

PORTLAND DEVELOPMENT COMMISSION

FIVE

business
plan

1996-2000

YEAR

PDC

PORTLAND DEVELOPMENT COMMISSION

Dear Citizen:

The Portland Development Commission is pleased, once again to present you with our Five Year Business Plan. First started in 1993 and updated every year, this planning process sets the course for our organization as we work to implement the City's economic development, area revitalization, housing and workforce policies.

At PDC our goals are to:

- work with partners to provide a full range of housing;
- assist in creating quality projects in neighborhoods and business districts;
- help build a stable economic base with healthy businesses that provide a range of jobs for people of all skill and knowledge levels; and
- link citizens to quality jobs

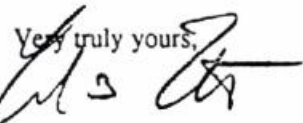
To assure we reach our goals and the goals of our public and private partners, this year we have expanded our planning process to include more than 200 individuals and organizations. I wish to express my thanks to our many community and business partners who participated in this planning effort by providing ideas, sharing community plans and offering their own visions for Portland's livable future. A complete list of these partners appears on the following pages.

I also would like to thank the staff at PDC as well as members of City Council and my fellow Commissioners. Many hours were spent in drafting documents, conducting work sessions, continuing communication and review by and with our partners and conducting public hearings.

This plan sets ambitious, but achievable goals. Over the course of the next five years, PDC plans to assist in the rehabilitation or development of more than 4,000 housing units; we plan to recruit or retain more than 5,500 jobs and place at least 2,000 Portlanders into jobs through our JobNet program.

In addition, we, along with our public and private partners, will be major players in continued redevelopment of the South Waterfront/RiverPlace, Martin Luther King Jr. Boulevard and the River District. Through our public investments, we plan to leverage and secure substantial private investment in targeted areas. Through more than \$4.5 million in loans, we will continue our support of area businesses with our business and facade loan programs and, will continue assisting individual residents and their families in obtaining and maintaining affordable housing through our residential loan programs.

We hope this plan provides a useful framework for your understanding about PDC's strategies to reach the City's goals. It has been designed to respond to changes in community needs as they arise. Our staff remains committed to continuing and building upon the partnerships that will lead us to reach mutually developed objectives for our community and region.

Very truly yours,


Carl B. Talton
Chairman

Carl B. Talton
Chairman

Gale Castillo
Commissioner

John D. Eskildsen
Commissioner

Vern B. Ryles
Commissioner

E. Kay Stepp
Commissioner

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PARTICIPANTS

Albina Community Bank
 American State
 Amtrak
 Argay Terrace
 Ashcroft
 Alliance of Portland Neighborhood Business Assocs.
 Association for Portland Progress
 BBS International, Inc.
 Bank of America
 Barnes & Noble
 Best Western
 Bethel AME
 Black United Front
 Boise Neighborhood Assoc.
 Brentwood/Darlington Neighborhood Assoc.
 Broadway/Weidler Coalition
 Brooklyn Neighborhood Assoc.
 Building Owners and Managers Assoc.
 Bureau of Buildings
 Bureau of Environmental Services
 Bureau of General Services
 Bureau of Housing & Community Development
 Callaroga Terrace
 Catholic Church
 Centennial Neighborhood Assoc.
 CENTER Neighborhood Assoc.
 Central City 2000 Task Force
 Central City Concern
 Central Eastside Industrial Council
 Central NE Neighborhood Assoc.
 Chamber of Commerce
 City Center Parking/Doug Goodman
 Portland City Council
 Clara Vista Tenant Assoc.
 Coliseum Ford
 Columbia Corridor Assoc.
 Columba River Investment Council
 Community Development Network

Concordia Neighborhood Association
 Confederated Tribes of Warm Springs/Grande Ronde
 Consolidated Chinese Benevolent Assoc.
 Multnomah County Commissioners
 Cully Business District Assoc.
 Cully Neighborhood Assoc.
 Department of Environmental Quality
 Downtown Community Assoc.
 Downtown Development Group/Chris Kopca
 Downtown Retail Council
 Dreyfus Grain Elevator
 East Portland Coalition
 Eliot Neighborhood Assoc.
 Emanuel Hospital
 Enterprise Development Co.
 Environmental Protection Agency
 Fair City Housing
 Federal Government/BPA Building
 First Interstate Bank
 Foster Ave. Business Assoc.
 Foster/Powell Neighborhood Assoc.
 Franciscan Enterprise of Oregon
 Friends of Alberta Street
 Goose Hollow Neighborhood Assoc.
 Greater Baptist Convention
 Habitat for Humanity
 Hacienda Community Dev. Corporation
 Harsch Investment Co.
 Hazelwood Neighborhood Assoc.
 Head Start
 Heathman Hotel
 Hilton Hotel
 Historic Old Town Assoc.
 Holiday Inn
 Hollywood Development Corp.
 HOST (Home Ownership One Street at a Time)

Housing Authority of Portland
 Housing Community Dev. Corp.
 Housing Development Center
 Housing Our Families
 Hoyt Street Properties
 Humboldt Neighborhood Assoc.
 Irvington Neighborhood Assoc.
 Key Bank
 Kimpton Co.
 King Neighborhood Land Use Committee
 King Neighborhood Assoc.
 King/Walnut Park Housing Comm.
 Kitchen Kaboodle
 Legacy Health Systems
 Leigh Properties
 Lents Neighborhood Assoc.
 Les Prentice
 Liberty Northwest
 Livable City Housing Council
 Lloyd Center Transportation Management Assoc.
 Lloyd Cinemas/Lloyd Center Cinemas
 Lloyd District Merchant's Assoc.
 Lutheran Community Services
 Lyons Restaurant
 Marshall Caring Community
 McCormick Pier Apartment residents
 Meier & Frank
 Melvin Mark Properties/Pete Mark
 Melvin Simon
 METRO
 Metropolitan Exposition Recreation Commission
 Mid County Sewer Connection
 Mill Park Neighborhood Assoc.
 Montavilla Neighborhood Assoc.
 Mt. Hood Community College
 Mt. Scott/Arleta Neighborhood Assoc.
 Multnomah/Washington Counties Regional Strategies Board
 Multnomah Drainage District
 Bill Naito

National Association of Minority
 Contractors
 Network for Oregon Affordable
 Housing
 N. Portland Employment Dept.
 NE Broadway Business Assoc.
 N/NE Economic Development
 Alliance
 N/NE Business Assoc.
 NE Community Development
 Bank
 NE Community Development
 Corp.
 NE Coalition of Neighborhoods
 NE Employment & Training
 Center
 NE Workforce Center
 NEET Center (PIC)
 NW Natural Gas
 NW Pilot Project
 Neighborhood Pride Team
 Network Behavioral
 Network for Or. Affordable
 Housing
 Nordstrom
 North Broadway Coalition
 North Macadam Assoc.
 Old Town Community Policing
 Task Force
 Old Town/Chinatown Neighbor-
 hood Assoc.
 Oregon Assoc. of Minority
 Entrepreneurs
 Oregon Department of Transpor-
 tation
 Oregon Museum of Science and
 Industry
 Oregon Art Institute
 Oregon Economic Development
 Department
 Outer SE Business Coalition
 Pacific Development, Inc.
 Pacific Gas Transmission
 Pacific Power & Light
 Parkrose Neighborhood Assoc.
 Parks Bureau
 J.C. Penny
 Pearl District Neighborhood
 Assoc.
 Peidmont Neighborhood Assoc.

Peninsula Child Care Center
 Alan Peters
 Pleasant Valley Neighborhood
 Assoc.
 Port of Portland
 Portland Community College
 Portland Community College
 Skills Center
 Portland Community Design
 Center
 Portland Community Reinvest-
 ment Initiative
 Portland Dept. of Housing &
 Community Services
 Portland General Electric
 Portland Housing Center
 Portland Impact
 Portland/Oregon Visitors Assoc.
 Portland Organizing Project
 Portland Public Schools
 Portland State University
 PSU Small Business Outreach
 Portland Trail Blazers
 Powellhurst/Gilbert Neighbor-
 hood Assoc.
 REACH Community Develop-
 ment
 Red Lion Hotels
 Regional Strategies Board
 Bill Reid
 River District Coordinating
 Committee
 River District Finance Committee
 River District Steering Committee
 RiverPlace Condominium Assoc.
 Rose Community Development
 Sabin Comm. Development Corp.
 Sabin Nieghborhood Assoc.
 Safeway
 Rick Saito
 Schnitzer Investment Corp.
 SE Uplift
 SE Uplift, Land Use Committee
 South Tabor Neighborhood Assoc.
 J.D. Steffey Co.
 Steps to Success
 Sullivan's Gulch Neighborhood
 Assoc.
 Sunset Corridor Assoc.
 Jeff Tashman

Trammell Crow Residential
 Travel Lodge
 Tri-Met
 U.S. Post Office
 Union Pacific, Southern Pacific,
 Burlington Northern Railroads
 US Bank
 US West Communications
 Union Station Tenants
 Urban League
 Vernon Neighborhood Assoc.
 Vocational Rehab Division/North
 Water Bureau
 West One Bank
 Woodlawn Neighborhood Assoc.
 Zidell Companies

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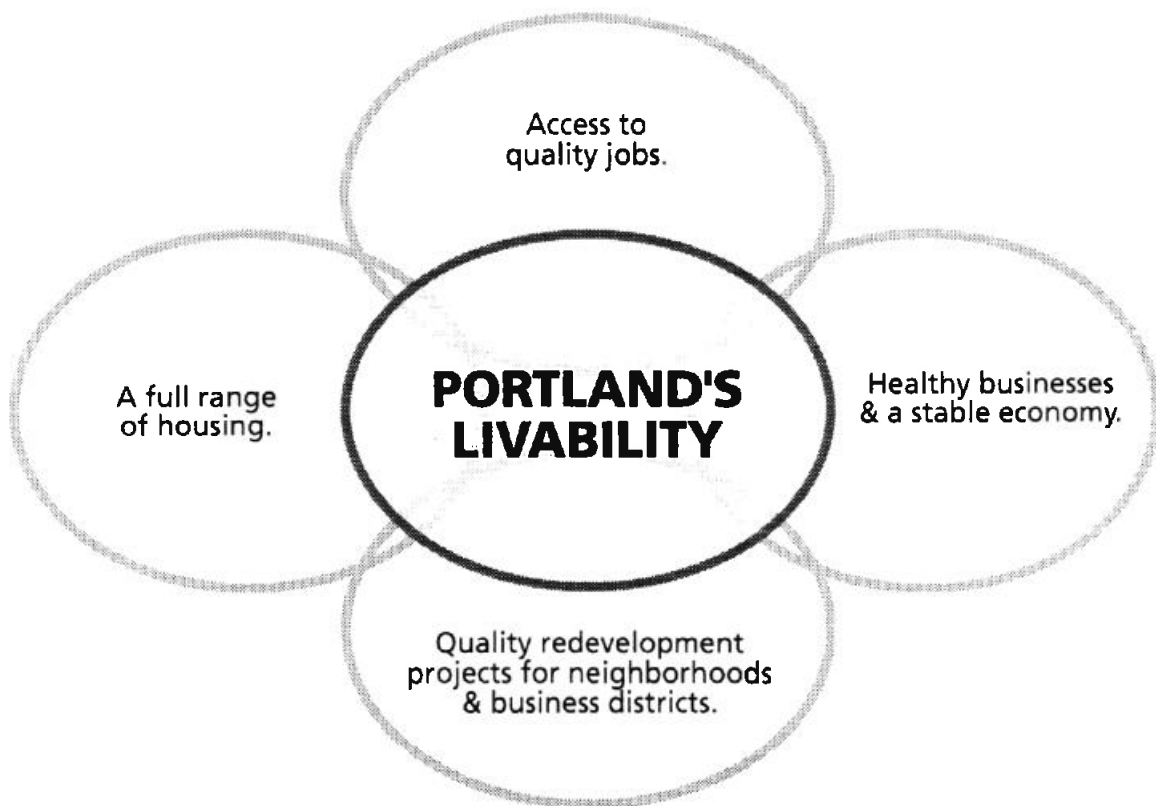
ABOUT PDC

In 1958 Portland voters created the Portland Development Commission (PDC) as a city agency to deliver projects and programs which achieve the city's housing, economic development and redevelopment priorities and link citizens to jobs.

Specifically, PDC is the City agency that helps provide sustained livability for our City and region. Our mission is to bring together community resources to achieve Portland's vision of a vital economy with healthy neighborhoods and quality jobs for all citizens.

In carrying out city policy, PDC has developed and managed projects and programs which have played a major role in keeping Portland one of America's most livable cities. During the past 37 years, PDC has taken forward sixteen urban renewal plans, has worked extensively in Portland's neighborhoods to deliver a broad range of housing and neighborhood improvement programs and has carried out a comprehensive range of economic development programs aimed at creating jobs for City residents. It is the linkages among these efforts, the integration of services that sets PDC apart and assures true efficiencies are achieved.

PDC works with partners to provide:



HOW PDC DELIVERS ON THE CITY'S GOALS: THE ROLE AND DEVELOPMENT OF THE FIVE YEAR PLAN

PDC is uniquely positioned to provide a fully integrated and clearly defined mix of services to better serve the community and meet the City's goals. The Commission is governed by a five member, volunteer citizen board of Commissioners, appointed by the Mayor and approved by City Council. Commission business is conducted at monthly public meetings and all PDC activities are guided by a Five Year Plan. Developed in conjunction with public and private community partners, this plan concentrates our resources on ten target areas in Portland's business districts and neighborhoods.

FIVE-YEAR BUSINESS PLAN PROCESS

Assess Goals

In developing our Five Year Plan, we began with an examination of the critical issues the City needs PDC to address as expressed in such documents as the Livable City Housing Initiative, Prosperous Portland, Future Focus, METRO's 2040 concept plan, the Central City Plan, existing urban renewal plans, and other community and neighborhood plans such as the Albina Community and River District plans. PDC has developed four goals designed to address the key features of each of these plans:

Maintain and expand a full range of housing opportunities. PDC will work with our community partners to assist the City in meeting its target of creating more than 55,000 new housing units by 2014.

Stimulate job creation and retention and link jobs to city residents. Our workforce and business development activities will help the city make great strides towards its goal of capturing 157,000 new jobs by the year 2014. We will continue to link new jobs to city residents through our JobNet program thereby helping to reach the City's goal of increasing per capita income. PDC's continued implementation of the business district program and our new focus on assisting small business will encourage and support community member ownership of business. In addition, through the implementation of the City's international plan and other business recruitment and expansion efforts, we will help the City reach its goals for international competitiveness.

Maintain and increase the economic base. PDC will continue the urban renewal investments that meet the City's goal for revitalizing our neighborhoods—an essential component of Portland's continued livability. As a result, our tax base will grow and citizen's property tax rates will decrease.

Integrate all program delivery to revitalize targeted areas. PDC will work with neighborhood groups and residents to build community wealth, raise per capita income, and improve standards of living through the provision of housing, economic development, workforce, and development services.

Identify Lines of Business to Meet City Goals

PDC has divided customer services into five major categories:

1. Redevelopment Area Planning: Planning for comprehensive downtown and neighborhood revitalization programs and projects to redevelop project areas which reflect the public interest. Current programs include:

- Market analysis
- Project feasibility
- Urban renewal district plans
- Development opportunity strategies
- Site Planning

2. Project Finance and Development: Developing housing, retail, office, industrial and infrastructure projects that involve public/private partnerships to achieve City objectives. Current programs include:

- Multi-family housing
- Infrastructure
- Office and commercial facilities
- Construction management

3. Neighborhood Revitalization: Working with community residents, business owners and non-profits to develop and implement strategies for affordable housing, increased employment, community ownership of business, and neighborhood livability to build healthy neighborhoods and business districts. Current programs include:

- Housing, development, workforce and economic development input on community plans
- Single family housing loans
- Small business loans

4. Business Retention, Expansion and Recruitment: Providing a full range of direct assistance to businesses looking to locate or expand in the Portland area and to create jobs for City residents and build a strong economic base of key industries. Current programs include:

- Marketing of sites
- Hiring strategies for businesses
- Incentive packaging
- Enterprise Zone management

5. Workforce Development: Providing workforce planning strategies and employment services to businesses locating or expanding in the Portland area. PDC provides customized workforce training and link employees with employers to provide employment opportunities for City residents to increase community wealth. Current programs include:

- JobNet system to supply applicants
- Target industry training strategies
- Systems to eliminate barriers for job openings to employment, i.e. childcare, transportation

Consult Community and Business Partners

Preparation of this plan was guided by advice and feedback we received from our community and business partners in the public and private, non-profit and for profit sectors. We have been engaged in an unprecedented effort to garner input on needs and desires from those we serve and work with in carrying out our programs and activities. Our staff met with more than 200 groups and individuals over the course of the summer to review our last Five Year Plan and update it for the coming years. These groups were also called upon to review the draft plan and to make public comment as required. The plan you are now reading is the consolidation of the input our partners have provided and reviewed.

In each target area, we have listed projects that are funded, as well as projects identified by our partners, but for which funding is not currently available. We will turn to our partners for help with this effort and will endeavor to find funding for and complete as many of these projects as possible.

Determine Customer Service Delivery Strategy

In 1994, PDC implemented its target area service delivery strategy, focusing our services to meet specific objectives requested by community and business partners. Our target areas include: Airport Way/Columbia Corridor; Cully Killingsworth; Central Eastside; Downtown; Lloyd District; Inner Northeast; Outer Southeast; River District; South Waterfront/North Macadam; and Transit Stations. Each target area is served by an interdisciplinary team providing the particular services required to meet the current needs of the area. We also will deliver housing and workforce and business development programs throughout the region beyond any target area boundary to meet City and regional goals.

The target areas were created to allow PDC to focus its services in a geographic area. Target areas require the integration and delivery of two or more services which are planned to make a visible and measurable difference within the area. In establishing target area boundaries, we often consider the areas designated by other service providers. Many of our target areas contain communities given Target Area Designation (TAD) status by the Bureau of Housing and Community Services. This allows us to work with BHCD to deliver housing, business development, and workforce services using Community Development Block Grant funds in these communities. PDC target areas also coincide, in some cases, with local non-profit organizations configured to deliver service to specific communities. Target area boundaries are examined each five-year business plan update to determine whether boundary changes are warranted.

In the current plan, we have refined the boundaries of several target areas to allow us to provide optimum service integration and make a visible difference in our designated communities. As we refine these key service delivery concepts, we will continue to evaluate service delivery methods and review how well PDC's organizational structure helps achieve desired outcomes throughout the City. We will continue to redefine our staffing structure to ensure that customer services are delivered efficiently and effectively.

SUMMARY OF FIVE YEAR PLAN FINANCES

This presentation of PDC's five-year finances reflects a projection of financial resources and the fiscal requirements necessary to fund the many community requests we received in developing this five-year business plan. The In Plan and Funded activities described in the plan show an investment in facilities and services totaling \$148,028,000. Resources necessary to support the activities considered Not Funded and Proposed total \$149,993,000.

PDC is funded by a variety of governmental and private sector sources to accomplish its goals in housing, economic development, workforce, and redevelopment. In addition to the resources shown in Table 1, the Commission has been successful at using its funds to leverage significant amounts of private investment into the City's economic and physical infrastructure. PDC's stewardship of public funds can best be demonstrated through appropriate and prudent leverage of private capital. We believe that the Commission's contribution to Portland's future livability is dependent on continuing and expanding its success in this area.

RESOURCES

Summary

PDC's resources consist of City of Portland General Fund allocations, federal and other grants, program income earned on asset management, contracts for service, and private sector donations and lending agreements. Over the next five years, the Commission intends to broaden its financial base to decrease its reliance on community development block grants and increase proportion of funds from banking and other financial institutions. Projected resources from fiscal years 1996 to 2000 are shown on Table 1.

Key Resource Assumptions

General Fund. We have assumed that programs funded in past years will be continued at current levels with modest increases for inflation. We have also projected General Fund support for those projects that the City Council has committed to by resolution, for example River District.

Federal Grant. Community Development Block Grant (CDBG) receipts are divided into two categories; new allocations and program income (primarily principal and interest received on loans). CDBG amounts are received by PDC through a contract with the City's Bureau of Housing and Community Development. CDBG assumptions provide for a three percent increase in funding for FY 1996-97 and 10% reductions in each year thereafter.

Federal grants received from Economic Development Administration are exclusively program income received on PDC loans for job creation. Other federal grants include the HOME grant and the North/Northeast Business Assistance Fund program. The HOME grant is assumed to total approximately \$1.8 million throughout the projection period. The North/Northeast Business Assistance Grant expires in 1998. Amounts received under this grant beyond this period are limited to program income on loans.

Program Income. PDC receives program income from a variety of sources including repayment of tax increment loans, sales and management of real estate, and investment income. Projections reflect (1) assumptions regarding the timing and expected revenue of land sales which may affect collection of rental on certain properties; (2) expected repayment of certain outstanding tax increment loans; and (3) the potential for decreasing interest rates on bank balances.

Projections of land sales are formulated on the basis of market value of land owned by PDC and intended for sale for development projects. For the purposes of this analysis, the expected revenue has been reduced by 50% to account for the potential of land write-downs and other unforeseen factors. Principal and interest due on certain loans is subject to positive cash flow from projects. Projections of amounts due have been adjusted by 50% to account for the uncertainty of this cash flow.

Projections of interest income assume generally falling interest rates on decreasing fund balances.

Private Funding. The Private Lender Participation Agreements (PLPA) provide partial bank financing for certain PDC single and multi-family loans. Under these agreements, PDC receives bank funds secured by cash flows derived from underlying PDC loans. It is assumed that changes in the terms and conditions of our agreements will cause activity under these agreements to substantially increase during the projection period. If such an increase in activity does not occur, PDC's loan funds will not be extended to as many projects as currently projected.

PDC currently has agreements with banks to participate in the Private Lender Investment Program to provide funding for certain home mortgages. Because a secondary market for the loans under this program has not been identified, this program has not been implemented. It is assumed in this analysis that such a market will be created and the program will be implemented during the projection period.

Key Resource Strategies

Tax Increment. Prior to 1992, PDC relied on tax increment receipts as its primary funding source for housing construction and redevelopment. Since that time, the City Council has chosen not to impose a tax increment levy to minimize the effects of compression on its property tax levy. Strong growth in assessed value has reduced the City's property tax rate to a level that will allow tax increment levies to be imposed without causing compression of other tax levies. Reimplementation of the tax increment levy could have a substantial effect on PDC's ability to accomplish its housing and redevelopment objectives over the next decade.

Key public discussions will be taking place over the next several months to determine the appropriate tax increment levy amount. Issues under consideration include sharing of taxing capacity with other taxing districts within the City, balancing tax rate with the need for public investment, and establishing priorities for public investment. A reinstitution of tax increment levy at some amount will be necessary for PDC to realize the City's vision of affordable housing, a strong economic base, revitalized neighborhoods, and appropriate employment opportunities for all citizens.

Private Funding. PDC will continue to use its funds to leverage investment capital from banks and other financial institutions. A major resource development priority will be to improve our private lender agreements to allow for increased use of private funds. In addition, PDC intends to pursue extending lending agreements currently used to support housing finance to small business. The Commission will also increase its efforts to market multifamily housing revenue bonds as a way to increase the production of low-income housing in critical areas of need. Financing tools such as credit enhancement and expanded bond programs are also under study for implementation.

Realization of the City's housing and economic development goals is dependent on increased private investment. PDC's success in making greater use of private leverage is critical to meeting these goals.

Federal and Other Grants. As community development block grants fall under greater budget-cutting scrutiny, it is important for the Commission to look to other sources to augment and replace current grant resources. We hope to broaden PDC's federal grant base to include other Housing and Urban Development and Economic Development Agency grants. As control of grant funds shifts from the federal government to the state level, PDC and the City will be required to develop the relationships and influence necessary to secure new and emerging resource from this sector. During the next several years, PDC intends to apply for and secure a broad variety of federal and state funding for housing and economic and workforce development.

REQUIREMENTS

Requirements have been divided between Funded and In Plan and Not Funded and Proposed and are shown on Tables 2 and 3. Table 2 shows the total expenditures necessary to support those activities that the Commission can undertake with identified resources by program and target area. Table 3 shows the financial requirements for activities for which the Commission has not yet identified funding. The resource development efforts referred to

in Key Resource Strategies are currently underway to close this funding gap.

As shown on the Tables, activities that are In Plan and Funded total \$148,028,000 for the five-year period. Activities that are Not Funded and Proposed total \$149,993,000.

The totals by target and program area are indicative of PDC's commitment to focus a substantial portion of its activities and effort in neighborhood areas. As shown, 32% of the resources are intended for allocation to Inner Northeast, Outer Southeast, and Cully-Killingsworth target areas, the neighborhood areas of the City that PDC has identified as most in need of revitalization assistance. These efforts will be augmented by planned expenditures in other areas of the City, including Airport Way and Downtown, intended to create job opportunities to residents of these neighborhood communities.

FUND BALANCE

PDC's budgeted beginning fund balance for FY 1995-96 is approximately \$12.6 million. Table 2 shows that we intend to use a portion of this resource to undertake important programs throughout the projection period. Our current plan shows that the fund balance is projected to be about \$6.3 million in FY 2000. The City's General Fund ending fund balance policy calls for maintenance of an amount equal to 10% of annual fund revenues. Because of the more speculative nature of PDC's revenue sources and expenditures, maintenance of a balance of approximately 20% of annual revenues is an appropriate goal. It is assumed for the purpose of this analysis that PDC's combined ending fund balance will be reduced to an amount approximately equal to 20% of average annual revenues by FY 2000 and maintained at that amount thereafter.

RISKS AND SENSITIVITIES

Fulfillment of PDC's Five-Year Business Plan is dependent on the outcome of certain financial projections that may or may not materialize. Differences between projected and actual results are likely and these differences could be material. Described below is an assessment of the key areas of risk included in the projection of financial resources and requirements and potential consequences of any unexpected shortfall of revenue or increase in expenditure.

- General Fund support for business development, the NE Workforce Center, the business district program is critical. There are no other known resources that could fund these programs at current levels. Achievement of the City's economic development and job creation goals are dependent on continued funding of these and similar programs.
- To fulfill the first phase of the River District plan, the City Council must follow through on its commitment of funds for the projects included in this plan. Alternative financing for these activities has not been identified. This phase of the River District Plan focuses on the creation of affordable housing.
- Under PDC's agreement with the City to contribute \$5.9 million towards the refinancing of the Airport Way Bonds, the City Council committed \$500,000 annually towards the establishment of a business loan fund. In the FY 1995-96, this amount was reduced by the City Council to \$322,000. Continued decreases of these funds will reduce the effect of our loan program on job retention in the City and have a negative impact on our ability to fulfill the City's job creation goals.
- Federal grants comprise nearly half of PDC's annual resources. Reduction of the federal budget could impact allocations under these programs to a greater degree than contemplated in the projections. Reduction of federal grant funds in amounts greater than projected will effect PDC's ability to deliver on the City's housing, jobs, and economic development goals.
- Program income assumptions include estimates for loan repayments that are contingent on the borrower's available cash flow. The loan repayment projections assume that certain loans will be repaid within the projection period. If performance in this area is worse than projected, PDC would be forced to reallocate resources and certain redevelopment and housing projects would be postponed.

- Programs under the Private Lender Participation Agreements have not realized their full potential because of certain structural limitations in the agreements. It assumed for the purposes of this analysis that these limitations will be overcome in new restructured agreements. If this is not possible, private participation in the single and multifamily lending programs will be reduced and performance indicators for housing production will not be reached.
- Programs under the Private Lender Investment Program (PLIP) for home purchase mortgages assume the existence of a secondary market for PLIP loans. This secondary market does not currently exist. Discussions are underway with the FNMA to overcome this program limitation. If these or similar discussions are successful, this program will be implemented and goals for increased home ownership will be met.

PROJECTED REVENUES

TABLE 1

	FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000	TOTAL
Beginning Fund Balances	\$12,637,000	\$14,061,000	\$12,270,000	\$12,297,000	\$11,373,000	
General Fund	2,259,000	4,331,000	3,123,000	3,301,000	4,290,000	17,304,000
Tax Increment	356,000	-	-	-	-	356,000
Federal Grants						
CDBG	\$8,700,000	\$8,961,000	\$8,120,000	\$7,728,000	\$7,375,000	\$40,884,000
HOME	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	9,000,000
EDA	400,000	416,000	433,000	450,000	468,000	2,167,000
Other	1,494,000	1,662,000	495,000	347,000	352,000	4,350,000
Total Federal Grants	\$12,394,000	\$12,839,000	\$10,848,000	\$10,325,000	\$9,995,000	\$56,401,000
Other Grants	624,000	420,000	257,000	268,000	1,086,000	2,655,000
Program Income						
Loan repayments	\$3,715,000	\$2,608,000	\$2,682,000	\$2,442,000	\$1,989,000	\$13,036,000
Contracts	867,000	2,608,000	489,000	595,000	622,000	5,181,000
Asset Sales	548,000	1,355,000	996,000	1,525,000	833,000	5,257,000
Rents	1,621,000	1,473,000	959,000	959,000	959,000	5,971,000
Loan Fees	85,000	100,000	150,000	150,000	150,000	635,000
Other	1,081,000	703,000	613,000	614,000	568,000	\$3,579,000
Total Program Income	\$7,917,000	\$8,447,000	\$5,889,000	\$6,285,000	\$5,121,000	\$33,659,000
Private Funding						
Donations	\$180,000	\$187,000	\$195,000	\$202,000	\$211,000	\$975,000
PLPA	4,117,000	3,320,000	3,193,000	4,223,000	3,778,000	18,631,000
PLIP	-	1,659,000	3,336,000	3,359,000	3,381,000	11,735,000
Total Private Funding	\$4,297,000	\$5,166,000	\$6,724,000	\$7,784,000	\$7,370,000	31,341,000
Current Year Revenues	\$27,847,000	\$31,203,000	\$26,841,000	\$27,963,000	\$27,862,000	\$141,716,000
Total Resources	\$40,484,000	\$45,264,000	\$39,111,000	\$40,260,000	\$39,235,000	

SUMMARY REVENUES AND REQUIREMENTS, FUNDED REQUESTS

TABLE 2

	FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000	TOTAL
Resources						
Beginning Fund Balance	\$12,637,000	\$14,061,000	\$12,270,000	\$12,297,000	\$11,373,000	\$12,638,000
General Fund	2,259,000	4,331,000	3,123,000	3,301,000	4,290,000	17,304,000
Tax increment	356,000	-	-	-	-	356,000
Federal Grants	12,394,000	12,839,000	10,848,000	1,325,000	9,995,000	56,401,000
Other Grants	624,000	420,000	257,000	268,000	1,086,000	2,655,000
Program Income	7,917,000	8,447,000	5,889,000	6,285,000	5,121,000	33,659,000
Private funds	4,297,000	5,166,000	6,724,000	7,784,000	7,370,000	31,341,000
Total Resources	\$40,484,000	\$42,264,000	\$39,111,000	\$40,260,000	\$39,235,000	\$154,353,000
Requirements						
Housing programs	\$4,930,000	\$1,035,000	\$1,210,000	\$420,000	\$1,193,000	\$5,352,000
Business and Workforce Development	2,603,000	1,928,000	1,833,000	2,851,000	2,950,000	12,165,000
Airport Way/Columbia Corridor	817,000	965,000	873,000	695,000	456,000	3,806,000
Central Eastside	955,000	99,000	95,000	72,000	92,000	1,313,000
Cully Killingsworth	1,238,000	1,240,000	1,325,000	1,503,000	1,522,000	6,828,000
Downtown/Old Town	1,494,000	1,035,000	1,210,000	420,000	1,193,000	5,352,000
Inner Northeast	6,639,000	5,317,000	3,172,000	3,652,000	3,702,000	22,482,000
Lloyd District	428,000	121,000	136,000	126,000	52,000	863,000
No. Macadam/Riverplace	1,082,000	1,895,000	1,866,000	3,054,000	4,180,000	12,077,000
Outer South East	3,647,000	3,943,000	2,848,000	3,743,000	3,616,000	17,797,000
River District/Union Station	2,414,000	5,809,000	3,485,000	3,743,000	6,242,000	21,693,000
Transit Areas	176,000	2,187,000	76,000	81,000	-	2,520,000
Total Requirements	\$26,423,000	\$32,994,000	\$26,814,000	\$28,887,000	\$32,910,000	148,028,000
Ending Fund Balance	\$14,061,000	\$12,270,000	\$12,297,000	\$11,373,000	\$6,325,000	\$6,325,000

UNFUNDED COMMUNITY REQUESTS

TABLE 3

	FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000	TOTAL
Requirements						
Housing programs	\$0	\$1,007,000	\$6,391,000	\$7,244,000	\$12,587,000	\$27,229,000
Business and Workforce						
Development	0	1,072,000	1,273,000	1,401,000	1,551,000	5,297,000
Airport Way	0	37,000	562,000	579,000	580,000	1,758,000
Central Eastside	0	2,676,000	4,101,000	3,504,000	3,936,000	14,217,000
Cully Killingsworth	0	275,000	414,000	532,000	535,000	1,756,000
Downtown/Old Town	0	\$4,933,000	\$4,843,000	\$4,783,000	\$4,799,000	\$19,358,000
Inner Northeast	0	5,035,000	6,702,000	6,996,000	6,242,000	24,975,000
Lloyd District	0	1,936,000	1,892,000	1,865,000	453,000	6,146,000
No. Macadam/RiverPlace	0	0	1,286,000	0	1,237,000	2,523,000
Outer South East	0	1,395,000	1,161,000	1,112,000	803,000	4,471,000
River District/Union						
Station	0	5,431,000	15,095,000	15,339,000	3,897,000	39,762,000
Transit Areas	0	290,000	860,000	867,000	234,000	2,251,000
Unfunded Requests	\$0	\$24,087,000	\$44,705,000	\$44,347,000	\$36,854,000	\$149,993,000

Performance Measures for Funded Programs

Jobs	FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000	TOTAL
Number of jobs created/retained	1,031	1,169	836	858	944	4,838
Number of jobs filled through JobNet	800	800	800	800	800	4,000
Number of target area residents placed	344	367	397	436	487	2,031
Housing						
Number of owner occupied units rehabbed	204	245	251	265	240	1,205
Home ownership <ul style="list-style-type: none"> • New or rehabbed units completed • First-time home buyers assisted 	63	50	50	50	50	263
Rental housing units completed (rehabbed & new) <ul style="list-style-type: none"> • No/low income units • Low/mod income units • Market rate income units 	391	343	855	371	319	2,279
Predevelopment activities/projects assisted	18	13	12	12	11	66
Commercial/Industrial Investment						
Number of businesses sited, expanded or retained	33	38	34	34	32	171
Dollars of financial assistance loaned to business (loans/grants, tech. assistance, etc.)	\$1,702,815	\$683,000	\$845,000	\$870,000	\$647,000	\$4,747,815
Number of businesses financially assisted (loans/grants, tech. assistance, etc.)	132	124	35	18	17	326
Number of sites developed or improved	20	16	3	2	1	42
Square feet of commercial space developed/improved	255,500	5,500	55,500	70,500	290,500	677,500
Amount of new private investment (to be updated)	\$26,180,000	\$1,180,000	\$2,500,000	0	\$10,500,000	\$40,360,000

PROGRAM AND TARGET AREA PLANS

What follows are detailed descriptions of the projects and activities we will implement through our programs and in each of our target areas. Also shown are Performance Indicators developed to measure our organizational performance and progress toward our goals and financial summaries for each target area.

First, we will present our program descriptions for Housing and Business and Workforce Development. These programs extend beyond target area boundaries and are offered city or region-wide according to need. Following the program areas are detailed descriptions of how we plan to deliver our customer services into each of our ten target areas. Development activities all occur within our geographic target areas. Program and target areas described are as follows:

- Housing Programs
- Business and Workforce Development
- Airport Way/Columbia Corridor
- Central Eastside
- Cully-Killingsworth
- Downtown
- Inner Northeast
- Lloyd District
- North Macadam/RiverPlace
- Outer Southeast
- River District/Union Station
- Transit Station Areas

Activities planned for the next five years are divided into Funded and In Plan and Not Funded and Proposed. Funded and In Plan Activities are activities for which resources have been committed or for which a reasonable expectation exists for the development of resources necessary to support the activity. Not Funded and Proposed activities are activities which have been requested by our community partners and for which PDC is actively seeking but has not yet identified resources.

HOUSING PROGRAM

Objective

To promote Portland's livability by assuring an adequate supply of housing is developed to meet the existing and future needs of all citizens.

Overview

The Portland Development Commission is the City's lead agency for housing development services and financing. The commission is recognized throughout the metro region as the premier housing development and implementing organization, and is retained by other public agencies and jurisdictions to assist or manage projects that support the *Region 2040 Growth Plan* of encouraging higher density and transit oriented housing development.

Most of the housing development and rehabilitation activities undertaken by the Commission in the last several years, especially those benefiting lower income households, have been financed with federal grant funds channeled through the City's Bureau of Housing and Community Development. Federal funds for affordable housing are expected to diminish steadily over the life of this plan, even as Portland's population grows and the cost of housing escalates.

In 1994 the City Council adopted the Livable City housing goal of adding 50,000 new housing units in the city by the year 2015. In order to meet this goal, the current rate of housing production in the city by both the public and private sector will have to double. To do its part, the Commission must double its own level of support and financing for housing construction and rehabilitation, beginning with the 1996-97 fiscal year.

Facing the prospect of diminishing federal housing funds and the need to mitigate the anticipated problems of rapid growth by developing more affordable housing in city neighborhoods, the Commission's success in delivering adequate financing will rest on its ability to access new, non-federal sources of public financing to leverage private dollars.

To facilitate this resource development effort, PDC has joined with the City's Bureau of Housing and Community Development, Livable City Housing Council and Office of Finance and Administration, other public agencies and the banking sector to explore new resources and partnerships. Also key will be expanding financial participation from private lending institutions through existing and new relationships.

Housing activities listed in this plan are divided into Funded and In Plan and Not Funded and Proposed. Funded and In Plan Activities are activities for which resources have been committed or which are currently available to PDC and are reasonably expected to be available during the period of the plan. For example, federal Community Development Block grant funds are designated as Funded and In Plan, although as of the date of the plan those funds were uncommitted past fiscal year 1995-96. Federal grant funds are assumed to remain at current levels through fiscal year 1996-97 and then to decrease at a rate of 10 % annually.

Housing activities categorized as Not Funded and Proposed were either requested by PDC's community partners or are projected as necessary to double production in furtherance of the Livable City housing goal. As of the date of this plan resources for those activities had not been committed, although efforts were underway to create a local housing trust fund capitalized at a level that would enable PDC to double its housing finance production.

If a local housing trust fund is established, projections and assumptions on PDC's Not Funded and Proposed housing activities will need to be refined. The projections in this plan are intended to provide a only a starting point for such planning.

With whatever level of funding is available, the Commission will continue over the next five years to identify, support and implement housing projects that meet objectives of urban renewal district, neighborhood and other city adopted plans. This includes:

- Working to implement the Consolidated Plan which serves as a blueprint for the allocation of federal resources for housing affordable to low-income residents;
- Working with developers, community development corporations and neighborhoods on mixed-use and mixed-income projects which expand available housing options while adding diversity and vitality to the area in which they are located; and
- Actively supporting implementation of the City's Shelter Reconfiguration Plan and development of new, permanent housing facilities for homeless men, women and mentally ill persons.

Relationship of citywide housing programs to Target Areas.

Following this narrative are tables displaying funded and unfunded housing activities by major program areas (e.g. Rental Housing Loans, Homeownership programs). Housing production goals and projected funding needs are arrayed by PDC target area and are rolled up into citywide totals.

Some PDC housing programs are offered to qualifying households in all neighborhoods of the city. Other programs are offered only in particular neighborhoods or locations. Those projects and programs are broken down under specific target areas.

The target areas were created to allow PDC to focus its services in a geographic area. By PDC's definition, target areas require the integration of two or more Commission services (e.g. affordable housing and storefront loans) which are planned to make a visible and measurable difference within an area. Many of PDC's target areas contain the communities given Target Area Designation (TAD) status by the bureau of housing and community development. PDC target areas also coincide in some cases with local non-profit organizations configured to deliver service to specific communities.

Lines of Business

Housing activities primarily fall into two of PDC's lines of business. Home Owner Repair Loan Programs, and certain aspects of the Home Ownership Program are included in the Neighborhood Revitalization line of business. Rental Housing Development Programs and Housing Development Activities are in the Project Finance and Development line of business.

Funded Projects

Business Line

• Rental Housing Development	Project Finance & Development
• Home Owner Repair Loan Programs	Neighborhood Revitalization
• Home Ownership Program	Neighborhood Revitalization
• Private Lender Investment Program	Neighborhood Revitalization
• Housing Predevelopment	Project Finance & Development
• Financial Partnership Development	Project Finance & Development
• Community-based Alliances	Redevelopment Area Planning
• Regional Housing	Project Finance & Development
• Redevelopment Area Planning	Redevelopment Area Planning

A. FUNDED AND IN PLAN

RENTAL HOUSING DEVELOPMENT

Project Description/Objective: Provide public financing assistance, as a complement to private financing, to private, public and nonprofit housing developers in constructing, or acquiring and/or rehabilitating residential rental properties. Objective is to retain and increase the supply of affordable rental housing in Portland and support neighborhood revitalization by transforming blighted sites.

Expected Outcomes/Activities: Support construction/rehabilitation of 2,458 affordable housing units.

Funding Source: CDBG, HOME, Private, Program Income

HOME OWNER REPAIR LOAN PROGRAMS

Project Description/Objective: Provide public financing assistance to individual low-income home owners allowing them to rehabilitate an existing home at a cost which is affordable based on household income. Objective is to preserve the stock of older affordable homes and support neighborhood revitalization. Programs include Emergency Repair Loans, Neighborhood Improvement Incentives, Home Rehabilitation Loans, Home Rehabilitation/Refinance Loans and LID Subsidies.

Expected Outcomes/Activities: Provide home repair loans to benefit 1,390 Portland home owners.

Funding Source: CDBG, Private

HOME OWNERSHIP PROGRAM

Project Description/Objective: Provide acquisition and new construction/rehabilitation financing to low income housing developers and provide low interest amortizing loans to first-time home buyers at or below 80% of area median income. These loans will cover the cost of acquisition and repair or new construction in targeted neighborhoods to promote home ownership opportunities and neighborhood revitalization.

Expected Outcomes/Activities: Provide home ownership opportunities to up to 13 first-time home buyers. This program is dependent on the outcome of the Bureau of Housing and Community Development's Homebuyer Pilot Project RFP. The Expected Outcomes will change once PDC's role in the project is defined. **This program is considered funded for FY1995-96 only.**

Funding Source: CDBG, Private

PRIVATE LENDER INVESTMENT PROGRAM (PLIP)

Project Description/Objective: Execute agreements with private lenders whereby PDC will originate and provide services to finance home purchases by first-time home buyers whose incomes are at or below 80% of area median income.

Expected Outcomes/Activities: When the necessary agreements are in place, assist in providing home ownership opportunities for up to 400 first-time home buyers.

Funding Source: Private

HOUSING PREDEVELOPMENT

Project Description/Objective: Identify and support development of difficult or unique housing development opportunities by acquiring property, developing strategies, performing and financing predevelopment activities, and selecting public, private or nonprofit developers to complete projects.

Expected Outcomes/Activities: Maintain current inventory and knowledge of regulatory and financing information. Respond to general inquiries and provide appropriate referral/assistance.

Funding Source: CDBG, General Fund

FINANCIAL PARTNERSHIP DEVELOPMENT

Project Description/Objective: Maintain and expand funding partnerships with local lending institutions that reduce the share of public funds invested in affordable housing projects.

Expected Outcomes/Activities: Develop strategies for funding partnerships and seek agreements with local lending institutions.

Funding Source: CDBG, General Fund

COMMUNITY BASED ALLIANCES

Project Description/Objective: Maintain and create alliances with community based organizations. Participate in the initial formulation of plans, identification of resources, development of strategies and implementation of existing plans.

Expected Outcomes/Activities: Support/complete plan action items and other activities. Conduct/attend meetings with community based organizations.

Funding Source: CDBG, General Fund

REGIONAL HOUSING

Project Description/Objective: Contract with jurisdictions throughout the region to provide development services. Promote opportunities and support projects to increase higher density housing development, such as projects near transit centers. Identify opportunities to assist other jurisdictions in the development of affordable housing that supports community economic growth and regional housing production goals.

Expected Outcomes/Activities: Respond to requests from other jurisdictions for PDC staff services.

Funding Source: General Fund, Contracts

REDEVELOPMENT AREA PLANNING

Project Description/Objective: Initiate community driven redevelopment area planning in neighborhoods outside the Central City. Create and support opportunities for joint development partnerships that support community plans, the Livable City Housing Initiative and the Consolidated Plan.

Expected Outcomes/Activities: Respond to requests for plan development. Identify and support one housing project each year.

Funding Source: CDBG, General Fund

B. NOT FUNDED AND PROPOSED

PDC is committed to performing its share of the activity necessary to help the City meet its long-term housing production goals. Current work in resource development is underway to enable the Commission to fund projects currently Not Funded and Proposed. Potential resources include the proposed local housing trust fund, tax increment financing, and private sector investment.

PDC is also prepared to assist in the implementation of the Shelter Reconfiguration Plan by moving forward on the development of the permanent Men's Transitional Housing Facility. As of the date of this plan, City Council had made good progress on a funding source for this critical project.

SHELTER RECONFIGURATION

Project Description/Objective: Implement elements of the City Council-adopted Shelter Reconfiguration Plan including: siting of a Women's Transitional Housing Facility, siting and development of a Men's Transitional Housing Facility, and use of PDC property as a temporary site for a Men's Emergency Housing shelter.

Expected Outcomes/Activities: Acquisition of property for women's and men's permanent facilities; production of development plan, project budget and housing model for men's facility.

RESOURCE DEVELOPMENT / PROJECT ADVOCACY

Project Description/Objective: Identify, research and seek alternative public and private resources with fewer restrictions to augment restrictive federal funds, and increase the total amount of resources available to meet the objectives of the Consolidated Plan and Livable City Housing Initiative. Coordinate PDC funding process with those of other funding partners to expedite projects and reduce development costs.

Expected Outcomes/Activities: Identify opportunities.

MULTI-FAMILY HOUSING PROGRAMS

Project Description/Objective: Several projects are defined in specific Target Areas which expand the Multi-family Housing Program to achieve the City's long-term housing goals.

Expected Outcomes/Activities: Support construction/rehabilitation of low, moderate and mixed-income housing units in Target Areas. Provide assistance to organizations in acquiring sites for housing development.

Performance Measures for Funded Programs

Housing	FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000	TOTAL
Number of completed owner occupied units rehabbed	275	320	290	265	240	1,390
Home ownership	63	50	50	50	50	263
• New or rehabbed units completed						
• First-time home buyers assisted						
Rental housing units completed (rehabbed & new)	396	701	855	371	451	2,774
• No/low income units						
• Low/mod income units						
• Market rate income units						
• Predevelopment activities/projects assisted	18	13	12	12	11	66

Note: The units shown in Units by Target Area differ from the units shown as Performance Measures. The Units by Target Area table indicates loans initiated in the projection period and the Performance Measures table indicates units completed during the projection period.

TOTAL FUNDED AND IN PLAN REQUIREMENTS BY TARGET AREA

TABLE 4

	FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000	TOTAL
Central Eastside	\$0	\$0	\$0	\$0	\$0	\$0
Cully Killingsworth	1,238,000	1,240,000	1,325,000	1,503,000	1,522,000	6,828,000
Downtown/Old Town	968,000	554,000	786,000	24,000	24,000	2,356,000
Inner Northeast	2,991,000	2,798,000	2,310,000	2,611,000	2,621,000	13,331,000
Lloyd District	57,000	0	0	0	0	57,000
Outer South East	3,120,000	3,558,000	2,259,000	3,107,000	3,147,000	15,191,000
No. Macadam/Riverplace	0	0	0	0	0	0
River District/Union Station	1,155,000	1,780,000	588,000	585,000	588,000	4,696,000
Transit Areas	55,000	2,187,000	20,000	17,000	0	2,279,000
Other City-wide housing	4,930,000	8,455,000	9,895,000	8,947,000	8,905	41,132,000
Total In Plan and Funded	\$14,514,000	\$20,572,000	\$17,183,000	\$16,794,000	\$16,807,000	85,870,000
Total Not Funded and Proposed	771,000	\$6,290,000	\$16,547,000	\$20,529,000	\$21,189,000	65,326,000

Units by Target Area (Funded and In Plan)

Central Eastside	-	-	-	-	-	-
Cully Killingsworth	71	85	85	83	58	382
Downtown/Old Town	150	100	130	-	-	380
Inner Northeast	159	185	143	159	159	805
Lloyd District	30	-	-	-	-	30
No. Macadam/Riverplace	174	228	114	124	124	764
Outer South East	-	-	-	-	-	-
River District/Union Station	100	208	300	100	100	808
Transit Areas	-	-	150	-	100	250
Other City-wide housing	229	308	440	250	230	1,457
Total	913	1,114	1,362	716	771	4,876

Note: The units shown in Units by Target Area differ from the units shown as Performance Measures. The Units by Target Area table indicates loans initiated in the projection period and the Performance Measures table indicates units completed during the projection period.

BUSINESS AND WORKFORCE DEVELOPMENT PROGRAM

Objective

To create job opportunities, an increased tax base and economic stability by growing existing businesses and attracting new businesses, and to ensure that local residents, particularly unemployed and low-income persons, benefit from business growth by providing workforce placement, educating and training services.

Overview

The Business and Workforce Development Program works directly with businesses to assist in their retention and expansion and to support their efforts to create new jobs. The program also develops workforce strategies within the City's target industries to ensure that local residents have the necessary skills and capabilities to take advantage of these new employment opportunities. Additionally, the program supports emerging businesses in Northeast and Outer Southeast Portland which provide business ownership potential and supports the revitalization efforts of neighborhood business districts.

Proactive strategies in Business & Workforce development focus on target industries. The goals of these strategies are to increase the competitiveness of firms within target industries and to support the workforce and training needs of these firms.

To pursue the target industry strategy and ensure that existing small businesses benefit from this approach, and additional neighborhoods have comprehensive workforce strategies in place, the Commission has identified a variety of activities that will require increased effort during the next five years. These are:

- Expanding the capacity to serve small businesses;
- Increasing support for business districts;
- Extending workforce development efforts to other areas of the city, with particular emphasis on Outer Southeast;
- Identifying and accessing new resources to strengthen the target industry development program.

Business and Workforce Development activities are designed and carried out in cooperation with numerous community partners, including other city bureaus, neighborhood business districts, metro area local governments, other economic development agencies and the private sector. Key partners in the target industry effort are industry associations, the Oregon Employment Department, the Multnomah/Washington Counties Regional Strategies Board and the Regional Workforce Quality Committee, other economic development agencies, the Oregon Economic Development Dept., the Private Industry Council and the private sector.

Business and Workforce Development activities are arrayed among several lines of business. Business and policy development activities are focused in the business retention, expansion, and recruitment line of business; targeted industry development, JobNet, and Strategic Investment Program First Source Agreements are in the Workforce Development line of business; and community workforce development and business finance are in the neighborhood revitalization line of business.

Funded Projects

- | | |
|---------------------------------------|---|
| • City Business Development | Business Retention, Expansion & Recruitment |
| • Policy Planning and Research | Business Retention, Expansion & Recruitment |
| • Business Finance | Neighborhood Revitalization and Business Retention, Expansion & Recruitment |
| • Regional Business Development | Business Retention, Expansion & Recruitment |
| • Targeted Industry Development | Business Retention, Expansion & Recruitment and Workforce Development |

Business Line

- JobNet..... Workforce Development
- Strategic Investment Program First Source Agreements Workforce Development
- Community Workforce Agreement Workforce Development

A. FUNDED AND IN PLAN

CITY BUSINESS DEVELOPMENT

Project Description/Objective: Provide direct assistance and support to Portland companies to retain and expand their operations in the city. Provide site selection assistance to firms who want to locate new businesses in the city. Two geographical focus areas for business recruitment are Airport Way and Central City. Utilize Enterprise Zone program to assist in retention and recruitment efforts. Expand program to support the growth of small business and physical improvements in neighborhood business districts. Promote the implementation of projects described in the MLK Blvd. Development Opportunity Strategy.

Expected Outcomes/Activities	FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000
New jobs created	325	450	500	525	500
Existing jobs retained	200	200	250	250	250
Business sited, retained, expanded	17	21	25	25	25
New private investment	\$16.25 mil.	\$22.5 mil.	\$25.0 mil.	\$26.25 mil.	\$25.0 mil.

Funding Source: General Fund, Fund Balance

POLICY, PLANNING AND RESEARCH

Project Description/Objective: Support and monitor the implementation of Prosperous Portland for the City. Continue to monitor, analyze and comment on policy issues affecting Portland's business climate and participate in city efforts to address those business climate issues. Represent city and regional interests in the Region 2040 process. Respond to business inquiries and requests for specific information in order to help facilitate the recruitment process. Provide information to various departments and bureaus to assist in policy formation. Participate in development and implementation of the city's international strategy. Assist community based organizations to develop an economic strategy for Northeast and Southeast neighborhoods.

Expected Outcomes/Activities	FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000
Public Policies positively affected	6	6	6	6	6
Strategies Developed	4	3	3	3	3

Funding Source: Community Development Block Grant (CDBG), General Fund

BUSINESS FINANCE

Project Description/Objective: Provide loans to Portland businesses to retain and create new employment opportunities and expand the city's economic base. Three programs carry out these activities: Business Development Loan Fund - loan proceeds may be used for land acquisition, building, machinery, equipment and working capital; Real Estate Development Loan Fund - loan proceeds may be used for on or off site public improvements, land acquisition, building, land clearance, and environmental evaluation; Targeted Investment Program - loan proceeds may be used for site development, relocation of business assets, real estate and equipment, and employee training costs. Assist property and business owners in rehabilitating the exterior facades of their properties, and to revitalize and enhance the livability of neighborhood commercial areas. Provide technical assistance to N/NE businesses in the form of professional services that facilitate loan origination and support the viability of funded businesses. In the N/NE area, businesses within the Enterprise Zone may apply for grants for management education and loans for business assets, real estate and equipment.

Expected Outcomes/Activities	FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000
New jobs created	138	80	80	95	60
Existing jobs retained	n/a	n/a	n/a	n/a	n/a
Business sited, retained, expanded	6	7	8	8	6
Businesses assisted	95	21	5	2	2
New investment	\$2,450,000	\$3,600,000	\$4,075,000	\$4,635,000	\$2,970,000

Funding Source: Federal Grants, General Fund

REGIONAL BUSINESS DEVELOPMENT

Project Description/Objective: Actively encourage and support new investment in manufacturing and other basic industries that create job opportunities for residents and expands the economic base for all communities. Responsibilities include prospect point-of-contact and coordination of regional new business and expansion inquiries, prospect generation, marketing and civic promotion, research and planning; with the contractual/financial support of strategic partners, including the City of Portland, metro-area counties, cities and the business community through the Ambassador Program. Additionally: link prospects to JobNet, concentrate outreach to regionally targeted industries, broaden stakeholder and non-public resources in regional program, and continue to staff and strengthen an expanded Ambassador Program.

Expected Outcomes/Activities	FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000
New jobs created	300	300	200	200	200
Existing jobs retained	0	0	100	100	100
Business sited, retained, expanded	10	10	15	15	15
New private investment	\$100 mil	\$100 mil	\$100 mil	\$100 mil	\$100 mil

Funding Source: General Fund, Contracts, Private

TARGETED INDUSTRY DEVELOPMENT

Project Description/Objective: Administer Regional Strategies Program for Washington and Multnomah Counties. Work with industry groups and the Regional Strategies Board on focused business development strategies. Identify and implement workforce development strategies that support target industries development needs. Integrate city, regional, and state target/key industry efforts where possible. Specific examples of activities include the development of a semiconductor workforce implementation strategy, a metals industry workforce program, and targeted industries school-to-work activities. Establish an Emissions Trading Consortium (ETC) for the purpose of accumulation of industrial air emissions credits and optioning and/or purchase of credits for new or expanding industrial operations. Develop and execute a Regional Marketing Project which would be a multi-year strategic business recruitment and expansion marketing effort focusing on metals, high-tech and biotech industries.

Expected Outcomes/Activities: Assess needs, plan and oversee implementation of 2-3 industry workforce strategies per year including linking specific industry strategies with schools and youth work experience/apprenticeship programs. Purchase, optioning, or trading of credits by the ETC or a new or expanding industrial operation - an increase in local job opportunities directly associated with an emissions transaction. Formulate a marketing campaign, ratified by the Regional Strategies Board and execute a marketing plan.

Funding Source: CDBG, Other Grants, General Fund

JOBNET

Project Description/Objective: Provide screening and placement services that connect residents, especially unemployed, underemployed, and low income residents, to jobs created through city, regional and state economic development efforts.

Expected Outcomes/Activities: Place 800 residents; 70% low income and 80% low/moderate income. Execute ten First Source Agreements annually.

Funding Source: CDBG

STRATEGIC INVESTMENT PROGRAM FIRST SOURCE AGREEMENTS

Project Description/Objective: Provide JobNet services to Washington and Multnomah Counties for companies participating in the Strategic Investment Program (SIP). Provide counties with hiring compliance services, including monitoring and tracking functions, for companies receiving an SIP exemption. Monitor and track hiring for two companies in Washington County and two in Multnomah County beginning in FY1995-96 for 15 years.

Expected Outcomes/Activities: 50% of orders for covered positions filled with metropolitan area residents.

Funding Source: Contracts

COMMUNITY WORKFORCE DEVELOPMENT

Project Description/Objective: Identify and implement community workforce development activities that support overall community and neighborhood plans in target communities (Inner N/NE, Outer SE). Coordinate workforce activities with other governments, resource organizations, and service providers. This effort includes specific activities such as the N.E. Workforce Center and the N.E. Target Area Neighborhood Project, and the Outer Southeast Neighborhood Project. (Please see individual Target Area Plan's for community/neighborhood specific information)

Expected Outcomes/Activities: Complete strategic plans for Northeast and Outer Southeast. Submit Quality Jobs Initiative for action to City Council.

Funding Source: CDBG, General Fund, Federal Grants

B. NOT FUNDED AND PROPOSED

The community requests included in this section would contribute to delivering on the City's goals for job creation and economic development. Strategies under consideration to provide funding for these activities include additional and new state and federal grants, tax increment, and additional General Fund requests.

SMALL BUSINESS DEVELOPMENT ASSISTANCE

Project Description/Objective: Provide direct assistance to small business in the city in order to create jobs and raise per capita income and increase wealth in the community by expanding business ownership opportunities. Work directly with small businesses in target industry clusters to expand their capabilities through the provision of technical and financial assistance. Develop new initiatives and link companies with quality initiatives and manufacturing technology programs. Additionally, support the continued growth of business districts by providing support to the Alliance of Portland Neighborhood Business Districts and individual businesses in those districts. Add one FTE to carry out this effort.

Expected Outcomes/Activities	FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000
New jobs created		100	100	100	100
Existing jobs retained		50	50	50	50
Business sited, retained, expanded		6	6	6	6
New investment		\$7.5 mil.	\$7.5 mil.	\$7.5 mil.	\$7.5 mil.

TARGETED INDUSTRIES DEVELOPMENT

Project Description/Objective: Identify and implement industry development strategies that contribute to target industries whose growth will support both business and workforce development objectives including, but not limited to: infrastructure needs; supplier networks and support services. Administering Regional Strategies Program for Washington and Multnomah Counties. Plan, develop and implement projects which support the growth of targeted industries in the region and the city. Work with industry groups and the Regional Strategies Board on focused business development strategies.

Identify and implement workforce development strategies that support target industries development needs. Integration of city, regional, and state target/key industry efforts where possible. Complete workforce analyses of target industries not currently funded such as Health Technologies, Biotechnology, and Information Occupations.

CENTRAL CITY SCIENCE AND TECHNOLOGY CENTER

Project Description/Objective: Provide pre-development feasibility assessment of science and technology center located in Central City (FY 97) followed by public assistance for private developers of the center (FY98 and to FY as necessary). Center provides a location for targeted technology industries identified in *Prosperous Portland* to create new jobs by locating or expanding in the Central City. A particular focus on space to serve start-up companies based on technologies developed in Central City institutions and expansion of start-up companies.

Partners are likely to include PSU, OHSU, APP, target industry trade associations, Central City 2000 Task Force, private developers, the U.S. government and City Bureaus of Planning, Transportation, Environmental Services, Energy. National technology center expertise will be utilized in the consulting phase of determining center feasibility.

Expected Outcomes/Activities	FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000
New jobs created	0	0	50	75	100
Existing jobs retained	0	0	20	25	30
Business sited, retained, expanded	0	0	3	4	5
New investment	0	0	\$2,500,000	\$3,750,000	\$5,000,000

SMALL BUSINESS ASSISTANCE FUND

Project Description/Objective: Provide participating loans to Portland small business to retain and create new employment opportunities, expand the City's economic base, and create business ownership and wealth in target neighborhoods. Loan proceeds may be used for land acquisition, building, machinery, equipment and working capital. Eligible projects will usually involve conventional bank loans, or other funds, and owner equity, where PDC funds are applied to the amount(s) needed for implementation. This fund will be available in specified areas of the City including the Northeast and Outer Southeast target areas.

Expected Outcomes/Activities	FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000
New jobs created		50	58	70	80
Existing jobs retained		33	39	46	53
Business sited, retained, expanded		22	26	31	36
New investment		\$1,249,500	\$1,456,500	\$1,738,500	\$1,999,500

SUSTAINABLE LOAN FUND

Project Description/Objective: Loan program to assist existing small businesses to become more sustainable in their business operations. The focus of this program is improving technology and enhancing competitiveness. This means using recycled or non-toxic materials, reducing the amount of resources used in the production process and other sustainable practices. Purpose of the fund is to assist firms to increase their competitiveness by decreasing their use of natural resources, reducing pollution and reducing production costs.

The public dollars would leverage substantial capital investments by the companies. We estimate \$6 million in investment by the firms.

Expected Outcomes/Activities	FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000
New jobs created		24	28	32	37
Existing jobs retained		23	27	31	36
Business sited, retained, expanded		12	14	16	19
New investment		\$2.35 mil	\$2.75	\$3.15	\$3.65

Note: The detail for the following unfunded programs can be found in the Target Area sections:

- Community Workforce Development for Inner Northeast and Outer Southeast
- Target Area Business Development for Airport Way, Downtown, Central Eastside and Northeast
- Small Business Partnership Fund for Northeast
- Targeted Development Opportunity Strategy for Northeast and Outer Southeast
- Storefront Improvement Loan Program in Northeast and Central Eastside

Summary of Program Area Requirements**(Includes target areas)**

	FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000	TOTAL
Total Requirements	\$7,156,000	\$4,649,000	\$4,609,000	\$5,661,000	\$5,523,000	\$27,597,000
Unfunded Requirements	\$0	\$1,771,000	\$1,953,000	\$2,103,000	\$2,281,000	\$8,108,000

Performance Measures for Funded Programs

Jobs	FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000	TOTAL
Number of jobs created/retained	1,031	1,169	836	858	944	4,838
Number of jobs filled through JobNet	800	800	800	800	800	4,000
Number of target area residents placed	344	367	397	436	487	2,031
Number of businesses sited, expanded or retained	33	38	34	34	32	171

AIRPORT WAY/COLUMBIA CORRIDOR

Objective

Facilitate development of the Columbia Corridor as a major employment center with a diverse economy by attracting and retaining businesses and by supporting development of infrastructure and protection of natural and cultural resources. Jobs are targeted to residents of economically disadvantaged communities.

Overview

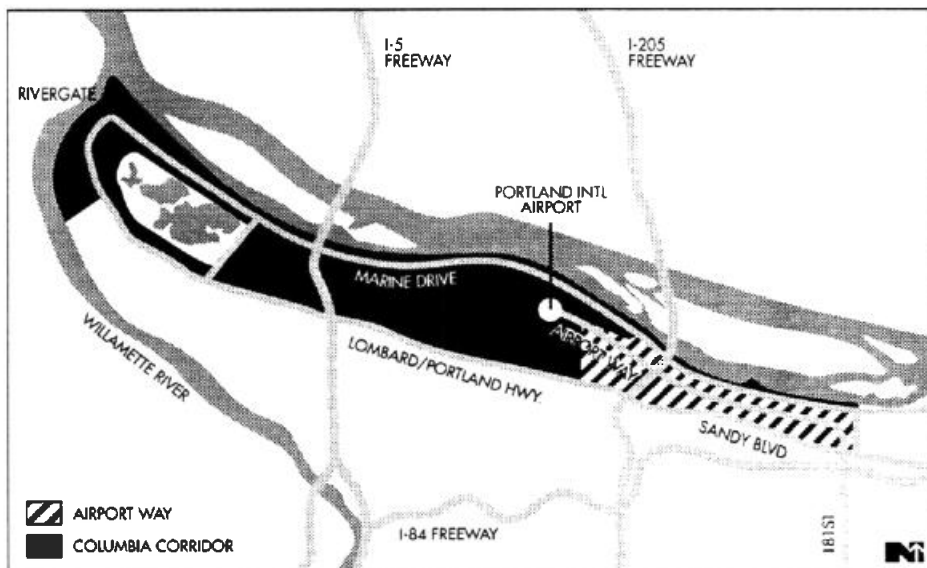
Completion of significant segments of Airport Way/ Columbia Corridor's business support infrastructure has

resulted in major employment development. However, ongoing barriers to business development in specific areas/sites require continued infrastructure or marketing assistance. Columbia Slough clean-up, 40 Mile Loop Trail development and other environmental restoration and recreational projects that enhance attraction of the area to quality businesses and protect natural resources require continued public investment. Industrial "brownfield" sites may require redevelopment strategies and assistance.

Future business development targets include expansion of existing Portland target industry businesses and national/international business facilities recruited to the Portland area. PDC will continue its critical support of business developments that (1) offer quality jobs to Portland residents.....jobs which lead to economic self-sufficiency; and (2)employ relatively high numbers of people per unit space. Partnerships will be continued or developed which link jobs in the Corridor to unemployed and underemployed residents of the City, particularly the Inner N/NE and Outer SE Target Areas. Job linkages include the recruitment, training and support of residents for job openings and the development of transportation systems that facilitate job access.

PDC will continue its role as advocate, facilitator and developer in partnership with the Columbia Corridor Association, developers, realtors, workforce providers, target industry associations and employers to achieve the City's vision of high employment development and natural resource protection.

Activities in Airport Way are primarily focused in the business retention, expansion and recruitment lines of business. Columbia Slough Trail Development is being accomplished under PDC's project finance and development line of business.



Funded Projects

• Business Development	Business Retention, Expansion & Recruitment
• Business Development Loans	Business Retention, Expansion & Recruitment
• Columbia Slough Trail Development	Project Finance & Development
• Airport Way/Columbia Corridor Business Climate	Business Retention, Expansion & Recruitment
• Airport Way/Columbia Corridor Resource Development	Business Retention, Expansion & Recruitment
• Predevelopment Assistance	Business Retention, Expansion & Recruitment

Business Line

A. FUNDED AND IN PLAN

BUSINESS DEVELOPMENT

Project Description/Objective: Encourage businesses, especially targeted industries identified in Prosperous Portland, to locate or expand in the target area through:

Business recruitment and retention (including an AW/CC marketing effort FY1995-96 through FY1997-98.)

(Related projects with same Expected Outcomes: Encourage businesses, especially targeted industries identified in Prosperous Portland, to locate or expand in the target area through: Business Development Loans)

NOTE: This activity is unfunded after FY1996-97 - See unfunded sheet for city business development.

Expected Outcomes/Activities	FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000
New Jobs Created	100	200	0	0	0
Existing Jobs Retained	50	50	0	0	0
New Investment					
Business Sited, Retained or Expanded	6	10			

Funding Source: FY1996-97: Tax Increment Balances; Unfunded in FY1997-98 through FY1999-2000

BUSINESS DEVELOPMENT LOANS

Project Description/Objective: Encourage businesses, especially targeted industries identified in Prosperous Portland, to locate or expand in the target area through: Business Development Loans

Expected Outcomes/Activities	FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000
New Jobs Created	27	42	49	56	34
Existing Jobs Retained	0	0	0	0	0
New Investment					
Businesses Sited, Retained or Expanded	2	3	3	3	2

Funding Source: General Fund, Program Income, Federal Grants

COLUMBIA SLOUGH TRAIL DEVELOPMENT

Project Description/Objective: Facilitate construction of the Columbia Slough Trail; includes landscaping and signage work.

Expected Outcomes/Activities	FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000
Lineal Feet of Trail Completed	6,000	4,000	4,000	0	0

Funding Source: Tax Increment Balances

AW/CC BUSINESS CLIMATE

Project Description/Objective: Encourage businesses, especially targeted industries identified in Prosperous Portland, to locate or expand in the target area through policy advocacy that enhances the business climate attractiveness of the AW/CC area.

NOTE: This activity is unfunded after FY96-97 - See unfunded sheet for AWCC business climate.

Expected Outcomes/Activities	FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000
Public Policies Positively Affected	3	3			

Funding Source: Tax Increment Balances. Unfunded in FY1997-98 through FY1999-2000

AW/CC RESOURCE DEVELOPMENT

Project Description/Objective: Successfully develop additional resources to enhance the public policy objectives for the AW/CC Target Area which may be utilized by PDC or other organizations implementing public policy. Additional resources include tax increment or other City financial resources, private nonprofit sources, other governmental resources, etc.

NOTE: This activity is unfunded after FY96-97 - See unfunded sheet for AWCC resource development.

Expected Outcomes/Activities	FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000
New Target Area Resources Generated	\$50,000	\$50,000	0	0	0

Funding Source: Tax Increment Balances. Unfunded in FY1997-98 through FY1999-2000

PREDEVELOPMENT ASSISTANCE

Project Description/Objective: Provide pre-development technical assistance to developers which facilitates their investment in commercial building projects in AW/CC and which meet public policy objectives.

Expected Outcomes/Activities	FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000
New Development Projects	0	3	3	3	3

Funding Source: Tax Increment Balances.

B. NOT FUNDED AND PROPOSED

Business Retention, expansion, and recruitment activities in Airport Way are currently funded by a combination of General Fund, EDA, and tax increment bond resources. As the remaining balances from the tax increment bond are spent, PDC's funding for these activities will diminish. We are considering additional funding for Not funded and Proposed activities through private support, increased General Fund support, and potential reintroduction of a tax increment levy.

BUSINESS DEVELOPMENT

Project Description/Objective: Encourage businesses, especially targeted industries identified in Prosperous Portland, to locate or expand in the target area through:

Business recruitment and retention (including an AW/CC marketing effort FY1995-96 through FY1997-98.)

(Related projects with same Expected Outcomes: Encourage businesses, especially targeted industries identified in Prosperous Portland, to locate or expand in the target area through: Business Development Loans)

NOTE: This activity is unfunded after FY96-97.

Expected Outcomes/Activities	FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000
New Jobs Created	0	0	250	250	250
Existing Jobs Retained	0	0	100	100	100
New Investment					
Business Sited, Retained or Expanded	0	0	14	14	14

INDUSTRIAL/COMMERCIAL PROPERTY REDEVELOPMENT

Project Description/Objective: Encourage businesses, especially targeted industries identified in Prosperous Portland, to locate or expand in the target area by providing competitive sites for business locations on property previously developed for other purposes.

Initial project work is an inventory of sites which have redevelopment potential and which may require public assistance to facilitate redevelopment; this is to be completed by FY1996-97 at the latest; the work should commence as soon as resources are available.

Following this inventory and procurement of required resources, public assistance with assembly, site preparation, infrastructure preparation or other activities required to facilitate redevelopment occurs in FY1997-98 through FY 1999-2000.

Expected Outcomes/Activities	FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000
New Jobs Created			100	100	100
Existing Jobs Retained			50	50	50
Businesses Sited, Retained, or Expanded			4	4	4
Acres Identified for Redev	0	40	0	0	0
Acres Redeveloped	0	0	8	8	8

Summary of Program Area Requirements

	FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000	TOTAL
Total Requirements	\$817,000	\$965,000	\$873,000	\$695,000	\$456,000	\$3,806,000
Unfunded Requirements	\$0	\$37,000	\$562,000	\$579,000	\$580,000	\$1,758,000

Performance Measures for Funded Programs

Jobs	FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000	TOTAL
Number of jobs created/retained	177	292	49	56	34	608
Commercial/Industrial Investment						
Number of businesses sited, expanded or retained	8	13	3	3	2	29
Dollars of financial assistance loaned to business (loans/grants, tech. assistance, etc.)	\$327,000	\$483,000	\$545,000	\$620,000	\$397,000	\$2,372,000
Number of businesses financially assisted (loans/grants, tech. assistance, etc.)	2	3	3	3	2	13

CENTRAL EASTSIDE

Objective

To support neighborhood, business and property owner goals of maintaining the vitality and facilitating the continued growth of the Central Eastside as a major employment center.

Overview

The Central Eastside District continues its evolution as one of the City's most important employment centers. This area continues to attract specialty manufacturers, as well as business and industrial service and supply distributors serving markets throughout the Northwest. PDC will work to increase employment and private investment in the district.

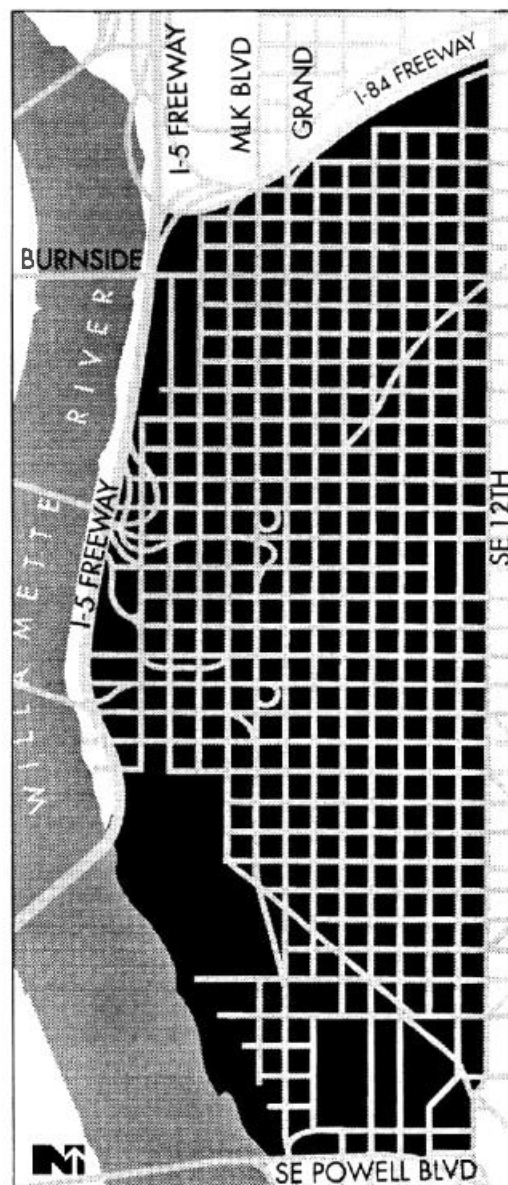
Constructing the Eastbank Park will provide pedestrian areas and access to the riverfront for Eastside neighborhoods, Convention Center, OMSI and downtown over three bridges.

Activities in the Central Eastside are focused in the redevelopment area planning and business retention, expansion, and recruitment lines of business. The outcome of certain business expansion and relocation efforts often result in project development as well. The Eastbank Park development will be a major effort under our project development and finance line of business.

Funded Projects

- | | |
|---|---|
| • Central Eastside
Redevelopment | Project Finance & Development
and Business Retention,
Expansion & Recruitment |
| • Water Avenue Phase II
Local Improvement District | Redevelopment Area Planning |
| • Eastbank Riverfront Park
Planning | Redevelopment Area Planning |
| • Central Eastside Project
Management | Redevelopment Area Planning |
| • PGE/KPTV Redevelopment
Expansion & Recruitment | Project Finance & Development
and Business Retention,
Expansion & Recruitment |

Business Line



A. FUNDED AND IN PLAN

CES REDEVELOPMENT

Project Description/Objective: Complete redevelopment for a four block site (Blocks 86, 87, 88, 89) and assemble and develop two additional sites. Acquire and clear vacant or underutilized industrial and commercial property for the expansion of local Portland businesses in the Central Eastside.

Expected Outcomes/Activities: 80 jobs recruited or retained; 2 businesses expanded/relocated; 2 completed redeveloped sites; 24 jobs filled through JobNet. Complete acquisition of Blocks 87 and 86, including relocation of existing tenants, possible extension of litigation and property maintenance. Conduct property survey, identify sites and secure legal authority to acquire under Urban Renewal Plan.

Funding Source: Land Sale Proceeds, Tax Increment.

WATER AVENUE PHASE II LOCAL IMPROVEMENT DISTRICT (LID)

Project Description/Objective: Develop plan and secure funding for extension of Water Avenue from OMSI to Division Place; project to serve OMSI, Portland Comm. College, KPTV Headquarters and PGE development.

Expected Outcomes/Activities: Construction start for project during FY1995-96. Assist Bureau of Transportation and Auditors Office with coordination of public-private financing and construction program. Possible assistance with property acquisition and relocation for right-of-way.

Funding Source: LID, Regional Arterial Streets Fund

EASTBANK RIVERFRONT PARK PLANNING

Project Description/Objective: Completion of first phase of Master Plan implementation. Construct physical linkages to Convention Center Area and Oaks Park. Complete shoreline stabilization and landscaping.

Expected Outcomes/Activities: 10,000 sq. ft. of public open space created/enhanced. Assist Parks Bureau with administration of design and construction of bicycle and pedestrian improvements and landscaping. FY1996-97: Exercise option to purchase OMSI Crescent Area property, pay state land claim, relocate OMSI building, upgrade riverbank area. FY1997-98: Design and construct shoreline improvements between Hawthorn and Morrison Bridge. FY1998-99: Continue Hawthorn to Morrison construction. FY1999-2000: Design and construct Morrison to Burnside Bridge shoreline improvements.

Funding Source: Tax Increment, Federal Transportation Funds, City General Fund. Planning and staffing funded through FY2000. Unfunded capital FY1997-2000.

CES PROJECT MANAGEMENT

Project Description/Objective: Funding for participation in CEIC Board and committee meetings; brief neighborhood associations on plans. Liaison work with Community partners and businesses. 1) Assist local businesses with job creation and retention through the provision of regulatory and development assistance. 2) Assist the Central Eastside Industrial Council (CEIC) to target industries for recruitment and subsequently develop appropriate marketing tools to assist in that effort. 3) Assist CEIC with property inventory data base, target industry plan and business incubator feasibility study. 4) Assist CEIC with analysis of innovative ways to increase employment density and provide for business expansion by changing the transportation infrastructure within the CES district. 5) In cooperation with the Central Eastside Industrial Council, revitalize and promote the East Portland Grand Avenue Historic District. 6) Work with companies to determine their workforce training and education needs and incorporate those efforts with the planned Central Workforce Development Center.

Expected Outcomes/Activities: Complete joint PDC/PDOT/CEIC study of the feasibility of utilizing street vacations to expand available developable land within the industrial sanctuary. FY1997-98: Complete financial feasibility analysis of developing structured parking within the CES district.

Update Industrial Property Inventory prepare target industry plan for recruitment and retention and prepare marketing plan. FY1998-99: Identify a successful formula and potential locations for a business incubator for the Central Eastside.

Develop a walking tour brochure consistent with the City's other historic district brochures; in conjunction with the Portland Planning Bureau, publish the design and development guidelines for the historic district.

Participate regularly in scheduled Board meetings; maintain regular contact with key partners.

Complete feasibility study of public parking facility to serve CES visitors and businesses.

Funding Source: Program Income

PGE/KPTV REDEVELOPMENT

Project Description/Objective: Relocate KPTV headquarters & production facilities.

Expected Outcomes/Activities: Completion of construction of KPTV facilities during FY1995-96. Coordinating all pre-development activity related to extension of Water Avenue, Caruthers & Division Streets land entitlements for 10 acre PGE property.

Funding Source: Program Income

B. NOT FUNDED AND PROPOSED

Construction of the Eastbank Park is critical to realization of the full value of the City's waterfront asset. It is unlikely that this project could be fully implemented without substantial support from future tax increment proceeds. PDC also believes that the development of multi-family housing is an appropriate mixed use of certain commercial and industrial facilities. In addition, Central Eastside merchants would like to see the street and sidewalk improvements extended further down from the Convention Center to improve the potential for commercial success on Burnside, MLK Boulevard, and Grand Avenue.

CONSTRUCT EASTSIDE RIVERFRONT PARK

Project Description/Objective: Design and construct second phase elements of the Eastbank Esplanade Master Plan and complete riverbank stabilization improvements from Burnside to OMSI. Acquire critical riverfront land parcels.

Expected Outcomes/Activities: FY1996-97: Exercise option to purchase OMSI Crescent parcel and undertake relocation of OMSI facility. FY1997-99: Design and construct riverbanks stabilization from OMSI to Morrison Bridge. FY1999-2000: Design and construct riverbank stabilization from Morrison to Burnside Bridge.

RENTAL HOUSING DEVELOPMENT

Project Description/Objective: Provide development financing for the acquisition, refinancing, rehabilitation and new construction of rental housing.

Expected Outcomes/Activities: Support development of 160 units FY1995-96: Site and begin construction of permanent men's housing facility.

STOREFRONT IMPROVEMENT PROGRAM

Project Description/Objective: Implement storefront improvement grant program for commercial and industrial properties fronting on East Burnside west of 12th Avenue and MLK and Grand Avenue from Banfield freeway to Powell Blvd.

Expected Outcomes/Activities: Award 10 grants to property owners annually.

CES REDEVELOPMENT

Project Description/Objective: Acquire and clear vacant and underutilized industrial and commercial property for the expansion of local Portland businesses in the Central Eastside.

Expected Outcomes/Activities: Conduct property survey, identify site and secure authority through Urban Renewal amendment in FY1996-97. Acquire property, relocate existing tenants, complete potential litigation and maintain property until disposition. 70 jobs created or retained; 2 businesses expanded 2 completed redevelopment sites.

BURNSIDE/MLK/GRAND PUBLIC IMPROVEMENT PROGRAM

Project Description/Objective: Design and construct pedestrian area lighting, tree planting and sidewalk improvements on major pedestrian streets in the Central Eastside. Improvements on Burnside and MLK will enhance the existing Convention Center streetscape. Improvements on Grand Avenue will be designed to enhance the Historic District retail areas.

Expected Outcomes/Activities: Upgrade pedestrian environment in 20 blocks of the Central Eastside commercial core

Summary of Program Area Requirements

	FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000	TOTAL
Total Requirements	\$955,000	\$99,000	\$95,000	\$72,000	\$92,000	1,313,000
Unfunded Requirements	\$0	\$2,676,000	\$4,101,000	\$3,504,000	\$3,936,000	\$14,217,000

Performance Measures for Funded Programs

Jobs	FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000	TOTAL
Number of jobs created/retained	80	40				120
Housing						
Predevelopment activities/projects assisted	2	2	2	2	2	10
Commercial/Industrial Investment						
Number of businesses sited, expanded or retained	2	1				3
Number of sites developed or improved	2	1				3
Square feet of commercial space developed/improved	80,000		20,000		20,000	120,000
Amount of new private investment	\$15,000,000		\$2,500,000		\$2,500,000	\$20,000,000

CULLY/KILLINGSWORTH

Objective

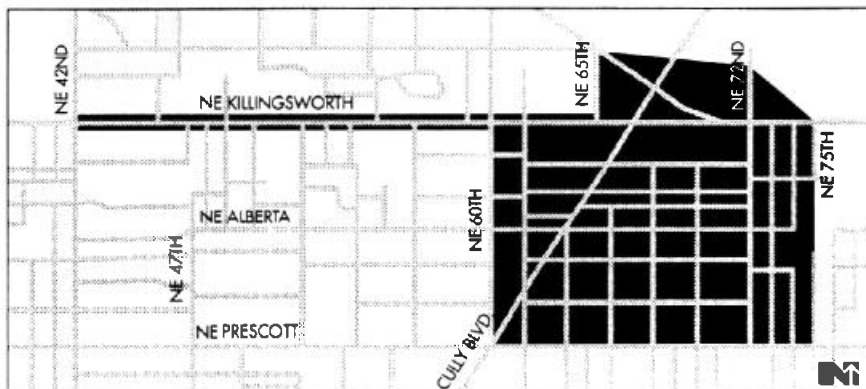
To capitalize on multifamily redevelopment (Villa de Clara Vista, Phase II) and to improve surrounding residential neighborhoods.

Overview

The goal of activities in Cully/Killingsworth is to develop a stable and safe community. PDC will assist in the rehabilitation of rental housing that has been a distressing influence on businesses and homes

that surround it. Investment in improving distressed apartments will potentially stimulate the preservation and rehabilitation of surrounding single family housing stock and commercial space. Resident owners will maintain and value the neighborhoods. A mix of retail and service providers will fully serve neighborhoods throughout the area.

Activities in the Cully/Killingsworth target area are in PDC's neighborhood revitalization and project finance & development lines of business.



Funded Projects

- Home Owner Repair Loan Programs Neighborhood Revitalization
- Rental Housing Development Project Finance & Development

Business Lines

A. FUNDED AND IN PLAN

Home Owner Repair Loan Programs

Project Description/Objective: Provide public financing assistance to individual low-income home owners which allow them to rehabilitate an existing home at a cost which is affordable based on household income. Objective is to preserve the stock of older affordable homes and support neighborhood revitalization. Programs include Emergency Repair Loans, Neighborhood Improvement Incentives, Home Rehabilitation Loans, and Home Rehabilitation/Refinance Loans.

Expected Outcomes/Activities: Provide home repair loans to benefit 188 home owners in the target area.

Funding Source: CDBG, Private

RENTAL HOUSING DEVELOPMENT

Project Description/Objective: Provide development financing for the acquisition, refinancing, rehabilitation and new construction of rental housing to be occupied primarily by lower income households. Undertake predevelopment activities to support the creation of neighborhood housing. Involve the neighborhood in the determination of project concept and seek to hire a community-based developer to construct/manage the development.

Expected Outcomes/Activities: Provide loans to create rehabilitation of up to 180 affordable rental housing units.

Funding Source: CDBG, Private, HOME, Program Income

B. NOT FUNDED AND PROPOSED

Completion of unfunded activities in this target area would improve the business climate, provide better service for local residents, and help deliver on the City's housing production goals. Resources under consideration include program income, community development block grant, and General Fund.

CREATE A LOCAL BUSINESS ASSOCIATION

Project Description/Objective: Work with local businesses to attempt to create a Business Association which would allow them to tap into additional resources.

Expected Outcomes/Activities: Provide technical assistance to assess need and begin process.

SITE REGIONAL HEALTH CARE FACILITY

Project Description/Objective: Work with Multnomah County to site a new, regional health care facility at Hacienda-owned commercial site at the corner of 65th and Killingsworth.

Expected Outcomes/Activities: Development of new facility.

COMMERCIAL/RETAIL DEVELOPMENT

Project Description/Objective: Work with Hacienda to create viable commercial and retail space at property at the north side of Killingsworth.

Expected Outcomes/Activities: Provide technical assistance as requested.

HOME OWNERSHIP PROGRAM

Project Description/Objective: Provide acquisition and new construction/rehabilitation financing to low-income housing developers and provide low interest amortizing loans to first-time home buyers at or below 80% of area median income.

Expected Outcomes/Activities: Provide home ownership opportunities to first-time home buyers.

Summary of Program Area Requirements

	FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000	TOTAL
Total Requirements	\$1,238,000	\$1,240,000	\$1,325,000	\$1,503,000	\$1,522,000	\$6,828,000
Unfunded Requirements	\$0	\$275,000	\$414,000	\$532,000	\$535,000	\$1,756,000

Performance Measures for Funded Programs

Housing	FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000	TOTAL
Number of owner occupied units rehabbed	37	45	45	43	18	188
Rental housing units completed (rehabbed & new)	10	50	40	40	40	180
<ul style="list-style-type: none"> No/low income units Low/mod income units Market rate income units 						
Predevelopment activities/projects assisted	1	1	1	1	1	5

DOWNTOWN

Objective

To attract people and investment by reinforcing Downtown's health and vitality as the state's largest employment, business and cultural center, supporting major recreation/entertainment sector growth, preserving our architectural heritage, encouraging a balanced transportation system, increasing our retail competitiveness, retaining and attracting employment, and increasing a balanced mix of housing opportunities.

Overview

Portland's downtown will continue to build on its role as a regional center for finance, trade, education, culture, retail, professional and government services. It also is a thriving residential neighborhood with more than 10,000 residents.

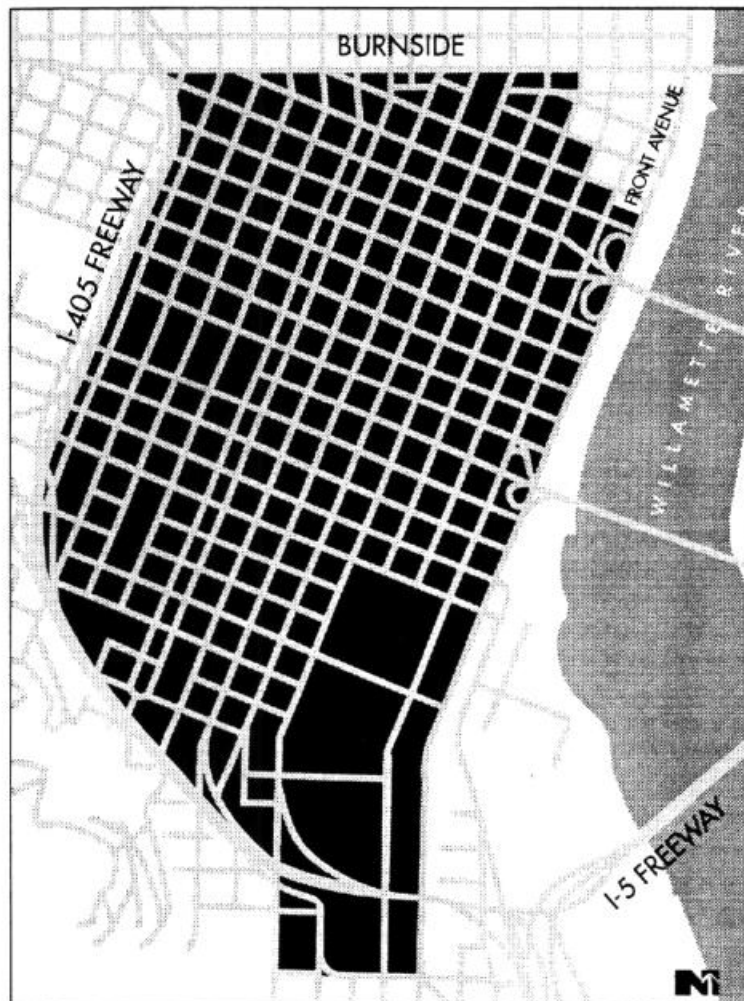
Over the next ten years PDC's primary roll will be to encourage and continue the positive growth delivered over the previous ten years, to expand on Portland successes and continue to work with Downtown residents, associations and businesses to determine and achieve desired ambitions and goals.

Activities include retail revitalization, cultural and nightlife initiatives, pursuing a Central City Technology Park and other business development opportunities, and supporting the University District Plan Implementation. Strategies will be developed with other partners to implement the Central City Transportation Management Plan including support for the development of parking structures that service older buildings and visitors to retail shops and cultural attractions. PDC staff will also work with partners in addressing other regulatory challenges, such as seismic code regulations and Type V wood-frame housing construction code changes. These two regulatory issues will have significant impacts on the long-term viability of class B and C office buildings as reasonably-priced office space for our growing downtown employment base and for the production of most cost-effective urban housing.

Phase II of Pioneer Place, scheduled for completion in FY1998-99, is planned to include new retailers, a hotel and/or office development.

A key aspect of downtown's vitality is the maintenance of a full range of housing opportunities. Housing development will attract a diverse group of residents who are active participants in the downtown labor force. The result is a more dynamic sense of community participation and permanence throughout the downtown. Principal strategies to address the needs of the economically disadvantaged while enhancing public safety and the atmosphere of the Downtown area must continue and be expanded.

Continued focus on expanded retail and twenty-four hour use of downtown facilities should remain achievable goals. PDC will work to identify attractions that encourage use of Downtown restaurants, retailing and hotels.



Activities in the Downtown target area are divided between PDC's project finance and development and business retention, expansion and recruitment lines of business.

Funded Projects

Business Line

• South Park Blocks Mixed Income Housing	Project Finance & Development
• University District Housing Development	Project Finance & Development
• Pioneer Place Phase II	Project Finance & Development
• Technical Assistance/Policy Development	Redevelopment Area Planning
• Parking Policy & Implementation Development Program	Redevelopment Area Planning
• Parking Group Contract	Redevelopment Area Planning
• Mixed-use Housing/Public Parking Project	Redevelopment Area Planning
• Central City Business Development	Business Retention, Expansion & Recruitment
• Business Development Loans	Business Retention, Expansion & Recruitment
• DHPP - Hatfield (United Way) Building	Project Finance & Development
• DHPP - Peter Paulson Bldg. (SW 13th & Market)	Project Finance & Development
• DHPP - St. Francis Hotel	Project Finance & Development
• Hamilton Hotel Replacement Housing II	Project Finance & Development
• City Housing Development Inc. Property Management Contract	Project Finance & Development
• Tax Abatement Review	Project Finance & Development

A. FUNDED AND IN PLAN

SOUTH PARK BLOCKS MIXED INCOME HOUSING

Project Description/Objective: Potential 25 to 30 unit mixed-income apartment project at corner of SW Park and Clay to complete redevelopment of vacant sites at southern end of South Park Blocks area. Project involves obtaining real estate option from property owner and determining redevelopment potential. Project may include additional property acquisition and may require Urban Renewal Plan amendment.

Expected Outcomes/Activities: FY1995-96: Obtain property control and complete pre-development planning for the site to determine most feasible redevelopment program. Determine if additional property is necessary and if so, begin property acquisition process. FY1996-97: Select project developer. Complete property acquisition completed pre-development planning and obtain land use and financing approvals. FY1997-98: Project construction start and completion. Project lease-up.

Funding Source: Program Income

UNIVERSITY DISTRICT HOUSING DEVELOPMENT

Project Description/Objective: Assist in the implementation of the updated University District Plan to be adopted by Council calling for major mixed income housing development around PSU.

Expected Outcomes/Activities: Coordinate two mixed-income housing projects of 100-150 units each, including assisting in public approvals and committing and closing a PDC loan, if necessary. Construction start anticipated in FY1997-98 and FY1999-2000, respectively with completion of units in FY1998-99 and FY1999-2000, respectively.

Funding Source: Program Income

PIONEER PLACE PHASE II

Project Description/Objective: Redevelopment of 4th block of Pioneer Place. Rouse Co. redevelopment extension expires November 1995. Redevelopment proposal from Rouse anticipated Fall 1995, with Commission negotiations and decision on project concept by Spring 1996. Construction of 120,000-150,000 sf new retail/commercial space anticipated in fall 1998.

Expected Outcomes/Activities: FY1995-96: Evaluate and negotiate agreement with Rouse Company for redevelopment of the full block and expansion of the 4th & Yamhill Parking Garage. Property management of parking lot to continue, until construction starts, keeping lot well maintained and securing income stream from property. FY1996-97: Complete redevelopment agreement; coordinate development planning and design. FY1997-98: Project construction start. FY1998-99: Completion and lease-up of Phase II.

Funding Source: Program Income

TECHNICAL ASSISTANCE/POLICY DEVELOPMENT

Project Description/Objective: Staff technical assistance to housing developers regarding general housing development issues, understanding of development regulations/process, market information, bond financing, tax abatement information, and available public financing tools. (Does not include providing staff support for pre-development activities.) Also includes staff work on city housing policy issues and regulatory review (typically 2-4 issues per year).

Expected Outcomes/Activities: FY1996-97: Update 1992 Central City Housing Inventory and other Housing studies as necessary. Maintain up-to-date information on public financing tools and program brochures and general market information. Provide technical assistance upon request by nonprofit and for-profit developers and direct them to other housing service providers, where appropriate. (Ongoing activities each fiscal year). Housing inventory will be completed in year FY1996-97 and FY1999-2000.

Funding Source: Program Income

PARKING POLICY & DEVELOPMENT IMPLEMENTATION PROGRAM

Project Description/Objective: Participate in Central City parking policy and regulation review and adoption. Pursue or respond to proposals for public and/or private parking projects that support city goals. Work in coordination with BGS and PDOT.

Expected Outcomes/Activities: FY1995-96 through FY1999-2000: On-going staff work to implement city parking policy.

Funding Source: Program Income (staffing only)

PARKING GROUP CONTRACT

Project Description/Objective: Serve on interagency group that advises on management and development of the City's parking garage system.

Expected Outcomes/Activities: Participate in advisory meetings. Review and assist to shape significant parking management decisions and policies.

Funding Source: Contracts

MIXED-USE HOUSING/PUBLIC PARKING PROJECT

Project Description/Objective: Based on the *Central City Public Parking Facilities Plan* dated December, 1995 commissioned by the Parking Management Group, facilitate development of a mixed-use residential/visitor parking facility to meet the the City's highest priority needs. Conceptual funding requirements detailed below based on public share of a total \$17 million public/private project.

Expected Outcomes/Activities: 1995-96: Identify highest priority parking/housing needs. Ascertain role of public partners in providing parking. 1996-1997: Explore joint public/private partnerships to help meet those needs. Identify highest priority development opportunity and pursue site acquisition with appropriate partners. 1997-98: Acquire site and undertake development offering to select private developer for a residential project. Complete pre-development planning for the project. 1998-99: Construction of mixed-use project. 1999-00: Project completion, lease-up and operation.

Funding Source: Parking Facilities Fund, Housing Investment Funds, General Fund or tax increment.

BUSINESS DEVELOPMENT —CENTRAL CITY

Project Description/Objective: Encourage businesses, especially targeted industries identified in Prosperous Portland, to locate or expand in the target area through business recruitment and retention.

Expected Outcomes/Activities	FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000
New Jobs Created	100	100	100	100	100
Existing Jobs Retained	100	100	100	100	100
Business Sited, Retained or Expanded	5	5	5	5	5

Funding Source: General Fund

BUSINESS DEVELOPMENT LOANS —CENTRAL CITY

Project Description/Objective: Encourage businesses, especially targeted industries identified in Prosperous Portland, to locate or expand in the Central City through Business Development Loans.

Expected Outcomes/Activities	FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000
New Jobs Created	7	7	7	7	7
Existing Jobs Retained	0	0	0	0	0
Businesses Sited, Retained or Expanded	2	2	2	2	2

Funding Sources: General Fund, Program Income, Federal Grants

DHPP —HATFIELD (UNITED WAY) BUILDING, PETER PAULSON BLDG. (SW 13TH/MARKET), ST. FRANCIS HOTEL

Project Description/Objective: Staff resources to manage construction completion, close tax credit syndication, permanent loan, conduct leasing of commercial space for three SRO conversion projects.

Expected Outcomes/Activities: Completion of rehabilitation or new construction of building; monitor project lease-up; closeout of continuing financing requirements and other obligations in FY1995-96. Total 325 units in FY1995-96.

Funding Source: Program Income

HAMILTON HOTEL II REPLACEMENT HOUSING

Project Description/Objective: Completion of a second Hamilton/Lownsdale Hotel replacement building of approximately 102 units.

Expected Outcomes/Activities: FY1995-96: Coordinate project with developer to build replacement housing. Complete project underwriting and loan closing. FY1996-97: Construction start. Monitor construction progress through completion and lease up,.

Funding Source: Program Income

CHDI —PROPERTY MANAGEMENT CONTRACT

Project Description/Objective: Contract with City Housing Development, Inc. (CHDI) to provide property management and maintenance services for a vacant property owned by CHDI and located at SW 12th and Clay.

Expected Outcomes/Activities: Manage and maintain property in stable condition FY1995-96 through FY1999-2000.

Funding Source: Contract

TAX ABATEMENT REVIEW

Project Description/Objective: Financial feasibility analysis of projects that have applied for housing tax abatement.

Expected Outcomes/Activities: Process 3 tax abatement applications per year.

Funding Source: Program Income

B. NOT FUNDED AND PROPOSED

Not Funded and Proposed projects in the Downtown area address three important areas: (1) fulfillment of the City's housing production goals, (2) continued strengthening of the local businesses through revitalization activities, and (3) recruitment of businesses to establish corporate headquarters in the central city area and create new job opportunities for local residents. Introduction of the tax increment levy would substantially benefit programs in this target area.

DOWNTOWN RESIDENTIAL LOAN PROGRAM —NEW HOUSING PRODUCTION

Project Description/Objective: Loan program to fund low, moderate and market rate housing to achieve the Central City Plan, Livable Cities and urban renewal plan goals for significant new housing development in the Central City.

Expected Outcomes/Activities: FY1996-97 through FY 1999-2000 —300 new housing units through new construction/conversion projects funded. Projects will receive staff technical assistance during predevelopment planning phase and staff will work with developers to obtain all public approvals, all financing commitments and proceed into construction phase.

Note: Downtown Team staff concerned that land and acquisition costs expected to escalate significantly higher than general inflation rates; therefore, to keep a balanced mix of housing, need to program additional loan funds each year. Other new tools will be necessary to keep up with production goals.

STOREFRONT LOAN PROGRAM

Project Description/Objective: Provide matching loan funds to building owners or tenants for facade renovation work to ground level of existing buildings to revitalize areas of Downtown where deferred maintenance is having a negative impact on the neighborhood.

Expected Outcomes/Activities: Approve and fund 10 loans per year for four years, for a total of 40 loans throughout the Plan.

OLDER BUILDING PRESERVATION PROGRAM —SEISMIC RETROFIT STRATEGY

Project Description/Objective: To work with the Seismic Task Force and other City bureaus in creating cost effective seismic retrofit policies that encourage implementation and to research potential financial assistance for impacted property owners. Work w/Association for Portland Progress (APP), Building Owners and Managers Association (BOMA) and Bureau of Buildings. Identify necessary tools to preserve Class B and C buildings and to keep them viable for future downtown employment growth.

Expected Outcomes/Activities: FY1995-96 through 1997-98: Continue to work with Task Force and lend technical assistance.

OFFICE/CORPORATE HEADQUARTER DEVELOPMENT STRATEGY

Project Description/Objective: Prepare an analysis and strategy with tools (including financial tools if necessary) to increase competitiveness of the Downtown Office Core to attract new large office employers and corporate headquarter development as well as to retain and expand existing businesses. Work with BOMA, APP and development community.

Expected Outcomes/Activities: FY1996-97: Create HQ Development Task Force and establish clear problem statement. Conduct research and begin drafting strategy. FY1997-98: Finalize strategy working with Task Force and prepare recommendations for adoption and implementation.

REVITALIZATION STRATEGY FOR SOUTH PARK BLOCKS EXPANSION AREA (west end retail core)

Project Description/Objective: Revitalization strategy for area between 10th to 13th Street to encourage new investment, business and housing development. Analyze to determine if current zoning (RX), and public investment tools are adequate to encourage new development. Recommend specific strategy and tools for revitalizing area.

Expected Outcomes/Activities: Prepare strategy working in coordination with business community, Downtown Community Association, and property owners in FY1996-97. Anticipate implementation funding to be requested FY1998-99 and FY1999-2000.

Summary of Program Area Requirements

	FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000	TOTAL
Total Requirements	\$1,494,000	\$1,035,000	\$1,210,000	\$420,000	\$1,193,000	\$5,352,000
Unfunded Requirements	\$0	\$4,933,000	\$4,843,000	\$4,783,000	\$4,799,000	\$19,358,000

Performance Measures for Funded Programs

Jobs	FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000	TOTAL
Number of jobs created/retained	207	207	207	207	207	1,035
Housing						
Rental housing units completed (rehabbed & new)	325	102				427
<ul style="list-style-type: none"> No/low income units Low/mod income units Market rate income units 						
Predevelopment activities/projects assisted	5	4	4	4	3	20
Commercial/Industrial Investment						
Number of businesses sited, expanded or retained	7	7	7	7	7	35
Square feet of commercial space developed/improved					120,000	120,000

INNER NORTHEAST

Objective

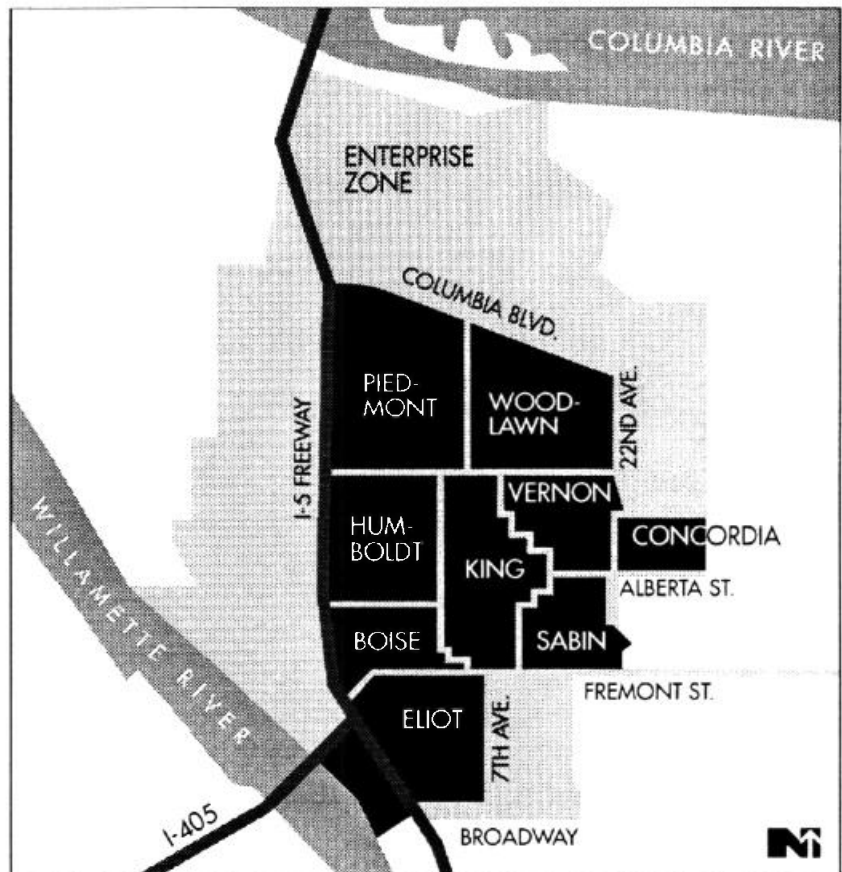
To assist the community in achieving its vision for the Northeast Area as defined by the Albina Community Plan and its associated neighborhood plans. To accomplish this PDC will carry out projects and activities which increase community wealth through local ownership and local employment, preserve and create middle income and affordable owner and rental housing opportunities, and meet community needs for local goods and services.

Overview

Program and project goals in Inner Northeast Portland are intended to build a stable and safe community by preserving, rehabilitating and increasing affordable housing stock and available commercial space in support of adopted neighborhood and community plans. A mix of retail and service businesses will be developed to fully serve neighborhoods throughout Northeast Portland. Major goals are to encourage community ownership of businesses and increase employment of community residents. Projects and activities will be carried out in close consultation with neighborhood associations and residents.

Activities in this target area over the last several years have focused on the neighborhood revitalization and redevelopment area planning lines of business. Because of the success of many of these efforts, PDC has been able to initiate several project finance and development activities.

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Funded Projects

• NE Economic Development Planning	Neighborhood Revitalization
• OAME Emerging Small Business Program	Neighborhood Revitalization
• MLK Jr., Blvd. Development Opportunity Strategy	Redevelopment Area Planning
• Walnut Park Retail Center	Project Finance & Development
• JobNet.....	Workforce Development
• Targeted Neighborhood Project.....	Workforce Development
• NE Workforce Center	Workforce Development
• Business Assistance Fund - Job Training	Neighborhood Revitalization
• Business Assistance Fund - Technical Assistance	Neighborhood Revitalization
• Business Assistance Fund - Loan Program	Neighborhood Revitalization
• Enterprise Zone Loan Program	Neighborhood Revitalization
• Storefront Improvement Program	Neighborhood Revitalization
• Home Owner Repair Loan Programs	Neighborhood Revitalization
• Rental Housing Development	Project Finance & Development

Business Line

- Kennedy School Project Finance & Development
- Home Ownership Program Neighborhood Revitalization
- Mixed-use Project Planning Neighborhood Revitalization

A. FUNDED AND IN PLAN

NE ECONOMIC DEVELOPMENT PLANNING

Project Description/Objective: Provide planning assistance for community-based initiatives to implement business development activities identified in *Prosperous Portland* and the *Albina Community Plan*.

Eligible uses include:

- Participating funding to support economic development activities carried out by community-based organizations.
- Consultant assistance to facilitate community projects.

Expected Outcomes/Activities: Assist 2 organizations each year.

Funding Source: Community Development Block Grant (CDBG)

OAME EMERGING SMALL BUSINESS PROGRAM

Project Description/Objective: Third and final year of an EDA planning grant. Passed through to the Oregon Association of Minority Entrepreneurs (OAME), a community based organization, to provide support services to businesses in Northeast Portland.

Funding Source: Economic Development Administration (EDA)

MLK JR., BLVD. DEVELOPMENT OPPORTUNITY STRATEGY

Project Description/Objective: Promote the implementation of projects described in the MLK Blvd. Development Opportunity Strategy (1993) and additional sites that may be identified to assist in community efforts to revitalize MLK Blvd. Assistance is primarily accomplished through feasibility studies and other pre-development tasks to encourage development at key sites.

Expected Outcomes/Activities: 8 projects in FY1995-96 and 8 projects in FY1996-97.

Funding Source: CDBG

WALNUT PARK RETAIL CENTER

Project Description/Objective: Coordinate Property Management activities to maintain a stable, long-term real estate project. Project responsibilities will be turned over to the City by FY1997-98.

Expected Outcomes/Activities: Meet proforma objectives through FY1997-98.

Funding Source: Program Income

JOBNET

Project Description/Objective: Target jobs created through economic development activities to benefit North/Northeast Portland residents, especially unemployed, underemployed, and low income residents. Coordinate the recruitment, training, and placement of North/Northeast Portland residents with area employers, service providers and resource organizations. (Please see community Workforce Development project under Citywide EC DEV/W&TI programs for additional objectives.)

Expected Outcomes/Activities: Place 266 residents; 70% low income and 80% low/moderate income in FY1995-96 through FY1999-2000.

Funding Source: CDBG

TARGETED NEIGHBORHOOD PROJECT

Project Description/Objective: Targeted effort contracted to the NE Workforce Center to help residents reestablish control in a designated neighborhood, block-by-block, door-to-door. Major emphasis is on providing training and jobs for the neighborhood residents.(Funded through 6/96)

Expected Outcomes/Activities: Place 50 neighborhood residents per year in training or jobs.

Funding Source: Regional Workforce Quality Committee Grant/Federal Grants

NE WORKFORCE CENTER

Project Description/Objective: Basic operational support for the Northeast Workforce Center, a community-based, centralized service designed to connect and coordinate existing human services related to employment, as a means to efficiently link the new job opportunities with residents in inner Northeast Portland.

Expected Outcomes/Activities: Transition of the Northeast Workforce Center, as a program of the Northeast Coalition of Neighborhoods (NECN), into a separate nonprofit corporation. PDC will execute a short-term contract with the NECN and an abbreviated fiscal year contract with the Northeast Workforce Center. 100 placements annually.

Funding Source: General Fund

BUSINESS ASSISTANCE FUND —JOB TRAINING

Project Description/Objective: In conjunction with other partners provide funds to businesses that engage in substantive training for newly hired N/NE Enterprise Zone residents. The program provides job skills to residents of the Enterprise Zone and assists companies that increase their hiring of zone residents. Training is available only when it helps zone residents move into careers with long-term job potential.

Expected Outcomes/Activities: Training, placement and retention for residents at an average cost of \$3,000 per 6-month retention. Assist 67 residents in FY1995-96.

Funding Source: Federal Grants

BUSINESS ASSISTANCE FUND —TECHNICAL ASSISTANCE

Project Description/Objective: Provide technical assistance to area businesses, especially business development loan recipients. Provides participating businesses a variety of professional services that will facilitate loan origination and support the success of funded business.

Expected Outcomes/Activities: Assist 50 firms in FY1995-96 and FY1996-97.

Funding Source: Federal Grants

BUSINESS ASSISTANCE FUND —LOAN PROGRAM

Project Description/Objective: Supplements existing business lending programs available with the N/NE Portland Enterprise Zone and fills identified gaps in existing business lending programs. The program provides transaction loans, short term loans, long term loans and real estate loans.

Expected Outcomes/Activities: 25 loans/78 jobs in FY1995-96 and FY1996-97

Funding Source: Federal Grants

ENTERPRISE ZONE LOAN PROGRAM

Project Description/Objective: Loan program directed to the acquisition of a business, land and or buildings, acquisition/installation of machinery or equipment, inventory and working capital.

Expected Outcomes/Activities	FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000
	3 loans/10 jobs	5 loans/10 jobs	N/A	N/A	N/A

Funding Source: CDBG

STOREFRONT IMPROVEMENT PROGRAM

Project Description/Objective: Assist property and business owners in rehabilitating the exterior facades of their properties, and to revitalize and enhance the livability of neighborhood commercial areas on MLK Blvd. and Alberta Street.

Expected Outcomes/Activities: 8 projects each year FY1995-96 & FY1996-97

Funding Source: CDBG

HOME OWNER REPAIR LOAN PROGRAMS

Project Description/Objective: Provide public financing assistance to individual low-income home owners which allow them to rehabilitate an existing home at a cost which is affordable based on household income. Objective is to preserve the stock of older affordable homes and support neighborhood revitalization. Programs include Emergency Repair Loans, Neighborhood Improvement Incentives, Home Rehabilitation Loans, and Home Rehabilitation/Refinance Loans.

Expected Outcomes/Activities: Provide home repair loans to 518 home owners in the target area.

	FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000
Emergency Repair	29	35	41	47	47
Neighborhood Improvement Incentive*	11	11	11	11	11
Refinance	19	23	27	31	31
Rehabilitation	36	38	44	50	50
Total Home Repair Units	84	96	112	128	128

*These loans piggy-back rehabilitation loans, so they are not included in the total households served.

Funding Source: CDBG, Private

RENTAL HOUSING DEVELOPMENT

Project Description/Objective: Provide development financing for the acquisition, refinancing, rehabilitation and new construction of rental housing to be occupied primarily by lower income households. Undertake predevelopment activities to create a development opportunity for the creation of neighborhood housing. Involve the neighborhood in the determination of project concept and seek to hire a community-based developer to construct/manage the development.

Expected Outcomes/Activities: Provide loans to create/rehabilitate up to 307 affordable rental housing units.

Funding Source: CDBG, Private, HOME, Program Income

KENNEDY SCHOOL

Project Description/Objective: Implementation of the Kennedy School Master Plan calling for the private redevelopment of the vacant school building and property. Staff has managed predevelopment activities and negotiated a redevelopment agreement with a private developer. In future tasks, staff will manage implementation of the redevelopment agreement and coordinate involvement of the Concordia Neighborhood Association in addressing identified issues and impacts of the planned development on the neighborhood.

Expected Outcomes/Activities: Successful implementation of redevelopment agreement.

Funding Source: General Fund

HOME OWNERSHIP PROGRAM

Project Description/Objective: Provide acquisition and new construction/rehabilitation financing to low-income housing developers and provide low interest amortizing loans to first-time home buyers at or below 80% of area median income.

Expected Outcomes/Activities: Provide home ownership opportunities to up to 11 first-time home buyers. This program is dependent on the outcome of the Bureau of Housing and Community Development's Homebuyer Pilot Project RFP. The Expected Outcomes will change once PDC's role in the project is defined. This program is considered funded for FY 1996 only.

Funding Source: CDBG, Private

MIXED USE PROJECT PLANNING —1995-96

Project Description/Objective: Prepare a developer's handbook to promote the implementation of mixed-use projects within existing transit corridors. Handbook would inventory available mixed-use land by zoning, evaluate market conditions, prepare feasibility studies and describe implementation recommendations.

Expected Outcomes/Activities: Prepare, print and distribute handbook.

Funding Source: Transportation Growth Management Grant.

B. NOT FUNDED AND PROPOSED

Continued success in undertaking the revitalization of this important residential and commercial area of the City will require additional investment. The Not Funded and Proposed activities included below are focused on increasing affordable housing in this target area, providing employment for local residents and stimulating the business environment. Several innovative activities, such as the Small Business Partnership Program are proposed. Reintroduction of a tax increment levy is critical in realizing the vision created by the Albina Community Plan. General Fund is also under consideration for investment in the Inner Northeast target area.

HOUSING SITE ACQUISITION ASSISTANCE

Project Description/Objective: Provide 0% deferred payment loans for site acquisition up to \$50,000 per site. Property acquisition for future projects provides the possibility of obtaining sites at a lower cost and decreasing the amount of assistance which might otherwise be inadequate to meet the project's needs. The acquisition loan would be taken out of permanent financing when the project is undertaken.

Expected Outcomes/Activities:	FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000
	Identify sites	10 sites	10 sites	10 sites	10 sites

DENSITY HOUSING ASSISTANCE PROGRAM

Project Description/Objective: Support private-sector implementation of mixed-use projects primarily within the RH zones along MLK Blvd. and elsewhere in the target area. Project funds would be used to assemble property, carry out pre-development and site preparation activities and subsidize development costs in order to implement projects. Sites would be identified through the Mixed-Use Project Planning handbook in FY1995-96.

Expected Outcomes/Activities: 2 sites per year FY1996-97 through FY1999-2000

TARGETED DEVELOPMENT OPPORTUNITY STRATEGY (DOS)

Project Description/Objective: Provide a variety of revitalization tools (technical assistance, loans, pre-development assistance and storefront grants) to neighborhood commercial districts within the target area. Concentration would be on expansion of commercial and retail businesses and coordination with existing housing improvement programs to encourage revitalization. This activity would provide planning activities prior to implementation of projects. Commercial districts would be identified in conjunction with neighborhood residents.

Expected Outcomes/Activities: Identify and prepare targeted development strategies for three neighborhood business districts.

HOME OWNERSHIP PROGRAM

Project Description/Objective: Provide acquisition and new construction/rehabilitation financing to low-income housing developers and provide low interest amortizing loans to first-time home buyers at or below 80% of area median income.

Expected Outcomes/Activities: Provide home ownership opportunities to first-time home buyers. This program is dependent on the outcome of the Bureau of Housing and Community Development's Homebuyer Pilot Project RFP. The Expected Outcomes will change once PDC's role in the project is defined. **This program is considered funded for FY 1996 only.**

TARGETED DOS —LOAN PROGRAM (part of small business assistance fund)

Project Description/Objective: Provide a variety of revitalization tools (technical assistance, loans, pre-development assistance and storefront grants) to neighborhood commercial districts within the target area. Concentration would be on expansion of commercial and retail businesses and coordination with existing housing improvement programs to encourage revitalization.

Expected Outcomes/Activities	FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000
	N/A	N/A	5 loans/ 10 jobs	5 loans/ 10 jobs	5 loans/ 10 jobs

TARGETED DOS —STOREFRONT PROGRAM

Project Description/Objective: Assist property and business owners in rehabilitating the exterior facades of their properties, and to revitalize and enhance the livability of neighborhood commercial areas.

Expected Outcomes/Activities: 8 projects FY1996-97 through FY1999-2000

TARGETED DOS —PREDEVELOPMENT ASSISTANCE

Project Description/Objective: Provide a variety of revitalization tools (technical assistance, loans, pre-development assistance and storefront grants) to neighborhood commercial districts within the target area. Concentration would be on expansion of commercial and retail businesses and coordination with existing housing improvement programs to encourage revitalization.

Expected Outcomes/Activities	FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000
	N/A	N/A	9 projects	9 projects	9 projects

SMALL BUSINESS PARTNERSHIP PROGRAM

Project Description/Objective: Provide long-term deferred loans or equity investment and technical assistance to support small business development and expansion within targeted neighborhood commercial business districts. Program would be closely coordinated with Neighborhood Commercial DOS. May include assistance to local residents with franchise development and entrepreneurship training.

Expected Outcomes/Activities	FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000
	N/A	4 proj/6 jobs	4 proj/6 jobs	3 proj/6 jobs	3 proj/6 jobs

NE WORKFORCE CENTER

Project Description/Objective: Expansion of basic operating support by \$65,000 plus ongoing funding for Targeted Neighborhood Project (\$125,000 annually).

Expected Outcomes/Activities: 200 placements per year FY1996-97 through FY1999-2000

BUSINESS ASSISTANCE FUND —TECHNICAL ASSISTANCE

Project Description/Objective: Program provides technical assistance to N/NE business development activities, especially business development loan recipients. Provides participating businesses a variety of professional services that will facilitate loan origination and support the viability of funded business.

Expected Outcomes/Activities: Assist 50 firms each year FY1996-97 through FY1999-2000

BUSINESS ASSISTANCE FUND —LOAN PROGRAM (part of small business assistance fund)

Project Description/Objective: Supplements existing business lending programs available with the N/NE Portland Enterprise Zone and fills identified gaps in existing business lending programs. The program provides transaction loans, short term loans, long term loans and real estate loans.

Expected Outcomes/Activities: Generate 25 loans and 78 jobs per year FY1996-97 through FY1999-2000

MLK BLVD. COMMERCIAL SITE DEVELOPMENT

Project Description/Objective: Identify and develop 2-3 additional retail/commercial sites in the MLK Blvd. or Vancouver/Williams corridors in conjunction with local and community partners. Projects may involve site assembly, site preparation, pre-development costs and packaging expenses. Dedicated public funding would leverage bank capital through PLPA.

Expected Outcomes/Activities	FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000
	Identify sites	3-4 sites	2 sites	2-3 sites	1 site

MLK JR. BLVD. MARKETING STRATEGY

Project Description/Objective: Work with Northeast Business Association (NEBA), Alliance and neighborhood groups to conduct a complete market evaluation of the MLK Jr. Blvd. Corridor. Products of the study would be demographics, existing conditions, "opportunities & constraints" analysis, capital improvements plan, financial plan, marketing plan and organizational strategy.

Expected Outcomes/Activities	FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000
		complete study	2 firms/ 6 jobs	2 firms/ 6 jobs	2 firms/ 6 jobs

URBAN RENEWAL PLAN AMENDMENT

Project Description/Objective: In conjunction with community organizations, prepare a major amendment to the Oregon Convention Center Urban Renewal Area (OCCURA) plan that identifies projects and activities to be carried out within the OCCURA extension on MLK Jr. Blvd. in anticipation of the availability of tax increment funds.

Expected Outcomes/Activities: Conduct community input process, prepare amendment and secure approvals.

Summary of Program Area Requirements

	FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000	TOTAL
Total Requirements	\$6,639,000	\$5,317,000	\$3,172,000	\$3,652,000	\$3,702,000	\$22,482,000
Unfunded Requirements	0	\$5,035,000	\$6,702,000	\$6,996,000	\$6,242,000	\$24,975,000

Performance Measures for Funded Programs

Jobs	FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000	TOTAL
Number of jobs created/retained	88	88				176
Number of target area residents placed	266	266	266	266	266	1,330
Housing						
Number of owner occupied units rehabbed	84	96	102	118	118	518
Home ownership						
• New or rehabbed units completed	6					6
• First-time home buyers assisted	5					5
Rental housing units completed (rehabbed & new)	32	128	65	41	41	307
• No/low income units						
• Low/mod income units						
• Market rate income units						
Predevelopment activities/projects assisted	2	2	2	2	2	10
Commercial/Industrial Investment						
Dollars of financial assistance loaned to business (loans/grants, tech. assistance, etc.)	\$1,175,815					\$1,175,815
Number of businesses financially assisted (loans/grants, tech. assistance, etc.)	94	85				179
Number of sites developed or improved	11	11				22
Square feet of commercial space developed/improved	5,000	5,000				10,000
Amount of new private investment	\$1,180,000	1,180,000				\$2,360,000

LLOYD DISTRICT

Objective

To continue development of the district to build employment and housing opportunities, capitalize on major public and private investments, and make transportation and related improvements.

Overview

The Lloyd District will continue to emerge as one of the key areas complementing the downtown in its development of finance, trade, retail, sports, entertainment, conven-

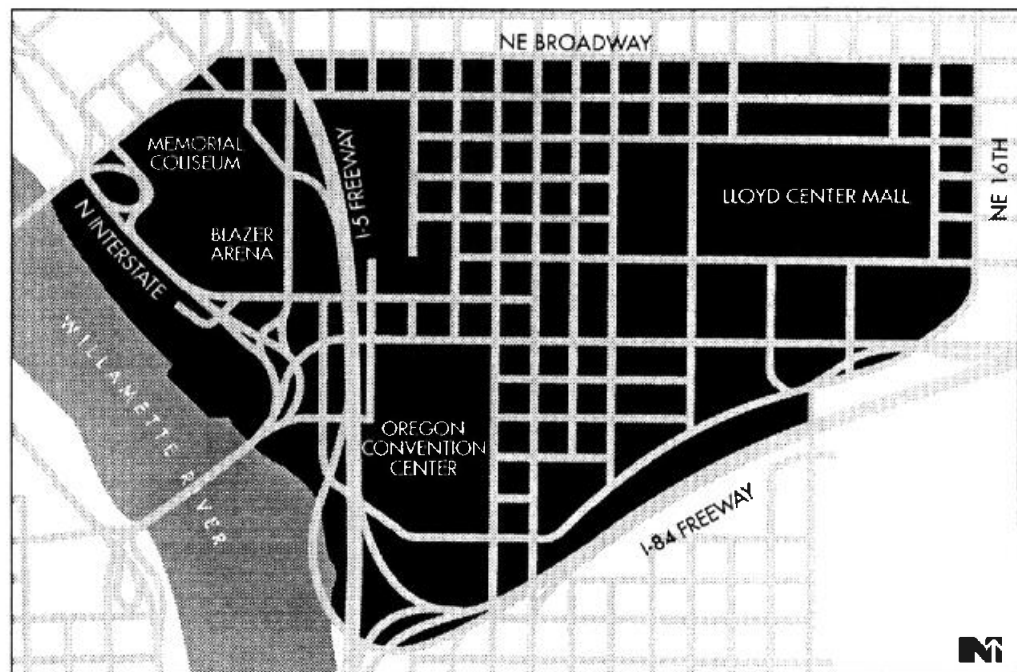
tion hospitality, professional and governmental services. The primary purpose of PDC in the next ten years should be to encourage and continue the positive growth delivered over the previous ten years, to expand on the successes, and continue to work with area residents, associations, and businesses to determine and achieve the desired ambitions and goals. Activities include the completion of the Oregon Arena project, participation in the determination of the best siting for a convention center hotel and the development of a master plan to guide the area in the next 15 years. The housing and economic development activities carried on by the Commission on a city-wide basis will be vital to stimulating broad based continued development of the area.

Activities in this target area are almost focused in the project finance and development line of business. Redevelopment area planning is also occurring.

Funded Projects

• Oregon Arena Project	Project Finance & Development
• Rental Housing Development	Project Finance & Development
• Convention Center Headquarters Hotel Development	Project Finance & Development
• Master Planning Activities	Redevelopment Area Planning

Business Line



A. FUNDED AND IN PLAN

OREGON ARENA PROJECT

Project Description/Objective: Oversee construction, including Boucher, Mouchka, Larson management contract; undertake Phase II of Memorial Coliseum improvements; participate in Oregon Arena Corporation's Riverfront Master Plan per Development and Disposition Agreement (DDA). Construction arbitration/mediation per DDA; provide technical assistance to City on DDA.

Expected Outcomes/Activities: 200 jobs recruited/retained; 1 redevelopment site in pre-development stage; 2 redevelopment sites under construction; 5 redevelopment sites completed; 2 new business sited/retained or expanded; 30 jobs filled through JobNet in FY1995-96.

Funding Source: Contracts

RENTAL HOUSING DEVELOPMENT

Project Description/Objective: Provide development financing for the acquisition, refinancing, rehabilitation and new construction of rental housing to be occupied primarily by lower income households.

Expected Outcomes/Activities: 15 units FY1995-96.

Funding Source: CDBG, Private, HOME, Program Income

OREGON CONVENTION CENTER —HEADQUARTERS HOTEL DEVELOPMENT

Project Description/Objective: Support the development of the Headquarters Hotel in conjunction with Metropolitan Exposition and Recreation Commission and Metro.

Expected Outcomes/Activities: Pass Commission resolution to assemble the land necessary to construct the HQ Hotel in FY 1996.

Funding Source: Asset sales.

MASTER PLANNING ACTIVITIES

Project Description/Objective: Create a common Master Plan for the area, which includes relevant portions of the East Bank Master plan and the Convention Center Urban Renewal Plan. Provide forum for citizen input. Assist in the implementation of the Eastbank Master Plan segment within the Lloyd Target Area, including a river taxi system, establishing facilities that access the water and retail development.

Expected Outcomes/Activities: Develop a draft master plan and proposed revisions to the Oregon Convention Center urban renewal plan. Identify funding for the eastbank improvements within the target area in FY 1996.

Funding Source: General Fund.

B. NOT FUNDED AND PROPOSED

Activities listed as Not Funded and Proposed include housing, business recruitment and infrastructure assistance. The continued evolution of this area as a key commercial district and generator of jobs for inner-City residents will be enhanced through funding of these activities. Tax increment resources are the most likely solution to this funding problem.

BUSINESS RECRUITMENT ACTIVITIES

Project Description/Objective: Target jobs and businesses created through publicly financed activities to first benefit North/Northeast Portland residents and then all Portland residents. Support job development programs and assist in the recruitment, training, and placement of North/Northeast Portland residents.

Expected Outcomes/Activities: Create jobs, provide business loans

HOUSING TAX ABATEMENT REVIEW

Project Description/Objective: Financial feasibility analysis of projects that have applied for housing tax abatement

Expected Outcomes/Activities: Process 3 tax abatement applications per year

INFRASTRUCTURE IMPROVEMENTS

Project Description/Objective: Support and assist the Broadway/Weidler corridor study, including the visioning process and development of constituencies for construction. Support and assist the enhancement of pedestrian/retail oriented development on MLK, Grand, Lloyd, Weidler, Broadway, and 16th streets. Assist with Storefront Improvement Program, landscape and lighting activities. Support infrastructure improvements to improve the Greeley/Banfield weave problem.

Expected Outcomes/Activities: Achieve consensus on the Broadway/Weidler corridor study, the Banfield Greeley weave, and a plan for addressing pedestrian/retail oriented development.

TRANSPORTATION IMPROVEMENTS

Project Description/Objective: Support the development of transportation solutions to encourage the continued development in the area.

Expected Outcomes/Activities: Achieve a consensus on the potential resolution scenarios.

TECHNICAL ASSISTANCE/POLICY DEVELOPMENT

Project Description/Objective: Staff technical assistance to housing developers regarding general housing development issues, understanding of development regulations/process, market information, bond financing, tax abatement information, and available public financing tools. (Does not include providing staff support for predevelopment activities.) Also includes staff work on city housing policy issues and regulatory review (typically 2-4 issues per year).

Expected Outcomes/Activities: Provide technical assistance as requested by developers and property owners.

RENTAL HOUSING DEVELOPMENT

Project Description/Objective: Provide development financing for the acquisition, refinancing, rehabilitation and new construction of rental housing.

Expected Outcomes/Activities: Support 100 units per year.

Summary of Program Area Requirements

	FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000	TOTAL
Total Requirements	\$428,000	\$121,000	\$136,000	\$126,000	\$52,000	\$863,000
Unfunded Requirements	0	\$1,936,000	\$1,892,000	\$1,865,000	\$453,000	\$6,146,000

Performance Measures for Funded Programs

Jobs	FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000	TOTAL
Number of jobs created/retained	200					200
Number of jobs filled through JobNet	30					30
Housing						
Rental housing units completed (rehabbed & new)	15					15
<ul style="list-style-type: none"> • No/low income units • Low/mod income units • Market rate income units 						
Predevelopment activities/projects assisted	2					2
Commercial/Industrial Investment						
Number of businesses sited, expanded or retained	2					2
Number of sites developed or improved	5	2	1			8

NORTH MACADAM/RIVERPLACE

Objective

To pursue housing and employment opportunities, redevelop former industrial sites, improve transportation access and enhance public amenities and uses.

Overview

Perhaps more than any single area of Portland, this district truly has been transformed during the last ten years. Once industrial land, this area remained vacant for many years, in large part because of the expense and technical difficulties associated with environmental remediation.

Today, South Waterfront/Macadam has become a primary extension of Portland's downtown, adding significantly to the City's commercial and residential expansion capacity. It is a key area in helping the City reach its targets for increased housing and business density, while attracting businesses in target industry clusters designed to expand the economic base.

Additional infrastructure and transportation elements are needed to support the long term high density development of office, commercial and residential projects through the area. Additional open space and usable river amenities are required. Bicycle and pedestrian access will be encouraged. Employment related daycare is needed and must be provided.

This district offers Portland an unprecedented opportunity to house corporate offices on substantial parcels of urban land, successfully competing for business that likely would have chosen suburban locations without this unique site availability. With recent and future development of this area, Portland maintains a continuous open space and pedestrian path along the Willamette's West Side, connecting John's Landing to Downtown. Achievement of this long-standing goal will add infinitely to the appeal of housing and office space in the immediate and adjacent districts.

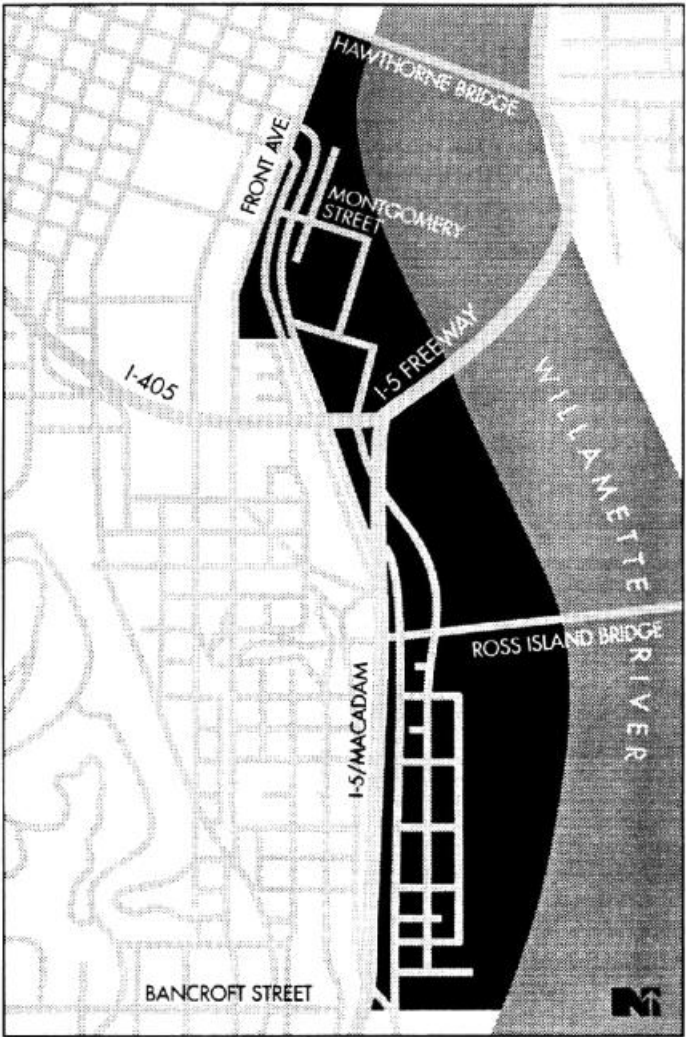
Riverplace activities are focused in the project and finance line of business. As we move into the North Macadam area, redevelopment area planning will become the key line of business for this portion of the target area.

Funded Projects

- Pacific Gas Transmission Headquarters
- Southwest River Parkway
- Waterfront Park Extension
- Development of Riverfront Parcels

Business Line

- Project Finance & Development and Business Retention, Expansion & Recruitment
- Project Finance & Development
- Project Finance & Development
- Project Finance & Development



• North Macadam Predevelopment planning	Redevelopment Area Planning
• Environmental Site Preparation	Project Finance & Development
• Commercial Office Development	Project Finance & Development and Business Retention, Expansion & Recruitment
• Waterfront Park Construction	Project Finance & Development
• Infrastructure/Transportation Improvements	Project Finance & Development
• ODOT Property Acquisition	Project Finance & Development
• Property Owner Development Assistance	Project Finance & Development
• Visitor Parking	Redevelopment Area Planning

A. FUNDED AND IN PLAN

PGT CORPORATE HEADQUARTERS

Project Description/Objective: Completion of Memorandum of Understanding: Marquam Bridge parking lot improvements, Landscape and private street improvements. PGT Completion scheduled for August 1995.

Expected Outcomes/Activities: 170,000 sf completed redevelopment site, 150 new jobs created.

Funding Source: Program Income

SOUTH WATERFRONT (SWF) RIVER PARKWAY

Project Description/Objective: Construct Southwest River Parkway, per the Development Agreement with PGT, and extension under Marquam bridge funded by ODOT and property owners.

Expected Outcomes/Activities: Complete construction of road and transfer to the City of Portland.

Funding Source: Oregon Department of Transportation (ODOT) Immediate Opportunities Fund/Program Income

WATERFRONT PARK EXTENSION PLANNING

Project Description/Objective: Prepare A&E documents to extend SWF Park from RiverPlace to the Marquam Bridge. Complete construction of Temporary Trail, landscaping and PGT plaza as part of the Permanent Trail. Two-year construction project to follow.

Expected Outcomes/Activities: Complete PGT plaza (permanent trail), temporary trail, and Lot 7 temporary landscape. Complete Waterfront Park Extension Master Plan and first phase of permanent trail design in FY1995-96. Construction of Permanent Trail most likely to begin in FY1996-97 subject to funds availability.

Funding Source: Program Income

DEVELOPMENT OF RIVERPLACE PARCELS

Project Description/Objective: Prepare development parcels for sale and development.

Expected Outcomes/Activities: Begin marketing of one or more parcels to developers/users consistent with development strategy. Removal of PPL easements, finalization of DEQ final order and soil remediation on Lot 6. Completion of disposition strategy. Site preparation and mitigation of disposition obstacles.

Funding Source: Program Income

NORTH MACADAM PRE-DEVELOPMENT PLANNING

Project Description/Objective: Continue work with North Macadam property owners, City Bureaus and Development Council with development planning, resolution of light rail alignment issues, infrastructure development plans.

Expected Outcomes/Activities: Commencement of master plan and area consensus-building process. Coordinate funding and approval for River Parkway extension under Marquam bridge FY1995-96. Complete North Macadam Development Plan in cooperation with Portland Department of Transportation (PDOT), Bureau of Planning and Parks in winter 1997.

Funding Source: Program Income, Contracts

ENVIRONMENTAL SITE PREPARATION

Project Description/Objective: Resolve Environmental/Soil Remediation issues.

Expected Outcomes/Activities: RI/FS completion for lot 6. Containment of 2,500 cubic yards of contaminated material and determination of treatment solutions for contamination discovered on lot 5. Prepare environmental assessment of lot 8 in anticipation of disposition. Develop and implement remediation programs for other parcels as required.

Funding Source: Program Income

COMMERCIAL OFFICE DEVELOPMENT

Project Description/Objective: Construct 300,000 sq. ft. of new commercial space for recruited or expanding companies.

Expected Outcomes/Activities: 300,000 sq. ft. new commercial space, retain or add 300 jobs.

Funding Source: Program income

WATERFRONT PARK EXTENSION CONSTRUCTION

Project Description/Objective: Complete the Waterfront Park Extension.

Expected Outcomes/Activities: Plan and complete construction of Waterfront Park extension from termination point near Lot 6 to the Marquam Bridge. First phase of permanent extension completed by FY1997-98.

Funding Source: Program Income, Tax Increment

INFRASTRUCTURE/TRANSPORTATION IMPROVEMENTS

Project Description/Objective: Plan and develop infrastructure/transportation improvements.

Expected Outcomes/Activities: Complete SWF public streets by FY1996-97 with private streets completed by FY1997-98 and begin North Macadam infrastructure construction in FY1998-99.

Funding Source: Program income

ODOT PROPERTY ACQUISITION

Project Description/Objective: Acquire Oregon Department of Transportation (ODOT) property under and adjacent to Marquam Bridge.

Expected Outcomes/Activities: Complete acquisition in FY1996-97.

Funding Source: Program income

PROPERTY OWNER DEVELOPMENT ASSISTANCE

Project Description/Objective: Provide development assistance to property owners.

Expected Outcomes/Activities: North Macadam Planning to begin in 1996 resulting in completed master plan by FY1997-98 and actual infrastructure improvements or other agency support in FY1997-98 through FY1999-2000.

Funding Source: Program income

VISITOR PARKING

Project Description/Objective: Create and implement solutions for visitor parking problem.

Expected Outcomes/Activities: Coordinate study team for FY1997-98 acquire land and design and construct public parking facility.

Funding Source: Program income

B. NOT FUNDED AND PROPOSED

The North Macadam area provides a key opportunity to extend the City's commitment to density housing and businesses located within the central city area. Funding of planning and project development efforts in this area will depend on the creation of public and private resources. City ROI financing wherein an investment of City resources on the basis of a substantial return on taxes and business licenses is contemplated for this area. Private sector funding through contracting and direct investment will also be critical in realizing the potential in this area.

MULTI-FAMILY HOUSING DEVELOPMENT (RIVERPLACE)

Project Description/Objective: Construct low, moderate and market rate rental and residential units.

Expected Outcomes/Activities: 680 units of low, moderate and market rate ownership and rental housing.

MULTI-FAMILY HOUSING DEVELOPMENT (NORTH MACADAM)

Project Description/Objective: Construct low, moderate and market rate rental and ownership residential units.

Expected Outcomes/Activities: Construct 1,200 units of rental and ownership housing.

NEIGHBORHOOD RETAIL/COMMERCIAL SERVICES

Project Description/Objective: Begin process for the recruitment and secure commitments for a full line grocery store and other neighborhood support services.

Expected Outcomes/Activities: Full line grocery to be in place by FY1997-98, other service uses FY1999-2000.

EMPLOYEE SUPPORT SERVICES

Project Description/Objective: Locate site for an employment related daycare for employees in the North Macadam/RiverPlace area and facilitate its development.

Expected Outcomes/Activities: Site project by FY1996-97, construction in FY1997-98.

WATERFRONT PARK EXTENSION

Project Description/Objective: Complete last phase of Waterfront Park Extension.

Expected Outcomes/Activities: Plan and complete construction of Waterfront Park extension from termination point near Lot 6 to the Marquam Bridge. First phase of permanent extension completed by FY1997-98.

Summary of Program Area Requirements

	FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000	TOTAL
Total requirements	\$1,082,000	\$1,895,000	\$1,866,000	\$3,054,000	\$4,180,000	\$12,077,000
Unfunded Requirements	\$0	\$0	\$1,286,000	\$0	\$1,237,000	\$2,523,000

Performance Measures for Funded Programs

	FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000	TOTAL
Jobs						
Number of jobs created/retained	150				150	300
Housing						
Predevelopment activities/projects assisted	1	1	1	1	1	5
Commercial/Industrial Investment						
Number of sites developed or improved	2	2	2	2	1	9
Square feet of commercial space developed/improved	170,000				140,000	310,000
Amount of new private investment	\$10,000,000				\$8,000,000	\$18,000,000

OUTER SOUTHEAST

Objective

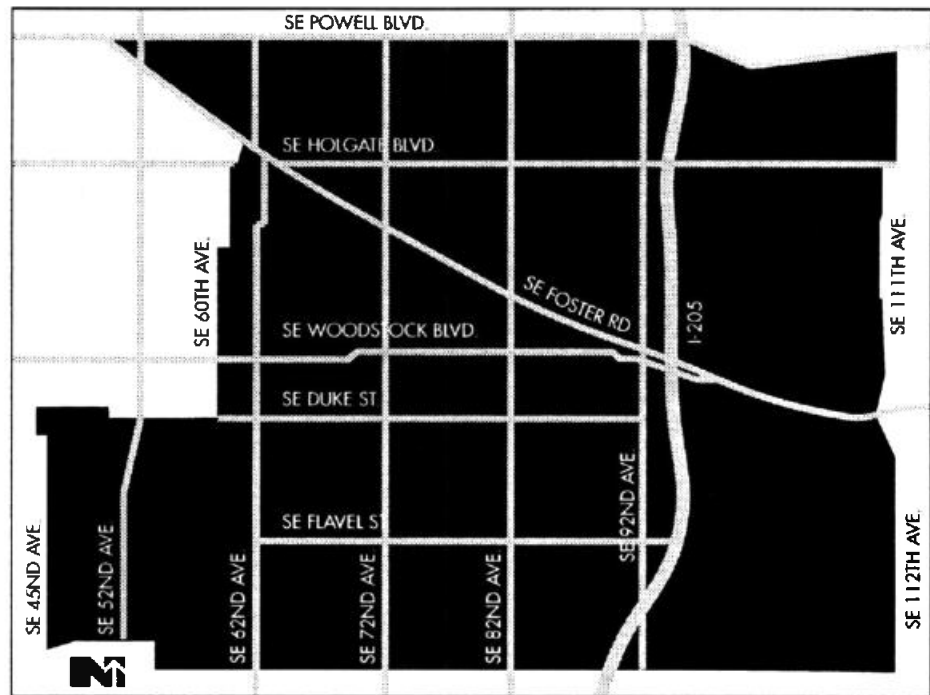
To assist in community activities that lead to redevelopment and improvement of commercial and residential areas. To provide the community with program services to increase available quality housing; to grow and stimulate business investment and to provide opportunities for residents to compete for quality jobs.

Overview

The Outer SE Target Area is one of PDC's newer target areas for Neighborhood Revitalization. PDC coordinates its activities with the Bureau of Planning's OSE Plan, as well as the Lents

Visioning process, the Quality Jobs Initiative, and other community-based efforts. Now that the major planning framework has been largely completed, PDC looks forward to increasing the level of program activity, working closely with community-based partners.

PDC's involvement in this area of the City is relatively recent. We are currently involved in several planning activities under our neighborhood revitalization line of business. Certain projects are contemplated under the project finance and development line of business.



Funded Projects

• Home Owner Repair Loan Programs	Neighborhood Revitalization
• Rental Housing Development	Neighborhood Revitalization
• Home Ownership Program	Neighborhood Revitalization
• SE Community Economic Development Planning	Neighborhood Revitalization
• Storefront Improvement Program	Neighborhood Revitalization
• Community Workforce Development	Workforce Development
• Business Financial Assistance	Neighborhood Revitalization

Business Line

A. FUNDED AND IN PLAN

HOME OWNER REPAIR LOAN PROGRAMS

Project Description/Objective: Provide public financing assistance to individual low-income home owners which allow them to rehabilitate an existing home at a cost which is affordable based on household income. Objective is to preserve the stock of older affordable homes and support neighborhood revitalization. Programs include Emergency Repair Loans, Neighborhood Improvement Incentives, Home Rehabilitation Loans, and Home Rehabilitation/Refinance Loans.

Expected Outcomes/Activities: Provide home repair loans to 499 home owners in the target area.

Funding Source: CDBG, Private

RENTAL HOUSING DEVELOPMENT

Project Description/Objective: Provide development financing for the acquisition, refinancing, rehabilitation and new construction of rental housing to be occupied primarily by lower income households. Undertake predevelopment activities to support creation of neighborhood housing. Involve the neighborhood in the determination of project concept and seek to hire a community-based developer to construct/manage the development. Also included are Nonprofit Facility Rehab Loans to provide rehabilitation of non-housing projects as approved and recommended to PDC by the Bureau of Housing and Community Development.

Expected Outcomes/Activities: Provide loans to create or rehabilitate up to 136 affordable rental housing units.

Funding Source: CDBG, Private, HOME, Program Income

HOME OWNERSHIP PROGRAM

Project Description/Objective: Provide acquisition and new construction/rehabilitation financing to low-income housing developers and provide low interest amortizing loans to first-time home buyers at or below 80% of area median income.

Expected Outcomes/Activities: Provide home ownership opportunities to first-time home buyers. This program is dependent on the outcome of the Bureau of Housing and Community Development's Homebuyer Pilot Project RFP. The Expected Outcomes will change once PDC's role in the project is defined. **This program is considered funded for FY 1996 only.**

Funding Source: CDBG, Private

SE COMMUNITY ECONOMIC DEVELOPMENT PLANNING

Project Description/Objective: Provide planning and technical assistance to local business associations working to improve the area's business districts and employment centers. Seek funding to support programs providing educational and development assistance and investment capital for area businesses. Activities include:

Provide funding and technical assistance to (up to) two Community-Based Organizations (CBO) to further community economic development initiatives.

Complete research to establish baseline data on Lents and Outer Southeast business climate.

Identify existing sources of funding to loan to business project(s).

Seek and secure additional funding expand business loan programs and to carry out economic development projects and programs specified in the Lents Action Plan/Outer SE District Plan.

Expected Outcomes/Activities: FY1995-96 complete Lents Vision Piece, Outer Southeast Community Plan, Pre-Development Opportunity Strategies (DOS) and Business Assessment. Each subsequent year of plan assist CBO's and implement Outer Southeast Plan.

Funding Source: CDBG

STOREFRONT IMPROVEMENT PROGRAM

Project Description/Objective: Identify portions of older commercial areas that need commercial facade improvements and seek funding for them. Look for opportunities to expand City programs for storefront improvement and business development. Improve appearances of storefronts and make other improvements in downtown Lents. Activities include:

Implement a joint marketing/outreach effort with area banks, business organizations and neighborhood associations.

Work to coordinate bank programs to enhance public program efforts and objectives.

Seek opportunities to focus program efforts on sites where DOS and business lending/technical assistance may also be applicable.

Expected Outcomes/Activities: Provide technical and (partial) funding assistance to 6 firms to plan and complete capital improvement of business facades. (FY1995-96)

FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000
6 projects	6 projects	3 projects	0	0

Seek and secure funding for (at least) one additional fiscal year. (FY1995-96)

Funding Source: CDBG

JOBNET/COMMUNITY WORKFORCE DEVELOPMENT

Project Description/Objective: Link with existing community groups and agencies, to develop a comprehensive community plan for workforce development. Also develop a strong JobNet affiliate network, which will increase and broaden the employment referral/screening processes and points of contact for OSE job applicants by FY1995-96.

Expected Outcomes/Activities: Increase by 10 the active participation of community groups and agencies in an affiliate network by FY 1996 and 2 additional groups each year thereafter. Secure interagency agreements by FY1995-96.

Increase OSE placements by 30% each year using the actual OSE 1995 JobNet baseline.

FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000
78	101	131	170	221

Funding Source: CDBG

BUSINESS FINANCIAL ASSISTANCE

Project Description/Objective: Provide participating finance for business growth and development in the OSE Target Area through set-asides in existing/proposed economic development loan programs. Activities include:

Market programs to Target Area businesses using area banks and business organizations.

Underwrite projects as necessary.

Team Recommendation: set-asides in Citywide programs for OSE:

- EDA (\$50K for 2 existing programs) *\$100,000*
- Small Business Assistance Fund *\$50,000*

Expected Outcomes/Activities: Provide participating funding for business expansion projects that create jobs for OSE residents and/or enhance business districts in the Target Area. 3 projects in FY1995-96 and 2 projects each year thereafter.

Funding Source: Federal Grants

B. NOT FUNDED AND PROPOSED

Resources are needed to undertake activities critical to the revitalization of this area. Activities Not Funded and Proposed would provide affordable housing, business technical and financial assistance, and important implementation planning for this area. Resources under consideration include block grant, General Fund, and program income.

COMMUNITY WORKFORCE DEVELOPMENT

Project Description/Objective: Link with existing community groups to develop a comprehensive strategic plan and resources for community workforce and targeted industries needs, develop strategies and identify resources for workforce infrastructure and support and a Targeted Neighborhood Project. This additional funding will provide a "targeted neighborhood employment project" and fund community workforce agency infrastructure within community based organizations. (Total request = \$290,000 annually.)

Expected Outcomes/Activities: Place 50 residents each year in training or jobs through a door-to-door approach in a targeted area. Planned activities for five year workforce infrastructure and support, beginning FY1995-96.

HOME OWNERSHIP PROGRAM

Project Description/Objective: Provide acquisition and new construction/rehabilitation financing to low-income housing developers and provide low interest amortizing loans to first-time home buyers at or below 80% of area median income. These loans will cover the cost of acquisition and repair or new construction in targeted neighborhoods to promote homeownership opportunities and neighborhood revitalization.

Expected Outcomes/Activities: Provide home ownership opportunities to first-time home buyers.

DEVELOPMENT OPPORTUNITY STRATEGY (DOS)

Project Description/Objective: Work with community based organizations and business property owners to identify sites for development within 2-5 years. Coordinate such sites with OSE and Johnson Creek Plans. Stimulate use of Business Finance, Business Technical Assistance and Storefront programs to further DOS Strategies. Prepare, market and provide packages for development of specific "opportunity sites" identified.

Expected Outcomes/Activities	FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000
	0 sites	4 sites	6 sites	3 sites	0 sites

BUSINESS FINANCIAL ASSISTANCE (part of the small business assistance fund)

Project Description/Objective: Provide participating finance for business growth and development in the OSE Target Area through set-asides in existing/proposed economic development loan programs. Activities include:

Market programs to Target Area businesses using area banks and business organizations.

Underwrite projects as necessary.

Team Recommendation: set-asides in Citywide programs for OSE:

- Small Business Assistance Fund \$150,000

Expected Outcomes/Activities: Provide participating funding for up to 3 business expansion projects each year through FY1998-99 that create jobs for OSE residents and/or enhance business districts in the Target Area.

BUSINESS TECHNICAL ASSISTANCE

Project Description/Objective: Provide small participating grants to businesses for consultant assistance to solve problems and move barriers to market competitiveness. Activities include:

Develop a process to identify consultants.

Develop materials to assist business clients in selecting appropriate consultant assistance.

Supervise and guide contract services to business clients.

Expected Outcomes/Activities: Provide technical assistance to (up to) 10 businesses in OSE.

JOHNSON CREEK DEVELOPMENT FEASIBILITY

Project Description/Objective: Provide specialized development assistance and expertise to multi-bureau efforts to establish a comprehensive flood plain management and development plan. Activities include:

Assist the OSE Business Coalition to complete a vision for the Lents/Freeway Land target area, taking into consideration:

- Highest/best use of business zoned sites.
- Improvement of the recreational aspects of the Springwater Corridor trail system, wildlife, etc.
- Incorporation of the Springwater Corridor system into new developments.
- Promotion of developments that integrate the potential benefits of the creek recreational area into the project or uses it as a buffer.

Working with PDOT, ODOT, and the community:

- Examine truck access to industrial areas east of I-205 as part of the Transportation System Plan process. Areas of concern include the industrial areas on either side of Foster Road.
- Make recommendations to resolve conflicts between truck access to industrial areas on either side of Foster Road east of I-205 and recreational use of the Springwater Corridor.

Identify potential sites for high density employment opportunities, if feasible.

Expected Outcomes/Activities: Participate in a multi-bureau Master Planning effort to assess development feasibility within the Johnson Creek 100 Year Flood Plain boundaries.

Summary of Program Area Requirements

	FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000	TOTAL
Total Requirements	\$3,647,000	\$3,943,000	\$2,848,000	\$3,743,000	\$3,616,000	\$17,797,000
Unfunded Requirements	\$0	\$1,395,000	\$1,286,000	\$1,237,000	\$803,000	\$4,721,000

Performance Measures for Funded Programs

Jobs	FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000	TOTAL
Number of target area residents placed	78	101	131	170	221	701
Housing						
Number of owner occupied units rehabbed	83	104	104	104	104	499
Home ownership						
• New or rehabbed units completed	0					0
• First-time home buyers assisted	2					2
Rental housing units completed (rehabbed & new)	9	63	24	20	20	136
• No/low income units						
• Low/mod income units						
• Market rate income units						
Predevelopment activities/projects assisted	2	2	2	2	2	10
Commercial/Industrial Investment						
Number of businesses sited, expanded or retained	1	1	1	1	1	5
Dollars of financial assistance loaned to business (loans/grants, tech. assistance, etc.)	\$200,000	\$200,000	\$300,000	\$250,000	\$250,000	\$1,200,000
Number of businesses financially assisted (loans/grants, tech. assistance, etc.)	15	21	17	5	5	63

RIVER DISTRICT/UNION STATION

Objective

To generate new private investment and an improved tax base on vacant and underutilized land by developing a wide range of new housing units, new commercial opportunities and open space oriented to the Willamette River. To retain and enhance Union Station's function as a critical public asset and transportation hub for the regional transit system.

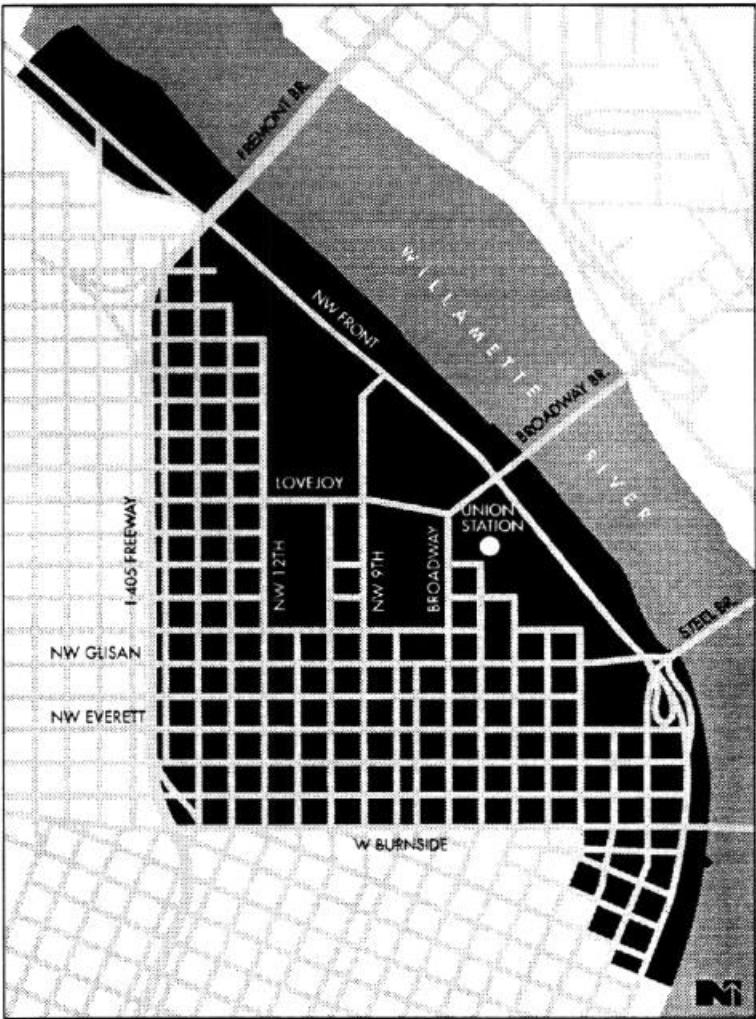
Overview

The River District plans call for a comprehensive vision of high density urban uses created by an aggressive development community in partnership with the City of Portland. This area will be a vital mix of multi-unit housing, major office facilities, regional attractions and supporting service and retail businesses. With Union Station as a focal point, this area forms the point of a square connecting Downtown Portland with OMSI and the Convention Center/Lloyd Center District.

Major public investments, including waterfront connections, open spaces, new streets, streetcars, vintage-style street lighting and others, need to be leveraged with substantial private investment in an array of projects.

Multi-unit housing offers downtown living for people with a full range of income levels. With proximity to downtown and excellent regional transit service, as well as the availability of retail and service providers, many River District residents will walk to work.

Activities in this target area are mainly in PDC's project finance and development line of business.



Funded Projects

• Union Station Housing	Project Finance & Development
• Agricultural Marketing Center	Project Finance & Development
• Housing Technical Assistance	Project Finance & Development
• Union Station Property Mgmt.	Project Finance & Development
• Union Station Restoration	Project Finance & Development
• Union Station Forecourt Improvements	Project Finance & Development
• US Post Office/Trailways Block	Project Finance & Development
• Design/Construct Infrastructure Imprvmnts	Project Finance & Development
• River District Land Acquisition/Construct McCormick Pier access to Waterfront	Project Finance & Development
• River District Project Management	Project Finance & Development

Business Line

Project Finance & Development
Project Finance & Development
Project Finance & Development
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Project Finance & Development

• Classical Chinese Garden	Project Finance & Development
• North Downtown Facade Program	Neighborhood Revitalization
• Old Town Lighting Enhancement	Neighborhood Revitalization
• Historic Preservation	Project Finance & Development
• Old Post Office Bldg. (511 Bldg.)	Project Finance & Development
• Reopen NW 8th Avenue	Project Finance & Development

A. FUNDED AND IN PLAN

UNION STATION HOUSING

Project Description/Objective: Negotiate and execute a Disposition and Development Agreement with the selected developer for an approximately 700-unit mixed-income housing project south of the Broadway Bridge. Secure necessary local approvals. Provide pre-development and financial assistance to the selected developer. Commence construction in early 1996.

Expected Outcomes/Activities: Commence construction of approximately 400 new and mixed-income housing units in 1996 as first phase of overall development. Approximately 3.5-acres of vacant land will be put into use; 1 public improvement project will be underway.

Funding Source: Program Income (including land loans and prior year carry-forward)

AGRICULTURAL MARKETING CENTER

Project Description/Objective: Negotiate and execute a Disposition and Development Agreement and other agreements necessary to sell or trade land north of the Broadway Bridge for a 240,000 sf Agricultural Marketing Center. Project is a joint venture with the Oregon Department of Agriculture (ODA) and the Oregon State University (OSU) to construct the Food Innovation Center. The Oregon Agriculture Center will be the private component of the project.

Expected Outcomes/Activities: Execute Memorandum of Understanding with selected developer for first phase of private development in 1995. Negotiate and execute a Disposition & Development Agreement in 1996. Prepare legal documents and secure local, state and federal approvals. Commence construction summer 1996.

Funding Source: Program Income/Outside contract with OSU

HOUSING TECHNICAL ASSISTANCE

Project Description/Objective: Provide technical assistance and development liaison services to property owners and developers in the River District to assist them in new housing development. Monitor status and compliance with Housing Implementation Strategy. Monitor Type V Code revisions.

Expected Outcomes/Activities: Assist in the development of approximately 50 new privately financed and constructed housing units in the River District each year. Update Housing Implementation Strategy. Process code change.

Funding Source: Program Income

UNION STATION PROPERTY MANAGEMENT

Project Description/Objective: Overall property management of Union Station property, including tenant improvements, operating income and expenses.

Expected Outcomes/Activities: 500 sf of commercial space created/enhanced each year. Coordinate centennial celebration of Union Station in Feb-May 1996.

Funding Source: Program Income from Station operations

UNION STATION RESTORATION

Project Description/Objective: Proceed with renovation, design and construction to undertake seismic upgrades to Union Station.

Expected Outcomes/Activities: Completion of seismic/structural analysis in 1995. Initiate multi-year work program to upgrade Union Station and its seismic capacity. Undertake improvements as funding permits starting in 1996.

Funding Source: Program Income from Station operation

UNION STATION FORECOURT IMPROVEMENTS

Project Description/Objective: Redesign the parking block in front of Union Station as a landscaped forecourt and entryway into the Union Station property with limited parking and drop-off functions. Undertake and complete construction.

Expected Outcomes/Activities: Undertake improvements as funding permits in 1999.

Funding Source: TBD

US POST OFFICE/TRAILWAYS BLOCK

Project Description/Objective: Property management and marketing for redevelopment.

Expected Outcomes/Activities: Provide ongoing property management.

Funding Source: Program Income from parking lot operations

DESIGN/CONSTRUCT INFRASTRUCTURE IMPROVEMENTS

Project Description/Objective: Design and processing of PUC application for Third Avenue and pedestrian crossings at Union Station; design and initial construction of pedestrian improvements along NW Front Avenue; design and construction of certain pedestrian and landscape improvements as a buffer along the railroad tracks.

Expected Outcomes/Activities: Complete design and engineering work for NW Third Avenue crossing in 1996. Commence design of other pedestrian crossings in 1995. Complete designs for NW Front Avenue pedestrian improvements and commence construction in summer 1996.

Funding Source: General Fund, Program Income

RIVER DISTRICT LAND ACQUISITION/CONSTRUCT MCCORMICK PIER ACCESS TO WATERFRONT

Project Description/Objective: Acquire accessways from property owner and construct pedestrian improvements through the McCormick Pier Apartments, between the Steel and Broadway Bridge to provide new public access to the waterfront in 1996. Commence construction in FY1996-97.

Expected Outcomes/Activities: Complete design work and property owner agreements relating to design and construction of the project in 1996. Commence construction in FY1996-97.

Funding Source: General Fund

RIVER DISTRICT PROJECT MANAGEMENT

Project Description/Objective: Manage Housing Implementation Strategy, coordinating with City bureaus and negotiating agreements with property owners. Participate in or manage activities of the River District Steering Committee, Finance Committee, Coordinating Committee and Public Negotiating Team. Participate in or manage activities of the Central City 2000 Task Force. Contract with River District Association for technical services related to River District planning and development.

Expected Outcomes/Activities: Provide ongoing project management services.

Funding Source: General Fund

CLASSICAL CHINESE GARDEN

Project Description/Objective: Assist in pre-development of a Chinese Garden in Old Town. This would be a public attraction and would function as a park and garden space with water features.

Expected Outcomes/Activities: Complete preliminary design of Garden. Identify solutions to relocating existing parking to alternative locations. Commence Garden construction in 1997.

Funding Source: General Fund

NORTH DOWNTOWN FACADE PROGRAM

Project Description/Objective: Fund and administer rehabilitation projects in the N. Downtown area in conjunction with the Old Town Lighting Program. Program provides matching grants to eligible property owners and tenants for exterior building improvements.

Expected Outcomes/Activities: Facilitate 4-6 facade improvements in North Downtown.

Funding Source: Program Income

OLD TOWN LIGHTING ENHANCEMENT

Project Description/Objective: Manage a rebate program providing matching funds from the City and PGE for building lighting improvements in Old Town to enhance security and attract visitors. PGE and City funds have been provided to PDC for administration of the program.

Expected Outcomes/Activities: Award 15 rebates for lighting projects.

Funding Source: Portland General Electric/City funds from Police Bureau, Portland Department of Transportation (PDOT) Street Lighting and Bureau of General Services Parking fund (Contracts, Program Income)

HISTORIC PRESERVATION

Project Description/Objective: Overall coordination and liaison with State Historic Preservation Office (SHPO), Advisory Council for Historic Preservation, and National Trust; liaison with local historic districts and Bureau of Planning.

Expected Outcomes/Activities: Ongoing participation and coordination of historic preservation activities affecting PDC.

Funding Source: Program Income

OLD POST OFFICE BLDG. (511 BLDG.)

Project Description/Objective: Acquire Old Post Office Building, 511 NW Broadway, from the General Services Administration; prepare and implement marketing plan for leasing of parking lot and office building. Prepare for the redevelopment of the building as office space.

Expected Outcomes/Activities: 20,000 square feet of commercial space improved and leased each year.

Funding Source: Program Income

REOPEN NW 8TH AVENUE

Project Description/Objective: Undertake and complete design work to construct a section of NW 8th Avenue between Glisan and Hoyt Streets to improve access and circulation in the North Park Blocks area. Construct those street and pedestrian improvements.

Expected Outcomes/Activities: Completion of design work.

Funding Source: TBD

B. NOT FUNDED AND PROPOSED

Realization of the City's housing and development objectives in this target area will require additional investment of public and private resources. Unfunded housing and infrastructure projects are seeking support from tax increment, federal grant, and General Fund resources, in addition to a major private investment in this area.

CHINATOWN HOUSING

Project Description/Objective: Construct major new housing project in the Chinatown District consisting of approximately 100 units with ground floor retail.

Expected Outcomes/Activities: 100 units of housing.

MONITOR SEISMIC CODE REGULATIONS

Project Description/Objective: Staff time to monitor and review new seismic code regulations as they relate to Union Station and other unreinforced buildings in Old Town.

Expected Outcomes/Activities: Ongoing monitoring and review of seismic code regulations.

RENTAL HOUSING DEVELOPMENT

Project Description/Objective: Rehabilitation of the Estate Hotel and replacement of the Rich and Everett Hotel units, per settlement agreement between Central City concern and the City

Expected Outcomes/Activities: 110 units of rehabbed rental housing in FY1998-99 & FY1999-2000.

COORDINATE TANNER CREEK PARK & BASIN DESIGN

Project Description/Objective: Lead role in coordinating Tanner Creek Park and Basin design. Secure approvals, etc.

Expected Outcomes/Activities: Commence and complete preliminary design for park and other improvements in the Tanner Creek Park and Basin.

LOVEJOY/10TH AVE. RECONSTRUCTION

Project Description/Objective: Redesign Road System. Demolish Lovejoy viaduct and 10th Avenue ramp and bring auto access to grade at NW 9th Avenue to enhance access in and out of the District. Project to be managed by PDOT.

Expected Outcomes/Activities: Complete design and engineering by 1997. Commence construction by 1998. Complete construction by 1999.

RIVER DISTRICT OPEN SPACE ACQUISITION

Project Description/Objective: Acquire land for open space as called for in the River District Development Plan.

Expected Outcomes/Activities: Complete acquisition of Tanner Parks, Tanner Basin and Waterfront properties by 1999.

CLASSICAL CHINESE GARDEN

Project Description/Objective: Construct a Classical Chinese Garden on a full city block bounded by NW 2nd, NW 3rd, NW Flanders and NW Glisan.

Expected Outcomes/Activities: Complete acquisition and design by 1997. Complete construction by 1999.

UNION STATION HOUSING —PHASE II AND III

Project Description/Objective: Provide financial assistance to construct remaining two phases (approximately 250 units) of mixed-income housing at Union Station. Commence construction by FY1998-99.

Expected Outcomes/Activities: Construction of approximately 250 new, mixed-income units at Union Station.

Summary of Program Area Requirements

	FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000	TOTAL
Total Requirements	\$2,414,000	\$5,809,000	\$3,485,000	\$3,743,000	\$6,242,000	\$21,693,000
Unfunded Requirements	\$0	\$5,431,000	\$15,095,000	\$15,339,000	\$3,897,000	\$39,762,000

Performance Measures for Funded Programs

Housing	FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000	TOTAL
Home ownership	50	50	50	50	50	250
• New or rehabbed units completed						
• First-time home buyers assisted						
Rental housing units completed (rehabbed & new)						964
• No/low income units			82	55	55	192
• Low/mod income units			76	55	55	186
• Market rate income units			418	60	108	586
Commercial/Industrial Investment						
Number of businesses financially assisted (loans/grants, tech. assistance, etc.)	21	15	15	10	10	71
Square feet of commercial space developed/improved	500	500	35,500	70,500	10,500	117,500

TRANSIT STATION AREAS

Objective

To promote employment and residential development by working with community partners to build higher density, mixed use, transit supportive projects in close proximity to transit. Other goals include neighborhood revitalization, efficient use of City and regional land resources, and reduced traffic congestion.

PDC recognizes the importance of working in concert with our community and neighborhood partners. Our work may be site specific, but may also encompass surrounding areas to achieve neighborhood revitalization goals. Our activities may also integrate economic development and housing development.

We should recognize that there may be opportunities to work in areas along high capacity bus corridors that match transit supportive development opportunities at LRT station areas.

Overview

Increasing attention to the link between land use and transportation has resulted in the understanding that transit station areas are ideally suited for higher density, mixed-use development. The coordinated efforts among land use and transportation planners as well as developers and the financial community will lead to more compact housing development and higher job densities along transit corridors, helping the City achieve its Livable Cities goals as well as the Region 2040 goals.

The region continues to be a national leader in the area of transit oriented development, (TOD) planning and zoning. We now understand the benefits of transit supportive developments and can better define what elements need to be included in these projects. The next challenge for the City is to turn these planning principles into development realities. Clearly the development community is interested in transit supportive development, but successful, bricks and mortar projects need to be created to demonstrate that people want to live and work in TODs and that they can be financially successful.

Portland has traditionally worked with public/private partnerships to achieve its goals. The area of transit oriented development will be no different. Our desire for transit and pedestrian friendly, mixed-use projects will only be achieved through the City's partnership with the development community and local neighborhood and business organizations. With this approach, we will achieve quality, higher density neighborhoods and employment centers that meet community goals and needs.

Transit oriented developments incorporate design elements that include better pedestrian connections to transit, building orientation to encourage transit usage, more housing units and/or commercial space that otherwise would be built and reduced parking ratios. TODs can work because they provide for more mixed-use opportunities, such as a residential building that includes a mix of retail, services, office space on lower levels to serve the residents and neighbors. In Downtown, the mixed-use concept is commonplace; however, outside of the Downtown, such development patterns are not often found. Our challenge is to be the impetus for these types of projects through incentives and development partnerships.

It is our goal to complete at least two transit supportive development projects in Goose Hollow and the 60th and Glisan redevelopment within five years. We anticipate that additional project opportunities will become available during this time frame.

Redevelopment area planning has been the primary line of business for this target area. Additional funding for proposed but not funded projects will allow for implementation of the project finance and development line of business.

Funded Projects

Business Line

- 60th & Glisan Redevelopment Redevelopment Area Planning
- Congestion Mitigation Air Quality Project Finance & Development
 - Transportation Oriented Development (CMAQ-TOD)

A. FUNDED AND IN PLAN

60TH & GLISAN REDEVELOPMENT

Project Description/Objective: After site control is obtained, conduct Developer RFQ and select qualified development team to implement development program for a mixed-use project. Continuously work with Center and other community partners to obtain their input and support.

Expected Outcomes/Activities: FY1995-96: Complete predevelopment planning and schematic design; complete property control negotiations w/Oregon Department of Transportation (ODOT); select Development Team.

Funding Source: Contracts

CONGESTION MITIGATION AIR QUALITY/TRANSIT ORIENTED DEVELOPMENT

Project Description/Objective: Management of a regional transit oriented development (TOD) financing program on behalf of DEQ and ODOT. Work involves preparing Round II RFP's and selecting two or more additional projects for funding during the remaining three years of the program. (Second year of project.)

Expected Outcomes/Activities: FY1995-96: Approve two development programs in station area; \$34 million private investment upon completion of a portion of Round I projects. FY1996-97: Obtain final Federal Highway approval of all selected projects; complete development agreements for all selected projects; \$34 million private investment. FY1997-98: Monitor progress of funded projects for adherence to development agreements; \$25 million private investment. FY1998-99: Monitor progress of funded projects for adherence to development agreements; complete program closeout. \$18 million private investment.

Funding Source: Contracts (ODOT (Congestion Mitigation Air Quality - Federal Highway money; other participating State agencies to cover match requirement. Agreement)

B. NOT FUNDED AND PROPOSED

Funding of Not Funded and Proposed Activities in the Transit Station Areas target area would provide the opportunity to realize City and regional goals for housing density and air quality. Federal grants, program income, tax increment, and General Fund are potential resources for activities in this target area.

60TH & GLISAN REDEVELOPMENT

Project Description/Objective: Acquire site, proceed with RFP process implementing development of site as mixed use project (see Project #1).

Expected Outcomes/Activities: FY1995-96: Complete property control negotiations w/ODOT. FY1996-97: Complete property acquisition; complete RFP and developer selection process; complete predevelopment planning and assist developer to obtain public approvals and financing. FY1997-98: Construction start/completion Phase I. FY1998-99: Construction start/completion Phase II. Option for FY1996-97: Include a design competition as part of RFP process.

TRANSIT STATION AREA —DEVELOPMENT OPPORTUNITY STRATEGY

Project Description/Objective: Develop a comprehensive implementation strategy for mixed-use, higher density projects at key station areas and along high capacity transit corridors. Strategy will include: comprehensive inventory of redevelopable properties in proximity to eastside, westside, and south/north rail alignments; working with community, prioritize opportunity sites; develop prototypes to test feasibility of medium and higher density mixed-use projects; identify funding sources and private partnerships to redevelop key sites. This strategy will form a blueprint for redevelopment opportunities the City could implement to achieve its “livability” goals.

Expected Outcomes/Activities: FY1996-97: Complete property inventory of redevelopable sites; prioritize sites; develop prototypes to test feasibility. Form public/private partnerships and identify funding sources to redevelop key sites.

GOOSE HOLLOW HOUSING REDEVELOPMENT PROGRAM

Project Description/Objective: Prepare specific redevelopment programs including design and market feasibility for key sites in the Goose Hollow neighborhood, working closely with the neighborhood association, Tri-Met, property owners and other public agencies. Proposed projects will demonstrate transit-oriented design features and meet Livable City Housing Region 2040 goals. Work in partnership with Tri-Met as well as private property owners on three LRT sites. Establish a loan program to provide housing gap financing for at least two projects.

Expected Outcomes/Activities: FY 1996-97: Working in partnership with Tri-Met, complete redevelopment planning, issue RFP and select developer for the Civic Stadium site. FY 1997-98: Complete construction of Civic Stadium mixed-use project (minimum of 100 units) and complete preliminary feasibility work for redevelopment of at least one additional mixed-use housing site in Goose Hollow. FY 1998-99: Civic Stadium project completed and leased-up. Begin construction of second project. FY 1999-2000: Complete construction and lease-up of second mixed-use project (minimum of 100 units). Complete preliminary feasibility work for redevelopment of at least one additional mixed-use housing site in Goose Hollow.

SOUTH/NORTH LIGHT RAIL REDEVELOPMENT STUDY

Project Description/Objective: Coordinate a S/N transit development opportunity study for the proposed North Portland alternative alignments as part of a S/N Light Rail project. May include development analysis and planning for a portion of the SWF/N. Macadam Area.

Expected Outcomes/Activities: FY1995-96: Develop work program and consultant team to determine residential and commercial development potential of alternative Light Rail Corridor alignments. FY1996-97: Complete study.

DEVELOPMENT RESOURCE MANUAL —TRANSIT SUPPORTIVE DEVELOPMENT

Project Description/Objective: Identify key opportunity sites along eastside and westside light rail alignments. Prioritize sites. Develop prototypes for medium and higher density residential and mixed use projects. Identify public financing tools and incentives available. Identify regulatory incentives. Evaluate need for additional design standards. Prepare manual for community, property owners and developers to describe opportunities and market the TOD concept. Key audience is the development community.

Expected Outcomes/Activities: FY1995-96: Prepare handbook manual outline and “test” market to development community; identify and prioritize sites. FY1996-97: Prepare prototypes, identify TOD incentives, prepare manual that describes TOD opportunities along light rail alignment.

KEY SITE CONTROL —PROJECT DEVELOPMENT

Project Description/Objective: Secure property control of key development sites in transit station areas.

Expected Outcomes/Activities: FY1997-98: Prepare limited redevelopment analysis and appraisals and obtain options on two transit station area properties. FY1998-99: Prepare limited redevelopment analysis and appraisals and obtain options on two key transit properties. Select developer and assign options for two properties studied in FY1997-98; begin development planning. FY1999-2000: Select developer and assign option for two properties (FY1998-99); begin development planning; complete development planning, public approvals and financing approvals for two properties (selected FY1997-98) and start construction of project.

TECHNICAL ASSISTANCE —PRE-DEVELOPMENT PLANNING

Project Description/Objective: Provide technical assistance to public agencies, property owners and development community regarding development sites and incentives available for transit supportive development; review and recommend revision of regulations that act as disincentives to higher density development; identify and develop financial or regulatory incentives to promote TOD developments, including tax abatement legislation for City's program.

Expected Outcomes/Activities: FY1995-96: Assist in adoption of City's transit area tax abatement program. FY1996-97 through FY1999-2000: Provide ongoing technical assistance targeting 1-2 projects per year and working with developers to provide sufficient assistance and realize project construction and completion.

TECHNICAL ASSISTANCE —PUBLIC AGENCIES

Project Description/Objective: Provide technical assistance to Cities and Counties in the Region to develop transit supportive developments.

Expected Outcomes/Activities: FY1995-96 through FY1999-2000: Provide technical assistance for transit-oriented development upon request.

Summary of Program Area Requirements

	FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000	TOTAL
Total Requirements	\$176,000	\$2,187,000	\$76,000	\$81,000	\$0	\$2,520,000
Unfunded requirements	\$0	\$290,000	\$860,000	\$867,000	\$234,000	\$2,251,000

Performance Measures for Funded Programs

Housing	FY1995-96	FY1996-97	FY1997-98	FY1998-99	FY1999-2000	TOTAL
Rental housing units completed (rehabbed & new)			150	100		250
<ul style="list-style-type: none"> • No/low income units • Low/mod income units • Market rate income units 						
Predevelopment activities/projects assisted	3	1				4

PDC 1995-2000 PROJECTS BY BUSINESS LINE

Target Area/Program Projects

	Redevelopment Area Planning	Project Finance & Development	Neighborhood Revitalization	Business Retention Expansion & Recruitment	Workforce Development
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Housing Programs

Rental Housing Dev.		X			
Home Owner Repair Loans			X		
Home Ownership Program			X		
Private Lender Investment			X		
Housing Predevelopment		X			
Financial Partnership Dev.		X			
Community based alliances	X				
Regional Housing		X			
Redevelopment Area Planning	X				

Business & Workforce Development

City Business Dev.				X	
Policy Planning & Research				X	
Business Finance			X	X	
Regional Business Dev.				X	
Target Industry Dev.				X	X
JobNet					X
SIP First Source Agreements					X
Community Workforce Agrmts					X

Airport Way/Columbia Corridors

Business Development				X	
Business Dev. Loans				X	
Columbia Slough Trail Dev.		X			
AW/CC Business Climate				X	
AW/CC Resource Development				X	
Predevelopment Assistance				X	

Central Eastside

CES Redevelopment		X		X	
Water Ave. Phase II LID	X				
Eastbank Riverfront Park	X	X			
CES Project Management	X				
PGE/KPTV Redev.		X		X	

Target Area/Program Projects

	Redevelopment Area Planning	Project Finance & Development	Neighborhood Revitalization	Business Retention Expansion & Recruitment	Workforce Development
Cully Killingsworth					
Home Owner Repair Loans			X		
Rental Housing Dev.		X			
Downtown					
South Park Blocks Housing		X			
University District Housing		X			
Pioneer Place Phase II		X			
Tech Assistance/Policy Dev.	X				
Parking Policy	X				
Parking Group Contract	X				
Mixed-Use Housing/parking	X				
City Business Dev.				X	
Business Dev. Loans				X	
Hatfield, Paulson Buildings		X			
St Francis and Hamilton Hotels		X			
City Housing Dev. Contract		X			
Rental Housing Dev. Loans		X			
Tax Abatement Review		X			
Inner Northeast					
NE Eco. Devo. Planning			X		
OAME Emerging Sm. Bus.			X		
MLK Jr. Blvd. DOS	X		X		
Walnut Park Retail Ctr		X	X		
JobNet			X		X
Targeted Neighborhood Project			X		X
NE Workforce Center			X		X
Business Assist. Fund/jobs			X		X
Business Assist. Fund/TA			X		
Business Assist. Fund/Loans			X		
Enterprise Zone Loans			X		
Storefront Improvements			X		
Home Owner Repair Loans			X		
Rental Housing Development		X	X		
Kennedy School		X	X		
Home Ownership Prog.			X		
Mixed-Use Project Planning			X		

Target Area/Program Projects

	Redevelopment Area Planning	Project Finance & Development	Neighborhood Revitalization	Business Retention Expansion & Recruitment	Workforce Development
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Lloyd District

Oregon Arena Project		X			
Rental Housing Development		X			
Convention Ctr. HQ Hotel Dev.		X			
Master Planning Activities	X				

No. Macadam/Riverplace

PGT HQ		X		X	
SW River Parkway		X			
Waterfront Park Extension		X			
Site Preparation and Dev.		X			
North Macadam Predev.	X				
Environmental Site prep.		X			
Commercial Office Development		X		X	
Waterfront Park Construction		X			
Infrastructure/Transp. Imp.		X			
ODOT Property Acquisition		X			
Property Owner Dev. Assist		X			
Visitor Parking	X				

Outer South East

Home Owner Repair Loans			X		
Rental Housing Dev.			X		
Home Ownership Program			X		
SE Community Eco Devo. Plan			X	X	
Storefront Improvement Prog.			X		
Community Workforce Dev.			X		X
Business Financial Assist.			X		

Target Area/Program Projects

	Redevelopment Area Planning	Project Finance & Development	Neighborhood Revitalization	Business Retention Expansion & Recruitment	Workforce Development
River District/Union Station					
Union Station Housing		X			
Agricultural Marketing Ctr.		X			
Housing Tech Assist.		X			
Union Station Property Mgmt.		X			
Union Station Restoration		X			
US Post Office/Trailways Block		X			
Design/Construct Infrastructure		X			
River District Land Acq.		X			
River District Project Mgmt.		X			
Classical Chinese Garden		X			
North Downtown Facade			X		
Old Town Lighting Enhancement			X		
Historic Preservation		X			
Old Post Office Bldg.		X			
Reopen NW 8th Ave.		X			
Transit Stations					
60th & Glisan Redevelopment	X				
CMAQ-TOD		X			