

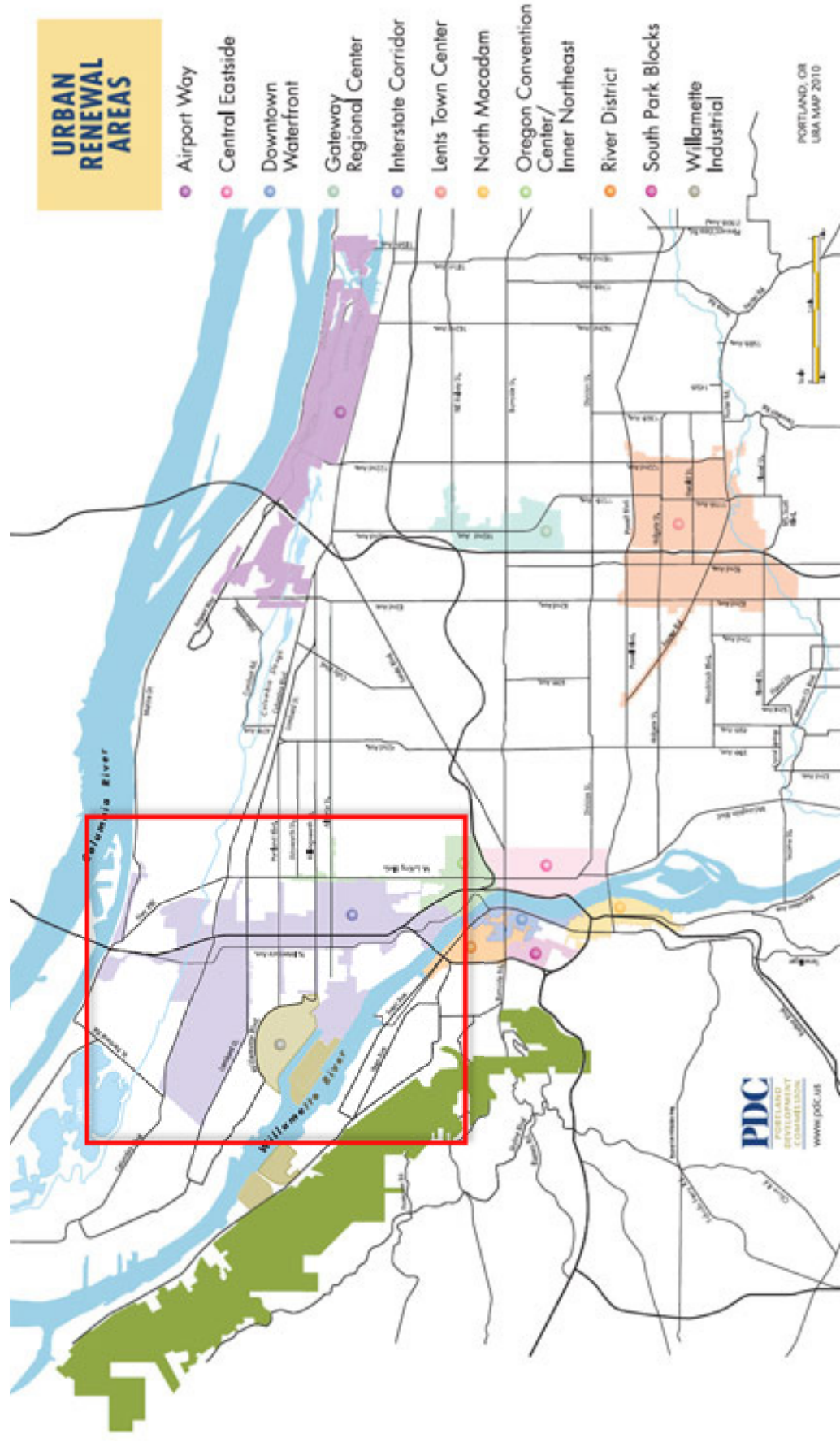
A panoramic photograph of the Portland, Oregon skyline at night. The city lights are reflected in the water in the foreground. The sky is a deep blue with some clouds. The buildings are illuminated with warm yellow and white lights, and some have green neon accents.

PDC |

PORTLAND
DEVELOPMENT
COMMISSION
www.pdc.us

Interstate Corridor URA Amendment Planning and Sustainability Commission June 28, 2011

PDC's 11 urban renewal areas



Tax Incremental Finance

How urban renewal works

Urban renewal is a way governments can set aside property tax money to reinvest in an area that is run-down, unsafe or economically stagnant.

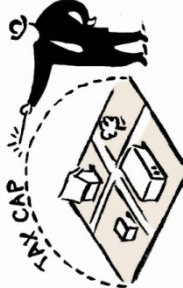
1. Pick a spot

City leaders approve a map of the area they want included in an urban renewal district.



2. Cap taxes

The city caps the amount of property taxes flowing from the district into the general fund – for example \$100 million a year.



3. Add money

The city borrows money to pay for new projects and subsidize development in the district. Builders find the area attractive for investment.



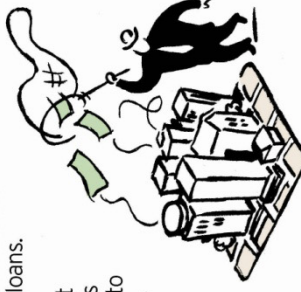
4. Watch it grow

New development in the district increases property values. Over time, property taxes rise, say to \$120 million a year.



5. Collect taxes

The city uses the \$20 million difference between the tax cap and new tax income to pay off the loans. Once loans are paid, property in the district goes back on the city's general fund tax rolls to pay for basic services. Public investment in the area eventually means more tax money for the city.

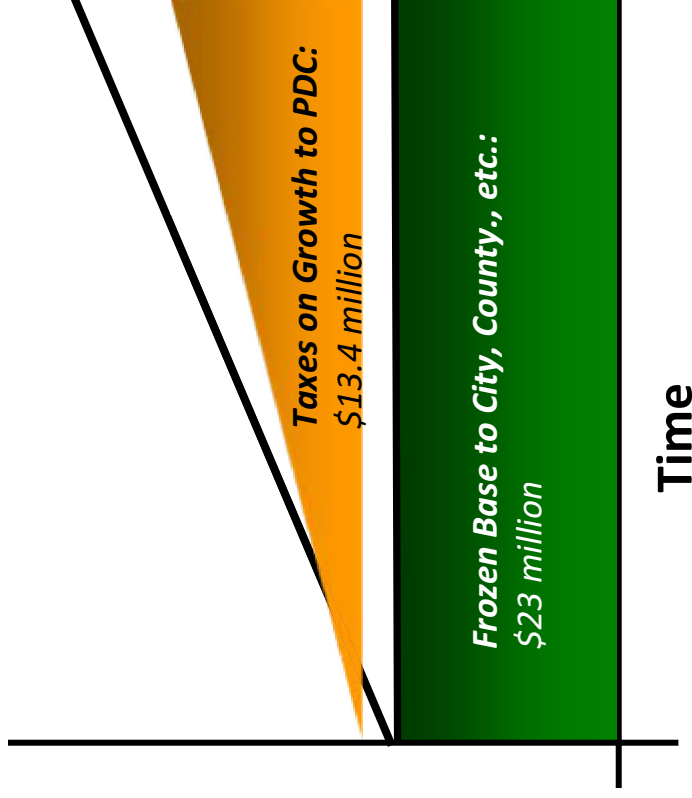


STEVE COWDEN/THE OREGONIAN

Interstate Corridor URA

Maximum Indebtedness (nearest million)	Remaining Capacity as of June 2011
\$335M	\$224M

Flow of Property Taxes 2010/11*



*Chart not to scale

What?

Expand the boundaries of the Interstate Corridor URA to bring resources to small businesses and commercial corridors along:

- Martin Luther King Jr. Blvd.
- NE Alberta St. and Killingsworth St.
- N Lombard St.
- St. Johns Town Center

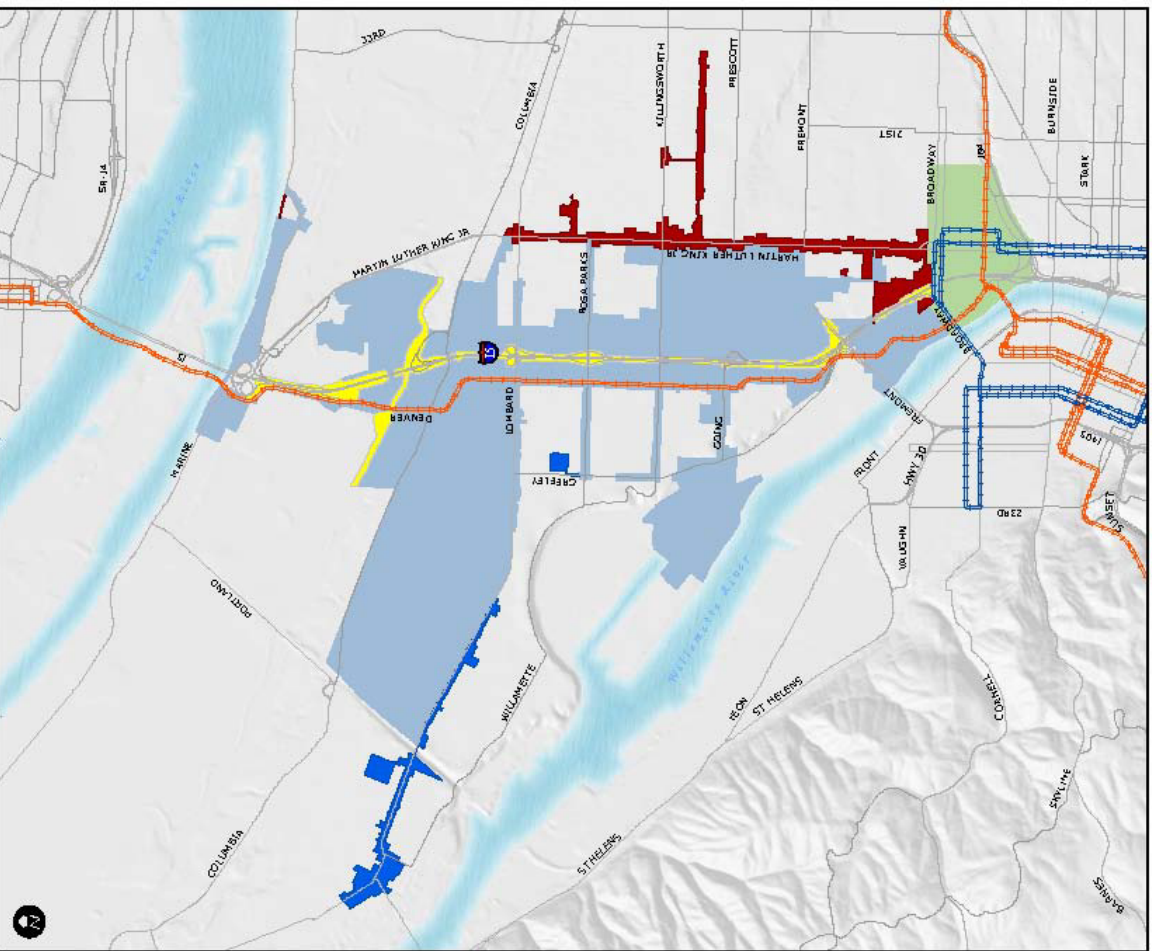
Why?

- The Interstate Corridor URA has over \$200 million in remaining debt capacity.
- Properties along Martin Luther King Jr. Blvd. are in a different URA which has far fewer resources and no ability to issue debt after 2013.
- Investment needs in the amendment areas align with PDC's strategies for neighborhood economic development.
- The expansion is driven by significant community support.

N/NE Community Advisory Committee

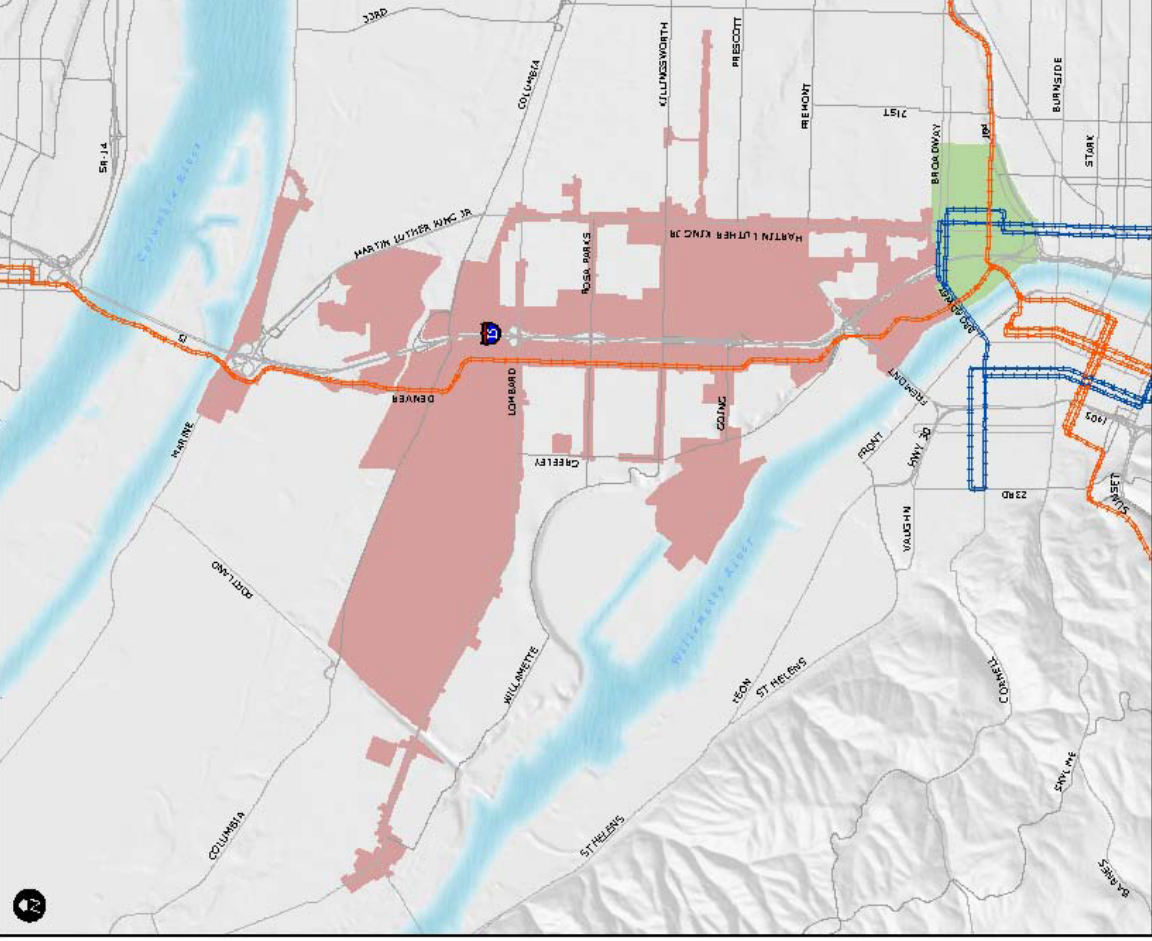


African American Chamber of Commerce	Roy Jay
Albina Community Bank	Robert McKean
Hispanic Metropolitan Chamber	Gale Castillo
Interstate Corridor URAC	Sheila Holden
Interstate Corridor URAC	Walter Valenta
Multnomah County	Marissa Madrigal
National Association of Minority Contractors (NAMCO)	James Faison
New Columbia resident	Abigail Webb
North Northeast Business Association	Joice Taylor
North Portland Business Association	Tracy Menasco
Northeast Coalition of Neighborhoods	Paige Coleman
Oregon Convention Center URAC	Damien Hall
Oregon Convention Center URAC	Traci Manning
Office of Mayor Sam Adams	Skip Newberry
Oregon Association of Minority Entrepreneurs (OAME)	Jorge Guerra
PDC (Committee Chair)	Charles Wilhoite
Portland Community College	Dr. Algie Gatewood
Portland Public Schools	Sara Carlin Ames
Portland Trailblazers	J. Isaac
Roslyn Hill Development	Roslyn Hill
Small Business Representative	Jonath Colon



Proposed Interstate Corridor URA Boundary Amendment

ICURA Expansion East of I-5 Expansion West of I-5 Right-of-Way Removal Proposed OCC




Proposed Interstate Corridor & OCC URA Boundary Amendment

Proposed ICURA Proposed OCC

Acreage Capacity

		Acreage
BEFORE	Oregon Convention Center	595
	Interstate Corridor	3,804
	Citywide Capacity	1,581
AFTER	Oregon Convention Center	410
	Interstate Corridor	3,990
	Citywide Capacity (under 15% limit)	1,579

Approval Process

 **PDC** | PORTLAND
DEVELOPMENT
COMMISSION
www.pdc.us

**Approved and Recommended
to City Council**

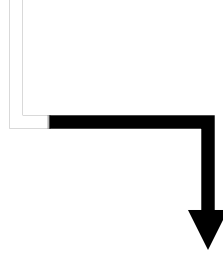
June 8, 2011




 **Bureau of Planning and Sustainability**
Innovation. Collaboration. Practical Solutions.

**Review and Recommend
to City Council**

June 28, 2011





Review and Adopt

July 20, 2011

Next Steps



Wednesday, July 20, 2:00pm:
City Council Hearing and Public
Testimony

Wednesday, July 27:
City Council vote