

East Portland TIF Exploration – Steering Committee and Working Groups Joint Meeting

Summary Notes – June 3rd, 2024

Committee Members: Barb Geyer, Joshua Pangelinan, Lin Felton, Jacob Loeb, Annette Mattson, Annette Stanhope, Corky Collier, Sabrina Wilson, Bill Kent, Giovanni Bautista, Jessica Arzate, JR Lilly, Lisha Shrestha, Nick Sauvie, Michael Veale, Sara Fischer, ShaToyia Bentley, Nancy Chapin, Karen Wolfgang, Andy Miller, Duncan Hwang, Christina Ghan, Kimberly Branam, Lee Po Cha, Commissioner Rubio, Angela Rico, Bill Bruce

Staff: Dana DeKlyen, Paula Byrd, Jessica Conner, Kiana Ballo, Camille Trummer, Helmi Hesserich, Chabre Vickers, Lisa Abuaf, Roger Gonzalez

Guests: Debbie Aiona, Ashley McKinney

Summary Meeting Notes:

1. Camille Trummer welcomed participants and reviewed the meeting goals and agenda.
2. Staff shared this presentation.
3. Commissioner Rubio thanked the steering committee and working group members for their participation in the TIF exploration process and emphasized the importance of this work.
4. Dana DeKlyen reviewed the project timeline and discussed the next steps including drafting and reviewing the TIF plans and reports with working groups in June, conducting a consistency check with the steering committee in July, and moving into the legislative process in August.
 - a. *Comment:* Camille noted that this month is a huge moment for the working groups to dive into the draft TIF reports and plans. The time to lift concerns is now so that these plans can be responsive to any issues.
 - b. *Question:* When is the final draft ready to go to the public? *Response:* This will depend on the working group review process, ideally by the end of June there should be a better sense of where things stand.
 - c. *Question:* How many pages are these documents? *Response:* There will be about 5-10 pages that are prioritized for working group review but there will likely be 20+ pages with technical information as well.
 - d. *Question:* Will there be multiple drafts and reviews in June? *Response:* If working groups can agree on internal deadlines, this could be a possibility. The big moment will be when the working groups reconvene in July.
 - e. *Question:* How much can committee members share the draft document? *Response:* It is not private but remember that the working group members need to decide for themselves how they feel comfortable working with this. Staff are available as resources as well.
 - f. *Question:* How will working groups know what other working groups are thinking about the go/no go status? What is the platform for cross collaboration? *Response:* Basecamp is the platform for this. There can be threads within working groups or conversations

with all of the working groups on Basecamp. Another formal joint meeting is not planned.

- g. *Question:* Are there any large public engagement opportunities before the July vote? *Response:* There are no scheduled sessions at this moment but there are different ongoing engagement opportunities. There is another open house later this month.
 - h. *Question:* Should community members be sending their comments to Prosper or to the working group? *Response:* It should go to both.
 - i. *Question:* Is there any potential heartburn? Is there any way to help? *Response:* We will cover this in the engagement update, more to come on that.
5. Dana provided an overview of the working group discussion topics and how they fit into the TIF documents including the TIF District Report, TIF District Plan, and the Governance Charter.
- a. *Question:* This TIF Exploration process has been a lot of work, where does that money come from and when does it get paid out? *Response:* This was approved by City Council to be paid with general fund dollars.
 - b. *Question:* Is there money in next year's budget if these districts need more time? *Response:* Currently there is no money, new council leadership would determine funding.
6. Dana highlighted the tab in basecamp where the draft plans and reports will be available for review. Staff are available to connect, please reach out.
7. Kimberly Branam presented the estimated foregone tax revenue projections and how potential TIF districts could impact other taxing jurisdictions, including estimates for nominal and real dollar (adjusted for inflation) amounts over 35 years. These are draft projections based on some assumptions and draft district boundaries.
- a. *Question:* What are the options recognizing that this is an ongoing issue that impacts other taxing jurisdictions? *Response:* The consult and confer period for TIF is a key opportunity for partnering taxing jurisdictions to receive information and provide feedback in a formal procedure.
 - b. *Question:* Will these figures be broken out per district? *Response:* Yes, once there are finalized boundaries there will be district by district analysis.
 - c. *Question:* With the estimated foregone revenue, is staff also coordinating with the taxing commission? Do they have a role in this conversation? Is there a role for steering committee members to share information? *Response:* The TSCC does not have an official role in the approval process, but they meet with City Council on an annual basis before the annual budget is approved and is kept in the loop in this process. Outreach for the consult and confer process is being confirmed currently and any assistance that steering committee or working group members are willing to give would be great. There is an important role of working group members to speak to the importance of this work.
 - d. *Question:* Is there any way to not take funds from schools but still take increment from other jurisdictions? *Answer:* This is a great question that has been looked into several times. Based on conversations with the bond counsel and how ORS 457 was established, there does not seem to be a way to do that. With the way the state school fund and equalization work, the impacts on schools are reduced. This is why the numbers for the foregone revenue for schools is much lower than other jurisdictions.

- e. *Question:* The equalizer takes TIF into account? *Response:* The state school fund has a complex algorithm, but it is net of TIF looking at property taxes, looking at what each individual child should receive.
 - f. *Comment:* One concern is that with the rising housing costs, the school populations are being reduced as people are not able to stay in their neighborhoods. TIF is a tool that could help with stabilization and those investments could help level things. Property taxes are not the main funding source for schools anymore, state general funds are.
 - g. *Comment:* Parkrose school district being industrial, residential, and commercial there are concerns in the neighborhood that TIF could make a big hit to the school district funding.
 - h. *Comment:* Staff is meeting with the Parkrose School District representatives to discuss this issue.
 - i. *Comment:* It sounds like even if there wasn't TIF in Parkrose, other TIF districts could impact schools.
 - j. *Comment:* TIF overall reduces the denominator across the state, the impact is spread across the state, not just school districts in the same neighborhood as the TIF districts. Any TIF district in the state impacts school funding.
 - k. *Comment:* If you create jobs in the TIF district, those jobs will help pay for everything.
 - l. *Question:* When does super notice happen? *Response:* In the middle of the consult and confer, giving people 45 days' notice.
8. Paula Byrd provided an update on community engagement. There have been a number of events every week to discuss TIF with the public, the online survey has received 157 so far, and engagement is ongoing through the end of the month.
 9. Paula discussed the major themes that have been heard through the community engagement process including items under support, opposition, and questions.
 10. Paula reminded committee members that notes from community engagement efforts are on basecamp.
 11. Paula presented highlights from community engagement efforts including ranging perspectives from residents, community leaders, and business owners.
 - a. *Comment:* Ebony Collective has been conducting culturally specific ongoing engagement with Black and African decent communities and is providing feedback. Engagement has included knocking on doors in each TIF exploration area. Every Thursday in May there were community healing and listening sessions around the negative historical impacts of urban renewal and TIF. People are eager to learn more about TIF especially around job and business creation for financial independence.
 - b. *Question:* The term community control has been emotionally charged. Is there a better term? *Response:* Community engagement versus community control or ownership is more accurate given TIF policy.
 12. Dana moved to hear from steering committee and working group members.
 - a. *Comment:* Community ownership and control, people want to see mechanisms for that and want to see how that can work with TIF. Understanding what people want and what TIF can provide.
 - b. *Comment:* If TIF does occur, it will happen over 30 years. There is time for engagement, this is just the beginning.

- c. *Comment:* While there is feedback that East Portland is not Cully, this is an example of a community leadership committee that could model how onboarding members and educating the community can occur and guide the action planning process.
 - d. *Comment:* Many concerns that have been raised can be addressed in the governance charter, this is an opportunity to ensure community needs are met.
 - e. *Comment:* Hearing a lot of folks asking what Prosper gets out of this, it is not clear how funding is allocated. *Response:* Prosper has set up internal operations with City Hall that does not assume new TIF district funding but if there are new TIF districts there will be overhead costs. The admin costs fluctuate around 15-20%. There is a balance with how much community engagement happens, that requires more staff, time, and cost.
 - f. *Question:* In the draft plan, will it explain in plain language that TIF districts are in aggregate with affordable housing set aside policy? *Response:* The policy is referenced in the plan. There could be language in the super notice, or the preamble of each district could outline the set aside policy. These plans will go through as a package so whatever is going to council and super notice will go as an individual action within a package.
 - g. *Question:* When will the draft be ready to go out to neighbors? *Response:* When the district drafts go up for review, those are public documents. The 99% of final version will be ready prior to the Prosper Portland Board on August 28th.
13. Camille thanked participants for their time and closed the meeting.