

SECOND AMENDMENT TO THE COLUMBIA SOUTH SHORE (AIRPORT WAY) URBAN RENEWAL PLAN

Planning Commission Recommendation
to the Portland City Council



**Bureau of Planning
City of Portland
Accepted by the Planning Commission June 12, 1990**

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URBAN RENEWAL PLAN**

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I. URBAN RENEWAL PLAN AMENDMENT PROPOSAL

Introduction

This staff report is on the Second Amendment to the Columbia South Shore (Airport Way) Urban Renewal Plan, as adopted by the Portland Development Commission on May 17, 1990. The amendment is to an urban renewal plan adopted by the City in 1986. Because the proposed changes are substantial and involve property acquisition, they must be reviewed and adopted in the same manner as the original Plan. The purpose of Planning Commission review is to determine conformance of the proposed amendments with Oregon Revised Statutes (ORS). Parts of the Plan not subject to amendment are not considered in this review, except in context of overall Plan compliance.

The Planning Commission is required by Oregon Revised Statutes to review the Plan amendment and take one of four possible actions:

- Forward to City Council with a recommendation of approval;
- Forward to City Council with a recommendation of approval with changes;
- Forward to City Council with a recommendation of denial; or
- Forward to City Council but decline to make a recommendation.

The Planning Bureau proposes that the Planning Commission forward the Second Amendment to City Council with a recommendation of approval. Specific recommended actions are contained in Section V, Bureau of Planning Recommendation.

Background

The Columbia South Shore Urban Renewal Plan was adopted by City Council on May 15, 1986. The principal goals and objectives for the 2,780-acre Columbia South Shore Urban Renewal Area and the Urban Renewal Plan were to eliminate blight and correct those conditions which are the causes of blight so that the area would 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 most significant of those blighting conditions is the lack of public facilities and services to support development and redevelopment of Columbia South Shore as a major regional industrial district.

In February 1988 the City adopted the First Amendment to the Columbia South Shore Urban Renewal Plan, to allow acquisition of certain parcels of land necessary to complete NE Airport Way and its secondary road connections, and to mitigate associated environmental impacts. Sufficient property has now been acquired to provide an 80-foot wide right-of-way for the entire length of NE Airport Way, and construction has commenced. Land has been purchased or negotiations are underway for acquisition of property for mitigation of wetland fill associated with road construction, and for containment and passive treatment sites for accidental spills on the roadway.

Purpose of the Proposed Amendments

Proposed amendments to the urban renewal plan will:

- **Authorize the Portland Development Commission to acquire property in the vicinity of NE Holman Street and NE 112th Avenue** The Holman area serves as a gateway from I-205 to the urban renewal area. This action allows consolidation of small parcels and reorientation of the street pattern in a more efficient manner.
- **Authorize the Portland Development Commission to acquire property at various places for wetland mitigation** The Portland Development Commission is completing a natural resources management plan which may result in the filling of up to 53 acres of selected wetlands to accommodate development. To mitigate for lost resource values, about 45 acres of wetland creation and 40 acres of enhancement of existing wetlands within the area is proposed. This action allows purchase of identified lands as the need for mitigation occurs.
- **Update the Plan to reflect current zoning** The original urban renewal plan lists Multnomah County and City of Portland land use zones which were replaced in a 1987 rezoning. The proposed change reflects the 1987 action.
- **Incorporate the Airport Way Development Plan by reference to serve as a vision document** In 1989 the City adopted by resolution the *Airport Way Development Plan* to serve as a vision or general guide for future urban renewal activities. The proposed amendment acknowledges this action.
- **Incorporate City goals and policies** The City has adopted Comprehensive Plan and economic development goals and policies which relate to the Airport Way Urban Renewal Area. This action incorporates them into the urban renewal plan.

- **Rename the Columbia South Shore Urban Renewal Area to the Airport Way Urban Renewal Area** The proposed name change reflects the Area's proximity to Portland International Airport and NE Airport Way.

Text of the Proposed Amendments

There are a large number of proposed changes throughout the urban renewal plan. This is because six major subjects are being addressed, and some subjects occur at several places in the plan document. Following is a list, by subject, of page numbers in the urban renewal plan where additions or deletions are proposed. Attached as Exhibit A to this staff report is a copy of the urban renewal plan, as adopted by the Portland Development Commission on May 17th, which has both proposed additions and deletions.

Location of Proposed Changes

Action	Additions by page number	Deletions by page number
Authorize the Portland Development Commission to acquire property in the vicinity of NE Holman Street and NE 112th Avenue	Table of Contents, 24-25, 38	
Authorize the Portland Development Commission to acquire property at various places for wetland mitigation	Table of Contents, 24-25, 37, 39	
Update the Plan to reflect current zoning	18, 20, 36	18, 19-20
Incorporate the Airport Way Development Plan by reference to serve as a vision document	17	
Incorporate City goals and policies	Table of Contents, 11, 15-16, 18	
Rename the Columbia South Shore Urban Renewal Area to the Airport Way Urban Renewal Area	Cover, Title, 5, 7, 11	Cover, Title, 5

Documentation

The following documents are included as exhibits to the staff report to the Planning Commission and are incorporated by this reference in the staff report:

- **Exhibit A** *City of Portland, Oregon Airport Way Urban Renewal Plan*, indicating original and amended language, Portland Development Commission, May 17, 1990

- **Exhibit B** *City of Portland, Oregon Report on the Second Amendment to the Columbia South Shore (Airport Way) Urban Renewal Plan*, Portland Development Commission, May 17, 1990
- **Exhibit C** Portland Development Commission Resolution Approving the Second Amendment to the Airport Way Urban Renewal Plan and Exhibit A, May 17, 1990

II. URBAN RENEWAL AUTHORITY AND ADOPTION PROCESS

Urban Renewal Plan Authority

Authority for the use of urban renewal, including criteria for the establishment of an urban renewal agency, the determination of eligible urban renewal areas, and the content of an urban renewal plan and urban renewal plan report is established by the Oregon Legislature and codified as Chapter 457 of the Oregon Revised Statutes (ORS).

Chapter 15, Article 1 of the Portland City Charter assigns all "general powers and duties" to the Portland Development Commission to serve as the City's urban renewal and redevelopment agency, to carry 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 Planning Commission and City Council.

ORS 457.085 requires that an urban renewal plan state "what type of possible future amendments of the plan are so substantial as to require the same notice, hearing and approval procedures required of the original plan..." ORS 457.220 further specifies that "Any substantial change made in the urban renewal plan shall, before being carried out, be approved and recorded in the same manner as the original plan." Section 902 of the plan states that "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." Property acquisition is part of the proposed amendments, so it must be processed as a substantial change.

On May 17, 1990 the Portland Development Commission approved the proposed Second Amendment to the Columbia South Shore (Airport Way) Urban Renewal Plan and the Report on the Second Amendment.

Planning Commission and City Council Review and Action

According to ORS 457, the Planning Commission must review any proposed urban renewal plan amendment and report. The Planning Commission's recommendations, if any, are submitted to City Council for consideration in their decision on the proposed urban renewal plan amendment.

The City Council is charged with final review and approval of an urban renewal plan amendment. The urban renewal plan amendment can only be approved after public notice, a public hearing, and consideration of public testimony and any Planning Commission recommendations. Approval of the urban renewal plan amendment must be by non-emergency ordinance which must incorporate the amendment by reference and include determinations and findings of compliance with requirements of ORS 457.095.

III. REVIEW OF PLAN AMENDMENT REPORT FOR COMPLETENESS

Overview of ORS 457.085 Requirements

Oregon Revised Statutes requirements for urban renewal documentation are in two parts; the required contents of the urban renewal plan and the required contents of the urban renewal plan report. Since the Second Amendment to the Columbia South Shore (Airport Way) Urban Renewal Plan is a substantial change to that Plan, an urban renewal plan amendment report has been prepared following the content requirements for an urban renewal plan report.

Review of the Report Contents

In conformance with ORS 457.085 and urban renewal plan report must contain: 1) a description of physical, social, and economic conditions and expected impact, including fiscal impact; 2) the reasons for selection of the area; 3) the relationship between Plan projects and existing conditions; 4) the estimated total cost of each project and sources of money to pay such costs; 5) the estimated completion date for each project; 6) the estimated money required and the anticipated year that 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. Because this is a significant amendment, the plan report must contain the same subjects.

Conclusions

The Report on the Second Amendment to the Columbia South Shore (Airport Way) Urban Renewal Plan (Exhibit B) complies with the content requirements of ORS 457.085.

IV. DETERMINATIONS AND FINDINGS OF COMPLIANCE WITH ORS 457.085 REQUIREMENTS

The following provides a statement of the seven requirements under ORS 457.095 and of compliance of the Second Amendment to the Columbia South Shore (Airport Way) Urban Renewal Plan:

- **Each urban renewal area is blighted**

ORS 457.010 defines blighted areas as follows:

"Blighted areas" means areas which, by reason of deterioration, faulty planning, inadequate or improper facilities, deleterious land use or the existence of unsafe structures or any combination of these factors are detrimental to the safety, health, or welfare of the community.

Findings and determinations of compliance of the Columbia South Shore Urban Renewal Area with this requirement were adopted by City Council as part of their adoption of the Columbia South Shore Urban Renewal Plan.

The Council found that, of the conditions listed under ORS 457.010, the overriding justification for the designation of Columbia South Shore as an urban renewal area was the lack of public facilities and services in the area. Specifically, the Council found that the urban renewal area's present transportation system is deficient both internally and with linkages to the I-84 Freeway.

- **The rehabilitation and redevelopment is necessary to protect the public health, safety, or welfare of the municipality**

The linkage between the existence of a blighted area and a menace to the public health, safety or welfare of the municipality is specified in ORS 457.020, which reads in part:

It is hereby found and declared:

- (1) That there exist within the state blighted areas.
- (2) That such areas impair economic values and tax revenues.
- (3) That such areas cause an increase in and spread of disease and crime and constitute a menace to the health, safety, morals and welfare of the residents of the state and that these conditions necessitate excessive and disproportionate expenses of public funds for crime prevention and punishment, public health, safety and welfare, fire and accident protection and other public services and facilities...
- (5) That the acquisition, conservation, rehabilitation, redevelopment, clearance, replanning and preparation for rebuilding of these blighted areas, and the prevention or the reduction of blight and its causes, are public uses and purposes for which money may be spent and private property acquired and are governmental functions of state concern.
- (6) That there are also certain areas where the condition of the title, the diverse ownership of the land to be assembled, the street or lot layouts or other conditions prevent proper development of the land, and that it is in the public interest that such areas, as well as blighted areas, be acquired by eminent domain and made available for sound and wholesome development in accordance with a redevelopment or urban renewal plan, and that the exercise of the power of eminent domain and the financing of the acquisition and preparation of land by a public agency for such redevelopment or urban renewal is likewise a public use and purpose...

For property acquisition in the vicinity of NE Holman Street and NE 112th Avenue this link is established through some evidence to suggest that certain properties within the Holman Area may be contaminated with substances defined as "hazardous" by Federal and State law. Timely removal of any hazardous materials through property acquisition and City cleanup action will further public health.

Additionally, the lack of public facilities and services, particularly an appropriate street pattern, results in the underutilization or disuse of much of the land within the Holman Area, which impairs economic values and tax revenues within the urban renewal area.

Diverse ownership of the land to be assembled and the street or lot layouts presently prevent proper development of the Holman Area. Assembly of the land and reorientation of the street system will improve traffic safety, particularly at the intersection of NE Holman Street and NE Airport Way. It also contributes to public welfare by allowing reparcelization of land in a manner orienting toward NE Airport Way and at sizes appropriate for present development needs.

Property acquisition for the purpose of wetland mitigation allows the filling of selected lower-value wetlands. This in turn allows assembly of larger land parcels at sizes appropriate for present development needs. Additionally, it allows for more efficient provision of public services, especially roadways, to serve those and other nearby properties, furthering public safety and welfare.

It is anticipated that the proposed property acquisition for wetland mitigation to allow reparcelization and efficient services provision, and property acquisition and street realignment in the Holman Area furthers public welfare by encouraging industrial development throughout the urban renewal area. Seven hundred twenty acres of the 1216 acres available are projected to be developed in the Columbia South Shore by the year 2005 (LeBlanc and Company, *Columbia Corridor: Market Support for Development Through the Year 2005*). The proposed projects will play an important role in providing the necessary transportation infrastructure and land assembly to achieve the levels of planned growth.

Land values are expected to increase with the construction of NE Airport Way. Increased values will result primarily from conversion of previously vacant or underutilized land to a more intense use, which will result in a larger tax base for the region's taxing jurisdictions.

Completion of NE Airport Way, assembly of the Holman Area, and wetland mitigation through an area-wide plan will make the area more attractive to private sector investment, which will increase the number of jobs available to Portland residents, improve the property tax base and significantly assist in protecting the public's investments that have been and will be made in the area.

- **The urban renewal plan conforms to the comprehensive plan and economic development plan, if any, of the municipality as a whole and provides an outline for accomplishing the urban renewal projects the urban renewal plan proposes**

The City of Portland's Comprehensive Plan, effective January 1, 1981, provides a guide for all land use-related development within the City. The Second Amendment to the Columbia South Shore (Airport Way) Urban Renewal Plan conforms with the Comprehensive Plan and is especially supportive of the following Comprehensive Plan Goals and Policies:

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

The Columbia South Shore has been designated an industrial sanctuary through the rezoning in 1986. Assembly and reparcelization of land, and creation of a more efficient street pattern as a result of proposed property acquisition activities makes the area more desirable for industrial purposes, and encourage industrial growth.

Incorporation of the Airport Way Development Plan, adopted by City Council Resolution 34629 as a guide, or vision, document, into the urban renewal plan gives support to the long-term preservation of industrial land. This will encourage long-term investment in industrial development and industry-supportive land uses.

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

Assembly of properties, both through wetland fill (and subsequent mitigation) and in the Holman Area will create larger parcels which can be developed more fully and efficiently.

*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.*

Assembly of land into larger parcels through acquisition in the Holman Area and selected wetland fill will attract new industrial development and related job opportunities.

Seven hundred twenty acres of the 1216 acres available are projected to be developed in the Columbia South Shore by the year 2005 (LeBlanc and Company, *Columbia Corridor: Market Support for Development Through the Year 2005*). Completion of NE Airport Way, assembly of the Holman Area, and wetland wetland mitigation through an area-wide plan will make the area more attractive to private sector investment, which will increase the number of jobs available to Portland residents.

Incorporation of the Airport Way Development Plan, adopted by City Council Resolution 34629 as a guide, or vision, document, into the urban renewal plan gives support to the long-term preservation of industrial land. This creates an environment which promotes and supports business and industry and attracts new investment.

Policy 5.2 Public 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.

Assembly of land into larger parcels through acquisition in the Holman Area and selected wetland fill allows the provision of roads and other infrastructure which supports industrial development anticipated and allowed by the Comprehensive Plan.

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.

Assembly of land in the Holman Area and through selected wetland filling is in response to the economic needs for larger parcels of industrial land. Proposed public acquisition is necessary to insure that land of appropriate size, location, and orientation will be available in a timely fashion.

Policy 5.12 Environment, Energy, and Transportation

Promote business and industrial development consistent with a good environment and wise use of resources.

Acquisition of land for the purpose of wetland creation insures preservation of resource values in the Columbia South Shore, while at the same time allowing assembly of land into larger parcels through selected wetland filling, thereby promoting industrial development.

Policy 5.17 Locational Opportunities for Industrial Firms

Provide ample and varied opportunities for the location of industrial activities in Portland.

Assembly of land in the Holman area and through selected wetland fill, aided by land acquisition for mitigation, increases opportunities for location of industrial activities in the City.

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.

Renaming the urban renewal area Airport Way provides identity appropriate for its unique location to Portland International Airport.

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.

Assembly of the land and reorientation of the street system in the Holman Area will improve traffic safety and flow into and through the area, particularly at the intersection of NE Holman Street and NE Airport Way.

Policy 8.18 Natural Resource 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.

Acquisition of land for wetland creation as proposed in this amendment is a critical element in the recommended *Columbia South Shore Natural Resources Management Plan*, now before the City Council. This management plan will provide overall guidance for selected wetland alteration and subsequent mitigation in a manner supportive of the urban renewal district plan.

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

Public participation has been encouraged throughout the development of the Plan and amendments. All property owners were notified of public hearings before the Portland Development Commission, Planning Commission, and City Council. The Portland Development Commission staff has met with property owners and tenants in the Holman Area on several occasions between December 1989 and May 1990 to discuss the impact of property acquisition. Portland Development Commission staff have also met with property owners, tenants, and business organizations to discuss other portions of the Second Amendment of the

Plan and its expected impacts. Public testimony on the Amendment was taken at the Portland Development Commission hearings of December 13, 1989 and May 17, 1990.

As part of the requirements of ORS 197.763 and the citizen involvement provisions of this Goal, notice was sent 30 days before the scheduled hearing on the Second Amendment of the Plan to all individual property owners within the urban renewal area. In addition, neighborhood, special interest, and business groups within the area were notified.

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.

Land in the Holman Area can be acquired and assembled in a manner that will allow street reorientation. This will provide for safe traffic flow at levels expected from development allowed by existing zoning.

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

Acquisition of property for wetland mitigation will preserve resource values, while at the same time allowing full industrial development.

Objective 5.20A

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

Acquisition of land in the Holman Area allows the creation of large business and industrial sites. Acquisition of land for mitigation of selected wetland fills allows the consolidation of vacant and underdeveloped areas into large sites.

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.

Small parcels and diverse land ownership presently in the Holman area limit the potential diversity of industrial and business development envisioned by the urban renewal plan. Property acquisition allows assembly of land into parcels which will encourage attractive business

park and industrial development in an area highly visible from I-205 and NE Airport Way.

Objective 5.20D

Protect groundwater resources, particularly the City's domestic water supply.

In the Holman Area there is some evidence to suggest that certain properties may be contaminated with substances defined as "hazardous" by Federal and State law. Timely removal of any hazardous materials through property acquisition and City cleanup action will protect groundwater quality.

Wetlands help improve water quality through sediment trapping, pollutant removal by vegetation uptake, and erosion control. Property acquisition for wetland creation will allow these values to be retained in the Columbia South Shore.

- **Provision has been made 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 605 of the Plan provides for relocation of residents and businesses which may be displaced through property acquisition. It is estimated that ten single family residential units will be affected. Nine are presently occupied. The Portland Development Commission will provide assistance in finding replacement facilities to displaced persons or businesses. Relocation will be undertaken and payments made in accordance with state requirements.

- **If acquisition of real property is provided for, that it is necessary**

The Columbia South Shore Natural Resources Management Plan identifies mitigation areas for preservation of resource values displaced by selected fills of nearby wetlands. Each mitigation area is designed to serve for a number of these selected fills. In order to coordinate mitigation efforts, insure mitigation success, and provide mitigation at or prior to the time of filling, it is necessary for the City to acquire property.

The existing street pattern in the Holman Area is part of the original Parkrose Subdivision Plat, oriented in a north-south/east-west grid pattern. This does not orient toward I-205 and NE Airport Way in an

efficient or safe manner. Reorientation and creation of new rights-of-way toward NE Airport Way would further fragment existing small and diverse ownerships. Property acquisition by the City is necessary to assemble and resubdivide property in large parcels orienting toward NE Airport Way, attracting new business and industry, and allow a more efficient street pattern and safer intersection of NE Holman Street and NE Airport Way.

- **Adoption and carrying out of the urban renewal plan is economically sound and feasible**

Tax increment proceeds will be required for an estimated maximum period of 20 years, to be retired no later than the year 2010. According to the Portland Development Commission Staff Report accompanying this report as Exhibit B, sufficient tax increment proceeds from the urban renewal area are available to finance the proposed project activities.

- **The municipality shall assume and complete any activities prescribed it by the urban renewal plan**

Upon adoption of the Columbia South Shore (Airport Way) Urban Renewal Plan by ordinance, the City of Portland assumed responsibility for completion of all activities prescribed by the Plan and this amendment.

V. BUREAU OF PLANNING RECOMMENDATION

The Planning Bureau recommends the Planning Commission take the following action:

- Accept the Planning Bureau *Report on the Second Amendment to the Columbia South Shore (Airport Way) Urban Renewal Plan* and findings of conformance of the Second Amendment with the requirements of ORS 457.095;
- Accept the Portland Development Commission *Report on the Second Amendment to the Columbia South Shore (Airport Way) Urban Renewal Plan* and the Second Amendment to the Airport Way Urban Renewal Plan as adopted by the Portland Development Commission by resolution on May 17, 1990; and
- Forward the Planning Bureau report, Portland Development Commission report, and Second Amendment to the Airport Way Urban Renewal Plan to City Council with a recommendation for approval.

EXHIBIT A

AIRPORT WAY URBAN RENEWAL PLAN

EXHIBIT "A"

CITY OF PORTLAND, OREGON
~~COLUMBIA SOUTH SHORE AIRPORT WAY~~ URBAN RENEWAL PLAN

**as Amended by First Amendment, dated March 2, 1988
and the Second Amendment, dated May 17, 1990**

**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
COLUMBIA SOUTH SHORE 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

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SECTION 100 - INTRODUCTION

The ~~Columbia South Shore 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 Columbia South Shore 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.

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 Columbia South Shore Urban Renewal Area, Parts One and Two.

"Text" means the Urban Renewal Plan for the Columbia South Shore Urban Renewal Area, Part One - Text.

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

"Area" means the area included within the boundaries of the Columbia South Shore 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.

~~A substantial portion of the Area was unincorporated territory which was annexed into the City of Portland in December 1983. On the date of the approval of this Plan, the portions of land within the Renewal Area which were annexed carry the land use designations and zoning classifications of Multnomah County. The City's Bureau of Planning is currently in the process of preparing studies which will convert and translate County Comprehensive Plan and zoning classification for the affected area into designations consistent with those of the City of Portland.~~

~~Once the above described study process has been completed and the City Planning Commission and City Council have approved same, the City's Comprehensive Plan and Planning and Zoning Code will have been amended.~~

~~Such Comprehensive Plan and Planning and Zoning Code Amendments shall automatically amend Section 500 of this Urban Renewal Plan without the necessity of a formal amendment. This Section 500 and Exhibit 2 of Part 2 of this Plan shall be revised accordingly and made a part hereof.~~

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.

~~1. 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.

~~A. City of Portland Comprehensive Plan and Zoning Designations~~

~~Light manufacturing M3 Zoning District. Properties in the Urban Renewal Area which are intended to be used for labor intensive industry, light manufacturing, warehousing, distribution uses, and industrial and Airport related office and commercial business activities.~~

~~M2 Zoning District. Properties in the Urban Renewal Area which are intended to be used for warehousing, distribution uses and all but the heaviest of manufacturing activities. Commercial uses would be allowed only as a conditional use.~~

~~M2* Zoning District. Similar to the M2 District except commercial uses are permitted outright and some of the more intense industrial uses are excluded.~~

~~Overlay Zones.~~

~~"L" Aircraft Landing. Limits the height of structures near the Portland International Airport.~~

~~"N" Noise Impact. Limits residential uses in areas around the Airport subject to excessive noise.~~

~~B. Multnomah County Comprehensive Plan and Zoning Designations Multnomah County Code 11.15.1005~~

~~General Industrial GM Zoning District. Similar to the City's light manufacturing and M3 zoning classification.~~

~~General Industrial. The intent of the Comprehensive Plan is that properties so designated be used for industrial purposes when urban services are available.~~

~~Urban Future/General Industrial. The intent of the Comprehensive Plan is that properties so designated be used for industrial purposes when urban services are available.~~

~~GM. Urban General Manufacturing.~~

~~UR 40. Urban Density Residential, with a minimum lot size of 40 acres for one dwelling unit.~~

~~UF 20. Urban Future with a minimum lot size of 20 acres when urban services are available.~~

~~HM~~ Urban Heavy Manufacturing

Overlay Zones:

~~SEC~~ Significant Environmental Concern

~~CS~~ Community Service

~~PF~~ Flood Fringe

~~FW~~ Flood Way

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

2. 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 3, B and C). 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 6 (Exhibit 3C)	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 displaces 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.

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.

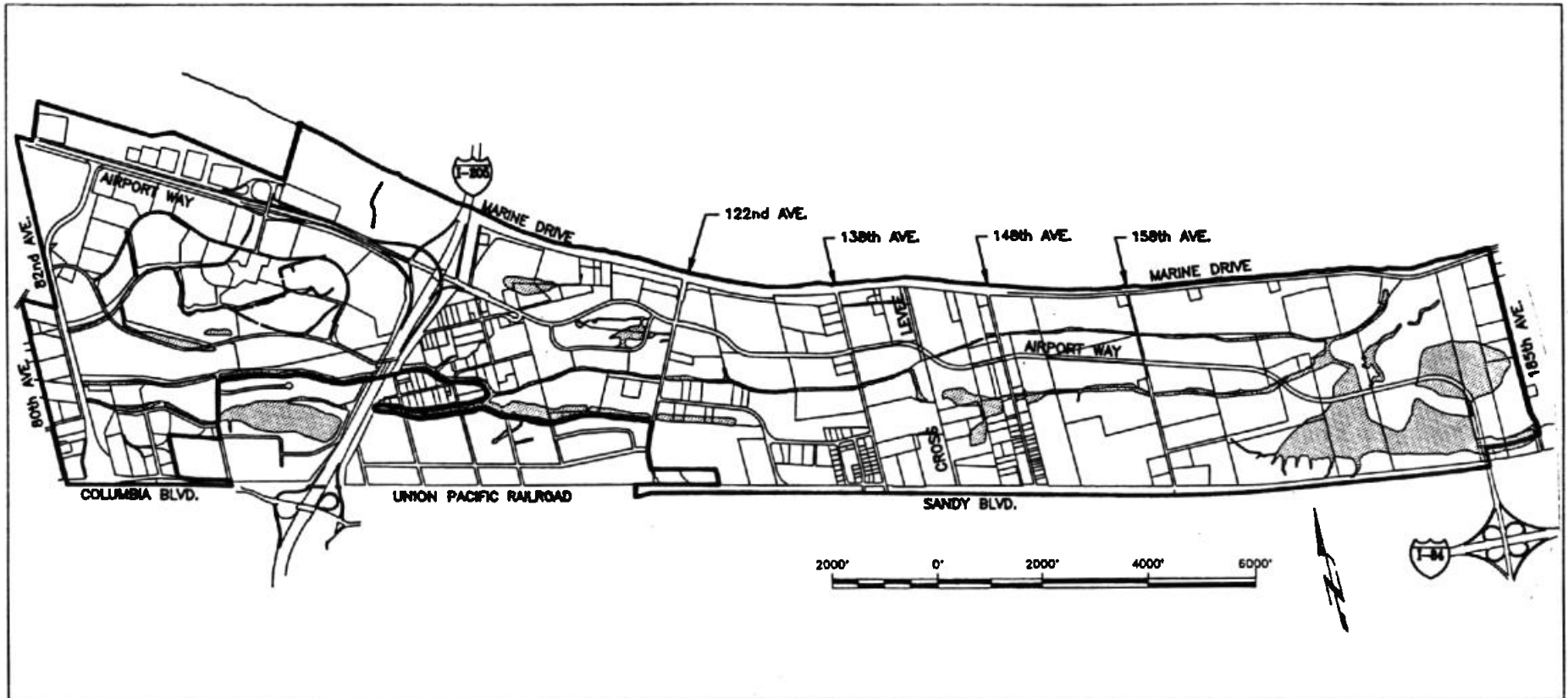
PART TWO

EXHIBITS

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Exhibit 1 Airport Way Urban Renewal Area

Airport Way Urban Renewal Area



— Area Boundary

Airport Way Urban Renewal Area

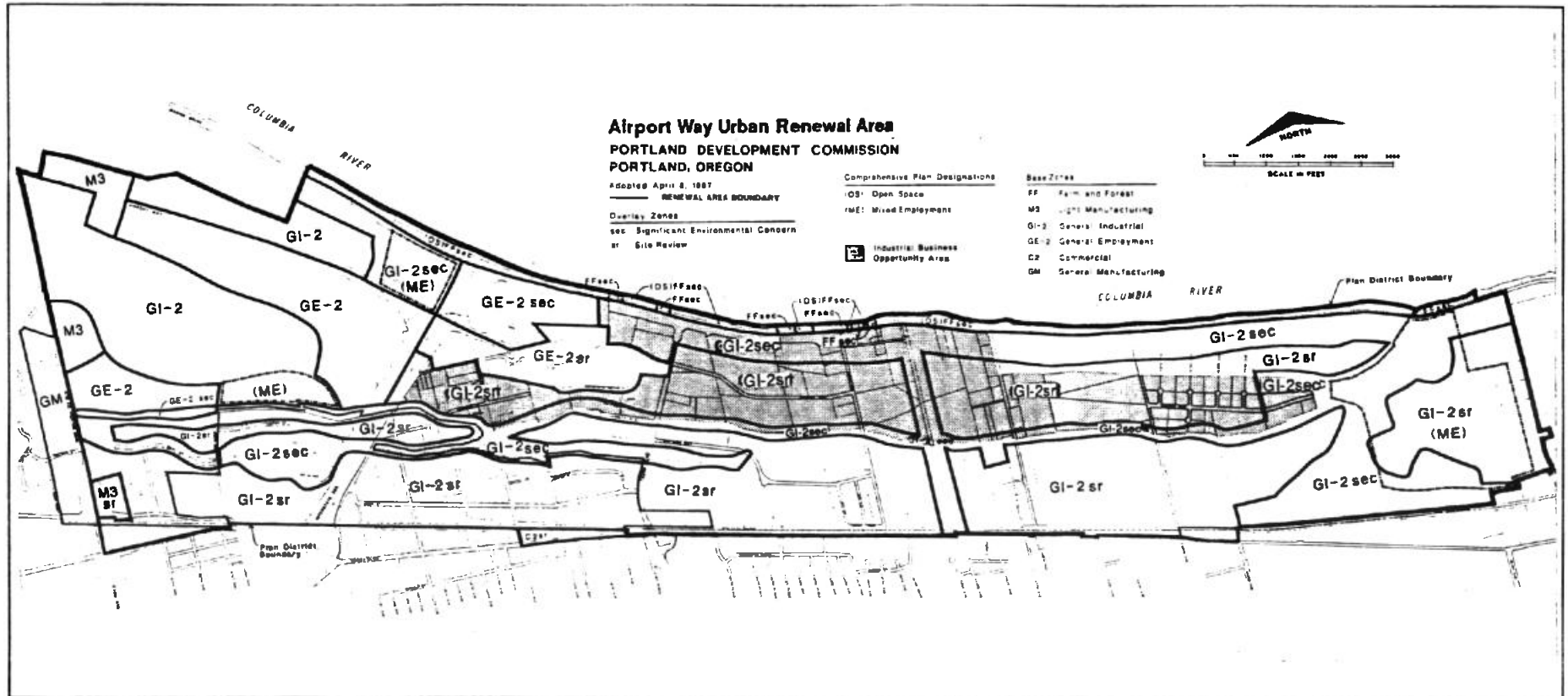
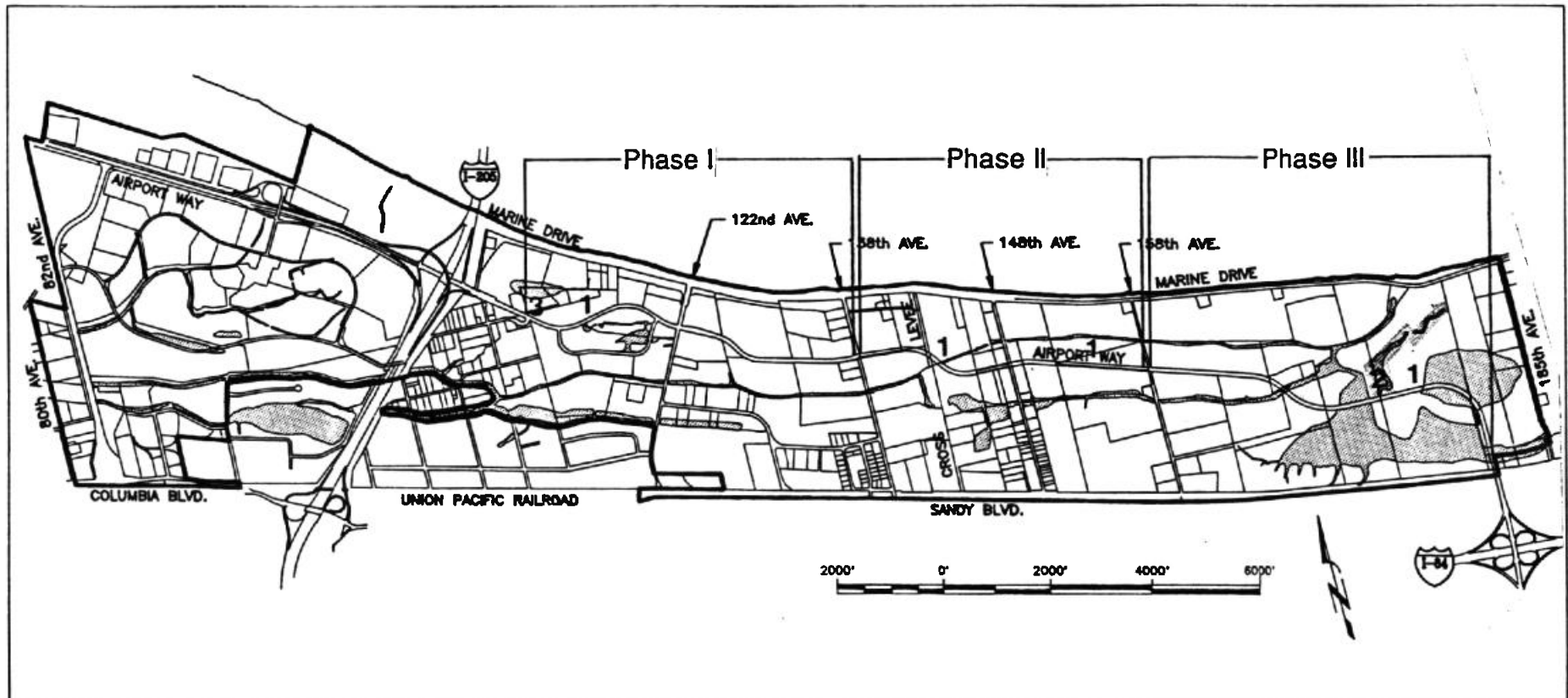


Exhibit 3A N.E. Airport Way Property Acquisition

Airport Way Urban Renewal Area



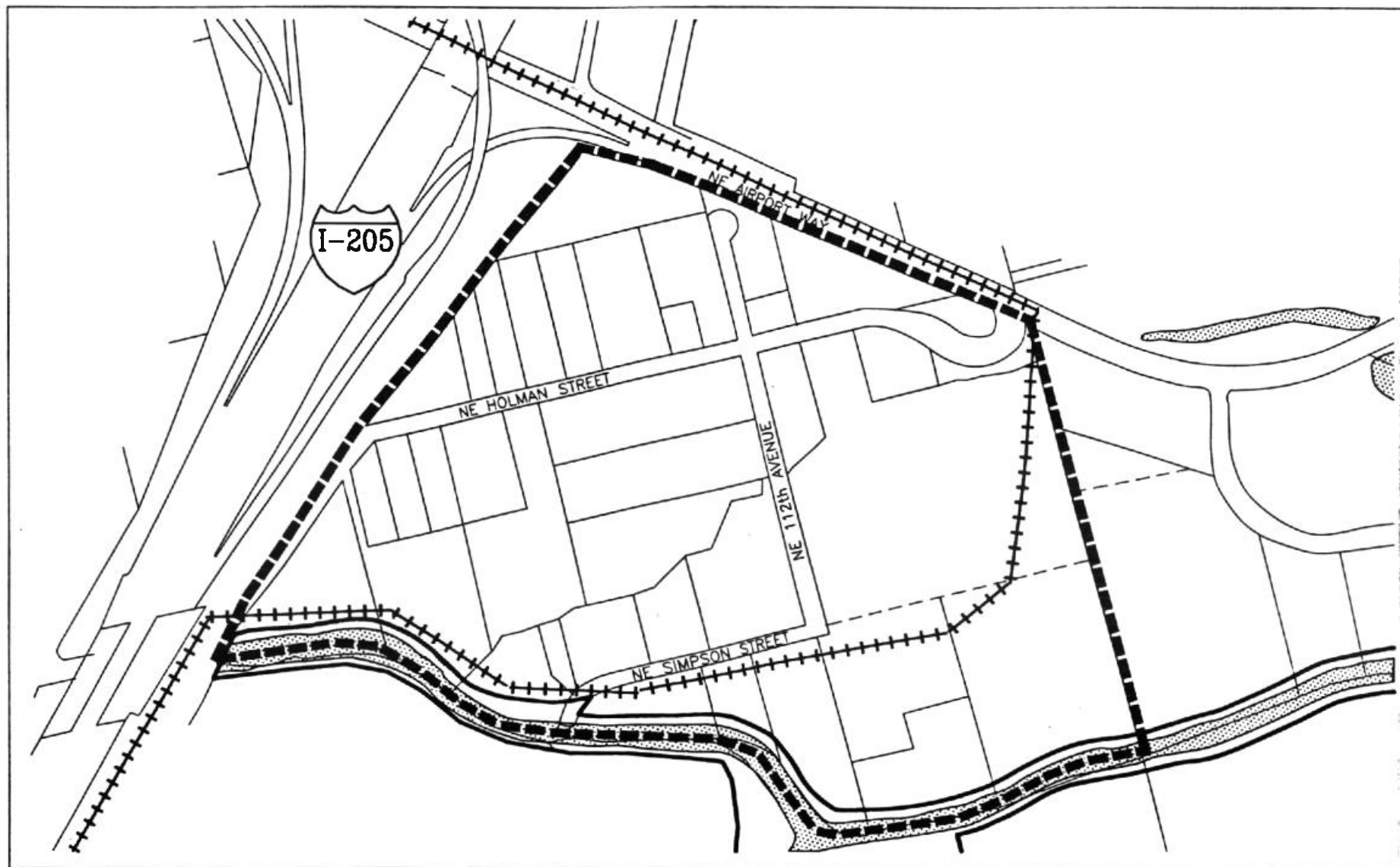
Properties Acquired

- 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

38

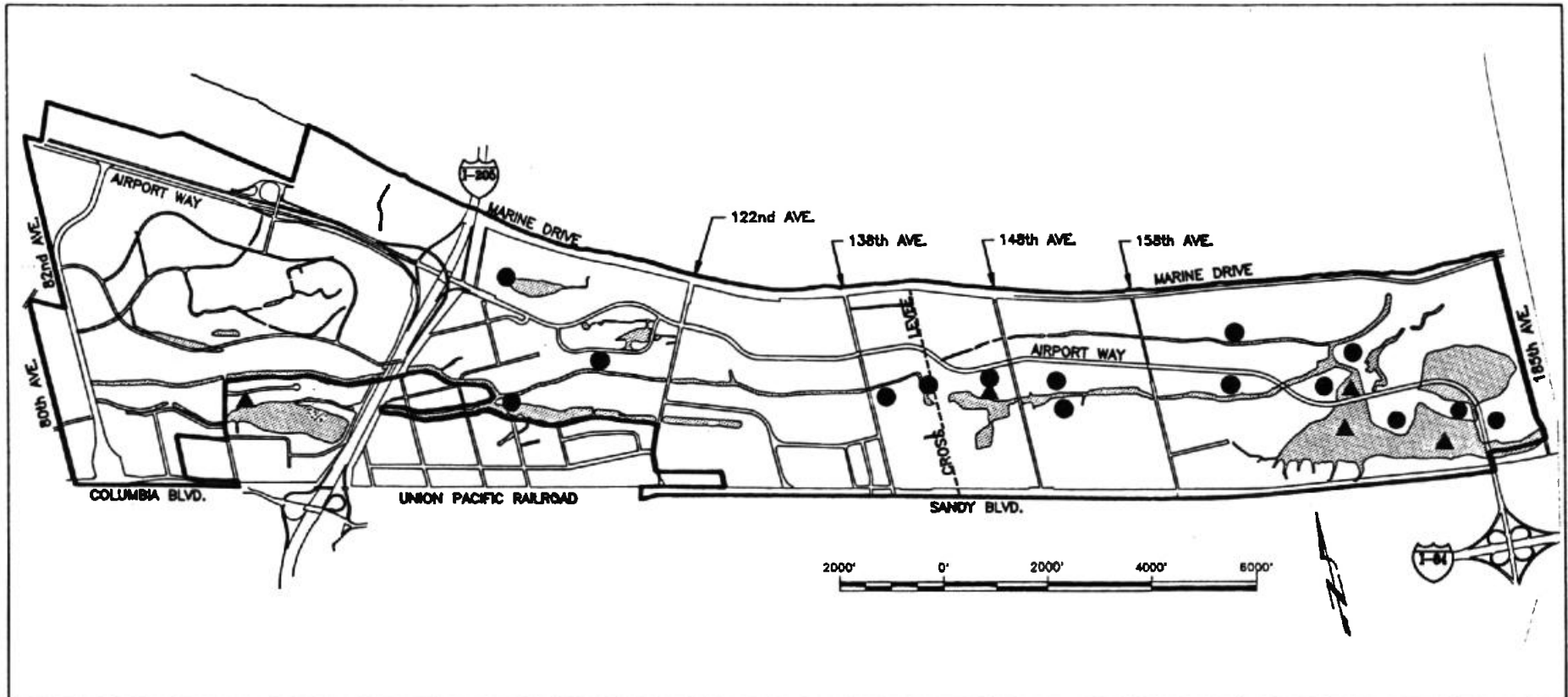


- Area Boundary
- Resource Protection Area
- Approx. Parcel Boundaries
- ▨ C.O.E. Wetlands
- + + + + + Light Rail Alignment



Exhibit 3C Wetland Mitigation Sites

Airport Way Urban Renewal Area



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

EXHIBIT B

**PORTLAND DEVELOPMENT COMMISSION
STAFF REPORT ON THE
SECOND AMENDMENT**

**PORTLAND DEVELOPMENT COMMISSION
Portland, Oregon**

DATE: May 17, 1990
TO: The Commissioners
FROM: Patrick L. LaCrosse
REPORT NO.: 90-48
SUBJECT: Second Amendment to Airport Way Urban Renewal Plan

In February 1989, the Portland Development Commission ("Commission") staff began updating a Development Plan for the Airport Way Urban Renewal Area. A series of three workshops was held with landowners, tenants, developers and real estate brokers to help define a common "vision" and develop a Plan that would help guide development in the years to come. The resulting Airport Way Development Plan was approved by the Commission and the Planning Commission and adopted by the City Council on October 26, 1989.

The City Council directed the Commission to prepare an amendment to the Airport Way Urban Renewal Plan to give the Commission the means to implement some of the recommendations in the Development Plan.

The proposed Second Amendment:

1. Authorizes the Commission to begin redevelopment of the Holman Area near NE 112th Avenue and NE Airport Way, including acquisition of property necessary to create developable parcels;
 2. Authorizes the Commission to acquire sites suitable for creating or enhancing protected wetlands in order to implement provisions of a Regional Fill Permit to be approved by the US Army Corps of Engineers;
 3. Incorporates changes and additions that clarify and update the original Urban Renewal Plan.
1. Holman Area Redevelopment

The proposed Holman Redevelopment Area has been identified as having potential to develop into a high density, high quality employment center. Its location, adjacent to I-205 and Airport Way, and minutes from the Airport, make it a natural "gateway" to the City, State and the Urban Renewal Area. It has been estimated that these 95 acres, when fully developed, could create 2,000 new jobs.

Today the Holman Area is characterized by numerous fragmented ownerships, a number of vacant industrial and residential structures, significant outdoor storage, inadequate local street access, low-value improvements and undeveloped land.

Commission assistance is required to eliminate the conditions that prevent the property from developing without urban renewal. The goal of the Urban Renewal Plan is to attract private development of job-generating businesses and industries, and to increase property values. If left alone, redevelopment would occur "piecemeal" or not at all.

This Second Amendment authorizes the Commission to: 1) begin planning for the Holman Redevelopment Area including improvements to its road and utility system, 2) acquire land necessary to create developable parcels and new street rights of way, and 3) seek commitments from private developers to construct facilities that are consistent with the Airport Way Development Plan.

2. Wetland Fill Mitigation Sites

In order for private developers to fill certain federally protected wetlands within the Urban Renewal Area, they must replace them with new or enhanced wetlands elsewhere. The Natural Resource Management Plan now under review by the Planning Commission and the Corps of Engineers, identifies 53 acres of "low-value" wetlands that are proposed to be filled, and identifies 85 acres that are suitable for developing into high value wetlands as compensation for the filled lands. These are the "mitigation sites".

Unless the Commission has authority to acquire the 85 acres, the parcels may be lost as potential mitigation sites, resulting in the loss of ability to fill the low value wetlands that could otherwise be developed. Acquiring sites for replacement of filled wetlands will ordinarily be the responsibility of private property owners undertaking wetland fills. However, developers and representatives of federal and state natural resource agencies have requested that the Commission provide a mechanism to guarantee that the identified mitigation sites will be available in the future.

The Second Amendment permits the Commission to acquire properties if necessary, to prevent their loss as mitigation sites.

3. Administrative Changes

The Second Amendment reflects the change in name from "Columbia South Shore Urban Renewal Area" to "Airport Way Urban Renewal Area," directed by Council Resolution No. 34629, providing a geographic reference and more accurately defining the Area.

The Second Amendment also includes some non-substantive or "housekeeping" changes and additions that do nothing to change the meaning of the original Plan, yet clarify the City's and Commission's goals and objectives for the Urban Renewal Area. The Second Amendment:

- a. Adds a new goal for the Urban Renewal Area relating to maximizing economic development and job creation;
- b. Provides the City policy context for the Plan's objectives (Comprehensive Plan and Economic Development Policy);
- c. Updates the Land Use Section to reflect current zoning designations;
- d. Adopts the Airport Way Development Plan as a policy guide.

The Second Amendment itself, attached to the Resolution, includes the addition of new Urban Renewal Plan language describing the property to be acquired and its intended use, and a Property Acquisition Map showing the property to be acquired.

A Report must accompany the Plan amendment in accordance with ORS 457 and is attached hereto. This report provides an analysis of existing conditions in the Renewal Area as well as the expected impact of the proposed projects on the City, the reasons for their selection, the cost and time schedule for their completion, a fiscal analysis of the projects, and a report on the relocation activities which may be associated with the proposed projects.

Following Commission action, the Second Amendment and accompanying Report must be reviewed by the Planning Commission and approved by City Council by non-emergency ordinance. The Planning Commission is scheduled to hear the Second Amendment at its June 12, 1990 meeting. The Second Amendment is tentatively scheduled for a first reading before City Council on June 27, 1990.

RECOMMENDATION: Adopt the Resolution approving the Second Amendment to the Airport Way Urban Renewal Plan dated May 13, 1986, and accept the Report on the Second Amendment to the Airport Way Urban Renewal Plan.

Patrick L. LaCrosse, Executive Director

ACTION:

CITY OF PORTLAND, OREGON

**REPORT ON THE SECOND AMENDMENT TO THE
COLUMBIA SOUTH SHORE (AIRPORT WAY) URBAN RENEWAL PLAN**

May 17, 1990

**PORTLAND DEVELOPMENT COMMISSION
1120 SW Fifth Avenue, Suite 1102
PORTLAND, OREGON 97204-1968**

REPORT ON THE SECOND AMENDMENT TO THE
AIRPORT WAY URBAN RENEWAL PLAN

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FOREWORD

Section 457.095 (3) of Oregon's Urban Renewal Law requires that the Urban Renewal Plan and amendments be accompanied by a report. This document shall constitute the required report to accompany the second amendment to the Airport Way Urban Renewal Plan, prepared pursuant to the provisions of ORS Chapter 457 by the Development Commission.

The titles at the beginning of each section are paraphrased from ORS 457.085 (3) and the text and referenced tables and exhibits (contained in the Appendix of this Report) address the required subject matter.

The definitions, set forth in Section 200 of the Airport Way Urban Renewal Plan shall have the same meaning and use in this Report as they have in the Urban Renewal Plan.

INTRODUCTION

The Columbia South Shore Urban Renewal Plan was adopted by the City Council on May 15, 1986. The first amendment to the Plan, adopted March 2, 1988, authorized the Portland Development Commission (PDC) to acquire land necessary to make improvements to NE Airport Way and mitigate its environmental impacts.

The second amendment to the Urban Renewal Plan incorporates the following additions or changes:

1. Adds a new goal for the Columbia South Shore Urban Renewal Area relating to maximizing job creation;
2. Provides the City policy context for the Plan's objectives (Comprehensive Plan and Economic Development Policy);
3. Updates the Land Use Section to reflect current zoning designations;
4. Adopts the Airport Way Development Plan as a policy guide;
5. Authorizes acquisition of wetland fill mitigation sites; and
6. Authorizes acquisition of land for redevelopment in the area of Holman Avenue.

In addition, this Amendment reflects the change in name from "Columbia South Shore Urban Renewal Area" to "Airport Way Urban Renewal Area", providing a geographic reference point that more accurately defines the area.

The Columbia South Shore Urban Renewal Area will be referred to as Airport Way Urban Renewal Area or the "Renewal Area", and the "Plan" will refer to the Airport Way Urban Renewal Plan.

All reports referred to herein are available at the Portland Development Commission, 1120 SW Fifth Avenue, Portland, Oregon, and will be provided upon request.

DESCRIPTION OF CHANGES OR ADDITIONS TO THE AIRPORT WAY URBAN RENEWAL PLAN

1. Job Creation Goal: In April, 1980, City Council adopted the following city-wide economic development goal:

"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."

This fundamental goal forms the basis for the City of Portland's involvement in the Airport Way Urban Renewal Area. Employment growth associated with anticipated industrial development in the Renewal Area is estimated at more than 18,000 new jobs. The first goal of the Plan, therefore, will reflect that primary objective:

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

2. City Policy:

The purpose of the City of Portland Comprehensive Plan is to provide a coordinated set of guidelines for decision-making to guide the future growth and development of the City.

Comprehensive Plan Goals and Policies relating to economic development, environmental protection, industrial opportunities, citizen involvement, and public facilities guide the planning and redevelopment efforts in the Airport Way Urban Renewal Area.

The Comprehensive Plan was adopted by City Council in October 1980 and revised in October 1988. On June 29, 1988, City Council incorporated economic development policies and objectives, specific to Columbia South Shore, into the City's Comprehensive Plan.

Relevant Comprehensive Plan Goals and Policies are now added to the Urban Renewal Plan along with a statement of the relationship of those policies to the Plan.

3. Land Use:

Much of the Airport Way Urban Renewal Area was unincorporated territory which was annexed into the City of Portland in December 1983. New zoning and Comprehensive Plan designations were adopted for the area in April 1987.

Most of the area is zoned general industrial with several areas zoned to accommodate light industrial and commercial development. The adopted zoning strikes a balance between economic development, environmental protection and service capacity.

The new zoning designations are added to the Urban Renewal Plan by this Amendment. (See Exhibit 2A of the Plan Amendment.)

4. Airport Way Development Plan:

The Airport Way Development Plan, prepared by the Portland Development Commission, was adopted by City Council Resolution on October 25, 1989. The Development Plan provides a vision and framework to guide both public and private investment in the Urban Renewal Area.

Specifically, the Development Plan: 1) provides a clear vision of the Area when fully developed; 2) determines a strategy for attracting development interest and facilitating private investment which is consistent with the vision; and 3) identifies potential constraints on development within the Area and recommends actions for removing or reducing the impact of those constraints where appropriate.

The Plan is conceptual in nature and provides a vision to guide public actions rather than implement public policy. Incorporated into the Airport Way Urban Renewal Plan, it will guide future amendments to the Columbia South Shore Plan District and Zoning Code regulations.

5. Acquisition of Wetland Fill Mitigation Sites:

The Natural Resource Management Plan (NRMP), under development by PDC, will implement the Environmental Zone regulations of Title 33, Zoning Code of the City of Portland, for the significant natural resources within the Urban Renewal Area. In conjunction with the NRMP, PDC will seek a Regional 404 Fill Permit from the Corps of Engineers and approval of a Wetland Conservation Plan from the Oregon Division of State Lands. Together, they will grant authority to private developers to fill certain wetland areas by replacing them elsewhere within the Urban Renewal Area.

The NRMP identifies wetlands that should be permanently protected, as well as those wetlands that can be enhanced. Wetlands of low resource value have been identified as appropriate for filling to increase the amount of developable acreage in the Area.

Approximately 53 acres of existing wetlands are expected to be filled over the next several years, making that land available for development, and in many cases allowing development parcels to be consolidated. In exchange, roughly 45 acres of wetlands will be created and 40 acres of existing wetlands enhanced to mitigate for the wetland losses.

The 85 acres identified as suitable for wetland mitigation are depicted on the attached map (Exhibit A). Without the ability to acquire this property, the parcels may be lost as potential mitigation sites, thereby losing the ability to fill wetlands that could be developed.

The second amendment to the Urban Renewal Plan provides authority to acquire sites suitable for wetland mitigation in order to allow certain wetlands to be filled. While specific sites are not identified for immediate acquisition, an inventory of sites suitable for acquisition are included in the Urban Renewal Plan Amendment.

6. Holman Area Redevelopment:

The Holman Redevelopment Area (see Exhibit B for map) is an area of existing industrial and commercial uses. It is characterized primarily by small, fragmented land ownerships, obsolete industrial facilities, and underutilized land.

The City's vision for the Holman Area as defined in the Airport Way Development Plan is to redevelop the Area:

"...to achieve its full employment and development potential, including a mixture of mid-rise office, airport and business services, and business park space."

The second Urban Renewal Plan Amendment grants authority to PDC to acquire property within the Holman Area to overcome these constraints and permit the area to achieve its highest potential for new employment and private investment.

Redevelopment Opportunities: The major opportunities that a redevelopment effort in the Holman Area offer include:

- A. Creating higher employment densities in the Area.
- B. Creating higher property values in the Area.
- C. Creating a viable development environment.
- D. Correcting existing roadway deficiencies.
- E. Providing relocation assistance to businesses which will eventually find it difficult to operate in the Area.
- F. Correcting environmental contamination problems.
- G. Creating a Gateway image which enhances rather than limits development of the remainder of the Airport Way Urban Renewal Area.

Need for Redevelopment: The following conditions within the Holman Redevelopment Area limit the scale and pace of private investment in the Area and define the need for public assistance:

- A. Current roadway alignments and parcel orientations limit development potential.
- B. The existing roadways in the Area have current problems and are inadequate to support future development.
- C. The numerous (25) small ownerships in the Area make it very difficult to achieve redevelopment through private efforts alone.
- D. The existing uses and improvements in the Area encompass a wide span of economic lives (ranging from abandoned structures to marginal/transitional uses and structures to newer facilities) which further frustrates the private redevelopment process.
- E. Many of the existing uses in the Area (including exterior storage and uses, heavy truck traffic, minimal facilities) are incompatible with adjacent potential new development.
- F. The poor physical appearance of the Area at the Gateway to the State, to the City, and to the Airport Way Urban Renewal Area acts as a disincentive to new investment in the surrounding areas.
- G. The Area is characterized by low employment densities and low property values relative to adjacent and nearby properties within the Airport Way Urban Renewal Area.
- H. One-third of the Area has probable environmental contamination problems.

Phasing

All of the property within the Holman Area will be redeveloped. This redevelopment will be accomplished in two phases (see Exhibit B). Phase I encompasses the eastern portion of the Area and properties between NE Airport Way and NE Holman as well as a development site to the South along NE Simpson. Phase II encompasses the balance of the property within the Area and will be redeveloped to follow Phase I.

These phasing boundaries were defined to minimize the number of businesses impacted in the initial phase. Ten businesses will require relocation in Phase I. The 13 other businesses in the area will have several years of lead time to identify alternatives and minimize the impacts of redevelopment on their operations.

Another consideration in establishing this phasing was the practical concerns of constructing/relocating infrastructure and creating logical redevelopment parcels.

Redevelopment Schedule

The tentative schedule for Phase I:

July 1990	PDC receives authority to acquire
Jan. 1991	Complete acquisition and environmental tests
July 1991	Complete relocation
July 1992	Complete environmental cleanup and demolition
Jan. 1993	Complete infrastructure construction (Sites available for redevelopment)

The tentative schedule for Phase II is:

July 1993	Begin redevelopment
Jan. 1994	Complete acquisition
August 1994	Complete relocation
Feb. 1995	Complete demolition
August 1995	Complete infrastructure construction (Sites available for redevelopment)

SECTION 100- A DESCRIPTION OF PHYSICAL, SOCIAL, AND ECONOMIC CONDITIONS IN THE URBAN RENEWAL AREA

Information on the physical, social and economic conditions found within the Airport Way Urban Renewal Area is contained in Columbia South Shore: An Urban Renewal Eligibility Analysis, prepared for PDC in July 1985 by Patterson, Stewart and Associates. This analysis was incorporated and made a part of the Report on the Columbia South Shore Urban Renewal Plan, adopted by City Council on May 15, 1986, and is likewise incorporated into this Report.

Following is a summary of specific conditions found within the Holman Redevelopment Area, which is identified in this amendment for acquisition.

1. Land Area: The Holman Redevelopment Area totals approximately 96 acres, of which approximately 57 are developable (after subtracting rights-of-way and protected wetland areas.)
2. Existing Land Use and Zoning: The Holman Area is divided almost equally between two zoning classifications. To the south is General Industrial (GI-2) with an Industrial Business Opportunity Overlay, and General Employment (GE-2) to the north. The overlay permits industrially-oriented office and flex development in addition to the other uses allowed in GI-2. Existing land use is primarily industrial, with some commercial and residential uses.

3. Condition of Buildings and Dwelling Units:

The area is characterized primarily by small, fragmented land ownerships and facilities that are approaching obsolescence. The area also includes a significant number of incompatible land uses, such as metal fabrication facilities and residences, that could likely remain in place for some time.

The condition of each building was evaluated for the Urban Renewal Eligibility Analysis referred to above. Thirty five percent of the structures in the Holman Area fell into the "B" or "C" categories. "B" are older buildings, many of which were built in the unincorporated county prior to the adoption of building codes. Many exhibit deficiencies under existing code. "C" category buildings appear to be deteriorated beyond their ability to be economically rehabilitated.

4. Condition of Public Infrastructure:

- a. Sanitary/Storm Sewers: The sanitary sewer infrastructure is basically sound and capable of providing sufficient capacity to support substantial increased development as it occurs. The City of Portland Bureau of Environmental Services intends to build a new sewage treatment facility at the Inverness Treatment Plant site to meet future needs of the area. It is

scheduled for construction in 1999, but may be built earlier if necessary.

Storm sewer and water quality protection facilities will be required as the Area develops. Existing facilities are minimal. A storm sewer trunk line will be installed in conjunction with road reconstruction/relocation projects.

- b. Water: Since the City of Portland annexed the area, water service is the responsibility of the City's Bureau of Water Works. The Bureau has developed plans to improve the existing infrastructure to provide the necessary level and quality of service as development and demand increase.
- c. Streets and Transportation: Holman Avenue, as it is currently configured, may not support the full development of adjacent properties according to the Portland Department of Transportation. The Development Plan recommends that NE Holman Street be realigned and reconstructed, with related utilities, in a manner which is supportive of the redevelopment of the Holman Area and its potential for increased employment density. This realignment will include an improved connection to Alderwood and the Portland International Center, (Port of Portland).

5. Environmental Conditions:

There is some evidence to suggest that certain properties within the Holman Area may be contaminated with substances defined as "hazardous" by Federal or State law. The amount or location of such material, if any, is not known at this time.

Environmental assessments of properties in Holman Area will be considered prior to acquisition of any property. To the extent feasible, efforts will be made to ensure compliance with existing Federal and State regulations regarding clean-up of hazardous wastes, allowing the properties to develop to their full potential.

6. Social and Economic Conditions:

- a. Population: Population within the Holman Area is estimated at 15-20 persons, with an average density of 0.22 persons per acre.

The lack of substantial residential development within the area is a result of limited access, proximity to airplane take off/landing corridors, and zoning restrictions. There are 10 dwelling units in the Holman Redevelopment Area of which two are currently vacant.

- b. Land Use/Economic Conditions:

Relationship of Value of Improvements to the Value of Land:

Until the 1970's there was virtually no comprehensive planning in the Columbia South Shore. This lack of planning has resulted in inadequate and inefficient use of the land. One measure of the economic viability of property is the investment to land ratio; that is, the relationship of the value of improvements to the value of the land.

As a general rule of thumb according to Patterson, Stewart and Associates, most healthy, non single-family areas of cities have an overall ratio in excess of 4:1 (the value of the improvements are four times more than the value of the land.) In an industrial area such as this, most investors feel that to receive a proper return on investment, the I:L ratio should not be less than 6:1 or 8:1 or more.

Overall, the I:L ratio in the Urban Renewal Area is 1.5:1. Within the Holman Redevelopment Area, the I:L ratio drops to 0.3:1 (three-tenths of one percent to one), indicating serious underutilization of the land as it is zoned.

Value of Property Within the Holman Redevelopment Area

Information provided by the Multnomah County Assessor's Office indicates that the True Cash Value of land and improvements within the Redevelopment Area was \$6,223,150 in fiscal year 1989-90 or approximately \$105,000 per acre. Land values alone are approximately \$82,000 per acre.

SECTION 200- THE EXPECTED IMPACT, INCLUDING FISCAL, OF THE PLAN AMENDMENT

The first four changes included in this Plan Amendment have no fiscal impact. They serve to clarify and provide the current planning and policy context for Airport Way Urban Renewal Area decisions, and bring the Urban Renewal Plan in conformance with adopted City policy.

Wetland Mitigation Site Acquisition

The purpose of acquiring wetland mitigation sites is to preserve land that has been identified as suitable for enhancing or creating new wetlands. Federal and State regulations require that approved alteration of wetlands be accompanied with mitigation to compensate for lost wetland values. Only sites identified in the NRMP for mitigation are defined as suitable for mitigation.

In the Airport Way Urban Renewal Area, 53 currently undevelopable acres of wetlands are proposed for fill under the NRMP, thereby allowing them to be developed. Developable, industrially-zoned land in the Airport Way Area is currently valued between \$87,000 and \$130,000 per acre (\$2-3 per square foot). Designated wetlands have a much lower property value, currently appraised at ten cents per square foot (\$4300 per acre) or less.

The value of the 53 acres, after filling and before development, could increase by nearly 3,000 percent (\$6,700,000). When developed, assuming a 4:1 investment to land ratio, the 53 acres could be worth as much as \$33,500,000, producing \$978,000 in additional annual property tax revenue.

The sites identified for wetland mitigation are vacant and undeveloped. There will be no displacement as a result of public acquisition of the sites. The estimated value of the 85 acres of mitigation sites is \$2,600,000. The costs of any mitigation sites acquired by PDC will be recaptured when the property is sold to private property owners/developers that require the sites in order to develop elsewhere.

Based on assumptions developed by the Bureau of Planning and Portland Department of Transportation during recent zoning hearings, between 1000 and 2000 new jobs could be supported by development of the filled wetland sites.

Holman Redevelopment Area

The goals and objectives for the Holman Redevelopment Area are generally 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, attract job-generating industries and businesses, and increase property values.

The specific project goals for the Area are defined in the Airport Way Development Plan as follows:

1. "Prepare a master plan for the redevelopment of the Subdistrict to its highest and best use consistent with the Vision and the Comprehensive Plan."
2. "Acquire land as necessary to create parcel sizes, site configurations, and development environments which are appropriate to the achievement of the master plan."
3. "Realign and reconstruct NE Holman Street and the related utilities in a manner which is supportive of a logical street system and the redevelopment of the Subdistrict. This realignment will include a connection to Alderwood and the Portland International Center."
4. "Secure developer commitments for the construction of facilities specified in [the Airport Way Development Plan]."
5. "Construct a Columbia Slough access as provided by the Natural Resource Management Plan to support the recreational use of the Slough."

Private sector development of new commercial and industrial facilities on the area's vacant or underutilized land should substantially improve the area's job-generating potential and assessed value base.

It is estimated the Area will generate new commercial/industrial development which could add \$106 million in new taxable assessed value to the tax roles. This level of new investment would generate an additional \$3,070,000 annually in tax revenue given a tax rate of \$28.96 per thousand dollars (FY 1989/90 tax rate for the Holman Area), or result in a corresponding reduction in the overall tax rate.

Increased commercial and industrial development in the Area is expected to provide job opportunities for many of the City's unemployed and underemployed. It is anticipated that approximately 2000 new jobs could be created in the Holman Area.

With the exception of planned improvements to the secondary road system and related utilities, the existing infrastructure capacity within the Holman Redevelopment Area is adequate to serve all contemplated redevelopment without additional public investment.

Improving the Area's vehicular traffic flow by realigning and improving the secondary road system will result in increased safety and improved access to developable land.

Section 300- REASONS FOR SELECTION OF EACH PROJECT IN THE PLAN AMENDMENT

Wetland Mitigation Site Acquisition

The Airport Way Urban Renewal Area is being prepared for significant development through zoning and infrastructure investments by the City. Roadway construction, sewer and water services, site development and other aspects of the conversion of the Area to a major employment center cannot avoid the filling of wetlands.

Filling wetlands is not allowed under Federal, State or local law, unless the loss of the wetland is mitigated elsewhere in the Area. The Natural Resource Management Plan identifies 53 acres of low resource value wetlands that are suitable for filling so they can be developed for commercial or industrial use. The NRMP also identifies specific sites within the Area that are suitable for creating new or enhancing existing wetlands to compensate for the loss of filled wetlands.

The sites identified as suitable for wetland mitigation are indicated in Exhibit A. This Plan Amendment authorizes the acquisition of NRMP-designated wetland mitigation sites by PDC in order to ensure that the mitigation sites required to fill 53 acres of wetlands will be available as needed.

Holman Redevelopment Area

The Holman Area has been identified in the Airport Way Development Plan as an area of very high value land uses. This District is a major, highly-visible gateway to the City of Portland and to the entire State. Because of the special market opportunities associated with proximity to the Portland International Airport and to an interstate freeway interchange, this District will provide an attractive setting for high density and high value developments.

A variety of uses are appropriate to this Area, including light industrial uses, commercial, and "flex" space development, as well as higher density office, hotel and support uses.

The Holman Area as it exists is characterized by numerous fragmented ownerships, a number of vacant industrial and residential structures, significant outdoor storage and low-value improvements.

PDC acquisition and redevelopment assistance is required in order to overcome existing development constraints and permit the Area to achieve its highest and best use. This Area's I-205 access and visibility is expected to attract Class A office and hotel development, as well as support retail, flex and air freight uses.

SECTION 400- THE RELATIONSHIP BETWEEN EACH PROJECT TO BE UNDERTAKEN UNDER THE PLAN AND THE EXISTING CONDITIONS IN THE URBAN RENEWAL AREA

All public improvements designated in the Airport Way Urban Renewal Plan, including: 1) the planning, design and construction of public facilities, utilities and transportation systems; 2) redevelopment through new construction; 3) rehabilitation and conservation; 4) property acquisition and redevelopment authorization; 5) relocation activities; 6) property disposition; 7) creation of redeveloper's obligations and owner participation programs set forth in Section 600 of the Plan and Section 500 of the Report are intended to correct the deficiencies described in Sections 100 and 200 of this Report.

Wetland Mitigation Site Acquisition

Authority to acquire wetland mitigation sites is necessary to preserve land that is suitable for enhancing or creating new wetlands in order to ensure its availability for subsequent mitigation use. The necessity of the mitigation is explained in the introduction and Section 700 of this Report.

Holman Redevelopment Project

It is the intent of PDC to implement a plan for the redevelopment of the Holman Area that calls for the acquisition and assembly of property within the Area; the design, construction and relocation of roads and utilities within the Area; and a public offering of cleared sites for private development.

The Commission believes that the objectives stated above may, under some circumstances, be achieved through cooperation with property owners rather than through public acquisition.

PDC believes that such a cooperative effort is desirable for certain properties in the Holman Area, and will pursue Development Agreements with those owners whose properties meet at least one of the following criteria:

- A. Existing facilities which (with modification) are compatible in their current location with the redevelopment objectives of the Area;
- B. Existing uses which are compatible with the redevelopment objectives of the Area if relocated to another site within the Area;
- C. Existing single ownerships totalling three acres or more which the owner is willing to develop/redevelop consistent with the redevelopment objectives of the Area.

SECTION 500- THE ESTIMATED TOTAL COST OF EACH PROJECT AND THE SOURCES
OF MONEY TO PAY SUCH COSTS, AND THE ANTICIPATED
COMPLETION DATE FOR EACH PROJECT OR ACTIVITY

A. Estimated Project Costs

1. Wetland Mitigation Site Acquisition Project:

The total estimated cost of acquisition and disposition of sites for the mitigation of approved wetland fills within the Renewal Area is \$2,600,000.

2. Holman Redevelopment Project:

The total estimated project cost for planning, acquisition, relocation, site preparation and capital improvements within the Holman Redevelopment Area is \$15,725,000.

B. Project Financing Sources

The costs associated with implementation of the aforementioned projects will be paid for with tax increment proceeds arising from growth in the taxable value of property located within the Airport Way Urban Renewal Area as provided for in ORS 457.440. Project activity costs may also be financed in part from sources other than tax increment proceeds as provided for in ORS 457.190.

1. Wetland Mitigation Site Acquisition Project:

All project costs of the Wetland Mitigation Site Acquisition Project are expected to be paid from the Renewal Area's tax increment financing proceeds.

It is anticipated that all costs associated with the acquisition of approved wetland mitigation sites will be reimbursed from the subsequent disposition of acquired sites to wetland fill applicants.

2. Holman Redevelopment Project:

All project costs of the Holman Redevelopment Project are expected to be paid from the Renewal Area's tax increment financing proceeds.

Where possible, a portion of the costs of constructing the Project's infrastructure will be recovered from developers through system development charges and Local Improvement District (LID) financing.

It is anticipated that land disposition proceeds of approximately \$12,700,000 will be received over a period of ten years to reduce existing or future debt financing of the Renewal Area's activities.

C. Anticipated Completion Date

1. Wetland Mitigation Site Acquisition:

It is anticipated that acquisition of wetland mitigation sites will be complete by Fiscal Year 2004-05.

2. Holman Redevelopment Project:

Completion of the Holman Redevelopment Project is expected by Fiscal Year 1996-97.

**SECTION 600- THE ESTIMATED AMOUNT OF TAX INCREMENT MONEY REQUIRED IN
EACH URBAN RENEWAL AREA UNDER ORS 457.420 TO 457.440 AND
THE ANTICIPATED YEAR IN WHICH INDEBTEDNESS WILL BE
RETIRED OR OTHERWISE PROVIDED FOR UNDER ORS 457.440**

Estimates of funding requirements under ORS 457.420 to 457.440 are provided in Section 500 above. It is anticipated that the maximum annual debt service of \$1,800,000 will be retired not later than 2010.

**SECTION 700- A FINANCIAL ANALYSIS OF THE PLAN WITH SUFFICIENT
INFORMATION TO DETERMINE FEASIBILITY**

Sufficient tax increment proceeds from the Airport Way Urban Renewal Area are available to PDC to finance the proposed project activities. Net annual tax increment proceeds available for debt service for the five years beginning Fiscal Year 1990-91 will be approximately \$21 million. Maximum debt service requirements for the same five-year period will total \$16.1 million for all Airport Way Urban Renewal projects.

SECTION 800- RELOCATION REPORT

AN ANALYSIS OF EXISTING RESIDENTS OR BUSINESSES REQUIRED TO RELOCATE PERMANENTLY OR TEMPORARILY AS A RESULT OF DEVELOPMENT COMMISSION ACTIONS UNDER ORS 457.170

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 281.045 - 281.105.

Relocation assistance will be provided to all persons and businesses located in the urban renewal area who may be required to move. The Development Commission has adopted relocation regulations which implement the requirements of ORS 281.045 to 281.105.

The relocation staff will interview all residential and business occupants to determine relocation needs and problems. All occupants will be informed of the availability of relocation benefits and assistance. No occupant will be required to move without at least 90 days written notice.

Businesses will be provided assistance and information on the availability of potential relocation sites. Residential occupants will not be required to move until referrals have been made to available comparable replacement dwellings which are decent, safe and sanitary and which are within the financial means of the family or individual being displaced. Relocation payments will be paid promptly to those displaced upon receipt of documentation establishing eligibility for the payment. Assistance in documenting a relocation claim will be provided when desired.

RESIDENTIAL RELOCATION

There are a total of ten residential units within the proposed boundaries. All the units are single family dwellings. Nine of the dwellings are currently occupied. Two of the dwellings appear to be substantially deteriorated. Three dwellings appear to be owner occupied.

The dwelling units are an incompatible use because of the substantial commercial development in the Area. Some former houses have been converted to commercial use. Residential housing is not a component of the urban renewal plan and does not conform with existing zoning. Housing will not be replaced in the Urban Renewal Area.

Replacement housing units are currently available in the nearby Parkrose neighborhood. Both rental housing and for-sale housing is available.

BUSINESS RELOCATION

There are a total of 24 businesses currently operating within the boundaries of the proposed Holman Redevelopment Area. Each business which is dislocated by the redevelopment of the Area will be eligible for relocation assistance once the property with which it is associated is acquired by PDC. An individual relocation plan will be developed for each business and PDC staff will work with these businesses to help identify alternatives and to develop strategies which minimize the disruption of ongoing operations.

The predominant business use is freight forwarding. Fourteen businesses are in this category. Other businesses include manufacturing, construction and service.

The air freight forwarding companies will need to remain in close proximity to the airport. A number of potential replacement locations are available for this type of use on nearby property currently under development. Some of the other businesses may relocate into these nearby developments or may relocate to other commercial or industrial areas within the Parkrose area.

Phasing/Timing

Eleven businesses are included in Phase I. Preliminary discussions with these business's owners have considered the possibility of providing six months or more of advance notice of the need to move. In addition, a staged move has been discussed which would permit the businesses to continue operations during the move.

Businesses in Phase II are expected to have up to five years to relocate which will provide substantial lead time in which to identify alternatives and to develop an individual relocation plan to meet their needs. Property owners which develop alternatives before the redevelopment process for Phase II begins will have the option of selling their property to PDC. In addition, PDC will arrange leases, when practical, to permit existing businesses to continue operations for as long as possible after property has been acquired.

AN ENUMERATION, BY COST RANGE, OF THE EXISTING HOUSING UNITS IN THE RENEWAL AREA OF THE PLAN TO BE ELIMINATED OR ALTERED, AND NEW UNITS TO BE ADDED.

There are ten residences on nine properties in the Holman Redevelopment Area ranging in value from \$9400 to \$135,000 for land and improvements. In most cases, the value of the structures themselves is insignificant. If it becomes necessary to acquire and remove these properties, no new residential units will be added. This is in conformance with current zoning and the adopted Airport Way Development Plan.

<u>PDC</u> <u>Parcel #</u>	<u>Tax ID #</u>	<u>Value of Land</u>	<u>Value of Improvements*</u>
236	R-64732-6060	\$ 53,900	\$ 100
238	R-64732-6100	\$134,800	\$ 100
241	R-64733-1110	\$ 54,000	\$ 100
242	R-64733-1130	\$131,000	\$ 100
245	R-64733-0300	\$ 99,900	\$5,100
256	R-64732-6990	\$ 9,300	\$ 100
257	R-64732-6970	\$ 27,900	\$2,700
268	R-64733-0210	\$ 52,000	\$ 100
276	R-64732-6550	\$125,000	\$1,000
		<u>\$687,800</u>	<u>\$9,400</u>

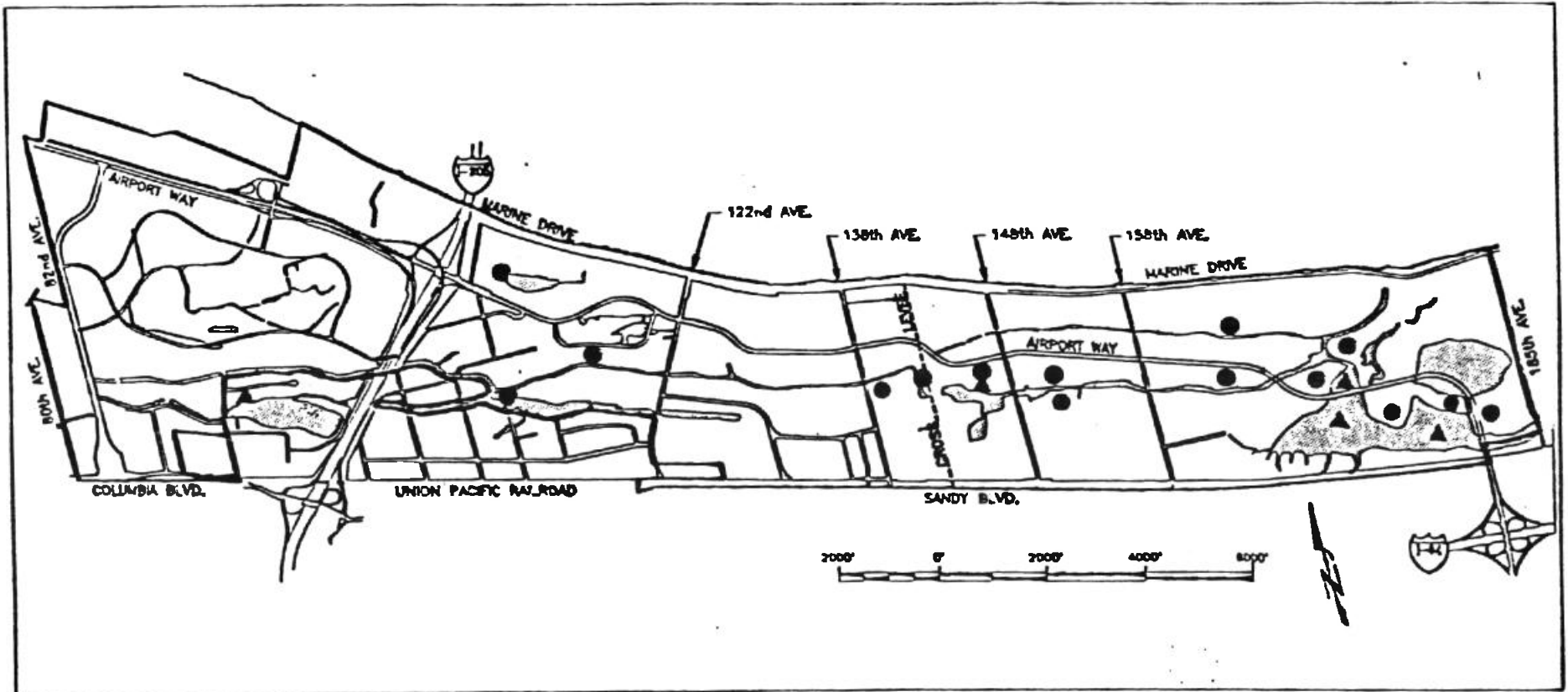
*Multnomah County Assessment and Taxation records, FY 1989-90

EXHIBITS

Exhibit A Wetland Mitigation Sites

Airport Way Urban Renewal Area

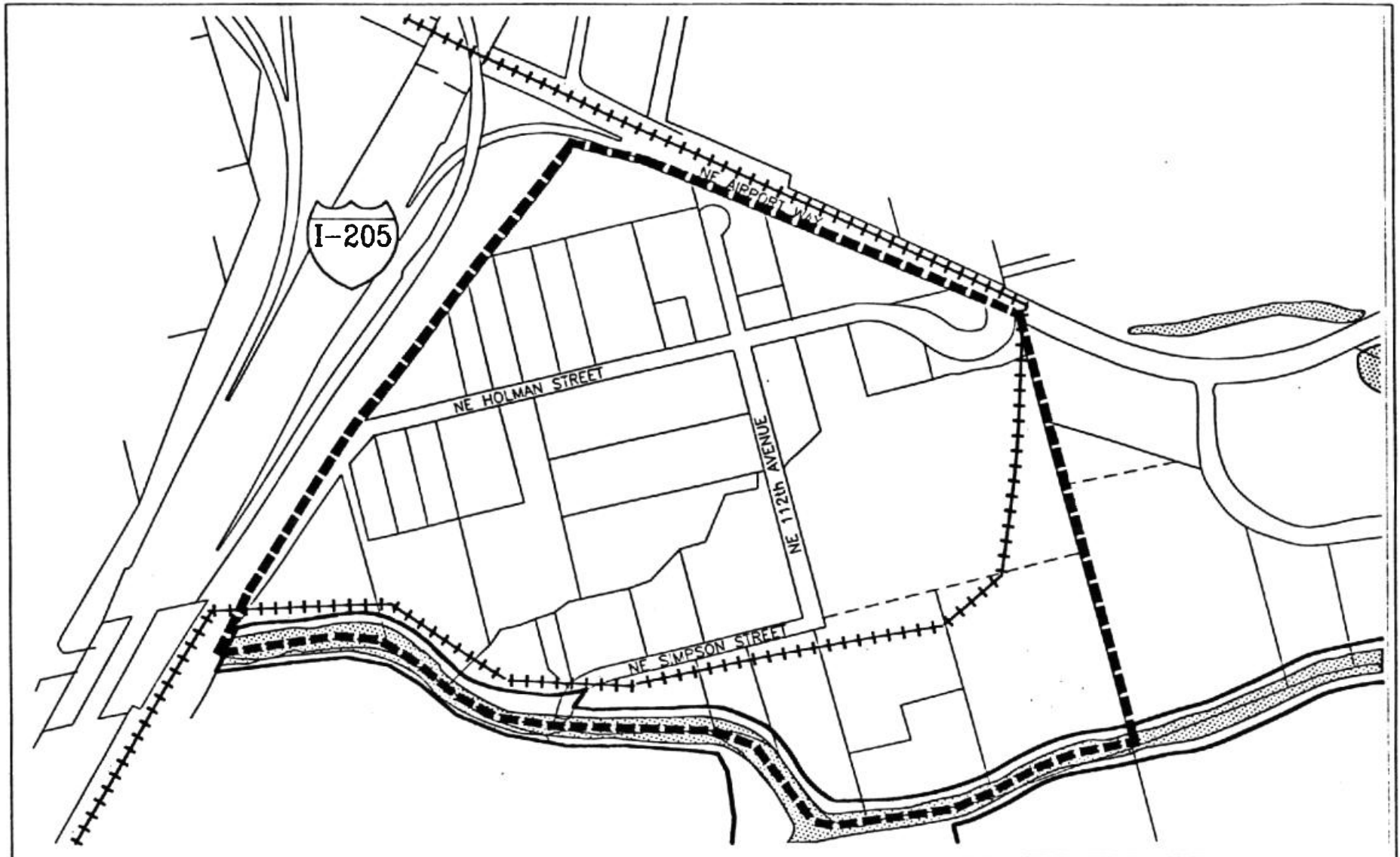
22



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

Exhibit B 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

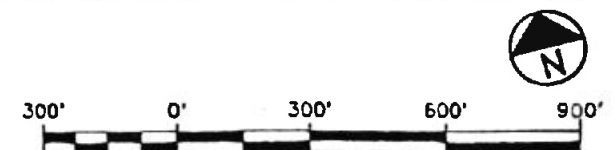


EXHIBIT C

**PORTLAND DEVELOPMENT COMMISSION
RESOLUTION**

PORTLAND DEVELOPMENT COMMISSION
Portland, Oregon

RESOLUTION NO. |

**RESOLUTION APPROVING THE SECOND AMENDMENT TO THE AIRPORT
WAY URBAN RENEWAL PLAN**

WHEREAS, the Portland Development Commission (Commission) is undertaking the Columbia South Shore Urban Renewal project, pursuant to an Urban Renewal Plan adopted on May 15, 1986 by City Council Ordinance No. 158500; and

WHEREAS, the Commission has prepared a Second Amendment to the Urban Renewal Plan to provide for: acquisition of property in the vicinity of Holman Avenue, acquisition of sites for wetland mitigation, and updating the Plan to reflect current zoning and adopted City policy, including renaming the Columbia South Shore Urban Renewal Area to "Airport Way Urban Renewal Area"; and

WHEREAS, the Commission has reviewed the "Report on the Second Amendment to the Airport Way Urban Renewal Plan" dated May 17, 1990; and

WHEREAS, the Commission now desires to adopt the Amendment, accept the Report, 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 renewal action, including public acquisition of property, is required in order to carry out the Airport Way Urban Renewal Project; and be it

FURTHER RESOLVED that the Commission hereby adopts the Second Amendment, a copy of which is attached as Exhibit "A", and accepts the Report, which by reference is made a part hereof; and be it

FURTHER RESOLVED that the Executive Director is hereby authorized to forward copies of the Report and Amendment to the Planning Commission and City Council for review and consideration; and be it

FURTHER RESOLVED that this Resolution shall become effective immediately upon its adoption.

Adopted by the Commission May 17, 1990.

Harry L. Demorest, Chairman

C. Douglas McGregor, Secretary

EXHIBIT "A"

SECOND AMENDMENT TO
AIRPORT WAY URBAN RENEWAL PLAN

May 17, 1990

The original Airport Way Urban Renewal Plan was approved by the Portland City Council by Ordinance No. 158500 on May 15, 1986 and subsequently amended. The Second Amendment to this Plan allows for acquiring property in the vicinity of Holman Avenue, acquiring sites for wetland mitigation, and updating the Plan to reflect current zoning and adopted City policy. It reflects the recent Council approved name change from "Columbia South Shore Urban Renewal Area" to "Airport Way Urban Renewal Area."

The Second Amendment is summarized as follows. Deleted language is ~~stricken out~~ and new language is shaded.

1. Section 100 is hereby amended as follows:

The ~~Columbia South Shore~~ **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 Columbia South Shore 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.

2. Section 200 is hereby amended by adding the following definition:

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.

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.

5. Section 500 is amended to clarify numbering of Sub Sections 501, 502 and 503, and to change language as follows:

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.

~~A substantial portion of the Area was unincorporated territory which was annexed into the City of Portland in December 1983. On the date of the approval of this Plan, the portions of land within the Renewal Area which were annexed carry the land use designations and zoning classifications of Multnomah County. The City's Bureau of Planning is currently in the process of preparing studies which will convert and translate County Comprehensive Plan and zoning classification for the affected area into designations consistent with those of the City of Portland.~~

~~Once the above described study process has been completed and the City Planning Commission and City Council have approved same, the City's Comprehensive Plan and Planning and Zoning Code will have been amended.~~

~~Such Comprehensive Plan and Planning and Zoning Code Amendments shall automatically amend Section 500 of this Urban Renewal Plan without the necessity of a formal amendment. This Section 500 and Exhibit 2 of Part 2 of this Plan shall be revised accordingly and made a part hereof.~~

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.

~~1. 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.

~~A. City of Portland Comprehensive Plan and Zoning Designations~~

~~Light manufacturing M3 Zoning District. Properties in the Urban Renewal Area which are intended to be used for labor intensive industry, light manufacturing, warehousing, distribution uses, and industrial and Airport related office and commercial business activities.~~

~~M2 Zoning District. Properties in the Urban Renewal Area which are intended to be used for warehousing, distribution uses and all but the heaviest of manufacturing activities. Commercial uses would be allowed only as a conditional use.~~

~~M2* Zoning District. Similar to the M2 District except commercial uses are permitted outright and some of the more intense industrial uses are excluded.~~

~~Overlay Zones:~~

~~"L" Aircraft Landing. Limits the height of structures near the Portland International Airport.~~

~~"N" Noise Impact. Limits residential uses in areas around the Airport subject to excessive noise.~~

~~B. Multnomah County Comprehensive Plan and Zoning Designations Multnomah County Code 11.15.1005~~

~~General Industrial GM Zoning District. Similar to the City's light manufacturing and M3 zoning classification.~~

~~General Industrial. The intent of the Comprehensive Plan is that properties so designated be used for industrial purposes when urban services are available.~~

~~Urban Future/General Industrial. The intent of the Comprehensive Plan is that properties so designated be used for industrial purposes when urban services are available.~~

~~GM. Urban General Manufacturing.~~

~~LR 40. Urban Density Residential, with a minimum lot size of 40 acres for one dwelling unit.~~

~~UF 20. Urban Future with a minimum lot size of 20 acres when urban services are available.~~

~~HM. Urban Heavy Manufacturing~~

~~Overlay Zones:~~

~~SE0 Significant Environmental Concern~~

~~CS Community Service~~

~~FF Flood Fringe~~

~~FW Flood Way~~

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 es Environmental Overlay

sr Site Review Overlay

L Aircraft Landing Overlay

N Noise Impact Overlay

Sec Significant Environmental Concern Overlay

2. 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.

6. Section 600 is amended to clarify numbering of Sub Sections 601, 602, 603, 604 and 605, and to add language to Section 602 as follows:

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, 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 6 (Exhibit 3C)	Sites required to mitigate impacts of wetland fills on private properties.

7. Exhibits 3B and 3C (attached hereto) shall be added to the Plan.

Exhibit 3B Holman Redevelopment Area-Property Acquisition

Airport Way Urban Renewal Area

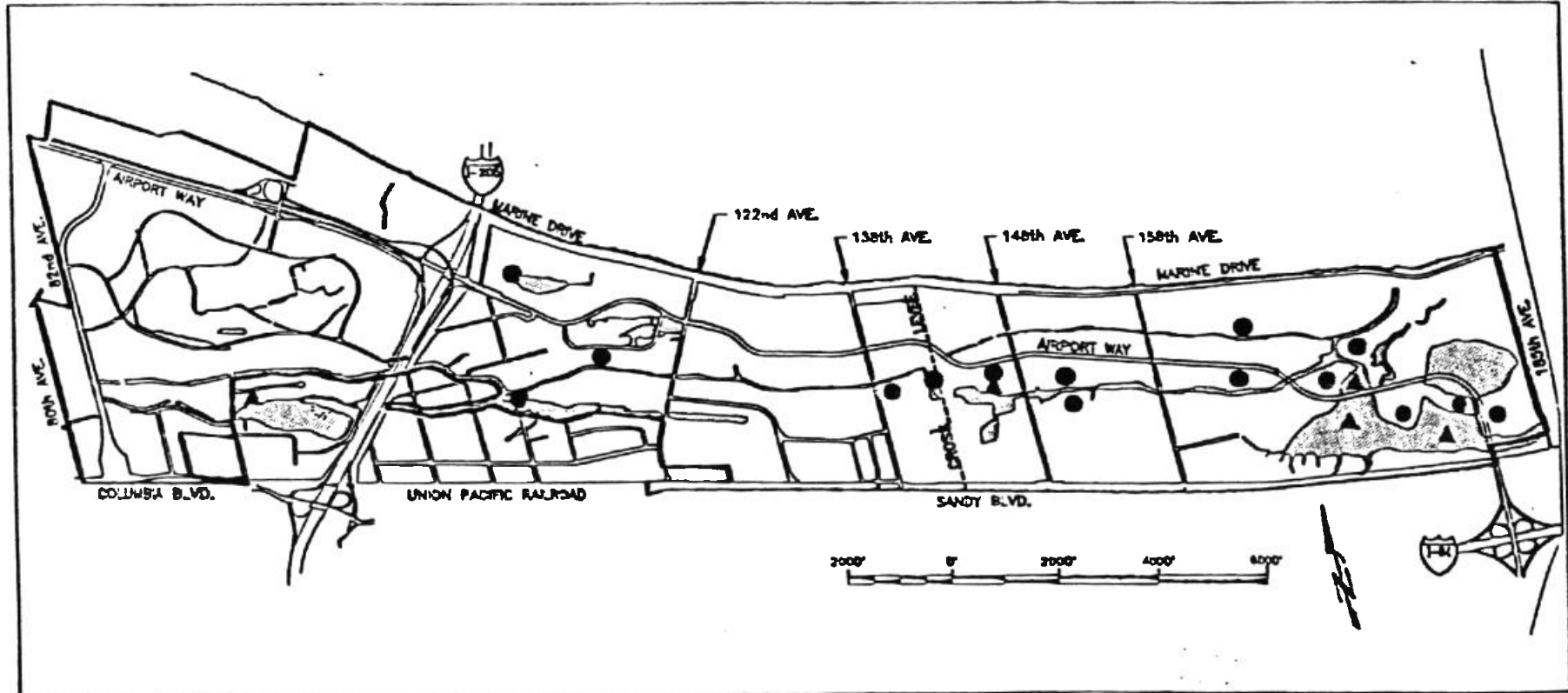


- Area Boundary
- Resource Protection Area
- Approx. Parcel Boundaries
- ▨ C.O.E. Wetlands

EXHIBIT 3B - HOLMAN REDEVELOPMENT AREA - PROPERTY ACQUISITION

Exhibit 3C Wetland Mitigation Sites

Airport Way Urban Renewal Area



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

EXHIBIT 3C - WETLAND MITIGATION SITES