

EXHIBIT "A"

**CITY OF PORTLAND, OREGON
AIRPORT WAY URBAN RENEWAL PLAN**

**as Amended by First Amendment, dated March 2, 1988
and the Second Amendment, dated May 17, 1990
and the Third Amendment, dated September 11, 1991
and the Proposed Fourth Amendment, dated January 20, 1993**

**Note: Proposed additions to the Urban Renewal Plan are indicated by shading;
deletions are indicated by strikeouts.**

**PORTLAND DEVELOPMENT COMMISSION
1120 SW FIFTH AVENUE, SUITE 1102
PORTLAND, OR 97204-1968**

**URBAN RENEWAL PLAN
FOR THE
AIRPORT WAY URBAN RENEWAL PROJECT**

**ADOPTED May 15, 1986
BY CITY COUNCIL ORDINANCE NO. 158500**

**FIRST AMENDMENT March 2, 1988
BY CITY COUNCIL ORDINANCE NO. 160519**

**SECOND AMENDMENT August 9, 1990
BY CITY COUNCIL ORDINANCE NO. 163358**

**THIRD AMENDMENT September 11, 1991
BY PORTLAND DEVELOPMENT COMMISSION RESOLUTION NO. 4135**

**PROPOSED FOURTH AMENDMENT January 20, 1993
BY CITY COUNCIL ORDINANCE NO. _____**

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SECTION 100 - INTRODUCTION

The Airport Way Urban Renewal Plan consists of Part One - Text and Part Two - Exhibits. This Urban Renewal Plan has been prepared by the Portland Development Commission in its capacity as the Urban Renewal Agency of the City of Portland, Oregon.

This Plan has been prepared pursuant to Oregon Revised Statute (ORS) Chapter 457, the Oregon Constitution, and all applicable laws and ordinances of the State of Oregon and City of Portland respectively. All such applicable laws and ordinances are made a part of this Plan, whether expressly referred to in the text or not.

The Urban Renewal Area is a single geographic area with a single contiguous boundary in which a variety of activities and projects are contemplated to eliminate blight and the causes of blight and intended to create an environment in which the private sector may develop job producing industrial, distribution facilities and other compatible business uses.

This Urban Renewal Plan for the Airport Way Urban Renewal Area was originally approved by the City Council of the City of Portland on May 15, 1986 by Ordinance No. 158500.

The First Amendment to the Plan was adopted by City Council on March 2, 1988 by Ordinance No. 160519.

The Second Amendment to the Plan was adopted by City Council on August 9, 1990 by Ordinance No. 163358.

The Third Amendment to the Plan was adopted by the Portland Development Commission on September 11, 1991 by Resolution No. 4135.

SECTION 200 - DEFINITIONS

The following definitions will govern the construction of this Plan unless the context otherwise requires:

"Plan" means the Urban Renewal Plan for the Airport Way Urban Renewal Area, Parts One and Two.

"Text" means the Urban Renewal Plan for the Airport Way Urban Renewal Area, Part One - Text.

"Exhibit" means an attachment, either narrative or map, to the Urban Renewal Plan for the Airport Way Urban Renewal Area, Part Two - Exhibits.

"Area" means the area included within the boundaries of the Airport Way Urban Renewal Area.

"Development Commission" means the Portland Development Commission which is the Urban Renewal Agency of the City of Portland, Oregon.

"Planning Commission" means the Planning Commission of the City of Portland, Oregon.

"City" means the City of Portland, Oregon.

"City Council" means the City Council of the City of Portland, Oregon.

"County" means the County of Multnomah, State of Oregon.

"State" means the State of Oregon.

"ORS" means Oregon Revised Statute (State Law) and specifically Chapter 457 thereof.

"Redeveloper" means any individual or group acquiring property from the Development Commission or receiving financial assistance for the physical improvement of privately or publicly held structures and land.

"Comprehensive Plan" means the City's Comprehensive Land Use Plan and its implementing Ordinances, policies and development standards.

"Objective" means any goal, general or specific, or objective described in Section 400 of this Plan.

"Displaced" person or business means any person or business who is required to relocate as a result of action by the Development Commission, or any person or business who receives written notice from the Development Commission to vacate a property for public use or purpose. The methods to be used for the temporary or permanent relocation of such persons living in, and businesses situated in the Columbia South Shore Urban Renewal Area shall be in accordance with State Law as specifically set forth in ORS 281.045 to 281.105.

"Urban Renewal Area" or "Renewal Area" means the geographic area for which this Urban Renewal Plan has been approved. Such Urban Renewal Area is described in Section 300 of this Plan and the boundaries delineated on Urban Renewal Area Boundary Map - Exhibit One of this Plan.

The "Airport Way Development Plan" or "Development Plan" means the Airport Way Development Plan adopted by the Portland City Council by Resolution 34629 on October 25, 1989.

SECTION 300 - LEGAL BOUNDARY DESCRIPTION

The boundaries of the Urban Renewal Area are delineated on the Urban Renewal Area Boundary and Zoning Maps - Exhibit 1 or Part 2 of this Plan.

The Area is described as that land containing all lots or parcels of property situated in the City of Portland, County of Multnomah, and State of Oregon, bounded generally as follows:

Beginning at the corner common to Sections 8, 9, and 17, Township 1 North, Range 2 East, Willamette Meridian, Multnomah County, Oregon;

Thence East along the Section Line between Sections 9 and 16 to a point on the West line of NE 82nd Avenue for the true point of beginning;

Thence North along said line and Northerly prolongation thereof across Airport Way to a point on the South line of Tax Lot 18, Tax Assessor's Plat 9-1N.2E., Multnomah County, Oregon, thence East along said South line to the Southwest corner of Tax Lot 20 of said Plat 9-1N.2E.;

Thence North along the West line thereof to the Northwest corner of said Lot 20;

Thence Easterly along North line of said Tax Lot to the Northeast corner thereof;

Thence Easterly to the Northwest corner of Tax Lot 24 of said Plat 9-1N.2E.;

Thence Easterly along North line of said Tax 24 and Tax Lots 25, 26, 27, and 7 of Block 21, Ackleys River Farms, which North line is also a portion of Portland International Airport's South Boundary line of the Clear Zone, to the Center Line of the access road to the Long Term Parking Lot;

Thence Northerly along said Center Line and Northerly prolongation thereof to the ordinary High Water Line of the Columbia River;

Thence Easterly along said High Water Line to the Northwest corner of Tax Lot 29, Tax Assessor's Plat No. 2549;

Thence South along West Property line to the North line of Marine Drive;

Thence East along said North line to a Northerly prolongation of the East line of NE 185th Drive;

Thence South along said East line to the Northwest corner of Tax Lot 56, Assessor's Plat 2649;

Thence clockwise around the North, East and South Lot lines to the East line of NE 185th Drive;

Thence continue South along said East line to an Easterly prolongation of the North Property line of Tax Lot 53, Assessor's Plat 2649;

Thence Westerly around said North line to the Northeast corner of Tax Lot 51, Assessor's, Plat 2648;

Thence continue Westerly along North line of said property and the North line of Tax Lot 3, Assessor's Plat 2748, to the Northwest corner thereof;

Thence South along West line of said Tax Lot 3 to the North Right-of-Way line of the Union Pacific Railroad;

Thence West along said North line to the East line of NE 158th Avenue;

Thence South across the Union Pacific Railroad to the South line of Sandy Boulevard;

Thence Westerly along said South line to a point of intersection of a Southerly prolongation of the East line of Tax Lot 58, Assessor's Plat 2542;

Thence North along said line and its Northerly prolongation thereof to its intersection with the North Right-of-Way line of the Union Pacific Railroad;

Thence easterly along said North line to the Southeast corner of Tax Lot 38, Assessor's Plat 2543, Multnomah County, Oregon;

Thence Northerly along East line to the Northeast corner of said lot;

Thence Westerly along North line thereof to the Northeast corner of Tax Lot 69, said Plat;

Thence Westerly along North Property line of said Tax Lot 69, and the Westerly prolongation thereof to the West line of NE 122nd Boulevard;

Thence Northerly along said West line to the Northeast corner of Block 3, Flood Oak, Assessor's Plat 2542;

Thence Westerly along North line of said Block 3 to the Northwest corner thereof;

Thence South along Western line of said Block 3 to the South line of Columbia Slough Drainage Canal;

Thence Westerly along said Canal line to the East end of NE Deering Street;

Thence Southerly along the East end line of NE Deering Street to its intersection with the Southerly line of NE Deering Street;

Thence Westerly along the South line of NE Deering Street to the Easterly Right-of-Way line of Interstate 205;

Thence Northerly along said Right-of-Way line to the Northerly line of the Columbia Slough Drainage Canal;

Thence Easterly, Northerly and Westerly along said Northerly/Southerly line to the Westerly Right-of-Way line of Interstate 205;

Thence Northerly along said line to the North line of the said Columbia Slough;

Thence Westerly along said North line to the Northerly prolongation of the Center line of NE 92nd Drive;

Thence South along said prolongation line to the North end of NE 92nd Drive;

Thence East to the East line of said Drive;

Thence South along the said East line to the Easterly prolongation of the North line of Tax Lot 25, Assessor's Plat 16-1N.2E.;

Thence West along the North line of said Tax Lot to the Northwest corner thereof;

Thence South along West line of said Tax Lot to the North line of NE Columbia Boulevard;

Thence Easterly along said North line to the Center line of NE 92nd Drive;

Thence South on a prolongation of said Center line to the South Right-of-Way line of the Union Pacific Railroad;

Thence Westerly along said Right-of-Way line to its intersection with the Southerly prolongation of the East line of NE 80th Avenue;

Thence Northerly along said line and its Northerly prolongation to its intersection with the Southerly line of NE Alderwood Road;

Thence Northerly along said line to the Southerly line of Tax Lot 128, Assessor's Plat 17-1N.2E.;

Thence Easterly along said line to the West line of NE 82nd Avenue;

Thence North along said West line to the true point of beginning, and including 2,780 acres more or less lying entirely within the City limits of the City of Portland, Oregon on May 21, 1986.

SECTION 400 - PURPOSE, GOALS AND OBJECTIVES FOR THE AIRPORT WAY URBAN
RENEWAL AREA

The principal goals and objectives for the 2,780 acre Airport Way Urban Renewal Area and of this Plan are to eliminate blight and correct those conditions which are the causes of blight so that the Area will be developed and redeveloped by private sector initiative and in the process of such development and redevelopment produce job generating industries and businesses and increase property values.

The following goals, objectives and policies more specifically identify the objectives of this Urban Renewal Plan:

Goal 1 - Job Creation: Maximize the potential for economic development and job creation in the Airport Way Urban Renewal Area.

1.1 Encourage businesses and industries to locate in the Area or to expand existing facilities consistent with the Airport Way Development Plan.

Goal 2 - Transportation: Prepare and implement a Transportation Master Plan for the Renewal Area that is integrated with the regional transportation network.

2.1 Provide arterial access to property to stimulate and permit private industrial and related business development.

2.2 Provide linkage between the Renewal Area and the I-205 and I-84 freeways, NE Sandy Boulevard, NE 82nd Avenue, Marine Drive and the Portland International Airport.

2.3 Provide for the potential linkage between the Banfield Light Rail Transportation Route, the Renewal Area and the Portland International Airport.

Goal 3 - Storm Drainage: Prepare and implement a Storm Drainage Master Plan for the Renewal Area that is integrated with the remainder of the Columbia Corridor; that addresses and resolves issues related to storm drainage, ponding and the amenity, environmental and recreational values of the Columbia Slough Systems:

3.1 Maintain an adequate flow and storage of stormwater throughout the Columbia Corridor and that portion lying within the Renewal Area.

- a. Inventory current storm drainage facilities (public and private), and legal jurisdictional responsibilities.
- b. Establish physical and institutional relationships between tributary areas and drainage districts.

- c. Develop a Master Plan for long-term stormwater flow requirements and necessary capital improvements.
- d. Cooperatively establish common criteria among the drainage districts for development regulations affecting the drainage system.
- e. Coordinate storm drainage with development in the Urban Renewal Area to minimize run-off, develop additional ponding, etc.
- f. Establish legal constraints and powers of the drainage districts, particularly with regard to maintenance of drainage canals and control of fill.
- g. Ensure adequate access to the sloughs for maintenance purposes.
- h. Provide legally-required ground water quality protection.
- i. Ensure long-term financial and institutional ability for operations and capital improvements.

Goal 4 - Excavation and Fill: Provide a clear and efficient process for excavation and filling of land for public and private developments.

- 4.1 Identify local, state and federal regulations for grading (fill, excavation, soil preparation).
- 4.2 Identify total fill needed to elevate property to base flood elevation, and areas generally requiring fill.
- 4.3 Ensure drainage system capacity to offset loss of ponding areas created by fill.
- 4.4 Identify potential wetland enhancement techniques to facilitate the filling of marginal value wetland areas.
- 4.5 Develop fill master plan to expedite review of fill permit applications.
- 4.6 Strengthen enforcement and coordination concerning illegal/inappropriate filling.

Goal 5 - Water Features: Promote and enhance major water features as a valuable economic recreational and environmental resource.

- 5.1 Inventory existing and potential amenity features.
- 5.2 Encourage orientation of development toward major water features, where appropriate.

5.3 Tie a recreational trail system oriented to the Columbia Slough into the 40-Mile Loop system and identify maintenance responsibilities.

5.4 Develop water-related recreational opportunities.

5.5 Maintain water quality in the Columbia Slough.

5.6 Establish guidelines for vegetation and stabilization along the slough banks.

5.7 Protect development areas and environmental features from potential negative impacts of public recreational use.

5.8 Classify wetlands and other water features according to their environmental value.

5.9 Provide developers with a plan and variety of options for protection or mitigation of sensitive wetland areas.

Goal 6 - Sanitary Sewer: Prepare and implement a Sanitary Sewer Master Plan to adequately serve the Urban Renewal Area.

6.1 Provide sanitary sewer collection, pumping and treatment system and require connections to such system by all existing and new development.

Goal 7 - Recreation: Prepare and implement a Recreation Master Plan coordinated with the Renewal Area's Transportation and Storm Drain Systems that is responsive and compatible with the Columbia River, the Columbia Slough, other wetlands and natural habitat and all areas of environmental concern.

7.1 The objectives set forth alone under Goal 3--Storm Drainage--shall apply.

7.2 Provide trails, ponds, rest areas, access to the Columbia River and river view and recreation sites for the use and enjoyment of the people of Portland and the Region.

Goal 8 - Airport: Protect and enhance the aviation and development interests of the Portland International Airport.

8.1 Recognize the transportation and economic values that the Airport represents to the City, County, State and Region.

8.2 Provide and implement measures which will secure and promote maximum use, safety and efficiency of the Airport, including the protection of aircraft landing, take-off and flight patterns.

8.3 Prohibit uses and development standards which are incompatible, inconsistent and hazardous to the safety and convenience of aircraft using the Airport and the users of property affected by the landing and take-off patterns of such aircraft.

8.4 Promote use, by the private sector, of appropriately located and zoned open lands--located on Airport property and owned by the Port of Portland--for development of job producing, tax paying, compatible industries and businesses.

Goal 9 - Financing of Urban Renewal Activities: Provide assistance for the financing and funding of those activities and projects which have Regional and Urban Renewal Area wide benefits.

9.1 Assist with funding where appropriate, of the costs of planning, design, property acquisition and construction of:

- a. Arterial streets, light rail transit and other transportation systems.
- b. Storm drainage systems.
- c. Sanitary sewer trunk lines, including pumping facilities.
- d. Water delivery main lines for the transmission of domestic water, and water with sufficient pressure and flow for the installation of an efficient fire protection system.
- e. Protection and mitigation measures for wetlands, habitat and other areas of significant environmental concern.
- f. Recreation sites and facilities including trails, river access ways, view and recreation sites, ponds and rest areas.

9.2 Coordinate the financing and funding resources provided by the Development Commission for activities and projects which have Regional and Urban Renewal Area wide benefit with those activities and projects which benefit localized and individual sources such as those generated by local improvement districts, general obligation bonds, grants and resources available to the Bureaus, Agencies and Special Districts responsible for providing specific infrastructural and other functional facilities.

Goal 10 - Citizen Participation: Request the participation of people--individual citizens, public and private groups, associations and agencies, in the continuing process of planning and implementing this Urban Renewal Plan.

10.1 Receive the greatest possible input from a broad cross-section of people and interested groups in the preparation of this Plan and in determining the activities and projects necessary to eliminate existing blight and the causes of blight and to promote the development of job producing, tax paying industries and related business by the private sector.

Section 401 - City of Portland Policy Context

This plan has been prepared in conformity with the economic development policies of the City of Portland and its Comprehensive Plan.

This plan furthers the objectives of the City's Comprehensive Plan and is intended to improve land uses, traffic flow, parking, economic development, and public infrastructure and facilities.

The following goals and objectives represent official existing City policies as they relate to the planning and redevelopment efforts in the Urban Renewal area.

Comprehensive Plan Goals and Policies

The City of Portland's Comprehensive Plan, adopted on January 1, 1981, is a guide for all land use related development within the city. The Airport Way Urban Renewal Plan is especially supportive of the following Comprehensive Plan Goals and Policies, revised October 1988.

"Policy 2.14 Industrial Sanctuaries: Provide industrial sanctuaries. Encourage the growth of industrial activities in the City by preserving industrial land primarily for manufacturing purposes."

"Policy 2.18 Utilization of Vacant Land: Provide for full utilization of existing vacant land except in those areas designated as open space."

"Goal 5 Economic Development: Increase the quantity and quality of job opportunities through the creation of an environment which promotes and supports business and industry and attracts new investment."

"Policy 5.2 Economic Environment: Continue efforts to enhance Portland's economic environment by ensuring that sufficient land and infrastructure exists or can be provided and that public actions support and promote private development activity."

"Policy 5.8 Public/Private Partnership: Foster a development partnership between the public and private sectors that is responsive to the economic needs of Portland's businesses and residents."

"Policy 5.9 District Economic Development: Encourage the development and maintenance of business and industrial district organizations where such organizations help meet the City's economic development objectives and are compatible with neighborhood livability."

"Policy 5.12 Environment, Energy and Transportation: Promote business and industrial development consistent with a good environment and wise use of resources."

"Policy 5.17 Locational Opportunities for Industrial Firms: Provide ample and varied opportunities for the location of industrial activities in Portland."

"Policy 5.18 Diversity and Identity in Industrial Areas: Promote a variety of efficient, safe and attractive industrial sanctuary and mixed employment areas in Portland."

"Policy 6.2 Regional and City Traffic Patterns: Create and maintain regional and City traffic patterns that protect the livability of Portland's established residential neighborhoods while improving access and mobility within commercial and industrial areas."

"Policy 8.18 Natural Resources Management Plans: The development of natural resource management plans for large parcels or areas is encouraged. Overlapping plan and permit requirements for natural resource management plans and developments therein shall be minimized. Any such plan approved pursuant to 635.100 shall be deemed in compliance with Policies 8.9 through 8.17 and their Objectives."

"Goal 9 Citizen Involvement: Improve the method for citizen involvement in the on-going land use decision-making process and provide opportunities for citizen participation in the implementation, review and amendment of the adopted Comprehensive Plan."

"Goal 11A Public Facilities: Provide a timely, orderly and efficient arrangement of public facilities and services that support existing and planned land use patterns and densities."

Airport Way Economic Development Policy

On June 2, 1988, the Portland City Council adopted Ordinance No. 160853 recognizing the following economic goals and policies, among others, as Portland's economic development policy. On June 29, 1988, the City Council adopted Ordinance No. 161000 incorporating these goals and policies into Portland's Comprehensive Plan.

The following policy and objectives are specific to the Airport Way Urban Renewal Area (previously known as Columbia South Shore):

"Policy 5.20 Columbia South Shore: Encourage the development of the Columbia South Shore as an industrial employment center which attracts a diversity of employment opportunities while protecting significant environmental resources and maintaining the capacity of the area infrastructure to accommodate future development."

"Objective 5.20A: Designate the bulk of the South Shore area for industrial development opportunities, particularly large sites (over 30 acres)."

"Objective 5.20B: Allow a mix of business park and industrial development near the Airport Way and I-205 interchange, along Airport Way, and at entrances to the South Shore Industrial District."

"Objective 5.20C: Protect and enhance the scenic and environmental qualities of Marine Drive, the area's sloughs, areas providing significant wildlife habitat, and archaeological resources."

"Objective 5.20D: Protect ground water resources, particularly the City's domestic water supply."

"Objective 5.20E: Enhance the Columbia South Shore's recreational potential through designation and development of recreational trails for walkers, hikers, runners, bicyclists, and canoeists."

"Objective 5.20F: Protect the transportation capacity of the area's highways and roads through both review of individual projects and identification and construction of new facilities which increase the system's capacity."

"Objective 5.20G: Recognize that ongoing planning in South Shore is underway which may require modifications of development regulations in response to the urban renewal development plan, drainageway plan, regional 404 fill permit, water quality protection plan, and secondary road system plan."

"Objective 5.20H: Recognize the importance of Portland International Airport and other regional transportation facilities to the South Shore area."

Airport Way Development Plan

By Resolution No. 34629, the Portland City Council adopted the Airport Way Urban Renewal Area Development Plan as an overall guide for the Area and instructed that further plans be prepared in accord with the guide.

The Development Plan is incorporated by reference into this Urban Renewal Plan to guide Airport Way Urban Renewal project decisions. It is available at the Portland Development Commission, 1120 SW Fifth Avenue, Portland, Oregon, and will be provided upon request.

SECTION 500 - LAND USE PLAN

The Land Use Plan consists of the Land Use (Comprehensive Plan) Plan Map (Exhibit 2 - Part 2) and the descriptive material and regulatory provisions contained in this Section (both those directly stated and those herein included by reference).

This plan shall be in accordance with the approved Comprehensive Plan of the City of Portland and with its implementing ordinances and policies. Further, in those portions of the Urban Renewal Area which are owned by and under the control of the Port of Portland, this Plan shall be consistent with development plans for the Portland International Airport and its related standards, policies and guidelines.

Any Comprehensive Plan, Planning and Zoning Code Amendments, or additions shall automatically amend Section 500 of this Urban Renewal Plan, as applicable, without the necessity of a formal amendment. This Section 500 and Exhibit Two of this Plan document shall thereafter incorporate the relevant amendments, additions or deletions. To the extent this Section 500 and Exhibits Two and Three of this Plan conflict with the Comprehensive Plan or Zoning Code, the Comprehensive Plan and Zoning Code shall govern.

Section 501 - Land Use Map and Regulations

The use and development of land in the Renewal Area shall be in accordance with regulations prescribed in this Section 500, which regulations are in addition to any conditions, limitations or restrictions contained in Title 33, Planning and Zoning Code of the City of Portland, or any other applicable local, state or federal laws regulating the use of property in the Area.

Exhibit 2, the Renewal Area Boundary and Zoning and Comprehensive Plan Designations map, describes the locations of the principal land use classifications which are applicable to the Renewal Area.

Section 502 - Land Use Designations

The zoning designations that affect the Urban Renewal Area are delineated in Exhibit Two, and listed below. Refer to Title 33, Planning and Zoning Code of the City of Portland for specifics.

GE-2 General Employment

GI-2 General Industrial

M3 Light Manufacturing

FF Farm and Forest

ME Mixed Employment

OS Open Space

en and ec Environmental Overlay

sr Site Review Overlay

L Aircraft Landing Overlay

N Noise Impact Overlay

Sec Significant Environmental Concern Overlay

Section 503 - Additional Land Use Provisions

The following provisions are in addition to conditions, limitations or restrictions previously identified in Subsection 1 of this Section 500.

A. New residential uses, other than for a caretaker or on-site resident employee of a business or industry, shall not be permitted within the Urban Renewal Area.

B. Plan and Design Review

The Development Commission shall be notified of design review and conditional use permits requested within the Area.

Plan and Design Review of private and public development shall be as follows:

- (1) Within the Area, Plan and Design Review shall follow procedures established in Title 33, Planning and Zoning Code of the City of Portland.
- (2) Redevelopers, as defined in this Plan, shall comply with the Redevelopers Obligations, Section 603-B of this Plan.

SECTION 600 - URBAN RENEWAL ACTIVITIES

In order to achieve the objectives of this Plan, the following activities will be undertaken on behalf of the City by the Development Commission, in accordance with applicable federal, state, county, and city laws, policies and procedures.

Section 601 - Project and Improvement Activities

A. Public Improvements

1. Intent. Public facilities, utilities and transportation systems may be planned; designed and constructed within and adjacent to the Renewal Area to eliminate blight and the causes of blight; to stimulate development of industries and other compatible businesses by the private sector; to create long-term employment opportunities, and to increase the City's taxable assessed value.
2. Expected Activities and Improvements. The Development Commission with funds available to it and in concert with other public agencies and funding sources may participate in the planning, design, and construction of public facilities, utility systems, an integrated transportation system, and in measures to protect the Renewal Area's wetlands, habitat, city water wells and other areas of significant environmental concern.
 - a) Renewal Area Master Plans for transportation, water quality protection, storm drainage, sanitary sewers, domestic water delivery, wetlands-habitat protection, recreation and other subjects of significant environmental concern.
 - b) Public Improvements including:
 - 1) Storm drainage, sanitary sewers and water delivery systems.
 - 2) Installations and measures to protect the Renewal Area's wetlands, natural habitat, drainage courses, water supply and other elements of environmental importance.
 - 3) Arterial streets and other transportation systems including their linkages with the I-205 and I-84 freeways, Sandy Boulevard, NE 82nd Avenue, Marine Drive and the Portland International Airport.
 - 4) Parks, river view and access sites, trails, ponds, water courses, recreation places and facilities, rest areas and street beautifications.

5) Streets and utility systems located outside the Urban Renewal Area, but which have continuity with and are dependent upon streets and utility systems within the Renewal Area may be improved with funds of the Development Commission provided the Commission finds that such improvements are necessary to realize the objectives of this Plan and the intent of this section.

c) Property Acquisition for public right-of-way and sites for any of the public improvements and facilities set forth in this Subsection 601-A.

B. Redevelopment Through New Construction

1. Intent. It is the intent of this Plan to stimulate new job producing private investment on vacant or under-utilized property to achieve the objectives of this Plan.
2. Method. Redevelopment through new construction may be achieved in two ways:
 - a) By property owners, with or without financial assistance by the Development Commission.
 - b) By acquisition of property by the Development Commission for resale to others for redevelopment.
3. Redevelopment Financing. The Development Commission, with funds available to it, is authorized to promulgate rules and guidelines, establish loan programs and provide below-market interest rate and market rate loans and provide such other forms of financial assistance to property owners as it may deem appropriate in order to achieve the objectives of this Plan.

C. Rehabilitation and Conservation

1. Intent. It is the intent of this Plan to encourage conservation, rehabilitation and expansion of existing buildings and to promote the preservation and expansion of existing industries and businesses which are compatible with the objectives of this Plan.
2. Method. Rehabilitation, expansion and conservation may be achieved in three ways:
 - a) By owner and/or tenant activity, with or without financial assistance by the Development Commission.
 - b) By the enforcement of existing City codes and ordinances.

- c) By acquisition of property by the Development Commission for rehabilitation by the Development Commission or resale for rehabilitation by others.
3. Rehabilitation and Conservation Financing. The Development Commission, with funds available to it, is authorized to promulgate rules and guidelines, establish loan programs and provide below market interest rate and market rate loans to the owners of buildings which are in need of rehabilitation and/or expansion and which are economically capable of same.

Section 602 - Property Acquisition for Development and Redevelopment

1. Intent. It is the intent of this Plan to acquire property within the Area, if necessary, by any legal means to achieve the objectives of this Plan, and specifically, where one or more of the conditions listed in Subsection 602-4 below are found to exist.
2. Method. At the time of this Plan's adoption, no specific property has been identified for acquisition. However, property acquisition, including limited interest acquisition, is hereby made a part of this Plan and may be used to achieve the objectives of this Plan.
3. Land Acquisition by Urban Renewal Plan Amendments. Land acquisition for any purpose other than specifically listed in Subsection 602-4 below, shall be accomplished only following procedures for amending this Plan as set forth in Section 900 of this Plan.

Assembling land for development by the private sector where the developer of such land is a person or group other than the owner of record of such land to be acquired, shall be accomplished only following a formal amendment to this Plan.

If such plan amendment is approved by the City Council, a map exhibit shall be prepared showing the properties to be acquired and the purpose of such acquisition. Such map exhibit shall be appropriately numbered and shall be included in Part Two as an official part of this Urban Renewal Plan.

Real property already acquired or which may be acquired by the Agency is shown on the Property Acquisition Maps, (Exhibits 3A, ~~and 3B~~ and 3C). Parcels shown on the Property Acquisition map are for use as follows:

<u>Parcel</u>	<u>Intended Use</u>
Parcel 1 (Exhibit 3A)	NE Airport Way right of Way
Parcel 2 (Exhibit 3A)	NE Airport Way wetland mitigation site
Parcel 3 (Exhibit 3A)	Secondary roadway connections onto NE Airport Way
Parcel 4 (Exhibit 3A)	Additional properties as required for facilities supportive of the NE Airport Way project; (e.g., stormwater and utility appurtenances).
Parcel 5 (Exhibit 3B)	Holman Redevelopment Area acquisition for redevelopment.
Parcel 56 (Exhibit 3B6)	Sites required to mitigate impacts of wetland fills on private properties.

4. Land Acquisition Without Urban Renewal Plan Amendment. Except where conditions under (3) below exist, land acquisition not requiring a Plan amendment will require the prior approval of City Council. The Development Commission may acquire land without amendment to this Plan where the following conditions exist:

1. Where it is determined that the property is needed to provide public improvements and facilities as follows:
 - a) Right-of-way acquisition for streets and other transportation systems, pedestrian ways and trails.
 - b) Property acquisition for any public use, including sites or right-of-way for publicly-owned utilities, park and recreation sites, view points and rest areas.
2. Where such conditions exist as may affect the health, safety and welfare of the Area as follows:
 - a) Where existing conditions do not permit practical or feasible rehabilitation of a structure and it is determined that acquisition of such properties and demolition of the improvements thereon are necessary to remove substandard and blighting conditions.

b) Where detrimental land uses or conditions such as incompatible uses, or adverse influences from noise, smoke or fumes exist, or where there exists overcrowding, excessive dwelling unit density or conversions to incompatible types of uses, and it is determined that acquisition of such properties and demolition of the improvements are necessary to remove blighting influences and to achieve the objectives of this Plan.

3. Where the owner of real property within the boundaries of the Area wishes to convey title of such property by any means, including by gift.

Section 603 - Property Disposition and Redeveloper's Obligations

A. Property Disposition. The Development Commission is authorized to sell, lease, exchange, subdivide, transfer, assign, pledge, encumber by mortgage or deed of trust, or otherwise dispose of any interest in real property which has been acquired, in accordance with the provisions of this Urban Renewal Plan.

All real property acquired by the Development Commission in the Area shall be disposed of for development for the uses permitted in the Plan at its fair re-use value for the specific uses to be permitted on the real property. Real property acquired by the Development Commission may be disposed of to any other public entity by the Development Commission, without cost, in accordance with the Plan. All persons and entities obtaining property from the Development Commission shall use the property for the purposes designated in this Plan, and shall commence and complete development of the property within a period of time which the Development Commission fixes as reasonable, and shall comply with other conditions which the Development Commission deems necessary to carry out the purposes of this Plan.

To provide adequate safeguards to insure that the provisions of this Plan will be carried out to prevent the recurrence of blight, all real property disposed of by the Development Commission, as well as all real property owned or leased by participants which is assisted financially by the Development Commission, shall be made subject to this Plan. Leases, deeds, contracts, agreements and declarations of restrictions by the Development Commission may contain restrictions, covenants, covenants running with the land, rights of reverter, conditions subsequent, equitable servitudes, or any other provisions necessary to carry out this Plan.

B. Redeveloper's Obligations. Any Redeveloper, and his successors and assigns, within the Renewal Area, in addition to the other controls and obligations stipulated and required of him/her by the provisions of this Urban Renewal Plan, shall also be obligated by the following requirements:

1. The Redeveloper shall obtain necessary approvals of proposed developments from all federal, state and/or local agencies that may have jurisdiction on properties and facilities to be developed within the Area.
2. The Redeveloper and his successors or assigns shall develop such property, in accordance with the land use provisions and building requirements specified in this Plan.
3. The Redeveloper shall submit all plans and specifications for construction of improvements on the land to the Development Commission for review and distribution to appropriate reviewing bodies as stipulated in this Plan and in existing City codes and ordinances. Such plans and specifications shall comply with this Plan and the requirements of such existing City codes and ordinances.
4. The Redeveloper shall accept all conditions and agreements as may be required by the Development Commission in return for receiving financial assistance from the Development Commission.
5. The Redeveloper shall commence and complete the development of such property for the uses provided in this Plan within a reasonable period of time as determined by the Development Commission.
6. The Redeveloper shall not effect or execute any agreement, lease, conveyance, or other instrument whereby the real property or part thereof is restricted upon the basis of age, race, color, religion, sex or national origin in the sale, lease or occupancy thereof.
7. The Redeveloper shall maintain developed and/or undeveloped property under his/her ownership within the area in a clean, neat, and safe condition, in accordance with the approved plans for development.

Section 604 - Owner Participation

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

Section 605 - Relocation

If in the implementation of this Plan, persons or businesses should be displaced by action of the Development Commission, the Development Commission will provide assistance in finding replacement facilities to those persons or businesses displaced. Such displaced will be contacted to determine their individual relocation needs. All relocation activities will be undertaken and payments made in accordance with the requirements of ORS 281.045 - 281.105 and any other applicable laws or regulations. Relocation payments will be made as provided in ORS 281.060. Persons displaced from dwellings will not be required to move until appropriate dwellings at costs or rents within their financial means are available to them. Payment for moving expense will be made to businesses displaced.

The Development Commission maintains information in its office relating to the relocation program and procedures, including eligibility for and amounts of relocation payments, services available and other relevant matters.

SECTION 700 - METHODS FOR FINANCING PLAN IMPLEMENTATION ACTIVITIES

Section 701 - General Description or the Proposed Financing Methods

The Development Commission may borrow money and accept advances, loans, grants and any other form of financial assistance from the federal government, the state, city, county or other public body, or from any sources, public or private, for the purposes of undertaking and carrying out this Plan, or may otherwise obtain financing as authorized by ORS Chapter 457 and Chapter XV of the Charter of the City of Portland. Upon request of the Development Commission, the Council of the City of Portland may from time to time create local improvement districts, issue revenue bonds, certificates, debentures or promissory notes to assist in financing project activities as provided by Section 15-106 of the Charter of the City of Portland.

The funds obtained by the Development Commission shall be used to pay or repay any costs, expenses, advancements and indebtedness incurred in planning or undertaking project activities or in otherwise exercising any of the powers granted by ORS Chapter 457 and Chapter XV of the Charter of the City of Portland in connection with the implementation of this Plan.

Section 702 - Self-Liquidation of Costs of Project (Tax Increment)

The project may be financed, in whole or in part, by self-liquidation of the costs of project activities as provided in ORS 457.420 through ORS 457.450. The ad valorem taxes, if any, levied by a taxing body upon the taxable real and personal property situated in the Area, shall be divided as provided in ORS 457.440. That portion of the taxes representing the levy against the increase, if any, in assessed value of property located in the Area, or part thereof, over the assessed value specified in the County Tax Assessor's certified statement (or amendment thereto) filed under ORS 457.430, shall, after collection by the Tax Collector, be paid into a special fund of the Development Commission and shall be used to pay the principal and interest on any indebtedness incurred by the Development Commission to finance or refinance the implementation of this Plan.

No bonded indebtedness, as defined by applicable state law, for which taxes divided under ORS 457.440 are to be pledged, shall be issued under the Plan (and under any and all projects undertaken with respect to the Plan) after May 14, 2011."

Section 703 - Indebtedness

Any indebtedness permitted by law and incurred by the Development Commission or the City in connection with preplanning for this Urban Renewal Plan shall be repaid from tax increment proceeds generated pursuant to this Section 700, if such funds are available.

SECTION 800 - OTHER PROVISIONS

Section 801 - Non-Discrimination

In the preparation, adoption and implementation of this Plan, no public official or private party shall take any action or cause any person, group or organization to be discriminated against on the basis of age, race, color, religion, sex, marital status, or national origin.

Section 802 - Conformance with City's Comprehensive Plan and Economic Development Plan

This Urban Renewal Plan shall conform to the Comprehensive Plan and Economic Development Plan of the City of Portland and with development plans, approved by the City Council, for the Portland International Airport.

Section 803 - Annual Financial Statement Required

ORS Section 457.460 requires that the Development Commission, by August 1 of each year, prepare a statement containing:

- A. The amount of money actually received during the preceding fiscal year under subsection (4) of ORS 457.440 and from indebtedness incurred under subsection (6) of ORS 457.440.
- B. The purposes and amounts for which any money received under subsection (4) of ORS 457.440 and from indebtedness incurred under subsection (6) of ORS 457.440 were expended during the preceding fiscal year.
- C. An estimate of monies to be received during the current fiscal year under subsection (4) ORS 457.440 and from indebtedness incurred under subsection (6) of ORS 457.440.
- D. A budget setting forth the purposes and estimated amounts for which the monies which have been or will be received under subsection (4) of ORS 457.440 and from indebtedness incurred under subsection (6) of ORS 457.440 are to be expended during the current fiscal year.
- E. An analysis of the impact, if any, of carrying out the Urban Renewal Plan on the tax rate for the preceding year for all taxing bodies included under ORS 457.430.

The statement required by subsection 803 of this Section 800 shall be filed with the City Council and notice shall be published in a newspaper of general circulation in the City, that the statement has been prepared and is on file with the City and the Development Commission and the information contained in the statement is published once a week for not less than two successive weeks before September 1 of the year for which the statement is required. The notice shall summarize the information required under paragraphs A to D of this subsection and shall set forth in full the information required under paragraph E of this subsection.

Section 804 - Citizen Participation

The construction of the Plan including the activities and project improvements identified; the preparation of implementation plans, policies, procedures, activities and regulations; and the adoption of amendments to this Plan shall not be undertaken or approved without the public's involvement.

Section 805 - Recording of This Urban Renewal Plan

Pursuant to ORS 457.095, a copy of the City Council's ordinance approving this Plan shall be transmitted to the Development Commission. Following receipt of such ordinance, this Plan shall be recorded by the Development Commission with the Recording Officer of Multnomah County, Oregon.

SECTION 900 - PROCEDURES FOR CHANGES OR AMENDMENTS IN THE APPROVED AIRPORT WAY URBAN RENEWAL PLAN

This Plan will be reviewed and analyzed periodically and will continue to evolve during the course of project execution and on-going planning. It is anticipated that the Plan will be changed or modified from time to time or amended as development potential and conditions warrant, as planning studies are completed, as financing becomes available, or as local needs dictate. Where the proposed modification will substantially change the Plan, the modification must be duly approved and adopted by the City Council in the same manner as the original Plan and in accordance with the requirements of state and local law. The provisions of ORS 457.095 and ORS 457.220 shall apply.

Section 901 - Minor Changes

Minor changes such as clarification of language, procedures or minor modifications in or to the Area's infrastructure which will not change the basic planning or engineering principles of this Plan, may be approved by resolution of the Development Commission.

Section 902 - Substantial Changes

Substantial changes shall include, but are not limited to, revisions of project boundaries, acquisitions of real property not specifically authorized by this Plan, and other elements which will change the basic planning principles of this Plan.

Section 903 - Amendment to the City's Comprehensive Plan or any of its Implementing Ordinances

Should the City Council legally amend the City's Comprehensive Plan or any of its implementing ordinances, and should such amendment cause a "Minor" or "Substantial" change to this Plan; such City Council amending action shall automatically amend this Plan without the Development Commission, Planning Commission or City Council initiating a formal Plan amendment procedure pursuant to this Section 900. In the event of such amendment, the Text and/or Exhibits of this Plan, if applicable to this Plan, shall be changed accordingly by a duly approved Resolution of the Development Commission at the next regular business meeting following official notice from the City Council that such amendment to the City's Comprehensive Plan or any of its implementing ordinances has been approved by the City Council.

Unincorporated land areas adjacent to the boundaries of the Urban Renewal Area, if annexed by the City of Portland, may be annexed to the Urban Renewal Area by a plan amendment provided, however, that where such land areas are located within Parkrose School District No. 3, such annexation to the Airport Way Urban Renewal Area would not be considered without review and comment by the Board of the Parkrose School District.

SECTION 1000 - DURATION AND VALIDITY OF APPROVED URBAN RENEWAL AREA

Section 1001 - Duration of Urban Renewal Plan

This Plan may remain in full force and effect for a period of not more than twenty-five (25) years from the effective date of such Plan. Provided however, that the division of ad valorem taxes provided for in Section 702 of this Plan may be terminated at an earlier date.

Section 1002 - Validity

Should a court of competent jurisdiction find any word, clause, sentence, section or part of Plan to be invalid, the remaining words, clauses, sentences, sections or parts shall be unaffected by such finding and shall remain in full force and effect for the duration of the Plan.

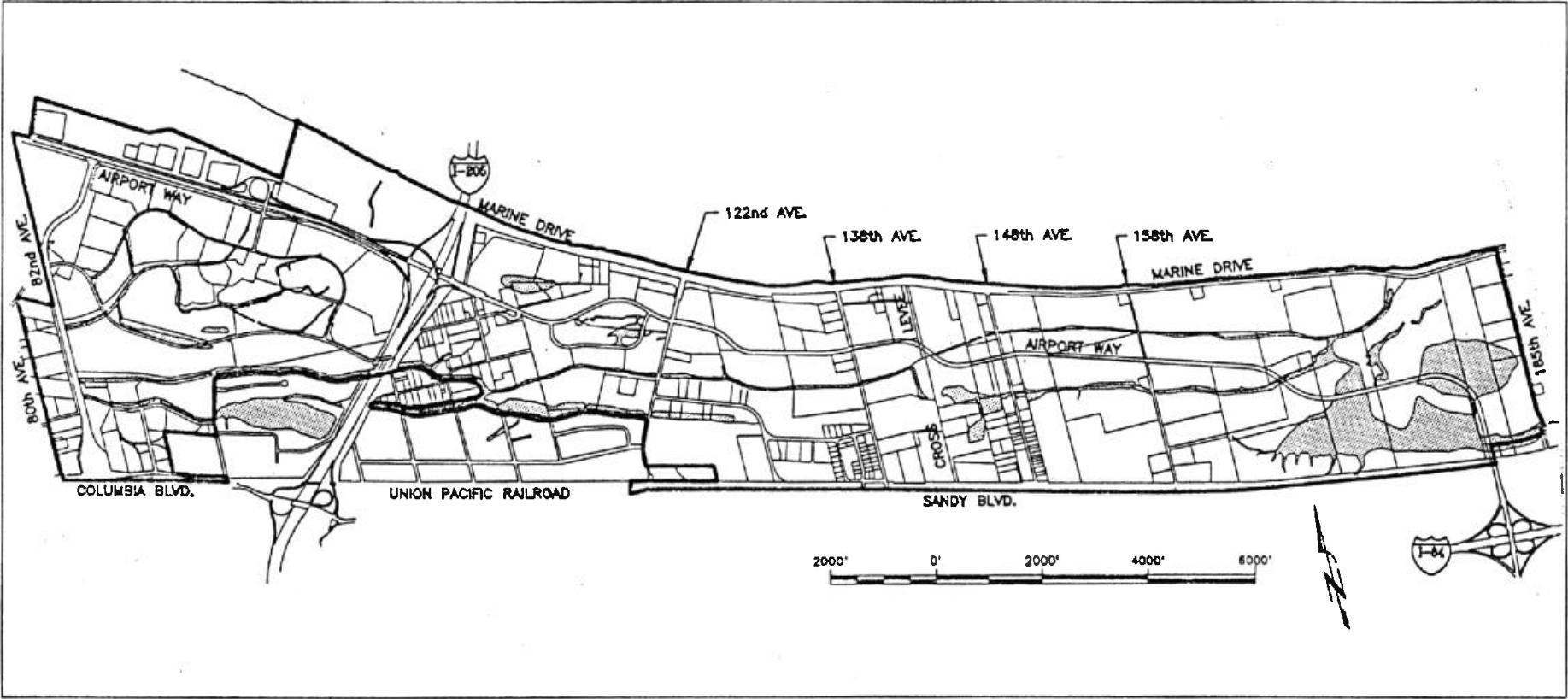
PART TWO

EXHIBITS

urpa#4.pln

Exhibit 1
Airport Way Urban Renewal Area

Airport Way Urban Renewal Area



— Area Boundary

Exhibit 2

Zoning and Comprehensive Plan Designations

Airport Way Urban Renewal Area

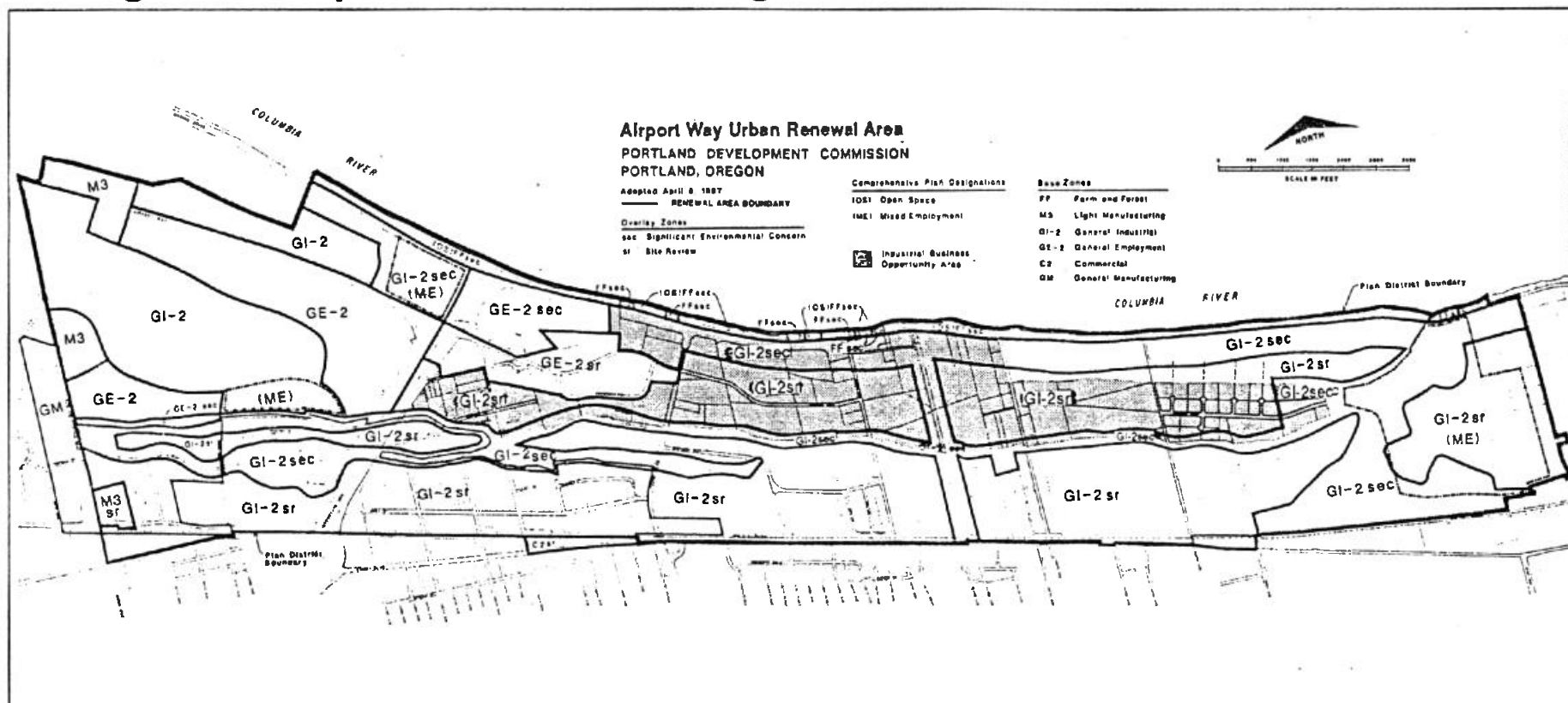
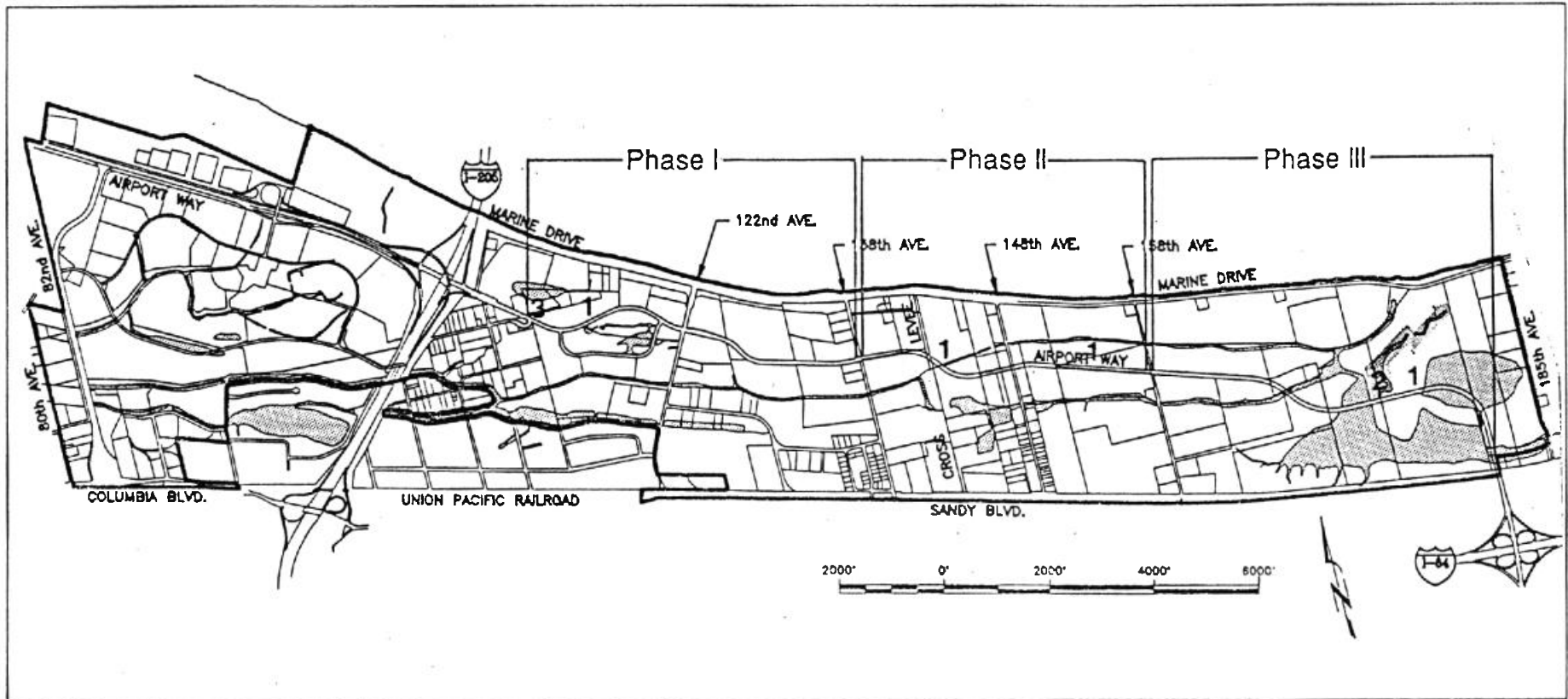


Exhibit 3A N.E. Airport Way Property Acquisition

Airport Way Urban Renewal Area

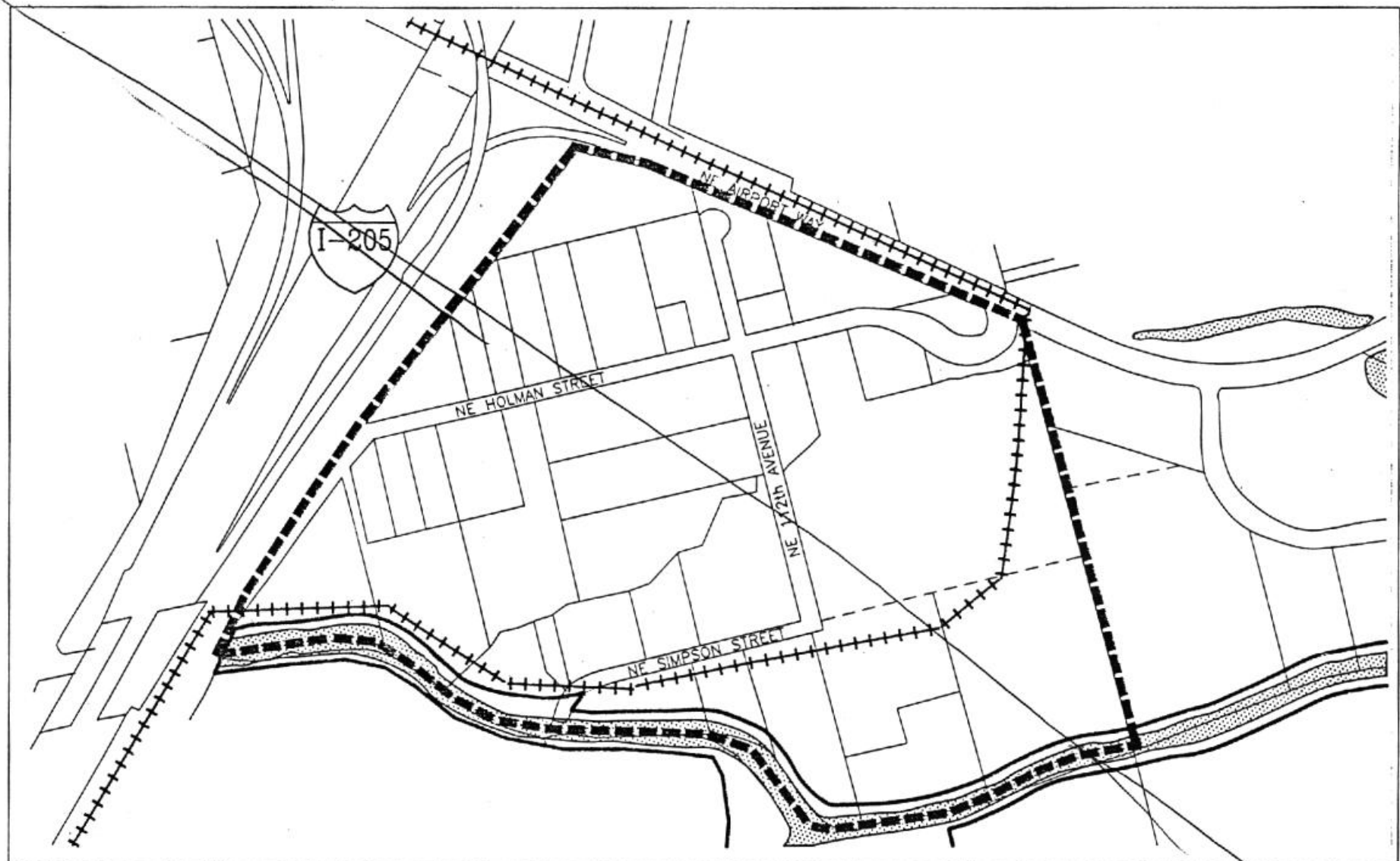


Properties Acquired

- 1 Airport Way Right-Of-Way (includes easements)
- 2 Wetland Mitigation Site
- 3 Secondary Road Access

Exhibit 3B Holman Redevelopment Area-Property Acquisition

Airport Way Urban Renewal Area



- Area Boundary
- Resource Protection Area
- Approx. Parcel Boundaries
- ▨ C.O.E. Wetlands
- - - - - Light Rail Alignment

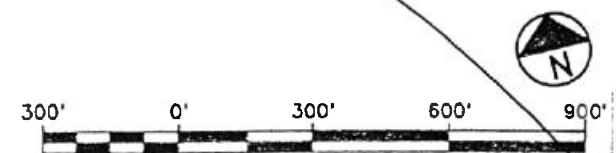
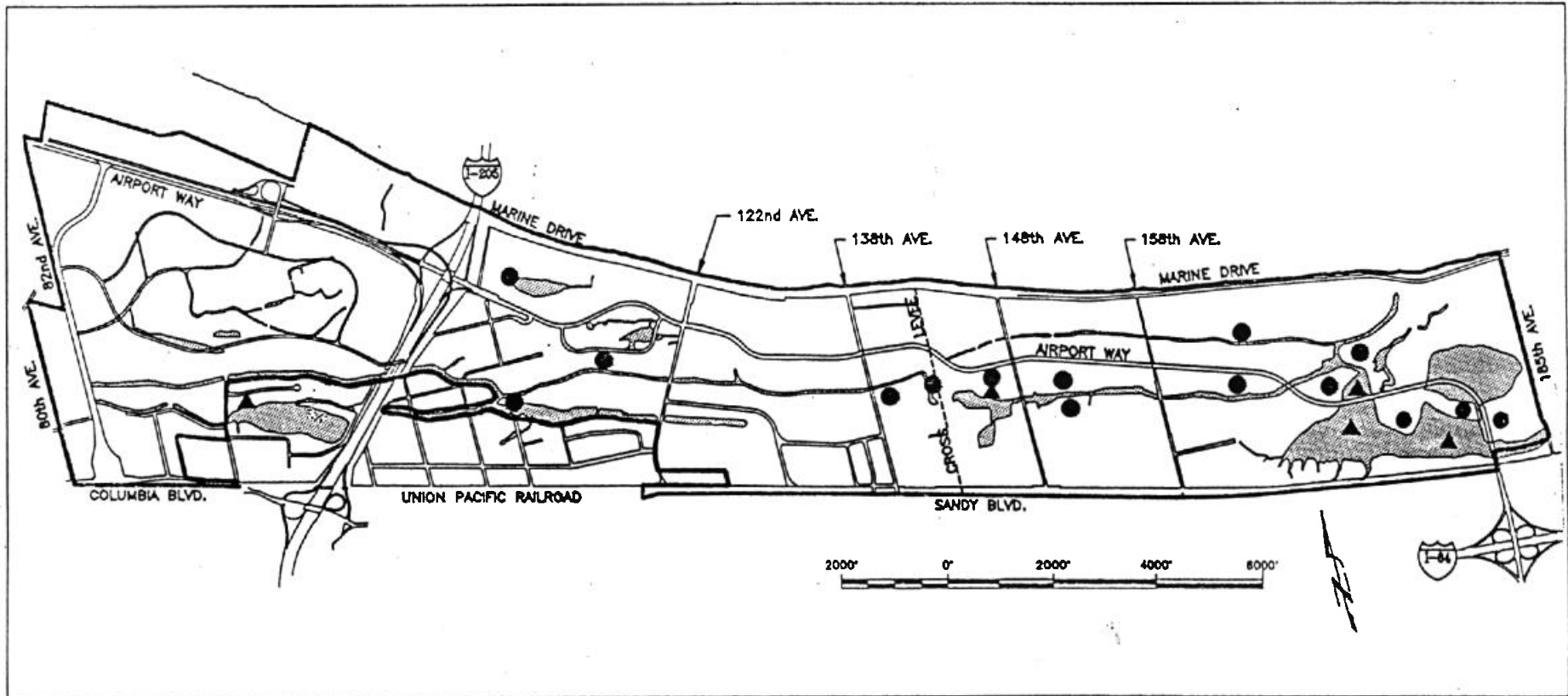


Exhibit 3B Wetland Mitigation Sites

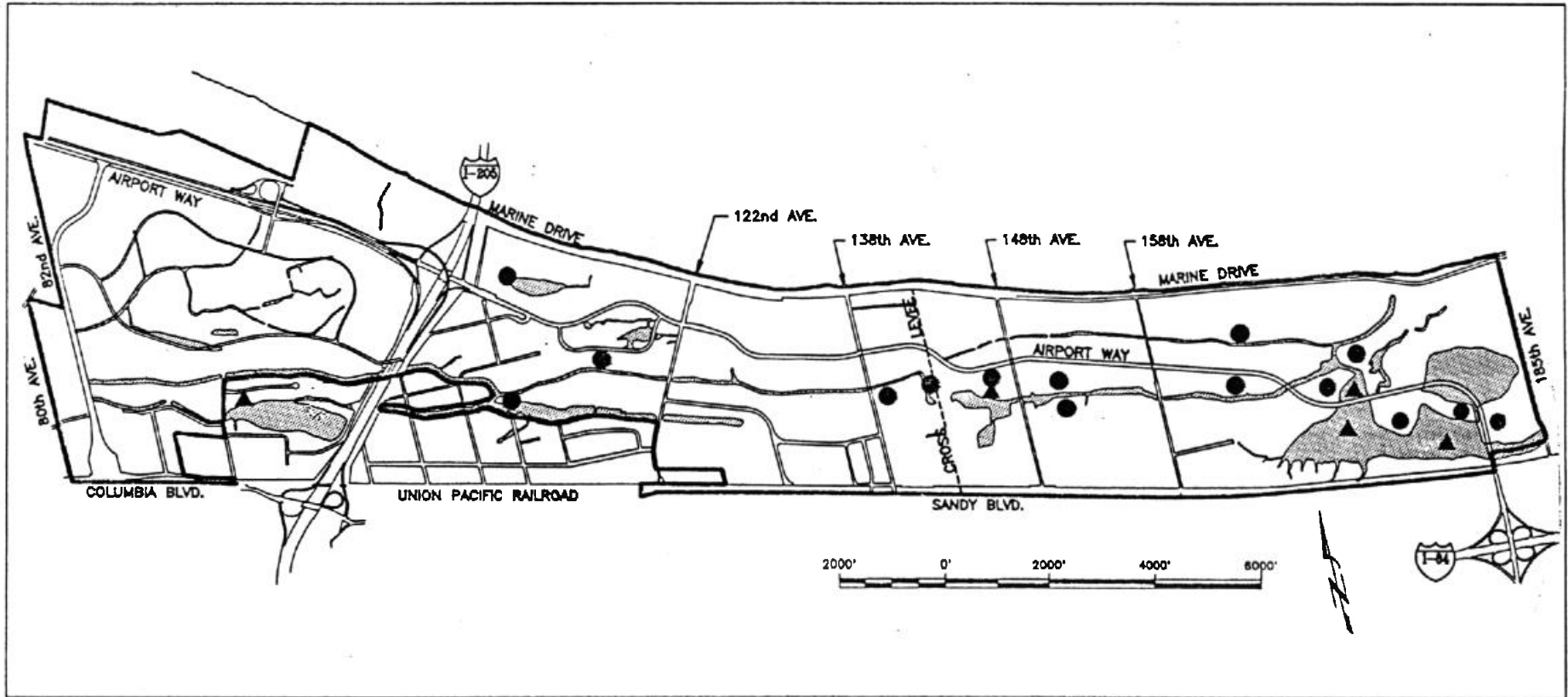
Airport Way Urban Renewal Area



- Wetland Creation Sites
- ▲ Wetland Enhancement Sites
- Existing Wetlands

Exhibit 3B Wetland Mitigation Sites

Airport Way Urban Renewal Area



- Wetland Creation Sites
- ▲ Wetland Enhancement Sites
- Existing Wetlands