



PROSPER
PORTLAND
Building an Equitable Economy

DATE: March 11, 2020
TO: Board of Commissioners
FROM: Kimberly Branam, Executive Director
SUBJECT: Report Number 20-11
Adopting the Twelfth Amendment to the Amended and Restated Interstate Corridor Urban Renewal Plan

BOARD ACTION REQUESTED AND BRIEF DESCRIPTION

Adopt Resolution No. 7361

This action by the Prosper Portland Board of Commissioners (Board) would adopt the Twelfth Amendment (Amendment) to the Amended and Restated Interstate Corridor Urban Renewal Plan (Interstate Plan). If approved, the Interstate Plan boundary will be expanded to include 2.87 acres of land and 0.87 acres of right-of-way (Expansion Area; see a map in Attachment A), allowing Prosper Portland to invest tax increment financing (TIF) resources into the property located at the corner of N. Williams Avenue and N. Russell Street. The Williams and Russell site was previously referred to as the Hill Block, which is the historic name of the building that once occupied the site and served as the center of the African American commercial district from the 1940s to the early 1960s.

STRATEGIC PLAN ALIGNMENT AND OUTCOMES

This action will deliver on Prosper Portland's Strategic Plan goals of creating healthy, connected neighborhoods; providing access to high-quality employment; fostering wealth creation within communities of color; and forming 21st century civic networks, institutions, and partnerships by partnering with the Williams and Russell Project Working Group (PWG), the City of Portland (City), and Legacy Health Systems to address community goals in north/northeast 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 eleven times to more effectively and equitably distribute TIF resources into initiatives that met community goals.

In early 2017, Prosper Portland identified an opportunity to amend the Interstate Plan to make resources available for the Expansion Area given the site's unfortunate role in the City's history. In the early 1970s, as part of the Emanuel Hospital expansion project, the City and Prosper Portland condemned, purchased, and demolished 188 properties in inner north and northeast Portland, displacing more than 171 families, 74 percent of which were African American. The planned hospital expansion at the northwest corner N Russell Street and N Williams Avenue never occurred and parcels near that intersection have remained vacant for decades.

On August 1, 2017, Legacy Health Systems, Prosper Portland, and the City announced a new collaborative project to develop the 1.7-acre vacant block at N. Russell Street and N. Williams Avenue currently owned by Legacy Health Systems. The focus of the development will be to honor Portland's African American community, contribute to the neighborhood's vibrancy, and further Legacy Health Systems' mission of promoting health and wellness for children and families. Including a broader 3.74-acre area into the Interstate Plan will allow Prosper Portland to invest TIF resources into future development of the 1.7-acre vacant block as well as any off-site infrastructure improvements.

The Williams and Russell PWG was convened in early 2018 to guide a community-driven engagement process and determine a vision for the future use of the Williams and Russell property. The PWG, whose members (see Attachment B) were identified by a Nominating Committee made up of representatives from organizations and groups connected to the north/northeast community, has met 30 times since to discuss how the Williams and Russell property could truly serve community needs and whether TIF was an appropriate tool to invest in local priorities if the site were in the Interstate Plan area boundary. Ultimately, on October 2, 2019, the PWG voted (ten yes, zero no, three abstentions) to recommend the Prosper Portland Board approve including the Expansion Area in the Interstate Plan.

In addition, the N/NE Neighborhood Housing Strategy Oversight Committee, which advises the Portland Housing Bureau (PHB) on implementation of the N/NE Neighborhood Housing Strategy, supports amending the Interstate Plan to include the Russell and Williams property (see the N/NE Neighborhood Housing Strategy Oversight Committee letter in Attachment C).

Most recently, on February 12, 2020, the N/NE Community Development Initiative (CDI) Oversight Committee, whose role is to oversee implementation of Prosper Portland's N/NE CDI Action Plan, which allocates approximately \$32,000,000 into economic development in the Interstate district, voted in favor (four yes, three no, two abstain) to approve the Interstate Plan Amendment (see the N/NE CDI Oversight Committee letter in Attachment D).

If the Prosper Portland Board approves including the Expansion Area into the Interstate Plan, next steps are to conduct environmental, architectural, and traffic analyses and appraise the property.

EQUITY IMPACT

Inclusion of the Expansion Area allows for access to financial resources previously not available that will help deliver on community goals for a neighborhood that was adversely impacted by displacement.

COMMUNITY PARTICIPATION AND FEEDBACK

Staff have conducted significant public involvement over the past two and a half years related to the Williams and Russell project, as described above and including:

- 30 PWG meetings
- One PWG retreat
- 14 community events
- 608 surveys received (including 367 comments)

BUDGET AND FINANCIAL INFORMATION

There are no direct financial impacts from this proposed action. Rather, the Amendment will allow Prosper Portland to expend TIF resources on planning and future development of the Expansion Area in alignment with community-driven objectives.

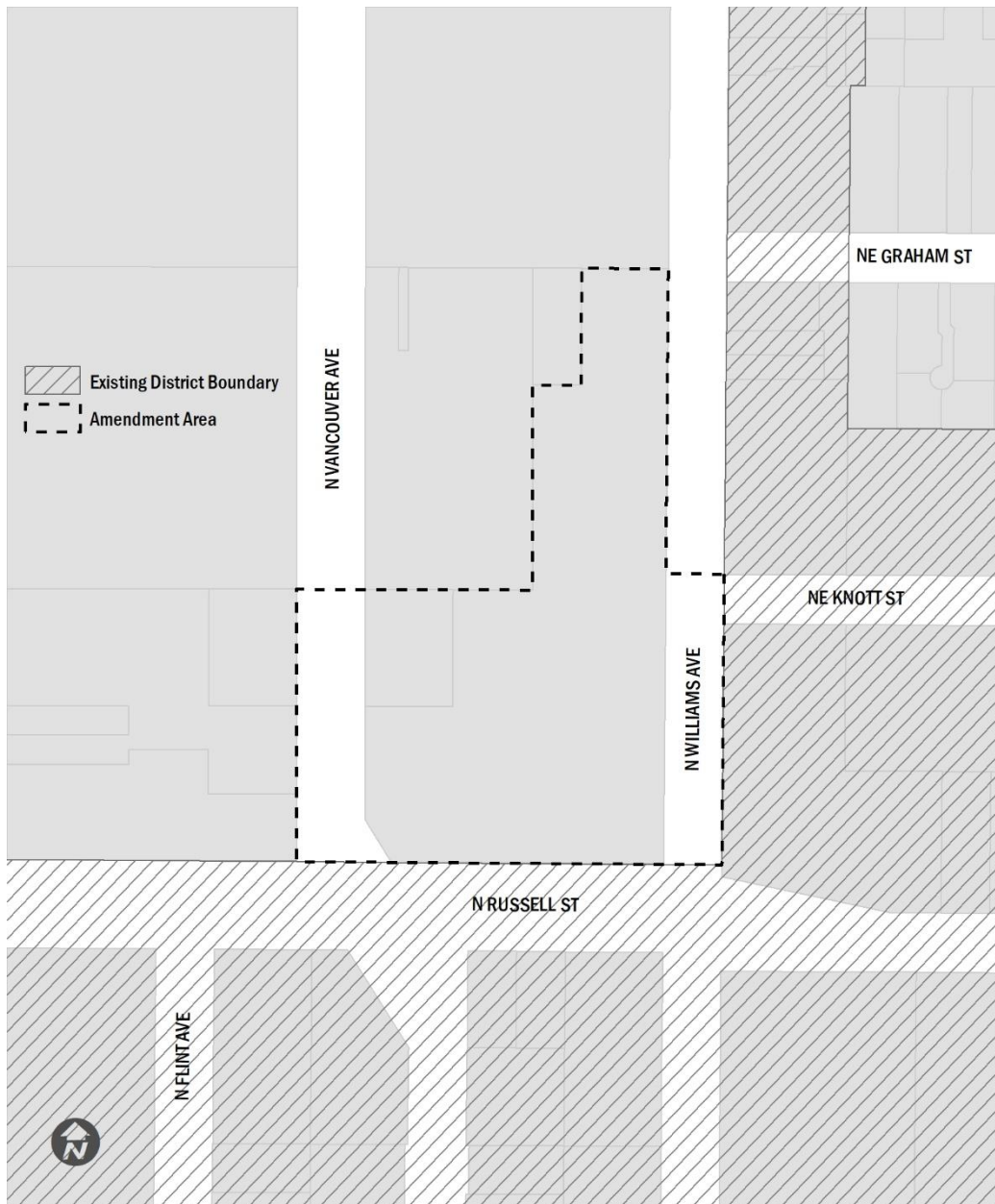
RISK ASSESSMENT

There are no material risks associated with the proposed Amendment.

ATTACHMENTS

- A. Map of Expansion Area
- B. Project Working Group Roster
- C. N/NE Housing Strategy Oversight Committee Letter
- D. N/NE CDI Oversight Committee Letter

Expansion Area



Project Working Group Roster

Name	Affiliation
Michael Alexander	Black United Fund & Portland Opportunities Industrialization Center (POIC)
Bryson Davis	Soul District Business Association (SBDA)
Joy Alise Davis	Portland African American Leadership Forum (PAALF)
Anthony Deloney	Self Enhancement Inc (SEI)
Lakeitha Elliott	Community at large
James Faison	Professional Business Development Group (PBDG)
Leslie Goodlow	City of Portland, Portland Housing Bureau
Stephen Green	Black Investment Consortium for Economic Progress (BICEP)
Tony Hopson	Self Enhancement Inc (SEI)
Sharon Maxwell	Community at large
E.D. Mondainé	Portland National Association for the Advancement of Colored People (NAACP)
Dr. Alisha Moreland-Capuia	Prosper Portland
Justice Rajee	Portland Opportunities Industrialization Center (POIC)
Walter Robinson II	Portland African-American Leadership Forum (PAALF) & Urban League
Jillian Saurage	North/Northeast Housing Strategy Committee
Karis Stoudamire-Phillips	North/Northeast Community Development Initiative Oversight Committee
Chabre Vickers	Wells Fargo
Mustafa Washington	City of Portland, Mayor's Office
Charles Wilhoite	Legacy Health, Board of Directors



Prosper Portland Board of Commissioners
Attn: Gustavo J. Cruz, Commission Chair
222 NW 5th Avenue
Portland, Oregon 97209

RE: Interstate Tax Increment Financing District Maximizing Indebtedness and Inclusion of the Williams and Russell Property into the District

Chair Cruz,

I am writing to you today on behalf of the N/NE Neighborhood Housing Strategy Oversight Committee to make formal recommendations on two topics: Maximizing Indebtedness of the Interstate Tax Increment Financing District and the Inclusion of the “Williams and Russell” property into the District.

1. Maximizing Indebtedness – Our committee has discussed the issue of maximizing indebtedness in several meetings beginning in June 2018. We participated in a joint meeting with the NE CDI in July 2018 and then most recently in September 2019 at our meeting. The Portland Housing Bureau presented plans to our committee highlighting four potential projects to be developed utilizing the additional funds that would come from the increase.
 - a. Home ownership opportunity 40-50 households on the Carey Blvd. property purchased from the water bureau and included in the Interstate District last year by your board.
 - b. Strong property development of either home ownership or multifamily rental. This property was purchased by PHB in late summer of 2019, it has the potential of 100-150 units of rental housing.
 - c. Funds set aside for the Williams & Russell project in the event that the decision is made by the PWG to include housing on that site.
 - d. Rental project to be determined at a later date.

As you can see the potential for an additional 350-400 units that would utilize the preference policy is critically important to the committee, as we continue to operate in a housing crisis, specifically a situation where African American households in Portland are most greatly impacted. We are convinced that the additional funds are necessary for continued reduction of housing disparity in NE Portland for low income families, and more specifically, African American families.

To that end, the N/NE Neighborhood Housing Oversight Committee unanimously voted to support maximizing indebtedness of the Interstate TIF District on September 19, 2019. (See attached meeting summary)

2. Inclusion of the Legacy owned Williams & Russell site into the Interstate TIF District – Our committee has been kept informed through the participation of one our members, Jilian Saurage Felton, as a member of the Project Working Group. The OC is aware and understands the historic value of this property to the African American community, they support the efforts of the PWG in their planning for the development of the project. We understand that housing has been identified as a top priority through surveys and community engagement. We believe that in order for the project to be successful, funds must be identified and prioritized to support the development, that being said, the NE Oversight Committee, supports the recommendation of inclusion of the property into the TIF District and an allocation of TIF dollars to support affordable housing development on the property.

If you have any questions, please contact, Leslie Goodlow, Equity and Business Operations Manager, Portland Housing Bureau, at leslie.goodlow@portlandoregon.gov or 503-823-4160, she will ensure that the committee is kept apprised of the process and provide additional information if needed.

Thank you for your consideration,



Dr. Steven Holt, Chair
N/NE Neighborhood Housing Strategy Oversight Committee

o the ICURA over the past 2 (two) years and voted in upon the following:

Action Plan directs ICURA resources towards long-term ty who have not benefited from the impact of public and understanding that Legacy and the PWG intend to ends on the successful transfer of the Legacy owned munity organization or significant progress towards this sition of our committee is that TIF funds should not be r other entity on their behalf, until Legacy has completed sful transfer of the W&R property to the African merican organization that aligns with the intent of the

nt efforts of including property owned by Legacy into the dollars to develop it, sends the wrong message to the resent. Allocation of TIF funding that excludes N/NE CDI y (or prior to the transfer of the property to the African sm and may present a conflict of interest. We strongly ge corporation with a history of predatory development in se caution and provide appropriate consideration to the and displaced community. We look forward to reviewing ommunity benefits and make amends for the displacement nity. With the understanding that the items described igned, our committee voted as follows:

l meeting four members voted "Yes", two members ers voted "No" to include the Williams and Russell

No: 3

Abstained: 2

ntact Gwen Thompson at 503-310-5283, or Maurice ill ensure that the committee is informed and provide

1/20/20
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Maurice Rahming, Co-Chair
N/NE CDI