

PROSPER PORTLAND

Portland, Oregon

RESOLUTION NO. 7565

**ADOPTING THE FOURTEENTH AMENDMENT TO THE INTERSTATE
CORRIDOR URBAN RENEWAL PLAN TO CEASE THE DIVISION OF AD
VALOREM TAXES PURSUANT TO ORS 457.420 TO 457.470**

WHEREAS, the Interstate Corridor Urban Renewal Plan (the “Interstate Corridor Plan”) was adopted by the Portland City Council (“City Council”) on August 23, 2000, by Ordinance No. 174829 in order to provide tax increment funding (“TIF”) to promote redevelopment within the Interstate Corridor Plan area (the “Interstate Corridor TIF District”) and to protect the public health, safety, and welfare of the city of Portland;

WHEREAS, the Interstate Corridor Plan has been amended thirteen times, with the most recent thirteenth amendment approved and adopted by the Prosper Portland Board of Commissioners (“Board”) on October 14, 2020, through Resolution No. 7400, and adopted by the City Council on January 6, 2021, by Ordinance No. 190254;

WHEREAS, on April 26, 2023, City Council through Resolution No. 37617 adopted Advance Portland: A Call to Action for Inclusive Economic Growth, which directs action to pursue TIF as a tool for inclusive growth and stabilization within the Central City and in alignment with community-led TIF exploration in East Portland;

WHEREAS, on June 28, 2023, City Council through Resolution No. 37623 directed Prosper Portland, the Portland Housing Bureau, and Bureau of Revenue and Financial Services/Office of Management & Finance to pursue analysis and creation of new TIF districts;

WHEREAS, City Council Resolution No. 37623 stated that “in order to support the TIF exploration processes in East Portland and Central City, City Council intends to amend certain districts’ plans by terminating the division of property tax revenues, in order to return these revenues to taxing jurisdictions, and by releasing acreage and assessed value from the URA limitation calculation, in order to promote economic and community development and maintain financial commitments in these districts using other financial resources”;

WHEREAS, as a product of an extensive community engagement process, TIF plans were developed for new proposed TIF districts in east Portland, including a TIF district containing 1,874 acres of land area centered around the 82nd Avenue corridor running from roughly NE Fremont Street to the north and the City/County line to the, with a proposed maximum indebtedness of \$460,000,000 to finance projects under the TIF plan (the “82nd Avenue Area TIF Plan”), a TIF district containing 3,745 acres of land area roughly bounded by 122nd Avenue on the west, the City line to the east, NE Glisan Street to the north, and SE Powell Blvd to the south, with a proposed maximum indebtedness of \$770,000,000 to finance

projects under the TIF plan (the “East 205 TIF Plan”), a TIF district containing 1,550 acres of land area comprised of areas along NE Sandy Boulevard from the Sumner Neighborhood to Argay Terrace, including portions of the Columbia Slough and industrial corridor, with a proposed maximum indebtedness of \$310,000,000 to finance projects under the TIF plan (the “Sumner-Parkrose-Argay-Columbia Corridor (SPACC) TIF Plan:”), and collectively these three new proposed TIF plans are known as the “East Portland TIF Plans”;

WHEREAS, prior to the effective date of this Resolution, it is anticipated that the 82nd Avenue Area TIF Plan will be approved by the Prosper Portland Board through Resolution No. 7566 on August 28, 2024, and presented to City Council for adoption in October 2024;

WHEREAS, prior to the effective date of this Resolution, it is anticipated that the East 205 TIF Plan will be approved by the Prosper Portland Board through Resolution No. 7567 on August 28, 2024, and presented to City Council for adoption in October 2024;

WHEREAS, prior to the effective date of this Resolution, it is anticipated that the SPACC TIF Plan will be approved by the Prosper Portland Board through Resolution No. 7568 on August 28, 2024, and presented to City Council for adoption in October 2024;

WHEREAS, in consideration of the anticipated adoption of one or more of the East Portland TIF Plans, staff recommends amending the Interstate Corridor Plan to remove the provision in the Interstate Corridor Plan that allows for the division of ad valorem taxes levied under Article IX, Section 1(c) of the Oregon Constitution pursuant to ORS 457.420 to 457.470, thereby removing the assessed value and land area contained within the Interstate Corridor TIF District from the calculation of the total assessed value and total land area located within all TIF districts in the city of Portland under ORS 457.420(2);

WHEREAS, removing the authority to divide ad valorem taxes under the Interstate Corridor Plan will not impact the ability to use existing TIF resources in the Interstate Corridor TIF District to further the goals of the Portland Housing Bureau’s N/NE Neighborhood Housing Strategy and the N/NE Community Development Initiative Action Plan, including redevelopment of the Williams and Russell project;

WHEREAS, to further these policy objectives, Prosper Portland staff has prepared a Fourteenth Amendment to the Interstate Corridor Plan (“Fourteenth Amendment:”), which is attached to this resolution as Exhibit A and incorporated herein by this reference; and

WHEREAS, the Fourteenth Amendment is recommended for adoption as a minor amendment pursuant to Section XII of the Interstate Corridor Plan.

NOW, THEREFORE, BE IT RESOLVED, that the Prosper Portland Board hereby adopts the Fourteenth Amendment to the Interstate Corridor Plan as set forth in Exhibit A;

BE IT FURTHER RESOLVED, that this resolution will become effective immediately upon the passage of an Ordinance by the Portland City Council adopting any one of the three proposed East Portland TIF Plans; and

BE IT FURTHER RESOLVED, that if the Portland City Council has not adopted any of the proposed East Portland TIF Plans by June 30, 2025, this Resolution will automatically expire and be of no effect

FOURTEENTH AMENDMENT TO THE INTERSTATE CORRIDOR URBAN RENEWAL PLAN

As of the Effective Date of this Fourteenth Amendment, the Interstate Corridor Urban Renewal Plan (the “Plan”) is amended as follows:

- 1. Section X.** is deleted in its entirety and replaced with the following:

“X. PLAN FINANCING

The Plan may be financed using a combination of revenue sources, which include but are not limited to:

- Proceeds of indebtedness secured by tax increment revenues collected prior to the effective date of the Fourteenth Amendment to the Plan;
- Advances, loans, grants, and any other form of financial assistance from federal, state, or local governments, or other public bodies;
- Loans, grants, dedications, or other contributions from private developers or property owners, including but not limited to assessment districts; and
- Any other public or private sources

The maximum indebtedness that may be issued or incurred under the Plan is FOUR-HUNDRED-TWO MILLION DOLLARS (\$402,000,000). No additional indebtedness may be incurred under the Plan.”