

Central City TIF District Exploration Steering Committee Meeting #3

Prosper Portland, 220 NW Second Avenue, 1st Floor Conference Room
Tuesday, March 19th, 10:00 am – 12:00 pm

Meeting Summary

(see also meeting presentation)

Welcome & Introductions

Camille Trummer opened the meeting and reviewed the meeting goals and agenda. The purpose of the third steering committee meeting was to review draft district scenarios/financial modeling and discuss governance structure considerations for the various districts.

Committee Agreements

Camille outlined the operating agreements for the Committee, and guidelines for public participation in Steering Committee meetings.

Public Comment

None

Timeline & Process

Camille reviewed the timeline and upcoming events.

Sarah Harpole emphasized the importance of this meeting and the May meeting to gather committee feedback to inform planning and district scenario development.

Camille reviewed the elements of a TIF plan and highlighted the sections that will be discussed in this meeting.

Draft District Scenarios

Kimberly Branam prompted the committee to review district scenarios. It was noted that Albina Vision Trust (AVT) determined that they were not interested in pursuing a TIF district in this round of exploration but will continue to participate in the process.

- *Has any other large user expressed that they are not interested in a TIF district? We have not heard in the exploration process that any other large scale development site (OMSI, Lloyd Center, Broadway Corridor) is not interested in pursuing a TIF district.*

Kimberly explained the financial modeling assumptions for the revenue forecasts related to each draft TIF district boundary. There are ranges for each district's revenue forecast to reflect different assumptions for growth overtime.

Kimberly presented the draft district boundaries with the cash flow projections and discussed the strategic reasoning for each scenario.

- *Since TIF districts must be contiguous, could a TIF district connect over the river? For example, a TIF district that covered both the East and West side of the river? There is precedence for that, but it would need further research.*
- *Is there a way to have downtown scenario B with the OMSI and Lloyd districts? There is a limit on how much assessed value can be captured in TIF districts at any given time. State law only allows 15% of the City's assessed value or acreage to be captured in TIF districts. After this round of TIF exploration there will be more assessed value and acreage freed up when the North Macadam district closes in four years.*
- *How creative can you get with shaping the district? It must be contiguous; it can have donut holes and arms extending out. There needs to be a logical reason behind any district boundary that explains why areas are included/excluded.*
- *If a building is excluded from the boundary, it cannot receive TIF funds, correct? Yes, only buildings within the TIF district can receive funding and TIF districts can be amended by up to 20% over the lifetime of the district.*
- *Do these numbers reflect the ability to bond funds? Yes, there is a city policy that a TIF district cannot borrow until after year 5 which is why you see the bump in cash flow in years 6-10.*
- *Are there any policy restrictions on how the City can bond TIF? TIF bonds are underwritten looking at the capacity of the district with a debt service ratio and the current and the history of the tax increment.*

Small Group Discussion – Draft District Scenarios

Each group discussed the draft district scenarios and shared highlights of their conversations and their scenario preferences. *(See Appendix A for small group discussion notes)*

Governance Models

Lisa Abuaf provided an overview of TIF governance models, structure for community engagement, and future plan amendments. There is a range of governance structures that can be implemented depending on different district needs.

Lisa reviewed recommendations on governance structures from the subcommittee conversations.

Lisa prompted the small groups to discuss governance recommendations for the various proposed districts and how governance and financial modeling should inform the district boundaries.

Small Group Discussion – Governance Considerations

Each group discussed the different governance models and which model makes the most sense for each draft district. *(See Appendix A for small group discussion notes)*

Next Steps

Camille reviewed the next steps and closed the meeting.

Steering Committee Attendance

Name	Affiliation	Present
Andrew Fitzpatrick	Office of Mayor Wheeler	y
Angel Medina	Republica	
Angela Rico	Office of Commissioner Rubio	
Brad Cloepfil	Allied Works	
Brian Ferriso	Portland Art Museum / Travel Portland Board	y
Carolyn Holcomb	Central Eastside Industrial Council	y
Andrea Pastor	Metro	y
Christina Ghan	Office of Commissioner Rubio	y
Ian Roll	Gensler	y
Damien Hall	Home Forward	y
Dr. Carlos Richard	Warner Pacific	
Eric Paine	Community Development Partners	y
Erin Graham	OMSI	y
Gus Baum	Security Properties	y
James Parker	Oregon Native American Chamber	
Jason Chupp	Swinerton	
Jason Franklin	Portland State University	y
Jeff Renfro	Multnomah County	y
Jessica Curtis	Brookfield Properties / Pioneer Place	y
Jessie Burke	Old Town Community Association	
Jill Sherman	Edlen & Co	y
Dana White	Portland Public Schools	
JT Flowers	Albina Vision Trust	y
Justin Hobson	Miller Nash	y
Kimberly Branam	Prosper Portland	y
Lauren Peng	CBRE	
Marc Brune	PAE Engineers	y
Mary-Rain O'Meara	Central City Concern	y
Matt Goodman	Downtown Development Group	
Michael Buonocore	Portland Housing Bureau	y
Millicent Williams	Portland Bureau of Transportation	y
Monique Claiborne	Greater Portland Inc	y
Natalie King	Trail Blazers	
Nicole Davison Leon	Hispanic Chamber	y
Peter Andrews	Melvin Mark	y
Sam Rodriguez	Mill Creek Residential	
Sarah Stevenson	Innovative Housing	y
Stef Kondor	Related Northwest	y
Sydney Mead	Portland Metro Chamber	y

Joey Shoemaker	Urban Renaissance Group / Lloyd Mall	y
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Appendix A:

Group 1:

Steering Committee: Erin Graham, Jeff Renfro, Mary Rain O’Meara, Brian Ferriso, Marc Brune, Justin Hobson

Prosper Portland Staff: Justin Douglas, Chabre Vickers

Ranking Scenarios:

1. C1
2. C2
3. A/B

What attributes/areas are most important to keep/remove?

- Question on value of keeping the waterfront ‘strip’ in A – some advocated for addressing later as part of a broader waterfront connection conversation with Blazers, AVT; others wondered if there were employers/businesses in the southern portion of the strip near CEID

Areas prioritized for Affordable Housing:

- Downtown likely can’t accommodate that much new housing, so preference for master planned sites (Broadway Corridor, OMSI, Lloyd) as priorities for affordable housing funding

Governance models:

- Downtown: should be a spectrum
- Old Town: Old Town Community Association and broadened to include more residential voices
- Lloyd: ?
- OMSI: Co-creation or somewhere on the right, noting work with tribes
- Early voices are always the loudest; authentic feedback may take some time

Group 2:

Steering Committee: Sarah Stevenson, Gus Baum, JT Flowers, Peter Andrews, Nicole Davidson Leon

Prosper Portland Staff: Kimberly Branam, Andrea Gall

Ranking Scenarios:

- Unanimous to go with A
 - favor of A & C, Eastside is an important part, and think that doing as much and in as big of a fashion as possible, inclusive of AVT & RIP City independently, especially with Lloyd Center scenarios
 - Scenario A is top choice. Coming from market rate multi-family background, appears to have the strongest revitalization for the river which becomes focal point for redevelopment
 - Cash flow in A & C1 are close, so benefit from added maker blocks and underdeveloped former industrial sites, and connective with OMSI and feels like it wraps best geographically
 - Ranked: A, C2, B
 - Don't want to see Old Town not get leverage of Broadway Corridor (leaves Old Town in bad position if you don't leverage it w newer blocks of Broadway Corridor)
 - Like that A jumps 84 which is important for Lloyd connectivity
 - If you could redevelop around Benson that would be impactful too
 - Scenario C is top choice, except growth in Old Town is lower than other cases and knowing that Old Town needs extra support is only concern with scenario C
 - Prefer to see more on Old Town, but C1 helps address that for Old Town
 - Scenario A gives each district the most that they can have. Looking at areas w best opportunities for placemaking, retention, infill housing, job creation, these areas are most transformative. Lean heavily for A. Don't really like B, not a huge fan of breakups of C1 & C2.
 - A, then far second is C, then B
 - Broadway Corridor needs \$\$ to get going, tension about what is leveraging what.
 - Doesn't have to be 2 districts.
 - Curious about combining 2 districts
 - By combining districts, is there a risk resources will get pulled from Old Town? Or instead, would it pull more resources into Old Town?
 - Leaning towards Scenario A
 - Not sure how much it matters that Old Town doesn't go to River in A
 - Don't like leaving \$\$ on the table with B
 - Agree, and interested to hear from OMSI on how they're feeling in general
 - Eastside waterfront activation is critical for long-term development of city
 - Can't be major city w/out both sides of waterfront activated
 - All development on Eastside is important to help downtown actually be a downtown rather than only one side being developed
 - 1) A (provided OMSI is supportive) 2) C1 3) C2 (not even voting for B)

What attributes/areas are most important to keep/remove?

- What can be removed?
 - Remove Stem off of Yamhill – Morrison Yamhill spine can come off. West End is fine. Ritz is fine. Can cut off those parts
 - Connecting with 10th and Yamhill might be helpful / concerned to remove
 - Swap some areas in CES to keep OMSI but capture more areas farther north. Priority is river + OMSI.
 - Excluded convention center because it's been in a TIF district, but curious about spaces near convention center
 - Could take out individual high value places – interesting to see about swiss cheese
 - Some of these have been in CES TIF for a while. Consider zoning too in boundaries. What is priority of use? Spaces near Ladds may be zoned residential
- What must stay in:
 - South of Weidler to keep (maybe remove some off the top)
 - PBOT is including street improvements to Broadway – keep that in. Important to maintain Broadway
 - N of Broadway is residential anchor point
 - Commercial on Broadway
 - Public spaces, activation of rose quarter (can't talk about that without including activation of Broadway)
 - Connect with future vision of AVT and connectivity with that.
 - Underutilized spaces on Broadway to keep + access to I-5 cap

Areas prioritized for Affordable Housing:

- Interested to keep affordability closer to waterfront for housing + priority for working class people for proximity for waterfront. CES shouldn't become all working / needs housing too.
- Balance with maintaining office (Vancouver went all in for housing and should have maintained more office)

Governance models:

- OMSI: did extensive engagement creating their plan.
 - They might want to go w District Action Plan and consult with the body periodically. Don't want the community engagement to slow down process. Would defer to OMSI on this.
 - Agree, it can slow things down
- How many of these already have these going on already? How much is co-created or have something moving?
 - Be realistic to join into what is already going on
 - All said they'd defer to OMSI
- In the process of negotiating development agreement, would be helpful to connect w OMSI. There's already stuff happening w NW Native Chambers and don't want to create more work.
- All of these provide a bit of risk in terms of depth of community engagement. Don't want small advisory group holding all the power.
- Downtown & Old Town: more co-creation happening more there to support making sure Old Town is allocated, especially if they are combined
- Curious if there can be different structures for different investment. Affordable workforce housing is a different body than placemaking.
 - Can have diff processes for advising, for disbursing, etc.

- Co-creation takes longest;
- Timeline first year: not much in the way of revenue. Can create action plan in the first year period
- In N/NE: the committee is very engaged. This is worth it bc they are closest to community so the impact is better.
- Hence the diff buckets might have diff models.
- Value of having folks close to the ground stay engaged over time
 - Old Town Community Association
 - N/NE had different individuals who created plan than those who implemented a plan
- For placemaking have deep community engagement, fast
- Intersection b/w people who have technical knowledge to engage in an efficient way & who rep community
- Lloyd: consulting w existing groups

Group 3:

Steering Committee: Andrew Fitzpatrick, Carolyne Holcomb, Jessica Curtis, Eric Paine, Damien Hall

Prosper Portland Staff: Shea Flaherty-Betin, Kiana Ballo

Ranking Scenarios:

- Prefer Scenario A
- Scenario C1/C2 missing waterfront, add north of the freeway and take out state department lots
- Scenario B ranked last

What attributes/areas are most important to keep/remove?

- Scenario A
 - East and West represented
 - Live Nation coming to Central Eastside
 - Clinton Triangle trimming
 - Include Darigold, Franz Bakery?
 - Lots across from Convention Center
 - Take out Schnitzer building
- Scenario B
 - Not a fan of no Eastside
 - Plus for downtown, has the biggest need
 - Limits housing
- Scenario C1/C2
 - Ditch government buildings in the 'H'
 - Clean & Safe goes to 10th missing out on area up to 13th

Areas prioritized for Affordable Housing:

- Scenario A
 - Housing – Lloyd, conversions downtown, everywhere with density
 - Affordable housing not in Old Town
 - Affordable housing in higher income areas: Broadway, Lloyd, SE Clinton
 - Market Rate housing in Central Eastside
- Scenario B
 - Hard to say
- Scenario C1/C2
 - Stay in SE Clinton and OMSI

Governance models:

- Tension around overhead & timeliness, plus new government structure
- Strong engagement that doesn't stop the process
- Housing develops quick, don't lose the opportunity

Group 4:

Steering Committee: Jason Franklin, Millicent Williams, Sydney Mead, Stef Kondor, Dr. Carlos Richard, Christina Ghan, Angel Medina

Prosper Portland Staff: Lisa Abuaf, Joe Mollusky

Ranking Scenarios:

- Generally liked A and C variations
 - Placemaking – not load up Old Town and downtown with affordable housing
 - Balance affordable housing
 - Big move to help development
 - Likes B
 - Focus is near term
 - Concern on B is transportation.
 - A creates place and destination
 - More \$ for A, Likes A waterfront and placemaking

What attributes/areas are most important to keep/remove?

- Lloyd could shrink
- Add Park Blocks to 9th on Green Loop
- South of Hawthorne
- Could remove 7th and 12th, smaller industrial some residential
- Like A and waterfront
- Tighten around Blumenauer and 84
- Library area struggling – go to 10th or 11th, add Galleria
- Trade off retail spine
- Park Blocks N-S to Market
- Just add acreage and no income/AV
- Green Loop some north end
- CES end, OMSI tapped out
- Broadway Corridor in all
- Lloyd – capture 9th
- Greenway, Park Blocks and Green Loop

Areas prioritized for Affordable Housing:

- Any westside is higher cost
 - Need to look at zoning map
 - Construction cost more expensive in DT
 - More barriers in CES
 - Focus on commercial mixed use and light rail
- Avoid blocks of affordable housing
- Old Town has affordable housing, needs more middle housing
- Won't see a lot of affordable housing in DT
 - Cost of land

- Barriers to demo
- Cost barriers to AF
- Don't want to see string of AF, just pockets
- What will DT become?
 - Imagination for what people will like
 - More mixed use
- TIF to fund office to residential conversions
- Park Blocks and cultural connections to housing
- Prioritize vision for DT
 - S of Market – housing
 - How do you support and connect
 - Waterfront – what to do, open access
 - Invest in last parcels next to water
- Housing – market prohibitive
 - Prioritize pockets
 - Limit AF DT
 - OT AF rehab only

Governance models:

- Governance comments all over the map. Relying on Prosper experience and community expertise.

Group 5:

Steering Committee: Andrea Pastor, Michael Buonocore, Jessica Conner, Jill Sherman, Joey Shoemaker, Ian Roll, Monique Claiborne

Prosper Portland Staff: Camille Trummer, Brian Moore

Ranking Scenarios:

- Scenario A opportunity to bring community stitching back together
- Split interest between A and C1
- C2 was not supported

What attributes/areas are most important to keep/remove?

- Lloyd is a bit of a barrier to communities being stitched back together
- OMSI can do up to 1k units of housing

Areas prioritized for Affordable Housing:

- Allocating shares of affordable housing on a district by district basis

Governance models:

- Downtown needs a focused big project so the dispersed resources with broad input will slow the effectiveness
- Don't want to blindsides the community, could tap into the governors taskforce
- All models should be co-creation
- Downtown – Prosper lead
- Old Town? -> Middle to co-creation
- Lloyd -> Middle to Co-creation
- OMSI -> Co-creation
- Include south of Burnside in Old Town from a governance approach