

Amendment No. 4 North Macadam Urban Renewal Plan

The following changes are made to the North Macadam Urban Renewal Plan. Deletions are shown in ~~crossout~~ and additions are shown in *italics*. The numbering reflects the numbering in **the original North Macadam Urban Renewal Plan**.

Definitions:

“Downtown Area” means the parcels added in the 4th Amendment in 2014, the parcels in greater proximity to downtown Portland.

“South Waterfront Area” means the area in the original North Macadam Plan.

Section 100 – INTRODUCTION

The 2014 Amendment was a result of Portland City Council Resolution No. 37072 on May 7, 2014 directing the Portland Development Commission and the Office of Management and Finance to prepare major changes to six urban renewal areas to reduce the impact of urban renewal on taxing jurisdictions, provide resources to meet economic development, redevelopment and affordable housing goals and support Portland State University.

The Education District that was formed in 2012 was closed as part of this effort. Properties from the former Education District Urban Renewal Area have been added to the North Macadam Urban Renewal Area as well as project commitments outlined in a Redevelopment Agreement with Portland State University signed in 2014.

Section 300 - LEGAL BOUNDARY DESCRIPTION

This section is deleted in its entirety and replaced with the following new section.

(insert new legal here)

Section 400 – GOALS AND OBJECTIVES FOR THE NORTH MACADAM URBAN RENEWAL AREA.

A. Plan Goals

The primary goal *South Waterfront Area* of the Plan is to enable redevelopment of the North Macadam Area to fully utilize its potential as an employment center with the characteristics of a viable neighborhood, including adequate housing, infrastructure, transportation, and supportive businesses, amenities and services.

(Insert after Paragraph 1)

The objectives of the Plan will also prioritize job growth and economic development projects through the specific categories of investment in the Downtown District of the North Macadam Area. These objectives will lead the progression of a district that will connect an educational environment and job generation to physical development as follows:

- *An enhanced academic environment at Portland State University provides the foundation for attracting new research dollars which also spurs greater entrepreneurship and small business development within the campus.*
- *Outward expansion evolves as entrepreneurs commercialize their ideas into startups and high growth companies that attract additional cluster industries to gain a presence in private development within the Area.*

1. URBAN REVITALIZATION

a. General Goal

Optimize Portland's role as the major regional employment, population, education, and cultural center through public policies that encourage expanded opportunity for education, housing and jobs while retaining the positive characteristics of established residential, neighborhood and business centers: Use public investment when necessary to optimize public benefits. Prioritize expenditures of public funds in a manner that will implement the *North Macadam Framework Plan*, the *Downtown Plan (1972)*, *University District Plan (1995)*, *Downtown Community Association Residential Plan (1996)* and the *South Auditorium Plan*, the Comprehensive Plan including Portland's Housing Policy and Prosperous Portland, the Central City Plan and other applicable policies.

b. Specific Goals

(10) ***Downtown Area.*** *Work with Portland State University to enhance the downtown area of the North Macadam Urban Renewal Area to connect an educational environment and job generation to physical development.*

8. DOWNTOWN AREA

a. General Goals

Work with Portland State University to enhance the downtown district to connect an educational environment and job generation to physical development. Accommodate demand from cluster firms and the related need for a more diverse mix of neighborhood amenities by assisting in the development or redevelopment of structures to provide space for cluster firm activities.

b. Specific Goals

- (1) *Upgrade existing buildings*
- (2) *Redevelop property*
- (3) *Support cluster firm activity*

B. Plan Goals as Implementation of City Goals

See Exhibit E for the Bureau of Planning and Sustainability Report on conforming to the city's comprehensive plan and other area plans and goals.

SECTION 500 – LAND USE PLAN

A. Base Zone (~~CX~~) Regulations

The base zone for the ~~entire~~ *South Waterfront Area of the North Macadam District* is Central Commercial (CX). This is Portland's most intense commercial zone. It allows a wide variety of commercial, residential, industrial, and institutional uses. *The Downtown Area has both CX zoning and Central residential (RX) zoning. In both of these zones, development is intended to be oriented to pedestrians. Large buildings may cover all or most of the sites. Building height limits, floor area ratios (FARs), some building setbacks, and parking are governed by the Central City plan district regulations and by the South Auditorium Plan District for the Downtown Area including Portland State University interests.*

OVERLAY ZONES

C. Overlay Zones

1. The design overlay (d) covers the entire district. This zone requires projects to meet guidelines of design compatibility. Both the *Central City Fundamentals* and the *Special Design Guidelines for the North Macadam District* apply to the district.
2. The river general greenway overlay (g) covers the eastern portion of the district adjacent to the Willamette River. The regulations of this overlay zone implement the *Willamette Greenway Plan* for this portion of the river including the *Greenway Design Guidelines*. The greenway zone imposes additional requirements including a building setback from the river and the creation of the greenway trail.

3. Other base zoning classifications in the North Macadam Urban-Renewal Area are:

Central Residential – RX The RX zone is a high density multi-dwelling zone which allows the highest density of dwelling units of the residential zones. Density is not regulated by a maximum number of units per acre. Rather, the maximum size of buildings and intensity of use are regulated by floor area ratio (FAR) limits and other site development standards. Generally the density will be 100 or more units per acre. Allowed housing developments are characterized by a very high percentage of building coverage. The major types of new housing development will be medium and high rise apartments and condominiums, often with allowed retail, institutional, or other service oriented uses. Generally, RX zones will be located near the center of the city where transit is readily available and where commercial and employment opportunities are nearby. RX zones will usually be applied in combination with the Central City plan district.

Open Space - OS The Open Space zone is intended to preserve and enhance public and private open, natural, and improved park and recreational areas identified in the Comprehensive Plan. These areas serve many functions including:

- Providing opportunities for outdoor recreation;*
- Providing contrasts to the built environment;*
- Preserving scenic qualities;*
- Protecting sensitive or fragile environmental areas;*
- Enhancing and protecting the values and functions of trees and the urban forest;*
- Preserving the capacity and water quality of the stormwater drainage system; and*
- Providing pedestrian and bicycle transportation connections.*

SECTION 600 – PROJECT ACTIVITIES

5. OWNER PARTICIPATION

Property owners within the Urban Renewal Area proposing to improve their properties and who receive financial assistance from the Development Commission shall do so in accordance with all applicable provisions of this Plan as well as with all applicable codes, ordinances, policies', plans and procedures of the City. The Development Commission may provide financial assistance when appropriate to assist property owners to accomplish goals of the Plan. Such assistance may include:

c. Housing

The City of Portland Tax Increment Financing Set Aside Policy for Affordable Housing will apply to this Plan. The resources will be administered by the Portland Housing Bureau. TIF-supported housing investments in this URA will be guided by the investment priorities in the Portland Housing Bureau's Strategic Plan and other applicable City housing policies.

The Development- Commission may provide assistance and incentives; including through loans or other funding programs, for property owners to undertake and complete projects supportive of the housing goals of the Plan, including:

- (1) Land acquisition and transfer for rehabilitation and redevelopment;
- (2) Financial mechanisms to promote, facilitate, and develop housing in the Area.

8. CLUSTER DEVELOPMENT

a. Target Industry Recruitment & Expansion Fund

Funds may be available to assist business recruitment and expansion efforts geared toward attracting research and development-intensive companies to strategic commercial properties in the Area, including the recruitment of early-stage firms to accelerator facilities.

b. Small Business/Real Estate Programs

PDC provides a number of smaller scale programs intended to improve the quality and efficiency of buildings and to position small businesses in a manner that gives them increased

opportunities for prosperity and growth. These include storefront grants, green features grants, business finance programs and other tools intended to promote private investment.

9. 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.

SECTION 800 – OTHER PROVISIONS

B. Conformance with City General Comprehensive Plan

This Urban Renewal Plan is in conformity with the ~~General~~ Comprehensive-Plan and its supporting neighborhood and area plans, of the City as a whole relative to the improvement of the major commercial and residential areas of downtown Portland and provides an outline for accomplishing the urban renewal projects in the urban renewal plan proposes.

D. City of Portland Five-Year Economic Development Strategy

The Strategy was adopted by Council on July 8, 2009. 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 Goals 1 and 2 as follows:

1. Building the Sustainable Economy- Competitiveness

Maximize industry competitiveness and generate robust job growth by creating opportunities for existing, emerging or relocating traded-sector businesses to enter new markets and access financial and human capital resources.

This Plan provides financial and technical assistance resources to assist target industry cluster businesses and high-growth firms. Strategies include assisting firms with export and global branding opportunities, supporting higher education innovation efforts, enhancing startup activity and business incubation opportunities, and aligning university workforce development resources with the skills needed in target industries. This Plan will support substantially increasing PSU's research capability and the conversion of research into commercially viable businesses, contributing to job growth throughout the City.

2. Building the Sustainable Economy - Urban Innovation

Maintain a leadership position in sustainability by constantly striving to produce an innovative urban setting that fosters creativity and invention and aligns with clean technology industry activities.

*This Plan will assist in the implementation of demonstration projects that enhance Portland’s reputation as an early adopter of advanced green development approaches and solutions– a “living laboratory” for innovation, including:
High performance new construction: Pursue new development that supports industry growth in high performance design and engineering; green materials development and deployment; and energy and water management.*

SECTION 900 - AMENDMENTS

This section is deleted in its entirety and replaced with the following section.

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 Area, except for an addition of land that totals not more than one percent of the existing Area; or*
- 2. Increase the maximum amount of indebtedness that can be issued or incurred under the 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. Extend the last date to issue debt; or*
- 2. Identify a project that includes a public building.*

Council-approved amendments require approval by PDC’s Board of Commissioners (the “Board”) 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 building serves or benefits the urban renewal area.

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 Area. Minor amendments are effective upon adoption of a resolution by the Board approving the amendment.

SECTION 1000 – DURATION AND VALIDITY OF APPROVED URBAN RENEWAL PLAN

A. Duration of Urban Renewal Plan

No bonded indebtedness, as defined by applicable state law, for which taxes divided under ORS 457.440 are to be pledged,, shall be issued under the Plan (and under any and all projects undertaken: with respect to the Plan) after FY ~~2019-2020~~ FY 2024-25---or when maximum indebtedness is reached.

SECTION 1100 – REAL PROPERTY ACQUIRED BY AGENCY

There are number of properties that PDC has acquired/disposed of over the life of the URA. Of these, four are still under PDC management and nine have been disposed of. The expectation is that they will be disposed of during the life of the urban renewal plan. The former Budget Rent a Car property, owned by Tri-Met, at SW 4th and Lincoln, may be acquired by the Agency for potential redevelopment.

Property Name	Address	Status	Intended Disposition
South Waterfront Lot 8	SW River Drive/River Parkway/Moody/Hall	Disposed	
South Waterfront Lot 3	2095 SW River Parkway	Active	Dispose for redevelopment
South Waterfront Lot 4	2397 SW Moody Ave.	Active	Long term lease to Pacific Power and Light
South Waterfront Lot 1	SW River Pkwy.	Disposed	
SWF Parking Lot "Block J" - South Parcel	1720 SW Front Avenue	Disposed	
Former Public Storage	3508 SW Moody Avenue	Disposed	
Double Tree Hotel	310 SW Lincoln ST	Disposed	
NMAC Block 49	SW Bancroft/Bond/Lowell/Moody	Disposed	
3604-3516 SW Macadam Ave	3604-3516 SW Macadam Avenue	Disposed	
SW Montgomery	SW Montgomery Street	Disposed	
RiverPlace Parking Garage	1852 SW River Dr.	Disposed	
MLK Grand Viaduct		Disposed	
N Mac St Bond		Disposed	

Source: PDC

SECTION 1200 - PUBLIC BUILDINGS SERVES AND BENEFITS

Projects undertaken by PSU under this Plan may include public buildings that serve or benefit the Area in one or more of the following ways:

- Increase density on underutilized parcels*
- Integrate new or improved academic facilities with PDC-supported commercial space so as to better expose the future workforce of the Area to the workplace*
- Develop or expand training and educational facilities that accelerate the creation of knowledge-based jobs*
- Leverage private development that will increase the tax base of the Area*
- Provide housing and neighborhood commercial services for students, Area residents, and employees*
- Provide opportunities for reducing energy costs and carbon footprint*

PSU projects include, but are not limited to, the following:

- Energy efficiency/modernization projects at the Fourth Avenue Building*
- Expansion of the School of Business*
- Expansion of engineering and physical science classrooms and research facilities*
- Upgraded laboratory space, potentially in partnership with OHSU and others*
- Potential expansion of the existing PSBA and related programs*

PDC support for PSU Projects is limited such that PDC value contributed is not used exclusively for educational use but is directed to complementary commercial uses.

Exhibit A Map - Boundary Map, formerly Exhibit 1, Replaced in its entirety and renamed Exhibit A

Exhibit B Zoning Map - formerly Exhibit 2, Replaced in its entirety and renamed Exhibit B

Exhibit C - Comprehensive Plan Map

Exhibit D - Planning Commission Report 1999 (not attached hereto, but kept as an exhibit to the Plan)

Exhibit E - Planning Commission Report 2014