

**Central Eastside Corridor TIF Action Plan
Working Group Meeting #4
Killian Pacific Office, 1615 SE 3rd Avenue, First Floor Conference Room
August 27, 2025, 3:30 – 5:00 pm**

MEETING PURPOSE

The purpose of the meeting is to:

- Highlight example district investment opportunities
- Discuss potential Action Plan Budget Scenarios
- Roundtable share out and brainstorm district partnerships

MEETING MATERIALS

- Meeting slides

INPUT SOUGHT

- Investment Opportunities
- Budget Scenarios
- District Partnerships

DECISIONS or RECOMMENDATIONS TO BE VOTED ON

- None

UPCOMING MILESTONES

- Next Working Group Meeting: Wednesday, September 24th 3:30 – 5:00, location TBD

Meeting Summary

(See also meeting presentation)

Welcome, Introductions

- Paul Gagliardi (Prosper Portland) welcomed people to the meeting and reviewed the agenda.

Public Comment

- None

Example District Investment Opportunities

The Working Group reviewed example investment opportunities:

- *Question (Working Group member):* What is the range of cost for the business support programs?

- *Response (Prosper Portland):* Increasing PIP grant funding match to 75:25, business loans depend on the need of the project, OMEP ranges around \$10,000 - \$50,000.
- *Question (Working Group member):* Is the OMSI affordable housing is already financed?
 - *Response (Working Group member):* No, just starting concept design and will go for local and state funding. City of Portland does not have a lot of resources for affordable housing at the moment. It would be great to get some predevelopment funding for that. Realistically, unless the project gets delayed it will be challenging for the TIF district to have a big impact. PCEF has been funding a lot of affordable housing with Portland Housing Bureau so that could be an option.
- *Question (Working Group member):* What is a meaningful amount of funding for predevelopment?
 - *Response (Working Group member):* OMSI would need between \$1-1.5 million for predevelopment, which usually is 90% architect design work to get entitlements and permits, also site due diligence, costs for permitting, legal fees, etc.
- *Question (Working Group member):* Has Prosper Portland used community benefits agreements for any of these development projects?
 - *Response (Prosper Portland):* Prosper secures community benefits from our investments in a few different ways. This includes through grant agreements that require certain outcomes, as well as through loans and development agreements that require certain benefits including ensuring certain job wages, delivery of middle-income housing units, public space/amenities, etc. In this district, the term sheet with OMSI is an example of this. The Broadway Corridor is an example of where we endeavored to negotiate a community benefits agreement that outlined the roles of community, the public, and the private sector to work together to deliver certain outcomes. This is an example of a more formal "Community Benefits Agreement" similar to what has been used elsewhere in the country for large scale developments and creates obligations of the community as well as the public and developer.
- *Comment (Working Group member):* Can we talk about the difference between grants and loans? Loan investments get repaid and can be reinvested but they are not accessible to everyone.
- *Comment (Working Group member):* And for loans, at what rate are they being provided and how does it make a project feasible?

- *Question (Working Group member):* Did OMSI get their funding sorted?
 - *Response (Working Group member):* Looking at refining the budget and responsibilities for partners delivering the project.

District Budget Scenarios Discussion

The Working Group reviewed three budget scenarios that explore different approaches for district investments for both Prosper Portland and Portland Housing Bureau funds:

- *Question (Working Group member):* What types of businesses are a part of the strategy for these investments? The different kinds of businesses change the approach, the needs, and the vision.
- *Comment (Working Group member):* There are business concerns around safety and lack of foot traffic.
- *Comment (Working Group member):* There are not many people who live in the district, if you add more residents there would be more foot traffic.
- *Comment (Working Group member):* Live Nation site presumably will bring people, and they will be parking on the street.
- *Question (Working Group member):* What is the demand for the business grant programs?
 - *Response (Prosper Portland):* For loans, since 2020 there have been about \$1.9 million of asks for loans. Grants typically move to a waiting list, for PIP grants they go through up to \$400k a year. What ever gets put towards grants will be used.
- *Comment (Working Group member):* Walkable bridge over the train tracks for infrastructure.
- *Question (Working Group member):* What does \$3 million in middle income housing predevelopment get you?
 - *Response (Working Group member):* The number for a high-density scenario requires a significant investment, but for a lower density lower cost project with maybe 50 units but it will not significantly change the landscape.
- *Comment (Working Group member):* Market will produce units when it is feasible.
- *Comment (Working Group member):* Investments in public realm goes a lot further than one housing project.
- *Comment (Working Group member):* The need for business support is real but more important to draw people to the area, so businesses don't need as much support.
- *Comment (Working Group member):* Time horizon for development is so long, the district wouldn't see benefit from housing investments for a long time. The district needs an infusion of support right now.

- *Comment (Working Group member)*: Offering that \$700 K is not enough for business support. Central Eastside is an employment zone and makers spaces come alive, having more of that makes the district attractive. Maybe a combo of scenario 1 & 2 to get closer to being able to meet the demand that businesses in the Central Eastside have.
- *Comment (Working Group member)*: The excitement of ranger chocolate moving into my building was a huge deal to have a close coffee shop. Echoing that something between scenario 1 & 2.
- *Comment (Working Group member)*: If the OMSI affordable housing happens as planned, that will bring people into the district. OMSI also is planning to build middle income or market rate housing eventually, that is dependent on the market. The TIF plan does not have enough money to force the market to do something it doesn't want to do. If there are people who live in the OMSI area, the streets around there need trees and improvements for walkability to the rest of the district. Coordinate with the OMSI plan. There is a pending railroad study, nothing should be done until that study goes through.
- *Question (Prosper Portland)*: What kinds of investments between vibrant public realm and thriving business community should be phased in the beginning years?
 - *Comment (Working Group member)*: Vibrant arts could be a marketing effort to attract interest in the area in the beginning.
 - *Comment (Working Group member)*: Agree, and don't forget there are a number of artist studios in the district that could be included in the plan.
 - *Comment (Working Group member)*: Make it even in the beginning and make it 2/3 art and 1/3 business toward the end.
 - *Comment (Working Group member)*: Overly leaning into arts may exclude existing industrial businesses.
 - *Comment (Working Group member)*: Split equally up front, gives a ramp up period for bigger investments. Back end should prioritize infrastructure and arts and culture.
 - *Comment (Working Group member)*: Alternative 1 but should have more support for businesses.
 - *Comment (Working Group member)*: Agree with evening between the two initially but ramping up infrastructure and arts toward the later years.
- *Question*: On land and property acquisition, is there any way to tie those projects to live/work spaces?
 - *Response*: PHB can put in preferences for proposals to incentivize the desire for certain kinds of development. Unsure how the live/work aspect would go.
 - *Comment*: Looking for artist housing with shared studio space for example.

- *Response:* Yes, PHB could fund something with a preference for a community space for artists that as long as it is restricted to folks with 60% AMI or below.
- *Question:* Maybe not all the housing is affordable for each development?
 - *Response:* That is the inclusionary housing policy.
 - *Comment:* It is challenging to combine the affordable and market rate developments.
- *Question:* Why property acquisition instead of gap funding?
 - *Response:* That was a response to prior conversations, but gap financing could be considered as well.
 - *Comment:* The affordable housing dollars might be more flexible as gap funding.
- *Comment:* There is value in the resident stabilization to extend the life and value of existing housing. There are some older homes that would either get torn down and replaces or could be extended. Especially since it is small numbers.
- *Question:* Do you know what the needs are considering other affordable housing resources like Metro's Housing Bond?
 - *Response:* All of the housing bonds have been spent or committed.
- *Comment:* Resident stabilization is a great benefit.
- *Comment:* Should add gap funding and land acquisition to send PHB down two different paths in development. Land acquisition is challenging and puts all the egg in one basket.
- *Comment:* On resident stabilization, \$300,000 seems out of proportion to appropriate users. Of the small number of homes, how many would need or benefit from it.
- *Comment:* A lot of the single-family homes are new townhomes.
- *Comment:* There could be the possibility that the money could be reallocated if there was a low need for the homeownership programs.
- *Comment:* Rehab projects could do 1-2 projects with existing affordable housing buildings in the district.
- *Comment:* Homeowner would need to qualify for affordable housing repair programs.
- *Comment:* Predevelopment loans seem like it would be worth trying to get more affordable housing started and that would be a way to get the money used effectively in the first five years that would likely extend into the next action plan anyway.

- *Question:* How many multifamily buildings in the district warrant these kinds of upgrades?
 - *Response:* Anything built beyond 30-40 years could have a need for investment.
- *Comment:* Hearing interested in predevelopment, relook at stabilization for homeowners or renters, spending the largest chunk of money around what could be either land acquisition or gap financing.
- *Comment:* Let the market do the work and fill in with gap financing.
- *Comment:* Don't have enough information about the residential make up of the district. Would rather be acquiring land than gap financing.
- *Comment:* Leaning toward budget three.
- *Comment:* Land acquisition is critical to getting affordable housing built. Many of the affordable developments are on public lands and that can be a big catalyst. Unless there are projects that are already looking at the Central Eastside.
- *Comment:* Building new affordable housing is expensive compared to transitioning existing buildings. Feels wasteful to start from scratch.
- *Comment:* City should take swings at more land but could see the use for a multipurpose fund.
- *Comment:* More information could be helpful for decision making. Resident stabilization could be mixed in there at an appropriate level.
- *Comment:* Actually, more like scenario three because predevelopment does turn into gap funds. Reality is that \$3 million won't be the gap funds for any project but it can be helpful for PHB to have land for a project.

Attendance

Central Eastside Corridor Working Group

Mike Larkin, CET	Absent
Carolyn Holcomb, CEIC	Absent
Mark Linehan, HAND	X
Michael Woods, Buckman Community Association	X
Leah Nanpei, VP, Real Estate and Facilities OMSI	Absent
Tiffany Conklin, Portland Street Art Alliance	Absent
Lluvia Merello, Indigenous Marketplace	X
Matt Fairris, BAE	X
Jill Sherman, Edlen & Co / OMSI	X
Ty Brown, REACH CDC	Absent
Dietrich Wieland, Mackenzie	Absent
Eric Hoffman, SUM Design Studio / CET	Absent
Chelsea Rooklyn, Killian Pacific, Willamette Light Brigade Board	X
Hovering Laplante, Sweet & Salty PDX	X
Amanda Lucier, property owner / photojournalist	X
Guests & Staff	
Amy Nagy	X
Paul Gagliardi	X
Kiana Ballo	X
Jessica Conner	X
Josh Roper	
Gwen Thompson	

Thuan Duong	
Nick Olson	
Dannel Norby	
Paul Jefferys	X