

PDC

PORTLAND DEVELOPMENT COMMISSION

DATE: December 10, 2008

TO: Board of Commissioners

FROM: Bruce A. Warner, Executive Director

SUBJECT: Report Number 08-140
Authorize initiation of a "North/Northeast Study" of Interstate Corridor and Oregon Convention Center urban renewal areas and plans

EXECUTIVE SUMMARY

BOARD ACTION REQUESTED

Adopt Resolution No. 6655

ACTION SUMMARY

This action item authorizes the Executive Director to initiate a study of the Interstate Corridor (Interstate) and Oregon Convention Center (OCC) Urban Renewal Plans which would include research on current and future investments in the areas.

PUBLIC BENEFIT

This process may examine boundary adjustments in the districts which would potentially allow those areas outside the current urban renewal area to benefit from inclusion. The study will also examine the removal of areas from the current boundaries, such as right-of-way and undevelopable land which would increase the citywide acreage that could be included in an urban renewal area. The maximum indebtedness will be analyzed in these areas to determine if financial capacity is sufficient to achieve the known projects and objectives of the areas. The study will also examine a possible extension of the last date to issue bonded indebtedness in order to complete major projects.

This action will support the following PDC goals:

- Develop healthy neighborhoods
- Provide access to quality housing
- Help businesses to create and sustain quality jobs
- Support a vibrant Central City (urban core)
- Contribute to a strong regional economy

PUBLIC PARTICIPATION AND FEEDBACK

A public participation plan is in preparation to inform and educate stakeholders and the general public on the impacts regarding this action. The plan calls for working with the Urban Renewal Advisory Committees, Neighborhood Associations, Business Associations and other community organizations. Public input will be gathered through a variety of tools

such as community meetings, website, and stakeholder interviews. A summary report will be included as part of any further actions.

COMPLIANCE WITH ADOPTED PLANS AND POLICIES

Public participation activities will be carried out in accordance with the Public Participation Policy adopted by the Board on June 22, 2005 (Resolution 6266).

FINANCIAL IMPACT

The budget required for analysis and then development of the amendment process is included in the Adopted 2008-2009 Budget. Financial implications of various amendments will be part of the final study report. .

RISK ASSESSMENT

No significant risks identified.

WORK LOAD IMPACT

Staff resources would be required from each of the urban renewal areas for public outreach as well as data gathering and summation. Consultants will be used to conduct financial analysis and stakeholder interviews. Additional temporary staffing is part of the Adopted 2008-2009 Budget.

ALTERNATIVE ACTIONS

Amendment to existing urban renewal plans is the only alternative PDC has to extending or expanding the use of urban renewal resources and tools to these areas for additional projects and activities beyond those to be funded under the current plans. Other city resources and tools (such as local improvement districts) are also conceivably available to fund programs and improvements.

CONCURRENCE

This study is an extension to the previously approved study of central city and neighborhood urban renewal areas which came from a recommendation from the PDC/City Council Budget Work Group. The Chairs of both the Interstate and OCC Urban Renewal Advisory Committees have been notified of the study and agree that it should occur. The Executive Team has been briefed on the study and is in concurrence with the study.

BACKGROUND

The Interstate Corridor Urban Renewal Plan was adopted by City Council in August, 2000 (Ordinance #174829). Plan goals include implementing the Albina Community Plan, providing light rail, revitalizing main arterials, and increasing home ownership.

The Oregon Convention Center Urban Renewal Plan was adopted by City Council in May, 1989 (Ordinance #161925). The boundary was amended in 1993, in response to the adoption of the Albina Community Plan to include NE Martin Luther King, Jr. Boulevard from Russell Street to Rosa Parks Way. Plan goals include maximizing regional job generation and targeting jobs to North and Northeast Portland residents.

On May 23, 2007, the Board approved Resolution 6474 initiating a study of all eleven urban renewal areas over time. This effort is known as the Future of Urban Renewal. To date, studies have been performed on Central Eastside, Downtown Waterfront, South Park Blocks, River District, and Lents Town Center URAs. Amendments have been passed for all five districts.

The North/Northeast Study, which will take place during the 2008-09 fiscal year, will include an analysis of past and planned investment plans, possible boundary adjustments and priorities for investments in the Oregon Convention Center and Interstate Corridor Urban Renewal Areas. The North/Northeast Study will be conducted in partnership with the community to ensure the investments made by the Portland Development Commission (PDC) enhance livability and economic opportunity with the two urban renewal areas and the city at-large.

ATTACHMENTS:

- A. URA Financial Summary
- B. Project Summary
- C. Map of Study Areas

URA FINANCIAL SUMMARY

Financial Summary

Fund Summary - Five-Year Budget Projections

	<i>Revised FY 2007-08</i>	<i>Adopted FY 2008-09</i>	<i>FY 2009-10 Forecast</i>	<i>FY 2010-11 Forecast</i>	<i>FY 2011-12 Forecast</i>	<i>FY 2012-13 Forecast</i>
Interstate Corridor URA						
Resources						
Beginning Fund Balance	2,526,737	528,171	918,839	774,599	539,000	170,684
Interest - City Invest Pool	40,000	40,000	20,000	20,000	20,000	0
Loans - Interest Earned	79,840	60,120	53,559	1,156,384	46,897	38,748
Loans - Principal Collection	552,000	710,120	53,559	1,156,384	46,897	38,748
Real Property Sales	600,000	1,120,000	2,511,000	0	0	0
Reimbursement	1,272	0	0	0	0	0
Rent and Property Income	4,617	0	0	0	0	0
Tax Increment - L-T Debt	7,133,047	21,847,566	7,992,000	6,493,500	3,196,800	4,995,000
Tax Increment - S-T Debt	5,889,075	5,994,000	5,078,737	5,704,600	5,994,000	5,994,000
Total Fund Resources	16,826,588	30,299,977	16,627,694	15,305,467	9,843,594	11,237,180
Requirements						
Project Expenditures (does not include Personal Services or Indirect Cost)						
Development						
19018 - Interstate Redevelopment	199,606	291,000	481,000	1,521,000	870,000	870,000
19019 - Interstate DOS Program	271,247	300,000	300,000	300,000	300,000	300,000
19020 - Interstate Streetscape Improve	2,169,944	4,872,000	2,581,000	300,000	0	800,000
19021 - Interstate Trans Improvements	190,066	150,000	75,000	75,000	75,000	175,000
19023 - Interstate Community Liv.	300,000	300,000	300,000	300,000	300,000	300,000
19038 - Interstate Parks	1,011,000	815,000	755,000	1,005,000	505,000	505,000
19048 - Downtown Kenton Redev	25,000	100,000	800,000	1,500,000	700,000	700,000
19049 - IC Redevelopment Loan Program	400,000	400,000	400,000	400,000	400,000	400,000
Development Total	4,566,863	7,228,000	5,692,000	5,401,000	3,150,000	4,050,000
Economic Development						
19026 - IC Storefront Grants	540,333	400,000	400,000	400,000	400,000	400,000
70019 - IC Business Finance	1,725,000	1,350,000	1,385,000	1,850,000	1,750,000	1,750,000
70257 - IC Business Retent & Asst	80,900	20,000	50,000	0	0	0
70275 - Killingsworth Block Fin Asst	0	0	900,000	0	0	0
70556 - IC Community Ec Dev	0	275,000	0	0	0	0
Economic Development Total	2,346,233	2,045,000	2,735,000	2,250,000	2,150,000	2,150,000
Housing						
19025 - IC Aff Rental Housing	200,000	970,000	1,500,000	1,500,000	502,000	502,000
31043 - Interstate Home Repair	555,618	500,000	300,000	300,000	300,000	300,000
33419 - Interstate Homebuyer Asst	400,000	450,000	450,000	450,000	450,000	450,000
33431 - IC Aff Homeownership Dev	566,577	1,290,423	500,000	500,000	500,000	500,000
34606 - Killingsworth Block	450,000	4,760,000	706,000	996,000	0	0
34612 - Patton Park Aff. Rental Hsg	1,415,000	3,055,000	0	0	0	0
34613 - Shaver Green	1,036,556	1,063,444	0	0	0	0
37919 - IC Hsg Policy/Planning	31,902	5,000	5,000	5,000	5,000	5,000
37928 - Vanport Phase II Housing	79,255	0	0	0	0	0
37931 - IC HAP Aff Hmownrshp/Acq	0	2,511,000	0	0	0	0
37932 - IC HAP Aff Ownrshp/Rehab	0	550,000	0	0	0	0
Housing Total	4,734,908	15,154,867	3,461,000	3,751,000	1,757,000	1,757,000
Central Services						
59148 - IC Debt Management	17,655	18,537	19,464	20,438	21,459	22,532
Central Services Total	17,655	18,537	19,464	20,438	21,459	22,532
Executive						
60040 - IC Eastside/Central City Plan	0	75,000	75,000	0	0	0
Executive Total	0	75,000	75,000	0	0	0

Financial Summary

Fund Summary - Five-Year Budget Projections

	<i>Revised FY 2007-08</i>	<i>Adopted FY 2008-09</i>	<i>FY 2009-10 Forecast</i>	<i>FY 2010-11 Forecast</i>	<i>FY 2011-12 Forecast</i>	<i>FY 2012-13 Forecast</i>
Convention Center URA						
80029 - Affordable Homeownership	850,000	0	0	0	0	0
80042 - Miracles Club	0	1,500,000	1,600,000	0	0	0
Housing Total	2,413,364	4,014,769	3,951,877	2,000,000	900,000	0
Central Services						
59163 - OCC Debt Management	23,540	24,717	25,953	27,250	28,613	30,044
Central Services Total	23,540	24,717	25,953	27,250	28,613	30,044
Executive						
60039 - OCC Eastside/Central City Plan	0	75,000	57,000	0	0	0
Executive Total	0	75,000	57,000	0	0	0
Total Project Expenditures	10,278,263	14,414,245	9,649,830	4,632,250	2,233,613	1,325,044
Indirect Cost	3,507,342	3,233,012	2,131,992	1,336,121	603,167	339,170
Total Fund Expenditures	13,785,605	17,647,257	11,781,822	5,968,371	2,836,780	1,664,214
Contingency	4,443,340	829,457	1,258,123	1,496,844	57,166	5,859
Ending Fund Balance	0	0	0	0	0	0
Total Requirements	18,228,945	18,476,714	13,039,945	7,465,215	2,893,946	1,670,073

PROJECT SUMMARY

Project Name: N/NE Study

Description: The N/NE Study will include an analysis of past and planned investment plans, possible boundary adjustments and priorities for investments. The N/NE Study will be conducted in partnership with the community to ensure the investments of the next 50 years further enhance the livability and economic opportunity with the two urban renewal areas and the city at-large.

Location: N/NE Portland

URA: Interstate Corridor and Oregon Convention Center

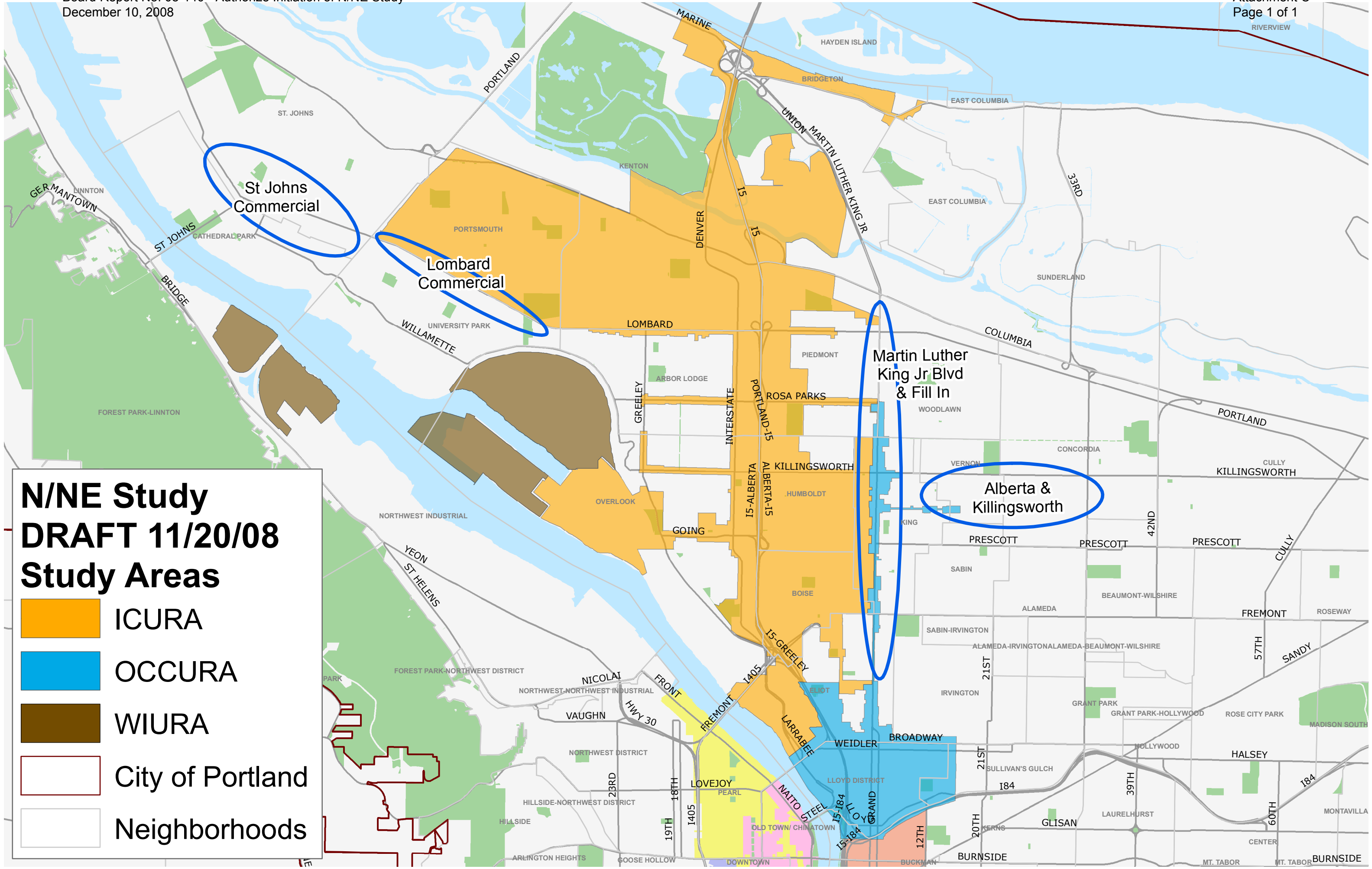
Current Phase: Financial Analysis

Next Milestone: Receive Final Financial Analysis in March 2009


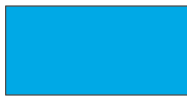



Completion Target: Determine whether to proceed with amendments, April 2009. If proceeding with amendments, complete amendment process March 2010

Outcome: URA Plan Amendments if necessary

Site/Project Map:



N/NE Study DRAFT 11/20/08 Study Areas

-  ICURA
-  OCCURA
-  WIURA
-  City of Portland
-  Neighborhoods