



PROSPER
PORTLAND
Building an Equitable Economy

DATE: August 28, 2024
TO: Board of Commissioners
FROM: Kimberly Branam, Executive Director
SUBJECT: Report Number 24-37
Approving the Termination and Dissolution of Eight Urban Renewal Plans and Tax Increment Finance Districts

BOARD ACTION REQUESTED AND BRIEF DESCRIPTION

Adopt Resolution Nos. 7553, 7554, 7555, 7556, 7557, 7558, 7559, 7560

These actions by the Prosper Portland Board of Commissioners (Board) will terminate and dissolve the following eight urban renewal plans and associated tax increment finance (TIF) districts:

1. South Park Blocks
2. Oregon Convention Center
3. River District
4. Downtown Waterfront
5. Parkrose Neighborhood Prosperity Initiative
6. 82nd & Division Neighborhood Prosperity Initiative
7. Rosewood Neighborhood Prosperity Initiative
8. Division-Midway Neighborhood Prosperity Initiative

If approved, these technical actions, as well as those in Report 24-38 immediately following on the August 28, 2024, agenda will: i) ensure that Prosper Portland complies with Oregon Revised Statutes (ORS) Chapter 457 limits on the total amount of assessed value and land area that may be located in all City TIF districts; and, ii) allow the Prosper Portland Board to consider approving actions in Report 24-39.

STRATEGIC ALIGNMENT AND OUTCOMES

These actions, while technical in nature, are part of a package of Prosper Portland Board actions that will generate financial resources to fund community economic development and affordable housing for decades to come.

BACKGROUND AND CONTEXT

On June 28, 2023, Portland City Council through Resolution 37623 directed Prosper Portland to “pursue analysis and creation of new Tax Increment Finance districts to advance equitable development and inclusive growth in East Portland and the Central City.” The resolution further stipulated that:

- The East Portland TIF exploration process shall consider up to 7,500 acres of available land area and up to approximately \$6 billion in available assessed value for up to three new districts,

including a potential district along 82nd Avenue to support the City's parallel investments in transportation improvements; and

- The Central City TIF exploration process shall consider up to 1,500 acres of available land area and up to approximately \$3.7 billion in available assessed value for new TIF district(s).

Since that time, at the direction of Commissioner Carmen Rubio, staff have convened steering committees to oversee the East Portland and Central City exploration processes that have led to six proposed new TIF districts that will be considered by the Prosper Portland Board in Report 24-39 later in its August 28, 2024, agenda.

ORS 457.420(2)(a) requires that municipalities with a population greater than 50,000 must limit the total amount of land area and assessed value within TIF districts to no more than 15 percent of the total land area and assessed value of that municipality. In order for the Prosper Portland Board and, ultimately Portland City Council, to consider the creation of the six new TIF districts, eight existing TIF districts must be terminated to ensure the land area and assessed value located within all new and existing TIF Districts remains below the 15 percent limit.

Although Prosper Portland Board action is not legally required by State law to terminate expired TIF plans, staff are requesting Prosper Portland Board action officially declaring that the eight TIF Plans are terminated, for the purpose of documenting the dissolution of the TIF districts and ensuring that the land area and assessed value are excluded from the calculations required under ORS 4587.420(2)(a).

EQUITY IMPACT

Terminating these eight districts is critical in allowing Prosper Portland and the Portland Housing Bureau to continue to support community economic development and affordable housing for decades to come across the city of Portland.

COMMUNITY PARTICIPATION AND FEEDBACK

There has been no specific public participation related to these actions. However, Prosper Portland and Portland Housing Bureau staff conducted significant and thorough public participation related to actions described in Report 24-39.

BUDGET AND FINANCIAL INFORMATION

There are no direct budget or financial impacts from these actions.

RISK ASSESSMENT

There are few to no risks to approving these actions, as they are within the Prosper Portland Board's authority and consistent with the following items on the August 28, 2024, agenda.

ATTACHMENTS

None.