

Central City TIF District Exploration  
Steering Committee Meeting #5  
Prosper Portland, 220 NW Second Avenue, 1st Floor Commission Room  
Thursday, August 1st, 1:00 – 3:00 pm

### Meeting Summary

(see.also.meeting.presentation)

#### Welcome & Introductions

Camille Trummer opened the meeting and reviewed the meeting goals and agenda. The purpose of the fifth steering committee meeting is to review final district boundaries, financial modeling and impacts to taxing jurisdictions, draft district plans and reports, and to hold a vote to proceed or not proceed with the legislative process, or to request more time for exploration.

#### Committee Agreements

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

#### Public Comment

None

#### Process Review

Camille reviewed the city council direction that initiated the TIF exploration process, the criteria they set to guide the exploration process, and the process timeline.

#### District Boundaries

Lisa Abuaf discussed the evolution of the proposed TIF district boundaries throughout the exploration process based on Steering Committee and broader community feedback and reviewed the Assessed Value and Acreage for the final district boundaries. These districts are just shy of the assessed value cap set by City Council.

##### Westside District

- Donut holes in the Westside district are class A office buildings with high assessed value that push the district over the assessed value cap
- Include & prioritize waterfront
- Include South Park Blocks and Keller Auditorium
- Cover Broadway Corridor Master Plan area
- Combine Old Town and Downtown in one district – mutual benefit for resource generation and facilitating connectivity

##### Lloyd-Holladay

- Cover Lloyd Mall Master Plan area
- Include affordable housing opportunity site at Holy Rosary Church
- Facilitate connectivity over I-84 and include opportunity sites south of I-84

- Include Broadway-Weidler business area
- Respect Albina neighborhood boundary west of MLK

#### Central Eastside Corridor

- Cover OMSI Master Plan area
- Include opportunity areas around MLK, Grand and Stark Corridors
- Include waterfront area on the Eastside

Lisa outlined the priorities for Central City TIF investments including various opportunities within Jobs & Small Business, Catalytic Development & Placemaking, and Housing categories.

Lisa reviewed the financial model for the three proposed districts with projections for year 5, year 10, and year 30 of the district. Assumptions for the financial modeling have been developed in close collaboration with the county to ensure that they take into consideration the post-pandemic trends in real market value.

Lisa discussed that these TIF plans allocate 35% of funds to Economic & Urban Development, 45% to Affordable Housing, and 20% to Infrastructure and shared the estimated outcomes of these investments.

Erin Graham asked about the existing Central Eastside district.

Lisa shared that existing Central Eastside district will be amended to accommodate the new district; acreage will be released with that amendment but there are limited remaining funds that will be spent in the next couple of years in the amended existing district.

Jason Franklin asked about the extension of the South Park Blocks in the Westside district and potential discrepancies with the plans/report and presentation.

Sarah Harpole replied that the correct map includes the South Park Blocks past Market St and will double check the plans/reports to ensure they show the correct map.

Steve Szigethy asked if the rights of way are included around the South Park Blocks.

Lisa responded that if there are needed technical adjustments for the right of way that will not impact the assessed value and can be accommodated. If there are necessary adjustments from PBOT let the project team know.

Kimberly Branam reviewed the governance structure for the proposed TIF districts including an action planning committee that governs the investment priorities in five-year increments. Based on committee conversations and the various institutional organizations that are driving the key visions for the various district, the desire is to leverage the existing capacity of those organizations. Governance needs can change over the life of the district so there is some flexibility in the plan to adjust as needed. This list provides a first brainstorm for partners to engage in action planning for each district. There has been feedback regarding Enhanced Services Districts and ensuring they are engaged in oversight.

Angel Medina asked how and when resources can be accessed by the community.

Kimberly replied that through action planning, the community helps to identify key priorities for five-year periods. For example, filling vacancies on ground floor retail could be a goal so investments in tenant improvements would be priorities. The amount of funding available in the first five years will be modest but after year five there will be more funding available.

Sydney Mead asked about meeting with the Central City Coalition, is the ad hoc governance model working with that group.

Kimberly responded that they would be a key stakeholder and Prosper Portland would ask for a representative from that group to participate in the action planning process and determining investment priorities.

Sydney added that it is important for the business community to be engaged in this process.

Kimberly agreed and mentioned that the goal is to ensure that the private sector is partnering with the public sector to identify engagement and priorities

#### Financial Modeling & Impacts to Taxing Jurisdictions

Kimberly presented the property tax assessment considerations for the proposed TIF districts. There is a risk of declining assessed value which poses potential impacts to revenue generation. This is most significant for the Westside district. Historically there is a cushion between the assessed value and real market value, but currently there is a post-pandemic trend of significant reduction in real market value. There is some consideration that there could be a decrease in assessed value. This delays the revenue generated for the TIF district in addition to other taxing jurisdictions. To anticipate and mitigate this risk, the modeling has assumed a more modest increase in assessed value for all TIF district models. Each of the district scenarios includes a balanced mix of uses within the districts to stabilize the growth models.

Jeff Renfro added that there was a recent meeting with the assessor's office that it is extremely likely that there will be a 30% decline in office space which would have been unimaginable in a pre-pandemic setting.

Kimberly reviewed the potential range of impact to the various taxing jurisdictions through the life of the districts as well as the average annual impact. There is a range due to the range of how much debt is issued and what the borrowing costs are.

Jill Sherman asked why the presentation has numbers to year 2038 or 2042.

Kimberly responded that once the revenue generation for the TIF district reaches a certain threshold the money starts flowing back to the taxing jurisdictions to provide a buffer on how much can be diverted. This also ensures that high performing districts benefit the tax revenue growth for the taxing jurisdictions.

Kimberly presented the impact to the City of Portland general fund and when taxes start being returned from expiring TIF districts. Through 2059 there is a positive net impact with the funds going back to the city from expiring districts with the new districts beginning to divert funds.

Kimberly reviewed the impact on the school districts. The state school fund allocated funds per student which mitigates the impact on funding for school districts, there is still some impact, but it is much less than the other taxing jurisdictions.

Tony Barnes added that these funds are for Portland Public Schools specifically.

Mary-Rain O’Meara asked about the Pearl District being included in the Westside district and representation for action planning committees should include residents.

Sydney asked about the 25% administrative overhead for TIF districts.

Kimberly responded that this number was modeled off historic numbers and this accounts for Prosper Portland and the Portland Housing Bureau staffing.

Tony mentioned that the earlier years of the district have higher percentages with start up costs and that percentage goes down over time as resources increase. Averages go between 20-25%, which include administrative costs and direct project management costs for all projects and programs.

Monique Claiborne asked if it is a concern around other cities capping their costs at 10% for administration.

Helmi asked if there are financing costs included in the 20-25% projection as well. Unsure that 10% is an industry standard. In Los Angeles, TIF district administration is along 20-25%.

**Steering Committee Vote**

Camille transitioned the committee to cast their vote to proceed or not proceed with the legislative process. Steering Committee members that were not present in the meeting were able to submit their vote via email prior to the meeting.

Name	Vote (Proceed/Do Not Proceed)		
	Westside District	Lloyd-Holladay District	Central Eastside Corridor District
Andrew Fitzpatrick	Proceed	Proceed	Proceed
Angel Medina	Proceed	Proceed	Proceed
Brad Cloepfil			
Brian Ferriso	Proceed	Proceed	Proceed
Ian Roll	Proceed	Proceed	Proceed
Damien Hall			
Dana White			
Dr. Carlos Richard			
Eric Paine	Proceed	Proceed	Proceed
Erin Graham	Proceed	Proceed	Proceed

Gus Baum	Proceed	Proceed	Proceed
James Parker			
Jason Chupp	Proceed	Proceed	Proceed
Jason Franklin	Proceed	Proceed	Proceed
Jeff Renfro			
Jessica Curtis	Proceed	Proceed	Proceed
Jessie Burke			
Jill Sherman	Proceed	Proceed	Proceed
Jonathan Malsin (for Carolyn Holcomb)	Proceed	Proceed	Proceed
JT Flowers	Proceed	Proceed	Proceed
Justin Hobson			
Lauren Peng			
Marc Brune	Proceed	Proceed	Proceed
Mary-Rain O'Meara	Proceed	Proceed	Proceed
Matt Goodman			
Monique Claiborne	Proceed	Proceed	Proceed
Natalie King			
Nicole Davison Leon			
Peter Andrews (voted via email)	Proceed	Proceed	Proceed
Sam Rodriguez			
Sarah Stevenson	Proceed	Proceed	Proceed
Stef Kondor			
Sydney Mead	Proceed	Proceed	Proceed
Tom Kilbane	Proceed	Proceed	Proceed

### Next Steps & Close

Sarah Harpole reviewed the next steps including key milestones for the legislative approval process and the beginning of the action planning process for any council approved districts:

- 8/28/24 - Prosper Portland Board of Commissioners meeting and public hearing
- 9/24/24 - Planning and Sustainability Commission hearing
- 10/8/24 - Planning and Sustainability Commission vote
- 10/23/24 - First reading, public hearing, and update to Portland City Council
- 10/30/24 - Second reading and vote by Portland City Council
- Early 2025 - Action planning process begins to determine first 5-year of investment priorities
- 7/1/25 - Any council approved districts begin accruing tax increment

Sarah outlined that action planning will establish an ad hoc committee to establish an action plan for five years of investment that goes to the Prosper Portland Board and City Council to approve.

Camille thanked the committee for their time and effort and closed the meeting.

Steering Committee Attendance

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