

PORTLAND DEVELOPMENT COMMISSION
Portland, Oregon

RESOLUTION NO. 6926

**ACCEPTING THE PROPOSED PARKROSE NEIGHBORHOOD
PROSPERITY INITIATIVE URBAN RENEWAL PLAN AND
DIRECTING THAT THE PLAN BE SUBMITTED TO THE
PLANNING AND SUSTAINABILITY COMMISSION FOR
RECOMMENDATION AND THEREAFTER TO THE PORTLAND
CITY COUNCIL FOR APPROVAL**

WHEREAS, on October 18, 2011, Mayor Sam Adams and County Chair Jeff Cogen jointly announced the Neighborhood Prosperity Initiative (“NPI”) among nearly one hundred community leaders inviting six neighborhood commercial corridors in East Portland to partner with the Portland Development Commission (“PDC”) to evaluate the feasibility and desirability of creating several small, innovative urban renewal areas, focused on the following neighborhood commercial areas: NE 42nd Avenue, Cully, Parkrose, Rosewood, SE Division 117th to 148th Avenue, now known as Division-Midway, and SE 82nd Avenue and Division (each, a “NPI District”);

WHEREAS, the proposed NPI Districts would implement the Neighborhood Economic Development Strategy (the “NED Strategy”), adopted by Portland City Council (“Council”) on May 25, 2011, via Resolution Number 36864; the NED Strategy articulates how community partners, business leadership and public partners can use focused neighborhood-level actions to collectively foster economic opportunity and neighborhood vitality throughout Portland;

WHEREAS, the NED Strategy builds out Goal 3, Neighborhood and Small Business Vitality, in the City's Economic Development Strategy, which was adopted by Council in July 2009, via Resolution Number 36714;

WHEREAS, all six of the NPI Districts were prioritized based on the following criteria: concentrations of blighted properties in the commercial corridor, capacity of business/community organizations, concentrations of locally-owned businesses, concentrations of minority-owned and/or serving businesses, designation of commercial zoning and commercial uses along corridors, and demographic factors of poverty, low household incomes, and declining commercial investment;

WHEREAS, residents, business owners, associations and organizations in the Parkrose NPI District worked to complete planning, training and intensive and inclusive outreach, and on February 7, 2012, they were recognized for creating an organizational structure and demonstrating a commitment to continued training and on-going fundraising;

WHEREAS, residents, business owners, associations and organizations in the Parkrose NPI District have worked to identify investments, including but not limited to tax increment financing, for community revitalization and other small scale projects;

WHEREAS, residents, business owners, associations and organizations in the Parkrose NPI District have worked to identify projects for inclusion in the proposed draft Urban Renewal Area Plan attached hereto as Exhibit A (the “Plan”), and have managed, with PDC staff support, an inclusive outreach and involvement process that was tailored to and appropriate for this District and the expected amount of resources;

WHEREAS, PDC has sought and received valuable input from related taxing jurisdictions pursuant to ORS 457.085(5), citizens, and other interested parties in the City;

WHEREAS, the proposed Parkrose NPI District contains approximately 142.6 acres and will have a maximum indebtedness of \$1,250,000;

WHEREAS, the proposed Parkrose NPI District is both financially feasible and conforms to the City of Portland’s Comprehensive Plan; and

WHEREAS, the proposed draft Technical Report attached hereto as Exhibit B (the “Report”) provides substantial evidence of blight within the Parkrose NPI District, thereby warranting the formation of an urban renewal area, and the Plan and Report comply with other requirements of ORS 457.

NOW, THEREFORE, BE IT RESOLVED that the PDC Board of Commissioners hereby accepts the Plan along with the accompanying Report and directs that the Plan and Report be forwarded to the City Planning and Sustainability Commission for recommendation to Council, and thereafter be finalized and forwarded to Council for approval;

BE IT FURTHER RESOLVED that this Resolution shall become effective 30 days after its adoption.

Adopted by the Portland Development Commission on

A handwritten signature in cursive script, reading "Emily Swensen". The signature is written in black ink and is positioned above a horizontal line.

Emily Swensen, Recording Secretary

Exhibit A

Draft Parkrose

Neighborhood Prosperity Initiative

Urban Renewal Plan

Portland Development Commission

Board of Commissioners

March 12, 2012

Resolution No. 6926

Exhibit A includes this cover page and contains 14 pages:

- Draft Urban Renewal Plan

Draft
Parkrose
Neighborhood Prosperity Initiative
Urban Renewal Plan

Proposed for Submission to City Council on
April 4 and April 11, 2012

DRAFT

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I. Introduction

The Neighborhood Economic Development Strategy (the “NED Strategy”) is a citywide initiative to foster economic opportunity and neighborhood vitality throughout Portland neighborhoods. On October 18, 2011, Mayor Adams and County Chair Cogen jointly announced the Neighborhood Prosperity Initiative (the “NPI”), one of the NED Strategy’s key elements that will result in the creation of several small, innovative urban renewal areas, focused on neighborhood commercial areas. The goal of the NPI is to strengthen the economic competitiveness of business districts through community-planned and community-implemented actions. Under the NPI, six neighborhood commercial corridors (each, a “NPI District”) successfully applied to be part of the first round of the NPI. Those areas include:

42nd Avenue	Rosewood
Cully Blvd	Division – Midway
Parkrose	82nd Avenue and Division

The NPI Districts were prioritized based on five criteria: concentrations of blighted properties in the commercial corridor, capacity of business/community organizations, concentrations of locally-owned businesses, concentrations of minority-owned and/or serving businesses, designation of commercial zoning and commercial uses along corridors, and demographic factors of poverty, low household incomes, and declining commercial investment. URAs generate revenue through tax increment financing (“TIF”) which will provide a portion of each NPI District’s funding for capital improvement projects. In order to be fully successful, each NPI District will require additional funding revenues beyond the TIF resources available to each NPI District. The Portland Development Commission (“PDC” or “Commission”) intends to enter into intergovernmental agreements with its city and county partners to secure such additional funding revenues. This Parkrose NPI Urban Renewal Plan (this “Plan”) outlines a strategy to invest TIF in underutilized property in the Parkrose NPI District (the “District”) to meet the goal of the NPI.

Neighborhood support and ownership is critical, and as such, the formation process started with District-oriented organization of a broad cross-section of people representing the District’s business community, residents, property owners, organizations, and community groups. It is the intention that everyone with a stake in the District and its future should be involved in preparing a plan that best meets the economic development needs of the District. Input has been solicited, received and considered in the development of this Plan.

In summary, this Plan will focus on enhancing the vitality of the business district, consistent with the following community-developed vision statement:

Our vision for the future of the Parkrose Business District (and surrounding neighborhood) is for it to become a destination location, our neighbors’ first choice for goods and services, and also an attraction for the wider community.

Diverse businesses, plentiful parking and eye-catching, well-maintained buildings and sidewalks invite residents and the general public to choose Parkrose for business.

Well-lit, safe and easy to maneuver thoroughfares year round encourage customers to support local merchants. Working in partnership with the community, the Parkrose NPI District is an ongoing, effective change agent with a vision for the betterment of Parkrose.

II. Parkrose NPI District Map and Legal Description

The District shown in Figure 1 below contains 142.6 acres, including public right-of-way. There are 386 tax lots within the District, totaling 109.9 acres. The District overlaps portions of the following neighborhood and business associations:

- Parkrose Neighborhood Association
- Columbia Corridor Association
- Parkrose Business Association

A. Legal Description

The legal description of the District is attached as Exhibit 1, with an associated map as Exhibit 1.A. (Legal description due from survey consultant by March 9, 2012.)

B. Proposed Land Uses

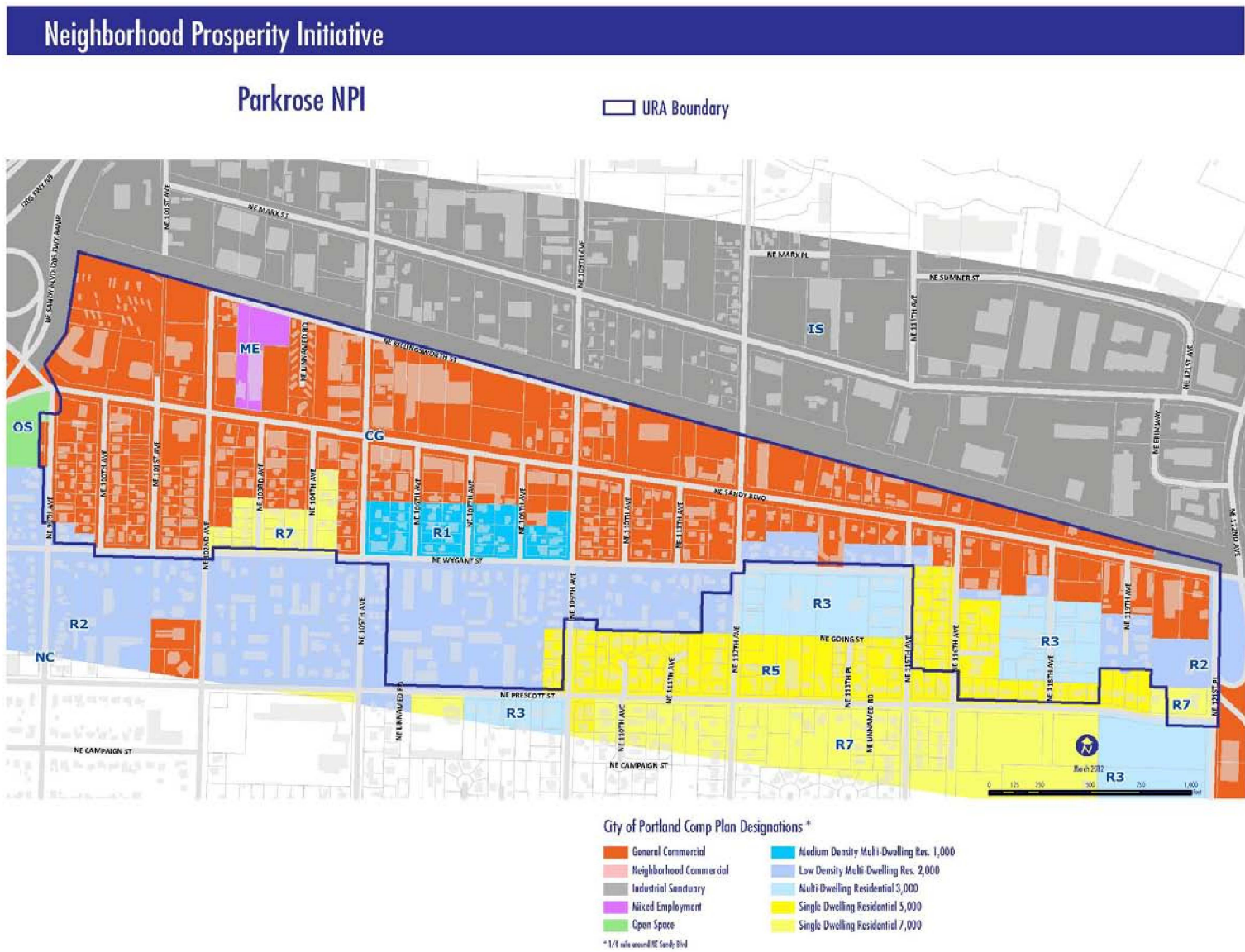
The City of Portland’s Comprehensive Plan and implementing ordinances govern land use within the District. Any adopted change in the Comprehensive Plan or implementing ordinances shall automatically amend this Section, as applicable, without the necessity of any further formal action. This Section shall thereafter incorporate any relevant amendments, additions or deletions. To the extent this Section conflicts with the Comprehensive Plan or Zoning Code, the Comprehensive Plan and Zoning Code shall govern. Title 33, Portland City Code is incorporated herein to establish the maximum densities and building requirements to be implemented with this Plan.

Table 1. Existing Comprehensive Plan Designations of District

Comprehensive Plan Designation	Acreage	% of Total
General Commercial	68.2	62%
Mixed Employment	2.0	2%
Residential 1,000	4.3	4%
Residential 2,000	21.7	20%
Residential 3,000	4.2	4%
Residential 5,000	6.1	6%
Residential 7,000	3.2	3%
Total	109.9	100%

*Source: City of Portland Bureau of Planning and Sustainability

Figure 1. District Boundary and Comprehensive Plan Map



III. Urban Renewal Projects

In order to achieve the goal of the NPI, the following projects will be undertaken in the District by the Commission, in accordance with applicable federal, state, county and city laws, policies and procedures. Such projects may be modified, expanded or eliminated as needed to meet the goal of the NPI as set forth in this Plan, subject to Section VIII, Procedures for Amendments to the Plan.

A. Projects

Commercial corridor revitalization will occur through capital improvement projects, which could be public or private in nature, including, but not limited to, improvements to business exteriors and interiors, street furniture, garbage receptacles, lighting, district signage, gateway markers, and other small-scale, permanent capital improvements and administrative support therefore (collectively, the “Projects”).

The Projects shall also include program development and project planning activities necessary to achieve the goal of the NPI as set forth in this Plan. The Commission will also undertake administration of all aspects of this Plan, in a manner consistent with the NPI.

IV. Relationship to Local Plans and Objectives

A. Portland Comprehensive Plan

This Plan is in conformity with the Portland Comprehensive Plan and its supporting neighborhood and area plans, as a whole relative to the Projects of the District, including public improvements.

B. City of Portland Economic Development and Neighborhood Economic Development Strategies

The Five-Year Economic Development Strategy (the “Strategy”) was adopted by the Portland City Council (“Council”) on July 8, 2009, via Resolution Number 36714. The Strategy sets forth the approach for building the most sustainable economy in the world, with the goal of creating 10,000 new jobs in five years. Building a sustainable economy requires a balanced focus on job growth, innovation in sustainability and equality of economic opportunity through competitiveness, urban innovation and neighborhood business vitality. This Plan meets Strategy Goal 3:

- Goal 3: Neighborhood Business Vitality
 - Achieve equality of opportunity by stimulating economic activity in neighborhoods throughout the city.

This Plan also implements the NED Strategy, adopted by Council on May 25, 2011, via Resolution Number 36864. The NED Strategy articulates how community partners, business leadership and public partners can use focused neighborhood-level actions to collectively foster economic opportunity and neighborhood vitality throughout Portland. The goal of the NED Strategy is to create thriving

commercial areas, successful neighborhood businesses and equitable access to quality jobs. In particular, the Plan will implement NED Strategy Objectives 1 and 2:

- Objective 1: Build Local Capacity to Achieve Economic Development Outcomes
 - A. Strengthen Community Capacity to Develop Neighborhood Economic Development Plans
 - B. Increase Citywide Community and Organizational Capacity
- Objective 2: Drive Neighborhood Business Growth
 - A. Connect Traded Sector and Neighborhood Work
 - B. Seed Investments to Implement Neighborhood Economic Development Plans
 - C. Expand Citywide Financial Tools for Neighborhood Businesses

V. Relocation Policy

All relocation activities will be undertaken in accordance with the requirements of ORS 281.045-281.105, PDC Relocation Policies and Procedures and any other applicable law or regulation.

VI. Property Acquisition and Disposition Policies

No property acquisition or disposition is anticipated in this District.

VII. Plan Financing

A. General Description of the Proposed Financing Methods

The 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 457 and Chapter XV of the City Charter. Upon request of the Commission, Council may from time to time issue revenue bonds, certificates, debentures or promissory notes to assist in financing project activities as provided by Section 15-106 of the City Charter.

The funds obtained by the 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 457 and Chapter XV of the City Charter in connection with the implementation of this Plan.

The total maximum indebtedness which may be incurred under this Plan is \$1,250,000.

B. Tax Increment Financing

The Plan may be financed, in whole or in part, by fund allocated to the Commission as provided in section 1c, Article IX of the Oregon Constitution and ORS 457.420 through ORS 457.450.

VIII. Procedures for Amendments to the Plan

This Plan may be reviewed and evaluated periodically, and may be amended as needed, in conformance with statutory requirements. All amendments to this Plan shall be made pursuant to the following procedures.

A. Substantial Amendments

Substantial amendments are solely amendments that:

1. Add land to the District, except for an addition of land that totals not more than one percent of the existing District; or
2. Increase the maximum amount of indebtedness that can be issued or incurred under this Plan.

Substantial amendments shall require the same approval process as required for initial plan adoption including the approval process as provided in ORS 457.095 and the notice requirement set forth in ORS 457.120.

B. Council-Approved Amendments

Council-approved amendments are solely amendments that:

1. Identify a project that includes a public building to the extent such project has not previously been identified in this Plan along with an explanation of how such project would serve or benefit the District.

Council-approved amendments require approval by PDC by resolution and by Council, which may approve the amendment by resolution. Council-approved amendments do not require any of the procedural or notice requirements found in ORS Chapter 457, including but not limited to the procedures set forth in ORS 457.085(4) and (5). To the extent that a Council-approved amendment involves a public building, such amendment shall explain how the project serves or benefits the District.

C. Minor amendments

Minor amendments are amendments that are neither substantial, nor Council-approved amendments. Minor amendments may include changing the goals of the Plan or removing land from the urban renewal area. Minor amendments are effective upon adoption of a resolution by PDC approving the amendment.

IX. Other Provisions

A. 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, gender, sexual orientation, marital status, citizenship status, or national origin.

B. Agreements to Implement This Plan

The Commission may implement this Plan through one or more grant agreements with a neighborhood entity that will identify neighborhood needs, disburse and account for the use of Plan funds and carry out implementation of the Plan. It is the intention of the Commission to utilize such agreements to guide and specify public investments and private development to ensure that the Projects are in conformance with this Plan.

C. Duration of Urban Renewal Plan

No indebtedness, for which taxes divided under ORS 457.440 are to be pledged, shall be issued under this Plan (or under any of the Projects undertaken with respect to this Plan).

D. Validity

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

Exhibit B
Draft Report Accompanying the Parkrose
Neighborhood Prosperity Initiative
Urban Renewal Plan

Portland Development Commission

Board of Commissioners

March 12, 2012

Resolution No. 6926

Exhibit B includes this cover page and contains 16 pages:

- Draft Technical Report

Draft
Report Accompanying the
Parkrose
Neighborhood Prosperity Initiative
Urban Renewal Plan

Proposed for Submission to City Council on
April 4 and April 11, 2012

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I. Introduction

This Technical Report accompanying the Parkrose Neighborhood Prosperity Initiative Urban Renewal Plan (this “Report”) contains background information and project details for the Parkrose Neighborhood Prosperity Initiative Urban Renewal Plan (the “Plan”). This Report is not a legal part of the Plan but is intended to provide public information and a basis for the findings made by the City Council (“Council”) as part of its approval of the Plan. The Report provides the information required in ORS 457.085(3).

II. Description of Existing Physical, Social, and Economic Conditions and Expected Impact, Including Fiscal Impact, of the Plan in Light of Added Services or Increased Population

A. Physical Conditions

1. Land Use and Zoning

The Parkrose Neighborhood Prosperity Initiative Urban Renewal Area, hereinafter referred to as the “District,” shown in Figure 1 below contains 142.6 acres, including public right-of-way. There are 386 tax lots within the District, totaling 109.9 acres. Existing land use and zoning of the District are detailed in Tables 1 and 2.

Table 1. Existing Land Use of District

Property Class	Acreage	% of Total
Miscellaneous	2.7	2%
Residential	38.2	35%
Commercial	49.6	45%
Multi-Family	19.4	18%
Total	109.9	100%

*Source: Multnomah County Office of Assessment and Taxation

Figure 1. District Boundary and Zoning Map

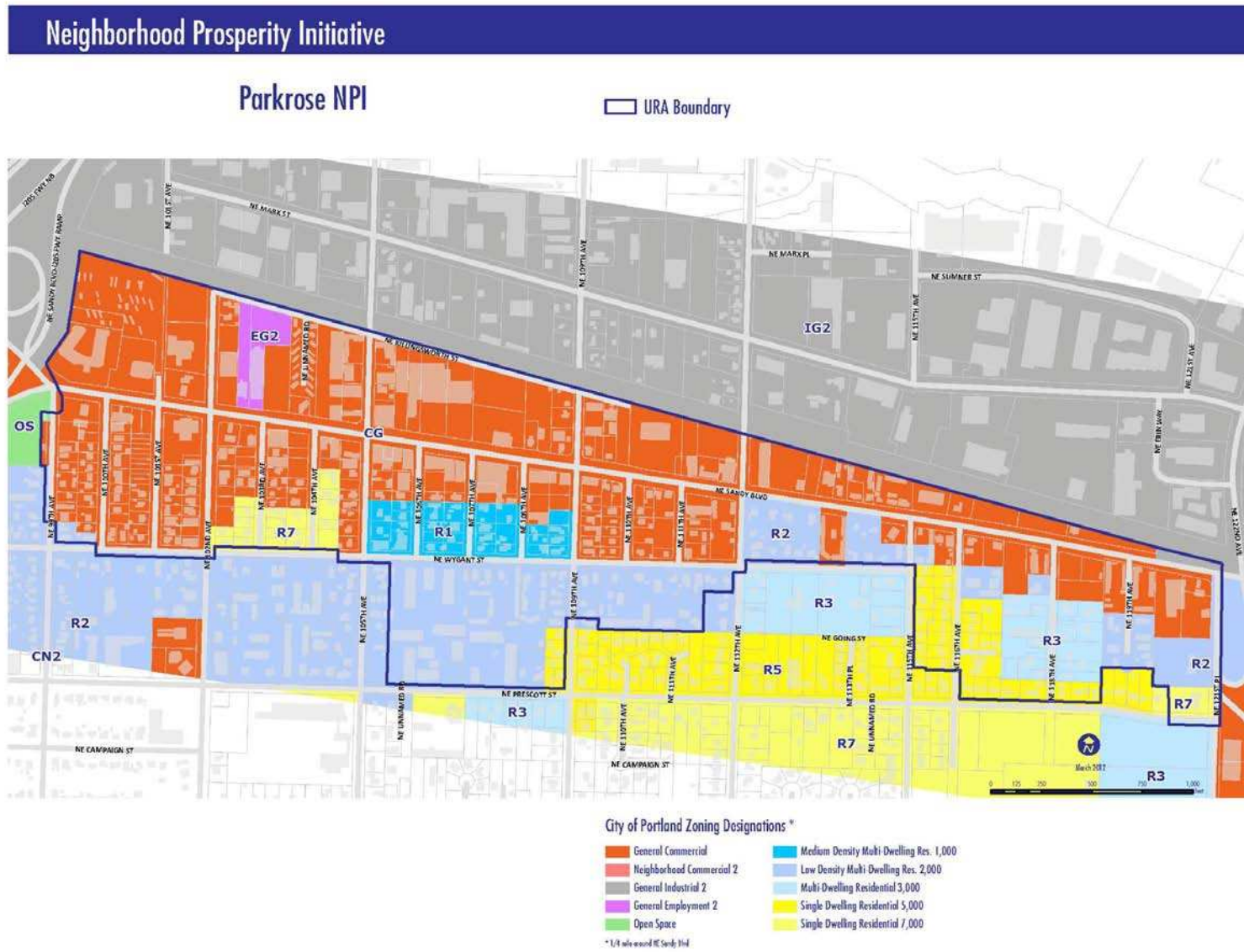


Table 2. Existing Zoning of District

Zoning Designation	Acreage	% of Total
General Commercial	66.2	60%
General Employment 2	2.0	2%
Residential 1,000	4.3	4%
Residential 2,000	23.7	22%
Residential 3,000	4.2	4%
Residential 5,000	6.1	6%
Residential 7,000	3.2	3%
Total	109.9	100%

*Source: City of Portland Bureau of Planning and Sustainability

B. Social Conditions

Based on data provided by the City of Portland Bureau of Planning and Sustainability, the District significantly overlaps 2010 Census tracts with higher than citywide average poverty (16%) and/or lower than citywide median household income (\$48,500).

According to the 2010 Business Analyst estimates, the total population within a quarter-mile buffer of the District is 2,963. Race and ethnic background are shown in Table 3.

Table 3. Population Detail

Race	% of Total
White	64%
Black or African American	9%
American Indian and Alaska Native	1%
Asian	9%
Native Hawaiian and Other Pacific Islander	1%
Other	10%
Two or More Races	6%
Ethnicity	% of Total
Hispanic	17%

*Source: 2010 Business Analyst

C. Economic Conditions

1. Taxable Value

The 2011/2012 taxable value of land, improvements and personal property in the District is \$80,493,774. This does not include utility value which will be determined by the County Assessor upon District approval.

2. Improvement Value to Land Value Ratio

One tool for assessing the economic health of an area is an improvement to land ratio (I:L) analysis. Improvement to land ratio is an assessment of the real market value of the improvements on a parcel compared to the real market value of the land. If the ratio is low, it indicates a prevalence of depreciated values, underutilization and that the property may benefit from redevelopment.

Table 4. Improvement to Land Ratio

Area	Overall I:L Ratio
Parkrose NPI District	0.94:1
Citywide ¹	2.22:1

*Source: Multnomah County Office of Assessment and Taxation

Based on the information in Table 4, the I:L ratio of commercially zoned property within the District is significantly lower than that of similarly zoned areas throughout the City. Therefore, the District can be identified as demonstrating a growing lack of proper utilization of the area, resulting in a stagnant and unproductive condition of land potentially useful and valuable for contributing to the public health, safety and welfare of the District and therefore constituting blight in accordance with ORS 457.010(1)(h).

D. Expected Impact on Municipal Services

The fiscal impact of tax increment financing on taxing districts that levy taxes within the District is described in Section IX of this Report. This subsection discusses the fiscal impacts resulting from potential increases in demand for municipal services.

Commercial corridor revitalization projects and programs in the District are not expected to create an additional demand on municipal services. The projects and programs are expected to add value to properties, thereby potentially adding to the tax base and providing increment during the length of the Plan and tax revenues once the Plan is terminated.

Projects and programs in the District will address a lack of proper utilization that is resulting in stagnant and unproductive land. This assistance will result in a positive benefit to the overall public health, safety, and welfare of the community by addressing factors of blight.

¹ Includes only properties with Commercial or Central Employment zoning. Excludes all properties within the Central City, existing URAs and proposed NPI URAs.

III. Reasons for Selection of each Urban Renewal Area in the Plan

There is one urban renewal area in the Plan. The reason for selection of the District is to reduce the blight described in the existing conditions set forth in Section II.C.2 of this Report.

IV. Relationship between Each Project and Existing Conditions in the Urban Renewal Area

Commercial corridor revitalization will occur through capital improvement projects, which could be public or private in nature, including, but not limited to, improvements to business exteriors and interiors, street furniture, garbage receptacles, lighting, district signage, gateway markers, and other small-scale, permanent capital improvements and administrative support therefore (collectively, the "Projects"). The existing conditions described in Section II of this Report demonstrate that the District is underutilized compared to similarly zoned properties in other parts of the city, as shown in Table 4 above. The Projects will help private, nonprofit and for-profit parties reduce the underutilization of property in the District, described in Section II, while enhancing the vitality of the business district, creating jobs, increasing commerce, strengthening existing businesses, and increasing small business tenancy.

V. Estimated Total Cost of Each Project and the Sources of Moneys to Pay Such Costs

The implementation of the Projects, which are expected to be discrete, small scale improvements to the commercial corridor of the District, will take place over the life of the Plan and as the sources of moneys set forth in Section VII of this Report are available. The estimated total cost of the Projects to be paid with tax increment financing is not anticipated to exceed total revenues identified in Section VII of this Report.

VI. Anticipated Completion Date for Each Project

The Projects will be ongoing throughout the life of the Plan. Scheduling for the Projects will occur during the annual budgeting process for the District. The Projects identified in an annual plan are anticipated to receive allocations, determined through the budgeting process.

VII. Estimated Amount of Tax Increment Revenues Required and Anticipated Year in which Indebtedness will be Retired

Table 5 shows the yearly tax increment revenues and indebtedness incurred for the Plan. It is anticipated that debt for the Plan will be fully repaid by the end of FY 2021/22.

Table 5. Tax Increment Revenues and Indebtedness Incurred for the Plan

Fiscal Year Ending June 30	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
REVENUES									
Tax Increment to Raise (before Compression)	\$73,506	\$93,410	\$122,772	\$152,280	\$125,000	\$125,000	\$125,000	\$125,000	\$80,903
Less Compression	(3,675)	(4,671)	(6,139)	(7,614)	(6,250)	(6,250)	(6,250)	(6,250)	(4,045)
Tax Increment Imposed (after Compression)	69,831	88,740	116,634	144,666	118,750	118,750	118,750	118,750	76,858
Less Adjustments for Discounts & Delinquencies	(4,260)	(5,413)	(7,115)	(8,825)	(7,244)	(7,244)	(7,244)	(7,244)	(4,688)
NET TAX INCREMENT REVENUES	\$65,571	\$83,327	\$109,519	\$135,841	\$111,506	\$111,506	\$111,506	\$111,506	\$72,169
Shared Tax Revenues to Raise (before Compression)	\$0	\$9,183	\$14,013	\$18,946	\$52,376	\$73,186	\$94,412	\$116,279	\$0
Less Compression	0	(459)	(701)	(947)	(2,619)	(3,659)	(4,721)	(5,814)	0
Shared Revenues Imposed (after Compression)	0	8,724	13,313	17,999	49,757	69,527	89,691	110,465	0
Less Adjustments for Discounts & Delinquencies	0	(532)	(812)	(1,098)	(3,035)	(4,241)	(5,471)	(6,738)	0
NET SHARED TAX REVENUES	\$0	\$8,192	\$12,501	\$16,901	\$46,722	\$65,286	\$84,220	\$103,727	\$0
TOTAL REVENUES	\$65,571	\$91,518	\$122,020	\$152,742	\$158,228	\$176,792	\$195,726	\$215,233	\$72,169
INDEBTEDNESS									
DEBT ISSUED	\$65,571	\$91,518	\$122,020	\$152,742	\$158,228	\$176,792	\$195,726	\$215,233	\$72,169

VIII. Financial Analysis of the Plan

Table 6 shows the existing assessed value of the District and projected incremental assessed value. It then shows the tax rate applied to these resulting assessed values and the reduction of these values by compression.

Table 6. Projected Incremental Assessed Value, Tax Rates and Tax Increment Revenues

Fiscal Year Ending June 30	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Projected Assessed Value Growth									
Frozen Base	\$80,493,774	\$80,493,774	\$80,493,774	\$80,493,774	\$80,493,774	\$80,493,774	\$80,493,774	\$80,493,774	\$80,493,774
Incremental Assessed Value	4,074,997	6,189,217	8,356,291	10,577,543	12,854,326	15,188,028	17,580,073	20,031,920	22,545,062
Total Assessed Value	\$84,568,771	\$86,682,991	\$88,850,065	\$91,071,317	\$93,348,100	\$95,681,802	\$98,073,847	\$100,525,694	\$103,038,836
Total AV Growth		2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Incremental AV Growth		51.88%	35.01%	26.58%	21.52%	18.15%	15.75%	13.95%	12.55%
Consolidated Tax Rate	18.0384	18.1036	18.0937	18.0136	17.9009	17.8989	17.8666	17.8655	17.8643
Revenues Generated on Incremental Assessed Value									
Amount to Urban Renewal Area	73,506	93,410	122,772	152,280	125,000	125,000	125,000	125,000	80,903
Amount to Taxing Jurisdictions									
City Permanent Rate	-	4,712	7,190	9,721	26,874	37,551	48,442	59,662	82,461
County Permanent Rate	-	4,471	6,823	9,225	25,502	35,635	45,970	56,617	78,252
Other Levies	-	9,454	14,411	19,313	52,728	73,663	94,685	116,601	161,136
Total Revenues	\$73,506	\$112,047	\$151,196	\$190,540	\$230,104	\$271,849	\$314,096	\$357,880	\$402,752
Tax Increment Revenues to Urban Renewal Area									
Tax Increment to Raise (before Compression)	\$73,506	\$93,410	\$122,772	\$152,280	\$125,000	\$125,000	\$125,000	\$125,000	\$80,903
Less Compression	(3,675)	(4,671)	(6,139)	(7,614)	(6,250)	(6,250)	(6,250)	(6,250)	(4,045)
Tax Increment Imposed (after Compression)	\$69,831	\$88,740	\$116,634	\$144,666	\$118,750	\$118,750	\$118,750	\$118,750	\$76,858
Shared Revenues to Urban Renewal Area									
Less Compression	0	(459)	(701)	(947)	(2,619)	(3,659)	(4,721)	(5,814)	0
Tax Increment Imposed (after Compression)	\$0	\$8,724	\$13,313	\$17,999	\$49,757	\$69,527	\$89,691	\$110,465	\$0
Total Revenues to Urban Renewal Areas	\$69,831	\$97,464	\$129,946	\$162,665	\$168,507	\$188,277	\$208,441	\$229,215	\$76,858

IX. Impact of Tax Increment Financing, both until and after the Indebtedness is Repaid, upon all Entities Levying Taxes upon Property in the Urban Renewal Area

The impact of tax increment financing on overlapping taxing jurisdictions consists primarily of the property tax revenues foregone on permanent rate levies as applied to the growth in assessed value within the District. Table 7 shows projected taxes foregone to all overlapping taxing jurisdictions.

Table 7. Tax Increment Revenues Foregone

Tax Increment Revenues Foregone 2014-2022	Total	Present Value to 2014
Permanent Rates		
City	\$260,715	\$186,869
County	247,409	177,332
Metro	5,503	3,944
Port	3,993	2,862
E Mult Soil	5,696	4,083
Parkrose	278,579	199,673
Mt. Hood	28,008	20,075
Mult ESD	26,066	18,683

Table 8 shows projected tax revenues generated on the Incremental Assessed Value of the district that are allocated to overlapping taxing jurisdictions through revenue sharing.

Table 8. Shared Revenues

Shared Revenues 2014-2021	Total	Present Value to 2014
Permanent Rates		
City	\$194,152	\$126,475
County	184,243	128,421
Metro	4,098	2,856
Port	2,974	2,073
E Mult Soil	4,242	2,957
Parkrose	207,455	144,600
Mt. Hood	20,857	14,538
Mult ESD	19,411	13,530

Table 9 shows the increase in permanent rate levy revenues that would occur after termination of the tax increment financing in FY 2022/23.

Table 9. Tax Increment Revenues Fully Regained

Tax Increment Revenues Fully Regained - 2023	Amount (nominal)	Present Value to 2014
Permanent Rates		
City	\$32,028	\$16,281
County	30,393	15,451
Metro	676	344
Port	491	249
E Mult Soil	700	356
Parkrose	34,223	17,397
Mt. Hood	3,441	1,749
Mult ESD	3,202	1,628

X. Relocation Report

There are no businesses or residents to be relocated.

XI. Compliance with Statutory Limits on Assessed Value and Acreage in Urban Renewal Areas

ORS 457.420 requires that urban renewal areas not exceed 15% of the total assessed value or 15% of the total land area of the City. Table 10 shows that the Plan is in compliance with ORS 457.420. This District is being planned concurrently with five other NPI districts. This table makes the assumption that all six districts are adopted on or around the same timeframe.

Table 10. Compliance with Statutory Limits on Assessed Value and Acreage

	Frozen Base Assessed Value	Acres
Total City of Portland²	\$ 43,634,351,239	92,768.0
Existing Urban Renewal Areas:		
Airport Way	\$124,710,302	1,841.4
Central Eastside	\$224,626,739	692.3
Downtown Waterfront	\$55,674,313	233.1
Gateway Regional Center	\$307,174,681	658.5
Interstate Corridor ³	\$1,290,430,925	3,990.0
Lents Town Center	\$736,224,033	2,846.3
North Macadam	\$192,609,397	401.9
Oregon Convention Center ⁴	\$248,951,143	410.0
River District	\$461,577,974	351.2
South Park Blocks	\$376,066,574	156.3
Willamette Industrial	\$481,443,135	755.5
Total Existing Urban Renewal Areas	\$4,499,489,216	12,336.5
% City in Existing Urban Renewal Areas	10.3%	13.3%
Proposed Neighborhood Prosperity Initiative Urban Renewal Areas:		
42nd Avenue	\$81,011,867	136.2
Cully Blvd	\$81,000,273	164.6
Parkrose	\$80,493,774	142.6
Rosewood	\$78,774,383	135.6
Division – Midway	\$80,201,117	115.9
82nd Avenue and Division	\$81,523,638	108.8
Total Proposed Urban Renewal Areas	\$483,005,052	803.7
Combined Total - Existing and Proposed	\$4,982,494,268	13,140.2
% City in Existing and Proposed Urban Renewal Areas	11.4%	14.2%

² Total City of Portland AV less incremental AV in Urban Renewal Areas (OMF)

³ Frozen base value represents AV added to ICURA in July 2011 amendment. Actual frozen base will be determined by the County Assessor. Acreage reflects July 2011 amendment.

⁴ Frozen base value represents 11/12 OCC Frozen Base and is overstated for estimation purposes. As a result of the 20th Amendment to OCC (July 2011), the reduced frozen base will be determined by the County Assessor. Acreage reflects 20th Amendment.

RESOLUTION NO. 6926

RESOLUTION TITLE:

ACCEPTING THE PROPOSED PARKROSE NEIGHBORHOOD PROSPERITY INITIATIVE URBAN RENEWAL PLAN AND DIRECTING THAT THE PLAN BE SUBMITTED TO THE PLANNING AND SUSTAINABILITY COMMISSION FOR RECOMMENDATION AND THEREAFTER TO THE PORTLAND CITY COUNCIL FOR APPROVAL


Adopted by the Portland Development Commission on March 12, 2012

PRESENT FOR VOTE	COMMISSIONERS	VOTE		
		Yea	Nay	Abstain
<input checked="" type="checkbox"/>	Chair Scott Andrews	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Commissioner Aneshka Dickson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Commissioner John Mohlis	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	Commissioner Steven Straus	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	Commissioner Charles Wilhoite	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Consent Agenda		<input checked="" type="checkbox"/> Regular Agenda		

CERTIFICATION

The undersigned hereby certifies that:

The attached resolution is a true and correct copy of the resolution as finally adopted at a Board Meeting of the Portland Development Commission and as duly recorded in the official minutes of the meeting.

	Date: <p style="text-align: center;">June 13, 2012</p>
Emily Swensen, Recording Secretary	