

Lloyd-Holladay
Tax Increment Finance District Report

October 1, 2024

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INTRODUCTION

Oregon Revised Statutes (ORS) 457.087 requires the development of a Tax Increment Financing (TIF) District Report to accompany a proposed TIF Plan.¹ This report satisfies that requirement, providing technical information on existing conditions, proposed projects, and financial analyses in support of the Lloyd-Holladay TIF District (District) Plan.

Section 1 addresses how and why the District area was selected for inclusion in the Plan boundary and Section 2 provides additional detail on Proposed Projects and Financial Impacts over the life of the District. Section 3 provides a detailed Financial Analysis of the Plan and Section 4 addresses requirements around a Relocation Report. Select existing condition data points are referenced and relied upon in the body of this Report, and Attachment A provides a detailed breakdown of existing conditions for future reference and transparency.

SECTION 1 – PROPOSED TIF DISTRICT AREA REPORT

Section 1.1 – Area Selected for the TIF District

This section identifies the reasons specific areas within the Lloyd District were included in the TIF District boundary. These areas were selected due to physical, social, and economic conditions as described in Section 1.3 and Attachment A² and their direct relationship to the investment needs detailed in Section 1.2. Aligning the Lloyd-Holladay TIF District boundary with areas of investment need allows for funding for projects necessary to improve existing conditions for the community.

The establishment of a TIF District in the Lloyd District, a subdistrict of Portland's Central City, will enable the area to realize the vision outlined in Central City 2035 for a more complete neighborhood with new housing units and open spaces that complement the regional facilities, including major office and retail centers in the Lloyd District connecting to major event facilities such as the Oregon Convention Center and sports facilities to the west, employment concentrations in the Central Eastside Industrial District to the south, and neighborhood business districts along Northeast Broadway and Northwest Martin Luther King Jr. Boulevard. Priority areas in the TIF District include the redevelopment of the 1.4 million square foot Lloyd Center as part of a more walkable Broadway/Weidler corridor with increased density. This redevelopment will help catalyze the neighborhood's transition from a primarily office-focused area to a more dynamic neighborhood where people can live, work, and play. This revitalization is crucial for the economic health and recovery of the Lloyd District. Without the necessary support for this transformation, the stability and growth of this vital part of Portland could face substantial decline.

The 2023 Economic and Market Conditions Analysis³ of Portland's Central City subdistricts included a compilation of data on demographics, employment, industry trends, housing, and commercial real

¹ As used in this Report and the accompanying Plan, the term “TIF plan” has the same meaning as the term “urban renewal plan” as defined in ORS 457.010, and the term “TIF district” means the “urban renewal area(s)” (as defined in ORS 457.010) included within the TIF plan.

² Many of the geographies cited for social and economic conditions data in Section 2.1 overlap but extend outside of the TIF District boundary.

³ Prosper Portland, ‘Central City Subdistricts Economic & Market Conditions,’ November 2022.

estate before and after the COVID-19 pandemic. That report included an assessment of the unique conditions and recovery prospects of each subdistrict, placed each district into one of three typologies (Reimagine, Reinvigorate, Retain), and formulated targeted policy recommendations to address the specific needs and challenges of each area. Portland Housing Bureau's State of Housing Report⁴ also identifies trends and specific policies that are relevant for the Central City. In the most recent publication (2023), the report specifically notes the potential for TIF Districts as a tool for inclusive growth and stabilization which can support the overarching No Net Loss Policy for the Central City.

Figure A shows the Central City subdistricts examined. Figure B compares the Lloyd-Holladay TIF Boundary with the Lloyd subdistrict.

Figure A. Central City Subdistricts

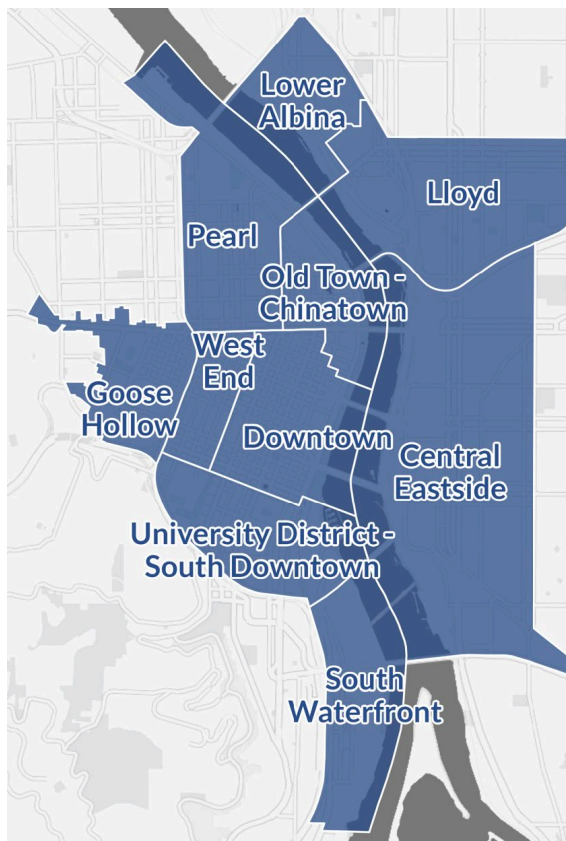
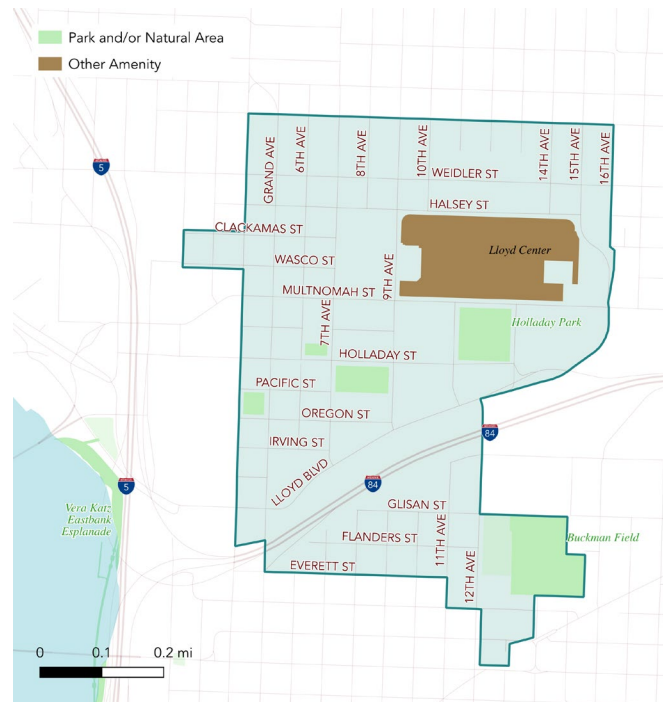


Figure B. Lloyd-Holladay TIF District



The COVID-19 pandemic and associated economic downturn, along with the worsening housing crisis on the West Coast, created an uneven recovery in Portland's Central City. The Lloyd-Holladay TIF District, on the east side of the Willamette River is primarily an office-focused area that has been hit particularly hard, experiencing significant declines in businesses, employment, and foot traffic. In contrast, subdistricts with stronger markets prior to the pandemic are rebounding more quickly and outperforming those with weaker pre-pandemic markets.

⁴ Portland Housing Bureau, 'State of Housing in Portland,' 2023, <https://www.portland.gov/phb/state-of-housing-report>.

The following areas were selected for the TIF District:

- **Employment-focused blocks.** The area south of Halsey Street, east of Martin Luther King Jr. Boulevard, and north of NE Lloyd Boulevard is densely packed with office buildings, with few residential developments except Hassalo on 8th. This imbalance between housing and jobs has hindered economic recovery in the Lloyd-Holladay TIF District. Reduced foot traffic and high office vacancy rates have made recovery more difficult compared to areas with a more balanced mix of residential and commercial uses. Across the nation, office badge swipe data is down 60 percent since pre-pandemic indicating decreased usage by workers.⁵ However, in the Lloyd-Holladay TIF District, office vacancies have remained lower than citywide, with about 9 percent of the area's supply vacant as of Q1 2024 compared to the city's overall rate of 18 percent. However, retail vacancies have risen sharply, standing at 30 percent in the Lloyd-Holladay TIF District compared to only 5 percent in Portland. Factors like public safety, cleanliness, and regional tax differences have further driven businesses to relocate. As a result, these high vacancy rates lead to empty buildings, which can become obsolete without repurposing or reinvestment, further exacerbating economic challenges and deterring new businesses and developments. [ORS 457.010 (a)(b)] [ORS 457.010 (h)]
- **The Lloyd Center and parking lots, including the Regal Cinemas.** The Lloyd Center, developed in the 1960s, suffered during the pandemic with a sharp decline in foot traffic and sales as lockdowns and health concerns kept shoppers away and online retail grew quickly, leading to the closure of several stores. However, it has begun to recover by attracting new local tenants and enhancing its offerings to become a more vibrant and diverse destination. At the same time, the mall building has become functionally obsolete due to the broader retail industry shift away from enclosed malls, which no longer meet modern consumer preferences for open-air shopping experiences and mixed-use spaces. As of 2024, the current owners have proposed the complete redevelopment of the 29.3-acre site into a mixed-use neighborhood via submittal of a Central City Master Plan. This plan includes building thousands of housing units, new shopping areas, and entertainment venues. The redevelopment will integrate new roadways to connect with Portland's street grid and add outdoor spaces reminiscent of the mall's original open-air design. The Regal Cinemas site and parking lot is another large-scale development opportunity in the area that could bring new housing and jobs to the TIF District as well as improving connections with public properties like Holladay Park. These projects could help to complete the Lloyd District neighborhood, where "the existing zoned capacity on redevelopable sites here is sufficient to more than double the current amount of development in the district."⁶ [ORS 457.010 (a)(b)(h)]
- **NE MLK near the Convention Center and Lloyd District hotels.** The TIF District has a high concentration of hotels, including the Doubletree, Quality Inn, Courtyard by Marriott, and Hotel Eastlund, making it a key area for visitor accommodations. However, hotel occupancy has plummeted by 30 percentage points, significantly impacting the local economy. The Hyatt Regency Convention Center Hotel, which opened in 2020, is just outside the TIF District. Public safety and cleanliness have become pressing issues in the Central City, along with high retail vacancies that reduce the area's ability to attract workers, visitors, and tourism. Stakeholder

⁵ Kastle Systems, 'Getting America Back to Work,' June 24, 2024, <https://www.kastle.com/safety-wellness/getting-america-back-to-work/>

⁶ City of Portland, 'Central City 2035 Subdistrict Profiles,' May 2010, <https://www.portland.gov/sites/default/files/2020-01/central-city-2035-subdistrict-profiles-2010.pdf>. s

feedback as part of every planning effort post-COVID consistently highlights concerns about safety and cleanliness as barriers to economic recovery. The perception of decreased public safety has deterred businesses from maintaining or establishing their presence in the Lloyd District and attracting investment capital. [ORS 457.010 (h)]

- **The Broadway-Weidler Corridor from NE MLK to NE 16th Avenue.** Spanning from NE MLK to NE 16th Avenue, the Broadway-Weidler Corridor in the Lloyd District features a diverse mix of businesses along Broadway and Weidler streets. Historically bustling, this area has undergone significant demographic and economic changes over the years. The corridor hosts various businesses, including restaurants, retail shops, and essential service providers crucial to the neighborhood's character. However, rising property values and gentrification have displaced many long-time residents and businesses. Additionally, the shift to remote work during the COVID-19 pandemic has led to a notable decrease in foot traffic. [ORS 457.010 (e)(g)]
- **Affordable housing opportunities.** The Lloyd-Holladay TIF District has potential for new affordable multi-dwelling housing construction. Sites that could be suitable along corridors with a mix of employment and services or near transit lines like the Broadway-Weidler corridor and NE Grand/NE MLK Avenue corridor present opportunities for creating more housing options in line with citywide objectives.
- **Industrial area south of Interstate 84.** The area south of Interstate 84, particularly west of NE 12th Avenue and north of NE Everett Street, is characterized by a concentration of employment uses, including manufacturing, distribution, and service businesses. Some of the industrial properties in this area need repair and reinvestment, which could bring the buildings into more productive use, such as the Portland Bottling Company property.

Section 1.2 – Investment Need

This section presents the required findings to legally support the designation of the TIF District. The findings address the factors specified in the definition of “blighted areas” under ORS 457.010(1), which describes a blighted area as any region “detrimental to the safety, health, or welfare of the community” due to conditions such as “deterioration, faulty planning, inadequate or improper facilities, deleterious land use, or the existence of unsafe structures, or any combination of these factors.”

This section links the investment needs findings to the existing conditions detailed in Attachment A and identifies one or more of the conditions listed in ORS 457.010(1)(a) through (i). The Lloyd-Holladay TIF District qualifies as an urban renewal area. It is within the assessed value and size limitations imposed by ORS 457.420. Further, the recommended area qualifies as a blighted area as defined by ORS 457.010 in that:

Table A. Conditions Summary

ORS 457.010 CONDITIONS	HOW THE LLOYD-HOLLADAY TIF DISTRICT MEETS THESE CONDITIONS
<p>(a) The existence of buildings and structures, used or intended to be used for living, commercial, industrial or other purposes, or any combination of those uses, that are unfit or unsafe to occupy for those purposes because of any one or a combination of the following conditions:</p> <p>A. Defective design and quality of physical construction</p> <p>B. Faulty interior arrangement and exterior spacing;</p> <p>C. Overcrowding and a high density of population;</p> <p>D. Inadequate provision for ventilation, light, sanitation, open spaces and recreation facilities; or</p> <p>E. Obsolescence, deterioration, dilapidation, mixed character or shifting of uses;</p>	<ul style="list-style-type: none"> • Inadequate recreation facilities within housing units (D). Older housing developments in the TIF District lack the amenities that would be attractive to families and older adults in a post-COVID environment. Many housing units currently lack spaces for physical activity and social interaction including safe play areas and exercise areas. The Central City 2035 Plan highlights the need for open space and recreation connections and the opportunity to improve and add programming to existing parks space located in the Lloyd-Holladay District with amenities that better serve current and future needs. • Concentration of Class B office buildings, which have seen sharp rise in vacancy (E). Class A buildings, which offer superior amenities, maintain lower vacancy rates as they attract tenants seeking better quality environments. Many Class B and C buildings, which often suffer from outdated facilities and less desirable locations, struggle with higher vacancy rates. Class B office spaces could be converted to housing, but the spaces would need extensive tenant improvements. The area needs improvements in the street grid to enhance connectivity, reflecting issues with the existing lot layout. The deep floor plates of office buildings make conversion to residential units challenging due to inadequate natural light and ventilation. The plumbing and electrical systems in office buildings are not designed to support the living facilities required for housing. • Concentration of Older Buildings with Antiquated Systems and Deferred Maintenance (A). Many of the buildings in the area are older than 50 years. A quarter of buildings were constructed before 1960, which means they have exceeded their lifespan without adequate renovation and their internal systems may not have been updated to address increased risks from climate change.

ORS 457.010 CONDITIONS	HOW THE LLOYD-HOLLADAY TIF DISTRICT MEETS THESE CONDITIONS
<p>(b) An economic dislocation, deterioration or disuse of property resulting from faulty planning;</p>	<ul style="list-style-type: none"> • Declining retail market. The TIF District faces sizable challenges as changing preferences for work-from-home and hybrid schedules, decreased foot traffic, and shifting patterns of consumer demand increase retail vacancies. Consumer behaviors and retail industry trends have contributed to high retail vacancy rates as the area has seen a reduction in national credit retail tenants who have historically been attracted to the area. • Lack of investments in storefront improvements. Small businesses struggle with outdated facilities, leading to declining customer appeal. Business relocations from the area have resulted in increased vacancies and urban blight. • Incohesive District branding. The absence of District branding in certain areas of the TIF District. Despite its proximity to the Convention Center and Moda Center, the area does not draw many visitors.
<p>(c) The division or subdivision and sale of property or lots of irregular form and shape and inadequate size or dimensions for property usefulness and development;</p>	<ul style="list-style-type: none"> • Large lots without street connections. There is a need to reintroduce parts of the street grid and improve overall connectivity. This indicates issues with the existing lot layout impacting accessibility and usefulness for desired land uses and development types.
<p>(e) The existence of inadequate streets and other rights of way, open spaces and utilities;</p>	<ul style="list-style-type: none"> • Critical need for street improvements and connectivity. The TIF District's large blocks hinder connectivity through the area. • Inadequate park facilities. The parks within the Lloyd-Holladay District, including Holladay Park and Portland Parks and Recreation properties south of Interstate 84, lack the necessary amenities to meet the needs of the growing residential population and support the area as a regional destination. As more residents and visitors are drawn to the Lloyd-Holladay District and neighborhoods throughout the inner northeast and southeast regions, the demand for green spaces and recreational facilities will rise. The new open space proposed in the Lloyd Center redevelopment aims to address this by creating vibrant areas that encourage pedestrian activity

ORS 457.010 CONDITIONS	HOW THE LLOYD-HOLLADAY TIF DISTRICT MEETS THESE CONDITIONS
	<p>through activations and events, promoting a lively and engaged community.</p> <ul style="list-style-type: none"> • Needed Lloyd Center redevelopment street infrastructure. The Lloyd Center site lacks adequate streets to complete the street grid. • Safety concerns for multimodal transportation infrastructure. Navigating through the area without a car can present safety challenges, with 33 serious injury crashes and three fatal crashes within the TIF District between 2017 and 2021. The Green Loop, a proposed six-mile linear park and active transportation corridor, passes through the Lloyd-Holladay District along the NE 7th Avenue corridor. This route connects the District to other key areas of Portland, including the Pearl District, the Central Eastside, and the South Waterfront, providing a continuous and accessible path for pedestrians and cyclists. • Water infrastructure. Portland Water Bureau (PWB) lacks funding for new connections, reflecting physical deterioration and inadequate infrastructure support.
(f) The existence of property or lots or other areas that are subject to inundation by water;	Not applicable
(g) A prevalence of depreciated values, impaired investments, and social and economic maladjustments to such an extent that the capacity to pay taxes is reduced and tax receipts are inadequate for the cost of public services rendered;	<ul style="list-style-type: none"> • Retail vacancy. The area has significant commercial vacancies and struggles to attract and retain businesses, directly related to economic disuse and stifling of commercial growth and economic activity. • Pedestrian activity. Street environment is vital as it stimulates local economies, enhances public safety, and fosters a sense of community. Active pedestrian areas attract businesses, reduce crime through increased foot traffic, and create vibrant, engaging public spaces where people can interact and connect. Without pedestrian activity, areas can become desolate and uninviting, leading to economic stagnation and social isolation.
(h) A growing or total lack of proper utilization of areas, resulting in a stagnant	<ul style="list-style-type: none"> • Underutilized properties. The area has numerous vacant and underutilized properties with deferred

ORS 457.010 CONDITIONS	HOW THE LLOYD-HOLLADAY TIF DISTRICT MEETS THESE CONDITIONS
<p>and unproductive condition of land potentially useful and valuable for contributing to the public health, safety and welfare; or</p>	<p>maintenance. About 72 percent of the acreage in the TIF District has an Improvement to Land ratio of less than 1, indicating a high potential for redevelopment. The depreciated values and impaired investments reduce the capacity to pay taxes and results in inadequate funding for public services. This is inconsistent with the City’s policies for the area and local stakeholder priorities.</p> <ul style="list-style-type: none"> • An imbalance of housing and jobs. Significant deterioration in building conditions, especially in Class B and C office buildings, leading to high vacancy rates and economic challenges. The shift from enclosed malls to open-air shopping has left the Lloyd Center functionally obsolete. • High levels of housing cost burden for renters. Over half (52 percent) of the TIF District's households who rent experience housing cost burden, meaning they spend over 30 percent of their income on housing. Housing cost burden puts residents at risk of displacement and suggests a need to stabilize the TIF District’s households. Cost-burdened renters are typically more vulnerable to displacement risks with rising market pressures than homeowners because they may face changes to their housing costs due to property owner decisions. • Heat islands. Some areas of the TIF District covered by asphalt roads or parking lots and with areas of low tree canopy. In the Lloyd-Holladay TIF District, 40.6 percent of housing units are in the 75th percentile or higher group and 5.6 percent are in the 90th percentile. Higher urban temperatures can lead to poor health outcomes, especially for vulnerable populations. • Homeownership need. Only 18 percent of residents in the area are homeowners compared to 53 percent citywide. Creating opportunities for homeownership can help to stabilize households that currently rent. • Stabilization of businesses. There is a significant need for affordable commercial space to support

ORS 457.010 CONDITIONS	HOW THE LLOYD-HOLLADAY TIF DISTRICT MEETS THESE CONDITIONS
	local businesses. Many businesses are vulnerable to displacement as the area grows, creating a need for commercial community ownership opportunities and affordable commercial rental spaces.
(i) A loss of population and reduction of proper utilization of the area, resulting in its further deterioration and added costs to the taxpayer for the creation of new public facilities and services elsewhere	<ul style="list-style-type: none"> • Loss of employment. The Lloyd District has experienced a significant decrease in employment and population, leading to further deterioration of properties and increased costs for public services. The area experienced a significant decrease in total employment, dropping by 1,047 jobs from 2019 to 2022 (or about 7 percent of employment pre-pandemic).

Section 1.3 – Existing Conditions

Attachment A summarizes existing conditions in the Lloyd-Holladay TIF District to inform investments and strategies. It draws on data collected from sources like the American Community Survey (ACS), market platforms, federal bureaus, and local data sources. This analysis is also informed by the Central City Subdistricts Economic and Market Conditions report published by Prosper Portland in 2022 which provides more detailed information about existing conditions within the boundaries of the Lloyd-Holladay TIF District.

SECTION 2 – PROPOSED PROJECTS REPORT

Section 2.1 – Proposed Projects and Impacts

This section provides an overview of the proposed projects under the Plan and their connection to the current conditions within the TIF District (See Plan Section 3). It details how each project addresses the specific issues and investment needs identified in the area, demonstrating how these projects will improve conditions for the community (Table B).

The Plan identifies three project categories, organized within two work portfolios:

- A. Inclusive Growth (to be implemented by Prosper Portland)
 - 1. Economic & Urban Development
 - 2. Infrastructure
- B. Affordable Housing (to be implemented by Portland Housing Bureau)
 - 1. Affordable Housing Preservation and Production⁷

⁷ In accordance with 2015 Affordable Housing Set Aside policy, rental housing is created and preserved with a focus on households earning less than 60 percent of area median income, and homeownership housing with focus on households earning 80 percent to 100 percent or less of area median income depending on home size.

Tax Increment Finance plans and districts enable public investments in public/private/community partnerships that would not otherwise be financially feasible, and for related planning that is not tethered to annual appropriations. Tax increment funds (TIF) generated by the creation of a TIF District provide a dedicated stream of tax revenue to accomplish those plans and policies, while leveraging outside funding sources to complement the TIF resources. The plan anticipates that the projects described in the Lloyd-Holladay TIF District Plan will catalyze the development of vacant and underdeveloped parcels as well as the redevelopment and re-tenanting of underutilized properties with businesses and residents that will require access to City services.

Implementation of this plan will be undertaken with community leadership, input and involvement. Prosper Portland and the Portland Housing Bureau shall solicit community guidance to create re-occurring Five-Year Action Plans. The intent of the Five-Year Action Plan is to establish near-term investment priorities and associated budgets in accordance with the TIF Plan. The Five-Year Action Plans will additionally establish mechanisms for ongoing reporting and implementation oversight.

Table B – Plan Response to Existing Conditions

PROJECT	DESCRIPTION	EXISTING CONDITIONS
Economic & Urban Development		
Recruitment and Retention of Large Anchor Employers, National Retailers, and Traded Sector Industries	<p>Offer tenant funding and incentives to attract and retain anchor employers and support entrepreneurship, lean manufacturing, efficiency improvements, and innovation. Target and leverage anchor employer investments to catalyze large-scale development opportunities at opportunity sites like Lloyd Center. Priority project areas include:</p> <ul style="list-style-type: none"> - Redevelopment of Lloyd Center - Redevelopment of Portland Bottling and associated properties - Regal Cinema/parking lot 	<p>Development Conditions</p> <ul style="list-style-type: none"> • Over 100 parcels in the TIF District are vacant or underutilized. Most of these lots are under 20,000 square feet, but about 9 percent are larger opportunity sites over 100,000 square feet. Nearly two thirds (64 percent) of parcels in the TIF District have an Improvement to Land Value ratio of less than 1.0, indicating a lack of development on these properties. The TIF District has 44 vacant parcels and 59 underutilized parcels.
Small Business Support	<p>Invest through grant and loan programs and direct investment in tenant and façade improvements, related infrastructure improvements, and incentives for affordable commercial tenanting and related leasing to a) support small business stabilization and growth with a focus on ground floor tenanting; b) support inclusive wealth creation; and c) create a vibrant retail environment that attracts diverse</p>	<ul style="list-style-type: none"> • The retail market in the TIF District is struggling with high vacancies. In Q1 2024, retail in the Lloyd-Holladay TIF District had a vacancy rate of 30 percent compared to only 5 percent citywide. As traditional brick and mortar retail like the Lloyd Center suffers from changing consumer trends and post-pandemic shifts, these

	<p>visitors from the region and beyond. Priority project areas include:</p> <ul style="list-style-type: none"> - Commercial / retail corridors along NE Broadway and NE Weidler and NE MLK and NE Grand Avenues - Redevelopment of Lloyd Center 	<p>properties could be repositioned to accommodate different types of demand.</p> <ul style="list-style-type: none"> • The presence of older buildings built before 1960, that may be obsolete or in need of deferred maintenance, with 25 percent of buildings built before 1960. Although this share is lower than Portland overall (58 percent), outdated buildings or those with potential contamination issues could be an impediment to new development or redevelopment in the TIF District and success of retail establishments.
Rehabilitation of Existing Buildings and Development of New Commercial Space	<p>Renovation of commercial buildings, including unreinforced masonry buildings, seismic upgrades, and other climate resilience related improvements. Investments in both large and small construction of new commercial spaces and related parking needs, including conversion of office space to research and development space, light manufacturing, maker spaces, and residential, as well as through lease and loan guaranties. Priority project areas include:</p> <ul style="list-style-type: none"> - Redevelopment of Lloyd Center - Redevelopment of Portland Bottling and associated properties - Regal Cinema/parking lot 	<p>Economic and Social Conditions</p> <ul style="list-style-type: none"> • Total employment and businesses in the TIF District have fallen post-pandemic with 56 establishments leaving the Lloyd-Holladay TIF District between 2019 and 2022 (equaling approximately 10 percent of all businesses that were located in the TIF District in 2019) and 1,047 employees (7 percent of pre-pandemic jobs). • The TIF District has a higher unemployment rate than Portland at 8.7 percent compared to 5.6 percent in the city overall. • Retail jobs in the TIF District have lower average wages than Portland overall. While average wages across all industries are higher than citywide, workers in the Lloyd District-Holladay TIF District's shopping destinations tend to make less on average. • The population is less racially and ethnically diverse than
Inclusive Neighborhoods	<p>Support development of services and amenities that complement new and renovated housing (e.g. open space; community centers; recreational, arts & cultural centers, music and sporting venues, etc.) and are reflective of and attractive to a diverse demographic. Priority project areas include:</p> <ul style="list-style-type: none"> - Redevelopment of Lloyd Center - Regal Cinema/parking lot - Holladay Park 	
Middle-Income Housing (60-120 percent AMI)	<p>Increase housing production via gap financing for new multi-dwelling middle-income residential development via conversion or new development. Create middle income housing opportunities, including for BIPOC individuals and</p>	

	<p>families, to support increased demographic diversity. Priority project areas include:</p> <ul style="list-style-type: none"> - Redevelopment of Lloyd Center - Redevelopment of Portland Bottling and associated properties - Regal Cinema/parking lot 	<p>Portland, The TIF District has a lower share (34 percent) of residents who identify as people of color (POC) compared to Portland as a whole (32 percent). Given that this is an area with good transit access to jobs within Portland's central city, investments in housing could serve a broader audience and provide increased opportunities.</p> <ul style="list-style-type: none"> • The Lloyd-Holladay TIF District has a higher share of adults with a bachelor's degree or higher and more working age residents. This existing workforce offers a strong potential market for commercial spaces and employers who might locate in the Lloyd area.
Infrastructure		
Connectivity & Accessibility Improvements	<p>Create connectivity within and to the District. Make improvements to support activations within the District and implement signage solutions usable for all age groups. Enhance accessibility for individuals with mobility challenges. Priority project areas:</p> <ul style="list-style-type: none"> - Connectivity and activation along NE 12th Avenue, including across I-84 - Blumenauer Bridge - Holladay Park 	<ul style="list-style-type: none"> • The TIF District is well connected to transit with more residents commuting to work by bike or public transit than Portland overall. New investments can enhance the existing network and increase connectivity throughout the Central City. • About 6 percent of land in the TIF District is designated as Open Space and 38 percent is in the Right of Way. Making improvements in public open spaces can expand currently inadequate park facilities like Holladay Park which lack the necessary amenities to meet the needs of the growing residential
Public Realm Enhancements	<p>Implement placemaking strategies that are reflective of and attractive to a diverse demographic to support activation (new and existing), including via car-free zones and implementing public art initiatives to support art walks and events.</p>	

Street and Utilities to Support Development	<p>New streets, street improvements, bike lanes, new and/or relocated utilities (water, storm, sanitary sewer) to serve new District development at Lloyd Center and other large development sites. Pursue infrastructure to meet sustainability and climate goals through innovation. Improve seismic resilience and system capacity upgrades. Project priority areas:</p> <ul style="list-style-type: none"> - Lloyd Center 	<p>population and support the area as a regional destination.</p> <ul style="list-style-type: none"> • The Green Loop is a concept to connect areas of Portland's Central City including the Lloyd-Holladay TIF District, with recently completed Earl Blumenauer Bridge as a key link to the eastside and future improvements along 15th and 16th Avenues to expand bike lanes and calm traffic. The Green Loop vision passes through the Lloyd-Holladay TIF District along the NE 7th Avenue corridor. • The Lloyd-Holladay TIF District has experienced a high number of serious injury crashes in recent years. From 2017 to 2021, there were 33 serious injury crashes and three fatal crashes within the TIF District. In the same time period, 28 pedestrians and 28 bicyclists were hit by motor vehicles.
Affordable Housing		
Affordable Housing⁸	<p>Support development of new affordable multi-dwelling residential uses; including family size units and accessible units, including via site acquisition and direct investment. Priority project areas:</p> <ul style="list-style-type: none"> - Redevelopment of Lloyd Center - Redevelopment of Portland Bottling and associated properties - Regal Cinema/parking lot 	<ul style="list-style-type: none"> • Over half of households who rent their units in the Lloyd-Holladay TIF District experience housing cost burden. About 52 percent of the TIF District's renter households experience cost burden, meaning they spend over 30 percent of their income on housing. Given the number of renter households experiencing cost burden in the

⁸ In accordance with 2015 Affordable Housing Set Aside policy, rental housing is created and preserved with a focus on households earning less than 60 percent of area median income, and homeownership housing with focus on households earning 80 percent to 100 percent or less of area median income depending on home size.

		<p>area, the TIF District demonstrates a lack of adequate affordable housing supply.</p> <ul style="list-style-type: none"> • Residents that are more vulnerable to changing economic conditions, making displacement more difficult to prevent. The BPS Economic Vulnerability Assessment determined a score of 60 for the District’s census tracts, which is at the threshold to be considered a tract vulnerable to displacement. This is higher than the city’s overall score of 53. • Households in the TIF District have lower incomes. More households in the TIF District households earn less than \$50,000 (38 percent), compared to Portland at 30 percent. • The Lloyd-Holladay TIF District has seen faster growth in housing supply than Portland. The TIF District has expanded its multi-dwelling housing stock by 324 percent since 2000 whereas Portland’s multi-dwelling stock grew by 170 percent. This increase in units provides more housing stock, but higher rents (\$2.17 per square foot compared to \$2.04 in the city overall) may also cause displacement pressures for current residents. • There is a smaller share of Naturally Occurring Affordable Housing in the TIF District compared to Portland, which offers more attainable options often in older buildings that is affordable at 60 percent of AMI or lower. This type of housing can be subject to displacement
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		pressures as development occurs in an area and properties turn over. In the Lloyd-Holladay TIF District, these units account for only 10 percent of the multi-dwelling stock compared to 36 percent of units in Portland.
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Section 2.2 – Cost and Completion Dates

Some projects will require funding from multiple sources, and TIF will often be used to provide matching funds or gap funds to facilitate the implementation of a project. Although this section provides estimated completion dates for all projects, many projects will be funded in phases over a longer period, which means that expenditures for some projects could begin much earlier than the estimated completion dates listed below. Adopted Five-Year Action Plans will further refine and describe the funding priorities, estimated costs, and completion dates for these projects. Prosper Portland’s annual budget shall reflect the priorities and investments outlined in the Five-Year Action Plan and in conformance with the TIF Plan.

Table C – Project Cost and Completion Dates

PROJECT NAME	PROJECT COST (Nominal dollars; % net plan Admin & Fees)	ANTICIPATED COMPLETION DATE
Economic & Urban Development <ul style="list-style-type: none"> - Recruitment and Retention of Large Anchor Employers, National Retailers, and Traded Sector Industries - Small Business Support - Rehabilitation of Existing Buildings and Development of New Commercial Space - Inclusive Neighborhoods - Middle Income Housing (60-120 percent AMI) 	\$94,027,858 (35%)	2060
Infrastructure & Utilities <ul style="list-style-type: none"> - Connectivity & Accessibility Improvements - Public Realm Enhancements - Street and Utilities to Support Development 	\$53,730,205 (20%)	2045
Affordable Housing <ul style="list-style-type: none"> - Preservation of Existing and Development of New Housing⁹ 	\$120,892,960 (45%)	2060

⁹In accordance with 2015 Affordable Housing Set Aside policy, rental housing is created and preserved with a focus on families earning less than 60 percent of area median income, and homeownership housing with focus on families earning 80 percent to 100 percent or less of area median income depending on home size.)

SECTION 3 – FINANCIAL REPORT

Section 3.1 - Maximum Indebtedness and Debt Retirement

The maximum amount of the principal of indebtedness that may be issued or incurred under the Plan (the “**Maximum Indebtedness**”) is \$290,000,000 as shown in Table D. The estimated amount of TIF moneys required for the District to service this Maximum Indebtedness is \$348,996,731, which reflects the additional projected costs of the interest on borrowings (loans) which is not a part of the maximum indebtedness. It is anticipated that the indebtedness will be retired or otherwise provided for by FY 2060. Table E shows a summary of the financial capacity of the Area, including how total TIF revenue translates to the ability to fund tax increment projects in constant 2024 dollars in five-year increments.

Table D. Total Uses

Uses Summary	First 5 Years	First 10 Years	30 Year Total
Bond Issuance Costs and Reserves	6,842	26,614	10,155,185
District-Wide Admin/Predev	273,412	1,063,480	11,193,793
Affordable Housing (PHB)	2,952,852	11,485,589	120,892,960
Inclusive Growth (Prosper Portland)	3,609,042	14,037,942	147,758,063
Total	6,842,148	26,613,626	290,000,000

Table E. Total Capacity Through Final Bond Payoff

	Actual Dollars	Rounded Dollars
Total Net TIF	348,996,731	349,000,000
Maximum Indebtedness	290,000,000	290,000,000
Capacity (2024-25 \$)	176,144,204	176,100,000
Years 1-5	6,828,491	6,800,000
Years 6-10	19,732,013	19,700,000
Years 11-15	34,404,803	34,400,000
Years 16-20	47,853,145	47,900,000
Years 21-25	62,273,828	62,300,000
Years 26-30	79,162,769	79,200,000
Years 31-35	98,741,681	98,700,000

Section 3.2 – Financial Analysis

The total amount of TIF projected to be used for all projects, excluding administration and finance fees, is \$147,661,978 in 2024-25 dollars. The cost of administration and finance fees over the life of the Area increase this total to \$158,845,912. The Plan assumes an annual inflation rate of 3 percent per year. When accounting for inflation and based on the assumed timing of projects, the total project costs in nominal year-of-expenditure (“YOE”) dollars is \$268,651,023, which is within the \$290,000,000 maximum indebtedness established by the Plan. It is estimated that the frozen base assessed value of the Area is \$842,896,040, 3 percent of the City’s assessed value of \$80,988,896,967.

The estimated Lloyd-Holladay Tax Increment Finance Plan revenues through Fiscal Year End (FYE) 2060 are calculated based on projections of the assessed value within the Area and the consolidated tax rate that will apply in the Area adjusted for discounts, and delinquencies. The long-term projections for FYE

2026 and beyond assume an annual growth rate of 1 percent for assessed value in the Area. These projections of growth are the basis for the projections in Table F, which shows the incremental assessed value, tax rates, and Lloyd-Holladay Tax Increment Finance Plan revenues each year.

The first year of Lloyd-Holladay Tax Increment Finance Plan collections is anticipated to be the fiscal year ending in 2026. Gross Lloyd-Holladay Tax Increment Finance Plan financing (TIF) is calculated by multiplying the tax rate times the assessed value used. The tax rate is per thousand dollars of assessed value, so the calculation is “tax rate times assessed value used divided by one thousand.” The consolidated tax rate includes permanent tax rates only, except for \$0.5038/\$1,000 of the Portland Public Schools permanent rate levy (the “Gap Tax”). The consolidated rate also excludes levies for general obligation bonds and local option levies. The adjustments are for compression losses estimated at 5 percent and underpayments and delinquencies assumed at 4 percent.

The Area is anticipated to complete all projects and have sufficient Lloyd-Holladay Tax Increment Finance Plan finance revenue to terminate the tax increment area in FYE 2060, a 35-year tax increment plan. Table G shows more detailed tables on the allocation of tax revenues to debt service. These assumptions show one scenario for financing and that this scenario is financially feasible.

Table F. Projected Incremental Assessed Value, Tax Rates, and Lloyd-Holladay Tax Increment Finance Plan Revenues

Yr No.	FYE	Total Assessed Value	Frozen Base Assessed Value	Increment URA	Increment Shared	Tax Rate	Gross TIF URA	Gross TIF Shared	Adjustments (to URA)	Net TIF (URA)	PV of Net TIF (URA)
1	2026	868,182,921	842,896,040	25,286,881	0	18.72	473,416	0	(103,124)	431,755	419,180
2	2027	894,228,409	842,896,040	51,332,369	0	18.82	966,168	0	(210,462)	881,145	830,564
3	2028	921,055,261	842,896,040	78,159,221	0	18.92	1,478,913	0	(322,157)	1,348,769	1,234,315
4	2029	948,686,919	842,896,040	105,790,879	0	18.92	2,001,754	0	(436,049)	1,825,600	1,622,022
5	2030	977,147,527	842,896,040	134,251,487	0	19.12	2,567,130	0	(559,215)	2,341,223	2,019,559
6	2031	1,006,461,952	842,896,040	163,565,912	0	19.12	3,127,675	0	(681,322)	2,852,439	2,388,873
7	2032	1,036,655,811	842,896,040	193,759,771	0	19.12	3,705,036	0	(807,092)	3,378,992	2,747,430
8	2033	1,067,755,485	842,896,040	224,859,445	0	19.22	4,322,203	0	(941,540)	3,941,849	3,111,732
9	2034	1,099,788,150	842,896,040	256,892,110	0	19.22	4,937,929	0	(1,075,669)	4,503,391	3,451,474
10	2035	1,132,781,794	842,896,040	289,885,754	0	19.12	5,543,137	0	(1,207,498)	5,055,341	3,761,649
11	2036	1,166,765,248	842,896,040	323,869,208	0	19.12	6,192,962	0	(1,349,054)	5,647,982	4,080,222
12	2037	1,201,768,206	842,896,040	358,872,166	0	19.12	6,862,282	0	(1,494,856)	6,258,401	4,389,517
13	2038	1,237,821,252	842,896,040	394,925,212	0	19.12	7,551,681	0	(1,645,032)	6,887,133	4,689,802
14	2039	1,274,955,889	842,896,040	432,059,849	0	19.02	8,218,556	0	(1,719,517)	7,495,323	4,955,292
15	2040	1,313,204,566	842,896,040	470,308,526	0	18.92	8,899,084	0	(1,830,689)	8,115,964	5,209,329
16	2041	1,352,600,703	842,896,040	497,835,989	11,868,674	18.82	9,370,169	223,390	(1,944,138)	8,545,595	5,325,332
17	2042	1,393,178,724	842,896,040	528,886,740	21,395,944	18.72	9,901,712	400,571	(2,059,913)	9,030,361	5,463,517
18	2043	1,434,974,086	842,896,040	560,233,261	31,844,785	18.72	10,488,575	596,192	(2,187,750)	9,565,580	5,618,770
19	2044	1,478,023,308	842,896,040	593,144,042	41,983,226	18.62	11,045,410	781,803	(2,309,032)	10,073,414	5,744,727
20	2045	1,522,364,008	842,896,040	626,399,567	53,068,401	18.62	11,664,687	988,229	(2,443,928)	10,638,195	5,890,111
21	2046	1,568,034,928	842,896,040	660,652,757	64,486,131	18.62	12,302,544	1,200,848	(2,582,872)	11,219,920	6,031,260
22	2047	1,615,075,976	842,896,040	695,933,543	76,246,393	18.62	12,959,535	1,419,845	(2,725,984)	11,819,096	6,168,298
23	2048	1,663,528,255	842,896,040	732,272,752	88,359,463	18.62	13,636,237	1,645,412	(2,873,389)	12,436,248	6,301,344
24	2049	1,713,434,102	842,896,040	769,702,138	100,835,925	18.62	14,333,239	1,877,746	(3,025,216)	13,071,914	6,430,516

25	2050	1,764,837,126	842,896,040	808,254,405	113,686,680	18.62	15,051,152	2,117,051	(3,181,598)	13,726,651	6,555,925
26	2051	1,817,782,239	842,896,040	847,963,240	126,922,959	18.62	15,790,602	2,363,534	(3,342,672)	14,401,029	6,677,681
27	2052	1,872,315,706	842,896,040	888,863,341	140,556,326	18.62	16,552,235	2,617,412	(3,508,578)	15,095,639	6,795,891
28	2053	1,928,485,178	842,896,040	930,990,444	154,598,694	18.62	17,336,718	2,878,906	(3,679,461)	15,811,087	6,910,658
29	2054	1,986,339,733	842,896,040	974,381,361	169,062,332	18.62	18,144,735	3,148,245	(3,855,470)	16,547,998	7,022,083
30	2055	2,045,929,925	842,896,040	1,019,074,005	183,959,880	18.62	18,976,992	3,425,664	(4,036,760)	17,307,017	7,130,262
31	2056	2,107,307,823	842,896,040	1,065,107,428	199,304,355	18.62	19,834,218	3,711,406	(4,223,488)	18,088,806	7,235,290
32	2057	2,170,527,057	842,896,040	1,112,521,854	215,109,163	18.62	20,717,159	4,005,720	(4,415,819)	18,894,049	7,337,259
33	2058	2,235,642,869	842,896,040	1,161,358,713	231,388,116	18.62	21,626,590	4,308,863	(4,613,919)	19,723,450	7,436,258
34	2059	2,302,712,155	842,896,040	1,211,660,677	248,155,438	18.62	22,563,303	4,621,101	(4,613,918)	20,577,732	7,532,374
35	2060	2,371,793,520	842,896,040	1,263,471,701	265,425,779	18.62	23,528,117	4,942,706	(4,613,917)	21,457,643	7,625,690

Table G. Lloyd-Holladay Tax Increment Finance Plan Revenues and Allocations to Debt Service

	24-25	25-26	26-27	27-28	28-29	29-30	30-31
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Prior Year Assessed Value	-	842,896,040	868,182,921	894,228,409	921,055,261	948,686,919	977,147,527
Frozen Base	842,896,040	842,896,040	842,896,040	842,896,040	842,896,040	842,896,040	842,896,040
Increment	-	25,286,881	51,332,369	78,159,221	105,790,879	134,251,487	163,565,912
AV (Baseline)	-	868,182,921	894,228,409	921,055,261	948,686,919	977,147,527	1,006,461,952
Taxes							
Consolidated Tax Rate for Du Jour	18.5604	18.7218	18.8218	18.9218	18.9218	19.1218	19.1218
Divide the Taxes (to Raise) Sal 4c	-	473,416	966,168	1,478,913	2,001,754	2,567,130	3,127,675
Net Tax Increment Revenues	-	431,755	881,145	1,348,769	1,825,600	2,341,223	2,852,439
Used for Du Jour	-	432,619	882,907	1,351,466	1,829,251	2,345,905	2,858,144
Debt Service							
Total Debt Service	-	-	-	-	-	-	-

	31-32	32-33	33-34	34-35	35-36	36-37	37-38
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Prior Year Assessed Value	1,006,461,952	1,036,655,811	1,067,755,485	1,099,788,150	1,132,781,794	1,166,765,248	1,201,768,206
Frozen Base	842,896,040	842,896,040	842,896,040	842,896,040	842,896,040	842,896,040	842,896,040
Increment	193,759,771	224,859,445	256,892,110	289,885,754	323,869,208	358,872,166	394,925,212
AV (Baseline)	1,036,655,811	1,067,755,485	1,099,788,150	1,132,781,794	1,166,765,248	1,201,768,206	1,237,821,252
Taxes							
Consolidated Tax Rate for Du Jour	19.1218	19.2218	19.2218	19.1218	19.1218	19.1218	19.1218
Divide the Taxes (to Raise) Sal 4c	3,705,036	4,322,203	4,937,929	5,543,137	6,192,962	6,862,282	7,551,681
Net Tax Increment Revenues	3,378,992	3,941,849	4,503,391	5,055,341	5,647,982	6,258,401	6,887,133
Used for Du Jour	3,385,750	3,949,733	4,512,398	5,065,452	5,659,278	6,270,918	5,296,228
Debt Service							
Total Debt Service	-	-	-	-	-	-	-

	38-39	39-40	40-41	41-42	42-43	43-44	44-45
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Prior Year Assessed Value	1,237,821,252	1,274,955,889	1,313,204,566	1,352,600,703	1,393,178,724	1,434,974,086	1,478,023,308
Frozen Base	842,896,040	842,896,040	842,896,040	842,896,040	842,896,040	842,896,040	842,896,040
Increment	432,059,849	470,308,526	509,704,663	550,282,684	592,078,046	635,127,268	679,467,968
AV (Baseline)	1,274,955,889	1,313,204,566	1,352,600,703	1,393,178,724	1,434,974,086	1,478,023,308	1,522,364,008
<i>Taxes</i>							
Consolidated Tax Rate for Du Jour	19.0218	18.9218	18.8218	18.7218	18.7218	18.6218	18.6218
Divide the Taxes (to Raise) Sal 4c	8,218,556	8,899,084	9,370,169	9,901,712	10,488,575	11,045,410	11,664,687
Net Tax Increment Revenues	7,495,323	8,115,964	8,545,595	9,030,361	9,565,580	10,073,414	10,638,195
Used for Du Jour	7,523,151	6,533,935	6,964,425	7,450,161	7,986,451	8,495,299	9,061,210
<i>Debt Service</i>							
BOND 1	1,604,680	1,604,680	1,604,680	1,604,680	1,604,680	1,604,680	1,604,680
BOND 2							
BOND 3							
Total Debt Service	1,604,680	1,604,680	1,604,680	1,604,680	1,604,680	1,604,680	1,604,680

	45-46	46-47	47-48	48-49	49-50	50-51	51-52
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Prior Year Assessed Value	1,522,364,008	1,568,034,928	1,615,075,976	1,663,528,255	1,713,434,102	1,764,837,126	1,817,782,239
Frozen Base	842,896,040	842,896,040	842,896,040	842,896,040	842,896,040	842,896,040	842,896,040
Increment	725,138,888	772,179,936	820,632,215	870,538,062	921,941,086	974,886,199	1,029,419,666
AV (Baseline)	1,568,034,928	1,615,075,976	1,663,528,255	1,713,434,102	1,764,837,126	1,817,782,239	1,872,315,706
<i>Taxes</i>							
Consolidated Tax Rate for Du Jour	18.6218	18.6218	18.6218	18.6218	18.6218	18.6218	18.6218
Divide the Taxes (to Raise) Sal 4c	12,302,544	12,959,535	13,636,237	14,333,239	15,051,152	15,790,602	16,552,235
Net Tax Increment Revenues	11,219,920	11,819,096	12,436,248	13,071,914	13,726,651	14,401,029	15,095,639
Used for Du Jour	9,644,098	10,244,473	10,862,859	9,139,974	12,174,721	10,481,186	11,177,185
<i>Debt Service</i>							
BOND 1	1,604,680	1,604,680	1,604,680	1,604,680	1,604,680	1,604,680	1,604,680
BOND 2					2,359,823	2,359,823	2,359,823
BOND 3							
Total Debt Service	1,604,680	1,604,680	1,604,680	1,604,680	3,964,503	3,964,503	3,964,503

	52-53	53-54	54-55	55-56	56-57	57-58	58-59	59-60
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Prior Year Assessed Value	1,872,315,706	1,928,485,178	1,986,339,733	2,045,929,925	2,107,307,823	2,170,527,057	2,235,642,869	2,302,712,155
Frozen Base	842,896,040	842,896,040	842,896,040	842,896,040	842,896,040	842,896,040	842,896,040	842,896,040
Increment	1,085,589,138	1,143,443,693	1,203,033,885	1,264,411,783	1,327,631,017	1,392,746,829	1,459,816,115	1,528,897,480
AV (Baseline)	1,928,485,178	1,986,339,733	2,045,929,925	2,107,307,823	2,170,527,057	2,235,642,869	2,302,712,155	2,371,793,520
Taxes								
Consolidated Tax Rate for Du Jour	18.6218	18.6218	18.6218	18.6218	18.6218	18.6218	18.6218	18.6218
Divide the Taxes (to Raise) Sal 4c	17,336,718	18,144,735	18,976,992	19,834,218	20,717,159	21,626,590	22,563,303	23,528,117
Net Tax Increment Revenues	15,811,087	16,547,998	17,307,017	18,088,806	18,894,049	19,723,450	20,577,732	21,457,643
Used for Du Jour	11,894,064	8,384,768	11,141,990					
Debt Service								
BOND 1	1,604,680	1,604,680	1,604,680	1,604,680	1,604,680	1,604,680		
BOND 2	2,359,823	2,359,823	2,359,823	2,359,823	2,359,823	2,359,823	2,359,823	2,359,823
BOND 3			4,247,682	4,247,682	4,247,682	4,247,682	4,247,682	4,247,682
Bond Payoff								72,210,588
Total Debt Service	3,964,503	3,964,503	8,212,185	8,212,185	8,212,185	8,212,185	6,607,505	78,818,093

The District is anticipated to complete all projects and have sufficient revenue to terminate the District in FYE 2060, a 35-year program. The projects will be ongoing and the schedule for construction of projects will be based on the availability of funding and will be completed as directed by the Agency in accordance with the Five-Year Action Plans.

The amount of money available for projects in 2024 constant dollars for the District is approximately \$147,661,978. This is calculated by taking the maximum indebtedness (MI) and bringing it back to constant 2024 dollars. This is done as the MI is referenced in constant dollars, so understanding how the MI relates to the inflation factor over 30 years is important to be able to make projections on the allocation of funds throughout the life of the District.

Table H shows the approximate \$158,845,912 of 2024 constant dollars for projects inflated over the life of the District including administrative expenses and bond issuance costs and reserves, reaching the total maximum indebtedness of \$290,000,000. The 3 percent inflation rate is the rate to use in the future if any amendment to increase maximum indebtedness is pursued in accordance with ORS 457.470.

The following tables are prepared to show that the District is financially feasible as required by ORS 457. It assumes completion of projects as funding becomes available and in accordance with the Five-Year Action Plans. Annual expenditures for program administration are also shown.

Table H. Financial Feasibility

	Bond Issuance Costs and Reserves	District-Wide Admin/Predev	Affordable Housing (PHB)	Inclusive Growth (Prosper Portland)	Total
Years 1-5	6,842	273,412	2,952,852	3,609,042	6,842,148
Years 6-10	19,771	790,068	8,532,737	10,428,901	19,771,478
Years 11-15	1,975,963	1,852,302	20,004,860	24,450,384	48,283,509
Years 16-20	39,958	1,596,704	17,244,398	21,076,487	39,957,546
Years 21-25	2,911,889	2,966,169	32,034,630	39,153,437	77,066,126
Years 26-30	5,200,761	3,715,137	40,123,483	49,039,812	98,079,193
Total	10,155,185	11,193,793	120,892,960	147,758,063	290,000,000

Section 3.3 – Fiscal Impact Statement

The impact of Lloyd-Holladay Tax Increment Finance Plan financing of the maximum indebtedness, both until and after the indebtedness is repaid is on all entities levying permanent rate property in the District.

The impact of Lloyd-Holladay Tax Increment Finance Plan financing on overlapping taxing districts consists primarily of the property tax revenues foregone on permanent rate levies as applied to the growth in assessed value in the District. These projections are for impacts estimated through FYE 2060 and are shown in Table I.

Other than the Portland Public Schools Gap Tax, the Portland School District and the Multnomah County ESD are not *directly* affected by the tax increment financing, but the amounts of their taxes divided for

the Plan are shown in the following tables. Under current school funding law, property tax revenues are combined with State School Fund revenues to achieve per-student funding targets. Under this system, property taxes foregone, due to the use of tax increment financing, are substantially replaced with State School Fund revenues, as determined by a funding formula at the state level. The Gap Tax is not anticipated to be calculated in the division of tax revenues to be allocated to Prosper Portland, so the impact on the Portland Public Schools of the Gap Tax is a positive impact. The School District will need to complete appropriate paperwork with the Multnomah County assessor to ensure the Gap tax is not included in the division of taxes.

The City of Portland levies a tax to pay costs of its Fire and Police Disability and Retirement Fund (FPD&R) Plan. The rate for this levy is included in the consolidated tax rate for the District. The levy is imposed such that, when the tax rate is divided for tax increment areas, tax collections are sufficient to provide both the amount requested by the City for the FPD&R Plan and amounts for tax increment plans. Taxpayers pay a higher amount of taxes as a result of the division of taxes. Tax collections for the District attributable to the FPD&R levy are shown in Table J.

Since the properties within the TIF District are also already within the City's urban growth boundary, the City has planned for the need to provide infrastructure to these parcels through its existing plans and policies. In addition, since any new development will be new construction or redevelopment of existing buildings, the current building code requirements will address fire protection needs. Any potential impacts to the City will be countered by the increased revenue resulting from new jobs, stabilized housing, increased property tax revenues from development and redevelopment, and future increased tax base for all overlapping taxing jurisdictions.

Table I. Projected Impact on Taxing District Permanent Rate Levies

Foregone Revenue to Taxing Jurisdictions	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33	33-34	34-35
City	105,553	214,273	326,254	441,595	560,396	682,761	808,797	938,614	1,072,325	1,210,048
County	100,166	203,337	309,603	419,057	531,794	647,914	767,517	890,709	1,017,596	1,148,290
Library	28,135	57,114	86,963	117,707	149,374	181,990	215,585	250,188	285,828	322,538
Metro	2,228	4,522	6,886	9,320	11,827	14,410	17,070	19,810	22,632	25,539
Port	1,617	3,282	4,997	6,763	8,583	10,457	12,387	14,376	16,423	18,533
E Mult Soil/Cons	2,306	4,682	7,128	9,648	12,244	14,917	17,671	20,507	23,429	26,438
FPDR	64,573	135,764	213,844	289,444	391,800	477,351	565,469	676,737	773,142	846,003
Total Gov't	304,577	622,973	955,674	1,293,534	1,666,017	2,029,800	2,404,496	2,810,940	3,211,376	3,597,388
Portland	110,103	223,509	340,318	460,631	584,553	712,192	843,661	979,074	1,118,550	1,262,209
Portland CC	6,522	13,239	20,158	27,285	34,625	42,186	49,973	57,994	66,256	74,765
Multnomah County ESD	10,553	21,423	32,618	44,150	56,027	68,261	80,862	93,841	107,209	120,978
Total Education	127,178	258,171	393,094	532,065	675,205	822,639	974,497	1,130,910	1,292,015	1,457,953

Foregone Revenue to Taxing Jurisdictions	35-36	36-37	37-38	38-39	39-40	40-41	41-42	42-43	43-44	44-45	45-46
City	1,351,903	1,498,013	1,648,506	1,803,515	1,963,173	2,078,079	2,207,692	2,338,539	2,475,916	2,614,732	2,757,713
County	1,282,904	1,421,558	1,564,370	1,711,467	1,862,977	1,972,018	2,095,016	2,219,185	2,349,551	2,481,282	2,616,965
Library	360,350	399,296	439,410	480,727	523,284	553,912	588,461	623,338	659,956	696,957	735,069
Metro	28,533	31,616	34,793	38,064	41,434	43,859	46,594	49,356	52,256	55,185	58,203
Port	20,705	22,943	25,248	27,622	30,067	31,827	33,812	35,816	37,920	40,046	42,236
E Mult Soil/Cons	29,537	32,729	36,017	39,404	42,892	45,403	48,234	51,093	54,095	57,128	60,252
FPDR	945,180	1,047,333	1,152,550	1,221,520	1,286,764	1,316,677	1,350,565	1,430,612	1,460,558	1,542,446	1,626,791
Total Gov't	4,019,112	4,453,487	4,900,894	5,322,319	5,750,592	6,041,775	6,370,375	6,747,940	7,090,251	7,487,777	7,897,228
Portland	1,410,179	1,562,587	1,719,568	1,881,258	2,047,799	2,167,658	2,302,858	2,439,346	2,582,645	2,727,445	2,876,589

Portland CC	83,530	92,558	101,857	111,434	121,299	128,399	136,407	144,492	152,980	161,557	170,391
Multnomah County ESD	135,161	149,769	164,815	180,312	196,274	207,762	220,721	233,803	247,538	261,416	275,711
Total Education	1,628,870	1,804,914	1,986,239	2,173,005	2,365,373	2,503,820	2,659,986	2,817,641	2,983,162	3,150,418	3,322,691

Foregone Revenue to Taxing Jurisdictions	46-47	47-48	48-49	49-50	50-51	51-52	52-53	53-54	54-55	55-56
City	2,904,982	3,056,670	3,212,909	3,373,835	3,539,589	3,710,315	3,886,163	4,067,286	4,253,843	4,445,997
County	2,756,719	2,900,665	3,048,929	3,201,642	3,358,936	3,520,948	3,687,821	3,859,701	4,036,736	4,219,083
Library	774,323	814,756	856,401	899,296	943,478	988,985	1,035,857	1,084,136	1,133,863	1,185,081
Metro	61,311	64,513	67,810	71,207	74,705	78,308	82,020	85,842	89,780	93,835
Port	44,492	46,815	49,208	51,673	54,211	56,826	59,519	62,293	65,151	68,094
W Mult Soil/Cons	63,469	66,783	70,197	73,713	77,334	81,064	84,906	88,864	92,940	97,138
FPDR	1,713,667	1,803,148	1,895,315	1,990,246	2,088,025	2,188,737	2,292,471	2,399,317	2,509,368	2,622,721
Total Gov't	8,318,964	8,753,351	9,200,769	9,661,611	10,136,277	10,625,184	11,128,757	11,647,438	12,181,680	12,731,948
Portland	3,030,207	3,188,434	3,351,407	3,519,270	3,692,169	3,870,255	4,053,683	4,242,614	4,437,213	4,637,650
Portland CC	179,491	188,863	198,517	208,460	218,701	229,250	240,115	251,306	262,833	274,706
Multnomah County ESD	290,435	305,600	321,221	337,310	353,882	370,950	388,531	406,640	425,291	444,503
Total Education	3,500,133	3,682,897	3,871,145	4,065,040	4,264,752	4,470,455	4,682,329	4,900,560	5,125,337	5,356,858

Foregone Revenue to Taxing Jurisdictions	56-57	57-58	58-59	59-60
City	4,643,915	4,847,771	5,057,743	5,274,014
County	4,406,900	4,600,352	4,799,607	5,004,840
Library	1,237,836	1,292,174	1,348,142	1,405,789
Metro	98,012	102,315	106,746	111,311
Port	71,125	74,247	77,463	80,775
E Mult Soil/Cons	101,462	105,916	110,503	115,229
FPDR	2,739,474	2,859,730	2,983,593	3,111,173
Total Gov't	13,298,725	13,882,505	14,483,798	15,103,130
Portland	4,844,100	5,056,744	5,275,766	5,501,360
Portland CC	286,935	299,530	312,504	325,867
Multnomah County ESD	464,290	484,671	505,664	527,286
Total Education	5,595,325	5,840,945	6,093,934	6,354,513

Revenue sharing means that, at thresholds defined in ORS 457.470, the impacted taxing jurisdictions will receive a share of the incremental growth in the District. The first threshold is when annual Lloyd-Holladay Tax Increment Finance Plan finance revenues exceed three percent of the original maximum indebtedness of the Plan in 2041. At the three percent threshold, the Agency will receive tax increment revenue as stated in ORS 457.470(4)(a-e). The overlapping taxing districts would receive the remainder of the TIF revenues. Revenue sharing projections are shown in Table J in the column labelled “Revenue Sharing”.

If assessed value in the District grows more quickly than projected, the revenue sharing triggers would be reached earlier.

Table J. Tax Increment Revenue Sharing

FYE	Total Assessed Value	Frozen Base Assessed Value	Increment URA	Increment Shared
2026	868,182,921	842,896,040	25,286,881	0
2027	894,228,409	842,896,040	51,332,369	0
2028	921,055,261	842,896,040	78,159,221	0
2029	948,686,919	842,896,040	105,790,879	0
2030	977,147,527	842,896,040	134,251,487	0
2031	1,006,461,952	842,896,040	163,565,912	0
2032	1,036,655,811	842,896,040	193,759,771	0
2033	1,067,755,485	842,896,040	224,859,445	0
2034	1,099,788,150	842,896,040	256,892,110	0
2035	1,132,781,794	842,896,040	289,885,754	0
2036	1,166,765,248	842,896,040	323,869,208	0
2037	1,201,768,206	842,896,040	358,872,166	0
2038	1,237,821,252	842,896,040	394,925,212	0
2039	1,274,955,889	842,896,040	432,059,849	0
2040	1,313,204,566	842,896,040	470,308,526	0
2041	1,352,600,703	842,896,040	497,835,989	11,868,674
2042	1,393,178,724	842,896,040	528,886,740	21,395,944
2043	1,434,974,086	842,896,040	560,233,261	31,844,785
2044	1,478,023,308	842,896,040	593,144,042	41,983,226
2045	1,522,364,008	842,896,040	626,399,567	53,068,401
2046	1,568,034,928	842,896,040	660,652,757	64,486,131
2047	1,615,075,976	842,896,040	695,933,543	76,246,393
2048	1,663,528,255	842,896,040	732,272,752	88,359,463
2049	1,713,434,102	842,896,040	769,702,138	100,835,925
2050	1,764,837,126	842,896,040	808,254,405	113,686,680
2051	1,817,782,239	842,896,040	847,963,240	126,922,959
2052	1,872,315,706	842,896,040	888,863,341	140,556,326

2053	1,928,485,178	842,896,040	930,990,444	154,598,694
2054	1,986,339,733	842,896,040	974,381,361	169,062,332
2055	2,045,929,925	842,896,040	1,019,074,005	183,959,880
2056	2,107,307,823	842,896,040	1,065,107,428	199,304,355
2057	2,170,527,057	842,896,040	1,112,521,854	215,109,163
2058	2,235,642,869	842,896,040	1,161,358,713	231,388,116
2059	2,302,712,155	842,896,040	1,211,660,677	248,155,438
2060	2,371,793,520	842,896,040	1,263,471,701	265,425,779

Table K shows the projected increased revenue to the taxing jurisdictions after the Central City – East Tax Increment Finance Plan proceeds are projected to be terminated. These projections are for FYE 2061. The table also shows the estimated impact of returned incremental assessed value on the FPD&R tax levy rate, which could be reduced by approximately 3 percent.

The Frozen Base is the assessed value of the District established by the County Assessor at the time the District is established. Excess Value is the increased assessed value in the District above the Frozen Base.

Table K. Additional Revenues Obtained after Termination of TIF – FYE 2061

Taxing District	Type	Tax Rate	From Frozen Base	From Excess Value	Total
General Government					
City	Permanent	4.58	3,857,935	7,323,435	11,181,370
County	Permanent	4.34	3,661,035	6,949,663	10,610,697
Library	Permanent	1.22	1,028,333	1,952,063	2,980,396
Metro	Permanent	0.10	81,424	154,565	235,989
Port	Permanent	0.07	59,087	112,164	171,251
E Mult Soil/Cons	Permanent	0.10	84,290	160,005	244,295
FPDR		2.70	2,275,819	4,320,138	6,595,958
Subtotal General Government		13.11	11,047,923	20,972,032	32,019,955
Education			-	-	
Portland	Permanent	4.77	4,024,239	7,639,125	11,663,363
Portland CC	Permanent	0.28	238,371	452,495	690,866
Multnomah County ESD	Permanent	0.46	385,709	732,183	1,117,893
Subtotal Education		5.51	4,648,319	8,823,803	13,472,122
Total		18.62	15,696,241	29,795,835	45,492,077

Section 3.4 – Assessed Value and Acreage Analysis

The Plan includes a provision indicating that it will be financed by tax increment revenues (TIF) allocated to the District, as provided in ORS Chapter 457, and that the ad valorem taxes levied by a taxing district in which all or a portion of the District is located, will be divided as provided in Section 1c, Article IX of the Oregon Constitution, and ORS 457.440. Pursuant to ORS 457.420(2), the Plan may only include such a provision if:

- The assessed value for the TIF District, when added to the total assessed value for other TIF Districts of the City, does not exceed a figure equal to 15 percent of the total assessed value of the City (exclusive of any increased assessed value for other TIF Districts and without regard to adjustments made pursuant to ORS 457.435 (2)(c), 457.455 or 457.470 (2) to (5)), and
- The acreage of the TIF District, when added to the acreage of other TIF Districts of the City, does not exceed 15 percent of the total acreage of the City.

As explained in this Section, the proposed TIF District complies with both the assessed value and acreage limits set forth in ORS 457.420.

As of the date that the TIF Plan is expected to be approved by the City, it is projected that the total Assessed Value for all real property in the City of Portland will be just over \$80.98 billion and the total acreage of the City will be 92,768 acres, as shown in Table L, below. In addition, as of the approval date, the total assessed value for the real property contained within all pre-existing TIF Districts will be approximately \$2 billion (2.5% of total City AV) and the acreage of such districts will be 2,729 acres (2.9% of total City acreage).¹⁰ Finally, the TIF District is being proposed for creation along with several other TIF Districts that, when combined, will account for up to \$9.49 billion in assessed value and 8,415 acres.¹¹ If all six proposed TIF Districts are approved, the resulting total areas included in all TIF Districts within the City will contain \$11.49 billion in assessed value (14.2% of total City AV) and 11,144 acres (12% of total City acreage). These limits will fall within the threshold for assessed value and acreage established by ORS 457.420, which allows for the TIF Plan to include a provision for the division of ad valorem property taxes to finance the TIF District's activities under the Plan.

¹⁰ Prior to adoption of the proposed TIF District, Prosper Portland and/or the City are expected to either take action to amend the size of certain TIF Districts, allow some TIF Districts to expire, and/or otherwise amend the plans to release some or all of the assessed value and acreage associated with the following pre-existing TIF Districts: Central Eastside, Downtown Waterfront, Interstate Corridor, Lents Town Center, Oregon Convention Center, River District, South Park Blocks, and the Neighborhood Prosperity Initiative districts.

¹¹ The proposed new TIF Districts include: Westside, Lloyd-Holladay, Central Eastside Corridor, Sumner-Parkrose-Argay-Columbia Corridor, 82nd Avenue Area, and East 205.

Table L. Assessed Value and Acreage

	Frozen Base (as of FY 21-22 values)	Proposed Adjustments	Proposed values (as of FY 23-24 values)
TIF District	Frozen Base Assessed Value		
Central Eastside	\$230,541,190	(\$230,541,190)	\$0
Downtown Waterfront	\$55,674,313	(\$55,674,313)	\$0
Gateway Regional Center	\$307,174,681	-	\$307,174,681
Interstate Corridor	\$1,293,460,097	(\$1,293,460,097)	\$0
Lents Town Center	\$736,224,033	(\$736,224,033)	\$0
North Macadam	\$628,094,444	-	\$628,094,444
Oregon Convention Center	\$214,100,689	(\$214,100,689)	\$0
River District	\$432,292,135	(\$432,292,135)	\$0
South Park Blocks	\$305,692,884	(\$305,692,884)	\$0
Cully	\$1,071,144,885	-	\$1,071,144,885
Neighborhood Prosperity Initiatives (combined)	\$164,919,235	(\$164,919,235)	\$0
Westside (NEW)	\$0	\$2,401,540,540	\$2,401,540,540
Lloyd-Holladay (NEW)	\$0	\$842,896,040	\$842,896,040
Central Eastside Corridor (NEW)	\$0	\$551,392,310	\$551,392,310
Sumner-Parkrose-Argay- Columbia Corridor (NEW)	\$0	\$1,123,860,390	\$1,123,860,390
82nd Ave (NEW)	\$0	\$1,721,086,470	\$1,721,086,470
East 205 (NEW)	\$0	\$2,849,078,510	\$2,849,078,510
Total: TIF Districts	\$5,439,318,586	\$6,056,949,684	\$11,496,268,270
Total: City of Portland	\$76,142,269,310		\$80,988,896,967
Percent in TIF District	7.14%		14.19%

Frozen Base (as of FY 21-22 values)		Proposed Adjustments	Proposed values (as of FY 23-24 values)
Acreage			
708	(708)	-	
233	(233)	-	
659	-	659	
3,995	(3,995)	-	
2,846	(2,846)	-	
447	-	447	
410	(410)	-	
315	(315)	-	
98	(98)	-	
1,623	-	1,623	
245	(245)	-	
-	492	492	
-	261	261	
-	486	486	
-	1,578	1,578	
-	1,868	1,868	
-	3,730	3,730	
11,579	(435)	11,144	
92,768		92,768	
12.48%		12.01%	

SECTION 4 – RELOCATION REPORT

Pursuant to ORS 457.087(9), this report must include: (a) an analysis of existing residents or businesses that may be required to relocate temporarily or permanently as a result of any of the proposed projects identified in Section 2.1, above; (b) a description of the methods to be used for the temporary or permanent relocation of such residents or businesses; and, (c) an enumeration, by cost range, of the existing housing units in the urban renewal areas of the plan to be destroyed or altered and the new units to be added.

It is not anticipated that any of the proposed projects identified in Section 2 will require or result in the temporary or permanent relocation of any residents or businesses. In addition, it is not anticipated that any of the proposed projects identified in Section 2 will require or result in the alteration or destruction of any existing housing units. To the extent that temporary or permanent relocation is necessary, Prosper Portland will comply with the requirements set forth in ORS 35.500 to 35.530 to protect the rights of any person or business impacted by such relocation. New housing units anticipated to be added within the TIF District are enumerated in Section 2.

Attachments to Report

A. Existing Conditions Report

Attachment A: Existing Conditions Report

This report summarizes existing conditions in the Lloyd-Holladay TIF District to inform investments and strategies. It draws on data collected from sources like the American Community Survey (ACS), market platforms, federal bureaus, and local data sources. This analysis is also informed by the Central City Subdistricts Economic and Market Conditions report published by Prosper Portland in 2022 which provides more detailed information about the Lloyd-Holladay TIF District areas that fall within the boundaries of this work.

Physical Conditions

Land Use

Figure A outlines the current land uses within the Lloyd-Holladay TIF District which comprises 261 acres, with 162.7 acres consisting of land within tax lots and the remaining 98.3 acres in the right-of-way, which makes up nearly half of the TIF District. Commercial uses make up 46 percent of the area. There are very few single-dwelling residential uses in the Lloyd-Holladay TIF District making up 1 percent of the TIF District's acreage and 21 parcels. The multi-dwelling residential land use designation comprises four percent of the area's total acreage and eight percent of all parcels (22). Six percent of parcels (12.4 acres) of the District are vacant. Detailed numbers are listed in Table A.

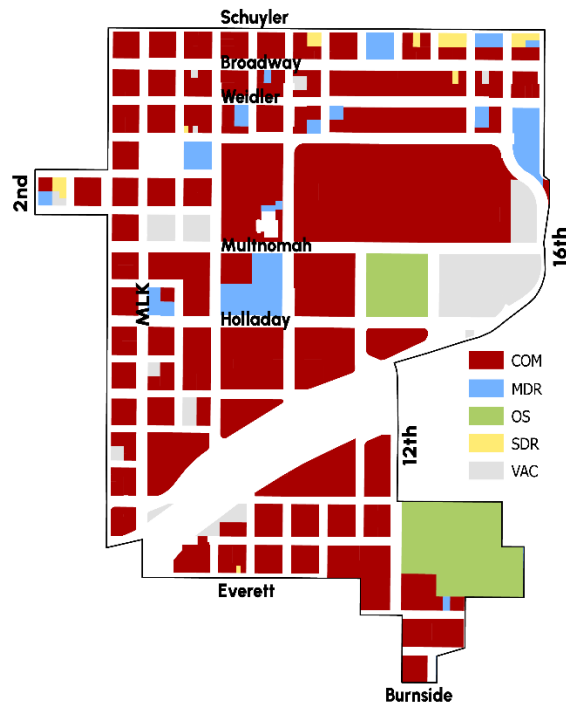
Table A. Parcel Acres by Land Use, Lloyd-Holladay TIF District, 2024

	PARCELS		ACRES	
	Number	Percent	Number	Percent
Single-dwelling	16	6%	1.6	1%
Multi-dwelling	22	8%	10.2	4%
Commercial	199	70%	121.1	46%
Vacant	20	7%	12.3	5%
Rural (Open Space)	3	1%	16.0	6%
Right of Way	15	5%	98.3	38%
Other	8	3%	1.5	1%
Total	283	100%	261.0	100%

Source: Metro Regional Land Information System (RLIS), 2024

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Figure A. Land Use, Lloyd-Holladay TIF District, 2024



Zoning

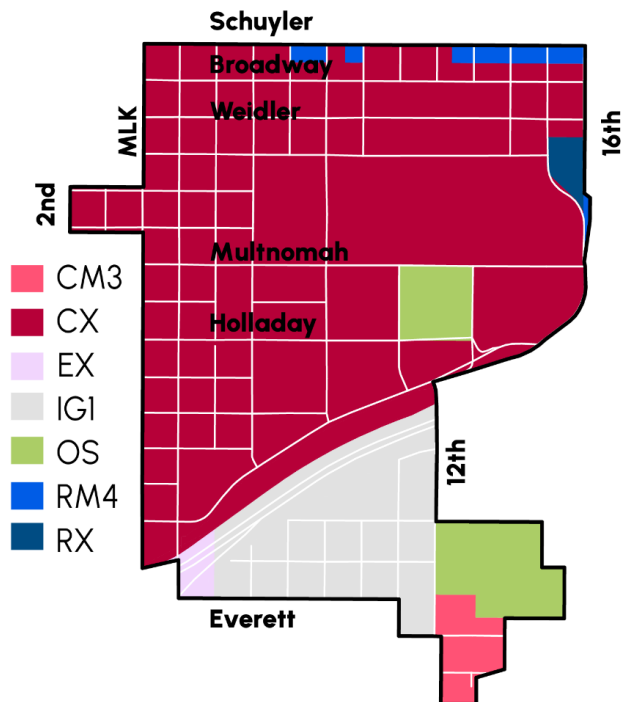
The Lloyd-Holladay TIF District’s zoning includes a combination of residential, commercial, and employment zones. Figure B and Table B show zoning designations of land within the TIF District’s boundary. Almost three quarters of the TIF District (73 percent) is zoned as Central Commercial (CX). An additional 14 percent of acres in the TIF District are zoned General Industrial 1 (IG1), primarily south of Interstate 84. Residential zoning only covers three percent of the TIF District’s acreage.

Table B. Parcel Acres by Zoning, Lloyd-Holladay TIF District, 2024

	ACRES	PERCENT
Central Commercial (CX)	190.3	73%
Commercial/Mixed Use 2 (CM2)	0.1	0%
Commercial/Mixed Use 3 (CM3)	6.7	3%
General Industrial 1 (IG1)	36.7	14%
Central Employment (EX)	2.5	1%
Residential Multi-Dwelling 2 (RM2)	0.0	0%
Residential Multi-Dwelling 4 (RM4)	4.3	2%
Central Residential (RX)	2.2	1%
Open Space (OS)	18.2	7%

Source: Bureau of Planning & Sustainability, 2024

Figure B. Zoning, Lloyd-Holladay TIF District



Comprehensive Plan

The Lloyd-Holladay TIF District is subarea of the Central City area designated as a Center in the Portland 2035 Comprehensive Plan, which aims to be “a living laboratory for how the design and function of a dense urban center can concurrently provide benefits to human health, the natural environment, and the local economy.”¹² The Central City’s role is part of a broader vision to encourage growth and investment in Portland as a key center for jobs, transit, services, and institutions in the region.

Figure C shows the Comprehensive Plan Designations within the Lloyd-Holladay TIF District. The designations prescribe the intended future development types and scales. Overall, the Comprehensive Plan designations closely align with current zoning in the TIF District shown in Figure B.

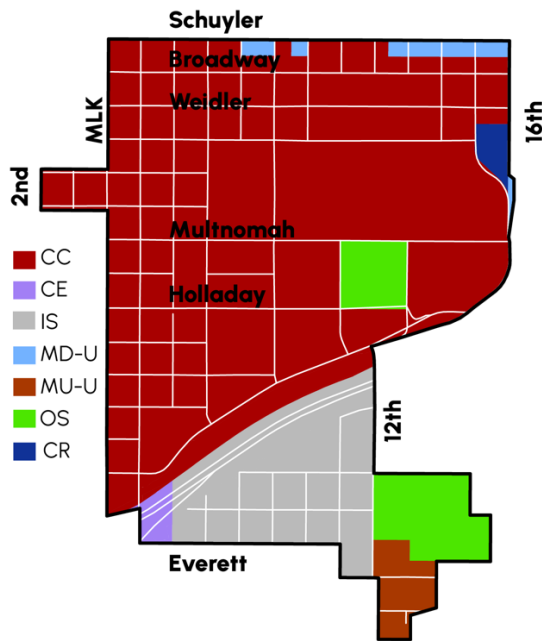
Table C. Parcel Acres by Comprehensive Plan Designation, Lloyd-Holladay TIF District

	ACRES	PERCENT
Central Commercial	190.3	73%
Central Employment	2.3	1%
Central Residential	2.2	1%
Industrial Sanctuary	36.7	14%
Mixed Use - Urban Center	6.8	3%
Multi-Dwelling - Corridor	0.0	0%
Multi-Dwelling - Urban Center	4.3	2%
Institutional Campus	0.2	0%
Open Space	18.2	7%
Total	261.0	100%

Source: Bureau of Planning and Sustainability

¹² City of Portland, ‘2035 Comprehensive Plan,’ May 2023, GP3-12.

Figure C. Comprehensive Plan Designations, Lloyd-Holladay TIF District



Infrastructure

This section outlines the existing condition of the area's infrastructure and explains the need for future investment. The Plan does not attempt to fund every infrastructure project that the City has planned or considered in the TIF District boundary.

Transportation

The Lloyd-Holladay District generally has a connected active transportation network, with short blocks, wide sidewalks, and few sidewalk gaps. A dense network of existing and funded bicycle facilities provides a low-stress bicycling experience. However, the TIF District still experiences some challenges for pedestrian and cyclist road safety. From a growth perspective, the transportation focus for this area is on supporting more multimodal travel through the TIF District.

Street Network

The Lloyd-Holladay District includes several Major City Traffic Streets that are central to vehicular, bicycle, transit, and pedestrian transportation through inner NE Portland including:

- **NE Grand Avenue** is a one-way street with three lanes heading northbound.
- **NE Martin Luther King Jr. Boulevard** is a one-way street with three lanes heading southbound, featuring raised medians.
- **NE Broadway** is a one-way street with three lanes heading westbound, featuring center turn lanes, on-street parking, and broad sidewalks.
- **NE Weidler Street** is a one-way street with three lanes heading eastbound, including, center turn lanes, on-street parking, and wide sidewalks.

The redevelopment of the Lloyd Center over the next decade will replace the mall with a mixed-use neighborhood. Reconnection of the streets through the Lloyd Center is not yet in any of the City's adopted plans.

Road Safety

For its relatively small geographical area, the TIF District has experienced a high number of serious injury crashes, including fatalities, highlighting safety issues that need to be addressed. From 2017 to 2021, there were 33 serious injury crashes and three fatal crashes within the TIF District. During this period, 28 pedestrians and 28 bicyclists were hit by motor vehicles.¹³

Public Transit

The Lloyd-Holladay District is one of the best-served areas in Portland for MAX, streetcar, and bus service. Services include:

- **Red, Blue, and Green MAX lines:** Run along NE Holladay Street through the TIF District, with three stops within or immediately adjacent to the TIF District.
- **The Portland Streetcar-A Loop:** Runs through The TIF District on NE Grand Avenue and NE Martin Luther King Jr. Boulevard.
- **Line 6:** Runs along NE Martin Luther King Jr. Boulevard, offering frequent service and connecting the area to the Jantzen Beach Transit Center to the north and Portland City Center to the south. The Rose Land Project added Bus and Turn (BAT) lanes to NE MLK Boulevard and NE Grand Avenue from SE Mill to NE Broadway, relieving a major pinch point in the transit system.
- **Line 17:** Operates along NE Broadway, providing direct service to downtown Portland and connecting the TIF District with NE and SE Portland.
- **Line 77:** Travels along NE Broadway and NE Weidler Street, connecting the Lloyd-Holladay District to the Downtown and Troutdale.

The Lloyd District has a Transportation Management Association that has supported the transition of the Lloyd District's employees to alternative modes of transportation. Since 2012, almost \$2 million in parking meter revenue in the area has gone toward multimodal transportation projects in the area.¹⁴

Pedestrian and Bicycle Facilities

Within the Lloyd-Holladay District, 93 percent of streets have sidewalk coverage. The Green Loop project, part of the Central City Plan 2035 to increase multimodal connectivity and support business throughout the Central City, will pass through the District. The recently completed Earl Blumenauer Bicycle and Pedestrian Bridge is a key link in the Green Loop on the eastside that connects the Lloyd-Holladay District to the Central Eastside and other Southeast Portland neighborhoods.

The Lloyd District Improvements on NE 15th/16th Avenues include adding a new marked crosswalk and median near the Holladay Park Plaza Retirement Community, creating expanded, buffered bike lanes along the entire corridor, and reducing two lanes to one lane in each direction, with no traffic impact.

¹³ Oregon Department of Transportation, 'Crash Data System,' <https://www.oregon.gov/odot/data/pages/crash.aspx>.

¹⁴ Go Lloyd, 'Annual Report 2022,' 2022, <https://static1.squarespace.com/static/54652e5ee4b07f2a5a1a5725/t/6568ff68d1ca4c12e2549a46/1701379955820/Go+Lloyd+Annual+Report+2022+FINAL.pdf>

Although outside the boundary of the TIF District, the Interstate 5 Rose Quarter Expansion project will include a pedestrian and bicycle-only bridge over Interstate 5 near the Moda Center.¹⁵ This adjacent large-scale project creates opportunities to leverage larger scale investments to make improvements in nearby public right-of-way will help to reduce conflicts between cars and trucks and people walking, biking, or rolling.

Sanitary Sewer and Stormwater Systems

This summary is not a comprehensive summary of the BES's risk or assets, nor does it include a full list of the BES's Capital Improvement Projects or priority work as of 2024.

The TIF District is served by combined sewers in the Holladay and Sullivan sewer basins. The Sullivan pump station serves the area. The pump station is not predicted to have capacity constraints. This assessment is based on existing and future development predictions made by the Bureau of Planning and Sustainability as of 2023. However, capacity improvements may be required if significant zoning changes increase inflow.

Most stormwater in separated areas is conveyed by storm pipes discharging to the Willamette River. There is not sufficient data on about 40 percent of sewer and storm pipes in the TIF District, but 11.2 percent of sewer pipes and 3.3 percent of storm pipes are in poor or very poor condition throughout the Lloyd-Holladay District.

Table D. Sewer and Storm Pipe Condition Summary for the Lloyd-Holladay TIF District

TIF District	Condition	Structural Grades	Sewer Pipe Length (FT)	Sewer Percent by Length	Storm Pipe Length (FT)	Storm Pipe Percentage
Lloyd-Holladay	Unknown	Unknown	753	1.9%	1,457	38.0%
Lloyd-Holladay	Excellent	1	23,585	58.9%	2,151	56.0%
Lloyd-Holladay	Good	2	6,586	16.4%	104	2.7%
Lloyd-Holladay	Fair	3	4,657	11.6%	NA	NA
Lloyd-Holladay	Poor	4	4,320	10.8%	127	3.3%
Lloyd-Holladay	Very Poor/Need Attention	5	163	0.4%	NA	NA
Lloyd-Holladay	Total			40,065	100.0%	3,839

Source: Portland Bureau of Environmental Services, 2024

Potential Issues and Concerns

The Sullivan Pump Station is located under the overpasses that link Interstate 5 and Interstate 84, which may collapse in a seismic event. The pump station was constructed on pilings that are not sufficient to

¹⁵ ODOT, 'I-5 Rose Quarter Improvement Project,' 2023, <https://www.i5rosequarter.org/about/?accordion=section4#section4>

stabilize the ground and foundation during a significant seismic event. A planning study is underway to identify an alternate location for the pump station, which might impact development in the nearby TIF area. The Sullivan pump station is a high-priority project for the Bureau of Environmental Services, requiring rehabilitation and seismic improvements. The Sullivan overflow trunk line has elevated mortality and capacity risk. The Sullivan underflow trunk line has major maintenance issues and mortality risk concerns.

Planning Priorities

The Lloyd-Holladay TIF District intercepts with large diameter rehabilitation work zone SUL01 in Sullivan basins. As of 2024, work zones SUL01 and SUL07 are in early phases of a planning effort that will refine capacity and mortality risks and develop, evaluate, and recommend solutions to mitigate the risks associated with Sullivan overflow and underflow trunks.

Water

This District has water mains with appropriate capacity. The redevelopment of the Lloyd Center may require relocating water pipes. If redevelopment increases density in the area, water pipelines may need to be upsized.

Park Conditions

Existing Parks

The District includes the 4.5-acre Holladay Park, which will need upgrades and new facilities after the planned redevelopment of the Lloyd Center. As is the case with parks across the city, funding streams for repair, replacement, and ADA compliance updates for park facilities in this TIF District are deficient. The District also includes the 0.75-acre Oregon Convention Center Plaza, owned by Prosper Portland.

Level of Service

The City of Portland's Parks 2020 Vision includes the goal of providing a developed park or natural area within a ½-mile (10- to 15-minute walk) of every resident and a full-service community center within three miles of every resident. Portland Parks and Recreation (PP&R) has assessed levels of service throughout the city. According to their data, all of the housing units in the Lloyd-Holladay TIF District are within a half mile of a park. Note that while the level of service provides a quantitative measure of park provision it does not assess park quality, conditions, amenities, or accessibility.

Planned Parks and Trails

PP&R has stated the need for a new park on the west end of the Lloyd-Holladay TIF District, but there is not yet funding or available property for a new park in this area. This project could be developed in conjunction with the redevelopment of Lloyd Center to provide community gathering spaces alongside active and passive recreation opportunities in the neighborhood.

Environmental Challenges

Brownfields

Brownfields are sites that present potential environmental challenges and physical hazards like underground tanks or unsafe chemicals. Past uses like heavy industry typically cause the contamination found in brownfield sites.¹⁶

In 2013, the City conducted an inventory¹⁷ of potential brownfields by identifying vacant or underutilized properties from the City's Buildable Lands Inventory and cross-referencing them with the Oregon State Department of Environmental Quality (DEQ) inventory of environmental cleanup sites and leaking underground storage tanks. That analysis found that there were 94 acres of brownfields in the "Downtown High Density" typology in the entire Central City. About 43 acres were impacted by contamination only and the remainder had multiple constraints, including infrastructure, access, and environmentally sensitive areas.¹⁸ Overall, as a share of development cost, remediation is relatively insignificant for the downtown prototypes considered, while much more substantial for other typologies, especially industrial. Although these sites have been flagged by the DEQ, contamination has not been confirmed for many of them. Detailed Phase 1 and Phase 2 environmental site assessments would provide greater detail about the development status of these sites.

The Lloyd-Holladay TIF District contains several potential brownfield sites that can add to the cost of redevelopment. **Overall, the Lloyd-Holladay TIF District has a higher density of leaking underground storage tanks and clean-up sites than Portland,** and lower density of leaking heating oil tanks.

Heat Islands

Urban heat islands, caused by limited greenery and high-density urban materials like concrete and asphalt, create significantly warmer conditions in urbanized areas than surrounding areas. These urban heat islands can have daytime temperatures that are 1-7°F hotter and nighttime temperatures that are 2-5°F hotter than other surrounding areas. Climate change also exacerbates this phenomenon, with regions like the Pacific Northwest experiencing temperature increases of nearly 2°F since 1900 and more frequent heat waves.¹⁹

The intensity of urban heat islands disproportionately affects low-income and communities of color, often in formerly redlined areas where industrial development compromised environmental and public health. These communities continue to suffer from fewer natural amenities and heightened heat island effects. Groups affected include males, older adults, non-Hispanic white people, people living alone, people living outside or in unstable housing, people living in multi-dwelling housing, and people living in warmer parts of the County.²⁰

The Lloyd-Holladay TIF District has a lower percentage of housing units experiencing heat island effects than the city. Geographically, these areas are concentrated on the southeastern end and

¹⁶ City of Portland, 'What is a brownfield?,' <https://www.portland.gov/bes/learn-about-brownfields>.

¹⁷ City of Portland, 'Brownfields and Contaminated Sites,' <https://www.portlandmaps.com/bps/brownfields/>.

¹⁸ City of Portland, 'Portland Brownfield Assessment,' <https://www.portland.gov/sites/default/files/2020-02/portland-brownfield-assessment-final-report-with-appendices.pdf>, 14.

¹⁹ Multnomah County, 'Health Impacts from Excessive Heat Events in Multnomah County, Oregon, 2021,' 2022. https://www.opb.org/pdf/multco-heat-report-final-06262022_1656296951051.pdf

²⁰ Ibid.

northeastern end of the TIF District. Within the Lloyd-Holladay TIF District overall, 40.6 percent of housing units are in the 75th percentile or higher group (compared to 43.6 percent of Portland), and 5.6 percent are in the 90th percentile (compared to 13.4 percent across the city).

Air Quality

The TIF District has a lower population-weighted average respiratory health risk percentile (27.3) compared to Portland (39.3) based on respiratory health risks determined through the EPA.²¹ Poor air quality links to a variety of respiratory health effects, especially for vulnerable population including those with heart or lung disease, older adults, children, people with diabetes, and people of lower socioeconomic status.²² Urban air pollution typically caused by transportation (use of private vehicles), domestic use of fossil fuels, industrialization, power generation, combustion and agriculture, producing air pollutants like Ozone (O₃), Particulate matter (PM₁₀, PM_{2.5}), Sulfur oxides (SO_x), Nitrogen oxides (NO_x), Carbon monoxide (CO), and Volatile Organic Compounds (VOCs).²³

Social Conditions

This section provides an overview of demographic conditions within the TIF District. All data within this section were compiled from the United States Census Bureau's 2018-2022 American Community Survey (ACS). The project team assembled data from five United States Census Bureau block groups that provide the best representation of demographic and social characteristics of the area. These block groups encompass an area that is larger than the boundary of the Area.

Population and Population Growth

The Lloyd-Holladay TIF District is growing quickly. An estimated 7,063 people live in the Lloyd-Holladay TIF District area. The population in this area has grown at a faster rate than the city as a whole but has not seen residential growth at the same rate as other areas of the Central City. Between 1990 and 2020, the District's population increased by 220 percent while the City of Portland grew 134 percent.²⁴ The 2023 Central City Corridors report found that of the nine subdistricts in Portland's Central City, the Lloyd-Holladay District had the smallest cumulative growth in multi-dwelling units permitted between 2014 and 2021.²⁵

Age

The Lloyd-Holladay TIF District's population has more working age residents (aged 18-64) and seniors (aged 65 and over) compared to the rest of Portland. Table E shows the age distribution of the TIF District's residents compared to Portland overall. People who are at working age make up 74 percent of the total population while the percent is 69 percent for the city. Seniors make up 19 percent of the District's population compared to 14 percent of Portland's population.

²¹ US Environmental Protection Agency, 'EJScreen: Environmental Justice Screening and Mapping Tool,' <https://www.epa.gov/ejscreen>.

²² US Environmental Protection Agency, 'Particle Pollution and Respiratory Effects,' <https://www.epa.gov/pmcourse/particle-pollution-and-respiratory-effects>.

²³ Airqoon, 'Urban Air Pollution: Sources and Pollutants,' <https://airqoon.com/resources/urban-air-pollution-sources-and-pollutants/>.

²⁴ NHGIS. Note: Demographic estimates are derived from block groups with at least 10% overlap with proposed boundaries.

²⁵ Prosper Portland, 'Central City Subdistricts Economic & Market Conditions,' November 2022.

Table E. Age of Residents, Lloyd-Holladay TIF District and Portland, 2022

	LLOYD-HOLLADAY TIF DISTRICT	PORTLAND
Youth (0-17)	7%	17%
Working Age (18-64)	74%	69%
Seniors (65+)	19%	14%

Source: Table B01001, 2018-2022 ACS 5-Year

Race and Ethnicity

The Lloyd-Holladay TIF District has a lower share of residents who identify as people of color compared to the city. Residents who identify as people of color (POC) make up 34 percent of the District's population, which is two percentage points higher than Portland's population. The predominant racial groups of color are Hispanic, any race (12.2 percent), followed by, Black, non-Hispanic (7.9 percent).²⁶

Educational Attainment

Lloyd-Holladay TIF District has a higher percentage of adults aged 25 years and over with a four-year degree or graduate degree compared to Portland. While 52 percent of Portland residents aged 25 or over have a four-year degree or higher, 62 percent of those residing in the TIF District have achieved this level of education. In addition, three percent of residents in the Lloyd-Holladay TIF District received below a high school diploma, compared to seven percent in Portland.²⁷

Commute Time and Transportation Mode

District residents are less likely to drive and carpool, while more likely to take public transit and bike than Portland residents. More than half of Portland residents (52 percent) drive alone as a means of commuting to work, compared to only 41 percent of TIF District residents. Residents in the Lloyd-Holladay TIF District are also more likely to commute on public transportation, with 15 percent of the population using this mode (seven percentage points higher than Portland overall). Average travel time for TIF District residents is also lower; 76 percent of residents in the area have a commute time of less than 30 minutes, compared to 65 percent of residents in Portland as a whole.

Economic Conditions

The following are economic trends identified in ACS data and other sources like the Quarterly Census of Employment and Wages (QCEW) that have implications for new development in the Lloyd-Holladay TIF District:

The TIF District's population has grown faster than Portland's. Population in the TIF District has increased by over 220 percent since 1990 while Portland only grew by 135 percent over same period.

Residents are vulnerable to changing economic conditions, making displacement more difficult to prevent. The BPS Economic Vulnerability Assessment determined a score of 60 for the TIF District's census tracts, which is at the threshold for a vulnerable tract. The TIF District's score is higher than

²⁶ US Census, Table B03002, 2018-2022 ACS 5-Year

²⁷ US Census, Table B15003, 2018-2022 ACS 5-Year

Portland's vulnerability score of 53. Economic vulnerability means that residents are more likely to be cost burdened, belong to communities of color, lack college degrees and have a low income.²⁸

Housing cost burden affects more than half of renter households. In the Lloyd-Holladay TIF District, more than half of households who rent experience cost burden, meaning they pay over 30 percent of their income for housing costs. TIF District has a slightly higher rate of cost burden for renters compared to the city, with 28 percent of households spending between 30-50 percent of their income toward housing costs (four percentage points higher than Portland). 24 percent of the renter households are also severely cost burdened (spending 50 percent of income or more spent on housing).

Table F. Cost Burden for Renter Households, Lloyd-Holladay TIF District and Portland, 2022

	LLOYD-HOLLADAY TIF DISTRICT	PORTLAND
Cost Burdened	28%	24%
Severely Cost Burdened	24%	24%
Total Cost Burdened	52%	48%

Source: Table B25070, 2022 ACS 5-Year

Household income is lower in the TIF District. Median Household Income (MHI) is \$75,066 in the Lloyd-Holladay TIF District, which is lower than the city's overall median of \$85,876. Compared to Portland, a greater share of households earns less than \$50,000 (38 versus 30 percent) and a smaller share of households earn over \$150,000 (15 versus 25 percent).

Business and Employment Conditions

Businesses in the Lloyd-Holladay TIF District face unique conditions due to a combination of safety, changing demand patterns, infrastructure, and economic factors. The area has over 500 establishments including retail, services, national chains, and small locally owned storefronts. The Lloyd-Holladay TIF District is home to 3.1 percent of all jobs in Portland and 1.5 percent of all businesses in the city are located within the boundary. The Lloyd Mall is a well-known retail destination in the Central City but has suffered from shifting patterns in recent years.

The Lloyd-Holladay TIF District is home to 518 businesses, with more than half of these establishments in the service industry. The TIF District is in close proximity to the regional anchor of the Oregon Convention Center (OCC), which drives adjacent retail and services to serve visitors to this major regional venue. Businesses in the TIF District make up about 3 percent of establishments in Portland. In comparison to the city, the Lloyd-Holladay TIF District has a higher share of businesses in the retail industry and finance, insurance and real estate (by 7 percentage points each); and public administration (by 3 percentage points), retail (by 7 percentage points). Other industries have a lower share of establishments located in the TIF District, including construction and resources, manufacturing, and wholesale trade, transportation, and utilities.

²⁸ U.S. Census Bureau, 2016-2020 ACS 5-year estimates, Tables B25106, B25010, B03002, B19013, B15002. Prepared June 19, 2022, by the Portland Bureau of Planning and Sustainability.

Table G. Share of Establishments by Industry, Lloyd-Holladay TIF District and Portland, 2022

	LLOYD-HOLLADAY TIF DISTRICT		PORTLAND		LLOYD-HOLLADAY DISTRICT EMPLOYMENT AS % OF CITY TOTAL
	ESTABLISHMENTS	SHARE	ESTABLISHMENTS	SHARE	
Construction and Resources	11	2%	1,897	5%	1%
Finance, Insurance and Real Estate	76	15%	2,910	8%	7%
Manufacturing	4	1%	1,286	4%	2%
Public Administration	15	3%	173	0%	16%
Retail	71	14%	2,615	7%	3%
Services	323	62%	23,810	67%	3%
Wholesale Trade, Transportation, and Utilities	18	3%	2,730	8%	2%
Total	518	100%	35,421	100%	3%

Source: Oregon Employment Department, Quarterly Census of Employment and Wages, 2022

Note: Some district-level data not shown due to QCEW confidentiality requirements

Between 2019 and 2022, the Lloyd-Holladay TIF District lost 56 businesses and 1,047 workers

accounting for 10 percent of establishments and 7 percent of employees that existed in the area in 2019. In comparison, Portland overall saw a positive 4 percent growth in new businesses citywide indicating a sharp loss in particular for the Central City (although the city also experienced a loss of nearly 6 percent of its employees in the same timeframe). Pandemic trends beginning in 2020 like changes to commuting patterns, safety, and perception of crime are likely contributors to these losses.

Table H. Total Establishments and Employees, Lloyd-Holladay TIF District and Portland, 2019-2022

	LLOYD-HOLLADAY TIF DISTRICT		PORTLAND	
	ESTABLISHMENTS	EMPLOYEES	ESTABLISHMENTS	EMPLOYEES
2019	574	14,745	34,127	463,298
2022	518	13,698	35,421	435,238
Change 2019-2022	-56 (10%)	-1,047 (7%)	+1,294 (4%)	-28,060 (6%)

Source: OED QCEW

Similar to the concentration of service industry and finance, insurance, and real estate establishments as well as public administration, the Lloyd-Holladay TIF District has a higher share of employees working in these industries. Jobs in the Lloyd-Holladay District make up about 3 percent of all employment in Portland. However, despite a higher share of retail establishments, the concentration of employment in retail is relatively low in the Lloyd-Holladay TIF District. The TIF District also has a much higher share of workers in public administration compared to Portland

overall (by 13 percent), and lower share of workers in construction and resources; services; manufacturing; and wholesale trade, transportation, and utilities.

Table I. Share of Employment by Industry, Lloyd-Holladay TIF District and Portland, 2022

	LLOYD-HOLLADAY TIF DISTRICT		PORTLAND		LLOYD- HOLLADAY DISTRICT EMPLOYMENT AS % OF CITY TOTAL
	EMPLOYEES	SHARE	EMPLOYEES	SHARE	
Construction and Resources	166	1%	23,254	5%	1%
Finance, Insurance and Real Estate	1,720	13%	24,781	6%	7%
Manufacturing	509	4%	23,728	5%	2%
Public Administration	2,171	16%	13,994	3%	16%
Retail	827	6%	32,856	8%	3%
Services	7,109	52%	264,670	61%	3%
Wholesale Trade, Transportation, and Utilities	1,196	9%	51,955	12%	2%
Total	13,698	100%	435,238	100%	3%

Source: Oregon Employment Department, Quarterly Census of Employment and Wages, 2022

Note: Some district-level data not shown due to QCEW confidentiality requirements

Average wages in the Lloyd-Holladay TIF District are significantly higher than the citywide average for all sectors combined but vary between industries. The service industry accounts for the largest share of employment in the TIF District and has higher average wages than workers in this industry across Portland. Annual wages are highest for workers in the wholesale trade, transportation, and utilities industry (\$109,918 per year), followed by public administration (\$79,660), although Portland has a higher wage in the same industry (\$85,721). There are disparities in wages for workers within other industries, especially in retail where the average wage is \$24,692, significantly lower than that of Portland (\$31,603).

Table J. Average Wages by Industry, Lloyd-Holladay TIF District and Portland, 2022

	LLOYD- HOLLADAY TIF DISTRICT	PORTLAND
Construction and Resources	\$55,780	\$39,285
Finance, Insurance and Real Estate	\$67,363	\$55,321
Manufacturing	\$48,811	\$42,135
Public Administration	\$79,660	\$85,721
Retail	\$24,692	\$31,603
Services	\$53,912	\$39,478
Wholesale Trade, Transportation, and Utilities	\$109,918	\$61,898
Total (All Industries)	\$89,284	\$39,285

Source: Oregon Employment Department, Quarterly Census of Employment and Wages, 2022

Unemployment is higher in the Lloyd-Holladay TIF District than in Portland. In 2022, the TIF District’s unemployment rate was 8.7 percent compared to 5.6 percent for Portland overall.²⁹

Development Conditions

This section describes relevant trends for development considerations, including the current condition of buildable lands within the Lloyd-Holladay TIF District and real estate market trends for residential and commercial properties. These data provide important context for how Prosper Portland might support or leverage development in the District.

Buildable Lands

According to the Bureau of Planning and Sustainability Buildable Lands Inventory, **the Lloyd-Holladay TIF District has 44 vacant parcels and 59 underutilized parcels for a total of 103 parcels that could be available for development or redevelopment.** Vacant parcels have either no structure, or a structure that covers less than 5 percent of the site area. Underutilized sites are non-vacant sites where the real market value of site improvements is less than the value of the land.

Most of the TIF District’s vacant and underutilized parcels are under 20,000 square feet – approximately 80 percent of vacant taxlots and 69 percent of underutilized taxlots are under 20,000 square feet are under this threshold, respectively. Larger available sites over 100,000 square feet make up about 5 percent of this inventory total (2 percent of vacant lots and 7 percent of underutilized lots respectively). These large sites present potential for more catalytic opportunities, while small parcels have more limited potential as infill development.

Table K. Vacant and Underutilized Parcels by Parcel Size, Lloyd-Holladay TIF District, 2024

PARCEL SIZE (SQ.FT.)	VACANT PARCELS (% OF TAXLOTS)	UNDERUTILIZED PARCELS (% OF TAXLOTS)
>100,000	2%	7%
50,000-99,999	5%	8%
20,000-49,999	14%	15%
10,000-19,999	5%	25%
5,000-9,999	20%	25%
<5,000	55%	19%

Source: Portland Bureau of Planning and Sustainability, 2024

The largest share of the total inventory of vacant and underutilized parcels in the Lloyd-Holladay TIF District are located within the CX zone (about 89 percent). A smaller share of parcels this overall inventory of parcels that are positioned for development or redevelopment is located in RM4 zone but make up a proportionately lower share of overall vacant or underutilized square footage due to smaller parcel sizes. Parcels in the EX and CM3 zones make up a nominal share (about 3 percent each) of all vacant and underutilized parcels.

²⁹ U.S. Census Bureau, 2018-2022 ACS 5-Year estimates, Table B23025.

Table L. Vacant and Underutilized Parcels by Zoning, Lloyd-Holladay TIF District, 2024

PARCEL SIZE (SQ.FT.)	VACANT PARCELS		UNDERUTILIZED PARCELS	
	% OF TAXLOTS	% OF SQ. FT.	% OF TAXLOTS	% OF SQ. FT.
CM3	1%	1%	2%	1%
CX	36%	17%	53%	78%
EX	1%	2%	0%	0%
RM4	5%	1%	2%	0%

Source: Portland Bureau of Planning and Sustainability, 2024

Building to Land Value Ratio

An analysis of property values can be used to evaluate the economic condition of real estate investments in a given area. The relationship of a property's improvement value (the value of buildings and other improvements to the property) to its land value is generally an accurate indicator of the condition of real estate investments. This relationship is referred to as the "Improvement to Land Value Ratio," or "I:L." The values used are real market values. In tax increment areas, the I:L is often used to measure the intensity of development or the extent to which an area has achieved its short- and long-term development objectives.³⁰

In the Lloyd-Holladay TIF District, 116 parcels representing 72 percent of the acreage have I:L ratios less than 1.0, including those parcels that have no improvements on them. No improvement value means there are no taxable structures on the tax lot, including surface parking lots. The remaining 28 percent of the acreage of the parcels in the TIF District have I:L ratios of 1.0 or more as determined by an analysis of the real market values, including 17 percent with a high I:L ratio over 3.0.

Table M. Improvements to Land (I:L) Ratio, Lloyd-Holladay TIF District, 2024

PARCEL SIZE (ACRES)	PARCELS	ACREAGE	PERCENT OF ACREAGE
Less than 0.25	46	44.9	45%
0.25-0.49	18	7.2	7%
0.5-0.99	52	20.1	20%
1-2.99	42	10.8	11%
3 or Higher	24	16.9	17%

Source: Portland Bureau of Planning and Sustainability, 2024

Building Age

The Lloyd-Holladay TIF District generally has a newer building stock compared to Portland, with 27 percent of buildings constructed after 2000 compared to 17 percent in the city overall. The largest share of buildings in the Lloyd-Holladay TIF District were built in the 1990s or 2000s and only a quarter before 1960 (while over half of Portland's building are older than this threshold).

³⁰ Prosper Portland, 'Report Accompanying the Cully Tax Increment Finance Plan,' November 2022.

Table N. Buildings by Year Built, Lloyd-Holladay TIF District and Portland, 2024

YEAR BUILT	LLOYD-HOLLADAY TIF DISTRICT	PORTLAND
Pre-1960	25%	58%
1960's	5%	7%
1970's	6%	6%
1980's	4%	4%
1990's	21%	6%
2000's	24%	12%
2010 or Later	3%	5%
Unknown	13%	2%

Source: Metro RLIS

Residential Real Estate Market Conditions

Growth in multi-dwelling units has been occurring at a much faster pace in the Lloyd-Holladay TIF District than Portland overall, increasing its inventory since 2000 at nearly twice the rate as Portland overall (324 percent increase compared to 170 percent in the city). However, new units are currently under construction in the District despite lower vacancy rates and slightly higher rents per square foot for market rate units.

Table O. Multi-dwelling Market Conditions, Lloyd-Holladay TIF District and Portland, Q1 2024

	LLOYD-HOLLADAY TIF DISTRICT	PORTLAND
Multi-Dwelling Units (% of year 2000 total)	324%	170%
Vacancy Rate	5.9%	7.2%
Under Construction (Units)	0	5,183
Asking Rent (per square foot)	\$2.17	\$2.04

Source: CoStar, 2024 Q1

Affordable Housing

According to the Portland Housing Bureau, the Lloyd-Holladay TIF District has 306 subsidized housing units, with the majority (71 percent) designated for low income (61-80 percent of AMI) and an additional 29 percent designated for very low income (0–30 AMI). There is a no inventory of moderate (61-80 percent of AMI) or high income (81-100 percent of AMI) subsidized housing units in the TIF District. Portland as a whole has a slightly more dispersed subsidized housing portfolio across very low-, low-, moderate-, and high-income limits: 19, 75, 5, and 0.5 percent, respectively.

Naturally Occurring Affordable Housing (NOAH) describes units whose rents are not regulated, but that rent on the open market at rates that are affordable to households earning 60 percent or less of Area Median Income.³¹ Often these buildings are older, with fewer building amenities, or in need of repair. NOAH properties are vulnerable to redevelopment and repositioning at higher rents, which can lead to displacement of existing residents. Often, these units are in older buildings which have depreciated in

³¹ This analysis only considers multi-dwelling rents appearing in CoStar data and does not consider single-dwelling rental units.

value or located in less desirable locations. In the Lloyd-Holladay TIF District, NOAH accounts for a lower share (11 percent) of multi-dwelling units compared to 36 percent across Portland overall.³²

Oregon Housing and Community Services maintains the Oregon Affordable Housing Inventory (OAHI) to track expiring affordable housing projects. **At least 18 percent of affordable housing units in the Lloyd-Holladay TIF District will expire within 10 years, although data is unknown for 82 percent of affordable units in the TIF District.**

Table P. Expiration Window by Share of Affordable Units, Lloyd-Holladay TIF District and Portland, 2022

	LLOYD-HOLLADAY TIF DISTRICT	PORTLAND
No Expiration Window or Unknown	82%	25%
< 10 Years	0%	63%
> 10 Years	18%	12%

Source: OHCS, OAHI

Housing Tenure and Type

Homeownership is less common in the Lloyd-Holladay TIF District compared to Portland. In the Lloyd-Holladay TIF District, 82 percent of residents are renters compared to 53 percent of Portland households overall. The vast majority (97 percent) of units in the TIF District are in apartment buildings, with 57 percent in high-rise buildings, 23 percent in midrise, and 18 percent in low-rise. The TIF District has very few single-dwelling units (only 1 percent) and middle housing units (1 percent), compared to 49 percent and 7 percent of units in Portland respectively.

Table Q. Share of Housing Units by Type, Lloyd-Holladay TIF District and Portland, 2024

	LLOYD-HOLLADAY TIF DISTRICT	PORTLAND
Lowrise Multi-dwelling	18%	26%
Midrise Multi-dwelling	23%	8%
Highrise Multi-dwelling	57%	4%
Other Housing Types	2%	62%

Source: Metro RLIS

Office Real Estate Market Conditions

The Lloyd-Holladay TIF District has approximately 3.2 million square feet of office space, accounting for about 5 percent of Portland's overall office stock. The office market in the Lloyd-Holladay TIF District is not facing the same severity of challenges as other areas of Portland's Central City. While changing patterns of employment and preferences for work-from-home and hybrid schedules have led to increased vacancies and lower rents in areas like Downtown, the Lloyd-Holladay TIF District has relatively lower vacancy rates as well as slightly lower rents.

³² CoStar, 2024. Analysis by ECONorthwest, May 2024. This analysis includes rental properties with more than 10 units. ECONorthwest modeled rents for properties that were missing rent data based on similar features (size, building age, amenities, etc.) of properties with recorded rent data.

Table R. Office Market Conditions, Lloyd-Holladay TIF District, Q1 2024

	LLOYD-HOLLADAY TIF DISTRICT	PORTLAND
Inventory (% of year 2003 total)	100%	112%
Vacancy Rate	8.8%	18.2%
Under Construction (SF)	-	-
Asking Rent (NNN)	\$25.24	\$26.88

Source: CoStar, 2024 Q1

Note: Real estate market data is not always available through the same year for different real estate types. This analysis uses the most recent year available.

The largest share of office space in the Lloyd-Holladay TIF District is Class A, which accounts for 68 percent of the area's office stock in terms of square footage. Class A office space has a higher asking rent than the average for the TIF District at \$26.63 per square foot. There is a smaller share of Class B (28 percent of square footage) and Class C (4 percent of square footage), which generally aligns with lower rents. However, vacancies are highest in Class A office space at 10.6 percent (about 2 percentage points above the TIF District's average) and lower in Class B and C spaces.

Table S. Office Market Conditions by Class, Lloyd-Holladay TIF District, Q1 2024

	CLASS A	CLASS B	CLASS C
Inventory (% of year 2003 total)	100%	100%	106%
Share of Total Office Inventory	68%	28%	4%
Vacancy Rate	10.6%	3.4%	1.5%
Asking Rent (NNN)	\$26.63	\$21.12	\$16.07

Source: CoStar, 2024 Q1

Retail Real Estate Market Conditions

The inventory of retail space in the Lloyd-Holladay TIF District has stayed about the same since 2006, reflecting the same slow pace of new retail as Portland's overall inventory. The TIF District's 2.1 million square feet of retail space faces high vacancy rates of over 30 percent (compared to 5 percent citywide), though rents remain higher than Portland overall at \$25.60 per square foot (compared to 5.2 percent). Retail vacancies began rising in 2015, as market preferences began to shift from traditional brick-and-mortar retail, which was exacerbated by the onset of the COVID-19 pandemic in 2020 and shift to online retail.

Table T. Retail CoStar Market Conditions, Lloyd-Holladay TIF District, Q1 2024

	LLOYD-HOLLADAY TIF DISTRICT	PORTLAND
Inventory (% of year 2006 total)	101%	101%
Vacancy Rate	30.5%	5.2%
Under Construction (SF)	-	8,261 SF
Asking Rent (NNN)	\$25.60	\$21.11

Source: CoStar, 2024 Q1

Note: Real estate market data is not always available through the same year for different real estate types. This analysis uses the most recent year available.

Industrial Real Estate Market Conditions

With only 11 industrial properties encompassing 260,797 square feet, the Lloyd-Holladay TIF District has a relatively small but in-demand stock of industrial real estate. The Lloyd-Holladay TIF District's industrial market has lower vacancies compared to Portland and more than twice the average asking rent per square foot. However, there have been no new increases in the industrial inventory since 2003, with the overall inventory remaining at 100 of its square footage since 2003.

Table U. Industrial Market Conditions, Lloyd-Holladay TIF District, Q1 2024

	LLOYD-HOLLADAY TIF DISTRICT	PORTLAND
Inventory (% of year 2003 total)	100%	116%
Vacancy Rate	2.8%	6.6%
Under Construction (SF)	-	216,669 SF
Asking Rent (NNN)	\$22.00	\$10.5

Source: CoStar, 2024 Q1

Note: Real estate market data is not always available through the same year for different real estate types. This analysis uses the most recent year available.