

- A. A description of physical, social, and economic conditions in the urban renewal areas of the plan, and expected impact, including the fiscal impact, of the plan (or change) in light of added services and increased population;
- B. Reasons for selection of each urban renewal area in the plan;
- C. The relationship between each project to be undertaken and the existing conditions in the urban renewal area;
- D. The estimated total cost of each project and the sources of moneys to pay such costs;
- E. The anticipated completion date for each project;
- F. The estimated amount of money required in each urban renewal area under ORS 457.420 to 457.460 and the anticipated year in which indebtedness will be retired or otherwise provided for under ORS 457.420 to 457.460;
- G. A financial analysis of the plan with sufficient information to determine feasibility;
- H. A fiscal impact statement that estimates the impact of the tax increment financing, both until and after indebtedness is repaid, upon all entities levying taxes upon property in the urban renewal area;
- I. A relocation report, if necessary;
- J. Compliance with Land Area and Assessed Value Limits; and
- K. Acreage and Maximum Indebtedness Compliance for Plan Amendments.

This Report will address each of the required information categories.

II. AMENDMENT AREA

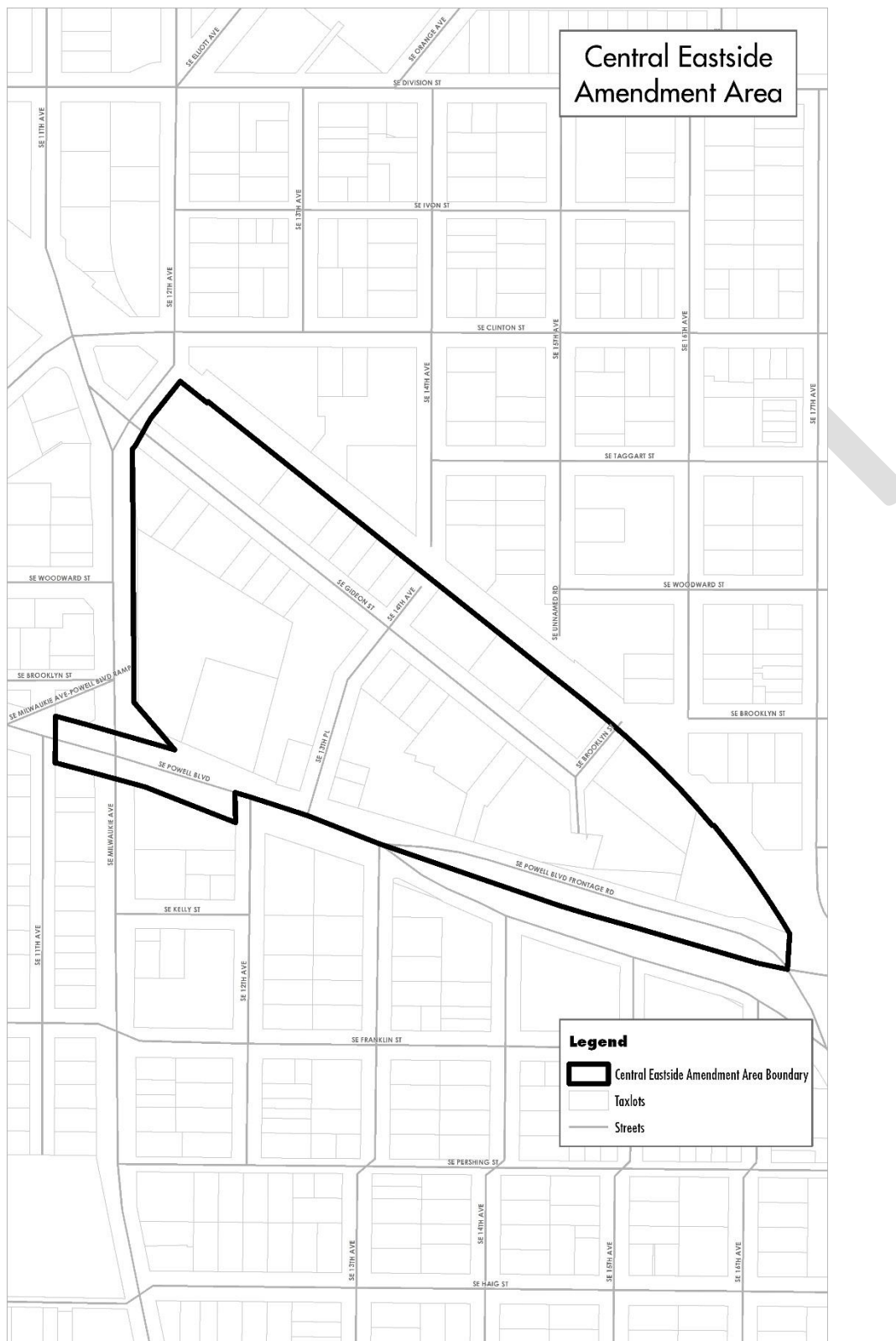
The Amended Plan will expand the Original Area's boundary by approximately 16.2 acres, increasing the size of the Area to 708.5 acres. Further, the Amendment will increase the maximum indebtedness of the Plan from \$105 million to approximately \$125,974,800 and extend the last date that bonded indebtedness can be issued by 5 years to August of 2023.¹

Accordingly, tax increment revenues generated under the Amended Plan between the date of the Amendment and the expiration of the urban renewal area will be used to finance projects and activities that will improve economic, physical, and social conditions within the Area and generally further the goals and objectives of the Amended Plan. At the same time, overlapping taxing districts will forgo revenues on the incremental assessed value generated under the Amended Plan through FY 2022-23.

A map of the Amendment Area is shown in Figure 1. A map of the Original Area is shown in Figure 2.

¹ The 9th Amendment to the CES Plan established the prior last date to issue debt as August 26, 2018 and increased the maximum indebtedness to \$104,979,000.

Figure 1 - Amendment Area



III. CENTRAL EASTSIDE URBAN RENEWAL AREA AS AMENDED

A. EXISTING PHYSICAL, SOCIAL, AND ECONOMIC CONDITIONS AND IMPACTS ON MUNICIPAL SERVICES

This section of the Report describes existing conditions within the Central Eastside Urban Renewal Area (CES) as amended.

1. *Physical Conditions*

An analysis of property classification data from Multnomah County’s 2013-14 Assessment and Taxation database was used to determine the land use designation, zoning, and comprehensive plan designation of parcels in the CES. The CES is shown in Figure 3.

a. *Land Use*

The CES contains approximately 404 acres in parcels and 708.5 total acres. Table 1 illustrates the land use classifications as determined by the County Assessor. The total acreage number in the table reflects the acreage in parcels. Commercial/Local Industrial uses account for 86.49% of the CES.

Table 1 – CES Existing Land Uses

Land Use	Parcels	Acres	% of Total Acres
Commercial/Local Industrial	1,130	349.42	86.49%
State Industrial	19	22.44	5.55%
Miscellaneous	20	11.71	2.90%
Residential	145	10.76	2.66%
Multi-family	30	5.45	1.35%
Recreational	11	4.23	1.05%
Total	1,355	404.00	100.00%

Source: PDC, using the Multnomah County’s 2013-14 Assessment and Taxation database

b. Zoning

As illustrated in Table 2, 233 acres (57.78%) of the CES is zoned as General Industrial 1. Central Employment accounts for 20.37% of the zoning. No other category of parcels with a single zoning designation makes up more than 5% of the area. The zoning is shown on Figure 4.

Table 2 – CES Zoning Designation

Zoning	Parcels	Acres	% of Total Acres
General Industrial 1	752	233.42	57.78%
Central Employment	407	82.29	20.37%
Heavy Industrial	24	17.78	4.40%
General Employment 2	15	10.93	2.70%
General Employment 1	31	7.76	1.92%
Residential 1,000	39	5.08	1.26%
Open Space	17	4.47	1.11%
High Density Residential	2	1.30	0.32%
Central Residential	14	1.15	0.28%
Multiple zones	50	39.60	9.80%
General Commercial	4	0.23	0.06%
Total	1,355	404.00	100.00%

Source: PDC, using the Multnomah County’s 2013-14 Assessment and Taxation database

c. Comprehensive Plan Designation

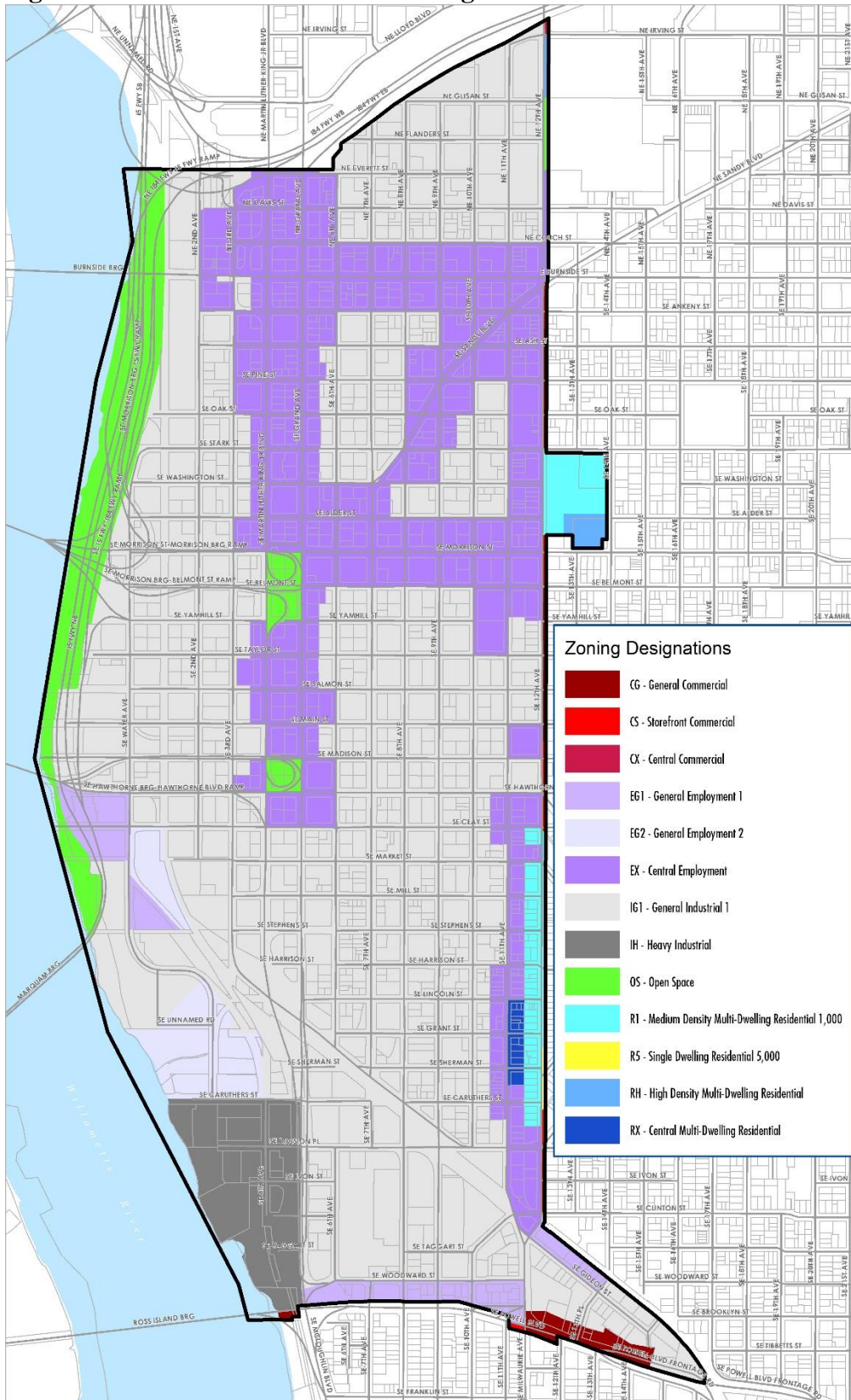
As shown in Table 3, 59.36% of the total acreage of the CES is designated as Industrial Sanctuary by the City of Portland Comprehensive Plan. Another 23.28% is designated Central Employment. The comprehensive plan designations are shown on Figure 5.

Table 3 – CES Comprehensive Plan Designation

Comprehensive Plan Designation	Parcels	Acres	% of Total Acres
Industrial Sanctuary	731	239.83	59.36%
Central Employment	455	94.07	23.28%
Mixed Employment	56	29.49	7.30%
Residential 1000	39	5.08	1.26%
Open Space	17	4.47	1.11%
RH	2	1.30	0.32%
Central Residential	14	1.15	0.28%
Multiple designations	37	28.39	7.03%
High Density Residential	4	0.23	0.06%
Urban Commercial	0	0.00	0.00%
Total	1,355	404.00	100.00%

Source: PDC, using the Multnomah County’s 2013-14 Assessment and Taxation database

Figure 4 – Central Eastside Area Zoning



d. Physical Conditions of the Buildings

In 2009, PBS Engineering and Environmental completed a building hazardous materials study for the Portland Development Commission. Their report identified that, in general, buildings constructed prior to 1978 were likely painted with a lead-based or lead-containing paint and likely have light fixtures that contain polychlorinated biphenyls (PCBs). Additionally, the report indicated that buildings constructed prior to 1980 likely contain asbestos.

The Assessor's data shows there are 876 buildings in the CES on which there is age data. Of those, 734 structures, or 84% of the structures were built prior to 1978, have not gone through major renovations, indicating a likely presence of lead-based paint, PCBs, and asbestos. Because of possible safety issues arising from the presence of lead based paint, PCBs and asbestos, such buildings are unfit for their intended purpose due to the defective quality of physical construction and therefore constitute blight in accordance with ORS 457.010(1)(a)(A).

e. Street Classifications and Conditions and Utilities Condition

The streets in the CES have the following classifications as identified in the City of Portland Transportation Systems Plan:

Traffic classifications:

Major City Traffic Streets

SE 11th Avenue
SE 12th Avenue
SE Belmont Street
SE Morrison Street
SE Grand
SE Martin Luther King Boulevard
SE Burnside Street
SE Powell Boulevard

Traffic Access Streets

SE Stark Street
SE 7th Avenue
SE Division Street
SE 8th Avenue
SE Hawthorne Boulevard
SE Madison Street (west portions)
SE Clay Street (west portions)
SE Division Place
SE 4th Avenue
SE Water Avenue
SE Yamhill Street
SE Taylor Street
SE Stark Street
SE Sandy Boulevard

Neighborhood Collector

SE 17th Avenue

Transit classifications:

Major Transit Priority

SE Belmont Street
SE Morrison Street
SE Grand
SE Martin Luther King Boulevard
SE Burnside Street
SE Powell Boulevard

Transit Access Street

SE 7th Avenue
SE 11th Avenue
SE 12th Avenue
SE Sandy Boulevard
SE Milwaukie Avenue

Community Transit Street

SE 17th Avenue

Bicycle classifications:

City Bikeway

SE 7th Avenue

SE 11th Avenue

SE 12th Avenue

SE Belmont Street

SE Morrison Street

SE Grand Avenue

SE Martin Luther King Boulevard

SE Burnside Street

SE Madison Street

SE Clay Street

SE Stark Street

SE Sandy Boulevard

SE Milwaukie Avenue

Pedestrian classifications:

CC Transit/Pedestrian Street

SE Hawthorne Boulevard

SE Madison Street (west portions)

SE Grand Avenue

City Walkway

SE 7th Avenue

SE 11th Avenue

SE 12th Avenue

SE Sandy Boulevard

SE Grand Avenue

SE Martin Luther King Boulevard

SE Division Place

SE Water Avenue

SE Stephens Street

SE Clay Street

SE Main Street

SE Powell Boulevard

SE 17th Avenue

SE Milwaukie Avenue

The Portland Bureau of Transportation identified streets with deficiencies, shown in Figure 6. As indicated on the map, over half of the streets within the CES have streets that have been rated below “good” condition. The existence of inadequate streets and other rights of way, open spaces and, utilities are evidence of blight per ORS 457.010(1)(e).

f. Water

The Portland Water Bureau reviewed the water facilities within the CES boundaries and checked for any identified capacity concerns based on data from their project ranking system as well as the fire flow modeling system. It was determined by the Water Bureau that there is a very low likelihood of future 903 Mains projects (contract or in-house) to come out of these

areas based on current “Rank Records” and currently accepted project drivers. In addition, there are no master plans for future water system improvements in the CES.

g. Stormwater and Wastewater

In April of 2014 the Bureau of Environmental Services provided the following information about the conditions of the stormwater and wastewater systems in the CES.

The following streets have over five blocks inside the Area of either sewer or stormwater sewer pipes that require repair, replacement, or additional pipe:

- 3rd Street
- SE Martin Luther King Jr Boulevard
- SE Grand Avenue
- SE 6th Avenue
- SE 7th Avenue
- SE 8th Avenue
- SE 9th Avenue
- SE 10th Avenue
- SE 11th Avenue
- SE 12th Avenue
- SE Madison Street
- NE Couch Street
- NE Davis Street
- SE Gideon Street
- SE Powell Boulevard

In addition to these, there are 18 other streets in the CES that have between 0.5 and 4 blocks of sewer pipe that require repair, replacement, or additional pipe. There are also at least 57 locations where the Comprehensive Plan recommends street stormwater control. There are at least 20 locations that the Comprehensive Plan recommends parking stormwater control, and at least 3 locations where it recommends rooftop stormwater control.

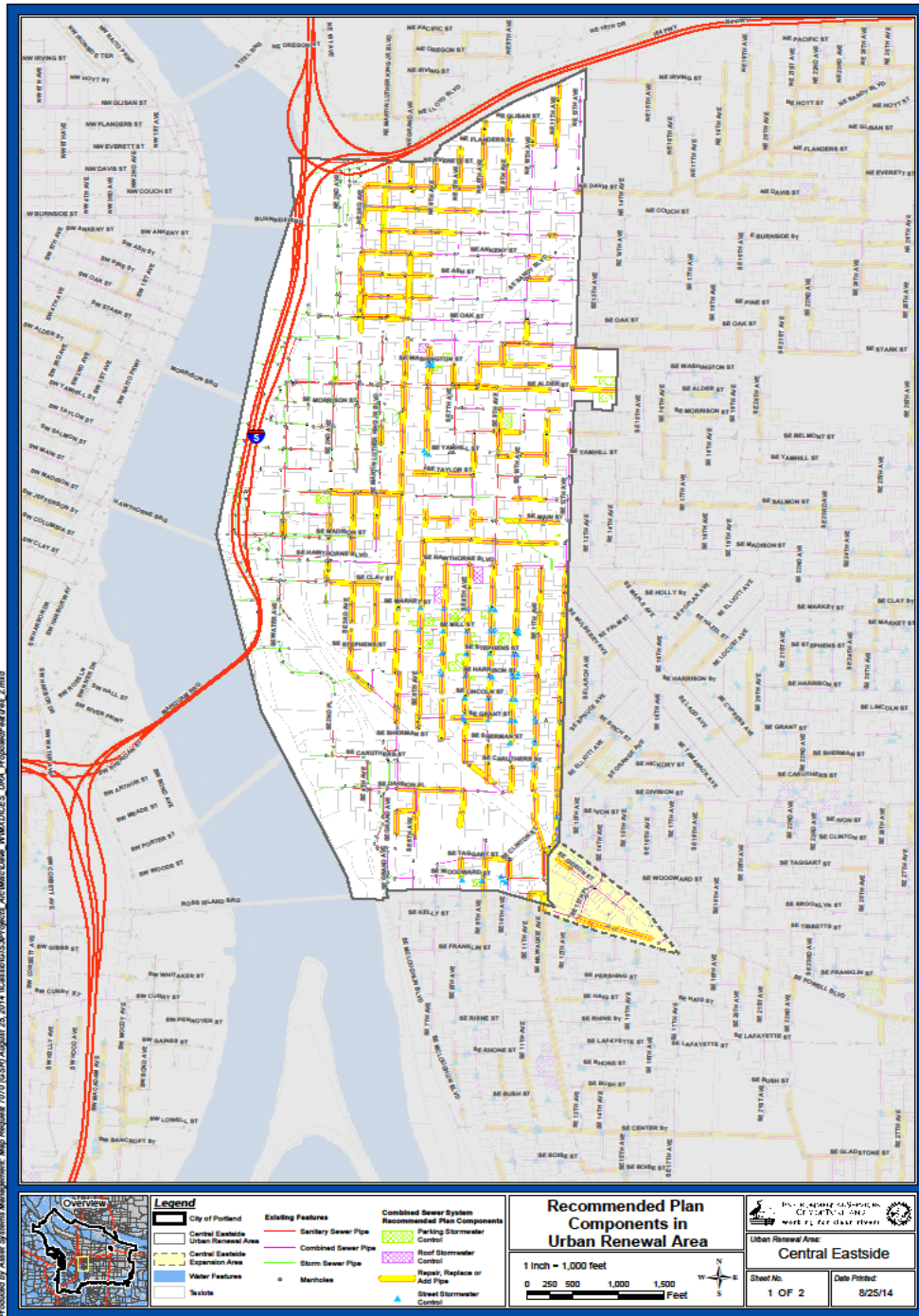
These sewer infrastructure deficiencies are illustrated in Figure 7. The existence of inadequate streets and other rights of way, open spaces, and utilities are evidence of blight per ORS 457.010(1)(e).

Figure 6 – Street Conditions Deficiencies in the Area



Source: Portland Bureau of Transportation

Figure 7 – Sewer Infrastructure Deficiencies in the Area



Source: Portland Bureau of Environmental Services

h. Parks and Open Space

The Vera Katz Eastbank Esplanade is within the CES boundary. At 1,200 feet, the floating walkway is the longest one of its kind in the United States, and offers the sensation of walking on water. Completed in January 1994, the Eastbank Master Plan described an esplanade with docks, piers, overlooks, a plaza for festivals and gatherings, floating walkways, fountains, public art, and connections to the neighborhoods and Portland’s bridges. The Esplanade connects the east and west sides of the Central City around its central feature – the Willamette River.

i. PDC-Owned Properties

There are a number of properties that PDC has acquired/disposed of over the life of the urban renewal area. Of these, four are still under PDC management and nine have been disposed of. These are listed in Table 4. The parcels that are listed as Active will be disposed of for future redevelopment during the time frame of the urban renewal plan.

Table 4 – PDC Owned Properties

Property Name	Address	Status
Block 76 W (North) - Former Fishels Warehouse	318 NE Couch Street	Active
Block 76 W (South) - Former Recovery Inn	313 E Burnside Street	Active
13 SE Grand	13 SE Grand Ave	Disposed
Crescent Site	1701 SE Water Ave	Disposed
Storage Lot - 240 NE MLK	240 NE MLK JR BLVD	Active
Former Holman Bldg & Lots	1515 SE Water Avenue	Disposed
Block 67 East - Former Bridgeport Hotel	5-13 NE 3rd Avenue	Disposed
George/La Casita Property	424-436 E. Burnside	Disposed
Block 76 East - Former Unocal Lot	11 NE MLK JR BLVD	Active
Block 75 - Former Ararat Bakery	111 NE MLK JR BLVD	Disposed
Convention Plaza Building & lots	123 NE 3rd Avenue	Disposed
49 SE Holman Lots	49 SE Holman	Disposed
Block 76 East-North Sliver	330-399 NE Couch Street	Active
Block 76 East-South Sliver	330-399 NE Couch Street	Disposed
Block 67 West - Formerly part of Convention Plaza	WI/ 123 NE 3rd Ave	Disposed
Eastbank Esplanade	Eastbank Esplanade	Disposed

Source: PDC

2. Social Conditions

A description of some key demographics in the CES is shown in Tables 5 and 6. There are no housing units in the Amendment Area. The data is from 2014 and shows that the CES is populated by 1,908 people with a median age of 34.1 years. The average household income is \$31,139 a year.

Table 5 – Key OCES Demographics

Category	OCES
Population	1,908
Households	934
Median age	34.1 years
Average household income	\$31,139
Average per capita income	\$23,344
Total housing units	998
Housing occupancy rate	93.58%

Source: PDC, Esri forecasts for 2014 data using the 2010 Census.

The majority of the population in the CES is white, and the next largest race category that residents identify with is Black (4.1%). All other categories combined make up 12.6% of the population. According to the census, people of Hispanic origin make up 7.3% of the CES, and identifying as Hispanic is an ethnicity (as opposed to a race, according to the census) and people who identify as Hispanic may be of any race.

Table 6 – OCES’s Distribution of Race

Race and Ethnicity	Percent of population
White	83.30%
Black	4.10%
American Indian/Alaska Native	2.00%
Asian	3.20%
Pacific Islander	0.20%
Other race	2.70%
Two or more races	4.50%
Hispanic origin (any race)	7.30%

Source: PDC, Esri forecasts for 2014 data using the 2010 Census

3. Economic Conditions

a. Taxable Value of Property Within the Area

The FY 14/15 taxable value of land (assessed value), improvements, and personal property in the CES is estimated at \$597,522,686. \$372,895,947 is termed “excess value,” which means it is the amount on which the taxes are allocated for the urban renewal agency. The frozen base after this Amendment is estimated at \$230,387,869. This is the assessed value at the time the area was established, plus or minus any additions or deletions of property over the life of the area. The frozen base is the amount on which the taxing jurisdictions continue to receive taxes. The Multnomah County Assessor will determine the exact frozen base after the amendment is adopted, adding in the assessed value of the real, personal, manufactured, and utility values in the Amendment Area. The estimates include the real, personal manufactured and utility values.

b. Development Capacity

The City of Portland Bureau of Planning and Sustainability has conducted an analysis on an area that is roughly equivalent to the CES. Evaluating various development indicators, including zoning, land value, and built floor area ratios, the Bureau has determined that 248 unique parcels within their study area are partially or entirely “significantly underutilized”. This accounts for 19% of the parcels (not acreage) in the CES. The manner in which this analysis was completed does not allow a direct comparison of the parcels to acreage. Acreage that is underutilized can be shown in the following section under the I:L analysis. These parcels are not contributing to the local community, economy, or tax base to their appropriate potential, and qualify as blight under ORS 457.010(1)(h).

c. Land and Improvement Values

An analysis of property values can be used to evaluate the economic condition of real estate investments in a given area. The relationship of a property’s improvement value (the value of buildings and other improvements to the property) to its land value is typically a reasonable indicator of the condition of real estate investments. This relationship is referred to as the “Improvement to Land Ratio” or “I:L.” The values used are real market values. In urban renewal areas, the I:L may be used to measure the intensity of development or the extent to which an area has achieved its short- and long-term development objectives.

For instance, a property on a 10,000 square foot lot might have a land value of \$120,000 at \$12.00 per square foot. A three-story development with ground floor retail and professional offices on the upper floors containing 12,000 square feet valued at \$65.00 per square foot might have an improvement value of \$780,000. The I:L ratio for this example would be \$780,000:\$120,000, which is more simply represented as 6.5:1.

Johnson Economics, LLC was contracted to provide information regarding the threshold of I:L ratios at which redevelopment might be expected to occur on a parcel located in the CES. Using an I:L ratio as an estimate of the relative price a developer would have to pay to acquire the site for the purpose of redevelopment, Johnson Economics estimated that a ratio of 2.5 would be a

reasonable indication of redevelopment potential given the allowable uses and levels of development within the CES.

I:L ratios for “healthy” properties in the CES are those above 2.5. Table 7 shows the I:L ratio for all parcels in the CES. The table illustrates the fact that a large portion of acreage, 56.56 %, is below the redevelopment threshold, indicating that these areas are unlikely to be fully utilized or contributing to the local tax base. Of that acreage, 5.96% have no improvements whatsoever; these areas are not fully utilized or contributing to the local tax base. Only 21.20% of the CES has an I:L ratio that indicates it is **unlikely** to be attractive for redevelopment. Tax-exempt properties account for 22.12% of the area. There are three parcels with no land value, indicating they are likely condominiums.

Because parcels exist that have low value relative to other properties, the parcels can be identified as contributing to a “lack of proper utilization of areas, resulting in a stagnant and unproductive condition of land potentially useful for contributing to the public health, safety, and welfare” and therefore constitute blight in accordance with ORS 457.010(1)(h).

The properties with low I:L ratios, if upgraded, are potentially valuable and useful to the public health, safety, and welfare of the community. Improving them would be a step toward eliminating blight in the area.

Table 7 – Redevelopment Potential of the CES as Indicated by I:L Ratios

I:L Ratio	Parcels	Acres	% of Total Acres
Parcels under redevelopment threshold			
No Improvements	121	24.07	5.96%
0.0 < I:L Ratio ≤ 0.5	189	42.29	10.47%
0.5 < I:L Ratio ≤ 1.0	129	40.66	10.06%
1.0 < I:L Ratio ≤ 1.5	159	41.35	10.24%
1.5 < I:L Ratio ≤ 2.0	139	42.87	10.61%
2.0 < I:L Ratio ≤ 2.5	124	37.26	9.22%
<i>Sub-total under threshold</i>	861	228.50	56.56%
Parcels over redevelopment threshold			
2.5 < I:L Ratio ≤ 3.0	85	24.64	6.10%
3.0 < I:L Ratio ≤ 5.0	139	35.16	8.70%
5.0 < I:L Ratio	67	25.83	6.39%
<i>Sub-total over threshold</i>	291	85.63	21.20%
Tax-exempt	200	89	22.12%
No land value	3	0.49	0.12%
Total	1,355	404	100.00%

Source: PDC, using the Multnomah County’s 2013-14 Assessment and Taxation database

IV. EXPECTED IMPACT, INCLUDING FISCAL IMPACT OF PLAN AMENDMENT IN LIGHT OF ADDED SERVICES OR INCREASED POPULATION

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

The properties being taken into the Central Eastside Urban Renewal Area are properties that are in proximity to Clinton Station on the Portland Milwaukie Light Rail (PMLR) line. The area is largely undeveloped or underdeveloped. Numerous plans have been completed for the area, including the ongoing planning efforts on the SE Quadrant Plan. In order for this light rail station area to contribute fully to the local economy, significant access needs must be addressed. The addition of these properties to the urban renewal area and the designation of projects to address the access needs will be the catalyst to allow for this area to fully develop, helping to capitalize on the significant infrastructure investment in the PMLR.

If fully developed, the Area will demand increased services at all levels: fire, police, infrastructure and utilities. However, this Area is within the urban core, and increased densities in this Area will lessen the pressure for increased densities outside of the urban core. Adding infrastructure to this Area will be much less expensive than developing the same density levels in areas where there are not urban services in close proximity to the sites. In addition, the proximity of the light rail station will encourage use of mass transit, reducing the impact that commuting has on the infrastructure and on the environment.

The proposed development assistance would add value to properties, thereby potentially adding to the tax base, providing increment during the length of the Plan and tax revenues once the Plan is terminated. The development of new businesses would add business license fees and provide employment opportunities. This improvement of stagnant and unproductive land and expected development of new businesses would result in benefits to the public health, safety, and welfare of the Area. Various system development charges for each new development will help offset increased demand on municipal services. In addition, the business license fees help augment the general fund to pay for services.

An increase in maximum indebtedness would mean an increase of funds to the Portland Housing Bureaus from this urban renewal area. These funds can be used to address housing needs within the Area.

The assistance in the Area will address a growing lack of proper utilization that is resulting in stagnant and unproductive condition of 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.

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

The Amendment Area is comprised of properties that are in close proximity to Clinton Station on the PMLR. These properties are vacant, underutilized, and underdeveloped and are in need of assistance to promote appropriate development. Blight exists in the Amendment Area and the reason for selection of the properties is to cure blight within the Amendment Area. The reason for selecting the properties in the Original Area has not changed; it is to cure blight.

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

The relationship between new urban renewal projects and the existing conditions in the Area is set forth below. The projects are projects that are either new to the Plan or were not detailed in the previous Plan and Report (Owner Participation and Planning and Administration).

Project Areas

INFRASTRUCTURE

1. SE Gideon Extension

Extend SE Gideon Street from SE 13th Place to SE 15th Place.

Existing Conditions:

SE Gideon Street presently extends to SE 13th Place. Extending the street to SE 15th Place will improve circulation within the Area.

2. SE 15th Place

Construction of a new street to allow for north south traffic through the Area and to allow for left turns onto Powell Boulevard.

Existing Conditions:

This traffic connection does not presently exist in the Area. There is a lack of adequate traffic circulation, and this improvement will help address that problem.

3. Storm/Sewer line upgrades

The storm water and sewer lines that presently run in the SE 15th Place location would be moved either into the right of way or in an easement.

Existing Conditions:

The storm water and sewer lines presently run east-west thru the developable area. Relocating them to street right of way will allow for development of vacant and underutilized sites in the Area.

4. Access improvements Milwaukie Avenue/Powell Boulevard

The improvements of the Milwaukie Avenue and Powell Boulevard intersection would improve left turn movements and thru traffic movements.

Existing Conditions:

There is currently very poor circulation at this intersection. There is no left turn from SE Powell to SE Milwaukie, making traffic circulation difficult within the Area. (Describe more fully if possible)

REDEVELOPMENT

1. Clinton Station Area

The Clinton Station Area has potential for redevelopment of vacant and underutilized property. PDC may acquire property within the Area and seek development opportunities for this property. PDC may also participate in other development in the Area.

Existing Conditions:

This property is largely vacant and underutilized as shown in the existing conditions section of this Report. There is poor traffic circulation within the area requiring substantial infrastructure investment and utility upgrades, specifically storm water and sewer lines, are required.

2. ODOT Blocks

Participation in the redevelopment of the ODOT Blocks located at SE Water Avenue between SE Madison Street and SE Taylor Street into industrial office uses with ground floor industrial, retail uses along SE Water Avenue, and including structured parking.

Existing Conditions:

This property is currently vacant and used as parking lots. The ODOT blocks have been “surplused” by ODOT. PDC has responded to this notification.

3. OMSI

OMSI is pursuing completion of a 5 Year Strategic Plan to guide them in the redevelopment of their property. Their future development will include the need for infrastructures improvements including street and utility upgrades, parking including district parking, greenway and shoreline improvements.

Existing Conditions:

This property encompasses the OMSI museum proper as well as large underdeveloped properties currently used for parking.

OWNER PARTICIPATION

Property owners within the Urban Renewal Area proposing to improve their properties and receiving financial assistance from the Development Commission or tax increment funds through the Portland Housing Bureau shall do so in accordance with all applicable provisions of this Plan and with all applicable codes, ordinances, policies, plans and procedures of the City.

The Amendment brings an additional 6.6 million dollars from tax increment funds for affordable housing. The Clinton Triangle provides additional acreage where affordable housing could be constructed. The Clinton Triangle is a prime location for mixed uses due to its proximity to the Clinton Light Rail Station. Approximately half of the property being brought in the urban renewal area through the amendment is in public ownership, which provides an opportunity to have better control over the ultimate development of these properties.

Existing Conditions:

Affordable housing is an allowed activity in the Plan. This Amendment brings potential additional resources to help fund the affordable housing.

PLANNING AND ADMINISTRATION

PDC will undertake program development and project planning activities necessary to achieve the objectives described in Section I of this Plan. PDC will also undertake administration of all aspects of this Plan in a manner consistent with the Plan's objectives.

Existing Conditions:

Existing Conditions: PDC presently allocates funding for planning and administration. Specifying it in the project section simply makes it more clear that it is a project activity.

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

Table 8a below shows the estimated total cost of each project and the estimated sources of funds to address the costs for projects to be completed with new resources that will be made available under the Plan. All figures in the table are in year of expenditure dollars. See Section VI of the Plan, Urban Renewal Projects, for detailed descriptions of projects within expenditure categories. Estimated costs for other projects are in the Report accompanying the Original Plan.

This analysis is based on known projects at the time of preparation of the Plan and does not include projects that may be authorized by the Plan, but are unknown at this time. Specific projects and expenditures are determined solely in the annual budget process.

Table 8a - Estimated Project Expenditures

Requirements		Tax Increment Proceeds
Redevelopment		
Commercial		\$13,200,000
Strategic Sites	\$3,000,000	
Storefront/Development Opportunity Services	\$3,200,000	
Commercial Property Redevelopment Loan	\$7,000,000	
Housing Redevelopment - Affordable		\$9,372,977
Public Improvements		\$9,985,000
Transportation Improvements	\$6,000,000	
District Parking	\$3,000,000	
Parks/Open Space	\$985,000	
Project Staffing/Indirect		\$4,070,000
Total		\$36,627,977

Source: Portland Development Commission

Table 8b – Estimated Project Expenditures and Revenues

REDEVELOPMENT	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23
Commercial								
Strategic Sites	\$ 500,000	\$ 500,000	\$ 2,000,000					
Storefront / DOS	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000
Commercial Property Redevelopment Loan	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000
Housing								
Housing Investments	\$ 863,136	\$ 863,136	\$ 1,924,476	\$ 1,281,286	\$ 1,372,429	\$ 1,541,970	\$ 857,937	\$ 668,608
<i>David P. Hooper Detox. Center</i>								
PUBLIC IMPROVEMENTS								
Infrastructure								
Transportation Improvements		\$ 500,000	\$ 2,000,000	\$ 2,500,000	\$ 1,000,000			
District Parking	\$ 1,500,000	\$ 1,500,000						
Parks/Open Space								
Washington Monroe		\$ 985,000						
Project staffing/Indirect	\$ 600,000	\$ 620,000	\$ 650,000	\$ 600,000	\$ 550,000	\$ 400,000	\$ 350,000	\$ 300,000
TOTAL PROJECT EXPENDITURES	\$ 4,363,136	\$ 5,868,136	\$ 7,474,476	\$ 5,281,286	\$ 3,822,429	\$ 3,841,970	\$ 3,107,937	\$ 2,868,608

Source: Portland Development Commission

VIII. THE ANTICIPATED COMPLETION DATE FOR EACH PROJECT

Projects to be completed with new resources made available under the Amended Plan are anticipated to be undertaken starting FY 2015-16 and completed by FY 2022/23, as shown in Table 8b above. Anticipated completion dates for other projects are in the Report accompanying the Original Plan.

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

Table 9 shows the yearly tax increment revenues and their allocation to loan repayments, reimbursements, debt service, and debt service reserve funds for the entire maximum indebtedness to be incurred under the Plan. It is anticipated that all debt will be retired by the end of FY 2024-25.

Table 9 – Tax Increment Revenues, Debt Service, and Debt Service Reserves

Fiscal Year Ending June 30	2015-16	2016-17	2017-18	2018-19	2019-20
Beginning Balance (incl. Debt Service Reserves)	\$ 3,229,489	\$ 3,901,761	\$ 4,880,592	\$ 2,405,862	\$ 2,405,862
Revenues					
Tax Increment to Raise (before Compression)	\$7,431,212	\$7,802,609	\$8,127,692	\$8,419,258	\$8,791,264
Less Compression	(\$668,809)	(\$702,235)	(\$731,492)	(\$757,733)	(\$791,214)
Tax Increment Imposed (after Compression)	6,762,403	7,100,374	7,396,200	7,661,525	8,000,050
Less Adjustments for Discounts & Delinquencies	(405,744)	(426,022)	(443,772)	(459,691)	(480,003)
NET TAX INCREMENT REVENUES	\$6,356,659	\$6,674,352	\$6,952,428	\$7,201,833	\$7,520,047
Bond Proceeds to Debt Service Reserve	0	0	0	0	0
Interest Earnings	28,066	32,023	37,439	25,533	26,129
TOTAL REVENUES	\$6,384,725	\$6,706,375	\$6,989,867	\$7,227,366	\$7,546,177
Expenditures					
Bond/Line of Credit Debt Service					
Bond 1 (Outstanding)	\$2,403,253	\$2,402,883	\$2,404,660	\$2,402,963	\$2,404,989
Line of Credit (Existing LOC Outstanding)	309,200	324,660	371,040	371,040	371,040
Total Bond/Line of Credit Debt Service	\$2,712,453	\$2,727,543	\$2,775,700	\$2,774,003	\$2,776,029
Short Term Debt Repayment	\$3,000,000	\$3,000,000	\$6,688,896	\$4,453,363	\$4,770,148
Subtotal Expenditures for Amended Plan	\$5,712,453	\$5,727,543	\$9,464,596	\$7,227,366	\$7,546,177
Bond Defeasance	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$5,712,453	\$5,727,543	\$9,464,596	\$7,227,366	\$7,546,177
Ending Balance	\$ 3,901,761	\$ 4,880,592	\$ 2,405,862	\$ 2,405,862	\$ 2,405,861

Source: City of Portland Office of Management and Finance

Table 9 – Tax Increment Revenues, Debt Service, and Debt Service Reserves, continued.

Fiscal Year Ending June 30	2020-21	2021-22	2022-23	2023-24	2024-25
Beginning Balance (incl. Debt Service Reserves)	\$ 2,405,861	\$ 2,405,862	\$ 2,405,862	\$ 3,711,209	\$ 10,972,000
Revenues					
Tax Increment to Raise (before Compression)	\$9,477,324	\$10,201,897	\$10,966,899	\$11,258,880	\$11,568,704
Less Compression	(\$852,959)	(\$918,171)	(\$987,021)	(\$1,013,299)	(\$1,041,183)
Tax Increment Imposed (after Compression)	8,624,365	9,283,726	9,979,878	10,245,581	10,527,521
Less Adjustments for Discounts & Delinquencies	(517,462)	(557,024)	(598,793)	(614,735)	(631,651)
NET TAX INCREMENT REVENUES	\$8,106,903	\$8,726,703	\$9,381,085	\$9,630,846	\$9,895,869
Bond Proceeds to Debt Service Reserve	0	0	0	0	0
Interest Earnings	27,230	28,392	29,619	35,714	70,660
TOTAL REVENUES	\$8,134,133	\$8,755,095	\$9,410,704	\$9,666,560	\$9,966,529
Expenditures					
Bond/Line of Credit Debt Service					
Bond 1 (Outstanding)	\$2,403,671	\$2,402,125	\$2,403,800	\$2,405,769	\$2,405,613
Line of Credit (Existing LOC Outstanding)	371,040	3,371,040	3,377,679	0	0
Total Bond/Line of Credit Debt Service	\$2,774,711	\$5,773,165	\$5,781,479	\$2,405,769	\$2,405,613
Short Term Debt Repayment	\$5,359,422	\$2,981,929	\$2,323,879	\$0	\$0
Subtotal Expenditures for Amended Plan	\$8,134,133	\$8,755,094	\$8,105,358	\$2,405,769	\$2,405,613
Bond Defeasance	\$0	\$0	\$0	\$0	\$14,421,213
TOTAL EXPENDITURES	\$8,134,133	\$8,755,094	\$8,105,358	\$2,405,769	\$16,826,825
Ending Balance	\$ 2,405,862	\$ 2,405,862	\$ 3,711,209	\$ 10,972,000	\$ 4,111,704

Source: City of Portland Office of Management and Finance

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

The estimated tax increment revenues shown in Table 9 are based on projections of the assessed value of development within the Area, which in turn are based on historical trends in the Area since its establishment. The growth in assessed value reflects development projects as identified in a report by Johnson Economics in 2014.

Table 9 shows the projected incremental assessed value, projected tax rates that would produce tax increment revenues, and the annual tax increment revenues (not adjusted for undercollection, penalties and interest). These, in turn, provide the basis for the projections in Table 10 showing sufficient tax increment revenues to support the maximum indebtedness under the Plan, as amended. As referenced in Table 9 the estimated tax increment revenues are sufficient to cover the estimated projects under the Amended Plan.

Table 10 – Projected Incremental Assessed Value, Tax Rates, and Tax Increment Revenues

Fiscal Year Ending June 30	2015-16	2016-17	2017-18	2018-19	2019-20
Projected Assessed Value Growth					
<i>Existing Area</i>					
Frozen Base	\$224,626,739	\$224,626,739	\$224,626,739	\$224,626,739	\$224,626,739
Incremental Assessed Value	395,343,852	418,850,484	443,463,015	469,230,651	496,204,714
Total Assessed Value - Existing	\$619,970,591	\$643,477,223	\$668,089,754	\$693,857,390	\$720,831,453
<i>Amendment Area</i>					
Frozen Base	\$0	\$5,761,130	\$5,761,130	\$5,761,130	\$5,761,130
Incremental Assessed Value	-	252,407	509,467	689,579	875,095
Total Assessed Value - Expansion	\$0	\$6,013,537	\$6,270,597	\$6,450,709	\$6,636,225
<i>Total Area</i>					
Frozen Base	\$224,626,739	\$230,387,869	\$230,387,869	\$230,387,869	\$230,387,869
Incremental Assessed Value	395,343,852	419,102,891	443,972,482	469,920,231	497,079,809
Total Assessed Value	\$619,970,591	\$649,490,760	\$674,360,351	\$700,308,100	\$727,467,678
Total AV Growth		4.76%	3.83%	3.85%	3.88%
Incremental AV Growth		6.01%	5.93%	5.84%	5.78%
Consolidated Tax Rate	\$19.0780	\$19.1743	\$19.0801	\$18.8538	\$18.8215
Revenues Generated on Incremental Assessed Value					
Amount to Urban Renewal Area	\$7,431,212	\$7,802,609	\$8,127,692	\$8,419,258	\$8,791,264
Amount to Taxing Jurisdictions (Sharing)	111,170	234,969	343,330	440,519	564,521
Total Revenues	\$ 7,542,382	\$ 8,037,578	\$ 8,471,022	\$ 8,859,777	\$ 9,355,785
Tax Increment Revenues to Urban Renewal Area					
Tax Increment to Raise (before Compression)	\$7,431,212	\$7,802,609	\$8,127,692	\$8,419,258	\$8,791,264
Less Compression	(668,809)	(702,235)	(731,492)	(757,733)	(791,214)
Tax Increment Imposed (after Compression)	\$6,762,403	\$7,100,374	\$7,396,200	\$7,661,525	\$8,000,050

Source: City of Portland Office of Management and Finance

Table 10 – Projected Incremental Assessed Value, Tax Rates, and Tax Increment Revenues, continued.

Fiscal Year Ending June 30	2020-21	2021-22	2022-23	2023-24	2024-25
Projected Assessed Value Growth					
<i>Existing Area</i>					
Frozen Base	\$224,626,739	\$224,626,739	\$224,626,739	\$224,626,739	\$224,626,739
Incremental Assessed Value	526,443,581	558,138,572	591,355,327	610,724,785	630,675,327
Total Assessed Value - Existing	\$751,070,320	\$782,765,311	\$815,982,066	\$835,351,524	\$855,302,066
<i>Amendment Area</i>					
Frozen Base	\$5,761,130	\$5,761,130	\$5,761,130	\$5,761,130	\$5,761,130
Incremental Assessed Value	19,270,125	38,945,165	59,967,740	61,931,601	63,954,377
Total Assessed Value - Expansion	\$25,031,255	\$44,706,295	\$65,728,870	\$67,692,731	\$69,715,507
<i>Total Area</i>					
Frozen Base	\$230,387,869	\$230,387,869	\$230,387,869	\$230,387,869	\$230,387,869
Incremental Assessed Value	545,713,707	597,083,737	651,323,067	672,656,386	694,629,704
Total Assessed Value	\$776,101,576	\$827,471,606	\$881,710,936	\$903,044,255	\$925,017,573
Total AV Growth	6.69%	6.62%	6.55%	2.42%	2.43%
Incremental AV Growth	9.78%	9.41%	9.08%	3.28%	3.27%
Consolidated Tax Rate	\$18.8204	\$18.8192	\$18.8181	\$18.8000	\$18.8000
Revenues Generated on Incremental Assessed Value					
Amount to Urban Renewal Area	\$9,477,324	\$10,201,897	\$10,966,899	\$11,258,880	\$11,568,704
Amount to Taxing Jurisdictions (Sharing)	793,207	1,034,732	1,289,733	1,387,060	1,490,334
Total Revenues	\$ 10,270,531	\$ 11,236,629	\$ 12,256,632	\$ 12,645,940	\$ 13,059,038
Tax Increment Revenues to Urban Renewal Area					
Tax Increment to Raise (before Compression)	\$9,477,324	\$10,201,897	\$10,966,899	\$11,258,880	\$11,568,704
Less Compression	(852,959)	(918,171)	(987,021)	(1,013,299)	(1,041,183)
Tax Increment Imposed (after Compression)	\$8,624,365	\$9,283,726	\$9,979,878	\$10,245,581	\$10,527,521

Source: City of Portland Office of Management and Finance

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

The Plan authorizes the extension of the last date for issuance of bonded indebtedness under the Plan until FY 2022/23. These changes to the Plan will impact overlapping taxing districts. The impacts from this Plan are a portion of the overall goal of the City of Portland to advance redevelopment and economic development objectives while reducing the impact of urban renewal on taxing jurisdictions implemented in 2014. This series of amendments impacted six urban renewal areas with a net positive benefit to taxing jurisdictions of a projected nominal value of \$129,850,763. These impacts include the under-levy in these districts in FY 14/15 and are projected through the expected life spans of the districts after the 2014 amendments.

The impact of tax increment financing on overlapping taxing districts consists primarily of the property tax revenues foregone on permanent rate levies as applied to the growth in incremental assessed value. Increases in property tax rates for some General Obligation bonds and the City's Fire and Police Retirement and Disability levy will occur as a result of tax increment financing.

Note that for Portland Public Schools and Multnomah County Educational Service District, under current school funding law, permanent rate property tax revenues are combined with State School Fund revenues to achieve per-student funding targets. Under this system, property taxes foregone are replaced with State School Fund revenues.

Tables 11a and 11b show the property tax revenue foregone by overlapping taxing districts during the use of tax increment financing. Table 11a represents the impact of this amendment, including revenue sharing, the addition of properties to the Area and the extension of the Area to FY2024/25. ORS 457 requires revenue sharing with the taxing jurisdictions with the adoption of a substantial amendment to increase maximum indebtedness and when specific tax increment thresholds are met. These thresholds are met in this amendment. The specific revenue sharing amounts are indicated in Table 10. Table 11a indicates a positive benefit to taxing jurisdictions through FY 2021/22 as a result of revenue sharing and a negative impact on taxing jurisdictions beginning in FY 2022/23 as this is when the district was formerly projected to end. The lengthening of the time frame for the district, is, therefore, shown as a negative impact, and the number shown in FY 2022/23 in Tables 11a and 11b match: the impact is for the entire district. Table 11b shows the full impacts of tax increment financing for the Area as amended. It starts from the date that Measure 5 was implemented for urban renewal, in FY 1997-98.

Table 11a – Projected Impact on Taxing District Permanent Rate Levies During Use of Tax Increment Financing Through FY 2024-25 due to Amendment

Fiscal Year	Incremental AV Foregone	City \$4.5770	County \$4.3434	PPS \$4.7743	Library \$1.1800	PCC \$0.2828	Mult. ESD \$0.4576	Metro \$0.0966	EMSC \$0.1000	Port \$0.0701	TOTAL \$15.8818
2015-16	(\$5,827,125)	(\$26,671)	(\$25,310)	(\$27,820)	(\$6,876)	(\$1,648)	(\$2,666)	(\$563)	(\$583)	(\$408)	(\$92,545)
2016-17	(12,001,950)	(54,933)	(52,129)	(57,301)	(14,162)	(3,394)	(5,492)	(1,159)	(1,200)	(841)	(190,613)
2017-18	(17,484,717)	(80,028)	(75,943)	(83,477)	(20,632)	(4,945)	(8,001)	(1,689)	(1,748)	(1,226)	(277,689)
2018-19	(22,675,425)	(103,785)	(98,488)	(108,259)	(26,757)	(6,413)	(10,376)	(2,190)	(2,268)	(1,590)	(360,127)
2019-20	(29,118,322)	(133,275)	(126,473)	(139,020)	(34,360)	(8,235)	(13,325)	(2,813)	(2,912)	(2,041)	(462,451)
2020-21	(22,876,106)	(104,704)	(99,360)	(109,217)	(26,994)	(6,469)	(10,468)	(2,210)	(2,288)	(1,604)	(363,314)
2021-22	(16,037,655)	(73,404)	(69,658)	(76,569)	(18,924)	(4,535)	(7,339)	(1,549)	(1,604)	(1,124)	(254,707)
2022-23	582,786,080	2,667,412	2,531,273	2,782,396	687,688	164,812	266,683	56,297	58,279	40,853	9,255,692
2023-24	598,876,617	2,741,058	2,601,161	2,859,217	706,674	169,362	274,046	57,851	59,888	41,981	9,511,239
2024-25	615,356,606	2,816,487	2,672,740	2,937,897	726,121	174,023	281,587	59,443	61,536	43,136	9,772,971
TOTAL Nominal		7,648,158	7,257,813	7,977,846	1,971,778	472,558	764,649	161,418	167,100	117,137	26,538,456
TOTAL Present Value		\$4,862,335	\$4,614,172	\$5,071,935	\$1,253,562	\$300,430	\$486,127	\$102,622	\$106,234	\$74,470	\$16,871,887

Source: City of Portland Office of Management and Finance

PPS: Portland Public Schools

Mult. ESD: Multnomah County Education Service District

EMSC: East Multnomah Soil and Conservation

Port: Port of Portland

Table 11b – Projected Impact on Taxing District Permanent Rate Levies During Use of Tax Increment Financing Through FY 2024-25 for Area as Amended

Fiscal Year	Incremental AV Foregone	City \$4.5770	County \$4.3434	PPS \$4.7743	Library \$1.1800	PCC \$0.2828	Mult. ESD \$0.4576	Metro \$0.0966	EMSC \$0.1000	Port \$0.0701	TOTAL \$15.8818
1997-98	\$144,236,982	\$660,173	\$626,479	\$615,964	\$0	\$40,790	\$66,003	\$13,933	\$0	\$10,111	\$2,033,453
1998-99	189,332,152	866,573	822,345	808,543	-	53,543	86,638	18,289	-	13,272	2,669,205
1999-00	196,914,942	901,280	855,280	840,925	-	55,688	90,108	19,022	-	13,804	2,776,107
2000-01	177,127,421	810,712	769,335	756,423	-	50,092	81,054	17,111	-	12,417	2,497,142
2001-02	212,183,161	971,162	921,596	906,128	-	60,005	97,095	20,497	-	14,874	2,991,358
2002-03	208,600,216	954,763	906,034	890,827	-	58,992	95,455	20,151	-	14,623	2,940,846
2003-04	210,497,285	963,446	914,274	898,929	-	59,529	96,324	20,334	-	14,756	2,967,591
2004-05	215,708,847	987,299	936,910	1,029,859	-	61,002	98,708	20,837	-	15,121	3,149,737
2005-06	230,380,503	1,054,452	1,000,635	1,099,906	-	65,152	105,422	22,255	23,038	16,150	3,387,008
2006-07	243,532,862	1,114,650	1,057,761	1,162,699	-	68,871	111,441	23,525	24,353	17,072	3,580,371
2007-08	257,850,367	1,180,181	1,119,947	1,231,055	-	72,920	117,992	24,908	25,785	18,075	3,790,865
2008-09	279,998,617	1,281,554	1,216,146	1,336,797	-	79,184	128,127	27,048	28,000	19,628	4,116,484
2009-10	325,898,916	1,491,639	1,415,509	1,555,939	-	92,164	149,131	31,482	32,590	22,846	4,791,301
2010-11	314,667,331	1,440,232	1,366,726	1,502,316	-	88,988	143,992	30,397	31,467	22,058	4,626,176
2011-12	323,222,477	1,479,389	1,403,885	1,543,161	-	91,407	147,907	31,223	32,322	22,658	4,751,952
2012-13	330,134,282	1,511,025	1,433,905	1,576,160	-	93,362	151,069	31,891	33,013	23,142	4,853,568
2013-14	354,036,136	1,620,423	1,537,721	1,690,275	417,763	100,121	162,007	34,200	35,404	24,818	5,622,731
2014-15	372,895,947	1,706,745	1,619,636	1,780,317	440,017	105,455	170,637	36,022	37,290	26,140	5,922,259
2015-16	389,516,727	1,782,818	1,691,827	1,859,670	459,630	110,155	178,243	37,627	38,952	27,305	6,186,227
2016-17	406,929,914	1,862,518	1,767,459	1,942,805	480,177	115,080	186,211	39,309	40,693	28,526	6,462,780
2017-18	425,978,299	1,949,703	1,850,194	2,033,748	502,654	120,467	194,928	41,150	42,598	29,861	6,765,302
2018-19	446,555,227	2,043,883	1,939,568	2,131,989	526,935	126,286	204,344	43,137	44,656	31,304	7,092,101
2019-20	467,086,392	2,137,854	2,028,743	2,230,011	551,162	132,092	213,739	45,121	46,709	32,743	7,418,173
2020-21	503,567,476	2,304,828	2,187,195	2,404,182	594,210	142,409	230,432	48,645	50,357	35,300	7,997,558
2021-22	542,100,916	2,481,196	2,354,561	2,588,152	639,679	153,306	248,065	52,367	54,210	38,001	8,609,538
2022-23	582,786,080	2,667,412	2,531,273	2,782,396	687,688	164,812	266,683	56,297	58,279	40,853	9,255,692
2023-24	598,876,617	2,741,058	2,601,161	2,859,217	706,674	169,362	274,046	57,851	59,888	41,981	9,511,239
2024-25	615,356,606	2,816,487	2,672,740	2,937,897	726,121	174,023	281,587	59,443	61,536	43,136	9,772,971
TOTAL Nominal		43,783,457	41,548,846	44,996,290	6,732,710	2,705,257	4,377,389	924,073	801,137	670,575	146,539,733
TOTAL Present Value		47,999,950	45,550,139	48,739,702	5,316,292	2,965,782	4,798,946	1,013,064	749,715	735,153	157,868,744

Source: City of Portland Office of Management and Finance

Table 12 shows the expected recovery of permanent rate levies to the overlapping taxing jurisdictions after tax increment bonds are repaid beginning in FY 2025/26. The numbers represent the present value. The taxing jurisdictions recover taxes foregone from the time period of this amendment by FY 2043-44. The recovery of taxes foregone from the inception of the district is by FY 2051-52.

Table 12 – Additional Revenues Obtained After Termination of Tax Increment Financ

Fiscal Year	Incremental AV Returned	City \$4,5770	County \$4,3434	PPS \$4,7743	Library Distric \$1,1800	PCC \$0,2828	Mult. ESD \$0,4576	Metro \$0,0966	Mult. Soil/Co \$0,1000	Port \$0,0701	TOTAL \$15,8818
2025-26	790,509,965	3,618,164	3,433,501	3,774,132	932,802	223,556	361,737	76,363	79,051	55,415	12,554,721
2026-27	827,777,575	3,788,738	3,595,369	3,952,058	976,778	234,095	378,791	79,963	82,778	58,027	13,146,598
2027-28	866,633,561	3,966,582	3,764,136	4,137,569	1,022,628	245,084	396,572	83,717	86,663	60,751	13,763,701
2028-29	907,144,388	4,152,000	3,940,091	4,330,979	1,070,430	256,540	415,109	87,630	90,714	63,591	14,407,086
2029-30	949,379,267	4,345,309	4,123,534	4,532,621	1,120,268	268,484	434,436	91,710	94,938	66,551	15,077,852
2030-31	979,654,271	4,483,878	4,255,030	4,677,163	1,155,992	277,046	448,290	94,635	97,965	68,674	15,558,673
2031-32	1,010,837,526	4,626,603	4,390,472	4,826,042	1,192,788	285,865	462,559	97,647	101,084	70,860	16,053,919
2032-33	1,042,956,278	4,773,611	4,529,976	4,979,386	1,230,688	294,948	477,257	100,750	104,296	73,111	16,564,023
2033-34	1,076,038,593	4,925,029	4,673,666	5,137,331	1,269,726	304,304	492,395	103,945	107,604	75,430	17,089,430
2034-35	1,110,113,378	5,080,989	4,821,666	5,300,014	1,309,934	313,940	507,988	107,237	111,011	77,819	17,630,599
2035-36	1,146,977,162	5,249,714	4,981,781	5,476,013	1,353,433	324,365	524,857	110,798	114,698	80,403	18,216,062
2036-37	1,184,854,700	5,423,080	5,146,298	5,656,852	1,398,129	335,077	542,190	114,457	118,485	83,058	18,817,625
2037-38	1,223,773,871	5,601,213	5,315,339	5,842,664	1,444,053	346,083	559,999	118,217	122,377	85,787	19,435,732
2038-39	1,263,763,319	5,784,245	5,489,030	6,033,585	1,491,241	357,392	578,298	122,080	126,376	88,590	20,070,836
2039-40	1,304,852,477	5,972,310	5,667,496	6,229,757	1,539,726	369,012	597,100	126,049	130,485	91,470	20,723,406
2040-41	1,347,071,586	6,165,547	5,850,871	6,431,324	1,589,544	380,952	616,420	130,127	134,707	94,430	21,393,922
2041-42	1,390,451,721	6,364,098	6,039,288	6,638,434	1,640,733	393,220	636,271	134,318	139,045	97,471	22,082,876
2042-43	1,435,024,810	6,568,109	6,232,887	6,851,239	1,693,329	405,825	656,667	138,623	143,502	100,595	22,790,777
2043-44	1,480,823,658	6,777,730	6,431,809	7,069,896	1,747,372	418,777	677,625	143,048	148,082	103,806	23,518,145
2044-45	1,527,881,975	6,993,116	6,636,203	7,294,567	1,802,901	432,085	699,159	147,593	152,788	107,105	24,265,516
2045-46	1,576,234,396	7,214,425	6,846,216	7,525,416	1,859,957	445,759	721,285	152,264	157,623	110,494	25,033,439
2046-47	1,625,916,508	7,441,820	7,062,006	7,762,613	1,918,581	459,809	744,019	157,064	162,592	113,977	25,822,481
2047-48	1,676,964,879	7,675,468	7,283,729	8,006,333	1,978,819	474,246	767,379	161,995	167,696	117,555	26,633,221
2048-49	1,729,417,079	7,915,542	7,511,550	8,256,756	2,040,712	489,079	791,381	167,062	172,942	121,232	27,466,256
2049-50	1,783,311,715	8,162,218	7,745,636	8,514,065	2,104,308	504,321	816,043	172,268	178,331	125,010	28,322,200
2050-51	1,838,688,454	8,415,677	7,986,159	8,778,450	2,169,652	519,981	841,384	177,617	183,869	128,892	29,201,682
2051-52	1,895,588,053	8,676,107	8,233,297	9,050,106	2,236,794	536,072	867,421	183,114	189,559	132,881	30,105,350
TOTAL Nominal		160,161,319	151,987,038	167,065,367	41,291,317	9,895,919	16,012,633	3,380,289	3,499,264	2,452,984	555,746,129
TOTAL Present Value		48,485,733	46,011,128	50,575,800	12,500,145	2,995,798	4,847,514	1,023,317	1,059,334	742,593	168,241,363

Source: City of Portland Office of Management and Finance

XII. RELOCATION REPORT

At the time of the creation of the Plan and this Amendment it is not anticipated that relocation will be necessary for businesses or residents in the Area.

The relocation report requires an enumeration, by cost range, of the existing housing units in the urban renewal areas of the plan to be destroyed or altered and new units to be added. No existing housing units are planned to be destroyed or altered.

XIII. ACREAGE AND ASSESSED VALUE LIMITS FOR CITY

ORS 457.420(2)(A) and(B) limits the percentage of a municipality's total assessed value and land area that can be contained in an urban renewal area to 15% for municipalities with a population of 50,000 or greater. The addition of 16.2 acres to the Original Area will increase the Area's acreage from 692.3 acres to 708.5 acres. The total acreage is 14.27% of the city's acreage, within the 15% area limit contained in ORS 457.

The CES will include an additional frozen base value of approximately \$5,761,130. The total Frozen Base Assessed Value with the changes made by this amendment is 11.98% of the city's total assessed value, within the statutory 15% restriction. The frozen base may vary some as the Multnomah County Assessor will establish this number once the Amendment is adopted.

Table 13 – Compliance with AV and Acreage City-wide Limitations

Urban Renewal Area	Frozen Base Assessed Value	Acres
Airport Way	\$124,710,301	1,841.4
Central Eastside as proposed	\$235,076,864	708.5
Downtown Waterfront	\$55,674,313	233.1
South Park Blocks	\$305,692,884	98.0
Oregon Convention Center	\$214,100,689	410.0
North Macadam	192,609,397	401.9
River District	\$461,577,974	351.2
Education	\$622,437,726	144.0
Interstate	\$1,293,389,062	3,990.0
Gateway	\$307,174,681	658.5
Willamette Industrial	\$481,443,135	755.5
Lents	\$736,224,033	2,846.3
Neighborhood Districts (NPIs)	\$498,707,491	803.7
Total	\$5,528,818,550	13,242.1
Total Acreage, City of Portland		92,773
Total Assessed Value City of Portland Less Incremental AV in Urban Renewal Areas	\$46,142,052,109	
Percent of Portland AV in Urban Renewal Areas	11.98%	
Percent of Portland Area in Urban Renewal Area		14.27%

XIV. ACREAGE AND MAXIMUM INDEBTEDNESS COMPLIANCE FOR PLAN

ORS 457.220(3) limits the total amount of acreage that may be added to an urban renewal area to 20% of the original acreage. The following increases have been made to the CES over the lifetime of the Plan. The additional acreage is well within the statutory authority for adding acreage.

Table 14 – Compliance with AV and Acreage Plan Limitations

Plan Limitations Acreage	
CES original acreage	681.00
20% authority to add	136.20
Acreage added in 9 th Amendment	7.1
2014 amendment addition	16.2
remaining authority	112.90

ORS 457.460(6)(d) also limits the amount of increase of maximum indebtedness to 20% of the maximum indebtedness in effect for the plan immediately before the first substantial amendment to increase maximum indebtedness that was made on or after January 1, 2010. The increase in maximum indebtedness in this Amendment reaches that threshold.

Table 15 – Compliance with AV and Acreage Plan Limitations

Plan Limitations Maximum Indebtedness	
CES Maximum Indebtedness	
Prior to Amendment	\$104,979,000
20% authority to increase	\$21,000,000
New Maximum Indebtedness	\$125,974,800