

**PROSPER PORTLAND**

Portland, Oregon

**RESOLUTION NO. 7316**

**APPROVING THE THIRTEENTH AMENDMENT TO THE SOUTH PARK  
BLOCKS URBAN RENEWAL PLAN AND FORWARDING TO CITY COUNCIL  
WITH A RECOMMENDATION FOR APPROVAL**

**WHEREAS**, the Portland City Council (“City Council”) adopted the South Park Blocks Urban Renewal Plan (as amended, the “SPB Plan”) on July 24, 1985, by Ordinance No. 157635, which had previously been approved and adopted by the Prosper Portland Board of Commissioners (“Board”) on July 9, 1985 through Resolution No. 3362, to provide tax increment funding and urban renewal authority to eliminate blight and foster the development and redevelopment in order to protect the public health, safety, and welfare of the City of Portland;

**WHEREAS**, the primary goal of the SPB Plan is “to improve the condition and appearance of the Area, eliminate blight and blighting influences, to increase and improve housing, expand public facilities and upgrade the South Park Blocks;” the SPB Plan’s general goals for public improvements to support housing, cultural, and park areas is to “provide improvements necessary to promote downtown as the entertainment and cultural center of the metropolitan area, ...[and to] establish the South Park Blocks as an art and cultural center in the City and region;” and the SPB Plan’s general goal for historic preservation is to “identify, preserve, protect and dramatize historical structures and locations within downtown, and to promote the conservation of designated City landmarks;”

**WHEREAS**, Oregon Revised Statutes (“ORS”) 457.085 (2)(j) requires that an urban renewal plan that contains a project that includes a public building to also contain an explanation of how that public building will serve or benefit the urban renewal area;

**WHEREAS**, Section 900(C) of the SPB Plan, revised on April 11, 2012 through Amendment No. 11 pursuant to Prosper Portland Board Resolution No. 6933 provides that amendments that “identify a project that includes a public building” are to be considered “Council-Approved Amendments” that require approval by both the Prosper Portland Board by resolution and by the City Council, which may approve by resolution, but do not require any of the procedural or notice requirements found in ORS Chapter 457, including but not limited to the procedures set forth in ORS 457.085(4) and (5), and that “to the extent that a Council-approved amendment involves a public building, such amendment shall explain how the building serves or benefits the urban renewal area;”

**WHEREAS**, the SPB Plan reached its last date to issue bonded indebtedness on July 23, 2008, yet land area within the SPB Plan can still be characterized as blighted and requires tax increment resources for investment beyond the current time constraints and availability of the existing Plan;

**WHEREAS**, the Multnomah County Central Public Library (“Central Library”) is located in SPB Plan Area, is in the National Registry of Historic Places, and has been described as “Portland’s Crown Jewel;”

having served the community since 1913, providing a historic public space for all to gather, learn, create, and access the benefits of the community’s collective knowledge and resources;

**WHEREAS**, the historic Central Library is a destination for residents and visitors alike with approximately 665,000 annual visitors for a variety of purposes including access to books and periodicals, job search assistance, and public gathering space; and although the Central Library was renovated in 1997, it has several critical infrastructure needs to provide quality services and experience for the community, including replacing failing electrical transformer and remedying HVAC problems, increasing emergency exit path safety and addressing longstanding landscaping issues, and addressing deficit of quiet meeting and work space on two floors;

**WHEREAS**, the estimated project cost for the Central Library improvements is \$2,000,000 and is expected to be completed by 2021; Multnomah County staff have committed to meeting the terms of the SPB Plan funds including the using the money in a way that is consistent with tax increment financing requirements and spending timelines;

**WHEREAS**, the Arlene Schnitzer Concert Hall (“Schnitzer”), located at 1037 SW Broadway in the SPB Plan Area, opened on March 8, 1928 as the Portland Publix Theater and then operated for decades as the Paramount Theater;

**WHEREAS**, in 1972, the Portland City Council voted to give exterior of the Schnitzer Landmark Status; the building was subsequently placed on the National Register of Historic Places in 1976;

**WHEREAS**, the Schnitzer concert hall marquees require critical seismic, electrical, and cosmetic upgrades, including replacing rusting sheet metal; upgrading electrical wiring; updating structural elements to meet current seismic code; restoring the sign cabinet to its original appearance; and replacing the letter boards with electronic LED graphical displays;

**WHEREAS**, the estimated project cost for the Schnitzer improvements is \$1,800,000; City of Portland staff have committed to meeting the terms of the SPB Plan funds including the using the money in a way that is consistent with tax increment financing requirements and spending timelines;

**WHEREAS**, addressing these improvement and infrastructure needs of the Central Library and the Schnitzer will benefit the SPB Plan area by furthering the Plan’s goals to “upgrade the South Park Blocks;...provide improvements necessary to promote downtown as the entertainment and cultural center of the metropolitan area;...[further] establish the South Park Blocks as an art and cultural center in the City and region;...and preserve, protect and dramatize historical structures and locations within downtown, and promote the conservation of designated City landmarks”, as more particularly described in the Thirteenth Amendment to the SPB Plan attached hereto as Exhibit A (the “Thirteenth Amendment”); and

**WHEREAS**, the Prosper Portland Board has received staff recommendations to approve the Thirteenth Amendment and the Technical Report on the Thirteenth Amendment to the SPB Plan attached hereto as Exhibit B (“Technical Report”) and concurs with the benefit to the SPB Plan area of allowing urban renewal funds to be spent on the Central Library and the Schnitzer.

**NOW, THEREFORE, BE IT RESOLVED**, that the Prosper Portland Board hereby approves the Thirteenth Amendment;

**BE IT FURTHER RESOLVED**, that the Prosper Portland Board accepts the Technical Report;

**BE IT FURTHER RESOLVED**, that this resolution supersedes Resolution No. 7310 adopted by the Prosper Portland Board on May 8, 2019, as it only included the Central Library and not the Schnitzer; and

**BE IT FURTHER RESOLVED**, that due to the operating structure of the Schnitzer, the use of tax-exempt bond proceeds for the project is subject to further review by special tax and bond legal counsel (“Bond Counsel”), and therefore the approval of the Schnitzer investment is conditional on Bond Counsel’s authorization; and

**BE IT FURTHER RESOLVED**, that the Thirteenth Amendment and Technical Report be referred to the Portland City Council with the Prosper Portland Board’s recommendation for approval by Council Resolution; and

**BE IT FURTHER RESOLVED**, that this resolution shall be effective immediately upon its adoption.

Adopted by the Prosper Portland Commission on June 12, 2019



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Pam Feigenbutz, Recording Secretary

### **Thirteenth Amendment**

**to the**

### **South Park Blocks Urban Renewal Plan**

1. The following subsection 6 is hereby added to Section 400 "Goals and Objectives for the South Park Blocks Urban Renewal Area" subsection 3 "Public Improvements to Support Housing, Cultural and Park Areas sub A "General Goals":

"(6) Upgrade improvements and public amenities in the public Multnomah County Central Public Library and the Arlene Schnitzer Concert Hall."

2. The following clause is hereby added to the end of Section 400 "Goals and Objectives for the South Park Blocks Urban Renewal Area" subsection 5 "Historic Preservation":

"including the public Multnomah County Central Library and the public Arlene Schnitzer Concert Hall."

3. Public Building Projects – Explanation of Benefits to the Urban Renewal Area:

The Multnomah County Central Library (Central Library) is a cherished historic building, a downtown destination for locals and tourists alike. It is the hub of the Multnomah County Library system. The building, designed by architect A.E. Doyle, opened in 1913, and is on the National Register of Historic Places. It was remodeled from 1994 to 1997. One of the smallest main libraries of any comparable city, Central Library is among the busiest library buildings in the nation.

The Arlene Schnitzer Concert Hall opened on March 8, 1928 as the Portland Publix Theater and then operated as the Paramount Theater. In 1972, the Portland City Council voted to give exterior of the Arlene Schnitzer Concert Hall Landmark Status; the building was subsequently placed on the National Register of Historic Places in 1976.

Providing funds for improvements and renovations to the historic public buildings known as the Multnomah County Public Library and the Arlene Schnitzer Concert Hall benefits the South Park Blocks Urban Renewal Area by sustaining the historic Central Library and the Arlene Schnitzer Concert Hall as cultural and iconic places drawing visitors and residents. Addressing some of the critical infrastructure and renovation needs of these treasured buildings will address many goals set forth in the South Park Blocks Urban Renewal Plan:

- to "promote downtown as the entertainment and cultural center of the metropolitan area,"
- "[further] establish the South Park Blocks as an art and cultural center in the City and region;" and
- "to preserve, protect and dramatize historical structures and locations within downtown, and promote the conservation of designated City landmarks."

**END OF PLAN AMENDMENT**

**Technical Report on the Thirteenth Amendment**

**to the**

**South Park Blocks Urban Renewal Plan  
City of Portland, Oregon**

**Prosper Portland**

**June 12, 2019**

## **INTRODUCTION**

ORS 457.085(2)(j) contemplates that an urban renewal plan may contain a project that includes a public building. The plan must include an explanation of how the building serves or benefits the urban renewal area. The intent of the Thirteenth Amendment to the South Park Blocks Urban Renewal Plan (the "Thirteenth Amendment") is to authorize the inclusion into the South Park Blocks Urban Renewal Area Plan, as amended (the "Plan") of improvements and restoration of the historic Multnomah County Public Library and the Arlene Schnitzer Concert Hall.

ORS 457.085(3) requires that an urban renewal plan be accompanied by a report that contains information specified in ORS 457.085(3) as follows:

### **I. A DESCRIPTION OF PHYSICAL, SOCIAL AND ECONOMIC CONDITIONS IN THE URBAN RENEWAL AREA**

The Thirteenth Amendment does not change the analysis of the Physical, Social and Economic Conditions in the urban renewal area contained in the original, or any subsequently updated Technical Reports to the South Park Blocks Urban Renewal Plan (collectively, the "Report") that accompanied the original South Park Blocks Urban Renewal Plan and any amendments thereto (collectively, the "Plan").

### **II. THE EXPECTED IMPACT, INCLUDING THE FISCAL IMPACT, OF THE PLAN IN LIGHT OF ADDED SERVICES OR INCREASED POPULATION**

The Thirteenth Amendment will not create a need for added services and will not increase the residential population within the URA. The Thirteenth Amendment therefore does not change any elements of the analysis in the Report accompanying the Plan.

### **III. REASONS FOR SELECTION OF EACH URBAN RENEWAL AREA IN THE PLAN**

The Thirteenth Amendment does not change the URA boundaries or add new area to the URA. Therefore, the Thirteenth Amendment does not change the reasons for selection of the URA.

### **IV. THE RELATIONSHIP BETWEEN EACH PROJECT TO BE UNDERTAKEN UNDER THE PLAN AND THE EXISTING CONDITIONS IN THE URBAN RENEWAL AREA**

ORS 457.085(2)(j) contemplates that an urban renewal plan may contain a project that includes a public building. The intent of the Thirteenth Amendment is to include making improvements and renovations to the historic public Multnomah County Central Library and the Arlene Schnitzer Concert Hall, which is expected to benefit the URA as described in the Thirteenth Amendment.

### **V. THE ESTIMATED TOTAL COST OF EACH PROJECT AND THE SOURCES OF MONEY TO PAY SUCH COSTS, AND THE ANTICIPATED COMPLETION DATE FOR EACH PROJECT OR ACTIVITY**

The Thirteenth Amendment does not increase maximum indebtedness. Specific projects and expenditures will be determined in the annual budget process; the estimated project cost for the improvements and renovations to the Central Library is \$2 million and is expected to be completed by 2021; the estimated project cost for the improvements and renovations to the Arlene Schnitzer Concert Hall is \$1.8 million and is expected to be completed by late 2020.

### **VI. 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**

The South Park Blocks Urban Renewal Area ("Area") reached its last date to issue bonded indebtedness in July 2008. While the Area has remaining capacity under its Maximum Indebtedness limitation, the Thirteenth

Amendment does not include any changes to the last date to issue bonded indebtedness nor to maximum indebtedness. The City expects to repay all outstanding debt by June 15, 2024.

**VII. A FINANCIAL ANALYSIS OF THE PLAN WITH SUFFICIENT INFORMATION TO DETERMINE FEASIBILITY**

The South Park Blocks Urban Renewal Area (“Area”) reached its last date to issue bonded indebtedness in July 2008. While the Area has remaining capacity under its Maximum Indebtedness limitation, the Thirteenth Amendment does not include any changes to the last date to issue bonded indebtedness nor to maximum indebtedness. The City expects to repay all outstanding debt by June 15, 2024.

**VIII. A FISCAL IMPACT STATEMENT THAT ESTIMATES THE IMPACT OF THE TAX INCREMENT FINANCING, BOTH UNTIL AND AFTER THE INDEBTEDNESS IS REPAYED, UPON ALL ENTITIES LEVYING TAXES UPON PROPERTY IN THE URBAN RENEWAL AREA**

The Thirteenth Amendment will not alter the impact of the tax increment financing upon taxing districts.

**IX. RELOCATION REPORT.**

Not applicable to the Thirteenth Amendment.

**X. COMPLIANCE WITH STATUTORY LIMITS ON ASSESSED VALUE AND ACREAGE IN URBAN RENEWAL AREAS**

ORS 457.420 requires that urban renewal areas not exceed 15% of the total assessed value or 15% of the total land area of the City. The Thirteenth Amendment is in compliance with ORS 457.420.



# PROSPER PORTLAND

Building an Equitable Economy

## RESOLUTION NO. 7316

**RESOLUTION TITLE:**

APPROVING THE THIRTEENTH AMENDMENT TO THE SOUTH PARK BLOCKS URBAN RENEWAL PLAN AND FORWARDING TO CITY COUNCIL WITH A RECOMMENDATION FOR APPROVAL

Adopted by the Prosper Portland Commission on June 12, 2019

PRESENT FOR VOTE	COMMISSIONERS	VOTE		
		Yea	Nay	Abstain
<input checked="" type="checkbox"/>	Chair Gustavo J. Cruz, Jr.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Commissioner Alisha Moreland-Capuia MD	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Commissioner Francesca Gambetti	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Commissioner Peter Platt	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Commissioner William Myers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Consent Agenda                       Regular Agenda

**CERTIFICATION**

**The undersigned hereby certifies that:**

*The attached resolution is a true and correct copy of the resolution as finally adopted at a Board Meeting of the Prosper Portland Commission and as duly recorded in the official minutes of the meeting.*

	<b>Date:</b>  June 14, 2019
<b>Pam Feigenbutz, Recording Secretary</b>	