



**Annual Urban Renewal Report
Covering Fiscal Years 2023-24 and 2024-25**

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INTRODUCTION

The following Prosper Portland Annual Urban Renewal Report (the “Report”) includes a summary statement which reflects actual financial information for the preceding fiscal year and the current budget for each urban renewal area (“URA”), or tax increment financing (“TIF”) district within the City of Portland. The Report includes an analysis of the financial impact on tax collections for the overlapping governmental units within the urban renewal districts. The information provided in the Report complies with Oregon Revised Statutes (“ORS”) 457.460 reporting requirements. [ProsperPortland.us](https://prosperportland.us) includes more information on TIF Districts and the economic development work Prosper Portland does throughout the City of Portland. Please see the following specific resources for additional information on Prosper Portland budgets, finances and economic impacts in the City of Portland:

- [Annual Budget and Annual Comprehensive Financial Report](#)
- [2024 State of the Portland Economy Report](#): a comprehensive review of Prosper Portland programs and accomplishments and the overall state of the Portland economy.
- [Understanding Portland Tax Increment Districts](#): a comprehensive report published by ECONorthwest for City Council that assesses the impact of TIF Districts between 2000 and 2022.

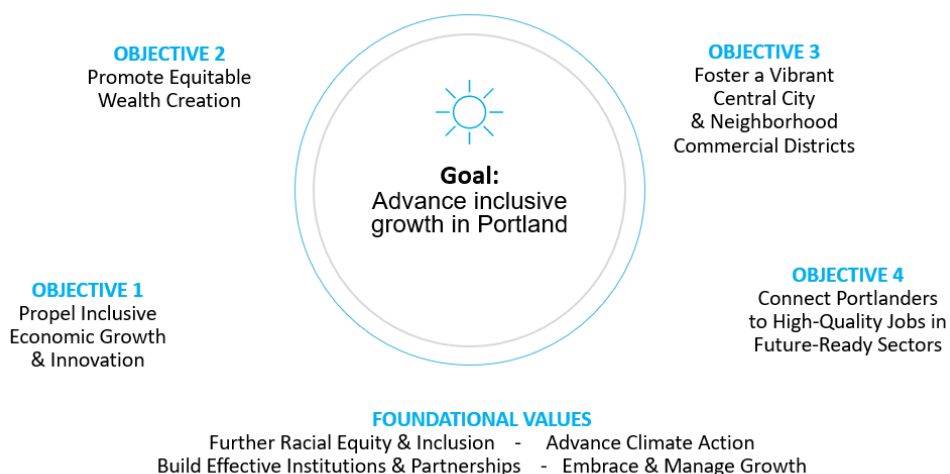
PROSPER PORTLAND AND CITY OF PORTLAND TAX INCREMENT DISTRICTS

Prosper Portland is the economic development and urban renewal agency of the City of Portland, Oregon. Created by Portland voters in 1958, Prosper Portland’s mission is to create economic growth and opportunity for Portlanders.

Prosper Portland is governed by a five-member Board of Commissioners (“Board”) appointed by the Mayor and approved by the City Council. The Board is authorized by Portland City Charter to administer the business activities of the agency. Prosper Portland has been a driving force in Portland’s vibrancy and livability. As Portland’s urban renewal and economic development agency, Prosper Portland uses tax increment financing (“TIF”) to invest in business growth, catalytic projects, and an ecosystem that nurtures small businesses, entrepreneurs, and innovators. As such, the term tax increment financing or TIF district, as used throughout this document, is equivalent to Urban Renewal Area as defined by ORS 457.010. *Tax Increment District* is used in lieu of the term Urban Renewal Area to emphasize the use of tax increment as a financial tool that funds programs key to Prosper Portland’s strategic goals including, but not limited to, the development of affordable commercial space, lending programs to support long-term property owners, and Prosperity Investment Program grants.

Prosper Portland’s work, including all TIF District projects are guided by [Advance Portland: A Call to Action for Inclusive Economic Growth](#) which was endorsed by the Prosper Portland Board and adopted by City Council in April 2023. Advance Portland is a collaborative strategy that was built through deep community engagement and a comprehensive assessment that revealed short-and long-term challenges including insufficient business and housing growth significantly impacting Black, Indigenous, and all People of Color (BIPOC) communities, the Central City, and East Portland. The strategy presents a focused plan to collectively deliver inclusive and sustainable economic growth through four key objectives:

- Propel Inclusive Economic Growth & Innovation through traded sector business retention, expansion, and recruitment, Enterprise Zones, international trade development, and film recruitment and navigation through the Office of Events and Film.
- Support Entrepreneurs to Start, Scale and Innovate through the Small Business Hub, Inclusive Business Resource Network, Mercatus Business Registry, small business repair and stabilization grants, and My People’s Market.
- Foster a Vibrant Central City & Neighborhood Commercial Districts through the Neighborhood Prosperity Network, partnership with Venture Portland, funding to explore new TIF districts in East Portland and downtown, investments in Broadway Corridor site preparation to support affordable housing, events navigation and activations through the new Office of Events and Film and preserving affordable ground commercial space through the Affordable Commercial Tenanting Program.
- Connect Portlanders to High Quality Jobs through workforce development and initiatives like Portland Means Progress.



Each TIF District has a plan which provides information on the area including the legal boundaries, goals and objectives, project activities, and expiration dates. A report for each TIF District plan provides more details on the condition of the area, maximum indebtedness, and fiscal impacts. Prosper Portland also works with stakeholders of each district to create an Action Plan to implement the goals of each district and guide budget development. In 2024, ECONorthwest released [Understanding Portland Tax Increment Finance District Investment Impacts 2000-2022](#). The report provided a comprehensive review of TIF Districts identifying how development, jobs, housing and affordable housing progressed within the districts compared to the rest of the city. The findings of the report noted that, when using these metrics, higher levels of development, jobs, housing and affordable housing were found within the TIF Districts. The report also identified that in the Interstate Corridor District, Black residents and other people of color experienced significant levels of displacement. The findings from this report, coupled

with Prosper Portland’s experiences working with Cully on the development of the Cully TIF District, are informing all subsequent TIF District exploration work.

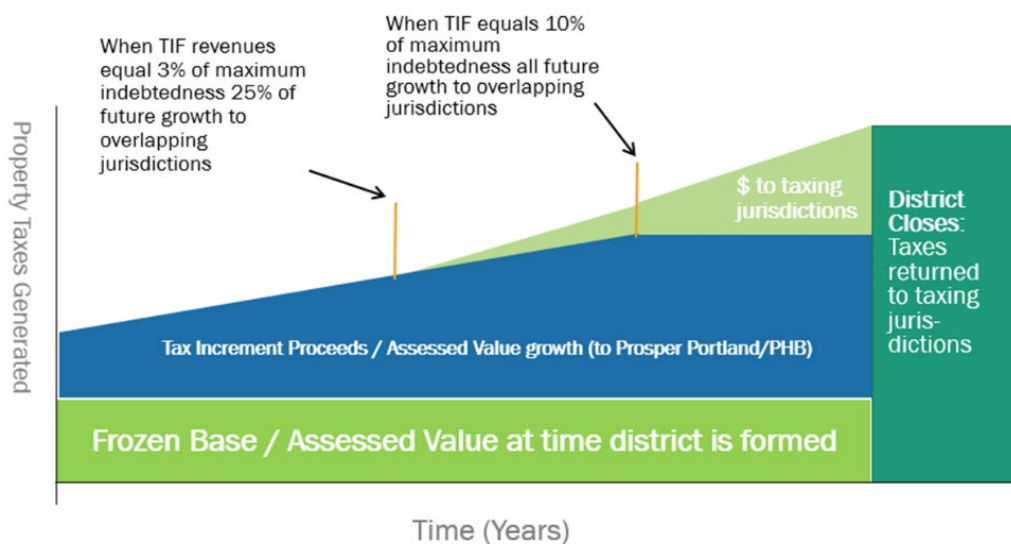
Prosper Portland also provides a portion of the resources generated by TIF to the City of Portland (City) Housing Bureau in accordance with the City’s TIF Housing Set-Aside Policy. The policy was originally adopted in 2006 with the set aside goal of 30 percent of TIF debt proceeds used for affordable housing projects. The policy was amended by City Council in October 2015 to increase the amount to 45 percent of new TIF debt proceeds across active TIF districts. Since the policy update in 2015, \$305.7 million has been spent on affordable housing. Based on the policy updates, it is forecast \$384 million will be spent or allocated on affordable housing between fiscal year (“FY”) 2015-16 and FY 2028-2029 and a total of \$620 million between the original policy in FY 2006-07 through the end of FY 2028-2029.

HOW TAX INCREMENT FINANCING GENERATES REVENUE

ORS 457 requires that TIF be used to pay debt service on bonds and notes issued to fund projects in TIF districts. The City collects taxes (Tax Increment Revenue) from TIF districts to make debt service payments on long-term TIF bonds, lines of credit, other interim financing, and short-term TIF bonds (known as “du jour” bonds). Prosper Portland receives the net proceeds of these debt obligations, after issuance costs and required reserves, to use on eligible projects and programs within designated TIF districts.

The City issues all TIF long-term bonds, tax increment-secured lines of credit, and short-term financing per City Charter. The City maintains separate debt service funds for each TIF district. All tax increment revenue is placed by the City’s Debt Manager into restricted debt funds at the City. Resources in these funds first pay off annual debt service requirements for any outstanding long-term bonds. Remaining increment not required for long-term bonds is issued as short-term debt and transferred to Prosper Portland to fund projects and requirements within the TIF district.

TIF is generated by the growth of the districts assessed value. Growth in increment comes from the increase in taxable assessed value from existing properties that grow at a maximum of three percent per year (as long as they don’t exceed the properties market value). Additional growth comes from the addition of new taxable assessed value from new development within the district. The property taxes from this increase in value go to the urban renewal agency as revenue and are used to first pay off any outstanding debts. Any residual revenue amounts after the debt is repaid are then reinvested into the district for additional public improvements. Revenue generated in this manner is referred to as “tax increment financing” or “divide-the-taxes.” If there is no increase in assessed value, the agency does not collect any revenue. Local taxing districts, such as the county, city, school district, fire district and others, continue to receive the property taxes from the assessed value the district had before the plan area was formed. This value is called the “frozen base.”



Historically, a taxing district’s operating property tax revenue from within a TIF District could not grow due to the “frozen base” and the permanent rate used to determine a taxing district’s operating revenue. However, changes to state law in 2010 introduced revenue sharing, providing the potential for operating tax revenue to grow if tax increment reached certain limits. For fixed dollar local option levies and bonded debt levies there is no impact on the taxing district since the tax rate will be increased to raise the same amount of money over the total value available to taxing district excluding increment. Once the plan area’s debt is paid off and the plan area is dissolved, taxing districts start receiving property taxes from the excess value.

Prosper Portland Urban Renewal Areas Statistics for Districts Included In this Report as of June 30, 2024 (in millions):

TIF District	Maximum Indebtedness	Indebtedness Issued as of 6/30/24	Indebtedness Remaining as of 6/30/24	Projected Indebtedness to Be Issued	Projected Indebtedness Not Issued	Acres
Downtown Waterfront (Terminated in 2024)	\$165.0	\$165.0	\$0.0	\$0.0	\$0.0	233
Convention Center (Terminated in 2024)	\$167.5	\$167.5	\$0.0	\$0.0	\$0.0	410
Lents Town Center (Amended)	\$245.0	\$245.0	\$0.0	\$0.0	\$0.0	2036
Gateway	\$164.2	\$121.7	\$42.5	\$42.5	\$0.0	659
Central Eastside (Amended)	\$126.0	\$126.0	\$0.0	\$0.0	\$0.0	292
North Macadam	\$288.6	\$260.5	\$28.1	\$28.1	\$0.0	447
Interstate Corridor	\$402.0	\$402.0	\$0.0	\$0.0	\$0.0	3995
Cully	\$350.0	\$0.1	\$349.9	\$349.9	\$0.0	1623
Neighborhood Prosperity Initiative (Terminated in 2024) ¹	\$7.5	\$7.5	\$0.0	\$0.0	\$0.0	245

A TIF district’s maximum indebtedness represents the principal amount of indebtedness that may be issued for that area and does not include debt service or refinancing. Maximum indebtedness limits are based on good faith estimates of project costs, including inflation, that are planned in each urban

renewal area, and often based on the projected financial capacity of the district within a certain future period.

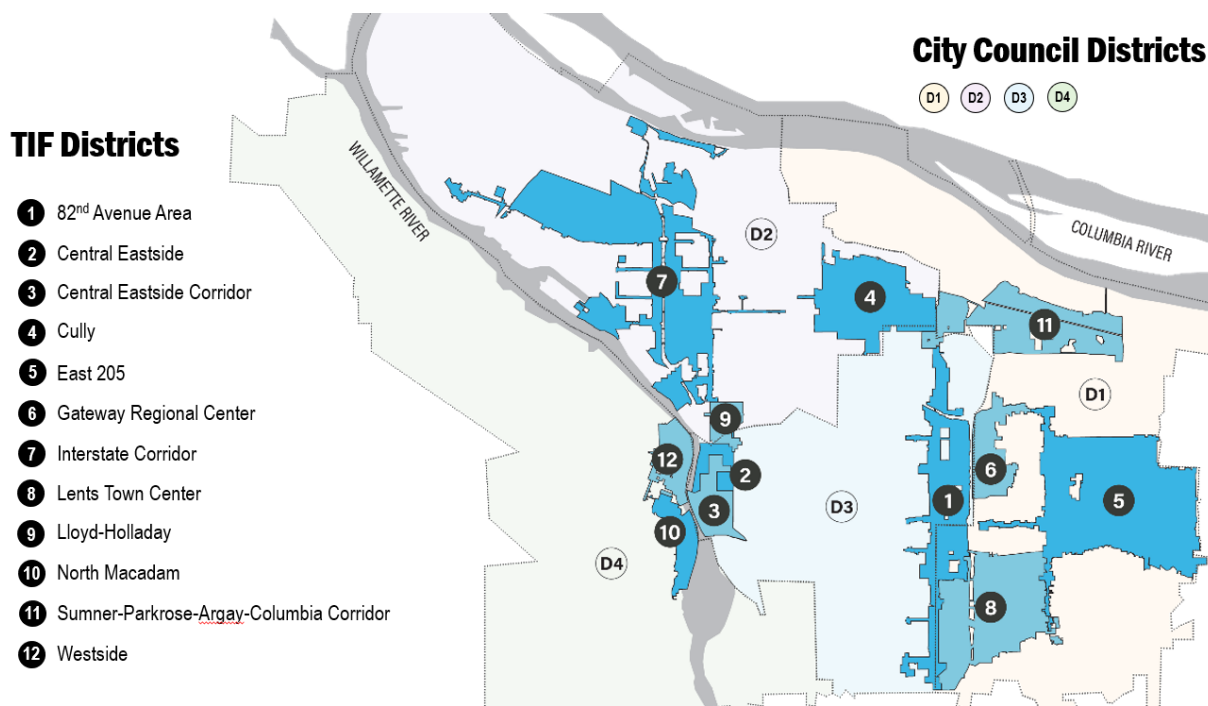
The following section presents an analysis of the impact, if any, of carrying out the TIF district plan on the tax collections for the preceding year for all taxing districts included (ORS 457.430).

EXCESS VALUE UNUSED

The total amount of incremental value not used for implementing active TIF district plans, and related indebtedness is defined as excess value unused. This amount is determined on the value unused in Option 3 districts (which have since been terminated), the amount returned via revenue sharing because of HB 3056, or otherwise not required for the repayment of indebtedness. For FY 2023-24, the total taxes imposed for Prosper Portland were \$64.4 million from the division of tax calculations. This is a decrease of 56.1% compared to the \$146.6 million imposed in FY 2022-23 as several districts have paid off all indebtedness and have since been terminated. For FY 2023-24, Prosper Portland did not use \$3.65 billion in excess value resulting in approximately \$63.6 million in additional property tax revenue for schools, Multnomah County, regional districts and the City of Portland. Since FY 1998-99, about \$68.56 billion in excess value has been returned to taxing districts.

PROSPER PORTLAND'S TAX INCREMENT DISTRICTS

The report includes 12 TIF districts that included debt issuance, repayments or use of tax increment debt proceeds in FY 2023-24 or F 2024-25. Final tax increment proceeds and repayment occurred in in FY 2023-24 for all reported districts with exception of North Macadam, Gateway and Cully. In November 2024 City Council adopted six new tax increment districts that will begin collecting tax increment in FY 2025-26 and therefore not included in this report. The map below illustrates both the districts included in these reports, as well as the six newly adopted districts with exception of the four Neighborhood Prosperity Initiative districts that spent final proceeds in FY 2023-24.



Districts receiving tax increment proceeds, repayment of debt or use of tax increment proceeds in the two years covered by this report include:

- Central Eastside (expenditure of final debt proceeds)
- Downtown Waterfront (expenditure of bond reserves only)
- Gateway Regional
- Interstate Corridor
- Lents Town Center
- North Macadam
- Cully District
- Willamette Industrial (expenditure of proceeds only)
- Four Neighborhood Prosperity Districts (expenditure of final debt proceeds)
 - Jade District (82nd Ave)
 - Division-Midway
 - Parkrose
 - Rosewood

The section that follows presents the following information:

- A brief description of each TIF district
- TIF district Indebtedness statistics

- The amount of money received during the preceding fiscal year from indebtedness incurred
- The purposes and amounts for which any monies received and from indebtedness incurred were expended during the preceding fiscal year
- An estimate of the money to be received during the current fiscal year and from indebtedness incurred
- A budget setting forth the purposes and estimated amounts for which the monies which have been received and from indebtedness incurred to be expended during the current fiscal year

Central Eastside TIF District

The Central Eastside TIF district was established in 1986 and its last date to issue debt is June 2023. Total area is 292 acres. The district reached maximum indebtedness of \$126 million in FY 2020-21 and was amended to reduce acreage in 2024. The Revised Budget and forecast for FY 2024-25 to FY 2028-29 include approximately \$20.1 million in project expenditures. Since 2015, \$3.8 million has been allocated to affordable housing and another \$5 million is planned through FY 2028-29

Final investments for the district will focus on properties along SE Water that Prosper Portland acquired from the Oregon Department of Transportation. Investments in FY 2023 and 2024 prior to the plan amendment provided support to transportation improvements associated with the Oregon Museum of Science and Industry master plan. Projects over the life of the district included growing the CES Industrial District to increase job density, supporting industrial businesses within the district, and providing affordable housing opportunities with the Central City 2035's rezoning of key sites. Completed projects include major infrastructure improvements such as the light rail alignment, streetcar loop, and the Burnside / Couch couplet as well as redevelopment of the Burnside Bridgehead support future economic development efforts. The district is anticipated to be closed following the completion of final projects in the next several years.

CENTRAL EASTSIDE TIF DISTRICT - 355

DEBT FUND	FY 2023-24 Audited Actuals	FY 2024-25 Revised Budget
Resources		
Beginning Balance	3,297,287	1,200,000
Revenue		
Interest on Investments	26,626	0
Refunding/Reserve Bond Proceeds	0	35,000
Prior Year Property Taxes	56,838	0
Property Taxes	230,442	0
Total Revenue	<u>313,906</u>	<u>35,000</u>
Total Resources	3,611,193	1,235,000
Expenditures		
Debt Service	286,650	0
Transfer to Prosper Portland	0	1,235,000
Fund Transfer	2,405,863	0
Total Expenditures	<u>2,692,513</u>	<u>1,235,000</u>
Ending Balance	918,680	0
CAPITAL PROJECT FUND	FY 2023-24 Audited Actuals	FY 2024-25 Revised Budget
Resources		
Beginning Fund Balance	36,459,596	24,340,596
Cash Transfers In	0	71,208
Revenue		
Fees and Charges	960	0
Interest on Investments	857,636	276,690
Loan Collections	175,961	0
Property Income	88,988	66,747
Tax Increment Debt Proceeds	0	2,405,862
Total Revenue	<u>1,123,545</u>	<u>2,749,299</u>
Total Resources	37,583,141	27,161,103
Expenditures		
Economic Development	35,801	966,699
Housing	113,906	4,990,948
Infrastructure	0	10,900,100
Property Redevelopment	1,638,984	1,829,440
Administration	8,006	9,500
Total Expenditures	<u>1,796,697</u>	<u>18,696,687</u>
Transfers	1,745,848	663,978
Cash Transfers	9,700,000	0
Contingency	0	7,800,438
Ending Fund Balance Reserve	24,340,596	0

Downtown Waterfront TIF District

The Downtown Waterfront TIF district was established in 1974 and its last date to issue debt was April 2008. Total acreage was 279 as of June 2008 but was reduced to 233 acres through a plan amendment which became effective in July 2008. Its maximum indebtedness of \$165.0 million has been reached and there is no capacity to issue additional debt. The Revised Budget and forecast for FY 2024-25 to FY 2028-29 include approximately \$5.8 million in project expenditures supporting the Old Town Action Plan. Since 2015, \$2 million has been spent on affordable housing. No additional expenditures are allocated to the Housing Set Aside since this closeout district has reached the policy's target. The district was terminated in 2024 and final bond proceeds were disbursed prior to termination to support investments in the Old Town/Chinatown Action Plan.

DOWNTOWN WATERFRONT TIF DISTRICT - 320

DEBT FUND	FY 2023-24 Audited Actuals	FY 2024-25 Revised Budget
Resources		
Beginning Balance	2,769,957	0
Revenue		
Total Revenue	0	0
Total Resources	2,769,957	0
Expenditures		
Fund Transfer	2,769,957	0
Total Expenditures	2,769,957	0
Ending Balance	0	0
CAPITAL PROJECT FUND	FY 2023-24 Audited Actuals	FY 2024-25 Revised Budget
Resources		
Beginning Fund Balance	32,033,581	26,105,511
Cash Transfers In	0	0
Revenue		
Interest on Investments	803,866	126,528
Loan Collections	20,700	0
Property Income	72,405	846
Reimbursement	36,000	20,000
Tax Increment Debt Proceeds	0	5,016,500
Total Revenue	932,971	5,163,874
Total Resources	32,966,552	31,269,385
Expenditures		
Economic Development	29,284	0
Infrastructure	0	250,000
Property Redevelopment	614,025	5,396,012
Administration	842	0
Total Expenditures	644,151	5,646,012
Transfers	1,882,755	0
Cash Transfers	4,334,134	25,478,656
Contingency	0	144,717
Ending Fund Balance Reserve	30,439,646	0

Gateway Regional Center TIF District

The Gateway TIF district was formed in 2001 with a goal to spur the revitalization of the Gateway Regional Center as envisioned in the Metro 2040 Plan. The TIF district comprises 659 acres, with a maximum indebtedness of \$164.2 million of which \$121.7 million has been issued through June 30, 2023. The Revised Budget and forecast for FY 2024-25 to FY 2028-29 include approximately \$66.5 million in project expenditures. Since 2015, \$12.1 million has been allocated to affordable housing. An additional \$11.2 million in affordable housing expenditures are forecast through FY 2028-2029.

The primary goals of the district are job creation, business development, and transportation improvements. Recent projects include completion of the Nick Fish mixed-use commercial and affordable housing project and the creation of Gateway Discovery Park. Current and future efforts focus on implementation of updated Gateway Action Plan which will focus on supporting construction of the street grid in Central Gateway to support adjacent development and coordinating with property owners to develop underutilized properties adjacent to the Gateway Transit Center. The budget also focuses resources on tenant improvements to build out The Nick Fish ground floor retail and ongoing Prosperity Investment Program grants and commercial lending to support small businesses.

GATEWAY REGIONAL CENTER TIF DISTRICT - 380

DEBT FUND	FY 2023-24 Audited Actuals	FY 2024-25 Revised Budget
Resources		
Beginning Balance	4,244,042	3,905,000
Revenue		
Interest on Investments	389,074	25,000
Property Taxes	7,452,459	7,940,000
Total Revenue	<u>7,841,533</u>	<u>7,965,000</u>
Total Resources	12,085,575	11,870,000
Expenditures		
Debt Service	3,743,348	8,115,000
Fund Transfer	4,100,000	0
Reserve Requirements (for budget only)	0	3,755,000
Total Expenditures	<u>7,843,348</u>	<u>11,870,000</u>
Ending Balance	4,242,227	0
CAPITAL PROJECT FUND	FY 2023-24 Audited Actuals	FY 2024-25 Revised Budget
Resources		
Beginning Fund Balance	20,476,685	22,480,399
Revenue		
Fees and Charges	4,310	0
Interest on Investments	612,575	674,412
Loan Collections	118,240	0
Property Income	85,753	105,074
Reimbursement	9,927	17,172
Tax Increment Debt Proceeds	4,097,935	25,633,546
Total Revenue	<u>4,928,740</u>	<u>26,430,204</u>
Total Resources	25,405,425	48,910,603
Expenditures		
Economic Development	30,659	549,980
Housing	86,768	2,589,198
Infrastructure	0	1,750,390
Property Redevelopment	1,048,164	28,850,445
Administration	25,499	36,440
Total Expenditures	<u>1,191,090</u>	<u>33,776,453</u>
Transfers	733,937	705,258
Cash Transfers	1,000,000	0
Contingency	0	14,428,892
Ending Fund Balance Reserve	22,480,398	0

Interstate Corridor TIF District

The Interstate Corridor TIF district was established in 2000. The boundary was amended in August 2011 to add 415 acres (including approximately 185 acres from the OCC district) and remove 230 acres (undevelopable right-of-way). Total acreage is 3,995 (increased from 3,804 in August 2011). Its maximum indebtedness is \$335.0 million of which \$373.2 million has been issued through June 30, 2023. City Council approve an increase in maximum indebtedness to the District in January 2021 increasing total maximum indebtedness by \$67 million to \$402 million. 70% of the additional resources will be allocated to affordable housing per the Set Aside policy. The Revised Budget and forecast for FY 2024-25 to FY 2028-29 include approximately \$75.5 million in project expenditures, \$33.5 million of which will be allocated to affordable housing. Since 2015, \$107.8 million has been allocated to affordable housing.

The district's purpose is to deliver on community-driven economic development, support job growth, and increase affordable housing options. In January 2015, City Council adopted the North/Northeast Neighborhood Housing Strategy which provided direction on how future affordable housing resources should be prioritized. In 2017, Prosper Portland began to implement the N/NE Community Development Initiative – a community-driven prioritization of the district's remaining resources focusing on property ownership and development, business ownership and growth, new middle-income housing opportunities, community livability projects and cultural-business hubs – to foster economic prosperity among communities and individuals that have not fully participated in, or benefited from, economic opportunities in the Interstate Corridor TIF district.

The N/NE Action plan includes the following budgeted priorities in the FY 2024-25 Budget and Five-Year Forecast:

- Financial support for small business and property owners.
- Launch of new property ownership and redevelopment loan programs,
- Catalyzing one or more Cultural Business Hubs to further culturally specific places and economic opportunities
- Investing in commercial tenanting grants via the new Affordable Commercial Program at the Cultural Business Hub(s).

The increase in maximum indebtedness in 2021 provided additional resources for affordable housing and economic development projects. Most of these resources are allocated towards the Williams and Russell project where Prosper Portland is partnering with a development team and the Williams and Russell CDC to complete predevelopment for the project.

INTERSTATE CORRIDOR TIF DISTRICT - 370

DEBT FUND	FY 2023-24 Audited Actuals	FY 2024-25 Revised Budget
Resources		
Beginning Balance	27,471,915	4,100,000
Revenue		
Interest on Investments	439,459	0
Refunding/ Reserve Bond Proceeds	0	500,000
Prior Year Property Taxes	275,377	0
Property Taxes	3,633,680	0
Total Revenue	4,348,516	500,000
Total Resources	31,820,431	4,600,000
Expenditures		
Debt Service	28,843,210	0
Reserve Requirements (for budget only)	0	4,600,000
Total Expenditures	28,843,210	4,600,000
Ending Balance	2,977,221	0
CAPITAL PROJECT FUND	FY 2023-24 Audited Actuals	FY 2024-25 Revised Budget
Resources		
Beginning Fund Balance	85,920,834	95,816,060
Revenue		
Fees and Charges	497	0
Interest on Investments	2,443,862	2,874,482
Loan Collections	181,710	0
Property Income	286,999	427,159
Reimbursement	138,710	205,007
Tax Increment Debt Proceeds	28,820,274	2,543,090
Total Revenue	31,872,052	6,049,738
Total Resources	117,792,886	101,865,798
Expenditures		
Economic Development	358,911	1,068,942
Housing	9,343,682	16,998,281
Property Redevelopment	1,942,519	25,723,784
Administration	162,013	157,110
Total Expenditures	11,807,125	43,948,117
Transfers	2,169,701	1,738,168
Cash Transfers	8,000,000	0
Contingency	0	56,179,513
Ending Fund Balance Reserve	95,816,060	0

Lents Town Center TIF District

The Lents Town Center TIF district was established in 1998 and the plan was amended in June 2008. The plan amendment, which became effective in July 2008, increased maximum indebtedness to \$245.0 million, extended the last date to issue debt to June 2020. The acreage is currently 2,036. As of June 30, 2023, \$242.8 million of indebtedness has been issued. The district boundaries were amended to decrease acreage in 2024. The Revised Budget and forecast for FY 2024-25 to FY 2028-29 include approximately \$2.8.0 million in project expenditures. Since 2015, \$43.7 million has been allocated to affordable housing. An additional \$2.8 million in affordable housing expenditures are forecast through 2026.

Priorities for investment in the district are based on the Five-Year Lents Action Plan. Prosper Portland and the Portland Housing Bureau completed several projects in the Lents Town Center including Oliver Station, Lents Commons, Asian Health and Service Center, and the Woody Guthrie. Other successful recent investments elsewhere in the district include an affordable housing project at SE 72nd and Foster and expansion at the Leach Botanical Garden. Final investment planned in the budget and forecast will focus on market rate housing at 92nd and Harold and transfer of the site to the Portland Housing Bureau for affordable housing development, commercial tenanting and operations of Lents Commons, and final grants and loans to support small business and the vitality of Lents commercial corridors on 82nd, 122nd, Foster, and Powell.

LENTS TOWN CENTER TIF DISTRICT - 360

DEBT FUND	FY 2023-24 Audited Actuals	FY 2024-25 Revised Budget
Resources		
Beginning Balance	2,171,252	16,000,000
Revenue		
Interest on Investments	147,068	0
Refunding/Reserve Bond Proceeds	0	275,000
Prior Year Property Taxes	126,643	0
Property Taxes	24,236,304	0
Total Revenue	<u>24,510,015</u>	<u>275,000</u>
Total Resources	26,681,267	16,275,000
Expenditures		
Debt Service	13,194,619	0
Reserve Requirements (for budget only)	0	16,275,000
Total Expenditures	<u>13,194,619</u>	<u>16,275,000</u>
Ending Balance	13,486,648	0
CAPITAL PROJECT FUND	FY 2023-24 Audited Actuals	FY 2024-25 Revised Budget
Resources		
Beginning Fund Balance	45,064,074	24,351,820
Revenue		
Fees and Charges	1,083	0
Interest on Investments	780,536	730,555
Loan Collections	303,700	0
Property Income	43,502	1,885,708
Reimbursement	4,834	0
Tax Increment Debt Proceeds	2,235,873	0
Total Revenue	<u>3,369,528</u>	<u>2,616,263</u>
Total Resources	48,433,602	26,968,083
Expenditures		
Economic Development	25,012	278,523
Housing	1,775,601	2,839,047
Property Redevelopment	769,660	16,947,538
Administration	54,905	56,500
Total Expenditures	<u>2,625,178</u>	<u>20,121,608</u>
Transfers	1,456,604	871,073
Cash Transfers	20,000,000	450,000
Contingency	0	5,525,402
Ending Fund Balance Reserve	24,351,820	0

North Macadam TIF District

The North Macadam TIF district was established in 1999 and its last date to issue debt is June 2025. In December 2024, City Council amended the district to remove the last date to issue debt so that maximum indebtedness could be reached in FY 2025-26. Total acreage is 447. Its maximum indebtedness is \$288.6 million of which \$260.5 million has been issued through June 30, 2023. This reflects amendments to the district approved by Portland City Council in March 2015, which increased the district area by 45 acres concurrent with the closing of the Education district and extended the district's last date to issue debt by five years. The geography brought into the amended district covers land to the north and east of the original district and is predominantly within the University District subarea of the Central City. The Revised Budget and forecast for FY 2024-25 to FY 2028-29 include approximately \$48.5.1 million in planned expenditures. Since 2015, \$58.5 million has been allocated to affordable housing. An additional \$10.6 million in affordable housing expenditures are forecast through FY 2028-29

Future investment will focus on infrastructure and new development. Specific projects contemplated within the five-year budget forecast include potential construction of the remaining unbuilt sections of SW Bond Avenue to support OHSU's ability to continue to expand in the district; partnerships to improve and potentially finish the Willamette River Greenway within in the district; investments in other transportation infrastructure such as the South Portal to ensure adequate transportation access as the district grows; and strategic acquisition to support commercial and/or mixed-use development. The budget also includes resources to implement the Portland State University Development Agreement which focuses on relocation and build out of the Portland State Business Accelerator (PSBA) and the University Place redevelopment.

NORTH MACADAM TIF DISTRICT - 325

DEBT FUND	FY 2023-24 Audited Actuals	FY 2024-25 Revised Budget
Resources		
Beginning Balance	3,185,735	250,000
Revenue		
Interest on Investments	435,451	0
Refunding/Reserve Bond Proceeds	0	200,000
Prior Year Property Taxes	177,949	0
Property Taxes	25,458,527	27,625,000
Total Revenue	<u>26,071,927</u>	<u>27,825,000</u>
Total Resources	29,257,662	28,075,000
Expenditures		
Debt Service	26,873,379	28,075,000
Total Expenditures	<u>26,873,379</u>	<u>28,075,000</u>
Ending Balance	2,384,283	0
CAPITAL PROJECT FUND	FY 2023-24 Audited Actuals	FY 2024-25 Revised Budget
Resources		
Beginning Fund Balance	47,600,615	47,365,108
Revenue		
Interest on Investments	1,001,236	1,265,347
Property Income	213,308	200,160
Tax Increment Debt Proceeds	22,488,665	20,843,332
Total Revenue	<u>23,703,209</u>	<u>22,308,839</u>
Total Resources	71,303,824	69,673,947
Expenditures		
Housing	1,481,714	5,590,236
Infrastructure	750,566	1,577,792
Property Redevelopment	289,597	14,150,765
Administration	55,447	58,000
Total Expenditures	<u>2,577,324</u>	<u>21,376,793</u>
Transfers	1,561,392	305,936
Cash Transfers	19,800,000	0
Contingency	0	47,991,218
Ending Fund Balance Reserve	47,365,108	0

Cully TIF District

The Cully TIF District was approved by the board in September 2022 and established in July 2023. The main boundary, referred to as the Cully Core, is around 1,342 acres. Additional areas were identified, increasing the boundary amounts to approximately 1,671 acres and a maximum indebtedness of \$350 million with \$143.7 million of it planned for Affordable Housing Set Aside, with \$12.5 million planned through FY 2028-29. The Revised Budget and forecast for FY 2024-25 to FY 2028-29 include approximately \$25.6 million in project expenditures in total.

Most resources in the FY 2024-25 budget are focused on development of the Cully Action Plan in preparation to deploy resources in the community in future fiscal years.

CULLY TIF DISTRICT - 335

DEBT FUND	FY 2023-24 Audited Actuals	FY 2024-25 Revised Budget
Resources		
Beginning Balance	0	0
Revenue		
Interest on Investments	2,141	0
Refunding/Reserve Bond Proceeds	0	500
Property Taxes	149,406	1,300,100
Total Revenue	<u>151,547</u>	<u>1,300,600</u>
Total Resources	151,547	1,300,600
Expenditures		
Debt Interest	42	0
Debt Retirement	144,465	0
Debt Service	144,507	0
Transfer to Prosper Portland	0	1,300,600
Total Expenditures	<u>144,507</u>	<u>1,300,600</u>
Ending Balance	7,040	0
CAPITAL PROJECT FUND	FY 2023-24 Audited Actuals	FY 2024-25 Revised Budget
Resources		
Beginning Fund Balance	0	81,298
Revenue		
Fees and Charges	0	2,055
Interest on Investments	844	0
Tax Increment Debt Proceeds	144,392	1,284,529
Total Revenue	<u>145,236</u>	<u>1,286,584</u>
Total Resources	145,236	1,367,882
Expenditures		
Economic Development	38,862	139,822
Housing	18,834	525,392
Property Redevelopment	6,241	133,164
Total Expenditures	<u>63,937</u>	<u>798,378</u>
Transfers	0	162,697
Contingency	0	256,807
Ending Fund Balance Reserve	81,299	150,000

Willamette Industrial TIF District

The Willamette Industrial TIF district was established in 2004 and its last date to issue debt was amended to June 2015 during amendments to districts approved by City Council in March 2015. Total acreage was 756. Its maximum indebtedness was \$200.0 million of which \$5.8 million was issued as of the final date to issue debt in June 2015. The Revised Budget and forecast for FY 2024-25 to FY 2028-29 include approximately \$4.2 million in project expenditures.

All remaining investments will be targeted toward supporting industrial development and accompanying job growth and small business development through land acquisition and/or loan or grant financial investments.

WILLAMETTE INDUSTRIAL TIF DISTRICT - 390

DEBT FUND	FY 2023-24 Audited Actuals	FY 2024-25 Revised Budget
Resources		
Beginning Balance	0	0
Revenue		
Total Revenue	0	0
Total Resources	0	0
Expenditures		
Total Expenditures	0	0
Ending Balance	0	0
CAPITAL PROJECT FUND	FY 2023-24 Audited Actuals	FY 2024-25 Revised Budget
Resources		
Beginning Fund Balance	4,443,027	4,405,601
Revenue		
Interest on Investments	135,986	132,168
Total Revenue	135,986	132,168
Total Resources	4,579,013	4,537,769
Expenditures		
Property Redevelopment	3,749	4,018,722
Total Expenditures	3,749	4,018,722
Transfers	169,663	25,045
Contingency	0	494,002
Ending Fund Balance Reserve	4,405,601	0

Neighborhood Prosperity Initiative TIF Districts

As part of the implementation of the Neighborhood Economic Development (NED) Strategy, the City of Portland and Prosper Portland established the Neighborhood Prosperity Initiative (NPI). NPI Districts support investments in six neighborhood commercial corridors with grants to support small businesses in those areas. Final TIF and granted revenue sharing resources from Multnomah County and the City of Portland occurred in FY 2020-21 for 42nd Avenue, Cully, Division-Midway, and Parkrose. Jade and Rosewood received final TIF resources in FY 2022-23. Our 42nd Avenue and Cully Boulevard Alliance spent out their remaining TIF and Revenue Share in FY 2022-23. Final proceeds were disbursed to Parkrose, Rosewood Initiative, Division-Midway Alliance, and the Jade District in FY 2023-25. As such, the districts closed. The new Cully District approved by City Council in 2022 overlaps the prior boundaries of the previous Cully and Our 42nd Avenue NPI districts.

NPI TIF districts with expenditures in FY 2023-24 or FY 2024-25 include:

- Parkrose
- Rosewood Initiative
- Division-Midway Alliance
- Jade District (82nd Ave & Division)

NEIGHBORHOOD PROSPERITY TIF DISTRICTS

DEBT FUND	FY 2022-23 Audited Actuals	FY 2023-24 Revised Budget
Resources		
Beginning Balance	16,818	21,000
Revenue		
Interest on Investments	3,123	500
Prior Year Property Taxes	381	200
Property Taxes	34,953	150
Total Revenue	<u>38,457</u>	<u>850</u>
Total Resources	55,275	21,850
Expenditures		
Transfer to Prosper Portland	39,720	0
Fund Transfer	0	21,850
Total Expenditures	<u>39,720</u>	<u>21,850</u>
Ending Balance	15,555	0
CAPITAL PROJECT FUND	FY 2022-23 Audited Actuals	FY 2023-24 Revised Budget
Resources		
Beginning Fund Balance	1,305,663	955,548
Cash Transfers In	1,000	0
Revenue		
Interest on Investments	18,085	7,000
Tax Increment Debt Proceeds	15,712	0
Total Revenue	<u>33,797</u>	<u>7,000</u>
Total Resources	1,340,460	962,548
Expenditures		
Economic Development	302,021	780,611
Total Expenditures	<u>302,021</u>	<u>780,611</u>
Transfers	82,891	8,725
Transfers	0	1,000
Contingency	0	172,212
Ending Fund Balance Reserve	955,548	0

Notes to the Financial Schedules:

- (1) Debt Funds data source:
 - A) FY2023-24 Audited Actuals: City of Portland – Office of Management and Finance, Annual Comprehensive Financial Report, Oct. 2024
 - B) FY2024-25 Revised Budget: City of Portland – City Budget Office
- (2) Capital Funds data source:
 - A) FY2023-24 Audited Actuals: Prosper Portland Annual Comprehensive Financial Report, Oct. 2024
 - B) FY2024-25 Revised Budget: Prosper Portland Adopted Budget, Amendment No. 2, Dec. 2024
- (3) Transfers include the indirect cost allocation transfer to Prosper Portland’s operating fund for general operations.