



PROSPER
PORTLAND
Building an Equitable Economy

DATE: March 13, 2019
TO: Board of Commissioners
FROM: Kimberly Branam, Executive Director
SUBJECT: Report Number 19-11
Adopting the Tenth Amendment to the Amended and Restated Interstate Corridor Urban Renewal Plan

BOARD ACTION REQUESTED AND BRIEF DESCRIPTION

Adopt Resolution No. 7306

This action by the Prosper Portland Board of Commissioners (Board) would adopt the Tenth Amendment (Amendment) to the Amended and Restated Interstate Corridor Urban Renewal Area Plan (URA Plan). If approved, the URA Plan boundary will be expanded to include 5.57 acres of land (Expansion Area), allowing the City of Portland Housing Bureau (PHB) to invest tax increment financing (TIF) resources into community-serving projects that deliver on PHB's North/Northeast Neighborhood Housing Strategy.

STRATEGIC PLAN ALIGNMENT AND OUTCOMES

This action will deliver on Prosper Portland's 2015-2020 Strategic Plan goal of forming 21st century civic networks, institutions and partnerships by partnering with PHB to meet the growing need for below-market rate housing in the city of Portland.

BACKGROUND AND CONTEXT

The Interstate Corridor Urban Renewal Plan (Original Plan) was adopted by Portland City Council on August 23, 2000, by Ordinance No. 174829 to provide resources to fund and foster the economic development and redevelopment of north and northeast Portland. The Original Plan has subsequently been amended nine times to more effectively and equitably distribute TIF resources into initiatives that met community goals.

The North/Northeast (N/NE) Neighborhood Housing Strategy was launched by PHB in 2014 as a community-led effort, resulting in a \$20,000,000 TIF budget allocation for affordable housing in the Interstate Corridor Urban Renewal Area. Since that time, Portland City Council adopted amendments to the Tax Increment Set Aside for Affordable Housing policy, including increasing affordable housing resources to 70 percent of Prosper Portland's Interstate Corridor TIF budget.

In 2018, PHB staff identified an opportunity to support much-needed home ownership opportunities through investing in the Expansion Area. This approximately three-acre area of unimproved land currently owned by the Portland Water Bureau (PWB) is in the University Park neighborhood of north Portland within a mile of two full-service grocery stores, McKenna Park, and other community amenities. While PHB has negotiated an agreement to acquire the site from PWB and has allocated resources for home ownership opportunities, the Expansion Area is located adjacent to and outside the Interstate Corridor URA Plan boundary and thus ineligible for TIF investment.

In 2018, PHB staff and the N/NE Neighborhood Housing Strategy Oversight Committee (Housing Oversight Committee) began discussions on potential amendments to the Interstate Corridor URA Plan boundary to include properties that could provide opportunities for affordable housing. On January 10, 2019, the Housing Oversight Committee voted to recommend that the Prosper Portland Board amend the URA boundary to include the Expansion Area.

EQUITY IMPACT

Amending the URA Plan to include these properties will provide PHB the opportunity to invest in the development of much-needed affordable housing for Portland households. Future construction of the housing units will comply with PHB's Good Faith Effort and Workforce Training and Hiring programs which are dedicated to equity in contracting and workforce goals for minority, women-owned, and emerging small businesses.

COMMUNITY PARTICIPATION AND FEEDBACK

PHB staff created the Housing Oversight Committee in 2014 to oversee the implementation of the N/NE Neighborhood Housing Strategy. The Housing Oversight Committee meets every other month and reports annually to City Council on PHB's progress toward the goals and commitments made in the N/NE Neighborhood Housing Strategy.

BUDGET AND FINANCIAL INFORMATION.

There are no direct financial impacts from this proposed action. Rather, the Amendment will allow PHB to expend already allocated TIF resources on future development of the Expansion Area.

RISK ASSESSMENT

There are no material risks associated with the proposed Amendment.

ATTACHMENTS

- A. Map of Expansion Area

Expansion Area

