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Portland OR 97205

I hereby certify this document to be a complete and exact copy of the original as the same appears on file and of record in my office and in my care and custody on this 7th day of December

**GARY BLACKMER**  
Auditor of the City of Portland

By Susan Parsons  
Deputy

ORDINANCE NO. **178074**

\*Adopt the Second Amendment to the North Macadam Urban Renewal Plan to establish authority to acquire the Doubletree Hotel at SW 3<sup>rd</sup> and SW Lincoln Avenue, including by condemnation if necessary (Ordinance)

**The City of Portland ordains:**

Section 1. The Council finds:

1. The Portland Development Commission ("Commission") is undertaking the North Macadam Urban Renewal Project ("Project"), pursuant to an urban renewal plan adopted on August 11, 1999 by the Portland, Oregon City Council by Ordinance No. 173651 (the "Plan");
2. If acquired, the Doubletree Property at 310 SW Lincoln ("Property") will be conveyed to Portland State University (PSU) under the terms of a Disposition and Development Agreement to redevelop the site into a mixed-use urban village including a mix of housing, neighborhood retail services, academic and support facilities.
3. The Plan's Goal 5.b.(4) states: "Promote and encourage a density of housing in the area which supports transit orientation and ridership, and which accommodates the city's housing unit growth goals in this central city location; and
4. Plan's Goal 2.b.(8) states: "Seek opportunities to create synergy among transportation, utility systems, and housing development that will allow for efficient redevelopment in a manner that encourages diverse-income employment and a mix of occupations consistent with the central city and central city fringe locations"; and
5. Development of mixed-use, high density residential housing in the vicinity of North Macadam and Portland State University is essential to completion of the Plan; and
6. The Property is a significant parcel that is necessary and appropriate to the Portland Development Commission's ability to meet the above goals; and
7. It is necessary for the Commission to acquire the Property in order to accomplish the public purposes of housing development and neighborhood revitalization; and
8. The Portland Development Commission approved the First and Second Amendments to the North Macadam Urban Renewal Plan by Resolutions

Recorded in MULTNOMAH COUNTY, OREGON

C. Swick, Deputy Clerk

B27 11

ATKLM

Total : 66.00

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799485

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I hereby certify this document to be a complete and exact copy of the original as the same appears on file and record in my office and in my care and custody on this day of \_\_\_\_\_

GARY BLANKNER  
Auditor of the City of Portland

178074

6074 and 6075, respectively, on November 19, 2003. The effective date of those resolutions will be December 19, 2003 ("Effective Date"); and

- 9. The First Amendment to the Plan amends the boundary of the North Macadam Urban Renewal Area to include property known as the Doubletree Hotel site on SW Lincoln Avenue. City Council action is not required on that Plan amendment; and
- 10. The Second Amendment amends the Plan to establish authority to acquire the Property including through condemnation if necessary; and
- 11. City Council's approval of the Second Amendment to the Plan is subject to the Effective Date of Portland Development Commission's approval of the Second Amendment to the Plan; and
- 12. The City Council now desires to approve the Second Amendment to the North Macadam Urban Renewal Plan allowing for acquisition of the Property, including by condemnation, if necessary.

NOW THEREFORE, the Council directs:

- a. The Second Amendment to the North Macadam Urban Renewal Plan, attached hereto as Exhibit A, and incorporated herein by this reference, having been duly received and considered by Council, is hereby adopted, subject to the Effective Date of PDC Resolution 03-97.
- b. The City Council of the City of Portland approves the acquisition of the property at 310 SW Lincoln, including by condemnation if necessary, and authorizes the Executive Director of the Portland Development Commission to execute any documents necessary to acquire the property.
- c. The City Auditor shall forward to the Portland Development Commission certified copies of this Ordinance upon adoption by Council.
- d. The Portland Development Commission shall file in the Deed Records of Multnomah County, Oregon, a copy of this Ordinance and the Second Amendment upon adoption by Council.
- e. The City Auditor, in accordance with ORS 457.115, shall publish notice of the adoption of this Ordinance approving the 2nd Amendment, including the provisions of ORS 457.135, in the newspaper having the greatest circulation in the City of Portland within four days following the adoption of this Ordinance.

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Section 2. The Council declares that an emergency exists because a delay in authority to acquire through condemnation will result in a delay in the bond sale and funding needed to close the transaction on PSU's committed timeline; therefore, this ordinance shall be in full force and effect from and after its passage by Council.

Passed by the Council: DEC 03 2003

Mayor Katz  
PDC: Don Mazziotti/Abe Farkas  
Connie Lively

Gary Blackmer  
Auditor of the City of Portland

By   
Deputy

**Exhibit A****SECOND AMENDMENT TO THE NORTH MACADAM URBAN RENEWAL PLAN**

The original North Macadam Urban Renewal Plan was approved by the Portland City Council by Ordinance 173651 on August 11, 1999 and subsequently amended (Amendment #1) to add the below-described property into the Urban Renewal Area. This Amendment adds a legal description, describing certain property to be acquired through eminent domain if necessary.

**Purpose of Acquisition**

The below described property is to be acquired for redevelopment as a mixed-use, high density residential project with neighborhood support retail services and parking.

**Legal Description**

Part of Lot 1, Block "C", SOUTH AUDITORIUM ADDITION, Blocks C, D, E, F, G and partial Block H, in the City of Portland, County of Multnomah and State of Oregon, described as follows:

Commencing at the initial point of SOUTH AUDITORIUM ADDITION, Blocks C, D, E, F, G and partial Block H; thence South 89°18'03" East 106.67 feet; thence South 0°41'57" West 40 feet to a point on the South line of S.W. Lincoln Street; thence along said South line South 89 °18'03" East 137.66 feet to the true point of beginning of the tract to be described; thence along the South line of S.W. Lincoln Street, South 89°18'03" East 334.84 feet; thence South 0°41'57" West 300.00 feet; thence North 89°18'03" West 57.00 feet; thence South 0°41'57" West 100.00 feet; thence North 89°18'03" West 27.25 feet; thence South 0°41'57" West 196.26 feet; thence North 65°24'28" West 15.25 feet; thence North 56°00'18" West 127.42 feet; thence North 54°01'07" West 103.84 feet; thence North 41°15'30" West 134.58 feet; thence North 17°37'20" West 105.34 feet; thence North 17°43'50" West 63.25 feet; thence North 21°05'25" West 62.71 feet; thence South 89°18'03" East 106.00 feet to a point of curvature; thence on the arc of a curve left, having a radius of 15 feet and a central angle of 90° the long chord bears North 45°41'57" East 21.21 feet, an arc distance of 23.56 feet; thence North 0°41'37" East 126.83 feet to the true point of beginning.

**PORTLAND DEVELOPMENT COMMISSION**  
Portland, Oregon

**RESOLUTION NO. 6075**

**ADOPT THE SECOND AMENDMENT TO THE NORTH  
MACADAM URBAN RENEWAL PLAN AUTHORIZING  
ACQUISITION OF LINCOLN STREET PROPERTY.**

**WHEREAS**, the Portland Development Commission is undertaking the North Macadam Urban Renewal Project pursuant to an urban renewal plan (the "Plan") adopted August 11, 1999 by the Portland Oregon City Council, by Ordinance No. 173651; and

**WHEREAS**, the Second Amendment to the Plan is subject to Portland Development Commission approval of the First Amendment to the Plan which amends the boundary of the district to include property known as "Lincoln Street Property"; and

**WHEREAS**, the Plan's Goal 5.b.(4) states: "Promote and encourage a density of housing in the area which supports transit orientation and ridership, and which accommodates the city's housing unit growth goals in this central city location; and

**WHEREAS**, the Plan's Goal 2.b.(8) states: "Seek opportunities to create synergy among transportation, utility systems, and housing development that will allow for efficient redevelopment in a manner that encourages diverse-income employment and a mix of occupations consistent with the central city and central city fringe locations"; and

**WHEREAS**, development of mixed-use, high density residential housing in the vicinity of North Macadam and Portland State University is essential to completion of the Plan; and

**WHEREAS**, a portion of the property bounded by I-405, SW First Avenue, SW Fourth Avenue and SW Lincoln Street (the "Property"), currently occupied by Doubletree Hotel, is a significant parcel that is necessary and appropriate to the Portland Development Commission's ability to meet the above goals; and

**WHEREAS**, it is necessary for the Commission to acquire the Property in order to accomplish the public purposes of housing development and neighborhood revitalization; now, therefore, be it

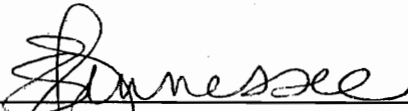
**RESOLVED** that the Plan shall be amended as provided in Exhibit A, attached, subject to approval of the first amendment; and be it


AKF/CKL

**FURTHER RESOLVED** that this resolution to acquire the Property, including by condemnation if necessary, be referred to City Council with the Commission's request for a concurring resolution; and be it

**FURTHER RESOLVED** that this resolution shall become effective immediately upon its adoption.

**ADOPTED by the Commission November 19, 2003.**

  
\_\_\_\_\_  
Matt Hennessee, Chair

  
\_\_\_\_\_  
Douglas C. Blomgren, Secretary

## Exhibit A

### SECOND AMENDMENT TO THE NORTH MACADAM URBAN RENEWAL PLAN

The original North Macadam Urban Renewal Plan was approved by the Portland City Council by Ordinance 173651 on August 11, 1999 and subsequently amended (Amendment #1) to add the below-described property into the Urban Renewal Area. This Amendment adds a map and legal description, describing certain property to be acquired through eminent domain if necessary.

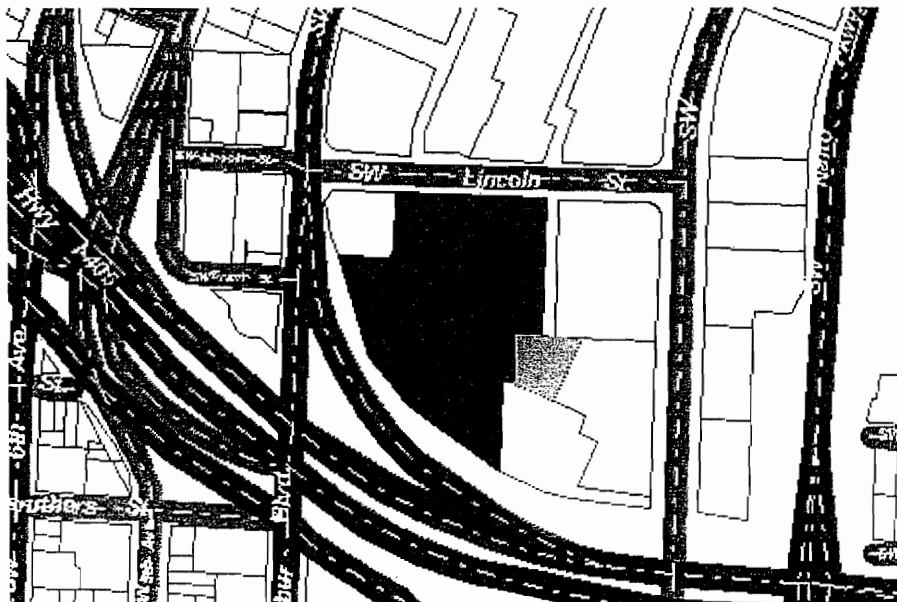
#### Purpose of Acquisition

The below described property is to be acquired for redevelopment as a mixed-use, high density residential project with neighborhood support retail services and parking.

#### Legal Description

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CERTIFICATE OF RECORDING OFFICER

The undersigned hereby certifies, as follows:

1. That s/he is the duly qualified Staff Assistant of the Portland Development Commission, herein called the "Commission," and in such capacity keeps its records, including the minutes of proceedings of the Commission;

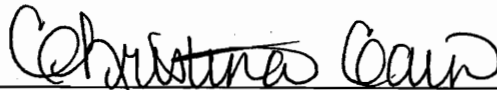
2. That the attached resolution is a true and correct copy of the resolution as finally adopted at a meeting of the Commission held on November 19, 2003, and duly recorded in the Commission office;

3. That the undersigned is authorized to execute this certificate.

IN WITNESS WHEREOF the undersigned has executed this certificate.

November 19, 2003

Date



Christina Cain  
Christina Cain, Commission Asst.



Jane

**PORTLAND DEVELOPMENT COMMISSION**

Portland, Oregon

DATE: November 19, 2003

TO: The Commissioners

FROM: Donald F. Mazziotti

REPORT NO.: 03-97

SUBJECT: **First and Second Amendments to the North Macadam Urban Renewal Plan to add Lincoln Street property to the district and authorize its acquisition**

Two amendments to the North Macadam Urban Renewal Plan (Plan) are proposed. The first would add 4.03 acres of land to the 409.13 acre North Macadam Urban Renewal Area (URA) and the second identifies the same as land PDC is interested in acquiring.

The property address is 310 SW Lincoln and is currently operating as a Doubletree Hotel, owned by Red Lion Inns Operating LP. The site represents less than one percent (1%) of the current acreage of the North Macadam URA, and therefore its inclusion in the district constitutes a "minor amendment" to the Plan. An additional 2670 square feet of property is eligible for inclusion in the District within the one percent limitation.

Future redevelopment of the property will help PDC and its redevelopment partners to better fulfill Central City and North Macadam Plan goals which include:

"5.b.(4) Promote and encourage a density of housing in the area which supports transit orientation and ridership, and which accommodates the city's housing unit growth goals in this central city location."

The purpose of the proposed boundary expansion is to allow for the property's redevelopment. It is currently underutilized in a low-density suburban style hotel use. There is an opportunity to redevelop the area into a mixed-use, high density residential project supporting Plan goals. Despite its advantageous location with good transportation access, the site remains underdeveloped and underutilized. Zoned CX, the site has a floor area ratio (FAR) allowance of 2:1, but is built to only 0.66:1 FAR. As public policy, it is desirable that well located land in an urban area be intensely developed, and developed to its best economic use. The parcel is underbuilt relative to its current entitlements.

The ratio of real market improvement values to real market land value (I:L value) for the amendment area during the 2002 tax year was only 1:1. This ratio is appropriate to a lightly developed rural or suburban area, whereas the extension area is in the downtown.

It is anticipated that the property, if acquired, will be reconveyed to Portland State University (PSU) or an affiliated non-profit development entity, Northwest Student Housing Foundation, LLC, working with PSU to redevelop the site. Redevelopment plans include a mix of housing, neighborhood retail services, academic and support facilities.

The property will not be acquired until a Disposition and Development Agreement ("DDA") is in place that outlines the terms of PDC's reconveyance to the development entity. The DDA will include development parameters such as minimum density requirements, minimum tax-generating uses or a payment in lieu of taxes, design standards, and retail requirements.

If these amendments are approved by the Commission and City Council, staff will continue negotiations with the owners of the property and will begin the condemnation process, if necessary. Concurrently, a DDA with the development entity will be negotiated. The Purchase and Sale Agreement and DDA will require Commission approval and if approved, acquisition is expected to occur in December.

PDC will be reimbursed for all direct and indirect expenses associated with the acquisition, whether or not acquisition is successful. Expenses are estimated to be \$150,000 and the purchase price is expected to be approximately \$19,700,000.

**RECOMMENDATION:**

**Approve the First and Second Amendments to the North Macadam Urban Renewal Plan.**



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**Donald F. Mazziotti, Executive Director**

**ACTION:**      Approved November 19, 2003  
by a 3 to 1 vote; effective in 30 days.

## Exhibit A

### SECOND AMENDMENT TO THE NORTH MACADAM URBAN RENEWAL PLAN

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