Rm. 303, City Hall Portland 4, Oregon		ioners Bean, Bowes, rl, Grayson
Approval Necessary Action Prepare Ordinance XXX For Your Information	Please Answer Release to Press Rayor's Signature	Note and Comment Note and Confer Note and File Note and Return
and the second	at you read over the attached pr t week at Council Conference it	
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Ira C. Keller Chairman

A. V. Fonder Secretary

Harold Halvorsen Vincent Raschio Edward H. Look

PORTLAND DEVELOPMENT COMMISSION

2000 S.W. FIRST AVENUE • PORTLAND, OREGON 97201 • 226-4036

June 9, 1966

John B. Kenward Executive Director

MAYOR'S OFFICE



Honorable Terry D. Schrunk Mayor City Hall <u>*</u> Portland, Oregon 97204

Dear Mayor Schrunk:

Enclosed is the proposed Cooperation Agreement, in quadruplicate, between the Portland City Council and the Portland Development Commission relative to the South Auditorium Urban Renewal Project, As Amended. This amendment to the previously executed Cooperation Agreement is required because of the amendment to the South Auditorium Project which extended the project to the north.

It is our understanding that the matter has been reviewed by the City Attorney's office who has generally approved the form of the Agreement. If the Agreement is in a form satisfactory to the City Council, we will appreciate the Council approving the Agreement, executing it and returning three copies to the Development Commission.

If you have any questions, please contact me or Mr. Norville, the Commission's legal counsel.

Yours very truly,

John B. Kenward Executive Director

JBK:j Enclosures



AMENDMENT

to

LOCAL GRANT-IN-AID and COOPERATION AGREEMENT

for

SOUTH AUDITORIUM URBAN RENEWAL PROJECT

ORE. R-1

THIS AMENDMENT TO COOPERATION AGREEMENT, entered into this day of

______, 1966, by and between the CITY OF PORTLAND, a municipal corporation of the State of Oregon (hereinafter called the "Local Government"), and the PORTLAND DEVELOPMENT COMMISSION, a public body corporate and politic, duly created and functioning under the Charter of the City of Portland and the laws of the State of Oregon (hereinafter called the "Local Public Agency"),

WITNESSETH THAT:

WHEREAS, the Local Public Agency, in accordance with and pursuant to ORS Chapter 457 and Chapter XV of the Charter of the City of Portland, is undertaking an urban renewal project known as the South Auditorium Redevelopment Project, ORE. R-1 (hereinafter called the "Project"), located in that area (hereinafter called the "Project Area"), of the City of Portland, County of Multnomah, State of Oregon, more specifically bounded and described as follows:

Beginning at the intersection of the north line of S. W. Jefferson Street and the west line of S. W. Fourth Avenue; thence easterly along the north line of S. W. Jefferson Street to the west line of S. W. Second Avenue; thence northerly along the west line of S. W. Second Avenue to the north line of S. W. Madison Street; thence easterly along the north line of S. W. Madison Street to the east line of S. W. First Avenue; thence southerly along the east line

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of S. W. First Avenue to the north line of S. W. Jefferson Street; thence easterly along the north line of S. W. Jefferson Street to the west construction line of S. W. Harbor Drive; thence southerly along the west construction line of S. W. Harbor Drive to the easterly extension of the north line of S. W. Market Street; thence southerly along the west line of S. W. Harbor Drive to the south line of S. W. Harrison Street; thence westerly along the south line of S. W. Harrison Street to the east line of S. W. Front Avenue; thence southerly along the east line of S. W. Front Avenue to the extension easterly of the south line of S. W. Grant Street; thence westerly along the south line of S. W. Grant Street to the west line of S. W. Harbor Drive; thence southerly along the west line of S. W. Harbor Drive to the south line of S. W. Caruthers Street; thence easterly along the south line of S. W. Caruthers Street 6.25 feet; thence southerly along the west line of S. W. Harbor Drive to the south line of S. W. Sheridan Street; thence easterly along the south line of S. W. Sheridan Street 64.9 feet; thence southerly along the west line of S. W. Harbor Drive to the south line of S. W. Arthur Street; thence westerly along the south line of S. W. Arthur Street to the west line of S. W. Fourth Avenue; thence northerly along the west line of S. W. Fourth Avenue to the point of beginning, in the City of Portland, County of Multhomah, State of Oregon,

which Project Area consists of an area known as Area I and described in the South Auditorium Redevelopment Plan, approved by the Council of the Local Government, by Resolution No. 27686, adopted on the 18th day of June, 1958; and an additional area known as Area II which is described in an Amendment to the South Auditorium Redevelopment Plan, approved by the Council of the Local Government, by Resolution No. 29698, adopted on the 12th day of November, 1965; and

WHEREAS, the Project involves undertakings and activities by the Local Public Agency in the Project Area for the elimination and for the prevention of the development or spread of slums or blight and involves slum clearance and redevelopment or rehabilitation and conservation or a combination or part thereof in accordance with the South Auditorium Redevelopment Plan, as amended from time to time (hereinafter, including all amendments, called the ''Plan''); and

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WHEREAS, the conditions of deterioration and blight existing in the Project Area constitute a menace to the community and are detrimental to the health, safety, morals, and welfare of the residents of the community; and the elimination of said conditions of deterioration and blight by the Local Public Agency with Federal financial assistance provided pursuant to Title I of the Housing Act of 1949, as amended, is necessary for the protection and preservation of the public health, safety, morals, and welfare, and the carrying out of the Project is in the public interest; and

WHEREAS, in order for the Local Public Agency to effectuate the Plan, to carry out the Project, the assistance of both the United States of America (hereinafter called the "Federal Government"), and the Local Government is required: namely, of the Federal Government by lending funds needed to defray a substantial portion of the gross project cost of the Project and by contributing not more than two-thirds (2/3) of the aggregate net project cost of the Project; and of the Local Government by making certain Local Grants-In-Aid and in assisting the Local Public Agency in obtaining funds for the Local Grants-In-Aid as hereinafter provided, which, together with the contributions of the Local Public Agency, equal the balance of the estimated net project cost of the Project; and

WHEREAS, upon the basis of reasonable estimates of cost prepared by the Local Public Agency, it appears that the presently estimated net project cost of the Project to be incurred by the Local Public Agency in carrying out the Project consituting the difference between the gross cost of the Project and the proceeds derived from the disposition of the land amounts to approximately Thirteen Million One Hundred Ninety-Six Thousand Five Hundred Seventy-Four Dollars (\$13,196,574), of which amount the Federal Government is expected to

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provide an amount estimated to be Eight Million Seven Hundred Ninety-Seven Thousand Seven Hundred Sixteen Dollars (\$8,797,716), in the form of a capital grant, leaving a balance of Four Million Three Hundred Ninety-Eight Thousand Eight Hundred Fifty-Eight Dollars (\$4,398,858), to be provided in the form of Local Grants-In-Aid; and

WHEREAS, the Local Public Agency has applied to the Federal Government for financial assistance under the aforesaid Title I, in addition to financial assistance heretofore provided by the Federal Government in connection with Project Area under a Loan and Capital Grant Contract between the Federal Government and the Local Public Agency, effective December 2, 1958, Contract No. Ore. R-1 (LG), as heretofore amended, and is desirous of entering into an amendment to such Loan and Capital Grant Contract; and, it now devolves upon the Local Government and the Local Public Agency to take certain action and to make provisions for certain Local Grants-In-Aid, as hereinafter specified, in order to provide such additional funds as are necessary for the undertaking of the Project in addition to the Local Grants-In-Aid provided or to be provided by the Local Public Agency and the Local Government; and

WHEREAS, it is necessary and in the sound interest of the community and otherwise beneficial and advantageous for the Local Government and the Local Public Agency to provide such additional Local Grants-In-Aid, hereinafter specified, and for the Local Government to otherwise cooperate with the Local Public Agency in carrying out the Project to the end that deleterious conditions in the Project Area be removed, and that the Project Area be renewed in accordance with sound, practical planning objectives, which renewal will result in increases of tax revenues, decreases in expenditures, and will contribute materially to the well-being, progress, and development of the community as a whole; and

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WHEREAS, the Local Government and the Local Public Agency have previously entered into a Local Grant-In-Aid and Cooperation Agreement, dated May 28, 1959, providing for mutual cooperation in carrying out the Project in Area I and fixing responsibilities with respect thereto, and the Local Public Agency has and is undertaking to carry out the Project in said Area I with the cooperation of the Local Government as provided in said Cooperation Agreement; and

WHEREAS, the Local Government and the Local Public Agency find it necessary and desirable to enter into this Amendment to the Cooperation Agreement in order to achieve said objectives with respect to the whole Project Area (including both Area I and Area II), which Amendment shall supersede the previous Cooperation Agreement between the Local Government and the Local Public Agency with respect to said Project; and

WHEREAS, this Amendment to Agreement has been approved by the Federal Government pursuant to Section 8 of the Cooperation Agreement;

NOW, THEREFORE, pursuant to the provisions of ORS Chapter 457 and Chapter XV of the Charter of the City of Portland, and in consideration of the benefits to accrue to the Local Government, the community, and the citizens thereof from said Project and of the covenants hereinafter set forth, the Local Government and the Local Public Agency do hereby amend and supersede all the terms, conditions, and agreements contained in the Cooperation Agreement with the following terms, conditions, and agreements which shall apply to the Project and the Project Area:

<u>Section 1</u>. The Local Public Agency agrees to deposit in the Project Expenditures Account a cash Local Grant-In-Aid in an amount not less than Three Million, Seven Hundred Eleven Thousand, Two Hundred Fifty-Five Dollars (\$3,711,255), said amount to be obtained and deposited in the Project Expenditures Account

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by the Local Public Agency at the earliest possible date or dates during the undertaking of the Project and as funds become available from the sale of Tax Allocation Bonds under the provisions of ORS Chapter 457 and Chapter XV of the Charter of the City of Portland. Upon the sale of such Tax Allocation Bonds and the deposit of the proceeds therefrom in the Project Expenditures Account, the Local Public Agency shall reimburse itself for all advances previously made to said Project Expenditures Account from funds made available from the special tax levied under the provisions of Section 15-107 of Chapter XV of the Charter of the City of Portland and from other local sources, which funds shall thereafter be held and used by the Local Public Agency for the purposes described in Chapter XV of the Charter of the City of Portland. Such advances shall be withdrawn only to the extent that funds are made available from the sale of Tax Allocation Bonds and are not required to satisfy the cash Local Grant-In-Aid above described. The Local Government agrees to take all steps and actions necessary to aid and assist the Local Public Agency in obtaining said money from the sources indicated, including but not limited to the issuance of Tax Allocation Bonds in accordance with the procedures established in ORS Chapter 457 and Chapter XV of the Charter of the City of Portland.

<u>Section 2</u>. The Local Public Agency and the Local Government agree that the Local Public Agency will claim from the Federal Government to the full extent available as a further cash Local Grant-In-Aid for the Project, real estate tax credits under the provisions of Section 110(e) of Title I of the Housing Act of 1949, as amended, which real estate tax credits are presently estimated to be Three Hundred Thousand Thirty-One Dollars (\$300,031), in consideration of the following: (a) real property acquired by the Local Public Agency within the Project Area is generally tax exempt under the laws

Page 6 - Amendment to Agreement

of the State; (b) the Local Government will not itself seek payments in lieu of such taxes; and (c) the Local Public Agency will not make payments in lieu of such taxes.

<u>Section 3</u>. The Local Government has provided or agrees to provide for the Project non-cash Local Grants-In-Aid totaling an estimated Three Hundred Eighty-Seven Thousand Five Hundred Seventy-Two Dollars (\$387,572), as follows:

a. The Local Government has transferred or agrees to transfer or cause to be transferred to the Local Public Agency fee simple absolute title, free and clear of all encumbrances and restrictions, in and to the following described property in the Project Area:

Area	1:	Lot 6, Block 143, Portland Addition;
		Lots 1-8, inclusive, Block 124, Portland
		Addition;
		West 30 feet of Lots 3 and 4, all of Lots
		5, 6, 7, and 8, and 7.5 feet North of and
		adjacent to Lot 8, Block 70, Caruthers
		Addition;
		Portions of Lots 5, 6, and 7, Block 71,
		Caruthers Addition.

Area II: North half of Lot 4, Block 9, City of Portland;

together with all structures, buildings, and improvements thereon now owned by the Local Government, without cost to the Local Public Agency, and within a reasonable time after request therefor by the Local Public Agency, in order to facilitate the carrying out of the Project. The fair market value of such land is presently estimated to be Two Hundred Thirty-Eight Thousand One Hundred Eighty-Five Dollars (\$238,185).

b. The Local Government has constructed or agrees to construct or cause to be constructed within or near the Project Area in accordance with the time schedule and upon terms mutually agreeable to the Local Government and the Local Public Agency, pursuant to such plans and specifications as conform to the plans and requirements of the Project and are otherwise satisfactory to the Local Public Agency, and as required by the Plan, the following listed site improvements or supporting facilities:

Site Improvement or Supporting Facility	<u>Total Cost</u>	% of Benefit to Project	Amount of Project Benefit
AREA I:			
Arthur Street	\$ 11,218	Var.	\$ 6,380
Fourth Avenue	12,284	100	12,284
Market Street	11,801	100	11,801
Front Avenue	47,527	Var.	37,136
Fire Station at			
S.W. 5th & College	475,000	13.5	64,125
Water Main, Lincoln Street	17,661	100	17,661

and such other site improvements or supporting facilities as may be mutually agreed upon between the Local Government and the Local Public Agency.

Total dollar value of percentage of benefit to Project of the estimated cost of the listed site improvements or supporting facilities is One Hundred Forty-Nine Thousand Three Hundred Eighty-Seven Dollars (\$149,387). Said improvements are to be financed as determined by the Local Government, from the General Fund of the City or from other sources, or, if mutually agreeable to the Local Government and the Local Public Agency, from any other available sources.

Section 4. It is understood and agreed that the Local Government's and the Local Public Agency's obligation with respect to the Project is to provide cash and non-cash Local Grants-In-Aid in an amount equal to one-third (1/3) of the actual net cost of the Project; that the amounts set forth in this Amendment are based on estimates; and that, if the actual net cost of the Project (as determined in accordance with the Federal Aid Title I Contract) is greater than the estimated net cost of the Project, the Local Government agrees to provide, to the extent that the Local Public Agency is not itself able to provide from its own sources (including proceeds from the sale of Tax Allocation Bonds and the special tax levy made under the provisions of Section 15-107 of Chapter XV of the Charter of the City of Portland and from all other sources), an additional cash grant in an amount, which, together with all other local Grants-In-Aid previously furnished, will equal one-third (1/3) of the actual net cost of the Project as finally determined; PROVIDED, however, that the Local Government shall not be obligated to provide any amount toward the cash Local Grant-In-Aid which shall exceed the total amount of funds available from: (1) the sale of Tax Allocation Bonds: (2) the special tax levy made under the provisions of Section 15-107 of Chapter XV of the Charter of the City of Portland; (3) other funds available to the Local Public Agency; and (4) any funds which the Local Government determines are reasonably available for such purpose.

<u>Section 5</u>. The Local Government agrees that at no cost or expense to the Local Public Agency and upon the Local Public Agency's request, the Local Government will accomplish or cause to be accomplished, subject to applicable laws, such governmental or other action as may be necessary or desirable to carry out the Project, including but not limited to rezoning, code enforcement, and modification of streets and rights-of-way to the extent not previously

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accomplished. The Local Government, upon request of the Local Public Agency, shall take appropriate action to require removal, relocation or installation of privately owned public utilities at the sole cost of such utility companies under applicable franchise powers and laws. In the event of the refusal of a privately owned public utility company to comply with such demand, the Local Government shall immediately institute an action or suit in the appropriate Court in order to secure such removal.

Section 6. The Local Public Agency agrees, with respect to those lands in the Project Area designated for reuse as streets, roads, alleys, sidewalks, and other public ways by the Plan, to dedicate (to the extent not previously accomplished) such land to street and other public purposes; and the Local Public Agency further agrees that, if necessary or desirable, it will convey to the Local Government, if so requested, free of charge, any land so dedicated. The Local Government agrees that it will, within a reasonable time after request therefor by the Local Public Agency, accept the dedication thereof for street and other public purposes in accordance with the Plan. The Local Government further agrees to accept or cause to be accepted all grants or easements necessary for the reuse of the Project Area in accordance with the Plan.

<u>Section 7</u>. The Local Government agrees that it shall maintain in good repair and working order, or cause to be so maintained, all streets, roads, alleys, sidewalks, water mains, storm and sanitary sewers, parks, malls, and other public improvements constructed, installed, or reconstructed either by the Local Government or the Local Public Agency for such time as said improvements are so used by the public. The Local Government further agrees that it will furnish or cause to be furnished, at its own expense, the necessary electric current adequately and properly to light all street lights that may be installed in the Project Area pursuant to the Plan or in the future. The Local Government further agrees that it will furnish, or cause to be furnished, all necessary and proper municipal services for the Project Area for so long as the same shall be needed or required by the inhabitants thereof, in accordance with its new uses as specified in the Plan.

Section 8. The Plan provides for the retention of the Public Auditorium as a participating use in Area II. The Local Government proposes to rebuild the Public Auditorium with funds provided for such purpose by Bond Issue authorized by the people of the City of Portland. The Local Public Agency agrees to cooperate and assist the Local Government in providing a suitable environment for the rebuilt Auditorium; and, the Local Government agrees to cooperate and assist the Local Public Agency by taking appropriate action in connection with its ownership and use of the Public Auditorium to complement and carry out the provisions of the Plan.

Section 9. So long as the Title I Contract between the Local Public Agency and the Federa! Government for Loan and Capital Grant, with respect to the Project, remains in force and effect, or so long as the principal of and interest on any Project Temporary Loan Obligation or Preliminary Loan Obligation, issued by the Local Public Agency in connection with said Project, remains outstanding and unpaid, or so long as any monies due the Federal Government under said Title I Contract remain unpaid, this Amendment shall not be abrogated, changed, or modified without the consent of the Federal Government acting by and through the Department of Housing and Urban Development.

Section 10. The Local Government and the Local Public Agency recognize that Title VI of the Civil Rights Act of 1964 and the regulations and policies of the Department of Housing and Urban Development effectuating the Title prohibit

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discrimination on the ground of race, color, or national origin in the policies and practices of any public facility for proposed credit to the locality's share of the cost of an urban renewal project receiving financial assistance from the United States. The Local Government and the Local Public Agency hereby assure the United States and the Secretary of the Department of Housing and Urban Development that all public facilities provided will be available to and serve all persons without regard to race, color, or national origin.

Section 11. The privileges, rights, obligations, duties, and liabilities of the Local Government shall remain in full force and effect with respect to the Project, unless with respect to specific sections hereof a longer time is specified or implied, so long as possession and control of said Project or any right, title and interest in and to said Project and Project lands, or any part thereof, remains in the Local Public Agency or any Receiver appointed by a Court of competent jurisdiction upon application therefor by the Federal Government. If, at any time, possession and control of said Project passes to such a Court-appointed Receiver, the provisions hereof, in addition to any other rights or privileges that such Receiver may possess, shall inure to the benefit of and may be enforced by such Receiver.

<u>Section 12</u>. Except where the context clearly indicates otherwise, the terms used in this Amendment shall have the meanings ascribed to them in Section 711 of Part II, Standard Terms and Conditions of a Loan and Grant Contract between a Local Public Agency and the United States of America (HUD Form 3155 B, 11/65).

<u>Section 13</u>. This Amendment sets forth the responsibilities of the Local Government and the Local Public Agency with respect to the whole Project Area (both Area I and Area II) and supersedes the previous Cooperation Agreement between the Local Government and the Local Public Agency with respect to said Project.

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Section 14. This Amendment to Cooperation Agreement may be executed in four counterparts, each of which shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Local Government has caused this Amendment to be duly executed in its behalf and its seal to be hereunto affixed and attested, and the Local Public Agency has caused the same to be duly executed in its behalf, all as of the date and year first above written.

(SEAL)	CITY OF	PORTLAND
(SEAL)	CITY UF	PURILAN

Ву____ Mayor

Ву_____ Auditor

(SEAL)

PORTLAND DEVELOPMENT COMMISSION

Ву____ Chairman

Ву_____ Secretary

Approved as to form:

By_____City Attorney

Ву_____ Legal Counsel Portland Development Commission

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August 1, 1966

TO THE COUNCIL

Contlement

Tour Mayor and Commissioner of Public Safety transmits herewith, for action by the Council, letter from John B. Menward, Executive Director, Portland Development Commission, forwarding Resolution No. 563. turning over jurisdictionand control of certain park areas in South Auditorium Urban Renewal Project to City Council in accordance with Urban Renewal Plan.

Respectfully submitted,

61E

Serry A Schrunk

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AMENDMENT

to

LOCAL GRANT-IN-AID and COOPERATION AGREEMENT

for

SOUTH AUDITORIUM URBAN RENEWAL PROJECT

ORE. R-1

THIS AMENDMENT TO COOPERATION AGREEMENT, entered into this ______ day of _______, 1966, by and between the CITY OF PORTLAND, a municipal corporation of the State of Oregon (hereinafter called the "Local Government"), and the PORTLAND DEVELOPMENT COMMISSION, a public body corporate and politic, duly created and functioning under the Charter of the City of Portland and the laws of the State of Oregon (hereinafter called the "Local Public Agency"),

WITNESSETH THAT:

WHEREAS, the Local Public Agency, in accordance with and pursuant to ORS Chapter 457 and Chapter XV of the Charter of the City of Portland, is undertaking an urban renewal project known as the South Auditorium Redevelopment Project, ORE. R-1 (hereinafter called the "Project"), located in that area (hereinafter called the "Project Area"), of the City of Portland, County of Multnomah, State of Oregon, more specifically bounded and described as follows:

Beginning at the intersection of the north line of S. W. Jefferson Street and the west line of S. W. Fourth Avenue; thence easterly along the north line of S. W. Jefferson Street to the west line of S. W. Second Avenue; thence northerly along the west line of S. W. Second Avenue to the north line of S. W. Madison Street; thence easterly along the north line of S. W. Madison Street to the east line of S. W. First Avenue; thence southerly along the east line

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WHEREAS, the conditions of deterioration and blight existing in the Project Area constitute a menace to the community and are detrimental to the health, safety, morals, and welfare of the residents of the community; and the elimination of said conditions of deterioration and blight by the Local Public Agency with Federal financial assistance provided pursuant to Title I of the Housing Act of 1949, as amended, is necessary for the protection and preservation of the public health, safety, morals, and welfare, and the carrying out of the Project is in the public interest; and

WHEREAS, in order for the Local Public Agency to effectuate the Plan, to carry out the Project, the assistance of both the United States of America (hereinafter called the "Federal Government"), and the Local Government is required: namely, of the Federal Government by lending funds needed to defray a substantial portion of the gross project cost of the Project and by contributing not more than two-thirds (2/3) of the aggregate net project cost of the Project; and of the Local Government by making certain Local Grants-In-Aid and in assisting the Local Public Agency in obtaining funds for the Local Grants-In-Aid as hereinafter provided, which, together with the contributions of the Local Public Agency, equal the balance of the estimated net project cost of the Project; and

WHEREAS, upon the basis of reasonable estimates of cost prepared by the Local Public Agency, it appears that the presently estimated net project cost of the Project to be incurred by the Local Public Agency in carrying out the Project consituting the difference between the gross cost of the Project and the proceeds derived from the disposition of the land amounts to approximately Thirteen Million One Hundred Ninety-Six Thousand Five Hundred Seventy-Four Dollars (\$13,196,574), of which amount the Federal Government is expected to

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WHEREAS, the Local Public Agency has applied to the Federal Government for financial assistance under the aforesaid Title I, in addition to financial assistance heretofore provided by the Federal Government in connection with Project Area under a Loan and Capital Grant Contract between the Federal Government and the Local Public Agency, effective December 2, 1958, Contract No. Ore. R-1 (LG), as heretofore amended, and is desirous of entering into an amendment to such Loan and Capital Grant Contract; and, it now devolves upon the Local Government and the Local Public Agency to take certain action and to make provisions for certain Local Grants-In-Aid, as hereinafter specified, in order to provide such additional funds as are necessary for the undertaking of the Project in addition to the Local Grants-In-Aid provided or to be provided by the Local Public Agency and the Local Government; and

WHEREAS, it is necessary and in the sound interest of the community and otherwise beneficial and advantageous for the Local Government and the Local Public Agency to provide such additional Local Grants-In-Aid, hereinafter specified, and for the Local Government to otherwise cooperate with the Local Public Agency in carrying out the Project to the end that deleterious conditions in the Project Area be removed, and that the Project Area be renewed in accordance with sound, practical planning objectives, which renewal will result in increases of tax revenues, decreases in expenditures, and will contribute materially to the well-being, progress, and development of the community as a whole; and

Page 4 - Amendment to Agreement

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WHEREAS, the Local Government and the Local Public Agency find it necessary and desirable to enter into this Amendment to the Cooperation Agreement in order to achieve said objectives with respect to the whole Project Area (including both Area I and Area II), which Amendment shall supersede the previous Cooperation Agreement between the Local Government and the Local Public Agency with respect to said Project; and

WHEREAS, this Amendment to Agreement has been approved by the Federal Government pursuant to Section 8 of the Cooperation Agreement;

NOW, THEREFORE, pursuant to the provisions of ORS Chapter 457 and Chapter XV of the Charter of the City of Portland, and in consideration of the benefits to accrue to the Local Government, the community, and the citizens thereof from said Project and of the covenants hereinafter set forth, the Local Government and the Local Public Agency do hereby amend and supersede all the terms, conditions, and agreements contained in the Cooperation Agreement with the following terms, conditions, and agreements which shall apply to the Project and the Project Area:

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by the Local Public Agency at the earliest possible date or dates during the undertaking of the Project and as funds become available from the sale of Tax Allocation Bonds under the provisions of ORS Chapter 457 and Chapter XV of the Charter of the City of Portland. Upon the sale of such Tax Allocation Bonds and the deposit of the proceeds therefrom in the Project Expenditures Account, the Local Public Agency shall reimburse itself for all advances previously made to said Project Expenditures Account from funds made available from the special tax levied under the provisions of Section 15-107 of Chapter XV of the Charter of the City of Portland and from other local sources, which funds shall thereafter be held and used by the Local Public Agency for the purposes described in Chapter XV of the Charter of the City of Portland. Such advances shall be withdrawn only to the extent that funds are made available from the sale of Tax Allocation Bonds and are not required to satisfy the cash Local Grant-In-Aid above described. The Local Government agrees to take all steps and actions necessary to aid and assist the Local Public Agency in obtaining said money from the sources indicated, including but not limited to the issuance of Tax Allocation Bonds in accordance with the procedures established in ORS Chapter 457 and Chapter XV of the Charter of the City of Portland.

<u>Section 2</u>. The Local Public Agency and the Local Government agree that the Local Public Agency will claim from the Federal Government to the full extent available as a further cash Local Grant-In-Aid for the Project, real estate tax credits under the provisions of Section 110(e) of Title I of the Housing Act of 1949, as amended, which real estate tax credits are presently estimated to be Three Hundred Thousand Thirty-One Dollars (\$300,031), in consideration of the following: (a) real property acquired by the Local Public Agency within the Project Area is generally tax exempt under the laws

Page 6 - Amendment to Agreement

of the State; (b) the Local Government will not itself seek payments in lieu of such taxes; and (c) the Local Public Agency will not make payments in lieu of such taxes.

<u>Section 3</u>. The Local Government has provided or agrees to provide for the Project non-cash Local Grants-In-Aid totaling an estimated Three Hundred Eighty-Seven Thousand Five Hundred Seventy-Two Dollars (\$387,572), as follows:

a. The Local Government has transferred or agrees to transfer or cause to be transferred to the Local Public Agency fee simple absolute title, free and clear of all encumbrances and restrictions, in and to the following described property in the Project Area:

> Area I: Lot 6, Block 143, Portland Addition; Lots 1-8, inclusive, Block 124, Portland Addition; West 30 feet of Lots 3 and 4, all of Lots 5, 6, 7, and 8, and 7.5 feet North of and adjacent to Lot 8, Block 70, Caruthers Addition; Portions of Lots 5, 6, and 7, Block 71, Caruthers Addition.

Area II: North half of Lot 4, Block 9, City of Portland;

together with all structures, buildings, and improvements thereon now owned by the Local Government, without cost to the Local Public Agency, and within a reasonable time after request therefor by the Local Public Agency, in order to facilitate the carrying out of the Project. The fair market value of such land is presently estimated to be Two Hundred Thirty-Eight Thousand One Hundred Eighty-Five Dollars (\$238,185).

b. The Local Government has constructed or agrees to construct or cause to be constructed within or near the Project Area in accordance with the time schedule and upon terms mutually agreeable to the Local Government and the Local Public Agency, pursuant to such plans and specifications as conform to the plans and requirements of the Project and are otherwise satisfactory to the Local Public Agency, and as required by the Plan, the following listed site improvements or supporting facilities:

Site Improvement or Supporting Facility	<u>Total Cost</u>	% of Benefit to Project	Amount of Project Benefit
AREA I:			
Arthur Street	\$ 11,218	Var.	\$ 6,380
Fourth Avenue	12,284	100	12,284
Market Street	11,801	100	11,801
Front Avenue	47,527	Var.	37,136
Fire Station at			
S.W. 5th & College	475,000	13.5	64,125
Water Main, Lincoln Street	17,661	100	17,661

and such other site improvements or supporting facilities as may be mutually agreed upon between the Local Government and the Local Public Agency.

Total dollar value of percentage of benefit to Project of the estimated cost of the listed site improvements or supporting facilities is One Hundred Forty-Nine Thousand Three Hundred Eighty-Seven Dollars (\$149,387). Said improvements are to be financed as determined by the Local Government, from the General Fund of the City or from other sources, or, if mutually agreeable to the Local Government and the Local Public Agency, from any other available sources.

Section 4. It is understood and agreed that the Local Government's and the Local Public Agency's obligation with respect to the Project is to provide cash and non-cash Local Grants-In-Aid in an amount equal to one-third (1/3) of the actual net cost of the Project; that the amounts set forth in this Amendment are based on estimates; and that, if the actual net cost of the Project (as determined in accordance with the Federal Aid Title I Contract) is greater than the estimated net cost of the Project, the Local Government agrees to provide, to the extent that the Local Public Agency is not itself able to provide from its own sources (including proceeds from the sale of Tax Allocation Bonds and the special tax levy made under the provisions of Section 15-107 of Chapter XV of the Charter of the City of Portland and from all other sources), an additional cash grant in an amount, which, together with all other local Grants-In-Aid previously furnished, will equal one-third (1/3) of the actual net cost of the Project as finally determined; PROVIDED, however, that the Local Government shall not be obligated to provide any amount toward the cash Local Grant-In-Aid which shall exceed the total amount of funds available from: (1) the sale of Tax Allocation Bonds; (2) the special tax levy made under the provisions of Section 15-107 of Chapter XV of the Charter of the City of Portland; (3) other funds available to the Local Public Agency; and (4) any funds which the Local Government determines are reasonably available for such purpose.

Section 5. The Local Government agrees that at no cost or expense to the Local Public Agency and upon the Local Public Agency's request, the Local Government will accomplish or cause to be accomplished, subject to applicable laws, such governmental or other action as may be necessary or desirable to carry out the Project, including but not limited to rezoning, code enforcement, and modification of streets and rights-of-way to the extent not previously

Page 9 - Amendment to Agreement

accomplished. The Local Government, upon request of the Local Public Agency, shall take appropriate action to require removal, relocation or installation of privately owned public utilities at the sole cost of such utility companies under applicable franchise powers and laws. In the event of the refusal of a privately owned public utility company to comply with such demand, the Local Government shall immediately institute an action or suit in the appropriate Court in order to secure such removal.

<u>Section 6</u>. The Local Public Agency agrees, with respect to those lands in the Project Area designated for reuse as streets, roads, alleys, sidewalks, and other public ways by the Plan, to dedicate (to the extent not previously accomplished) such land to street and other public purposes; and the Local Public Agency further agrees that, if necessary or desirable, it will convey to the Local Government, if so requested, free of charge, any land so dedicated. The Local Government agrees that it will, within a reasonable time after request therefor by the Local Public Agency, accept the dedication thereof for street and other public purposes in accordance with the Plan. The Local Government further agrees to accept or cause to be accepted all grants or easements necessary for the reuse of the Project Area in accordance with the Plan.

<u>Section 7</u>. The Local Government agrees that it shall maintain in good repair and working order, or cause to be so maintained, all streets, roads, alleys, sidewalks, water mains, storm and sanitary sewers, parks, malls, and other public improvements constructed, installed, or reconstructed either by the Local Government or the Local Public Agency for such time as said improvements are so used by the public. The Local Government further agrees that it will furnish or cause to be furnished, at its own expense, the necessary electric current adequately and properly to light all street lights that may

Page 10 - Amendment to Agreement

be installed in the Project Area pursuant to the Plan or in the future. The Local Government further agrees that it will furnish, or cause to be furnished, all necessary and proper municipal services for the Project Area for so long as the same shall be needed or required by the inhabitants thereof, in accordance with its new uses as specified in the Plan.

Section 8. The Plan provides for the retention of the Public Auditorium as a participating use in Area II. The Local Government proposes to rebuild the Public Auditorium with funds provided for such purpose by Bond Issue authorized by the people of the City of Portland. The Local Public Agency agrees to cooperate and assist the Local Government in providing a suitable environment for the rebuilt Auditorium; and, the Local Government agrees to cooperate and assist the Local Public Agency by taking appropriate action in connection with its ownership and use of the Public Auditorium to complement and carry out the provisions of the Plan.

<u>Section 9</u>. So long as the Title I Contract between the Local Public Agency and the Federal Government for Loan and Capital Grant, with respect to the Project, remains in force and effect, or so long as the principal of and interest on any Project Temporary Loan Obligation or Preliminary Loan Obligation, issued by the Local Public Agency in connection with said Project, remains outstanding and unpaid, or so long as any monies due the Federal Government under said Title I Contract remain unpaid, this Amendment shall not be abrogated, changed, or modified without the consent of the Federal Government acting by and through the Department of Housing and Urban Development.

<u>Section 10</u>. The Local Government and the Local Public Agency recognize that Title VI of the Civil Rights Act of 1964 and the regulations and policies of the Department of Housing and Urban Development effectuating the Title prohibit

Page 11 - Amendment to Agreement

discrimination on the ground of race, color, or national origin in the policies and practices of any public facility for proposed credit to the locality's share of the cost of an urban renewal project receiving financial assistance from the United States. The Local Government and the Local Public Agency hereby assure the United States and the Secretary of the Department of Housing and Urban Development that all public facilities provided will be available to and serve all persons without regard to race, color, or national origin.

Section 11. The privileges, rights, obligations, duties, and liabilities of the Local Government shall remain in full force and effect with respect to the Project, unless with respect to specific sections hereof a longer time is specified or implied, so long as possession and control of said Project or any right, title and interest in and to said Project and Project lands, or any part thereof, remains in the Local Public Agency or any Receiver appointed by a Court of competent jurisdiction upon application therefor by the Federal Government. If, at any time, possession and control of said Project passes to such a Court-appointed Receiver, the provisions hereof, in addition to any other rights or privileges that such Receiver may possess, shall inure to the benefit of and may be enforced by such Receiver.

<u>Section 12</u>. Except where the context clearly indicates otherwise, the terms used in this Amendment shall have the meanings ascribed to them in Section 711 of Part II, Standard Terms and Conditions of a Loan and Grant Contract between a Local Public Agency and the United States of America (HUD Form 3155 B, 11/65).

<u>Section 13</u>. This Amendment sets forth the responsibilities of the Local Government and the Local Public Agency with respect to the whole Project Area (both Area I and Area II) and supersedes the previous Cooperation Agreement between the Local Government and the Local Public Agency with respect to said Project.

Page 12 - Amendment to Agreement

<u>Section 14</u>. This Amendment to Cooperation Agreement may be executed in four counterparts, each of which shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Local Government has caused this Amendment to be duly executed in its behalf and its seal to be hereunto affixed and attested, and the Local Public Agency has caused the same to be duly executed in its behalf, all as of the date and year first above written.

(SEAL) CITY OF PORTLAND

By_____Mayor

By_____Auditor

(SEAL)

PORTLAND DEVELOPMENT COMMISSION

By_____Chairman

By_____Secretary

Approved as to form:

By_____City Attorney

_

By_____Legal Counsel Portland Development Commission

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Ira C. Keller Chairman

A. V. Fonder Secretary

Harold Halvorsen Vincent Raschio Edward H. Look

PORTLAND DEVELOPMENT COMMISSION 2000 S.W. FIRST AVENUE · PORTLAND, OREGON 97201 · 226-4036

MAYOR'S OFFICE

July 19, 1966

John B. Kenward Executive Director

MAYOR

EYEC.

ALST T

COMM. ASST.

ADM.

SEC.

Honorable Terry D. Schrunk Mayor City Hall Portland, Oregon

Dear Mayor:

Enclosed is copy of Resolution No. 563 adopted by the Portland Development Commission on July 11, 1966. The resolution turns over jurisdiction and control of the parks in Blocks A and B of the South Auditorium Project to the City Council in conformance with the approved Urban Renewal Plan.

It is anticipated that the two parks will be accepted from the Contractor within a few days at which time the Park Bureau will assume maintenance responsibility. The resolution merely constitutes official action of the Commission and the Council with respect to jurisdiction and control.

It is our understanding that if the Council finds that everything is in order, it will take action by resolution or ordinance accepting this transfer by the Commission so that these documents may be recorded in the official deed records.

Please call me if you have any questions concerning this transfer.

Yours very truly,

John B. Kenward Executive Director

JBK:j Enclosure

PORTLAND DEVELOPMENT COMMISSION Portland, Oregon

RESOLUTION NO. 563

RESOLUTION TURNING OVER JURISDICTION AND CONTROL OF CERTAIN PARK AREAS IN SOUTH AUDITORIUM URBAN RENEWAL PROJECT TO CITY COUNCIL IN ACCORDANCE WITH URBAN RENEWAL PLAN

WHEREAS, the Portland Development Commission has undertaken an urban renewal project known as the South Auditorium Project pursuant to an Urban Renewal Plan, which Plan, as amended, has been approved by the City Council and is recorded in Book 2096, Pages 172 through 228, inclusive, of the Deed Records of Multnomah County, Oregon, and which Plan has subsequently been amended from time to time; and,

WHEREAS, said Plan, as approved by the Council, provides for the establishment of public parks in the project area to be improved without cost to the Council and turned over to the Council for its full jurisdiction and control in accordance with said Plan; and,

WHEREAS, title to the property hereinafter described is vested in the City of Portland, acting by and through the Portland Development Commission as the duly designated Urban Renewal Agency of the City of Portland; and,

WHEREAS, all improvements on said property have now been completed and the Commission now proposes to turn over said property to the jurisdiction and control of the City Council and to the City of Portland as the property of the City of Portland with full authority over said property vesting in the Council; now, therefore, be it

RESOLVED, by the Portland Development Commission, as follows:

1. That the Portland Development Commission hereby turns over to the City Council of the City of Portland in accordance with the approved Urban Renewal Plan, as amended, the following described property:

> (a) NORTH PARK: PARCEL BETWEEN SECOND AND THIRD AVENUES -BLOCK A:

A parcel of land in Block A, SOUTH AUDITORIUM ADDITION, City of Portland, County of Multnomah, Oregon, described as follows:

Beginning at a point which is N. 71° 39' 20" E. a distance of 2243.38 feet and S. 69° 08' 00" E. a distance of 242 feet and N. 20° 52' 00" E. a distance of 224 feet from the northwest corner of the Finice Caruthers Donation Land Claim and a Portland Development Commission monument bears S. 20° 52' 00" W. a distance of 224 feet and N. 69° 08' 00" W. a distance of 212 feet; thence from said beginning point N. 20° 52' 00" E. a distance of 136.85 feet to a point; thence S. 69° 08' 00" E. a distance of 254 feet to a point; thence S. 20° 52' 00" W. a distance of 136.85 feet to a point; thence N. 69° 08' 00" W. a distance of 254 feet to the point of beginning.

(b) SOUTH PARK: BLOCK B:

A parcel of land in Block B, SOUTH AUDITORIUM ADDITION, City of Portland, County of Multnomah, Oregon, described as follows:

Beginning at a point which is N. 71° 39' 20" E. a distance of 2243.38 feet and S. 20° 52' 00" W. a distance of 80 feet and S. 69° 08' 00" E. a distance of 259 feet and S. 20° 52' 00" W. a distance of 224 feet from the northwest corner of the Finice Caruthers Donation Land Claim and a Portland Development Commission monument bears N. 20° 52' 00" E. a distance of 224 feet and N. 69° 08' 00" W. a distance of 229 feet; thence from said beginning point S. 69° 08' 00" E. a distance of 237 feet to a point; thence S. 20° 52' 00" W. a distance of 137 feet to a point; thence N. 69° 08' 00" W. a distance of 237 feet to a point; thence N. 69° 52' 00" E. a distance of 137 feet to the point of beginning.

Said property to be under the jurisdiction and control of the City Council of the City of Portland with full authority over said property; said property is intended to be used for park purposes for the full period set forth in the approved Urban Renewal Plan, as amended.

2. The Executive Director is hereby authorized and directed to forward a copy of this Resolution to the City Council for any action the Council may deem appropriate.

3. This Resolution shall become effective immediately upon its adoption.

Adopted by the Commission this the day of July , 1966.

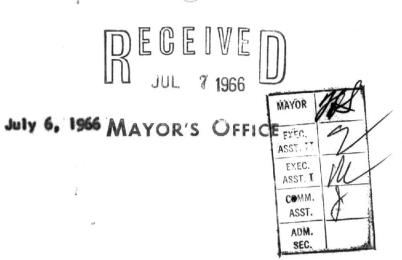
/s/ Ira C. Keller

Cha**ir**man

/s/ A. V. Fonder

Secretary

-2-



Honorable Edith Green United States House of Representatives 2441 Rayburn House Office Building Washington, D. C. 20025

Dear Mrs. Green:

Thank you so much for your letter of June 28th relative to the amendment dealing with the grant-in-aid for the Portland Public Auditorium.

We are tremendously pleased that you have been successful in obtaining the addition of the Portland amendment to the general Housing 8111. if, however, the opportunity presents itself, the type of amendment obtained by St. Louis in the 1965 legislation, as brought to your attention in our letter dated June 7th, would be most helpful to Portland's overall urban renewal program. The St. Louis amendment read as follows:

"Sec. 315. (a) (5) Two-thirds of all expenditures by the city of Saint Louis, Missouri, in connection with its Downtown Sports Stadium Project, to the extent such expenditures would have been eligible under the provisions of section 110(d) of the Housing Act of 1949 to be counted as non-cash grants-inaid toward such project if it had received Federal assistance as an urban renewal project pursuant to the provisions of title i of such Act, <u>shall be eligible to be counted as a grant-in-aid</u> toward any federally-assisted urban renewal projects in Saint Louis." (underscoring ours.)

Similar wording in the Portland amendment as that underscored above would enable us to apply any credit carryover to any project in the City of Portland.

We realize the effort you have made to obtain this amendment, and would not want, in any way, to jeopardize what you have already accomplished; but if, in your judgment, there comes a time where a change in the wording of the proposed Portland amendment could be imade to expand the credit application, we would like to see this accomplished. Honorable Edith Green United States House of Representatives July 6, 1966 Page 2

Attached is copy of letter just received from the Executive Director of the National Association of Housing and Redevelopment Officials (NAHRO) which mentions the possibility of a Sparkman amendment which would establish a general rule for all city-wide facilities.

Yours very truly,

John B. Kenward Executive Director

JBK:jk Enclosure

o farm for that info only. I same mtusting anyway. othis file is for MM Ruck

Ira C. Keller Chairman

A. V. Fonder Secretary

Harold Halvorsen Vincent Raschio Edward H. Look PORTLAND DEVELOPMENT COMMISSION

2000 S.W. FIRST AVENUE · PORTLAND, OREGON 97201 · 226-4036

May 23, 1966

John B. Kenward Executive Director

Honorable Mark A. Grayson Commissioner of Public Utilities Room 311, City Hall Portland, Oregon 97204



COMMISSIONER OF PUBLIC UTILITIES

Re: Local Noncash Grant-in-Aid Credit Public Auditorium Rehabilitation

Dear Commissioner Grayson:

At the time the remodeling of the Public Auditorium was authorized and underwritten by the voters, we were advised that the cost of the project would not qualify under existing law for noncash grant-in-aid credit to the South Auditorium Project, due to the low percentage of direct benefit of the facility to the Project area. Recently, however, it was brought to our attention that, in certain instances, special legislation has been introduced and passed by the Congress of the United States providing for grantin-aid credit for specified public facilities in various communities, notwithstanding the extent to which they benefitted areas other than the urban renewal areas for which they were claimed. We, therefore, instituted correspondence between the Portland Development Commission and other agencies which have been beneficiaries of such special legislation to determine the bases for the actions.

On March 1, 1966, we wrote to Congresswoman Edith Green, requesting her assistance in securing Congressional approval of the expenditures for rehabilitation of the Public Auditorium for credit to the local share of net project costs in the South Auditorium Project. Last week we were informed by Mrs. Green's administrative assistant, Mr. William Gaul, that Mrs. Green plans to introduce both a special Bill and an Amendment to the general Housing Bill providing for the eligibility of the Auditorium remodeling costs as a grant-in-aid (not to exceed \$4 million) toward the South Auditorium Project.

In order to support Mrs. Green's proposed action, we prepared and forwarded to her a summary of background information and local need, copy of which is enclosed. Copies of letters between this office and the urban renewal agencies of Denver, Colorado, and Norfolk, Virginia, as well as our original request to Mrs. Green and the ensuing correspondence are also enclosed for your information.

truly yours,

John B. Kenward Executive Director

JBK:jk Enclosures COPY

March 1, 1966

Honorable Edith M. Green House Office Building Washington, D. C. 20024

Dear Mrs. Green:

As you know, inMay 1964 the citizens of Portland voted approval of a general obligation bond issue for the remodeling of the Civic Auditorium. The amount, with interest accruals, has grown to something over \$4 million. I am enclosing a map of the South Auditorium Urban Renewal Project, Areas I and II, which shows the public auditorium site and its relationship to the project.

We understand that the renovation of this public auditorium is not eligible as a non-cash local grant-in-aid.

Contrary to the eligibility requirements established by the Urban Renewal Manual, however, section 315 of the Housing Act of 1965 contains specific language which grants non-cash credits in connection with similar developments in other cities. Two such examples cited in section 315 are:

"(6) Notwithstanding the extent to which the cultural and convention center proposed to be built adjacent to Urban Renewal Project Colorado R-15 (Skyline) in Denver, Colorado, may benefit areas other than the urban renewal area, expenses incurred by the City of Denver in constructing such center shall, to the extent otherwise eligible, be counted as a grant-in-aid toward such project."

"(7) Notwithstanding the extent to which the cultural and convention center proposed to be built within Urban Renewal Project R-8 in Norfolk, Virginia, may benefit areas other than the urban renewal area, expenses incurred by the City of Norfolk in constructing such center shall, to the extent otherwise eligible, be counted as a grant-in-aid toward such project." Mrs. Green

I believe that expenditures made by the city of St. Louis in connection with a downtown sports stadium in St. Louis, Missouri, received assistance in a similar manner.

-2-

The Civic Auditorium renovation project which is scheduled to get under way within the near future, is a major item in a very strategic location in the Urban Renewal Project Extension area. It will be an exceedingly handsome building upon its completion and will greatly influence the successful redevelopment of the extension area.

The Portland Development Commission and the City Council believe that the future benefit of the Civic Auditorium to the project area will prove to be great enough to warrant a claim for a substantial percentage of the cost of the renovation of the structure as a non-cash local grant-in-aid.

We would very much like to have your opinion as to the possibility of an insertion being made in the next Housing Act recognizing Portland city expenditures on the auditorium as non-cash credits for the South Auditorium Urban Renewal Project.

If you feel that this could be done, please advise us of the steps we should take in furnishing full information to you and others whom you may designate.

Thank you very much for anything you may find it possible to do for us in this matter.

Very truly yours,

John B. Kenward Executive Director

JBK:ja Encl. EDITH GREEN

EDUCATION AND LABOR

Congress of the United States Bouse of Representatibes Mashington, D.C. RECEIVED

WILLIAM GAUL

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STAN BWAN SPECIAL ADDISTANT PORTLAND OFFICE Probel 223-4101

John B. Kenward, Executive Director Portland Development Commission 2000 S. W. First Avenue Portland, Oregon 97201

MAR 1 1 1968

T. C. I STORA

Dear Mr. Kenward:

This will acknowledge receipt of your letter and map concerning Urban Renewal Administration non-cash local grant-in-aid for the socn-to-be renovated Civic Auditorium in Fortland.

I have been in contact with the Urban Renewal Administration and as soon as I have information I will write to you again.

Please be assured of my interest in this matter.

EG : daw

Edith Groen

March

TT

May 4, 1966

Honorable Edith Green 2441 Rayburn House Office Bldg. Washington 25, D.C.

Dear Mrs. Green:

First, I want you to know that we are always appreciative of your efforts on behalf of Portland's urban renewal program - it is reassuring to know that when we are in real trouble, prompt inquiry will be made as in the case of our telegram of last week.

There is another matter we would like to follow up on at this time and that is our letter to you on March 1st and your reply dated March 11th concerning non-cash credit in connection with the Portland City Auditorium.

NAHRO News Letter of March 31st contained the following item:

"Cities have about two weeks to submit special bills for noncash grant-in-aid credits, according to a statement made by Senator Sparkman. In announcing the Senate hearings on housing and urban development legislation for two weeks beginning April 19, Senator Sparkman, in effect, put the deadline on the time to introduce bills for special non-cash grant-in-aid credits."

We are wondering what position the URA assumed on this situation, and whether you have considered the filing of a special bill in an effort to obtain this non-cash grant authorization for Portland.

Thank you again for your help.

Yours very truly,

John B. Kenward Executive Director

nahro renewal newsletter

SENATE DEADLINE SET ON SPECIAL NON-CASH GRANT-IN-AID BILLS Cities have about two weeks to submit special bills for non-cash grant-in-aid credits, according to a statement made by Senator Sparkman (D-Ala.) In announcing the Senate hearings on housing and urban development legislation for two weeks beginning April 19, Senator

Sparkman, in effect, put the deadline on the time to introduce bills for special non-cash grant-in-aid credits. Following up on last year's complaint that too little time was allowed for careful study (see renewal <u>newsletter</u> 8-5-65, p.5, section 315) the Senator announced that "proposals dealing with non-cash credit for specific urban renewal projects or any proposals dealing with assistance for any specific housing projects. . .(should be introduced) so they may be properly referred to the Banking and Currency Committee to be given consideration and so that the Committee may obtain the views of the Department of. . .(HUD)." It would be wise to get such amendments to the Committee before April 19.

Page 4

...

NAHRO'S NATIONAL CODES WORKSHOP PROGRAM CONTAINS INFORMATIVE SESSIONS OF PARTICULAR INTEREST TO RENEWAL AND HOUSING OFFICIALS

Dates: April 17-20

Place: Jack Tar Hotel San Francisco

Registration fee: \$25 for members; \$30 for non-members

If preliminary program and advance registration forms have not reached you, ask for them and get plans under way for participating in what is expected to be the most important codes workshop NAHRO has ever sponsored -- valuable for not only codes officials but renewal and housing agency personnel as well.

REGISTER AND MAKE HOTEL RESERVATIONS NOW, TIME IS RUNNING SHORT.

* * *

Robert P. Groberg Assistant Director 3/31/66

EDITH GREEN

EDUCATION AND LAND

, Congress of the United States

Douse of Representatibes

Mashington, D.C.

May 13, 1966

WILLIAM GAUL

STAN SWAN SPECIAL ABBISTANT PORTLAND OFFICE PHONE 223-4101

Port and Development Commission 2000 Se First Svenue Portiand, Oregon 97201

Dear Jonn'

X-

Since Mrs. Green is in her Portland office over this weekend, I am taking the liberty of writing to you regarding the proposed non-cash-grant-inald for the Portland Public Auditorium.

Mrs. Green plans to ask the House Banking and Currency Committee to include this provision in a general Housing bill which will be acted on later the first first a separate piece of introduce the amendment as a separate piece of legislation for the proposed aid.

However, as you are aware, it will greatly improve the possibility of getting this legislation enacted if Mrs. Green is able to support the request for non-cash-grant-in-aid with need justification. She would appreciate it if you could supply such information.

Enclosed is a copy of the bill which Mrs. Green plans to introduce. The amendment will be identical.

Sincerely,

William F. Gaul

WPO: jwa Enclosure The capital improvement program of the City of Portland, provided for by the voters of Portland and expeditiously carried out by the local government, has not generated any substantial non-cash credits for application to the South Auditorium Project.

II. THE PORTLAND CIVIC AUDITORIUM

The Portland Civic Auditorium is a 50-year-old structure situated on a full city block located completely within Area II of the South Auditorium Urban Renewal Project. A map of the South Auditorium Project is attached as Exhibit A on which the location of the Civic Auditorium is identified. The Auditorium, since its dedication on the Fourth of July, 1917, has served many community and neighborhood purposes beyond the scope of its original concept as a cultural and entertainment center. Exhibit 8 attached describes the many and varied uses which have been made of the Auditorium in its half-century existence. No on-site parking facilities are available for users of the Auditorium, nor, indeed, can such facilities be provided, due to the physical limitations of the site. A photograph of the Civic Auditorium is attached as Exhibit C.

As a direct result of the impact of redevelopment within Area I of the South Auditorium Urban Renewal Project upon the surrounding areas and the entire central business district, the voters of the City of Portland, in November, 1964 authorized a general obligation bond issue in the amount of \$4 million to provide funds for the complete rehabilitation of the Civic Auditorium. Not only will the interior of the structure be remodeled to function properly in its role as the City's cultural center and to provide for the health, safety and welfare of its users, but the building exterior will be renewed and upgraded in appearance to create an atmosphere which will identify the purpose of the structure.

In addition to the self-serving purposes of the rehabilitation, it will also improve the structural condition and physical appearance of the Auditorium in keeping with the structural and design standards established in the Urban Renewal Plan for the South Auditorium Project. By providing for the complete rehabilitation of the Auditorium to meet these standards, the citizens of Portland have expressed: (1) their confidence in the urban renewal program of the City of Portland; (2) their recognition of the benefits of the redevelopment and rehabilitation which have already taken place in Area I of the South Auditorium Project to the Civic Auditorium itself and to the City generally; and, (3) their desire to contribute to the upgrading of Area II of the South Auditorium Project and of the central business district through the renovation of the structurally and functionally obsolescent cultural and entertainment center of the City.

Bids for the remodeling of the Auditorium will be received by the City in June, 1966, thus permitting this public facility to be the leader in the rehabilitation and redevelopment of South Auditorium Project, Area II. The Portland Development Commission has confidence that this major capital improvement on the part of the City will actually assure the success of the South Auditorium Project in Area II by constituting the cornerstone for reconstruction and rehabilitation of the entire area.

A sketch constituting an artist's conception of the appearance of the Civic Auditorium after it is remodeled is attached as Exhibit D.

III. RELATIONSHIP OF THE PORTLAND CIVIC AUDITORIUM TO THE SOUTH AUDITORIUM PROJECT AND ADJACENT AREAS

The Civic Auditorium is a facility which, in many ways, serves the entire community, and, as such, it is recognized that the capital investment in the remodeling of the Auditorium does not qualify under the usual eligibility requirements for a local, non-cash, grant-in-aid credit. It must, however, also be recognized that the Civic Auditorium serves the immediate neighborhood in which it is located to a peculiar extent not shared by the rest of the City.

The Auditorium serves as the <u>neighborhood center</u>, providing social, recreational, spiritual and general cultural activities for residents of the South Auditorium Project Area, where millions of dollars in private money have already been invested in new apartments, with more on the planning boards to be constructed on Project land. The Auditorium also serves as an emergency shelter for Project Area residents and businesses in case of disaster; as the voting precinct center for residents of the area; and, as an assembly center for those engaged in business in and near the Project Area.

In addition to neighborhood services provided to residents and businesses of the South Auditorium Project Area, the Auditorium serves as the social, recreational, and general cultural center, and sometimes even as a temporary shelter, for needy persons and others of low-income residing within the downtown core area who are not yet provided for under urban renewal programs or other socially-oriented aid programs.

Not the least of its direct relationships to the surrounding neighborhood is the Auditorium's function as a cultural center for the college community attached to nearby Portland State College, a rapidly-growing, state-supported, institution of higher learning. The Oregon State Board of Higher Education has projected a studentfaculty population of 20,000 by 1980. The College and the Portland Development Commission are presently engaged in survey and planning for a 112 Urban Renewal Project for campus development. The Civic Auditorium, with its proximity to the College campus, will continue to figure largely in the provision of cultural and entertainment facilities for the campus community.

As pointed out in Section II above, the present condition and appearance of the Civic Auditorium are such that they are a definite blighting influence on the South Auditorium Project Area and the central business district generally. In order to protect the public and private investment committed to the redevelopment of Area I, and to carry out successfully the redevelopment of Area II, the Auditorium must be rehabilitated to meet the structural and design standards which are applicable to other structures to remain in the Project Area and to new development. The interior of the Auditorium must also be greatly altered in order to function properly in its role as the cultural and recreational center for the Project neighborhood, as well as in its role as the City's cultural center.

The lack of parking in the vicinity of the Civic Auditorium has also constituted a serious threat to the effective use of the Auditorium, particularly in recent years as the automobile has become the predominant mode of transportation. Traffic and parking conditions in and through the South Auditorium Project Area received comprehensive study during the survey and planning of the Project in Area II. The conclusion reached is that provision of parking for Auditorium users, particularly during the evening hours, will be one of the major actions required in order to combat effectively the environmental influences which have contributed to the decline of the Auditorium area.

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Indeed, one of the compelling reasons why many Portland citizens voted favorably on the proposal to remodel the Auditorium was the assurance given by the City and by the Portland Development Commission that every effort would be made to provide for the parking needs of the Auditorium when the redevelopment of surrounding Project land is undertaken. Thus, the continued effectiveness of the Auditorium as the cultural center of the City is closely bound to the successful redevelopment of the South Auditorium Project Area, which must include adequate parking accommodations for Auditorium users.

In addition to the provision of parking for the Auditorium, great emphasis has been placed, in the planning of the South Auditorium Project in Area II, on providing a suitable setting for the remodeled facility. After comprehensive study by the Development Commission's staff and planning and design consultants, and many hours spent in consultation with the Mayor's Committee on Auditorium Remodeling, the City Planning Commission, the City Traffic Engineering Bureau, the Portland Art Commission, the architects engaged by the City to design and plan the physical changes of the structure, and the owners of properties lying adjacent to the Auditorium, a plan for a landscaped forecourt to complement the Auditorium and to facilitate movement of traffic and pedestrians in and around the Auditorium has been developed. The acquisition of land and the development of the forecourt will be undertaken as a Project site improvement and as a Project expense in the execution of the South Auditorium Project in Area II.

As discussed above, the successful rehabilitation of the Civic Auditorium will rest largely upon the provision of such amenities as adequate parking and appropriate setting in the redevelopment of the South Auditorium Urban Renewal Project Area. The fact clearly emerges that the Auditorium and the South Auditorium Project bear a relationship to each other that is disproportionate to the relationship the Auditorium has to the rest of the community as its cultural and entertainment center.

The artist's sketch attached as Exhibit D, referred to in Section II above, also illustrates the Auditorium forecourt concept.

IV. FINANCIAL NEED FOR AUDITORIUM REMODELING GRANT-IN-AID CREDIT

As pointed out in Section I above, the original tax levy authorization, which provided \$2 million toward the local share of costs incurred in carrying out urban renewal activities in the City of Portland, has been fully committed to South Auditorium Project, Area I, and to the Albina Neighborhood improvement Project. The necessity arises, therefore, of providing additional local resources to carry out the South Auditorium Project in Area II and other renewal activities which the community determines are essential to protect the economic and social well-being of its citizens.

In July, 1963 the City Planning Commission adopted a staff report listing seven areas of the City of Portland which were clearly in need of redevelopment and requesting that they receive consideration for immediate renewal action. Two of these areas -- the West Riverfront (South Auditorium Project, Area II) and Portland State College -- have been undertaken as Projects.

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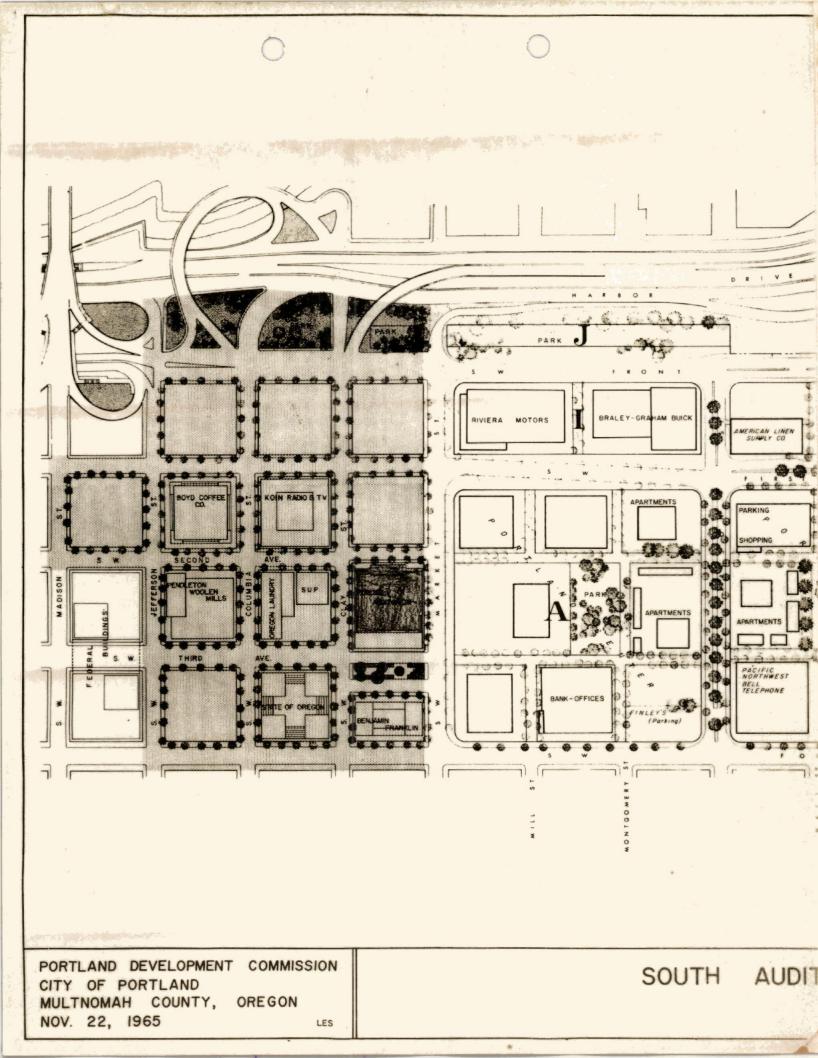
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Over the past two and one-half years, the City Planning Commission staff has been making studies leading to the publication, expected in the very near future, of a Community Renewal Program (CRP), which will further identify areas of the City requiring renewal action of one kind or another. It is fully anticipated that the number of areas suggested for immediate renewal treatment will be increased as a result of the findings of the CRP. It is, therefore, essential that additional local resources be found in order to extend Portland's progressive program of urban renewal into these other areas.

The South Auditorium Project in Area I has been carried out without the benefit of any extensive non-cash grant-in-aid credit for capital improvements. The remodeling of the Portland Civic Auditorium, authorized and provided for by the voters, is the first capital improvement of any magnitude which bears a direct relationship to the South Auditorium Project.

As discussed in Section III above, the \$4-million rehabilitation of the Civic Auditorium is essential to the success of the South Auditorium Project in Area II. Conversely, only through the provision of adequate parking facilities and appropriate setting for the Auditorium in the redevelopment of the surrounding Project Area, involving substantial Project expenditures, can the Auditorium be expected to fulfill its purpose as the cultural center of the Project Area and of the City as a whole. Establishing the eligibility of this capital expenditure, therefore, appears appropriate and justifiable, and would have the net effect of releasing a like amount of local resources for commitment to other community improvement efforts through urban renewal.

Only by obtaining credit for the Auditorium remodeling, since our local resources are tied up in the present Projects, can the Portland Development Commission and the City of Portland do the more complete job of renewing and stabilizing the downtown core area. The rehabilitation of the Civic Auditorium is, perhaps, the most essential part of any renewal effort which has been undertaken in the South Auditorium area in terms of its catalytic effect upon physical redevelopment of the surrounding area and of its influence on the upgrading of land uses. The passage of legislation which will allow the capital expanditures involved in the rehabilitation of the Portland Civic Auditorium to be applied as a grant-in-aid toward the South Auditorium Project will also enable the City of Portland to do a more complete job in the surrounding area and in the community generally.



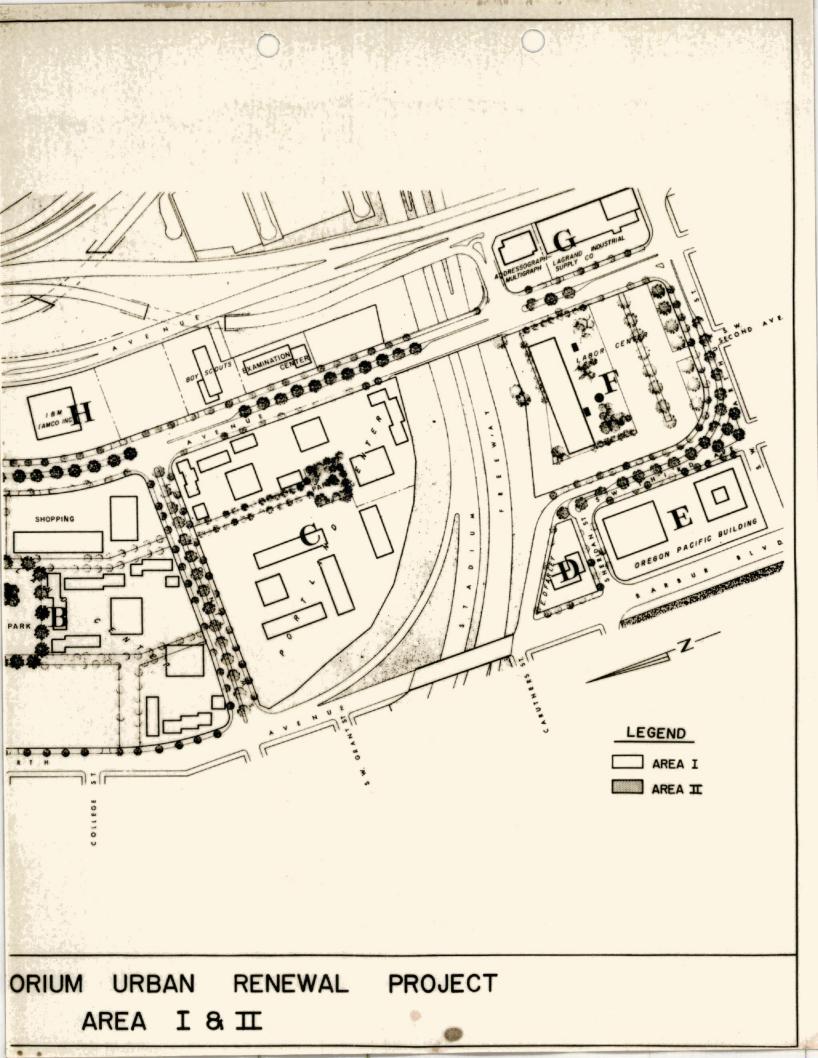


EXHIBIT B

PORTLAND CIVIC AUDITORIUM

Ever since its dedication the Civic Auditorium of Portland, Oregon has served many community and neighborhood purposes beyond the scope of its original concept as a cultural and entertainment center. Its very first function following dedication ceremonies on the Fourth of July, 1917, was in fact to serve as an emergency hospital for the hundreds of local people stricken in the World War I flu epidemic.

The building's multi-purpose general usage has continued through the nearly 50 years it has served Portland in times of prosperity, depression, war emergency and disaster. Through all those years its function as a neighborhood center has also endured.

One of the very last purposes to which it was put, for example, was as an assembly area for those affected by the proposed routing of a new federal highway. These meetings, called by the Oregon State Highway Department in accord with provisions of federal law, continued for almost a week and ware culminated in a public hearing at which all those who wanted to express their views regarding the proposed highway alignment were allowed to have the floor of the Auditorium.

Traditionally the building has served the interests of government on not only the federal and state levels but the county, city and neighborhood levels. The Auditorium provided, for example, temporary housing for a nearby synagogue displaced by governmental action and emergency quarters for agencies directing disaster relief following the flood of Vanport City.

Ever since its inception the building has accommodated the offices and exhibit space of the Oregon Historical Society, which is the body recognized by our state government as the official one serving as documentarian and custodian of Oregon's history and artifacts. Many vicinal businesses, including the news and editorial staffs of Portland's two daily newspapers as well as the seats of government of Multnomah County and the City of Portland, have made frequent good use of the Society's vast library.

The Auditorium traditionally has been the haven for hundreds of the destitute of its own area by serving as a dining and social center for the Salvation Army in this organization's continuing program to feed and comfort the needy.

The building has served also not only as a voters' precinct for its own neighbors but as an assembly place for those needing instruction in supervising the polls. It has accommodated not only the offices of the Portland Civil Service Commission but has served as a hearing and testing center for the Civil Service agencies of both Multhomah County and the State of Oregon.

EXHIBIT B - PORTLAND CIVIC AUDITORIUM, Cont'd

Those living in the immediate vicinity of the Auditorium, comprising in large part people of low income groups, would otherwise have been deprived of social and cultural advantages had not the Auditorium opened its doors to them for free-of-cost activities such as stage shows, concerts by such groups as the United States Army, Navy and Marine Corps bands and entertainment provided by the Portland Bureau of Parks ranging from circuses to operatic productions.

Rummage sales sponsored by church and civic groups likewise have attracted large numbers of neighborhood residents to the building.

Both the Portland Symphony Society and the Junior Symphony Orchestra have through the years presented free concerts for children at the Auditorium and have directed these performances to the attention of these underprivileged young people of the Auditorium area.

The building traditionally has been open to hobbyists. The Auditorium's neighbors have been eager to take advantage of these opportunities. Archers, rockhounds and gun collectors are among those who have met in the building on a regular schedule.

In recent years a new neighbor of the Auditorium has come to rely heavily on the building. Portland State College, which swiftly has risen to the ranks of the largest institution of higher education in the state of Oregon, has found the proximity of the Auditorium to be highly advantageous for ceremonials, concerts and stage productions. Until Portland State came into being it was necessary for Portland area high school graduates to go elsewhere to live in order to attend a state-supported institution of higher learning. Children of low-income families thus often were deprived of further schooling.

These students now find the opportunity to attend college while living at home. For this reason Portland State College is destined to become by far the largest college in Oregon.

With this growth of the neighborking college there will come a concomitant growing need for the college to make use of the Auditorium.

The building also has served advantageously as an assembly point for those engaged in business in the immediate area. Pendleton Woolen Mills, for example, uses the Auditorium for its trade show. This important local industry has been a part of the Auditorium neighborhood ever since the building was completed.

The Auditorium has served as a school for driver education, as a place for holiday parties for underprivileged children, as a forum for medical lectures for the laymen, for Golden Gloves benefit boxing matches, for VMCA HI-Y religious services, for receptions for newly naturalized citizens, for high school graduation ceremonies, for shows benefiting charitable and research institutions, for United Nations Day observances and as a house of worship by all peoples of all creads.

Such activities are recognized by the people of Portland as essential to their common good and are subsidized by their tax dollars.

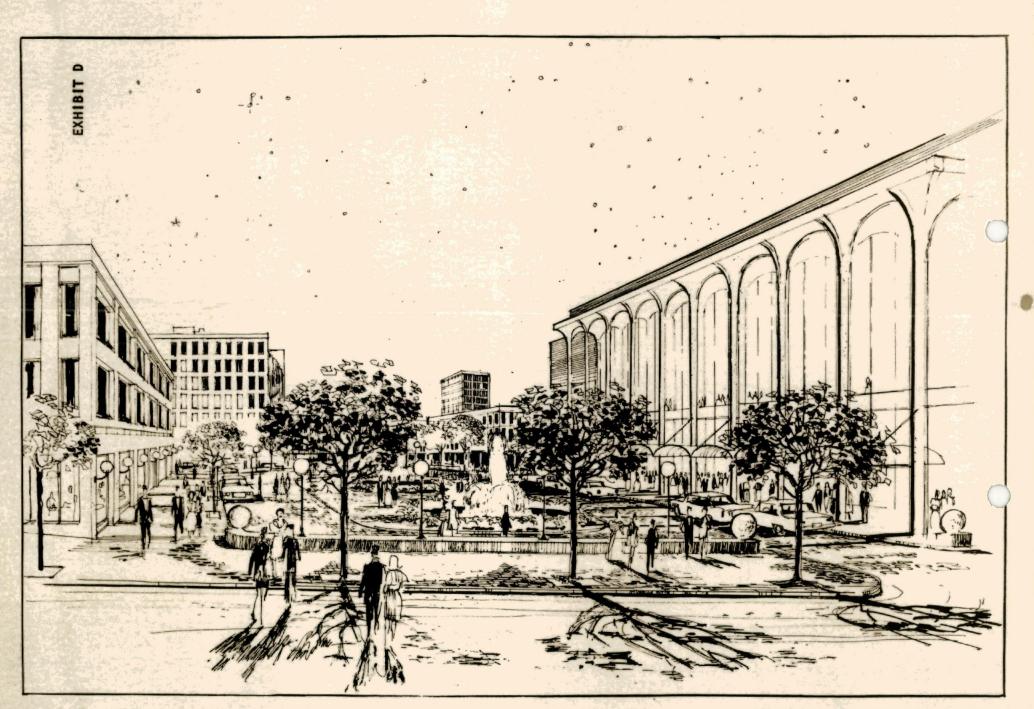
EXHIBIT B - PORTLAND CIVIC AUDITORIUM, Cont'd

Portland's Civic Auditorium has been many things to many people. It has been a house of general community interest but has served particularly as an adjunct to a neighborhood otherwise deprived. The people of its area have counted on it through the years and have patronized it heavily in the knowledge that it is not there to serve only the tastes of those educated in the higher theatrical arts but in the conviction that their need for social, recreational, spiritual and general cultural activities will be satisfied there. It has been the common meeting ground of countless thousands with perhaps diversified interests but with a common acceptance of and appreciation for the building's many concepts.

(Information contained in this Exhibit was researched and written by the office of Commissioner Mark A. Grayson, Commissioner of Public Utilities, City of Portland.) EXHIBIT C

PORTLAND CIVIC AUDITORIUM

(Photograph)



AUDITORIUM FORECOURT FROM MARKET STREET

COPY

October 25, 1965

Mr. Lawrence M. Cox, Executive Director Norfolk Redevelopment & Housing Authority P.O. Box 968 Norfolk 1, Virginia

Dear Mr. Cox:

We note, with interest, that the Housing Act of 1965 (Public Law 89-117, August 10, 1965) contains a Section (315) relating to specific Urban Renewal Projects, under which is listed a provision, as follows:

"(7) Notwithstanding the extent to which the cultural and convention center proposed to be built within Urban Renewal Project R-8 in Norfolk, Virginia, may benefit areas other than the urban renewal area, expenses incurred by the City of Norfolk in constructing such canter shall, to the extent otherwise eligible, be counted as a grantin-aid toward such project."

We would appreciate it very much if you would describe for us the circumstances leading to this special legislation which will permit your Agency to claim grant-in-aid credit toward your Urban Renewal Project by reason of the cultural and convention center to be built within the Project Area, and the steps which you took to secure such special legislation.

The Portland Development Commission, as the urban renewal agency for the City of Portland, is about to undertake an extension of its South Auditorium Project, which lies adjacent to the Central Business District, and which includes a block upon which the Public Auditorium is situated. In November, 1964, the citizens of Portland authorized a \$4 million bond issue for the complete remodeling and modernizing of the Public Auditorium, which work is now in planning and will be undertaken concurrently with the execution of the urban renewal project extension. Mr. Lawrence M. Cox, Executive Director Norfolk Redevelopment & Housing Authority

October 25, 1965 Page 2

Included in the renewal objectives of the Urban Renewal Plan for the Extension Area is the provision of a suitable setting for the remodeled Auditorium and the improvement of both vehicular and pedestrian circulation around the Auditorium site. Under the Federal regulations as they now exist, however, we have been advised that we are not eligible for any non-cash grantin-aid benefit by reason of the Auditorium remodeling because the Auditorium serves the City as a whole and the benefit to the Project area itself cannot be demonstrated to exceed 10%.

Our situations may not at all be similar; yet, we are anxious to pursue any possibility of claiming non-cash credits for the Auditorium remodeling, inasmuch as the Public Auditorium is an integral part of our Project Extension Area, and will, we feel, receive benefits from the renewal project in excess of the population ratio which it serves.

Thank you for your assistance and reply in this matter.

Sincerely yours,

John B. Kenward Executive Director

JBK: jk

NORFOLK REDEV LOPMENT AND HOU ING AUTHORITY

RECEIVED CHAS L KAUFMAN. CHAIRMAN IAMES & ETHERIDGE VICE-CHAIRMAN MELVIN T BLASSINGHAM PRETLOW DARDEN JOHN L ROPER 2ND

> LAWRENCE M. COX Executive Disector

RELEASE POST POST OFFICE BOX 968- NORFOLK, VIRGINIA 23501

VIRGINIA NATIONAL BANK BUILDING

Dir A Dir.

Telephone MAdison 5-4951

November 19, 1965

Mr. John B. Kenward Executive Director Portland Development Commission 2000 S. W. First Avenue Portland, Oregon 97201

Dear Mr. Kenward:

This will acknowledge your letter of November 9, 1965 concerning the Housing Act of 1965 as it relates to a Cultural and Convention Center for Norfolk.

We have felt for some time that certain facilities, such as libraries and cultural centers, that are best situated downtown should be eligible for non-cash credit although they serve the entire city and frequently the metropolitan area. Fortunately, we were able to obtain the necessary support in Congress for the inclusion of a provision in Section 315 of the 1965 Housing Act specifically recognizing the Cultural and Convention Center as a credit. Obviously, significant progress can be made in the downtown areas of this country if such facilities as those mentioned above are eligible for non-cash credits.

Yours very truly,

Lawrence M. Cox Executive Director

November 26, 1965

Mr. Lawrence M. Cox Executive Director Norfolk Redevelopment & Housing Authority P.O. Box 968 Norfolk, Virginia 23501

Dear Larry:

Thanks very much for your comments regarding the action taken by Congress to include the cultural and convention center for Norfolk in Section 315 of the 1965 Housing Act.

I have heard from a few other cities which have been fortunate enough to accomplish essentially the same thing. I hope that Portland will be as successful as you and certain others have been in presenting their case.

Thanks again for your information.

Yours very truly,

John B. Kenward Executive Director

JBK:j

October 25, 1965

Mr. J. Robert Cameron, Executive Director Urban Renewal Authority 481 City and County Building Denver, Colorado

Dear Bob:

We note, with interest, that the Housing Act of 1965 (Public Law 89-117, August 10, 1965) contains a Section (315) relating to specific Urban Renewal Projects, under which is listed a provision, as follows:

"(6) Notwithstanding the extent to which the cultural and convention center proposed to be built adjacent to Urban Renewal Project Colorado R-15 (Skyline) in Denver, Colorado, may benefit areas other than the urban renewal area, expenses incurred by the City of Denver in constructing such center shall, to the extent otherwise eligible, be counted as a grant-in-aid toward such project."

We would appreciate it very much if you would describe for us the circumstances leading to this special legislation which will permit your Agency to claim grant-in-aid credit toward your Skyline Project by reason of the cultural and convention center to be built adjacent to your Project and the steps which you took to secure such special legislation.

The Portland Development Commission, as the urban renewal agency for the City of Portland, is about to undertake an extension of its South Auditorium Project, which lies adjacent to the Central Business District, and which includes a block upon which the Public Auditorium is situated. In November, 1964, the citizens of Portland authorized a \$4 million bond issue for the complete remodeling and modernizing of the Public Auditorium, which work is now in planning and will be undertaken concurrently with the execution of the urban renewal project extension. Mr. J. Robert Cameron, Executive Director Urban Renewal Authority, Denver, Colorado October 25, 1965 Page 2

Included in the renewal objectives of the Urban Renewal Plan for the Extension Area is the provision of a suitable setting for the remodeled Auditorium and the improvement of both vehicular and pedestrian circulation around the Auditorium site. Under the Federal regulations as they now exist, however, we have been advised that we are not eligible for any non-cash grantin-aid benefit by reason of the Auditorium remodeling because the Auditorium serves the City as a whole and the benefit to the Project area itself cannot be demonstrated to exceed 10%.

Our situations may not at all be similar; yet, we are anxious to pursue any possibility of claiming non-cash credits for the Auditorium remodeling, inasmuch as the Public Auditorium is an integral part of our Project Extension Area, and will, we feel, receive benefits from the renewal project in excess of the population ratio which it serves.

Thank you for your assistance and reply in this matter. Hope your program is going well.

Sincerely yours,

John B. Kenward Executive Director

JBK:jk

DENVER URBAN RENEWAL AUTHORITY 728-15TH STREET + 623-7314 DENVER, COLORADO 80202

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WALLA BALLINGS COLOR

November 1, 1965

Mr. John Kenward, Executive Director Portland Development Commission 2000 S.W. First Avenue Portland, Oregon 97201

Dear John:

I am writing in answer to your letter of October 25 regarding the special legislation for Denver which appeared in the Housing Act of 1965.

For over a year some of the business leaders of the city have attempted to work with Knox Banner, Director of the Washington, D.C. program and Larry Cox, Director of Urban Renewal in Norfolk, Virginia, and others to influence Congress to permit convention and cultural centers in the downtown area to be claimed as non-cash grant-in-aid credits for downtown urban renewal projects. It is my understanding that some of our civic leaders discussed this matter with President Johnson prior to the preparation of the Housing and Urban Redevelopment Act. Apparently, in their discussions they pointed out that in order to finance downtown projects without non-cash credits it would be necessary to float a substantial bond issue. As you know, the voters refused to support a bond issue in June, 1964 for a downtown urban renewal project.

Administrators of the Housing and Home Finance Agency as well as urban renewal directors under the Eisenhower, Kennedy and Johnson administrations have opposed financing of downtown projects through non-cash grants-in-aid derived from convention and cultural centers. However, when the disastrous flood of the South Platte River hit Denver in June of this year business leaders pointed out to the Administration that any available funds would have to be thrown into the reconstruction of the Platte Piver Valley area and that any attempts at downtown urban renewal would undoubtedly have to be indefinitely postponed. The Administration encouraged the Congressmen from Denver to introduce a util in the House which would remit us to claim as non-cash creditsthe S11.5 millions voted on in the bond issue of last year for the convention center. Ecth Senators from Colorado were asked to introduce a similar bill in the Senate. The fill passed in both Houses. As you can see from reading the Housing and Urban Development Act, similar legislation for other communities was included in the Act. St. Louis was successful in persuading Congress to permit them to claim as non=cash credits funds voted for their downtown sports stadium. It is my understanding that Congress as well as the Administration

Mr. John Kenward, Executive Director Portland Development Commission Page 2

has regarded with some alarm the large number of cities that persuaded Congress to pass this type of legislation. At the NAHRO meeting in Philadelphia I heard that this type of legislation will be extremely difficult to get through Congress in the future. Speaking very frankly, my only suggestion is that you get together with your congressmen and explain the advantages of such legislation to the city of Portland and it would be up to them to persuade their fellow congressmen to pass such legislation at the next session of Congress.

If I can be of any further help and give you any additional information concerning this or any other legislation, I will be glad to do so.

Very truly yours,

J. Robert Cameron, Executive Director Denver Urban Renewal Authority

JRC :W

COPY

November 30, 1965

Mr. J. Robert Cameron, Director Denver Urban Renewal Authority 728 - 15th Street Denver, Colorado 80202

Dear Bob:

We have read your letter of November 26th and enclosure with interest, however, we do not have an urban renewal program underway in the area of the Portland Union Station, nor is one planned for the immediate future.

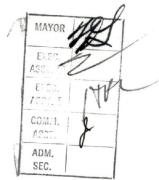
We appreciate the effort and enthusiasm of your Chamber of Commerce in trying to beautify and make more attractive the Denver railroad terminal and regret that we cannot be of any help. Perhaps we can help next time - we will be glad to hear from you at any time.

Incidentally, I would like to thank you for your comments in reply to my letter of October 25th concerning the possibility of claiming non-cash credits for city cultural centers.

Yours very truly,

John B. Kenward Executive Director

JBK:j



61E

March 1, 1966

Honorable Edith M. Green House Office Building Washington, D.C. 20025

Dear Mrs. Green:

As you know, in May 1964 the citizens of Portland voted approval of a general obligation bond issue for the remodeling of the Civic Auditorium. The amount, with interest accruals, has grown to something over \$4 million. I am enclosing a map of the South Auditorium Urban Renewal Project, Areas I and II, which shows the public auditorium site and its relationship to the project.

We understand that the renovation of this public auditorium is not eligible as a non-cash local grant-in-aid.

Contrary to the eligibility requirements established by the Urban Renewal Manual; however, section 315 of the Housing Act of 1965 contains specific language which grants non-cash credits in connection with similar developments in other cities. Two such examples cited in section 315 are:

"(6) Notwithstanding the extent to which the cultural and convention center proposed to be built adjacent to Urban Renewal Project Colorado R-15 (Skyline) in Denver, Colorado, may benefit areas other than the urban renewal area, expenses incurred by the City of Denver in constructing such center shall, to the extent otherwise eligible, be counted as a grant-in-aid toward such project."

"(7) Notwithstanding the extent to which the cultural and convention center proposed to be built within Urban Renewal Project R-8 in Norfolk, Virginia, may benefit areas other than the urban renewal area, expenses incurred by the City of Norfolk in constructing such center shall, to the extent otherwise eligible, be counted as a grant-in-aid toward such project."

March 1, 1966

Mrs. Green

I believe that expenditures made by the city of St. Louis in connection with a downtown sports stadium in St. Louis, Missouri, received assistance in a similar manner.

-2-

The Civic Auditorium renovation project which is scheduled to get under way within the near future, is a major item in a very strategic location in the Urban Renewal Project Extension area. It will be an exceedingly handsome building upon its completion and will greatly influence the successful redevelopment of the extension area.

The Portland Development Commission and the City Council believe that the future benefit of the Civic Auditorium to the project area will prove to be great enough to warrant a claim for a substantial percentage of the cost of the renovation of the structure as a non-cash local grant-in-aid.

We would very much like to have your opinion as to the possibility of an insertion being made in the next Housing Act recognizing Portland city expenditures on the auditorium as non-cash credits for the South Auditorium Urban Renewal Project.

If you feel that this could be done, please advise us of the steps we should take in furnishing full information to you and others whom you may designate.

Thank you very much for anything you may find it possible to do for us in this matter.

Very truly yours,

John B. Kenward Executive Director

JBK:ja Encl. PORTLAND DELOPMENT COMMISSION

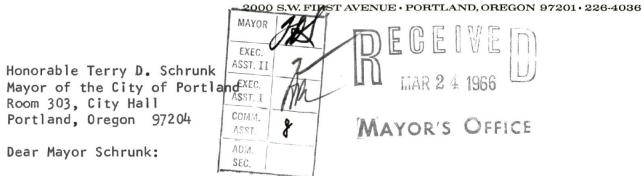


Ira C. Keller Chairman A. V. Fonder Secretary

Vincent Raschio Harold Halvorsen Edward H. Look

John B. Kenward Executive Director

March 23, 1966



Attached is a copy of our letter to Undersecretary of the Department of Housing and Urban Development, Robert C. Wood, relative to the urgent need for getting the Loan and Grant Contract for the South Auditorium Extension approved in the immediate future.

Attached to the letter is a list of critical problems facing Portland's urban renewal program unless the Loan and Grant Contract is approved by Washington in the very near future.

I thought you would like to have these for your file in the event you are contacted directly regarding this matter.

Yours very truly,

John B. Kenward Executive Director

JBK:jk Enclosure



March 22, 1966

Mr. Robert C. Wood, Undersecretary Department of Housing and Urban Development Washington, D.C. 20410

Dear Mr. Wood:

Subject: Loan and Grant Contract South Auditorium Urban Renewal Project Portland, Oregon ORE. R-1, <u>As Amended</u>

The City of Portland, Oregon, is urgently in need of your help in expediting the approval of the Loan and Grant Contract for the South Auditorium Redevelopment Project, ORE. R-1, as amended. It is our understanding that the amended application providing for a northward extension of the Portland South Auditorium Urban Renewal Project, ORE. R-1, has been approved at the regional level and has been in Washington, D.C. for three to four weeks.

No special appeal for your help would be made at this time if it were not for the fact that Portland's entire urban renewal program is in jeopardy. It is imperative that the Portland Development Commission, together with the City of Portland, issue tax allocation bonds in the immediate future to refinance all present local cash commitments to urban renewal projects, as well as the local share of any other future urban renewal activities in the fields of neighborhood rehabilitation, code enforcement, and redevelopment.

in order to emphasize the seriousness of the situation, I am attaching a summary of critical problems relating to the situation facing the City of Portland at this time. This material is being submitted to you upon the Nr. Robert C. Wood, Undersecretary Department of Housing and Urban Development March 22, 1966 Page 2

direction of the Portland Development Commission (the urban renewal agency of the City of Portland), the Mayor of the City of Portland, and at the suggestion of Mr. Richard Nelson of your office.

We sincerely hope that you will be able to help the City of Portland in this critical matter.

Very truly yours,

John B. Kenward Executive Director

JBK:jk Enclosure

bc: Mr. Robert B. Pitts, Regional Administrator, DHUD Mr. Richard G. Mitchell, Regional Director, URA, DHUD Mayor Schrunk ira C. Keller

CRITICAL PROBLEMS RELATING TO APPROVAL OF LOAN AND GRANT CONTRACT SOUTH AUDITORIUM URBAN RENEWAL PROJECT. ORE. R-1. AS AMENDED

1. The ability of the Portland Development Commission and the City of Portland to finance certain present urban renewal commitments and all future planning, programming, and execution of urban renewal activities is totally dependent upon the immediate refinancing of the South Auditorium Urban Renewal Project, ORE. R-1, <u>as amended</u>, through the issuance of tax allocation bonds. Since 1959, when it was instrumental in having the State Constitution amended and enabling legislation adopted, the Development Commission has been working towards the refinancing of its local commitments through the issuance of tax allocation bonds. In this connection, bond counsel and financial consultants have been obtained, and several years of work have been completed with the City Attorney, County Assessor, State Tax Commission, Department of Housing and Urban Development legal counsel, and various bond buyers. The only matter holding up the issuance of the bonds at this time is the receipt of an executed Loan and Grant Contract for the South Auditorium Urban Renewal Project, ORE. R-1, <u>as amended</u>.

2. Unless the tax allocation bonds are issued before July ist of this year, the Development Commission and the urban renewal program of the City of Portland will suffer the loss of one full year of tax increment, which it is estimated will amount to \$441,000. In addition, the longer the issue is delayed, the greater the possibility that the interest rates on the municipal bond market will rise. Critical Problems Relating to Approval of Loan and Grant Contract South Auditorium Urban Renewal Project, ORE. R-1, as amended

Page 2

3. Commitments:

a. <u>Commitment to the City of Portland</u>: Under the Urban Renewal Plan, as amended, the Portland Development Commission is committed to the improving of the area surrounding the City's Municipal Auditorium. In November, 1964, the voters of the City of Portland approved a \$4 million bond issue to remodel the Auditorium with the understanding that the area surrounding the Auditorium would be upgraded through urban renewal concurrently with the remodeling of the Auditorium. The Urban Renewal Plan provides for the creation of an attractive, safe and convenient forecourt to the Auditorium for the loading and unloading of passengers, as well as nearby parking developments which will serve the area and the Auditorium users. The Development Commission must start its work in the immediate future to properly coordinate its development responsibilities with the remodeling of the Auditorium.

b. <u>Commitment to the State of Oregon</u>: The Portland Development Commission has made provision in the Plan for the sale of one whole block to the State of Oregon for additional state parking facilities and future office facilities. As a result of the preliminary commitments from the Development Commission, the State Legislature has authorized the appropriation of $\$l\frac{1}{2}$ million to build said parking structure starting early this year. All final commitments to the State of Oregon and the design and construction of the facility are being held in abeyance until the Development Commission receives an executed Lean and Grant Contract. In the event the Commission is unable to make a firm commitment to the State of Oregon, there is a substantial possibility that the State will alter its plans and proceed with a parking structure on a site outside the Project area to the detriment of the Project. Critical Problems Relating to Approval of Loan and Grant Contract South Auditorium Urban Renewal Project, ORE. R-1, as amended Page 3

c. <u>Commitment to the Federal Government</u>: Commitments were made to General Services Administration at the time the Federal Government was in the process of selecting a suitable site for a new Federal Building in Portland. Assurances were given by the City Council, City Planning Commission, and the Development Commission that the areas to the south and east of the site selected for the Federal Building would be upgraded through urban renewal. These assurances had a great deal of influence on the GSA's final selection of the Federal Building site (see letter from A. W. Walker, Jr., Regional Director, Public Buildings Service, attached).

4. The future of Portland's program of neighborhood rehabilitation and related neighborhood improvement activities, such as code enforcement, is seriously jeopardized, since only through the use of local funds made available through the issuance of tax allocation bonds can the local share of these neighborhood rehabilitation and code enforcement activities be financed on a continuing basis. All local funds available in the City of Portland for urban renewal activities have been committed to the original South Auditorium Redevelopment Project and the Albina Neighborhood Rehabilitation Project. Only by refinancing the South Auditorium Redevelopment Project, as amended, can the funds committed to pay the local cash share be recaptured for use in other areas of the city where urban renewal rehabilitation activities are necessary and complementary to the efforts of the Poverty Program and other related programs.

5. Four other problems exist which could adversely affect the urban renewal program if the Loan and Grant Contract is not executed in the immediate future: Critical Problems Relating to Approval of Loan and Grant Contract South Auditorium Urban Renewal Project, ORE. R-1, as amended

Page 4

a. <u>Proposed State Referral Measure, 1% Constitutional Tax Limitation</u>: A tax initiative measure is presently being proposed which could make tax allocation bond financing a practical impossibility. The initiative measure is being prepared for the November, 1966 ballot.

b. <u>Change in Local Form of Government</u>: There is a local government form change being proposed which definitely will be on the primary ballot in Hay for the Portland voters to approve or disapprove. If the measure is approved, quite possibly all previous discussions over a period of several years with the present City Council and all tentative agreements in connection with the issuance of tex allocation bonds (bonds actually have to be issued by the City Council) could fall by the wayside, and it would be necessary to renegotiate and reach new understandings and commitments with the future local governing body, if the measure passes.

c. <u>Tax increment Study</u>: In connection with the sale of the bonds, bond buyers will be dependent on an accurate and current Tax increment Study. The Development Commission has just completed an updating of its tax increment analysis by the Real Estate Research Corporation. Any further delays in the issuance of the bonds could lead to questions as to the reliability of the Tax increment Study.

d. The Department of Housing and Urban Development is always looking for local communities to find more and better ways of raising matching funds to do the work that needs to be done. If this issue is successfully sold, to our knowledge, it will be the first outside the State of California that such bonds have been issued. Critical Problems Relating to Approval of Loan and Grant Contract South Auditorium Urban Renewal Project, ORE. R-1, as amended

Page 5

6. The following is an excerpt from my letter of February 15th to Mr. Richard G. Mitchell, Regional Director, Urban Renewal Administration, Department of Housing and Urban Development, San Francisco, California:

"After obtaining all necessary local approvals, the final Project Report and all documentation required by Urban Renewal Manual, Section 4-2-1, was submitted to your office on November 22, 1965 for final review and approval. This submittal followed many months of close liaison work and fine cooperation between the Portland Development Commission and your staff, and a comprehensive review of all required materials by the technicians of your office. Subsequent to this review all questions relied by your staff were answered and adjustments made to satisfy the requirements of your office prior to the obtaining of local approvals and submission of the Report.

"On January 7, 1966, after discussing with you the status of our Loan & Grant Application, Parts I and II, and raising the question as to any problems that might still be unresolved in connection with the review by your office, you indicated that the only thing necessary to 'break It loose' was a letter from us confirming our understanding relative to the Labor Temple Building which you advised could not be approved for purchase and removal based on the documentation you had received from our Agency. The letter you requested was mailed that afternoon.

"On January 25, 1966 we addressed a letter to your office emphasizing the necessity for obtaining an Amended Loan & Grant at the earliest possible date in order to continue our program for financing urban renewal activities in Portland.

"Last Thursday, February 10th, our Commission directed me to explore all ways and means that might be available to speed up the DHUD approval of our application and the offering of the Loan & Grant Contract to the Portland Development Commission for Immediate execution."

7. All costs incurred in planning the extension of the South Auditorium Project and preparing the application for the Amendment to the Loan and Grant Contract were borne by the Portland Development Commission 100%, since there was no S&P contract outstanding. We were informed that there was no way to obtain planning funds for such an amendment and extension to an existing project. We, therefore, can only recover the local funds expended for this purpose through the issuance of tax allocation bonds, and must do so to meet present financial commitments. Critical Problems Relating to Approval of Loan and Grant Contract South Auditorium Urban Renewal Project, ORE. R-1, as amended

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8. On Jenuary 23, 1966, we were notified through Congresswoman Green's office that we had received official approval from Washington, D.C. to incur costs of up to \$36,000 in the Urban Renewal Extension Area (Area II) in connection with the appraisal of properties that would have to be acquired in the execution stage. This work has proceeded on schedule, and will soon be completed. It is essential that we negotiate with the property owners for the purchase of certain properties as soon as appraisals are completed so that appraisals will be current and property owners can begin to make necessary plans for relocation.

Page 6

Many property owners are confronted with serious problems in connection with making their plans for moving or staying and remodeling their properties. Two typical examples are as follows:

a. The Labor Temple, which is owned by some 70 to 80 AFL-C10 labor unions, is a building which is in need of major rehabilitation and may ultimately have to be purchased and demolished. The Labor Temple Association, not feeling that it is economically feasible to remodel the building, is already building a completely new facility elsewhere and must obtain some firm commitment from the Portland Development Commission insofar as its property is concerned in order to complete its financing arrangements for the new Labor Center building.

b. The owners of the Pendleton Woolen Mills headquarters offices in the urban renewal Extension area have retained a structural engineer and architects to prepare plans and specifications for the remodeling and upgrading of their property to meet the requirements of the Redevelopment Plan. In Critical Problems Relating to Approval of Loan and Grant Contract South Auditorium Urban Renewal Project, ORE. R-1, as amended Page 7

addition, they have indicated a desire to purchase additional property for the expansion of their facilities. No Owner-Participation Agreement regarding the improvement of the present property or the availability of additional land for development can be considered until an executed Loan and Grant Contract is received.

There are many other property owners wishing to remain, remodel and develop in the area, such as Benjamin Franklin Federal Savings & Loan, KOHN TV, Boyd Coffee Company, Sallors' Union of the Pacific, Oregon Laundry, and possibly others. Certain others have indicated a desire to remove structures of their own volition and develop their properties in accordance with the Redevelopment Plan. Conferences with building officials, fire marshall, representatives of the Air Pollution Authority, and property owners and their architects and contractors are hampered by the uncertain nature of the situation. All of these matters can only be dealt with honestly and adequately when we know that we have a Loan and Grant Contract executed and a definite means of financing all of the work that must be done.

9. At the request of the Regional Office, certain personnel have already been hired for project execution, and preliminary arrangements have been made to establish an on-site relocation office. To keep said personnel and complete arrangements for the on-site relocation office, we must have an approved Loan and Grant Contract.

10. Over and above all the foregoing problems and commitments, the Development Commission has a responsibility to the total community to proceed with this work as soon as possible, since over two and one-half years have been spent in planning and preparing for project execution which should have started no later than the first of this year. Critical Problems Relating to Approval of Loan and Grant Contract South Auditorium Urban Renewal Project, ORE. R-1, as amended

Page 8

 It is generally agreed that insofar as urban renewal activities in the Northwest are concerned, as Portland goes, so goes the Northwest. Portland has been responsible for creating interest and confidence in urban renewal in most of the communities of Gregon, Washington and Alaska. I personally have assisted Eugene, Salem, Corvallis, Arlington, Cascade Locks, Gresham, Oregon City, Newport, Monmouth, and other Oregon cities, as well as Seattle, Tacoma, Hoguiam, Anchorage, and other cities of Washington and Alaska. These cities have watched, and continue to watch closely, the progress being made in Portland. Quite often they are influenced by Portland's accomplishments to the point of deciding whether to proceed with their own urban renewal projects or not. Nost of these cities are constantly calling, writing, or visiting the Portland Development Commission to obtain information as to how an urban renewal program should be set up; how it should be developed; how it should be financed; how real estate matters should be conducted; how relocation activities should be planned and carried out: how meighborhood rehabilitation projects have been planned and are being carried out; how LPA administrative procedures have been organized; and, any number of other things which are important to know when undertaking urban renewal projects or programs.

I am sure you feel that holding the confidence and interest of such communities is an important objective of the Department of Housing and Urban Development. We believe a positive step in that direction will be the early approval of our Loan and Grant Contract for the South Auditorium Project, ORE. R-1, <u>as amended</u>, which will put Portland's urban renewal program back on a sound basis.

GENERAL SERVICES ADMINISTRATION



Region 10 Auburn, Washington 98002

IN REPLY REFER TO: 10PRA

* MR. JOHN B. KENWARD EXECUTIVE DURECTOR PORTLAND DEVILOPMENT COMMISSION 2130 C. W. F. FTH AVENUE PORTLAND TO OREGON

DEAR MR. KENWARD:

Reference is made to your letter of January 15, 1965 Regarding our new Federal Office Building in Portland and to our interim reply of January 22 1965. Determinations have now been made on the Questions you raised in your letter.

Sec Page

We are proceeding with the design of the proposed Federal Office Building based upon the defigre and use of the portion of Third Avenus disecting the two-buock life. The Architect-Engineer has selected this design af the most appropriate, and the greater site area will be advantageous to the upperment in the construction, use, and operation of the building. We propriate to contact dity officials in the near future to request the quidefield the portion of Third Avenue affected. We believe your additions in discussing the matter with city officials would be very helpful. If its agree, it will be apprediated if you would call and advice by when buch a meeting would be convenient.

The GENERAL SERVICES ADMINISTRATION HAS NO OBJECTION TO THE INCLUSION OF THE LITE FOR THE PRUPOSED NEW FEDERAL OFFICE BUILDING WITHIN THE GEOGRAPHIC BUUNDARIES OF THE URBAN RENEWAL PROJECT YOU ARE NOW PLANNING. Our constrained in Having our site included is predicated, However, on the understanding that no provision of the urban renewal plan shall apply to the Gevernment-buned site and building without the express approval of the General Services Administration. We are, of course, very might interested in the Final accomplishment of the urban renewal project and wigh to cooperate to this end insofar as possible under existing restrictions.

The site investigation which is conducted prior to the selection of a site by General Services Administration, including the one in Portland, gives carreul consideration to each of the following factors, and any others which may be applicable:

Keep Freedom in Your Future With U.S. Savings Bonds

- 1. CONVENTENCE TO THE PUBLIC.
- 2. CONVENIENCE TO AND SUITABILITY OF ENVIRONMENT FOR EMPLOYEES.

2

- 3. SPECIAL READ REMENTS OF OCCUPYING AGENCIES.
- £., PROPERTY VALUES.
- CONFORMITY WITH ESTABLISHED MUNICIPAL PLANNING. 5.
- 6. BUSINESS AND POPULATION GROWTH TRENDS.
- 7. SUBSURFACE AND FUTILITIES. 8. AVAILABILITY OF UTILITIES. SUBSURFACE AND TOPOGRAPHIC CONDITIONS.
- 9. PARKING ACCOMMODATIONS AND VEHICULAR ACCESSIBILITY.

WHILE MOST IF THESE FACTORS LOGICALLY LED US TO THE SELECTION OF A SITE IN THIS AREA, IT IS PROBABLY TRUE THAT IF IT WERE NOT FOR THE PROPOSED. RENEWAL OF THE AREA, OTHER AREAS OF THE CITY WOULD HAVE BEEN PREFERABLE. THE SURROUNDINGS AND ENVIRONMENT OF THE SITE AS THEY PRESENTLY EXIST, PART SULARLY TO THE EAST AND SOUTH, WOULD POSSIBLY HAVE ELIMINATED IT FROM CONSIGERATION.

WE HOPE THE FOREGOING INFORMATION PROVIDES YOU WITH THE DESIRED INFORMA-TION. IF WE CAN BE OF FURTHER SERVICE, PLEASE LET US KNOW.

SINCERELY YOURS.

A. W. WALKER, JR. REGIONAL DIRECTOR PUBLIC BUILDINGS SERVICE PORTLAND DEVELOPMENT COMMISSION

2000 S.W. FIRST AVENUE

PORTLAND, OREGON 97201

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Honorable Terry D. Schrunk Mayor of the City of Portland Room 303, City Hall Portland, Oregon 97204

Copy sent to John Kenward

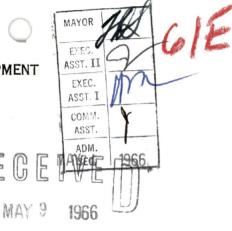
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DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WASHINGTON, D.C. 20410

OFFICE OF THE UNDER SECRETARY



MAYOR'S OFFICE

Honorable Terry D. Schrunk Mayor of Portland Portland, Oregon

Dear Mayor Schrunk:

This is in further reply to your telegram of April 29 concerning the pending amendatory loan and grant application for the South Auditorium urban renewal project in Portland.

As I stated in my telegram to you today, we cannot authorize the execution of an amendatory loan and grant contract for this or any other urban renewal project without at the same time legally committing the necessary grant funds. There are several reasons for this, one of which is that the increased grant is the principal security for the repayment of the additional loan. Another reason is that the Federal aid contract must include the necessary funds to carry out the project covered by the contract.

Also, there is another practical problem in connection with this pending application, one that has come to light only within the last week or so. This has to do with the adequacy of the relocation plan as it relates to the 390 or so single individuals who will be displaced from the "new" area. As I understand it, there appears to be no problem with rehousing some 140 of these individuals, but there seems to be a problem for the remaining 250. Thus, until this is clarified, we could not approve the pending application even though adequate Federal capital grant funds were now available.

I am sure that the Development Commission can and will work closely with our San Francisco Regional Office in an effort to resolve this relocation problem. When this has been done, we will then take another look at the money situation and see what if anything can be done.

ly yours

Robert C. Wood

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WASHINGTON, D.C. 20410

OFFICE OF THE UNDER SECRETARY

MAY 4 1966

Honorable Terry D. Schrunk Mayor of Portland Portland, Oregon

Dear Mayor Schrunk:

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Sincerely yours,

/s/ Robert C. Wood

Robert C. Wood

DEPARTMENT OF HOUSING AND LOAN DEVELOPMENT

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POSTAGE AND FEES PAID DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

OFFICE OF THE UNDER SECRETARY WASHINGTON, D.C. 20410

OFFICIAL BUSINESS

Honorable Terry D. Schrunk Mayor of Portland Portland, Oregon SD DISTRICT, OREGON

COMMITTEES: EDUCATION AND LABOR MERCHANT MARINE AND FISHERIES

Congress of the United States

House of Representatives

Washington, D.C.

May 24, 1966



MAYOR'S OFFICE

AIR MAIL

The Honorable Terry Schrunk Mayor, City of Portland City Hall Portland, Oregon

Dear Mayor Schrunk:

Enclosed you will find a copy of Under Secretary Robert C. Wood's letter in response to Mrs. Green's inquiries regarding the proposed Amendatory Loan and Grant Contract for the South Auditorium redevelopment project in Portland, Oregon.

Mrs. Green is returning from Oregon today but I know that because of the urgency of this matter she would wish me to forward this letter to you. It will, of course, be brought to her attention as soon as she returns.

Sincerely,

Willia,

William F. Gaul

WFG:ee

Enclosure

WILLIAM GAUL ADMINISTRATIVE ASSISTANT WASHINGTON OFFICE PHONE: 225-4811

> STAN SWAN SPECIAL ASSISTANT PORTLAND OFFICE PHONE: 223-4101

MAYOR EXEC ASS E ASC CC A ADM SEC.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WASHINGTON, D.C. 20410

MAY 2 0 1966

OFFICE OF THE UNDER SECRETARY

Honorable Edith Green House of Representatives Washington, D. C. 20515

Dear Mrs. Green:

This is in response to your recent letter concerning the proposed Amendatory Loan and Grant Contract for the South Auditorium redevelopment project in Portland, Oregon.

We are keenly aware of the importance of timely final action in connection with the approval of additional Federal capital grant funds in the amount of \$5,034,533 for this Amendatory Loan and Grant Application. We are, however, unable to consider the latest proposal to approve an amendatory contract without the concurrent approval of Federal grant funds. These funds, in an amount equal to the present estimated Federal share of the undertaking, must be reserved concurrently in order to insure financial feasibility of the project.

We continue to have Portland's request actively before us. We will do everything possible to take affirmative action prior to July 1, 1966, if Federal grant funds become available through recaptures from other undertakings or through similar means.

We shall, of course, notify you when final action is taken.

Sincerely yours,

/s/ Robert C. Wood

Robert C. Wood

From the Desk of

TERRY D. SCHRUNK MAYOR AND COMMISSIONER OF PUBLIC SAFETY 303 CITY HALL PORTLAND, OREGON

May 26, 1966

Dear John:

Attached for your information are copies of correspondence concerning the proposed Amendatory Loan and Grant Contract for the South Auditorium redevelopment project.

Yours truly,

MAYOR

TDS.d encs.

Mr. John Kenward Development Commission 2000 S. W. First Avenue Portland, Oregon MEMBERS: EDITH GREEN, OREG., CHAIRMAN JOHN BRADEMAS, IND. CARLTON R. SICKLES, MD. SAM GIBBONS, FLA. HUGH L. CAREY, N.Y. WILLIAM D. HATHAWAY, MAINE PHILLIP BURTON, CALIF. ALBERT H. QUIE, MINN. ROBERT F. GRIFFIN, MICH. JOHN M. ASHBROOK, OHIO OGDEN R. REID, N.Y.

U.S. HOUSE OF REPRESENTATIVES

COMMITTEE ON EDUCATION AND LABOR ADAM C. POWELL, N.Y., CHAIRMAN

SPECIAL SUBCOMMITTEE ON EDUCATION

WASHINGTON, D.C.

May 4, 1966



The Honorable Terry Schrunk Mayor of Portland Oregon

Dear Terry:

After receipt of Mr. Kenward's letter in early April, my office established contact with the Department of Housing and Urban Development with a view to expediting approval of the loan and grant contract for the South Auditorium Redevelopment Project, ORE.R-1 as amended. During the early part of the month I was advised that the application was still under review and that the Department would keep me advised periodically of the developments.

Because the next fiscal year is almost upon us and because of your telegram this week, I have decided to write Secretary Weaver requesting immediate action on the application. Enclosed you will find a copy of my letter to the Secretary and you will note that I have also asked him for his comments on whether it would be possible to offer a contract to the City of Portland prior to July 1 on the condition that additional grant funds needed to accomplish the project will be available in the next fiscal year.

Please be assured that I will keep you advised of any developments.

Sincerely,

Edith Green

EG:bag Enclosure

cc: Mr. John B. Kenward

WILLIAM F. GAUL

ROOM B-346 B RAYBURN HOUSE OFFICE BUILDING 225-3121 Ext. 4958 SD DISTRICT, OREGON

COMMITTEES: EDUCATION AND LABOR MERCHANT MARINE AND FISHERIES

Congress of the United States House of Representatives Mashington, D. C.

Sampen - Ed .

ALL STREET

The Honorable Robert C. Verver Department of Housing and Urban Development 1686 K Street, NV Nashington, DC 20410

Dear Mr. Secretary:

Enclosed you will find a copy of a letter from the Encoutive Director of the Portland Development Commission to Undersecretary Robert Wood regarding the loan and grant contract for the South Auditorium Redevelopment Project, ONE.3-1 as emended. This will indicate the urgency of having immediate consideration of the project since the ability of the Portland Development Commission and the City of Portland to finance certain present urban reneval commission, and all future planning, programming, and execution of urban reneval activities is totally dependent upon the immediate refinancing of the South Auditorium Urban Reneval Project through the issuance of tex allocation bonts. Unless these bonds can be issued before July 1, the city will suffer the loss of one full year of tex increment.

Within the last few days I have received telegrams from the Mayor of Portland, the Chairman of the Portland Development Commission, and other public officials expressing great concern that the project may not be approved in sufficient time. I should therefore like to ask that immediate attention and consideration be given to the application so that local decisions which must be unde before July 1 can be unde.

The Chairman of the Fortland Development Counission has indicated that if additional grant funds cannot be committed prior to July 1, the city will be satisfied and able to keep their programs going and fulfill their counitments if an approved contract can be offered to the city on the condition that the additional funds needed to accomplish the project will be available in the most flocal year. Page Two

The Honoreble Robert C. Weaver

May 4, 1966

I would appreciate having your comments on this as a possibility.

Sincerely,

Bitth Green

NG:beg Enclosures



SPECIAL SUBCOMMITTEE ON EDUCATION ROOM B-346 B, RAYBURN HOUSE OFFICE BUILDING WASHINGTON, D.C.

OFFICIAL BUSINESS



Lun M. C.

The Honorable Terry Schrunk Mayor of the City of Portland Portland, Oregon



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MAR 3 1 1966

MAYOR'S OFFICE

March 29, 1966

Mr. James B. Griswold Green, Richardson, Griswold & Murphy Corbett Building Portland, Oregon

Dear Mr. Griswold:

Olly Norville recently mentioned to me that the labor unions would be most anxious to help expedite the approval of the Loan and Grant Contract for the South Auditorium Urban Renewal Project Extension. We are, therefore, transmitting herewith a little background information that we have sent to Undersecretary of the Department of Housing and Urban Development, Mr. Robert C. Wood, pointing out the critical problems that Portland is faced with unless we get an immediate approval.

You will note in the list of critical problems we have mentioned the need for the Labor Temple Association to get an early decision in connection with the sale of its present property in order to plan and complete its financing program for the new Labor Center Building.

With this information available to you, at least you will be informed as to the problems facing us. We would like to be able to call on the AFL - CIO unions to lend support in the immediate future if we do not get a decision from Washington promptly.

Yours very truly,

John B. Kenward Executive Director

JBK:jk Enclosure cc: Oliver I. Norville



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MAR 3 0 1966

MAYOR'S OFFICE

March 28, 1966

Honorable Edith M. Green Congress of the United States House of Representatives 2441 Rayburn House Office Building Washington, D.C. 20515

Attention: Mr. Wm. F. Gaul Administrative Assistant

Dear Congresswoman Green:

We are sending you herewith copy of a letter and attachments that we have recently forwarded to Undersecretary of the Department of Housing and Urban Development, Mr. Robert C. Wood. The letter explains in detail some of the very critical problems facing the City of Portland and the Portland Development Commission in connection with the future of their urban renewal programs and related activities.

We felt that it would be appropriate at this time to keep you informed of the serious nature of these problems. We may wish to call upon you for your assistance in this matter if, in the very near future, we do not attain the necessary approval.

Yours very truly,

John B. Kenward Executive Director

JBK:jk Enclosure cc: Terry D. Schrunk Mayor of the City of Portland

> Ira C. Keller, Chairman Portland Development Commission

Copies sent to City Commissioners

6/E

HONORABLE JOHN J. SPARKMAN CHAIRMAN, SUBCOMMITTEE ON HOUSING SENATE COMMITTEE ON BANKING AND CURRENCY SENATE OFFICE BUILDING WASHINGTON, D.C.

THE CITY OF PORTLAND STRONGLY SUPPORTS \$.3282 WHICH AUTHORIZES FINANCIAL ASSISTANCE FOR URBAN RENEWAL PROJECTS INVOLVING THE CENTRAL BUSINESS DISTRICT OF THE COMMUNITY. PORTLAND IS ACTIVELY ENGAGED IN RENEWING ITS CENTRAL BUSINESS DISTRICT AND NEEDS THE ADDITIONAL ASSISTANCE AFFORDED BY THIS BILL. WITHOUT SUCH ACTION OUR PLANS FOR DOWNTOWN RENEWAL ARE EXTREMELY RESTRICTED AND THE ECONOMIC AND SOCIAL WELL-BEING OF THE CENTRAL BUSINESS DISTRICT IS THREATENED. YOU ARE REQUESTED TO ENTER THIS STATEMENT IN SUPPORT OF \$.3282 IN THE OFFICIAL RECORD OF THE LEGISLATIVE HEARINGS ON THIS BILL. THE CITY OF PORTLAND SEEKS THE SUPPORT OF ALL MEMBERS OF CONGRESS IN ENACTING THIS BILL INTO LAW.

> TERRY D. SCHRUNK MAYOR OF THE CITY OF PORTLAND



heck the class of service otherwise this message sent as a fast telegr	will be	VEST	ERN UNION	Check the class of service desired otherwise the message will be sent at the full rate
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NIGHT LETTER	\Box	v	V. P. MARSHALL. PRESIDENT	SHORE-SHIP
O. WDSCL. OF SVC.	PD. OR COLL.	CASH NO.	CHARGE TO THE ACCOUNT OF	TIME FILED

Send the following message, subject to the terms on back hereof, which are hereby agreed to

May 5, 1966

Honorable John J. Sparkman Chairman, Subcommittee on Housing Senate Committee on Banking and Currency Senate Office Building Washington, D.C.

The City of Portland strongly supports S. 3282 which authorizes financial assistance for Urban Renewal Projects involving the central business district of the community. Portland is actively engaged in renewing its central business district and needs the additional assistance afforded by this Bill. Without such action our plans for downtown renewal are extremely restricted and the economic and social well-being of the central business district is threatened. You are requested to enter this statement in support of S. 3282 in the official record of the Legislative Hearings on this Bill. The City of Portland seeks the support of all members of Congress in enacting this Bill into law.

> TERRY D. SCHRUNK Mayor of The City of Portland

ALL MESSAGES TAKEN BY THIS COMPANY ARE SUBJECT TO THE FOLLOWING TERMS:

To guard against mistakes or delays, the sender of a message should order it repeated, that is, telegraphed back to the originating office for comparison. For this, one-half the unrepeated message rate is charged in addition. Unless otherwise indicated on its face, this is an unrepeated message and paid for as such, in consideration whereof it is agreed between the sender of the message and the Telegraphed Company as follows:

 The Telegraph Company shall not be liable for mistakes or delays in the transmission or delivery, or for non-delivery, of any message received for transmission at the unrepeatedmessage rate beyond the sum of five hundred dollars; nor for mistakes or delays in this transmission or delivery, or for non-delivery, of any message received for transmission at the repeatedmessage rate beyond the sum of five thousand dollars; nor for mistakes or delays in this case for delays arising from unavoidable interruption in the working of its lines.

2. In any event the Telegraph Company shall not be liable for damages for mistakes or delays in the transmission or delivery, or for the non-delivery, of any message, whether caused by the negligence of its servants or otherwise, beyond the actual loss, not exceeding in any event the sum of five thousand dollars, at which amount the sender of each message represents that the message is valued, unless a greater value is stated in writing by the sender thereof at the time the message is tendered for transmission, and unless the repeated-message rate is paid or agreed to be paid and an additional charge equal to one-tenth of one per cent of the amount by which such valuation shall exceed five thousand dollars.

3. The Telegraph Company is hereby made the agent of the sender, without liability, to forward this message over the lines of any other company when necessary to reach its destination.

4. The applicable tariff charges on a message destined to any point in the continental United States listed in the Telegraph Company's Directory of Stations cover its delivery within the established city or community limits of the destination point. Beyond such limits and to points not listed in the Telegraph Company's Directory of Stations, the Telegraph Company does not understand to point the destination point. Beyond such limits and to points not listed in the Telegraph Company's Directory of Stations, the Telegraph Company does not understand to point the destination of the destination point. Beyond such limits and to points not listed in the Telegraph Company's Directory of Stations, the Telegraph Company does not understate to make delivery but will endeavor to arrange for delivery by available means as the arent of the sender, with the understanding that the sender authorizes the collection of any additional charge from the addressee and agrees to pay such additional charge if it is not collected from the addressee.

5. No responsibility attaches to the Telegraph Company concerning messages until the same are accepted at one of its transmitting offices; and if a message is sent to such office by one of the Telegraph Company's messengers, he acts for that purpose as the agent of the sender; except that when the Telegraph Company sends a messenger to pick up a message, the message, the message, the message is a message and it at a message is a message at a message of the telegraph Company's messengers. The acts for that instance acts as the agent of the Telegraph Company in accepting the message, the Telegraph Company sendel into the time of such acceptance.

6. The Telegraph Company will not be liable for damages or statutory penalties when the claim is not presented in writing to the Telegraph Company. (a) within ninety days after the message is field with the Telegraph Company for transmission in the case of a message between points within the United States of an intrastate message in Texas) or between a point in the United States on the one hand and a point in Alaska. Canada, Mexico, or St. Flere-Miqueion Islands on the other hand, or between a point in the united States on the one hand and a point in Alaska. Canada, Mexico, or St. Flere-Miqueion Islands on the other hand, or between a point in the united States and a ship at see or in the air. (b) within 95 days after the case of action, if any, shall have accrued in the case of an intrastate message in Texas, and (c) within 180 days after the message is filed with the Telegraph Company for transmission in the case of a message between a point in the United States and a foreign or oversease point other than the points specified above in this paragraph; provided, however, that this condition shall not apply to claims for damages or overcharges within the purview of Section 415 of the Communications Act of 1984, as amended.

7. It is agreed that in any action by the Telegraph Company to recover the tolls for any message or messages the prompt and correct transmission and delivery thereof shall be presumed, subject to rebuttal by competent evidence.

8. Special terms governing the transmission of messages according to their classes, as enumerated below, shall apply to messages in each of such respective classes in addition to all the foregoing terms.

9. No employee of the Telegraph Company is authorized to vary the foregoing.

6-34

CLASSES OF SERVICE

DOMESTIC SERVICES

TELEGRAM

The fastest domestic service.

DAY LETTER (DL)

A deferred same-day service, at low rates.

NIGHT LETTER (NL)

Economical overnight service. Accepted up to 2 A. M. for delivery the following morning; at rates lower than the Telegram or Day Letter rates.

INTERNATIONAL SERVICES

10

FULL RATE (FR)

The fastest overseas service. May be written in code, cipher, or in any language expressed in Roman letters.

LETTER TELEGRAM (LT)

For overnight plain language messages, at half-rate. Minimum charge for 22 words applies.

SHIP RADIOGRAM

For messages to and from ships at sea.

Ta

HONORABLE WENDALL WYATT RAYBURN HOUSE OFFICE BUILDING WASHINGTON 25, D.C.

THE CITY OF PORTLAND STRONGLY SUPPORTS S.3282 WHICH AUTHORIZES FINANCIAL ASSISTANCE FOR URBAN RENEWAL PROJECTS INVOLVING THE CENTRAL BUSINESS DISTRICT OF THE COMMUNITY. PORTLAND IS ACTIVELY ENGAGED IN RENEWING ITS CENTRAL BUSINESS DISTRICT AND NEEDS THE ADDITIONAL ASSISTANCE AFFORDED BY THIS BILL. WITHOUT SUCH ACTION OUR PLANS FOR DOWNTOWN RENEWAL ARE EXTREMELY RESTRICTED AND THE ECONOMIC AND SOCIAL WELL-BEING OF THE CENTRAL BUSINESS DISTRICT IS THREATENED. THE CITY OF PORTLAND SEEKS YOUR SUPPORT IN ENACTING THIS BILL INTO LAW.

> TERRY D. SCHRUNK MAYOR OF THE CITY OF PORTLAND

-

HONORABLE MAURINE NEUBERGER SENATE OFFICE BUILDING WASHINGTON, D.C.

THE CITY OF PORTLAND STRONGLY SUPPORTS S.3282 WHICH AUTHORIZES FINANCIAL ASSISTANCE FOR URBAN RENEWAL PROJECTS INVOLVING THE CENTRAL BUSINESS DISTRICT OF THE COMMUNITY. PORTLAND IS ACTIVELY ENGAGED IN RENEWING ITS CENTRAL BUSINESS DISTRICT AND NEEDS THE ADDITIONAL ASSISTANCE AFFORDED BY THIS BILL. WITHOUT SUCH ACTION OUR PLANS FOR DOWNTOWN RENEWAL ARE EXTREMELY RESTRICTED AND THE ECONOMIC AND SOCIAL WELL-BEING OF THE CENTRAL BUSINESS DISTRICT IS THREATENED. THE CITY OF PORTLAND SEEKS YOUR SUPPORT IN ENACTING THIS BILL INTO LAW.

> TERRY D. SCHRUNK MAYOR OF THE CITY OF PORTLAND

HONORABLE WAYNE MORSE SENATE OFFICE BUILDING WASHINGTON, D.C.

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> TERRY D. SCHRUNK NAVOR OF THE CITY OF PORTLAND

HONORABLE EDITH GREEN 2441 RAYBURN HOUSE OFFICE BUILDING WASHINGTON 25, D.C.

THE CITY OF PORTLAND STRONGLY SUPPORTS 5.3282 WHICH AUTHORIZES FINANCIAL ASSISTANCE FOR URBAN RENEWAL PROJECTS INVOLVING THE CENTRAL BUSINESS DISTRICT OF THE COMMUNITY. PORTLAND IS ACTIVELY ENGAGED IN RENEWING ITS CENTRAL BUSINESS DISTRICT AND NEEDS THE ADDITIONAL ASSISTANCE AFFORDED BY THIS BILL. WITHOUT SUCH ACTION OUR PLANS FOR DOWNTOWN RENEWAL ARE EXTREMELY RESTRICTED AND THE ECONOMIC AND SOCIAL WELL-BEING OF THE CENTRAL BUSINESS DISTRICT IS THREATENED. THE CITY OF PORTLAND SEEKS YOUR SUPPORT IN ENACTING THIS BILL INTO LAW.

> TERRY D. SCHRUNK MAYOR OF THE CITY OF PORTLAND

HONORABLE JOHN J. SPARKMAN CHAIRMAN, SUBCOMMITTEE ON HOUSING SENATE COMMITTEE ON BANKING AND CURRENCY SENATE OFFICE BUILDING WASHINGTON, D.C.

THE CITY OF PORTLAND STRONGLY SUPPORTS 5.3282 WHICH AUTHORIZES FINANCIAL ASSISTANCE FOR URBAN RENEWAL PROJECTS INVOLVING THE CENTRAL BUSINESS DISTRICT OF THE COMMUNITY. PORTLAND IS ACTIVELY ENGAGED IN RENEWING ITS CENTRAL BUSINESS DISTRICT AND NEEDS THE ADDITIONAL ASSISTANCE AFFORDED BY THIS BILL. WITHOUT SUCH ACTION OUR PLANS FOR DOWNTOWN RENEWAL ARE EXTREMELY RESTRICTED AND THE ECONOMIC AND SOCIAL WELL-BEING OF THE CENTRAL BUSINESS DISTRICT IS THREATENED. YOU ARE REQUESTED TO ENTER THIS STATEMENT IN SUPPORT OF 5.3282 IN THE OFFICIAL RECORD OF THE LEGISLATIVE HEARINGS ON THIS BILL. THE CITY OF PORTLAND SEEKS THE SUPPORT OF ALL MEMBERS OF CONGRESS IN ENACTING THIS BILL INTO LAW.

1

TERRY D. SCHRUNK MAYOR OF THE CITY OF PORTLAND

RECEIVED HAT 2 1966 REDEVELOPMENT AGENCY

89TH CONGRESS 2D SESSION

6

II

IN THE SENATE OF THE UNITED STATES

S. 3282

page 2

APRIL 27, 1966

Mr. SPARKMAN (by request) introduced the following bill; which was read twice and referred to the Committee on Banking and Currency

A BILL

- To amend title I of the Housing Act of 1949 to authorize financial assistance for urban renewal projects involving the central business district of a community without regard to certain requirements otherwise applicable.
 - Be it enacted by the Senate and House of Representa-1
 - tives of the United States of America in Congress assembled, 2
 - That table I of the Housing Act of 1949 is amended by 3
 - adding at the end thereof a new section as follows: 4
 - "URBAN RENEWAL AREAS INVOLVING THE CENTRAL 5 BUSINESS DISTRICT OF A COMMUNITY
 - "SEC. 118. (a) In any case where the governing body 7 of a community determines (1) that there exists in the 8 central business district of such community conditions which 9

(A) impose severe public, economic, or social liabilities, 1 (B) impair, arrest, or prevent the sound growth, develop-2 ment, or redevelopment of the community, or (C) consti-3 tute a serious and growing threat to the public health, safety, 5 morals, and welfare of the community, and (2) that the undertaking of an urban renewal project in such district will alleviate or remove such conditions and promote the public welfare and the proper development of the community, the g Administrator is authorized to extend financial assistance 10 under this title for such project without regard to the require-11 ments in section 110 with respect to the predominantly resi-12 dential character or predominantly residential reuse of urban 13 renewal areas. In contracting for any such project, the 14 Administrator shall consider the need to plan for, and carry 15 out undertakings with respect to, a sufficiently large area to 16 accomplish the objectives of this title, and (i) the necessity 17 for staging the project undertakings and activities on a func-18 tional rather than geographic basis, (ii) the provision of 19 increased opportunities for effecting the relocation of dis-20 placed individuals and business concerns, and (iii) the 21 greater amount of time that may be required for achieving 22 such objectives through selective and coordinated action. 23 Site improvements and supporting facilities which are peculiarly appropriate to the revitalization and renewal of the 24 central business district of the community involved, when

2

1 provided by a public body or entity, shall be eligible as part

3

2 of gross projects cost and as a local grant-in-aid in connec-

3 tion with any such urban renewal project,

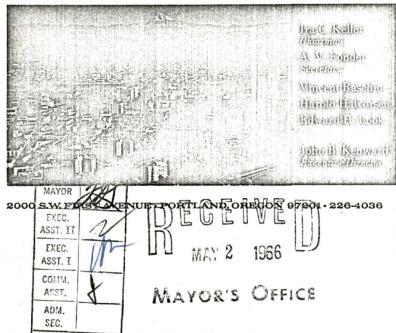
(. ")

4 "(b) Upon approval by the Secretary and subject to 5 such conditions as he may determine to be in the public 6 interest, the local public agency may acquire structures situ-7 ated in any urban renewal area approved for a project under 8 subsection (a) which are determined to be of unusual sig-9 nificance for historical or other reasons, restore or rehabilitate 10 them, and make available the restored or rehabilitated struc-11 tures to any nonprofit corporation or association, or public 12 body or agency, for purchase at fair value for nonproprietary 13 uses in the public interest.

"(c) As used in this section, the term 'central business
district' means the administrative, commercial, financial,
governmental, and cultural center of a community, including
its supporting service areas."



PORTLAND DEVELOPMENT COMMISSION



April 29, 1966

The Honorable Terry D. Schrunk Mayor of the City of Portland Room 303, City Hall Portland, Oregon 97204

Dear Mayor Schrunk:

The contract for development of public Parks and Malls, Phase 1, South Auditorium Project, will be completed by June 1, 1966. The Commission will, at that time, turn over to the City the parks and malls in accordance with the Cooperation Agreement between the Commission and the Council.

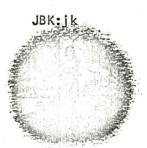
Since the 1966-67 budget for the City of Portland is currently being prepared, it is important that provision be made by the City for the maintenance of these parks and malls. Estimated maintenance costs for the parks and malls were prepared by Mr. Thoreson and others of the Park Bureau in 1964, and reviewed by the City Council. These figures, I am sure, are available through the Park Bureau for budgeting purposes.

We hope that you will bring this matter to the attention of the Budget Committee in the preparation of next year's budget. Provision was made in the budget for the last fiscal year for maintenance of public improvements already completed and turned over to the City.

The Portland Development Commission hopes that it will have the pleasure of joining with the City Council in some formal dedication ceremony of these beautiful malls and parks which, we are sure, will be a source of pride to all the people in Portland.

Very truly yours,

John B. Kenward Executive Director



Night Letters telephoned 4-29-66 4:45 PM jb

MAYOR EXEC ASS AS COM ASST. ADM. SEC.

6/E

MR. ROBERT C. WOOD, UNDERSECRETARY DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT WASHINGTON, D.C. 20410

PLEASE ADVISE IMMEDIATELY IF THE CITY OF PORTLAND WILL BE RECEIVING A CONDITIONALLY OR UNCONDITIONALLY APPROVED LOAN AND GRANT CONTRACT FOR PORTLAND SOUTH AUDITORIUM URBAN RENEWAL PROJECT AS AMENDED. REALIZE PROBLEM OF LIMITED FUNDS FOR REMAINDER OF FISCAL YEAR. DHUD OFFICIALS HAVE ADVISED SEVERAL WEEKS AGO THAT IF FUNDS CANNOT BE COMMITTED IN THIS FISCAL YEAR THAT CONTRACT CAN BE APPROVED WITHOUT COMMITMENT FROM DHUD FOR INCREASE IN CAPITAL GRANT FUNDS AT THIS TIME BUT WITH INDICATION OR PROVISION THAT FUNDS WILL BE COMMITTED AS THEY BECOME AVAILABLE IN THE NEXT FISCAL YEAR. THIS ACTION, ALTHOUGH NOT THE MOST DESIRABLE IN SO FAR AS PORTLAND IS CONCERNED, WILL ENABLE THE CITY OF PORTLAND AND THE PORTLAND DEVELOPMENT COMMISSION TO KEEP THE LOCAL RENEWAL PROGRAM GOING AND FULFILL COMMITMENTS UNTIL ADDITIONAL CAPITAL GRANT FUNDS ARE OFFICIALLY COMMITTED.

> TERRY D. SCHRUNK, MAYOR CITY OF PORTLAND, OREGON

MR. ROBERT C. WOOD, UNDERSECRETARY DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT WASHINGTON, D.C. 20410

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> TERRY D. SCHRUNK, MAYOR CITY OF PORTLAND, OREGON

HONORABLE EDITH GREEN CONGRESS OF THE UNITED STATES 2441 RAYBURN HOUSE OFFICE BUILDING HOUSE OF REPRESENTATIVES WASHINGTON 25, D.C.

SITUATION CRITICAL. MUST HAVE APPROVED LOAN AND GRANT CONTRACT SOUTH AUDITORIUM URBAN RENEWAL PROJECT AS AMENDED. REFINANCING OF ENTIRE PORTLAND RENEWAL PROGRAM AT STAKE. ALSO LOSS OF TAX INCREMENT FOR NEXT FISCAL YEAR OF \$441,000. CONDITIONAL OR UNCONDITIONAL APPROVAL WITH OR WITHOUT COMMITMENT TO INCREASE GRANT FUNDS BEFORE NEXT FISCAL YEAR WILL ENABLE US TO ISSUE TAX ALLOCATION BONDS, REFINANCE AND KEEP URBAN RENEWAL PROGRAM GOING. PLEASE REFER TO LETTER ADDRESSED TO YOU DATED MARCH 22, 1966. PLEASE ADVISE IMMEDIATELY WHEN WE CAN EXPECT LOAN AND GRANT CONTRACT.

> TERRY D. SCHRUNK, MAYOR CITY OF PORTLAND, OBEGON

HONORABLE EDITH GREEN CONGRESS OF THE UNITED STATES 2441 RAYBURN HOUSE OFFICE BUILDING HOUSE OF REPRESENTATIVES WASHINGTON 25, D.C.

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> TERRY D. SCHRUNK, MAYOR CITY OF PORTLAND, OBEGON

MEMBERS: < EDITH GREEN, OREG., CHAIRMAN JOHN BRADEMAS, IND. CARLTON R. SICKLES, MD. SAM GIBBONS, FLA. HUGH L. CAREY, N.Y. WILLIAM D. HATHAWAY, MAINE PHILLIP BURTON, CALIF. ALBERT H. QUIE, MINN. ROBERT P. GRIFFIN, MICH. JOHN M. ASHBROOK, OHIO OGDEN R. REID, N.Y.

WILLIAM F. GAL COUNSEL

U.S. HOUSE OF REPRESENTATIVES

COMMITTEE ON EDUCATION AND LABOR ADAM C. POWELL, N.Y., CHAIRMAN

ROOM B-346 B RAYBURN HOUSE OFFICE BUILDING 225-3121 EXT. 4958

SPECIAL SUBCOMMITTEE ON EDUCATION WASHINGTON, D.C. May 17, 1966 MAYOR ML. FYER ASST. T AYOR'S)FFICE EXEC. The Honorable Terry Schrunk ASST. I Mayor of Portland COLL ASST. ADM. SEC

Dear Terry:

Oregon

This is to acknowledge receipt of your recent telegram urging support of S 3282, a bill to authorize financial assistance for urban renewal projects involving the central business district of a community without regard to certain requirements otherwise applicable. A companion bill to S 3282 has not been introduced in the House in this Congress. Similar legislation, however, is presently pending before the Banking and Currency Committee and executive sessions on these proposals are scheduled for next week.

The purpose of HR 12946 which is under consideration is to provide additional encouragement and assistance to states and localities through supplementary grants for certain federally assisted development projects, for making effective comprehensive metropolitan planning and programming. Also a bill, HR 12341, the Demonstration Cities Act, is also receiving consideration.

On the Senate side the Banking & Currency Committee has just completed hearings on all housing legislation. I have been advised that the Committee will consider S 3282 along with others in executive session. However, a date has not as yet been set.

Enclosed you will also find my recent letter to Miss Katherine Blum asking that I be kept advised of decisions relating to the location of three "laboratory (See file TA- letter 110A) theatres.

Sincerely,

Edith Green

EG:bga Enclosure



March 28, 1966

From Dept. of

To Dept. of Public Safety

Addressed to Mayor Terry D. Schrunk

Subject

Historical Buildings Inventory Contract

Public Works, City Planning Commission

Dear Mayor Schrunk:

An item in the CRP work program calls for the development of an inventory of historic buildings in Portland. ADM. The primary intent of this inventory is to assure that future Urban Renewal activities do not, through ignorance, destroy irreplaceable buildings significant to Portland's heritage.

The development of this inventory is set up in the program as a sub-contract item with \$6000 of our Federal grant allocated to it.

In our opinion the Oregon Historical Society is the best possible agency to undertake this project for us. They are both willing and prepared to enter into such a contract.

Attached is a contract draft which we have prepared. It has been checked for form by Bob Hurtig of the City Attorney's office and for content by us. It has also been reviewed by Mr. Thomas Vaughan of the Oregon Historical Society who indicates his complete approval by letter, also attached.

We respectfully request that you instruct the City Attorney to prepare a formal contract for execution by you, as Chief Executive of the City and by Thomas Vaughan, Director of the Oregon Historical Society.

I have also attached, for your information, a copy of the portion of the CRP work program calling for this inventory.

Respectfully submitted,

MAYOR

EXEC.

ASST. II EXEC. ASST. I

COMM

MAYOR'S OFFI

Lloyd T. Keefe

Enclosures

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October 10, 1966 Date

COLA XEBO

TO: The Commissioners

FROM: John B. Kenward

Commission Reports & Documents No. 66-134

SUBJECT: \$5,000,000 City of Portland Urban Renewal & Redevelopment Bonds

After considerable discussion with the Commission's Financial Consultant, with the Commission's Bond Counsel and Legal Counsel, and with the Development Commission, it is concluded that the bid received from Blyth & Co. Inc. and others, submitted on Wednesday, October 6, 1966, calling for a rate of 5.1753% should be accepted by the City of Portland.

The following conditions affecting the bidding on said bonds may be helpful in understanding the fact that only one bid was received and at a rate higher than was anticipated:

- The Comptroller of Currency would not issue a favorable ruling to permit bidding by dealer banks. The First National Bank of Oregon and others were very much interested in bidding on this issue but could not because of legal limitations.
- 2. This is the first issue of its kind in the State of Oregon and the first one outside of the State of California. The pattern of previous bidding in California, no doubt, had an effect on the bidding on Portland's issue. In nearly all cases, California tax allocation bond issues have sold for between five and six percent with special penalty provisions.
- 3. The early call feature provided in the Portland offering, no doubt, had some bearing on raising the bid. This feature was considered highly desirable, however, in view of the fact that the City of Portland will certainly be able to retire the bonds on the 1974 call date.
- 4. According to the latest projections, sufficient funds will be on hand to pay off the bonds during the fiscal year 1970/71
- 5. It is felt that the bid is consistent with other bids being observed on the present day market for limited obligation bonds.
- 6. General obligation bonds are being bid at a lower rate at this time but they are secured by the total community whereas these tax allocation bonds are secured solely by one small section of the community and the tax revenues therefrom. This factor alone probably did much to influence the thinking of the bidders.
- Due to the uncertain nature of the present day market, it is considered unwise to readvertise. Higher bids could very well be received, or possibly no bids at all.

CODY XERO

CODY XERO

Page 3

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CRD 66- 134

CODA XEBO

- 8. Communication with other potential bidders prohibited from bidding by federal law indicated that their bids would have been very close to the bid received.
- See Financial Consultant's letter attached recommending bid be accepted.

Recommendation:

For these and other reasons, it is recommended that Resolution be adopted requesting the City Council to accept the bid of Blyth & Co. and others for the purchase of \$5,000,000 Urban Renewal and Redevelopment Bonds, Series A, of the City of Portland, Oregon, to be dated November 1, 1966.

Executive Director

ACTION:

COPY XERO

Page 2

October 7, 1966

The 20-bond averages as measured by the Bond Buyer, a New York publication recognized as the bible in the municipal industry, was a 3.74% on June 16, whereas, yesterday it was a 4% basis. This is an indication of the market level in June as compared with October and further indicates the better bid secured by Portland as compared to Sacramento.

Enclosed is a prospectus with revised schedule on page 19 which clearly indicates that ample funds will be available to retire the balance of the debt on January 1, 1974 with surplus accumulations becoming sufficient to do so in the fiscal year 1971-72 without including the \$500,000 reserver fund and the income to be derived therefrom, plus income from investments surplus funds which will start accumulating this year.

The dealer banks were prohibited from bidding for the issue because the office of the Comptroller of Currency would not issue a favorable ruling to permit them to do so. As you know, the First National Bank of Oregon was very disappointed because they would have liked very much to have bid for the bonds. The Seattle-First National Bank here, as you know, has purchased a substantial amount of the bonds for its portfolio. Apparently the issue has received excellent reception, a good part of such acceptance generated by the substantial Seattle order.

Should you need any additional information, please call me.

Yours very truly, MARSHALL AND MEYER

DAM/jh

Encl.

COPY

PORTLAND DEVELOPMENT COMMISSION Portland, Oregon

RESOLUTION NO.611

RESOLUTION REQUESTING CITY COUNCIL TO ACCEPT BID OF BLYTH & CO. AND OTHERS FOR PURCHASE OF \$5,000,000 URBAN RENEWAL AND REDEVELOPMENT BONDS, SERIES A, OF THE CITY OF PORTLAND, OREGON, TO BE DATED NOVEMBER 1, 1966

WHEREAS the Portland Development Commission by Resolution No. 578 dated July 26, 1966 requested the City Council to issue \$5,000,000 in Urban Renewal and Redevelopment Bonds in connection with financing the South Auditorium Urban Renewal Project; and

WHEREAS, pursuant to said request City Council of the City of Portland by Ordinance No. 123149 dated August 31, 1966 did authorize the Auditor of the City of Portland to advertise and receive bids for the purchase of said bonds; and

WHEREAS, bids were received by the Auditor on October 6, 1966 and the following bid was received and opened:

Blyth & Co., Inc.	Par and accrued interest for
Dean Witter & Co.	1968-74 maturities, \$2,410,000, int.rate 6%
Goodbody & Co.	1975-79 maturities, \$2,590,000, int.rate 4.80%

Net interest cost to City \$1,861,500.04 Effective interest rate 5.1753%; and

WHEREAS the City Council did defer action on acceptance or rejection of the bid and referred the matter to the Portland Development Commission for formal recommendation to the City Council in connection with the acceptance or rejection of said bid; and

WHEREAS, the Portland Development Commission has fully reviewed said matter and has determined that said bid is satisfactory and should be accepted and now desires to formally recommend to the City Council that the bid of Blyth & Co. Inc. and others be accepted; now, therefore, be it

RESOLVED that the Portland Development Commission does hereby find and determine that the bid of Blyth & Co. Inc. and others for the purchase of \$5,000,000 in Urban Renewal and Redevelopment Bonds, Series A, to be dated November 1, 1966, is satisfactory and should be accepted and that the City Council should be so advised; and, be it further

RESOLVED, that the Executive Director is hereby authorized and directed to transmit to the City Council of the City of Portland a copy of this resolution together with such additional information as the Executive Director finds may be of assistance to the City Council in considering said matter so that immediate action can be taken by the City Council; and, be it

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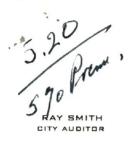
 $\ensuremath{\mathsf{FURTHER}}$ RESOLVED that this resolution shall become effective immediately upon its adoption.

Adopted by the Commission this 10th day of October , 1966.

/s/ IRA C. KELLER Chairman

/s/ A. V. FONDER

Secretary



CITY OF PORTLAND, OREGON OFFICE OF CITY AUDITOR ROOM 202 CITY HALL PORTLAND, OREGON 97204

October 6, 1966

To the Council Portland, Oregon

Gentlemen:

The Auditor of the City of Portland, Oregon, to whom was delegated authority by Ordinance No. 123149, passed by the Council August 31, 1966, to advertise for, receive and open bids for the purchase of \$5,000,000.00 Urban Renewal and Redevelopment Bonds, Series A, of the City of Portland, Oregon, to be dated November 1, 1966, respectfully reports that a proposal for the purchase of said bonds was received and opened this date as follows:

Blyth & Co., Inc. Dean Witter & Co. Goodbody & Co. Par and accrued interest for 1968-74 maturities,\$2,410,000, int. rate 6% 1975-79 maturities,\$2,590,000, int. rate 4.80%

Net interest cost to City \$1,861,500.04 Effective interest rate 5.1753%

The bid of Blyth & Co., Inc., Dean Witter & Co. and Goodbody & Co. was the only bid received.

By

Respectfully submitted,

RAY SMITH

Auditor of the City of Portland

Robert Dyle

Chief Deputy

CITY OF PORTLAND, OREGON OFFICE OF CITY AUDITOR ROOM 202 CITY HALL PORTLAND, OREGON 97204

October 640M1966

RAY SMITH

To the Council Portland, Oregon

Gentlemen:

The Auditor of the City of Portland, Oregon, to whom was delegated authority by Ordinance No. 123149, passed by the Council August 31, 1966, to advertise for, receive and open bids for the purchase of \$5,000,000.00 Urban Renewal and Redevelopment Bonds, Series A, of the City of Portland, Oregon, to be dated November 1, 1966, respectfully reports that a proposal for the purchase of said bonds was received and opened this date as follows:

Blyth & Co., Inc. Dean Witter & Co. Goodbody & Co. Par and accrued interest for 1968-74 maturities,\$2,410,000, int. rate 6% 1975-79 maturities,\$2,590,000, int. rate 4.80%

Net interest cost to City \$1,861,500.04 Effective interest rate 5.1753%

The bid of Blyth & Co., Inc., Dean Witter & Co. and Goodbody & Co. was the only bid received.

By

Respectfully submitted,

RAY SMITH

Auditor of the City of Portland

Kobert Dyle

Chief Deputy

from the office of TERRY D. SCHRUNK, Mayor Rm. 303, City Hall Portland 4, Oregon		Date August 1, 1966 torney
Approval	Investigate and Report	Note and Comment
XXX Necessary Action	Please Answer	Note and Confer
XXX Prepare Ordinance		Note and File
For Your Information		Note and Return

Comments: Attached correspondence from John Kenward, Portland Development

Commission.

FJI.m

from the office of TERRY D. SCHRUNK, Mayor Rm. 303, City Hall Portland 4, Oregon

To:

Date____

Approval Necessary Action Prepare Ordinance For Your Information	Investigate and ReportPlease AnswerRelease to PressMayor's Signature	Note and Commen Note and Confer Note and File Note and Return
omments:		
		· · · · · · · · · · · · · · · · · · ·

PORTLAND DEVELOPMENT COMMISSION Portland, Oregon

RESOLUTION NO. 578

RESOLUTION REQUESTING CITY COUNCIL TO ISSUE URBAN RENEWAL AND REDEVELOPMENT BONDS IN THE AMOUNT OF \$5 MILLION FOR PURPOSES OF FINANCING COSTS TO BE INCURRED IN CARRYING OUT THE SOUTH AUDITORIUM URBAN RENEWAL PROJECT

WHEREAS, the Portland Development Commission is undertaking an urban renewal project known as the South Auditorium Project in accordance with an approved Urban Renewal Plan, as amended, all as provided in Chapter 457, Oregon Revised Statutes, as amended; and,

WHEREAS, said Plan contains a provision that ad valorem taxes levied upon all taxable property situated in the Project Area should be divided as provided in ORS 457.410 through 457.450 inclusive; and,

WHEREAS, renewal of the South Auditorium Project has now reached the stage of development that should provide substantial tax increment available for tax allocation as intended in said Plan and authorized by said statutes; and,

WHEREAS, the Commission by Resolution No. 575 adopted July 26, 1966, has approved the execution of a superseding Loan and Grant Contract with the United States of America whereby the Government agrees to assist in financing the South Auditorium Project as amended to include Areas I and II, and whereby the Commission is obligated to provide the local share of the Project costs; and,

WHEREAS, Section 15-106 of the Charter of the City of Portland provides for the issuance of urban renewal and redevelopment bonds by the City Council for financing urban renewal projects; and,

WHEREAS, the Commission finds that it is necessary and desirable to request the City Council to issue such bonds in a total sum not exceeding \$5 Million as permitted by the Charter in order to repay advances made by the United States of America, repay loans obtained by the Commission, and advancement of funds made by the Commission for carrying out the Project and in paying for the one-third share of costs incurred or likely to be incurred in the furtherance of said Project, and the payment by the City through the Commission of grants authorized by Federal law; now, therefore, be it

RESOLVED, that the Portland Development Commission does hereby request the City Council of the City of Portland to issue urban renewal and redevelopment bonds in the total sum not exceeding \$5 Million and in accordance with the provisions of Chapter 457, Oregon Revised Statutes, and Chapter XV of the Charter of the City of Portland, for the purposes above described in connection with financing the South Auditorium Urban Renewal Project; and, be it



CERTIFICATE OF RECORDING OFFICER

The undersigned hereby certifies that:

1. He is the duly qualified and acting Secretary of the Portland Development Commission (hereinafter called the "Local Public Agency") and the custodian of the records of the Local Public Agency, including the minutes of the proceedings of the Commission (hereinafter called the "Governing Body"); and is duly authorized to execute this certificate.

2. Attached hereto is a true and correct copy of Resolution No. 578, including the WHEREAS clauses, adopted at a meeting of the Governing Body held on the <u>26th</u> day of <u>July</u>, 1966.

3. Said resolution has been duly recorded in the minutes of said meeting and is now in full force and effect.

4. Said meeting was duly convened and held in all respects in accordance with law and the bylaws of the Local Public Agency. To the extent required by law and said bylaws, due and proper notice of said meeting was given. A legal quorum of members of the Governing Body was present throughout said meeting, and a legally sufficient number of members of the Governing Body voted in the proper manner for the adoption of said resolution. All other requirements and proceedings under applicable law, said bylaws, or otherwise, incident to the proper adoption of said resolution, including any publication, if required by law, have been duly fulfilled, carried out, and otherwise observed.

5. If a seal appears below, it constitutes the official seal of the Local Public Agency and was duly affixed by the undersigned at the time this certificate was executed. If no seal appears below, the Local Public Agency does not have and is not legally required to have an official seal.

IN WITNESS WHEREOF, the undersigned has hereunto set his hand this **26th** day of **July**, 196 6.

(SEAL)

From the Desk of

FRANCIS J. IVANCIE EXECUTIVE ASSISTANT TO THE MAYOR

PORTLAND, DREGON

September 15, 1966

Copy of letter from A. W. Walker, Jr. Regional Director, Public Buildings Service regarding relocation. For your information.....

Mr. John Kenward Executive Director Portland, Development Commission

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POSTAGE AND FEES PAID U. S. GENERAL SERVICES ADMINISTRATION

AUBURN, WASHINGTON 98002

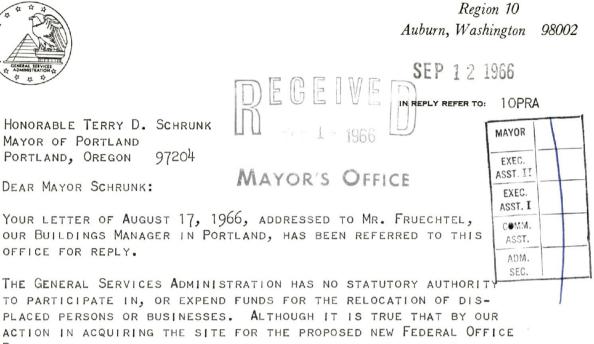
GENERAL SERVICES ADMINISTRATION

10PRA OFFICIAL BUSINESS





GENERAL SERVICES ADMINISTRATION



ACTION IN ACQUIRING THE SITE FOR THE PROPOSED NEW FEDERAL OFFICE BUILDING SOME DISPLACEMENT OCCURRED, WE ARE UNABLE TO OFFER ANY FINANCIAL ASSISTANCE TO THE FORMER OWNERS OR TENANTS. BY LETTER DATED JUNE 23, 1966, MR. E. R. WILEY, PORTLAND DEVELOPMENT COM-MISSION, WAS ADVISED OF THE DISPLACEMENTS WHICH TOOK PLACE AS A RESULT OF THAT ACQUISITION.

WE HAVE NO PLANS FOR FURTHER ACQUISITIONS WHICH MIGHT RESULT IN ANY DISPLACEMENTS.

ALTHOUGH WE WISH TO COOPERATE AND ASSIST YOU IN DEVELOPING A "WORKABLE PROGRAM", WE DO NOT BELIEVE, UNDER THE FOREGOING CIRCUMSTANCES, THAT WE CAN MAKE ANY BENEFICIAL CONTRIBUTION. HOWEVER, IF THERE IS ANY OTHER AREA IN WHICH YOU THINK WE MAY BE OF ASSISTANCE, PLEASE CONTACT US AGAIN.

SINCERELY YOURS,

A. W. WALKER, JR.

Regional Director Public Buildings Service



Keep Freedom in Your Future With U.S. Savings Bonds

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TELEPHONE: (503)

228-3321

CABLE ADDRESS

BLYTHOF

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ASSE

ADM.

BLYTH & CO. INC.

NEW YORK CHICAGO SAN FRANCISCO LOS ANGELES SEATTLE PORTLAND 222 PACIFIC BUILDING PORTLAND, ORE. 97204

12 October 1966

The Honorable Terry D. Schrunk Mayor of Portland City Hall Portland, Oregon

MAYOR'S OFFICE

Dear Sir:

In the interest of trying to correct certain misunderstandings which very apparently arose last week at the time of submission by Blyth & Co., Inc. of a bid for \$5,000,000 City of Portland Urban Renewal and Redevelopment Bonds, I shall here explain our position in the matter.

When an investment banking institution submits a bid for municipal bonds or for corporate bonds, it does so as a merchandiser of securities, expecting to make from the transaction no more than a merchandiser's profit. If its judgment of the quality of the credit is accurate and if its appraisal of the receptiveness of the marketplace at the time the securities are offered for resale is without error, the investment banker may make a reasonable profit on the transaction. If there is a fault in either judgment, he can just as easily lose not only the profit he had expected to make but a portion of his own capital as well. The introduction of a time element between the point at which the banker is legally committed on his bid and that point at which he is free to commence his resale activities can only add to his hazards; and it is commonly known that any of many possible events can, without warning, affect the marketplace and, therefore, the receptiveness for the securities. Events such as the assassination of the President, a sudden and unexpected strike in a vital industry, the unexpected outbreak of international hostilities, a President's heart attack, a sudden change by the Federal Reserve Bank in the rediscount rate and many other such events overnight can so alter the attitude in the marketplace that a merchandiser of bonds can find that he has a loss in his purchase rather than the expected profit.

Over a period of fifty-two years our firm has bid for thousands of issues of debt securities, and in substantially all cases have we insisted that the proposed obligor decide "promptly" whether to accept or reject the bid; and I can assure you that this is the policy of all other investment banking institutions. I say "in substantially all" cases, because on infrequent occasions, where the proposed obligor has notified the proposed bidders of its intention to take a specified period of time in which to make a decision, bidders can take this fact into consideration in the preparation of their bids. In such instances, you will understand that a greater profit margin must be calculated by the bidders, thus increasing the money cost to the obligor.

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It is not generally appreciated that it is not the bidders who determine the price of a bond in the marketplace. For a bond of a particular quality and under a given set of circumstances at a specific point of time, the price of any given bond is determined by competition - competition, that is, between thousands of bond issues each inviting the commitment of the investor's dollar. The investment banker at the time of preparing a bid only makes as expert a judgment as he can of what that competition will do to the receptiveness of the issue upon which he is about to bid. Beyond this judgment he only has to decide how small a profit margin he can afford to accept to compensate him for the risk he takes, thus to be able to remain in business.

Our bid submitted last week for the City of Portland Urban Renewal bonds was prepared in accordance with the principles explained herewith and did not contemplate the entrance of a "time element". By allowing the bid to stand, as we did, we have departed from our own custom and from the custom of the trade. We were able so to do only because, in our judgment, the relatively recent stability of the bond market seemed to warrant the action. Otherwise, we would have been compelled to withdraw the bid within twenty-four hours of its submission.

I trust the above explanation may serve to make known to you the practice of our trade, in order that on any future offering of bonds under your jurisdiction, misunderstandings may be avoided. If you have questions on any parts of the explanation, I shall be glad to discuss them with you.

Respectfully yours,

BLYTH & CO., INC.

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Thomas E. Morris Vice President

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March 29, 1966

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The Honorable McIver Furman, M.D. Mayor, City of Corpus Christi Corpus Christi, Florida

Dear Mayor Furman:

This will acknowledge receipt of your letter of March 14, 1966, inquiring about our urban renewal projects.

In 1957 a broad-based committee studying the possibilities of urban renewal in the City of Portland made recommendations to me which resulted in an application for planning funds. Based on the planning study, the advisory committee further recommended that an urban renewal program be developed for Portland, and that a continuing tax levy, not to exceed \$500,000 per year for five years, be submitted to the voters of the city.

At the primary election in 1958, this measure was approved and the first phase of our program was launched. At the time of the vote, the number one project had been designated and contained some 83 1/2 acres adjacent to our downtown business area. The area designated was an older section of the city which consisted primarily of frame structures in quite a deteriorated condition. The land use was extremely mixed with single family plus multi-family units, as well as commercial and industrial uses. It was necessary to remove all but three or four structures from this area. The blocks in the renewal area were 200 feet square with comparatively narrow streets. Our preliminary studies indicated that we could expect some \$30 million worth of new construction in this area, and we so told the voters as we campaigned for this issue.

Calculations indicated that the two and one-half million dollars of local funds invested would soon be repaid to the taxpayers in increased assessed valuation and tax increment. We redesigned the entire area and eliminated some ten acres of streets, and developed a broader street pattern for safer, more efficient movement of traffic. Trees were planted along these larger boulevards, and with the extra ground salvaged it was possible to develop two small city parks, one at either end of the project, connected' by a pedestrian mall. The Honorable McIver Furman, M.D.

Smith

The land was put up to bid, and while many private developing corporations wanted to take over the entire project, we gave preference and called for bids from local companies who wanted to expand and/or develop parts of this area. Many new buildings are already in existence in this area, and some \$75 million total investment has been committed, instead of the \$30 million we estimated. Instead of an area being subsidized by the taxpayers of the rest of the city, this increased assessed valuation will provide relief for other businesses and homes outside the urban renewal area.

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A secondary benefit was accrued as project number one was being developed, in that the surrounding property, just outside the urban renewal area, became highly desirable and many new structures have been developed as a result of this project. These new developments have also been of great assistance in increasing our assessed value for tax purposes.

We also have in operation a rehabilitation project wherein we are upgrading a large, older section of our city which could very easily have become a slum area. Application has now been made to extend the South Auditorium Urban Renewal Froject (Project 1) northward along our waterfront for several blocks. The new, two-block Federal Office Building, authorized and now under final design, will be in this area.

We are carrying on a workable program which involves city-wide planning and code enforcement.

It is our experience, here in Portland, that urban renewal has been good for this city. It has given us an opportunity to accomplish advances which would have been impossible without the tools of urban renewal.

While there are many things I could explain about the many ramifications and the encouragement of private investment of capital, I do hope that the foregoing will provide you with the information desired. Should there be additional details you need, please feel free to call upon me.

Best regards.

TDS.m

Yours truly,

MAYOR

CITY OF CORPUS CHRISTI, TEXAS

MAYOR

MCIVER FURMAN, M. D. CITY COUNCIL JACK R. BLACKMON MAYOR PRO TEM PATRICK J. DUNNE

P. JIMENEZ, JR, M. D. KEN MCDANIEL RONNIE SIZEMORE WM. H. WALLACE



- CITY MANAGER HERBERT W. WHITNEY
- CITY SECRETARY T. RAY KRING
- CITY OFFICES 302 SOUTH SHORELINE POST OFFICE BOX 1622 TELEPHONE TU 4-2831

March EXEC. ASST. IT EXEC. ASST. T ASST. T COMM. ASST. ADM. SEC. Mayor's Office

The Honorable Terry Schrunk Mayor, City of Portland Portland, Oregon

Dear Mayor Schrunk:

To comply with state law we intend shortly to submit an urban renewal referendum to popular vote. To this time we have not had an urban renewal project in Corpus Christi.

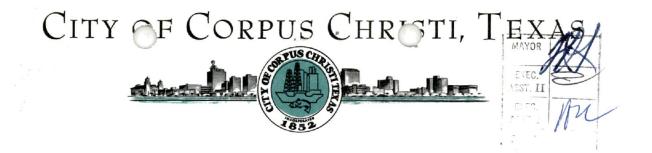
We want our people to be adequately informed before they vote for or against urban renewal.

To that end we will appreciate it very much if you will give us for publication a brief statement of your experience with urban renewal.

Sincerely yours,

Mc Suer Furman, M.S.

McIver Furman, M. D. Mayor, City of Corpus Christi



MCIVER FURMAN, M. D. MAYOR April 4, 1960 APR 8 1966

MAYOR'S OFFICE

Honorable Terry D. Schrunk Mayor, City of Portland City Hall Portland, Oregon 97204

Dear Mayor Schrunk:

Thank you very much for giving us your views regarding Urban Renewal. I am confident the information you have furnished will be of benefit to us.

Sincerely,

Mr hver Furman

McIver Furman, M.D., Mayor City of Corpus Christi