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**Portland
Housing Bureau**

East Portland TIF Exploration

Steering Committee Meeting #12

August 13, 2024

Agenda

1. Welcome!
2. City Council Guidance and Public Engagement
3. Working Group Recommendations
 - ✓ District Resources, Boundaries & Names
 - ✓ Project Lists & Budget Allocations
 - ✓ Working Group Votes
4. Fiscal Impact
5. Vote on Alignment with City Council Guidance
6. Next Steps & Process Milestones
7. Thank you!



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Public Participation Guidelines

- Steering Committee meetings are open to the public
- Public asked to observe and listen
- Reserve discussion / questions / activity participation to Committee members only

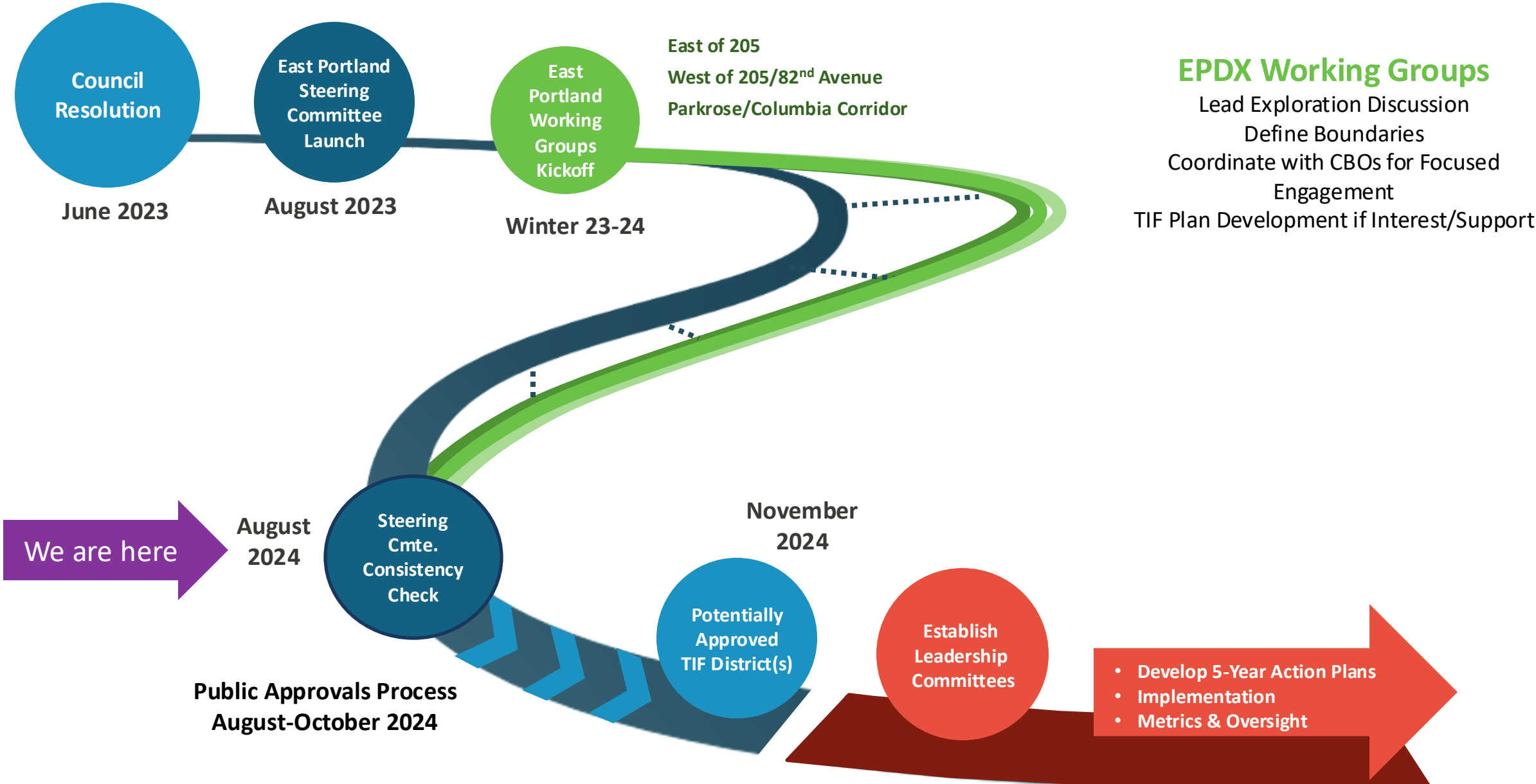


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East Portland TIF Exploration Timeline



City Council Direction

- Consider up to **7,500 acres** and **\$6 billion** in assessed value for new TIF districts in East Portland
- Any new districts created should:
 1. Acknowledge lessons learned from past TIF districts
 2. Advance inclusive economic growth, entrepreneurship and job growth, equitable development, community stabilization, and housing production for a full range of income levels
 3. Balancing these priorities with the financial impact to the city budget and other taxing jurisdictions

Return to City Council in October 2024 with an update and any new proposed TIF districts that are supported by the associated advisory bodies and consistent with the vision outlined above.



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Public Engagement by the Numbers

63

Steering Committee & Working Group members

51

Steering Committee & Working Group meetings

Summer 2023 through Summer 2024

258

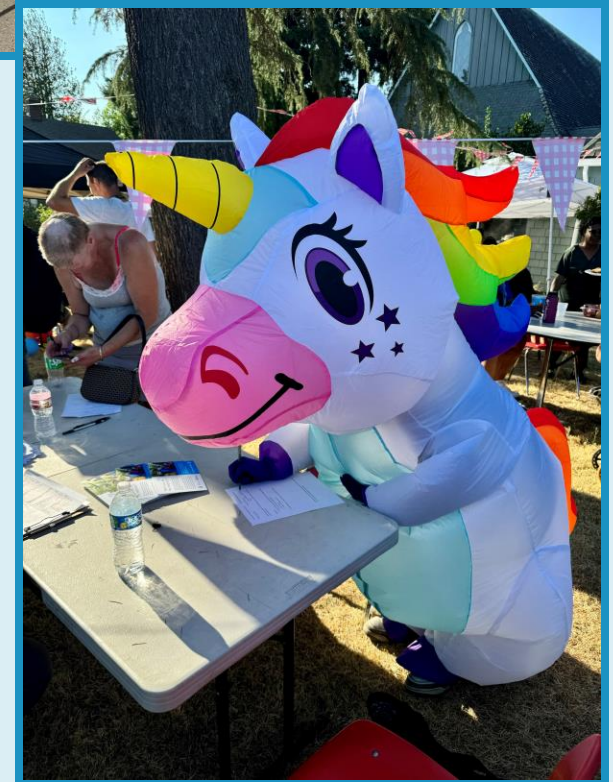
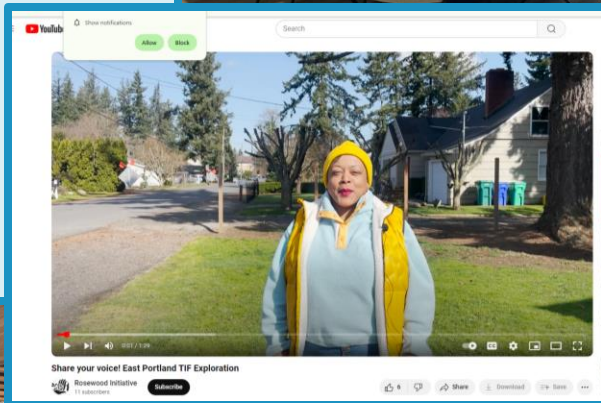
Informational Video Views & Survey Responses

Lead by Community-Based Staff Person, Paula Byrd, with the Rosewood Initiative

25

Community Outreach Partners

Community-led events by Ebony Collective, Oregon Walks, Black Community of Portland, Leaders Become Legends, PDX Saints Love, Pathfinder Network, Historic Parkrose, APANO/Jade District, Division-Midway Alliance, Rosewood Initiative, Affiliated Tribes of Northwest IEDC, IRCO, Pathfinder Network, Argay Terrace NA, Sumner NA, East Portland Action Plan, Thrive, East Portland Chamber of Commerce, SE Uplift, Venture Portland, Hazelwood NA, Powellhurst-Gilbert NA, Montavilla East Tabor BA, Dads Helping Dads, League of Women's Voters



What we heard...across districts

Support for existing residents and businesses to remain, thrive and anchor new growth

Housing opportunities for all incomes

Spaces for community connection that create pride and belonging for diverse communities

Middle- and living-wage jobs accessible to existing residents

New, thriving small businesses and community-serving retail services

Targeted infrastructure improvements to improve safety, walkability and resilience

Ongoing community education, engagement, leadership

What we heard...within districts

82 nd Avenue	SPACC	E205
Near-term stabilization and ownership/wealth-building support	Buffers between industrial and residential land; mutually beneficial development	Communities designed with multi-generational residential and commercial hubs
Development of a community-serving corridor with nodal development; unique 20-minute neighborhoods	Recreational improvements to publicly accessible open spaces, including the Columbia Slough	Upskilling/coworking centers to support “solopreneurs” and home-based business owners
Improved vitality to mitigate for activities that impact livability	Workforce training center(s) and spaces to learn additional skills and acquire certifications	Generational wealth for first time BIPOC homeowners
Support walkability, connectivity and safety	Remediation and redevelopment of sites along Sandy Boulevard	Improved walkability, connectivity and transit access. Sidewalks, sidewalks, sidewalks

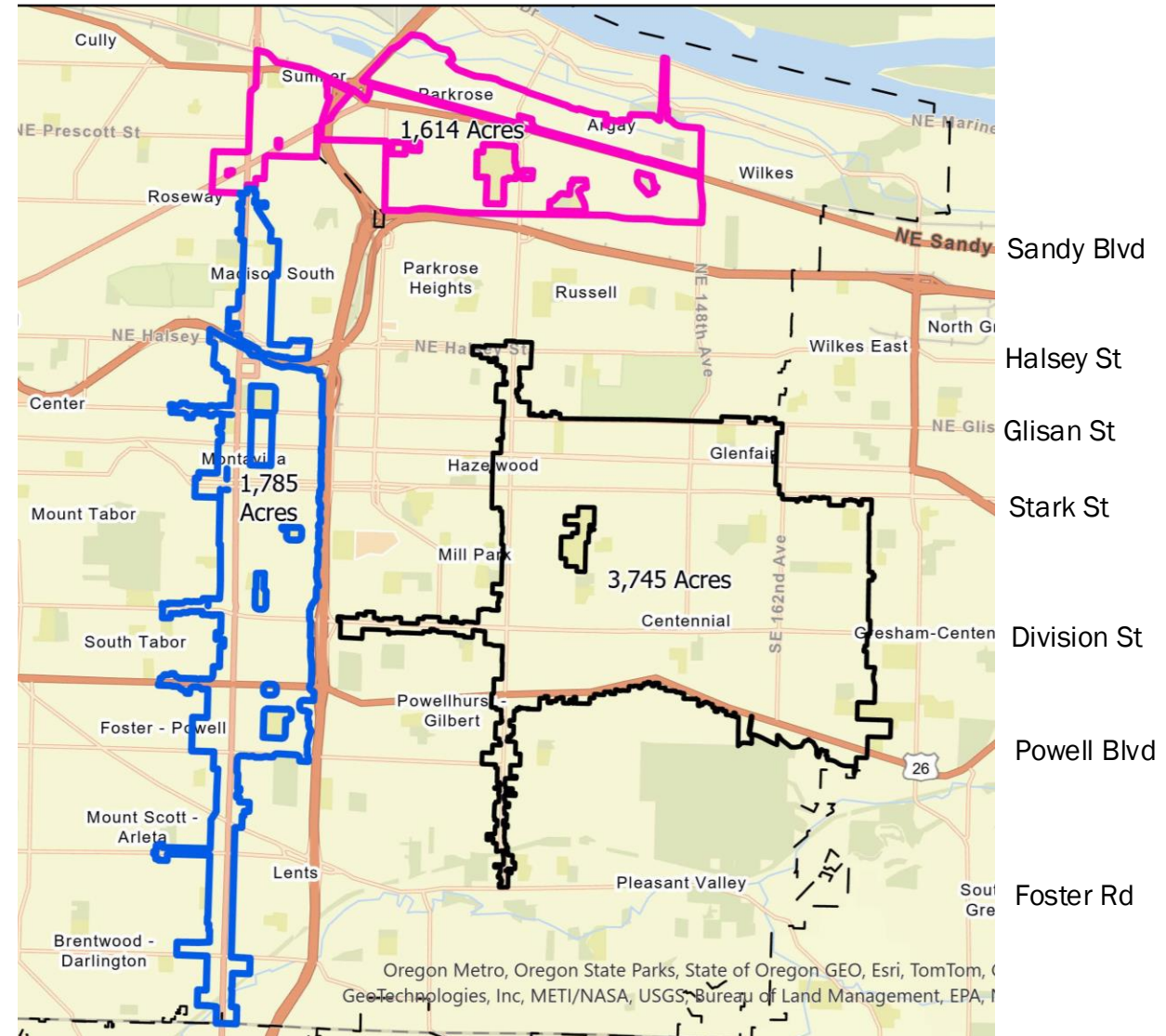
TIF District Recommendations

- ✓ District Resources,
Boundaries & Names
- ✓ Project Lists & Budget
Allocations
- ✓ Working Group Votes

East Portland Proposed Districts

Overview

District	Acreage	AV
SPACC	1,550	\$1.12B
82nd Ave	1,874	\$1.72B
East 205	3,745	\$2.85B
Total	7,148	\$5.69B
Compared to Target	<7,500	<\$6B



82nd Ave

122nd Ave

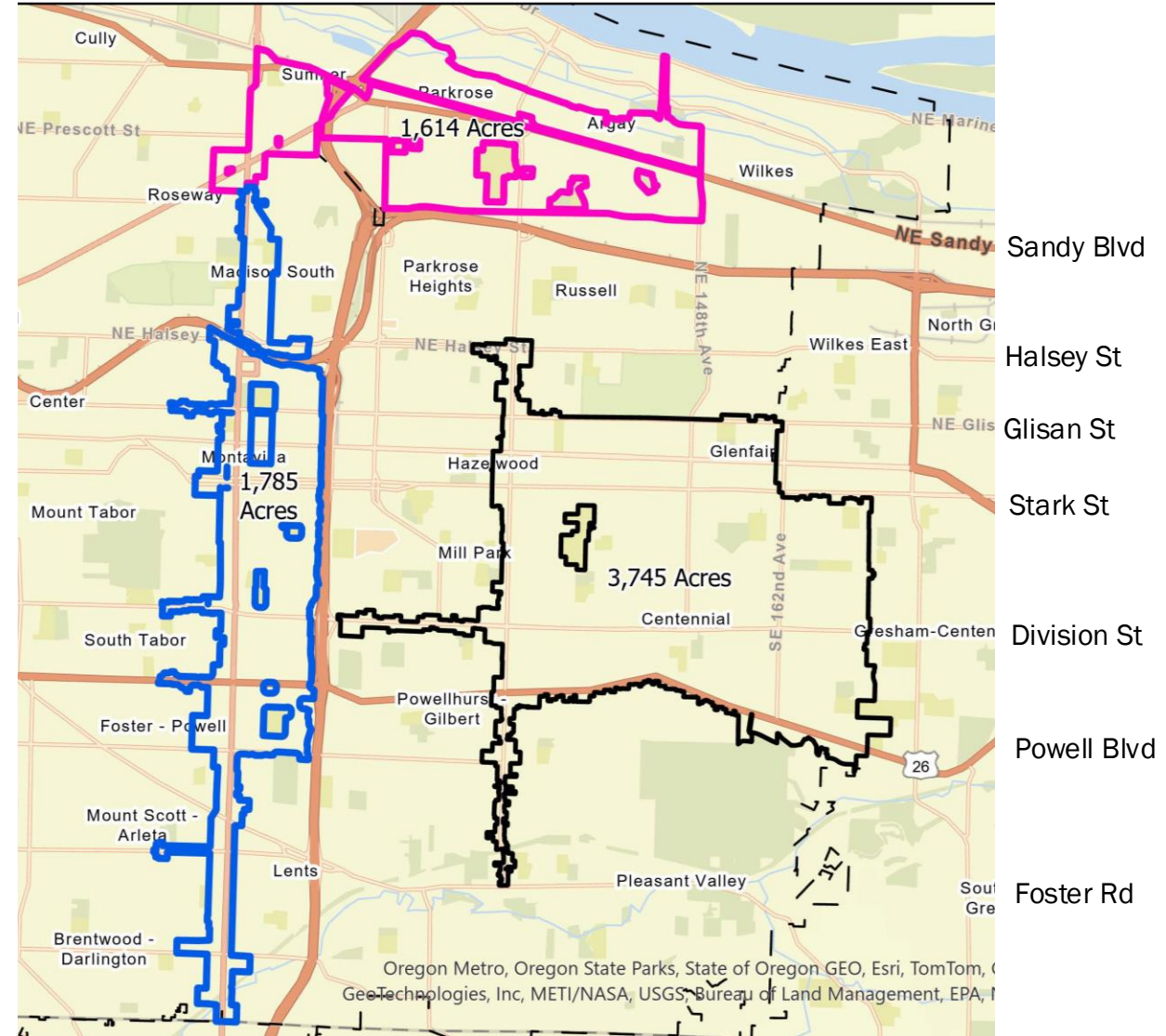
174th Ave

East Portland Proposed Districts

Financial Projections

District	2030 / YR 5	2035 / YR 10	2050 / YR 30
SPACC	\$9M	\$62M	\$310M
82nd Ave	\$13M	\$89M	\$460M
East 205	\$23M	\$156M	\$770M

- 3% average AV growth; long-term borrowing after 5 years, 5% compression/4% discounts and delinquencies; 7% bond rates
- Cash flow includes staffing and administration (~25%) and Affordable Housing Set-Aside (45% net admin costs)



82nd Ave

122nd Ave

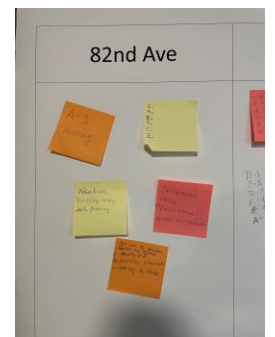
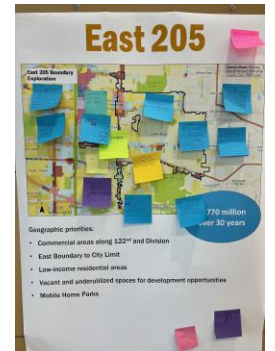
174th Ave

TIF District Recommendations

- ✓ District Resources
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East Portland District Project Lists

	82 nd Avenue	E205	SPACC
Affordable Housing <ul style="list-style-type: none"> Single family home repair & homeownership Multifamily rental, inc. rehab and preservation Land acquisition Houselessness related capital expenditures Affordable infill/middle density housing Mobile home parks 	\$191M (>45%)	\$323M (45%)	\$129M (>45%)
Economic & Urban Development <ul style="list-style-type: none"> Commercial Property Acquisition, Development & Renovation (includes land banking, small business support and workforce housing) Arts, Culture and Signage Recreational Improvements 	\$170M (>40%)	\$323M (>45%)	\$129M (>45%)
Infrastructure <ul style="list-style-type: none"> Street and utilities improvements Connectivity and accessibility Public parks & open spaces Public recreation investments 	\$64M (<15%)	\$72M (<10%)	\$29M (<10%)
SUBTOTAL*	\$425M	\$718M	\$287M



* Total resources for capital investments net of admin and financing costs.

TIF District Recommendations

- ✓ District Resources
Boundaries & Names
- ✓ Project Lists & Budget
Allocations
- ✓ Working Group Votes

Working Group Votes

Final Vote	82 nd Avenue	SPACC	E205
Proceed	10	7	11
Wait	2	3	1
Stop	0	0	0
Abstain or Did not Vote	1	0	2

SPACC Boundary Vote

Option 1: Maintain present boundary

7 yes; 3 abstain

Option 2: Remove all areas east of 122nd Avenue*

Option 3: Remove the residential portions of Argay Terrace NA but maintain the industrial areas*

** Allowed opportunity for Argay Terrace areas to be included, following additional exploration and boundary amendment by future City Council*

Impacts to Taxing Jurisdictions

- ✓ Impact to General Governments
- ✓ Impact to School Districts
- ✓ Near Term Impact

EPDX & Central City TIF District Explorations

Impact on Taxing Jurisdictions -Revenue share 2038 to 2042 depending on district

General Government (Low to High Range)

	East Portland	Central City	Total Impact*	Average Annual
City of Portland	\$374M - \$470M	\$316M - \$384M	\$690M - \$854M	\$20M - \$24M
Multnomah County	\$355M - \$446M	\$299M - \$365M	\$655M - \$811M	\$19M - \$23M
Mult. Co. Library	\$100M - \$125M	\$84M - \$103M	\$183M - \$227M	\$5M - \$7M
Other (Metro, Port, East MS&C)	\$22M - \$27M	\$17M - \$21M	\$39M - \$48M	\$1.1M-\$1.4M
SUBTOTAL	\$.9B-\$1.1B	\$.7B-\$.9B	\$1.6B-\$2.0B	\$45.1M-\$55.4M

EPDX & Central City TIF District Explorations

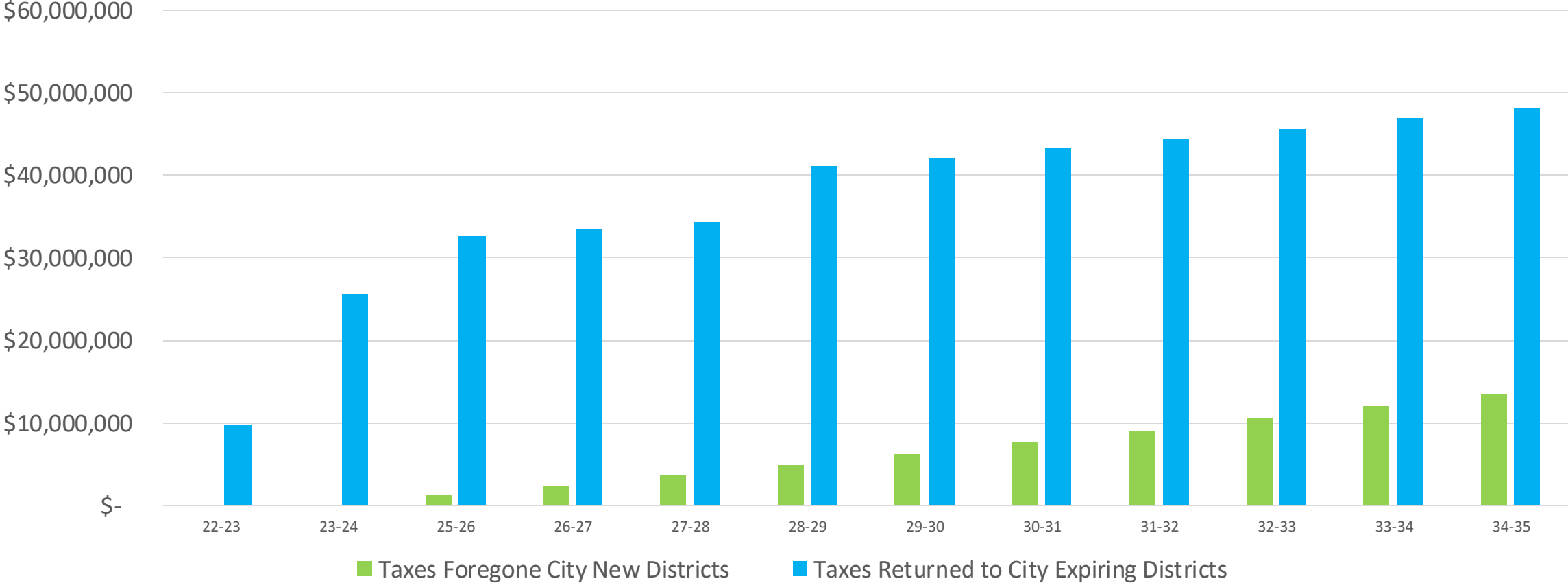
Impact on Taxing Jurisdictions -Revenue share 2038 to 2042 depending on district

K-12 Education (with SSF backfill, constant ADMw)

	East Portland	Central City	Total Impact*	Average Annual
Reynolds	\$0.5M - \$0.6M	-	\$0.5M - \$0.6M	\$14K - \$18K
Parkrose	\$0.4M - \$0.6M	-	\$0.4M - \$0.6M	\$13K - \$18K
David Douglas	\$1.3M - \$1.6M	-	\$1.3M - \$1.6M	\$41K - \$50K
Centennial	\$0.9M - \$1.0M	-	\$0.9M - \$1.0M	\$26K - \$32K
Portland Public Schools	\$9.4M - \$12.0M	\$26M - \$31.7M	\$35.4M - \$43.7M	\$1.0M - \$1.2M
SUBTOTAL	\$12.5M - \$15.8M	\$26M - \$31.7M	\$38.5M - \$47.5M	\$1.1M - \$1.4M

City of Portland General Fund

Estimated Taxes Foregone vs. Returned



Impact in First 10 Years:

Taxes returned from expiring districts	\$448M
<u>Taxes foregone – new districts</u>	<u>\$71M</u>
Net taxes returned:	\$377M

Through 2059, there is a positive net impact of \$1.3B with 3% avg growth on most of the returning TIF

Questions?

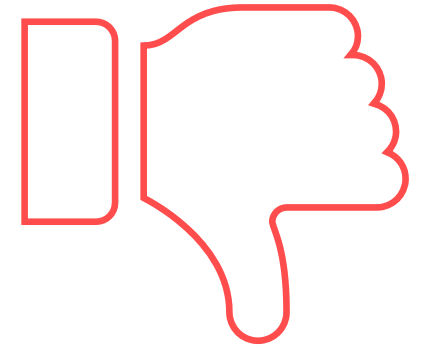
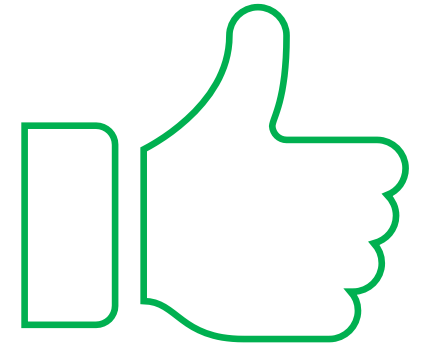


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Discussion & Vote

- ❑ Consider up to 7,500 acres and \$6 billion in assessed value for new TIF districts in East Portland
- ❑ Acknowledge lessons learned from past TIF districts
- ❑ Advance inclusive economic growth, entrepreneurship and job growth, equitable development, community stabilization, and housing production for a full range of income levels
- ❑ Balance these priorities with the financial impact to the City budget and other taxing jurisdictions



Next Steps

- ✓ Action Planning Process
- ✓ Upcoming Milestones

Immediate Next Steps



Action Planning Process *(if approved)*

1. In co-creation, Prosper Portland, Portland Housing Bureau, and interested Working Group members will:

- Develop application materials and evaluation criteria for Community Leadership Committees
- Run an open, transparent, and multi-lingual application process and work with partners to advertise the opportunity
- Identify candidates to recommend for nomination and City Council appointment

2. Draft Action Plan (2025 - 2026)

- SWOT Analysis
- Determine 5-Year Budget
- Identify Near-Term Investment Priorities
- Prescribe On-going Metrics, Reporting & Oversight in alignment with Governance Charters

3. Prosper Portland Board & City Council Approval of Action Plans



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Upcoming Milestones

Activity	Date
Prosper Portland Board Vote	August 28
Consult and Confer Period	September 4 – October 19
Report to Multnomah County Commission	September 17
Planning Commission Hearing & Recommendation	September 10 & October 8
City Council Public Hearing	October 23
City Council Vote on Plan Adoption	October 30



Thank you!



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Affordable Housing Set-Aside (in millions)

Housing Set Aside Expenditures Since 2015 Policy Update

Status of Districts	Districts	Budget and Expenditures Through FY 2023-24		Anticipated Expenditures Through FY 2028-29		2015 or Updated* Policy Target	
		Amount	Percent	Amount	Percent	Amount	Percent
Final TIF before 2015	Downtown Waterfront	\$2	NA	\$2	NA	\$2	NA
	South Park Blocks	\$9	NA	\$9	NA	\$6*	NA
	Oregon Convention Ctr	\$12	NA	\$12	NA	\$12	NA
No change	Central Eastside	\$6	25%	\$11	32%	\$10	32%
Total forecasted TIF changed since 2015	North Macadam	\$58	52%	\$68	46%	\$65	46%
	Lents	\$43	39%	\$48	42%	\$39	42%
	River District	\$41	26%	\$45	29%	\$47*	31%
Increased MI or Created after 2015	Interstate	\$113	52%	\$154	70%	\$154*	70%
	Gateway	\$14	35%	\$25	27%	\$36*	33%
	Cully	\$.1	0%	\$12	45%	\$144*	45%
	Total**	\$274	40%	\$363	45%	\$412	45%

*Updated policy target shown for districts that are new (Cully), increased maximum indebtedness (Interstate, Gateway), or due to agreement to transfer Set Aside funding (from South Park Blocks to River District).

**Total does not include districts that issued final TIF before 2015 (amount based on pre-2015 allocation)

TIF Set Aside Policy

Current Policy

45% of funds generated in TIF districts *city-wide* for affordable housing.

Meaning 45% of TIF funds are spent on affordable housing across all districts *cumulatively*.

TIF Funding is leveraged with other funds including LIHTC and Metro Bonds



The City Council established a TIF Affordable Housing Set Aside policy on October 25, 2006. This policy reserved 30% of TIF funds for affordable housing.



The policy recommends a review every five years.



The policy increased the affordable housing set-aside from 30% to 45% in 2015 across TIF districts, with sub-targets for each district.

TIF Set Aside Impacts

Affordable Housing Unit Production (2000 to 2020)

