

PROSPER PORTLAND

Portland, Oregon

RESOLUTION NO. 7570

**APPROVING THE CENTRAL EASTSIDE CORRIDOR URBAN RENEWAL PLAN
AND FORWARDING TO PORTLAND CITY COUNCIL WITH A
RECOMMENDATION FOR APPROVAL**

WHEREAS, on April 26, 2023, City Council through Resolution 37617 adopted Advance Portland: A Call to Action for Inclusive Economic Growth, which directs action to pursue Tax Increment Financing (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 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 urban renewal districts (“TIF districts”), including the consideration of up to 1,500 acres of available land area and up to approximately \$3.8 billion in available assessed value for new TIF district(s) within Portland’s Central City area;

WHEREAS, staff convened a steering committee to oversee the Central City TIF exploration processes as well as subcommittees to specifically advise Prosper Portland regarding a broad range of interests and expertise including housing production across varies levels of affordability, economic development, and development of large-scale development opportunities; and

WHEREAS, as a product of the steering committee’s extensive work and additional stakeholder engagement, a TIF plan was developed for a proposed new TIF district containing 486 acres anchored by the OMSI master plan district and the MLK/Grand and Stark commercial corridors, with a proposed maximum indebtedness of \$200,000,000 to finance projects under the TIF plan (the “Central Eastside Corridor TIF Plan”).

NOW, THEREFORE, BE IT RESOLVED, that the Prosper Portland Board hereby approves the Central Eastside Corridor TIF Plan and Report, which are attached to this Resolution as Exhibit A and Exhibit B, respectively;

BE IT FURTHER RESOLVED, that the Prosper Portland Board does hereby direct that the Central Eastside Corridor TIF Plan and Report be forwarded to City Council for adoption by nonemergency ordinance; and

BE IT FURTHER RESOLVED, that consistent with Oregon Revised Statutes 457.089, the Prosper Portland Board hereby forwards the Central Eastside Corridor TIF Plan and Report to the Planning Commission for its recommendations to the Portland City Council; and

BE IT FURTHER RESOLVED, that with the affirmative vote of no fewer than four commissioners for this resolution, this resolution will become effective immediately upon its adoption, and otherwise it will take effect thirty days after adoption.

Central Eastside Corridor Tax Increment Finance District Plan

August 28, 2024 DRAFT

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SECTION 1 – OVERVIEW AND CONTEXT

The Central Eastside Corridor Tax Increment Financing (TIF) District aims to revitalize certain areas of Portland’s Central City by attracting large employers, supporting small businesses, and growing a vibrant inclusive neighborhood. The District’s vision, values, goals, and investment priorities were informed by extensive community engagement as well as analysis of existing conditions.

Strategic focus areas within the Plan include but are not limited to large scale development sites such as the OMSI Master Plan District and the Clinton Triangle; the small business corridors along the SE Martin Luther King Jr Boulevard and Grand Avenue couplet and along Water Avenue; and enhancing the public realm and connectivity throughout the District including access to the waterfront and addressing connectivity challenges at railroad crossings.

To this end, the Plan outlines investment priorities in response to existing conditions within the District, including:

- Economic & Urban Development:** Forty percent of the parcels in the District have a low improvement to land value ratio, and over half of existing buildings were built before 1960, which may be obsolete or in need of deferred maintenance, seismic upgrades, and climate resilience improvements. The District is also currently experiencing high vacancy rates for industrial and office spaces, at 10.6 and 19.3 percent respectively. TIF District lost 11 percent of its jobs in between 2019 and 2022 (higher than the city’s rate of 6 percent), as well as 10 percent of its establishments. Investments in tenant improvements and incentives for affordable commercial tenancing may be prioritized to stabilize and grow small businesses in commercial corridors and the industrial sanctuary.
- Housing Production:** The District faces a significant need and opportunity for affordable and middle-income housing. Approximately 40 percent of renters in the District are cost-burdened, spending more than 30 percent of their income on housing. The District has a lower share of naturally occurring affordable housing and is less racially and ethnically diverse than the city of Portland, with 24 percent of residents who identify as people of color compared to 36 percent in Portland as a whole. Proposed efforts focus on developing a continuum of housing opportunities and increasing resident diversity, including within the OMSI Master Plan District.
- Public Realm & Infrastructure:** New streets, bike lanes, utilities, and parking are needed to support development, including enhancing sustainability and climate resilience particularly within the OMSI Master Plan District. Creating a vibrant, safe, welcoming environment while enhancing access and mobility is a priority for recruiting and retaining employers and supporting



Figure A. Central Eastside Corridor TIF District

small businesses. Enhancing waterfront use and investing in regional assets that complement the industrial employment district are also key.

Implementation of this plan will be undertaken with community leadership, input, and involvement. Five-Year Action Plans will be developed to establish near-term investment priorities and associated budgets in accordance with this Plan. The Five-Year Action Plans will additionally establish mechanisms for ongoing reporting and implementation oversight.

SECTION 2 – VALUES, VISION AND GOALS

Section 2.1 – Values

These shared values provide direction for the process of planning, implementing, and overseeing TIF investment within the District:

- Equity, Inclusivity, and Accessibility
- Complete, Livable, and Connected Neighborhoods
- Innovation
- Preserve and Promote Diversity
- Community Stabilization and Prosperity
- Resiliency and Sustainability
- Business Growth & Vitality
- Central City as a Destination
- Engage and Connect with Waterfront
- Clean, Safe, Vibrant, and Engaging Public Realm with Distinct Sense of Place
- Quality Housing for Full Range of Incomes Throughout Central City

Section 2.2 – Vision

The long-term vision for the Central Eastside Corridor District is to facilitate a well-connected, balanced, and complete neighborhood with a focus on progressing waterfront connections, industrialized employment, and a robust range of housing and economic development opportunities. Listed below are the guiding principles for the TIF District investment:

- The Central City is a successful dense mixed-use center composed of unique, livable neighborhoods with housing, services, and amenities that support the needs of people of all ages, incomes, and abilities.
- Central Eastside Corridor is economically competitive with robust and expanding business and development activity in line with region's long term growth plans and Central City 2035 employment and inclusive growth management goals. Urban character and livability make it the leading location in the region for business and commercial activity and an attractive location for new development.
- Affordable housing supply maintains and supports the area's growing racial, cultural, and economic diversity.
- Vulnerable populations concentrated within the Central City are supported with access to needed human and health services.
- A well-connected, efficient, and safe transportation network is well used, emphasizing walking, bicycling, and transit use. Efficient transportation of freight supports local and regional business growth. Parking is managed to optimize use of the limited supply and balance the need with other uses of rights of way.

- The Willamette River is the district’s defining feature, framed by a well-designed built environment that celebrates views to the larger surrounding landscape, honors historic and ongoing ties to Native American communities, encourages east-west access and orientation, and supports a range of river uses.
- Public realm is characterized by human-scaled accessible streets, connections, parks, open space, and recreation opportunities that offer a range of different experiences for public interaction.
- Central City is a national leader for innovation in business, higher education, and urban development with physical and social qualities that foster and attract diverse creativity, innovation, entrepreneurship, and civic engagement.

Section 2.3 – Goals

The goals represent the intent of the Plan and were derived from the Central City 2035 plan and vetted with the Steering Committee. Each of the goals connects to a set of projects, identified in Section 3 of the Plan. The goals and objectives will be pursued as economically as possible and at the discretion of the City.

The goals of this plan are to use Tax Increment Finance resources to advance the following priorities through projects and investments that:

1. Strengthen the Central City as a location for job creation by addressing development issues that affect businesses and by supporting economic development strategies and programs that facilitate economic growth.
2. Support access to and expansion of economic opportunities for all groups facing longstanding disparities, including education, housing, and employment so that they can achieve equitable benefits of development and economic prosperity.
3. Expand activities that support tourism and complement economic success, vibrancy, and livability, with a focus on retail, cultural events and institutions, public spaces, arts and entertainment, urban design, and transportation.
4. Encourage the production of housing to take advantage of the Central City’s unique concentration of active transportation access, jobs, open spaces, supportive services, and amenities.
5. Create attractive, dense, high-quality affordable housing that accommodates a broad range of needs, preferences, abilities, and financial capabilities in terms of different types, tenures, sizes, costs, and locations. Support new housing opportunities for students, families, older adults, and the unmet needs of extremely low and very low-income households¹.
6. Encourage redevelopment of large sites that includes new compatible uses, green buildings and infrastructure, equity considerations, scenic resource preservation, new pedestrian connections, strong street presence, and new open space amenities.
7. Enhance the existing character and diversity of the Central City districts, strengthening existing places and fostering the creation of new urban places and experiences.
8. Maintain the economic and cultural diversity of the District and minimize or mitigate involuntary displacement resulting from new development.

¹ In accordance with City of Portland 2015 Affordable Housing Set Aside Policy, rental housing is created and preserved with a focus on households earning less than 60 percent of area median income, and homeownership housing with focus on households earning 80 percent to 100 percent or less of area median income depending on home size.

9. Design neighborhoods to support physically and socially active healthy lifestyles for all people through the inclusion of plazas, parks, open spaces, and recreation opportunities; a safe and inviting public realm; access to healthy food and active transportation; and the density of development needed to support these economically.
10. Improve street design and function to increase efficiency and safety for all transportation modes and to meet the needs of businesses, shoppers, residents, and visitors. Establish a system and standards that emphasize walking, bicycling, transit use, and freight access while continuing to provide automobile access.
11. Expand activities that support tourism and complement economic success, vibrancy, and livability, with a focus on retail, cultural events and institutions, public spaces, arts and entertainment, urban design, and transportation.
12. Foster long-term success and continuation of Central City industrial districts as prime locations for investment and new industrial businesses

SECTION 3 – PLAN IMPLEMENTATION

Section 3.1 – Proposed Projects and Major Activities

The Plan identifies three project categories, organized within two work portfolios:

- A. Inclusive Growth (to be implemented by Prosper Portland)
 1. Economic & Urban Development: Predevelopment, storefront improvements, and public-private partnerships.
 2. Infrastructure: Road extensions, parking infrastructure, utility upgrades, demolition and grading, parks and open spaces, streetscape improvements, and signage.
- B. Affordable Housing (to be implemented by Portland Housing Bureau)
 1. Affordable Housing²: Preservation of existing and production of new affordable housing.

This section provides a description of the proposed projects to be undertaken under the Plan as well as the connection between the project categories, the Plan’s goals, and the estimated tax increment financing contribution (Table A). None of the anticipated projects is a “Public Building Project,” as that term is defined in ORS 457.010.

The total amount of TIF used for all projects, excluding administration and finance fees, is approximately \$186,582,854 in nominal year-of-expenditure (“YOE”) dollars. The cost of administration and finance fees over the life of the Area increase this total to \$200,000,000.

² In accordance with 2015 Affordable Housing Set Aside policy, rental housing is created and preserved with a focus on households earning less than 60 percent of area median income, and homeownership housing with focus on households earning 80 percent to 100 percent or less of area median income depending on home size.)

Table A – Project Alignment with Plan Goals

Project Short Name	Description	Relation to Urban Renewal Goals
Economic & Urban Development: up to \$65,303,999 (35 percent)		
Recruitment and Retention of Large Anchor Employers and Traded Sector Industries	<p>Offer tenant funding and incentives to attract and retain anchor employers and hubs to support creative industrial firms, entrepreneurship, lean manufacturing, efficiency improvements, and innovation with particular focus on food and beverage, athletic and outdoor, tech and other traded sector firms within the Central Eastside. Target and leverage anchor employer investments to catalyze large-scale development opportunities at opportunity sites like OMSI. Priority project areas include:</p> <ul style="list-style-type: none"> • Water Avenue • Martin Luther King Jr. Blvd & Grand Avenue • OMSI Master Plan District 	<p>Goal 1: Maintain the economic and cultural diversity of established communities and minimize or mitigate involuntary displacement resulting from new development.</p> <p>Goal 2: Encourage the production of housing to take advantage of the Central City’s unique concentration of active transportation access, jobs, open spaces, and supportive services and amenities.</p> <p>Goal 4: Design neighborhoods to support physically and socially active healthy lifestyles for all people through the inclusion of plazas, parks, open spaces, and recreation opportunities, a safe and inviting public realm, access to healthy food and active transportation, and the density of development needed to support these economically.</p>
Small Business Support	<p>Invest through grant and loan programs and direct investment in tenant and façade improvements, related infrastructure improvements, and incentives for affordable commercial tenancing and related leasing to a) support small business stabilization and growth with a focus on ground floor tenancing; b) support inclusive wealth creation; and c) create a vibrant retail environment that attracts diverse visitors from the region and beyond. Priority project areas include:</p> <ul style="list-style-type: none"> • Martin Luther King Jr. Blvd & Grand Avenue • Water Avenue • SE 11th & 12th Avenue • Hawthorne Blvd & Madison Street • Stark Street 	<p>Goal 7: Enhance the existing character and diversity of the Central City districts, strengthening existing places and fostering the creation of new urban places and experiences.</p> <p>Goal 8: Strengthen the Central City as a location for job creation by addressing development issues that affect businesses and by supporting economic development strategies and programs that facilitate economic growth.</p>
Rehabilitation of Existing Buildings and Development of New Commercial Space	<p>Renovation of commercial buildings, including URMs, seismic upgrades, and other climate resilience related improvements. Investments in both large and small construction of new or</p>	<p>Goal 9: Support access to and expansion of economic opportunities for all groups facing longstanding disparities, including</p>

	<p>renovated commercial and industrial spaces and related parking needs for R&D, light manufacturing, and maker spaces, including through lease and loan guaranties. Priority project areas include:</p> <ul style="list-style-type: none"> - Water Avenue - OMSI Master Plan District - East Portland Grand Avenue Historic District 	<p>education, housing, and employment so that they can achieve equitable benefits of development and economic prosperity.</p> <p>Goal 10: Expand activities that support tourism and complement economic success, vibrancy, and livability, with a focus on retail, cultural events and institutions, public spaces, arts and entertainment, urban design, and transportation.</p> <p>Goal 11: Foster long-term success and continuation of Central City industrial districts as prime locations for investment and new industrial businesses.</p>
Inclusive Neighborhoods	<p>Enhance waterfront use with activation, services, and amenities and invest in regional assets (education, entertainment) that complement industrial employment district and new and renovated housing along corridors, and are reflective of and attractive to a diverse demographic. Priority project areas include:</p> <ul style="list-style-type: none"> - Eastbank Esplanade - OMSI Master Plan District 	
Middle-Income Housing (60-120 percent AMI)	<p>Diversify uses via gap financing for new multi-dwelling middle-income residential development via conversion or new development in areas zoned for housing within the District. Create middle income housing opportunities, including for BIPOC individuals and families, to support increased demographic diversity. Priority project areas include:</p> <ul style="list-style-type: none"> • Martin Luther King Jr. Blvd & Grand Avenue • OMSI Master Plan District • Clinton Triangle 	
Infrastructure: up to \$37,316,571 (20 percent)		
Connectivity & Public Realm Enhancements	<p>Create connectivity within and to the District, particularly along the waterfront and key commercial corridors. Make improvements to support activations within the District and implement signage solutions usable for all age groups. Enhance accessibility for individuals with mobility challenges. Implement placemaking strategies to support businesses. Priority project areas:</p>	<p>Goal 4: Design neighborhoods to support physically and socially active healthy lifestyles for all people through the inclusion of plazas, parks, open spaces, and recreation opportunities, a safe and inviting public realm, access to healthy food and active transportation, and the density of development needed to support these economically.</p>

	<ul style="list-style-type: none"> • Eastbank Esplanade • OMSI Master Plan District • Green Loop • Railroads crossings 	Goal 5: Improve street design and function to increase efficiency and safety for all transportation modes and the ability to meet the needs of businesses, shoppers, residents, and visitors. Establish a system and standards that emphasize walking, bicycling, transit use, and freight access while continuing to provide automobile access.
Transportation Infrastructure and Utilities to Support Development	<p>New streets, street improvements, parking, bike lanes, new and/or relocated utilities (water, storm, sanitary sewer) to serve new district development within the OMSI Master Plan District and at other large development sites. Pursue Innovative infrastructure to meet sustainability and climate goals through innovation. Improve seismic resilience and system capacity upgrades. Project priority areas:</p> <ul style="list-style-type: none"> • OMSI Master Plan District • Clinton Triangle 	Goal 6: Encourage redevelopment of large sites that includes new compatible uses, green buildings and infrastructure, equity considerations, scenic resource preservation, new pedestrian connections, strong street presence, and new open space amenities.
Affordable Housing: up to \$83,962,284 (45 percent)		
Affordable Housing³	<p>Support development of new or renovation of existing affordable multi-dwelling residential uses; including family size units and accessible units, including via site acquisition and site preparation such as seismic & liquefaction considerations for development. Priority project areas:</p> <ul style="list-style-type: none"> • Martin Luther King Jr. Blvd & Grand Avenue • OMSI Master Plan District • Clinton Triangle 	Goal 3: Create attractive, dense, high-quality affordable housing that accommodates a broad range of needs, preferences, abilities, and financial capability in terms of different types, tenures, sizes, costs, and locations. Support new housing opportunities for students, families, older adults, and the unmet needs of extremely low and very low-income households.

³ Per the 2015 City of Portland Affordable Housing Set Aside Policy, investments *should create and preserve rental units with a focus on households earning less than 60 percent of area median income, and homeownership housing with focus on households earning 80 percent to 100 percent or less of area median income depending on home size*

Section 3.2 – Plan Finances

The Plan will be financed by tax increment revenues (TIF) allocated to the District, as provided in ORS Chapter 457. The ad valorem taxes levied by a taxing district in which all or a portion of the District is located, will be divided as provided in Section 1c, Article IX of the Oregon Constitution, and ORS 457.420 to ORS 457.470. Amounts collected pursuant to ORS 457.420 to 457.470 will be deposited into the special fund and used to finance indebtedness for projects as described in this Plan, or as otherwise permitted or required by applicable law.

The maximum amount of the principal of indebtedness that may be issued or incurred under this Plan (the “**Maximum Indebtedness**”) is \$200,000,000. The Maximum Indebtedness does not include the costs of financing the indebtedness or any amount of indebtedness that may be incurred to refund or refinance existing indebtedness.

Section 3.3 – Plan Relationship to Local Objectives

The area within the TIF District will be subject to local objectives contained in other City and regional plans regarding appropriate land uses and improved traffic, public transportation, public utilities, telecommunications utilities, recreational and community facilities, and other public improvements, including such other plans that exist at the time of this Plan’s adoption and that may be amended or adopted during the implementation period of this Plan. This TIF Plan will be administered in a manner that any project undertaken under this Plan will complement and support the objectives described within those other plans. The Five-Year Action plans adopted as amendments to this Plan should further explain how any projects to be performed under the Action Plan will complement and support such other City and regional plans, as appropriate.

Section 3.4 – Proposed Land Uses, Maximum Densities and Building Requirements

This Plan does not propose or authorize any revisions to land uses, maximum densities, or building requirements set forth in the City’s Comprehensive Plan, Zoning Ordinance, Building Codes, or related regulations. All projects will be expected comply with the requirements of all such plans and regulations at the time of project implementation.

Section 3.5 – Real Property Acquisition and Disposal

This Plan authorizes the acquisition of real property by purchase or dedication from willing sellers, as needed to carry out any project identified in this Plan. The use of Eminent Domain is not authorized as a means for acquiring real property under this Plan. The Plan further authorizes the disposition of real property, including by sale or lease, as needed to carry out any project identified in this Plan.

A proposed list of real properties to be considered for acquisition and/or disposition may be identified in Five-Year Action Plans adopted as amendments to this Plan.

Section 3.6 – Relocation Plan

It is not anticipated that any of the proposed projects identified in the Plan will require or result in the temporary or permanent relocation of any residents or businesses. To the extent that temporary or permanent relocation is necessary, Prosper Portland will comply with the requirements set forth in ORS 35.500 to 35.530 to protect the rights of any person or business impacted by such relocation.

SECTION 4 – GOVERNANCE OF TIF DISTRICT

Section 4.1 – Ongoing Community Engagement

Implementation of this plan will be undertaken with community leadership, input and involvement. Prosper Portland and the Portland Housing Bureau shall convene an ad hoc advisory committee advising Prosper Portland’s Executive Director and PHB’s Director, in order to inform development of Five-Year Action Plans on a reoccurring basis. The ad hoc advisory committee shall represent a broad diversity of voices, including private sector leadership, business organizations, small business owners, culturally specific organizations, and affordable housing developers in the crafting of the Five-Year Action Plan.

The intent of the Five-Year Action Plan is to establish near-term investment priorities and associated budgets in accordance with this Plan. The Five-Year Action Plans will additionally establish mechanisms for ongoing reporting and implementation oversight. Prosper Portland and Portland Housing Bureau’s annual budgets shall reflect the priorities and investments outlined in the Five-Year Action Plan. In the event of a conflict between the Five-Year Action Plan and draft budget, the Five-Year Action Plan or proposed budget should be amended prior to adoption of the final budget.

Section 4.2 – Future Plan Amendments

The process for amending this Plan is described in this Section, which defines amendments as either “Substantial Amendments” or “Minor Amendments.”

A Substantial Amendment is defined as an amendment to the Plan that either:

- Adds land to the TIF District, if the addition results in a cumulative addition of more than one percent of the TIF District area; or,
- Increases the maximum amount of indebtedness that can be issued or incurred under the plan

Substantial Amendments to the Plan may only be approved by a nonemergency Ordinance of the City Council, upon a recommendation by the Prosper Portland Board of Commissioners, and after following the same notice, hearing, and approval procedure required of the original plan under ORS 457.095 as provided in ORS 457.220.

A Minor Amendment is defined as an amendment to the Plan that is not a Substantial Amendment. Minor Amendments to the Plan may be approved by a Resolution of the Prosper Portland Board of Commissioners.

EXHIBITS TO PLAN

- Exhibit A – Legal Description
- Exhibit B – Engagement Summary

EXHIBIT 'A'

AUGUST 19, 2024

CENTRAL EASTSIDE TIF DISTRICT LEGAL DESCRIPTION

TRACTS OF LAND AND ROAD RIGHT-OF-WAYS LOCATED IN THE SOUTHEAST ONE-QUARTER OF SECTION 34 AND SOUTHWEST ONE-QUARTER OF SECTION 35, TOWNSHIP 1 NORTH, RANGE 1 EAST, WILLAMETTE MERIDIAN AND THE NORTHEAST ONE-QUARTER OF SECTION 3 AND NORTHWEST ONE-QUARTER OF SECTION 2, TOWNSHIP 1 SOUTH, RANGE 1 EAST, WILLAMETTE MERIDIAN, CITY OF PORTLAND, MULTNOMAH COUNTY, OREGON, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE CENTERLINE OF E BURNSIDE STREET AND THE SOUTHERLY EXTENSION OF THE EASTERLY RIGHT-OF-WAY LINE OF NE 12TH AVENUE, SAID POINT BEARS SOUTH 30 FEET (MORE OR LESS) AND EAST 10 FEET (MORE OR LESS) FROM THE SOUTHWEST CORNER OF BLOCK 267, PLAT OF LANE'S ADDITION, MULTNOMAH COUNTY PLAT RECORDS;

THENCE SOUTHERLY 90 FEET (MORE OR LESS) LEAVING SAID INTERSECTION TO THE INTERSECTION OF THE SOUTHEASTERLY RIGHT-OF-WAY LINE OF SE SANDY BOULEVARD AND THE EASTERLY RIGHT-OF-WAY LINE OF SE 12TH AVENUE;

THENCE SOUTHERLY 1,239 FEET (MORE OR LESS) ALONG SAID EASTERLY RIGHT-OF-WAY LINE OF SE 12TH AVENUE TO THE NORTHWEST CORNER OF BLOCK 261, PLAT OF EAST PORTLAND BY ORDINANCE, MULTNOMAH COUNTY PLAT RECORDS;

THENCE EASTERLY 460 FEET (MORE OR LESS) ALONG THE SOUTHERLY RIGHT-OF-WAY LINE OF SE STARK STREET TO THE NORTHEAST CORNER OF BLOCK 282, SAID PLAT OF EAST PORTLAND BY ORDINANCE;

THENCE SOUTHERLY 650 FEET (MORE OR LESS) ALONG THE WESTERLY RIGHT-OF-WAY LINE OF SE 14TH AVENUE TO THE MOST EASTERLY SOUTHEAST CORNER OF THAT PARCEL DESCRIBED IN DOCUMENT NO. 2020-006178, MULTNOMAH COUNTY DEED RECORDS;

THENCE WESTERLY 37.5 FEET (MORE OR LESS) ALONG THE SOUTHERLY LINE OF SAID PARCEL TO AN ANGLE POINT;

THENCE SOUTHERLY 70 FEET (MORE OR LESS) ALONG SAID SOUTHERLY LINE TO THE NORTHERLY RIGHT-OF-WAY LINE OF SE MORRISON STREET;

THENCE WESTERLY 225 FEET (MORE OR LESS) ALONG SAID NORTHERLY RIGHT-OF-WAY LINE OF SE MORRISON STREET TO THE SOUTHEAST CORNER OF THAT PARCEL DESCRIBED IN DOCUMENT NO. 99150005, MULTNOMAH COUNTY DEED RECORDS;

THENCE NORTHERLY 100 FEET (MORE OR LESS) ALONG THE EASTERLY LINE OF SAID PARCEL TO THE NORTHERLY LINE OF LOT 6, BLOCK 259, SAID PLAT OF EAST PORTLAND BY ORDINANCE;

THENCE WESTERLY 198 FEET (MORE OR LESS) ALONG THE NORTHERLY LINE OF SAID LOT 6, BLOCK 259 AND LOT 3, BLOCK 259, SAID PLAT OF EAST PORTLAND BY ORDINANCE TO SAID EASTERLY RIGHT-OF-WAY LINE OF SE 12TH AVENUE;

THENCE SOUTHERLY 1,690 FEET (MORE OR LESS) ALONG SAID EASTERLY RIGHT-OF-WAY LINE OF SE 12TH AVENUE TO THE CENTERLINE OF SE MADISON STREET;

THENCE WESTERLY 1,560 FEET (MORE OR LESS) ALONG SAID CENTERLINE OF SE MADISON STREET TO THE SOUTHERLY EXTENSION OF THE WESTERLY LINE OF BLOCK 133, PLAT OF HAWTHORNE PARK, MULTNOMAH COUNTY PLAT RECORDS;

THENCE NORTHERLY 1,790 FEET (MORE OR LESS) ALONG THE EASTERLY RIGHT-OF-WAY LINE OF SE 6TH AVENUE TO THE NORTHWEST CORNER OF BLOCK 139, PLAT OF CITY OF PORTLAND, MULTNOMAH COUNTY PLAT RECORDS;

THENCE EASTERLY 1,300 FEET (MORE OR LESS) ALONG THE SOUTHERLY RIGHT-OF-WAY LINE OF SE ALDER STREET TO NORTHWEST CORNER OF BLOCK 244, SAID PLAT OF CITY OF PORTLAND;

THENCE NORTHERLY 580 FEET (MORE OR LESS) ALONG THE EASTERLY RIGHT-OF-WAY LINE OF SE 11TH AVENUE TO THE SOUTHWEST CORNER OF BLOCK 241, SAID PLAT OF CITY OF PORTLAND;

THENCE WESTERLY 767 FEET (MORE OR LESS) ALONG THE NORTHERLY RIGHT-OF-WAY LINE OF SE STARK STREET TO THE INTERSECTION OF THE SOUTHEASTERLY RIGHT-OF-WAY LINE OF SE SANDY BOULEVARD AND SAID NORTHERLY RIGHT-OF-WAY LINE OF SE STARK STREET;

THENCE NORTHERLY 260 FEET (MORE OR LESS) LEAVING SAID INTERSECTION TO THE SOUTHWEST CORNER OF BLOCK 183, SAID PLAT OF CITY OF PORTLAND;

THENCE NORTHERLY 720 FEET (MORE OR LESS) ALONG THE EASTERLY RIGHT-OF-WAY LINE OF SE 8TH AVENUE TO THE NORTHWEST CORNER OF BLOCK 185, SAID PLAT OF CITY OF PORTLAND;

THENCE WESTERLY 1,300 FEET (MORE OR LESS) ALONG THE SOUTHERLY RIGHT-OF-WAY LINE OF SE ANKENY STREET TO THE NORTHWEST CORNER OF BLOCK 78, SAID PLAT OF CITY OF PORTLAND;

THENCE SOUTHERLY 1,760 FEET (MORE OR LESS) ALONG THE EASTERLY RIGHT-OF-WAY LINE OF SE THIRD AVENUE TO THE SOUTHWEST CORNER OF BLOCK 84, SAID PLAT OF CITY OF PORTLAND;

THENCE WESTERLY 810 FEET (MORE OR LESS) ALONG THE NORTHERLY RIGHT-OF-WAY LINE OF SE MORRISON STREET TO THE CENTERLINE OF SE WATER AVENUE;

THENCE SOUTHERLY 1,590 FEET (MORE OR LESS) ALONG SAID CENTERLINE OF SE WATER AVENUE TO THE CENTERLINE OF SE MADISON STREET;

THENCE WESTERLY 1,290 FEET (MORE OR LESS) ALONG SAID CENTERLINE OF SE MADISON STREET, THE HAWTHORNE BRIDGE RAMP, AND HAWTHORNE BRIDGE TO THE THREAD LINE OF THE WILLAMETTE RIVER;

THENCE NORTHERLY 4,495 FEET (MORE OR LESS) ALONG SAID THREAD LINE TO THE WESTERLY EXTENSION OF THE NORTHERLY RIGHT-OF-WAY LINE OF NE EVERETT STREET;

THENCE EASTERLY 1,811 FEET (MORE OR LESS) ALONG SAID WESTERLY EXTENSION OF THE NORTHERLY RIGHT-OF-WAY LINE OF NE EVERETT STREET AND THE NORTHERLY RIGHT-OF-WAY LINE OF SAID NE EVERETT STREET TO THE CENTERLINE OF NE GRAND AVENUE;

THENCE SOUTHERLY 30 FEET (MORE OR LESS) ALONG SAID CENTERLINE OF NE GRAND AVENUE TO THE CENTERLINE OF NE EVERETT STREET;

THENCE EASTERLY 1,560 FEET (MORE OR LESS) ALONG SAID CENTERLINE OF NE EVERETT STREET AND THE CENTERLINE OF VACATED NE EVERETT STREET TO THE CENTERLINE OF VACATED NE 11TH AVENUE;

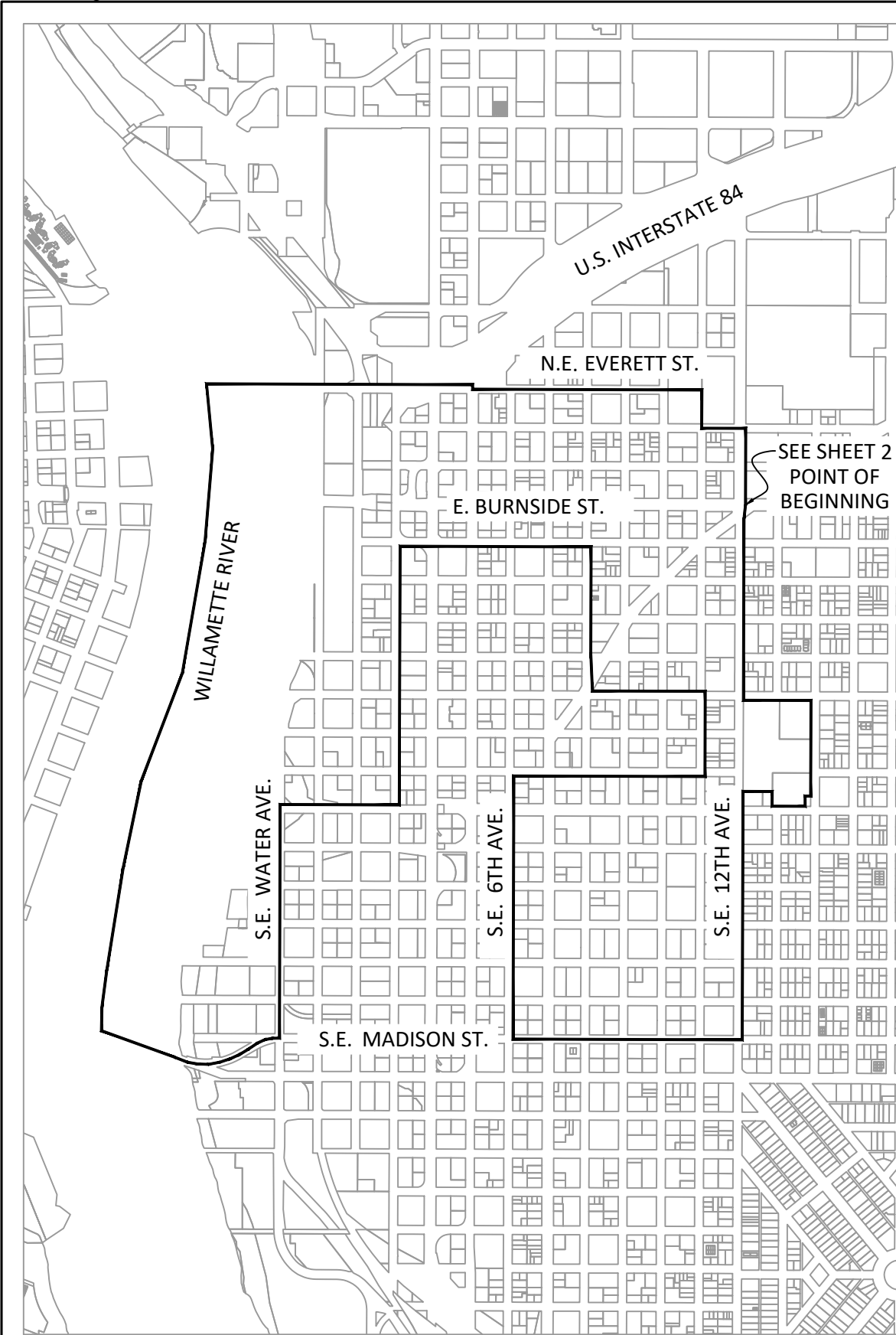
THENCE SOUTHERLY 260 FEET (MORE OR LESS) ALONG SAID CENTERLINE OF VACATED NE 11TH AVENUE TO THE CENTERLINE OF NE DAVIS STREET;

THENCE EASTERLY 300 FEET (MORE OR LESS) ALONG SAID CENTERLINE OF NE DAVIS STREET TO THE NORTHERLY EXTENSION OF SAID EASTERLY RIGHT-OF-WAY LINE OF NE 12TH AVENUE;

THENCE SOUTHERLY 522 FEET (MORE OR LESS) ALONG SAID EASTERLY RIGHT-OF-WAY LINE OF NE 12TH AVENUE TO THE **POINT OF BEGINNING**.

THE TRACT OF LAND DESCRIBED ABOVE CONTAINS 292 ACRES, MORE OR LESS.

THE TRACT OF LAND DESCRIBED ABOVE IS SHOWN ON THE ATTACHED EXHIBIT 'B' MAP AND BY THIS REFERENCE MADE A PART THEREOF.



SCALE: 1" = 1,000'

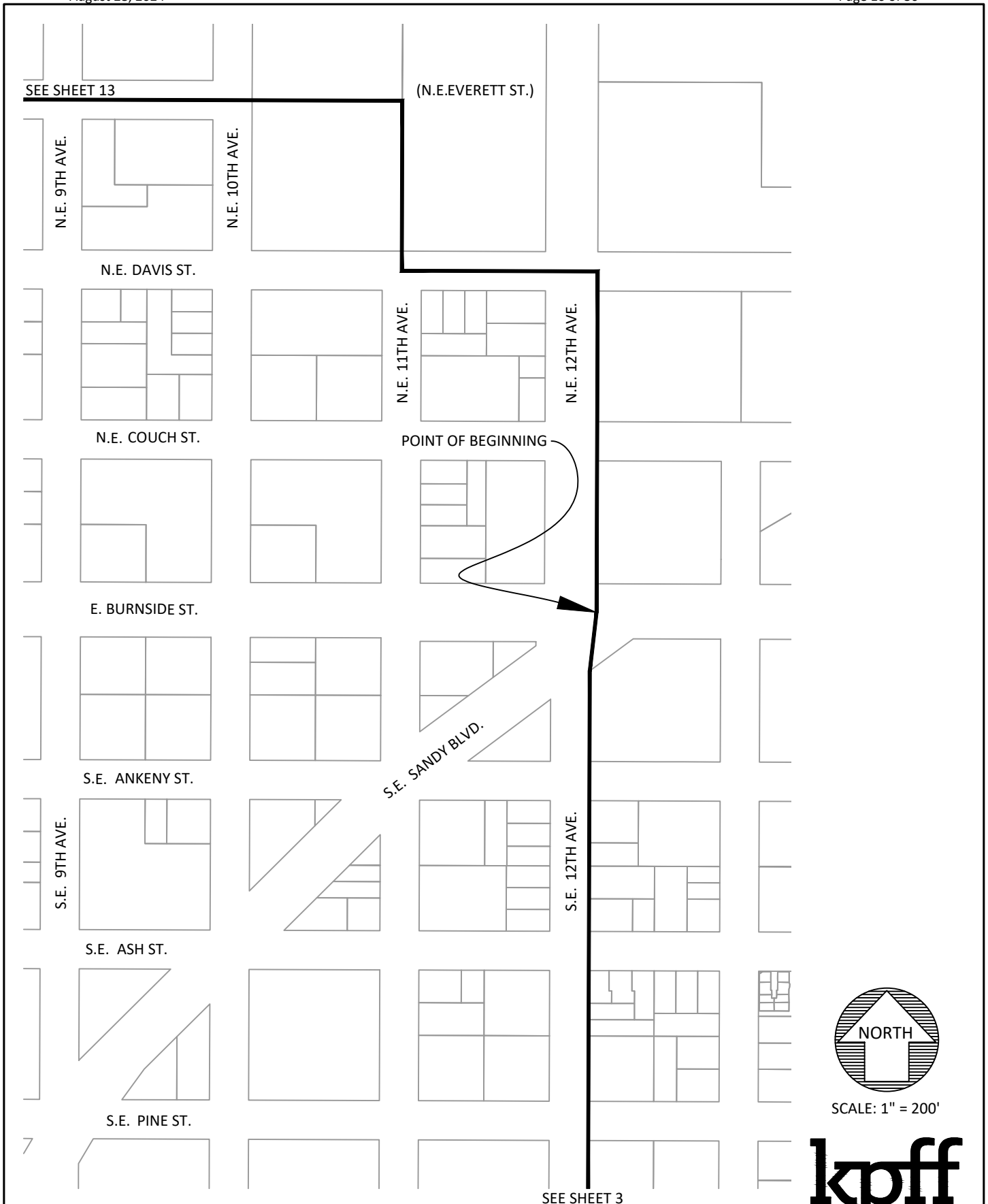


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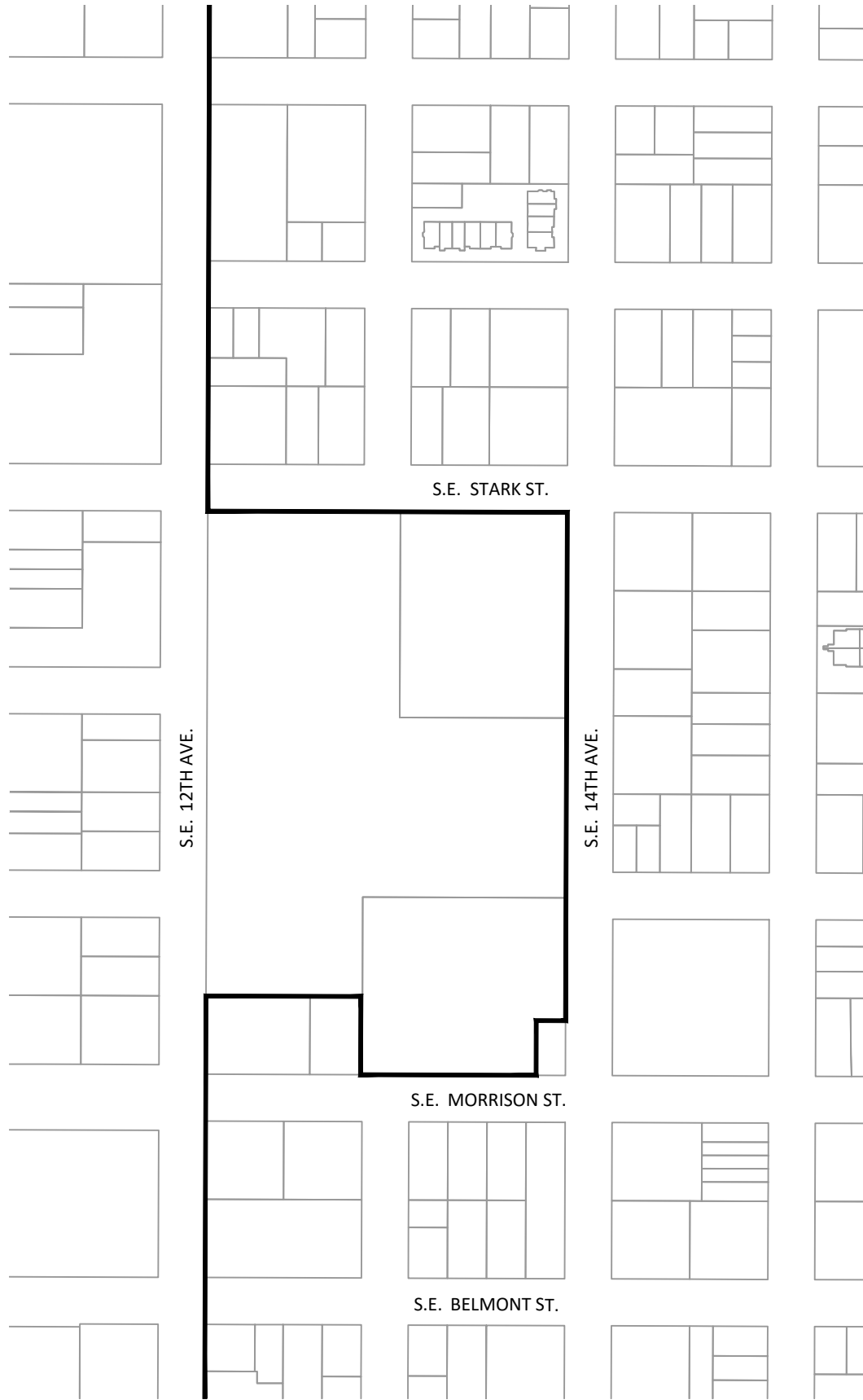
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SEE SHEET 2



S.E. STARK ST.

S.E. 12TH AVE.

S.E. 14TH AVE.

S.E. MORRISON ST.

S.E. BELMONT ST.

SEE SHEET 4



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SHEET:	3/13

SEE SHEET 3

S.E. BELMONT ST.

S.E. 12TH AVE.

S.E. 14TH AVE.

S.E. 10H AVE.

S.E. MADISON ST.

SEE SHEET 5

S.E. HAWTHORNE ST.

S.E. LADD AVE.



SCALE: 1" = 200'



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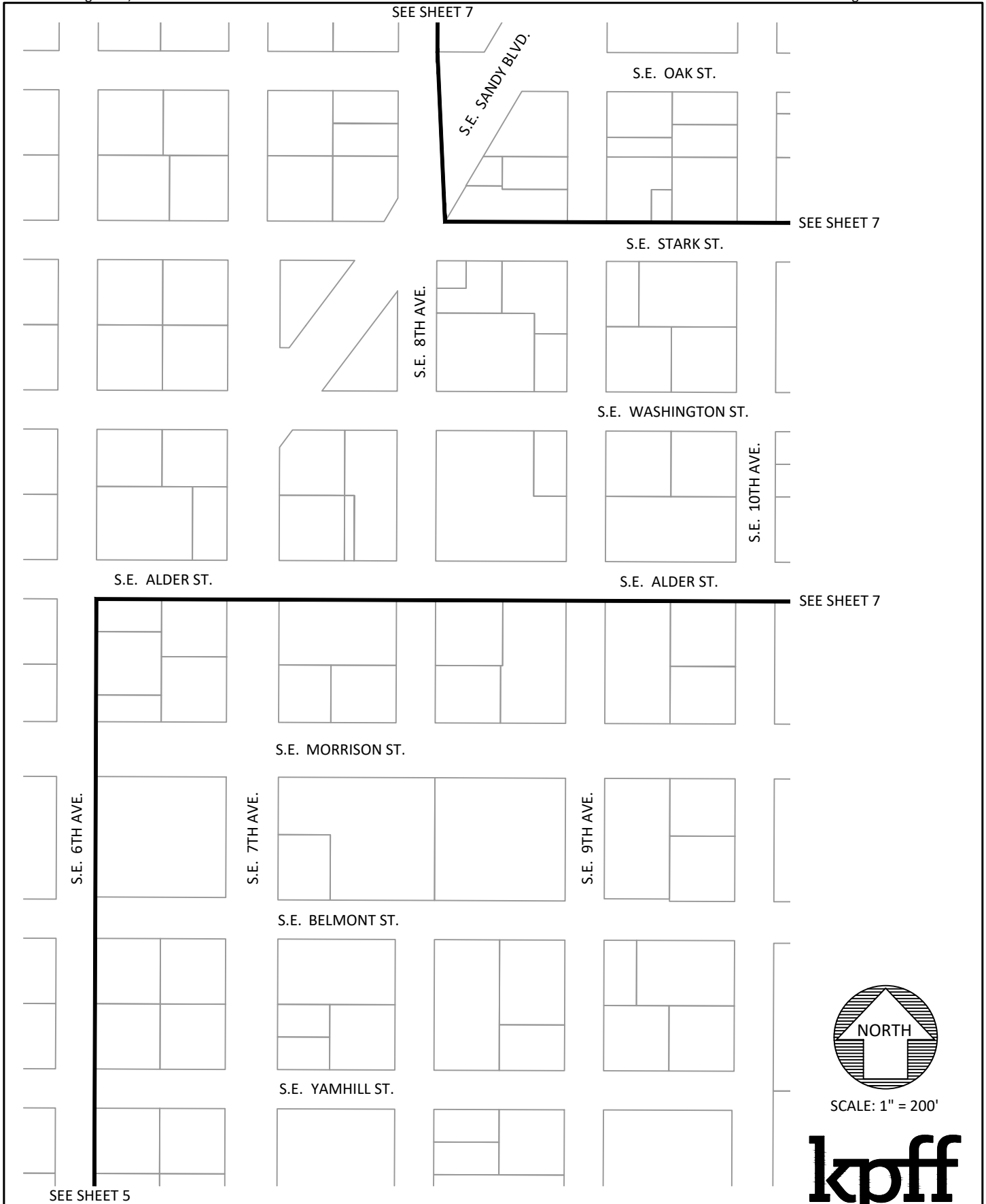


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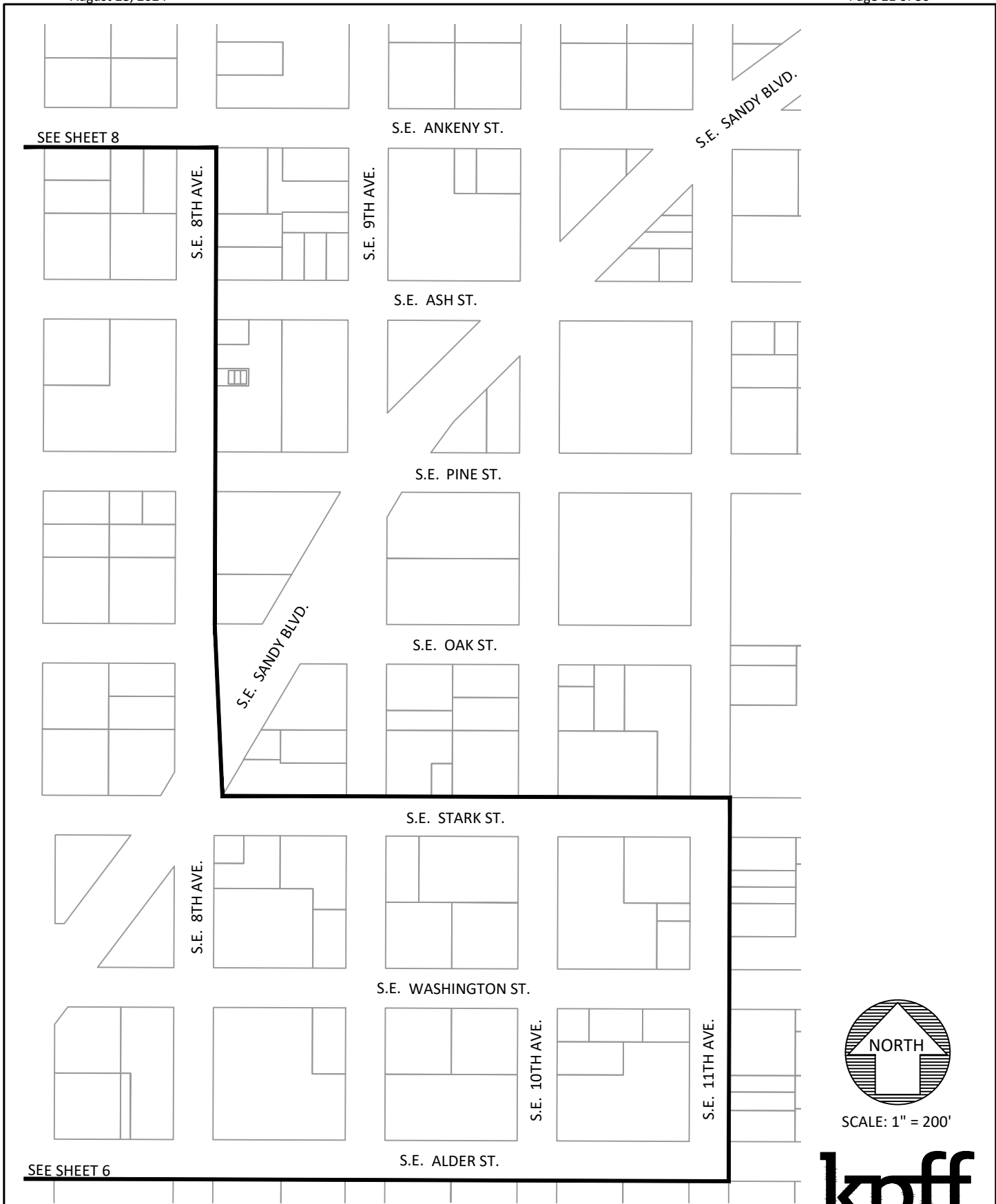


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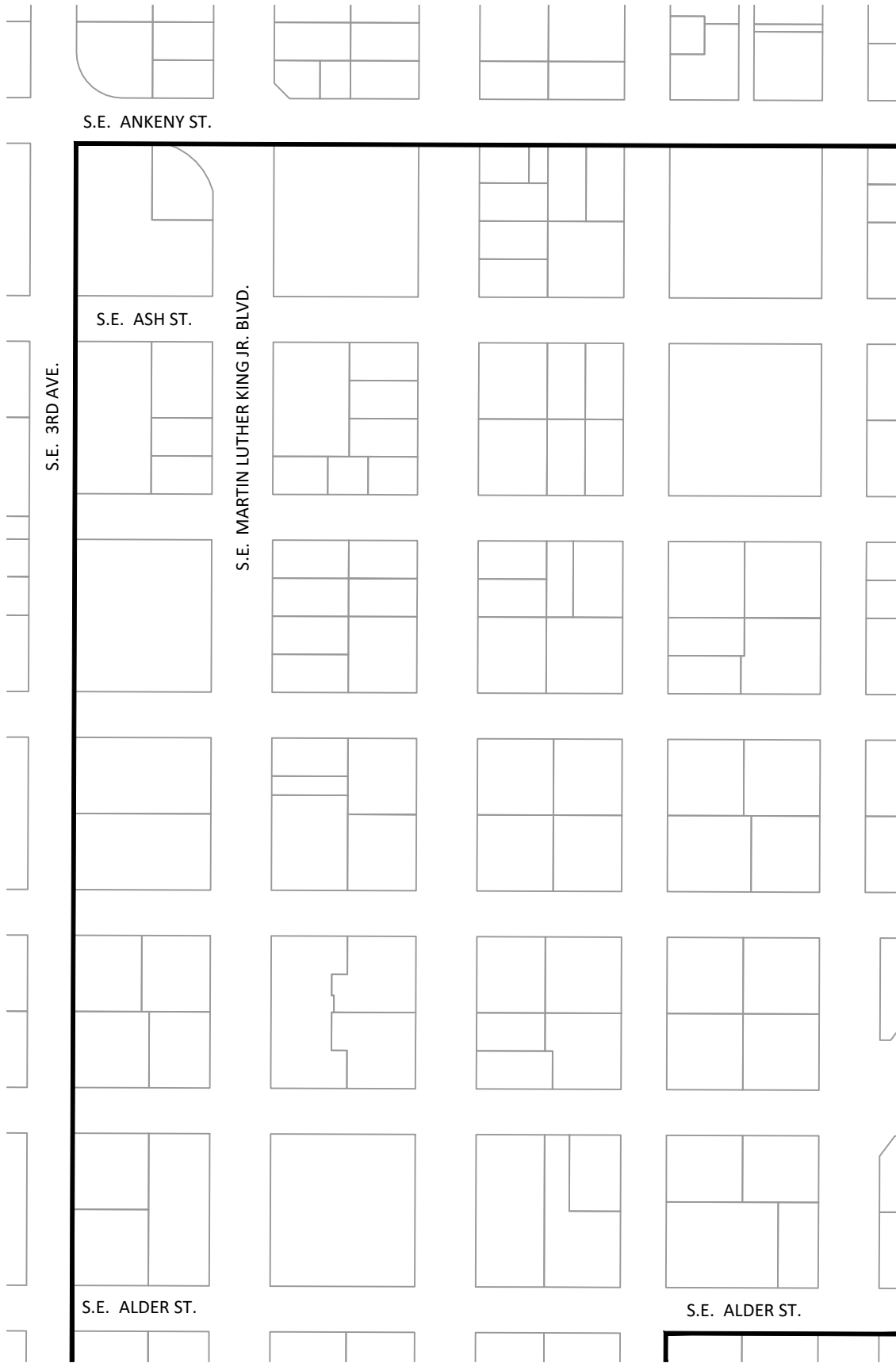


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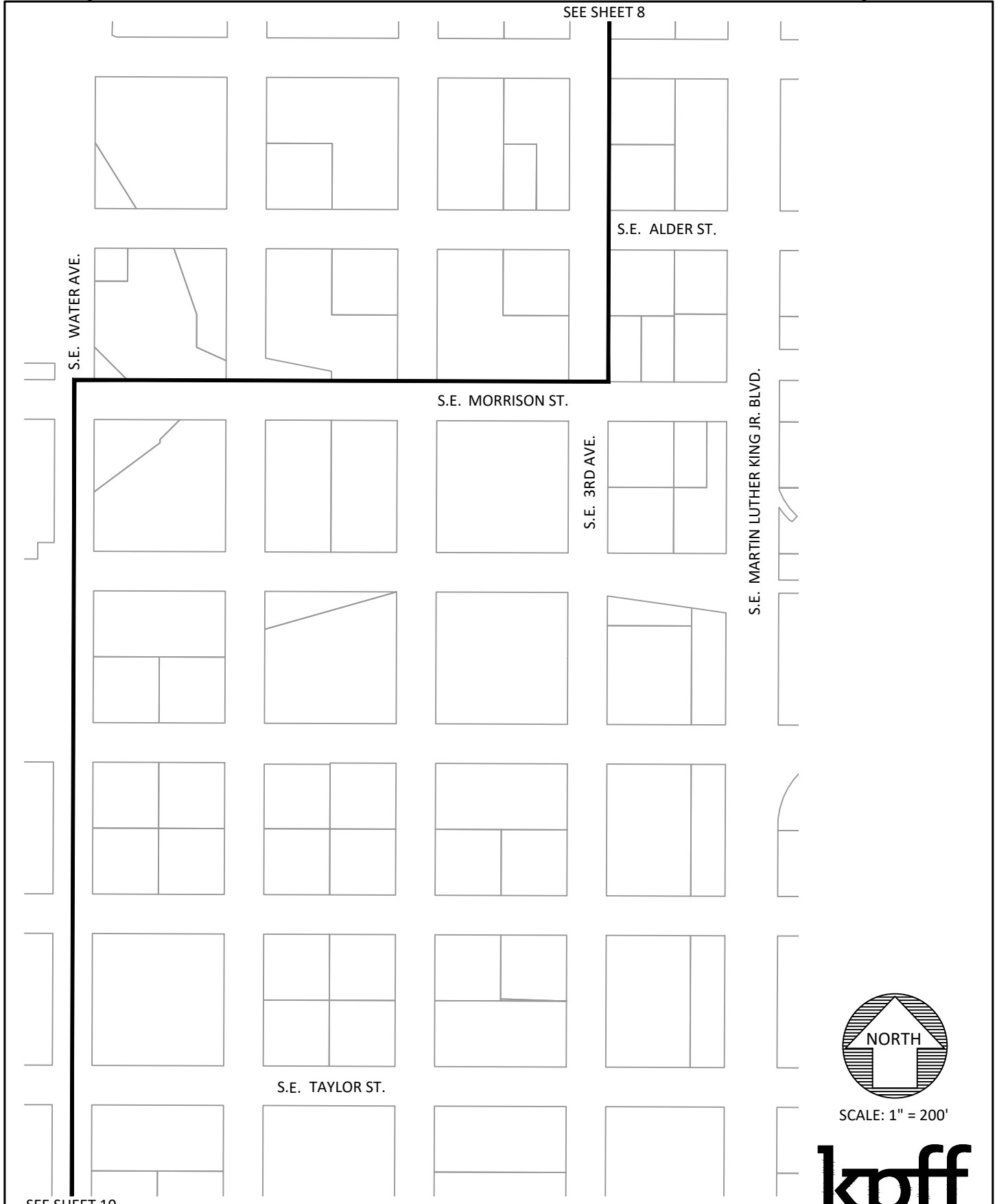


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CITY OF PORTLAND, MULTNOMAH COUNTY, OREGON

SEE SHEET 11



SCALE: 1" = 200'

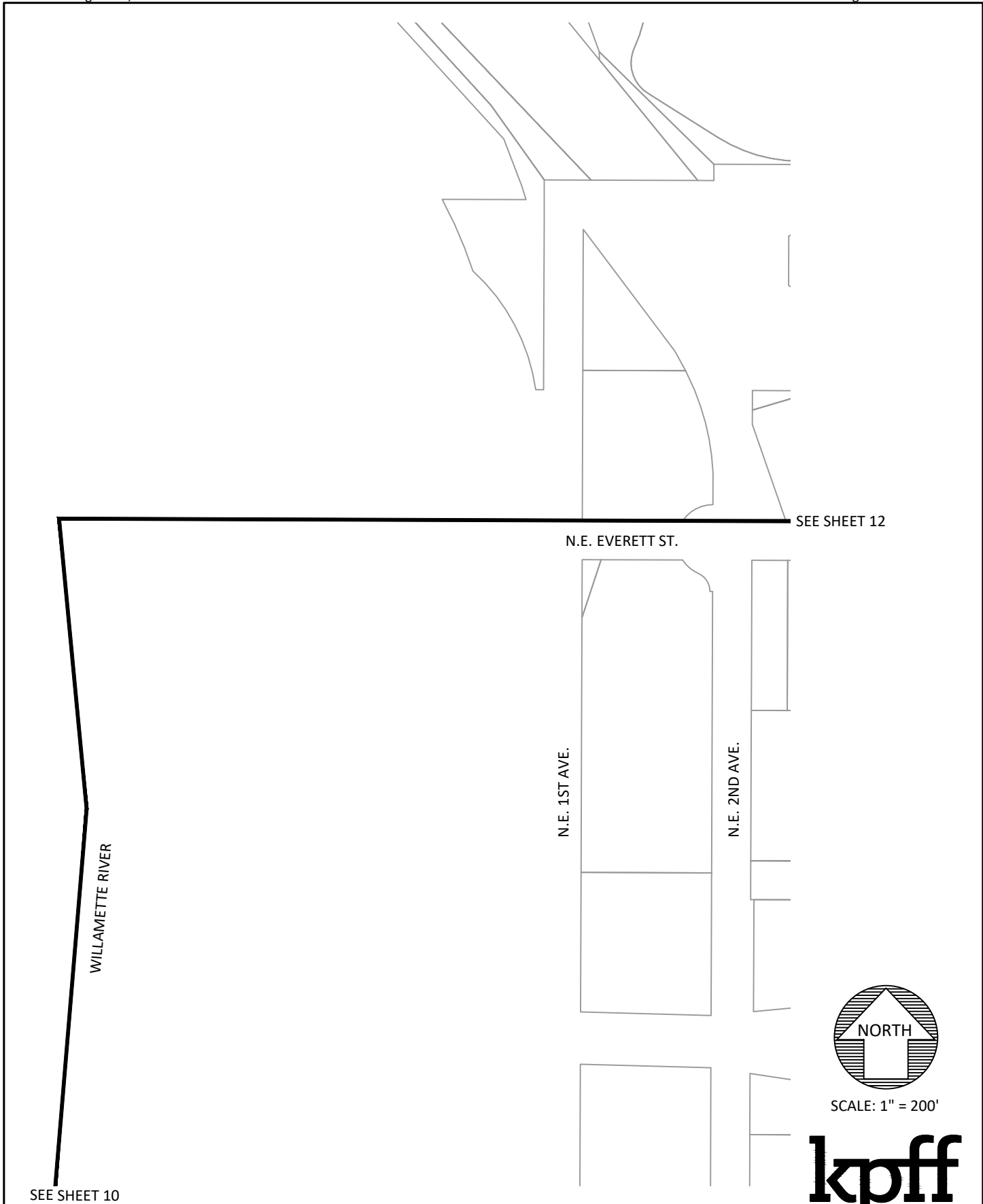


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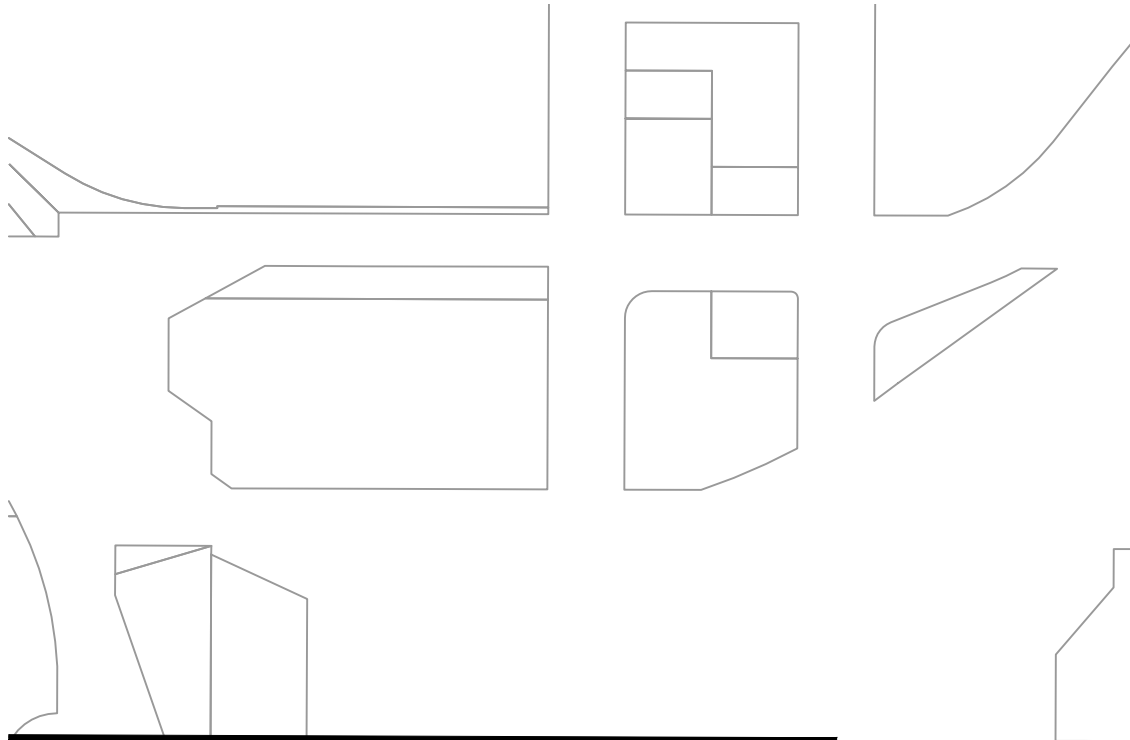


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SEE SHEET 11

N.E. EVERETT ST.

SEE SHEET 13



SCALE: 1" = 200'

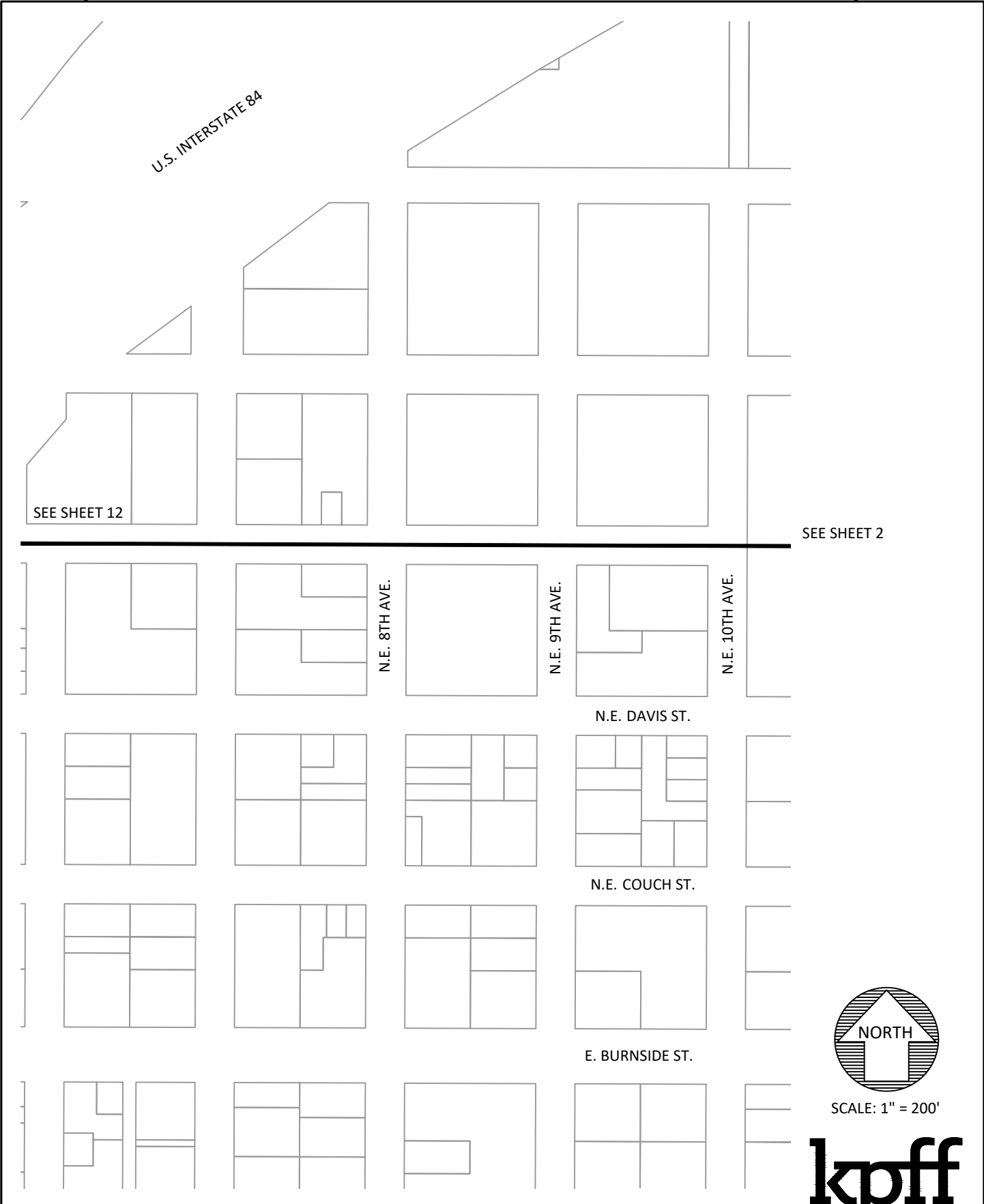


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SEE SHEET 12

SEE SHEET 2

N.E. 8TH AVE.

N.E. 9TH AVE.

N.E. 10TH AVE.

N.E. DAVIS ST.

N.E. COUCH ST.

E. BURNSIDE ST.



SCALE: 1" = 200'



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Exhibit B: Engagement Summary

The community engagement process sought to gather feedback and insight from a robust range of Central City stakeholders to inform the TIF district boundaries, visions, values, goals, project list, investment priorities, and governance considerations; and ensure that the TIF districts, plans, and reports adequately addressed and prioritized community needs, challenges, and opportunities.

Phase 1: Steering Committee Convening (October – November 2023):

The engagement process was initiated through a Central City TIF Exploration Steering Committee with a combination of Steering Committee meetings and work within interest-specific subcommittee meetings. The Steering Committee was comprised of 40 individuals with representation ranging from affordable housing development, market rate housing development, design, architecture, engineering, property management, property development, business district/associations, neighborhood organizations, large scale employers, key opportunity sites, nonprofit, advocacy, and municipal taxing jurisdictions. Representatives from various City Bureaus including Portland Housing Bureau, Bureau of Planning and Sustainability, Portland Bureau of Transportation, Bureau of Environmental Services, Portland Public Schools, and Portland Parks and Recreation also participated in this process.

Steering Committee members were tasked with providing high level input and feedback related to the vision, values, and goals as guiding principles for investment of TIF resources in the Central City before breaking out into subcommittee conversations. This phase of engagement included two Steering Committee meetings. The topics for each Steering Committee meetings included:

- *Steering Committee Meeting #1:* Background for TIF exploration, Steering Committee roles and responsibilities, TIF overview, and exploration study areas
- *Steering Committee Meeting #2:* TIF revenue modeling, required elements of TIF plans, overview of proposed plan development process, and Vision/Values/Goals breakout discussions

Phase 2: Subcommittee Priorities (December 2023 – February 2024)

At the subcommittee level, Steering Committee members were divided into three groups based on their areas of expertise including:

- Housing Production
- Business Recruitment and Retention
- Large-Scale Development Opportunities

Subcommittee conversations took a deep dive into specific geographic opportunities/challenges and project priorities within their respective topics. Information gathered from subcommittee conversations was utilized to develop draft district boundaries, project lists, and investment phasing principles. This phase of engagement included three meetings of each subcommittee. The topics for the subcommittee meetings included:

- *Subcommittee Meeting #1:* Overview of Working Tool for Plan Development, TIF Investment Case Study, Existing Conditions, TIF Investment Opportunities, Identify Information Gaps to be Addressed to Inform Geographic Priorities
- *Subcommittee Meeting #2:* Identification of Geographic Opportunities and Priorities, Review and Revision of Preliminary Project List Based on Mapping Exercise
- *Subcommittee Meeting #3:* Confirm Project List and Map, Discuss Project Prioritization and Phasing, Discuss Implementation and Oversight

- *Subcommittee Feedback:*
 - Challenges related to transportation mobility/accessibility of neighborhood
 - Need for safe pedestrian and multimodal infrastructure
 - Need for parking infrastructure
 - These challenges impact ability to retain businesses and employees
 - Opportunities with Green Loop development
 - Need for transportation and utility infrastructure within OMSI master plan site
 - Specific need for pedestrian infrastructure to better connect OMSI with the rest of the Central Eastside
 - Desires for better connections to waterfront
 - Desire for complete, mixed-use neighborhoods that have 24/7 activity
 - Address infrastructure and services to support residential development
 - Help for businesses with tenant improvements
 - OMSI already conducting deep community engagement around master plan

Phase 3: Draft Recommendations & Revisions (March – July 2024)

Once subcommittee conversations were concluded, the Steering Committee reconvened to review draft district geographies and project lists based on synthesized information from subcommittee conversations.

- *Steering Committee Meeting #3:* Review and provide feedback on draft district boundaries and cash flow models, and discuss governance models
 - *Steering Committee Feedback:*
 - Facilitate balanced mixed-use, mixed-income neighborhood development
 - Desire for infrastructure investments tied to development
 - Priority to develop a parking solution for the District
 - Priority for opportunities to connect with the river

This phase of engagement additionally extended to the broader community including holding an in-person open house, conducting an online survey, and providing briefings with key community stakeholders/organizations to gather feedback that would help inform revisions and a final set of recommendations.

The in-person open house was held at the Pacific Northwest College of Arts on Tuesday, April 30, 2024 from 5 – 7 pm and featured a 30-minute presentation of the TIF exploration progress with 15 minutes for Q&A and several activity stations to facilitate conversation and feedback with participants. The open house was promoted via social media, newsletters, the Central City TIF webpage, emails to the interested parties list (individuals who signed up for Central City TIF Exploration updates), and direct communications to various community stakeholders. Activity stations included opportunities to provide feedback on district scenarios, areas to be included or excluded for investment, ranking investment priorities by district, and open-ended comments and input. Approximately 30-35 individuals attended the open house.

The online survey was developed to reflect the questions/feedback opportunities from the open house and was available to submit responses between April 24 – May 9, 2024. The survey was distributed via social media, newsletters, the Central City TIF webpage, emails to the interested parties list, and direct communications to various community stakeholders. The survey received 44 submissions. Between the open house and the survey, 335 points of feedback were collected.

Several neighborhood associations, business districts, and relevant organizations/coalitions were outreached with an offer to provide a 30-45 minute briefing and Q&A. The Portland Downtown Neighborhood Association was outreached several times with various points of contact but did not respond. Briefings were conducted with the following organizations, in addition to four briefings with other interested parties/stakeholders: Briefings and presentations were conducted from April – May 2024.

- Go Lloyd
- Central Eastside Industrial Council
- Pearl District Neighborhood Association
- Old Town Community Association
- Venture Portland
- Central City Coalition

Community Engagement Feedback:

- Support for investment in opportunity sites – OMSI
- Housing is a priority with balance of affordable and middle-income housing investment based existing mix and opportunity
- Desire for Eastside waterfront connections
- Desire for a range of safe and effective transportation infrastructure (transit, multimodal options for pedestrians/bicyclists/mobility users)

Information gathered from the Steering Committee, open house, online survey, and community briefings were utilized to develop revised district boundaries, project lists, and priorities which went back to the Steering Committee for review in May 2024.

- *Steering Committee Meeting #4:* Review draft recommendations for district geographies, TIF investment priorities, and district community engagement
 - *Steering Committee Feedback:*
 - OMSI willing to assist with TIF outreach with their planned outreach efforts
 - Support for existing project list
 - Infrastructure, placemaking, economic development and housing development are priorities
 - Challenges with connectivity over railroad tracks
 - Desire for mix of housing and employment opportunities

Community briefings continued on an ongoing basis through July 2024 including presentations to Urban Land Institute Northwest, SE Uplift, NAIOP, Smart Growth, and BOMA Oregon.

Phase 4: Finalize Recommendations (August 2024)

Feedback from the May 9, 2024 Steering Committee meeting and community engagement was utilized to finalize the district geographies and draft each district’s TIF plan and report for final review by the Steering Committee in August. The Steering Committee reconvened for a final time on August 1, 2024 to review and finalize the recommendation for TIF district plans and reports to move forward with the legislative process.

- *Steering Committee Meeting #5:* Finalize recommended TIF reports and plans

Central Eastside Corridor Tax Increment Finance District Report

August 28, 2024 DRAFT

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INTRODUCTION

Oregon Revised Statutes (ORS) 457.087 requires the development of a Tax Increment Financing (TIF) District Report to accompany a proposed TIF Plan.¹ This report satisfies that requirement, providing technical information on existing conditions, proposed projects and financial analyses in support of the Central Eastside Corridor TIF District (District) Plan.

Section 1 addresses how and why the District area was selected for inclusion in the Plan boundary and Section 2 provides additional detail on Proposed Projects and Financial Impacts over the life of the District. Section 3 provides a detailed Financial Analysis of the Plan and Section 4 addresses requirements around a Relocation Report. Select existing condition data points are referenced and relied upon in the body of this Report, and Attachment A provides a detailed breakdown of existing conditions for future reference and transparency.

SECTION 1 – PROPOSED TIF DISTRICT AREA REPORT

Section 1.1 –Area Selected for the TIF District

This section identifies the reasons specific areas within the Central Eastside District of Portland’s Central City were included in the Central Eastside Corridor TIF District boundary. These areas were selected due to physical, social, and economic conditions as described in Section 1.3 and Attachment A² and their direct relationship to the investment needs detailed in Section 1.2. Aligning the TIF District boundary with areas of investment need allows for funding for projects necessary to improve existing conditions for the community.

The establishment of a TIF District within a portion of the Central Eastside District, a subdistrict of Portland's Central City, will enable the area to realize the vision outlined in the Southeast Quadrant Plan and Central City 2035 Plan for a next-generation industrial and employment center with a diverse mix of industrial, commercial, and complementary uses. Priority areas in the TIF District include the OMSI District, SE Martin Luther King, Jr. Boulevard and SE Grand Avenue corridors, older industrial areas along Water Avenue, the Stark Street commercial corridor, and the southern triangle located between SE Division and SE Powell. This redevelopment will help catalyze a more vibrant and active district that provides a range of economic opportunities for employment, business growth, and mixed-use areas.

The 2023 Economic and Market Conditions Analysis³ of Portland's Central City subdistricts included a compilation of data on demographics, employment, industry trends, housing, and commercial real estate before and after the COVID-19 pandemic. That report included an assessment of the unique conditions and recovery prospects of each subdistrict, placed each district into one of three typologies (Reimagine, Reinvigorate, Retain), and formulated targeted policy recommendations to address the specific needs and challenges of each area. The Central Eastside Corridor area was a subdistrict

¹ As used in this Report and the accompanying Plan, the term “TIF plan” has the same meaning as the term “urban renewal plan” as defined in ORS 457.010, and the term “TIF district” means the “urban renewal area(s)” (as defined in ORS 457.010) included within the TIF plan.

² Many of the geographies cited for social and economic conditions data in Section 2.1 overlap but extend outside of the TIF District boundary.

³ Prosper Portland, ‘Central City Subdistricts Economic & Market Conditions,’ November 2022.

identified to reinvigorate, post-pandemic to reverse negative impacts like employment loss, reduced leasing activity, increased real estate vacancy rates, or decreased foot traffic through new investment and reactivation.

Portland Housing Bureau’s State of Housing Report⁴ also identifies trends and specific policies that are relevant for the Central City. In the most recent publication (2023), the report specifically notes the potential for TIF Districts as a tool for inclusive growth and stabilization which can support the overarching No Net Loss Policy for the Central City.

Figure A shows the Central City subdistricts. Figure B compares the Central Eastside Corridor District TIF Boundary with the Central Eastside subdistrict.

Figure A. Central City Subdistricts

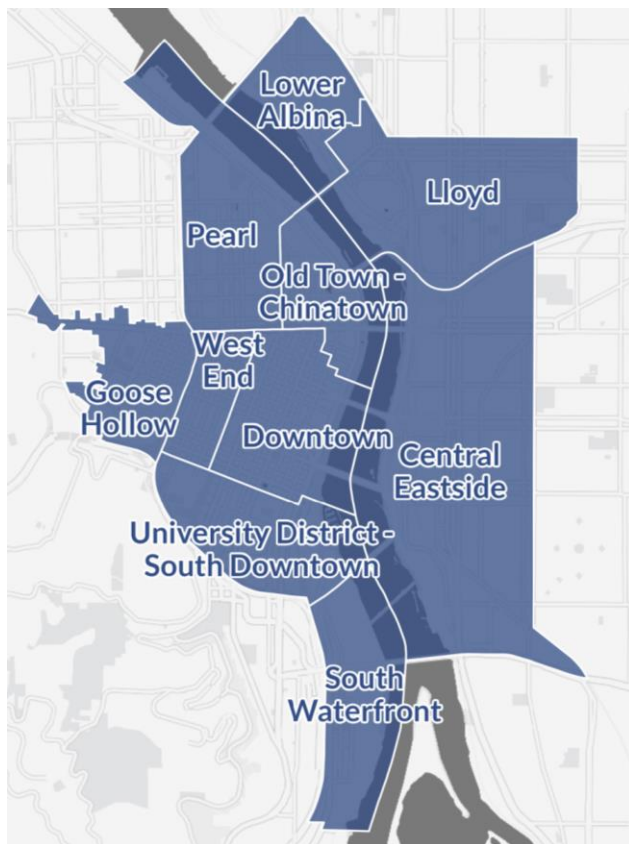


Figure B. Central Eastside Corridor TIF District



The following areas were selected for the TIF District:

- **The OMSI District.** Key property owners in the area aim to redevelop a 24-acre area into a vibrant mixed-use district that includes new housing units, commercial spaces, and public open space. This long-term vision has been updated and refined over the years, culminating in a comprehensive master plan approved by the City of Portland in February 2023. The project encompasses up to three million square feet of new development, including 1,200 housing units.^[3] Redevelopment of the vacant blocks surrounding the Oregon Museum of Science and

⁴ Portland Housing Bureau, ‘State of Housing in Portland,’ 2023, <https://www.portland.gov/phb/state-of-housing-report>.

Industry (OMSI) is crucial for transforming the area, but will require significant street and utility infrastructure investments. Plans to redevelop surface parking lots will necessitate a parking solution for OMSI and the District. [ORS 457.010 (a)(b)] [ORS 457.010 (h)]

- **The SE Martin Luther King, Jr. / SE Grand Avenue Corridor from SE Ankeny Street to SE Powell Boulevard.** Grand Avenue historically served as the area’s commercial main street. This corridor is a crucial arterial route that faces challenges such as heavy traffic congestion, limited parking, multiple modes of transit including bus and streetcar, and underutilized buildings and storefronts. Despite being lined with small businesses, particularly at major intersections, there are numerous vacant lots that could be redeveloped to stimulate further investment and job creation. This corridor is zoned for mixed-use development, including housing, retail, and commercial office spaces. Despite the potential for development, this corridor has seen little growth, with most development that has occurred in this area has concentrated on the east-west streets that cross it such as at the Burnside bridgehead. The Central City 2035 plan aims to make this corridor more attractive for development to support retail and creative office space needs. [ORS 457.010 (e)(g)][KS2]
- **Stark Street.** SE Stark Street on the north end of the TIF District boundary is a small business corridor that has not seen the level of investment as more major east-west corridors like Hawthorne or Belmont. This area has potential for reinvestment in both existing buildings and opportunities for redevelopment to better connect recent investments at Stark and the Grand Avenue/NE MLK Boulevard intersections with activity centers further east along Stark and Washington in the Buckman Neighborhood.
- **Older warehouse areas along Water Avenue and north of Powell.** This area is characterized by a mix of employment uses, including manufacturing, distribution, and service businesses. Most of this area is part of the Central Eastside Industrial Sanctuary, established in 1988. Many of these buildings are older, though the area has not received a specific historic designation. Many of the buildings that once housed one industrial use have been carved into multiple spaces that are home to a variety of different business types, most of them small businesses. Some of the industrial properties in this area need repair and reinvestment, which could bring the buildings into more productive use. The SE Quadrant Plan calls for enhanced multimodal connectivity through this area and restoration of buildings in this area with more active ground floor uses. In addition, this area will experience the impacts of the Burnside Bridge construction, starting in 2027 and impacts from the OMSI District Plan implementation with a new alignment for Water Avenue. [ORS 457.010 (e)(g)][KS3]
- **Mixed-Employment areas between the SE MLK/SE Grand Couplet and SE 12th Avenue.** This area features a mix of small scale industrial, flex, and retail buildings with some residential especially along SE 12th Avenue. Many of these buildings have surpassed their usable lifespan and need restoration, repairs, seismic reinforcement, or storefront improvements to support existing businesses and an increasingly broad mix of business uses.
- **Housing Opportunities.** Some zones in the TIF District allow for residential land uses, but others are limited in potential for new housing. The east/west “bridge streets” and north/south corridors offer greater access to services and transit and allow for residential uses are likely priority areas for potential housing development.

Section 1.2 – Investment Need

This section presents the required findings to legally support the designation of the TIF District. The findings address the factors specified in the definition of “blighted areas” under ORS 457.010(1), which describes a blighted area as any region “detrimental to the safety, health, or welfare of the community” due to conditions such as “deterioration, faulty planning, inadequate or improper facilities, deleterious land use, or the existence of unsafe structures, or any combination of these factors.”

This section links the investment needs findings to the existing conditions detailed in Attachment A and identifies one or more of the conditions listed in ORS 457.010(1)(a) through (i). The Central Eastside Corridor TIF District qualifies as an “urban renewal area.” It is within the assessed value and size limitations imposed by ORS 457.420. Further, the recommended area qualifies as a “blighted area” as defined by ORS 457.010 in that:

Table A. Conditions Summary

ORS 457.010 CONDITIONS	HOW THE CENTRAL EASTSIDE CORRIDOR TIF DISTRICT MEETS THESE CONDITIONS
<p>(a) The existence of buildings and structures, used or intended to be used for living, commercial, industrial or other purposes, or any combination of those uses, that are unfit or unsafe to occupy for those purposes because of any one or a combination of the following conditions:</p> <p>A. Defective design and quality of physical construction</p> <p>B. Faulty interior arrangement and exterior spacing;</p> <p>C. Overcrowding and a high density of population;</p> <p>D. Inadequate provision for ventilation, light, sanitation, open spaces and recreation facilities; or</p> <p>E. Obsolescence, deterioration, dilapidation, mixed character or shifting of uses;</p>	<ul style="list-style-type: none"> • Concentration of older buildings with antiquated systems and deferred maintenance (A) (E). Many of the buildings in the area are older than 50 years. Over half of buildings in the TIF District (54 percent) were constructed before 1960, which means they have exceeded their lifespan without adequate renovation and their internal systems may not have been updated to address increased risks from climate change. • Inadequate parking (D). Since its inception, the Central Eastside Industrial Council has cited a lack of centralized public parking infrastructure (despite adequate options on a parcel-by-parcel basis) as a significant challenge for businesses in retaining employees and maintaining their operations. Parking is at a premium due to the area's mix of older office and industrial buildings with few off-street parking lots. The railroad line which divides the TIF District also creates a barrier and necessitates parking on both the east and west sides of the tracks. Redevelopment of the existing surface parking lots in the area may compound these parking challenges. This situation not only affects employee retention but also impacts foot traffic essential for supporting local businesses and restaurants. • Expiration of affordable housing (E). The TIF District has an inventory of regulated affordable housing which is set to expire within the next 10 years. According to data from Oregon Housing and Community Services, 44 percent of the area’s regulated units will expire in this timeframe.

ORS 457.010 CONDITIONS	HOW THE CENTRAL EASTSIDE CORRIDOR TIF DISTRICT MEETS THESE CONDITIONS
(b) An economic dislocation, deterioration or disuse of property resulting from faulty planning;	<ul style="list-style-type: none"> • Lack of investments in storefront improvements. Small businesses struggle with maintaining and operating out of outdated facilities while maintaining customer appeal.
(c) The division or subdivision and sale of property or lots of irregular form and shape and inadequate size or dimensions for property usefulness and development;	<ul style="list-style-type: none"> • Large vacant and underutilized lots within the OMSI District and industrial areas on the southern end of the District. The current development pattern indicates issues with the existing lot layout impacting accessibility and redevelopment potential. About four percent of vacant or underutilized lots in the TIF District are large lots over 100,000 square feet. • Small parcels and assembly. Of the TIF District’s vacant and underutilized properties, 44 percent and 22 percent respectively are less than 5,000 square feet. Small parcels may have potential for assembly to catalyze desired types of development.
(e) The existence of inadequate streets and other rights of way, open spaces and utilities;	<ul style="list-style-type: none"> • Need for street infrastructure and connectivity. The OMSI District’s large blocks hinder connectivity through the area. This area in particular needs a coherent street grid to improve overall connectivity, including new streets, improvements to existing streets, and addition of new bike lanes. • Inadequate recreation facilities (e.g. plazas, gathering areas). As more residents and visitors are drawn to the OMSI District, the demand for green spaces and recreational facilities will rise. The existing waterfront esplanade does not provide adequate recreation opportunities to meet the needs of the growing resident and employee population and support the area as a regional destination. • Transportation safety challenges. The street network in the TIF District has challenges with serious injury crashes and fatal crashes, with both pedestrians and bicyclists hit by motor vehicles in recent years. Street improvements are needed to enhance safety, particularly as foot traffic increases with new development. • Seismic retrofitting. The TIF District is served by the Sullivan Pump Station at the overpasses that link Interstate 5 and Interstate 84, which is vulnerable to seismic events due to insufficient pilings. A study is underway to identify an alternate location for the Sullivan Pump Station. If projects necessitate new water mains in areas with liquefaction risk, the required cost of retrofitting may increase costs for development.

ORS 457.010 CONDITIONS	HOW THE CENTRAL EASTSIDE CORRIDOR TIF DISTRICT MEETS THESE CONDITIONS
<p>(f) The existence of property or lots or other areas that are subject to inundation by water;</p>	<ul style="list-style-type: none"> • Flooding risk. Several areas within the TIF District are within the floodplain, including land along the riverfront to the west of the railroad tracks in the older warehouse area. These areas are within the threshold of 0.2 percent annual chance of flooding or areas with 1 percent or annual chance of flooding with depth less than one foot or an area less than one square mile.
<p>(g) A prevalence of depreciated values, impaired investments and social and economic maladjustments to such an extent that the capacity to pay taxes is reduced and tax receipts are inadequate for the cost of public services rendered;</p>	<ul style="list-style-type: none"> • Commercial vacancies. The Central Eastside Corridor TIF District area is experiencing much higher vacancy rates than the city for its office spaces and slightly higher vacancies for industrial real estate. These trends indicate that the area is struggling to attract and retain businesses with different types of land needs, directly related to economic disuse and stifling of commercial growth. Office vacancy rates are particularly high for newer, Class A spaces which generally offer premium features and are able to attract higher rents. • Underutilized properties. The area has numerous vacant and underutilized properties with deferred maintenance, with over 150 individual parcels that either have no structure, a structure that covers less than 5 percent of the area, or where the real market value of site improvements is less than the value of the land. Throughout the TIF District, 199 parcels (40 percent of the area’s acreage) have I:L ratios less than 1.0. This includes properties with no improvement value (meaning there are no taxable structures on the tax lot). These properties likely have high potential for redevelopment because of their depreciated values. Without investments, these sites have reduced capacity to pay taxes and results in inadequate funding for public services in the area.
<p>(h) A growing or total lack of proper utilization of areas, resulting in a stagnant and unproductive condition of land potentially useful and valuable for contributing to the public health, safety and welfare; or</p>	<ul style="list-style-type: none"> • Presence of brownfields. The TIF District has a higher density of leaking underground storage tanks and clean-up sites than Portland overall, with over 100 parcels identified for these constraints. Brownfields can hinder development because of the cost of remediation before new construction can take place, particularly for industrial sites. These sites can also have negative implications for public health and safety without proper remediation. • Heat islands. The TIF District’s areas that experience more intense urban heat island effects are concentrated around SE Lincoln St and SE 10th Ave. Within the TIF District overall, 40 percent of housing units are in the 75th percentile or higher group for these negative health impacts from urban heat

ORS 457.010 CONDITIONS	HOW THE CENTRAL EASTSIDE CORRIDOR TIF DISTRICT MEETS THESE CONDITIONS
	<p>islands, caused by limited greenery and high-density urban materials like concrete and asphalt.</p> <ul style="list-style-type: none"> Homeownership and affordable housing needs. Given the transit connectivity of the area, the TIF District can be a prime location for mixed income and affordable homeownership opportunities. Today, the vast majority (89 percent) of households rent their homes rather than own. Of these renter households, 40 percent experience housing cost burden today (paying 30 percent or more of their income towards housing). The area has seen an increase in new multi-dwelling housing production but has higher rents than the city’s average. Creating opportunities for homeownership and affordable housing can help to stabilize households that currently rent and increase public welfare for current and future residents. Stabilization of businesses. There is a significant need for affordable commercial space to support local businesses in the Central Eastside Corridor area which has a high concentration of traded sector industrial businesses in sectors like food and beverage manufacturing. Many businesses are vulnerable to displacement as the area grows, creating a need for commercial community ownership opportunities and affordable commercial space rental spaces. Retail rents are much higher in the TIF District today than the city overall, while vacancies are extremely low. This combination of factors can lead to increasing pressures for existing establishments.
<p>(i) A loss of population and reduction of proper utilization of the area, resulting in its further deterioration and added costs to the taxpayer for the creation of new public facilities and services elsewhere</p>	<ul style="list-style-type: none"> Loss of employment. The TIF District experienced a loss of 82 businesses and almost 1,500 workers from 2019 to 2022. This shift was driven by a combination of factors, including the shift to remote and hybrid work at the onset of the pandemic and livability concerns. At the same time, Portland overall saw an increase in employment and establishments. This concentrated loss of jobs could lead to further deterioration of properties and disproportionate costs for public services.

Section 1.3 – Existing Conditions

Attachment A summarizes existing conditions in the Central Eastside Corridor TIF District to inform investments and strategies. It draws on data collected from sources like the American Community Survey (ACS), market platforms, federal bureaus, and local data sources. This analysis is also informed by the Central City Subdistricts Economic and Market Conditions report published by Prosper Portland in 2022 which provides more detailed information about existing conditions within the boundaries of the Central Eastside Corridor TIF District.

SECTION 2 – PROPOSED PROJECTS REPORT

Section 2.1 – Proposed Projects and Impacts

This section provides an overview of the proposed projects under the Plan and their connection to the current conditions within the TIF District (See Plan Section 3). It details how each project addresses the specific issues and investment needs identified in the area, demonstrating how these projects will improve conditions for the community (Table B).

The Plan identifies three project categories, organized within two work portfolios:

- A. Inclusive Growth (to be implemented by Prosper Portland)
 - 1. Economic & Urban Development
 - 2. Infrastructure

- B. Affordable Housing (to be implemented by Portland Housing Bureau)
 - 1. Affordable Housing⁵

Tax Increment Finance plans and districts enable public investments in public/private/community partnerships that would not otherwise be financially feasible and for related planning that is not tethered to annual appropriations. Tax increment funds (TIF) generated by the creation of a TIF District provide a dedicated stream of tax revenue to accomplish those plans and policies, while leveraging outside funding sources to complement the TIF resources. The plan anticipates that the projects described in the Central Eastside Corridor TIF District Plan will catalyze the development of vacant and underdeveloped parcels as well as the redevelopment and re-tenanting of underutilized properties with businesses and residents that will require access to City services.

Implementation of this plan will be undertaken with community leadership, input and involvement. Prosper Portland and the Portland Housing Bureau shall solicit community guidance to create re-occurring Five-Year Action Plans. The intent of the Five-Year Action Plan is to establish near-term investment priorities and associated budgets in accordance with the TIF Plan. The Five-Year Action Plans will additionally establish mechanisms for ongoing reporting and implementation oversight.

Table B – Plan Response to Existing Conditions

Project	Description	Existing Conditions
Economic & Urban Development		
Recruitment and Retention of Large Anchor Employers and Traded Sector Industries	Offer tenant funding and incentives to attract and retain anchor employers and hubs to support industrial and commercial job growth, including creative industrial firms, entrepreneurship, lean manufacturing, efficiency improvements, and innovation with	<ul style="list-style-type: none"> • The TIF District has 57 vacant and 100 underutilized parcels with potential for development. About 4 percent of vacant or underutilized parcels are large sites over 100,000 which could be used for catalytic development.

⁵ In accordance with 2015 Affordable Housing Set Aside policy, rental housing is created and preserved with a focus on households earning less than 60 percent of area median income, and homeownership housing with focus on households earning 80 percent to 100 percent or less of area median income depending on home size.

	<p>particular focus on food and beverage, athletic and outdoor, tech and other traded sector firms within the Central Eastside. Target and leverage anchor employer investments to catalyze large-scale development opportunities at opportunity sites like OMSI. Priority project areas include:</p> <ul style="list-style-type: none"> - Water Avenue - Martin Luther King Jr. Blvd & Grand Avenue - OMSI Master Plan District 	<ul style="list-style-type: none"> • Nearly 200 parcels representing 40 percent of the acreage in the TIF District have an Improvement to Land ratio less than 1.0, including those parcels that have no improvements on them. • The TIF District currently has high vacancy rates for industrial and office spaces. The Central Eastside Corridor TIF District’s industrial and office spaces have vacancy rates of 10.5 and 19.3 respectively. The Central Eastside Corridor has seen a shift in how businesses utilize industrial and office space in the Central City and there is now potential to reposition properties to respond to new trends in employment.
<p>Small Business Support</p>	<p>Invest through grant and loan programs and direct investment in tenant and façade improvements, related infrastructure improvements, and incentives for affordable commercial tenancing and related leasing to a) support small business stabilization and growth with a focus on ground floor tenancing; b) support inclusive wealth creation; and c) create a vibrant retail environment that attracts diverse visitors from the region and beyond. Priority project areas include:</p> <ul style="list-style-type: none"> - Martin Luther King Jr. Blvd & Grand Avenue - Water Avenue - SE 11th & 12th Avenue - Hawthorne Blvd & Madison Street - Stark Street 	<ul style="list-style-type: none"> • Over half of buildings in the TIF District were built before 1960 (54 percent), at a similar rate to Portland overall. • Between 2019 and 2022, the TIF District experienced a loss of both businesses and employees. Likely related to the onset of the COVID-19 pandemic, the TIF District lost 11 percent of its jobs in this time period (higher than the city’s rate of 6 percent), as well as 10 percent of its establishments.
<p>Rehabilitation of Existing Buildings and Development of New Commercial Space</p>	<p>Renovation of commercial buildings, including URMs, seismic upgrades, and other climate resilience related improvements. Investments in both large and small construction of new or renovated commercial and industrial spaces and related parking needs for R&D, light manufacturing and maker spaces, including through lease and loan guaranties. Priority project areas include:</p> <ul style="list-style-type: none"> - Water Avenue - OMSI Master Plan District - East Portland Grand Avenue Historic District 	<ul style="list-style-type: none"> • The TIF District has a higher unemployment rate than Portland at 9.7 percent compared to 5.6 percent in the city overall. • The population is less racially and ethnically diverse than Portland today. The TIF District has a lower share (24 percent) of residents who identify as people of color (POC) compared to Portland as a whole (32 percent). Given that this is an area with good transit access to jobs within Portland’s Central City, investments in housing could

<p>Inclusive Neighborhoods</p>	<p>Enhance waterfront use with activation, services, and amenities and invest in regional assets (education, entertainment) that complement the industrial employment district, new and renovated housing along corridors, and are reflective of and attractive to a diverse demographic. Priority project areas include:</p> <ul style="list-style-type: none"> - Eastbank Esplanade - OMSI Master Plan District 	<p>serve a broader audience and provide increased opportunities.</p> <ul style="list-style-type: none"> • The TIF District a higher share of adults with a bachelor’s degree or higher and more working age residents. This existing workforce offers a strong potential market for commercial spaces and employers who might locate in the Central Eastside Corridor.
<p>Middle-Income Housing (60-120 percent AMI)</p>	<p>Diversify uses via gap financing for new multi-family middle-income residential development via conversion or new development in areas zoned for housing within the District. Create middle income housing opportunities, including for BIPOC individuals and families, to support increased demographic diversity. Priority project areas include:</p> <ul style="list-style-type: none"> - Martin Luther King Jr. Blvd & Grand Avenue - OMSI Master Plan District - Clinton Triangle 	
<p>Infrastructure</p>		
<p>Connectivity & Public Realm Enhancements</p>	<p>Create connectivity within and to the District, particularly along the waterfront and key commercial corridors. Make improvements to support activations within the District and implement signage solutions usable for all age groups. Enhance accessibility for individuals with mobility challenges. Implement placemaking strategies to support businesses. Priority project areas:</p> <ul style="list-style-type: none"> - Eastbank Esplanade - OMSI Master Plan District - Green Loop - Railroads crossings 	<ul style="list-style-type: none"> • The Central Eastside Corridor TIF District generally has a connected active transportation network. The area east of MLK has short blocks, wide sidewalks, and few sidewalk gaps while the area to the west has more challenges for the pedestrian environment. From a growth perspective, the transportation focus for this TIF District is on supporting more multimodal travel through the TIF District. • Upcoming improvements in the TIF District are envisioned in the OMSI District Plan that are contingent upon the development of the Water Avenue corridor. The planned improvements, slated to cost at least \$21 million, include
<p>Transportation Infrastructure and Utilities to Support Development</p>	<p>New streets, street improvements, parking, bike lanes, new and/or relocated utilities (water, storm, sanitary sewer) to serve new District development within the OMSI Master Plan District and at other large</p>	

	<p>development sites. Pursue Innovative infrastructure to meet sustainability and climate goals through innovation. Improve seismic resilience and system capacity upgrades. Project priority areas:</p> <ul style="list-style-type: none"> - OMSI Master Plan District - Clinton Triangle 	<p>streetscape improvements, dedicated bike lanes, improved lighting, green infrastructure element, and new streets to improve connectivity.</p> <ul style="list-style-type: none"> • The TIF District experiences some safety challenges related to transportation. Between 2017 to 2021, there were 30 serious injury crashes and two fatal crashes within the TIF District. During this period, 18 pedestrians and 29 bicyclists were hit by motor vehicles. • The TIF District is well connected to transit, with several high-frequency bus routes run through the TIF District. Continuing to support this connectivity can increase access to for residents as well as visitors to the TIF District.
Affordable Housing		
<p>Affordable Housing⁶</p>	<p>Support development of new or renovation of existing affordable multi-family residential uses; including family size units and accessible units, including via site acquisition and site preparation such as seismic & liquefaction considerations for development. Priority project areas:</p> <ul style="list-style-type: none"> - Martin Luther King Jr. Blvd & Grand Avenue - OMSI Master Plan District - Clinton Triangle 	<ul style="list-style-type: none"> • A large share of renter households in the TIF District experience housing cost burden. About 40 percent of the TIF District’s households who rent their units experience cost burden, meaning they spend over 30 percent of their income on housing. Given the number of renter households experiencing housing cost burden in the area, the TIF District demonstrates a lack of adequate affordable housing supply for many residents. • Households in the TIF District have lower incomes. Although a larger share of residents over age 25 hold a bachelor’s degree or higher than Portland overall, more households in the TIF District also

⁶ In accordance with 2015 Affordable Housing Set Aside policy, rental housing is created and preserved with a focus on households earning less than 60 percent of area median income, and homeownership housing with focus on households earning 80 percent to 100 percent or less of area median income depending on home size.

		<p>earn less than \$50,000 (43 percent), compared to Portland at 30 percent.</p> <ul style="list-style-type: none"> • The Central Eastside Corridor TIF District has seen faster growth in housing supply than Portland. The TIF District has expanded its multi-dwelling housing stock by 217 percent since 2000 whereas Portland’s multi-dwelling stock grew by 170 percent. This increase in units provides more housing stock, but higher rents (\$2.52 per square foot compared to \$2.04 in the city overall) may also cause displacement pressures for current residents. Creating more opportunities for affordable units can encourage a mixed-income neighborhood. • There is a smaller share of Naturally Occurring Affordable Housing in the TIF District compared to Portland, which offers more attainable options often in older buildings that is affordable at 60 percent of AMI or lower. In the Central Eastside Corridor TIF District, these units account for only 22 percent of the multi-dwelling stock compared to 36 percent of units in Portland, indicating fewer options for households to find affordable units that are not regulated.
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Section 2.2 – Cost and Completion Dates

Some projects will require funding from multiple sources, and TIF will often be used to provide matching funds or gap funds to facilitate the implementation of a project. Although this section provides estimated completion dates for all projects, many projects will be funded in phases over a longer period, which means that expenditures for some projects could begin much earlier than the estimated completion dates listed below. Adopted Five-Year Action Plans will further refine and describe the funding priorities, estimated costs, and completion dates for these projects. Prosper Portland’s annual budget shall reflect the priorities and investments outlined in the Five-Year Action Plan and in conformance with the TIF Plan.

Table C – Project Cost and Completion Dates

Project Name	Project Cost (Nominal dollars; % net plan Admin & Fees)	Anticipated Completion Date
Economic & Urban Development <ul style="list-style-type: none"> - Recruitment and Retention of Large Anchor Employers and Traded Sector Industries - Small Business Support - Rehabilitation of Existing Buildings and Development of New Commercial Space - Inclusive Neighborhoods - Middle Income Housing (60-120 percent AMI) 	\$65,303,999 (35%)	2060
Infrastructure <ul style="list-style-type: none"> - Signage, Connectivity & Public Realm Enhancements - Transportation Infrastructure and Utilities to Support Development 	\$37,316,571 (20%)	2045
Affordable Housing <ul style="list-style-type: none"> - Preservation and New Development (<i>In accordance with City policy, rental housing is created and preserved with a focus on families earning less than 60 percent of area median income, and homeownership housing with focus on families earning 80 percent to 100 percent or less of area median income depending on home size.</i>) 	\$83,962,284 (45%)	2060

SECTION 3 – FINANCIAL REPORT

Section 3.1 - Maximum Indebtedness and Debt Retirement

The maximum amount of the principal of indebtedness that may be issued or incurred under the Plan (the “**Maximum Indebtedness**”) is \$200,000,000 as shown in Table D. The estimated amount of TIF moneys required for the District to service this Maximum Indebtedness is \$229,772,001, which reflects the additional projected costs of the interest on borrowings (loans) which is not a part of the maximum indebtedness. It is anticipated that the indebtedness will be retired or otherwise provided for by FY 2060. Table E shows a summary of the financial capacity of the Area, including how total TIF revenue translates to the ability to fund tax increment projects in constant 2024 dollars in five-year increments.

Table D. Total Uses

Uses Summary	First 5 Years	First 10 Years	30 Year Total
Bond Issuance Costs and Reserves	4,476	17,410	5,642,860
District-Wide Admin/Predevelopment	178,856	695,691	7,774,286
Affordable Housing (PHB)	1,931,650	7,513,460	83,962,284
Inclusive Growth (Prosper Portland)	2,360,905	9,183,118	102,620,570
Total	4,475,887	17,409,678	200,000,000

Table E. Total Capacity Through Final Bond Payoff

	Actual Dollars	Rounded Dollars
Total Net TIF	229,772,001	229,800,000
Maximum Indebtedness	200,000,000	200,000,000
Capacity (2024-25 \$)	115,938,663	115,900,000
Years 1-5	4,466,954	4,500,000
Years 6-10	12,907,974	12,900,000
Years 11-15	22,506,386	22,500,000
Years 16-20	31,718,683	31,700,000
Years 21-25	41,089,302	41,100,000
Years 26-30	52,137,441	52,100,000
Years 31-35	64,945,261	64,900,000

Section 3.2 – Financial Analysis

The total amount of TIF projected to be used for all projects, excluding administration and finance fees, is \$100,514,326 in 2024-25 dollars. The cost of administration and finance fees over the life of the District increase this total to \$107,248,326. The Plan assumes an annual inflation rate of 3 percent per year. When accounting for inflation and based on the assumed timing of projects, the total project costs in nominal year-of-expenditure (“YOE”) dollars is \$186,582,854 which is within the \$200,000,000 maximum indebtedness established by the Plan. It is estimated that the frozen base assessed value of the District is \$551,392,310, 1 percent of the City’s assessed value of \$80,988,896,967.

The estimated Central Eastside Corridor Tax Increment Finance Plan revenues through Fiscal Year End (FYE) 2060 are calculated based on projections of the assessed value within the District and the consolidated tax rate that will apply in the District adjusted for discounts, and delinquencies. The long-term projections for FYE 2026 and beyond assume an annual growth rate of 3 percent for assessed value in the District. These projections of growth are the basis for the projections in Table F, which shows the incremental assessed value, tax rates, and Central Eastside Corridor Tax Increment Finance Plan revenues each year.

The first year of Central Eastside Corridor Tax Increment Finance Plan collections is anticipated to be the fiscal year ending in 2026. Gross Central Eastside Corridor Tax Increment Finance Plan financing (TIF) is calculated by multiplying the tax rate times the assessed value used. The tax rate is per thousand dollars of assessed value, so the calculation is “tax rate times assessed value used divided by one thousand.” The consolidated tax rate includes permanent tax rates only, except for \$0.5038/\$1,000 of the Portland Public Schools permanent rate levy (the “Gap Tax”). The consolidated rate also excludes levies for general obligation bonds and local option levies. The adjustments are for compression losses estimated at 5 percent and underpayments and delinquencies assumed at 4 percent.

The District is anticipated to complete all projects and have sufficient Central Eastside Corridor Tax Increment Finance Plan finance revenue to terminate the tax increment area in FYE 2060, a 35-year tax increment plan. Table G shows more detailed tables on the allocation of tax revenues to debt service. These assumptions show one scenario for financing and that this scenario is financially feasible.

Table F. Projected Incremental Assessed Value, Tax Rates, and Central Eastside Corridor Tax Increment Finance Plan Revenues

Yr No.	FYE	Total Assessed Value	Frozen Base Assessed Value	Increment URA	Increment Shared	Tax Rate	Gross TIF URA	Gross TIF Shared	Adjustments (to URA)	Net TIF (URA)	PV of Net TIF (URA)
1	2026	567,934,079	551,392,310	16,541,769	-	18.72	309,692	-	(27,253)	282,439	274,212
2	2027	584,972,102	551,392,310	33,579,792	-	18.82	632,032	-	(55,619)	576,413	543,325
3	2028	602,521,265	551,392,310	51,128,955	-	18.92	967,452	-	(85,136)	882,316	807,444
4	2029	620,596,903	551,392,310	69,204,593	-	18.92	1,309,475	-	(115,234)	1,194,242	1,061,068
5	2030	639,214,810	551,392,310	87,822,500	-	19.12	1,679,324	-	(147,781)	1,531,544	1,321,123
6	2031	658,391,254	551,392,310	106,998,944	-	19.12	2,046,012	-	(180,049)	1,865,963	1,562,715
7	2032	678,142,992	551,392,310	126,750,682	-	19.12	2,423,701	-	(213,286)	2,210,415	1,797,270
8	2033	698,487,281	551,392,310	147,094,971	-	19.22	2,827,430	-	(248,814)	2,578,616	2,035,583
9	2034	719,441,900	551,392,310	168,049,590	-	19.22	3,230,216	-	(284,259)	2,945,957	2,257,830
10	2035	741,025,157	551,392,310	189,632,847	-	19.12	3,626,121	-	(319,099)	3,307,023	2,460,735
11	2036	763,255,912	551,392,310	211,863,602	-	19.12	4,051,213	-	(356,507)	3,694,707	2,669,135
12	2037	786,153,589	551,392,310	234,761,279	-	19.12	4,489,058	-	(395,037)	4,094,021	2,871,464
13	2038	809,738,197	551,392,310	258,345,887	-	19.12	4,940,038	-	(434,723)	4,505,315	3,067,900
14	2039	834,030,342	551,392,310	282,638,032	-	19.02	5,376,284	-	(473,113)	4,903,171	3,241,574
15	2040	859,051,253	551,392,310	307,658,943	-	18.92	5,821,461	-	(512,289)	5,309,172	3,407,756
16	2041	884,822,790	551,392,310	333,430,480	-	18.82	6,275,762	-	(552,267)	5,723,495	3,566,693
17	2042	911,367,474	551,392,310	350,101,874	9,873,290	18.72	6,554,537	184,846	(576,799)	5,977,738	3,616,630
18	2043	938,708,498	551,392,310	370,607,642	16,708,546	18.72	6,938,442	312,814	(610,583)	6,327,859	3,716,950
19	2044	966,869,753	551,392,310	392,158,835	23,318,608	18.62	7,302,703	434,234	(642,638)	6,660,065	3,798,142
20	2045	995,875,846	551,392,310	413,913,404	30,570,132	18.62	7,707,813	569,271	(678,288)	7,029,525	3,892,078
21	2046	1,025,752,121	551,392,310	436,320,611	38,039,200	18.62	8,125,075	708,358	(715,007)	7,410,069	3,983,277
22	2047	1,056,524,685	551,392,310	459,400,033	45,732,341	18.62	8,554,856	851,619	(752,827)	7,802,028	4,071,820
23	2048	1,088,220,425	551,392,310	483,171,839	53,656,276	18.62	8,997,529	999,176	(791,783)	8,205,747	4,157,784
24	2049	1,120,867,038	551,392,310	507,656,798	61,817,930	18.62	9,453,483	1,151,161	(831,907)	8,621,577	4,241,245
25	2050	1,154,493,049	551,392,310	532,876,307	70,224,432	18.62	9,923,116	1,307,705	(873,234)	9,049,882	4,322,274

26	2051	1,189,127,841	551,392,310	558,852,400	78,883,130	18.62	10,406,838	1,468,946	(915,802)	9,491,036	4,400,943
27	2052	1,224,801,676	551,392,310	585,607,777	87,801,589	18.62	10,905,071	1,635,024	(959,646)	9,945,425	4,477,321
28	2053	1,261,545,726	551,392,310	613,165,815	96,987,602	18.62	11,418,251	1,806,084	(1,004,806)	10,413,445	4,551,475
29	2054	1,299,392,098	551,392,310	641,550,593	106,449,195	18.62	11,946,827	1,982,276	(1,051,321)	10,895,506	4,623,468
30	2055	1,338,373,861	551,392,310	670,786,916	116,194,635	18.62	12,491,260	2,163,753	(1,099,231)	11,392,029	4,693,365
31	2056	1,378,525,077	551,392,310	700,900,327	126,232,439	18.62	13,052,026	2,350,675	(1,148,578)	11,903,447	4,761,226
32	2057	1,419,880,829	551,392,310	731,917,142	136,571,377	18.62	13,629,615	2,543,205	(1,199,406)	12,430,209	4,827,110
33	2058	1,462,477,254	551,392,310	763,864,460	147,220,484	18.62	14,224,531	2,741,510	(1,251,759)	12,972,772	4,891,076
34	2059	1,506,351,572	551,392,310	796,770,199	158,189,063	18.62	14,837,295	2,945,765	(1,305,682)	13,531,613	4,953,178
35	2060	1,551,542,119	551,392,310	830,663,109	169,486,700	18.62	15,468,442	3,156,147	(1,361,223)	14,107,219	5,013,472

Table G. Central Eastside Corridor Tax Increment Finance Plan Revenues and Allocations to Debt Service

	24-25	25-26	26-27	27-28	28-29	29-30	30-31
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Prior Year Assessed Value	-	551,392,310	567,934,079	584,972,102	602,521,265	620,596,903	639,214,810
Frozen Base	551,392,310	551,392,310	551,392,310	551,392,310	551,392,310	551,392,310	551,392,310
Increment	-	16,541,769	33,579,792	51,128,955	69,204,593	87,822,500	106,998,944
AV (Baseline)	-	567,934,079	584,972,102	602,521,265	620,596,903	639,214,810	658,391,254
Taxes							
Consolidated Tax Rate	18.5604	18.7218	18.8218	18.9218	18.9218	19.1218	19.1218
Divide the Taxes (to Raise) Sal 4c	-	309,692	632,032	967,452	1,309,475	1,679,324	2,046,012
Net Tax Increment Revenues	-	282,439	576,413	882,316	1,194,242	1,531,544	1,865,963
Used for Du Jour	-	283,004	577,566	884,081	1,196,630	1,534,607	1,869,695
Debt Service							
Total Debt Service	-	-	-	-	-	-	-

	31-32	32-33	33-34	34-35	35-36	36-37	37-38
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Prior Year Assessed Value	658,391,254	678,142,992	698,487,281	719,441,900	741,025,157	763,255,912	786,153,589
Frozen Base	551,392,310	551,392,310	551,392,310	551,392,310	551,392,310	551,392,310	551,392,310
Increment	126,750,682	147,094,971	168,049,590	189,632,847	211,863,602	234,761,279	258,345,887
AV (Baseline)	678,142,992	698,487,281	719,441,900	741,025,157	763,255,912	786,153,589	809,738,197
Taxes							
Consolidated Tax Rate	19.1218	19.2218	19.2218	19.1218	19.1218	19.1218	19.1218
Divide the Taxes (to Raise) Sal 4c	2,423,701	2,827,430	3,230,216	3,626,121	4,051,213	4,489,058	4,940,038
Net Tax Increment Revenues	2,210,415	2,578,616	2,945,957	3,307,023	3,694,707	4,094,021	4,505,315
Used for Du Jour	2,214,836	2,583,774	2,951,849	3,313,637	3,702,096	4,102,209	4,514,326
Debt Service							
Total Debt Service	-	-	-	-	-	-	-

	38-39	39-40	40-41	41-42	42-43	43-44	44-45
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Prior Year Assessed Value	809,738,197	834,030,342	859,051,253	884,822,790	911,367,474	938,708,498	966,869,753
Frozen Base	551,392,310	551,392,310	551,392,310	551,392,310	551,392,310	551,392,310	551,392,310
Increment	282,638,032	307,658,943	333,430,480	359,975,164	387,316,188	415,477,443	444,483,536
AV (Baseline)	834,030,342	859,051,253	884,822,790	911,367,474	938,708,498	966,869,753	995,875,846
Taxes							
Consolidated Tax Rate for Du Jour	19.0218	18.9218	18.8218	18.7218	18.7218	18.6218	18.6218
Divide the Taxes (to Raise) Sal 4c	5,376,284	5,821,461	6,275,762	6,554,537	6,938,442	7,302,703	7,707,813
Net Tax Increment Revenues	4,903,171	5,309,172	5,723,495	5,977,738	6,327,859	6,660,065	7,029,525
Used for Du Jour	4,912,977	5,319,791	5,734,942	5,989,693	6,340,515	6,673,386	7,043,584
Debt Service							
BOND 1							
Total Debt Service	-	-	-	-	-	-	-

	45-46	46-47	47-48	48-49	49-50	50-51	51-52
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Prior Year Assessed Value	995,875,846	1,025,752,121	1,056,524,685	1,088,220,425	1,120,867,038	1,154,493,049	1,189,127,841
Frozen Base	551,392,310	551,392,310	551,392,310	551,392,310	551,392,310	551,392,310	551,392,310
Increment	474,359,811	505,132,375	536,828,115	569,474,728	603,100,739	637,735,531	673,409,366
AV (Baseline)	1,025,752,121	1,056,524,685	1,088,220,425	1,120,867,038	1,154,493,049	1,189,127,841	1,224,801,676
Taxes							
Consolidated Tax Rate	18.6218	18.6218	18.6218	18.6218	18.6218	18.6218	18.6218
Divide the Taxes (to Raise) Sal 4c	8,125,075	8,554,856	8,997,529	9,453,483	9,923,116	10,406,838	10,905,071
Net Tax Increment Revenues	7,410,069	7,802,028	8,205,747	8,621,577	9,049,882	9,491,036	9,945,425
Used for Du Jour	6,480,959	7,825,184	7,282,005	7,698,666	8,127,828	8,569,864	9,025,162
Debt Service							

Bond 1		943,929	943,929	943,929	943,929	943,929	943,929
Bond 2							
Total Debt Service	-	943,929	943,929	943,929	943,929	943,929	943,929

	52-53	53-54	54-55	55-56	56-57	57-58	58-59	59-60
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Prior Year Assessed Value	1,224,801,676	1,261,545,726	1,299,392,098	1,338,373,861	1,378,525,077	1,419,880,829	1,462,477,254	1,506,351,572
Frozen Base	551,392,310	551,392,310	551,392,310	551,392,310	551,392,310	551,392,310	551,392,310	551,392,310
Increment	710,153,416	747,999,788	786,981,551	827,132,767	868,488,519	911,084,944	954,959,262	1,000,149,809
AV (Baseline)	1,261,545,726	1,299,392,098	1,338,373,861	1,378,525,077	1,419,880,829	1,462,477,254	1,506,351,572	1,551,542,119
<i>Taxes</i>								
Consolidated Tax Rate	18.6218	18.6218	18.6218	18.6218	18.6218	18.6218	18.6218	18.6218
Divide the Taxes (to Raise) Sal 4c	11,418,251	11,946,827	12,491,260	13,052,026	13,629,615	14,224,531	14,837,295	15,468,442
Net Tax Increment Revenues	10,413,445	10,895,506	11,392,029	11,903,447	12,430,209	12,972,772	13,531,613	14,107,219
Used for Du Jour	9,494,118	6,390,212	9,362,804					
<i>Debt Service</i>								
Bond 1	943,929	943,929	943,929	943,929	943,929	943,929	943,929	943,929
Bond 2			3,586,931	3,586,931	3,586,931	3,586,931	3,586,931	3,586,931
Total Debt Service	943,929	943,929	4,530,860	4,530,860	4,530,860	4,530,860	4,530,860	4,530,860

The District is anticipated to complete all projects and have sufficient revenue to terminate the District in FYE 2060, a 35-year program. The projects will be ongoing and the schedule for construction of projects will be based on the availability of funding and will be completed as directed by the Agency in accordance with the Five-Year Action Plans.

The amount of money available for projects in 2024 constant dollars for the District is approximately \$100,514,326. This is calculated by taking the maximum indebtedness (MI) and bringing it back to constant 2024 dollars. This is done as the MI is referenced in constant dollars, so understanding how the MI relates to the inflation factor over 30 years is important to be able to make projections on the allocation of funds throughout the life of the District.

Table H shows the approximate \$107,248,326 of 2024 constant dollars for projects inflated over the life of the District including administrative expenses, reaching the total maximum indebtedness of \$200,000,000. The 3 percent inflation rate is the rate to use in the future if any amendment to increase maximum indebtedness is pursued in accordance with ORS 457.470.

The following tables are prepared to show that the District is financially feasible as required by ORS 457. It assumes completion of projects as funding becomes available and in accordance with the Five-Year Action Plans. Annual expenditures for program administration are also shown.

Table H. Financial Feasibility

	Bond Issuance Costs and Reserves	District-Wide Admin/Predev	Affordable Housing (PHB)	Inclusive Growth (Prosper Portland)	Total
Years 1-5	4,476	178,856	1,931,650	2,360,905	4,475,887
Years 6-10	12,934	516,834	5,581,810	6,822,212	12,933,790
Years 11-15	22,551	901,154	9,732,462	11,895,232	22,551,399
Years 16-20	31,782	1,270,014	13,716,146	16,764,178	31,782,120
Years 21-25	1,181,344	1,849,332	19,972,785	24,411,182	47,414,642
Years 26-30	4,389,773	3,058,095	33,027,431	40,366,861	80,842,161
Total	5,642,860	7,774,286	83,962,284	102,620,570	200,000,000

Section 3.3 – Fiscal Impact Statement

The impact of Central Eastside Corridor Tax Increment Finance Plan financing of the maximum indebtedness, both until and after the indebtedness is repaid, is on all entities levying permanent rate property in the District.

The impact of Central Eastside Corridor Tax Increment Finance Plan financing on overlapping taxing districts consists primarily of the property tax revenues foregone on permanent rate levies as applied to the growth in assessed value in the District. These projections are for impacts estimated through FYE 2060 and are shown in Table H.

Other than the Portland Public Schools Gap Tax, the Portland School District and the Multnomah County ESD are not *directly* affected by the tax increment financing, but the amounts of their taxes divided for

the Plan are shown in the following tables. Under current school funding law, property tax revenues are combined with State School Fund revenues to achieve per-student funding targets. Under this system, property taxes foregone, due to the use of tax increment financing, are substantially replaced with State School Fund revenues, as determined by a funding formula at the state level. The Gap Tax is not anticipated to be calculated in the division of tax revenues to be allocated to Prosper Portland, so the impact on the Portland Public Schools of the Gap Tax is a positive impact. The School District will need to complete appropriate paperwork with the Multnomah County assessor to ensure the Gap tax is not included in the division of taxes.

The City of Portland levies a tax to pay costs of its Fire and Police Disability and Retirement Fund (FPD&R) Plan. The rate for this levy is included in the consolidated tax rate for the District. The levy is imposed such that, when the tax rate is divided for tax increment areas, tax collections are sufficient to provide both the amount requested by the City for the FPD&R Plan and amounts for tax increment plans. Taxpayers pay a higher amount of taxes as a result of the division of taxes. Tax collections for the District attributable to the FPD&R levy are shown in Table I.

Since the properties within the TIF District are also already within the City's urban growth boundary, the City has planned for the need to provide infrastructure to these parcels through its existing plans and policies. In addition, since any new development will be new construction or redevelopment of existing buildings, the current building code requirements will address fire protection needs. Any potential impacts to the City will be countered by the increased revenue resulting from new jobs, stabilized housing, increased property tax revenues from development and redevelopment, and future increased tax base for all overlapping taxing jurisdictions.

Table I. Projected Impact on Taxing District Permanent Rate Levies

Foregone Revenue to Taxing Jurisdictions	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33	33-34	34-35
City	69,049	140,170	213,424	288,875	366,591	446,638	529,086	614,007	701,477	791,570
County	65,525	133,016	202,531	274,132	347,881	423,842	502,082	582,670	665,675	751,170
Library	18,405	37,362	56,888	77,000	97,715	119,051	141,028	163,664	186,979	210,993
Metro	1,457	2,958	4,504	6,097	7,737	9,427	11,167	12,959	14,805	16,707
Port	1,058	2,147	3,269	4,424	5,615	6,841	8,103	9,404	10,744	12,123
E Mult Soil/Cons	1,509	3,062	4,663	6,311	8,009	9,758	11,560	13,415	15,326	17,295
FPDR	42,241	88,812	139,889	189,344	256,301	312,266	369,909	442,697	505,762	553,425
Total Gov't	199,244	407,527	625,168	846,184	1,089,849	1,327,822	1,572,935	1,838,816	2,100,767	2,353,282
Portland	72,026	146,212	222,624	301,328	382,393	465,891	551,893	640,475	731,715	825,692
Portland CC	4,266	8,661	13,187	17,849	22,651	27,596	32,691	37,938	43,342	48,909
Multnomah County ESD	6,903	14,014	21,338	28,881	36,651	44,654	52,897	61,387	70,132	79,140
Total Education	83,195	168,886	257,148	348,058	441,695	538,141	637,481	739,800	845,190	953,741

Foregone Revenue to Taxing Jurisdictions	35-36	36-37	37-38	38-39	39-40	40-41	41-42	42-43	43-44	44-45	45-46
City	884,366	979,946	1,078,394	1,179,794	1,284,237	1,391,814	1,461,404	1,546,999	1,636,959	1,727,767	1,821,300
County	839,230	929,932	1,023,355	1,119,580	1,218,693	1,320,778	1,386,817	1,468,044	1,553,412	1,639,586	1,728,345
Library	235,728	261,205	287,446	314,474	342,314	370,988	389,537	412,353	436,332	460,537	485,468
Metro	18,665	20,682	22,760	24,900	27,105	29,375	30,844	32,650	34,549	36,465	38,439
Port	13,545	15,009	16,516	18,069	19,669	21,317	22,382	23,693	25,071	26,462	27,895
E Mult Soil/Cons	19,322	21,410	23,561	25,777	28,058	30,409	31,929	33,799	35,765	37,749	39,792
FPDR	618,303	685,127	753,957	799,074	841,755	881,857	894,020	946,384	965,652	1,019,220	1,074,396
Total Gov't	2,629,158	2,913,311	3,205,989	3,481,670	3,761,831	4,046,537	4,216,933	4,463,923	4,687,739	4,947,786	5,215,635
Portland	922,488	1,022,189	1,124,880	1,230,652	1,339,597	1,451,810	1,524,400	1,613,686	1,707,523	1,802,246	1,899,810

Portland CC	54,643	60,548	66,631	72,896	79,349	85,996	90,296	95,585	101,143	106,754	112,533
Multnomah County ESD	88,417	97,973	107,816	117,954	128,396	139,151	146,108	154,666	163,660	172,739	182,090
Total Education	1,065,548	1,180,710	1,299,326	1,421,502	1,547,342	1,676,957	1,760,805	1,863,936	1,972,326	2,081,739	2,194,434

Foregone Revenue to Taxing Jurisdictions	46-47	47-48	48-49	49-50	50-51	51-52	52-53	53-54	54-55	55-56
City	1,917,639	2,016,867	2,119,073	2,224,345	2,332,775	2,444,458	2,559,491	2,677,976	2,800,015	2,925,715
County	1,819,767	1,913,931	2,010,920	2,110,819	2,213,715	2,319,698	2,428,861	2,541,298	2,657,108	2,776,393
Library	511,147	537,596	564,839	592,899	621,802	651,571	682,233	713,815	746,344	779,850
Metro	40,473	42,567	44,724	46,946	49,234	51,592	54,019	56,520	59,096	61,749
Port	29,370	30,890	32,455	34,067	35,728	37,439	39,200	41,015	42,884	44,809
E Mult Soil/Cons	41,897	44,065	46,298	48,598	50,967	53,407	55,921	58,509	61,176	63,922
FPDR	1,131,227	1,189,762	1,250,054	1,312,155	1,376,118	1,442,001	1,509,860	1,579,754	1,651,746	1,725,897
Total Gov't	5,491,519	5,775,679	6,068,364	6,369,830	6,680,340	7,000,165	7,329,585	7,668,887	8,018,369	8,378,335
Portland	2,000,302	2,103,808	2,210,420	2,320,230	2,433,334	2,549,831	2,669,823	2,793,415	2,920,715	3,051,833
Portland CC	118,486	124,617	130,932	137,436	144,136	151,036	158,144	165,465	173,005	180,772
Multnomah County ESD	191,722	201,643	211,861	222,386	233,227	244,392	255,893	267,739	279,940	292,508
Total Education	2,310,509	2,430,068	2,553,212	2,680,052	2,810,696	2,945,260	3,083,860	3,226,619	3,373,660	3,525,113

Foregone Revenue to Taxing Jurisdictions	56-57	57-58	58-59	59-60
City	3,055,186	3,188,541	3,325,897	3,467,374
County	2,899,256	3,025,805	3,156,151	3,290,407
Library	814,360	849,906	886,518	924,229
Metro	64,481	67,296	70,195	73,181
Port	46,792	48,835	50,938	53,105
E Mult Soil/Cons	66,751	69,664	72,665	75,756
FPDR	1,802,273	1,880,940	1,961,967	2,045,425
Total Gov't	8,749,100	9,130,988	9,524,332	9,929,477
Portland	3,186,886	3,325,989	3,469,266	3,616,841
Portland CC	188,771	197,011	205,498	214,239
Multnomah County ESD	305,452	318,784	332,517	346,662
Total Education	3,681,109	3,841,785	4,007,281	4,177,742

Revenue sharing means that, at thresholds defined in ORS 457.470, the impacted taxing jurisdictions will receive a share of the incremental growth in the District. The first threshold is when annual Central Eastside Corridor Tax Increment Finance Plan finance revenues exceed three percent of the original maximum indebtedness of the Plan is in 2042. At the three percent threshold, the Agency will receive tax increment revenue as stated in ORS 457.470(4)(a-e). The overlapping taxing districts would receive the remainder of the TIF revenues. Revenue sharing projections are shown in Table J in the column labelled “Revenue Sharing”.

If assessed value in the District grows more quickly than projected, the revenue sharing triggers would be reached earlier.

Table J. Tax Increment Revenue Sharing

Yr No.	FYE	Total Assessed Value	Frozen Base Assessed Value	Increment URA	Increment Shared
1	2026	567,934,079	551,392,310	16,541,769	-
2	2027	584,972,102	551,392,310	33,579,792	-
3	2028	602,521,265	551,392,310	51,128,955	-
4	2029	620,596,903	551,392,310	69,204,593	-
5	2030	639,214,810	551,392,310	87,822,500	-
6	2031	658,391,254	551,392,310	106,998,944	-
7	2032	678,142,992	551,392,310	126,750,682	-
8	2033	698,487,281	551,392,310	147,094,971	-
9	2034	719,441,900	551,392,310	168,049,590	-
10	2035	741,025,157	551,392,310	189,632,847	-
11	2036	763,255,912	551,392,310	211,863,602	-
12	2037	786,153,589	551,392,310	234,761,279	-
13	2038	809,738,197	551,392,310	258,345,887	-
14	2039	834,030,342	551,392,310	282,638,032	-
15	2040	859,051,253	551,392,310	307,658,943	-
16	2041	884,822,790	551,392,310	333,430,480	-
17	2042	911,367,474	551,392,310	350,101,874	9,873,290
18	2043	938,708,498	551,392,310	370,607,642	16,708,546
19	2044	966,869,753	551,392,310	392,158,835	23,318,608
20	2045	995,875,846	551,392,310	413,913,404	30,570,132
21	2046	1,025,752,121	551,392,310	436,320,611	38,039,200
22	2047	1,056,524,685	551,392,310	459,400,033	45,732,341
23	2048	1,088,220,425	551,392,310	483,171,839	53,656,276
24	2049	1,120,867,038	551,392,310	507,656,798	61,817,930
25	2050	1,154,493,049	551,392,310	532,876,307	70,224,432
26	2051	1,189,127,841	551,392,310	558,852,400	78,883,130
27	2052	1,224,801,676	551,392,310	585,607,777	87,801,589

28	2053	1,261,545,726	551,392,310	613,165,815	96,987,602
29	2054	1,299,392,098	551,392,310	641,550,593	106,449,195
30	2055	1,338,373,861	551,392,310	670,786,916	116,194,635
31	2056	1,378,525,077	551,392,310	700,900,327	126,232,439
32	2057	1,419,880,829	551,392,310	731,917,142	136,571,377
33	2058	1,462,477,254	551,392,310	763,864,460	147,220,484
34	2059	1,506,351,572	551,392,310	796,770,199	158,189,063
35	2060	1,551,542,119	551,392,310	830,663,109	169,486,700

Table K shows the projected increased revenue to the taxing jurisdictions after the Central Eastside Corridor Tax Increment Finance Plan proceeds are projected to be terminated. These projections are for FYE 2061. The table also shows the estimated impact of returned incremental assessed value on the FPD&R tax levy rate, which could be reduced by approximately 3 percent.

The Frozen Base is the assessed value of the District established by the County Assessor at the time the District is established. Excess Value is the increased assessed value in the District above the Frozen Base.

Table K. Additional Revenues Obtained after Termination of TIF – FYE 2060

Taxing District	Type	Tax Rate	From Frozen Base	From Excess Value	Total
General Government					
City	Permanent	4.58	2,523,723	4,790,728	7,314,451
County	Permanent	4.34	2,394,917	4,546,220	6,941,137
Library	Permanent	1.22	672,699	1,276,969	1,949,668
Metro	Permanent	0.10	53,264	101,111	154,375
Port	Permanent	0.07	38,653	73,373	112,026
E Mult Soil/Cons	Permanent	0.10	55,139	104,670	159,809
FPDR	Permanent	2.70	1,488,759	2,826,079	4,314,839
Subtotal General Government		13.11	7,227,154	13,719,150	20,946,304
Education					
Portland	Permanent	4.77	2,632,512	4,997,241	7,629,753
Portland CC	Permanent	0.28	155,934	296,006	451,939
Multnomah County ESD	Permanent	0.46	252,317	478,968	731,285
Subtotal Education		5.51	3,040,763	5,772,215	8,812,978
Total		18.62	10,267,917	19,491,365	29,759,282

Section 3.4 – Assessed Value and Acreage Analysis

The Plan includes a provision indicating that it will be financed by tax increment revenues (TIF) allocated to the District, as provided in ORS Chapter 457, and that the ad valorem taxes levied by a taxing district in which all or a portion of the District is located, will be divided as provided in Section 1c, Article IX of the Oregon Constitution, and ORS 457.440. Pursuant to ORS 457.420(2), the Plan may only include such a provision if:

- The assessed value for the TIF District, when added to the total assessed value for other TIF Districts of the City, does not exceed a figure equal to 15 percent of the total assessed value of the City (exclusive of any increased assessed value for other TIF Districts and without regard to adjustments made pursuant to ORS 457.435 (2)(c), 457.455 or 457.470 (2) to (5)), and
- The acreage of the TIF District, when added to the acreage of other TIF Districts of the City, does not exceed 15 percent of the total acreage of the City.

As explained in this Section, the proposed TIF District complies with both the assessed value and acreage limits set forth in ORS 457.420.

As of the date that the TIF Plan is expected to be approved by the City, it is projected that the total Assessed Value for all real property in the City of Portland will be just over \$80.98 billion and the total acreage of the City will be 92,768 acres, as shown in Table L, below. In addition, as of the approval date, the total assessed value for the real property contained within all pre-existing TIF Districts will be approximately \$2 billion (2.5% of total City AV) and the acreage of such districts will be 2,729 acres (2.9% of total City acreage).⁷ Finally, the TIF District is being proposed for creation along with several other TIF Districts that, when combined, will account for up to \$9.49 billion in assessed value and 8,415 acres.⁸ If all six proposed TIF Districts are approved, the resulting total areas included in all TIF Districts within the City will contain \$11.49 billion in assessed value (14.2% of total City AV) and 11,144 acres (12% of total City acreage). These limits will fall within the threshold for assessed value and acreage established by ORS 457.420, which allows for the TIF Plan to include a provision for the division of ad valorem property taxes to finance the TIF District's activities under the Plan.

⁷ Prior to adoption of the proposed TIF District, Prosper Portland and/or the City are expected to either take action to amend the size of certain TIF Districts, allow some TIF Districts to expire, and/or otherwise amend the plans to release some or all of the assessed value and acreage associated with the following pre-existing TIF Districts: Central Eastside, Downtown Waterfront, Interstate Corridor, Lents Town Center, Oregon Convention Center, River District, South Park Blocks, and the Neighborhood Prosperity Initiative districts.

⁸ The proposed new TIF Districts include: Westside, Lloyd-Holladay, Central Eastside Corridor, Sumner-Parkrose-Argay-Columbia Corridor, 82nd Avenue Area, and East 205.

Table L. Assessed Value and Acreage

TIF District	Frozen Base (as of FY 21-22 values)	Proposed Adjustments	Proposed values (as of FY 23-24 values)
	Frozen Base Assessed Value		
Central Eastside	\$230,541,190	(\$230,541,190)	\$0
Downtown Waterfront	\$55,674,313	(\$55,674,313)	\$0
Gateway Regional Center	\$307,174,681	-	\$307,174,681
Interstate Corridor	\$1,293,460,097	(\$1,293,460,097)	\$0
Lents Town Center	\$736,224,033	(\$736,224,033)	\$0
North Macadam	\$628,094,444	-	\$628,094,444
Oregon Convention Center	\$214,100,689	(\$214,100,689)	\$0
River District	\$432,292,135	(\$432,292,135)	\$0
South Park Blocks	\$305,692,884	(\$305,692,884)	\$0
Cully	\$1,071,144,885	-	\$1,071,144,885
Neighborhood Prosperity Initiatives (combined)	\$164,919,235	(\$164,919,235)	\$0
Westside (NEW)	\$0	\$2,401,540,540	\$2,401,540,540
Lloyd-Holladay (NEW)	\$0	\$842,896,040	\$842,896,040
Central Eastside Corridor (NEW)	\$0	\$551,392,310	\$551,392,310
Sumner-Parkrose-Argay- Columbia Corridor (NEW)	\$0	\$1,123,860,390	\$1,123,860,390
82nd Ave (NEW)	\$0	\$1,721,086,470	\$1,721,086,470
East 205 (NEW)	\$0	\$2,849,078,510	\$2,849,078,510
Total: TIF Districts	\$5,439,318,586	\$6,056,949,684	\$11,496,268,270
Total: City of Portland	\$76,142,269,310		\$80,988,896,967
Percent in TIF District	7.14%		14.19%

TIF District	Frozen Base (as of FY 21-22 values)	Proposed Adjustments	Proposed values (as of FY 23-24 values)
	Acreage		
Central Eastside	708	(708)	-
Downtown Waterfront	233	(233)	-
Gateway Regional Center	659	-	659
Interstate Corridor	3,995	(3,995)	-
Lents Town Center	2,846	(2,846)	-
North Macadam	447	-	447
Oregon Convention Center	410	(410)	-
River District	315	(315)	-
South Park Blocks	98	(98)	-
Cully	1,623	-	1,623
Neighborhood Prosperity Initiatives (combined)	245	(245)	-
Westside (NEW)	-	492	492
Lloyd-Holladay (NEW)	-	261	261
Central Eastside Corridor (NEW)	-	486	486
Sumner-Parkrose-Argay- Columbia Corridor (NEW)	-	1,578	1,578
82nd Ave (NEW)	-	1,868	1,868
East 205 (NEW)	-	3,730	3,730
Total: TIF Districts	11,579	(435)	11,144
Total: City of Portland	92,768		92,768
Percent in TIF District	12.48%		12.01%

SECTION 4 – RELOCATION REPORT

Pursuant to ORS 457.087(9), this report must include: (a) an analysis of existing residents or businesses that may be required to relocate temporarily or permanently as a result of any of the proposed projects identified in Section 2.1, above; (b) a description of the methods to be used for the temporary or permanent relocation of such residents or businesses; and, (c) an enumeration, by cost range, of the existing housing units in the urban renewal areas of the plan to be destroyed or altered and the new units to be added.

It is not anticipated that any of the proposed projects identified in Section 2 will require or result in the temporary or permanent relocation of any residents or businesses. In addition, it is not anticipated that any of the proposed projects identified in Section 2 will require or result in the alteration or destruction of any existing housing units. To the extent that temporary or permanent relocation is necessary, Prosper Portland will comply with the requirements set forth in ORS 35.500 to 35.530 to protect the rights of any person or business impacted by such relocation. New housing units anticipated to be added within the TIF District are enumerated in Section 2.

Attachments to Report

A. Existing Conditions Report

Attachment A. Existing Conditions Report

This report summarizes existing conditions in the Central Eastside Corridor TIF District to inform investments and strategies. It draws on data collected from sources like the American Community Survey (ACS), market platforms, federal bureaus, and local data sources.

Physical Conditions

Zoning and Land Use

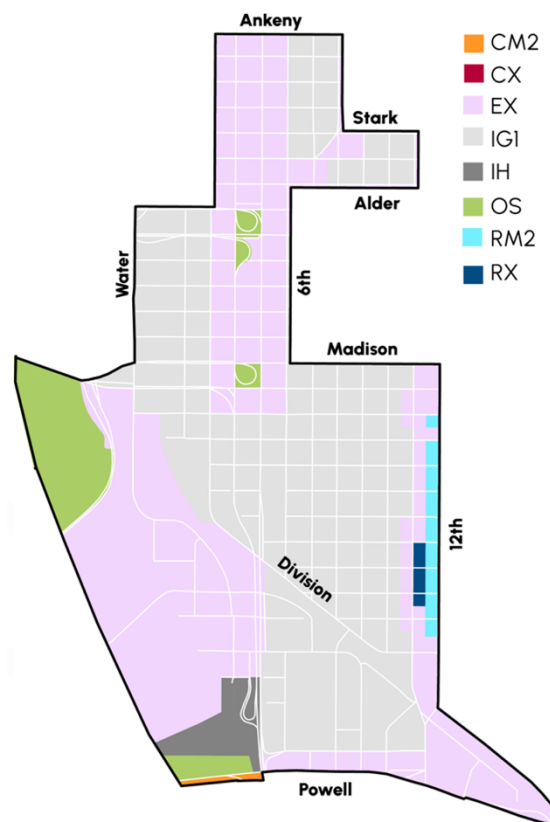
The Central Eastside Corridor TIF District’s zoning includes a combination of residential, commercial, and employment zones. Figure A and Table A show zoning designations of land within the TIF District’s boundary. Almost half (43 percent) of the TIF District is zoned as Central Employment (EX), and an additional 46 percent is zoned General Industrial 1 (IG1). Seven percent of acres in the TIF District are zoned as Open Space (OS). Residential zoning covers less than two percent of the District.

Table A. Parcel Acres by Zoning, Central Eastside Corridor TIF District, 2024

	ACRES	PERCENT
Commercial/Mixed Use 2 (CM2)	1.6	0%
General Employment 1	0.01	0%
Central Employment (EX)	209.0	43%
General Industrial 1 (IG1)	222.3	46%
Heavy Industrial	11.9	2%
Open Space (OS)	32.2	7%
Residential 5,000	0.1	0%
Residential Multi-Dwelling 2 (RM2)	6.7	1%
Central Residential (RX)	1.9	0%

Source: Bureau of Planning & Sustainability, 2024

Figure A. Zoning, Central Eastside Corridor TIF District



Comprehensive Plan

The Central Eastside is subarea of the Central City area designated as a Center in the Portland 2035

Comprehensive Plan, which aims to be “a living laboratory for how the design and function of a dense urban center can concurrently provide benefits to human health, the natural environment, and the local economy.”⁹ The Central

City’s role is part of a broader vision to encourage growth and investment in Portland as a key center for jobs, transit, services, and institutions in the region.

⁹ City of Portland, ‘2035 Comprehensive Plan,’ May 2023, GP3-12.

Table B and Figure B show the Comprehensive Plan Designations within the Central Eastside Corridor TIF District. The designations prescribe the intended future development types and scales. Overall, the Comprehensive Plan designations closely align with current zoning in the TIF District shown in Figure A with large areas of Industrial Sanctuary and Central Employment designations.

Table B. Parcel Acres by Comprehensive Plan Designation, Central Eastside Corridor TIF District

	ACRES	PERCENT
Central Employment (CE)	209.0	43%
Central Residential (CR)	1.9	0%
Industrial Sanctuary (IS)	234.2	48%
Mixed Employment (ME)	0.01	0%
Mixed Use - Civic Corridor (MU-C)	1.4	0%
Mixed Use - Urban Center (MU-U)	0.3	0%
Multi-Dwelling — Corridor (MD-C)	6.7	1%
Open Space (OS)	32.2	7%
Single - Dwelling 5,000	0.1	0%
Total	485.8	100%

Source: Bureau of Planning and Sustainability

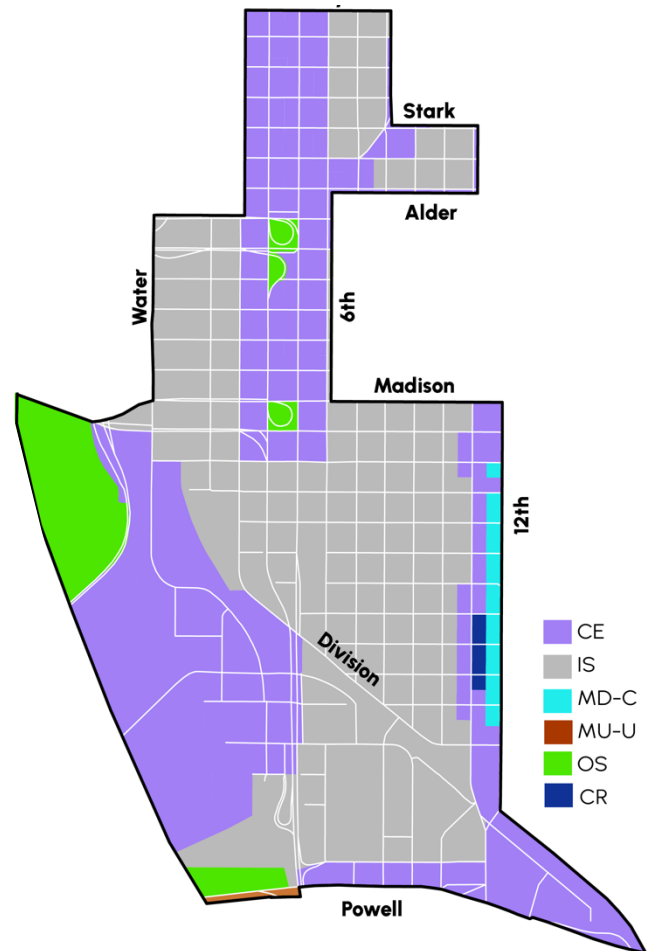
Infrastructure

This section outlines the existing condition of the area’s infrastructure and explains the need for future investment. The Plan does not attempt to fund every infrastructure project that the City has planned or considered in the TIF District boundary.

Transportation

The Central Eastside Corridor TIF District is characterized by employment, industrial, and commercial uses which require a balance of access for commercial traffic as well as workers and visitors. Portland’s current Transportation System Plan defines the area as a Freight District which is “intended to provide safe and convenient truck mobility and access in industrial and employment areas serving high levels of truck traffic and to accommodate the needs of intermodal freight movement.”¹⁰ Ensuring sufficient circulation and parking for commercial vehicles is a primary concern for the TIF District.

Figure B. Comprehensive Plan Designations, Central Eastside Corridor TIF District



¹⁰ City of Portland, ‘2035 Transportation System Plan Chapter 3,’ <https://www.portland.gov/transportation/planning/tsp-document-downloads>, March 2020, 84.

Generally, the TIF District also has a connected active transportation network, with short blocks, wide sidewalks, and few sidewalk gaps (although the area west of SE MLK Boulevard has some streets with more narrow sidewalks). A dense network of existing and funded bicycle facilities provides a low-stress bicycling experience. However, the existing railroad tracks between SE Water Avenue and SE 2nd Avenue create a barrier for all transportation modes between the riverfront and OMSI area and neighborhoods to the east. Additionally, from a growth perspective, the transportation focus for this TIF District is on supporting more multimodal travel through the TIF District.

Street Network

The Central Eastside Corridor TIF District encompasses several key traffic corridors in the Central Eastside area including major City streets:

- **SE Grand Avenue** from SE Ankeny Street to SE Powell Boulevard. SE Grand Avenue is a major arterial route; north of SE Division Street, SE Grand Avenue facilitates northbound traffic and becomes two-way traffic flow south of Division. It is vital for connecting various neighborhoods and supporting commercial activities within the TIF District.
- **SE Martin Luther King Boulevard** from SE Ankeny Street to SE Division Street. SE MLK Boulevard serves as another key artery running parallel to SE Grand Avenue (which serve as a north-south couplet). It supports a high volume of traffic and is essential for regional connectivity. The street's extensive reach and connectivity to major intersections make it pivotal for transit operations and vehicular traffic.
- **The Ross Island Bridge/SE Powell Boulevard**, from the Willamette River to SE Division Street. The Ross Island Bridge and SE Powell Boulevard are crucial for east-west connectivity, linking the west side of Portland with the Central Eastside and beyond. This corridor supports significant commuter traffic and is a major conduit for cross-city transit services.
- **Priority Truck Streets.** Several streets in the TIF District are classified as Priority Truck Streets in Portland's TSP to support industrial and employment uses that generate high truck activity. These include SE Grand Avenue, SE Martin Luther King Boulevard, SE Water Avenue, SE Belmont Avenue, SE Morrison Avenue, SE Stark Street, SE Washington Street, SE Division Street, and SE Woodward Street.

Other significant streets in the TIF District include SE Water Avenue from SE Morrison Street to SE Powell Boulevard and SE Division Street from SE 3rd Avenue to SE Powell Boulevard (Traffic Access Streets) and SE Hawthorne from the Willamette River to SE 12th Avenue (Local Service Transit Street). The OMSI District Plan includes investments aimed at transforming Water Avenue into a vibrant, multimodal corridor that supports both economic development and community well-being. Key development blocks within the plan are contingent upon the development of this corridor. The planned improvements focus on enhancing the streetscape with wider sidewalks, dedicated bike lanes, and improved lighting to ensure safety and accessibility for all users. In terms of connectivity, the plan proposes creating new street (including a new route for Water Avenue) to enhance circulation in the area. The plan also includes the introduction of green infrastructure elements such as rain gardens and street trees to manage stormwater and enhance the OMSI District's aesthetic appeal. That street, which will have all new utilities underneath, will run the length of the site, parallel to train tracks¹¹

¹¹ OMSI, 'Next steps identified for new Portland district,' <https://omsi.edu/articles/next-steps-identified-for-new-portland-district/>.

Road Safety

Average Daily Traffic (ADT) Volume on SE Powell Boulevard is around 16,000, increasing to 35,800 on the Ross Island Bridge. ADT volume on SE Grand Avenue is 11,000.¹² From 2017 to 2021, there were 30 serious injury crashes and two fatal crashes within the TIF District. During this period, 18 pedestrians and 29 bicyclists were hit by motor vehicles.¹³

Public Transit

Several high-frequency bus routes run through the TIF District. Key corridors such as SE Grand Avenue and SE Martin Luther King Jr. Boulevard, SE Hawthorne Street, and SE Division Street are integral parts of the transit network,

- **Orange, Red, and Blue MAX Lines** run through the TIF District and connect to the Tilikum Crossing Bridge, with the Red and Blue lines running parallel on SE Grand and SE Martin Luther King Jr. Boulevards and the Orange Line extending following a diagonal path along the railroad tracks.
- **Line 6** operates on SE Grand Avenue and SE Martin Luther King Jr. Boulevard, providing north-south connectivity between the Rose Quarter Transit Center and Clackamas Town Center. The Rose Land Project added Bus and Turn (BAT) lanes to MLK and Grand north of SE Mill Street within the TIF District, relieving a major pinch point in the transit system.
- **Line 9** runs along SE Powell Boulevard, linking the Central Eastside with Gresham Transit Center. The Division Transit Project introduced the FX2-Division, which operates with 60-foot articulated buses and expanded bus stations for a more efficient and comfortable ride. Buses on this route arrive every 12 minutes, making it a high-frequency transit line.
- **Line 12** serves SE Hawthorne Boulevard and other major routes, connecting Tigard in the southwest to Northeast Portland via downtown.
- **Line 14** travels on SE Hawthorne Boulevard from the Willamette River to SE 12th Avenue, extending through the Central Eastside to Montavilla. The Rose Lane Project will introduce bus priority lanes and upgraded stops along SE Hawthorne Boulevard, aiming to enhance service speed and reliability for Line 14.
- **Line 15** operates on SE Morrison Street and SE Belmont Street, providing connections from the Central Eastside to Northwest Portland.
- **Line 19** runs through SE Water Avenue and other streets within the TIF District, connecting the Woodstock neighborhood with the Gateway Transit Center.

Pedestrian and Bicycle Facilities

Most of the sidewalks throughout the Central Eastside Corridor TIF District are built out. Within the District, 82 percent of streets have sidewalk coverage. The Eastbank Esplanade runs through the area, connecting to the rest of Central City and destinations along the Springwater Corridor. There are a number of bike facilities that serve as important connectors via bridge streets over the Willamette River and into the Central City from Southeast and East Portland neighborhoods like the SE Clay Green Street, SE Hawthorne Boulevard, SE Madison Street, SE Belmont Street, and SE Morrison Street.

Major planning projects within the TIF District will improve pedestrian and bicycle facilities within the TIF District. The OMSI District Plan outlines crucial transportation investments aimed at enhancing

¹² City of Portland, 'Traffic Volume Counts,' <https://gis-pdx.opendata.arcgis.com/datasets/PDX::traffic-volume-counts/explore>.

¹³ Oregon Department of Transportation, Crash Data System, <https://www.oregon.gov/odot/data/pages/crash.aspx>.

connectivity and supporting sustainable development. The Green Loop project, part of the Central City Plan 2035 to increase multimodal connectivity and support business throughout the Central City, will pass through the OMSI campus within the TIF District.

These planning projects outline the creation of new streets, street improvements, the addition of bike lanes, and the relocation of utilities to serve new District developments. The new section of Water Avenue will include 12-foot-wide sidewalks and a sidewalk-level protected bike lane on both sides of the street. Additionally, signage and public realm enhancements will be implemented to create a well-connected District, particularly along the waterfront and key commercial corridors.

Sanitary Sewer and Stormwater Systems

This summary is not a comprehensive summary of the BES’s risk or assets, nor does it include a full list of the BES’s Capital Improvement Projects or priority work as of 2024.

This TIF area is served by combined sewers in Oak, Alder, Division and Taggart D combined sewer basins. Areas to the west are served by separated sewers from Alder and Division sanitary basins. Most of the stormwater pipes in separated areas discharge to the Willamette River. This assessment is based on existing and future development predictions made by the Bureau of Planning and Sustainability as of 2023. However, capacity improvements may be required if significant zoning changes increase inflow. Most of stormwater in separated areas is conveyed by storm pipes discharging to the Willamette River. BES lacks condition assessment data for more than half of the storm pipes in this area. Less than 20 percent of sewer pipes are in poor or very poor structural conditions.

Planning Priorities

The Central Eastside Corridor TIF area intercepts with large diameter rehabilitation work zone SEI04 and SEI05 for the Southeast Interceptor. Both work zones are considered to have high mortality risk and are slated for spot repair and stabilization in future.

Table C. Sewer and Storm Pipe Condition Summary for the Central Eastside Corridor TIF District

TIF District	Condition	Structural Grades	Sewer Pipe Length (FT)	Sewer Percent by Length	Storm Pipe Length (FT)	Storm Pipe Percentage
CES	Unknown	Unknown	8,436	8.3%	14,762	61.1%
CES	Excellent	1	43,407	42.6%	6,591	27.3%
CES	Good	2	15,856	15.6%	1,927	8.0%
CES	Fair	3	15,905	15.6%	771	3.2%
CES	Poor	4	15,757	15.5%	125	0.5%
CES	Very Poor/Need Attention	5	2,481	2.4%	N/A	N/A
CES	Total		101,844	100.0%	24,177	100.0%

Source: Portland Bureau of Environmental Services, 2024

Water

This TIF District has water mains with appropriate capacity. However, if a project necessitates the move of a water main, especially in areas with liquefaction risk, the developer would need to replace the mains with seismically resistant pipes, which are significantly more expensive. These pipes are designed

to withstand ground movement and reduce the risk of water main breaks during an earthquake, ensuring a reliable water supply and minimizing repair costs.

As part of the OMSI District Master Plan improvements, the developer would need to install new water pipelines with new roadways. There are no capacity issues in this area, these improvements are simply to align water distribution systems to the right areas.

The Portland Water Bureau plans to start construction of the Willamette River Crossing Project in 2027. This project will build an earthquake-resilient water line under the Willamette River. On the east side of the river, work on this project will take place in SE Stephens and SE Harrison Streets, east of Water Avenue. The Portland Water Bureau is actively engaging and partnering with OMSI on plans that support the OMSI District development while allowing the future construction of the Willamette River Crossing.

Parks Conditions

Existing Parks

The southern end of the Vera Katz Eastbank Esplanade extends into the northwest portion of the TIF District. The Springwater Corridor begins in the southwest portion of the District, just south of SE Ivon Street. The Esplanade and Springwater Corridor are connected through a waterfront path on Oregon Museum of Science and Industry (OMSI) property and public bicycle lanes and sidewalks. Audrey McCall Beach, on the east side of the Willamette River, just south of Hawthorne Bridge along the Eastbank Esplanade, is owned and managed by the Oregon Department of Transportation, the Oregon Department of State Lands, Prosper Portland, and the City of Portland. As is the case with parks across the City, funding streams for repair, replacement, and ADA compliance updates for park facilities in this district are deficient. There are no other existing public parks within the TIF district boundary.

Level of Service

The City of Portland's Parks 2020 Vision includes the goal that there will be a developed park or natural area within a ½-mile (10- to 15-minute walk) of every resident and a full-service community center within three miles of every resident. Portland Parks and Recreation (PP&R) has assessed levels of service throughout the city. According to PP&R data, while there are few existing housing units, most of those units (81.5 percent) are within a half mile of a park while 18.5 percent do not currently meet this objective for Level of Service. Note that while the level of service provides a quantitative measure of park provision it does not assess park quality, conditions, amenities, or accessibility.

Planned Parks and Trails

The district includes the entirety of the OMSI Master Plan area. The approved OMSI Master Plan includes plans for a Waterfront Education Park which construction is set to begin as soon as 2025.¹⁴ This park is a key component of a broader redevelopment effort by the Oregon Museum of Science and Industry (OMSI) to create a vibrant, mixed-use neighborhood along the southeast bank of the Willamette River in Portland's Central Eastside. This park will feature plazas and event spaces that integrate with the broader district, featuring outdoor labs, festivals, and diverse community events. As of 2024, the OMSI District's project team is in the process of securing additional funding for the park.

¹⁴ Oregon Museum of Science and Industry, 'Future OMSI District,' <https://omsi.edu/future-omsi-district/>.

Environmental Challenges

Brownfields

Brownfields are sites that present potential environmental challenges and physical hazards like underground tanks or unsafe chemicals. Past uses like heavy industry typically cause the contamination found in brownfield sites.¹⁵

In 2013, the City conducted an inventory¹⁶ of potential brownfields by identifying vacant or underutilized properties from the City’s Buildable Lands Inventory and cross-referencing them with the Oregon State Department of Environmental Quality (DEQ) inventory of environmental cleanup sites and leaking underground storage tanks. That analysis found that there were 94 acres of brownfields in the “Downtown High Density” typology in the entire Central City. About 43 acres were impacted by contamination only and the remainder had multiple constraints, including infrastructure, access, and environmentally sensitive areas.¹⁷ Overall, as a share of development cost, remediation is relatively insignificant for the downtown prototypes considered, while much more substantial for other typologies, especially industrial. Although these sites have been flagged by the DEQ, contamination has not been confirmed for many of them. Detailed Phase 1 and Phase 2 environmental site assessments would provide greater detail about the development status of these sites.

The Central Eastside Corridor TIF District contains several potential brownfield sites that can add to the cost of redevelopment. **Overall, the Central Eastside Corridor TIF District has a higher density of leaking underground storage tanks and clean-up sites than Portland,** and lower density of leaking heating oil tanks.

Heat Islands

Urban heat islands, caused by limited greenery and high-density urban materials like concrete and asphalt, create significantly warmer conditions in urbanized areas than surrounding areas. These urban heat islands can have daytime temperatures that are 1-7°F hotter and nighttime temperatures that are 2-5°F hotter than other surrounding areas. Climate change also exacerbates this phenomenon, with regions like the Pacific Northwest experiencing temperature increases of nearly 2°F since 1900 and more frequent heat waves.¹⁸

The intensity of urban heat islands disproportionately affects low-income residents and communities of color, often in formerly redlined areas where industrial development compromised environmental and public health. These communities continue to suffer from fewer natural amenities and heightened heat island effects in many places. Groups affected include males, older adults, non-Hispanic white people, people living alone, people living outside or in unstable housing, people living in multi-dwelling housing, and people living in warmer parts of the County.¹⁹

The Central Eastside Corridor TIF District has a lower percentage of housing units experiencing heat island effects than the City of Portland. Geographically, these areas are concentrated around SE Lincoln

¹⁵ City of Portland, ‘What is a brownfield?’, <https://www.portland.gov/bes/learn-about-brownfields>.

¹⁶ City of Portland, ‘Brownfields and Contaminated Sites’, <https://www.portlandmaps.com/bps/brownfields/>.

¹⁷ City of Portland, ‘Portland Brownfield Assessment’, <https://www.portland.gov/sites/default/files/2020-02/portland-brownfield-assessment-final-report-with-appendices.pdf>, 14.

¹⁸ U.S. Department of Agriculture, ‘Urban Heat Islands in the Northwest’, <https://www.climatehubs.usda.gov/hubs/northwest/topic/urban-heat-islands-northwest>

¹⁹ Ibid.

St and SE 10th Ave. Within the Central Eastside Corridor TIF District overall, 39.7 percent of housing units are in the 75th percentile or higher group (compared to 43.6 percent of Portland), and 0.7 percent are in the 90th percentile (compared to 13.4 percent across the city).

Air Quality

The TIF District has a lower population-weighted average respiratory health risk percentile (33.5) compared to the City of Portland (39.3) based on respiratory health risks determined through the EPA.²⁰ Poor air quality links to a variety of respiratory health effects, especially for vulnerable populations, including those with heart or lung disease, older adults, children, people with diabetes, and people of lower socio-economic status.²¹ Urban air pollution is typically caused by transportation (use of private vehicles), domestic use of fossil fuels, industrialization, power generation, combustion and agriculture, producing air pollutants like Ozone (O₃), particulate matter (PM₁₀, PM_{2.5}), sulfur oxides (SO_x), nitrogen oxides (NO_x), carbon monoxide (CO), and Volatile Organic Compounds (VOCs).²²

Floodplain Risks

The TIF District is adjacent to the Willamette River floodway and has areas within Flood Zone X (shaded) and Flood Zone X (unshaded). The majority of the area is in Flood Zone X (unshaded), which refers to areas with less than 0.2 percent risk of flooding and may be protected from 100-year flood by a levee as defined by the US Federal Emergency Management Agency; a few smaller pockets of land on the western edge of the District are in the shaded Flood Zone X, where the annual flood risk is between one percent and 0.2 percent and is considered a moderate risk of flooding.²³ Unlike the Special Flood Hazard Area, which mandates homeowners with federally backed mortgages to obtain flood insurance, residents in this TIF District are not.²⁴

Social Conditions

This section provides an overview of demographic conditions within the Central Eastside Corridor TIF District. All data within this section were compiled from the United States Census Bureau's 2018-2022 American Community Survey (ACS). The project team assembled data from three United States Census Bureau block groups that provide the best representation of demographic and social characteristics of the area. These block groups encompass an area that is larger than the boundary of the Area.

Population and Population Growth

The Central Eastside Corridor TIF District is growing quickly. An estimated 4,506 people live in the Central Eastside Corridor TIF District area. The population in this area has grown at a faster rate as the City of Portland from 2010 to 2020. Between 1990 and 2020, the District's population increased by 148 percent while the City of Portland grew 134 percent.²⁵

²⁰ US Environmental Protection Agency, 'EJScreen: Environmental Justice Screening and Mapping Tool,' <https://www.epa.gov/ejscreen>.

²¹ US Environmental Protection Agency, 'Particle Pollution and Respiratory Effects,' <https://www.epa.gov/pmcourse/particle-pollution-and-respiratory-effects>.

²² Airqoon, 'Urban Air Pollution: Sources and Pollutants,' <https://airqoon.com/resources/urban-air-pollution-sources-and-pollutants/>.

²³ US Federal Emergency Management Agency, 'Flood Zones,' <https://www.fema.gov/glossary/flood-zones>.

²⁴ Kin Insurance, 'Flood Zone X,' <https://www.kin.com/glossary/flood-zone-x/>.

²⁵ NHGIS. Note: Demographic estimates are derived from block groups with at least 10% overlap with proposed boundaries.

Age

The Central Eastside Corridor TIF District’s population has more working age residents (aged 18-64) compared to the rest of Portland. Table D shows the age distribution of the TIF District’s residents compared to Portland overall. People who are at working age make up a large majority (91 percent) of the total population, compared to 69 percent in the city. Seniors (aged 65 and over) and youth (under 18) only make up four percent and five percent of the population, respectively.

Table D. Age of Residents, Central Eastside Corridor TIF District and Portland, 2022

	CENTRAL EASTSIDE CORRIDOR TIF DISTRICT	PORTLAND
Youth (0-17)	5%	17%
Working Age (18-64)	91%	69%
Seniors (65+)	4%	14%

Source: Table B01001, 2018-2022 ACS 5-Year

Race and Ethnicity

The Central Eastside Corridor TIF District has a lower share of residents who identify as people of color compared to the city. Residents who identify as people of color (POC) make up 24 percent of the TIF District’s population, which is eight percentage points lower than Portland’s share of residents of color. The predominant groups of color in the Central Eastside Corridor are two or more races, non-Hispanic (7.1 percent), followed by, Black, non-Hispanic (4.9 percent).²⁶

Educational Attainment

The Central Eastside Corridor TIF District has a higher percentage of adults aged 25 years and over with a four-year degree or graduate degree compared to Portland. While 52 percent of adults in this age group in Portland have a four-year degree or higher, a slightly higher share (56 percent) of those residing in the TIF District have achieved this level of education. In addition, a lower share (three percent) of residents in the Central Eastside Corridor TIF District received below a high school diploma, compared to seven percent in the Portland.²⁷

Commute Time and Transportation Mode

District residents are less likely to drive and carpool, while more likely to take public transit and bike than Portland residents. More than half of Portland residents (52 percent) drive alone as a means of commuting to work, compared to only 34 percent of Central Eastside Corridor TIF District residents. Residents in the TIF District are also more likely to commute on public transportation, with 10 percent of the population using this mode (compared to eight percent in the Portland overall). Average travel time for TIF District residents is also lower; 75 percent of residents in the area have a commute time of less than 30 minutes, compared to 65 percent of residents in Portland as a whole.

²⁶ US Census, Table B03002, 2018-2022 ACS 5-Year

²⁷ US Census, Table B15003, 2018-2022 ACS 5-Year

Economic Conditions

The following are economic trends identified in ACS data and other sources like the Quarterly Census of Employment and Wages (QCEW) that have implications for new development in the Central Eastside Corridor TIF District:

- **The TIF District’s population has grown faster than Portland’s.** Population in the TIF District has increased by over 148 percent since 1990 while Portland only grew by 135 percent over same period.
- **Residents are less vulnerable to changing economic conditions than the city overall, but displacement risk still exists for some residents.** The BPS Economic Vulnerability Assessment determined a score of 43 for the TIF District’s census tracts, which is lower than the threshold for a vulnerable tract (60 percent). The TIF District’s score is lower than Portland’s vulnerability score of 53. Economic vulnerability means that residents are more likely to be cost burdened, belong to communities of color, lack college degrees and have a low income.²⁸
- **Housing cost burden affects a large share of renter households.** In the Central Eastside Corridor TIF District, 40 percent of households who rent their units experience cost burden, meaning they pay over 30 percent of their income for housing costs. TIF District has a lower rate of cost burden to the city, with 14 percent of renter households spending between 30-50 percent of their income toward housing costs (ten percentage points lower than Portland). However, around 26 percent of renter households are also severely cost burdened (spending 50 percent of income or more spent on housing), which is higher than the city’s rate of 24 percent.

Table E. Cost Burden, Central Eastside Corridor TIF District and Portland, 2022

	CENTRAL EASTSIDE CORRIDOR TIF DISTRICT	PORTLAND
Cost Burdened	26%	24%
Severely Cost Burdened	14%	24%
Total Cost Burdened	40%	48%

Source: Table B25070, 2022 ACS 5-Year

- **Household income is lower in the TIF District.** Median Household Income (MHI) in the TIF District is \$59,675, which is lower than the median for the city overall at \$85,876. Compared to Portland, a greater share of households earns less than \$50,000 (43 percent in the TIF District compared to 30 percent in the city) and a smaller share of households earn over \$150,000 (15 versus 25 percent).

Business and Employment Conditions

Businesses in the Central Eastside Corridor TIF District face unique conditions due to a combination of changing demand patterns, infrastructure challenges, and economic factors. The area is a has over 700 establishments including services, retail, wholesale trade, and manufacturing.

The Central Eastside Corridor TIF District is home to 709 businesses, with more than half of these establishments in the service industry. Businesses in the TIF District make up about 2 percent of

²⁸ U.S. Census Bureau, 2016-2020 ACS 5-year estimates, Tables B25106, B25010, B03002, B19013, B15002. Prepared June 19, 2022, by the Portland Bureau of Planning and Sustainability.

establishments in Portland. In comparison to the city, the Central Eastside Corridor TIF District has a higher share of businesses in the construction and resources, manufacturing, retail, and wholesale trade, transportation, and utilities. Other industries have a lower share of establishments located in the TIF District, including finance and insurance and real estate. Service industries are the largest share of establishments in the TIF District (54 percent) but are also less concentrated than Portland overall.

Table F. Share of Establishments by Industry, Central Eastside Corridor TIF District and Portland, 2022

	CENTRAL EASTSIDE CORRIDOR TIF DISTRICT		PORTLAND		CENTRAL EASTSIDE CORRIDOR TIF DISTRICT ESTABLISHMENTS AS % OF CITY TOTAL
	ESTABLISHMENTS	SHARE	ESTABLISHMENTS	SHARE	
Construction and Resources	39	6%	1,897	5%	2%
Finance, Insurance and Real Estate	43	6%	2,910	8%	1%
Manufacturing	62	9%	1,286	4%	5%
Public Administration	Suppressed		173	1%	N/A
Retail	86	12%	2,615	7%	3%
Services	380	54%	23,810	67%	2%
Wholesale Trade, Transportation, and Utilities	93	13%	2,730	8%	3%
Total	709	100%	35,421	100%	2%

Source: Oregon Employment Department, Quarterly Census of Employment and Wages, 2022

Note: Some district-level data not shown due to QCEW confidentiality requirements

Between 2019 and 2022, the Central Eastside Corridor TIF District lost 82 businesses and 1,448 workers accounting for 10 percent of establishments and 11 percent of employees that existed in the area in 2019. In comparison, Portland overall saw a positive four percent growth in new businesses citywide indicating a sharp loss in particular for the Central City (although the city also experienced a loss of nearly six percent of its employees in the same timeframe). Pandemic trends beginning in 2020 like changes to commuting patterns, safety, and perception of crime are likely contributors to these losses.

Table G. Total Establishments and Employees, Central Eastside Corridor TIF District and Portland, 2019-2022

	CENTRAL EASTSIDE CORRIDOR TIF DISTRICT		PORTLAND	
	ESTABLISHMENTS	EMPLOYEES	ESTABLISHMENTS	EMPLOYEES
2019	791	13,495	34,127	463,298
2022	709	12,047	35,421	435,238
Change 2019-2022	-82 (10%)	-1,448 (11%)	+1,294 (4%)	-28,060 (6%)

Source: OED QCEW

Similar to the concentration of construction and resources, manufacturing, retail industries, the Central Eastside Corridor TIF District has a higher share of employees working in these industries. Services make up the single largest share of jobs in the TIF District (43 percent) but a smaller than the city as a whole (61 percent). Jobs in the Central Eastside Corridor TIF District make up about 3 percent of all employment in Portland. Details shown in Table H.

Table H. Share of Employment by Industry, Central Eastside Corridor TIF District and Portland, 2022

	CENTRAL EASTSIDE CORRIDOR TIF DISTRICT		PORTLAND		CENTRAL EASTSIDE CORRIDOR TIF DISTRICT EMPLOYMENT AS % OF CITY TOTAL
	EMPLOYEES	SHARE	EMPLOYEES	SHARE	
Construction and Resources	2,043	18%	23,254	5%	9%
Finance, Insurance and Real Estate	328	3%	24,781	6%	1%
Manufacturing	1,394	12%	23,728	5%	6%
Public Administration	Suppressed		13,994	3%	N/A
Retail	1,165	10%	32,856	8%	4%
Services	4,922	43%	264,670	61%	2%
Wholesale Trade, Transportation, and Utilities	1,464	13%	51,955	12%	3%
Total	11,316	100%	435,238	100%	3%

Source: Oregon Employment Department, Quarterly Census of Employment and Wages, 2022

Note: Some district-level data not shown due to QCEW confidentiality requirements

Average wages in the Central Eastside Corridor TIF District are roughly on par as the citywide average for all sectors combined but vary between industries. Annual wages are highest for workers in the wholesale trade, transportation, and utilities industry (\$58,123 per year), followed by construction and resources (\$56,619). Retail industry in the TIF District has a higher wage (\$51,654) compared to that of the city (\$31,603).

Table I. Average Wages by Industry, Central Eastside Corridor TIF District and Portland, 2022

	CENTRAL EASTSIDE CORRIDOR TIF DISTRICT	PORTLAND
Construction and Resources	\$56,619	\$39,285
Finance, Insurance and Real Estate	\$47,958	\$55,321
Manufacturing	\$42,214	\$42,135
Public Administration	Suppressed	\$85,721
Retail	\$51,654	\$31,603
Services	\$41,666	\$39,478
Wholesale Trade, Transportation, Utilities	\$58,123	\$61,898
Total (All Industries)	\$54,754	\$54,816

Source: Oregon Employment Department, Quarterly Census of Employment and Wages, 2022

Unemployment is higher in the Central Eastside Corridor TIF District than in Portland. In 2022, the TIF District’s unemployment rate was 9.7 percent compared to 5.6 percent for Portland overall.²⁹

Development Conditions

This section describes relevant trends for development considerations, including the current condition of buildable lands within the Central Eastside Corridor TIF District and real estate market trends for residential and commercial properties. These data provide important context for how Prosper Portland might support or leverage development in the District.

Buildable Lands

According to the Bureau of Planning and Sustainability Buildable Lands Inventory, **the Central Eastside Corridor TIF District has 57 vacant parcels and 100 underutilized parcels that could be available for development or redevelopment.** Vacant parcels have either no structure, or a structure that covers less than 5 percent of the site area. Underutilized sites are non-vacant sites where the real market value of site improvements is less than the value of the land.

The majority of these lots are less than 20,000 square feet – about 89 percent of vacant parcels and 83 percent of underutilized parcels are under this threshold, respectively. Larger available sites over 100,000 square feet make up about four percent of this inventory. These large sites present potential for more catalytic opportunities, while small parcels have more limited potential as infill development.

Table J. Vacant and Underutilized Parcels by Parcel Size, Central East Side TIF District, 2024

PARCEL SIZE (SQ.FT.)	VACANT PARCELS (% OF TAXLOTS)	UNDERUTILIZED PARCELS (% OF TAXLOTS)
>100,000	4%	0%
50,000-99,999	0%	1%
20,000-49,999	7%	16%
10,000-19,999	9%	30%
5,000-9,999	37%	31%
<5,000	44%	22%

Source: Portland Bureau of Planning and Sustainability, 2024

Over three quarters of the total inventory of vacant and underutilized parcels in the Central Eastside Corridor TIF District are located within the EX zone (90 percent). A smaller share of parcels (one percent of the overall vacant or underutilized inventory) is located in the RM2, zone but make up a proportionately higher share of overall vacant or underutilized square footage due to larger parcel sizes (six percent). Parcels the in the RX zone make up another smaller share (about four percent) of all vacant and underutilized parcels in terms of square footage.

²⁹ U.S. Census Bureau, 2018-2022 ACS 5-Year estimates, Table B23025.

Table K. Vacant and Underutilized Parcels by Zoning, Central Eastside Corridor TIF District, 2024

PARCEL SIZE (SQ.FT.)	VACANT PARCELS		UNDERUTILIZED PARCELS	
	% OF TAXLOTS	% OF SQ. FT.	% OF TAXLOTS	% OF SQ. FT.
EX	35%	36%	55%	60%
RM2	1%	1%	6%	3%
RX	<1%	1%	3%	1%

Source: Portland Bureau of Planning and Sustainability, 2024

Building to Land Value Ratio

An analysis of property values can be used to evaluate the economic condition of real estate investments in a given area. The relationship of a property’s improvement value (the value of buildings and other improvements to the property) to its land value is generally an accurate indicator of the condition of real estate investments. This relationship is referred to as the “Improvement to Land Value Ratio,” or “I:L.” The values used are real market values. In tax increment areas, the I:L is often used to measure the intensity of development or the extent to which an area has achieved its short- and long-term development objectives.³⁰

In the Central Eastside Corridor TIF District, 199 parcels representing 40 percent of the acreage have I:L ratios less than 1.0, including those parcels that have no improvements on them. No improvement value means there are no taxable structures on the tax lot, including surface parking lots. The remaining 60 percent of the acreage of the parcels in the TIF District have I:L ratios of 1.0 or more as determined by an analysis of the real market values, including 27 percent with a high I:L ratio over 3.0.

Table L. Improvements to Land (I:L) Ratio, Central Eastside Corridor TIF District, 2024

PARCEL SIZE (ACRE)	PARCELS	ACREAGE	PERCENT OF ACREAGE
Less than 0.25	66	27.4	15%
0.25-0.49	33	16.9	9%
0.5-0.99	100	29.4	16%
1-2.99	311	81.6	44%
3 or Higher	95	29.3	16%

Source: Portland Bureau of Planning and Sustainability, 2024

Building Age

The Central Eastside Corridor TIF District generally has a building stock that is consistent with Portland. In the TIF District, over half of buildings (54 percent) were constructed before 1960, which is similar to the city overall (where 58 percent of buildings were constructed in this timeframe). The TIF District has a smaller share of new buildings, with only seven percent constructed since 2000. The age of 17 percent of the TIF District’s buildings is unknown

³⁰ Prosper Portland, ‘Report Accompanying the Cully Tax Increment Finance Plan,’ November 2022.

Table M. Buildings by Year Built, Central Eastside Corridor TIF District and Portland, 2024

YEAR BUILT	CENTRAL EASTSIDE CORRIDOR TIF DISTRICT	PORTLAND
Pre-1960	54%	58%
1960's	8%	7%
1970's	5%	6%
1980's	6%	4%
1990's	3%	6%
2000's	2%	12%
2010 or Later	5%	5%
Unknown	17%	2%

Source: Metro RLIS

Residential Real Estate Market Conditions

Growth in multi-dwelling units has been occurring at a faster pace in the Central Eastside Corridor TIF District than Portland overall, increasing to 217 percent of its inventory in 2000 compared to 170 percent in the city. No new units are currently under construction in the TIF District, despite lower vacancy rates and slightly higher rents per square foot for market rate units. While some existing underutilized properties may have potential for conversion to other uses such as multi-dwelling residential where zoning allows, these are limited in areas like SE Grand/MLK Avenues.

Table N. Multi-dwelling Market Conditions, Central Eastside Corridor TIF District and Portland, Q1 2024

	CENTRAL EASTSIDE CORRIDOR TIF DISTRICT	PORTLAND
Multi-dwelling Units (% of year 2000 total)	217%	170%
Vacancy Rate	5.9%	7.2%
Under Construction (Units)	0	5,183
Asking Rent (per square foot)	\$2.52	\$2.04

Source: CoStar, 2024 Q1

Affordable Housing

According to the Portland Housing Bureau, the TIF District has 152 subsidized housing units, with about half (56 percent) designated for low income (31–60 percent of AMI) and an additional 44 percent designated for very low income (0–30 AMI). There is a no inventory of moderate (61-80 percent of AMI) or high income (81-100 percent of AMI) subsidized housing units in the TIF District. Portland as a whole has a slightly more dispersed subsidized housing portfolio across very low-, low-, moderate-, and high-income limits: 19, 75, 5, and 0.5 percent, respectively.

Oregon Housing and Community Services maintains the Oregon Affordable Housing Inventory (OAH) to track expiring affordable housing projects. **At least 88 percent of affordable housing units in the TIF District will expire, with 44 percent (84 units) set to expire within 10 years.** The TIF District is projected to experience more unit expiration compared to Portland, where 25 percent do not have a known expiration window.

Naturally Occurring Affordable Housing (NOAH) describes units whose rents are not regulated, but that rent on the open market at rates that are affordable to households earning 60 percent or less of Area

Median Income.³¹ Often these buildings are older, with fewer building amenities, or in need of repair. NOAH properties are vulnerable to redevelopment and repositioning at higher rents, which can lead to displacement of existing residents. Often, these units are in older buildings which have depreciated in value or located in less desirable locations. In the Central Eastside Corridor TIF District, NOAH accounts for approximately 22 percent of multi-dwelling units compared to 36 percent across Portland overall.³²

Table O. Expiration Window by Share of Affordable Units, Central Eastside Corridor TIF District and Portland, 2022

	CENTRAL EASTSIDE CORRIDOR TIF DISTRICT	PORTLAND
No Expiration Window or Unknown	12%	25%
< 10 Years	44%	63%
> 10 Years	44%	12%

Source: OHCS, OAH

Housing Tenure and Type

Homeownership is less common in the TIF District compared to Portland. In the Central Eastside Corridor, 89 percent of households rent their units compared to 47 percent of Portland households overall.

More households in the TIF District are located in lowrise (44 percent) and midrise multi-dwelling (40 percent) buildings compared to the City, where these units account for only 26 and eight percent of units respectively. A smaller share of the inventory in the TIF District is composed of detached-single family homes (six percent) and middle housing types including townhomes, duplexes, triplexes, and quadplexes (six percent). This is roughly consistent with the share of middle housing in the city, but a must smaller share of detached single-dwelling homes than the city overall (49 percent).

Table P. Share of Housing Units by Type, Central Eastside Corridor TIF District and Portland, 2024

	CENTRAL EASTSIDE CORRIDOR TIF DISTRICT	PORTLAND
Lowrise Multi-dwelling	40%	26%
Midrise Multi-dwelling	44%	8%
Detached Single-Family	6%	49%
Townhomes	2%	2%
Duplexes	2%	3%
Triplexes	1%	1%
Quadplexes	1%	<1%
Other Single-Family Residential	5%	1%

Source: Metro RLIS

³¹ This analysis only considers multi-dwelling rents appearing in CoStar data and does not consider single-family rental units.

³² CoStar, 2024. Analysis by EConorthwest, May 2024. This analysis includes rental properties with more than 10 units. EConorthwest modeled rents for properties that were missing rent data based on similar features (size, building age, amenities, etc.) of properties with recorded rent data.

Office Real Estate Market Conditions

The Central Eastside Corridor TIF District has about 1.5 million square feet of office space, which has experienced more growth over the last twenty years than the city overall. In 2024 year-to-date, the TIF District has about 135 percent of the inventory that it did in 2003, compared to 112 percent growth in Portland. Vacancy rates for office space are slightly higher than Portland at 19.3 percent compared to 18.2 percent citywide (but lower than other subdistricts of the Central City like the Westside TIF District area), likely representing ongoing impacts from the pandemic and subsequent trends in hybrid and remote work formats. Higher vacancy combined with lower asking rents of \$24.82 (compared to \$26.88 in Portland) indicate that the office market in the TIF District is facing challenges and may have potential to reposition properties.

Table Q. Office Market Conditions, Central Eastside Corridor TIF District, Q1 2024

	CENTRAL EASTSIDE CORRIDOR TIF DISTRICT	PORTLAND
Inventory (% of year 2003 total)	135%	112%
Vacancy Rate	19.3%	18.2%
Under Construction (SF)	-	-
Asking Rent (NNN)	\$24.82	\$26.88

Source: CoStar, 2024 Q1

Note: Real estate market data is not always available through the same year for different real estate types. This analysis uses the most recent year available.

Class B office space makes up the largest share of the TIF District’s inventory, which accounts for 63 percent of the area’s square footage. Asking rents for Class B office space are much lower than Class A, and vacancies are about the same as the TIF District overall. Class A office space accounts for about 15 percent of the District’s square footage of office space and more than quadrupled since 2003. These higher quality spaces have a much higher asking rent than the average for the District, but currently show very high vacancy rates (42.5 percent). The Central Eastside Corridor also has an inventory of Class C office space which accounts for about 22 percent of square footage. This type of office space is generally older and has naturally lower rents. In the TIF District, Class C office spaces have the lowest vacancy rates but rents that are about on par with Class B.

Table R. Office Market Conditions by Class, Central Eastside Corridor TIF District, Q1 2024

	CLASS A	CLASS B	CLASS C
Inventory (% of year 2003 total)	434%	137%	89%
Share of Total Office Inventory	15%	63%	22%
Vacancy Rate	42.5%	19.9%	7.3%
Asking Rent (NNN)	\$38.50	\$22.62	\$23.58

Source: CoStar, 2024 Q1

Retail Real Estate Market Conditions

The Central Eastside Corridor TIF District generally has a small retail inventory of about 735,000 square feet (accounting for only one percent of retail in Portland). The TIF District’s retail inventory has seen the same small growth in the last ten years and does not currently have any buildings under

construction. However, the existing stock in the Central Eastside Corridor has much lower vacancy rates and higher rents compared to Portland overall, with rents approximately \$10 higher per square foot and less than half of the city’s vacancy rate. This indicates that there is demand for the small inventory that exists in this TIF District.

Table S. Retail CoStar Market Conditions, Central Eastside Corridor TIF District, Q1 2024

	CENTRAL EASTSIDE CORRIDOR TIF DISTRICT	PORTLAND
Inventory (% of year 2006 total)	101%	101%
Vacancy Rate	2.2%	5.2%
Under Construction (SF)	-	8,261 SF
Asking Rent (NNN)	\$31.33	\$21.11

Source: CoStar, 2024 Q1

Note: Real estate market data is not always available through the same year for different real estate types. This analysis uses the most recent year available.

Industrial Real Estate Market Conditions

The Central Eastside Corridor TIF District’s industrial real estate market is experiencing higher vacancies compared to Portland and has seen a shift in use of industrial spaces by different types of users. Although trends show that the industrial inventory is currently 85 percent of its square footage in 2003, this likely reflects a shift towards different types of uses that still reflect the Central Eastside Corridor’s role as an employment center. While rents are generally consistent with the city overall, the TIF District’s change in industrial space may indicate trends towards uses like industrial office in the Central City.

Table B. Industrial Market Conditions, Central Eastside Corridor TIF District, Q1 2024

	CENTRAL EASTSIDE CORRIDOR TIF DISTRICT	PORTLAND
Inventory (% of year 2003 total)	85%	116%
Vacancy Rate	10.5%	6.6%
Under Construction (SF)	-	216,669 SF
Asking Rent (NNN)	\$10.53	\$10.54

Source: CoStar, 2024 Q1 ** Insufficient data for asking rents and deliveries in TIF District due to low inventory.

Note: Real estate market data is not always available through the same year for different real estate types. This analysis uses the most recent year available.