

Exhibit D



Portland Planning and Sustainability Commission

André Baugh, Chair

Michelle Rudd, Vice Chair

Howard Shapiro, Vice Chair

Karen Gray

Gary Oxman

Don Hanson

Jill Sherman

Mike Houck

Chris Smith

Lai-Lani Ovalles

Irma Valdez

July 12, 2011

Mayor Adams and Portland City Council
Portland City Hall
1121 SW 4th Avenue
Portland OR 97204

Subject: Amended and Restated Interstate Corridor Urban Renewal Plan

Dear Mayor Adams and City Commissioners:

At a public meeting on June 28, 2011, the Portland Planning and Sustainability Commission voted unanimously in support of the proposed Amended and Restated Interstate Corridor Urban Renewal Plan as recommended in Portland Development Commission Resolution No. 6883.

In doing so, the Planning and Sustainability Commission:

1. Finds that Amended and Restated Interstate Corridor Urban Renewal Plan conforms with the adopted City of Portland Comprehensive Plan.
2. Recommends that the Portland City Council adopt the Amended and Restated Interstate Corridor Urban Renewal Plan.

The proposed Amended and Restated Interstate Corridor Urban Renewal Plan extends the boundaries of the existing plan area by encompassing areas to the west along main streets such as Martin Luther King Jr. Boulevard, and NE Alberta Street, and also key employment areas and emerging neighborhood business nodes. To the west, the amended plan area includes properties on the south side of N Lombard Street that were not included in the original boundary, and extends to the west along N Lombard into the St. Johns town center area. The expansion falls within areas for which the City has adopted plans, and will allow these areas to access economic resources needed for revitalization and development.

In considering the Amended and Restated Interstate Corridor Urban Renewal Plan, the Planning and Sustainability Commission heard compelling testimony from several key community stakeholders, including those that participated in the N/NE Economic Development Initiative process. These community members indicated that the public involvement process was inclusive and thoughtful, overcoming past perceptions about urban renewal, and believe that the proposed amendments will ultimately improve conditions for existing residents and long-time community members.

The Commission also received testimony from community members in the central northeast Portland area, including Central Northeast Neighbors, Inc., Portland International Business District, Roseway Neighborhood Association, and Rose City Park Neighborhood Association. This testimony generally



City of Portland, Oregon | Bureau of Planning and Sustainability | www.portlandonline.com/bps

1900 SW 4th Avenue, Suite 7100, Portland, OR 97201 | phone: 503-823-7700 | fax: 503-823-7800 | tty: 503-823-6868

Printed on 100% post-consumer waste recycled paper.

called for a broader study to determine the need and most appropriate location for future urban renewal efforts, and asked that urban renewal tools be considered for this area to address blight and economic conditions. The Commission heard the plight of longtime residents and businesses that have waited for access. Through the lens of Equity, the PSC will measure the success for long-term residents and businesses.

The Planning and Sustainability Commission appreciates the opportunity to hear the proposed amendments and thanks you for considering our recommendations.

Sincerely,



Andre' Baugh, Chair
Portland Planning and Sustainability Commission



***Report to the Portland Planning and
Sustainability Commission:
Amended and Restated Interstate Corridor
Urban Renewal Plan***

**June 28, 2011
Bureau of Planning and Sustainability
Portland, Oregon**



Bureau of Planning and Sustainability
Innovation. Collaboration. Practical Solutions.

City of Portland, Oregon
Sam Adams, Mayor • Susan Anderson, Director



The City of Portland is committed to providing equal access to information and hearings.

If you need special accommodation, please call:
503-823-7700. (TTY 503-823-6868).

For more information about this project, please contact:

Portland Bureau of Planning and Sustainability

1900 SW 4th Avenue, Suite 7100

Portland, Oregon 97201

Phone: 503-823-7700

Fax: 503-823-7800

TDD: 503-823-6868

Internet: <http://www.portlandonline.com/planning>

Acknowledgments

Portland City Council

Mayor Sam Adams

Nick Fish, Commissioner

Amanda Fritz, Commissioner

Randy Leonard, Commissioner

Dan Saltzman, Commissioner

City of Portland Planning and Sustainability Commission

Andre' Baugh

Karen Gray

Don Hanson

Mike Houck

Lai-Lani Ovalles

Gary Oxman

Michelle Rudd

Howard Shapiro

Jill Sherman

Chris Smith

Irma Valdez

Portland Bureau of Planning and Sustainability

Mayor Sam Adams, Commissioner-in-Charge

Susan Anderson, Director

Bureau of Planning and Sustainability Project Staff

Joe Zehnder, Chief Planner

Deborah Stein, Supervising Planner

Barry Manning, Senior Planner

Table of Contents

1. Summary	1
2. Recommended Planning and Sustainability Commission Action	1
3. Background	3
4. Overview of the Proposed Amendment	3
5. Urban Renewal Plan Authority	4
6. Relationship to the Portland Comprehensive Plan	5
7. Conclusion	6

Appendices

- **Appendix A:** *Amended and Restated Interstate Corridor Urban Renewal Plan: Comprehensive Plan Findings*
- **Appendix B:** *Amended and Restated Interstate Corridor Urban Renewal Plan*
- **Appendix C:** *Report on the Amended and Restated Interstate Corridor Urban Renewal Plan*

Note: *The Appendices identified above were attached to this document for the purposes of presenting the proposed Amended and Restated Interstate Corridor Urban Renewal Plan to the Portland Planning and Sustainability Commission on June 28, 2011. For City Council approval on July 27, 2011, these appendices have been removed and incorporated elsewhere. Appendix A has been incorporated into the Amended and Restated Interstate Corridor Urban Renewal Plan as Exhibit E. Appendix B and Appendix C have been incorporated as Exhibit B and Exhibit C of the Ordinance, respectively.*

Report to the Planning and Sustainability Commission

1. Summary

The Amended and Restated *Interstate Corridor Urban Renewal Plan* (the “plan” and “urban renewal plan”) is the result of a multi-year process to determine urban renewal needs in North/Northeast Portland. The amended urban renewal plan contains changes to enlarge the boundary for the Interstate Corridor Urban Renewal Plan area and changes to the text of the plan corresponding to and supporting the boundary changes.

The proposed boundary amendment would allow PDC to access resources for programs and projects that have been identified by the community as critical to achieving the continuing goals of the *Interstate Corridor Urban Renewal Plan*, as well as implementing the policies and objectives of the *Portland Comprehensive Plan*, the *Albina Community Plan*, the *St. Johns/Lombard Plan*, and other affected neighborhood plans. These actions would help with the development of the Interstate Corridor MAX transit station areas as well as the revitalization of key areas such as main streets and employment areas in North and Northeast Portland, as well as other parts of the URA.

The amended boundary (Map 1) includes areas along NE Martin Luther King Jr. Boulevard, NE Alberta Street, and other key commercial and main street areas to the east of the existing plan area. Some of these areas are new, but portions are being moved from the existing Oregon Convention Center Urban Renewal Area. The amended boundary also includes areas along N Lombard Street extending south and west from the original plan area to the St. Johns town center which are not currently within an urban renewal area.

The Planning and Sustainability Commission is asked to review the urban renewal plan and confirm its conformance with the goals and policies of the Portland Comprehensive Plan and other adopted local plans.

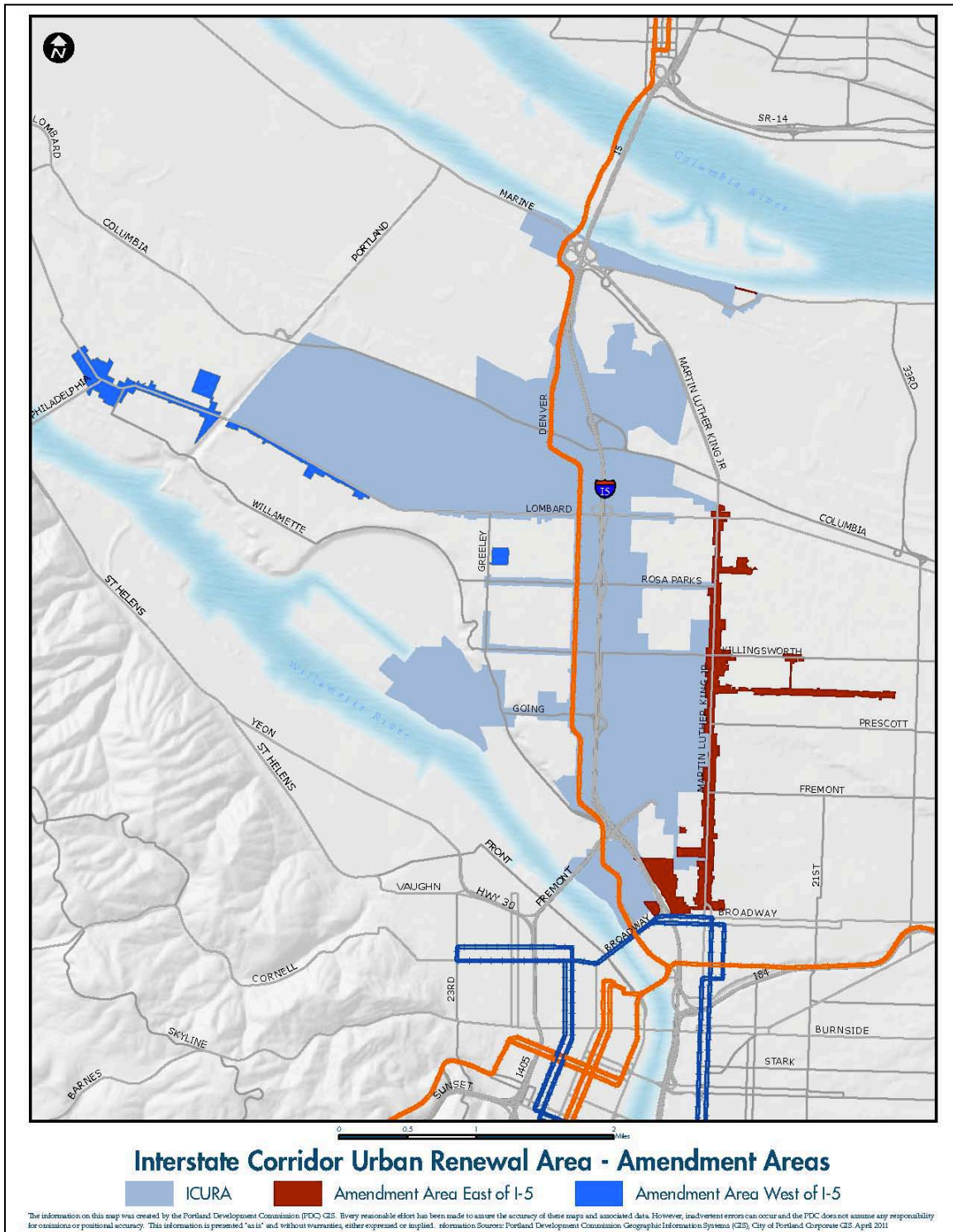
2. Recommended Planning and Sustainability Commission Action

Staff recommends the following actions:

- 1) *The Planning and Sustainability Commission send a letter to Portland City Council finding that the Amended and Restated Interstate Corridor Urban Renewal Plan conforms with the City of Portland Comprehensive Plan, and*
- 2) *The Planning and Sustainability Commission recommend that the Portland City Council adopt the proposed Amended and Restated Interstate Corridor Urban Renewal Plan, along with any other recommendations of the Commission.*

The Amended and Restated Interstate Corridor Urban Renewal Plan contains changes to the boundary (Map 1) and also to the text of the plan consistent with the boundary changes. Bureau of Planning and Sustainability staff have reviewed the proposed amendment and prepared findings demonstrating how the urban renewal plan conforms to the *Portland Comprehensive Plan* and other local plans (Appendix A). The findings meet the requirement under ORS 457.095.

Map 1: Interstate Corridor Urban Renewal Plan and Amendment Areas



3. Background

The Interstate Corridor Urban Renewal Plan was originally approved by the Portland City Council in August 2000, by Ordinance No. 174829. Beginning in 2007, the Portland Development Commission (PDC) began an evaluation of urban renewal areas referred to as the “Future of Urban Renewal.” The Interstate Corridor Urban Renewal Area was one of several plans reviewed to determine the financial capacity, policy choices, and a range of needed projects in each urban renewal area.

In late 2008, the Portland Development Commission Board authorized the N/NE Economic Development Initiative to consider boundary adjustments and priority investments for the Interstate Corridor Urban Renewal Area and the Oregon Convention Center Urban Renewal Area. The PDC convened the N/NE Economic Development Initiative Community Advisory Committee in August 2009 to study and provide recommendations on boundary adjustments and planned investments. PDC staff worked with this committee and other community stakeholders over time to solicit feedback on expansion proposals. The N/NE Economic Development Initiative Community Advisory Committee made a recommendation on the proposed expansion areas in May 2010. The Portland Development Commission considered and approved the proposed amendments in a public meeting on June 8, 2011.

4. Overview of the Proposed Amendment

Section V of the Amended and Restated Interstate Corridor Urban Renewal Plan defines the boundaries of the urban renewal area. A total of 245.62 acres of land that is not currently in an urban renewal area is proposed to be added. A total of 169.92 acres is proposed to be moved from the Oregon Convention Center Urban Renewal Area (OCC) to the Interstate Corridor Urban Renewal Area. Roughly 229.75 acres in the Interstate 5 Freeway right-of-way, and portions of the Columbia Slough are proposed to be removed from the original plan area. In total, with these amendments, the plan area would be approximately 3990 acres. A map of the proposed amendment areas is shown as Map 1.

The text of the Interstate Corridor Urban Renewal Plan is also proposed to be amended to reference neighborhoods and areas not originally included in the plan area, and to update Projects and Programs in Section VII of the plan to better reflect current practices and priorities for economic/business development, infrastructure, housing and other activities.

Below is a summary of key areas proposed to be added to the urban renewal area;

NE Martin Luther King Jr. Blvd. A key commercial corridor in NE Portland and a designated Metro 2040 main street. Portions would be added and portions would be moved from the existing OCC urban renewal area.

NE Alberta Street A key commercial corridor in NE Portland and a designated Metro 2040 main street. Portions would be added and portions would be moved from the existing OCC urban renewal area.

NE Killingsworth Street A key corridor and a designated Metro 2040 main street. Key nodes would be added.

NE Dekum Street A historic commercial node in NE Portland would be added.

N Lombard Street A key commercial street in North Portland, and a designated Metro 2040 main street, Lombard functions as a community main street and location for new development. The amendment would add property on the south side of Lombard from N Woolsey to the railroad cut, and along both sides of N Lombard Street to the St. Johns town center.

St. Johns Town Center A key commercial area and a designated Metro 2040 town center, St. Johns is a community focal point and location for future growth and development. The amendment would add commercial areas along N Lombard and N Ivanhoe streets.

Roosevelt High School This Portland Public School serves the North Portland peninsula area.

The Projects and Programs in Section VII are organized into the following major categories:

- Infrastructure
- Property Redevelopment
- Housing
- Business Development
- Relocation
- Planning and Administration

Section VII is proposed to be amended to specify Projects and Programs to be undertaken in the Infrastructure and Property Redevelopment categories.

5. Urban Renewal Plan Authority

Authority for the use of urban renewal was established by the Oregon Legislature and codified as Chapter 457 of the *Oregon Revised Statutes* (ORS). The statutes include criteria for the establishment of an urban renewal district, the development of eligible urban renewal areas, and the content of an urban renewal plan and urban renewal plan report.

Chapter 15, Article 1, of the Portland City Charter assigns all general powers and duties to the Portland Development Commission. The commission is designated as the body that will serve as the City's urban renewal and redevelopment agency. PDC is responsible for carrying out all urban renewal functions. Proposed urban renewal plans and urban renewal plan amendments are prepared by the Portland Development Commission staff and approved by the Portland Development Commission prior to their submission to the Portland Planning and Sustainability Commission and Portland City Council.

ORS 457 also requires that the City's Planning Commission review urban renewal plans and substantial amendments to urban renewal plans. The Planning and Sustainability

Commission's recommendations on urban renewal plans or plan amendments are submitted to the Portland City Council for consideration in their decision on the plan or on a substantial plan amendment.

On June 8, 2011, the Portland Development Commission held a public meeting on the proposed amendment to the *Interstate Corridor Urban Renewal Plan* and approved the proposed amendment by Resolution No. 6883. The *Amended and Restated Interstate Corridor Urban Renewal Plan* and the *Report on the Amended and Restated Interstate Corridor Urban Renewal*, prepared by the Portland Development Commission in accordance with ORS 457, are attached to this report as Appendix B, and Appendix C, respectively.

Portland's City Council has final review and approval authority over urban renewal plans and certain urban renewal plan amendments. In the case of a substantial amendment, which is the case here, the amendment requires a recommendation from the Planning and Sustainability Commission and approval by the City Council.

6. Relationship to the Portland Comprehensive Plan

ORS 457.095 requires determinations and findings by the governing body that the urban renewal plan is in conformance with the Comprehensive Plan. Appendix A contains findings of conformance with the Portland Comprehensive Plan, and other more specific area and neighborhood plans adopted as part of the Comprehensive Plan. The urban renewal plan is found to be consistent with these plans. Overall:

- The Plan will play a critical role in achieving the goals, policies, and objectives of the *Portland Comprehensive Plan*, the *Albina Community Plan*, the *St. Johns/Lombard Plan*, and other applicable neighborhood plans that encompass the urban renewal area.
- The Plan will provide for urban renewal projects and programs that help to implement the City of Portland's plans and policies that seek to preserve and reinforce the stability and diversity of the City's neighborhoods while allowing for increased density in order to attract and retain long-term residents and businesses and insure the City's residential quality and economic vitality.
- The Plan goals and objectives support corresponding *Portland Comprehensive Plan* policies; in turn, the *Comprehensive Plan* is acknowledged by the Land Conservation and Development Commission (LCDC) as consistent with Oregon Land Use Planning Goals and Policies.
- The Plan has been formulated through a public involvement process that is consistent with the Citizen Involvement (Goal 9) and Metropolitan Coordination (Goal 1) policies of the *Comprehensive Plan*. The neighborhood and commercial area revitalization goals are consistent with city and regional goals to reinvest and redirect growth and development into existing urban areas.
- The Plan will facilitate redevelopment and public improvements that will provide a range of commercial, employment and housing opportunities in Interstate Corridor

station communities, in the St. Johns Town Center, and Metro 2040 main street areas

- The Plan also will help provide housing and employment opportunities. The creation and maintenance of a variety of housing choices for residents of all income levels is an important goal found in the *Portland Comprehensive Plan* and supporting documents. This goal is supported by projects in the Plan. Encouraging job creation is another goal that is supported by urban renewal projects.
- The Plan includes a range of anticipated transportation improvements that will help provide a range of transportation choices and enhance connectivity and will reinforce the livability of neighborhoods and the vitality of commercial areas. The Plan will facilitate the redevelopment of an area that is well served by transit, which will reduce the need for employees and customers to rely on automobile travel; and reduce air pollution and traffic congestion on the City's street system.
- The Plan also supports policies that call for providing parks and open spaces to meet recreational needs; creating a sense of connection with the natural environment; and protecting natural resources by reducing the impact of development.

7. Conclusion

The proposed *Amended and Restated Interstate Corridor Urban Renewal Plan* generally provides for the following changes:

1. Amends boundaries for the URA to include land in locations contiguous to the existing URA and remove approximately 229.75 acres in Interstate 5 right-of-way and the Columbia Slough, resulting in a new total of 3,990 acres in the URA.
2. Amends the urban renewal plan to reference areas not originally included in the plan area, and updates plan elements, including Projects and Programs in Section VII, to better reflect current practices and priorities for economic/business development, infrastructure, housing and other activities.

The ability to make such an amendment is authorized by ORS 457 and by Section XII of the urban renewal plan. The amendment provides PDC with the ability to continue to access debt resources for investment within the current and expanded Plan area boundaries in the pursuit of programs and projects which directly and indirectly generate taxes as well as meeting community needs in accordance with the Plan goals.

Findings describing the proposed amendment's conformance with Portland's *Comprehensive Plan* and other local plans are included in Appendix A.

The proposed amendment was approved by the Portland Development Commission under Resolution No. 6883 on June 8, 2011. Following review by the Portland Planning and Sustainability Commission, the amendment will be forwarded to the Portland City Council for final action.