REPORT ACCOMPANYING THE AMENDED AND RESTATED RIVER DISTRICT URBAN RENEWAL PLAN

City of Portland
Portland Development Commission

June 17, 2009
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I. INTRODUCTION

This River District Urban Renewal Area Report (this “Report”) accompanies the Amended and Restated River District Urban Renewal Plan dated May 27, 2009 (the “Amended Plan”). The Amended Plan implements changes made to the River District Urban Renewal Area Plan originally adopted in 1998 (the “Original Plan”). The Original Plan and the Amended Plan are collectively referred to herein as the “Plan”. This Report is not a legal part of the Plan but is intended to provide public information and a basis for the findings made by the Portland City Council (“Council”) as part of its approval of the Plan.

Implementation of the Original Plan was anticipated to occur over a period of twenty years. As a result of the Original Plan, significant development activity has occurred in portions of the Original Area (as hereinafter defined), specifically around the area of NW Hoyt Street to NW Northrup Street from NW 10th Avenue to NW 12th Avenue. While such development activity, as is hoped in every urban renewal area, has been successful, there is still much to be done in order to achieve the objectives of the Plan.

The Amended Plan expands the original boundary of the River District Urban Renewal Area (the “Original Area”) by including an additional 41.98 acres primarily comprised of eight distinct areas as depicted in Figure 1 (collectively, the “Expansion Areas”) and impacts both the financing and the expected physical, social, economic and fiscal impacts of the Original Plan. The Original Area and the Expansion Areas are collectively referred to herein as the “Area”. Specifically, the Amended Plan will:

1. Extend the last date to issue maximum indebtedness to June 30, 2021.
2. Adjust boundaries of the Original Area for a net increase of 41.98 acres:
   a) Add 40.47 acres of the Old Town Chinatown District which was formerly incorporated into the Downtown Waterfront Plan.
   b) Add 9.76 acres of the Retail/Commercial Core District which was formerly in the South Park Blocks and the Downtown Waterfront Plans.
   c) Delete approximately 8.25 acres of right of way under the I-405 freeway.
3. Extend the life of the Plan by approximately one year, from 2020 to 2021.
4. Increase the maximum indebtedness by $324,719,650 to $549,500,000, shown in Section XII. (C). of this Report.
5. Update the Introduction to include the areas being added and to redefine the areas in the Plan.
6. Update the Housing, Transportation, Utility, Job Creation, and Parks, Open Spaces and Other Public Amenities Goal sections (Section II) to reflect additional area being added and to update the Original Plan information.
7. Make minor changes in language in Section III.
8. Update Section IV. Urban Renewal Area Outline to reflect the additional area being added and to update the Original Plan information.
9. **Update Section V. Urban Renewal Area Map and Legal Description** to reflect the additional area being added. New map and legal description added.

10. **Update Section VI. Urban Renewal Projects** to reflect the additional area being added and to delete one project which has been eliminated (Tanner Creek Daylighting).

11. **Update Section VII. Property Acquisition Policies and Procedures** to reflect new state law. Add properties for potential acquisition.

12. **Update Section X. Relationship to Local Plans and Objectives** to reflect the additional area being added and changes to plans since the Original Plan was adopted.

13. **Update Section XI. Land Use Plan** to reflect the additional area being added and changes to designations since the Original Plan was adopted.

14. **Update Section XII. to Provide a Financial Analysis of the Plan** to enumerate other potential revenue sources, reflect the areas being added, show the increase in maximum indebtedness and the extension of the Plan by one year.

15. **Replace Section XIII. Amendments to the Plan.**

16. **Add new Section XIV. Projects Involving Public Buildings**

The reasons, rationale and purpose for these changes were guided by the recommendations of the Westside Study Urban Renewal Advisory Group (“URAG”). These changes to the Original Plan will enable tax increment revenues generated within the Area to continue to finance projects and activities that support the goals and objectives of the Plan.

Notice of a proposed amendment to an urban renewal plan must be provided pursuant to ORS 457.120 when the amendment will have the effect of either: (a) increasing the amount of maximum indebtedness authorized under the Plan, or (b) adding land to the urban renewal area, except for an addition of land that totals not more than one percent of the existing area of the urban renewal area.

The Amended Plan qualifies as such an amendment under both criteria because it increases the maximum indebtedness of the Plan and adds land totaling 16.24% of the Area’s existing acreage.

1. **Public Participation Process**

A joint process of public participation began in 2006 with the Portland Development Commission (“PDC”) and the City of Portland staff interviewing 35 stakeholders to obtain their thoughts and ideas about the future of the downtown area, specifically concerning an update to the Central Portland Plan and reviewing three downtown urban renewal areas (“URAs”).

The Westside Study officially started in May 2007 when the PDC Board of Commissioners (“Commission”) directed staff in PDC Resolution #6474 to look at the downtown URAs. Two of the URAs, Downtown Waterfront (“DTWF”) and South Park Blocks (“SPB”), are due to expire in 2008 but still have important projects to complete. This expiration refers to the last date a URA can issue bonded indebtedness, which was set during the creation of the URA. The River District (“RD”) URA has performed beyond expectations and a boundary
change could allow uncompleted projects in the DTWF and SPB URAs to be completed as part of the Plan. A Public Participation Plan was developed in cooperation with PDC staff and community stakeholders to ensure that there will be sufficient public input around the critical decisions about the future of these URAs.

2. Urban Renewal Advisory Group Formed

PDC created the URAG in May of 2007. The URAG included two PDC Commissioners (Charles Wilhoite and Mark Rosenbaum), two City Council members (Erik Sten and Dan Saltzman), Multnomah County Commissioner Jeff Cogen, Planning Commissioner Chairman Don Hanson and citizen budget committee member Jon Kruse.

As an extension of Council/PDC’s FY 07-08 Budget Advisory Committee, the URAG reflects the new relationship between Council and PDC created by the 2007 city charter change, providing for greater Council involvement in the development of PDC’s budget. The new advisory group also includes other local officials in recognition of the broad potential impact of this community discussion.

The charge to the URAG was to make recommendations regarding the future of three downtown URAs: DTWF, SPB and RD. Specifically, they were asked to address the following questions:

- Should PDC expand the RD by up to 61 acres?
- Should PDC increase the maximum indebtedness of the RD, which will likely be reached in 2011-12?
- Should PDC extend the last date to issue debt for DTWF and SPB?

The URAG met over ten months through February 2008 and heard from a variety of stakeholders including:

- Pearl District Neighborhood Association
- Portland Downtown Neighborhood Association
- Old Town/Chinatown Neighborhood Association
- Old Town/Chinatown Visions Committee
- League of Women Voters
- Portland State University
- University of Oregon
- Portland Business Alliance/Downtown Retail Council
- Chinese Consolidated Benevolent Association
- Regional Arts and Culture Commission
- Representatives from non-profit and for profit housing organizations
- City of Portland Bureau representatives including Planning, Transportation, Housing and Community Development, and Parks

3. Additional Community Meetings

PDC staff also briefed stakeholders at community meetings including:
• Downtown Neighborhood Association National Night Out event in the South Park Blocks
• Downtown Neighborhood Association Land Use Committee
• Old Town/Chinatown Neighborhood Association
• Pearl District Planning and Transportation Committee
• Old Town/Chinatown Visions Committee

4. Electronic Communications
PDC staff created a web page dedicated to the Future of Urban Renewal that includes the opportunity for collecting comments electronically. People accessing the web site could also sign up for email notifications about the project.

5. URAG Recommendations
The URAG developed seven recommendations involving the RD URA:
• Expand the RD URA by adding approximately 50 acres to the original RD URA boundaries.
• Remove 30.7 acres of Right of Way (ROW) from the original RD URA boundaries. (With citizen input, Commission directed staff to remove 8.25 acres of ROW.)
• Increase the maximum indebtedness of the RD URA.
• Extend the last date to issue maximum indebtedness for the RD URA from 2020 to 2021.
• Remove 3.8 acres from the SPB URA boundaries and add this area to the RD URA for completion of projects on those parcels. (By Commission direction, this acreage was later reduced to 3.20 acres.)
• Remove 47.03 acres from the DTWF URA and add this area to the RD URA for completion of projects on those parcels.
• Do not extend the last date to issue debt for DTWF URA and SPB URA, but utilize full financial capacity using existing 2008 expiration date.

6. Report Format
The format of this Report is based on statute, ORS 457.085(3). It requires that an urban renewal plan amendment which is a significant change, requiring a substantial amendment to the plan, be accompanied by a report which provides:

A. A description of physical, social and economic conditions in the urban renewal areas of the plan, and expected impact, including the fiscal impact, of the plan (or change) in light of added services and increased population;
B. Reasons for selection of each urban renewal area in the plan;
C. The relationship between each project to be undertaken and the existing conditions in the urban renewal area;
D. The estimated total cost of each project and the sources of moneys to pay such costs;
E. The anticipated completion date for each project;
F. The estimated amount of money required in each urban renewal area under ORS 457.420 to 457.460 and the anticipated year in which indebtedness will be retired or otherwise provided for under ORS 457.420 to 457.460;

G. A financial analysis of the plan with sufficient information to determine feasibility;

H. A fiscal impact statement that estimates the impact of the tax increment financing, both until and after indebtedness is repaid, upon all entities levying taxes upon property in the urban renewal area; and

I. A relocation report which shall include:
   a) An analysis of existing residents or businesses required to relocate permanently or temporarily as a result of agency actions, under ORS 457.170;
   b) A description of the methods to be used for the temporary or permanent relocation of persons living in, and businesses situated in, the urban renewal area in accordance with ORS 285.045 - 285.105; and
   c) An enumeration, by cost range, of the existing housing in the urban renewal areas of the plan which are to be destroyed or altered, and of the new units to be added.

This Report will address each of the required information categories.

II. A DESCRIPTION OF PHYSICAL, SOCIAL, AND ECONOMIC CONDITIONS IN THE URBAN RENEWAL AREAS OF THE PLAN AND THE EXPECTED IMPACT, INCLUDING THE FISCAL IMPACT, OF THE PLAN IN LIGHT OF ADDED SERVICES OR INCREASED POPULATION

This section of this Report describes existing conditions within the Expansion Areas to be added by the Amended Plan and documents the occurrence of “blighted areas” as defined by ORS 457.010(1). The Amended Plan will expand the Original Area’s boundary by a net 41.98 acres, increasing the size of the Area to 351.19 acres (adding 50.23 acres and deleting 8.25 acres of right of way under the I-405 freeway). Further, the Amended Plan will increase the maximum indebtedness of the Plan from $224,780,350 to $549,500,000 and extend the last date that bonded indebtedness can be issued to June 30, 2021.

Accordingly, tax increment revenues generated under the Plan between the date of the Amended Plan and the expiration of the URA will be used to finance projects and activities that will improve economic, physical and social conditions within the Area and generally further the goals and objectives of the Plan. At the same time, overlapping taxing districts will forgo revenues on the incremental assessed value generated under the Plan through 2027.

A description of existing conditions within the Expansion Areas to be added by the Amended Plan (identified in Figure 1) is provided below, documenting the occurrence of “blighted areas” as defined by ORS 457.010(1). The Expansion Areas are identified as Old Town /Chinatown, Firestone, Fairfield, Lincoln Building, O’Bryant Square, McCoy Building, 10th and Yamhill and
the East Retail Core (each, an “Expansion Area”). Current existing conditions of blight in the Original Area are also analyzed and described. A similar analysis is conducted for the area to be deleted, the I-405 Freeway right-of-way.

Table numbering for the separate areas is as follows:
Table 1: Existing Land Uses
Table 2: Building Conditions
Table 3: Age of Buildings
Table 4: Social Conditions
Table 5: Improvement to Land Ratio

For each Expansion Area, the table numbers 1-5 above are the same in each Expansion Area, while the number following the period designates that Expansion Area, i.e. Table 3.1 is the “Age of Buildings” for the first Expansion Area in this Report, Old Town/Chinatown. In Sections 10 and 11, the numbering for tables is expanded as the conditions section is expanded. The table numbering for these sections is as follows:
Table 1: Existing Land Uses
Table 1a: Zoning
Table 2a: Building Conditions
Table 2b: Seismic Conditions
Table 2c: Lead Based Paint Conditions
Table 2d: Asbestos Conditions
Table 2e: Polychlorinated Biphenyls Conditions
Table 2f: Contaminated Soils and/or Groundwater Conditions
Table 3: Age of Buildings
Table 3a: Public Buildings
Table 4a: Housing Units
Table 4b: Social Conditions
Table 5: Improvement to Land Ratio
Table 6: FAR of Parcels
Table 7: Likely to Redevelop Parcels
Table 8: Vacancy Information
Figure 1 - Expansion Areas

River District Expansion Areas

- Existing River District Boundary
- Proposed Addition - 50.23 acres
- Existing South Park Blocks URA
- Existing Downtown Waterfront URA

Area 1
Old Town Chinatown
40.47 acres

Area 2
Firestone
0.82 acres

Area 3
Fairfield Hotel
0.36 acres

Area 4
Lincoln Bldg
1.63 acres

Area 5
O'Bryant Square
1.48 acres

Area 6
McCoy Bldg
0.35 acres

Area 7
10th & Yamhill
1.36 acres

Area 8
East Retail Core
3.76 acres

05/18/08

0 250 500 1,000 Feet
1. **Old Town/Chinatown Expansion Area**

A. **Physical Conditions**

1. **Land Use**

An analysis of property classification data from Multnomah County’s 2007-08 Assessment and Taxation database was used to determine the land use designation of parcels in each of the Expansion Areas.

The Old Town/Chinatown Expansion Area, shown in Figure 1 above as Area 1, contains approximately 40.47 acres, including an estimated 13.05 acres of public right-of-way (ROW). Table 1.1 below illustrates the land use classifications as determined by the County Assessor.

**Table 1.1. Existing Land Uses**

<table>
<thead>
<tr>
<th>Land Use</th>
<th>Parcels</th>
<th>Acres</th>
<th>% of Total Acres</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial</td>
<td>44</td>
<td>17.20</td>
<td>62.72%</td>
</tr>
<tr>
<td>Converted Commercial</td>
<td>47</td>
<td>10.02</td>
<td>36.53%</td>
</tr>
<tr>
<td>Multifamily</td>
<td>1</td>
<td>0.21</td>
<td>0.75%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>92</strong></td>
<td><strong>27.42</strong></td>
<td><strong>100.00%</strong></td>
</tr>
</tbody>
</table>

Source: Multnomah County Assessor

2. **Zoning**

As illustrated in Figure 2, 27.42 acres (100 percent) of the Old Town/Chinatown Expansion Area is zoned as central commercial.

Figure 2 represents the zoning for the Expansion Areas.
Figure 2 - River District Urban Renewal Area Expansion Areas Zoning

River District URA
Expansion Areas
Zoning Designations

Portland Zoning
Zoning Designations
- Open Space
- Central Multi-Dwelling Residential
- Central Commercial

Area 1
Old Town Chinatown
40.47 acres

Area 2
Firestone
0.82 acres

Area 3
Fairfield Hotel
0.36 acres

Area 4
Lincoln Bldg
1.63 acres

Area 5
O’Bryant Square
1.48 acres

Area 6
McCoy Bldg
0.35 acres

Area 7
10th & Yamhill
1.36 acres

Area 8
East Retail Core
3.76 acres

06/18/08
3. **Building Condition**

The condition of the buildings within the added Old Town/Chinatown Expansion Area was generally surveyed in March 2008. Table 2.1 illustrates the conditions of the structures. The results indicate a majority of built structures within the area could benefit from rehabilitation or improved maintenance.

Structures were visually surveyed and ranked on a three-step scale:

“A” New, near new, or well maintained older buildings.

“B” Buildings needing rehabilitation and improved maintenance.

“C” Dilapidated buildings which appear to be beyond an ability to be economically rehabilitated.

Historic buildings are noted, but they are also included in the A, B, or C ranking according to the condition of the building.

<table>
<thead>
<tr>
<th>Building Condition</th>
<th>Buildings</th>
<th>% of total</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>26</td>
<td>34%</td>
</tr>
<tr>
<td>B</td>
<td>44</td>
<td>58%</td>
</tr>
<tr>
<td>C</td>
<td>6</td>
<td>8%</td>
</tr>
<tr>
<td>Total</td>
<td>77</td>
<td>100%</td>
</tr>
<tr>
<td>Surface Parking Lot</td>
<td>15</td>
<td></td>
</tr>
<tr>
<td>Historic Buildings</td>
<td>69</td>
<td>90%</td>
</tr>
</tbody>
</table>

Source: PDC

Twenty six buildings (34 percent) were in new or nearly new condition while forty four buildings (58 percent) were classified as needing rehabilitation and six buildings (8 percent) were designated as dilapidated. The buildings in need of rehabilitation, including those that are dilapidated, are characterized by defective design and defective quality of physical construction that make such buildings unfit or unsafe for their intended purpose and therefore constitutes blight in accordance with ORS 457.010(1)(a)(A). Buildings classified as “B” and in need of rehabilitation exhibit conditions of obsolescence and deterioration. Buildings classified as “C” are considered dilapidated. Such conditions of obsolescence, deterioration and dilapidation render such buildings unfit or unsafe for their intended purpose and therefore constitute blight in accordance with ORS 457.010(1)(a)(E).
4. Age of Buildings

There are 77 buildings in the Old Town/Chinatown Expansion Area on which the assessor’s office has age information. The ages of the buildings are shown below in Table 3.1. Of the 77 buildings, 65 (84.42 percent) are over 80 years old. While age alone is not an indication of blight, in combination with other conditions indicative of blight, including an older building’s likely failure to meet current seismic standards, blight is evident throughout the Old Town/Chinatown Expansion Area.

Table 3.1 - Age of Buildings

<table>
<thead>
<tr>
<th>Age of Buildings (Years)</th>
<th>Buildings</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 – 9</td>
<td>1</td>
<td>1.30%</td>
</tr>
<tr>
<td>10 – 19</td>
<td>0</td>
<td>0.00%</td>
</tr>
<tr>
<td>20 – 29</td>
<td>1</td>
<td>1.30%</td>
</tr>
<tr>
<td>30 – 39</td>
<td>2</td>
<td>2.60%</td>
</tr>
<tr>
<td>40 – 49</td>
<td>1</td>
<td>1.30%</td>
</tr>
<tr>
<td>50 – 59</td>
<td>0</td>
<td>0.00%</td>
</tr>
<tr>
<td>60 – 69</td>
<td>1</td>
<td>1.30%</td>
</tr>
<tr>
<td>70 – 79</td>
<td>6</td>
<td>7.79%</td>
</tr>
<tr>
<td>80 – 89</td>
<td>16</td>
<td>20.78%</td>
</tr>
<tr>
<td>90 – 99</td>
<td>22</td>
<td>28.57%</td>
</tr>
<tr>
<td>100 – 109</td>
<td>11</td>
<td>14.29%</td>
</tr>
<tr>
<td>110 – 119</td>
<td>6</td>
<td>7.79%</td>
</tr>
<tr>
<td>120 – 129</td>
<td>8</td>
<td>10.39%</td>
</tr>
<tr>
<td>130 – 139</td>
<td>2</td>
<td>2.60%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>77</td>
<td><strong>100.00%</strong></td>
</tr>
</tbody>
</table>

Source: Multnomah County Assessor

5. Streets and Utilities Condition

Streets

Traffic classifications: The added Old Town/Chinatown Expansion Area is served by two major transportation corridors throughout the area. Burnside Street is designated as a Major City Traffic Street. Broadway from the Broadway Bridge to Lovejoy Street is also designated as a Major City Traffic Street. The remainder of the streets are classified as Traffic Access Streets.

Transit classifications: Burnside Street is designated as a Major Transit Priority Street, while NW 1st Avenue, NW 5th Avenue and NW 6th Avenue are designated as Regional Transitway and Major Transit Priority Streets. NW Everett Street and NW Glisan Street are designated as Transit Access Streets.

Bicycle classifications: Broadway, 2nd Avenue and 3rd Avenue, NW Couch Street and NW Everett Street and the portion of NW Everett Street which extends to the Steel Bridge and NW Glisan Street, a small portion of NW 4th Avenue, and a small portion of
NW Hoyt Street, NW Flanders Street and Burnside to 3rd Avenue are designated as City Bikeways.

Pedestrian classifications: The following roads are Central City Transit Pedestrian streets: 1st Avenue, 5th Avenue and 6th Avenue, NW Glisan Street to 6th Avenue. City walkways are: 2nd Avenue, 4th Avenue, Broadway, and Burnside Street.

The condition of the streets was surveyed by the Portland Department of Transportation in April, 2008. The conditions were identified as:

- **NW 3rd Avenue – Burnside Street to Hoyt Street** is a two lane street in “poor” to “very poor” condition. There is parking on both sides. It is being used for a bus re-route by Tri-Met. Glisan Street to Hoyt Street is under construction.

- **NW 4th Avenue – Burnside Street to Glisan Street** is a two lane street in “fair” condition. There is parking on both sides. It is being used for a bus re-route by Tri-Met.

- **NW 6th Avenue – Flanders Street to Irving Street** is one lane asphalt and one lane rail in concrete. It is new construction for the Mall Light Rail Extension.

- **NW Broadway – Everett Street to Hoyt Street** is a three lane street in “good” condition. There is parking on both sides. The bridge ramp north of Hoyt Street is not maintained by the City.

- **W Burnside – 2nd Avenue to 6th Avenue** is at least two lanes in either direction, with parking in some places, turning lanes, and bus areas. There is a landscaped median down the center. This segment was last overlaid in August of 1995. The street is currently under construction for a Sewer Project. When last rated, in September 2006 this section was in “fair” condition. It is difficult to give a condition rating with the construction in progress.

- **NW Couch Street – 2nd Avenue to 4th Avenue** is a two lane street with parking on both sides. 2nd Avenue to 3rd Avenue is in “very poor” condition. 3rd Avenue to 4th Avenue is in “good” condition.

- **NW Davis Street – 3rd Avenue to 4th Avenue** is a two lane street with parking on both sides. It is a newly completed “Festival Street” in excellent condition.

- **NW Everett St – 3rd Avenue to 4th Avenue** is a two lane street in “good” condition. There is parking on both sides.

- **NW Flanders St – 5th Avenue to Broadway** is a two lane street with parking on both sides. 5th Avenue to 6th Avenue is in “poor” condition. 6th Avenue to Broadway is in “very poor” condition.
NW Flanders Street – 3rd Avenue to 4th Avenue is a two lane street with parking on both sides. It is a newly completed “Festival Street” in excellent condition.

NW Glisan Street – 3rd Avenue to 8th Avenue is a two lane street with parking on both sides. 3rd Avenue to 5th Avenue is in “very poor” condition. 5th Avenue to 6th Avenue is in “poor” condition. 6th Avenue to Broadway is in “very poor” condition. Broadway to 8th Avenue is in “good” condition.

NW Hoyt Street – Broadway to Park Avenue is a three lane street in “fair” to “poor” condition. There is parking on both sides. Broadway to 6th Avenue is two lanes with a few parking spaces. The condition is “fair”. The Greyhound Bus station occupies the area between 5th Avenue and 6th Avenue.

NW Irving Street – Broadway to 5th Avenue – Broadway to 6th Avenue is three lanes in “good” to “fair” condition. 6th Avenue to 5th Avenue is new construction with light rail.

SW Ankeny Street – 1st Avenue to 2nd Avenue is a one lane street in “fair” condition.

The Capital Improvement Projects (CIP) scheduled for the Old Town/Chinatown Expansion Area are:

- NW 4th Avenue from Burnside to NW Glisan Street - 2008-2012.
- NW 3rd Avenue from Burnside to NW Glisan Street - 2008-2012.
- Traffic Signal rehabilitation at NW Everett and Broadway.

Water

In April of 2008 the Water Bureau provided the following information about the conditions of the water system in the Old Town/Chinatown Expansion Area:

In general the Old Town/Chinatown Expansion Area is well served with water lines in almost all of the streets. Water is available for future renewal/development. The conditions of the water mains in the area are good to very good with the following two exceptions.

- 110 feet on NW Everett from Broadway to the west.
- 260 feet on NW 8th Ave from Flanders Street to Glisan Street.

Both of these are included in the Water Bureau’s needs data base but are not high enough on the priority list to be included in their current CIP projects. They are also monitoring the water main in NW 3rd Avenue from NW Couch Street to NW Glisan Street.
Storm water & Wastewater

In April of 2008 the Bureau of Environmental Services (BES) provided the following information about the conditions of the storm water and wastewater systems in the Old Town/Chinatown Expansion Area:

In general, the area is well served by storm water and wastewater systems. The systems which have conditions rating as poor-bad are shown below.

- Broadway from NW Hoyt Street to NW Irving Street and a small section of Broadway at the north end of the area.
- NW Glisan Street from 3rd Avenue to 5th Avenue.
- NW 6th Avenue from Glisan Street to Irving Street.
- Burnside Street from 4th Avenue to 6th Avenue.

A CIP project (#5486) NW Burnside Sewer Reconstruction is presently underway.

6. **Parks and Open Space**
   There are no parks or open space in the Old Town/Chinatown Expansion Area.

7. **Public Spaces**
   There are two Festival Streets, NW Davis Street from 3rd Avenue to 4th Avenue, and NW Flanders Street from 3rd Avenue to 4th Avenue.

8. **Public Parking**
   There is public parking associated with Union Station in the Old Town/Chinatown Expansion Area. It is owned by the City of Portland, but leased to a private entity.

9. **Public Buildings**
   The public buildings in the Old Town/Chinatown Expansion Area are:

   - Union Station, located at 800 NW 6th Avenue is a publicly owned building. Amtrak, the commuter rail system serving Portland, operates out of Union Station. There are also commercial and retail businesses located in Union Station.

   The City of Portland also owns buildings at:

   - 510 NW 3rd Avenue which is leased to Tri Met and may involve future demolition.
   - 421-439 NW 3rd Avenue, which is leased to a private entity and may involve future demolition.

   The Federal Government also owns the building at 511 NW Broadway, which is leased as commercial space and may be the future home of the Pacific Northwest College of the Arts.
B. Social Conditions

Currently, the Old Town/Chinatown Expansion Area in the amendment contains approximately 690 residential dwellings (derived from the 2005 Central City Housing Inventory). The following social information in Table 4.1 combines available data for all of the Expansion Areas.

Table 4.1 - Social Conditions

<table>
<thead>
<tr>
<th>Area and City of Portland</th>
<th>Total Area (Original + Expansion Area)</th>
<th>City of Portland</th>
<th>Original Area</th>
<th>Expansion Areas</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population</td>
<td>3576</td>
<td>551302</td>
<td>2035</td>
<td>1541</td>
</tr>
<tr>
<td>Households</td>
<td>1944</td>
<td>234726</td>
<td>1530</td>
<td>414</td>
</tr>
<tr>
<td>Families</td>
<td>242</td>
<td>122,127</td>
<td>232</td>
<td>10</td>
</tr>
<tr>
<td>Average Household Size</td>
<td>1.47</td>
<td>2.29</td>
<td>1.26</td>
<td></td>
</tr>
<tr>
<td>Median Age</td>
<td>39.3</td>
<td>36.9</td>
<td>34.6</td>
<td></td>
</tr>
</tbody>
</table>

Race & Ethnicity

<table>
<thead>
<tr>
<th></th>
<th>City of Portland</th>
<th>Original Area</th>
<th>Expansion Areas</th>
</tr>
</thead>
<tbody>
<tr>
<td>White Alone</td>
<td>2776 (77.6%)</td>
<td>412133 (74.8%)</td>
<td>1679 (82.5%)</td>
</tr>
<tr>
<td>Black Alone</td>
<td>303 (8.5%)</td>
<td>38650 (7.0%)</td>
<td>104 (5.1%)</td>
</tr>
<tr>
<td>American Indian Alone</td>
<td>93(2.6%)</td>
<td>5607 (1.0%)</td>
<td>31(1.5%)</td>
</tr>
<tr>
<td>Asian Alone</td>
<td>127 (3.6%)</td>
<td>42479 (7.7%)</td>
<td>87(4.3%)</td>
</tr>
<tr>
<td>Pacific Islander Alone</td>
<td>13 (0.4%)</td>
<td>2252 (0.4%)</td>
<td>7(0.3%)</td>
</tr>
<tr>
<td>Some Other Race Alone</td>
<td>120 (3.4%)</td>
<td>25771 (4.7%)</td>
<td>51(2.5%)</td>
</tr>
<tr>
<td>Two or More Races</td>
<td>145 (4.1%)</td>
<td>24409 (4.4%)</td>
<td>76 (3.8%)</td>
</tr>
<tr>
<td>Hispanic Origin (Any Race)</td>
<td>282 (7.9%)</td>
<td>49,719 (9.0%)</td>
<td>138 (6.8%)</td>
</tr>
<tr>
<td>Median Household Income</td>
<td>$28,479</td>
<td>$52,206</td>
<td>$38,140</td>
</tr>
</tbody>
</table>

Source: ESRI Business Analyst, 2007

The key summary points from this are:

- The average household size is likely to go up for the Area as the Expansion Areas have larger household sizes.
- The median household income will likely go down as the median income in the Expansion Areas is lower than that in the Original Area.
- The median age will likely go up as the Expansion Areas house older populations.
C. Economic Conditions

1. Taxable Value of Property Within the Area

The taxable value of land (assessed value), improvements and personal property in the Old Town/Chinatown Expansion Area is $39,464,160.

2. Land and Improvement Values

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. In general, a higher ratio indicates land has been used productively and improved with a building or other structures that are increasing the property’s value. This relationship is referred to as the “Improvement to Land Ratio” or “I:L”. The values used are real market values.

In urban renewal areas, the I:L may be used to measure the intensity of development or the extent to which an area has achieved its short- and long-term development objectives.

For instance, a property on a 10,000 square foot lot might have a land value of $120,000 at $12.00 per square foot. A three-story development with ground floor retail and professional offices on the upper floors containing 12,000 square feet valued at $65.00 per square foot might have an improvement value of $780,000. The I:L ratio for this example would be 6.5:1.

Land to improvement value ratios for “healthy” properties in areas adjacent to the Old Town/Chinatown Expansion Area range from 4:1 to 5:1. The majority of the parcels within the Old Town/Chinatown Expansion Area have an I:L ratio below 1:1 and can be improved with strategic redevelopment investments.

Table 5.1, “Improvement to Land Ratio,” shows the improvement to land ratios for properties within the Old Town/Chinatown Expansion Area. The I:L ratios for improved properties in the urban renewal study area are very low indicating these properties are underutilized and unproductive, constituting blight in accordance with ORS 457.010 (1)(h). The low property values in the Old Town Chinatown Expansion Area are resulting in a stagnant and unproductive condition. The properties, if upgraded, are potentially valuable and useful to the public health, safety and welfare of the community, thereby eliminating blight.
Table 5.1 - Improvement to Land Ratio

<table>
<thead>
<tr>
<th>I:L Ratio</th>
<th>Parcels</th>
<th>Acres</th>
<th>% of Total (Acres)</th>
</tr>
</thead>
<tbody>
<tr>
<td>No Improvements</td>
<td>6</td>
<td>3.02</td>
<td>11.03%</td>
</tr>
<tr>
<td>0.0 - 0.5</td>
<td>33</td>
<td>8.06</td>
<td>29.38%</td>
</tr>
<tr>
<td>0.5 - 1.0</td>
<td>18</td>
<td>9.30</td>
<td>33.92%</td>
</tr>
<tr>
<td>1.0 - 1.5</td>
<td>8</td>
<td>2.01</td>
<td>7.31%</td>
</tr>
<tr>
<td>1.5 - 2.0</td>
<td>7</td>
<td>0.86</td>
<td>3.14%</td>
</tr>
<tr>
<td>2.0 - 2.5</td>
<td>4</td>
<td>0.62</td>
<td>2.27%</td>
</tr>
<tr>
<td>2.5 - 3.0</td>
<td>7</td>
<td>0.75</td>
<td>2.75%</td>
</tr>
<tr>
<td>3.0 - 4.0</td>
<td>8</td>
<td>1.46</td>
<td>5.32%</td>
</tr>
<tr>
<td>4.0 - 5.0</td>
<td>1</td>
<td>0.22</td>
<td>0.80%</td>
</tr>
<tr>
<td>&gt;5.0</td>
<td>2</td>
<td>1.12</td>
<td>4.08%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>94</td>
<td>27.42</td>
<td><strong>100.00%</strong></td>
</tr>
</tbody>
</table>

Source: Multnomah County Assessor

D. Expected Impact, Including Fiscal Impact of Plan Amendment in Light of Added Services or Increased Population

The fiscal impact of tax increment financing on taxing districts that levy taxes within the Area (“affected taxing districts”) is described in Section IX of this Report. This subsection discusses the fiscal impacts resulting from potential increases in demand for municipal services.

All of the property being taken into the Area is property which came from another urban renewal area. The impact on municipal services does not increase by moving a property from one area to another. Plans for the development of these properties have been identified in long range planning documents and have been adopted by governmental agencies. Although there may be additional funds in the Area which may help encourage development at a faster pace than if the properties were left in other urban renewal areas, the future development of the properties has been expected and anticipated.

The proposed development assistance would add value to properties, thereby potentially adding to the tax base, providing increment during the length of the Plan and tax revenues once the Plan is terminated. The development of new businesses would add business license fees and provide employment opportunities. This improvement of stagnant and unproductive land and expected development of new businesses would result in benefits to the public health, safety and welfare of the Old Town/Chinatown Expansion Area.

The assistance to property owners through economic development programs is not expected to have a negative fiscal impact in terms of demand on municipal services. The assistance would add value to properties, thereby potentially adding to the tax base, providing increment during the length of the Plan and tax revenues once the Plan is terminated. Various system development charges for each new development will help offset increased demand on municipal services. In addition, the business license fees help augment the general fund to pay for services.
Housing development is anticipated to both help retain the existing number of low income housing units, and replace low income housing units lost through improved market conditions in the central city, as well as supply new workforce and affordable housing in the future. By retaining and replacing low income housing units, the city is effectively managing the limited resources available for low income housing. Other municipal resources would not have to be used for this purpose, which allows for the funds to be used for other services. Providing work force housing in the central core, in close proximity to jobs and retail, helps eliminate traffic and resulting pollution by reducing automobile trips and supports the retail trade in the central core thereby keeping a healthy economy in the area and a socio-economic balance. These potential housing developments will turn stagnant and unproductive land into land which contributes positively to the overall public health, safety and welfare of the Old Town/Chinatown Expansion Area.

Transportation improvements funded through tax increment resources help reduce the need to finance those improvements through other municipal resources, which allows for the funds to be used in other ways.

The combination of housing, transportation, economic development and commercial development assistance in the Old Town/Chinatown Expansion Area will address a growing lack of proper utilization that is resulting in stagnant and unproductive condition of land. This assistance will result in a positive benefit to the overall public health, safety and welfare of the community, by addressing factors of blight.
2. Firestone Expansion Area

A. Physical Conditions

1. Land Use

The Firestone Expansion Area is shown in Figure 1 as Area 2. The Firestone Expansion Area contains approximately 0.82 acres, including an estimated 0.36 acres of ROW. An analysis of property classification data from Multnomah County’s 2007-08 Assessment and Taxation database was used to determine the land use designation of parcels in each of the Expansion Areas. This area includes 1 individual parcel classified as converted commercial use and is shown as 0.46 acres.

2. Zoning

As illustrated in Figure 2, 0.46 acres (100 percent, excluding ROW) of the Firestone Expansion Area is zoned as central commercial. The FAR is 6:1, indicating the site could be much more densely developed than it presently is, considering the current building is only one story.

3. Building Condition

The condition of the buildings within the Firestone Expansion Area was surveyed in March of 2008. The structure is rated “A”, a well maintained older building.

4. Age of Building

There is one building in the Firestone Expansion Area. It was built in 1933, making it 75 years old.

5. Streets and Utilities Condition

Streets

Burnside Street is designated as a Major City Traffic Street. It is also designated as a City Walkway. The condition of the street was surveyed by the Portland Department of Transportation in April, 2008. The condition was identified as:

W Burnside Street – Park Avenue to 9th Avenue has two lanes in either direction, and is in “fair” condition.

Burnside Street is part of a plan for future development into what is termed the Burnside Couch Couplet, which would dramatically alter the traffic flow on both Burnside and Couch and improve the pedestrian access throughout the area.

Water

In April of 2008 the Water Bureau provided the following information about the conditions of the water system in the Old Town/Chinatown Expansion Area:
In general the Firestone Expansion Area is well served with water lines in almost all of the streets. Water is available for future renewal/development.

*Storm water & Wastewater*

In April of 2008 the Bureau of Environmental Services (BES) provided the following information about the conditions of the storm water and wastewater systems in the area:

The systems in the Firestone Expansion Area are rated “good”.

6. **Parks and Open Space**
There are no parks or open spaces in the Firestone Expansion Area.

7. **Public Spaces**
There are no public spaces in the Firestone Expansion Area.

8. **Public Parking**
There is no public parking in the Firestone Expansion Area.

9. **Public Buildings**
There are no public buildings in the Firestone Expansion Area.

**B. Social Conditions**

The general social conditions described for the first Expansion Area, the Old Town/Chinatown Expansion Area, applies to all Expansion Areas. There is no additional specific information to the Firestone Expansion Area as there are no residents in the Firestone Expansion Area.

**C. Economic Conditions**

1. **Taxable Value of Property Within the Area.**
The taxable value (assessed value) of land, improvements and personal property in the Firestone Expansion Area is $1,002,380.

2. **Land and Improvement Values**
The general land to improvement explanation for the first Expansion Area, Old Town/Chinatown Expansion Area, applies to all Expansion Areas.

Land to improvement value ratios for “healthy” properties in areas adjacent to the Firestone Expansion Area range from 5:1 to 7:1. The specific land to improvement ratio for this Firestone Expansion Area is: 0.28:1 and can be improved with strategic redevelopment investments.
The I:L for this area is grossly under-valued for the capacity of the parcel as established in the zoning code. The value of the property in the Firestone Expansion Area is low, resulting in a stagnant and unproductive condition of land. The property, if upgraded, is potentially useful and valuable to contributing to the public health, safety and welfare of the community, thereby eliminating blight. The stagnant and unproductive condition of this property constitutes blight in the area in accordance with ORS 457.010(1)(h).

D. Expected Impact, Including Fiscal Impact of Plan Amendment in Light of Added Services or Increased Population

The fiscal impact of tax increment financing on taxing districts that levy taxes within the Area ("affected taxing districts") is described in Section IX of this Report. This subsection discusses the fiscal impacts resulting from potential increases in demand for municipal services.

All of the property being taken into the Area is property which came from another urban renewal area. The impact on municipal services does not increase by moving a property from one area to another. Plans for the development of these properties have been identified in long range planning documents and have been adopted by governmental agencies. Although there may be additional funds in the Area which may help encourage development at a faster pace than if the properties were left in other urban renewal areas, the future development of the properties has been expected and anticipated.

The proposed development assistance would add value to property, thereby potentially adding to the tax base, providing increment during the length of the Plan and tax revenues once the Plan is terminated. The development of new businesses would add business license fees and provide employment opportunities.

Various system development charges for each new development will help offset increased demand on municipal services. In addition, the business license fees help augment the general fund to pay for services.

This is a single story structure that is now operated by a business. If this site is redeveloped, there would be a much higher level of use of the parcel. The redevelopment would also provide increased tax revenues that would eventually be realized by the taxing districts once the Area is terminated. Redevelopment could provide additional employment opportunities by providing additional improved office space and potential additional retail space. Additional employees will help support the retail core. The direct fiscal impact of the urban renewal plan would be the potential assistance in future redevelopment within the Firestone Expansion Area.

This improvement of stagnant and unproductive land and expected development of new businesses would result in benefits to the public health, safety and welfare of the Firestone Expansion Area.
3. **Fairfield Expansion Area**
   
   A. **Physical Conditions**
      
   1. **Land Use**
      
      The added Fairfield Expansion Area, shown in Figure 1 as Area 3, contains approximately 0.36 acres. An analysis of property classification data from Multnomah County’s 2007-08 Assessment and Taxation database was used to determine the land use designation of parcels in each of the Expansion Areas. This area includes two individual properties classified as converted commercial use.
      
   2. **Zoning**
      
      As illustrated in Figure 2, 0.36 acres (100 percent) of the Fairfield Expansion Area is zoned central commercial.
      
   3. **Building Condition**
      
      The condition of the buildings was surveyed in March of 2008. One building, the Fairfield, was rated “B”, in need of rehabilitation. The other building, the Carson Building, was rated “A”. The Fairfield Hotel is in need of extensive rehabilitation because it has a defective design and defective quality of physical construction. Such conditions make the Fairfield Hotel unfit or unsafe for its intended purpose constituting blight in accordance with ORS 457.010(1)(a)(A). Due to the obsolescence and deterioration which necessitates extensive rehabilitation, the Fairfield Hotel is unfit or unsafe for its intended purpose and therefore constitutes blight in accordance with ORS 457.010(1)(a)(E).
      
   4. **Age of Buildings**
      
      There are two buildings in the Fairfield Expansion Area, the Fairfield Hotel and the Carson Building. The Fairfield Hotel was built in 1911. There is no age data in the assessor’s information on the Carson Building.
      
   5. **Streets and Utilities Condition**
      
      *Streets, Storm water & Wastewater, Water*
      
      There are no streets being added in this area, only a structure. There are also no stormwater, wastewater or water lines except those directly related to the structure. However, information provided by the BES and the Water Bureau in April of 2008 indicate the systems in the connecting street are “good”.
      
   6. **Parks and Open Space**
      
      There are no parks or open space in the Fairfield Expansion Area.
7. Public Spaces
There are no public spaces in the Fairfield Expansion Area.

8. Public Parking
There is no public parking in the Fairfield Expansion Area.

9. Public Buildings
The Fairfield Hotel is owned by PDC. It presently is comprised of approximately 82 units with 81 units Project Based Section 8 designations and one market rate unit. When rehabilitated, this building will assist in Portland’s efforts to maintain the existing number of low income housing units (as stated in the No Net Loss Policy).

B. Social Conditions
The general social conditions described for the Old Town/Chinatown Expansion Area apply to all Expansion Areas. Specific to the Fairfield Expansion Area is the following information:

There are approximately 80 residents in the Fairfield Hotel. The residents receive HUD Section 8 rental assistance, which requires that their incomes are 30% MFI or below.

C. Economic Conditions

1. Taxable Value of Property Within the Area.
The taxable value (assessed value) of the land, improvements and personal property in the Fairfield Expansion Area is $1,965,635.

2. Land and Improvement Values
The general Land to Improvement explanation for the first Expansion Area, Old Town/Chinatown Expansion Area, applies to all Expansion Areas. Land to improvement value ratios for “healthy” properties in areas adjacent to the Fairfield Expansion Area range from 4:1 to 5:1. The land to improvement value in the Fairfield Expansion Area is 3.59.

3. Rehabilitation Estimates
The Fairfield Hotel is scheduled to undergo rehabilitation for critically needed repairs for a 5-7 year stabilization period not later than FY 2010/2011. The estimated cost for the stabilization rehabilitation is $2 million. Additional funding for major (60 year) rehabilitation including the potential addition of two floor and seismic upgrade is anticipated. The estimated cost for the major rehabilitation is $11-14 million. Without the assistance of tax increment financing, this structure would not be able to provide housing to the lowest income Portland residents. Since the Fairfield Hotel is in need of extensive renovation, as it presently exhibits
defective design and defective quality of physical construction, it qualifies as blighted in accordance with ORS 457.010(1)(a)(A). Since the Fairfield Hotel also exhibits dilapidation and obsolescence, it qualifies as blighted in accordance with ORS 457.010(1)(a)(E).

D. Expected Impact, Including Fiscal Impact of Plan Amendment in Light of Added Services or Increased Population

The fiscal impact of tax increment financing on taxing districts that levy taxes within the Area (“affected taxing districts”) is described in Section IX of this Report. This subsection discusses the fiscal impacts resulting from potential increases in demand for municipal services.

All of the property being taken into the Area is property which came from another urban renewal area. The impact on municipal services does not increase by moving a property from one area to another. Plans for the development of these properties have been identified in long range planning documents and have been adopted by governmental agencies. Although there may be additional funds in the Area which may help encourage development at a faster pace than if the properties were left in other urban renewal areas, the future development of the properties has been expected and anticipated.

Housing development is anticipated to both help retain the existing number of low income housing units, and replace low income housing units lost through improved market conditions, in the central city, as well as supply new workforce and affordable housing in the future. By retaining and replacing low income housing units, the city is effectively managing the limited resources available for low income housing. Other municipal resources would not have to be used for this purpose, which allows for the funds to be used for other services. Providing workforce housing in the central city core in close proximity to jobs and retail helps eliminate traffic and resulting pollution by reducing automobile trips. Supporting the retail trade in the central core keeps a healthy economy in the area and a socio-economic balance.

The rehabilitation of the Fairfield Hotel will allow it to continue to house low income Portland residents. This will follow the City’s No Net Loss policy and eliminate the need to locate alternative housing for low income residents, as they can continue to be housed in the Fairfield. The rehabilitation should reduce demands on fire and life safety needs as the structure will be improved. There should be no negative impact on social service providers or other city and county services as the structure already exists and the population is already being served.

This redevelopment of the Fairfield Hotel would improve the condition of a blighted building and would result in contributing to the public health, safety and welfare of the Fairfield Expansion Area.
4. Lincoln Building Expansion Area

A. Physical Conditions

1. Land Use

The Lincoln Building Expansion Area, shown on Figure 1 as Area 4, contains approximately 1.63 acres, including an estimated 0.71 acres of ROW. An analysis of property classification data from Multnomah County’s 2007-08 Assessment and Taxation database was used to determine the land use designation of parcels in each of the Expansion Areas. The area includes two individual properties classified by the Multnomah County Assessor’s 07/08 tax roll as commercial use.

2. Zoning

As illustrated in Figure 2, 0.92 acres (100 percent excluding ROW) of the Lincoln Building Expansion Area is zoned as central commercial use. The FAR is 15:1.

3. Building Condition

The condition of the building within the added Lincoln Building Expansion Area was surveyed in March 2008. As a result of the visual survey, the building was rated as “A”, a well maintained older building. However, the Lincoln building is estimated to need approximately six million dollars of seismic renovation. The building has safety issues because it was designed and constructed before current seismic requirements. Because of the safety issues arising from the seismic risk associated with the defective quality of physical construction, the Lincoln building is unsafe to occupy for its intended purpose constituting blight for this area in accordance with ORS 457.010(1)(a)(A).

4. Age of Building

The Lincoln Building was constructed in 1895. It has received major renovations in the 1900’s.

5. Streets and Utilities Condition

Streets

SW Oak is classified as a Traffic Access Street.

The condition of the street was surveyed by the Portland Department of Transportation in April, 2008.

The condition was identified as:

- SW Oak Street – 4th Avenue to 6th Avenue is a two lane street which is “fair” condition between 4th Avenue and 5th Avenue, and in “very poor” condition
between 5th Avenue and 6th Avenue. The CIP for the Transit Mall cross Oak at 5th Avenue and 6th Avenue.

Water

In April of 2008 the Water Bureau provided the following information about the conditions of the water system in the area:

In general the Lincoln Building Expansion Area is well served with water lines. Water is available for future renewal/development.

Storm water, and Wastewater

In April of 2008 the Bureau of Environmental Services (BES) provided the following information about the conditions of the storm water and wastewater systems in the area:

The systems in the connecting streets are “poor to bad”.

6. Parks and Open Space
There are no parks or open space in the Lincoln Building Expansion Area.

7. Public Spaces
There are no public spaces in the Lincoln Building Expansion Area.

8. Public Parking
There is no public parking in the Lincoln Building Expansion Area.

9. Public Buildings
There are no public buildings in the Lincoln Building Expansion Area.

B. Social Conditions
There are no residents in the Lincoln Building Expansion Area.

C. Economic Conditions

1. Taxable Value of Property Within the Area.
The taxable value (assessed value) of land, improvements and personal property in the Lincoln Building Expansion Area is $12,574,160.

2. Land and Improvement Values
The general Land to Improvement explanation for the Old Town/Chinatown Area Expansion Area applies to all Expansion Areas. Land to improvement value ratios
for “healthy” properties in areas adjacent to the Lincoln Building Expansion Area range from 10:1 to 11:1. The specific land to improvement ratio for this building is 10:1.

3. **Floor Area Ratio**

The FAR is 15:1.

**D. Expected Impact, Including Fiscal Impact of Plan Amendment in Light of Added Services or Increased Population**

The fiscal impact of tax increment financing on taxing districts that levy taxes within the Area (“affected taxing districts”) is described in Section IX of this Report. This subsection discusses the fiscal impacts resulting from potential increases in demand for municipal services.

All of the property being taken into the Area is property which came from another urban renewal area. The impact on municipal services does not increase by moving a property from one area to another. Plans for the development of these properties have been identified in long range planning documents and have been adopted by governmental agencies. Although there may be additional funds in the Area which may help encourage development at a faster pace than if the properties were left in other urban renewal areas, the future development of the properties has been expected and anticipated.

The building is presently a 40% occupied office building, with ground floor retail. The building is in need of seismic upgrading. Since the use of the building would not change, there would be no negative impact of rehabilitation of the structure. No additional school or county services would be required. Any rehabilitation should reduce the fire and life safety needs of the building as it would be in better overall condition. The fiscal impact of the urban renewal area would be the potential provision of funds for rehabilitation and or acquisition from a willing seller.

Upgrading the Lincoln Building would allow the building to contribute to the safety health and welfare of the community.
5. O’Bryant Square Expansion Area

A. Physical Conditions

1. Land Use
The O’Bryant Square Expansion Area, shown in Figure 1 as Area 5, contains approximately 1.48 acres, including 1.02 acres of ROW. An analysis of property classification data from Multnomah County’s 2007-08 Assessment and Taxation database was used to determine the land use designation of parcels in each of the Expansion Areas. This area includes 1 individual parcel classified as a converted commercial use.

2. Zoning
As illustrated in Figure 2, 0.46 acres (100 percent, excluding ROW) of the O’Bryant Square Expansion Area is zoned as Open Space.

3. Building Condition
There is a subterranean parking structure that is in poor condition. The height of the floors is insufficient for adequate operations. The facility is deteriorating and does not meet current seismic requirements.

4. Age of Building
The parking structure was built in 1974.

5. Streets and Utilities Condition

Streets

SW Washington Street, SW 9th Avenue and Park Avenue are classified as a Local Service Traffic Streets. Stark Street is classified as a Traffic Access Street. SW Washington, SW 9th Avenue and Park Avenue are also classified as City Walkways. The condition of the streets was surveyed by the Portland Department of Transportation in April, 2008. The conditions were identified as:

- **SW Washington Street – Park Avenue to 9th Avenue** is a two lane street in “good” condition. There is parking on both sides.

- **SW Stark Street – Park Avenue to 9th Avenue** is a two lane street in “poor” condition. There is parking on both sides.

- **SW Park Avenue – Washington Street to Stark Street** is a one lane street in “fair” condition. There is parking on both sides.

- **SW 9th Avenue – Washington Street to Stark Street** is a one lane street in “fair” condition. There is parking on both sides.
**Water**

In April of 2008 the Water Bureau provided the following information about the conditions of the water system in the area.

In general the O’Bryant Square Expansion Area is well served with water lines. Water is available for future renewal/development.

**Storm water & Wastewater**

In April of 2008 the Bureau of Environmental Services (BES) provided the following information about the conditions of the storm water and wastewater systems in the area:

The systems in the connecting streets are “poor” with the exception of a small segment of the system at the north east corner of the O’Bryant Expansion Area, which is characterized as “bad”.

6. **Parks and Open Space**

The O’Bryant Square Expansion Area is a public park. The park is underutilized and due to the lack of typical park amenities such as green space and vegetation, functions more as a plaza rather than open space. The area is scheduled by the City of Portland Parks and Recreation Bureau for future major renovations. The area is characterized by inadequate open space constituting blight in accordance with ORS 457.010(1)(e).

7. **Public Spaces**

There are no additional public spaces other than the park referenced above.

8. **Public Parking**

There is presently a publicly owned SmartPark below grade in the O’Bryant Square Expansion Area. There are 123 spaces.

9. **Public Buildings**

The SmartPark is a public building in the O’Bryant Square Expansion Area. It provides parking to support the retail and commercial uses in the area.

B. **Social Conditions**

There are no residents in the O’Bryant Square Expansion Area.
C. Economic Conditions

1. Taxable Value of Property Within the Area

Since this is a park, there is no taxable value of property. The Parking Garage also has no taxes assessed.

2. Land and Improvement Values

The general description for Land to Improvement Values for the first Expansion Area in this Report, Old Town/Chinatown Expansion Area, applies to all Expansion Areas. The land to improvement value in the O'Bryant Square Expansion Area is 0.59:1. This reflects the value of the subterranean SmartPark. The area is very undervalued, but that is to be expected as it is a public park with underground parking. The open space in the area is inadequate, showing obsolescence and deterioration, contributing to the detrimental impact on the safety, health and welfare of the community.

D. Expected Impact, Including Fiscal Impact of Plan Amendment in Light of Added Services or Increased Population

The fiscal impact of tax increment financing on taxing districts that levy taxes within the Area (“affected taxing districts”) is described in Section IX of this Report. This subsection discusses the fiscal impacts resulting from potential increases in demand for municipal services.

All of the property being taken into the Area is property which came from another urban renewal area. The impact on municipal services does not increase by moving a property from one area to another. Plans for the development of these properties have been identified in long range planning documents and have been adopted by governmental agencies. Although there may be additional funds in the Area, which may help encourage development at a faster pace than if the properties were left in other urban renewal areas, the future development of the properties has been expected and anticipated.

Rehabilitation of a park has no expected impact for school or county services nor for additional city services. The city is already responsible for maintenance of the park, and if the park was improved, this would reduce maintenance requirements. The fiscal impact is the potential need for funding for improvements.

It would be a great benefit to the city if tax increment financing were available to assist with the park improvements, as it would reduce the costs for improvements which would have to come from the city’s general fund. In addition, the resulting improved park would be a benefit to the area residents and office workers.

The potential park improvement would be a positive benefit to the health, safety and welfare of the community by improving a deteriorated park.
6. Mc Coy Building Expansion Area

A. Physical Conditions

1. **Land Use**

The Mc Coy Building Expansion Area, shown on Figure 1 as Area 6, contains approximately 0.35 acres, including an estimated 0.12 acres of ROW. An analysis of property classification data from Multnomah County’s 2007-08 Assessment and Taxation database was used to determine the land use designation of parcels in each of the Expansion Areas. This area includes 1 individual parcel which is 0.23 acres and is classified as a commercial use.

2. **Zoning**

As illustrated in Figure 2, 0.23 acres (100 percent, excluding ROW) of the Mc Coy Building Expansion Area is zoned as central commercial.

3. **Building Condition**

The condition of the building within the Mc Coy Building Expansion Area was surveyed in March of 2008. The structure is rated “B” because the building is in need of either major renovation or demolition, in part, because the building is in need of seismic upgrading. The safety issues arising from the seismic risk associated with the defective quality of physical construction make the McCoy Building unsafe to occupy for its intended purpose constituting blight for this area in accordance with ORS 457.010(1)(a)(A). The condition of the building combined with its failure to meet current seismic standards render the building obsolete and deteriorated making it unfit or unsafe for its intended purpose and constituting blight in accordance with ORS 457.010(1)(a)(E).

4. **Age of Building**

There is one building in the Mc Coy Building Expansion Area. It was built in 1923.

5. **Streets and Utilities Condition**

**Streets**

SW Stark Street is classified as a Traffic Access Street.

The condition of the street was surveyed by the Portland Department of Transportation in April, 2008. The condition was identified as:

- **SW Stark Street – 5th Avenue to ½ block south** is a two lane street in “poor” condition. There is parking on both sides.
Water

In April of 2008 the Water Bureau provided the following information about the conditions of the water system in the area.

In general the Mc Coy Building Expansion Area is well served with water lines. Water is available for future renewal/development.

Storm water & Wastewater

In April of 2008 the Bureau of Environmental Services (BES) provided the following information about the conditions of the storm water and wastewater systems in the area:

The systems in the connecting streets are “good”.

6. Parks and Open Space
There are no parks or open spaces in the Mc Coy Building Expansion Area.

7. Public Spaces
There are no public spaces in the Mc Coy Building Expansion Area.

8. Public Parking
There is no public parking in the Mc Coy Building Expansion Area.

9. Public Buildings
The Mc Coy Building is owned by Multnomah County. It is entirely occupied by the Multnomah County Health Department. It provides a health clinic and administration. The health clinic provides services to residents of the Area, including the residents of the proposed Expansion Areas.

B. Social Conditions
There are no residents in the Mc Coy Building Expansion Area.

C. Economic Conditions

1. Taxable Value of Property Within the Area
The taxable value (assessed value) of land, improvements and personal property in the Mc Coy Building Expansion Area is $1,351,840.
2. **Land and Improvement Values**

The general Land to Improvement explanation for the Old Town/Chinatown Expansion Area applies to all Expansion Areas. Land to improvement value ratios for “healthy” properties in areas adjacent to the McCoy Building Expansion Area range from 3:1 to 4:1. The specific I:L ratio for this area is: 3:1.

**D. Expected Impact, Including Fiscal Impact of Plan Amendment in Light of Added Services or Increased Population**

The fiscal impact of tax increment financing on taxing districts that levy taxes within the Area (“affected taxing districts”) is described in Section IX of this Report. This subsection discusses the fiscal impacts resulting from potential increases in demand for municipal services.

All of the property being taken into the Area is property which came from another urban renewal area. The impact on municipal services does not increase by moving a property from one area to another. Plans for the development of these properties have been identified in long range planning documents and have been adopted by governmental agencies. Although there may be additional funds in the Area, which may help encourage development at a faster pace than if the properties were left in other urban renewal areas, the future development of the properties has been expected and anticipated.

This property is presently occupied by Multnomah County and used to provide health clinic services to area residents. Renovation of the building would prove to be an asset to Multnomah County and could help offset the impact of lost revenues due to tax increment financing.

Upgrading the McCoy Building would allow the building to contribute to the safety health and welfare of the community.
7. **10th and Yamhill Expansion Area**

A. **Physical Conditions**

1. **Land Use**

The 10th and Yamhill Expansion Area, shown in Figure 1 as Area 7, contains approximately 1.36 acres, including an estimated 0.44 acres of ROW. An analysis of property classification data from Multnomah County’s 2007-08 Assessment and Taxation database was used to determine the land use designation of parcels in each of the Expansion Areas. The area includes 1 individual parcel classified as commercial use.

2. **Zoning**

As illustrated in Figure 2, 0.92 acres (100 percent, excluding ROW) of the 10th and Yamhill Expansion Area is zoned as central commercial.

3. **Building Condition**

The condition of the building within the 10th and Yamhill Expansion Area was surveyed in March of 2008. The 10th and Yamhill parking structure is in need of renovation as it requires seismic upgrading as well as reconfigured retail spaces on the ground floor. The rehabilitation plans consist of approximately 800 parking spaces, 30,000 square feet of improved retail and approximately 390,000 square feet of added office and commercial and/or residential uses. The existing parking structure suffers from a defective design that ineffectively pulls the ground floor retail back from the street making the building unattractive to retailers and creating unsafe spaces for pedestrians. As a result, the area in which the building is situated exhibits a growing lack of proper utilization resulting in a stagnant and unproductive condition of land which is potentially useful for contributing to the public health, safety and welfare of the community constituting blight for this area in accordance with ORS 457.010(h). In addition to the defective design, the physical construction of the parking structure fails to meet current seismic standards making the parking structure unfit or unsafe to occupy for its intended purpose constituting blight for this area in accordance with ORS 457.010(1)(a)(A). The building’s defective design along with its failure to meet current seismic standards make the parking structure obsolete and therefore unfit or unsafe for its intended purpose constituting blight in accordance with ORS 457.010(1)(a)(E).

4. **Age of Building**

There is one building in the 10th and Yamhill Expansion Area, built in 1979.

5. **Streets and Utilities Condition**

*Streets*
SW 9th Avenue is designated as Local Service Transit Streets and as a City Walkways. The condition of the streets was surveyed by the Portland Department of Transportation in April, 2008. The conditions were identified as:

- **SW 9th Avenue – Yamhill to Morrison Street** is one lane in “very good” condition. This appears to be new construction connected to the south Park Block Project.

*Water*

In April of 2008 the Water Bureau provided the following information about the conditions of the water system in the area.

In general the 10th and Yamhill Expansion Area is well served with water lines. Water is available for future renewal/development.

*Storm water & Wastewater*

In April of 2008 the Bureau of Environmental Services (BES) provided the following information about the conditions of the storm water and wastewater systems in the area:

The systems in the connecting streets are “good”.

6. **Parks and Open Space**

There are no parks or open spaces in the 10th and Yamhill Expansion Area.

7. **Public Spaces**

There are no public spaces in the 10th and Yamhill Expansion Area.

8. **Public Parking**

There is a SmartPark public parking structure that has approximately 794 parking spaces in the 10th and Yamhill Expansion Area. The proposed renovation of the parking garage would rehabilitate the parking structure which is necessary for future economic growth of the area to serve office space and expanded retail business.

9. **Public Buildings**

The public parking is structured parking in a public building. The parking serves the downtown retail core portion of the RD.

**B. Social Conditions**

There are no residents in the 10th and Yamhill Expansion Area.

**C. Economic Conditions**

1. **Taxable Value of Property Within the Area.**
The taxable value (assessed value) of land, improvements and personal property in the 10th and Yamhill Expansion Area is $3,203,660.

2. Land and Improvement Values

The general Land to Improvement explanation for the Old Town/Chinatown Expansion Area applies to all Expansion Areas. Land to improvement value ratios for “healthy” properties in areas adjacent to the 10th and Yamhill Expansion Area range from 10:1 to 15:1. The parcel in 10th and Yamhill Expansion Area has an I:L ratio of 1.7:1, indicating that it is underutilized and not sufficiently productive. This area can be improved with strategic redevelopment investments.

The property, if upgraded, is potentially useful and valuable to contributing to the public health, safety and welfare of the community, thereby eliminating blight.

D. Expected Impact, Including Fiscal Impact of Plan Amendment in Light of Added Services or Increased Population

The fiscal impact of tax increment financing on taxing districts that levy taxes within the Area (“affected taxing districts”) is described in Section IX of this Report. This subsection discusses the fiscal impacts resulting from potential increases in demand for municipal services.

All of the property being taken into the Area is property which came from another urban renewal area. The impact on municipal services does not increase by moving a property from one area to another. Plans for the development of these properties have been identified in long range planning documents and have been adopted by governmental agencies. Although there may be additional funds in the Area which may help encourage development at a faster pace than if the properties were left in other urban renewal areas, the future development of the properties has been expected and anticipated.

Development assistance would add value to properties, thereby potentially adding to the tax base, providing increment during the length of the Plan and tax revenues once the Plan is terminated. The development of new businesses would add business license fees and provide employment opportunities.

If the 10th and Yamhill Expansion Area is redeveloped, a much higher level of use would be expected, as described above in building condition. This could require additional infrastructure, however most of that infrastructure is already in place. Redevelopment in the area should not require additional city, county or school district services. Redevelopment could provide additional employment opportunities by providing additional improved office space and potential additional retail space. Additional employees will help support the retail core. The fiscal impact would be the potential assistance in future redevelopment.

The renovation of the parking structure to address safety issues, the improvement of its stagnant and unproductive condition (retail spaces in the parking garage) and
expected development of new businesses would result in contributing to the public health, safety and welfare of the 10th and Yamhill Expansion Area.
8. East Retail Core Expansion Area

A. Physical Conditions

1. Land Use

The East Retail Core Expansion Area, shown in Figure 1 as Area 8, contains approximately 3.76 acres, including an estimated 1.0 acre of ROW. An analysis of property classification data from Multnomah County’s 2007-08 Assessment and Taxation database was used to determine the land use designation of parcels in each of the Expansion Areas. Table 1.8 below illustrates the land use classifications.

Table 1.8 - Existing Land Uses

<table>
<thead>
<tr>
<th>Use</th>
<th>Parcels</th>
<th>Acres</th>
<th>% of Total Acres</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial</td>
<td>6</td>
<td>2.41</td>
<td>87.32%</td>
</tr>
<tr>
<td>Converted Commercial</td>
<td>2</td>
<td>0.35</td>
<td>12.68%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>8</strong></td>
<td><strong>2.76</strong></td>
<td><strong>100.00%</strong></td>
</tr>
</tbody>
</table>

Source: Multnomah County Assessor

2. Zoning

As illustrated in Figure 2, 2.76 acres (100 percent, excluding ROW) of the East Retail Core Expansion Area is zoned central commercial. The FAR is 12:1.

3. Building Condition

The condition of the buildings within the East Retail Core Expansion Area was surveyed in March of 2008. Table 2.8 illustrates the conditions of the structures. The results indicate the majority of the buildings are in new, near new, or older building well maintained condition.

Table 2.8 - Building Condition

<table>
<thead>
<tr>
<th>Building Condition</th>
<th>Buildings</th>
<th>% of total</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>7</td>
<td>88%</td>
</tr>
<tr>
<td>B</td>
<td>1</td>
<td>12%</td>
</tr>
<tr>
<td>C</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>8</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

The majority of the buildings in the East Retail Core Expansion Area are in need of seismic upgrading. The buildings have safety issues because they were designed and constructed before current seismic requirements. Because of the safety issues arising from the seismic risk associated with the defective quality of physical construction, the East Retail Core buildings are unsafe to occupy for their intended purpose constituting blight for this area in accordance with ORS 457.010(1)(a)(A).

In addition to the physical condition of the buildings, building use was surveyed. The SmartPark on SW 3rd and Alder Street has vacant, underutilized retail spaces.
The faulty interior arrangement and exterior spacing of the retail spaces in the parking garage make the structure unfit or unsafe for its intended purpose constituting blight in accordance with ORS 457.010(1)(a)(B). The faulty interior arrangement combined with the building’s failure to meet current seismic standards make it obsolete and therefore unfit or unsafe for its intended purpose constituting blight in accordance with ORS 457.010(1)(E).

4. **Age of Building**

There are 6 buildings in the East Retail Core Expansion Area on which the assessor’s office has age information. The age of the buildings are shown below in Table 3.8. Of the 6 buildings, 4 of them (66.66 percent) are over 50 years old.

**Table 3.8 - Age of Buildings**

<table>
<thead>
<tr>
<th>Age Range</th>
<th>Buildings</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 – 24</td>
<td>1</td>
</tr>
<tr>
<td>25 – 49</td>
<td>1</td>
</tr>
<tr>
<td>50 – 74</td>
<td>2</td>
</tr>
<tr>
<td>75 – 99</td>
<td>2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>6</strong></td>
</tr>
</tbody>
</table>

*Source: Multnomah County Assessor*

5. **Streets and Utilities Condition**

**Streets**

SW 5th Avenue, SW 4th Avenue and SW Morrison Street are classified as Local Service Traffic Streets. Their transit designation of SW 5th Avenue and SW Morrison Street are is Regional Transitway and Major Transit Priority Streets. SW 5th Avenue and SW Morrison Street are Central City Transit/Pedestrian Streets and SW 4th Avenue is a City Walkway.

The condition of the streets was surveyed by the Portland Department of Transportation in April, 2008. The conditions were identified as:

- **SW 5th Avenue – Morrison Street to Alder Street** is under construction for the Mall Light Rail Extension Project. The rail is in place and there is new asphalt. There is building renovation on the east side of 5th Avenue.

- **SW 4th Avenue – Morrison Street to Alder Street** is a four lane street in “poor” condition. There is parking on both sides. Tri-Met is using 4th Avenue for a bus re-route.

- **SW Morrison Street – 3rd Avenue to 4th Avenue** is one lane of asphalt and a second with rail in brick. The asphalt is in “fair” condition.

There is a CIP Project scheduled for SW 4th Avenue from Lincoln Street to Burnside Street in 2013-2017.
Water

In April of 2008 the Water Bureau provided the following information about the conditions of the water system in the area.

In general the East Retail Core Expansion Area is well served with water lines. Water is available for future renewal/development.

Storm water & Wastewater

In April of 2008 the Bureau of Environmental Services (BES) provided the following information about the conditions of the storm water and wastewater systems in the area:

The systems in the connecting streets are “good”.

6. Parks and Open Space
There are no parks or open space in the East Retail Core Expansion Area.

7. Public Spaces
There are no public spaces in the East Retail Core Expansion Area.

8. Public Parking
The East Retail Core Expansion Area contains the SmartPark at 818 SW 4th Avenue. It has 640 spaces.

9. Public Buildings
The SmartPark at 818 SW 4th Avenue is a public building. It is crucial to a healthy retail core as it provides much needed parking for downtown shoppers. The proposed renovation of the parking garage would rehabilitate the parking structure which is necessary for future economic growth of the area including office space and expanded retail business.

B. Social Conditions
There are no residents in the East Retail Core Expansion Area.

C. Economic Conditions

1. Taxable Value of Property Within the Area.
The taxable value (assessed value) of land, improvements and personal property in the East Retail Core Expansion Area is $43,522,140.
2. **Land and Improvement Values**

The general Land to Improvement ratio explanation for the Old Town/Chinatown Expansion Area applies to all Expansion Areas. Land to improvement value ratios for “healthy” properties in areas adjacent to the East Retail Core Expansion Area range from 6:1 to 7:1. The majority of the parcels within the East Retail Core Expansion Area have an I:L ratio below 3:1 and can be improved with strategic redevelopment investments.

The specific I:L ratios for the East Retail Core Expansion Area are:

**Table 5.8 - Improvement to Land Ratio**

<table>
<thead>
<tr>
<th>I:L Ratio</th>
<th>Parcels</th>
<th>Acres</th>
<th>% of Total (Acres)</th>
</tr>
</thead>
<tbody>
<tr>
<td>No Improvements</td>
<td>1</td>
<td>0.23</td>
<td>8.33%</td>
</tr>
<tr>
<td>0.0 - 0.5</td>
<td>0</td>
<td>0.00</td>
<td>0.00%</td>
</tr>
<tr>
<td>0.5 - 1.0</td>
<td>2</td>
<td>1.15</td>
<td>41.67%</td>
</tr>
<tr>
<td>1.0 - 1.5</td>
<td>1</td>
<td>0.11</td>
<td>4.17%</td>
</tr>
<tr>
<td>1.5 - 2.0</td>
<td>1</td>
<td>0.11</td>
<td>4.17%</td>
</tr>
<tr>
<td>2.0 - 2.5</td>
<td>1</td>
<td>0.11</td>
<td>4.17%</td>
</tr>
<tr>
<td>2.5 - 3.0</td>
<td>1</td>
<td>0.23</td>
<td>8.33%</td>
</tr>
<tr>
<td>3.0 - 4.0</td>
<td>1</td>
<td>0.80</td>
<td>29.17%</td>
</tr>
<tr>
<td>4.0 - 5.0</td>
<td>0</td>
<td>0.00</td>
<td>0.00%</td>
</tr>
<tr>
<td>&gt;5.0</td>
<td>0</td>
<td>0.00</td>
<td>0.00%</td>
</tr>
</tbody>
</table>

*Total: 8, 2.74, 100.00%*

Source: Multnomah County Assessor

In the area of the city with the same zoning and Floor Area Ratio (FAR) of 12:1, the I:L ratios range from an I:L above 10 (3 of 47 properties), to an I:L of 5-10 (7 of 47 properties), and the remainder of the properties have an I:L ratio below 5:1. This shows that a very healthy property in the downtown core will have an I:L value above 5:1.

None of the properties in the East Retail Core Expansion Area exceed the 5:1 I:L. There is only one building with an I:L above 3:1. The properties, if upgraded, are potentially useful and valuable to contributing to the public health, safety and welfare of the community, thereby eliminating blight.

3. **Economic Vitality**

General Growth Properties, Inc., owner of the Rotunda Building at SW Third Avenue and Yamhill Street, has indicated that “the Rotunda Building’s current structural design would severely handicap any retailer in today’s retail world. In order to fully realize the potential of the building, the block will require a major change to the structural layout of the building, and with that change, significant structural and seismic upgrades will be needed to ensure compliance to codes and current market conditions.” They further state the “design has severely undermined the Rotunda’s ability to meet the overall goal originally conceived.” The third floor of the building is not well designed and, as described above, the faulty interior arrangement is an impediment to retailers. It is not performing to the level expected
for this type of retail space. The ability to renovate this building is vital to the proposed rehabilitation and redevelopment of the adjacent properties.

Success of retail is based on the connectivity of the retail. The Rotunda Building is hampered by poor retail linkages to other successful retail components of the area. Improving the 3rd and Alder garage and the structures and retail spaces on the adjoining block will compliment the continued growth strategy that the DTWF URA was initially formed to foster. The current retail conditions to the north and east of the Rotunda continue to suffer and the redevelopment of the Rotunda and the adjacent two blocks in this area would be a major catalyst to revitalize the entire downtown retail core. The conditions of faulty interior arrangement make the building unfit for its intended purpose constituting blight in accordance with ORS 457.010(1)(a)(B). Such defective design combined with the defective quality of physical construction which fails to meet current seismic standards makes the building unfit or unsafe for its intended purpose constituting blight in accordance with ORS 457.010(1)(a)(A).

D. Expected Impact, Including Fiscal Impact of Plan Amendment in Light of Added Services or Increased Population

The fiscal impact of tax increment financing on taxing districts that levy taxes within the Area (“affected taxing districts”) is described in Section IX of this Report. This subsection discusses the fiscal impacts resulting from potential increases in demand for municipal services.

All of the property being taken into the Area is property which came from another urban renewal area. The impact on municipal services does not increase by moving a property from one area to another. Plans for the development of these properties have been identified in long range planning documents and have been adopted by governmental agencies. Although there may be additional funds in the Area which may help encourage development at a faster pace than if the properties were left in other urban renewal areas, the future development of the properties has been expected and anticipated.

Any rehabilitation should reduce the fire and life safety needs of the buildings as they would be in better overall condition. The fiscal impact of the seismic upgrading and rehabilitation on the urban renewal area would be the potential provision of funds for seismic upgrading and rehabilitation. Development assistance would add value to properties, thereby potentially adding to the tax base, providing increment during the length of the Plan and tax revenues once the Plan is terminated. The development of new businesses would add business license fees and provide employment opportunities.

The area to be added is in the retail core of downtown Portland. Any additional office space will provide potential for additional employment opportunities and additional retail will both supply employment opportunities and provide valuable retail services to the citizens of Portland. These employment opportunities and retail
services will contribute to the overall improvement of the safety, health and welfare of the community. There is not an expected impact for social services, schools or other county services.
9. **I-405 Freeway Right-of-Way Deletion Area**

A. **Physical Conditions**

1. **Land Use**

The 8.25 acres to be removed from the Original Area are all in the I-405 Freeway ROW. Figure 3 shows these areas. The existing use is ROW.

**Figure 3. River District Removal Area**
2. **Zoning**
The I-405 Freeway Right of Way Deletion Area is zoned central employment.

3. **Building Condition**
There are no buildings in the I-405 Freeway Right of Way Deletion Area.

4. **Age of Building**
There are no buildings in the I-405 Freeway Right of Way Deletion Area.

5. **Streets and Utilities Condition**

*Streets, Storm water & Wastewater, Water*

These do not apply as the I-405 Freeway Right of Way Deletion Area is ROW.

6. **Parks and Open Space**
There are no parks or open space in the I-405 Freeway Right of Way Deletion Area. The I-405 Freeway Right of Way Deletion Area is not developed, but is not traditionally considered open space.

7. **Public Spaces**
There are no public spaces in the I-405 Freeway Right of Way Deletion Area.

8. **Public Parking**
There is no public parking in the I-405 Freeway Right of Way Deletion Area.

9. **Public Buildings**
There is a Portland Streetcar Maintenance Facility in the I-405 Freeway Right of Way Deletion Area. It is used specifically for maintenance to the streetcar that serves the Area.

**B. Social Conditions**
There are no residents in the area.

**C. Economic Conditions**

1. **Taxable Value of Property Within the Area.**
There is no taxable property within the area to be removed from I-405 Freeway Right of Way Deletion Area.

2. **Land and Improvement Values**
Land to Improvement values are irrelevant in this analysis as the I-405 Freeway Right of Way Deletion Area is to be deleted.
D. Expected Impact, Including Fiscal Impact of Plan Amendment in Light of Added Services or Increased Population.

The fiscal impact of tax increment financing on taxing districts that levy taxes within the Area (“affected taxing districts”) is described in Section IX of this Report. This subsection discusses the fiscal impacts resulting from potential increases in demand for municipal services. There are no expected fiscal impacts or impacts in light of added services or increased population by removing the I-405 Freeway Right of Way.
10. **Original River District Area**

A. **Physical Conditions**

1. **Land Use**

Because the land use designation of parcels for the Expansion Areas was based on an analysis of property classification data from Multnomah County’s 2007-08 Assessment and Taxation database, to be consistent, information from 2007-2008 was also used for the Original Area.

The Original Area, shown in Figure 4 below, contains approximately 309.21 acres, including an estimated 189.49 acres in parcels, 119.81 acres of public right-of-way (ROW) and non-tax lot properties (collectively, the “Original Area”). Table 1.10 below illustrates the land use classifications as determined by the County Assessor.

**Table 1.10 - Existing Land Uses of the Original Area**

<table>
<thead>
<tr>
<th>Land Use</th>
<th>Parcels</th>
<th>Acres</th>
<th>% of Total Acres</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential Condo</td>
<td>34</td>
<td>24.8</td>
<td>13.09%</td>
</tr>
<tr>
<td>Commercial Condo</td>
<td>2</td>
<td>1.15</td>
<td>0.61%</td>
</tr>
<tr>
<td>Office Condo</td>
<td>1</td>
<td>0.11</td>
<td>0.06%</td>
</tr>
<tr>
<td>Centrally Assessed</td>
<td>32</td>
<td>12.07</td>
<td>6.37%</td>
</tr>
<tr>
<td>Commercial: Vacant</td>
<td>51</td>
<td>30.23</td>
<td>15.95%</td>
</tr>
<tr>
<td>Commercial</td>
<td>162</td>
<td>71.04</td>
<td>37.49%</td>
</tr>
<tr>
<td>Converted Commercial: Vacant</td>
<td>37</td>
<td>8.42</td>
<td>4.44%</td>
</tr>
<tr>
<td>Converted Commercial</td>
<td>66</td>
<td>31.37</td>
<td>16.55%</td>
</tr>
<tr>
<td>Industrial</td>
<td>15</td>
<td>8.9</td>
<td>4.70%</td>
</tr>
<tr>
<td>Residential</td>
<td>37</td>
<td>1.4</td>
<td>0.74%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>437</td>
<td>189.49</td>
<td>100.00%</td>
</tr>
</tbody>
</table>

Source: Multnomah County Assessor

---

**Figure 4. Original River District Boundary**
2. **Zoning**
As illustrated in Table 1a.10 and Figure 5, 147.1 acres (77.67 percent) of the Original Area is zoned as EX. The remaining zoning is in very small percentages, with CX and RX zoning each accounting for a little over 7 percent of the Area.

**Table 1a.10 - Zoning of Original Area**

<table>
<thead>
<tr>
<th>Zoning</th>
<th>Parcels</th>
<th>Acres</th>
<th>% of Total Acres</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central Commercial:</td>
<td>56</td>
<td>13.8</td>
<td>7.29%</td>
</tr>
<tr>
<td>Central Employment:</td>
<td>324</td>
<td>147.1</td>
<td>77.67%</td>
</tr>
<tr>
<td>General Industrial 1:</td>
<td>8</td>
<td>3</td>
<td>1.58%</td>
</tr>
<tr>
<td>Heavy Industrial</td>
<td>8</td>
<td>7.7</td>
<td>4.07%</td>
</tr>
<tr>
<td>Open Space</td>
<td>5</td>
<td>3.9</td>
<td>2.06%</td>
</tr>
<tr>
<td>Central Residential</td>
<td>18</td>
<td>13.9</td>
<td>7.34%</td>
</tr>
<tr>
<td>Split zoning</td>
<td>18</td>
<td>In above</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>437</td>
<td>189.4</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: PDC GIS
Figure 5. River District Urban Renewal Area Expansion Areas Zoning
3. Building and Land Condition of the Original Area

A. Physical Condition of the Buildings

The condition of the buildings within the Original Area was surveyed by the consulting engineers KPFF in March 2009. (Appendix, Exhibit A)

Table 2a.10 illustrates the conditions of the structures. Buildings constructed after 2003 were not included in the KPFF survey as they were expected to have an “A” rating. This number of buildings is included in the table, as they are a percentage of the total amount of buildings. The results indicate a majority of built structures within the Original Area (81 percent) are classified as new, near new or well maintained buildings, while 18 percent were classified as “B” or “C” buildings needing rehabilitation and improved maintenance, or as dilapidated beyond repair. The buildings in need of rehabilitation, including those that are dilapidated, are characterized by defective design and defective quality of physical construction that makes such buildings unfit or unsafe for their intended purpose and therefore constitutes blight in accordance with ORS 457.010(1)(a)(A). Buildings classified as “B” and in need of rehabilitation exhibit conditions of obsolescence and deterioration. Buildings classified as “C” are considered dilapidated. Such conditions of obsolescence, deterioration and dilapidation render such buildings unfit or unsafe for their intended purpose and therefore constitute blight in accordance with ORS 457.010(1)(a)(E).

Structures were visually surveyed and ranked on a three-step scale:

“A” New, near new, or well maintained older buildings.

“B” Buildings needing rehabilitation and improved maintenance.

“C” Dilapidated buildings which appear to be beyond an ability to be economically rehabilitated.

<table>
<thead>
<tr>
<th>Building Condition</th>
<th>Buildings</th>
<th>% of total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constructed after 2003 “A”</td>
<td>56</td>
<td>18%</td>
</tr>
<tr>
<td>A</td>
<td>195</td>
<td>63%</td>
</tr>
<tr>
<td>B</td>
<td>56</td>
<td>18%</td>
</tr>
<tr>
<td>C</td>
<td>3</td>
<td>1%</td>
</tr>
<tr>
<td>Total A,B,C</td>
<td>310</td>
<td>100%</td>
</tr>
</tbody>
</table>

Table 2a.10 - Building Condition of Original Area

Source: PDC KPFF Study
B. Seismic Code Compliance

An additional indicator of building condition is whether the building has been upgraded to meet current seismic requirements. When KPFF conducted the visual survey of building conditions referred to above, they also compiled a survey of those buildings to determine if they met current seismic codes. (Appendix, Exhibit A) There were additional seismic requirements adopted after 2003 with which any structure being built after 2003 had to comply. Therefore, those buildings were removed from the sample. In addition, in the determination of blight information, buildings which were constructed after 1998 were removed from the sample. However, it should be noted that these buildings may be deficient according to the current seismic requirements.

Table 2b.10 represents this information. While a building may appear in good condition, it may not be upgraded to meet current seismic codes. The majority of the structures in the Original Area do not meet the current seismic codes (58.47 percent).

<table>
<thead>
<tr>
<th>Seismic Survey</th>
<th># Buildings</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constructed after 2003</td>
<td>56</td>
<td>18.06%</td>
</tr>
<tr>
<td>Constructed 1998-2002</td>
<td>14</td>
<td>4.47%</td>
</tr>
<tr>
<td>Meet Seismic Codes</td>
<td>51</td>
<td>10.86%</td>
</tr>
<tr>
<td>“Possibly meet”</td>
<td>20</td>
<td>8.31%</td>
</tr>
<tr>
<td>Do not meet Seismic Codes</td>
<td>169</td>
<td>58.47%</td>
</tr>
</tbody>
</table>

Total Buildings 310 100%

Source: PDC KPFF Study

These buildings are located throughout the Original Area. Because of the safety issues arising from the seismic risk associated with the defective quality of physical construction which fails to meet current seismic standards, these buildings are unfit or unsafe to occupy for their intended purposes, constituting blight in accordance with ORS 457.010(1)(a)(A).

C. Lead-Based Paint

In March of 2009, PBS Engineering and Environmental (PBS) was contracted to provide a study of the hazardous materials which would likely be in the buildings in the Original Area. Lead-based paint was identified as one of those hazardous materials. PBS supplied PDC with a letter of background and summary table of the prevalence of lead-based paint in the Original Area. The following information is taken from this study. (Appendix, Exhibit B)

“Because of the wide use of lead as an additive to paint, buildings constructed prior to 1978 were likely painted with a lead-based or lead-containing paint and if a
renovation has occurred it is not a reliable indication that lead-containing paint is no longer present. Therefore, this date was used as a base for determining the likelihood of the existence of lead-based paint in buildings in the Original Area.”

The following Table 2c.10 lists the number of buildings in the Original Area which were determined to have lead-based paint because they were constructed prior to 1978. However, all buildings which were rated as an “A” in building conditions were deemed to have abated the lead-based paint related conditions to within regulatory requirements. This number includes all buildings constructed from 1998 to the present.

A significant percentage of the buildings in the Original Area have lead-based paint making the quality of physical construction of such buildings defective and therefore unsafe or unfit to occupy for their intended purposes constituting blight in accordance with ORS 457.010(1)(a)(A).

### Table 2c.10 - Lead Based Paint of Original Area

<table>
<thead>
<tr>
<th>Lead Based Paint</th>
<th># of Buildings</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not Likely*</td>
<td>242</td>
<td>78.06%</td>
</tr>
<tr>
<td>Likely</td>
<td>68</td>
<td>21.94%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>310</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

*constructed after 1978 or “A” rated building
Source: PDC from PBS Engineering + Environmental

D. Asbestos

In March of 2009, PBS Engineering and Environmental (PBS) was contracted to provide a study of the hazardous materials which would likely be in the buildings in the Original Area. Asbestos was identified as one of those hazardous materials. PBS supplied PDC with a letter of background and summary table of the prevalence of asbestos in the Original Area. The following information is taken from this study. (Appendix, Exhibit B)

“Because of the risks to human health and the environment posed by asbestos materials, the EPA, Department of Environmental Quality (DEQ) and the Occupational Safety Health Administration (OSHA) and the Consumer Products Safety Commission (CPSC) have developed regulations to control the handling of and exposure to asbestos. The EPA and OSHA began regulations in the 1970s.

Oregon-OSHA follows the federal OSHA standards that describe the “duties” of the building owner and require the building owner to presume that thermal system insulators, surfacing materials, and resilient flooring materials installed before the end of 1980 be tested for asbestos content. If the owner elects not to test these materials, it must be presumed to contain asbestos. In addition, if the owner has “actual knowledge” or “should have known through the exercise of due diligence”
that other materials are asbestos-containing, “they too must be treated as such” and
must be presumed to contain asbestos or be tested.

The owner is also required to communicate this information to affected parties
(employees, contractors, vendors, etc.), that will come into contact with these
materials during maintenance and construction work activities.

The 1980 date is useful for purposes of this report because it establishes a date that
can be used as a basis to predict the presence of asbestos materials in a building.
The OSHA regulations provide a reliable date for classifying buildings based on
their potential asbestos content. Pre-1980 buildings can be presumed to contain
asbestos-containing materials. However, it is plausible that materials not subject to
the EPA/CPSC bans may be present in buildings constructed after 1980.”

The following Table 2d.10 lists the number of buildings in the Original Area which
were determined to have asbestos materials due to their construction date before
1980. However, all buildings which were rated as an “A” in building conditions
were deemed to have abated the asbestos related conditions to within regulatory
requirements. This number includes all buildings constructed from 1998 to the
present.

A significant percentage of the buildings in the Original Area have asbestos
materials making the quality of physical construction of such buildings defective
and therefore unsafe or unfit to occupy for their intended purposes constituting
blight in accordance with ORS 457.010(1)(a)(A).

<table>
<thead>
<tr>
<th>Asbestos Presence of asbestos</th>
<th># of Buildings</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not Likely*</td>
<td>242</td>
<td>78.06%</td>
</tr>
<tr>
<td>Likely</td>
<td>68</td>
<td>21.94%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>310</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

*constructed after 1980 or “A” rated building

Source: PDC from PBS Engineering + Environmental

E. Polychlorinated Biphenyls (PCBs)

In March of 2009, PBS Engineering and Environmental was contracted to provide a
study of the hazardous materials which would likely be in the buildings in the
Original Area. PCBs were identified as one of those hazardous materials. PBS
Engineering and Environmental supplied PDC with a letter of background and
summary table of the prevalence of PCBs in the Original Area. The following
information is taken from this study. (Appendix Exhibit B)

“Buildings with light ballasts manufactured prior to 1977 are assumed to have PCBs
provided that they have not been replaced or the entire fixture was not replaced.
Note there are many other potential PCB-containing materials or products to include, but not limited to, high voltage electrical transformers, equipment cooling oil, and hoist hydraulic fluids.

In 1979, the EPA banned the manufacturing, processing, distribution, and use of PCBs under TSCA. There is no requirement to remove and dispose of PCB ballasts unless they leak and contaminate the light fixture. The only way to confirm that this has occurred is to inspect the fixture. For purposes of this report, unless there is documentation that building renovations have replaced pre-1977 fixtures, it is reasonable to assume the ballasts contain PCBs.”

The following Table 2e.10 lists the number of buildings in the Original Area which were determined to have PCB materials because they were constructed prior to 1978. Pre-1978 “A” condition buildings are assumed to have undergone a remodel/renovation that removed the PCB-containing ballasts.

The number representing “not likely” includes all buildings constructed from 1998 to the present.

Because of the safety issues arising from the presence of PCBs, the buildings are unsafe or unfit to occupy for their intended purposes due to the defective quality of physical construction and are therefore blighted in accordance with ORS 457.010 (1)(a)(A).

Table 2e.10 – PCBs of Original Area

<table>
<thead>
<tr>
<th>Presence of PCB’s</th>
<th># of Buildings</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not Likely*</td>
<td>242</td>
<td>78.06%</td>
</tr>
<tr>
<td>Likely</td>
<td>68</td>
<td>21.94%</td>
</tr>
<tr>
<td>Total</td>
<td>310</td>
<td>100%</td>
</tr>
</tbody>
</table>

*constructed after 1978 or “A” rated building
Source: PDC from PBS Engineering + Environmental

F. Contaminated Soils

In March of 2009, AMEC Earth & Environmental, Inc. (AMEC) was contracted to provide PDC with an assessment of the contaminated soils and groundwater conditions in the Original Area. The breadth of this study covered databases including Leaking Underground Storage Tanks, Underground Storage Tanks, Environmental Cleanup Site Information, Confirmed Release List, Voluntary Cleanup Program, Institutional Control, Manufactured Gas Plant and Drycleaners. AMEC also included information from the Portland Harbor Superfund Site PRP Investigation Area. A summary table is shown below and the full report is in the Appendix, Exhibit C. The number of parcels on this report differs from those reports above, as they cover both buildings and parcels with no structures. Because this was compiled from parcels, not from building data, this may represent parcels on which buildings were constructed after 1998.
Over half of the parcels in the Original Area are likely to have either contaminated groundwater or contaminated soils. The presence of contaminated soils is not only a health issue, it contributes significantly to the cost of the redevelopment of parcels, many times causing them to redevelop at a slower pace than parcels with no environmental issues. (Appendix, Exhibit C)

Because of the safety issues associated with the presence of contaminated soils, parcels with contaminated soils contribute to the growing lack of proper utilization of the areas, resulting in a stagnant and unproductive condition of land which is potentially useful and valuable for contributing to the public health, safety and welfare and therefore constitute blight in accordance with ORS 457.010(1)(h).

Table 2f.10 - Contaminated Soils and/or Groundwater of Original Area

<table>
<thead>
<tr>
<th>Contaminated Soils and/or Groundwater</th>
<th># of Buildings/Parcels</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not Likely*</td>
<td>223</td>
<td>50.68%</td>
</tr>
<tr>
<td>Likely</td>
<td>217</td>
<td>49.32%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>440</strong></td>
<td><strong>100.00%</strong></td>
</tr>
</tbody>
</table>

Source: PDC from AMEC Earth & Environmental, Inc.

4. Age of Buildings

There are 243 buildings in the Original Area on which the assessor’s office has age information. The ages of the buildings are shown below in Table 3.10. Of the 243 buildings, 206 (86 percent) are over twenty years old. 183 (75 percent) of the buildings are over 50 years old. While age alone is not an indication of blight, in combination with other conditions indicative of blight, including an older building’s likely failure to meet current seismic standards, blight is evident throughout the Original Area.
Table 3.10 - Age of Buildings of Original Area

<table>
<thead>
<tr>
<th>Age of Buildings (Years)</th>
<th>Buildings</th>
<th>% of Total</th>
<th>Cumulative Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 – 9</td>
<td>64</td>
<td>20.65%</td>
<td></td>
</tr>
<tr>
<td>10 – 19</td>
<td>14</td>
<td>4.52%</td>
<td>25.16%</td>
</tr>
<tr>
<td>20 – 29</td>
<td>9</td>
<td>2.90%</td>
<td>28.06%</td>
</tr>
<tr>
<td>30 – 39</td>
<td>7</td>
<td>2.26%</td>
<td>30.32%</td>
</tr>
<tr>
<td>40 – 49</td>
<td>14</td>
<td>4.52%</td>
<td>34.84%</td>
</tr>
<tr>
<td>50 – 59</td>
<td>13</td>
<td>4.19%</td>
<td>39.03%</td>
</tr>
<tr>
<td>60 – 69</td>
<td>23</td>
<td>7.42%</td>
<td>46.45%</td>
</tr>
<tr>
<td>70 – 79</td>
<td>17</td>
<td>5.48%</td>
<td>51.94%</td>
</tr>
<tr>
<td>80 – 89</td>
<td>53</td>
<td>17.10%</td>
<td>69.03%</td>
</tr>
<tr>
<td>90 – 99</td>
<td>32</td>
<td>10.32%</td>
<td>79.35%</td>
</tr>
<tr>
<td>100 – 109</td>
<td>35</td>
<td>11.29%</td>
<td>90.65%</td>
</tr>
<tr>
<td>110 – 119</td>
<td>7</td>
<td>2.26%</td>
<td>92.90%</td>
</tr>
<tr>
<td>120 – 129</td>
<td>3</td>
<td>0.97%</td>
<td>93.87%</td>
</tr>
<tr>
<td>No information</td>
<td>19</td>
<td>6.13%</td>
<td>100.00%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>310</strong></td>
<td><strong>100.00%</strong></td>
<td></td>
</tr>
</tbody>
</table>

Source: KPFF Study
5. Streets and Utilities Condition

Streets

Traffic classifications: The Original Area is served by two major transportation corridors. Burnside Street and NW 14th Street are designated as Major City Traffic Streets. Broadway from the Broadway Bridge to Lovejoy Street is also designated as a Major City Traffic Street. The remainder of the streets are classified as Traffic Access Streets.

Transit classifications: Burnside Street is designated as a Major Transit Priority Street. NW Everett Street, NW Glisan Street, NW Lovejoy Street, NW Northrup, Street NW 10th Street and NW 11th Street are designated as Transit Access Streets. NW Lovejoy Street, NW Northrup, Street NW 10th Street and NW 11th Street are also designated Streetcar Streets.

Bicycle classifications: Broadway, NW Couch Street, NW Flanders Street, NW Johnson Street, NW Lovejoy Street, NW Overton Street and NW Raleigh Street from NW 14th Street west, NW 9th Street, NW 14th Street and NW 15th from Raleigh Street north are designated as City Bikeways.

Pedestrian classifications: The following roads are Central City Transit Pedestrian streets: NW 10th Street and NW 11th Street. City walkways are: Broadway, NW Everett Street, NW Glisan Street, NW 13th Street from Burnside Street to Northrup Street, NW Lovejoy Street and NW Northrup Street from the I-405 Freeway to NW 9th Street, NW 9th Street from Hoyt Street to Naito Parkway, NW Hoyt Street from 9th Street to 6th Street and Burnside Street.

The condition of the streets was surveyed by the Portland Department of Transportation in February 2009. While many of the conditions of the streets were listed as good, there are also many listings of fair to poor or poor, or even “the ride is very rough.” These fair to poor, poor and “ride is rough” street conditions, in combination with blight evidenced in other rights of way, open space and utilities identified in this section of this Report, demonstrate blight in accordance with ORS 457.010(1)(e). In addition to present conditions, the northwestern portion of the Original Area does not have a street grid established. Such inadequacy of streets, in combination with the other inadequacies evidenced in the rights of way, open space and utilities in the Original Area identified in this section of the Report, constitute blight in accordance with ORS 457.010(1)(e).

The conditions were identified as:

W. BURNSIDE STREET AND NORTH OF W. BURNSIDE STREET

- NW 17th Avenue- Naito Parkway – Thurman Street: 2 lanes. Parking both sides. Fair to Poor.
- **NW 16th Avenue** - Thurman Street – Savier Street: 1 lane. Parking both sides. Fair.
Savier Street – Marshall St: 1 lane. Parking both sides to Parking only West side. Good.
Lovejoy Street – Johnson Street: 1 lane. Parking only East side to Parking both sides. Good.
Glisan Street – Everett Street: 3 lanes. Parking West side. Good to Fair.
Everett Street – Couch Street: 1 lane. Parking West side. Fair to Good.
Couch Street – Burnside Street: 2 lanes. Parking both sides. Fair.

- **NW 15th Avenue** - @ Burnside Street: 3 lanes. No Parking. Good.
Davis Street – Everett Street: 2 lanes. Parking both sides. Fair.
Everett Street – Glisan Street: 2 lanes. Parking both sides. Very Good.
Glisan Street – Thurman Street: 2 lanes. Parking both sides. Abandoned Rail down middle of the street. Mostly Poor.

- **NW 14th Avenue** - Burnside – Davis Street: 1 lane. Parking both sides. Good to Very Good.
Davis Street – Everett Street: 3 lanes. Parking East side. Good to Very Good.
Everett Street – Hoyt Street: 3 lanes. No Parking both sides to Parking on East side. Mostly Fair.
Hoyt Street – Kearney Street: 1 lane. Parking both sides. Mostly Fair.
Marshall Street – Pettygrove Street: 1 lane. Mostly Parking both sides. Mostly Good.
Pettygrove Street – Savier Street: 1 lane. Parking both sides. Good.
Savier Street – Thurman Street: 1 lane. Parking both sides. Fair.

- **NW 13th Avenue** - Quimby Street – Davis Street: Concrete. 2 lanes. Parking both sides. Good.
Davis Street – Burnside Street: Asphalt. 2 lanes. Parking both sides. Very Good.

- **NW 12th Avenue** - Burnside – Davis Street: 2 lanes. Parking both sides. Good.
Davis Street – Flanders Street: 2 lanes. Parking most of both sides. Abandoned Tracks visible. Poor to Very Poor.
Flanders Street – Kearney Street: 2 lanes. Parking both sides. Abandoned Track visible. Cobblestone exposed in some areas. Fair to Poor.
Northrup Street – Quimby Street: 2 lanes. Parking both sides. Good.
- **NW 11th Avenue**- Overton Street – Lovejoy Street: 2 lanes. Parking both sides. Very Good to Good.
  Lovejoy Street – Hoyt Street: Light Rail in concrete. 2 lanes. Parking both sides. Good.
  Hoyt Street – Burnside: Light Rail in concrete. 2 lanes. Parking both sides. Fair to Poor.

- **NW 10th Avenue**- Burnside – Johnson Street: Light Rail in concrete. 2 lanes. Parking both sides. Good.
  Northrup Street – Overton Street: 2 lanes. Parking both sides. Very Good.

- **NW 9th Avenue**- Hoyt Street – Overton Street: 2 lanes. Parking both sides. Condition goes back and forth between Good and Fair.
  Overton Street – Front Street: 2 lanes. No parking. Fair.

- **W. Burnside Street**- 9th Avenue – 16th Avenue: 4 lanes. No parking. Poor.
  11th Avenue – 12th Avenue: Very Poor condition.
  **Park Avenue to 9th Avenue**: 2 lanes in either direction. Fair.

- **NW Couch Street**- 9th Avenue – 10th Avenue: 2 lanes. Parking both sides. Good.
  10th Avenue – 11th Avenue: 2 lanes. Parking both sides. Fair.
  11th Avenue – 14th Avenue: 2 lanes. Parking both sides. Good.
  Freeway Ramp – 16th Avenue: 2 lanes. No parking. Good.

- **NW Davis Street**- 9th Avenue – 10th Avenue: 2 lanes. Parking both sides. Good.
  10th Avenue – 11th Avenue: 2 lanes. Parking both sides. Poor.
  11th Avenue – 14th Avenue: 2 lanes. Parking both sides. Good.

- **NW Everett Street**- 9th Avenue – 12th Avenue: 2 lanes. Parking both sides. Good.
  12th Avenue – 13th Avenue: 2 lanes. Parking both sides. Poor.
  13th Avenue – 14th Avenue: 2 lanes. Parking both sides. Fair.
  14th Avenue – 16th Avenue: 2 lanes. No parking. Good.

- **NW Flanders Street**- 9th Avenue – 15th Avenue: 2 lanes. Parking both sides. Condition goes back and forth between Good and Fair.

- **NW Glisan Street**- 9th Avenue – 11th Avenue: 2 lanes. Parking both sides. Very Good.
11th Avenue – 16th Avenue: 2 lanes. Parking both sides. Condition goes back and forth between Good and Fair.

- **NW Hoyt Street**- 9th Avenue – 14th Avenue: 2 lanes. Parking both sides. Fair.
  14th Avenue – 15th Avenue: 2 lanes. Parking both sides. Poor.

- **NW Irving Street**- 9th Avenue – 10th Avenue: 2 lanes. Parking both sides. Fair.
  12th Avenue – 14th Avenue: 2 lanes. Parking both sides. The surface is “cobblestone.” The ride is very rough.

- **NW Johnson Street**- 9th Avenue – 10th Avenue: 2 lanes. Parking both sides. Condition goes back and forth between Good and Very good.

- **NW Kearney Street**- 12th Avenue – 15th Avenue: 2 lanes. Parking both sides. The surface is “cobblestone.” The ride is very rough.
  15th Avenue – 16th Avenue: 2 lanes. Parking both sides. Good.

- **NW Lovejoy Street**- 9th Avenue – 10th Avenue: 2 lanes. South side parking. Good.
  10th Avenue – 11th Avenue: 2 lanes. Parking both sides. Good.
  11th Avenue – 16th Avenue: Light Rail in concrete. 2 lanes. Parking both sides. Good.

- **NW Marshall Street**- Station Way – 9th Avenue: 2 lanes. Construction currently on both sides. Good.
  9th Avenue – 12th Avenue: 2 lanes. Parking both sides. Very Good.
  12th Avenue – 14th Avenue: 2 lanes. Parking both sides. The surface is “cobblestone.” The ride is very rough.
  15th Avenue – 16th Avenue: 2 lanes. Some parking (meters) both sides. Good.

- **NW Northrup Street**- 10th Avenue – Station Way: 2 lanes. Parking both sides. Very Good.
  10th Avenue – 12th Avenue: Light Rail in concrete. 2 lanes. Parking both sides. Good.
  12th Avenue – 14th Avenue: Light Rail in concrete. 2 lanes. Parking both sides. Poor.
  14th Avenue – 15th Avenue: Light Rail in concrete. 2 lanes. Parking both sides. Fair.
  15th Avenue – 16th Avenue: Light Rail in concrete. 2 lanes. Parking both sides. Good.
- NW Overton Street - 9th Avenue – 12th Avenue: 2 lanes. Parking both sides. Very Good.
  12th Avenue – 14th Avenue: 2 lanes. Parking both sides. Good.
  14th Avenue – 16th Avenue: 2 lanes. Parking both sides. Very Good.

- NW Pettygrove Street - 12th Avenue – 13th Avenue: 2 lanes. Parking both sides. Good to Fair.
  15th Avenue – 16th Avenue: 2 lanes. Parking both sides. Good to Very Good.

- NW Quimby Street - 11th Avenue – 12th Avenue: Gated and closed. Asphalt appears new.
  12th Avenue – 13th Avenue: Dirt and rocks.
  14th Avenue – 16th Avenue: 2 lanes. Parking both sides. Good to Fair.

- NW Raleigh Street - 16th Avenue – 13th Avenue: 2 lanes. Parking both sides. Fair.

  15th Avenue – 14th Avenue: 2 lanes. Parking both sides. Fair.
  14th Avenue – 13th Avenue: 2 lanes. Parking both sides. Fair.

- NW Thurman Street - 14th Avenue – 17th Avenue: 2 lanes. Parking both sides. Good to Very Good.

- NW Riverscape and 16th Avenue, 17th Avenue and 18th Avenue at Riverscape - 2 lanes. Parking both sides. All in Very Good condition.

- NW Station Way - Northrup Street – Lovejoy Street: 2 lanes. Parking both sides. Very Good.

- NW Front Avenue - Broadway Bridge – 9th Avenue: 2 lanes. Parking both sides. Fair.
  15th Avenue – address #2279: 3 lanes. No parking. Poor.

- NW 19th Avenue - Front Avenue – 200’ South of Front Avenue: Our records show this as “maintained” by the City, although it appears to be a driveway in extremely poor condition.

SOUTH OF W. BURNSIDE STREET
SW Alder Street- Park Avenue – 5th Avenue: 2 lanes. Parking both sides.  
Good.

SW Broadway- Oak Street – Morrison Street: 3 lanes. Parking both sides.  
Good to Very Good.

SW Oak Street- Park Avenue – 10th Avenue: 2 lanes. Parking both sides.  
Fair.  

SW Park Avenue- Stark Street – Oak Street: 2 lanes. Parking both sides.  
Fair.

SW Stark Street- Park Avenue – 5th Avenue: 2 lanes. Parking both sides.  
Fair to Poor.

SW Washington Street- 5th Avenue – Park Avenue: 2 lanes. Parking both 
sides. Good.

SW 6th Avenue- Morrison Street – Oak Street: Light Rail in concrete. 3 
lanes. No Parking both sides, except a small area on the West side 

SW 9th Avenue- Burnside – Stark Street: 2 lanes. Parking both sides. Fair.

SW 10th Avenue- Stark Street – Burnside Street: Light Rail in concrete. 4 
lanes. No Parking. Good.

The Capital Improvement Projects (CIP) scheduled for the Original Area is:

- NW 4th Avenue from Burnside to NW Glisan Street - 2008-2012.

Water

In February of 2009 the Water Bureau provided the following information about the 
conditions of the water system in the Original Area:

“The original River District is well served with water mains in almost all of the 
streets. Water is available for future renewal/development. The conditions of the 
mains in the area are good to very good with the following three exceptions:

- 100 feet of 2-inch steel main in W Burnside between 3rd and 4th Avenues.
- 110 feet of 2-inch galvanized main in NW Everett Street between Broadway 
and the existing water service.
- 260 feet of 2-inch galvanized main in NW 8th Street between Flanders and 
Glisan Streets.
These three mains are currently included in the Water Bureau's needs database but are not high enough on the priority list to be included in the current Water Bureau's CIP projects. We also continue to monitor the condition of one additional water main in NW 3rd Ave from NW Couch Street to NW Glisan Street as we have experienced a number of leaks on this line in past years.”

The need for upgrading of these mains in addition to the blighted conditions of the streets and other rights of way and open space identified in this Section constitutes blight in accordance with ORS 457.010(1)(e). In addition to present conditions, the northwestern portion of the Original Area does not have a street grid established. Such inadequacy of streets, in combination with the other inadequacies evidenced in the rights of way, open space and utilities in the Original Area identified in this section of the Report, constitute blight in accordance with ORS 457.010(1)(e).

Storm Water & Wastewater

In February of 2009, the Bureau of Environmental Services (BES) provided the following information about the conditions of the storm water and wastewater systems in the Original Area:

“In general, the area is well served by storm water and wastewater systems. The systems which have conditions rating as poor-bad are shown below.

- NW 6th Avenue from SW Oak Street to SW Stark Street.
- NW 9th Avenue from Burnside Street to SW Stark Street and from NW Johnson Street to NW Northrup Street.
- NW Everett Street from 12th Avenue to 13th Avenue.
- NW Flanders Street from 10th Avenue to 11th Avenue and from 12th Avenue to 14th Avenue.
- NW Glisan Street from 10th Avenue to 14th Avenue.
- NW Hoyt from 13th Avenue to 14th Avenue.
- Burnside Street from 4th Avenue to 6th Avenue.”

A CIP project (#5486) NW Burnside Sewer Reconstruction is presently underway.

The need to upgrade these storm water and wastewater systems in addition to the blighted conditions of the streets and other rights of way and open space identified in this Section constitutes blight in accordance with ORS 457.010(1)(e). In addition to present conditions, there is a portion of the Original Area (the northwestern portion of the area) which does not have a street grid established. This is further evidence of blight in accordance with ORS 457.010(1)(e). In addition to present conditions, the northwestern portion of the Original Area does not have a street grid established and therefore does not have the utilities which are generally present in a street system. Such inadequacy of utilities, in combination with the other inadequacies evidenced in the rights of way, open space and streets in the Original
Area identified in this section of the Report, constitute blight in accordance with ORS 457.010(1)(e).

6. **Parks and Open Space**

There are two parks in the Original Area, and a third is planned. Jamison Park is bounded by NW 10th/NW Johnson/NW Kearney and NW 11th. Tanner Springs Park is bounded by NW Marshall/NW Northrup/NW 10th and NW 11th. A yet to be developed park, Fields Neighborhood Park, is designated for are area bounded by NW Marshall/NW Overton/NW 10th and NW 11th.

The *Parks 2020 Vision* identifies the subarea of the Central City/Northwest (CC/NW) as having the smallest amount of neighborhood and community park acreage of all sub areas in the *Parks 2020 Vision*. It further identifies the specific River District area in the Park Shortages section of the document. “The following sectors of the CC/NW sub-area are park deficient- The River District….The development plan for the River District calls for new park to be built with tax increment funding… Another urban square, a neighborhood park and a community park on the river are planned as part of that development.” (*Parks 2020 Vision* p.43). The need to construct the Fields Neighborhood Park in addition to the blighted conditions of the streets and other rights of way and open space indentified in this Section constitutes blight in accordance with ORS 457.010(1)(e).

7. **Public Spaces**

The public spaces in the Original Area are those areas of public ownership under the I-405 bridge.

8. **Public Parking**

There is public parking associated with the US Post Office in the Original Area. There is also a Smart Park at Station Place located between NW Marshall and NW Station Way Streets. It has over 400 parking spaces.

9. **Public Buildings**

The public buildings in the Original Area are:

<table>
<thead>
<tr>
<th>Public Buildings</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>United States Postal Service</strong></td>
<td>715 NW Hoyt</td>
</tr>
<tr>
<td><strong>Multnomah County</strong></td>
<td>421 SW 5th Ave</td>
</tr>
<tr>
<td><strong>State of Oregon</strong></td>
<td>1516 NW Northrup St</td>
</tr>
<tr>
<td><strong>State of Oregon</strong></td>
<td>1207 NW Naito Parkway</td>
</tr>
<tr>
<td><strong>City of Portland</strong></td>
<td>1362 NW Front Ave</td>
</tr>
<tr>
<td>City of Portland</td>
<td>NW Station Way</td>
</tr>
<tr>
<td>-----------------</td>
<td>----------------</td>
</tr>
<tr>
<td>City of Portland</td>
<td>1020 W/NW 9th</td>
</tr>
</tbody>
</table>

Source: Multnomah County Assessor
B. Social Conditions

Currently, the Original Area contains approximately 4052 residential dwellings (derived from the 2005 Central City Housing Inventory as reported by PDC). The social information in Table 4.1 is also relevant for the Original Area.

C. Economic Conditions

1. Taxable Value of Property Within the Original Area

The 07/08 taxable value of land (assessed value), improvements and personal property in the Original Area is $1,350,433,546.

2. Land and Improvement Values

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 Ratio” or “I:L.” The values used are real market values. In urban renewal areas, the I:L may be used to measure the intensity of development or the extent to which an area has achieved its short- and long-term development objectives.

For instance, a property on a 10,000 square foot lot might have a land value of $120,000 at $12.00 per square foot. A three-story development with ground floor retail and professional offices on the upper floors containing 12,000 square feet valued at $65.00 per square foot might have an improvement value of $780,000. The I:L ratio for this example would be 6.5:1.

In March of 2009, PDC contracted with Johnson Reid Land Use Economics to provide information regarding the threshold of I:L ratios at which redevelopment might be expected to occur. They identified seven separate sub-districts within the Original Area boundary and identified a “healthy” I:L ratio for each sub-district. This analysis includes both developed properties and those properties which are not developed, as they represent underutilization of property within the area.

The following excerpts and data are from the Johnson Reid memorandum: (Appendix, Exhibit D)

“Properties below this threshold may be expected to redevelop in the foreseeable future, because the current built space on the property has relatively low value relative to the value of the land for some other use.”

Because the parcels have low value relative to other nearby properties, the properties can be identified as demonstrating “a growing lack of proper utilization of areas, resulting in a stagnant and unproductive condition of land potentially
useful for contributing to the public health, safety and welfare” and therefore constitute blight in accordance with ORS457.010(1)(h).

Land to improvement value ratios for “healthy” properties in sub-areas in the Original Area range from 1.5 and above. The following charts show the percentage of properties within the sub-areas that are underdeveloped (identified as “Below” the established threshold) and constitute blight in accordance with ORS457.010(1)(h). There are fewer total parcel numbers for the I:L analysis than for the land use and zoning as a number of the parcels do not show an I:L number because they are centrally assessed as condominiums. In addition, there are more parcels than buildings because not all parcels have buildings on them.

Sub-Area 1: Threshold of 1:5 to 1.

Table 5a.10 - 1.5:1 I:L

<table>
<thead>
<tr>
<th>1.5 Threshold</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>No Value</td>
<td>26</td>
<td>37.14%</td>
</tr>
<tr>
<td>Below 1.5</td>
<td>21</td>
<td>30.00%</td>
</tr>
<tr>
<td>Above 1.5</td>
<td>23</td>
<td>32.86%</td>
</tr>
<tr>
<td><strong>Total Parcels</strong></td>
<td>70</td>
<td>100.00%</td>
</tr>
</tbody>
</table>

Source: PDC from Johnson Reid

Of the properties within this sub-area, 30 percent are developed below a threshold of 1.5, and 37 percent of the properties are undeveloped. Therefore, 67 percent of this sub-area is developed below what a healthy property would be in this area. Because the parcels have low value relative to other properties, the properties can be identified as demonstrating “a growing lack of proper utilization of areas, resulting in a stagnant and unproductive condition of land potentially useful for contributing to the public health, safety and welfare” and therefore constitute blight in accordance with ORS457.010(1)(h).

Sub-Areas 2,3: Threshold of 2 to 1 (this includes two areas both designated with this threshold - See Appendix, Exhibit D).

Table 5b.10 - 2:1 I:L

<table>
<thead>
<tr>
<th>2.0 Threshold</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>No Value</td>
<td>11</td>
<td>14.47%</td>
</tr>
<tr>
<td>Below 2</td>
<td>38</td>
<td>50.00%</td>
</tr>
<tr>
<td>Above 2</td>
<td>27</td>
<td>35.53%</td>
</tr>
<tr>
<td><strong>Total Parcels</strong></td>
<td>76</td>
<td>100.00%</td>
</tr>
</tbody>
</table>

Source: PDC from Johnson Reid

Of the properties within this sub-area, 50 percent are developed below a threshold of 2.0, and 14 percent of the properties are undeveloped. Therefore, 64 percent of this sub-area is developed below what a healthy property would be in this area. Because the parcels have low value relative to other properties, the properties can be
identified as demonstrating “a growing lack of proper utilization of areas, resulting in a stagnant and unproductive condition of land potentially useful for contributing to the public health, safety and welfare” and therefore constitute blight in accordance with ORS457.010(1)(h).

Sub-Areas 4,5: Threshold of 2.5 to 1 (this includes two areas both designated with this threshold - See Appendix, Exhibit D).

Table 5c.10 - 2.5:1 I:L

<table>
<thead>
<tr>
<th>2.5 Threshold</th>
<th>No Value</th>
<th>Below 2.5</th>
<th>Above 2.5</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>42</td>
<td>56</td>
<td>52</td>
</tr>
<tr>
<td></td>
<td>28.00%</td>
<td>37.33%</td>
<td>34.67%</td>
</tr>
</tbody>
</table>

Total Parcels 150 100.00%

Source: PDC from Johnson Reid

Of the properties within this sub-area, 37 percent are developed below a threshold of 2.5, and 28 percent of the properties are undeveloped. Therefore, 65 percent of this sub-area is developed below what a healthy property would be in this area. Because the parcels have low value relative to other properties, the properties can be identified as demonstrating “a growing lack of proper utilization of areas, resulting in a stagnant and unproductive condition of land potentially useful for contributing to the public health, safety and welfare” and therefore constitute blight in accordance with ORS457.010(1)(h).

Sub-Area 4: Threshold of 3 to 1.

Table 5d.10 - 3:1 I:L

<table>
<thead>
<tr>
<th>3.0 Threshold</th>
<th>No Value</th>
<th>Below 3</th>
<th>Above 3</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0</td>
<td>55</td>
<td>18</td>
</tr>
<tr>
<td></td>
<td>0.00%</td>
<td>75.34%</td>
<td>24.66%</td>
</tr>
</tbody>
</table>

Total Parcels 73 100.00%

Source: PDC from Johnson Reid

Of the properties within this sub-area, 75 percent are developed below a threshold of 3. Therefore, 75 percent of this sub-area is developed below what a healthy property would be in this area. Because the parcels have low value relative to other properties, the properties can be identified as demonstrating “a growing lack of proper utilization of areas, resulting in a stagnant and unproductive condition of land potentially useful for contributing to the public health, safety and welfare” and therefore constitute blight in accordance with ORS457.010(1)(h).

The table below shows a cumulative analysis of the properties within the sub-areas.

Table 5e.10 - All I:L Thresholds
<table>
<thead>
<tr>
<th>All Thresholds</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>No Value</td>
<td>79</td>
<td>21.41%</td>
</tr>
<tr>
<td>Below Threshold</td>
<td>170</td>
<td>46.07%</td>
</tr>
<tr>
<td>Above Thresholds</td>
<td>120</td>
<td>32.52%</td>
</tr>
<tr>
<td><strong>Total Properties</strong></td>
<td><strong>369</strong></td>
<td><strong>100.00%</strong></td>
</tr>
</tbody>
</table>

Source: PDC from Johnson Reid

Of the properties within this sub-area, 46 percent are developed below the identified threshold. Twenty-one percent are not developed. Therefore, 67 percent of the Original Area is developed below what a healthy property would be in this area. Because the parcels have low value relative to other properties, the properties can be identified as demonstrating “a growing lack of proper utilization of areas, resulting in a stagnant and unproductive condition of land potentially useful for contributing to the public health, safety and welfare” and therefore constitute blight in accordance with ORS457.010(1)(h). The properties, if upgraded, are potentially valuable and useful to the public health, safety and welfare of the community, thereby eliminating blight.

The properties identified above with I:L values below that established as a healthy I:L for the sub-area can be improved with strategic redevelopment investments.

3. **2007 Central Portland Development Capacity Study**

In April of 2007, the City of Portland issued a draft Central Portland Development Capacity Study (Appendix, Exhibit E) which identified:

a) Which sites are potentially available for redevelopment

b) How much development capacity is available on these potential redevelopment sites. This analysis was based upon what the capacity might be under current zoning entitlements (p7). In conducting this analysis, the following factors were considered:

1. Historic buildings and contributing historic buildings were excluded.

2. All properties identified or zoned as parks or open space were excluded.

3. All properties with industrial (IG or IH) zoning (except in cases where there has recently been considerable discussion about non-industrial redevelopment opportunities) were removed.

4. All parcels that utilized more than 20% of the available FAR and/or have improvements assessed at less than 50% of the value of the land. (These were included.)
(5) All remaining properties were manually checked.

(6) Significant redevelopment sites not captured above were added in.

(7) Lots smaller than 10,000 square feet were removed from the calculations.

The results of this analysis for the Original Area are shown in Tables 6.10 and 7.10:

Table 6.10 - FAR of Parcels

<table>
<thead>
<tr>
<th>% of FAR used</th>
<th>Parcels</th>
<th>Acreage</th>
</tr>
</thead>
<tbody>
<tr>
<td>No Improvements</td>
<td>103</td>
<td>46.3</td>
</tr>
<tr>
<td>0-9.9</td>
<td>28</td>
<td>13.2</td>
</tr>
<tr>
<td>10-19.9</td>
<td>58</td>
<td>15.3</td>
</tr>
<tr>
<td>20-29.9</td>
<td>32</td>
<td>17.2</td>
</tr>
<tr>
<td>30-39.9</td>
<td>50</td>
<td>14.8</td>
</tr>
<tr>
<td>40-49.9</td>
<td>33</td>
<td>24.6</td>
</tr>
<tr>
<td>50-59.9</td>
<td>35</td>
<td>9.7</td>
</tr>
<tr>
<td>60-69.9</td>
<td>29</td>
<td>8.3</td>
</tr>
<tr>
<td>70-79.9</td>
<td>13</td>
<td>4.3</td>
</tr>
<tr>
<td>80-89.9</td>
<td>6</td>
<td>3.8</td>
</tr>
<tr>
<td>90-99.9</td>
<td>4</td>
<td>0.8</td>
</tr>
<tr>
<td>100-200</td>
<td>33</td>
<td>24.7</td>
</tr>
<tr>
<td>&gt;200</td>
<td>9</td>
<td>5.7</td>
</tr>
<tr>
<td>No data</td>
<td>4</td>
<td>0.7</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>437</strong></td>
<td><strong>189.4</strong></td>
</tr>
</tbody>
</table>

Table 7.10 - Likely to Redevelop Parcels

<table>
<thead>
<tr>
<th>% of FAR used</th>
<th>Parcels</th>
<th>Acreage</th>
</tr>
</thead>
<tbody>
<tr>
<td>No improvements</td>
<td>54</td>
<td>28.5</td>
</tr>
<tr>
<td>0-9.9</td>
<td>24</td>
<td>11.8</td>
</tr>
<tr>
<td>10-19.9</td>
<td>25</td>
<td>6.3</td>
</tr>
<tr>
<td>20-29.9</td>
<td>13</td>
<td>13</td>
</tr>
<tr>
<td>30-39.9</td>
<td>5</td>
<td>2.6</td>
</tr>
<tr>
<td>40-49.9</td>
<td>5</td>
<td>13.1</td>
</tr>
<tr>
<td>50-59.9</td>
<td>1</td>
<td>0.9</td>
</tr>
<tr>
<td>60-69.9</td>
<td>2</td>
<td>1.4</td>
</tr>
<tr>
<td>70-79.9</td>
<td>1</td>
<td>0.1</td>
</tr>
<tr>
<td>80-89.9</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>90-99.9</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>100 or greater</td>
<td>3</td>
<td>2.2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>133</strong></td>
<td><strong>79.9</strong></td>
</tr>
</tbody>
</table>

Source: City of Portland Planning Bureau

The results show there are a significant number of parcels within the Original Area which are underdeveloped and can add significant development capacity to the Area. By acreage, 42 percent (79.9 acres as shown in Table 7.10 above) of the Original Area could be redeveloped using the FAR standard, and by parcel number, 30% percent (133 as shown in Table 7.10 above) of the parcels could be redeveloped using this analysis. The parcels are generally located in the area north of NW Lovejoy Street, but there are also other parcels distributed throughout the area to the south of NW Lovejoy Street, including the US Post Office Site. This data reinforces the I:L analysis which shows that properties are underdeveloped in the Original Area.

Because of the prevalence of these sites throughout the Original Area, indicating 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, there is evidence of blight in accordance with ORS 457.010(1)(h).

4. Vacancy Rates

In March of 2009, along with the building conditions survey, KPFF provided information regarding vacancies of ground floor and upper floors of buildings within the Original Area. (Appendix, Exhibit A) The information is shown in the table below. It shows that of the 313 buildings in the area, almost nine percent had ground floor vacancies. Four percent had vacancies on the ground and second floor and approximately three percent had vacancies on the second floor, totaling approximately nineteen percent of the buildings with vacancies on either the ground floor or the second floor.

This significant lack of use of the buildings is evidence of a growing lack of 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 in accordance with ORS 457.010(1)(h).

Table 8.10 Vacancy Information in the Original Area

<table>
<thead>
<tr>
<th>Vacancy Information</th>
<th># Buildings</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ground Floor Vacant</td>
<td>28</td>
<td>9.03%</td>
</tr>
<tr>
<td>Ground and Second</td>
<td>13</td>
<td>4.19%</td>
</tr>
<tr>
<td>Second Floor Vacant</td>
<td>8</td>
<td>2.58%</td>
</tr>
<tr>
<td>No Vacancies</td>
<td>261</td>
<td>84.19%</td>
</tr>
<tr>
<td><strong>Total Buildings</strong></td>
<td><strong>310</strong></td>
<td><strong>100.00%</strong></td>
</tr>
</tbody>
</table>

Source: PDC from KPFF Study

D. Expected Impact, Including Fiscal Impact of Plan Amendment in Light of Added Services or Increased Population

The fiscal impact of tax increment financing on taxing districts that levy taxes within the Area (“affected taxing districts”) is described in Section IX of this Report. This subsection discusses the fiscal impacts resulting from potential increases in demand for municipal services.

The proposed development assistance would add value to properties, thereby potentially adding to the tax base, providing increment during the length of the Plan and tax revenues once the Plan is terminated. The development of new businesses would add business license fees and provide employment opportunities. This improvement of stagnant and unproductive land and expected development of new businesses would result in benefits to the public health, safety and welfare of the Area.

The assistance to property owners through economic development programs is not expected to have a negative fiscal impact in terms of demand on municipal services.
The assistance would add value to properties, thereby potentially adding to the tax base, providing increment during the length of the Plan and tax revenues once the Plan is terminated. Various system development charges for each new development will help offset increased demand on municipal services. In addition, the business license fees help augment the general fund to pay for services.

Housing development is anticipated to both help retain the existing number of low income housing units and replace low income housing units lost through improved market conditions in the central city, as well as supply new workforce and affordable housing in the future. By retaining and replacing low income housing units, the city is effectively managing the limited resources available for low income housing. Other municipal resources would not have to be used for this purpose, which would allow for the funds to be used for other services. Providing work force housing in the central core, in close proximity to jobs and retail, helps eliminate traffic and resulting pollution by reducing automobile trips. It also supports the retail trade in the central core, thereby keeping a healthy economy in the area and a socio-economic balance. These potential housing developments will turn stagnant and unproductive land into land which contributes positively to the overall public health, safety and welfare of the Area.

Transportation improvements funded through tax increment resources help reduce the need to finance those improvements through other municipal resources, which allows for the funds to be used in other ways.

The combination of housing, transportation and economic and commercial development assistance in the Area will address a growing lack of proper utilization that is resulting in stagnant and unproductive condition of land. This assistance will result in a positive benefit to the overall public health, safety and welfare of the community by addressing factors of blight.
11. **Amended and Restated River District Area**

This Section describes the Area as a whole, including the Expansion Area.

**A. Physical Conditions**

1. **Land Use**

An analysis of property classification data from Multnomah County’s 2007-08 Assessment and Taxation database was used to determine the land use designation of parcels in the Area.

The Area, shown in Figure 6 below contains, (according to GIS) approximately 351.19 acres, including an estimated 222.03 acres in parcels, 128.26 acres of public right-of-way (ROW) and non-tax lot properties. Table 1.11 below illustrates the land use classifications as determined by the County Assessor. The predominant land use is Commercial (41.57 percent and 92.92 acres). The next highest use is Converted Commercial (19.29 percent and 43.02 acres).

**Table 1.11 - Existing Land Uses in the Area**

<table>
<thead>
<tr>
<th>Land Use</th>
<th>Expansion Areas</th>
<th>Original Area</th>
<th>Total Area</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Parcels</td>
<td>Acres</td>
<td>Parcels</td>
</tr>
<tr>
<td>Commercial</td>
<td>54</td>
<td>21.68</td>
<td>162</td>
</tr>
<tr>
<td>Converted Commercial</td>
<td>53</td>
<td>11.65</td>
<td>66</td>
</tr>
<tr>
<td>Multifamily</td>
<td>1</td>
<td>0.21</td>
<td></td>
</tr>
<tr>
<td>Residential Condo</td>
<td>0</td>
<td>0</td>
<td>34</td>
</tr>
<tr>
<td>Commercial Condo</td>
<td>0</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>Office Condo</td>
<td>0</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Centrally Assessed</td>
<td>0</td>
<td>0</td>
<td>32</td>
</tr>
<tr>
<td>Commercial: Vacant</td>
<td>0</td>
<td>0</td>
<td>51</td>
</tr>
<tr>
<td>Industrial</td>
<td>0</td>
<td>0</td>
<td>15</td>
</tr>
<tr>
<td>Residential</td>
<td>0</td>
<td>0</td>
<td>37</td>
</tr>
<tr>
<td>Converted Commercial: Vacant</td>
<td>37</td>
<td>8.42</td>
<td>37</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>108</td>
<td>33.54</td>
<td>437</td>
</tr>
</tbody>
</table>

Source: Multnomah County Assessor
Figure 6 - Area Boundary
2. **Zoning**

As illustrated in Table 1a.11, and Figure 7, 147.1 acres, or 65.98 percent, of the Area is zoned as Central Employment. 46.87 acres, or 21.02 percent, is zoned Central Commercial. The remaining zoning is in very small percentages, with Central Residential zoning each accounting for a little over six percent of the Area.

**Table 1a.11 Zoning in the Area**

<table>
<thead>
<tr>
<th>Zoning</th>
<th>Expansion Areas</th>
<th>Original Area</th>
<th>Area Total</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Parcels</td>
<td>Acres</td>
<td>Parcels</td>
<td>Acres</td>
</tr>
<tr>
<td>Central Commercial</td>
<td>107</td>
<td>33.07</td>
<td>56</td>
<td>13.8</td>
</tr>
<tr>
<td>Central Employment</td>
<td>0</td>
<td>0</td>
<td>324</td>
<td>147.1</td>
</tr>
<tr>
<td>General Industrial</td>
<td>1</td>
<td>0</td>
<td>8</td>
<td>3</td>
</tr>
<tr>
<td>Heavy Industrial</td>
<td>0</td>
<td>0</td>
<td>8</td>
<td>7.7</td>
</tr>
<tr>
<td>Central Residential</td>
<td>0</td>
<td>0</td>
<td>18</td>
<td>13.9</td>
</tr>
<tr>
<td>Split</td>
<td>0</td>
<td>0</td>
<td>18</td>
<td>*</td>
</tr>
<tr>
<td>Open Space</td>
<td>1</td>
<td>0.46</td>
<td>5</td>
<td>3.9</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>108</strong></td>
<td><strong>33.53</strong></td>
<td><strong>437</strong></td>
<td><strong>189.4</strong></td>
</tr>
</tbody>
</table>

Source: PDC GIS  * calculated in above cells
Figure 7 - Area Zoning
3. Building and Land Condition

A. Physical Condition of Building

The condition of the buildings within the Expansion Areas was generally surveyed by PDC staff in March of 2008, and the Original Area was generally surveyed in by KPFF in March of 2009. (Appendix, Exhibit A) Table 2.11 illustrates the conditions of the structures. The results indicate a majority of built structures within the Area could benefit from rehabilitation or improved maintenance.

Structures were visually surveyed and ranked on a three-step scale:

- “A”: New, near new, or well maintained older buildings.
- “B”: Buildings needing rehabilitation and improved maintenance.
- “C”: Dilapidated buildings which appear to be beyond an ability to be economically rehabilitated.

### Table 2a.11 - Building Condition of Area

<table>
<thead>
<tr>
<th>Building Condition</th>
<th>Expansion Area</th>
<th>% Expansion Area Total</th>
<th>Original Area Buildings</th>
<th>% Original Area Total</th>
<th>Area Buildings</th>
<th>Area Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constructed after 2003- Classified A</td>
<td>56</td>
<td>18%</td>
<td>56</td>
<td>14.04%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>A</td>
<td>36</td>
<td>40%</td>
<td>195</td>
<td>63%</td>
<td>231</td>
<td>57.89%</td>
</tr>
<tr>
<td>B</td>
<td>47</td>
<td>53%</td>
<td>56</td>
<td>18%</td>
<td>103</td>
<td>25.81%</td>
</tr>
<tr>
<td>C</td>
<td>6</td>
<td>7%</td>
<td>3</td>
<td>1%</td>
<td>9</td>
<td>2.26%</td>
</tr>
<tr>
<td>Total</td>
<td>89</td>
<td>31%</td>
<td>310</td>
<td>100%</td>
<td>399</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: PDC and March 2009 KPFF Study

71.93 percent, or 287 buildings, were in new or nearly new or well maintained older buildings condition, 103 buildings, or approximately 26 percent, were classified as needing rehabilitation and improved maintenance and nine buildings, two percent, were designated as dilapidated (Appendix, Exhibit F). This information represents blight in the Area in accordance with ORS 457.010(1)(a)(A)and(E) as 28 percent of the structures either needed rehabilitation or were beyond rehabilitation. The defective design and defective quality of physical construction that characterize the structures in need of rehabilitation or those which are beyond rehabilitation render such structures unfit or unsafe for their intended purpose and therefore constitutes blight in accordance with ORS 457.010(1)(a)(A) as explained earlier in this Report. The obsolescence, deterioration and dilapidation that characterize the structures in need of rehabilitation or those which are beyond rehabilitation render such structures unfit or unsafe for their intended purpose and therefore constitutes blight.
in accordance with ORS 457.010(1)(a)(E) as also explained in earlier sections in this Report.

B. Seismic

An additional indicator of building condition is whether the building has been upgraded to meet current seismic requirements. In March of 2009, a field survey was conducted for PDC to identify the unreinforced masonry buildings in the Area. (Appendix, Exhibit A. Map A)

Table 2b.11 - Seismic Survey for Area

<table>
<thead>
<tr>
<th>Seismic Survey</th>
<th>Original Area</th>
<th>Expansion Areas</th>
<th>Area</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td># Buildings</td>
<td>Percentage</td>
<td># Buildings</td>
</tr>
<tr>
<td>Constructed after 2003</td>
<td>56</td>
<td>18.06%</td>
<td></td>
</tr>
<tr>
<td>Constructed between 1998-2002</td>
<td>14</td>
<td>4.52%</td>
<td>1</td>
</tr>
<tr>
<td>Meet Seismic Codes</td>
<td>51</td>
<td>16.45%</td>
<td>3</td>
</tr>
<tr>
<td>“Possibly meet”</td>
<td>20</td>
<td>6.45%</td>
<td>4</td>
</tr>
<tr>
<td>Do not Meet Seismic Codes</td>
<td>169</td>
<td>54.52%</td>
<td>81</td>
</tr>
<tr>
<td>No information</td>
<td>2</td>
<td>2.22%</td>
<td>2</td>
</tr>
</tbody>
</table>

Source: PDC and March 2009 KPFF Study

Approximately 62 percent of the buildings do not meet seismic codes. These buildings are located throughout the Area. Because of the safety issues arising from the seismic risk associated with the defective quality of physical construction, these buildings are unfit or unsafe to occupy for their intended purposes, constituting blight in accordance with ORS 457.010(1)(a)(A).
C. Lead-Based Paint

As detailed in Section 10, in March of 2009, a study was conducted for PDC to identify the buildings with lead-based paint in the Area. (Appendix Exhibit B, Map B) These buildings are located throughout the Area.

Table 2c.11 – Lead-Based Paint in the Area

<table>
<thead>
<tr>
<th></th>
<th>Original Area</th>
<th>Expansion Areas</th>
<th>Area</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td># Buildings</td>
<td>Percentage</td>
<td># Buildings</td>
</tr>
<tr>
<td>Not Likely*</td>
<td>242</td>
<td>78.06%</td>
<td>53</td>
</tr>
<tr>
<td>Likely</td>
<td>68</td>
<td>21.94%</td>
<td>37</td>
</tr>
<tr>
<td>Total</td>
<td>310</td>
<td>100%</td>
<td>90</td>
</tr>
</tbody>
</table>

Source: PDC and PBS Engineering + Environmental Study

Because of the safety issues arising from the presence of lead-based paint, the buildings are unsafe or unfit to occupy for their intended purposes, due to the defective quality of physical construction, and are therefore blighted in accordance with ORS 457.010(1)(a)(A).

D. Asbestos

As detailed in Section 10, in March of 2009, a study was conducted for PDC to identify the buildings with asbestos in the Area. (Appendix Exhibit B, Map C) These buildings are located throughout the Area.

Table 2d.11 – Asbestos in the Area

<table>
<thead>
<tr>
<th></th>
<th>Original Area</th>
<th>Expansion Areas</th>
<th>Area</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td># Buildings</td>
<td>Percentage</td>
<td># Buildings</td>
</tr>
<tr>
<td>Not Likely*</td>
<td>242</td>
<td>78.06%</td>
<td>53</td>
</tr>
<tr>
<td>Likely</td>
<td>68</td>
<td>21.94%</td>
<td>37</td>
</tr>
<tr>
<td>Total</td>
<td>310</td>
<td>100%</td>
<td>90</td>
</tr>
</tbody>
</table>

Source: PDC and PBS Engineering + Environmental Study

Because of the safety issues arising from the presence of asbestos, the buildings are unsafe or unfit to occupy for their intended purposes due to the defective quality of physical construction and are therefore blighted in accordance with ORS 457.010(1)(a)(A).
E. PCBs

As detailed in Section 10, in March of 2009, a study was conducted for PDC to identify the buildings with PCBs in the Area. (Appendix, Exhibit B, Map D) These buildings are located throughout the Area.

Table 2e.11 – PCBs in Area

<table>
<thead>
<tr>
<th>PCBs</th>
<th>Original Area</th>
<th>Expansion Areas</th>
<th>Area</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td># Buildings</td>
<td>Percentage</td>
<td># Buildings</td>
</tr>
<tr>
<td>Not Likely*</td>
<td>242</td>
<td>78.06%</td>
<td>53</td>
</tr>
<tr>
<td>Likely</td>
<td>68</td>
<td>21.94%</td>
<td>37</td>
</tr>
<tr>
<td>Total</td>
<td>310</td>
<td>100%</td>
<td>90</td>
</tr>
</tbody>
</table>

Source: PDC and PBS Engineering + Environmental Study

Because of the safety issues arising from the presence of PCBs, the buildings are unsafe or unfit to occupy for their intended purposes, due to the defective quality of physical construction, and are therefore blighted in accordance with ORS 457.010(1)(a)(A).

Figure 8 shows a representation of the instances of blight in the Area in accordance with ORS 457.010(1)(a)(A). This representation eliminates all buildings which were constructed after 1998.
Figure 8: Indices of Blight per ORS 457.010 (1)(a)(A)
F. Contaminated Soils

As detailed in Section 10, in March of 2009, a study was conducted for PDC to identify the parcels with contaminated soils and or groundwater in the Area. (Appendix, Exhibit C, Map E) Over half of the parcels in the Area are likely to have either contaminated groundwater or contaminated soils. These parcels are located throughout the Area. There are more parcels than buildings, so the numbers of parcels with contaminated soils is higher than the numbers of buildings used on the prior tables.

Table 2f.11 - Contaminated Soils and/or Groundwater in the Area

<table>
<thead>
<tr>
<th></th>
<th>Original Area</th>
<th>Expansion Areas</th>
<th>Area</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>#</td>
<td>Percentage</td>
<td>#</td>
</tr>
<tr>
<td>Not Likely*</td>
<td>223</td>
<td>50.68%</td>
<td>68</td>
</tr>
<tr>
<td>Likely</td>
<td>217</td>
<td>49.32%</td>
<td>42</td>
</tr>
<tr>
<td>Total</td>
<td>440</td>
<td>100.00%</td>
<td>110</td>
</tr>
</tbody>
</table>

Source: PDC and AMEC Study

The presence of contaminated soils is not only a health issue, it contributes significantly to the cost of the redevelopment of parcels, many times causing them to redevelop at a slower pace than parcels with no environmental issues. (Appendix, Exhibit C)

Because of the presence of contaminated soils, parcels with contaminated soils contribute to the growing lack of proper utilization of the areas, resulting in a stagnant and unproductive condition of land potentially useful and valuable for contributing to the public health, safety and welfare and therefore constitute blight in accordance with ORS 457.010(1)(h).

Figure 9 shows a representation of the instances of blight in the Area in accordance with ORS 457.010(1)(a)(h).
Figure 9: Indices of Blight per ORS 457.010 (1)(h)
Includes: Contaminated Soil and Groundwater, Improvement to Land Ratio, and Development Capacity
4. **Age of Buildings**

There are 401 buildings in the Area on which there is age information. The ages of the buildings are shown below in Table 3.11. Of the 401 buildings, 80 percent (322 buildings) are over twenty years old, which is older than the Original Area. Seventy-one percent of the buildings (286 buildings) are over 50 years old. While age alone is not an indication of blight, in combination with other conditions indicative of blight, including an older building’s likely failure to meet current seismic standards, blight is evident throughout the Area.

**Table 3.11 - Age of Buildings in the Area**

<table>
<thead>
<tr>
<th>Age of Buildings (Years)</th>
<th>Original Area</th>
<th>Expansion Areas</th>
<th>Area</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Buildings</td>
<td>% of Total</td>
<td>Cumulative Percentage</td>
</tr>
<tr>
<td>0 – 9</td>
<td>64</td>
<td>20.65%</td>
<td>25.16%</td>
</tr>
<tr>
<td>10 – 19</td>
<td>14</td>
<td>4.52%</td>
<td>28.06%</td>
</tr>
<tr>
<td>20 – 29</td>
<td>9</td>
<td>2.90%</td>
<td>30.32%</td>
</tr>
<tr>
<td>30 – 39</td>
<td>7</td>
<td>2.26%</td>
<td>34.84%</td>
</tr>
<tr>
<td>40 – 49</td>
<td>14</td>
<td>4.52%</td>
<td>46.45%</td>
</tr>
<tr>
<td>50 – 59</td>
<td>13</td>
<td>4.19%</td>
<td>51.94%</td>
</tr>
<tr>
<td>60 – 69</td>
<td>23</td>
<td>7.42%</td>
<td>69.03%</td>
</tr>
<tr>
<td>70 – 79</td>
<td>17</td>
<td>5.48%</td>
<td>90.65%</td>
</tr>
<tr>
<td>80 – 89</td>
<td>53</td>
<td>17.10%</td>
<td>92.90%</td>
</tr>
<tr>
<td>90 – 99</td>
<td>32</td>
<td>10.32%</td>
<td>93.87%</td>
</tr>
<tr>
<td>100 – 109</td>
<td>35</td>
<td>11.29%</td>
<td>96.50%</td>
</tr>
<tr>
<td>110 – 119</td>
<td>7</td>
<td>2.26%</td>
<td>92.90%</td>
</tr>
<tr>
<td>120 – 129</td>
<td>3</td>
<td>0.97%</td>
<td>93.87%</td>
</tr>
<tr>
<td>No information</td>
<td>19</td>
<td>6.13%</td>
<td>100.00%</td>
</tr>
</tbody>
</table>

Source: KPFF Study
5. Streets and Utilities Condition

Streets

Traffic classifications: The Area is served by three major transportation corridors. Burnside Street, NW 14th Street and Broadway from the Broadway Bridge to Lovejoy Street are designated as Major City Traffic Streets. SW Washington Street, SW 9th Avenue, Park Avenue, SW 5th Avenue, SW 4th Avenue and SW Morrison Street are classified as a Local Service Traffic Streets. The remainder of the streets are classified as Traffic Access Streets.

Transit classifications: Burnside Street is designated as a Major Transit Priority Street. NW Everett Street, NW Glisan Street, NW Lovejoy Street, NW Northrup, Street NW 10th Street and NW 11th Street are designated as Transit Access Streets. NW Lovejoy Street, NW Northrup Street, NW 10th Street and NW 11th Street are also designated Streetcar Streets. NW 1st Avenue, NW 5th Avenue and NW 6th Avenue are designated as Regional Transitway and Major Transit Priority Streets. SW 5th Avenue and SW Morrison Street are Regional Transitway and Major Transit Priority Streets.

Bicycle classifications: Broadway, NW Couch Street, NW Flanders Street, NW Johnson Street, NW Lovejoy Street, NW Overton Street and NW Raleigh Street from NW 14th Street West, NW 9th Street, NW 14th Street and NW 15th Street from Raleigh Street North, 2nd Avenue and 3rd Avenue, NW Couch Street and NW Everett Street and the portion of NW Everett Street which extends to the Steel Bridge and NW Glisan Street, a small portion of NW 4th Avenue and a small portion of NW Hoyt Street, NW Flanders Street and Burnside Street to 3rd Avenue are designated as City Bikeways.

Pedestrian classifications: The following roads are Central City Transit Pedestrian streets: NW 10th Street and NW 11th Street, City walkways are: Broadway, NW Everett Street, NW Glisan Street, NW 13th from Burnside Street to Northrup Street, NW Lovejoy Street and NW Northrup Street from the I-405 Freeway to NW 9th Street, NW 9th Street from Hoyt Street to Naito Parkway, NW Hoyt Street from 9th Street to 6th Street and Burnside Street, 1st Avenue, 5th Avenue and 6th Avenue, NW Glisan Street to 6th Avenue, 2nd Avenue, 4th Avenue, Broadway, and Burnside Street. SW Washington, SW 9th Avenue and Park Avenue are also classified as City Walkways. SW 5th Avenue and SW Morrison Street are Central City Transit/Pedestrian Streets and SW 4th Avenue is a City Walkway.

The condition of the streets was surveyed by the Portland Department of Transportation in April of 2008 and February 2009. While many of the conditions of the streets were listed as good, there are also many listings of fair to poor or poor, or even “the ride is very rough.” These fair to poor, poor and “ride is rough” street conditions, in combination with the inadequacies evidenced in other rights of way, open space and utilities identified in this section of the Report, constitute blight in accordance with ORS 457.010(1)(e). In addition to present conditions, the northwestern portion of the Area does not have a street grid established. Such inadequacy of streets, in combination with the other inadequacies evidenced in the
rights of way, open space and utilities in the Area identified in this section of the Report, constitute blight in accordance with ORS 457.010(1)(e).

The conditions of the streets in February 2009 in the western portion of the Area were identified as:

W. BURNSIDE STREET AND NORTH OF W. BURNSIDE STREET

- **NW 17th Avenue**- Naito Parkway – Thurman Street: 2 lanes. Parking both sides. Fair to Poor.
- **NW 16th Avenue**- Thurman Street – Savier Street: 1 lane. Parking both sides. Fair.
  
  Savier Street – Marshall St: 1 lane. Parking both sides to Parking only West side. Good.
  
  
  Lovejoy Street – Johnson Street: 1 lane. Parking only East side to Parking both sides. Good.
  
  
  Glisan Street – Everett Street: 3 lanes. Parking West side. Good to Fair.
  
  Everett Street – Couch Street: 1 lane. Parking West side. Fair to Good.
  
  Couch Street – Burnside Street: 2 lanes. Parking both sides. Fair.
- **NW 15th Avenue**- @ Burnside Street: 3 lanes. No Parking. Good.
  
  Davis Street – Everett Street: 2 lanes. Parking both sides. Fair.
  
  Everett Street – Glisan Street: 2 lanes. Parking both sides. Very Good.
  
  Glisan Street – Thurman Street: 2 lanes. Parking both sides. Abandoned Rail down middle of the street. Mostly Poor.
- **NW 14th Avenue**- Burnside – Davis Street: 1 lane. Parking both sides. Good to Very Good.
  
  Davis Street – Everett Street: 3 lanes. Parking East side. Good to Very Good.
  
  Everett Street – Hoyt Street: 3 lanes. No Parking both sides to Parking on East side. Mostly Fair.
  
  Hoyt Street – Kearney Street: 1 lane. Parking both sides. Mostly Fair.
  
  
  Marshall Street – Pettygrove Street: 1 lane. Mostly Parking both sides. Mostly Good.
  
  Pettygrove Street – Savier Street: 1 lane. Parking both sides. Good.
  
  Savier Street – Thurman Street: 1 lane. Parking both sides. Fair.
- **NW 13th Avenue**- Quimby Street – Davis Street: Concrete. 2 lanes. Parking both sides. Good.
  
  Davis Street – Burnside Street: Asphalt. 2 lanes. Parking both sides. Very Good.

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- NW 12th Avenue - Burnside – Davis Street: 2 lanes. Parking both sides. Good.
  Davis Street – Flanders Street: 2 lanes. Parking most of both sides. Abandoned Tracks visible. Poor to Very Poor.
  Flanders Street – Kearney Street: 2 lanes. Parking both sides. Abandoned Track visible. Cobblestone exposed in some areas. Fair to Poor.
  Northrup Street – Quimby Street: 2 lanes. Parking both sides. Good.

- NW 11th Avenue - Overton Street – Lovejoy Street: 2 lanes. Parking both sides. Very Good to Good.
  Lovejoy Street – Hoyt Street: Light Rail in concrete. 2 lanes. Parking both sides. Good.
  Hoyt Street – Burnside: Light Rail in concrete. 2 lanes. Parking both sides. Fair to Poor.

- NW 10th Avenue - Burnside – Johnson Street: Light Rail in concrete. 2 lanes. Parking both sides. Good.
  Northrup Street – Overton Street: 2 lanes. Parking both sides. Very Good.

- NW 9th Avenue - Hoyt Street – Overton Street: 2 lanes. Parking both sides. Condition goes back and forth between Good and Fair.
  Overton Street – Front Street: 2 lanes. No parking. Fair.

- W. Burnside Street - 9th Avenue – 16th Avenue: 4 lanes. No parking. Poor.
  11th Avenue – 12th Avenue: Very Poor condition.

- Park Avenue to 9th Avenue - 2 lanes in either direction. Fair.

- NW Couch Street - 9th Avenue – 10th Avenue: 2 lanes. Parking both sides. Good.
  10th Avenue – 11th Avenue: 2 lanes. Parking both sides. Fair.
  11th Avenue – 14th Avenue: 2 lanes. Parking both sides. Good.
  Freeway Ramp – 16th Avenue: 2 lanes. No parking. Good.

- NW Davis Street - Front Avenue – 9th Avenue: 2 lanes. Parking both sides. Good.
  10th Avenue – 11th Avenue: 2 lanes. Parking both sides. Poor.
  11th Avenue – 14th Avenue: 2 lanes. Parking both sides. Good.
- **NW Everett Street** - 9th Avenue – 12th Avenue: 2 lanes. Parking both sides. Good.
  12th Avenue – 13th Avenue: 2 lanes. Parking both sides. Poor.
  13th Avenue – 14th Avenue: 2 lanes. Parking both sides. Fair.
  14th Avenue – 16th Avenue: 2 lanes. No parking. Good.

- **NW Flanders Street** - 9th Avenue – 15th Avenue: 2 lanes. Parking both sides. Condition goes back and forth between Good and Fair.

- **NW Glisan Street** - 9th Avenue – 11th Avenue: 2 lanes. Parking both sides. Very Good.
  11th Avenue – 16th Avenue: 2 lanes. Parking both sides. Condition goes back and forth between Good and Fair.

- **NW Hoyt Street** - 9th Avenue – 14th Avenue: 2 lanes. Parking both sides. Fair.
  14th Avenue – 15th Avenue: 2 lanes. Parking both sides. Poor.

- **NW Irving Street** - 9th Avenue – 10th Avenue: 2 lanes. Parking both sides. Fair.
  10th Avenue – 14th Avenue: 2 lanes. Parking both sides. The surface is “cobblestone.” The ride is very rough.

- **NW Johnson Street** - 9th Avenue – 16th Avenue: 2 lanes. Parking both sides. Condition goes back and forth between Good and Very good.

  15th Avenue – 12th Avenue: 2 lanes. Parking both sides. The surface is “cobblestone”. The ride is very rough.

- **NW Lovejoy Street** - 9th Avenue – 10th Avenue: 2 lanes. South side parking. Good.
  10th Avenue – 11th Avenue: 2 lanes. Parking both sides. Good.
  11th Avenue – 16th Avenue: Light Rail in concrete. 2 lanes. Parking both sides. Good.

- **NW Marshall Street** - Station Way – 9th Avenue: 2 lanes. Construction currently on both sides. Good.
  9th Avenue – 12th Avenue: 2 lanes. Parking both sides. Very Good.
  12th Avenue – 14th Avenue: 2 lanes. Parking both sides. The surface is “cobblestone”. The ride is very rough.
  15th Avenue – 16th Avenue: 2 lanes. Some parking (meters) both sides. Good.
- **NW Northrup Street**- 10th Avenue – Station Way: 2 lanes. Parking both sides. Very Good.
  10th Avenue – 12th Avenue: Light Rail in concrete. 2 lanes. Parking both sides. Good.
  12th Avenue – 14th Avenue: Light Rail in concrete. 2 lanes. Parking both sides. Poor.
  14th Avenue – 15th Avenue: Light Rail in concrete. 2 lanes. Parking both sides. Fair.
  15th Avenue – 16th Avenue: Light Rail in concrete. 2 lanes. Parking both sides. Good.

- **NW Overton Street**- 9th Avenue – 12th Avenue: 2 lanes. Parking both sides. Very Good.
  12th Avenue – 14th Avenue: 2 lanes. Parking both sides. Good.
  14th Avenue – 16th Avenue: 2 lanes. Parking both sides. Very Good.

- **NW Pettygrove Street**- 12th Avenue – 13th Avenue: 2 lanes. Parking both sides. Good to Fair.
  15th Avenue – 16th Avenue: 2 lanes. Parking both sides. Good to Very Good.

- **NW Quimby Street**- 11th Avenue – 12th Avenue: Gated and closed. Asphalt appears new.
  12th Avenue – 13th Avenue: Dirt and rocks.
  14th Avenue – 16th Avenue: 2 lanes. Parking both sides. Good to Fair.

- **NW Raleigh Street**- 13th Avenue – 16th Avenue: 2 lanes. Parking both sides. Fair.

- **NW Savier Street**- 13th Avenue – 14th Avenue: 2 lanes. Parking both sides. Fair.
  14th Avenue – 15th Avenue: 2 lanes. Parking both sides. Fair.
  15th Avenue – 16th Avenue: 2 lanes. Parking both sides. Good to Very Good.

- **NW Thurman Street**- 14th Avenue – 17th Avenue: 2 lanes. Parking both sides. Good to Very Good.

- **NW Riverscape and 16th Avenue, 17th Avenue, and 18th Avenue at Riverscape**- 2 lanes. Parking both sides. All in Very Good condition.

- **NW Station Way**- Northrup Street – Lovejoy Street: 2 lanes. Parking both sides. Very Good.
• NW Front Avenue- Broadway Bridge- 9th Avenue: 2 lanes. Parking both sides. Fair.
  15th Avenue – address #2279: 3 lanes. No parking. Poor.

• NW 19th Avenue- Front Avenue – 200’ South of Front Avenue: Our records show this as “maintained” by the City, although it appears to be a driveway in extremely poor condition.

SOUTH OF W. BURNSIDE STREET

• SW Alder Street- Park Avenue – 5th Avenue: 2 lanes. Parking both sides. Good.

• SW Broadway- Oak Street – Morrison Street: 3 lanes. Parking both sides. Good to Very Good.

• SW Oak Street- Park Avenue – 10th Avenue: 2 lanes. Parking both sides. Fair.

• SW Park Avenue- Stark Street – Oak Street: 2 lanes. Parking both sides. Fair.

• SW Stark Street- Park Avenue – 5th Avenue: 2 lanes. Parking both sides. Fair to Poor.

• SW Washington Street- 5th Avenue – Park Avenue: 2 lanes. Parking both sides. Good.

• SW 6th Avenue- Morrison Street – Oak Street: Light Rail in concrete. 3 lanes. No Parking both sides, except a small area on the West side between Alder and Washington. Very Good.

• SW 9th Avenue- Burnside – Stark Street: 2 lanes. Parking both sides. Fair.

• SW 10th Avenue- Stark Street – Burnside Street: Light Rail in concrete. 4 lanes. No Parking. Good.

The conditions of the following streets in the Expansion Areas were surveyed in April of 2008:

• NW 3rd Avenue – Burnside Street to Hoyt Street is a two-lane street in “poor” to “very poor” condition. There is parking on both sides. It is being used for a bus re-route by Tri-Met. Glisan Street to Hoyt Street is under construction.
NW 4th Avenue – Burnside Street to Glisan Street is a two-lane street in “fair” condition. There is parking on both sides. It is being used for a bus re-route by Tri-Met.

NW 6th Avenue – Flanders Street to Irving Street is one-lane in asphalt and one lane rail in concrete. It is new construction for the Mall Light Rail Extension.

NW Broadway – Everett Street to Hoyt Street is a three-lane street in “good” condition. There is parking on both sides. The bridge ramp north of Hoyt Street is not maintained by the City.

W Burnside – 2nd Avenue to 6th Avenue is at least two-lanes in either direction, with parking in some places, turning lanes, and bus areas. There is a landscaped median down the center. This segment was last overlaid in August of 1995. The street is currently under construction for a Sewer Project. When last rated, in September 2006, this section was in “fair” condition. It is difficult to give a condition rating with the construction in progress.

NW Couch Street – 2nd Avenue to 4th Avenue is a two-lane street with parking on both sides. 2nd Avenue to 3rd Avenue is in “very poor” condition. 3rd Avenue to 4th Avenue is in “good” condition.

NW Davis Street – 3rd Avenue to 4th Avenue is a two-lane street with parking on both sides. It is a newly completed “Festival Street” in excellent condition.

NW Everett St – 3rd Avenue to 4th Avenue is a two-lane street in “good” condition. There is parking on both sides.

NW Flanders St – 5th Avenue to Broadway is a two-lane street with parking on both sides. 5th Avenue to 6th Avenue is in “poor” condition. 6th Avenue to Broadway is in “very poor” condition.

NW Flanders Street – 3rd Avenue to 4th Avenue is a two-lane street with parking on both sides. It is a newly completed “Festival Street” in excellent condition.

NW Glisan Street – 3rd Avenue to 8th Avenue is a two-lane street with parking on both sides. 3rd Avenue to 5th Avenue is in “very poor” condition. 5th Avenue to 6th Avenue is in “poor” condition. 6th Avenue to Broadway is in “very poor” condition. Broadway to 8th Avenue is in “good” condition.

NW Hoyt Street – Broadway to Park Avenue is a three-lane street in “fair” to “poor” condition. There is parking on both sides. Broadway to 6th Avenue is
two-lanes with a few parking spaces. The condition is “fair.” The Greyhound Bus station occupies the area between 5th Avenue and 6th Avenue.

- **NW Irving Street – Broadway to 5th Avenue** – Broadway to 6th Avenue is three-lanes in “good” to “fair” condition. 5th Avenue to 6th Avenue is new construction with light rail.

- **SW Ankeny Street – 1st Avenue to 2nd Avenue** is a one-lane street in “fair” condition.

- **SW Oak Street – 4th Avenue to 6th Avenue** is a two-lane street which is in “fair” condition between 4th Avenue and 5th Avenue, and in “very poor” condition between 5th Avenue and 6th Avenue.

- **SW Washington Street – Park Avenue to 9th Avenue** is a two-lane street in “good” condition. There is parking on both sides.

- **SW Stark Street – Park Avenue to 9th Avenue** is a two-lane street in “poor” condition. There is parking on both sides.

- **SW Park Avenue – Washington Street to Stark Street** is a one-lane street in “fair” condition. There is parking on both sides.

- **SW 9th Avenue – Washington Street to Stark Street** is a one-lane street in “fair” condition. There is parking on both sides.

- **SW Stark Street – 5th Avenue to ½ block south** is a two-lane street in “poor” condition. There is parking on both sides.

- **SW 9th Avenue – Yamhill to Morrison Street** is one-lane in “very good” condition. This appears to be new construction connected to the south Park Block Project.

- **SW 5th Avenue – Morrison Street to Alder Street** is under construction for the Mall Light Rail Extension Project. The rail is in place and there is new asphalt. There is building renovation on the east side of 5th Avenue.

- **SW 4th Avenue – Morrison Street to Alder Street** is a four-lane street in “poor” condition. There is parking on both sides. Tri-Met is using 4th Avenue for a bus re-route.

- **SW Morrison Street – 3rd Avenue to 4th Avenue** is one-lane of asphalt and a second with rail in brick. The asphalt is in “fair” condition.

The Capital Improvement Projects (CIP) scheduled for the Amended and Restated River District Area are:
- NW 4th Avenue from Burnside to NW Glisan Street - 2008-2012.
- Burnside Street is part of a plan for future development into what is termed the Burnside Couch Couplet, which would dramatically alter the traffic flow on both Burnside and Couch and improve the pedestrian access throughout the area.
- The CIP for the Transit Mall to cross Oak Street at 5th Avenue and 6th Avenue.
- There is a CIP Project scheduled for SW 4th Avenue from Lincoln Street to Burnside Street in 2013-2017.

**Water**

In February of 2009, the Water Bureau provided the following information about the conditions of the water system in the Original Area:

“The Original River District is well served with water mains in almost all of the streets. Water is available for future renewal/development. The conditions of the mains in the area are good to very good with the following three exceptions:

- 100 feet of 2-inch steel main in W Burnside between 3rd and 4th Avenues.
- 110 feet of 2-inch galvanized main in NW Everett Street between Broadway and the existing water service.
- 260 feet of 2-inch galvanized main in NW 8th Street between Flanders and Glisan Streets.

These three mains are currently included in the Water Bureau's needs database but are not high enough on the priority list to be included in the current Water Bureau's CIP projects. They also continue to monitor the condition of one additional water main in NW 3rd Ave from NW Couch Street to NW Glisan Street as we [the Water Bureau] have experienced a number of leaks on this line in past years.”

In April of 2008, the Water Bureau provided the following information about the conditions of the water system in the Expansion Areas:

“In general, the Old Town/Chinatown, Firestone Area, Lincoln Area, O’Bryant Square, McCoy Building, 10th and Yamhill and East Retail Core Expansion Areas are well served with water lines in almost all of the streets. Water is available for future renewal/development. The conditions of the water mains in the area are good to very good with the following two exceptions:

- 110 feet on NW Everett from Broadway to the West.
- 260 feet on NW 8th Ave from Flanders Street to Glisan Street.

Both of these are included in the Water Bureau’s needs database but are not high enough on the priority list to be included in their current CIP projects. They are
also monitoring the water main in NW 3rd Avenue from NW Couch Street to NW Glisan Street.”

The need for upgrading of such utilities in combination with the inadequate conditions of the streets and other rights of way and open space identified in this Section constitutes blight in accordance with ORS 457.010(1)(e). In addition to present conditions, the northwestern portion of the Area does not have a street grid established, and therefore does not have the utilities which are generally present in a street system. Such inadequacy of utilities, in combination with the other inadequacies evidenced in the rights of way, open space and streets in the Area identified in this section of the Report, constitute blight in accordance with ORS 457.010(1)(e).

Storm Water & Wastewater

In February of 2009, the Bureau of Environmental Services (“BES”) provided the following information about the conditions of the storm water and wastewater systems in the Original Area:

“In general, the area is well served by storm water and wastewater systems. The systems which have conditions rating as poor-bad are shown below.

- NW 6th Avenue from SW Oak Street to SW Stark Street.
- NW 9th Avenue from Burnside Street to SW Stark Street and from NW Johnson Street to NW Northrup Street.
- NW Everett Street from 12th Avenue to 13th Avenue.
- NW Flanders Street from 10th Avenue to 11th Avenue and from 12th Avenue to 14th Avenue.
- NW Glisan Street from 10th Avenue to 14th Avenue.
- NW Hoyt from 13th Avenue to 14th Avenue.
- Burnside Street from 4th Avenue to 6th Avenue.”

In April of 2008, BES provided the following information about the conditions of the storm water and wastewater systems in the Expansion Areas:

“In general, the area is well served by storm water and wastewater systems. The systems which have conditions rating as poor-bad are shown below.

- Broadway from NW Hoyt Street to NW Irving Street and a small section of Broadway at the north end of the area.
- NW Glisan Street from 3rd Avenue to 5th Avenue.
- NW 6th Avenue from Glisan Street to Irving Street.
- Burnside Street from 4th Avenue to 6th Avenue.
- The systems in the Lincoln Expansion Area connecting streets are “poor to bad.”
The systems in the connecting streets in the O’Bryant Square Expansion Area are “poor” with the exception of a small segment of the system at the north east corner, which is characterized as “bad”.

A CIP project (#5486) NW Burnside Sewer Reconstruction is presently underway.

The need for upgrading of these storm water and wastewater systems, in combination with the inadequate condition of the streets and other rights of way and open space indentified in this Section constitutes blight in accordance with ORS 457.010(1)(e). In addition to present conditions, the northwestern portion of the Area does not have a street grid established, and therefore does not have the utilities which are generally present in a street system. Such inadequacy of utilities, in combination with the other inadequacies evidenced in the rights of way, open space and streets in the Area identified in this Section of the Report, constitute blight in accordance with ORS 457.010(1)(e).

6. Parks and Open Space

There are three existing parks in the Area and a fourth is planned.

- Jamison Park is bounded by NW 10th/NW Johnson/NW Kearney and NW 11th.

- Tanner Springs Park is bounded by NW Marshall/NW Northrup/NW 10th and NW 11th.

- The O’Bryant Square is a public park. The park is deficient and is scheduled by the City of Portland Parks and Recreation Bureau for future major renovations. The park is underutilized and due to the lack of typical park amenities such as green space and vegetation, functions more as a plaza rather than open space. The need for extensive renovations to address the inadequacies of the park, in combination with the inadequate condition of the streets and other rights of way and utilities indentified in this Section constitutes blight in accordance with ORS 457.010(1)(e).

- Fields Neighborhood Park is a yet to be developed park. It is designated for the area bounded by NW Marshall/NW Overton/NW 10th and NW 11th. The park presently is inadequate open space which is characterized by obsolescence and deterioration. The public safety, health and welfare of the community would be improved by the improvements to the Park.

The Parks 2020 Vision identifies the subarea of the Central City/Northwest (CC/NW) as having the smallest amount of neighborhood and community park acreage of all sub areas in the Parks 2020 Vision. It further identifies the specific River District area in the Park Shortages section of the document. “The following sectors of the CC/NW sub-area are park deficient- The River District….The development plan for the River District calls for new park to be built with tax increment funding… Another urban square, a neighborhood park and a community park on the river are planned as part of that development.” (Parks 2020 Vision p.43). The need for construction and upgrading of these parks/open space to
address such inadequacies, in combination with the inadequate condition of the streets and other rights of way and utilities identified in this Section constitutes blight in accordance with ORS 457.010(1)(e).

7. **Public Spaces**

The public spaces in the Area are:

- Those areas of public ownership under the I-405 bridge.
- Two Festival Streets, NW Davis Street from 3rd Avenue to 4th Avenue, and NW Flanders Street from 3rd Avenue to 4th Avenue.

8. **Public Parking**

There is public parking at the following locations:

- US Post Office
- The Smart Park at Station Place located between NW Marshall and NW Station Way Streets. It has over 400 parking spaces.
- Union Station. It is owned by the City of Portland, but leased to a private entity.
- The SmartPark below grade in the O’Bryant Square Expansion Area. There are 123 spaces.
- The SmartPark public parking structure that has approximately 794 parking spaces in the 10th and Yamhill Expansion Area. The proposed renovation of the parking garage would rehabilitate the parking structure, which is necessary for future economic growth of the Area, including office space and expanded retail business.
- The SmartPark at 818 SW 4th Avenue is a public building with 650 spaces of parking. It is crucial to a healthy retail core as it provides much needed parking for downtown shoppers. The proposed renovation of the parking garage would rehabilitate the parking structure which is necessary for future economic growth of the Area including office space and expanded retail business.
9. **Public Buildings**

The public buildings in the Area are:

**Table 3a.11 - Public Buildings in the Area**

<table>
<thead>
<tr>
<th>Public Buildings</th>
<th>Address</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>City of Portland</td>
<td>800 NW 6th Avenue</td>
<td>Union Station</td>
</tr>
<tr>
<td>City of Portland</td>
<td>510 NW 3rd Avenue</td>
<td>Tri Met Lease</td>
</tr>
<tr>
<td>City of Portland</td>
<td>421-39 NW 3rd Avenue</td>
<td></td>
</tr>
<tr>
<td>Federal Government</td>
<td>511 NW Broadway</td>
<td>Future PNW College of Arts</td>
</tr>
<tr>
<td>PDC</td>
<td>Fairfield Hotel</td>
<td>Low income housing</td>
</tr>
<tr>
<td>City of Portland</td>
<td>808 SW Stark</td>
<td>Smart Park</td>
</tr>
<tr>
<td>Multnomah County</td>
<td></td>
<td>McCoy Building</td>
</tr>
<tr>
<td>City of Portland</td>
<td>730 SW 10th</td>
<td>Smart Park</td>
</tr>
<tr>
<td>City of Portland</td>
<td>818 SW 4th Avenue</td>
<td>Smart Park</td>
</tr>
<tr>
<td>City of Portland</td>
<td></td>
<td>Portland Streetcar Maintenance</td>
</tr>
<tr>
<td>United States Postal Service</td>
<td>715 NW Hoyt</td>
<td>Faculty House</td>
</tr>
<tr>
<td>Multnomah County</td>
<td>421 SW 5th Ave</td>
<td>Mead Bldg</td>
</tr>
<tr>
<td>State of Oregon</td>
<td>1516 NW Northrup St</td>
<td>Streetcar Barn</td>
</tr>
<tr>
<td>State of Oregon</td>
<td>1207 NW Naito Parkway</td>
<td>OSU Food Innovation Center</td>
</tr>
<tr>
<td>City of Portland</td>
<td>1362 NW Front Ave</td>
<td>Centennial Mills &amp; Patrol Unit</td>
</tr>
<tr>
<td>City of Portland</td>
<td>NW Station Way</td>
<td>Union Station (Train Shelters)</td>
</tr>
<tr>
<td>City of Portland</td>
<td>1020 W/ NW 9th Ave</td>
<td>Station Place Parking Garage</td>
</tr>
</tbody>
</table>

Source: PDC GIS
B. Social Conditions

Currently, the Area contains approximately 5,512 residential dwellings (derived from the 2005 Central City Housing Inventory as reported by PDC).

Table 4a.11 Housing Units in the Area

<table>
<thead>
<tr>
<th>Housing Units</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Area 1: Old Town/Chinatown</td>
<td>690</td>
</tr>
<tr>
<td>Area 2: Firestone</td>
<td></td>
</tr>
<tr>
<td>Area 3: Fairfield</td>
<td>80</td>
</tr>
<tr>
<td>Area 4: Lincoln</td>
<td></td>
</tr>
<tr>
<td>Area 5: O’Bryant Square</td>
<td></td>
</tr>
<tr>
<td>Area 6: McCoy</td>
<td></td>
</tr>
<tr>
<td>Area 7: 10th and Yamhill</td>
<td></td>
</tr>
<tr>
<td>Area 8: East Retail Core</td>
<td></td>
</tr>
<tr>
<td>Area 10: Original River District</td>
<td>4,742</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>5,512</td>
</tr>
</tbody>
</table>

Source: PDC

Table 4b.11 Social Conditions of Area

<table>
<thead>
<tr>
<th>Area and City of Portland</th>
<th>Total Area (Original + Expansion Area)</th>
<th>City of Portland</th>
<th>Original Area</th>
<th>Expansion Areas</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population</td>
<td>3576</td>
<td>551302</td>
<td>2035</td>
<td>1541</td>
</tr>
<tr>
<td>Households</td>
<td>1944</td>
<td>234726</td>
<td>1530</td>
<td>414</td>
</tr>
<tr>
<td>Families</td>
<td>242</td>
<td>122,127</td>
<td>232</td>
<td>10</td>
</tr>
<tr>
<td>Average Household Size</td>
<td>1.47</td>
<td>2.29</td>
<td>1.26</td>
<td></td>
</tr>
<tr>
<td>Median Age</td>
<td>39.3</td>
<td>36.9</td>
<td>34.6</td>
<td></td>
</tr>
<tr>
<td>Race &amp; Ethnicity</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>White Alone</td>
<td>2776 (77.6%)</td>
<td>412133 (74.8%)</td>
<td>1679 (82.5%)</td>
<td>1097 (71.2%)</td>
</tr>
<tr>
<td>Black Alone</td>
<td>303 (8.5%)</td>
<td>38650 (7.0%)</td>
<td>104 (5.1%)</td>
<td>199 (12.9%)</td>
</tr>
<tr>
<td>American Indian Alone</td>
<td>93(2.6%)</td>
<td>5607 (1.0%)</td>
<td>31(1.5%)</td>
<td>62 (4%)</td>
</tr>
<tr>
<td>Asian Alone</td>
<td>127 (3.6%)</td>
<td>42479 (7.7%)</td>
<td>87(4.3%)</td>
<td>40 (2.6%)</td>
</tr>
<tr>
<td>Pacific Islander Alone</td>
<td>13 (0.4%)</td>
<td>2252 (0.4%)</td>
<td>7(0.3%)</td>
<td>6 (0.4%)</td>
</tr>
<tr>
<td>Some Other Race Alone</td>
<td>120 (3.4%)</td>
<td>25771 (4.7%)</td>
<td>51(2.5%)</td>
<td>69 (4.5%)</td>
</tr>
<tr>
<td>Two or More Races</td>
<td>145 (4.1%)</td>
<td>24409 (4.4%)</td>
<td>76 (3.8%)</td>
<td>69 (4.5%)</td>
</tr>
<tr>
<td>Hispanic Origin (Any Race)</td>
<td>282 (7.9%)</td>
<td>49,719 (9.0%)</td>
<td>138 (6.8%)</td>
<td>144 (9.4%)</td>
</tr>
<tr>
<td>Median Household Income</td>
<td>$28,479</td>
<td>$52,206</td>
<td>$38,140</td>
<td></td>
</tr>
</tbody>
</table>

Source: ESRI Business Analyst, 2007
C. **Economic Conditions**

1. **Taxable Value of Property Within the Area**

The taxable value of land (assessed value), improvements and personal property in the Area is $1,453,517,521.

2. **Land and Improvement Values**

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 Ratio” or “I:L.” The values used are real market values. In URAs, the I:L may be used to measure the intensity of development or the extent to which an area has achieved its short- and long-term development objectives.

For instance, a property on a 10,000 square foot lot might have a land value of $120,000 at $12.00 per square foot. A three-story development with ground floor retail and professional offices on the upper floors containing 12,000 square feet valued at $65.00 per square foot might have an improvement value of $780,000. The I:L ratio for this example would be 6.5:1.

Land to improvement value ratios for “healthy” properties in areas in the Area range from 1.5:1 to 11:1, depending on the location. Sub-areas have been identified with specific I:L ratio. (Appendix Exhibit D) There are fewer total parcel numbers for the I:L analysis than for the land use and zoning as a number of the parcels do not show an I:L number because they are centrally assessed as condominiums. In addition, there are more parcels than buildings because not all parcels have buildings on them.

The properties identified in Table 5.11 below with I:L values below that established as a healthy I:L for the sub-area can be improved with strategic redevelopment investments.

Of the properties within the Area, 56 percent are developed below the identified threshold of “healthy.” 18 percent are not developed. Therefore, 74 percent of the Area is developed below what a healthy property would be in this Area.

Because the land has low value relative to other properties, the properties can be identified as demonstrating “a growing lack of proper utilization of areas, resulting in a stagnant and unproductive condition of land potentially useful for contributing to the public health, safety and welfare” and therefore constituting blight in accordance with ORS457.010(1)(h).
Table 5.11. Improvement to Land Ratio of Area

<table>
<thead>
<tr>
<th>No Value</th>
<th># Parcels Expansion Area</th>
<th>% Total Expansion Area</th>
<th># Parcels Original Area</th>
<th>% Original Area</th>
<th>Total Parcels Area</th>
<th>Total Area%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Below Threshold</td>
<td>98</td>
<td>91%</td>
<td>170</td>
<td>46%</td>
<td>268</td>
<td>56%</td>
</tr>
<tr>
<td>Above Thresholds</td>
<td>3</td>
<td>3%</td>
<td>120</td>
<td>33%</td>
<td>123</td>
<td>26%</td>
</tr>
<tr>
<td></td>
<td>Total Properties</td>
<td>108</td>
<td>369</td>
<td>100%</td>
<td>477</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: PDC from GIS information and Johnson Reid Memorandum

3. 2007 Central Portland Development Capacity Study

In April of 2007, the City of Portland issued a draft Central Portland Development Capacity Study which identified:

a) Which sites are potentially available for redevelopment and
b) How much development capacity is available on these potential redevelopment sites. This analysis was based upon what the capacity might be under current zoning entitlements (p7). In conducting this analysis, the following factors were considered:

(1) Historic buildings and contributing historic buildings were excluded.

(2) All properties identified or zoned as parks or open space were excluded.

(3) All properties with industrial (IG or IH) zoning (except in cases where there has recently been considerable discussion about non-industrial redevelopment opportunities) were removed.

(4) All parcels that utilized more than 20% of the available FAR and/or have improvements assessed at less than 50% of the value of the land. (These were included.)

(5) All remaining properties were manually checked.

(6) Significant redevelopment sites not captured above were added in.

(7) Lots smaller than 10,000 square feet were removed from the calculations.
The results of this analysis for the Area are shown in Tables 6.11 and 7.11.

**Table 6.11 - FAR of Parcels in Area**

<table>
<thead>
<tr>
<th>% of FAR used</th>
<th>Original Area</th>
<th></th>
<th>Expansion Areas</th>
<th></th>
<th>Area Total</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Parcels</td>
<td>Acreage</td>
<td>Parcels</td>
<td>Acreage</td>
<td>Parcels</td>
<td>Acreage</td>
</tr>
<tr>
<td>No Improvements</td>
<td>103</td>
<td>46.3</td>
<td>103</td>
<td>189.4</td>
<td>103</td>
<td>223.46</td>
</tr>
<tr>
<td>0-9.9</td>
<td>28</td>
<td>13.2</td>
<td>16</td>
<td>6.61</td>
<td>44</td>
<td>19.81</td>
</tr>
<tr>
<td>10-19.9</td>
<td>58</td>
<td>15.3</td>
<td>2</td>
<td>0.54</td>
<td>60</td>
<td>15.84</td>
</tr>
<tr>
<td>20-29.9</td>
<td>32</td>
<td>17.2</td>
<td>2</td>
<td>1.96</td>
<td>34</td>
<td>19.16</td>
</tr>
<tr>
<td>30-39.9</td>
<td>50</td>
<td>14.8</td>
<td>1</td>
<td>6.18</td>
<td>51</td>
<td>20.98</td>
</tr>
<tr>
<td>40-49.9</td>
<td>33</td>
<td>24.6</td>
<td>3</td>
<td>0.92</td>
<td>36</td>
<td>25.52</td>
</tr>
<tr>
<td>50-59.9</td>
<td>35</td>
<td>9.7</td>
<td>1</td>
<td>0.11</td>
<td>36</td>
<td>9.81</td>
</tr>
<tr>
<td>60-69.9</td>
<td>29</td>
<td>8.3</td>
<td>1</td>
<td>1.06</td>
<td>30</td>
<td>9.36</td>
</tr>
<tr>
<td>70-79.9</td>
<td>13</td>
<td>4.3</td>
<td>3</td>
<td>1.96</td>
<td>16</td>
<td>6.26</td>
</tr>
<tr>
<td>80-89.9</td>
<td>6</td>
<td>3.8</td>
<td>5</td>
<td>0.16</td>
<td>11</td>
<td>3.96</td>
</tr>
<tr>
<td>90-99.9</td>
<td>4</td>
<td>0.8</td>
<td>48</td>
<td>11.79</td>
<td>52</td>
<td>12.59</td>
</tr>
<tr>
<td>100-200</td>
<td>33</td>
<td>24.7</td>
<td>26</td>
<td>2.77</td>
<td>59</td>
<td>27.47</td>
</tr>
<tr>
<td>&gt;200</td>
<td>9</td>
<td>5.7</td>
<td>0</td>
<td>0.16</td>
<td>9</td>
<td>5.7</td>
</tr>
<tr>
<td>No data</td>
<td>4</td>
<td>0.7</td>
<td>0</td>
<td>0.11</td>
<td>4</td>
<td>0.7</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>437</strong></td>
<td><strong>189.4</strong></td>
<td><strong>108</strong></td>
<td><strong>34.06</strong></td>
<td><strong>545</strong></td>
<td><strong>223.46</strong></td>
</tr>
</tbody>
</table>

Source: City of Portland Bureau of Planning

**Table 7.11 - Likely to Redevelop Parcels**

<table>
<thead>
<tr>
<th>Likely to Redevelop</th>
<th>Original Area</th>
<th></th>
<th>Expansion Areas</th>
<th></th>
<th>Area Total</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Parcels</td>
<td>Acreage</td>
<td>Parcels</td>
<td>Acreage</td>
<td>Parcels</td>
<td>Acreage</td>
</tr>
<tr>
<td>No improvements</td>
<td>54</td>
<td>28.5</td>
<td>13</td>
<td>4.93</td>
<td>67</td>
<td>28.5</td>
</tr>
<tr>
<td>0-9.9</td>
<td>24</td>
<td>11.8</td>
<td>1</td>
<td>4.93</td>
<td>25</td>
<td>16.73</td>
</tr>
<tr>
<td>10-19.9</td>
<td>25</td>
<td>6.3</td>
<td>1</td>
<td>0.08</td>
<td>26</td>
<td>6.38</td>
</tr>
<tr>
<td>20-29.9</td>
<td>13</td>
<td>13</td>
<td>0.11</td>
<td>13</td>
<td>13.11</td>
<td></td>
</tr>
<tr>
<td>30-39.9</td>
<td>5</td>
<td>2.6</td>
<td>0</td>
<td>5</td>
<td>2.6</td>
<td></td>
</tr>
<tr>
<td>40-49.9</td>
<td>5</td>
<td>13.1</td>
<td>3</td>
<td>0.92</td>
<td>8</td>
<td>14.02</td>
</tr>
<tr>
<td>50-59.9</td>
<td>1</td>
<td>0.9</td>
<td>1</td>
<td>0.11</td>
<td>2</td>
<td>1.01</td>
</tr>
<tr>
<td>60-69.9</td>
<td>2</td>
<td>1.4</td>
<td>0</td>
<td>2</td>
<td>1.4</td>
<td></td>
</tr>
<tr>
<td>70-79.9</td>
<td>1</td>
<td>0.1</td>
<td>0</td>
<td>1</td>
<td>0.1</td>
<td></td>
</tr>
<tr>
<td>80-89.9</td>
<td>0</td>
<td>0</td>
<td>2</td>
<td>0.09</td>
<td>2</td>
<td>0.09</td>
</tr>
<tr>
<td>90-99.9</td>
<td>0</td>
<td>0</td>
<td>9</td>
<td>2.59</td>
<td>9</td>
<td>2.59</td>
</tr>
<tr>
<td>100 or greater</td>
<td>3</td>
<td>2.2</td>
<td>2</td>
<td>0.1</td>
<td>5</td>
<td>2.3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>133</strong></td>
<td><strong>79.9</strong></td>
<td><strong>32</strong></td>
<td><strong>8.93</strong></td>
<td><strong>165</strong></td>
<td><strong>88.83</strong></td>
</tr>
</tbody>
</table>

Source: City of Portland Bureau of Planning
The results show that in the Area there are 165 parcels and approximately 89 acres that are likely to redevelop. This is 30 percent of the parcels (165/545) and approximately 40 percent of the acreage (89/223) in the Area.

This data reinforces the I:L analysis which shows that properties are underdeveloped in the Area.

Because of the prevalence of these sites throughout the Area, indicating 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, there is evidence of blight in accordance with ORS 457.010(1)(h).

4. Economic Vitality

General Growth Properties, Inc., owner of the Rotunda Building at SW 3rd Avenue and Yamhill Street, has indicated that “the Rotunda Building’s current structural design would severely handicap any retailer in today’s retail world. In order to fully realize the potential of the building, the block will require a major change to the structural layout of the building, and with that change, significant structural and seismic upgrades will be needed to ensure compliance to codes and current market conditions.” They further state the “design has severely undermined the Rotunda’s ability to meet the overall goal originally conceived.” The third floor of the building is not well designed and there is a faulty interior arrangement as described earlier in this Report. It is not performing to the level expected for this type of retail space. The ability to renovate this building is vital to the proposed rehabilitation and redevelopment of the adjacent properties.

Success of retail is based on the connectivity of the retail. The Rotunda Building is hampered by poor retail linkages to other successful retail components of the area. Improving the 3rd and Alder garage and the structures and retail spaces on the adjoining block will compliment the continued growth strategy that the Downtown Urban Renewal Area was initially formed to foster. The current retail conditions to the North and East of the Rotunda continue to suffer and the redevelopment of the Rotunda and the adjacent two blocks in this area would be a major catalyst to revitalize the entire downtown retail core. These conditions constitute blight in accordance with ORS 457.010(1)(a)(A) and (B).

5. Vacancy Rates

In March of 2009, along with the building conditions survey, KPFF provided information regarding vacancies of ground floor and upper floors of buildings within the Area. (Appendix, Exhibit A) The information is shown in the table below. It shows that of the 400 buildings surveyed in the Area, approximately 10 percent had ground floor vacancies. Another 4 percent had vacancies on the second floor, totaling 14 percent of the buildings with vacancies on either the ground floor or the second floor. This lack of use of the buildings shows a growing lack of
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 in accordance with ORS 457.010(1)(h).

Table 8.11 Vacancy Information

<table>
<thead>
<tr>
<th>Vacancy Information</th>
<th>Original Area</th>
<th>Expansion Areas</th>
<th>Area Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td># Buildings</td>
<td>Percentage</td>
<td># Buildings</td>
</tr>
<tr>
<td>Ground Floor Vacant</td>
<td>28</td>
<td>9.03%</td>
<td>12</td>
</tr>
<tr>
<td>Ground and Second</td>
<td>13</td>
<td>4.19%</td>
<td>5</td>
</tr>
<tr>
<td>Second Floor Vacant</td>
<td>8</td>
<td>2.58%</td>
<td>8</td>
</tr>
<tr>
<td>No Vacancies</td>
<td>261</td>
<td>84.19%</td>
<td>65</td>
</tr>
<tr>
<td><strong>Total Buildings</strong></td>
<td><strong>310</strong></td>
<td><strong>100.00%</strong></td>
<td><strong>90</strong></td>
</tr>
</tbody>
</table>

Source: PDC from KPFF Study

Figure 10 shows the indices of blight in the Area, with the following caveats to the map:

- Buildings constructed after 1998 were removed from Figure 10 as potential indices of blight.
- Developed Parks in the Area were removed.
- Only parcels which were not right of way were included: i.e. sidewalk parcels were deleted.
- Parcels on which PDC staff had knowledge were reviewed and in the Old Town Chinatown Expansion Area, three parcels were added to the needing seismic category after discussions with representatives of the owners.

Figure 10 shows that indices of blight are prevalent throughout the Area, except where new development has occurred as a result of urban renewal.
Figure 10. Blight in Accordance with ORS 457.010(1)

Figure 10: Composite Blight Analysis
D. Expected Impact, Including Fiscal Impact of Plan Amendment in Light of Added Services or Increased Population

The fiscal impact of tax increment financing on taxing districts that levy taxes within the Area (“affected taxing districts”) is described in Section IX of this Report. This subsection discusses the fiscal impacts resulting from potential increases in demand for municipal services.

The proposed development assistance would add value to properties, thereby potentially adding to the tax base, providing increment during the length of the Plan and tax revenues once the Plan is terminated. The development of new businesses would add business license fees and provide employment opportunities. This improvement of stagnant and unproductive land and expected development of new businesses would result in benefits to the public health, safety and welfare of the Area.

The assistance to property owners through economic development programs is not expected to have a negative fiscal impact in terms of demand on municipal services. The assistance would add value to properties, thereby potentially adding to the tax base, providing increment during the length of the Plan and tax revenues once the Plan is terminated. Various system development charges for each new development will help offset increased demand on municipal services. In addition, the business license fees help augment the general fund to pay for services.

Any rehabilitation should reduce the fire and life safety needs of the buildings as they would be in better overall condition. Development assistance would add value to properties, thereby potentially adding to the tax base, providing increment during the length of the Plan and tax revenues once the Plan is terminated.

Housing development is anticipated to both help retain the existing number of low income housing units and replace low income housing units lost through improved market conditions in the central city, as well as supply new workforce and affordable housing in the future. By retaining and replacing low income housing units, the city is effectively managing the limited resources available for low income housing. Other municipal resources would not have to be used for this purpose, which would allow for the funds to be used for other services. Providing work force housing in the central core, in close proximity to jobs and retail, helps eliminate traffic and resulting pollution by reducing automobile trips. It also supports the retail trade in the central core, thereby keeping a healthy economy in the area and a socio-economic balance. These potential housing developments will turn stagnant and unproductive land into land which contributes positively to the overall public health, safety and welfare of the Area.

Transportation improvements funded through tax increment resources help reduce the need to finance those improvements through other municipal resources, which allows for the funds to be used in other ways.
The combination of housing, transportation and economic and commercial
development assistance in the Area will address a growing lack of proper utilization
that is resulting in stagnant and unproductive condition of land. This assistance will
result in a positive benefit to the overall public health, safety and welfare of the
community by addressing factors of blight.

Other impacts specific to the Expansion Areas are covered in Section D of each
Expansion Area (1-8).
III. REASONS FOR SELECTION OF EACH URBAN RENEWAL AREA IN THE PLAN

The reasons for selection of the Expansion Areas are set forth below. (The numbers for the areas below correspond to the areas shown on Figure 1 - Expansion Areas.)

1. **Old Town/Chinatown Expansion Area**

Old Town/Chinatown area has been in the DTWF URA since its inception in 1974. The area is in need of continued assistance to promote development and to upgrade the existing structures in the area, some of which contribute to two historic districts within the Old Town/Chinatown neighborhood. Assistance is also required to maintain the existing number of low income housing units, facilitate improvements for social service delivery, provide workforce housing, support living wage job creation and improve the street level environment by attracting additional multi-cultural retail uses. Upgrading this area will provide a more positive and attractive entrance to the Area as a whole and create a stronger connection to the river. An additional expected benefit is the improved condition for private investment in the area.

2. **Firestone Expansion Area**

The Firestone Expansion area is an underdeveloped parcel at the edge of the Original Area and abutting Burnside Street. The parcel is at a prominent location (along Burnside) and presents an opportunity for future development. It is expected that to fully develop the property, public assistance from the use of tax increment financing will be required. It’s location along Burnside Street also allows for a future opportunity for public funding for projects on Burnside Street. This could be a key component in the Burnside Couch Couplet project.

3. **Fairfield Expansion Area**

The River District Housing Implementation Strategy calls for a diversity of types of housing that will support a community that reflects the income distributions of the City as a whole. One way to create the desired economic diversity is to preserve existing affordable housing. The Fairfield Hotel is an important part of the inventory of affordable housing downtown.

Built in 1911, the Fairfield Hotel is located south of Burnside Street at 1117 SW Stark Street and previously has been within the SPB URA boundaries. The building is subsidized by the Housing Authority of Portland and is currently owned by PDC. The building serves 81 extremely low income households, 0-30 percent MFI, and the monthly rent range is 35 percent of income. The building is in need of a major 60-year rehabilitation within the next five to 10 years, including seismic upgrades.

Adding acreage from the SPB URA just south of Burnside Street and adjacent to the RD URA is appropriate because it is contiguous, the buildings on this acreage fit the definition
of blight and because the current use supports the affordable housing goals of the RD Planning Area.

Inclusion of this acreage also helps meet a number of the City’s policies related to housing. First, Portland’s No-Net-Loss policy, adopted in 2001, establishes a long-term goal of retaining, through preservation or replacement, at least the current number of housing units affordable to households at or below the 60 percent Area Median Income. Preservation of the Fairfield Hotel through rehabilitation, rather than losing the units to neglect, contributes to meeting the No-Net-Loss policy. Currently under consideration is a two-phase rehabilitation, including short-term rehabilitation for critically needed repairs in the next three years and a long-term (60 year) major rehabilitation in five to 10 years.

In addition to meeting the No-Net-Loss policy, preservation of the Fairfield Hotel could also include the addition of two floors of new units. The RD housing report shows a need to build at least 253 new 0-30 percent MFI units to meet the 1999 extremely low income housing goals. The long-term major rehabilitation proposal includes the potential addition of two floors to add studio units to the mix of existing single occupancy units. The approximate cost of renovation is $154,000/unit. The total cost of the project is approximately $20 million and the PDC sources are projected to be $11-$14 million net present value.

4. **Lincoln Building Expansion Area**

The Lincoln Building Expansion Area currently has an active office use, however, if the building changes ownership and use, it would be in need of rehabilitation, specifically seismic upgrading. Inclusion of the property in the RD would allow for the potential use of tax increment funding for the rehabilitation and potentially a portion of the acquisition from a willing seller.
5. **O’Bryant Square Expansion Area**

O’Bryant Square, dedicated to the City of Portland in 1973, is a part of the park improvements proposed by the City of Portland Parks Bureau. Redevelopment of the park is supported by the Park Avenue Vision, adopted by City Council in 2004, and the Parks 2020 Vision, PP&R's guiding document to plan for future park needs. PP&R has completed a concept plan for complete renovation of the park which includes demolition of the existing underground parking garage and its streetscapes. The concept design for O’Bryant Square, as presented in 2007, features a multifunctional plaza on grade with multiple water features. The concept references the Park Blocks context of the square, and is expected to serve the needs of future residents of this neighborhood, reinforce the existing retail core, and provide an amenity to both commercial office space and residential uses. In recognition of these goals, PP&R appropriated $1M from the 2003 Parks Levy to upgrade O’Bryant Square, however, based on public input PP&R set aside this money to leverage additional public and private funding to complete the renovation. The current vision, including streetscaping of SW Park and Ninth Avenues, is estimated to cost $8M in 2010 dollars. PP&R expects that full funding for this significant renovation could be achieved in three to four years. The redevelopment of the park will reinforce the existing retail core and provide an amenity to both commercial office space and residential uses.

6. **McCoy Building Expansion Area**

The McCoy Building is owned by Multnomah County. Its offices are occupied by Multnomah County employees providing both a health clinic and administrative support for health services - it provides social services to the area. The building is in poor condition and requires rehabilitation. The inclusion of the McCoy Building would allow for potential use of tax increment funding in the rehabilitation of the building.

7. **10th and Yamhill Expansion Area**

The 10th and Yamhill site is presently a public parking garage. It is in need of both seismic and structural upgrades. In addition, it has ground floor retail space that is primarily vacant. Redevelopment of the garage is supported by the 2002 Downtown Retail Strategy and the Park Avenue Vision, adopted by City Council in 2004. In December of 2004, a study of the parking facility was completed and presented to PDC on the feasibility of proposed capital improvements to remodel the garage and “retenant” the ground floor retail spaces. Proposed improvements are also intended to leverage private investment on adjacent properties. The present proposal is to redevelop the site with a dense, mixed-use project, including an improved garage, ground floor retail and new residential and commercial uses above. However, to provide the incentive for the full development of this area according to the plans, public funding is required to complete garage improvements and leverage private financing. This parcel was formerly in the SPB URA, but there was not sufficient funding in that area to complete the development of this project. Public funding for the project is anticipated to be shared with the City of Portland, owners of the public parking garage.
8. **East Retail Core Expansion Area**

The East Retail Core is occupied by retail businesses, which are a vital part of the downtown core. Maintaining a healthy retail environment is critical to the overall success of retail in the downtown. The parcels will reinforce the existing retail core and add commercial office space. The area also has a SmartPark parking structure which is in need of upgrading, and the upgrading will support the existing retail core.

9. **Deletion Areas**

Left blank intentionally.

10. **Original Area**

This information is taken directly from the adopted River District Report dated September 25, 1998. It specifically states the intentions of the River District Area at the time of adoption.

“The area of the River District Urban Renewal Plan was chosen in order to allow correction of blighting conditions within the five neighborhoods constituting the Plan. The River District represents a tremendous opportunity for the City of Portland for dense housing close to the major employment center of downtown. In order to fully realize this opportunity, however, the projects set out in the Plan are necessary.

Bringing a new community of over 8,000 residents in close proximity to the greatest concentration of employment and services in the region can provide the efficiency and economy of access by modes other than automobile. Predictions are that 45% of the daily trips from the River District will be on transit, bikes or foot, a much higher number than would occur in an area further from the City Center and with less transit service. The implication of these impacts on air quality, energy usage and street congestion are all favorable.

Improvements in the area will provide much improved linkages for pedestrians, bicycles and vehicles within the area and between the River District and other portions of downtown. These linkages are both in street systems and parks.

Terminal One will include housing and commercial activities and serve as the northern terminus of Waterfront Park. The street improvements and railroad crossing improvements necessary for its development will also better tie the area to the remainder of the District.

Housing and commercial development in the Pearl District, the heart of the River District revitalization, will be enhanced by the Central City Streetcar and bus or light rail upgrades to the Transit Mall. The viaduct removal and reconstruction of
the Lovejoy at grade is also vital to the area. The old Hoyt Street Railyards, with environmental remediation and infrastructure needs, will contain the highest density housing in the District. A water feature amenity could help solve Portland’s combined sewerage problem while creating an amenity for the dense housing.

Street improvements through the Industrial Sanctuary will assist the businesses in the area as well as provide better connections to the River District from nearby neighborhoods.

The portion of the River District south of Burnside provides an important connection between the River District and downtown Portland. The improvements for parking, transit and retail retention help maintain in the health of the entire downtown.”
IV. THE RELATIONSHIP BETWEEN URBAN RENEWAL PROJECTS AND THE EXISTING CONDITIONS IN THE URBAN RENEWAL AREA

The relationship between urban renewal projects and the existing conditions in the Area is set forth below. The projects are categorized by sub areas to be consistent with the remainder of this Report. There is an overlap of the types of projects within the various areas.

A. Project Areas

1. Old Town/ Chinatown Expansion Area: The projects in this area are in two main categories:

   a) Broadway Corridor/Union Station – The Broadway Corridor includes Portland’s Union Station and the properties directly south of Union Station, some of which are currently owned by PDC and adjacent to the Post Office area. PDC has undertaken a study to evaluate the current opportunities for this area including the rehabilitation of Union Station which involves an upgrade of the rail facility into a multi-modal transportation hub with the additions of inter-city bus, light rail, streetcar and improved bicycle and pedestrian connections, redevelopment of the Post Office property into a regional quality jobs attractor, complement to anticipated housing and development by educational institutions and potential extension of the North Park Blocks city parks attractor. The projects in this area include, but are not limited to the following:

   (1) Public Improvements:

      (a) Central City Streetcar, Eastside Streetcar

   (2) Rehabilitation, Development and Redevelopment Assistance

      (a) Resource Access Center Permanent Supportive Housing

      (b) Broadway Corridor/Union Station Area (Other Commercial Redevelopment Revitalization, Union Station, Other Affordable Housing, Retail Loan Program)

   (3) Economic Development Programs
Existing Conditions:

(1) Public Improvements:

The infrastructure to support a streetcar in the area does not exist.

(2) Rehabilitation, Development and Redevelopment Assistance

(a) Resource Access Center Permanent Supportive Housing

The Resource Access Center (the “RAC”) as planned for the area does not presently exist. Services for low income and homeless individuals are spread throughout the area, resulting in an inadequate service delivery program. The RAC would place services for low income and homeless in one location to facilitate improved service delivery. The amount of Permanent Supportive Housing in the area is inadequate. Additional Permanent Supportive Housing will provide stable housing opportunities for additional clients. Inclusion of this area in the River District will allow for funding for the projects.

(b) Broadway Corridor/Union Station Area

The area is undeveloped and underdeveloped. Blocks U and R within this area are currently undeveloped. Union Station is in need of major renovation to rebuild the tile roof, which leaks badly and to reconfigure office and public space for more efficient use.

(c) Post Office

It is anticipated that the federally owned Post Office property will be sold in the near future and be fully redeveloped. Other properties in the area are also in need of redevelopment or renovation. Funding for this project does not exist under the Original Plan. The ability to provide assistance for full redevelopment of the Post Office is inadequate. Additional funding will facilitate the ability to control development of what may be the largest employment opportunity site in the Area.

(3) Economic Development Programs

An Economic Development Program does not exist in the area. An Economic Development Program to serve the area is a vital component of revitalization of the area.
b) **Old Town/Chinatown** – This project area is comprised of the Chinatown corridor between NW 3rd Avenue and 4th Avenue, Burnside Street and NW Glisan Street, between NW 2nd Avenue and 5th Avenue at Burnside Street and Couch Street, and areas south of Burnside Street near the Skidmore Fountain known as Ankeny Burnside. Redevelopment of this area would leverage past investment in streetscapes, the Portland Classical Chinese Garden, Pacific Tower and Old Town Loft housing development. Continued redevelopment in this project area is expected to improve access across Burnside and provide continued investment in the Ankeny Burnside sub-area. The focus of redevelopment in this project area is expected to occur on Blocks 25 and 26 between Everett Street and Glisan Street, Burnside Street and Couch Street, and Ankeny Street and Burnside Street east of SW 2nd Avenue. The projects in this area include, but are not limited to the following:

1. **Public Improvements:**
   
   (a) *Burnside Couch Couplet*

2. **Rehabilitation, Development and Redevelopment Assistance**

   (a) *North Old Town/Chinatown Area*

3. **Economic Development Program**

**Existing Conditions:**

1. **Public Improvements:**

   (a) *Burnside Couch Couplet*

   The Burnside Couch Couplet does not exist. Burnside Street is presently a two way, heavily traveled, four lane street with a center median. Couch Street is a two lane street. The conditions are identified on page 12 of this Report. The current planning for the area provides for a full reconfiguration of the two streets. The current transportation network is inadequate for the connection of the area to the downtown retail core and for pedestrian friendly transportation and development.

2. **Rehabilitation, Development and Redevelopment Assistance**

   (a) *North Old Town/Chinatown Area*
The area is in need of renovation. There are undeveloped and underdeveloped properties throughout the area. As was evident in the blight analysis above, many of the buildings are either in need of renovation or should be demolished. See Section II of this Report for a full analysis of the existing conditions in this area.

(3) Economic Development Program
An Economic Development Program does not exist in the area. An Economic Development Program to serve the area is a vital component of revitalization of the area.

2. Firestone Expansion Area

This project area would include, but not be limited to, the following projects:

(1) Public Improvements:

(a) Burnside Couch Couplet

(2) Rehabilitation, Development and Redevelopment Assistance

(a) North Old Town/Chinatown Area

(3) Economic Development Program

Existing Conditions:

(1) Public Improvements:

(a) Burnside Couch Couplet

The Burnside Couch Couplet does not exist. Burnside Street is presently a two way, heavily traveled, four lane street with a center median. Couch Street is a two lane street. The conditions are identified on page 12 of this Report. The current planning for the area provides for a full reconfiguration of the two streets. The current transportation network is inadequate for the connection of the area to the downtown retail core and for pedestrian friendly transportation and development.

(2) Rehabilitation, Development and Redevelopment Assistance

(a) North Old Town/Chinatown Area
The area is underdeveloped given the entitlements under the zoning code. See Section II of this Report for a full analysis of the existing conditions in the area.

(3) Economic Development Program
An Economic Development Program does not exist in the area. An Economic Development Program to serve the area is a vital component of revitalization of the area.

3. Fairfield Expansion Area
This project area would include, but not be limited to Rehabilitation, Development and Redevelopment Assistance (Fairfield Preservation)

Existing Conditions:

(1) Rehabilitation, Development and Redevelopment Assistance.

The Fairfield Hotel is in need of rehabilitation to be able to continue to provide housing options for low income residents. See Section II of this Report for a full analysis of the existing conditions in the area.

4. Lincoln Building Expansion Area
This project area would include, but not be limited to, Rehabilitation, Development and Redevelopment Assistance and Economic Development Programs.

Existing Conditions:

(1) Rehabilitation, Development and Redevelopment Assistance.

The Lincoln Building is in need of seismic upgrading and potentially other redevelopment. See Section II of this Report for a full analysis of the existing conditions in the area.

(2) Economic Development Program
An Economic Development Program does not exist in the area. An Economic Development Program to serve the area is a vital component of revitalization of the area.

5. O'Bryant Square Expansion Area
This project area would include, but not be limited to, the Public Improvements: Parks and Greenway Improvements.

Existing Conditions:
(1) Public Improvements:

The park at O’Bryant Square is dilapidated and is in need of upgrading. The parking is designed poorly and is in need of upgrading. See Section II of this Report for a full analysis of the existing conditions in the area.

6. McCoy Building Expansion Area

This project area would include, but not be limited to, Rehabilitation, Development and Redevelopment Assistance and Economic Development Programs. (Multnomah County)

Existing Conditions:

(1) Rehabilitation, Development and Redevelopment Assistance. (Multnomah County) The McCoy Building is owned and operated by Multnomah County. According to their building analysis, the building is dilapidated and is in need of upgrading. See Section II of this Report for a full analysis of the existing conditions in the area.

(2) Economic Development Programs
An Economic Development Program does not exist in the area. An Economic Development Program to serve the area is a vital component of revitalization of the area.

7. 10th and Yamhill Expansion Area

This project area would include, but not be limited to, the following projects.

(1) Public Improvements: Parking Facilities Program

(2) Rehabilitation, Development and Redevelopment Assistance (Commercial Redevelopment/Revitalization)

(3) Economic Development Program

Existing Conditions:

(1) Public Improvements: Parking Facilities Program / Rehabilitation, Development and Redevelopment Assistance (Commercial Redevelopment/Revitalization)

The 10th and Yamhill SmartPark is in need of upgrading. There are retail spaces which are not performing to expectations. The structure
shows defective design and defective quality of physical construction and a growing lack of proper utilization of areas, resulting in a stagnant and unproductive condition of land which is potentially useful for contributing to the public health, safety and welfare of the community. See Section II of this Report for a full analysis of the existing conditions in the area.

(2) Economic Development Program
An Economic Development Program does not exist in the area. An Economic Development Program to serve the area is a vital component of revitalization of the area.

8. East Retail Core:
This project area would include, but not be limited to, the following projects.

(1) Public Improvements: Parking Facilities,

(2) Rehabilitation, Redevelopment and Development Assistance

Major Retail Redevelopment (Other Commercial Redevelopment/Revitalization)

(3) Economic Development Program

Existing Conditions:

(1) Public Improvements: Parking Facilities
The SmartPark at 818 SW 4th Avenue is in need of upgrading. There are retail spaces which are not performing to expectations. The structure has a defective design and defective quality of physical construction and contributes to a growing lack of proper utilization of the area, resulting in a stagnant and unproductive condition of land which is potentially useful for contributing to the public health, safety and welfare of the community. See Section II of this Report for a full analysis of the existing conditions in the area.

(2) Rehabilitation, Redevelopment and Development Assistance

Major Retail Redevelopment (Other Commercial Redevelopment/Revitalization)

The majority of the buildings are in need of seismic upgrading. The SmartPark has retail spaces which are not performing to expectations and the facility needs to be upgraded. See Section II of this Report for a full analysis of the existing conditions in the area.
(3) Economic Development Program

An Economic Development Program does not exist in the area. An Economic Development Program to serve the area is a vital component of revitalization of the area.

9. **Original Area:** The projects in the Original Area include but are not limited to the following:

(1) Public Improvements:
   (a) *Eastside Streetcar*
   (b) *Burnside Couch Couplet*
   (c) The Fields Neighborhood Park

(2) Rehabilitation, Development and Redevelopment Assistance
   (a) *Centennial Mills*
   (b) *One Waterfront*
   (c) *Redevelopment Loan Fund*
   (d) *Development Opportunity Services (DOS) Program*
   (e) *Post Office*
   (f) *Housing Programs*

(3) Economic Development Programs

**Existing Conditions:**

(1) Public Improvements:
   (a) *Eastside Streetcar*

The infrastructure to support a streetcar in the area does not exist. This line of the streetcar is presently being engineered. Construction is expected in 2009, with completion in 2010. The current transportation network is inadequate for the connection of the area to the Eastside and is blighted in accordance with ORS 457.010(1)(e).
(b) **Burnside Couch Couplet**

The Burnside Couch Couplet does not exist. Burnside Street is presently a two way, heavily traveled, four lane street with a center median. Couch is a two lane street. The conditions are identified in the Streets subsection of Section 10 of this Report. The current planning for the area provides for a full reconfiguration of the two streets. The current transportation network is inadequate for the connection of the area to the downtown retail core and for pedestrian friendly transportation and development and is blighted in accordance with ORS 457.010(1)(e).

(c) **Fields Neighborhood Park**

Construction of improvements to Fields Neighborhood Park is expected in late 2009, with completion in 2010. The *Parks 2020 Vision* identifies the subarea of the Central City/Northwest (CC/NW) as having the smallest amount of neighborhood and community park acreage of all sub areas in the *Parks 2020 Vision*. It further identifies the specific River District area in the Park Shortages section of the document. “The following sectors of the CC/NW sub-area are park deficient- The River District….The development plan for the River District calls for new park to be built with tax increment funding… Another urban square, a neighborhood park and a community park on the river are planned as part of that development.”(p43). The lack of development of the park constitutes an inadequate park condition and therefore constitutes blight in accordance with ORS 457.010(1)(e)

(2) Rehabilitation, Development and Redevelopment Assistance

(a) **Centennial Mills.** Following a two-phase Request for Qualifications and Request for Proposals process, PDC selected LAB Holding, LLC of Costa Mesa, California to partner with PDC in redeveloping this 4.75-acre site in the heart of downtown Portland. Redevelopment of the site is expected in 2010 with occupancy in 2012. The site is presently occupied by a vacant building and land which is in need of redevelopment. The existing building has a defective design and defective quality of physical construction, faulty interior arrangement and is characterized by obsolescence, deterioration, dilapidation all of which render the building as unfit or unsafe for its intended purpose constituting blight in accordance with ORS 457.010(1)(a)(A),(B),and (E), respectively.
(b) **One Waterfront.** A development agreement has been signed, effective until 1/15/2010, for the development of an office building and related parking on this site. The site is presently undeveloped and contributing minimally to the tax base of the area. It is presently characterized by a total lack of proper utilization of the area, resulting in a stagnant and unproductive condition of the land potentially useful for contributing to the public health, safety and welfare and is blighted in accordance with ORS 457.010(1)(h).

(e) Post Office. It is anticipated that the federally owned Post Office property will be sold in the near future and be
fully redeveloped. PDC controls the Post Office site through a Letter of Intent with the U.S. Postal Service which anticipates execution of a purchase and sale agreement by March 2010. Other properties in the area are also in need of renovation. Funding for this project does not exist under the current River District Plan. The ability to provide assistance for full redevelopment of the Post Office is inadequate. If not appropriately funded, the area will continue to show a prevalence of depreciated values and a total lack of proper utilization of the area, which are significant blight conditions in accordance with ORS 457.010(h). Additional funding will facilitate the ability to control development of what may be the largest employment opportunity site in the Area.

(f) Housing Programs: There are existing housing programs in the Area. However, additional funding is required to be able to fully develop the undeveloped and underdeveloped areas and to meet the housing goals established in the Amended and Restated River District Plan. There are undeveloped and underdeveloped properties throughout the area. As was evident in the blight analysis above, many of the buildings are either in need of renovation to cure blighted conditions or should be demolished. See Section II, Area 10 and Area 11 of this Report for a full analysis of the existing conditions in the area. Buildings which qualify for this fund are characterized by defective design and defective quality of physical construction, faulty interior arrangement or are characterized by obsolescence, deterioration, dilapidation and are blighted in accordance with ORS 457.010(1)(a)(A),(B),(and (E).

If new construction housing is developed using this source of funding, the project will assist in abating a prevalence of depreciated values and a total lack of proper utilization of the area, which are significant blight conditions in accordance with ORS 457.010(h).

(3) Economic Development Programs

(a) An Economic Development Program has been in existence in the area since the inception of the River District Urban Renewal Area. However, additional funding is required to be able to fully develop the undeveloped and underdeveloped properties which are prevalent throughout the Area. As was evident in the blight analysis above, many of the buildings are either in need of renovation to cure blighted conditions or should be demolished. See Section II, Area 10 of this Report for a full
analysis of the existing conditions in the area. An Economic Development Program to serve the area is a vital component of revitalization of the area. Buildings which qualify for this fund are characterized by defective design and defective quality of physical construction, faulty interior arrangement or are characterized by obsolescence, deterioration, dilapidation and are blighted in accordance with ORS 457.010(1)(a)(A),(B),and (E). If a new construction project uses this source of funding, the project will assist in abating a prevalence of depreciated values and a total lack of proper utilization of the area, which are significant blight conditions in accordance with ORS 457.010(h).

B. Administration

The Commission will undertake administration of all aspects of the Plan including staffing, materials & services and overhead. Existing conditions: The Commission currently incurs administrative expenses for implementation of the Plan. Increasing the indebtedness and adding new projects, new areas and expanded funding for existing projects will continue the needs for administrative support from the Commission.
V. THE ESTIMATED TOTAL COST OF EACH PROJECT AND THE SOURCES OF MONEYS TO PAY SUCH COSTS

Table 6 below shows the estimated total cost of each project and the estimated sources of funds to address such costs for projects to be completed with new resources to be made available under the Amended Plan, with all figures in year of expenditure dollars. See section VI of the Plan, Urban Renewal Projects, for detailed descriptions of projects within expenditure categories. Estimated costs for other projects are in the Report accompanying the Original Plan. This analysis is based on known projects at the time of preparation of the Amended Plan and does not include projects that may be authorized by the Amended Plan, but are unknown at this time. Specific projects and expenditures are determined solely in the annual budget process.
<table>
<thead>
<tr>
<th>Resources</th>
<th>Amount</th>
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<tr>
<td>Long-Term Debt</td>
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<td>Short-Term Debt</td>
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<th>Requirements</th>
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<table>
<thead>
<tr>
<th><strong>Rehabilitation, Development, and Redevelopment Assistance</strong></th>
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<tr>
<td><strong>Affordable Housing</strong></td>
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<tr>
<td>Access Center</td>
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<tr>
<td>Hoyt Street Properties Affordable Rental</td>
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<td>Fairfield Hotel Preservation</td>
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<td>Other Affordable Housing</td>
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<th><strong>Commercial Development</strong></th>
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<tr>
<td>Centennial Mills</td>
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<td>Retail Loan Program</td>
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<td>Post Office Site Redevelopment</td>
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<td>Multnomah County</td>
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<td>Union Station</td>
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<tr>
<th>Administration/Planning</th>
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<tbody>
<tr>
<td>Administration: Bond Issuance Costs/Reserves</td>
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| **Total**                                                     | **$324,719,650**|
VI. THE ANTICIPATED COMPLETION DATE FOR EACH PROJECT

Projects to be completed with new resources made available under the Amended Plan are anticipated to be undertaken starting Fiscal Year (FY) 2009 and completed by FY 2021. Anticipated completion dates for other projects are in the Report accompanying the Original Plan.

VII. THE ESTIMATED AMOUNT OF MONEY REQUIRED IN EACH URBAN RENEWAL AREA UNDER ORS 457.420 TO 457.460 (TAX INCREMENT FINANCING OF URBAN RENEWAL INDEBTEDNESS) AND THE ANTICIPATED YEAR IN WHICH INDEBTEDNESS WILL BE RETIRED OR OTHERWISE PROVIDED FOR UNDER ORS 457.420 TO ORS 457.460.

Under the Amended Plan, the Plan’s maximum indebtedness will be increased by $324,719,650 to make a new maximum indebtedness of $549,500,000 to finance additional projects that are in the Area.

Table 7 shows the yearly tax increment revenues and their allocation to loan repayments, reimbursements, debt service and debt service reserve funds for the entire maximum indebtedness to be incurred under the Amended Plan. It is anticipated that all debt will be retired by the end of FY 2026/27.
### Table 7. Tax Increment Revenues, Debt Service and Debt Service Reserves

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<thead>
<tr>
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<td>Less Compression</td>
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<td>(1,434,833)</td>
<td>(1,515,760)</td>
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<td>Less Adjustments for Discounts, Delinquencies, Interest Earnings</td>
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<td>(1,090,473)</td>
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<td>(1,227,124)</td>
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<td><strong>TOTAL NET TAX INCREMENT REVENUES</strong></td>
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<td>$26,171,348</td>
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<td><strong>Expenditures</strong></td>
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<tr>
<td>Bond/Line of Credit Debt Service</td>
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<td>Line of Credit Draw 1</td>
<td>$532,736</td>
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<td>$0</td>
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<td>Bond 3</td>
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<td><strong>Total Bond/Line of Credit Debt Service</strong></td>
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<td>Short Term Debt Repayment</td>
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<td><strong>Subtotal Expenditures for Plan Amendment</strong></td>
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<td>Expenditures Associated with Original Plan</td>
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<tr>
<td><strong>TOTAL EXPENDITURES</strong></td>
<td>$24,584,435</td>
<td>$26,171,348</td>
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<td>$29,450,973</td>
<td>$31,344,654</td>
<td>$33,333,019</td>
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<td><strong>Ending Balance</strong></td>
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</table>
Table 7. Tax Increment Revenues, Debt Service and Debt Service Reserves, continued.

<table>
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<tr>
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</thead>
<tbody>
<tr>
<td>Beginning Balance</td>
<td>$</td>
<td>$</td>
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<td>$17,827,741</td>
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<tr>
<td><strong>Revenues</strong></td>
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<tr>
<td>Tax Increment to Raise (before Compression)</td>
<td>$38,838,600</td>
<td>$41,242,298</td>
<td>$43,766,182</td>
<td>$46,416,259</td>
<td>$48,642,324</td>
<td>$50,957,432</td>
</tr>
<tr>
<td>Less Compression</td>
<td>(1,941,930)</td>
<td>(2,062,115)</td>
<td>(2,188,309)</td>
<td>(2,320,813)</td>
<td>(2,918,539)</td>
<td>(3,057,446)</td>
</tr>
<tr>
<td>Tax Increment Imposed (after Compression)</td>
<td>36,896,670</td>
<td>39,180,184</td>
<td>41,577,873</td>
<td>44,095,446</td>
<td>45,723,785</td>
<td>47,899,986</td>
</tr>
<tr>
<td>Less Adjustments for Discounts, Delinquencies, Interest Earnings</td>
<td>(1,475,867)</td>
<td>(1,567,207)</td>
<td>(1,663,115)</td>
<td>(1,795,934)</td>
<td>(1,861,067)</td>
<td>46,958</td>
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<td><strong>TOTAL NET TAX INCREMENT REVENUES</strong></td>
<td>$35,420,803</td>
<td>$37,612,976</td>
<td>$39,914,758</td>
<td>$42,331,628</td>
<td>$43,862,717</td>
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</tr>
<tr>
<td>Bond/Line of Credit Debt Service</td>
<td></td>
<td></td>
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<td></td>
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</tr>
<tr>
<td>Bond 1</td>
<td>$4,403,085</td>
<td>$4,403,085</td>
<td>$4,403,085</td>
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<td>$4,403,085</td>
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<tr>
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<tr>
<td>Bond 2</td>
<td>6,356,114</td>
<td>6,356,114</td>
<td>6,356,114</td>
<td>6,356,114</td>
<td>6,356,114</td>
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<td>0</td>
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<td>7,054,992</td>
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<tr>
<td>Total Bond/Line of Credit Debt Service</td>
<td>$11,201,192</td>
<td>$12,109,015</td>
<td>$13,062,354</td>
<td>$14,060,759</td>
<td>$14,571,655</td>
<td>$17,814,191</td>
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<td>Short Term Debt Repayment</td>
<td>$12,755,644</td>
<td>$14,044,244</td>
<td>$15,392,082</td>
<td>$16,806,797</td>
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<td><strong>Subtotal Expenditures for Plan Amendment</strong></td>
<td>$23,956,836</td>
<td>$26,153,259</td>
<td>$28,454,436</td>
<td>$30,867,556</td>
<td>$14,571,655</td>
<td>$17,814,191</td>
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<tr>
<td>Expenditures Associated with Original Plan</td>
<td>$11,463,967</td>
<td>$11,459,717</td>
<td>$11,460,322</td>
<td>$11,464,072</td>
<td>$11,463,322</td>
<td>$11,462,822</td>
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<tr>
<td>Bond Defeasance</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>TOTAL EXPENDITURES</strong></td>
<td>$35,420,803</td>
<td>$37,612,976</td>
<td>$39,914,758</td>
<td>$42,331,628</td>
<td>$26,034,977</td>
<td>$29,277,013</td>
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<tr>
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<td>$</td>
<td>$17,827,741</td>
<td>$36,497,672</td>
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</tbody>
</table>
Table 7. Tax Increment Revenues, Debt Service and Debt Service Reserves, continued.

<table>
<thead>
<tr>
<th>Fiscal Year Ending June 30</th>
<th>2022-23</th>
<th>2023-24</th>
<th>2024-25</th>
<th>2025-26</th>
<th>2026-27</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Beginning Balance</strong></td>
<td>$36,497,672</td>
<td>$58,279,457</td>
<td>$88,190,747</td>
<td>$121,910,822</td>
<td>$159,398,126</td>
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<tr>
<td><strong>Revenues</strong></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td><strong>Tax Increment to Raise (before Compression)</strong></td>
<td>$53,365,144</td>
<td>$55,869,164</td>
<td>$58,473,345</td>
<td>$60,843,150</td>
<td>$63,295,898</td>
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<tr>
<td><strong>Less Compression</strong></td>
<td>(3,201,909)</td>
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<td>(3,508,401)</td>
<td>(3,650,589)</td>
<td>(3,797,754)</td>
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<td><strong>Tax Increment Imposed (after Compression)</strong></td>
<td>50,163,235</td>
<td>52,517,014</td>
<td>54,964,945</td>
<td>57,192,561</td>
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<td><strong>Less Adjustments for Discounts, Delinquencies, Interest Earnings</strong></td>
<td>893,963</td>
<td>1,937,588</td>
<td>3,298,442</td>
<td>4,838,056</td>
<td>6,550,747</td>
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<tr>
<td><strong>TOTAL NET TAX INCREMENT REVENUES</strong></td>
<td>$51,057,198</td>
<td>$54,454,603</td>
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<td>$66,048,892</td>
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<tr>
<td><strong>Expenditures</strong></td>
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</tr>
<tr>
<td><strong>Bond/Line of Credit Debt Service</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Line of Credit Draw 1</strong></td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td><strong>Bond 1</strong></td>
<td>4,403,085</td>
<td>4,403,085</td>
<td>4,403,085</td>
<td>4,403,085</td>
<td>4,403,085</td>
</tr>
<tr>
<td><strong>Line of Credit Draw 2</strong></td>
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<td><strong>Line of Credit Draw 3</strong></td>
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<tr>
<td><strong>Line of Credit Draw 4</strong></td>
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<tr>
<td><strong>Bond 2</strong></td>
<td>6,356,114</td>
<td>6,356,114</td>
<td>6,356,114</td>
<td>6,356,114</td>
<td>6,356,114</td>
</tr>
<tr>
<td><strong>Line of Credit Draw 5</strong></td>
<td>0</td>
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<td>0</td>
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<tr>
<td><strong>Line of Credit Draw 6</strong></td>
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<tr>
<td><strong>Line of Credit Draw 7</strong></td>
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<tr>
<td><strong>Line of Credit Draw 8</strong></td>
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<tr>
<td><strong>Bond 3</strong></td>
<td>7,054,992</td>
<td>7,054,992</td>
<td>7,054,992</td>
<td>7,054,992</td>
<td>7,054,992</td>
</tr>
<tr>
<td><strong>Total Bond/Line of Credit Debt Service</strong></td>
<td>$17,814,191</td>
<td>$17,814,191</td>
<td>$17,814,191</td>
<td>$17,814,191</td>
<td>$17,814,191</td>
</tr>
<tr>
<td><strong>Short Term Debt Repayment</strong></td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td><strong>Subtotal Expenditures for Plan Amendment</strong></td>
<td>$17,814,191</td>
<td>$17,814,191</td>
<td>$17,814,191</td>
<td>$17,814,191</td>
<td>$17,814,191</td>
</tr>
<tr>
<td><strong>Expenditures Associated with Original Plan</strong></td>
<td>$11,461,222</td>
<td>$6,729,122</td>
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<td>$6,729,122</td>
<td>$6,729,122</td>
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<tr>
<td><strong>Bond Defeasance</strong></td>
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<td>$</td>
<td>$</td>
<td>$147,596,779</td>
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<tr>
<td><strong>TOTAL EXPENDITURES</strong></td>
<td>$29,275,413</td>
<td>$24,543,313</td>
<td>$24,543,313</td>
<td>$24,543,313</td>
<td>$172,140,092</td>
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<tr>
<td><strong>Ending Balance</strong></td>
<td>$58,279,457</td>
<td>$88,190,747</td>
<td>$121,910,822</td>
<td>$159,398,126</td>
<td>$53,306,926</td>
</tr>
</tbody>
</table>
VIII. FINANCIAL ANALYSIS OF THE PLAN WITH SUFFICIENT INFORMATION TO DETERMINE FEASIBILITY

The estimated tax increment revenues of an additional $324,719,650 shown in Table 8 are based on projections of the assessed value of development within the Area which in turn are based on historical trends in the Area since its establishment. The projected total assessed value is based on average annual growth rates, which are also shown in Table 8. These rates reflect the recent reduction in the extraordinary growth rate this district has recently shown. The rates also decrease at a point in the future to avoid the exaggeration in growth resulting from a constant growth rate over time.

Table 8 shows the projected incremental assessed value, projected tax rates that would produce tax increment revenues, and the annual tax increment revenues (not adjusted for undercollection, penalties and interest). These, in turn, provide the basis for the projections in Table 7 showing sufficient tax increment revenues to support the maximum indebtedness under the Plan, as amended. As referenced in Table 6 the estimated tax increment revenues of an additional $324,719,650 are sufficient to cover the estimated projects under the Amended Plan.
Table 8: Projected Incremental Assessed Value, Tax Rates and Tax Increment Revenues

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td><strong>Projected Assessed Value Growth</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Frozen Base</td>
<td>$461,768,339</td>
<td>$461,768,339</td>
<td>$461,768,339</td>
<td>$461,768,339</td>
<td>$461,768,339</td>
<td>$461,768,339</td>
</tr>
<tr>
<td>Incremental Assessed Value</td>
<td>1,314,956,966</td>
<td>1,417,118,671</td>
<td>1,515,760,239</td>
<td>1,614,636,668</td>
<td>1,718,456,918</td>
<td>1,827,468,181</td>
</tr>
<tr>
<td><strong>Total Assessed Value</strong></td>
<td>$1,776,725,305</td>
<td>$1,878,887,010</td>
<td>$1,977,528,578</td>
<td>$2,076,405,007</td>
<td>$2,180,225,257</td>
<td>$2,289,236,520</td>
</tr>
<tr>
<td>Growth Rate on Existing AV</td>
<td>6.00%</td>
<td>5.75%</td>
<td>5.25%</td>
<td>5.00%</td>
<td>5.00%</td>
<td>5.00%</td>
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<tr>
<td>Incremental AV Growth</td>
<td>8.28%</td>
<td>7.77%</td>
<td>6.96%</td>
<td>6.52%</td>
<td>6.43%</td>
<td>6.34%</td>
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<tr>
<td>Consolidated Tax Rate</td>
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<td>$20.0000</td>
<td>$20.0000</td>
<td>$20.0000</td>
<td>$20.0000</td>
</tr>
<tr>
<td>Tax Increment to Raise (before Compression)</td>
<td>$26,956,618</td>
<td>$28,696,653</td>
<td>$30,315,205</td>
<td>$32,292,733</td>
<td>$34,369,138</td>
<td>$36,549,364</td>
</tr>
<tr>
<td>Less Compression</td>
<td>(1,347,831)</td>
<td>(1,434,833)</td>
<td>(1,515,760)</td>
<td>(1,614,637)</td>
<td>(1,718,457)</td>
<td>(1,827,468)</td>
</tr>
<tr>
<td>Tax Increment Imposed (after Compression)</td>
<td>$25,608,787</td>
<td>$27,261,820</td>
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<td>$30,678,097</td>
<td>$32,650,681</td>
<td>$34,721,895</td>
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</tbody>
</table>

Table 8: Projected Incremental Assessed Value, Tax Rates and Tax Increment Revenues, continued.

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Projected Assessed Value Growth</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Frozen Base</td>
<td>$461,768,339</td>
<td>$461,768,339</td>
<td>$461,768,339</td>
<td>$461,768,339</td>
<td>$461,768,339</td>
<td>$461,768,339</td>
</tr>
<tr>
<td>Incremental Assessed Value</td>
<td>1,941,930,007</td>
<td>2,062,114,925</td>
<td>2,188,309,088</td>
<td>2,320,812,959</td>
<td>2,432,116,211</td>
<td>2,547,871,593</td>
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<td><strong>Total Assessed Value</strong></td>
<td>$2,403,698,346</td>
<td>$2,523,883,264</td>
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<td>$2,782,581,298</td>
<td>$2,893,884,550</td>
<td>$3,009,639,932</td>
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<tr>
<td>Growth Rate on Existing AV</td>
<td>5.00%</td>
<td>5.00%</td>
<td>5.00%</td>
<td>5.00%</td>
<td>4.00%</td>
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</tr>
<tr>
<td>Incremental AV Growth</td>
<td>6.26%</td>
<td>6.19%</td>
<td>6.12%</td>
<td>6.06%</td>
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<td>4.76%</td>
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<tr>
<td>Consolidated Tax Rate</td>
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<td>$20.0000</td>
<td>$20.0000</td>
<td>$20.0000</td>
<td>$20.0000</td>
<td>$20.0000</td>
</tr>
<tr>
<td>Tax Increment to Raise (before Compression)</td>
<td>$38,838,600</td>
<td>$41,242,298</td>
<td>$43,766,182</td>
<td>$46,416,259</td>
<td>$48,642,324</td>
<td>$50,957,432</td>
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<td>(1,941,930)</td>
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<td>(2,188,309)</td>
<td>(2,320,813)</td>
<td>(2,918,539)</td>
<td>(3,057,446)</td>
</tr>
<tr>
<td>Tax Increment Imposed (after Compression)</td>
<td>$36,896,670</td>
<td>$39,180,184</td>
<td>$41,577,873</td>
<td>$44,095,446</td>
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<td>$47,899,986</td>
</tr>
</tbody>
</table>
Table 8: Projected Incremental Assessed Value, Tax Rates and Tax Increment Revenues, continued.

<table>
<thead>
<tr>
<th>Fiscal Year Ending June 30</th>
<th>2022-23</th>
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<th>2026-27</th>
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<td></td>
<td></td>
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</tr>
<tr>
<td>Frozen Base</td>
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<td>$461,768,339</td>
<td>$461,768,339</td>
<td>$461,768,339</td>
<td>$461,768,339</td>
</tr>
<tr>
<td>Incremental Assessed Value</td>
<td>2,668,257,190</td>
<td>2,793,458,211</td>
<td>2,923,667,273</td>
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<td>3,164,794,925</td>
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<tr>
<td><strong>Total Assessed Value</strong></td>
<td>$3,130,025,529</td>
<td>$3,255,226,550</td>
<td>$3,385,435,612</td>
<td>$3,503,925,859</td>
<td>$3,626,563,264</td>
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<tr>
<td>Growth Rate on Existing AV</td>
<td>4.00%</td>
<td>4.00%</td>
<td>4.00%</td>
<td>3.50%</td>
<td>3.50%</td>
</tr>
<tr>
<td>Incremental AV Growth</td>
<td>4.72%</td>
<td>4.69%</td>
<td>4.66%</td>
<td>4.05%</td>
<td>4.03%</td>
</tr>
<tr>
<td>Consolidated Tax Rate</td>
<td>$20.0000</td>
<td>$20.0000</td>
<td>$20.0000</td>
<td>$20.0000</td>
<td>$20.0000</td>
</tr>
<tr>
<td>Tax Increment to Raise (before Compression)</td>
<td>$53,365,144</td>
<td>$55,869,164</td>
<td>$58,473,345</td>
<td>$60,843,150</td>
<td>$63,295,898</td>
</tr>
<tr>
<td>Less Compression</td>
<td>(3,201,909)</td>
<td>(3,352,150)</td>
<td>(3,508,401)</td>
<td>(3,650,589)</td>
<td>(3,797,754)</td>
</tr>
<tr>
<td>Tax Increment Imposed (after Compression)</td>
<td>$50,163,235</td>
<td>$52,517,014</td>
<td>$54,964,945</td>
<td>$57,192,561</td>
<td>$59,498,145</td>
</tr>
</tbody>
</table>
IX. A FISCAL IMPACT STATEMENT THAT ESTIMATES THE IMPACT OF THE TAX INCREMENT FINANCING, BOTH UNTIL AND AFTER THE INDEBTEDNESS IS REPAID, UPON ALL ENTITIES LEVYING TAXES UPON PROPERTY IN THE URBAN RENEWAL AREA

The Amended Plan authorizes the extension of the last date for issuance of bonded indebtedness under the Plan for an additional year. In addition, as described above, a maximum of $324,719,650 more in bonded indebtedness may be issued before June 30, 2021. These changes to the Plan will impact overlapping taxing districts.

The impact of tax increment 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. Small increases in property tax rates for General Obligation bonds and the City’s Fire and Police Retirement and Disability (FPDR) levy will occur as a result of tax increment financing.

Note that for Portland Public Schools and Multnomah County Educational Service District, under current school funding law, permanent rate property tax revenues are combined with State School Fund revenues to achieve per-student funding targets. Under this system, property taxes foregone are replaced with State School Fund revenues. The impact for current local option levies are shown below.

Table 9 shows the property tax revenue foregone by overlapping taxing districts during the use of tax increment financing.

Table 9. Projected Impact on Taxing District Permanent Rate Levies During Use of Tax Increment Financing Through FY 2026/27

<table>
<thead>
<tr>
<th>Taxing District</th>
<th>Impacts Based on Original Plan</th>
<th>Impacts Based on Amended &amp; Restated Plan</th>
<th>Impacts Based on Amendment Only</th>
<th>Present Value of Impacts due to Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>LOCAL GOVERNMENT</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>City of Portland (Permanent Rate and Local Option)</td>
<td>$69,058,558</td>
<td>$193,770,877</td>
<td>$124,712,319</td>
<td>$65,009,788</td>
</tr>
<tr>
<td>Multnomah County (Permanent Rate and Local Option)</td>
<td>70,156,085</td>
<td>188,503,362</td>
<td>118,347,277</td>
<td>61,691,832</td>
</tr>
<tr>
<td>Metro</td>
<td>1,396,129</td>
<td>4,028,249</td>
<td>2,632,119</td>
<td>1,372,066</td>
</tr>
<tr>
<td>Port of Portland</td>
<td>1,013,133</td>
<td>2,923,191</td>
<td>1,910,058</td>
<td>995,671</td>
</tr>
<tr>
<td><strong>EDUCATION DISTRICTS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Portland Public Schools (Local Option)</td>
<td>10,460,889</td>
<td>10,460,889</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Portland Community College</td>
<td>4,087,219</td>
<td>11,792,844</td>
<td>7,705,625</td>
<td>4,016,773</td>
</tr>
<tr>
<td>TOTAL ALL DISTRICTS</td>
<td>$156,172,014</td>
<td>$411,479,412</td>
<td>$255,307,398</td>
<td>$133,086,129</td>
</tr>
</tbody>
</table>
Table 10 shows the expected recovery of permanent rate levies to the overlapping taxing jurisdictions after tax increment bonds are repaid beginning in FY 2027-28. By FY 2052-53, cumulative revenues recovered by the taxing districts would exceed the revenues foregone while indebtedness was outstanding for the River District urban renewal area. The present value of the impacts of the amendment to FY 2007-08, the year of the Amended Plan, is also shown.

Table 10. Additional Revenues Obtained After Termination of Tax Increment Financing

<table>
<thead>
<tr>
<th>Taxing District</th>
<th>Impacts Based on Original Plan</th>
<th>Impacts Based on Amended &amp; Restated Plan</th>
<th>Impacts Based on Amendment Only</th>
<th>Present Value of Impacts due to Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>LOCAL GOVERNMENT</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>City of Portland</td>
<td>$122,426,343</td>
<td>$628,509,756</td>
<td>$506,083,413</td>
<td>$65,870,746</td>
</tr>
<tr>
<td>Multnomah County</td>
<td>116,177,972</td>
<td>596,432,002</td>
<td>480,254,030</td>
<td>62,508,848</td>
</tr>
<tr>
<td>Metro</td>
<td>2,583,873</td>
<td>13,265,030</td>
<td>10,681,157</td>
<td>1,390,237</td>
</tr>
<tr>
<td>Port of Portland</td>
<td>1,875,046</td>
<td>9,626,073</td>
<td>7,751,026</td>
<td>1,008,857</td>
</tr>
<tr>
<td><strong>EDUCATION DISTRICTS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Portland Community College</td>
<td>7,564,381</td>
<td>38,833,856</td>
<td>31,269,475</td>
<td>4,069,969</td>
</tr>
<tr>
<td><strong>TOTAL ALL TAXING DISTRICTS</strong></td>
<td>$250,627,614</td>
<td>$1,286,666,717</td>
<td>$1,036,039,103</td>
<td>$134,848,657</td>
</tr>
</tbody>
</table>

X. RELOCATION REPORT

A. Existing Residents or Businesses Required to Relocate

Properties identified in the Plan are occupied by various businesses which may be required to relocate depending upon project specifics.

B. Methods to be used for the temporary or permanent relocation of persons living in, and businesses situated in, the urban renewal area in accordance with ORS 35.500 to 35.530.

The Commission has adopted a Relocation Policy which conforms to the requirement of ORS 35.500 to 35.530. PDC’s Relocation Policy is incorporated herein by reference.

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 new units to be added.
No existing housing units are planned to be destroyed or altered. The goals for new units to be added to the Area as a whole (including those units to be added in the Expansion Areas) are discussed in Section II. A. Housing in the Plan.

Cost of housing to be added is expected to be consistent with costs affordable for residents who have incomes 0-60% of Median Family Income.

XI. COMPLIANCE WITH LAND AREA AND ASSESSED VALUE LIMITS

State law limits the percentage of a municipality’s total assessed value and area that can be contained in an urban renewal area at the time of its establishment to 15 percent for municipalities with a population of 50,000 or greater. The net addition of 41.98 acres to the Original Area will increase the Area’s acreage by a net of 13.6 percent, from 309.21 acres to 351.19 acres. This will reduce the City’s current capacity for urban renewal to 728.63 acres. The total acreage is within the 15 percent area limit contained in Chapter 457 of the Oregon Revised Statutes.

State law also limits the total amount of acreage which can be added to an urban renewal district’s original boundaries to 20 percent. The Amended Plan adds 50.23 acres before the I-405 acreage deletion. This is 16.24 percent of the total acreage of the Original Area (309.21 acres), complying with the 20 percent ORS restriction on addition of acreage to an existing urban renewal district.

The City also remains in compliance with the assessed value percentage, as shown below in Table 11. The Amended Plan will include an additional frozen base value of approximately $103,083,975 to the RD. The numbers in the chart below reflect the estimate of the Lents Town Center Urban Renewal Plan amendment of 6/18/08. This chart does not reflect the change in frozen base from the amendments on 6/18/08 to the SPB Urban Renewal Plan and the DTWF Urban Renewal Plan as determining the reduction in frozen base in areas is a much more difficult process than determining additions. The frozen base assessed value numbers for SPB and DTWF will be reduced once the assessor calculates the new frozen base.

Therefore, the numbers in the Frozen Base Assessed Value column are actually higher than what the final tabulation will show, but even so, the total Frozen Base Assessed Value with the changes made by this amendment is 11.32% of the city’s total assessed value, well within the statutory 15 percent restriction.
### Table 11. Compliance with AV and Acreage

<table>
<thead>
<tr>
<th>Urban Renewal Area</th>
<th>Frozen Base Assessed Value</th>
<th>Acres</th>
</tr>
</thead>
<tbody>
<tr>
<td>Airport Way</td>
<td>$129,701,177</td>
<td>2,726</td>
</tr>
<tr>
<td>Central Eastside</td>
<td>$224,626,739</td>
<td>692</td>
</tr>
<tr>
<td>Downtown Waterfront (acreage shows 6/18/08 deletion)</td>
<td>$70,866,644</td>
<td>232</td>
</tr>
<tr>
<td>South Park Blocks (acreage shows 6/18/08 deletion)</td>
<td>$378,055,680</td>
<td>157.35</td>
</tr>
<tr>
<td>Oregon Convention Center</td>
<td>$248,689,281</td>
<td>594</td>
</tr>
<tr>
<td>North Macadam</td>
<td>$180,450,967</td>
<td>402</td>
</tr>
<tr>
<td>River District</td>
<td>$358,684,364</td>
<td>309.21</td>
</tr>
<tr>
<td>River District proposed amendment (estimated)</td>
<td>$103,083,975</td>
<td>41.98</td>
</tr>
<tr>
<td>Interstate</td>
<td>$1,019,370,465</td>
<td>3,769</td>
</tr>
<tr>
<td>Gateway</td>
<td>$307,174,681</td>
<td>659</td>
</tr>
<tr>
<td>Willamette Industrial</td>
<td>$481,443,135</td>
<td>758</td>
</tr>
<tr>
<td>Lents (shows 6/18/08 AV and acreage addition)</td>
<td>$714,432,705</td>
<td>2,846.79</td>
</tr>
<tr>
<td>Total</td>
<td>$4,185,256,713</td>
<td>13,187.33</td>
</tr>
<tr>
<td>Total Acreage, City of Portland</td>
<td></td>
<td>92,773</td>
</tr>
<tr>
<td>Total Assessed Value City of Portland Less Incremental Assessed Value in Urban Renewal Areas</td>
<td>$37,261,781,831</td>
<td></td>
</tr>
<tr>
<td>Percent of Portland AV in Urban Renewal Areas</td>
<td></td>
<td>11.32%</td>
</tr>
<tr>
<td>Percent of Portland Area in Urban Renewal Area</td>
<td></td>
<td>14.21%</td>
</tr>
</tbody>
</table>