



Urban Renewal Area Amendments

Planning & Sustainability
Commission Briefing
September 9, 2014

Proposal Overview

Objectives:

- Reduce impact of urban renewal on taxing jurisdictions
- Provide resources to meet City's community development , economic development, and affordable housing goals
- Support Portland State University (PSU)

Proposal:

- Close or reduce: Willamette Industrial, River District, Airport Way, Education District Urban Renewal Areas (URAs)
- Extend and expand: North Macadam, Central Eastside URAs
- Solidify partnership with PSU via Development Agreement

Proposal Overview

Net Impact:

- Return ~\$1.06 B to tax rolls in FY 2015-16
- Provide additional ~\$5 M to taxing jurisdictions in FY 2014-15
 - ~\$1.5 M in FY 2014-15 for City of Portland
- Provide additional ~\$158 M (\$67 M NPV) to taxing jurisdictions over 30 years
 - ~ \$48.8 M (\$20.7 M NPV) over 30 years for City of Portland
- Maintains investment in affordable housing
- Seizes opportunities to implement Central City 2035 objectives in University District, South Waterfront, Central Eastside Industrial District, Old Town/Chinatown

Public Outreach

- Urban Renewal Area Amendment Advisory Committee
 - Meetings June through September
 - Housing sub-committee

- URA Amendments Open House: September 11
 - SE Quad Open House

- Neighborhood & Business Association Outreach: underway
 - Brooklyn Action Corps
 - Buckman Community Association
 - Hosford Abernathy Neighborhood District Association
 - Kerns Neighborhood Association
 - Old Town/Chinatown Community Association
 - Portland Downtown Neighborhood Association
 - South Portland Neighborhood Association
 - SE Uplift and SW Neighborhood, Inc.
 - Portland Business Alliance
 - Central Eastside Industrial Council

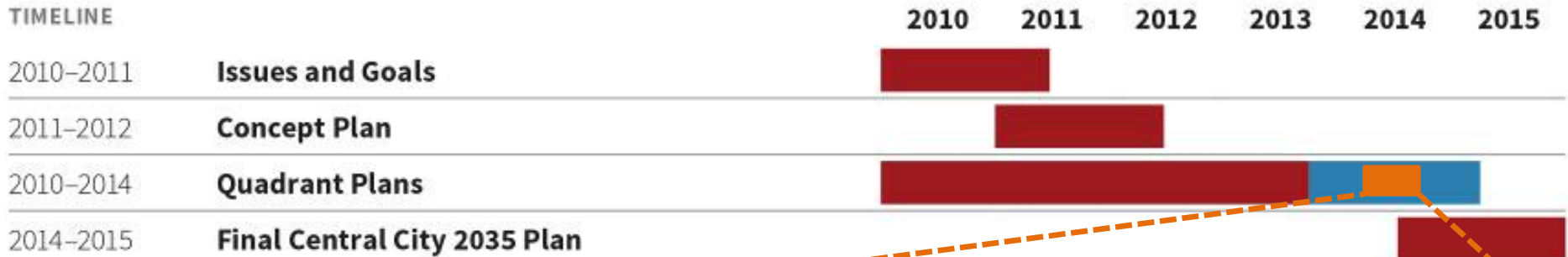
URA Amendment Advisory Committee Roster

- **Debbie Aiona**, League of Women Voters
- **Scott Andrews**, Melvin Mark Properties
- **Jillian Detweiler**, Committee Chair, Office of the Mayor
- **Peter Finley Fry**, Central Eastside Industrial District
- **Greg Goodman**, Downtown Development Group
- **Marion Haynes**, Portland Business Alliance,
- **Brent Hieggelke**, Urban Airship,
- **Damien Hall**, Ball Janik,
- **Sean Hubert**, Central City Concern
- **Pat LaCrosse**, OMSI Board Member Emeritus,
- **Wade Lange**, American Assets Trust
- **Nolan Lienhart**, ZGF Architects
- **Jonathan Malsin**, Beam Development
- **Brian Newman**, OHSU
- **Rick Saito**, Insite Development
- **Kat Schultz**, GBD Architects and CC 2035 West Quadrant SAC Co-Chair
- **John Tydlaska**, Multnomah County
- **David Wynde**, Portland Public Schools
- **Helen Ying**, Chinese American Citizens Alliance Portland Lodge
- **Dan Zalkow**, PSU

Central City 2035 Coordination: Schedule

CENTRAL CITY 2035 PLANNING PROJECT

TIMELINE



	Jul	Aug	Sep	Oct	Nov	Dec
Technical Analysis	█					
Financial Analysis	█					
BPS Coordination	W Quad SAC	CEID, PBA		CC 2035 @ PSC		
URA Advisory Committee	Mtg 2	Mtg 3	Open House	Mtg 4		
Public Approvals			Plan. & Sust. Comm. - Briefing	Plan. & Sust. Comm. - Hearing	PDC Board	City Council Appeal period
PSU DA	█			Final DA	PDC Board	
ZRZ DA	█				PDC Board	
Supernotice	█			30 days		

We are here

30 days

Proposed URA Amendments: North Macadam and Education URAs

STATUS

- Developing DA with PSU per letter of agreement
- Developing DA with ZRZ

N Mac URA Fiscal Impact (Nominal)

	<u>6 Yr</u>	<u>30 Yr</u>
TJs:	(\$2.1 M)	(\$64.5 M)
PDC:	\$5.9 M	\$57.6 M
PHB:	\$2.4 M	\$23.3 M

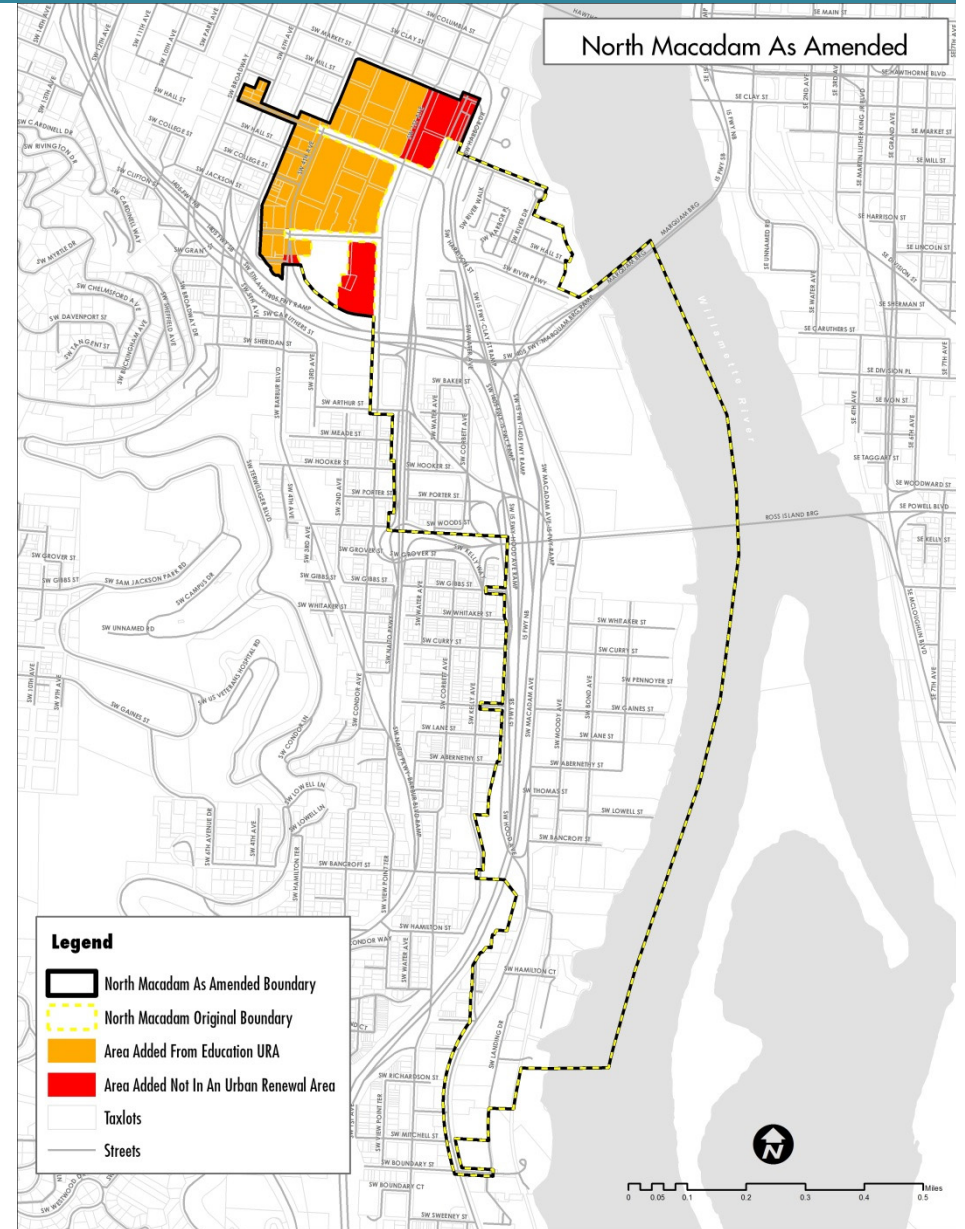
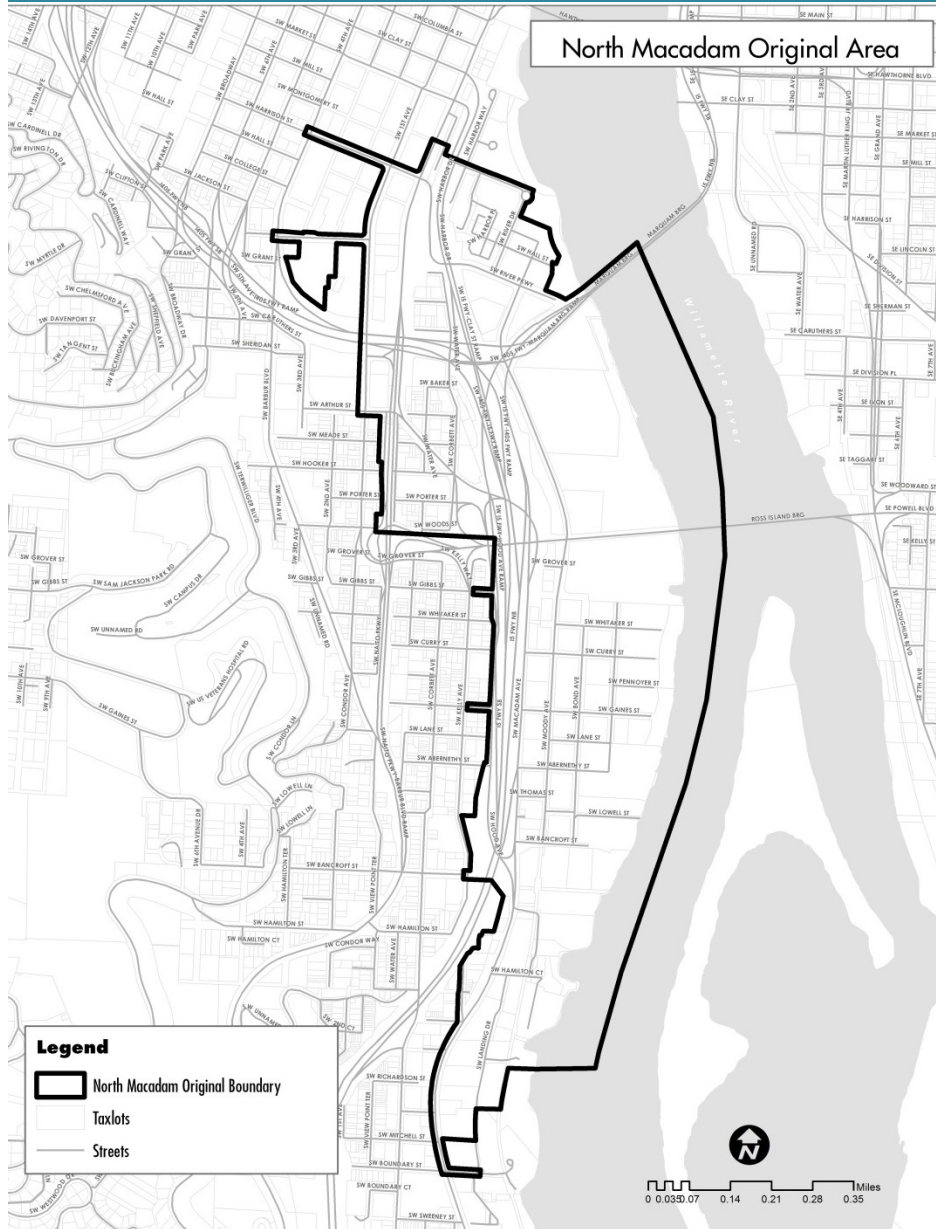
Education URA Fiscal Impact (Nominal)

	<u>6 Yr</u>	<u>30 Yr</u>
TJs:	\$11 M	\$189.5 M

PROPOSAL

- Expand N Mac to include ~35 acres of Education URA
- Release remaining Education URA acreage and property tax revenue in FY 2015-16
- Extend last date to issue debt by 5 years
- No change to maximum indebtedness

Committee Proposal: Amended North Macadam URA



Proposed URA Amendment: Central Eastside



Fiscal Impact (Nominal)		
	6 Yr	30 Yr
TJs:	\$769 K	(\$17.5 M)
PDC:	\$9.7 M	\$16.3 M
PHB:	\$3.9 M	\$6.6 M

PROPOSAL

- Expand to Include additional Portland-Milwaukie Light Rail (PMLR) station area(s)
- Increase max indebtedness by 20 %
- Extend last date to issue debt by 5 years

Upcoming Meetings

Open House

September 11, 2014 4-6 p.m. @ 1900 SW 4th Avenue

Advisory Committee Meeting #4

September 18, 2014 3-5 p.m. PDC Offices, 222 NW 5th Avenue

Planning & Sustainability Commission Hearing

October 21, 2014 2-3:30 p.m. @ 1900 SW 4th Avenue

PDC Board Meeting

October 29, 2014 3-5 p.m. @ 222 NW Fifth Avenue

City Council Meeting

November 6, 2014 3-4 p.m. @ Council Chambers, City Hall

Discussion & Questions



Proposed URA Amendment: Airport Way

STATUS

- Significant development (Cascade Station, Riverside Pkwy, Red Line) complete
- \$147 M » \$1.2 B assessed value

No fiscal impact

PROPOSAL

- Reduce acreage equal to ~ 40 % of assessed value; returns ~ 847 acres to tax rolls

Proposed URA Amendment: Willamette Industrial

STATUS

- Active manufacturing hub, limited tax increment generated

Fiscal Impact (Nominal)

	6 Yr	30 Yr
Taxing Jurisdictions (TJs)	\$7.3 M	\$5.2 M

PROPOSAL

- Amend plan to return revenue to taxing jurisdictions and release acreage from URA limitation calculation
- Use remaining assets within existing boundaries to support manufacturing companies
- Process UR-50 form to release FY 2014/15 tax revenue

Proposed URA Amendment: River District

STATUS

- Investment in Old Town/Chinatown as key priority
- Centennial Mills, Union Station

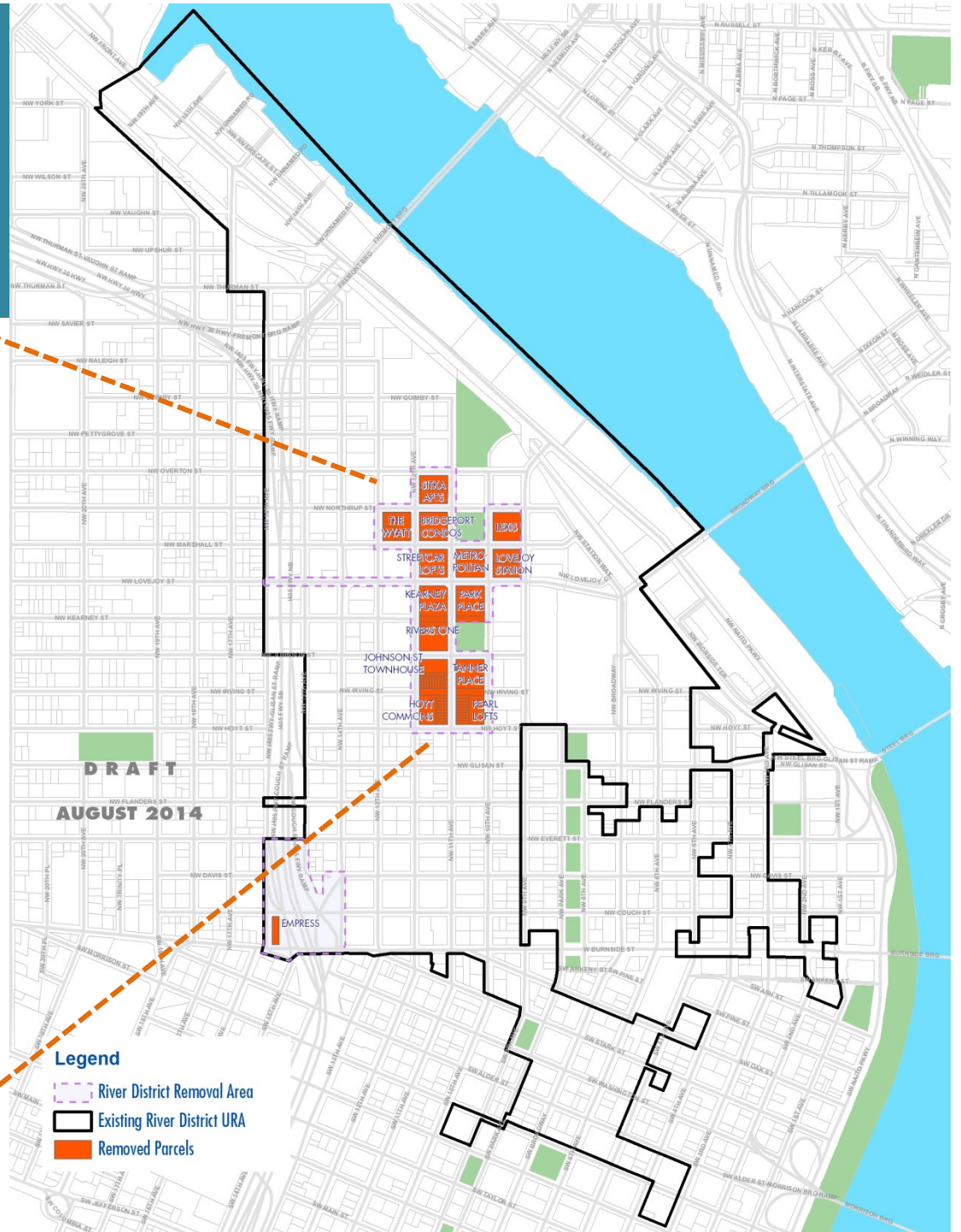
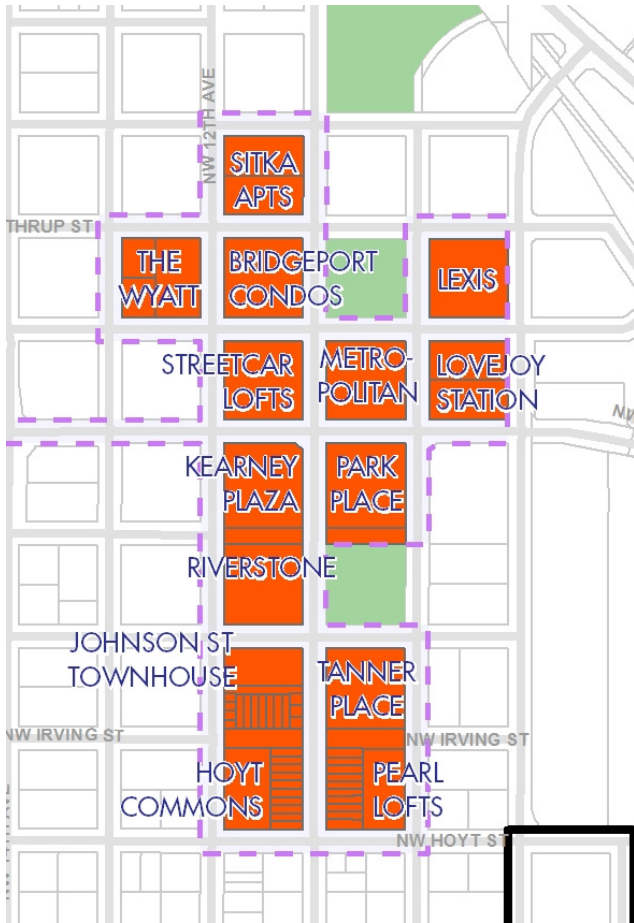
Fiscal Impact (Nominal)

	6 Yr	30 Yr
TJIs:	\$32.7 M	\$45.4 M

PROPOSAL

- Reduce acreage ~ 30 % of amended plan value, release tax revenues
- No impact to maximum indebtedness or last date to issue debt
- Process UR-50 form to release FY 2014/15 tax revenue

Proposed URA Amendment: River District



Committee Proposal Amended Central Eastside URA



Proposal – Fiscal Impact

by Urban Renewal Area

	Impact by URA					
Fiscal Year	RD	WIURA	CES	NMAC	ED	Total Fiscal Impact
2014-15	\$4.9	\$1.1	\$0.0	\$0.0	\$0.0	\$6.0
2016-2020	\$27.8	\$6.3	\$0.8	(\$2.1)	\$11.0	\$43.8
2021-2025	\$12.7	\$5.3	(\$23.5)	(\$6.1)	\$19.7	\$8.1
2026-2030	(\$0.0)	(\$1.8)	(\$6.2)	(\$80.4)	\$27.3	(\$61.1)
2031-2035	(\$0.0)	(\$1.8)	\$3.3	\$6.9	\$35.8	\$44.1
2036-2040	(\$0.0)	(\$1.9)	\$3.8	\$8.0	\$45.3	\$55.2
2041-2045	(\$0.0)	(\$1.9)	\$4.3	\$9.3	\$50.4	\$62.0
TOTAL	\$45.4	\$5.2	(\$17.5)	(\$64.5)	\$189.5	\$158.1
Present Value	\$36.26	\$7.03	(\$13.83)	(\$37.82)	\$75.80	\$67.43

Estimated fiscal impact subject to change based on actual assessed value. Does not include loss due to Measure 5 compression.

Proposal – Fiscal Impact

by Taxing Jurisdiction

	Impact to Each Jurisdiction					
Fiscal Year	City	County	State School Fund	PPS Gap Levy**	Library	Total Fiscal Impact
2014-15	\$1.80	\$1.70	\$1.87	\$0.16	\$0.46	\$6.00
2016-2020	\$13.22	\$12.55	\$13.79	\$0.84	\$3.41	\$43.81
2021-2025	\$2.41	\$2.29	\$2.52	\$0.21	\$0.62	\$8.05
2026-2030	(\$17.99)	(\$17.07)	(\$18.76)	(\$2.63)	(\$4.64)	(\$61.09)
2031-2035	\$13.50	\$12.81	\$14.08	\$0.23	\$3.48	\$44.11
2036-2040	\$16.90	\$16.04	\$17.63	\$0.26	\$4.36	\$55.18
2041-2045	\$19.00	\$18.03	\$19.82	\$0.30	\$4.90	\$62.05
TOTAL	\$48.84	\$46.35	\$50.95	(\$0.63)	\$12.59	\$158.11
Present Value	\$20.77	\$19.71	\$21.66	(\$0.05)	\$5.35	\$67.43

Estimated fiscal impact subject to change based on actual assessed value. Does not include loss due to Measure 5 compression.

Proposal – Impact to Affordable Housing

PHB Impact

Fiscal Year	Impact by URA						Changes due to Amendments
	RD	WIURA	CES	NMAC	ED	SPB	
2014-15	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2016-2020	-	-	3.9	(1.8)	(6.1)	5.0	\$ 1.08
2021-2025	-	-	2.7	25.0	(9.0)	-	\$ 18.67
2026-2030	-	-	-	-	(8.4)	-	\$ (8.40)
2031-2035	-	-	-	-	(10.0)	-	\$ (9.95)
2036-2040	-	-	-	-	(10.2)	-	\$ (10.23)
2041-2045	-	-	-	-	(2.3)	-	\$ (2.32)
Total	\$ -	\$ -	\$ 6.6	\$ 23.3	\$ (46.0)	\$ 5.0	\$ (11.15)
Present Value	\$ -	\$ -	\$ 5.2	\$ 15.4	\$ (23.8)	\$ 4.8	\$ 1.56

Estimated fiscal impact subject to change based on actual assessed value. Does not include loss due to Measure 5 compression.