

East Portland TIF Exploration: Parkrose-Columbia Corridor

Meeting #6 Notes – March 19th, 2024

Attendees: Dave Ganslein, Bill Kent, Annette Stanhope, Lin Felton, JR Lilly, Michael Lopes Serrao, Dannel Norby

Staff: Roger Gonzalez, Dana DeKlyen, Paula Byrd, David Sheern, Brian Moore, Raul Preciado Mendez, Bill Cunningham

Guests: Sharie Lewis – Parkrose School District

Notes:

1. Roger Gonzalez welcomed committee members and reviewed the meeting goals and agenda.
2. Staff shared [this presentation](#).
3. Roger provided an overview of the development status for the main TIF plan elements and reviewed the meeting sequence and next steps.
4. Staff presented the most recent draft district map for committee members to review.
 - a. The map shown was not the most updated map, but Roger reviewed the areas that continued to be explored (ie: the slough, Wilks, and the Sandy leg out to 160th)
 - b. Most recent [map attached here](#).
5. At the request of working group members, Roger invited a conversation about the impact of TIF on the Parkrose School District.
 - a. Sharie Lewis, the Finance Director for the Parkrose School District (PRSD), indicated that TIF's impact on the school district was uncertain and did not give an opinion at the time. It was indicated that Parkrose SD is different than most other school districts and that 70% of revenue comes from property taxes and 30% comes from state school funds.
 - b. *Question:* Is there a potential for the formula to change if the TIF district was adopted?
Answer: Yes, it is a possibility, but this would need to be reevaluated and requires more time to research.
 - c. Request to explain the 70% local tax and 30% state school funding.
 - d. Sharie explained that the state school funding formula has two instruments for generating revenue: Property taxes and the state school fund. The state school fund is basically from everybody in the area that pays taxes in relation to services including corporations. There are only about 27,000-28,000 residents so the population is small in relation to property taxes, which includes Cascade and the airport. The PRSD proportionally secures more revenue from property taxes than what the state school fund formula provides.
 - e. Sharie continued that due to the corporations and the location next to industrial area, 70% after local tax goes into the mix and because of that the school district receives 30% which is different than most school districts as far as the state and how they disperse it to everyone. That's where the equalization formula comes in. If there is any increase in enrollment, for example if enrollment remained at 3,000 kids for years while property taxes keep going up \$5-10 million, the state school funding formula bases on

increased property tax revenue without increasing the number of kids, the state takes away some of the revenue. That's happened almost every year for the last decade. Enrollment has gone down and property taxes have gone up. In the equalization formula, PRSD loses. There is a discussion at the State to build into the state school fund formula so some portion of the formula will account for impacts on marginalized school districts like PRSD.

- f. *Question:* Is there another example in the state that would be like the Parkrose school district that might be an example of a small school district initiative with that type of mix of residents and corporation? *Answer:* The other districts are all in wealthier districts where people go to visit and vacation (e.g., more tourism activity).
 - g. *Prosper Portland Staff:* Will bring information back to the Prosper Portland CFO to get more information and to help with questions about how TIF impacts the area specifically and PRSD.
 - h. *Comment:* The residents of Parkrose would be impacted in two ways: taxes would continue to increase, and the Parkrose SD would be impacted.
 - i. *Comment:* PRSD saw this last year a growth rate of property taxes at 0.3%. Prior years (over 15 years of history of property taxes) show growth was anywhere from 3% to 15%. This last year PRSD took a huge decline with a \$500,000-\$750,000 loss of property revenue so far.
 - j. *Question:* If a district goes into TIF. Does this automatically affect the equalization equation? *Answer:* The answer to this will require more research.
 - k. *Question:* Any contacts at the State to know more information? *Answer:* Staff are tracking these questions and will be having this conversation with Prosper Portland's CFO. More to come on this.
6. Dana DeKlyen reviewed the Implementation Principles and transitioned to a discussion of Governance Structure Goals.
 7. Roger reviewed the Recommending Bodies (potential Action Planning Process, Ongoing Implementation Guidance, Periodic Convening, Escalation Path Process, and Outcomes)
 8. Key Questions Asked:
 - a. *Strategic Convenings – How often should they be held? Who should attend? Potential goals/topics?*
 - b. *Where should service providers or their stakeholders not necessarily tied to a geography participate in the most meaningful way?*
 - c. *Are there ideas on how new advisory structures could interact with the new form of City government? New opportunities? Potential challenges?*
 - d. *Comment:* How can we do this in a culturally inclusive manner? Special consideration of the urban native community.
 - e. *Comment:* Sharie – based on the strategic plan overview, it looks like a good plan.
 - f. *Comment:* Cully has the blueprint but unsure if the Parkrose/Argay area has the level of nonprofit support that Cully has. Parkrose doesn't have a coalition like Living Cully. What could be, who could potentially be participants identified. From a Neighborhood Association perspective, it is difficult to get people to participate. One concern is the capacity for community support.

- g. *Question:* What Government groups structures specifically support East Portland? Like Offices where the City is specifically producing data focused on East Portland. *Answer:* Likely there will be dividing the City into 4 districts in the change of government. Details are unknown currently.
 - h. *Comment:* There will be TIF district staff focused on East Portland.
 - i. *Comment:* There is a city multi-bureau East Portland Bureau Advisory Group that focuses on East Portland issues and coordination. The Bureau of Planning and Sustainability has an East District Liaison who focuses on East Portland: Hector Rodrigues-Ruiz.
 - j. *Comment:* Some stakeholders that aren't solely in this area but have influence are the organizations that run the SUN after-school programs, SEI, IRCO, MFS. They may have an interest in having a larger footprint here.
 - k. *Comment:* There are other groups like the East Portland Chamber of Commerce, EPAP, and Venture Portland.
9. Roger reviewed the governance charter and the elements of the document, highlight the scope of work and membership section.
10. Key Questions Asked:
- a. *Does 13 feel like the right number of numbers?*
 - b. *Areas of expertise?*
 - c. *Question:* Has it been hard for the Cully CLC to fill the 13 member committee?
Response: The Cully CLC just launched. There are currently 13 members, it is uncertain if the interest will be reduced and make it harder to fill the committee. Without limiting participation in any way, it may be better to have more flexibility. Staff acknowledged that that is a fair concern.
 - d. *Comment:* Suggestion to have a range of committee members such as 8 – 12 members.
 - e. *Comment:* Do you have any feedback on the 13 members that were used in Cully and the kind of the different expertise they represented? *Response:* They focused on lived experience and community members who were from the communities that they were hoping to support. They are the first City committee that has full translation because there is a Spanish speaker on the committee who does not speak English. A key win for the community. There is a youth representative on the committee. They have people who are small business owners, business technical assistance provider knowledge, and experience in affordable housing knowledge.
 - f. *Question:* How will the NPNs play into this committee structure? Will the NPN manage the TIF district? Will board members be asked to apply?
 - g. *Answer:* The NPNs are independent organizations, with their board such as Historic Parkrose. The Board members would be welcome to apply to the CLC. The NPNs themselves are currently in a micro-TIF district that would be closed out. However, the organizations would remain independent organizations. Do you want to see this expertise included? There is not an automatic inclusion of the NPN. Note, organizations will not manage the TIF districts, that role is Prosper Portland's by law.
 - h. *Comment:* The application process was through the Office of Civic Life process, due to this being a joint PHB and Prosper Portland recommending body.
 - i. *Comment:* Loved that there was a youth on the Cully CLC.

- j. *Comment:* PRSD has a government relations class that would be a great place to look for youth. PRSD has 5 youth on the Parkrose School Board.
 - k. *Comment:* As a housing advocate, it is important to see both renters and homeowners on the committee to ensure both perspectives.
 - l. *Comment:* It often creates problems when we try and set the table with representatives from different areas and different groups. You're never going to get everybody, but oftentimes the person sitting at the table trying to give advice feels constrained that they must represent their entire group, which creates big burden on them. It makes them less able to just chime in with what they think is a good idea. A suggestion is to try and avoid setting the table with the usual suspects, but instead set the table with people that can take their work hat off and just talk to us about their experience and opinions and bring their personal experience to the discussion rather than being a representative of a particular group.
11. Roger reviewed the next steps and closed the meeting.