

PDC

PORTLAND DEVELOPMENT COMMISSION

DATE: June 8, 2011

TO: Board of Commissioners

FROM: Patrick Quinton, Executive Director

SUBJECT: Report Number 11-39
Twentieth Amendment to the Oregon Convention Center Urban Renewal Plan and Amended and Restated Interstate Corridor Urban Renewal Plan

EXECUTIVE SUMMARY

BOARD ACTION REQUESTED

Approve Resolution No. 6882

Approve Resolution No. 6883

ACTION SUMMARY

After more than two years of outreach and public meetings as part of the North/Northeast Economic Development Initiative, a set of recommendations from the Community Advisory Committee would be implemented through two actions.

These actions will approve two related amendments, the Twentieth Amendment to the Oregon Convention Center Urban Renewal Plan (OCC Amendment) and the Amended and Restated Interstate Corridor Urban Renewal Plan (ICURA Amendment). The OCC Amendment removes approximately 185 acres north of Broadway/Schuyler from the Oregon Convention Center Urban Renewal Area (OCCURA). The OCC Amendment is a minor amendment and can be effective upon adoption by the PDC Board of Commissioners (Board).

The ICURA Amendment expands the Interstate Corridor Urban Renewal Area (ICURA) by approximately 186 net acres (415 acre expansion and 230 acre removal). Expansion areas include the property proposed for removal from OCCURA by the OCC Amendment, additional property along Martin Luther King Jr. Blvd, portions of Alberta and Killingsworth, the south side of Lombard Street and the St. Johns Town Center, including Roosevelt High School. This amendment also removes approximately 230 acres of undevelopable right-of-way along Interstate 5 and the Columbia Slough. The ICURA Amendment is a substantial amendment and must be approved by Portland City Council (Council) after adoption by the Board and subsequent recommendation by the Planning and Sustainability Commission (PSC).

PUBLIC BENEFIT

These amendments allow areas including portions of the St. Johns Town Center, Lombard St., Alberta St. and Killingsworth St., to take advantage of PDC's redevelopment, economic

development and housing programs. These amendments also allow for the property owners along Martin Luther King Jr. Blvd. which are currently in the OCCURA to continue to access tax increment resources.

This action will support the following PDC goals:

- Strong Economic Growth and Competitiveness
- Sustainability and Social Equity
- Healthy Neighborhoods
- A Vibrant Central City
- Effective Stewardship over our Resources and Operations, and Employee Investment

PUBLIC PARTICIPATION AND FEEDBACK

These actions are a culmination of extensive public participation. The effort included PDC-funded technical assistance agreements with each of the four minority chambers of commerce, the National Association of Minority Contractors of Oregon, and the Metropolitan Contractors Improvement Partnership. Drawing on their expertise, PDC developed an extensive public participation strategy. Additionally, PDC worked with CH2A and Associates, who contacted more than 500 community residents, performed cultural and community-specific outreach, which resulted in a series of interviews and reports. In 2009, on behalf of PDC, State Representative Lew Frederick and Sue Hagmeier, both of consulting firm NW Ideas, conducted over 40 stakeholder interviews to begin the formal process to amend the two urban renewal areas.

In August 2009, the Mayor convened the North/Northeast Economic Development Initiative Community Advisory Committee (CAC) which was comprised of representatives from the community who reflected a wide spectrum of perspectives and held important historical knowledge to provide a framework for the decision-making process. Representatives included the Interstate Corridor and Oregon Convention Center Urban Renewal Advisory Committees, Chambers of Commerce, minority contractors and developers, business owners and area residents, Neighborhood Associations, Portland Community College, Multnomah County, Portland Public Schools, and others, 21 in total (see Attachment A for the full CAC Roster). The charge of the CAC was to advise the PDC Board on possible boundary adjustments and priorities for investments in the ICURA and OCCURA. Twelve public meetings held between August 2009 and May 2010 attracted an average of 60-75 members of the community at each meeting. In addition, PDC kept stakeholders and members of the community informed and involved through email notification, an interactive web page, the use of Facebook, Twitter, YouTube, Blip TV (which allowed people to watch the CAC meetings online), and re-broadcasting of meetings on public access television.

During the CAC meetings, discussion concluded that there was no need to increase maximum indebtedness given ICURAs current capacity of more than \$200 million. Additionally, debate occurred on whether or not to include the Rose Quarter area in the ICURA expansion. Mayor Adams asked that the CAC not consider this as an expansion area until an actual development proposal emerged. In March of 2011, the Mayor directed PDC to proceed with expanding ICURA without the inclusion of properties south of Broadway (Rose Quarter). The CAC did however make a recommendation to the Rose

Quarter Stakeholder Advisory Committee, asking that they require a community benefits agreement be developed for the potential development.

After considering public input, the CAC voted to approve recommendations regarding policy issues and boundary adjustments for the ICURA and OCCURA, with no opposing votes. These recommendations were brought to the PDC Board on July 26, 2010 (Report 10-71). The proposed amendments reflect the URA boundary adjustment recommendations from the CAC.

PDC held additional meetings in the community including the Interstate Corridor and Oregon Convention Center URACs, Eliot Neighborhood Association, St. Johns Neighborhood Association and Main Street Coalition, Martin Luther King Jr. Blvd Advisory Committee, the African American Alliance, and NAYA. PDC placed ads in local newspapers and provided project updates through regular media releases. Feedback was collected in the form of comment cards available at all public meetings, online feedback through the study website, and a request log used to track questions and comments during the CAC meetings.

In addition to the CAC vote, both the OCC and ICURA Urban Renewal Advisory Committees took positions on the expansion areas. On November 3, 2010, the Interstate Corridor URAC submitted a letter to PDC opposing all expansion areas with the exception of the south side of Lombard. See Attachment B for details. On April 11, 2011, the OCC URAC voted to provide a letter of support for the OCC Amendment (Attachment C). Additionally, Portland Public Schools has provided a letter of support for the ICURA expansion (Attachment D).

A notice will be sent in June to all owners of real property within the City of Portland notifying them of the City Council hearing on these proposed recommendations, as required by ORS 457.120.

In addition to the above, PDC staff report that the outreach plan for the N/NE Economic Development Initiative was submitted to the Cascade Chapter of the International Association of Public Participation USA and has been selected as one of three winners. It is important to note that because of this award, the N/NE Economic Development Initiative will receive nationwide recognition.

COMPLIANCE WITH ADOPTED PLANS AND POLICIES

These actions are in compliance with ORS 457. The OCC Amendment is a minor amendment according to the OCC Urban Renewal Plan, and as such, requires the approval of the PDC Board. The ICURA Amendment is a substantial amendment, and as required by ORS 457.220 must be approved in the same manner as the original plan.

The Bureau of Planning and Sustainability has made extensive findings that the ICURA Amendment is consistent with the Portland Comprehensive Plan and other local Council-approved plans. In addition, PDC staff prepared findings which demonstrate concurrence with the City of Portland Economic Development Strategy. These findings are included as part of the Amended and Restated Interstate Corridor Urban Renewal Plan. Investments in the amended ICURA boundary will also further the goals of the recently adopted Neighborhood Economic Development Strategy.

FINANCIAL IMPACT

These actions will allow for the continuation of tax increment funds to be spent along Martin Luther King Jr. Blvd and to be invested in new areas where PDC has received specific community requests. These actions have no impact on the ability of ICURA to fund existing community-identified priorities, including the Gem list.

OCCURA will receive an estimated \$3.9 million in exchange for real estate assets transferred to ICURA. The City of Portland's Office of Management and Finance has performed an analysis showing that the removal of property from OCCURA will not affect the ability to pay off existing debt (see Appendix A of the Report on the OCC Amendment).

If the ICURA Amendment is adopted, there will be an increase in the forecasted tax increment capacity from approximately \$202 million to \$224 million, allowing ICURA to reach its existing maximum indebtedness of \$335 million by FY 2022/23. A budget amendment will be necessary following the approval of these amendments in order to allow projects in the expansion areas to be funded, as well as to transfer funds to OCCURA for the real estate assets being transferred to ICURA.

RISK ASSESSMENT

There are no significant risks associated with the OCC Amendment and the ICURA Amendment.

WORK LOAD IMPACT

No impact to staff workload is anticipated given the OCC Amendment.

The ICURA Amendment, which brings new property into the URA, will likely bring new projects and programmatic funding opportunities, requiring more staff time.

ALTERNATIVE ACTIONS

If the OCC Amendment is not approved, priority projects along Martin Luther King Jr. Blvd may require alternative financing in order to proceed.

If the ICURA Amendment is not approved, PDC would not be able to respond to community requests for funding in the proposed expansion areas.

CONCURRENCE

The CAC voted in May 2010 and recommended that PDC expand ICURA into all of the proposed areas represented in these amendments, with no votes in opposition. Both URACs weighed in on the amendments. See the Public Participation section above and Attachments B and C for details.

As required by ORS 457.085, PDC consulted and conferred with affected taxing jurisdictions. See Attachment G for additional information provided to these jurisdictions.

The ICURA Amendment will be presented to the PSC for recommendation to the City Council, currently scheduled for June 28, 2011. City Council approval is also required of the ICURA Amendment, and a hearing is currently scheduled for July 20, 2011.

BACKGROUND

The Oregon Convention Center Urban Renewal Plan was adopted by City Council in May 1989 (Ordinance No. 161925). The boundary was amended in 1993, in response to the adoption of the Albina Community Plan, to include Martin Luther King Jr. Blvd from Russell Street to Rosa Parks Way. Plan goals include maximizing regional job generation and targeting jobs to North and Northeast Portland residents.

The Interstate Corridor Urban Renewal Plan was adopted by City Council in August 2000 (Ordinance No. 174829). There were subsequent amendments to the plan area to add acreage and acquire individual properties for redevelopment. Plan goals include support of the Interstate Avenue light rail line and station area redevelopment; including housing and revitalization as envisioned in the Albina Community Plan.

On May 23, 2007, the Board adopted Resolution No. 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, Lents Town Center, and Airport Way URAs. Amendments have been adopted for all six districts.

The North/Northeast Economic Development Initiative was authorized on December 10, 2008 by Resolution No. 6655. The study included an analysis of past and planned investments, possible boundary adjustments and priorities for investments in the ICURA and OCCURA.

In August 2009, after an initial financial analysis was complete, the Mayor convened the CAC, chaired by Commissioner Wilhoite, to examine several key issues in the ICURA and OCCURA. The N/NE CAC held a series of twelve meetings (August 2009 to May 2010) to review project priorities and make recommendations to PDC on possible boundary adjustments and priorities for investments in the ICURA and OCCURA. These meetings, which were widely attended by members of the community, resulted in a CAC voted to approve recommendations to the PDC, which are the basis of the proposed amendments to the ICURA and OCCURA Plans.

ATTACHMENTS:

- A. N/NE Community Advisory Committee Roster
- B. Letter from Interstate Corridor URAC
- C. Letter of Support from Oregon Convention Center URAC
- D. Letter of Support from Portland Public Schools
- E. Interstate Corridor URA Financial Summary
- F. Oregon Convention Center URA Financial Summary
- G. Information Packet Sent to Taxing Jurisdictions

N/NE Community Advisory Committee Roster

Sara Carlin Ames – Portland Public Schools

Gale Castillo – Hispanic Metropolitan Chamber

Paige Coleman – Northeast Coalition of Neighborhoods

Jonath Colon – Small Business Representative

James Faison – National Association of Minority Contractors (NAMCO)

Dr. Algie Gatewood – Portland Community College

Jorge Guerra – Oregon Association of Minority Entrepreneurs (OAME)

Damien Hall – OCCURAC Vice Chair

Roslyn Hill – Roslyn Hill Development

Sheila Holden – ICURAC Co-Chair

J. Isaac – Portland Trailblazers

Roy Jay – African American Chamber of Commerce

Robert McKean – Albina Community Bank

Marissa Madrigal – Multnomah County

Traci Manning – OCCURAC Chair

Tracy Menasco – North Portland Business Association

Skip Newberry – Office of Mayor Sam Adams

Joice Taylor – North Northeast Business Association

Walter Valenta – ICURAC Co-Chair

Abigail Webb – New Columbia resident

Charles Wilhoite – Portland Development Commission (Chair of Committee)

Letter from Interstate Corridor URAC



www.pdc.us

J. Scott Andrews
Commissioner Chair

Aneshka Dickson
Commissioner

John C. Mohlis
Commissioner

Steven Straus
Commissioner

Charles A. Wilhoite
Commissioner

Sam Adams
Mayor

Bruce A. Warner
Executive Director

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Fifth Avenue
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November 3, 2010

Mr. Charles Wilhoite
Chairman of the N/NE Economic Development Initiative
222 NW Fifth Avenue
Portland, OR 97210

Dear Mr. Wilhoite:

The members of the Interstate Corridor Urban Renewal Advisory Committee (ICURAC) have followed the work of the N/NE Economic Development Initiative Community Advisory Committee (NEDICAC) with great interest. The co-chairs of the ICURAC sat on the committee and many members attended and testified at the Community Advisory Committee meetings. The ICURAC also discussed the recommendations made by the NEDICAC for the expansion of the boundaries of the urban renewal area (URA) at three meetings that took place in July, September and October of this year.

At their October 19, 2010 meeting, twelve of the sixteen URAC members voted to maintain the 2000 ICURA boundaries. These members felt that during the first ten years of the existence of the urban renewal area the majority of funds available for community redevelopment were dedicated to the Interstate Light Rail Project and the New Columbia Project. Now that the URA has funding available it should be spent on community projects that were delayed because of those projects. The ICURAC has identified its top priority projects in the GEM List created in 2008. However there are other important needs to be accomplished and the ICURAC does not want to be limited to only projects on the GEM List. Fifteen of the sixteen members of the ICURAC voted to expand the GEM list to include these additional community needs.

The ICURAC believes that expanding the boundaries of the URA will prevent the current URA from reaching its full potential and will leave many community members disappointed. The one exception to this is the recommendation to add the south side of Lombard Street into the URA. Fifteen of the sixteen ICURAC members voted to include this area because they believe it was an error not to have included it in 2000 when the original URA was created. Based on the information available to them, fifteen of the sixteen ICURAC members vote to not include the Rose Quarter in the IC URA at this time.

Thank you for your consideration of our recommendations.

Sincerely,

ICURAC Co-Chair Christine Duffy

ICURAC Co-Chair Walter Valenta

Cc PDC Board of Commissioners
Portland City Council

Letter of Support from Oregon Convention Center URAC

Portland Development Commission
222 NW Fifth Avenue
Portland OR 97209

May 4, 2011

Chair Scott Andrews
Commissioner Aneshka Dickson
Commissioner John Mohlis
Commissioner Steven Straus
Commissioner Charles Wilhoite

RE: Support for Oregon Convention Center Amendments

On April 11, 2011, PDC staff presented the Oregon Convention Center Urban Renewal Advisory Committee (URAC) a preview of three upcoming amendments to the Oregon Convention Center Urban Renewal Plan.

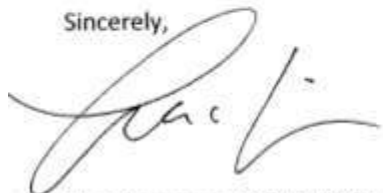
From our understanding these amendments achieve the following:

- The 18th Amendment: Is essentially a "housekeeping" action which makes certain types of amendments more efficient.
- The 19th Amendment: Allows tax increment resources to be invested in the Veterans Memorial Coliseum.
- The 20th Amendment: Removes property along Martin Luther King Jr. Blvd. with the intention of transferring it into the Interstate Corridor Urban Renewal Area in order to continue investment along the corridor.

This letter is intended to convey our support for all three amendments.

During the briefing, staff also reviewed a proposal to remove right-of-way from the district. The URAC felt the Sullivan's Gulch area adjacent to Interstate 84 and Interstate 5 should remain in the district to preserve the opportunity to extend the 40-mile loop trail. We understand PDC staff heard these concerns and will leave this right-of-way in the district to allow for potential funding opportunities.

Sincerely,

A handwritten signature in black ink, appearing to read 'Traci Manning', written in a cursive style.

Traci Manning, OCC URAC Chair

Letter of Support from Portland Public Schools



PORTLAND PUBLIC SCHOOLS

501 North Dixon Street / Portland, OR 97227
Telephone: (503) 916-3200 / Fax: (503) 916-3110
Mailing Address: P. O. Box 3107/97208-3107
Email: cssmith1@pps.k12.or.us

Carole Smith
Superintendent

OFFICE OF THE SUPERINTENDENT

May 23, 2011

To the Portland Development Commission (PDC) and the Portland City Council:

Thank you for including Portland Public Schools in the valuable process that has led to these recommended expansions to the Interstate Corridor Urban Renewal Area now before you.

Our representative on the North/Northeast Economic Development Initiative Committee supported these expansions in committee, and Portland Public Schools continues to support this action.

These amendments focus tightly on neighborhood commercial districts and businesses in Portland neighborhoods with amongst the highest unemployment and the greatest need for investment. We support that focus, especially given the PDC's commitment to reach out to ensure that the disadvantaged business owners and residents of the area have full access to these opportunities.

Portland Public Schools believes that our families and community benefit from urban renewal: Through creation of family-wage jobs, affordable family housing, Safe Routes to Schools, livable neighborhoods and ultimately an increased tax base.

Urban renewal does have an impact on our school finances. Across all urban renewal areas, Portland Public Schools is directly forgoing \$6.6 million in local tax revenue in 2010-11, with an additional \$19.6 million forgone in PPS taxes collected toward the State School Fund.

The PDC projects that the Interstate Corridor URA's expansion will add a total of \$5.4 million forgone over the next 15 tax years. At the same time, it is worth noting that the total cost of the urban renewal area – its maximum debt – is not expanded. By increasing tax increment funds to the PDC but not increasing debt, the amendments should accelerate the urban renewal projects and pay them off sooner. That would allow the properties to return to the tax rolls to benefit all local taxing jurisdictions earlier. We see that as an ultimate benefit to PPS and the community.

Throughout this process, representatives of the city and the PDC have recognized and supported the role that healthy public schools play in creating vital neighborhoods, expanding educational and employment opportunities and as centers of community. With this proposed expansion, the Interstate Corridor URA—now home to 10 PPS school sites—will also include Roosevelt High School, long a pillar of the St. Johns community. We very much appreciate that advocacy for our students and our schools and look forward to our continued work with the PDC and the City of Portland to increase educational success and enhance our city's neighborhoods.

Sincerely,

Carole Smith
Superintendent

Interstate Corridor URA Financial Summary

Financial Summary

Fund Summary - Five-Year Budget Projections

	Revised FY 2010-11	Proposed FY 2011-12	Forecast FY 2012-13	Forecast FY 2013-14	Forecast FY 2014-15	Forecast FY 2015-16
Interstate Corridor URA						
Resources						
Beginning Fund Balance	2,392,256	8,947,838	3,649,884	250,148	543,034	686,340
Fees and Charges	0	0	0	0	0	0
Interest on Investments	20,000	20,000	20,000	20,000	20,000	20,000
Loan Collections	1,391,951	3,499,287	240,756	215,712	165,888	155,124
Miscellaneous	0	0	0	0	0	0
Property Income	2,440,000	500,000	0	0	0	0
Reimbursements	0	0	0	0	0	0
TIF Proceeds	31,950,445	10,195,290	8,589,911	10,279,055	10,692,000	5,834,853
Total Resources	38,194,652	23,162,415	12,500,551	10,764,915	11,420,922	6,696,317
Requirements						
Program Expenditures						
Business Development						
Business Lending						
H28059 Manufacturing Investment Fund	0	200,000	200,000	200,000	200,000	200,000
H61008 Killingsworth Station Commercial	0	902,656	0	0	0	0
H79020 Business Finance	1,825,000	1,230,000	1,230,000	1,230,000	1,230,000	1,230,000
Cluster Industry Development						
H28069 Lean Manufacturing	0	70,000	70,000	70,000	70,000	70,000
H28070 Green Innovation Park	0	200,000	0	0	0	0
H72026 Cluster Development	380,000	100,000	100,000	100,000	100,000	100,000
H79100 Site Recruitment	0	42,750	42,750	42,750	0	0
Small Business & Entrepreneurship						
H72030 Neighborhood Economic Development	50,000	75,000	75,000	75,000	75,000	75,000
Business Development Total	2,255,000	2,820,406	1,717,750	1,717,750	1,675,000	1,675,000
Housing						
PHB Housing						
H20027 PCRI Scattered Sites 2 (NOFA)	0	400,000	0	0	0	0
H34606 Killingsworth Station	0	850,000	0	0	0	0
H37932 HAP Afford Ownership/Rehab	602,000	195,000	0	0	0	0
H38711 Habitat for Humanity - Homeownership	211,750	0	0	0	0	0
H38712 Woolsey Corner Homeownership Dev	480,857	0	0	0	0	0
H89010 Home Repair Projects	587,953	587,953	587,953	587,953	587,953	587,953
H89020 Home Buyer Assistance	201,727	500,000	500,000	500,000	500,000	0
H89030 Affordable Rental Housing	0	250,000	0	0	1,500,000	0
H89035 Homeownership Development	0	0	500,000	500,000	500,000	0
H89046 PCRI Home Ownership Development	625,796	0	0	0	0	0
H89047 Bridge Meadows	1,318,722	0	0	0	0	0
H89048 Ainsworth Court	0	1,400,000	0	0	0	0
Housing Total	4,028,805	4,182,953	1,587,953	1,587,953	3,087,953	587,953

Financial Summary
Fund Summary - Five-Year Budget Projections

	Revised FY 2010-11	Proposed FY 2011-12	Forecast FY 2012-13	Forecast FY 2013-14	Forecast FY 2014-15	Forecast FY 2015-16
Infrastructure						
Parks						
H19038 Interstate Parks	1,370,000	0	0	0	0	0
H28073 Bridgeton	0	1,000,000	700,000	0	0	0
H28074 Dawson Park	0	500,000	400,000	500,000	0	0
H28075 Small Scale Improvements	0	100,000	100,000	30,000	0	0
Transportation						
H19020 Interstate Streetscape Improvements	1,549,999	0	0	0	0	0
H19021 Interstate Trans Improvements	1,133,850	200,000	200,000	200,000	200,000	200,000
H28076 Denver Streetscape	0	15,000	15,000	0	0	15,000
H28077 Killingsworth Streetscape	0	1,000,000	1,000,000	0	0	0
H28078 Lombard Streetscape	0	200,000	600,000	1,000,000	1,000,000	0
Infrastructure Total	4,053,849	3,015,000	3,015,000	1,730,000	1,200,000	215,000
Property Redevelopment						
Commercial Real Estate Lending						
H28030 Redevelopment Loan Projects	1,200,000	2,200,000	1,200,000	1,200,000	1,200,000	1,200,000
Community Redevelopment Grants						
H19023 Community Livability Projects	760,000	300,000	300,000	300,000	300,000	400,000
H27001 Storefront Grants	700,000	600,000	600,000	600,000	600,000	600,000
H27050 DOS Grants	300,000	150,000	150,000	150,000	150,000	150,000
H28031 Clean Energy Program	1,000,000	1,500,000	0	0	0	0
H79025 Green Business Grants	200,000	200,000	200,000	200,000	200,000	200,000
Property Redevelopment						
H11601 Community Outreach	0	10,000	10,000	10,000	10,000	10,000
H19016 Interstate Redevelopment	150,000	200,000	500,000	500,000	500,000	500,000
H19046 Kenton Redev Downtown	3,700,000	500,000	250,000	500,000	0	0
H34606 Killingsworth Station	5,013,047	0	0	0	0	0
H61010 Jefferson Plaza	100,000	0	500,000	0	0	0
H70712 Brownfields Redevel	100,000	0	0	0	0	0
Property Redevelopment Total	13,223,047	5,660,000	3,710,000	3,460,000	2,960,000	3,060,000
Administration						
Finance Admin						
H98001 Debt Management	20,438	21,459	22,532	22,532	22,532	22,532
Strategic Planning/Policy & Prgm Dvlpmt						
H60041 Eastside Central City Plan	276,996	0	0	0	0	0
Urban Renewal Plan Area Development						
H60042 N/NE Economic Dev Initiative	127,995	68,440	0	0	0	0
Administration Total	425,431	89,899	22,532	22,532	22,532	22,532
Total Program Expenditures	23,986,132	15,768,258	10,053,235	8,518,235	8,945,485	5,560,485
Personal Services	866,545	934,351	548,438	306,656	322,037	200,177
Transfers - Indirect	3,151,794	2,025,032	1,387,346	1,175,516	1,234,477	767,347
PHB Staff/Admin	1,242,343	764,890	261,384	221,474	232,583	144,573

Financial Summary

Fund Summary - Five-Year Budget Projections

	Revised	Proposed	Forecast	Forecast	Forecast	Forecast
	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Total Fund Expenditures:	29,246,814	19,512,531	12,250,403	10,221,881	10,734,582	6,672,582
Contingency	8,947,838	3,649,884	250,148	543,034	686,340	23,735
Ending Fund Balance	0	0	0	0	0	0
Total Requirements	38,194,652	23,162,415	12,500,551	10,764,915	11,420,922	6,696,317

Oregon Convention Center URA Financial Summary

Financial Summary

Fund Summary - Five-Year Budget Projections

	Revised FY 2010-11	Proposed FY 2011-12	Forecast FY 2012-13	Forecast FY 2013-14	Forecast FY 2014-15	Forecast FY 2015-16
Convention Center URA						
Resources						
Beginning Fund Balance	3,054,495	1,638,487	1,864,342	2,065,828	39,175	303,122
Fees and Charges	0	0	0	0	0	0
Interest on Investments	75,000	50,000	25,000	0	0	0
Loan Collections	527,079	325,000	300,000	300,000	300,000	300,000
Miscellaneous	0	0	0	0	0	0
Property Income	208,000	0	0	0	0	0
Reimbursements	0	0	0	0	0	0
TIF Proceeds	7,495,500	20,495,500	19,198,939	0	0	0
Transfers In	0	0	0	0	0	0
Total Resources	11,360,074	22,508,987	21,388,281	2,365,828	339,175	603,122
Requirements						
Program Expenditures						
Business Development						
Business Lending						
H79020 Business Finance	512,500	500,000	500,000	0	0	0
Cluster Industry Development						
H72026 Cluster Development	0	200,000	200,000	0	0	0
H79022 Business Retention	20,000	0	0	0	0	0
H79100 Site Recruitment	0	38,000	38,000	38,000	0	0
Small Business & Entrepreneurship						
H72030 Neighborhood Economic Development	100,000	100,000	100,000	0	0	0
Business Development Total	632,500	838,000	838,000	38,000	0	0
Housing						
PHB Housing						
H19032 King/Parks Affordable Housing	250,000	1,519,066	0	0	0	0
H80002 MFH - 2nd and Wasco	5,000	0	0	0	0	0
H80003 Lloyd Cascadian Phase II	3,000	0	0	0	0	0
H80026 Grant Warehouse - Affordable Housing	285,392	0	0	0	0	0
H80042 OCC Miracles Club	3,151,863	0	0	0	0	0
H80043 Rose Ctr Afford Rental Housing	89,000	0	0	0	0	0
H89049 McCoy Apartments Rehab	989,455	387,600	0	0	0	0
Housing Total	4,773,710	1,906,666	0	0	0	0
Infrastructure						
Public Facilities						
H25537 MLK Jr Blvd Gateway Improve	290,000	500,000	0	0	0	0
Transportation						
H26072 Rose Quarter Connection	0	0	150,000	0	0	0
Infrastructure Total	290,000	500,000	150,000	0	0	0
Property Redevelopment						
Commercial Real Estate Lending						
H25533 Vanport Redevelopment	15,000	0	0	0	0	0

Financial Summary

Fund Summary - Five-Year Budget Projections

	Revised FY 2010-11	Proposed FY 2011-12	Forecast FY 2012-13	Forecast FY 2013-14	Forecast FY 2014-15	Forecast FY 2015-16
H25610 Bee Car Rental Redevelopment	7,000	0	0	0	0	0
H26030 Redevelopment Loan Projects	700,000	0	160,000	0	0	0
Community Redevelopment Grants						
H27001 Storefront Grants	300,000	250,000	150,000	0	0	0
H27050 DOS Grants	60,000	30,000	30,000	0	0	0
Property Redevelopment						
H11601 Community Outreach	80,000	5,000	5,000	0	0	0
H11602 Property Management	0	75,000	75,000	0	0	0
H16237 HQ Hotel/Blocks 43/26	150,000	3,193,986	0	0	0	0
H25606 Lloyd Commercial Development	0	0	4,044,000	0	0	0
H25612 King/Parks Commercial	0	700,000	0	0	0	0
H25613 Rose Quarter Revitalization	430,000	9,044,000	10,400,000	1,500,000	0	0
H26079 Eco District Commercial Retro	0	200,000	0	0	0	0
H61005 Eco District	70,000	70,000	220,000	0	0	0
Property Redevelopment Total	1,812,000	13,567,986	15,084,000	1,500,000	0	0
Administration						
Finance Admin						
H96001 Debt Management	27,250	28,613	30,044	30,044	30,044	30,044
Strategic Planning/Policy & Prgm Dvlpmt						
H60041 Eastside Central City Plan	141,173	0	0	0	0	0
Urban Renewal Plan Area Development						
H60042 N/NE Economic Dev Initiative	85,792	45,660	0	0	0	0
Administration Total	254,215	74,273	30,044	30,044	30,044	30,044
Total Program Expenditures	7,762,425	16,886,925	16,102,044	1,568,044	30,044	30,044
Personal Services	422,294	713,765	579,674	256,450	1,442	1,442
Transfers - Indirect	1,164,340	2,790,079	2,222,082	500,390	3,846	3,846
PHB Staff/Admin	372,528	253,875	418,653	1,769	721	721
Total Fund Expenditures	9,721,587	20,644,644	19,322,453	2,326,653	36,053	36,053
Contingency	1,638,487	1,864,343	2,065,828	39,175	303,122	567,069
Ending Fund Balance	0	0	0	0	0	0
Total Requirements	11,360,074	22,508,987	21,388,281	2,365,828	339,175	603,122

Overview of N/NE Economic Development Initiative An Investment in Small Businesses and Community Priorities

On December 10, 2008, the PDC Board of Commissioners directed staff to proceed with the North/Northeast Economic Development Initiative, intended to make resources available to small businesses and neighborhoods along Martin Luther King Jr. Blvd and other commercial corridors in North and Northeast Portland. As a means for determining the community and economic development priorities, PDC held more than 40 stakeholder interviews and contacted more than 500 community residents and performed cultural and community-specific outreach. The four Minority Chambers of Commerce, the National Association of Minority Contractors, and the Metropolitan Contractors Improvement Partnership were among the groups involved in this effort.

The outcome of this community input was the formation of North/Northeast Economic Development Initiative Community Advisory Committee representing 21 people with varied backgrounds and interests. The Committee's charge was to review the Interstate Corridor Urban Renewal Area (ICURA) and the Oregon Convention Center Urban Renewal Area (OCCURA) Plans and make recommendations regarding planned investments and potential boundary adjustments.

Interstate Corridor 2010 Census Snapshot	
Total Population*	~47,700
Minority Population*	~16,900
Median Household Income**	~\$47,000
Sources: * 2010 Census, blocks overlapping proposed ICURA boundary. **2010 Business Analyst, estimate only, existing ICURA boundary. 2010 Census income data not yet released.	

After ten months of meeting, the Committee voted:

- To expand the boundaries of ICURA adding portions of Martin Luther King Jr. Blvd, Alberta and Killingsworth, the south side of Lombard, and the St. Johns Town Center;
- To prioritize investments over the next five years in stakeholder-identified priorities (including the Gem List); and
- Not to increase the maximum indebtedness of \$335 million, set at the creation of the district in 2000.

The Committee, in coordination with the community, reached these recommendations based on the following rationale:

- Martin Luther King, Jr. Blvd. and other adjacent critical areas are currently part of the OCCURA, where funding is not available after June 2013, leaving this critical area in the heart of the city's most diverse neighborhoods without the ability to fund projects.
- The study determined there were commercial areas along Martin Luther King, Jr. Blvd. and Alberta which were not included in the original boundary, which created confusion and uncertainty about the boundaries and restricted PDC ability to financially assist them.
- The commercial core of St. Johns and the south side of Lombard are in need of rehabilitation, including building façade and streetscape improvements.
- Areas added are predominantly commercially-zoned and include small businesses which would benefit from PDC investment.
- The existing ICURA still has \$224 million in remaining capacity to fund projects.

PDC conducted the North/Northeast Economic Development Initiative in partnership with the community, including partner taxing jurisdictions, to ensure that PDC investments enhance livability and economic opportunity within the two urban renewal areas, greater North and Northeast Portland, and the city at-large.

N/NE Urban Renewal Area Amendment Schedule

Portland Development Commission Board
Wednesday June 8, 2011*

Planning and Sustainability Commission
Tuesday, June 28, 2011*

Portland City Council
Public Hearing – Wednesday, July 20, 2011*
Vote – Wednesday, July 27, 2011*

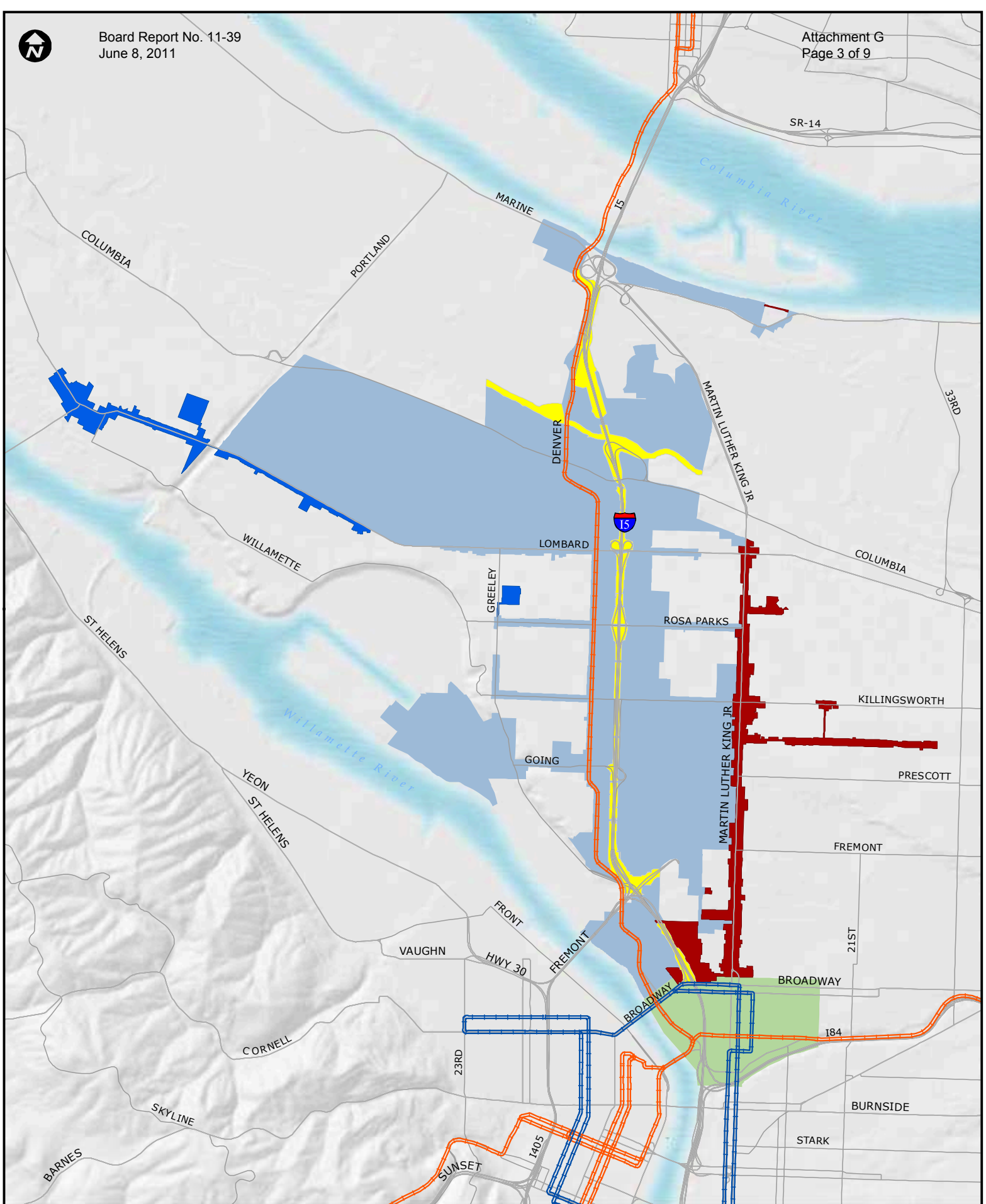
**Please Note: Dates subject to change. Check www.pdc.us for latest information*

Summary of Urban Renewal Amendments

Oregon Convention Center – Twentieth Amendment	Estimated Acreage*	Estimated Assessed Value**
Acreage/AV at creation of district (1989)	508.8 acres	\$ 304,528,900
Acreage/AV as of January 2011 (10/11 TSCC Report)	594.52 acres	\$ 1,071,898,979
N/NE Community Advisory Committee recommended removal (July 2010)	-186 acres	
Minor adjustments to recommendation due to mapping corrections	16.08 acres	
Removal of Interstate-5 right-of-way	-14.56 acres	
Net Change	-184.48 acres	\$ (103,434,094)
Amended Acreage	410.04 acres	\$ 968,464,885
Interstate Corridor Urban Renewal Area – Amended & Restated	Estimated Acreage*	Estimated Assessed Value**
Acreage/AV at creation of district (2000)	3,772.0 acres	\$ 1,019,794,975
Acreage/AV as of January 2011 (10/11 TSCC Report)	3,804.22 acres	\$ 1,718,563,192
N/NE Community Advisory Committee recommended expansion (July 2010)	425 acres	
Additional community requests (Arbor Lodge Park, Bridgeton Road, Friends of Children office)	12.38 acres	
Minor adjustments to recommendation due to mapping corrections	-21.84 acres	
Removal of Interstate-5 right-of-way	-229.75 acres	
Net Change	185.79 acres	\$ 239,022,576
Amended Acreage	3,990.01 acres	\$ 1,957,585,768

* Acreage not determined final until County Assessor adjusts levy codes

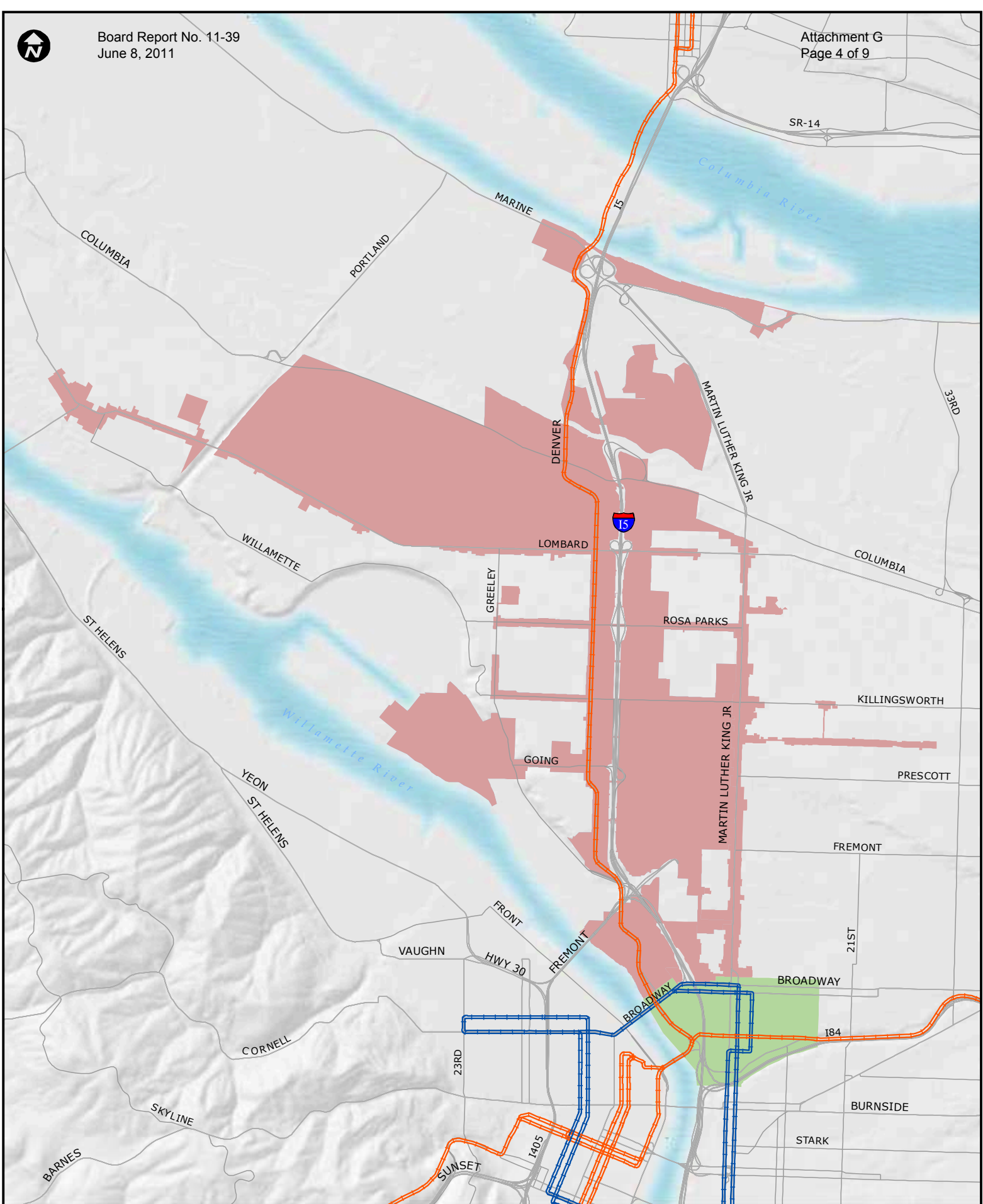
**Assessed Value estimates include estimate for utility value



Proposed Interstate Corridor URA Boundary Amendment

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

Disclaimer: The information on this map was created by the Portland Development Commission (PDC) GIS. Every reasonable effort has been made to assure the accuracy of these maps and associated data. However, inadvertent errors can occur and the PDC does not assume any responsibility for omissions or positional accuracy. This information is presented "as is" and without warranties, either expressed or implied. Information Sources: Portland Development Commission Geographic Information Systems (GIS), City of Portland Corporate GIS. April 2011



Proposed Interstate Corridor & OCC URA Boundary Amendment



Proposed ICURA



Proposed OCC

**Taxes Foregone by Taxing Jurisdictions through Estimated Bond Defeasance
Interstate Corridor Urban Renewal Area: Amended and Restated**

AMENDMENT AREA ONLY

		Taxes Foregone (Permanent Rates)																	
Fiscal Year	Assessed Value	Increment Growth to URA	Tax Rate	4.5770 City - nominal	PV City to 2012-13	4.3434 County	PV County to 2012-13	0.0966 Metro	PV Metro to 2012-13	0.0701 Port	PV Port to 2012-13	0.1000 E Mult Soil	PV E MultSoil to 2012-13	5.2781 PPS	PV PPS to 2012-13	0.2828 PCC	PV PCC to 2012-13	0.4576 Mult ESD	PV Mult ESD to 2012-13
2012-13	\$254,230,973	\$15,202,917	21.7742	69,584	65,032	66,032	61,712	1,469	1,373	1,066	996	1,520	1,421	80,243	74,993	4,299	4,018	6,957	6,502
2013-14	262,195,215	23,167,159	21.7724	106,036	92,616	100,624	87,889	2,238	1,955	1,624	1,418	2,317	2,024	122,279	106,803	6,552	5,722	10,601	9,260
2014-15	269,387,207	30,359,151	21.6143	138,954	113,428	131,862	107,639	2,933	2,394	2,128	1,737	3,036	2,478	160,239	130,802	8,586	7,008	13,892	11,340
2015-16	276,781,529	37,753,473	21.3456	172,798	131,826	163,978	125,098	3,647	2,782	2,647	2,019	3,775	2,880	199,267	152,020	10,677	8,145	17,276	13,180
2016-17	285,591,653	46,563,597	21.3298	213,122	151,953	202,244	144,197	4,498	3,207	3,264	2,327	4,656	3,320	245,767	175,229	13,168	9,389	21,308	15,192
2017-18	297,712,002	58,683,946	21.2227	268,596	178,977	254,888	169,843	5,669	3,777	4,114	2,741	5,868	3,910	309,740	206,393	16,596	11,058	26,854	17,894
2018-19	310,329,247	71,301,191	21.1753	326,346	203,232	309,690	192,859	6,888	4,289	4,998	3,113	7,130	4,440	376,335	234,362	20,164	12,557	32,627	20,319
2019-20	323,494,576	84,466,520	21.1644	386,603	225,007	366,872	213,523	8,159	4,749	5,921	3,446	8,447	4,916	445,823	259,473	23,887	13,903	38,652	22,496
2020-21	337,231,844	98,203,788	21.1536	449,479	244,487	426,538	232,009	9,486	5,160	6,884	3,744	9,820	5,342	518,329	281,937	27,772	15,106	44,938	24,443
2021-22	351,566,252	112,538,196	21.1432	515,087	261,844	488,798	248,480	10,871	5,526	7,889	4,010	11,254	5,721	593,988	301,953	31,826	16,179	51,497	26,179
2022-23	366,524,124	127,496,068	21.1335	583,550	277,240	553,766	263,090	12,316	5,851	8,937	4,246	12,750	6,057	672,937	319,708	36,056	17,130	58,342	27,718
2023-24	382,132,951	143,104,895	21.1076	654,991	290,824	621,562	275,981	13,824	6,138	10,032	4,454	14,310	6,354	755,322	335,372	40,470	17,969	65,485	29,076
2024-25	398,421,444	159,393,388	21.0985	729,544	302,735	692,309	287,284	15,397	6,389	11,173	4,637	15,939	6,614	841,294	349,107	45,076	18,705	72,938	30,267
2025-26	415,419,594	176,391,538	21.0897	807,344	313,102	766,139	297,122	17,039	6,608	12,365	4,795	17,639	6,841	931,012	361,063	49,884	19,346	80,717	31,303
2026-27	433,158,723	194,130,667	21.0337	888,536	322,046	843,187	305,610	18,753	6,797	13,609	4,932	19,413	7,036	1,024,641	371,377	54,900	19,898	88,834	32,198
TOTAL	6,310,568	3,174,348		5,988,491	3,012,336	133,188	66,996	96,651	48,617	137,876	69,354	7,277,215	3,660,591	389,912	196,134	630,919	317,365		

		Local Option Levies									
Fiscal Year	Assessed Value	Increment Growth to URA	Tax Rate	0.4026 City	PV City LO to 2012-13	0.8900 County	PV County LO to 2012-13	0.0500 Hist Soc	PV Hist Soc LO to 2012-13	1.9900 PPS	PV PPS LO to 2012-13
2012-13	\$254,230,973	\$15,202,917	21.7742	6,121	5,720	13,531	12,645	760	710	30,254	28,275
2013-14	262,195,215	23,167,159	21.7724	9,327	8,147	20,619	18,009	1,158	1,012	46,103	40,268
2014-15	269,387,207	30,359,151	21.6143	12,223	9,977	27,020	22,056	1,518	1,239	60,415	49,316
2015-16	276,781,529	37,753,473	21.3456	15,200	11,596	33,601	25,634	1,888	1,440	75,129	57,316
2016-17	285,591,653	46,563,597	21.3298	18,747	13,366	41,442	29,547	2,328	1,660	92,662	66,066
2017-18	297,712,002	58,683,946	21.2227	23,626	15,743	52,229	34,802	2,934	1,955	116,781	77,816
2018-19	310,329,247	71,301,191	21.1753	28,706	17,877	63,458	39,518	3,565	2,220	141,889	88,362
2019-20	323,494,576	84,466,520	21.1644	34,006	19,792	75,175	43,753	4,223	2,458	168,088	97,829
2020-21	337,231,844	98,203,788	21.1536	39,537	21,505	87,401	47,541	4,910	2,671	195,426	106,299
2021-22	351,566,252	112,538,196	21.1432	45,308	23,032	100,159	50,916	5,627	2,860	223,951	113,845
2022-23	366,524,124	127,496,068	21.1335	51,330	24,386	113,472	53,909	6,375	3,029	253,717	120,539
2023-24	382,132,951	143,104,895	21.1076	57,614	25,581	127,363	56,551	7,155	3,177	284,779	126,445
2024-25	398,421,444	159,393,388	21.0985	64,172	26,629	141,860	58,867	7,970	3,307	317,193	131,624
2025-26	415,419,594	176,391,538	21.0897	71,015	27,541	156,988	60,883	8,820	3,420	351,019	136,131
2026-27	433,158,723	194,130,667	21.0337	78,157	28,328	172,776	62,622	9,707	3,518	386,320	140,020
TOTAL	555,087	279,221		1,227,093	617,254	68,938	34,677	2,743,725	1,380,151		

INTERSTATE CORRIDOR *Urban Renewal Area*




THE “GEM LIST” (April 2009)

The Gem List is an inventory of the most important projects and programs to be implemented in the remaining 12 years of the Interstate Corridor Urban Renewal Area (ICURA), as imagined by community members. Items on the Gem List have received major public backing, either through direct feedback from the Interstate Corridor Urban Renewal Advisory Committee (ICURAC), subcommittees and general public, or through prioritization in the Interstate Corridor Urban Renewal Plan and subsequent strategy documents. The Gem List has heavy emphasis on capital projects at specific locations, but also includes less tangible concepts – such as economic opportunity – that require a more programmatic response. In summary, the Gem List is a description of ideal outcomes that will be critical to a sense of accomplishment and betterment among community members in the year 2021.

The Gem list is as follows, organized by topic area:

REDEVELOPMENT	
	<p>Killingsworth Station: Construction of the planned, four-story mixed-use building containing 52 residential condominiums and 9,000 square feet of ground-floor commercial condominium space. Half of the residential units are to be affordable at 80-100% MFI. Killingsworth Station will help activate a major intersection and transit mode currently dominated by auto-oriented uses.</p>
	<p>Argyle Site Redevelopment: Mixed-use redevelopment of the 3-acre TriMet property at Argyle and Interstate. Just steps from the Kenton MAX station and Downtown Kenton Historic Commercial District, the site also enjoys prominent views of Mt. St. Helens. The current RX zoning allows for an FAR of 4:1 and building heights of up to 100 feet.</p>
	<p>Kenton Field Redevelopment: Repurposing the vacant half of the PPS Kenton School property, potentially including a mix of parkland and development. The two-acre site at Interstate and Lombard is adjacent to TriMet’s busiest rail-to-bus transfer station in the region. Redevelopment would help revitalize the intersection, while parkland would help solve a deficiency of open space in the immediate neighborhood.</p>
	<p>Transit-Oriented Development: Mixed-use, medium to high density development at other locations along the MAX Yellow Line and other high-frequency transit corridors. PDC’s Commercial Property Redevelopment Loan will be available annually to assist property owners and developers realize the vision of smart growth in the Interstate Corridor.</p>

PARKS & OPEN SPACE	
	<p>Jefferson High School Plaza : Establishing a public plaza along the south side of Killingsworth Street adjacent to the Jefferson High School football field and track. The plaza, if paired with food vendors or other active uses, would help energize a dead zone between two of Killingsworth’s commercial nodes, and provide a visually-appealing alternative to the existing chain-link fence.</p>
	<p>Unthank Park Renovation: Implementing improvements called for in the Unthank Park Master Plan, including new playground equipment, landscaping, historic interpretive signage, community gathering space and sports field improvements.</p>
	<p>Dawson Park Renovation: Implementing improvements called for in the Dawson Park Master Plan, including a waterplay feature, formal park entry, new furnishings and historic interpretative signage.</p>
	<p>Humboldt Park Acquisition: Acquiring land and developing a new park in the Humboldt neighborhood, one of two identified park-deficient areas in the ICURA (the other is the Lombard MAX station area). While no particular property has been targeted at this time, Portland Public Schools owns several surplus lots near Jefferson High School that are of a size appropriate for a neighborhood park.</p>
	<p>Bridgeton Trail: Construction of a half-mile promenade trail along the Columbia River levee in the Bridgeton neighborhood, connecting the I-5 Columbia River Crossing with Bridgeton Road, completing a missing link in the region’s 40-mile loop trail system, and helping spur mixed-use redevelopment on adjacent land.</p>
	<p>Small Parks Projects: Continued funding for smaller-scale parks projects. For the most part this will include capital improvements at existing parks – upgrades to playgrounds, furnishings, lighting, pathways, athletic fields and courts, and other facilities. Projects may also include special park uses such as community gardens or dog parks.</p>
TRANSPORTATION	
	<p>Killingsworth Streetscape Phase II: Extending the improvements of Phase I, including historic lighting, new street trees, and improved sidewalks and crosswalks, from Commercial Avenue eastward to Martin Luther King Jr. Boulevard. Upgrading the streetscape could help increase the pace of private investment along this half-mile stretch of storefronts, homes and institutions.</p>

	<p>Russell Streetscape Phase II: Extending streetscape and safety improvements from Kerby Avenue eastward to Martin Luther King Jr. Boulevard. Improvements would increase pedestrian safety along this burgeoning corridor that includes the Wonder Community Center, Secret Society Ballroom, Russell Street BBQ, and other popular destinations.</p>
	<p>Lombard Streetscape: Streetscape improvements on Lombard Street from Columbia Park westward to the BNSF Railroad cut, including curb extensions, street lighting and bicycle improvements. This proposal originates from the 2004 St. Johns/Lombard Plan, and would require extensions of the ICURA boundary and/or supplemental funding sources.</p>
	<p>Lombard Station Area Improvements: Establishing a landscaped boulevard to promote pedestrian-oriented uses, create a safe, pleasant pedestrian link over I-5, and improve pedestrian access to the MAX station. Improvements would include a new traffic light and road access to the Fred Meyer development.</p>
	<p>Small Transportation Projects: Ongoing funding for smaller-scale transportation projects, with an emphasis on Safer Routes to School, bicycle boulevards, and other projects that enhance safety for pedestrians and bicyclists.</p>
<p>PROGRAMS</p>	
	<p>Revitalized Business Districts: Promoting vibrant, diverse commercial corridors along Interstate, Killingsworth, Russell, Mississippi/Albina, Vancouver/Williams, Lombard, and Downtown Kenton – main streets that help create “20-minute neighborhoods” meeting residents’ daily needs while also creating jobs and wealth. In part, this will entail continuation of PDC’s grant and loan programs in a robust fashion, including:</p> <ul style="list-style-type: none">- Storefront- Development Opportunity Services- Business Finance- Commercial Property Redevelopment Loan <p>Eligibility and award amounts for these programs should be periodically revisited to respond to changing conditions. PDC should also explore new grant and loan programs as appropriate.</p>
	<p>Quality Jobs: Investing in small and large businesses that provide gainful, rewarding employment for people of all education and skill levels in the ICURA. As one ICURAC member put it, businesses will not be limited to “serving lattes to the rich;” rather they will provide a range of career opportunities. Here, PDC’s role is to encourage, attract and nurture businesses of all sizes through its Business Finance and Target Industry Development programs.</p>



High-Quality Community Facilities: Quality gathering spaces for neighborhood meetings and events; renovated and repurposed historic buildings; and improved places for education, artistic endeavor, worship or other pursuits. Key to these outcomes is continuing the Community Livability grant program for non-profit and neighborhood groups.



Affordable Housing: Providing opportunities for people of all circumstances to afford decent housing in the ICURA, to own or to rent, or perhaps most importantly, to stay where they are now. While revitalization undeniably brings gentrification, PDC will work with CDCs, banks and other government agencies to reduce displacement. Even after the realignment of agency functions through the creation of the Bureau of Housing, PDC will continue to be a major partner and funding source for affordable housing projects and programs.

“The future success of urban renewal efforts within the Interstate Corridor must be measured in terms of how they benefit the people in this community.”

- Interstate Corridor Urban Renewal Plan, 2000.