



**Annual Urban Renewal Report
Covering Fiscal Years 2021-22 and 2022-23**

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INTRODUCTION

The following Prosper Portland Annual Tax Increment Financing Report (the “Report”) includes a summary statement which reflects actual financial information for the preceding fiscal year and the current budget for each Tax Increment Finance (TIF) District. The Report includes an analysis of the financial impact on tax collections for the overlapping governmental units within the districts. The information provided in the Report complies with Oregon Revised Statutes (“ORS”) 457.460 reporting requirements.

CITY OF PORTLAND TAX INCREMENT FINANCING

Prosper Portland is the economic development and redevelopment agency of the City of Portland, Oregon. Created by Portland voters in 1958, Prosper Portland’s mission is to create economic growth and opportunity for Portland.

Prosper Portland is governed by a five-member Board of Commissioners (Board) appointed by the Mayor and approved by the City Council. The Board is authorized by Portland City Charter to administer the business activities of the agency. Prosper Portland has been a driving force in Portland’s vibrancy and livability. As Portland’s urban renewal and economic development agency, Prosper Portland uses tax increment financing (TIF) to invest in business growth, catalytic projects, and an ecosystem that nurtures small businesses, entrepreneurs, and innovators alike. As such, the term tax increment financing or TIF district, as used throughout this document, is equivalent to Urban Renewal Area as defined by ORS 457.010. Tax Increment District is used in lieu of the term Urban Renewal Area to emphasize the use of tax increment as a financial tool that funds programs key to Prosper Portland’s Strategic Plan including, but not limited to, the development of affordable commercial space, lending programs to support long-term property owners, and Prosperity Investment Program grants.

Prosper Portland’s Strategic Plan focuses the agency’s efforts around five goals:

- Create healthy, complete neighborhoods throughout Portland
- Improve access to high quality employment for Portland residents
- Foster wealth creation within communities of color and low-income neighborhoods.
- Form 21st century civic networks, institutions, and partnerships.
- Operate an equitable, innovative, and financially sustainable agency

Prosper Portland also provides a portion of the resources generated by TIF to the City of Portland (City) Housing Bureau in accordance with the City’s TIF Housing Set-Aside Policy. The policy was originally adopted in 2006 with the set aside goal of 30 percent of TIF debt proceeds used for affordable housing projects. The policy was amended by City Council in October 2015 to increase the amount to 45 percent of new TIF debt proceeds across active TIF districts. The percent differs by district with the lowest percent in River District at 31% and the highest percent in Interstate at 70%. Since the policy update in 2015, \$240 million has been spent to affordable housing. Based on the policy updates, it’s forecast \$361 million will be spent or allocated on affordable housing between 2015 and 2028 and a total of \$917 million between the original policy and estimated disbursement of final proceeds for all districts including the newly established Cully TIF District. The table below illustrates the amounts spent or allocated by district and the percent by district.

Affordable Housing Set-Aside (in millions)

Housing Set Aside Expenditures Since 2015 Policy Update

Status of Districts	Districts	Budget and Expenditures Through FY 2022-23		Anticipated Expenditures Through FY 2027-28		2015 or Updated* Policy Target	
		Amount	% to PHB	Amount	% to PHB	Amount	% to PHB
Closed before 2015	Downtown Waterfront	\$2	NA	\$2	NA	\$2	NA
	South Park Blocks	\$6	NA	\$9	NA	\$9*	NA
	Oregon Convention Ctr	\$12	NA	\$12	NA	\$12	NA
No change	Central Eastside	\$8	25%	\$10	32%	\$10	32%
Total forecasted resources changed since 2015	North Macadam	\$55	52%	\$69	46%	\$65	46%
	Lents	\$43	39%	\$48	42%	\$39	42%
	River District	\$40	26%	\$45	29%	\$45*	31%
Increased MI or Created after 2015	Interstate	\$99	52%	\$154	70%	154*	70%
	Gateway	\$14	35%	\$24	27%	36*	33%
	Cully	\$0	0%	\$11	46%	144*	45%
Total**		\$259	41%	\$361	46%	\$917	45%

*Updated policy target shown for districts that are new (Cully), increased maximum indebtedness (Interstate, Gateway), or due to agreement to transfer Set Aside funding (from South Park Blocks to River District).

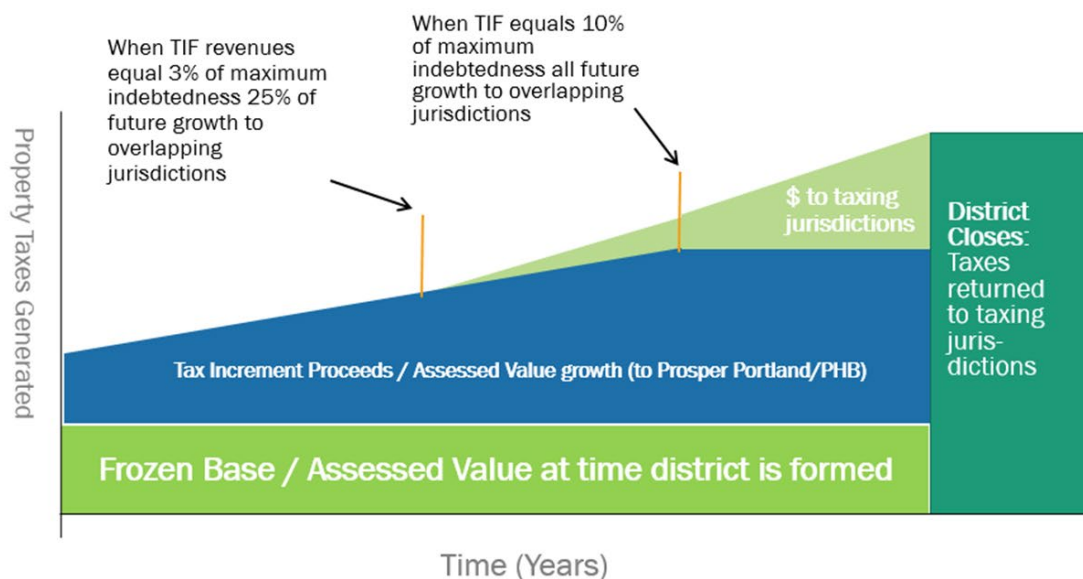
**Total does not include districts closed before 2015 (amount based on pre-2015 allocation)

HOW TAX INCREMENT FINANCING WORKS

ORS 457 requires that TIF be used to pay debt service on bonds and notes issued to fund projects in TIF districts. The City of Portland collects taxes (Tax Increment Revenue) from TIF districts to make debt service payments on long-term TIF bonds, lines of credit, other interim financing, and short-term TIF bonds (known as “du jour” bonds). Prosper Portland receives the net proceeds of these debt obligations, after issuance costs and required reserves, to use on eligible projects and programs within designated TIF districts.

The City issues all TIF long-term bonds, tax increment-secured lines of credit, and short-term financing per City Charter. The City maintains separate debt service funds for each TIF district.

Flow of Tax Increment



All tax increment revenue is placed by the City's Debt Manager into restricted debt funds at the City of Portland. Resources in these funds first pay off annual debt service requirements for any outstanding long-term bonds. Remaining increment not required for long-term bonds is issued as short-term debt and transferred to Prosper Portland to fund projects and requirements within the TIF district.

In Portland, each TIF district has a plan which provides information on the area including the legal boundaries, goals and objectives, project activities, and expiration dates. A report for each TIF district plan provides more details on the condition of the area, maximum indebtedness, and fiscal impacts. Key facts about each TIF district and its capacity for debt issuance are summarized in the following table:

Prosper Portland Urban Renewal Area Statistics for Active TIF Districts as of December 31, 2022 (in millions):

TIF District	Maximum Indebtedness	Indebtedness Issued as of 6/30/22	Indebtedness Remaining as of 6/30/22	Projected Indebtedness to Be Issued	Projected Indebtedness Not Issued	Last Date to Issue Debt	Repayment Complete (est)
Downtown Waterfront	\$165.0	\$165.0	\$0.0	\$0.0	\$0.0	2008	2024
South Park Blocks	\$143.6	\$113.5	\$30.1	\$0.0	\$30.1	2008	2024
Airport Way	\$72.6	\$72.6	\$0.0	\$0.0	\$0.0	2011	Complete
Convention Center	\$167.5	\$167.5	\$0.0	\$0.0	\$0.0	2013	2023
Lents Town Center	\$245.0	\$227.8	\$17.2	\$17.2	\$0.0	2024	2024
River District	\$489.5	\$489.5	\$0.0	\$0.0	\$0.0	2021	Complete
Gateway	\$164.2	\$113.8	\$50.4	\$50.4	\$0.0	2022	2037
Central Eastside	\$126.0	\$126.0	\$0.0	\$0.0	\$0.0	2023	2024
North Macadam	\$288.6	\$228.4	\$60.2	\$60.2	\$0.0	2025	2028
Interstate Corridor	\$402.0	\$346.2	\$55.8	\$55.8	\$0.0	N/A	2024
Neighborhood Prosperity Initiative (6) ¹	\$7.5	\$7.5	\$0.0	\$0.0	\$0.0	N/A	2023

¹ Includes revenue sharing amounts from the City of Portland, and Multnomah County

A TIF district's maximum indebtedness represents the principal amount of indebtedness that may be issued for that area and does not include debt service or refinancing. Maximum indebtedness limits are based on good faith estimates of project costs, including inflation, that are planned in each urban renewal area, and often based on the projected financial capacity of the district within a certain period of time.

The following section presents an analysis of the impact, if any, of carrying out the TIF district plan on the tax collections for the preceding year for all taxing districts included (ORS 457.430).

TAX INCREMENT FINANCING TAXES IMPOSED

By incurring debt to pay for public improvements within a TIF district, it is expected that property values will increase due to investments that would not otherwise occur. This new value is called "increment" or "excess value." Growth in increment also comes from the increase in taxable assessed value from existing properties that grow at a maximum of three percent per year (as long as they don't exceed the properties' market value). The property taxes from this increase in value go to the urban renewal agency as revenue and are used to first pay off any outstanding debts. Any residual revenue amounts after the debt has been repaid are then reinvested into the district for additional public improvements, thus stimulating the "renewal" process. Revenue generated in this manner is referred to as "tax increment financing" or "divide-the-taxes." If there is no increase in assessed value, the urban renewal agency does not collect any revenue. Local taxing districts, such as the county, city, school district, fire district and others, continue to receive the property taxes from the assessed value the district had before the plan area was formed. This value is called the "frozen base."

Historically, a taxing district's operating property tax revenue from within a TIF district could not grow due to the "frozen base" and the permanent rate used to determine a taxing district's operating revenue. However, changes to state law in 2010 introduced revenue sharing, providing the potential for operating tax revenue to grow if tax increment reached certain limits. For fixed dollar local option levies and bonded debt levies there is no impact on the taxing district since the tax rate will be increased to raise the same amount of money over the total value available to taxing district excluding increment. Once the plan area's debt is paid off and the plan area is dissolved, taxing districts start receiving property taxes from the excess value.

Prosper Portland has three remaining "existing plans" (districts) that have been established as Option 3 Plans. In Option 3 Plans, the divide-the-tax collections are frozen at an amount less than the total available tax increment available in the district. Any incremental taxes above the frozen amount goes to local jurisdictions instead of the tax increment district ("excess value unused"). To satisfy any debt service requirements of a district that exceed the frozen divide-the tax collections, the district can receive a special levy. Oregon Convention Center, Airport Way, Downtown Waterfront, and South Park Blocks TIF Districts are Option 3 Plans that have frozen divide-the-tax collections that are supplemented by a citywide special levy.

The post-Measure 50 TIF districts – Gateway Regional Center, Interstate Corridor, Lents Town Center, North Macadam – receive urban renewal taxes under the divide-the-taxes calculations.

House Bill (HB) 3056, effective January 1, 2010, made several substantive changes to how urban renewal operates in Oregon for new and/or significantly amended districts. The bill represented months of successful negotiations among a coalition of taxing districts which included the City of Portland. The bill provides caps on urban renewal indebtedness for new plans based on the size of a district's frozen base; sharing of revenue between urban renewal districts and overlapping districts when certain time-based and performance-based criteria are met; and provides for certain limits on plan amendments.

Over the last five years, several districts have undergone significant amendments to maximum indebtedness or acreage including River District, Central Eastside and North Macadam. Most recently, the Gateway TIF district was amended to remove the last date to issue debt. Also, Interstate Corridor TIF district's maximum indebtedness was increased by \$67 million in January 2021.

EXCESS VALUE UNUSED

For FY 2021-22, the total taxes imposed for Prosper Portland were \$152 million. This is a decrease of 19.0% from \$188 million imposed in FY 2020-21. Of this total amount, \$138 million came from division of tax calculations and \$14 million from the special levy.

The total amount of incremental value not used for implementing TIF district plans, and related indebtedness is defined as excess value unused. This amount is determined on the value unused in Option 3 districts, the amount returned via revenue sharing as a result of HB 3056, or otherwise not required for the repayment of indebtedness. For FY 2021-22, Prosper Portland did not use \$5.9 billion in excess value resulting in approximately \$128.1 million in additional property tax revenue for schools, Multnomah County, regional districts, and the City of Portland. Since FY 1998-99, about \$65.2 billion in excess value has been returned to taxing districts.

PROSPER PORTLAND'S TAX INCREMENT DISTRICTS

Currently Prosper Portland has 17 TIF districts with active urban renewal plans. As of June 30, 2022, Airport Way, River District, 42nd Avenue, Cully, Division-Midway, Parkrose, and Rosewood have repaid all indebtedness. City Council voted to approve the new Cully TIF District in December 2022. The initial tax increment revenue will occur in FY 2023-24 and therefore be reported in subsequent annual reports.

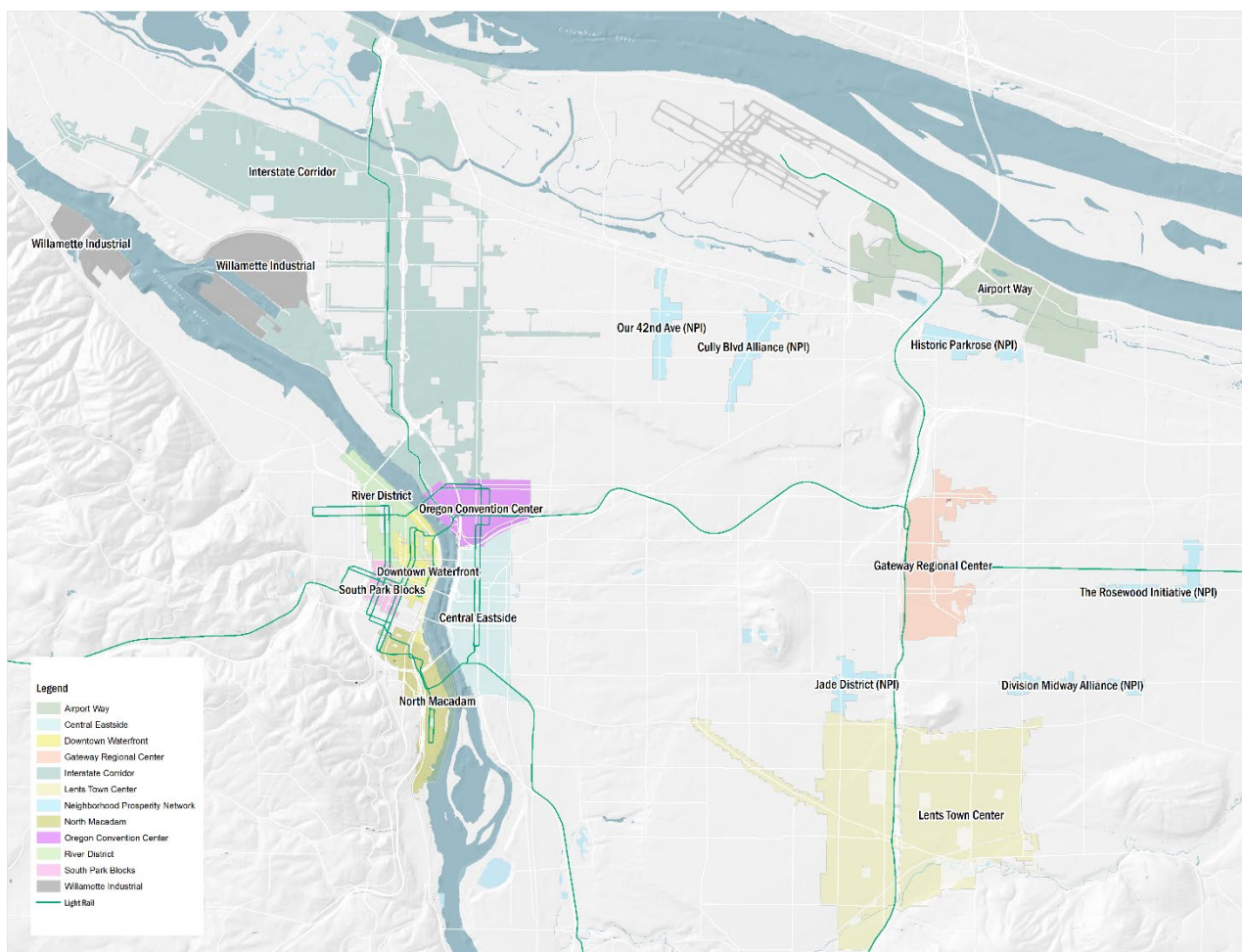
Airport Way
Central Eastside
Convention Center
Downtown Waterfront
Gateway Regional
Interstate Corridor
Lents Town Center
North Macadam
River District
South Parks Block
Willamette Industrial
Neighborhood Prosperity Districts
 42nd Avenue
 82nd Avenue (Jade District)
 Cully
 Division-Midway
 Parkrose
 Rosewood

The section that follows presents the following information:

- The City TIF District Map
- A brief description of each TIF district
- A map of each TIF district
- TIF district Indebtedness statistics
- The amount of money received during the preceding fiscal year from indebtedness incurred
- The purposes and amounts for which any monies received and from indebtedness incurred were expended during the preceding fiscal year

- An estimate of the money to be received during the current fiscal year and from indebtedness incurred
- A budget setting forth the purposes and estimated amounts for which the monies which have been received and from indebtedness incurred to be expended during the current fiscal year

Citywide TIF District Map

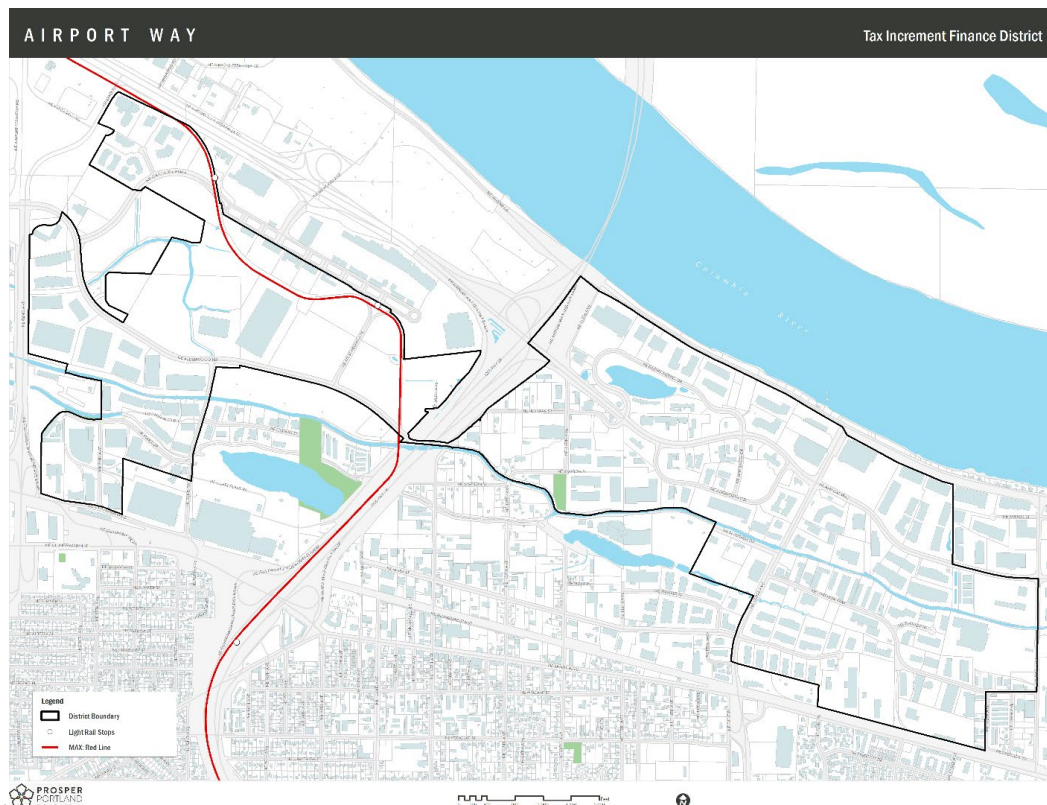


Note: The Cully Tax Increment District was approved by Council in FY 2022-23. First tax increment collections will occur and be reported in FY 2023-24.

Airport Way TIF District

The Airport Way TIF district was formed in 1986. Unique to Airport Way is its absence of residential zoning and its proximity to major transportation infrastructure, including Portland International Airport. At 885 acres, the Airport Way TIF District is the City's third largest urban renewal district. Total acreage was 2,276 as of June 2009 but was reduced to 1,841 acres through a plan amendment which became effective in March 2010. The district was further reduced through a final plan amendment in 2015 to 885 acres. Its maximum indebtedness of \$72.6 million has been reached and there is no capacity to issue additional debt. The Revised Budget and forecast for FY 2022-23 to FY 2027-28 include approximately \$4.0 million in planned expenditures.

The Urban Renewal Plan and the Airport Way Development Plan identified several objectives including: stimulating private investment; growing the base of industrial / manufacturing businesses; and constructing and improving infrastructure systems, such as roads and utilities. One of the TIF district's major outcomes is Cascade Station, a regional destination with stores, restaurants, offices and educational facilities reflecting more than \$500 million in redevelopment investment. Since formation, the TIF district has experienced tremendous growth with the addition of more than 12 million square feet and \$1 billion in new commercial space, including recent projects like Station Hospitality and Cook Security. Today, the primary activities in Airport Way focus on job growth via: 1) the sale and redevelopment of the remaining 26 acres of Prosper Portland-owned development rights at Cascade Station; and 2) providing financial assistance to businesses for expansion or remodeling through Prosper Portland's lending programs and the City's Enterprise Zone program.



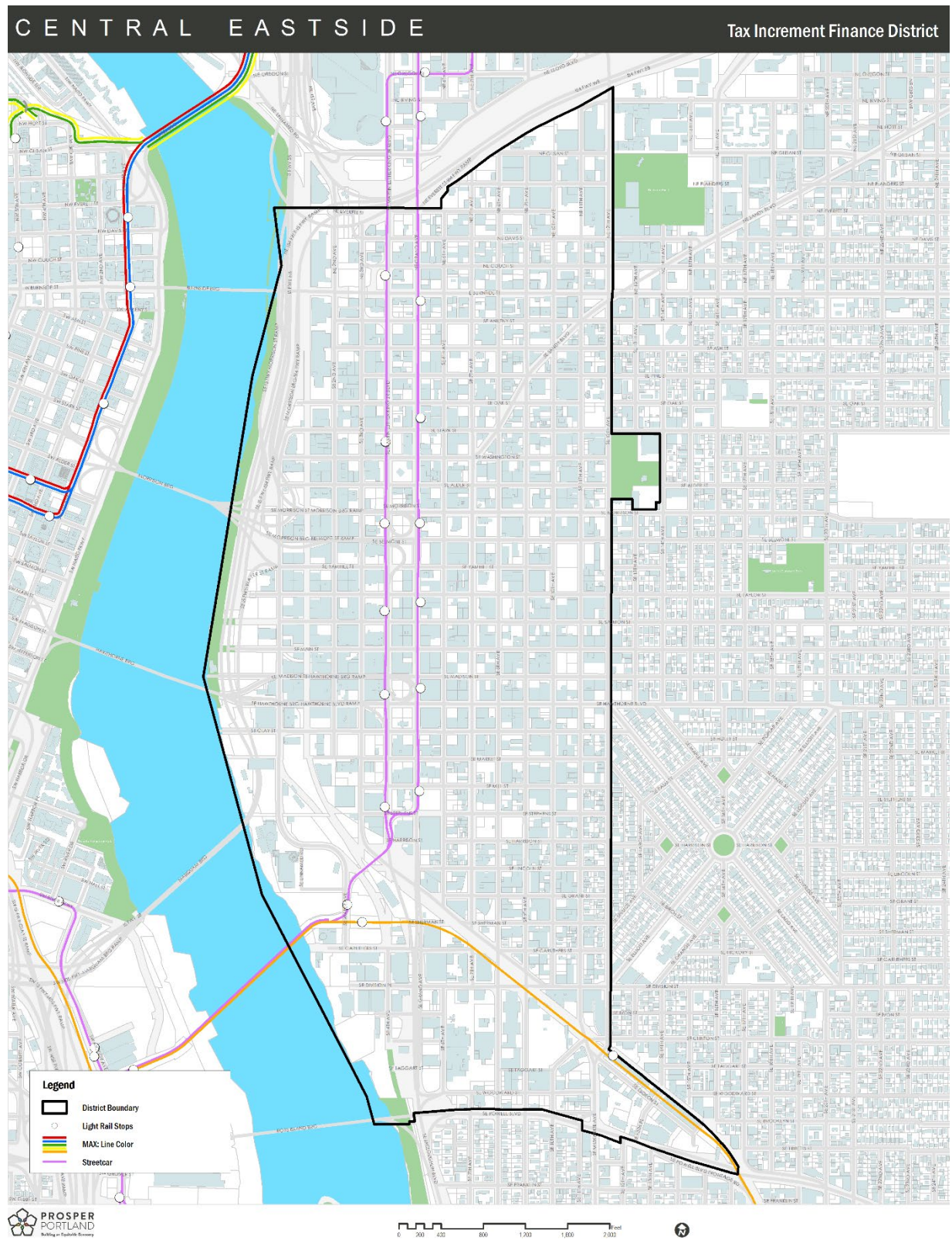
AIRPORT WAY TIF DISTRICT - 385

DEBT FUND	FY 2021-22 Audited Actuals	FY 2022-23 Adopted Budget
Resources		
Beginning Balance	0	0
Revenue		
Interest on Investments	0	0
Total Revenue	0	0
Total Resources	0	0
Expenditures		
Transfer to Prosper Portland	0	0
Total Expenditures	0	0
Ending Balance	0	0
CAPITAL PROJECT FUND	FY 2021-22 Audited Actuals	FY 2022-23 Revised Budget
Resources		
Beginning Fund Balance	5,757,004	5,495,256
Revenue		
Fees and Charges	379	0
Interest on Investments	33,118	27,476
Loan Collections	119,142	72,873
Property Income	54,000	42,000
Total Revenue	206,639	142,349
Total Resources	5,963,643	5,637,605
Expenditures		
Economic Development	0	12,153
Property Redevelopment	108,148	3,042,552
Administration	0	7,821
Total Expenditures	108,148	3,062,526
Transfers	360,240	356,144
Contingency	0	2,218,935
Ending Fund Balance Reserve	5,495,255	0

Central Eastside TIF District

The Central Eastside TIF district was established in 1986 and its last date to issue debt is June 2023. Total area is 709 acres. The district reached maximum indebtedness of \$126 million in FY 2021-22. This reflects amendments to the TIF district approved by Portland City Council in March 2015 that increased the URA area by 16 acres; extended the last date to issue debt by five years; and increased maximum indebtedness by 20 percent. The geography brought into the district as a result of the amendment predominantly covered the area called the Clinton Triangle, which is made up of City and privately-owned land adjacent to the Portland-Milwaukie Light Rail Alignment's Clinton Station. The Revised Budget and forecast for FY 2022-23 to FY 2027-28 include approximately \$94.3 million in planned expenditures. Since 2015, \$3.6 million has been spent on affordable housing and another \$6.3 million is planned through 2025.

Future investment will focus on supporting employment and job density growth at strategic sites in the district - particularly at the properties along SE Water that Prosper Portland acquired from the Oregon Department of Transportation and in support of the Oregon Museum of Science and Industry master plan. Projects include growing the CES Industrial District to increase job density, supporting industrial businesses within the district, and providing affordable housing opportunities with the Central City 2035's rezoning of key sites. The District's completed improvements include the Eastbank Esplanade, streetcar loop, and the Burnside / Couch couplet as well as redevelopment of the Burnside Bridgehead support future economic development efforts.



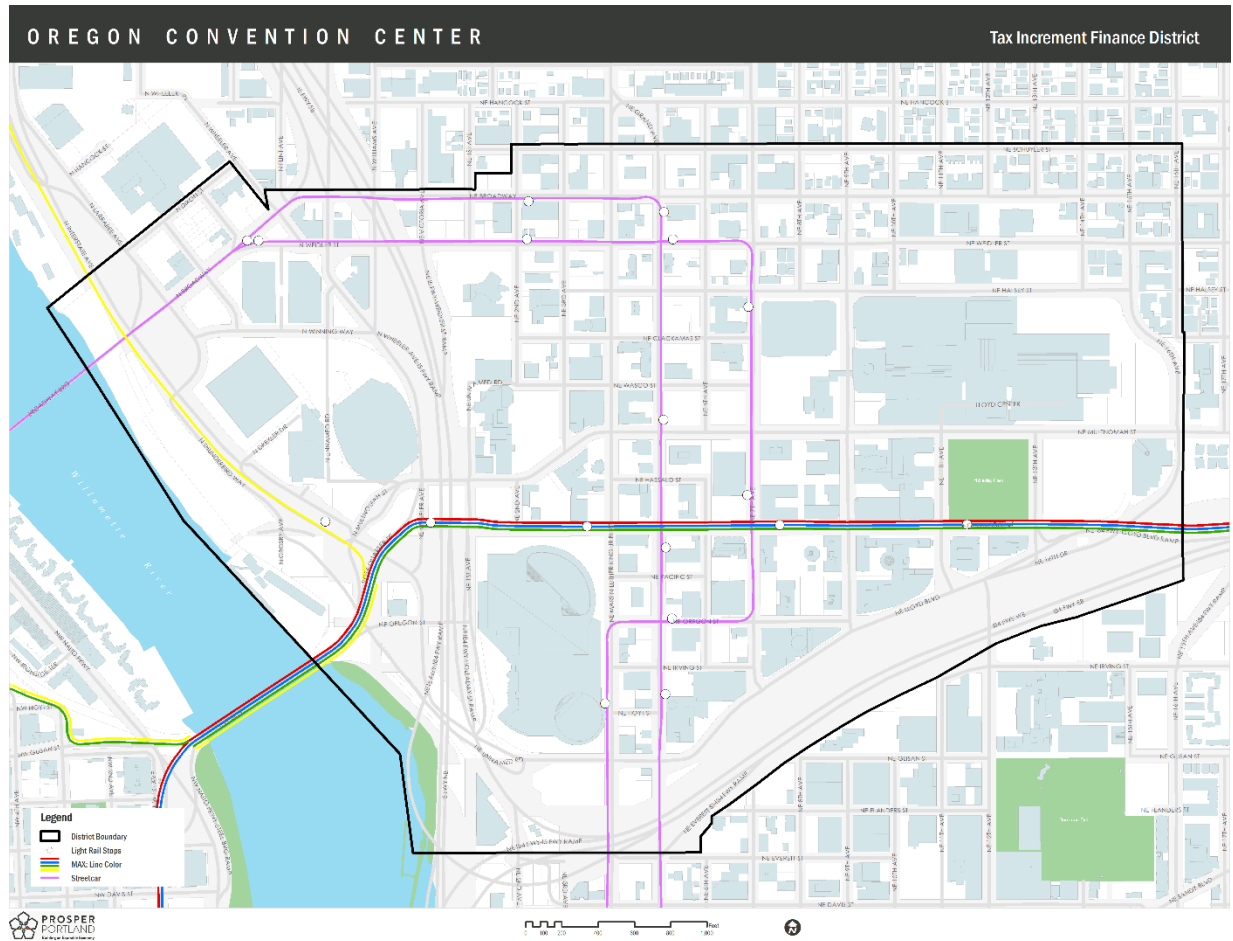
CENTRAL EASTSIDE TIF DISTRICT - 355

DEBT FUND	FY 2021-22 Audited Actuals	FY 2022-23 Adopted Budget
Resources		
Beginning Balance	4,043,961	3,000,000
Revenue		
Interest on Investments	44,430	10,000
Refunding/Reserve Bond Proceeds	1	0
Prior Year Property Taxes	108,229	0
Property Taxes	9,765,114	9,125,000
Total Revenue	9,917,774	9,135,000
Total Resources	13,961,735	12,135,000
Expenditures		
Debt Service	10,417,319	9,729,137
Reserve Requirements (for budget only)	0	2,405,863
Total Expenditures	10,417,319	12,135,000
Ending Balance	3,544,416	0
CAPITAL PROJECT FUND	FY 2021-22 Audited Actuals	FY 2022-23 Adopted Budget
Resources		
Beginning Fund Balance	41,206,723	38,637,261
Revenue		
Federal and other Grants	3,255	0
Fees and Charges	2,162	0
Interest on Investments	234,586	193,186
Loan Collections	166,555	66,291
Property Income	56,760	225,682
Total Revenue	463,318	485,159
Total Resources	41,670,041	39,122,420
Expenditures		
Economic Development	92,327	517,879
Housing	45,089	4,154,991
Infrastructure	714	1,500,000
Property Redevelopment	931,056	4,558,921
Administration	10,343	6,650
Total Expenditures	1,079,530	10,738,441
Transfers	1,953,250	1,931,316
Contingency	0	26,452,663
Ending Fund Balance Reserve	38,637,261	0

Oregon Convention Center TIF District

The Oregon Convention Center TIF district (OCC) was established in 1989 to meet economic development goals in the Lloyd District. 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. The boundary was amended again in August 2011 to remove approximately 185 acres north of Broadway/Schuyler. This acreage was subsequently added to the Interstate Corridor TIF district. The OCC's last date to issue debt was June 2013. Total acreage is 410 (reduced from 595 in August 2011). Its maximum indebtedness of \$167.5 million has been reached and there is no capacity to issue additional debt. The Revised Budget and forecast for FY 2022-23 to FY 2027-28 include approximately \$29.3 million in planned expenditures, most of which is property management expenditures being funded by property income as all TIF funds have been expended in the district. Since 2015, \$11.6 million has been spent on affordable housing. No additional expenditures are allocated to the Housing Set Aside since this closeout district has reached the policy's target.

The goals of the OCC district are to assist the community in achieving its vision as defined by The Lloyd District Development Strategy and associated neighborhood plans. Investments focused on achieving the district's early goal for a convention center hotel to support the economic success of the Oregon Convention Center. Final TIF proceeds were invested in construction of the Convention Center Hotel Garage tied to the hotel development and construction of the Earl A. Blumenauer pedestrian bridge that was completed in 2022. Future redevelopment is focused on improvements to Inn at the Convention Center and other assets within the district.



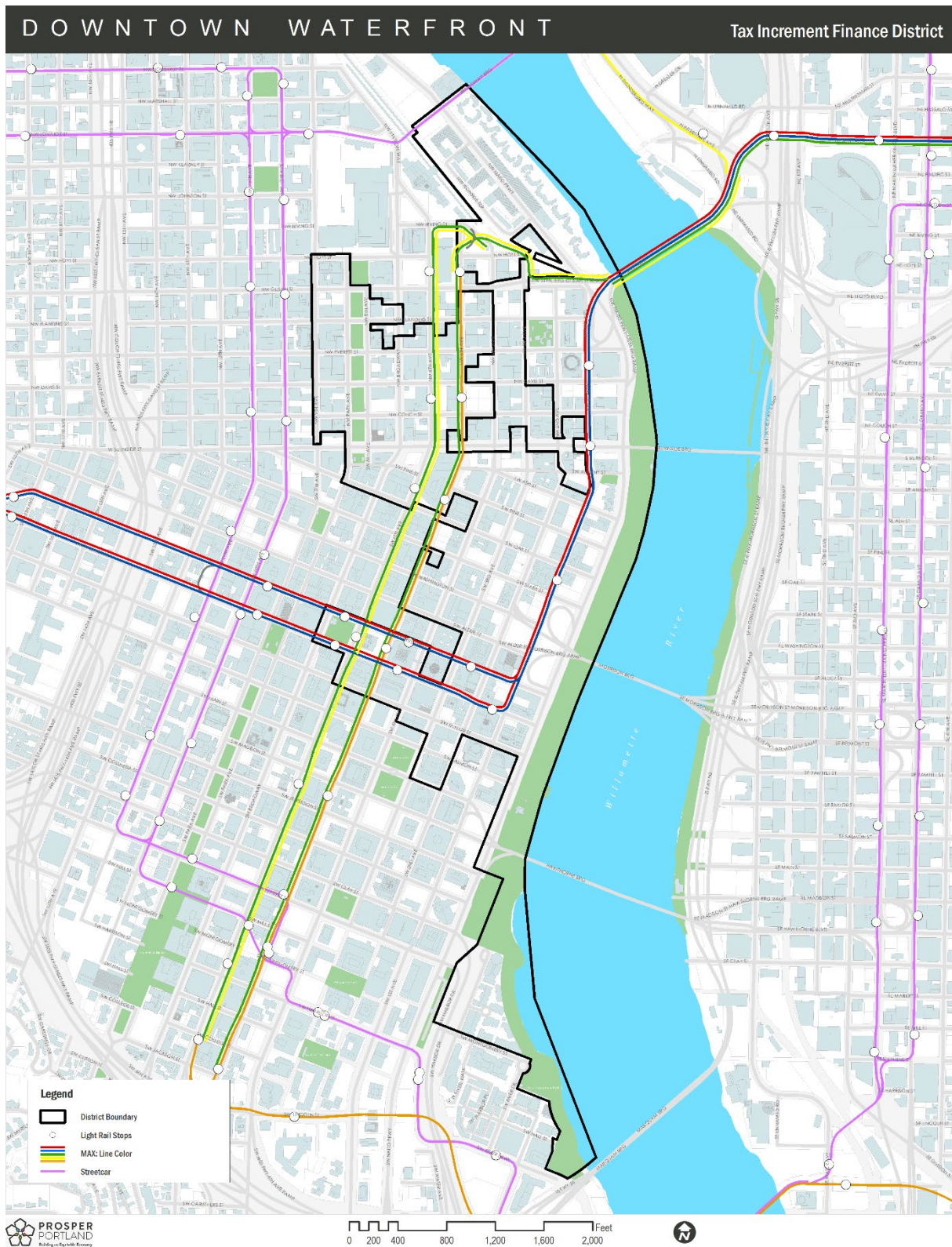
CONVENTION CENTER TIF DISTRICT - 350

DEBT FUND	FY 2021-22 Audited Actuals	FY 2022-23 Adopted Budget
Resources		
Beginning Balance	3,688,512	6,150,000
Revenue		
Interest on Investments	79,242	50,000
Prior Year Property Taxes	218,333	0
Property Taxes	18,872,575	9,550,000
Total Revenue	19,170,150	9,600,000
Total Resources	22,858,662	15,750,000
Expenditures		
Debt Service	18,971,753	9,791,295
Reserve Requirements (for budget only)	0	5,958,705
Total Expenditures	18,971,753	15,750,000
Ending Balance	3,886,909	0
CAPITAL PROJECT FUND	FY 2021-22 Audited Actuals	FY 2022-23 Revised Budget
Resources		
Beginning Fund Balance	4,058,323	4,152,103
Revenue		
Federal and other Grants	3,255	0
Fees and Charges	3,358	0
Interest on Investments	23,263	20,761
Loan Collections	1,108,115	216,757
Property Income	1,990,246	2,636,731
Total Revenue	3,128,237	2,874,249
Total Resources	7,186,560	7,026,352
Expenditures		
Economic Development	475	601
Property Redevelopment	2,452,627	6,021,377
Administration	17,353	12,121
Total Expenditures	2,470,455	6,034,099
Transfers	564,000	557,646
Contingency	0	434,607
Ending Fund Balance Reserve	4,152,105	0

Downtown Waterfront TIF District

The Downtown Waterfront TIF district was established in 1974 and its last date to issue debt was April 2008. Total acreage was 279 as of June 2008 but was reduced to 233 acres through a plan amendment which became effective in July 2008. Its maximum indebtedness of \$165.0 million has been reached and there is no capacity to issue additional debt. The Revised Budget and forecast for FY 2022-23 to FY 2027-28 include approximately \$38.4 million in planned expenditures. Since 2015, \$2 million has been spent on affordable housing. No additional expenditures are allocated to the Housing Set Aside since this closeout district has reached the policy's target.

Priorities for the remaining resources will be investment in the implementation of the Old Town Action Plan which includes redevelopment of key sites to further community development efforts and acknowledge the area's culture and history, business and entrepreneurship growth, and district parking and seismic retrofits to support the renovation of the district's historic buildings.



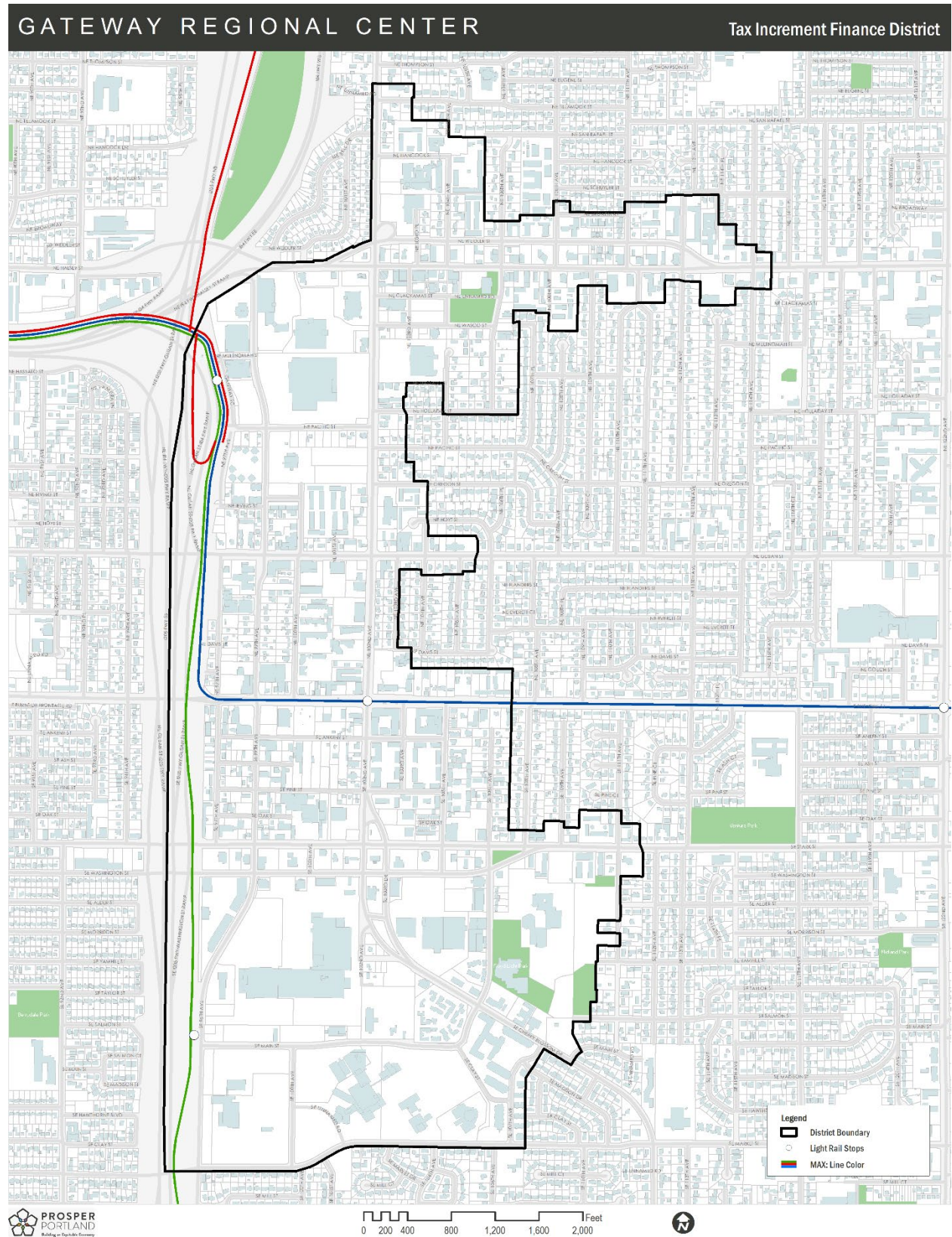
DOWNTOWN WATERFRONT TIF DISTRICT - 320

DEBT FUND	FY 2021-22 Audited Actuals	FY 2022-23 Adopted Budget
Resources		
Beginning Balance	8,818,298	8,600,000
Revenue		
Interest on Investments	79,990	10,000
Refunding/Reserve Bond Proceeds	1	0
Prior Year Property Taxes	105,612	0
Property Taxes	7,017,571	12,200,000
Total Revenue	7,203,174	12,210,000
Total Resources	16,021,472	20,810,000
Expenditures		
Debt Service	6,949,440	14,387,560
Reserve Requirements (for budget only)	0	6,422,440
Total Expenditures	6,949,440	20,810,000
Ending Balance	9,072,032	0
CAPITAL PROJECT FUND	FY 2021-22 Audited Actuals	FY 2022-23 Revised Budget
Resources		
Beginning Fund Balance	39,776,682	37,704,434
Revenue		
Federal and other Grants	3,255	0
Fees and Charges	2,816	0
Interest on Investments	223,035	188,522
Loan Collections	32,589	11,854
Property Income	65,449	78,812
Reimbursement	0	20,000
Total Revenue	327,144	299,188
Total Resources	40,103,826	38,003,622
Expenditures		
Economic Development	1,438	104,836
Infrastructure	-4,581	450,052
Property Redevelopment	616,897	17,003,132
Administration	6,618	12,121
Debt Service	0	4,080,000
Total Expenditures	620,373	21,650,141
Transfers	1,779,020	1,759,073
Contingency	0	14,594,408
Ending Fund Balance Reserve	37,704,433	0

Gateway Regional Center TIF District

The Gateway TIF district was formed in 2001 with a goal to spur the revitalization of the Gateway Regional Center as envisioned in the Metro 2040 Plan. The TIF district comprises 659 acres, with a maximum indebtedness of \$164.2 million of which \$73.0 million has been issued through December 31, 2021. Bonds were issued to support District projects in 2022 and the Plan was amended to remove the last date to issue debt. The Revised Budget and forecast for FY 2022-23 to FY 2027-28 include approximately \$51.4 million in planned expenditures. Since 2015, \$8.4 million has been spent on affordable housing. An additional \$15.1 million in affordable housing expenditures are forecast through 2028.

The primary goals of the district are job creation, business development, and transportation improvements. Investments have been guided by the vision established by the Gateway Action Plan, which was adopted by the Board in 2016. The Gateway Action Plan created a framework that focuses investments and builds partnerships with community, public and private partners to deliver on community goals. In conformance with the Gateway Action Plan, investments have been focused in three key areas: along the Halsey Street/Weidler Street couplet; at the Gateway Transit Center; and in Central Gateway at the southern end of the Area. Recent accomplishments include the development of the Gateway Discovery Park and adjacent Nick Fish mixed-income housing development with commercial and community space. Prosper Portland is partnering with PBOT to improve several unimproved streets including NE Couch and NE Davis Streets. Construction on NE Couch and NE Davis Streets is anticipated to begin in FY 2023-2024. Planning for future improvements has been started and may result in further budget appropriations from remaining contingency to invest in such projects.



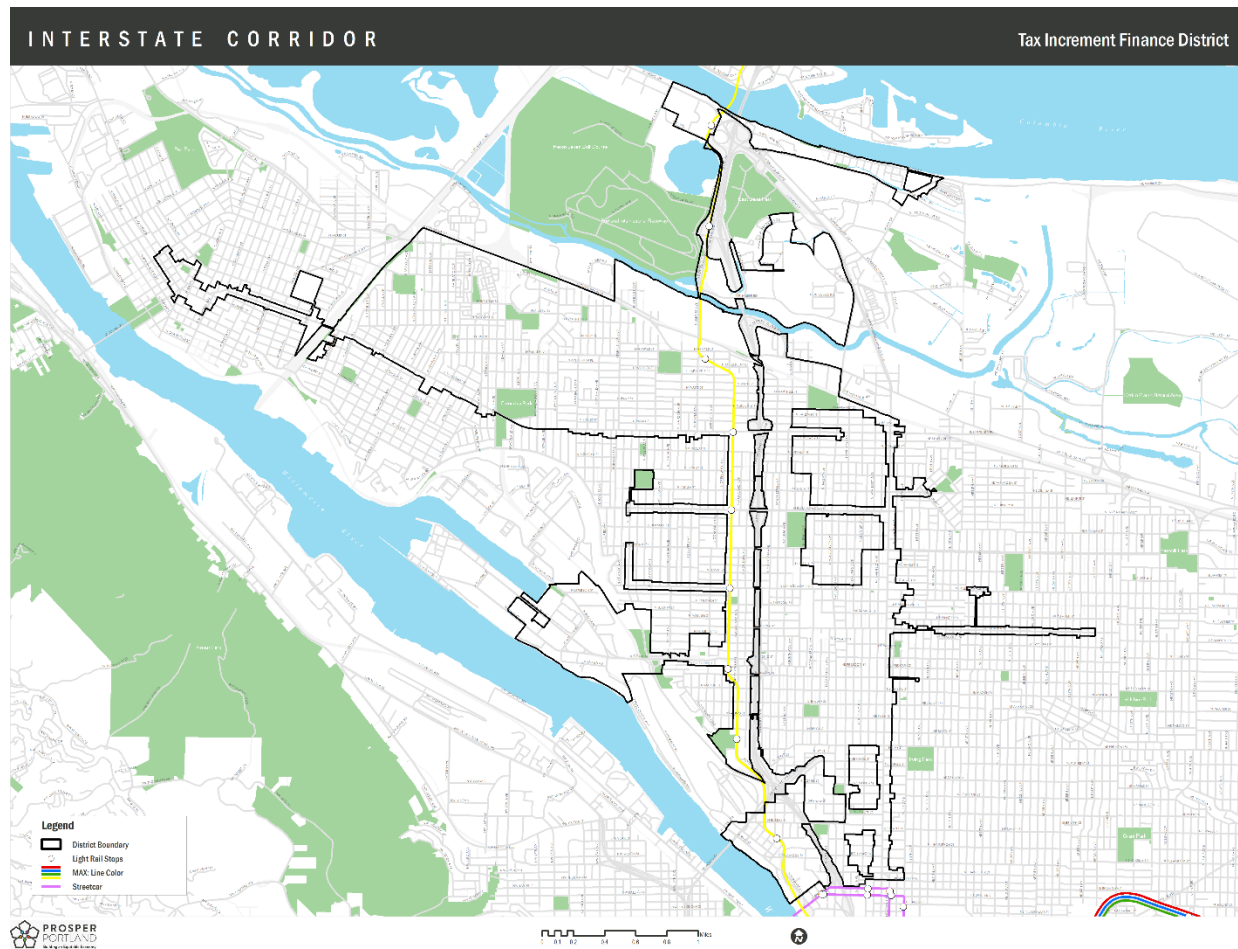
GATEWAY REGIONAL CENTER TIF DISTRICT - 380

DEBT FUND	FY 2021-22 Audited Actuals	FY 2022-23 Adopted Budget
Resources		
Beginning Balance	702,858	4,720,000
Revenue		
Interest on Investments	25,060	5,000
Refunding/Reserve Bond Proceeds	16,409,849	0
Prior Year Property Taxes	67,345	0
Property Taxes	6,631,406	6,711,000
Total Revenue	23,133,660	6,716,000
Total Resources	23,836,518	11,436,000
Expenditures		
Debt Service	18,750,807	4,000,000
Reserve Requirements (for budget only)	0	7,436,000
Total Expenditures	18,750,807	11,436,000
Ending Balance	5,085,711	0
CAPITAL PROJECT FUND	FY 2021-22 Audited Actuals	FY 2022-23 Revised Budget
Resources		
Beginning Fund Balance	13,468,923	17,986,236
Revenue		
Interest on Investments	82,998	89,931
Loan Collections	92,648	18,577
Property Income	56,922	180,075
Reimbursement	0	31,582
Tax Increment Debt Proceeds	5,998,451	8,000,000
Total Revenue	6,231,019	8,320,165
Total Resources	19,699,942	26,306,401
Expenditures		
Economic Development	7,848	410,924
Housing	296,616	5,637,316
Infrastructure	0	2,009,244
Property Redevelopment	861,563	9,067,324
Administration	9,819	5,589
Total Expenditures	1,175,846	17,130,397
Transfers	537,860	531,764
Contingency	0	8,644,240
Ending Fund Balance Reserve	17,986,236	0

Interstate Corridor TIF District

The Interstate Corridor TIF district was established in 2000. The boundary was amended in August 2011 to add 415 acres (including approximately 185 acres from the OCC district) and remove 230 acres (undevelopable right-of-way). Total acreage is 3,990 (increased from 3,804 in August 2011). Its maximum indebtedness is \$335.0 million of which \$292.2 million has been issued through December 31, 2020. City Council approve an increase in maximum indebtedness to the District in January 2021 increasing total maximum indebtedness by \$67 million to \$402 million. 70% of the additional resources will be allocated to affordable housing per the Set Aside policy. The Revised Budget and forecast for FY 2022-23 to FY 2027-28 include approximately \$120.2 million in planned expenditures. Since 2015, \$86.6 million has been spent on affordable housing, with an additional \$67 million planned through FY2025-26.

The district's purpose is to deliver on community-driven economic development, support job growth, and increase affordable housing options. In January 2015, City Council adopted the North/Northeast Neighborhood Housing Strategy which provided direction on how future affordable housing resources should be prioritized. In 2017, Prosper Portland began to implement the N/NE Community Development Initiative – a community-driven prioritization of the district's remaining resources focusing on property ownership and development, business ownership and growth, new middle-income housing opportunities, community livability projects and cultural-business hubs – to foster economic prosperity among communities and individuals that have not fully participated in, or benefited from, economic opportunities in the Interstate Corridor TIF district.



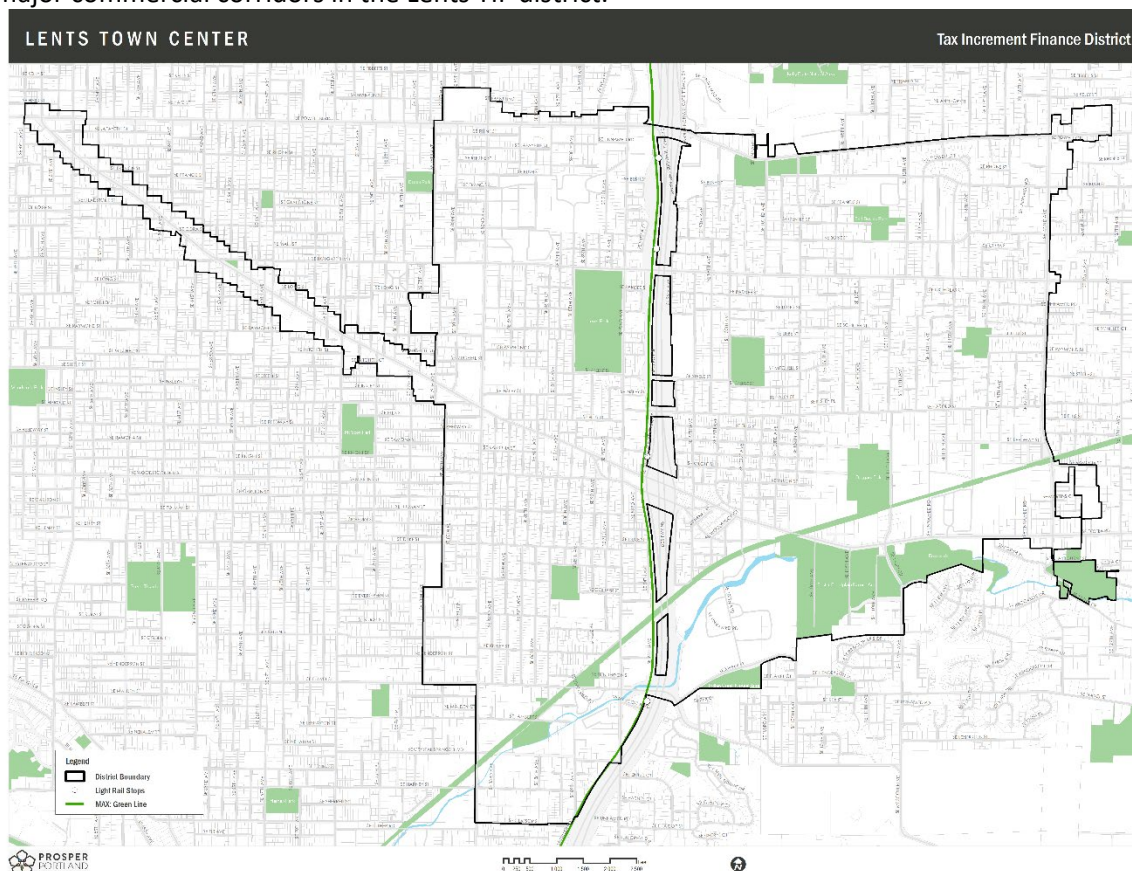
INTERSTATE CORRIDOR TIF DISTRICT - 370

DEBT FUND	FY 2021-22 Audited Actuals	FY 2022-23 Adopted Budget
Resources		
Beginning Balance	6,752,889	2,430,000
Revenue		
Interest on Investments	133,005	25,000
Refunding/Reserve Bond Proceeds	5	0
Proceeds LOC Conversion to Wells Fargo		
Unspent proceeds for issuance costs		
Prior Year Property Taxes	471,479	0
Property Taxes	42,332,832	43,243,000
Total Revenue	42,937,321	43,268,000
Total Resources	49,690,210	45,698,000
Expenditures		
Debt Service	39,333,455	27,008,000
Transfer to PDC	2,543,090	0
Reserve Requirements (for budget only)	0	18,690,000
Total Expenditures	41,876,545	45,698,000
Ending Balance	7,813,665	0
CAPITAL PROJECT FUND	FY 2021-22 Audited Actuals	FY 2022-23 Revised Budget
Resources		
Beginning Fund Balance	54,337,903	70,563,881
Revenue		
Fees and Charges	5,139	0
Interest on Investments	339,680	352,819
Loan Collections	460,494	45,666
Property Income	414,602	80,127
Reimbursement	149,718	52,294
Tax Increment Debt Proceeds	26,992,963	26,973,000
Total Revenue	28,362,596	27,503,906
Total Resources	82,700,499	98,067,787
Expenditures		
Economic Development	702,619	910,499
Housing	7,562,788	13,155,691
Infrastructure	201,629	170,372
Property Redevelopment	1,599,718	7,726,629
Administration	37,284	47,296
Total Expenditures	10,104,037	22,010,487
Transfers	2,032,580	2,009,773
Contingency	0	74,047,527
Ending Fund Balance Reserve	70,563,882	0

Lents Town Center TIF District

The Lents Town Center TIF district was established in 1998 and the plan was amended in June 2008. The plan amendment, which became effective in July 2008, increased maximum indebtedness to \$245.0 million, extended the last date to issue debt to June 2020, and increased the acreage to 2,846. As of December 31, 2021, \$212.8 million of indebtedness has been issued. The Revised Budget and forecast for FY 2022-23 to FY 2027-28 include approximately \$47.9 million in planned expenditures. Since 2015, \$38.8 million has been spent on affordable housing. An additional \$9.4 million in affordable housing expenditures are forecast through 2025.

Priorities for investment in the District are based on the Five-Year Lents Action Plan. Prosper Portland and the Portland Housing Bureau have recently completed several projects in the Lents Town Center including Oliver Station, Lents Commons, Asian Health and Service Center, and the Woody Guthrie. Other successful recent investments elsewhere in the district include an affordable housing project at SE 72nd and Foster and expansion at the Leach Botanical Garden. Additional future investment will focus on further strengthening the Lents Town Center through redevelopment of the remaining phases of the 92nd and Harold project and financial assistance to businesses and commercial properties, particularly along major commercial corridors in the Lents TIF district.



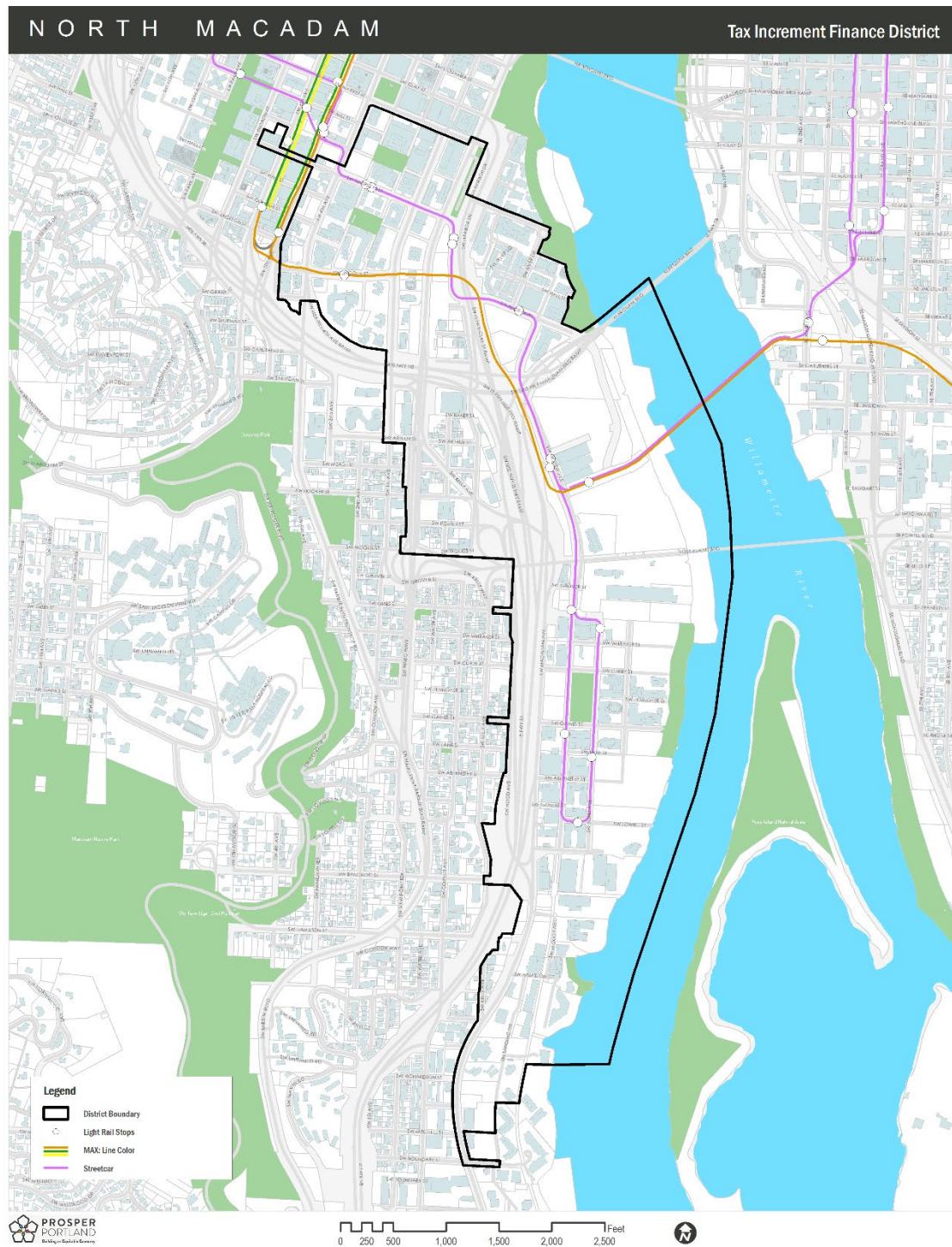
LENTS TOWN CENTER TIF DISTRICT - 360

DEBT FUND	FY 2021-22 Audited Actuals	FY 2022-23 Adopted Budget
Resources		
Beginning Balance	5,203,372	2,500,000
Revenue		
Interest on Investments	78,671	10,000
Prior Year Property Taxes	216,880	0
Property Taxes	22,121,635	22,450,000
Total Revenue	22,417,186	22,460,000
Total Resources	27,620,558	24,960,000
Expenditures		
Debt Service	25,032,417	23,960,000
Reserve Requirements (for budget only)	0	1,000,000
Total Expenditures	25,032,417	24,960,000
Ending Balance	2,588,141	0
CAPITAL PROJECT FUND	FY 2021-22 Audited Actuals	FY 2022-23 Revised Budget
Resources		
Beginning Fund Balance	20,900,874	32,073,536
Revenue		
Fees and Charges	2,371	0
Interest on Investments	138,566	160,368
Loan Collections	505,928	616,793
Property Income	3,002	0
Reimbursement	73,607	19,669
Tax Increment Debt Proceeds	14,996,062	14,147,499
Total Revenue	15,719,536	14,944,329
Total Resources	36,620,410	47,017,865
Expenditures		
Economic Development	132,610	267,279
Housing	1,899,813	4,483,684
Infrastructure	0	218
Property Redevelopment	1,320,522	4,934,131
Administration	19,308	38,243
Debt Service	0	0
Total Expenditures	3,372,253	9,723,555
Transfers	1,174,620	1,161,416
Contingency	0	36,132,894
Ending Fund Balance Reserve	32,073,537	0

North Macadam TIF District

The North Macadam TIF district was established in 1999 and its last date to issue debt is June 2025. Total acreage is 447. Its maximum indebtedness is \$288.6 million of which \$211.4 million has been issued through December 31, 2021. This reflects amendments to the district approved by Portland City Council in March 2015, which increased the district area by 45 acres concurrent with the closing of the Education district and extended the district's last date to issue debt by five years. The geography brought into the amended district covers land to the north and east of the original district and is predominantly within the University District subarea of the Central City. The Revised Budget and forecast for FY 2022-23 to FY 2027-28 include approximately \$64.1 million in planned expenditures. Since 2015, \$46.4 million has been spent on affordable housing. An additional \$22.7 million in affordable housing expenditures are forecast through 2025.

Future investment will focus on infrastructure and new development. Specific projects contemplated within the five-year budget forecast include potential construction of the remaining unbuilt sections of SW Bond Avenue to support OHSU's ability to continue to expand in the district; partnerships to improve and potentially finish the Willamette River Greenway within in the district; investments in other transportation infrastructure such as the South Portal to ensure adequate transportation access as the district grows; and strategic acquisition to support commercial and/or mixed-use development.



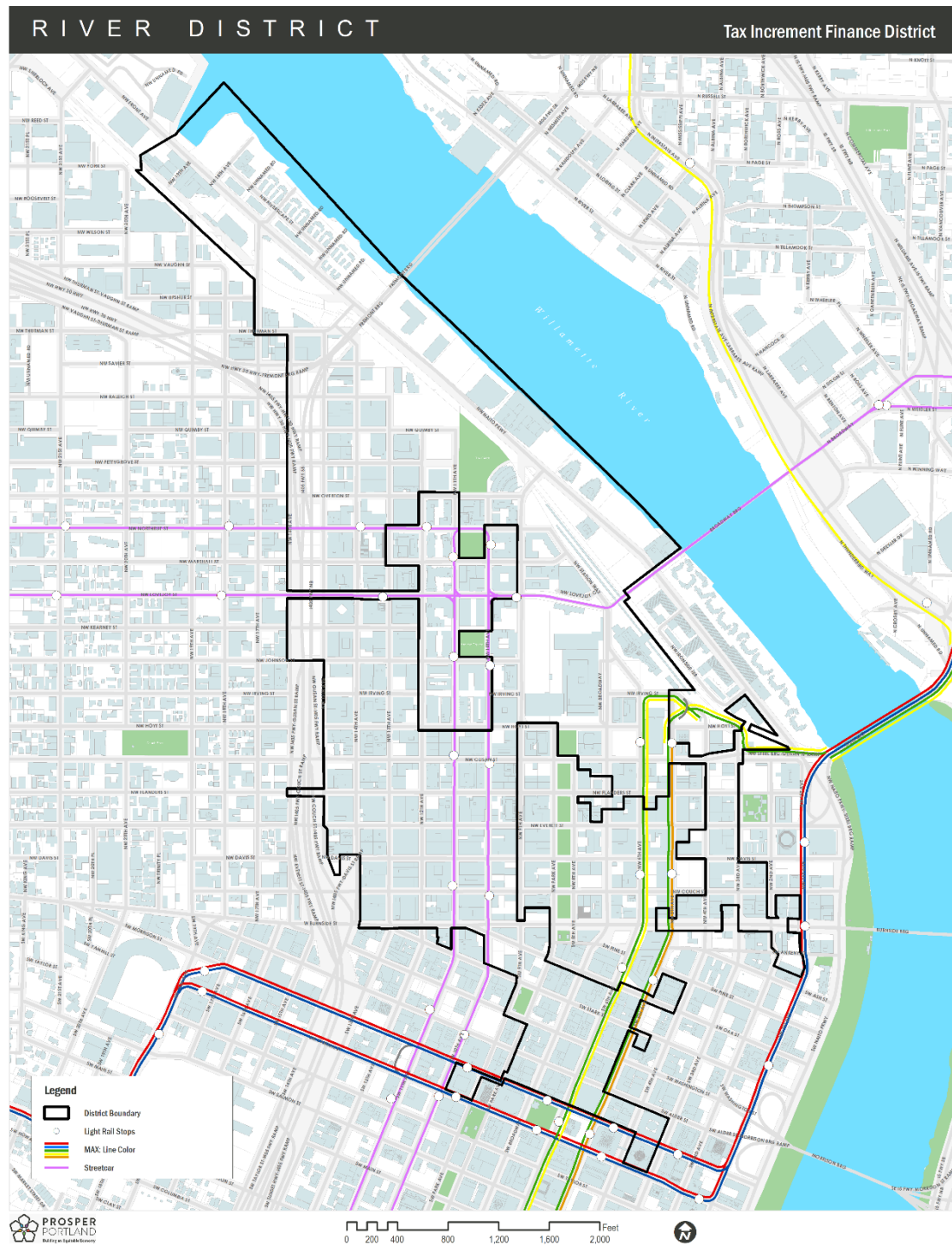
NORTH MACADAM TIF DISTRICT

DEBT FUND	FY 2021-22 Audited Actuals	FY 2022-23 Adopted Budget
Resources		
Beginning Balance	5,548,018	6,200,000
Revenue		
Interest on Investments	95,444	25,000
Prior Year Property Taxes	235,124	0
Property Taxes	23,529,717	23,880,000
Total Revenue	23,860,285	23,905,000
Total Resources	29,408,303	30,105,000
Expenditures		
Debt Service	21,462,097	26,537,830
Transfer to Prosper Portland	0	3,015,840
Reserve Requirements (for budget only)	0	551,330
Total Expenditures	21,462,097	30,105,000
Ending Balance	7,946,206	0
CAPITAL PROJECT FUND	FY 2021-22 Audited Actuals	FY 2022-23 Revised Budget
Resources		
Beginning Fund Balance	38,232,551	37,953,811
Revenue		
Fees and Charges	150	0
Interest on Investments	192,771	189,769
Property Income	100,635	184,183
Tax Increment Debt Proceeds	16,995,524	16,983,000
Total Revenue	17,289,080	17,356,952
Total Resources	55,521,631	55,310,763
Expenditures		
Housing	15,133,118	8,325,230
Infrastructure	795,087	3,750,000
Property Redevelopment	62,175	9,876,938
Administration	19,810	15,337
Total Expenditures	16,010,190	21,967,505
Transfers	1,557,630	1,540,176
Contingency	0	31,803,082
Ending Fund Balance Reserve	37,953,811	0

River District TIF District

The River District was established in 1998 and the plan was amended in June 2009, effective July 2009. The amendment increased the area by 42 acres to a total of 351, increased maximum indebtedness to \$489.5 million, and extended the last date to issue debt to June 2021. In March 2015, the district was again amended to remove 14 acres in tax lots and 22 acres of right of way for a total of 36 acres from the district, resulting in a district with a total of 315 acres. The removal of the acreage added approximately \$475 million in real, personal, manufactured, and utility assessed value to the overall tax base of the taxing jurisdictions, allowing them additional funds to pay for other services. The District reached maximum indebtedness of \$489.5 million in FY 2020-21. The Revised Budget and forecast for FY 2022-23 to FY 2027-28 include approximately \$101.9 million in planned expenditures. Since 2015, \$34 million has been spent on affordable housing. An additional \$11.5 million in affordable housing expenditures are forecast through 2025.

The current goals of the district are to: 1) invest in community development, entrepreneurship and redevelopment through implementation of the Old Town Action Plan - including redevelopment of the 4th and Burnside and Block 25 (NW Flanders St. and NW 4th Ave.) properties, and disposition and potential redevelopment of the Firehouse #2 (NW Glisan St. and NW 3rd Ave.) property; 2) implement redevelopment of the Broadway Corridor area, including the 14-acre US Postal Service site with mixed use development that has the potential to connect adjacent neighborhoods, introduce new housing and affordable housing, and provide a significant new job center for the region; 3) initiate early implementation activities related to the renovation of Union Station and related track and platform work as a regional rail transportation connector; and 4) preparing the Centennial Mills site for disposition.



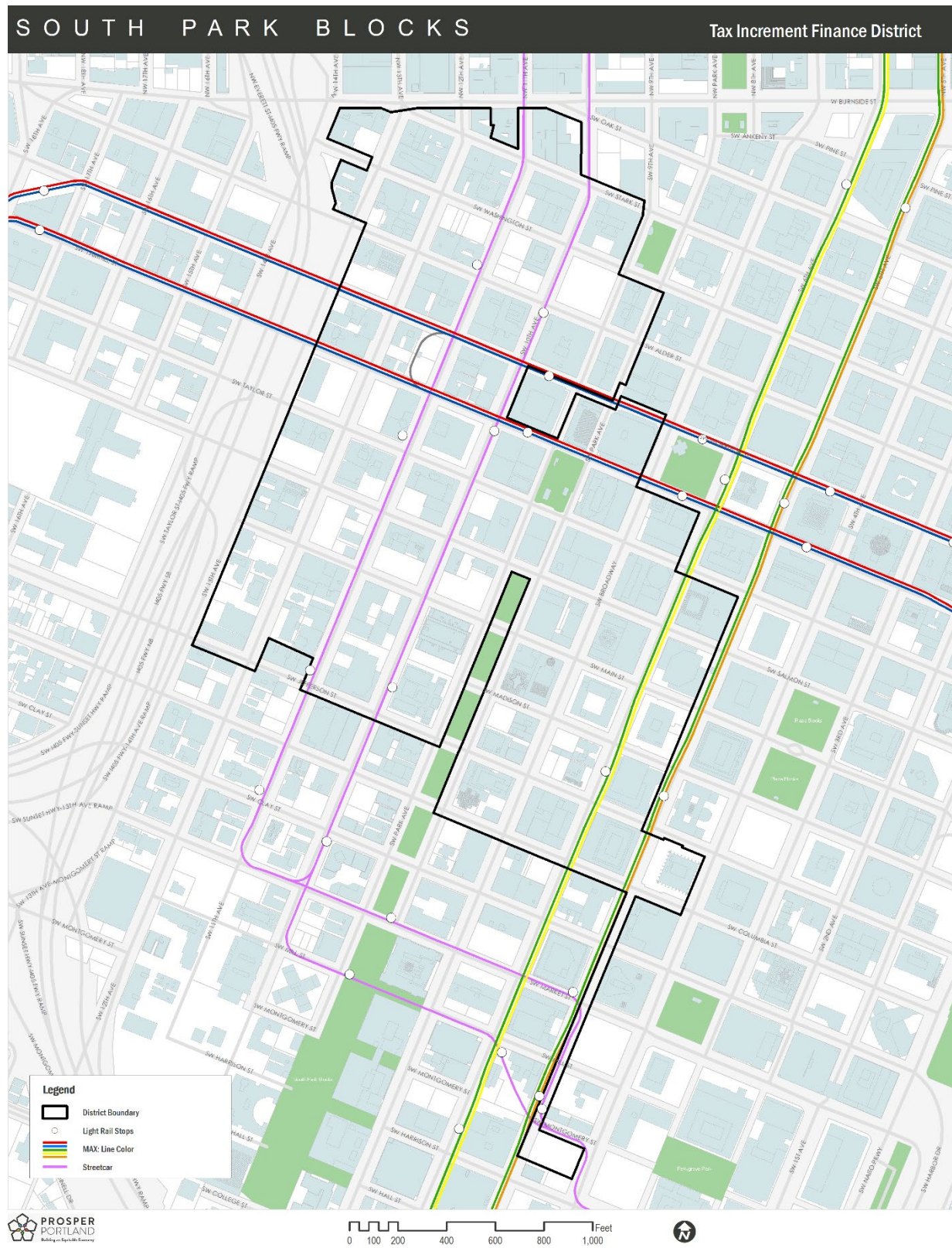
RIVER DISTRICT TIF DISTRICT

DEBT FUND	FY 2021-22 Audited Actuals	FY 2022-23 Adopted Budget
Resources		
Beginning Balance	39,723,145	0
Revenue		
Interest on Investments	222,266	0
Prior Year Property Taxes	427,684	0
Property Taxes	9,689,341	0
Total Revenue	10,339,291	0
Total Resources	50,062,436	0
Expenditures		
Debt Service	37,308,858	0
Bond issuance costs	6,530,195	0
Total Expenditures	43,839,053	0
Ending Balance	6,223,383	0
CAPITAL PROJECT FUND	FY 2021-22 Audited Actuals	FY 2022-23 Revised Budget
Resources		
Beginning Fund Balance	65,985,295	61,511,730
Revenue		
Federal and other Grants	6,036	0
Fees and Charges	29,000	2,110
Interest on Investments	381,392	307,556
Loan Collections	7,252,891	45,799
Property Income	2,151,088	2,435,135
Reimbursement	23,165	14,098
Total Revenue	9,843,572	2,804,698
Total Resources	75,828,867	64,316,428
Expenditures		
Economic Development	58,512	151,470
Housing	1,416,583	9,055,290
Infrastructure	29,188	420,188
Property Redevelopment	7,540,605	49,036,949
Administration	1,018,890	33,098
Total Expenditures	10,063,778	58,696,995
Transfers	4,253,360	4,172,119
Contingency	0	1,447,314
Ending Fund Balance Reserve	61,511,729	0

South Park Blocks TIF District

The South Park Blocks TIF district was established in 1985 and its last date to issue new long-term debt was July 2008. Total acreage was 161 as of June 2008 but was reduced to 156 through a plan amendment which went into effect in July 2008. The district's current acreage decreased to 98 acres following the most recent amendment. Its maximum indebtedness is \$143.6 million of which \$114.0 million has been issued through December 31, 2021. No additional debt will be issued since the district reached its last date to issue debt in 2008. The current Revised Budget and forecast for FY 2022-23 to FY 2027-28 include approximately \$2.3 million in planned expenditures, consisting mostly of business development within the downtown retail core including affordable commercial tenanting projects. Since 2015, \$8.3 million has been spent on affordable housing with an additional \$400 thousand in affordable housing expenditures are forecast through 2025.

An amendment to the FY 2021-22 intergovernmental agreement between Prosper Portland and the Portland Housing Bureau transferred \$2.9 million in resources in South Park Blocks for set aside projects in exchange for reducing the set aside in River District by \$2.9 million. No additional expenditures are allocated to the Housing Set Aside since this closeout district has reached the policy's target. Final projects of the district included completing Multnomah County Central Library and Arlene Schnitzer Concert Hall renovations; contributing to improvements at the Portland Art Museum as a regional attractor to downtown and the South Park Blocks; and supporting PSU at the south end of the district, with remaining housing resources focused on renovation of the Joyce Hotel.



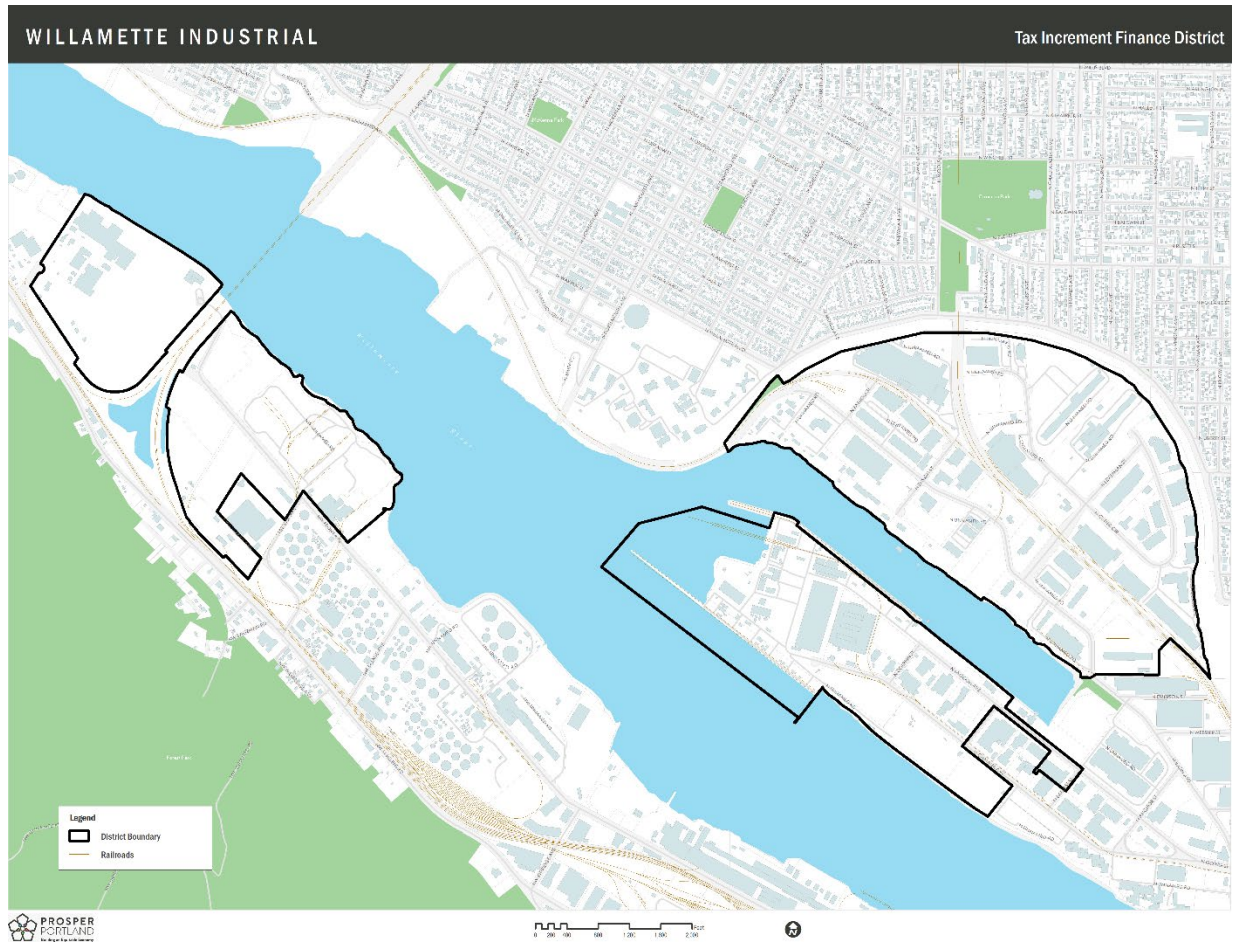
SOUTH PARK BLOCKS TIF DISTRICT

DEBT FUND	FY 2021-22 Audited Actuals	FY 2022-23 Adopted Budget
Resources		
Beginning Balance	3,416,603	3,335,000
Revenue		
Interest on Investments	29,860	20,000
Prior Year Property Taxes	82,733	0
Property Taxes	5,213,480	8,585,000
Total Revenue	5,326,073	8,605,000
Total Resources	8,742,676	11,940,000
Expenditures		
Debt Service	5,102,250	9,896,444
Reserve Requirements (for budget only)	0	2,043,556
Total Expenditures	5,102,250	11,940,000
Ending Balance	3,640,426	0
CAPITAL PROJECT FUND	FY 2021-22 Audited Actuals	FY 2022-23 Revised Budget
Resources		
Beginning Fund Balance	5,207,996	2,556,559
Revenue		
Federal and other Grants	3,255	0
Fees and Charges	3,000	0
Interest on Investments	26,930	12,783
Loan Collections	162,561	26,813
Total Revenue	195,746	39,596
Total Resources	5,403,742	2,596,155
Expenditures		
Housing	2,500,000	400,000
Property Redevelopment	65,631	3,984
Administration	4,602	7,821
Total Expenditures	2,570,233	411,805
Transfers	276,950	273,834
Contingency	0	1,910,516
Ending Fund Balance Reserve	2,556,559	0

Willamette Industrial TIF District

The Willamette Industrial TIF district was established in 2004 and its last date to issue debt was amended to June 2015 during amendments to districts approved by City Council in March 2015. Total acreage is 756. Its maximum indebtedness was \$200.0 million of which \$5.8 million was issued as of the final date to issue debt in June 2015. The Revised Budget and forecast for FY 2022-23 to FY 2027-28 include approximately \$1.6 million in planned expenditures.

All remaining investments will be targeted toward supporting industrial development and accompanying job growth and small business development through land acquisition and/or loan or grant financial investments.



WILLAMETTE INDUSTRIAL TIF DISTRICT

DEBT FUND	FY 2021-22 Audited Actuals	FY 2022-23 Adopted Budget
Resources		
Beginning Balance	0	0
Revenue		
Total Revenue	0	0
Total Resources	0	0
Expenditures		
Total Expenditures	0	0
Ending Balance	0	0
CAPITAL PROJECT FUND	FY 2021-22 Audited Actuals	FY 2022-23 Revised Budget
Resources		
Beginning Fund Balance	4,360,071	4,380,502
Revenue		
Interest on Investments	25,473	21,903
Total Revenue	25,473	21,903
Total Resources	4,385,544	4,402,405
Expenditures		
Property Redevelopment	5,043	1,500,824
Total Expenditures	5,043	1,500,824
Transfers	0	0
Contingency	0	2,901,581
Ending Fund Balance Reserve	4,380,501	0

Neighborhood Prosperity Initiative TIF Districts

As part of the implementation of the Neighborhood Economic Development (NED) Strategy, the City of Portland and Prosper Portland established the Neighborhood Prosperity Initiative (NPI). Final TIF and granted revenue sharing resources from Multnomah County and the City of Portland occurred in FY 2020-21 for 42nd Avenue, Cully, Division-Midway, and Parkrose. Jade and Rosewood final TIF occurred in FY 2021-22.

Description of activities: Each NPI district focuses on the unique needs of its community, with the goal of growing businesses and increasing employment opportunities. Grants from Prosper Portland enable the organizations to hire staff, make physical improvements, encourage community led development projects and increase the visibility of the district. Prosper Portland staff also provides technical assistance to the districts. Depending on individual district priorities, business technical assistance has been made available to districts from the Inclusive Business Resource Network and workforce navigators are available to assist in securing employment in the districts. NPI districts are in neighborhoods with the lowest average household incomes and higher than average diversity compared to Portland as a whole. All districts will have issued and repaid final indebtedness by FY 2022-23. The newly adopted Cully TIF District will begin in FY 2023-24, encompassing the geographic area of Our 42nd Avenue and the prior Cully Boulevard Alliance NPI districts.

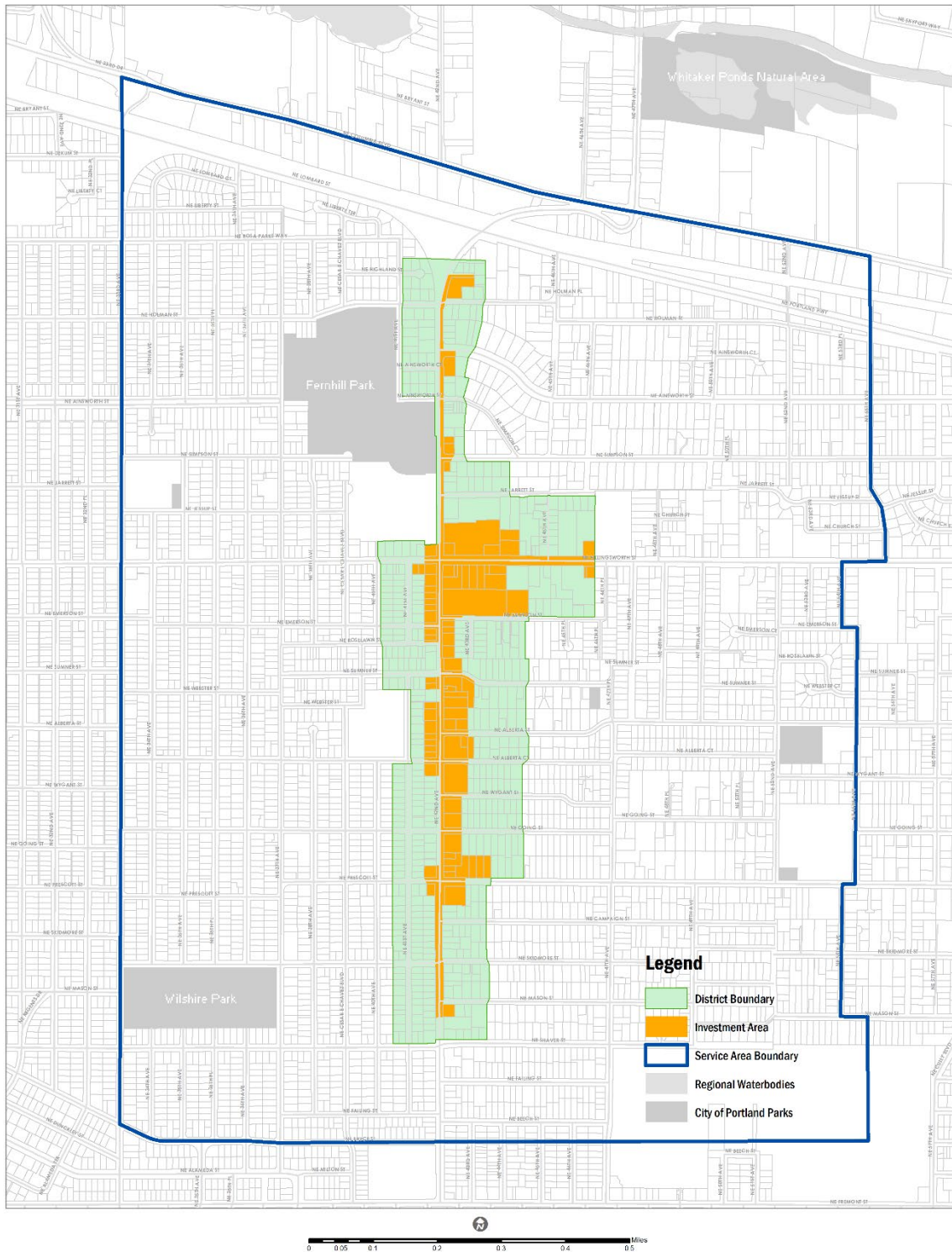
The six NPI TIF districts are:

- Our 42nd Avenue
- Cully Boulevard Alliance
- Parkrose
- Rosewood Initiative
- Division-Midway Alliance
- Jade District (82nd Ave & Division)



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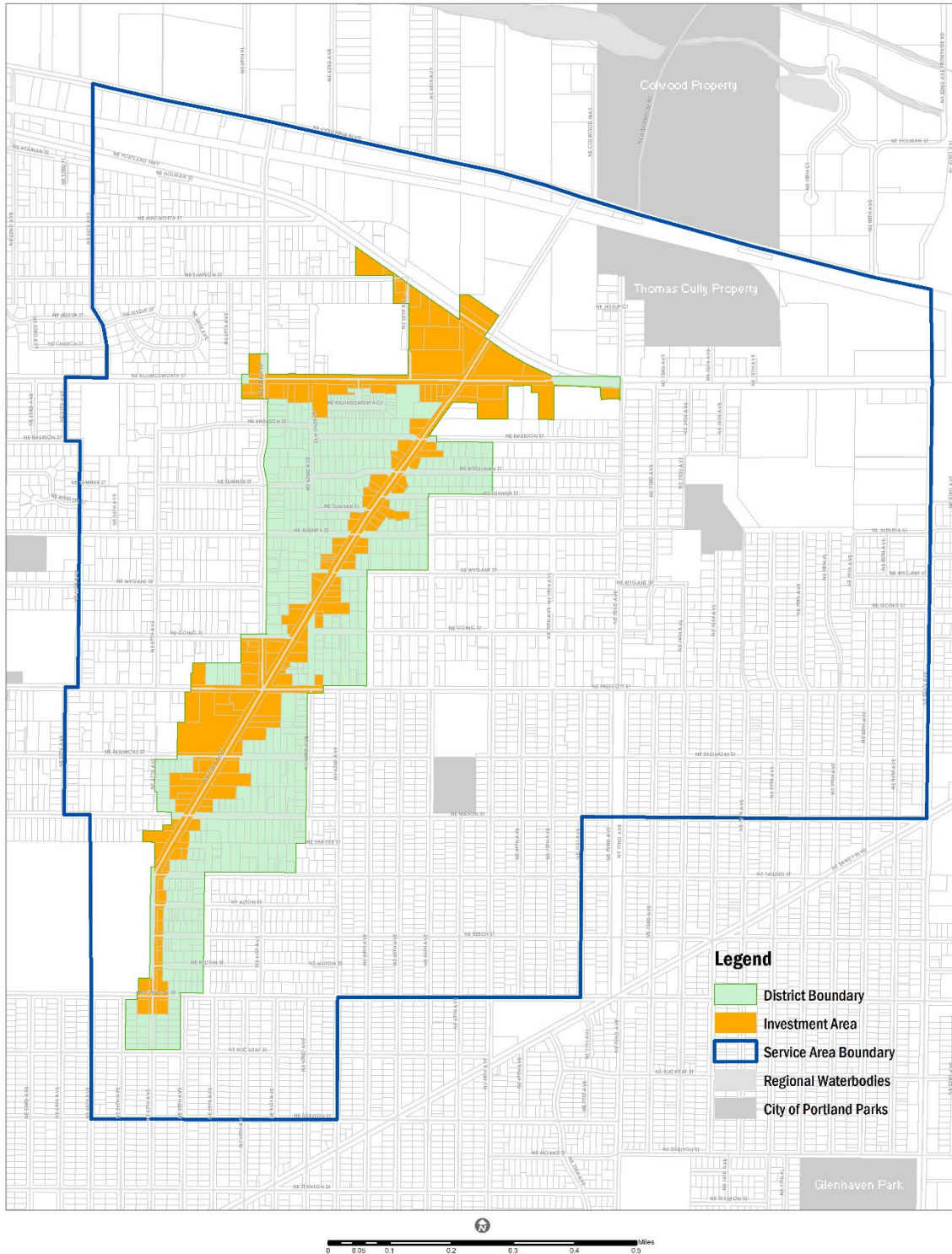
NEIGHBORHOOD PROSPERITY INITIATIVE OUR 42ND AVENUE





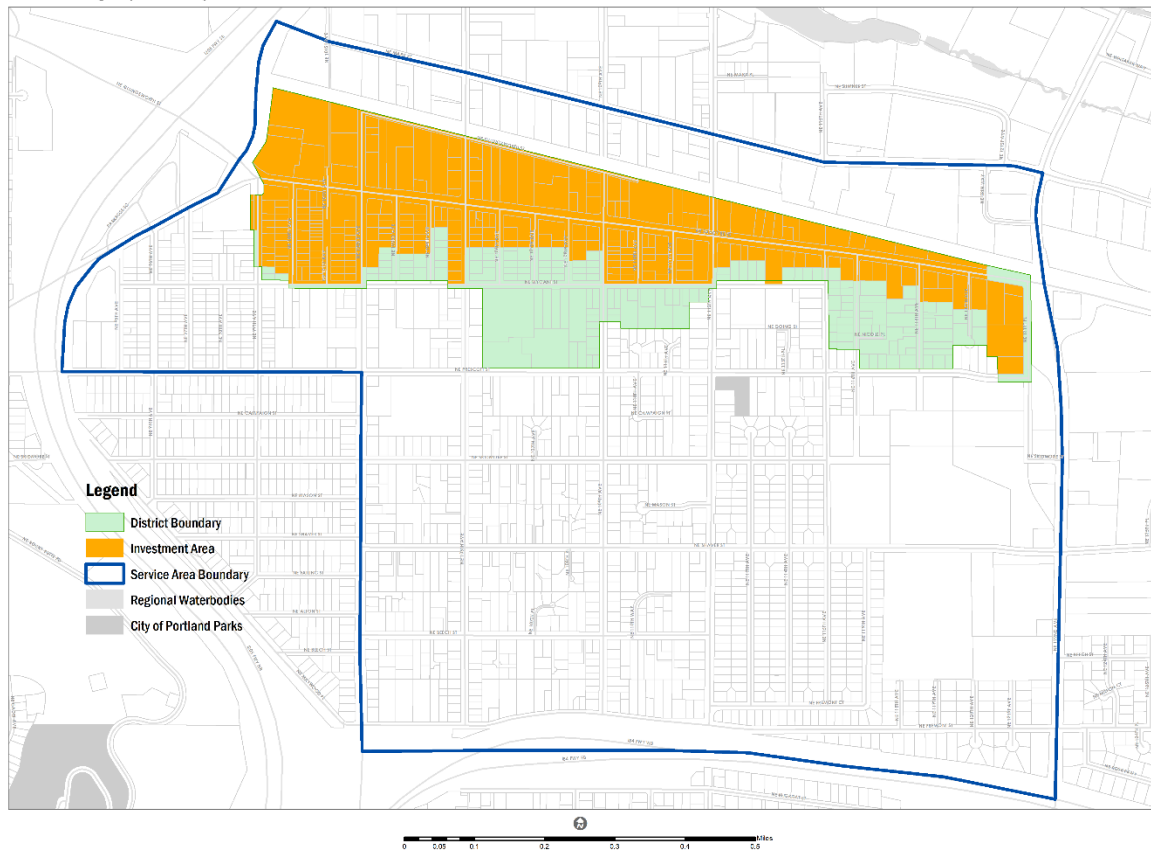
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NEIGHBORHOOD PROSPERITY INITIATIVE CULLY BLVD ALLIANCE



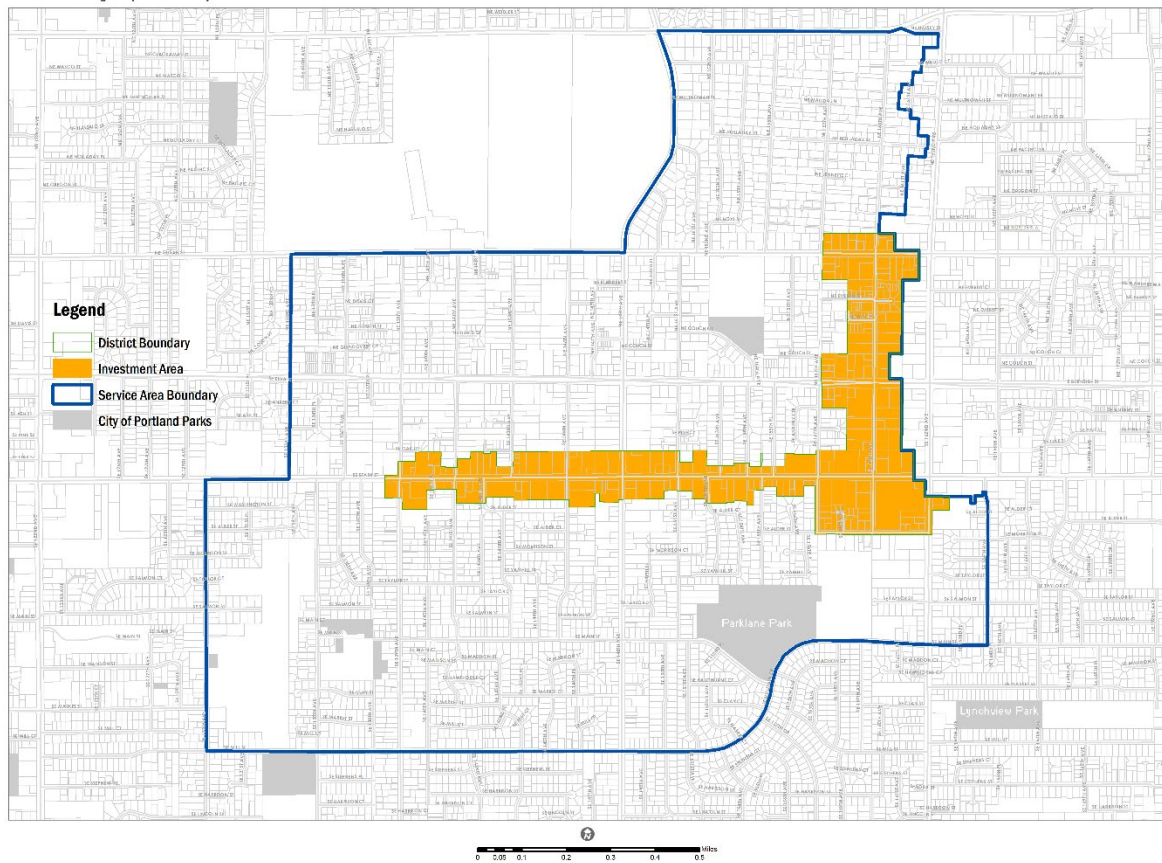


NEIGHBORHOOD PROSPERITY INITIATIVE
HISTORIC PARKROSE





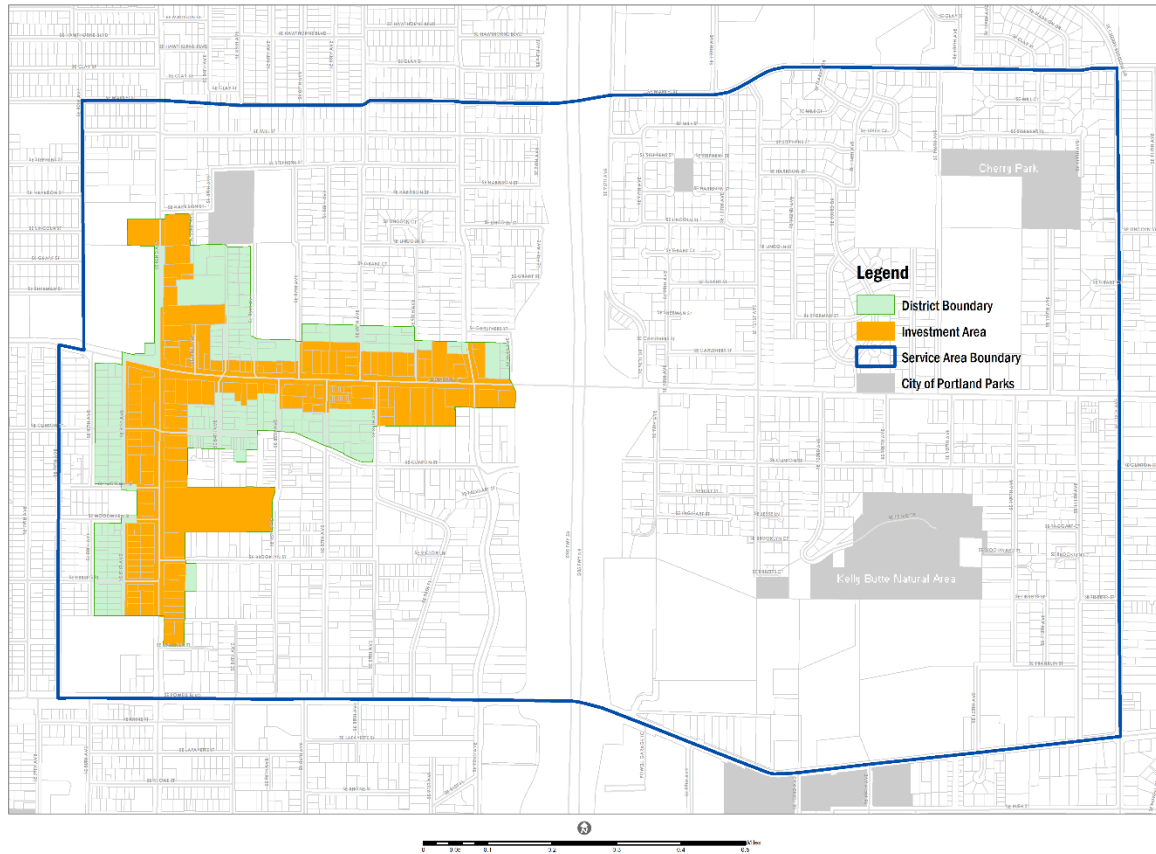
NEIGHBORHOOD PROSPERITY INITIATIVE
THE ROSEWOOD INITIATIVE





NEIGHBORHOOD PROSPERITY INITIATIVE

JADE DISTRICT



NEIGHBORHOOD PROSPERITY TIF DISTRICTS

DEBT FUND	FY 2021-22 Audited Actuals	FY 2022-23 Adopted Budget
Resources		
Beginning Balance	3,157	0
Revenue		
Interest on Investments	572	0
Prior Year Property Taxes	3,541	0
Property Taxes	167,840	30,500
Total Revenue	<u>171,953</u>	<u>30,500</u>
Total Resources	175,110	30,500
Expenditures		
Transfer to Prosper Portland	151,131	30,500
Total Expenditures	<u>151,131</u>	<u>30,500</u>
Ending Balance	23,979	0
CAPITAL PROJECT FUND	FY 2021-22 Audited Actuals	FY 2022-23 Revised Budget
Resources		
Beginning Fund Balance	2,052,127	1,305,663
Revenue		
Federal and other Grants	190,034	0
Interest on Investments	10,684	6,515
Tax Increment Debt Proceeds	147,283	61,899
Total Revenue	<u>348,001</u>	<u>68,414</u>
Total Resources	2,400,128	1,374,077
Expenditures		
Economic Development	1,023,537	656,891
Total Expenditures	<u>1,023,537</u>	<u>656,891</u>
Transfers	70,930	81,886
Contingency	0	635,300
Ending Fund Balance Reserve	1,305,661	0

Notes to the Financial Schedules:

(1) Debt Funds data source:

A) FY2021-22 Audited Actuals: City of Portland – Office of Management and Finance, Annual Comprehensive Financial Report, Oct. 2022

B) FY2022-23 Adopted Budget: City of Portland – City Budget Office

(2) Capital Funds data source:

A) FY2022-23 Audited Actuals: Prosper Portland Annual Comprehensive Financial Report, Oct. 2022

B) FY2022-23 Revised Budget: Prosper Portland Adopted Budget, Amendment No. 1, Dec. 2022

(3) Transfers include the indirect cost allocation transfer to Prosper Portland’s operating fund for general operations.