

AFTER RECORDING RETURN TO:
PORTLAND DEVELOPMENT COMMISSION
1900 SW 4th Ave., #100
PORTLAND, OR 97201
ATTN: CARLA WHITE

OFFICE OF
AUDITOR OF THE CITY OF PORTLAND

Room 140 City Hall
1221 SW 4th Avenue
Portland, Oregon 97204

COPY CERTIFICATE

STATE OF OREGON }
COUNTY OF MULTNOMAH } ss
CITY OF PORTLAND }

I, **BARBARA CLARK**, Auditor of the City of Portland, do hereby certify that I have compared the following copy of Ordinance No. 172413 passed by the Portland City Council on June 24, 1998, adopting the 19th Amendment to the Downtown Waterfront Urban Renewal Plan to establish authority to purchase property at 333 SW Oak, with the original thereof and that the same is a full, true and correct copy of such original Ordinance and of the whole thereof as the same appears on file and of record in my office and in my care and custody.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of the City of Portland affixed this 17th day of August, 1998.

BARBARA CLARK
Auditor of the City of Portland

By *Britta Olson*
Deputy



Recorded in the County of Multnomah, Oregon
C. Swick, Deputy Clerk



145.00

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Agenda No.

ORDINANCE NO. 172413

Title

Adopt the 19th Amendment to the Downtown Waterfront Urban Renewal Plan to Establish Authority to Purchase Property at 333 SW Oak. (Ordinance)

INTRODUCED BY	DATE FILED: JUN 12 1998
Mayer Vera Katz	Barbara Clark Auditor of the City of Portland
NOTED BY COMMISSIONER	
Affairs	By: <u>Cary Kerchner</u> Deputy
Finance and Administration <u>WMA</u>	For Meeting of: _____
Safety	ACTION TAKEN:
Utilities	JUN 17 1998 PASSED TO SECOND READING JUN 24 1998 9:30 A.M.
Works	
BUREAU APPROVAL	
Bureau: Portland Development Commission	
Prepared by Date	
Mbaines:aw 6/10/98	
Budget Impact Review:	
Completed Not Required	
Bureau Head: <u>Felicia L. Trader</u> Felicia L. Trader, Exec. Dir.	

AGENDA		FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:		
				YEAS	NAYS
Consent	Regular	Francesconi	Francesconi	✓	
NOTED BY		Hales	Hales	✓	
City Attorney		Kafoury	Kafoury	✓	
City Auditor		Sten	Sten	✓	
City Engineer		Katz	Katz	_____	_____

ORDINANCE No.

172413

Adopt the 19th Amendment to the Downtown Waterfront Urban Renewal Plan to Establish Authority to Purchase Property at 333 SW Oak. (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

1. The City Council of the City of Portland (the "Council") adopted the Downtown Waterfront Urban Renewal Plan (the "Plan") by Resolution No. 31395, dated April 25, 1974.
2. The Council wishes to further amend the Plan to establish the authority to purchase property at 333 SW Oak.
3. The Council finds and determines, based upon the information contained in the reports accompanying the Plan and this Amendment, that:
 - (a) A finding of blight was made in the original resolution adopting the Plan, Resolution No. 31395, dated April 25, 1974. This Amendment does not affect any change in the boundaries of the original Plan Area, and Council finds that, since the original Plan has not been completed, the finding of the existence of blight continues to be accurate. Therefore, Council finds that the Downtown Waterfront Urban Renewal Plan Area is blighted.
 - (b) The original Plan and its subsequent amendments were adopted based upon a finding that the existence of blight in the Area, and that the goals of the Plan were necessary to eliminate said blight, and by doing so, to protect the health, safety, or welfare of the public. Council finds that since the Plan is incomplete and the public health, safety or welfare are still threatened by the existence of blight and its effects on public health, safety, or welfare, that the Plan continues to be necessary to protect such health, safety, or welfare.
 - (c) The original Plan and its subsequent amendments were adopted after review and recommendation by the Planning Commission, and upon a finding by Council that the Plan conformed to the City of Portland Comprehensive Plan and economic development plan, and that it provided an outline for accomplishing the urban renewal projects that the plan proposes. This Amendment adds a parcel of land that may be acquired under the Plan, but does not alter any other activities contemplated under the original Plan or its other amendments, and it has also been reviewed by the Planning Commission which recommended adoption. Accordingly, Council finds that the Plan

continues to conform to the City of Portland Comprehensive Plan and economic development plan, and provide an outline for accomplishing urban renewal project proposed in the Plan.

- (d) This Amendment will allow the Portland Development Commission to purchase the property located at 333 SW Oak which will preserve, as affordable housing, a ten story building containing 72 studios and 18 one bedroom apartments. It will amend Section D.2.d of the Plan by adding 333 SW Oak Street, Portland, OR as Parcel 21 for acquisition. Failure to purchase the property could lead to its conversion to market level housing, hotel, or office use. Such reuse of the building would displace the low-income tenants currently residing in the building's 90 units. Goal Three of the Plan includes a program for the preservation of affordable housing. This purchase will implement that program.
- (e) Adoption of the original Plan and its subsequent amendments was based upon a finding that the acquisition of real property as provided for in the Plan was necessary to achieve the objectives of the Plan. This Amendment will allow the Portland Development Commission to purchase the 333 SW Oak which will preserve, as affordable housing, a ten story building containing 72 studios and 18 one bedroom apartments. It will amend Section D.2.d of the Plan by adding 333 SW Oak Street, Portland, OR as Parcel 21 for acquisition. Failure to purchase the property could lead to its conversion to market level housing, hotel, or office use. Such reuse of the building would displace the low-income tenants currently residing in the building's 90 units. Goal Three of the Plan includes a program for the preservation of affordable housing. This purchase will implement that program. Accordingly, Council finds that acquisition of real property as provided in the Plan, its subsequent amendments, and this Amendment is necessary to achieve the objectives of the Plan.
- (f) Adoption of the original Plan and its subsequent amendments was based upon a finding that the substance of the Plan, and its adoption and carrying out, are economically sound and feasible. There are sufficient tax increment proceeds to finance the purchase of this property. Council finds that with the approval of this Amendment, the completion of the Plan continues to be economically sound and feasible.
- (g) The municipality shall assume and complete any activities prescribed it by the Plan.
- (h) The subsidy likely to be necessary to preserve affordable housing units is an amount which has already been contemplated in the allocated, budgeted funds for housing in the Downtown Waterfront Urban

Renewal Plan Area. Accordingly, Council finds that this Amendment does not create unique fiscal impact on overlapping taxing jurisdiction.

- (i) Acquisition of this property will result in the preservation of affordable housing units. Accordingly, Council finds that the Plan continues to make provisions to house displaced persons within their financial means in accordance with ORS 281.045 to 281.105 and, except in the relocation of elderly or disabled individuals, without displacing on priority lists persons already waiting for existing federally subsidized housing.

Section 2. The Council finds:

1. The Portland Development Commission, the Urban Renewal Agency of the City of Portland ("Commission") has forwarded the Amendment and the accompanying report to the City of Portland Planning Commission for recommendation, and the Planning Commission, on June 9, 1998, recommended adoption of this Amendment.
2. By acquiring this property, the Commission will maintain existing low income housing within the plan area. The proposed amendment conforms to Goal Three of the Plan which is:

To maintain existing low-income housing and promote additional new housing serving mixed income groups.

3. Section D.2 of the Plan describes the criteria for adding property to the list of property that may be acquired under the Plan. The proposed amendment is authorized by Section D.2.b.(4) of the Plan because the existing property owner is either unable or unwilling to achieve the objectives of the Plan found in Goal 3 of the Plan which is to maintain existing low-income housing.
4. On June 17, 1998 the Council held a public hearing regarding the adoption of the amendment.
5. The Council has considered the material presented by the Commission, all information presented and all matters discussed at the meetings described above, and the recommendations of the Planning Commission, and finds that this Amendment to authorize the acquisition of the property located at 333 Southwest Oak Street is necessary to fulfillment of the goals of the Plan.

NOW, THEREFORE, the Council directs:

- a. The 19th Amendment to the Downtown Waterfront Urban Renewal Plan having been duly reviewed and considered by Council, attached hereto as Exhibit A, and incorporated herein by reference, is hereby adopted.
- b. The Portland Development Commission shall file in the Deed Records of the County of Multnomah a copy of this Ordinance and all exhibits upon adoption by the Council.
- c. The City Auditor shall forward forthwith to the Portland Development Commission and to the Portland City Planning Commission certified copies of this Ordinance upon adoption by the Council.
- d. The City Auditor, in accordance with ORS 457, shall publish notice of the adoption of this Ordinance approving the 19th Amendment in the newspaper having the greatest circulation in the City of Portland within four days following adoption of this Ordinance.

Passed by the Council,

JUN 24 1998

Mayor Katz
PDC: Baruti Artharee/Felicia Trader
June 10, 1998

BARBARA CLARK
Auditor of the City of Portland

by Britta Olson
Deputy

Exhibit A

**NINETEENTH AMENDMENT TO
DOWNTOWN WATERFRONT URBAN RENEWAL PLAN
TO AUTHORIZE ACQUISITION OF THE 333 SW OAK STREET
PROPERTY**

The Downtown Waterfront Urban Renewal Plan is amended as follows:

Add the following property to Section D.2.d.:

**Legal Description of Property located at 333 SW Oak Street, Portland,
Oregon:**

**Lots 5 and 6, Block 45, CITY OF PORTLAND, in the City of
Portland, County of Multnomah and State of Oregon.**

PORTLAND DEVELOPMENT COMMISSION
Portland, Oregon

RESOLUTION NO. 5113

**RESOLUTION APPROVING THE 19TH AMENDMENT TO
THE DOWNTOWN WATERFRONT URBAN RENEWAL PLAN**

WHEREAS, the Portland Development Commission is undertaking the Downtown Waterfront Urban Renewal Project, herein after referred to as the "Project", pursuant to an urban renewal plan adopted on April 25, 1974 by the City Council, by Resolution No. 31395, as subsequently amended; and

WHEREAS, one of the goals of the Plan is "to maintain existing low-income housing and promote additional new housing serving mixed income groups"; and

WHEREAS, the preservation of low-income housing in the downtown area is difficult because of comprehensive development and high cost; and

WHEREAS, the property located at 333 Southwest Oak Street has become available for purchase by the Portland Development Commission but only if the Commission acquires the property under the threat of condemnation; and

WHEREAS, the Commission has determined that the acquisition of this property will significantly further the goal of the Plan, and that there are funds available to acquire the property; and

WHEREAS, the Commission has prepared a proposed 19th Amendment to the Urban Renewal Plan to provide for the acquisition of the property at 333 Southwest Oak Street; and

WHEREAS, the Commission has reviewed the "Report on the 19th Amendment to the Downtown Waterfront Urban Renewal Plan" dated May 8, 1998; and

WHEREAS, the Commission now desires to accept the Report, approve the Amendment, and direct the Executive Director to transmit the Report and Amendment to the Planning Commission and City Council for review and consideration; now, therefore, be it

RESOLVED that the Commission hereby finds and determines that acquisition of the property located at 333 Southwest Oak Street is necessary to fulfillment of the goals of the Plan; and

FURTHER RESOLVED, that the Commission does hereby accept the Report, which be reference is made a part hereof, and approves the Amendment, a copy of which is attached as Exhibit "A"; and

FURTHER RESOLVED that the Executive Director is hereby authorized to forward copies of the Report and the Amendment to the Planning Commission and City Council for review and consideration, with the Commission's recommendation for adoption by City Council.

ADOPTEDBY by the Commission May 1, 1998.



Carl B. Talton, Chairman



Martin Brantley, Acting Secretary

17 2413

**REPORT ON THE NINETEENTH AMENDMENT
TO THE
DOWNTOWN WATERFRONT URBAN RENEWAL PLAN
City of Portland, Oregon**

**Portland Development Commission
May 1, 1998**

Chapter 1 - Introduction

ORS 457.085(3) requires that an urban renewal plan amendment which is a significant change, requiring a substantial amendment to the plan, be accompanied by a report which describes:

- A. A description of physical, social, and economic conditions in the urban renewal areas of the plan, and the expected impact, including the fiscal impact, of the plan [or change] in light of added services or increased population;
- B. Reasons for selection of each urban renewal area in the plan;
- C. The relationship between each project to be undertaken and the existing conditions in the urban renewal area;
- D. The estimated total cost of each project and the sources of monies to pay such costs;
- E. The anticipated completion date for each project;
- F. A relocation report which shall include:
 - 1. An analysis of existing residents or businesses required to relocate permanently or temporarily as a result of agency actions, under ORS 457.170;
 - 2. A description of the methods to be used for the temporary or permanent relocation of persons living in, and businesses situated in, the urban renewal area in accordance with ORS 285.045 - .105; and
 - 3. An enumeration, by cost range, of the of the existing housing units in the urban renewal areas of the plan which are to be destroyed or altered, and of the new units to be added.

This report will address each of the required information categories.

The Nineteenth Amendment to the DTWF Urban Renewal Plan authorizes the Portland Development Commission, as the City's urban renewal agency, to acquire a parcel of land in order to preserve the building on the parcel in its current use as affordable housing. The property, located at 333 Southwest Oak Street, is located within the boundaries of the urban renewal district, as originally authorized by the Plan. See Exhibit 1. The subject property is shown as Parcel 21.

Chapter 2 - A Description of Physical, Social, and Economic Conditions in the Urban
Renewal Areas and the Expected Impact, Including the Fiscal Impact, of the
Plan Amendment in Light of Added Services or Increased Population.

A. Physical Condition of the Parcel to be Acquired

The parcel is 10,000 square feet, and occupied by a 90-unit, 10-story, concrete apartment complex with three ground-floor retail spaces. The structure was originally constructed as an office building; however, in 1978 it was converted to its current multi-family use. The building contains 72 studio units and 18 one-bedroom units. The studios range in size from 320 to 473 square feet, with an average unit size of 392 square feet. The one-bedroom units range in size from 444 to 456 square feet, with an average unit size of 450 square feet. The three ground-floor retail spaces contain 1,816, 2,113, and 3,547 square feet respectively. The northern 60 feet of the building is ten stories high. The southern 40 feet is one story. The site is entirely covered by the building footprint.

The building contains smoke detectors in the units and fire sprinklers in the common areas. It has a central laundry facility in the basement, and additional private storage for each tenant. The density is 392 units per acre. Since the property is within the boundaries of the existing urban renewal district, the Commission and the City Council have already made a finding of blight.

B. Existing Social and Economic Conditions of the Parcel to be Acquired

Since its conversion, the apartment portion of the building has been operated as a HUD Section 8, federally-subsidized low-income apartment building. Two of the ground-floor commercial space units are occupied, one is vacant. Because the project-based federal subsidy is scheduled to expire shortly, the property is at risk of being sold for redevelopment with likely conversion to market rate uses. All of the residential units are occupied, and the building has extremely low historical vacancy. The proposed public acquisition will allow for preservation of the affordable housing units through restructuring of the financing on the property.

Chapter III - The Expected Impact, Including the Fiscal Impact, of the Plan Amendment
in Light of Added Services or Increased Population

A. Taxes

The actual real property taxes for the building are \$34,061 for 1997-98. If acquired, the property will no longer be subject to property taxes until it is resold. If the property is resold with the affordable units preserved as planned, it may qualify for some other tax exemption or abatement which would reduce or eliminate property tax revenues.

B. Infrastructure

No change in infrastructure is indicated by this amendment.

Chapter IV - Reasons for Selection of Each Urban Renewal Area in the Plan Amendment

This Amendment does not effect the selection of any new or changed areas, since the parcel is within the existing urban renewal boundary. This parcel has been selected for acquisition in order to fulfill Goal No. 3 of the DTWF Plan, which includes the preservation of affordable housing units in the urban renewal district.

Chapter V - The Relationship between Each Project to be Undertaken under the Plan Amendment and the Existing Conditions in the Urban Renewal Area.

"Project" is a defined term in ORS Chapter 457. It includes both single-site activities and implementation of programs necessary to achieve the goals of the urban renewal plan.

The Nineteenth Amendment contemplates, first, that the subject parcel will be acquired using the agency's urban renewal authority, and second, that it will be remarketed to a developer or owner who will maintain its current use as affordable housing. This remarketing will be undertaken pursuant to the Commission's multifamily rental housing development program.

Both steps, site control and disposition with long-term use control, are integral to accomplishing the Plan goal of preserving affordable rental housing within the district.

Chapter VI - The Estimated Total Cost of each Project or Activity and its Anticipated Completion Date

A. Estimated Costs

Acquisition	\$3,800,000
Holding and Transfer Costs	150,000

B. Financing Sources

Sale Proceeds	\$2,200,000
Operating Income	80,000
Tax Increment	1,670,000

C. Anticipated Completion Date

Acquisition and remarketing are anticipated to be completed by December, 1999.

Chapter VII - Financial Analysis of the Plan with Sufficient Information to Determine Feasibility

Sufficient tax increment proceeds are available in the DTWF Urban Renewal fund to finance the proposed activities. The building's current operating statements indicate slightly over \$100,000 per year in net, before-tax operating income, including the payment of real estate taxes, ordinary maintenance and repair, certain debt service, and the costs of professional management. The projected rents for the parcel will allow for adequate debt-servicing by a prospective owner, to return sale proceeds to the Commission, though some tax increment-funded subsidy will be necessary to preserve the affordable units.

Chapter VIII - Relocation Issues

No existing residents or businesses will be required to relocate as a result of these agency actions.



CITY OF

PORTLAND, OREGON

172413

Planning Commission
Telephone No. 823-7708 TDD 823-6868 FAX 823-7800
c/o Bureau of Planning, Rm. 1002, 1120 S.W. Fifth Ave. 97204

June 9, 1998

Honorable Vera Katz, and Members of the Portland City Council
Portland City Hall
1221 SW 4th Avenue
Portland, Oregon 97204-1966

Dear Mayor Katz and Members of the Council:

The Portland Planning Commission has completed our review of the Nineteenth Amendment to the Downtown Waterfront Urban Renewal District. On June 9, 1998, the Planning Commission held a public hearing on the proposed indebtedness limits. Notice of this hearing was provided and those interested were invited to testify. We approve the renewal plan amendment and strongly urge the adoption of this amendment by the Portland City Council.

The Portland Development Commission (PDC) seeks to amend the *Downtown Waterfront Urban Renewal Plan*. The amendment will allow the PDC to purchase the 90 unit apartment building located at 333 SW Oak Street. The building is located within the Downtown Waterfront Urban Renewal District. The building has served low income, elderly and disabled tenants for some time. These tenants' occupancy has been supported by a Section 8 contract with the federal Department of Housing and Urban Development (HUD).

The property is presently for sale. PDC seeks to purchase the property to preserve it as low-income housing. Failure to purchase the property could lead to its conversion to market level housing, hotel or office use. Such reuse of the building would displace the low-income tenants currently residing in the building's 90 units.

Purchase of the 333 SW Oak will preserve, as affordable housing, a ten story building containing 72 studios and 18 one bedroom apartments. The building also includes retail shops on its ground floor. The PDC intends to place the building under the management of a nonprofit housing agency.

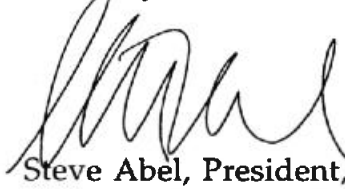
172413

The Waterfront Urban Renewal District includes a program for the preservation of affordable housing. This purchase will implement that program. Individual property purchase actions are required to be approved as amendments to the *Downtown Waterfront Urban Renewal Plan*. This amendment is being requested to satisfy that requirement.

Recommendation

The Portland Planning Commission unanimously recommends the City Council approve the Nineteenth Amendment of the Downtown Waterfront Urban Renewal Plan to allow preservation of the 333 SW Oak as affordable housing.

Sincerely,



Steve Abel, President,
Portland Planning Commission

SA/MSH/msh

cc: David C. Knowles, Planning Director
Michael S. Harrison, AICP, Chief Planner

Nineteenth Amendment Downtown Waterfront Urban Renewal Plan

**May 1998
Bureau of Planning
Portland, Oregon**

To help ensure equal access to information the City of Portland Bureau of Planning offers accommodation to persons with a disability.

Call 823-7700, in advance, to arrange for the accommodation.

TDD 823-6868

Additional copies of this document may be obtained from:

The Portland Bureau of Planning
Room 1002
1120 SW Fifth Avenue
Portland, Oregon 97204-1966
Telephone: (503) 823-7829

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Acknowledgments

172413

Portland City Council

Vera Katz, Mayor
Jim Francesconi, Commissioner of Public Utilities
Charlie Hales, Commissioner of Public Safety
Gretchen Kafoury, Commissioner of Public Affairs
Eric Sten, Commissioner of Public Works

City of Portland Planning Commission

Steve Abel, President
Richard Michaelson, Vice President
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Portland Bureau of Planning

Charlie Hales, Commissioner of Public Safety
David C. Knowles, Planning Director
Deborah Stein, Principal Planner

Bureau of Planning Project Staff

Michael S. Harrison, AICP, Chief Planner
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Summary

The Portland Development Commission (PDC) seeks to amend the *Downtown Waterfront Urban Renewal Plan*. The amendment will allow the PDC to purchase the 90 unit apartment building located at 333 SW Oak Street. The building is located within the Downtown Waterfront Urban Renewal District. The building has served low income, elderly and disabled tenants for some time. These tenants' occupancy has been supported by a Section 8 contract with the federal Department of Housing and Urban Development (HUD).

The property is presently for sale. PDC seeks to purchase the property to preserve it as low-income housing. Failure to purchase the property could lead to its conversion to market level housing, hotel or office use. Such reuse of the building would displace the low-income tenants currently residing in the building's 90 units.

Purchase of the 333 SW Oak will preserve, as affordable housing, a ten story building containing 72 studios and 18 one bedroom apartments. The building also includes retail shops on its ground floor. The PDC intends to place the building under the management of a nonprofit housing agency.

The Waterfront Urban Renewal District includes a program for the preservation of affordable housing. This purchase will implement that program. Individual property purchase actions are required to be approved as amendments to the *Downtown Waterfront Urban Renewal Plan*. This amendment is being requested to satisfy that requirement.



172413

May 15, 1998

Dear Member of the Portland Planning Commission:

On behalf of the Portland Development commission, I am forwarding for your review a substantial amendment to the Downtown Waterfront Urban Renewal District within the City of Portland. The amendment is necessary in order for the Portland Development Commission to purchase the 333 Oak Building located within the District. The need for this amendment is explained in the proposed findings submitted along with this letter.

This amendment is "substantial" under the Downtown Waterfront Urban Renewal District Plan (Plan) because it amends the list of properties that may be acquired under the Plan. It requires review and a recommendation by the Planning Commission, a public hearing before the City Council, and adoption by the City Council by non-emergency ordinance, as required under ORS chapter 457. This amendment 333 Oak Building parcel to the list of parcels that may be acquired under the Plan.

The findings which are attached to the staff report provide factual support that this amendment complies with the Plan.

We appreciate your consideration of the proposed amendments, and we will have a representative of the Portland Development Commission present at your hearing on June

Sincerely,

A handwritten signature in dark ink, appearing to read "Felicia L. Trader", followed by the word "For" in a smaller, less distinct script.

Felicia L. Trader
Executive Director

Carl B. Talton
Commissioner

Douglas C. Hwangren
Commissioner

Martin Brantley
Commissioner

John D. Eskildsen
Commissioner

Noell Webb
Commissioner

Vern Katz
Mayor

Felicia L. Trader
Executive Director

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Recommendation

The Bureau of Planning and the Portland Development Commission propose that the Portland City Planning Commission approve and recommend that the Portland City Council amend the *Downtown Waterfront Urban Renewal Plan* to allow purchase of the building at 333 SW Oak to ensure its continuation as affordable housing.

Background

Urban Renewal Plan Authority

Authority for the use of urban renewal was established by the Oregon Legislature and codified as Chapter 457 of the *Oregon Revised Statutes* (ORS). The statutes include criteria for the establishment of an urban renewal district; the development of eligible urban renewal areas; and the content of an urban renewal plan and urban renewal plan report.

Chapter 15, Article 1 of the Portland City Charter assigns all general powers and duties to the Portland Development Commission. The commission is designated as the body that will serve as the City's Urban Renewal and Redevelopment Agency. They are responsible for carrying out all urban renewal functions. Proposed urban renewal plans and urban renewal plan amendments are prepared by the Portland Development Commission staff and approved by the Portland Development Commission prior to their submission to the Portland Planning Commission and Portland's City Council.

On May 1, 1998, the Portland Development Commission held a public hearing on the proposed amendment to the *Downtown Waterfront Urban Renewal Plan* and approved the proposed amendment.

Overview of ORS 457.085 Requirements

ORS 457 requires that the City's Planning Commission review urban renewal plans and substantial amendments to urban renewal plans. The Planning Commission's recommendations on urban renewal plans or renewal plan amendments are submitted to the Portland City Council for consideration in their decision on the plan or on a substantial plan amendment.

Portland's City Council has final review and approval authority over urban renewal plans and urban renewal plan amendments. Such plans and amendments may be approved only after a public notice, a public hearing, consideration of public testimony, and consideration of the recommendations of the Planning Commission. Approval of the renewal plan or renewal plan amendment must be by a nonemergency ordinance that incorporates the plan by reference and includes determinations and findings of compliance with the requirements of ORS 457.095.

The *Oregon Revised Statutes* requirements for urban renewal plans and urban renewal plan amendments are in two parts. The ORS requires specific content the renewal plan is to include. The statutes also require specific content to be included in the renewal plan report. There are also eight elements that must be included in urban renewal plans. There are nine elements that must be included in an urban renewal plan report.

Required Urban Renewal Plan Contents

An urban renewal plan must include the following eight elements:

1. A description of each urban renewal project to be undertaken;
2. An outline of the development, redevelopment, improvements, land acquisition, demolition and removal of structures, clearance, rehabilitation or conservation of the urban renewal plan;
3. A map and legal description of the urban renewal areas of the plan;
4. An explanation of the plan's relationship to local objectives, land uses, traffic and other public improvements;
5. A description of proposed land use densities and building requirements;
6. A description of relocation methods for persons or businesses;

7. An indication of the property which may be acquired and its proposed disposition; and
8. A description of the type of future amendments that are so substantial as to require notice, hearing and approval.

Required Urban Renewal Plan Report Contents

An urban renewal plan report must include the following nine elements:

1. A description of physical, social and economic conditions, including expected impacts and fiscal impacts;
2. The reasons for selection of the area;
3. The relationship between the plan's projects and existing conditions;
4. The estimated total cost of each project and sources of monies to pay such costs;
5. The estimated completion date for each project;
6. The estimated monies required and the anticipated year in which indebtedness will be retired;
7. A financial analysis sufficient to determine feasibility;
8. A fiscal impact statement estimating the impact of tax increment financing; and
9. A relocation report.

Compliance with ORS Plan and Plan Report Requirements

The urban renewal reports and plan for the Downtown Waterfront Urban Renewal District have already fully complied with the content provisions of the ORS. The adopting actions for these renewal plans and the various amendments to the plans include all necessary findings and plan/report elements.

The amendment proposed conforms to the *Downtown Waterfront Urban Renewal Plan*, as it implements Goal Three: "To maintain existing low-income housing and promote additional new housing serving mixed income groups." It does not alter the policy of the renewal plan for the renewal district. Exhaustive studies were developed, and adopted, when the plan was adopted. These findings were augmented by supplemental findings which were also adopted with each amendment of the plan.

These earlier adopting actions include findings that show the consistency between the adopted renewal plan and the *Oregon's Statewide Goals for Land Use Planning*, *Portland's Comprehensive Plan*, and area plans that are also part of *Portland's Comprehensive Plan*. The findings are found in the various ordinances and resolutions the Portland City Council and the Portland Development Commission have enacted to initially adopt the plan and later to update it. The already adopted findings and whereas statements in these instruments are also findings in support of this amendment.

The *Downtown Waterfront Urban Renewal Plan* and district was originally adopted by Resolution 31395. The renewal plan has been amended since its adoption by Resolutions 31580, 31694, 31950, 32063, 32097, 32054, and 34898. The plan has also been amended by Ordinances 152218, 154458, 158193, 159232, 159660, 159661, 160601, 160778, 162546, and 164795.

Urban Renewal Plan Amendment Description and Findings

Land Acquisition and Redevelopment

The findings for the amendment to the *Downtown Waterfront Urban Renewal Plan* are first described in scope, then followed by a section which lists how the amendment relates to the goals and objectives of the plan. A section then follows which specifies the section of the Plan which gives specific authorization for the amendment. Finally, the conclusion states how the amendment implements the plan.

A. Amendment Description

The proposed amendment supplements Section D.2.d. of the *Downtown Waterfront Urban Renewal Plan* by adding 333 SW Oak Street, Portland, OR as Parcel 21 for acquisition. This property is within the Downtown Waterfront Urban Renewal District (See Exhibits A and B for legal description and Urban Renewal District Parcel Map). Currently, this building is rented as low-income housing, but the owner wishes to sell the property, which would result in the loss of its use as affordable housing. Portland Development Commission is interested in acquiring the parcel in order to preserve the building for low-income housing. This amendment authorizes PDC to acquire the property for preservation of low-income housing which is consistent with Goal Three of the *Downtown Waterfront Urban Renewal Plan* as described below.

B. Relationship to Goals and Objectives

The proposed amendment conforms to Goal Three of the *Downtown Waterfront Urban Renewal Plan*:

To maintain existing low-income housing and promote additional new housing serving mixed income groups.

C. Authorization for Amendment

172413

The amendment is authorized by the following sections of the *Downtown Waterfront Urban Renewal Plan*:

Section D - Project Activities

2. Acquisition and Redevelopment

- b. Method. Proposals for property acquisition, including limited interested acquisition, may be recommended for inclusion in this plan to achieve objectives of the Plan based on one or more of the following criteria:

(2) Where existing conditions do not permit practical or feasible rehabilitation of the structure and it is determined that the acquisition of such properties and demolition of the improvements thereon are necessary to remove substandard conditions;

(3) 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 necessary to remove blighting influences and to achieve the objectives of the urban renewal plan;

(4) Where it is determined that the property is needed to provide public improvements and facilities; or

(5) Where the existing property owner is either unwilling or unable to achieve the objectives of the urban renewal plan.

D. Conclusion

The proposed amendment provides for acquisition of 333 SW Oak Street, which is authorized under Section D.2.b.(4)., as the property owner is unable to achieve Goal Three of the plan. Acquisition of the property will maintain the number of housing units downtown for low-income households. Since the amendment implements Goal 3 of the plan to promote the maintenance of low-income housing, it is consistent with the Plan.

FOR

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NAME _____

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97030

97203

PORTLAND DEVELOPMENT COMMISSION
Portland, Oregon

RESOLUTION NO. 5113

**RESOLUTION APPROVING THE 19TH AMENDMENT TO
THE DOWNTOWN WATERFRONT URBAN RENEWAL PLAN**

WHEREAS, the Portland Development Commission is undertaking the Downtown Waterfront Urban Renewal Project, herein after referred to as the "Project", pursuant to an urban renewal plan adopted on April 25, 1974 by the City Council, by Resolution No. 31395, as subsequently amended; and

WHEREAS, one of the goals of the Plan is "to maintain existing low-income housing and promote additional new housing serving mixed income groups"; and

WHEREAS, the preservation of low-income housing in the downtown area is difficult because of comprehensive development and high cost; and

WHEREAS, the property located at 333 Southwest Oak Street has become available for purchase by the Portland Development Commission but only if the Commission acquires the property under the threat of condemnation; and

WHEREAS, the Commission has determined that the acquisition of this property will significantly further the goal of the Plan, and that there are funds available to acquire the property; and

WHEREAS, the Commission has prepared a proposed 19th Amendment to the Urban Renewal Plan to provide for the acquisition of the property at 333 Southwest Oak Street; and

WHEREAS, the Commission has reviewed the "Report on the 19th Amendment to the Downtown Waterfront Urban Renewal Plan" dated May 8, 1998; and

WHEREAS, the Commission now desires to accept the Report, approve the Amendment, and direct the Executive Director to transmit the Report and Amendment to the Planning Commission and City Council for review and consideration; now, therefore, be it

RESOLVED that the Commission hereby finds and determines that acquisition of the property located at 333 Southwest Oak Street is necessary to fulfillment of the goals of the Plan; and

FURTHER RESOLVED, that the Commission does hereby accept the Report, which be reference is made a part hereof, and approves the Amendment, a copy of which is attached as Exhibit "A"; and

FURTHER RESOLVED that the Executive Director is hereby authorized to forward copies of the Report and the Amendment to the Planning Commission and City Council for review and consideration, with the Commission's recommendation for adoption by City Council.

ADOPTEDBY by the Commission May 1, 1998.



Carl B. Talton, Chairman



Martin Brantley, Acting Secretary

CERTIFICATE OF RECORDING OFFICER

The undersigned hereby certifies, as follows:

1. That s/he is the duly qualified staff Secretary of the Portland Development Commission, herein called the "Commission," and in such capacity keeps its records, including the minutes of proceedings of the Commission;

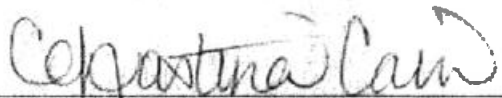
2. That the attached resolution is a true and correct copy of the resolution as finally adopted at a meeting of the Commission held on May 1, 1998, and duly recorded in the Commission office;

3. That the undersigned is authorized to execute this certificate.

IN WITNESS WHEREOF the undersigned has executed this certificate

May 1, 1998

Date


Christina Cain, Commission Asst.

PORTLAND DEVELOPMENT COMMISSION
Portland, Oregon

DATE: May 1, 1998

TO: The Commissioners

FROM: Felicia Trader

REPORT NO. 98-17

SUBJECT: **Nineteenth Amendment to the Downtown Waterfront Urban
Renewal Plan; Authority to Purchase Property at 333 SW Oak**

Preservation and development of affordable housing in the downtown area is particularly difficult because of the expenses associated with downtown development. This activity is a high priority for the Downtown Waterfront Urban Renewal Plan, and for the Commission. It is becoming increasingly important as the federal Section 8 project-based subsidies on many existing, affordable rental units in the downtown area are soon to expire.

PDC has a unique opportunity to preserve much-needed units in the building located at 333 Southwest Oak St., known as the 333 Oak Building. The building was offered for sale, and PDC, with your approval, submitted a bid which has been selected by the Seller.

In order to meet the seller's requirement of acquiring the property under the threat of condemnation, and in order to use tax increment funds as PDC desires to do, the Downtown Waterfront Urban Renewal Plan must be amended through the substantial amendment process, to allow for this acquisition.

The first resolution before you provides for your approval for the Executive Director to carry through the amendment process. The result will be to amend the Downtown Waterfront Urban Renewal Plan to include this parcel in the properties PDC is authorized to acquire.

The second resolution before you is to authorize staff to acquire the property according to the terms of the bid, which include a cash sales price of \$3,800,000.00, closing by July 1, 1998, and acquisition under PDC's condemnation authority.

RECOMMENDATION:

Authorize the Executive Director to carry forward the process to amend the Downtown Waterfront Urban Renewal Plan to include the property at 333 Southwest Oak Street in the list of properties authorized for acquisition; recommend to City Council an amendment to the urban renewal plan to that effect; and authorize the Executive Director to execute all documents necessary to consummate the acquisition of the subject property upon adoption of the urban renewal plan amendment.


Felicia Trader, Executive Director

ACTION

**REPORT ON THE NINETEENTH AMENDMENT
TO THE
DOWNTOWN WATERFRONT URBAN RENEWAL PLAN
City of Portland, Oregon**

**Portland Development Commission
May 1, 1998**

Chapter 1 - Introduction

ORS 457.085(3) requires that an urban renewal plan amendment which is a significant change, requiring a substantial amendment to the plan, be accompanied by a report which describes:

- A. A description of physical, social, and economic conditions in the urban renewal areas of the plan, and the expected impact, including the fiscal impact, of the plan [or change] in light of added services or increased population;
- B. Reasons for selection of each urban renewal area in the plan;
- C. The relationship between each project to be undertaken and the existing conditions in the urban renewal area;
- D. The estimated total cost of each project and the sources of monies to pay such costs;
- E. The anticipated completion date for each project;
- F. A relocation report which shall include:
 - 1. An analysis of existing residents or businesses required to relocate permanently or temporarily as a result of agency actions, under ORS 457.170;
 - 2. A description of the methods to be used for the temporary or permanent relocation of persons living in, and businesses situated in, the urban renewal area in accordance with ORS 285.045 - .105; and
 - 3. An enumeration, by cost range, of the of the existing housing units in the urban renewal areas of the plan which are to be destroyed or altered, and of the new units to be added.

This report will address each of the required information categories.

The Nineteenth Amendment to the DTWF Urban Renewal Plan authorizes the Portland Development Commission, as the City's urban renewal agency, to acquire a parcel of land in order to preserve the building on the parcel in its current use as affordable housing. The property, located at 333 Southwest Oak Street, is located within the boundaries of the urban renewal district, as originally authorized by the Plan. See Exhibit 1. The subject property is shown as Parcel 21.

Chapter 2 - A Description of Physical, Social, and Economic Conditions in the Urban Renewal Areas and the Expected Impact, Including the Fiscal Impact, of the Plan Amendment in Light of Added Services or Increased Population.

A. Physical Condition of the Parcel to be Acquired

The parcel is 10,000 square feet, and occupied by a 90-unit, 10-story, concrete apartment complex with three ground-floor retail spaces. The structure was originally constructed as an office building; however, in 1978 it was converted to its current multi-family use. The building contains 72 studio units and 18 one-bedroom units. The studios range in size from 320 to 473 square feet, with an average unit size of 392 square feet. The one-bedroom units range in size from 444 to 456 square feet, with an average unit size of 450 square feet. The three ground-floor retail spaces contain 1,816, 2,113, and 3,547 square feet respectively. The northern 60 feet of the building is ten stories high. The southern 40 feet is one story. The site is entirely covered by the building footprint.

The building contains smoke detectors in the units and fire sprinklers in the common areas. It has a central laundry facility in the basement, and additional private storage for each tenant. The density is 392 units per acre. Since the property is within the boundaries of the existing urban renewal district, the Commission and the City Council have already made a finding of blight.

B. Existing Social and Economic Conditions of the Parcel to be Acquired

Since its conversion, the apartment portion of the building has been operated as a HUD Section 8, federally-subsidized low-income apartment building. Two of the ground-floor commercial space units are occupied, one is vacant. Because the project-based federal subsidy is scheduled to expire shortly, the property is at risk of being sold for redevelopment with likely conversion to market rate uses. All of the residential units are occupied, and the building has extremely low historical vacancy. The proposed public acquisition will allow for preservation of the affordable housing units through restructuring of the financing on the property.

Chapter III - The Expected Impact, Including the Fiscal Impact, of the Plan Amendment in Light of Added Services or Increased Population

A. Taxes

The actual real property taxes for the building are \$34,061 for 1997-98. If acquired, the property will no longer be subject to property taxes until it is resold. If the property is resold with the affordable units preserved as planned, it may qualify for some other tax exemption or abatement which would reduce or eliminate property tax revenues.

B. Infrastructure

No change in infrastructure is indicated by this amendment.

Chapter IV - Reasons for Selection of Each Urban Renewal Area in the Plan Amendment

This Amendment does not effect the selection of any new or changed areas, since the parcel is within the existing urban renewal boundary. This parcel has been selected for acquisition in order to fulfill Goal No. 3 of the DTWF Plan, which includes the preservation of affordable housing units in the urban renewal district.

Chapter V - The Relationship between Each Project to be Undertaken under the Plan Amendment and the Existing Conditions in the Urban Renewal Area.

"Project" is a defined term in ORS Chapter 457. It includes both single-site activities and implementation of programs necessary to achieve the goals of the urban renewal plan.

The Nineteenth Amendment contemplates, first, that the subject parcel will be acquired using the agency's urban renewal authority, and second, that it will be remarketed to a developer or owner who will maintain its current use as affordable housing. This remarketing will be undertaken pursuant to the Commission's multifamily rental housing development program.

Both steps, site control and disposition with long-term use control, are integral to accomplishing the Plan goal of preserving affordable rental housing within the district.

Chapter VI - The Estimated Total Cost of each Project or Activity and its Anticipated Completion Date

A. Estimated Costs

Acquisition	\$3,800,000
Holding and Transfer Costs	150,000

B. Financing Sources

Sale Proceeds	\$2,200,000
Operating Income	80,000
Tax Increment	1,670,000

C. Anticipated Completion Date

Acquisition and remarketing are anticipated to be completed by December, 1999.

Chapter VII - Financial Analysis of the Plan with Sufficient Information to Determine Feasibility

Sufficient tax increment proceeds are available in the DTWF Urban Renewal fund to finance the proposed activities. The building's current operating statements indicate slightly over \$100,000 per year in net, before-tax operating income, including the payment of real estate taxes, ordinary maintenance and repair, certain debt service, and the costs of professional management. The projected rents for the parcel will allow for adequate debt-servicing by a prospective owner, to return sale proceeds to the Commission, though some tax increment-funded subsidy will be necessary to preserve the affordable units.

Chapter VIII - Relocation Issues

No existing residents or businesses will be required to relocate as a result of these agency actions.

PORTLAND DEVELOPMENT COMMISSION
Portland, Oregon

RESOLUTION NO. 5114

RESOLUTION AUTHORIZING PURCHASE OF REAL
PROPERTY AT 333 SOUTH WEST OAK.

WHEREAS, the Downtown Waterfront Urban Renewal Plan includes a goal of preserving affordable housing units in the downtown area; and

WHEREAS, development and preservation of affordable units is uniquely difficult in the downtown area due to high development and extraordinary costs; and

WHEREAS, the Commission has an opportunity to acquire the property located at 333 Southwest Oak Street on terms and conditions favorable to the preservation of the units in the building at the site as affordable units; and

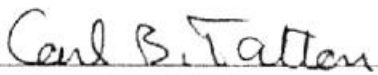
WHEREAS, the Seller will allow acquisition under such favorable terms only if the Commission acquires the property pursuant to its power of condemnation; and


WHEREAS, the Commission has recommended to City Council an amendment to the Downtown Waterfront Urban Renewal Plan which would allow for acquisition of the subject property under the authority of the Plan, which includes use of condemnation if necessary and the expenditure of tax increment funds for acquisition;

NOW THEREFORE, be it

RESOLVED that the Executive Director be and hereby is authorized to execute any documents necessary to acquire the property known as 333 Southwest Oak Street including by condemnation if necessary, and using the proceeds of tax increment financing, substantially according to the terms of the draft purchase and sale agreement, upon adoption of Amendment Nineteen to the Downtown Waterfront Urban Renewal Plan.

ADOPTED by the Commission May 1, 1998.


Carl B. Talton, Chairman


Martin Brantley, Acting Secretary

CERTIFICATE OF RECORDING OFFICER

The undersigned hereby certifies, as follows:

1. That s/he is the duly qualified staff Secretary of the Portland Development Commission, herein called the "Commission," and in such capacity keeps its records, including the minutes of proceedings of the Commission;

2. That the attached resolution is a true and correct copy of the resolution as finally adopted at a meeting of the Commission held on May 1, 1998, and duly recorded in the Commission office;

3. That the undersigned is authorized to execute this certificate.

IN WITNESS WHEREOF the undersigned has executed this certificate

May 1, 1998
Date

Christina Cain
Christina Cain, Commission Asst.



CITY OF

PORTLAND, OREGON

172413

Planning Commission
Telephone No. 823-7708 TDD 823-6868 FAX 823-7800
c/o Bureau of Planning, Rm. 1002, 1120 S.W. Fifth Ave. 97204

June 9, 1998

Honorable Vera Katz, and Members of the Portland City Council
Portland City Hall
1221 SW 4th Avenue
Portland, Oregon 97204-1966

Dear Mayor Katz and Members of the Council:

The Portland Planning Commission has completed our review of the Nineteenth Amendment to the Downtown Waterfront Urban Renewal District. On June 9, 1998, the Planning Commission held a public hearing on the proposed indebtedness limits. Notice of this hearing was provided and those interested were invited to testify. We approve the renewal plan amendment and strongly urge the adoption of this amendment by the Portland City Council.

The Portland Development Commission (PDC) seeks to amend the *Downtown Waterfront Urban Renewal Plan*. The amendment will allow the PDC to purchase the 90 unit apartment building located at 333 SW Oak Street. The building is located within the Downtown Waterfront Urban Renewal District. The building has served low income, elderly and disabled tenants for some time. These tenants' occupancy has been supported by a Section 8 contract with the federal Department of Housing and Urban Development (HUD).

The property is presently for sale. PDC seeks to purchase the property to preserve it as low-income housing. Failure to purchase the property could lead to its conversion to market level housing, hotel or office use. Such reuse of the building would displace the low-income tenants currently residing in the building's 90 units.

Purchase of the 333 SW Oak will preserve, as affordable housing, a ten story building containing 72 studios and 18 one bedroom apartments. The building also includes retail shops on its ground floor. The PDC intends to place the building under the management of a nonprofit housing agency.

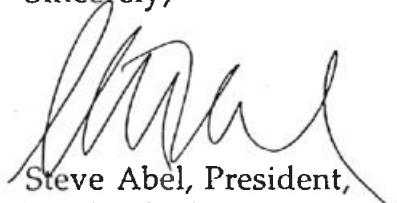
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The Waterfront Urban Renewal District includes a program for the preservation of affordable housing. This purchase will implement that program. Individual property purchase actions are required to be approved as amendments to the *Downtown Waterfront Urban Renewal Plan*. This amendment is being requested to satisfy that requirement.

Recommendation

The Portland Planning Commission unanimously recommends the City Council approve the Nineteenth Amendment of the Downtown Waterfront Urban Renewal Plan to allow preservation of the 333 SW Oak as affordable housing.

Sincerely,



Steve Abel, President,
Portland Planning Commission

SA/MSH/msh

cc: David C. Knowles, Planning Director
Michael S. Harrison, AICP, Chief Planner

Nineteenth Amendment Downtown Waterfront Urban Renewal Plan

**May 1998
Bureau of Planning
Portland, Oregon**

To help ensure equal access to information the City of Portland Bureau of Planning offers accommodation to persons with a disability.

Call 823-7700, in advance, to arrange for the accommodation.

TDD 823-6868

Additional copies of this document may be obtained from:

The Portland Bureau of Planning
Room 1002
1120 SW Fifth Avenue
Portland, Oregon 97204-1966
Telephone: (503) 823-7829

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Jim Francesconi, Commissioner of Public Utilities
Charlie Hales, Commissioner of Public Safety
Gretchen Kafoury, Commissioner of Public Affairs
Eric Sten, Commissioner of Public Works

City of Portland Planning Commission

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Portland Bureau of Planning

Charlie Hales, Commissioner of Public Safety
David C. Knowles, Planning Director
Deborah Stein, Principal Planner

Bureau of Planning Project Staff

Michael S. Harrison, AICP, Chief Planner
Donah Baribeau, Clerical Specialist

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172413

Summary

The Portland Development Commission (PDC) seeks to amend the *Downtown Waterfront Urban Renewal Plan*. The amendment will allow the PDC to purchase the 90 unit apartment building located at 333 SW Oak Street. The building is located within the Downtown Waterfront Urban Renewal District. The building has served low income, elderly and disabled tenants for some time. These tenants' occupancy has been supported by a Section 8 contract with the federal Department of Housing and Urban Development (HUD).

The property is presently for sale. PDC seeks to purchase the property to preserve it as low-income housing. Failure to purchase the property could lead to its conversion to market level housing, hotel or office use. Such reuse of the building would displace the low-income tenants currently residing in the building's 90 units.

Purchase of the 333 SW Oak will preserve, as affordable housing, a ten story building containing 72 studios and 18 one bedroom apartments. The building also includes retail shops on its ground floor. The PDC intends to place the building under the management of a nonprofit housing agency.

The Waterfront Urban Renewal District includes a program for the preservation of affordable housing. This purchase will implement that program. Individual property purchase actions are required to be approved as amendments to the *Downtown Waterfront Urban Renewal Plan*. This amendment is being requested to satisfy that requirement.



172413

May 15, 1998

Dear Member of the Portland Planning Commission:

Carl B. Talton
Chairman

Douglas C. Hixson
Commissioner

Martin Brantley
Commissioner

John D. Eskildsen
Commissioner

Noell Webb
Commissioner

On behalf of the Portland Development commission, I am forwarding for your review a substantial amendment to the Downtown Waterfront Urban Renewal District within the City of Portland. The amendment is necessary in order for the Portland Development Commission to purchase the 333 Oak Building located within the District. The need for this amendment is explained in the proposed findings submitted along with this letter.

This amendment is "substantial" under the Downtown Waterfront Urban Renewal District Plan (Plan) because it amends the list of properties that may be acquired under the Plan. It requires review and a recommendation by the Planning Commission, a public hearing before the City Council, and adoption by the City Council by non-emergency ordinance, as required under ORS chapter 457. This amendment adds the 333 Oak Building parcel to the list of parcels that may be acquired under the Plan.

The findings which are attached to the staff report provide factual support that this amendment complies with the Plan.

We appreciate your consideration of the proposed amendments, and we will have a representative of the Portland Development Commission present at your hearing on June

Sincerely,

A handwritten signature in cursive script, appearing to read "Felicia L. Trader", followed by the word "For" in a simple, sans-serif font.

Felicia L. Trader
Executive Director

Vern Katz
Mayor

Felicia L. Trader
Executive Director

1900 S.W. Fourth Avenue
Suite 100
Portland, OR 97201-5304

503/823-3200

FAX 503/823-3368
TTY 503/823-3366

internet
www.portlanddev.org



Recommendation

The Bureau of Planning and the Portland Development Commission propose that the Portland City Planning Commission approve and recommend that the Portland City Council amend the *Downtown Waterfront Urban Renewal Plan* to allow purchase of the building at 333 SW Oak to ensure its continuation as affordable housing.

Background

Urban Renewal Plan Authority

Authority for the use of urban renewal was established by the Oregon Legislature and codified as Chapter 457 of the *Oregon Revised Statutes* (ORS). The statutes include criteria for the establishment of an urban renewal district; the development of eligible urban renewal areas; and the content of an urban renewal plan and urban renewal plan report.

Chapter 15, Article 1 of the Portland City Charter assigns all general powers and duties to the Portland Development Commission. The commission is designated as the body that will serve as the City's Urban Renewal and Redevelopment Agency. They are responsible for carrying out all urban renewal functions. Proposed urban renewal plans and urban renewal plan amendments are prepared by the Portland Development Commission staff and approved by the Portland Development Commission prior to their submission to the Portland Planning Commission and Portland's City Council.

On May 1, 1998, the Portland Development Commission held a public hearing on the proposed amendment to the *Downtown Waterfront Urban Renewal Plan* and approved the proposed amendment.

Overview of ORS 457.085 Requirements

ORS 457 requires that the City's Planning Commission review urban renewal plans and substantial amendments to urban renewal plans. The Planning Commission's recommendations on urban renewal plans or renewal plan amendments are submitted to the Portland City Council for consideration in their decision on the plan or on a substantial plan amendment.

Portland's City Council has final review and approval authority over urban renewal plans and urban renewal plan amendments. Such plans and amendments may be approved only after a public notice, a public hearing, consideration of public testimony, and consideration of the recommendations of the Planning Commission. Approval of the renewal plan or renewal plan amendment must be by a nonemergency ordinance that incorporates the plan by reference and includes determinations and findings of compliance with the requirements of ORS 457.095.

The *Oregon Revised Statutes* requirements for urban renewal plans and urban renewal plan amendments are in two parts. The ORS requires specific content the renewal plan is to include. The statutes also require specific content to be included in the renewal plan report. There are also eight elements that must be included in urban renewal plans. There are nine elements that must be included in an urban renewal plan report.

Required Urban Renewal Plan Contents

An urban renewal plan must include the following eight elements:

1. A description of each urban renewal project to be undertaken;
2. An outline of the development, redevelopment, improvements, land acquisition, demolition and removal of structures, clearance, rehabilitation or conservation of the urban renewal plan;
3. A map and legal description of the urban renewal areas of the plan;
4. An explanation of the plan's relationship to local objectives, land uses, traffic and other public improvements;
5. A description of proposed land use densities and building requirements;
6. A description of relocation methods for persons or businesses;

7. An indication of the property which may be acquired and its proposed disposition; and
8. A description of the type of future amendments that are so substantial as to require notice, hearing and approval.

Required Urban Renewal Plan Report Contents

An urban renewal plan report must include the following nine elements:

1. A description of physical, social and economic conditions, including expected impacts and fiscal impacts;
2. The reasons for selection of the area;
3. The relationship between the plan's projects and existing conditions;
4. The estimated total cost of each project and sources of monies to pay such costs;
5. The estimated completion date for each project;
6. The estimated monies required and the anticipated year in which indebtedness will be retired;
7. A financial analysis sufficient to determine feasibility;
8. A fiscal impact statement estimating the impact of tax increment financing; and
9. A relocation report.

Compliance with ORS Plan and Plan Report Requirements

The urban renewal reports and plan for the Downtown Waterfront Urban Renewal District have already fully complied with the content provisions of the ORS. The adopting actions for these renewal plans and the various amendments to the plans include all necessary findings and plan/report elements.

The amendment proposed conforms to the *Downtown Waterfront Urban Renewal Plan*, as it implements Goal Three: "To maintain existing low-income housing and promote additional new housing serving mixed income groups." It does not alter the policy of the renewal plan for the renewal district. Exhaustive studies were developed, and adopted, when the plan was adopted. These findings were augmented by supplemental findings which were also adopted with each amendment of the plan.

These earlier adopting actions include findings that show the consistency between the adopted renewal plan and the *Oregon's Statewide Goals for Land Use Planning*, *Portland's Comprehensive Plan*, and area plans that are also part of *Portland's Comprehensive Plan*. The findings are found in the various ordinances and resolutions the Portland City Council and the Portland Development Commission have enacted to initially adopt the plan and later to update it. The already adopted findings and whereas statements in these instruments are also findings in support of this amendment.

The *Downtown Waterfront Urban Renewal Plan* and district was originally adopted by Resolution 31395. The renewal plan has been amended since its adoption by Resolutions 31580, 31694, 31950, 32063, 32097, 32054, and 34898. The plan has also been amended by Ordinances 152218, 154458, 158193, 159232, 159660, 159661, 160601, 160778, 162546, and 164795.

172418

Urban Renewal Plan Amendment Description and Findings

Land Acquisition and Redevelopment

The findings for the amendment to the *Downtown Waterfront Urban Renewal Plan* are first described in scope, then followed by a section which lists how the amendment relates to the goals and objectives of the plan. A section then follows which specifies the section of the Plan which gives specific authorization for the amendment. Finally, the conclusion states how the amendment implements the plan.

A. Amendment Description

The proposed amendment supplements Section D.2.d. of the *Downtown Waterfront Urban Renewal Plan* by adding 333 SW Oak Street, Portland, OR as Parcel 21 for acquisition. This property is within the Downtown Waterfront Urban Renewal District (See Exhibits A and B for legal description and Urban Renewal District Parcel Map). Currently, this building is rented as low-income housing, but the owner wishes to sell the property, which would result in the loss of its use as affordable housing. Portland Development Commission is interested in acquiring the parcel in order to preserve the building for low-income housing. This amendment authorizes PDC to acquire the property for preservation of low-income housing which is consistent with Goal Three of the *Downtown Waterfront Urban Renewal Plan* as described below.

B. Relationship to Goals and Objectives

The proposed amendment conforms to Goal Three of the *Downtown Waterfront Urban Renewal Plan*:

To maintain existing low-income housing and promote additional new housing serving mixed income groups.

C. Authorization for Amendment

172413

The amendment is authorized by the following sections of the *Downtown Waterfront Urban Renewal Plan*:

Section D - Project Activities

2. Acquisition and Redevelopment

- b. Method. Proposals for property acquisition, including limited interested acquisition, may be recommended for inclusion in this plan to achieve objectives of the Plan based on one or more of the following criteria:
 - (2) Where existing conditions do not permit practical or feasible rehabilitation of the structure and it is determined that the acquisition of such properties and demolition of the improvements thereon are necessary to remove substandard conditions;
 - (3) 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 necessary to remove blighting influences and to achieve the objectives of the urban renewal plan;
 - (4) Where it is determined that the property is needed to provide public improvements and facilities; or
 - (5) Where the existing property owner is either unwilling or unable to achieve the objectives of the urban renewal plan.

D. Conclusion

The proposed amendment provides for acquisition of 333 SW Oak Street, which is authorized under Section D.2.b.(4)., as the property owner is unable to achieve Goal Three of the plan. Acquisition of the property will maintain the number of housing units downtown for low-income households. Since the amendment implements Goal 3 of the plan to promote the maintenance of low-income housing, it is consistent with the Plan.

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Page ____ of ____

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193.020, PUBLISHED IN THE CITY OF PORTLAND, IN MULTNOMAH COUNTY,
OREGON: THAT THE ADVERTISEMENT, THE PRINTED TEXT OF WHICH IS SHOWN BELOW,
WAS PUBLISHED IN THE ENTIRE AND REGULAR ISSUES OF THE OREGONIAN
FOR 1 DAYS STARTING 07/09/98, ENDING 07/09/98 TH

Charlene Wharton
.....
PRINCIPAL CLERK OF THE PUBLISHER
JUL 10 1998

SUBSCRIBED AND SWORN TO BEFORE ME THIS DATE



NOTARY: *Shirley Kalhar*

965393
AD TEXT:

PUBLIC NOTICE
Adoption of Nineteenth
Amendment to the Downtown
Waterfront Urban Renewal Plan
Notice is hereby given pursuant to
ORS 457 that on June 24, 1998,
the Council of the City of Port
land adopted Ordinance No.
172413 approving the Nineteenth
Amendment to the Downtown
Waterfront Urban Renewal Plan
which project area is identified in
the Urban Renewal Plan.
The Nineteenth Amendment has
been prepared and approved
pursuant to Chapter 457 of the
Oregon Revised Statutes.
The Nineteenth Amendment to the
Downtown Waterfront Urban Re
newal Plan provides the acqui
sition of Lots 5 and 6, Block 45,
CITY OF PORTLAND (333 SW
Oak Street).
ORS Chapter 457 provides that any
Urban Renewal Plan purported
to be adopted in conformance
with the applicable legal require

ments shall be conclusively presumed valid for all purposes 90 days after adoption of the Plan by Ordinance of the governing body of the municipality. No direct or collateral attack on the action may thereafter be commenced.

The Nineteenth Amendment and the Report on the Nineteenth Amendment to the Downtown Waterfront Urban Renewal Plan are available for review at the office of the Portland Development Commission, Suite 100, 1900 SW Fourth Avenue, Portland, Oregon 97201 during its regular working hours 8 a.m. to 5 p.m. Monday through Friday. Published by order of the City Council, Barbara Clark, City Auditor