



**Proposed Amendments to the North Macadam and  
Central Eastside Urban Renewal Areas**  
Planning and Sustainability Commission  
January 13, 2014

# Background & Action

## **December 9, 2014:**

- PSC considered whether changes to the North Macadam and Central Eastside URAs were supportive of the city's Comprehensive Plan
- Heard testimony about concern for meeting housing goals in N. Macadam URA

## **Since hearing:**

- PDC and PHB provided a memo in response in PSC questions
- PDC and PHB have taken steps to advance affordable housing implementation

**Proposed Action Today:** PSC is asked to find that the recommended URA changes support the Comprehensive Plan

# Additional TIF Resources for Affordable Housing

## North Macadam URA

- Estimated affordable housing resources without the amendment: \$9 million
- Estimated affordable housing resources with the amendment: **\$40 million**

## Central Eastside URA

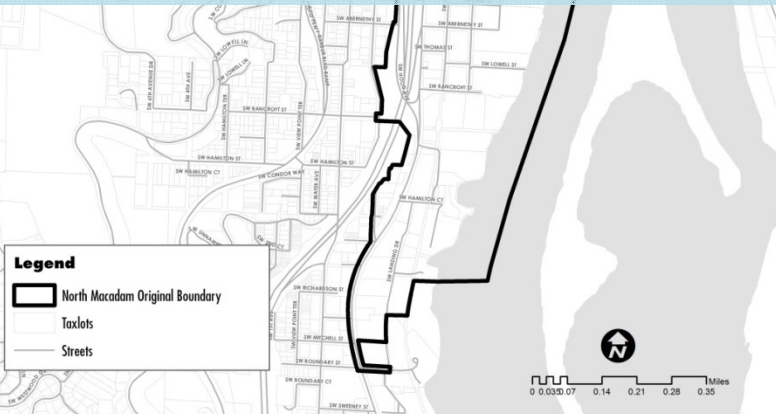
- Estimated affordable housing resources without the amendment: \$4 million
- Estimated affordable housing resources with the amendment: **\$10 million**

# North Macadam URA Amendment

## Status Quo

North Macadam Original Area

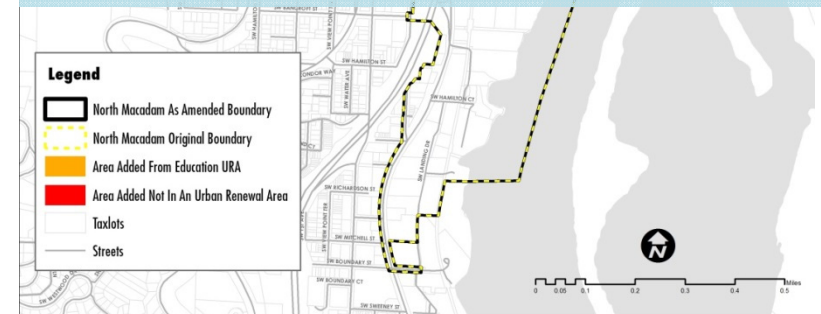
- Greenway (partial) - \$2M
- SW Bond (partial) - \$2M
- Property redevelopment loans - \$ 3M
- Business development loans - \$2.5M
- Affordable housing - \$9M



## Amended

North Macadam As Amended

- Greenway - \$12M
- SW Bond - \$8M
- Ross Island Bridge Park - \$5M
- PSU/University Place - \$19M
- Business development loans - \$2.5M
- Utilities – TBD
- Affordable housing - \$40M+



# Affordable Housing Approach in North Macadam

- \$40M provides sufficient resources to reaffirm 2003 affordable housing goals
- PDC & PHB developing plan for mixed-use project on RiverPlace Parcel 3 with 200-400 units
- If ZRZ development gains momentum, URA has financial capacity to bring forward TIF to accelerate affordable housing investment
- PHB and partners will work with partners to secure operating resources for 0-30% MFI units
  - For example, Home Forward may convert vouchers to project-based subsidy



*Parcel 3*

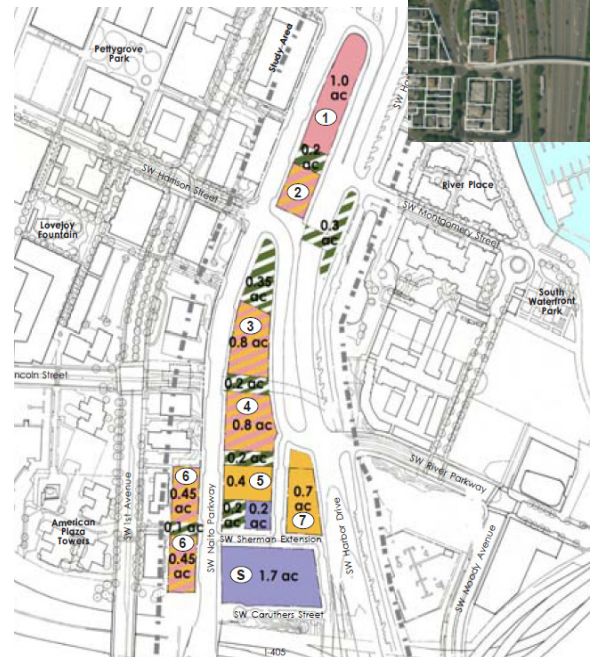
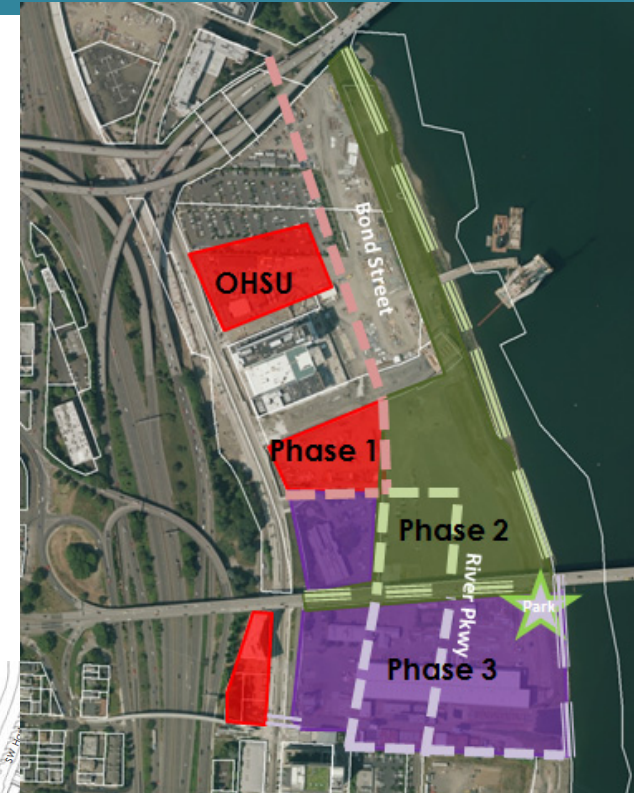
**Affordable Unit Goals for South Waterfront Area**

	Total	Achieved to Date	Net Remaining
0-30% MFI	166	42	124
31-60% MFI	313	167	146
<b>Subtotal</b>	<b>479</b>	<b>209</b>	<b>270</b>
61-80% MFI	103	0	103
81-100% MFI	172	0	172
101-120% MFI	34	0	34

# Affordable Housing Approach in North Macadam

- Stronger language in ZRZ Development Agreement
  - PHB has the right to subsidize rental units within every ZRZ residential project via an Affordable Housing Covenant
  - PHB right to purchase property if fewer than 479 affordable units built within the North Macadam URA when ZRZ initiates Phase 2 development
- ODOT and PBOT jointly own 5.1 acres on both sides of Naito Parkway at Harbor Drive; 2004 Concept Plan identified potential for 140 units on West Naito site

## ZRZ Development

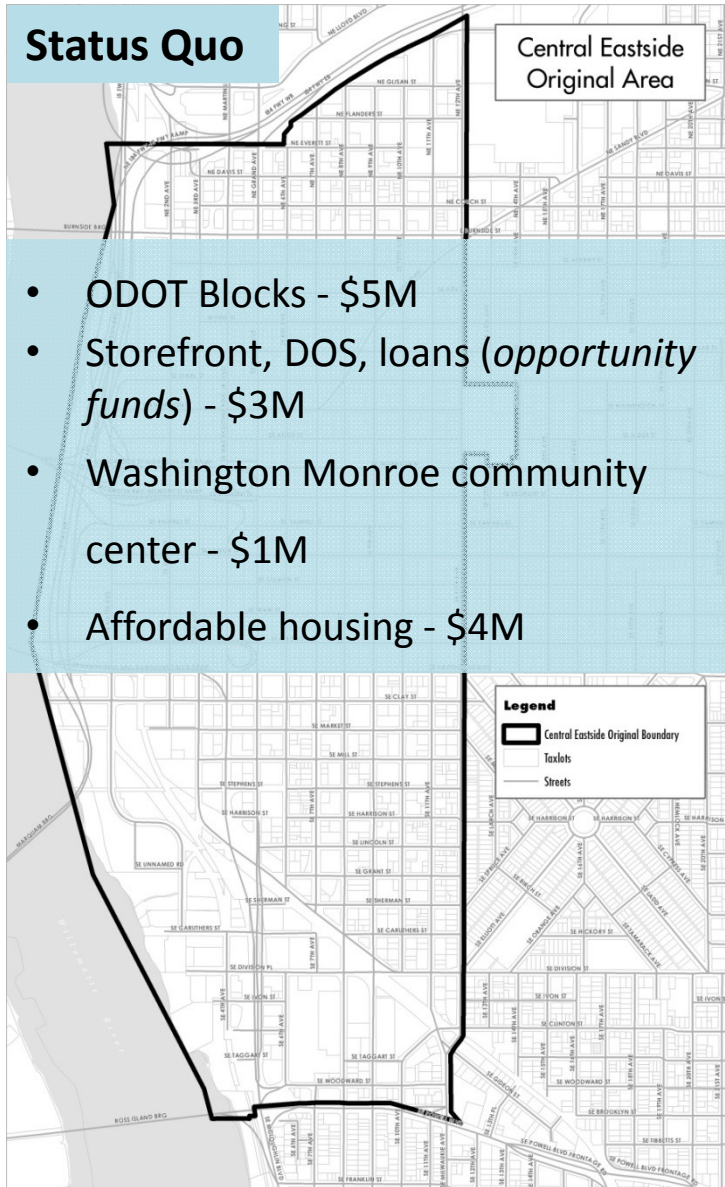


## Harbor/Naito

# Central Eastside URA Amendment

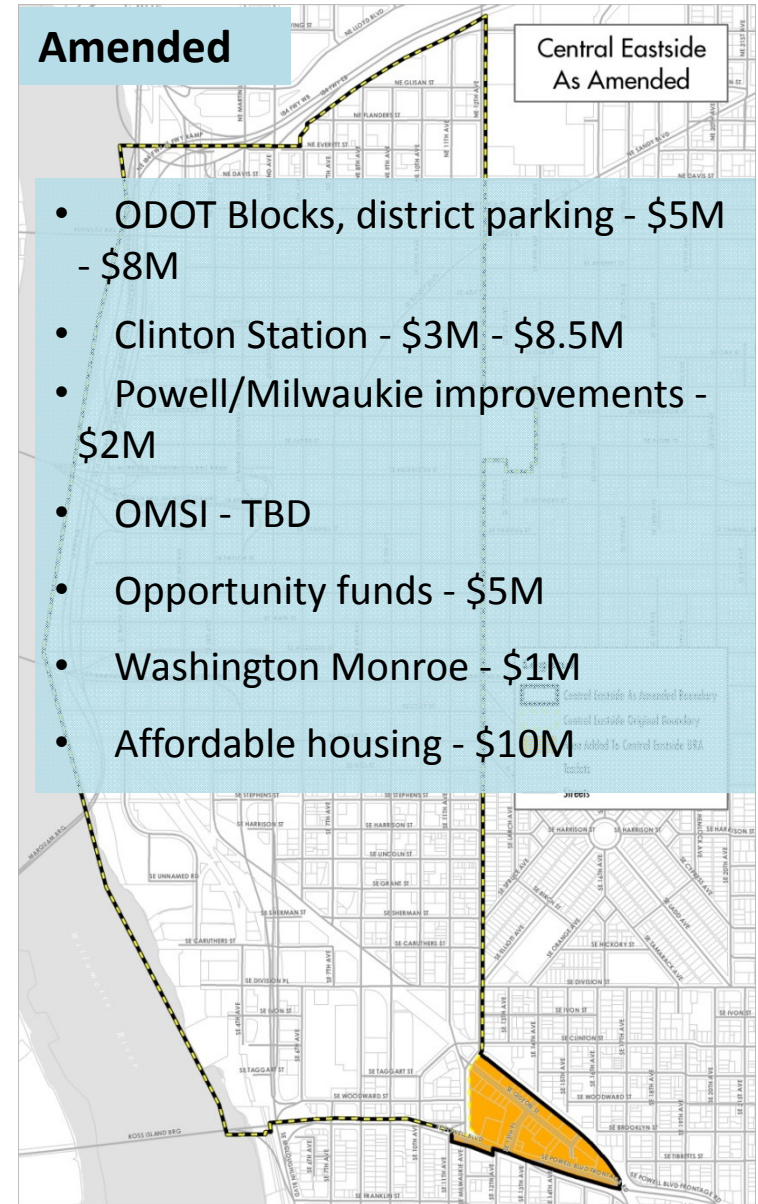
## Status Quo

- ODOT Blocks - \$5M
- Storefront, DOS, loans (*opportunity funds*) - \$3M
- Washington Monroe community center - \$1M
- Affordable housing - \$4M



## Amended

- ODOT Blocks, district parking - \$5M - \$8M
- Clinton Station - \$3M - \$8.5M
- Powell/Milwaukie improvements - \$2M
- OMSI - TBD
- Opportunity funds - \$5M
- Washington Monroe - \$1M
- Affordable housing - \$10M



# Affordable Housing Approach in Central Eastside

- PHB has committed to and is moving forward a project that includes 102 affordable units
- Estimate at least an additional 55 new affordable rental units would be created
- Affordable units anticipated to included as part of the Clinton Triangle station area redevelopment
- Even if growth exceeds projections, no additional resources would become available as this projection anticipates reaching maximum indebtedness



# Upcoming Meetings

## **PDC Board Meeting**

**January 21, 2014 1:30-5 p.m. @ 222 NW 5th Avenue**

## **City Council Hearing**

**January 29, 2014 2-3:30 p.m. @ 1221 SW 4th Ave**

# Amended North Macadam URA: Resources and Projects

FY	Resources*	PHB**	PDC	Projects	Level of Confidence
2014.15	\$1.2M	\$80K	\$1.2M	<ul style="list-style-type: none"> <li>Bond Street design and construction</li> <li>District parking</li> <li>PSU School of Business</li> <li>ZRZ Economic Development</li> <li>Affordable Housing</li> </ul>	High
2015.16	\$8.0M	\$2.0M	\$4.3M		
2016.17	\$11.2M	\$2.0M	\$10.4M		
2017.18	\$9.3M	--	\$5.6M		
	<b>SUBTOTAL</b>	<b>\$4.08M</b>	<b>\$21.5M</b>		
2018.19	\$13.3M	\$0.3M	\$12.6M	<ul style="list-style-type: none"> <li>Parks and Open Space</li> <li>Bond Street design and construction</li> <li>University Place redevelopment</li> <li>ZRZ Economic Development</li> <li>Affordable Housing</li> <li>Target Industry Recruitment</li> </ul>	Medium
2019.20	\$12.2M	\$2.8M	\$11.1M		
2020.21	\$24.3M	\$6.1M	\$21.3M		
2021.22	\$27.5M	\$6.5M	\$16.1M		
2022.23	\$37.5M	\$7.0M	\$18.1M		
	<b>SUBTOTAL</b>	<b>\$22.7M</b>	<b>\$79.2M</b>		
2023.24	\$46.4M	\$7.2M	\$12.9M	<ul style="list-style-type: none"> <li>PSU/Budget Rent a Car acquisition</li> <li>PSU/4<sup>th</sup> Ave Building</li> <li>ZRZ Economic Development</li> <li>Affordable Housing</li> <li>Target Industry Recruitment</li> </ul>	Low
2024.25	\$57.9M	\$6.5M	\$13.1M		
<b>TOTAL</b>	<b>\$248.8M</b>	<b>\$40.5M</b>	<b>\$126.7M</b>		

\* Future resources modeled assuming 50% private development with a 6:1 leverage.

\*\* Based on housing set-aside target for the North Macadam URA including Central District DA requirements.

# North Macadam Forecast

	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25
<b>Resources</b>										
TIF Proceeds	\$0.7M	\$6.5M	\$7.0M	\$7.9M	\$9.6M	\$21.2M	\$22.6M	\$24.1M	\$25.0M	\$22.7M
Other Income	\$0.2M	\$0.2M	\$0.2M	\$0.2M	\$0.2M	\$0.2M	\$0.2M	\$0.2M	\$0.2M	\$0.2M
Beginning Balance	\$7.1M	\$4.5M	\$2.0M	\$5.2M	\$2.5M	\$2.9M	\$4.8M	\$13.2M	\$21.2M	\$35.0M
	<b>\$8.0M</b>	<b>\$11.2M</b>	<b>\$9.3M</b>	<b>\$13.3M</b>	<b>\$12.2M</b>	<b>\$24.3M</b>	<b>\$27.5M</b>	<b>\$37.5M</b>	<b>\$46.4M</b>	<b>\$57.9M</b>
<b>Expenditures</b>										
Parks & Open Space					\$0.1M	\$8.1M	\$3.5M	\$5.0M		
Bond Street	\$0.7M	\$1.5M	\$2.4M	\$3.7M						
PSU DA		\$2.0M		\$5.0M	\$4.6M	\$3.4M				\$4.0M
ZRZ Ec Dev		\$2.5M					\$2.0M*	\$2.0M*	\$2.0M*	
Housing	\$2.0M	\$2.0M		\$0.3M	\$2.8M	\$6.1M	\$6.5M	\$7.0M	\$7.2M	\$6.5M
Target Industry							\$0.5M	\$0.5M	\$0.5M	\$0.5M
Staffing/Indrt	\$0.8M	\$1.2M	\$1.6M	\$1.8M	\$1.8M	\$1.8M	\$1.8M	\$1.8M	\$1.6M	\$1.0M
<b>Total Project Expenditures</b>	<b>\$3.5M</b>	<b>\$9.2M</b>	<b>\$4.0M</b>	<b>\$10.8M</b>	<b>\$9.3M</b>	<b>\$19.5M</b>	<b>\$14.3M</b>	<b>\$16.3M</b>	<b>\$11.3M</b>	<b>\$12.1M</b>
<b>Ending Balance</b>										
	<b>\$4.5M</b>	<b>\$2.0M</b>	<b>\$5.2M</b>	<b>\$2.5M</b>	<b>\$2.9M</b>	<b>\$4.8M</b>	<b>\$13.2M</b>	<b>\$21.3M</b>	<b>\$35.0M</b>	<b>\$45.8M</b>

# Central Eastside Forecast

	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23
<b>Resources</b>								
TIF Proceeds	\$3.0M	\$3.0M	\$6.7M	\$4.5M	\$4.8M	\$5.4M	\$3.0M	\$2.3M
Other Income	\$0.1M	\$0.1M	\$0.8M	\$0.4M	\$0.1M	\$0.1M	\$0.1M	\$0.1M
Beginning Balance	\$7.5M	\$7.0M	\$1.6M	\$2.8M	\$3.5M	\$3.7M	\$5.3M	\$5.3M
<b>Expenditures</b>								
Strategic Sites	\$0.5M	\$0.5M	\$2.0M					
Storefront/DOS	\$0.4M	\$0.4M	\$0.4M	\$0.4M	\$0.4M	\$0.4M	\$0.4M	\$0.4M
CPRL	\$0.5M	\$0.5M	\$0.5M	\$0.5M	\$0.5M	\$1.5M	\$1.5M	\$1.5M
Washington Monroe		\$1.0M						
Transportation Improvements		\$0.5M	\$2.0M	\$2.5M	\$1.0M			
District Parking	\$1.5M	\$1.5M						
Housing	\$0.1M	\$3.5M	\$0.8M	\$0.1M	\$2.3M	\$1.5M	\$0.9M	\$0.7M
Staffing/Indirect	\$0.6M	\$0.6M	\$0.7M	\$0.6M	\$0.6M	\$0.4M	\$0.4M	\$0.3M
<b>Total Project Expenditures</b>	<b>\$3.6M</b>	<b>\$8.6M</b>	<b>\$6.3M</b>	<b>\$4.1M</b>	<b>\$4.8M</b>	<b>\$3.8M</b>	<b>\$3.1M</b>	<b>\$2.9M</b>
<b>Ending Balance</b>	<b>\$7M</b>	<b>\$1.6M</b>	<b>\$2.8M</b>	<b>\$3.5M</b>	<b>\$3.7M</b>	<b>\$5.3M</b>	<b>\$5.3M</b>	<b>\$4.9M</b>

# City-ZRZ DA Phasing

- **Phase 1: 2014 - 2017**
  - Development
    - West of Moody and Block 6
    - OHSU Knight Challenge
  - Infrastructure
    - SW Bond & Woods connector (PDC)
    - District parking (PDC)
  - Approx. \$8M-\$11M TIF
- **Phase 2: 2018 - 2023**
  - Development: east of Bond
  - Infrastructure
    - Greenway & Ross Is. Connector (PDC)
    - In-water work already completed (ZRZ)
    - Stormwater management (BES/ZRZ)
    - SW Bond, Woods, & River Pkwy (ZRZ)
    - Affordable Housing rental housing covenant/option to purchase property (PHB)
  - Approx. \$48.4M TIF
- **Phase 3: 2023+ (URA ends 2025)**
  - Development: south of R.I. Bridge & 3030 Moody
  - Infrastructure
    - Greenway (south of Ross Is Bridge)
    - Park acquisition/ development
    - N/S Streets - Bond, River Pkwy
    - Gibbs Street
    - PP&L undergrounding
  - TBD based on development timing & TIF availability



# City-PSU Development Agreement Phasing



## • Phase 1: 2014 – 2017

- PSU/COP
  - Match 30,000 sf office space at new School of Education/XSB
- PSU/PDC
  - Terminate University Place DA and PILOT
  - Public/private redevelopment of Jasmine
  - New School of Business/commercial development
- Approx. \$8M TIF (\$4M NMAC URA) and \$11M City investment

## • Phase 2: 2018 – 2023

- University Place public/private redevelopment
- Approx. \$13 M TIF

## • Phase 3: 2023 – 2025

- Budget Rent a Car
  - Acquisition & redevelopment
- Fourth Ave Bldg.
  - Incubator and other space for new and emerging businesses
- Approx. \$4 M TIF