

C. Swick, Deputy Clerk

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2006-219977 11/29/2006 11:51:58am

ORDINANCE No. 180537

I hereby certify this document to be a complete and exact copy of the original as the same appears on file and of record in my office and in my care and custody on this

19th day of October 2006

GARY BLACKMER

Auditor of the City of Portland

By Susan Parsons
Deputy

7/11-29-06
PDC

Approve the Tenth Amendment to the Central Eastside Urban Renewal Area Plan to establish authority to acquire leasehold interest at 123 Northeast Third Avenue (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

1. The Central Eastside Urban Renewal Area Plan (the "Plan") was adopted by Portland City Council on August 26, 1986 by Ordinance No. 158940 to provide tax increment funding and urban renewal authority to foster the development and redevelopment to protect the public health, safety, and welfare of the City of Portland and has been amended from time to time.
2. The Council wishes to further amend the Plan to establish authority to acquire a leasehold interest located at 123 Northeast Third Avenue in the Central Eastside Urban Renewal Area.
3. The Portland Development Commission, the duly organized and acting urban renewal agency of the City of Portland (the "Commission"), has prepared a Tenth Amendment to the Plan (the "Tenth Amendment"), which is attached to this ordinance as Exhibit A and incorporated herein by this reference.
4. The Commission has caused the preparation of a report accompanying the Tenth Amendment (the "Report"), dated September 13, 2006, which is attached to this Ordinance as Exhibit B and incorporated herein by this reference.
5. The Commission has forwarded the Tenth Amendment and the Report to the City of Portland Planning Commission for its recommendations, and on October 10, 2006, the Planning Commission recommended adoption of the Tenth Amendment based on the Findings of Fact in its Report to the City Council ("Planning Commission Report"), which is attached to this ordinance as Exhibit C and incorporated herein by this reference.
6. The Commission has forwarded a copy of the Tenth Amendment and the Report to the governing bodies of the taxing districts that levy taxes within the area of the Plan, consulted and conferred with them.
7. The Commission has complied with the public involvement requirements by notifying interested citizens, neighborhood associations and business associations of the Tenth Amendment.
8. Pursuant to ORS 457.095 the Commission found (1) the Central Eastside Urban Renewal area is blighted; (2) rehabilitation and redevelopment is necessary to protect the public health, safety and welfare of the City of Portland; (3) the amended Plan conforms with the Comprehensive Plan of the City of Portland; (4) the amended Plan will not displace any persons or businesses; (5) City acquisition of leasehold interest is provided for and it is necessary; (6) adoption and carrying out the amended Plan is economically sound and

feasible; and (7) the City shall assume and complete any activities prescribed it by the Plan.

9. The Council has considered the materials presented by the Commission, the Planning Commission and input of the community and believes the Tenth Amendment is necessary to fulfill the goals of the Plan.
10. The Tenth Amendment is being adopted as a minor amendment pursuant to the first paragraph of Section 901 of the Plan. The City and the Portland Development Commission have complied with all of the requirements for adoption of the Tenth Amendment under the Plan and ORS 457.095.

NOW THEREFORE, the Council directs:

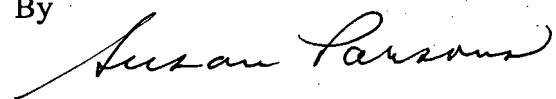
- a. The Tenth Amendment to the Central Eastside Urban Renewal Plan, attached hereto as Exhibit A, and incorporated herein by this reference, having been duly reviewed and considered by Council, is hereby adopted.
- b. The City Auditor shall forward to the Portland Development Commission and to the City of Portland Planning Commission certified copies of this Ordinance upon adoption by Council.
- c. The Portland Development Commission shall file in the Deed Records of Multnomah County, Oregon, a copy of this Ordinance and the Tenth Amendment upon adoption by Council.
- d. The City Auditor, in accordance with ORS 457.115, shall publish notice of the adoption of this Ordinance approving the Tenth Amendment, including the provisions of ORS 457.135, in the newspaper having the greatest circulation in the City of Portland within four days following the adoption of this Ordinance.

Passed by the Council, OCT 18 2006

Mayor Tom Potter
PDC: Bruce A. Warner
S. Bruce Allen
October 11, 2006

Gary Blackmer
Auditor of the City of Portland

By



Deputy

Exhibit A

TENTH AMENDMENT TO
THE CENTRAL EASTSIDE URBAN RENEWAL PLAN

The Tenth Amendment to the Central Eastside Urban Renewal Plan authorizes acquisition of property for private development pursuant to Section 602C of the Urban Renewal Plan. Redevelopment of the property through new construction and through Rehabilitation is authorized by Sections 601B and C of the Central Eastside Urban Renewal Plan (Plan).

Section 602C is amended as follow:

- C. **Land Acquisition by Urban Renewal Plan Amendments.** Land acquisition for any purpose other than specifically listed in Section D shall be accomplished by the following procedures for amending this Plan as set forth in Section 900 of this Plan.

Assembling land for development by the private sector where the developer of such land is a person or group other than the owner of record of such land to be acquired, shall be accomplished only following a formal amendment to this Plan. Therefore, each such development and the property acquisition required shall be processed on a case-by-case basis and no such acquisition shall be undertaken until the City Council authorizes same in conjunction with or by formal amendment to this Plan.

Real property which may be acquired by the Development Commission is shown on the Property Acquisition Map, (Exhibit 3). Parcels shown on the Central Eastside Property Acquisition map are for use as follows:

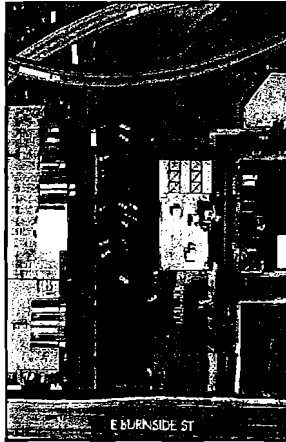
<u>Parcel</u>	<u>Intended Use</u>
1. Exhibit 3 (Glacier Park Area)	Redevelopment for industrial/commercial business uses
2. Exhibit 3 (Portland Traction Yard)	Industrial/commercial redevelopment and public streets and transportation
3. Exhibit 3 (North OMSI Riverfront)	Riverfront parks and recreation
4. Exhibit 3 (Kuzman Parcel)	Riverfront parks and recreation
5. Exhibit 3 (ODOT West of Water Avenue)	Industrial/commercial redevelopment/parks and recreation
6. Exhibit 4 (Block 106 – lot 8; George parcel)	Redevelopment/commercial/retail uses
7. Exhibit 3 (Convention Plaza)	Redevelopment/commercial/retail uses

Exhibit 3 to the Tenth Amendment to the Central Eastside Urban Renewal Plan

**Central Eastside
Urban Renewal Area**

**Burnside
Bridgehead**

**Verizon Cell Tower at the
Convention Plaza ★**



□ Central Eastside URA
Boundary

Investing in Portland's Future

PDC
PORTLAND DEVELOPMENT COMMISSION

August 2006

Information Sources: Portland Development Commission Geographic
Information Systems (GIS), City of Portland Corporate GIS and Multnomah
County Tax Assessor Office.

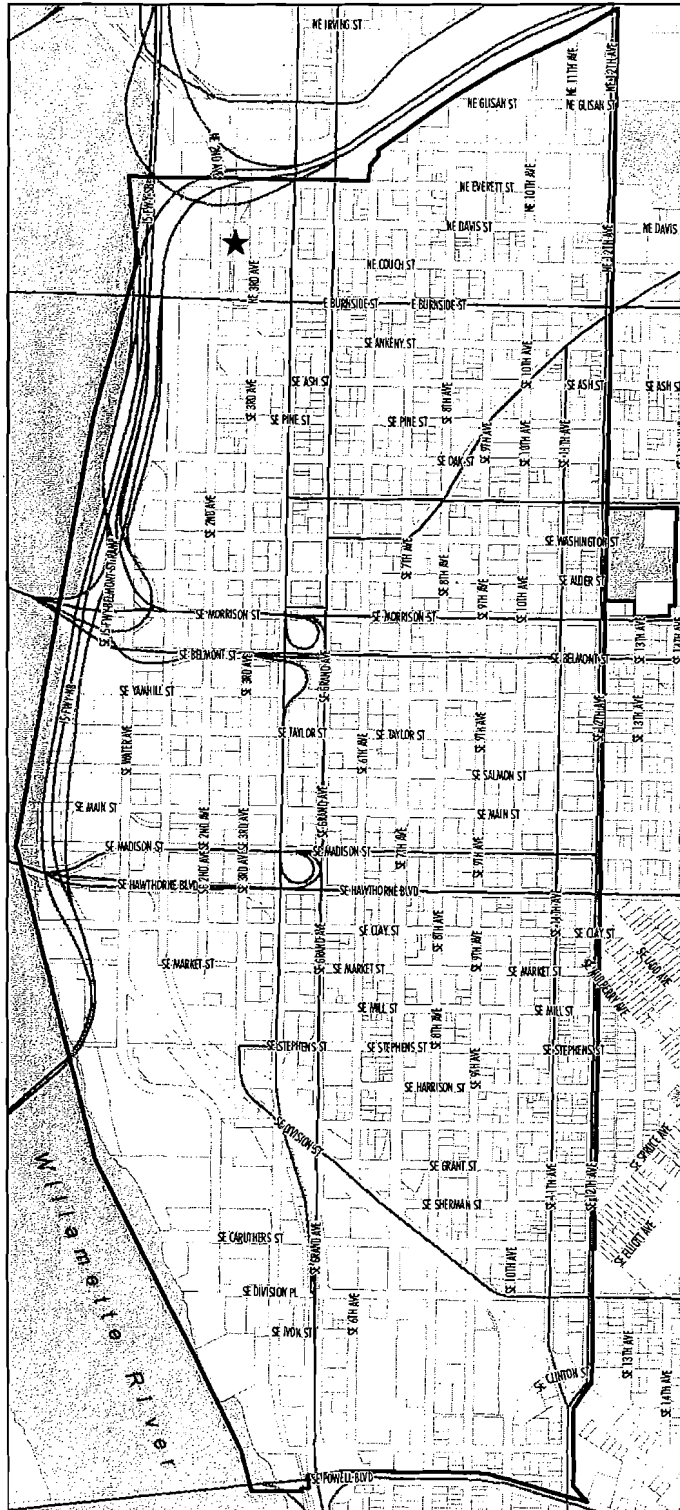
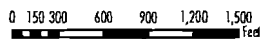


Exhibit B

REPORT ON THE TENTH AMENDMENT
TO THE
CENTRAL EASTSIDE URBAN RENEWAL PLAN
City of Portland, Oregon

Portland Development Commission
September 13, 2006

Chapter 1 – Introduction

The Tenth Amendment to the Central Eastside Urban Renewal Plan (Plan) makes the following changes to the Plan:

Add one property/leasehold interest to the list properties to be acquired pursuant to Section 602C of the Plan. The property/leasehold interest is to be acquired for development by the private sector.

The Plan was adopted by City Council on August 27, 1986. The Plan noted, *“The Plan will be reviewed and analyzed periodically and will continue to evolve during the course of project execution and ongoing planning. It is anticipated that this Plan will be changed or modified from time to time or amended as development potential and conditions warrant, as planning dictate.”* Subsequent to adoption of the Plan, additional planning work has been completed and additional changes in conditions have occurred, warranting an Amendment to the Plan.

In particular, the Board has determined that it is necessary to acquire an existing leasehold interest in a wireless communication facility. Section 602C of the Plan requires that such properties to be acquired be shown in the Plan and their intended use described.

ORS 457.095 (3) requires that an urban renewal plan amendment, which is a significant change requiring a substantial amendment to the plan, be accompanied by a report which shall contain:

- a. A description of physical, social and economic conditions in the urban renewal areas of the plan and the expected impact, including the fiscal impact, of the plan in light of added services or increased population;
- b. Reasons for selection of each urban renewal area in the plan;
- c. The relationship between each project to be undertaken under the plan and the existing conditions in the urban renewal area;
- d. The estimated total cost of each project and the sources of moneys to pay such costs;
- e. The anticipated completion date for each project;
- f. The estimated amount of money required in each urban renewal area under ORS 457.420 to 457.460 and the anticipated year in which indebtedness will be retired or otherwise provided for under ORS 457.420 to 457.460;
- g. A financial analysis of the plan with sufficient information to determine feasibility;
- h. A fiscal impact statement that estimates the impact of the tax increment financing, both until and after the indebtedness is repaid, upon all entities levying taxes upon property in the urban renewal area; and
- i. A relocation report which shall include:
 - A. An analysis of existing residents or businesses required to relocate permanently or temporarily as a result of agency actions under ORS 457.170;
 - B. A description of the methods to be used for the temporary or permanent relocation of persons living in, and businesses situated in, the urban renewal area in accordance with ORS 35.500 to 35.530; 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 new units to be added.

This report will address each of the required information categories.

Chapter 2 – a: A description of physical, social and economic conditions in the urban renewal areas of the plan and the expected impact, including the fiscal impact, of the plan in light of added services or increased population.

This Plan Amendment does not change the analysis of the physical, social and economic conditions in the urban renewal area contain in the original Report of the Plan.

The following is a summary of specific conditions found within the property/leasehold interest acquisition site:

- Land/Site area: Block 68, consisting of 8 lots totaling 40,000 square feet.
- Existing land use and zoning: The parcel is zoned EXd, Central Employment zone with a design review overlay.
- Condition of Building and Dwelling units: This block consists of a five story Class C building containing approximately 96,000 square feet. Building contains approximately 29 tenants, requiring acquisition of one leasehold interest. The building footprint is approximately 20,000 square feet. Remainder of the site is used as surface parking for the office building.
- Condition of Public Infrastructure: All public facilities and services are available at the site.
- Environmental Conditions: A level 1 Environmental Assessment has been conducted on the entire Block 68 and no environmental conditions were found.
- Economic Conditions: The aggregate value of the leasehold interest to be acquired will be established by appraisal.

This Plan Amendment will not create a need for added services; therefore, will not change any elements of the analysis in the original Report accompanying the Plan.

Chapter 3 – b: Reasons for selection of each urban renewal area in the plan

This Plan Amendment does not affect the area of the Central Eastside Urban Renewal Area (CES URA), nor does it affect the purpose and objective of the Plan.

Chapter 4 – c: The relationship between each project to be undertaken under the plan and the existing conditions in the urban renewal area

“Urban Renewal Project” is a defined term in ORS Chapter 457. It includes both single-site activities and implementation of programs necessary to achieve the goals of the urban renewal plan.

This Plan Amendment adds one property to the list of properties to be acquired for private redevelopment. Acquisition of property for private redevelopment is authorized in Section 602C of the Plan. Property acquisition and redevelopment is intended to correct the deficiencies described in Chapter II of the original Report in the Plan.

Chapter 5 – d: The estimated total cost of each project and the sources of moneys to pay such costs

The property acquisition authorized in this Amendment will be carried out within the maximum indebtedness of this Plan. All acquisition authorized by this Amendment will be concluded by the termination date of the Plan, and property disposition will be completed as soon as reasonably possible after acquisition, in order to accomplish the goals of the Plan.

Chapter 6 – e: The anticipated completion date for each project

The completion date of the Burnside Bridgehead Project is anticipated to be December 2009.

Chapter 7 – f: The estimated amount of money required in each urban renewal area under ORS 457.420 to 457.460 and the anticipated year in which indebtedness will be retired or otherwise provided for under ORS 457.420 to 457.460

This Plan Amendment does not affect the maximum indebtedness for the Plan, or the anticipated year in which indebtedness will be retired.

Chapter 8 – g: A financial analysis of the plan with sufficient information to determine feasibility

This Plan Amendment does not change the financial analysis of the Plan under the Fourth Amendment, incorporated herein by this reference, since all property acquisition will be completed within the maximum indebtedness allowed under the Plan.

Chapter 9 – h: A fiscal impact statement that estimates the impact of the tax increment financing, both until and after the indebtedness is repaid, upon all entities levying taxes upon property in the urban renewal area

This Plan Amendment does not change the impact of the tax increment financing from the original Plan, or from the Plan under the Fourth Amendment (since the property acquisition will be completed within the maximum indebtedness allowed in the Fourth Amendment).

Chapter 10 – i: A relocation report which shall include:

- A. An analysis of existing residents or businesses required to relocate permanently or temporarily as a result of agency actions under ORS 457.170.

The acquisition authorized in this amendment will require the relocation of equipment owned by Verizon Wireless. Neither the type of business use, nor the type of property the business occupies should pose an obstacle to the relocation of the facilities. No residential relocations will result from this Plan Amendment.

- B. A description of the methods to be used for the temporary or permanent relocation of persons living in, and businesses situated in, the urban renewal area in accordance with ORS 35.500 to 35.530.

The Portland Development Commission has adopted a Relocation Policy that conforms to the requirements of ORS 281.045 through 282.105 and maintains information in its office relating to the relocation program and procedures, including eligibility for and amounts of relocation payments, services available and other relevant matters. This Relocation Policy will apply to all persons and businesses required to relocate by the acquisition authorized in this amendment. In any event, it is not anticipated that this acquisition will result in relocation of any person or business situated in the urban renewal area.

- 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 new units to be added.

No existing housing units are proposed to be eliminated, and approximately 527 housing units will be added by this Plan Amendment.

Section 602C – The Tenth Amendment to the Central Eastside Urban Renewal Plan amends section 602C of the Plan to add a property to the list of real property which may be acquired by the Portland Development Commission. New text is shown in underline.

Section 602C is amended as follow:

- D. **Land Acquisition by Urban Renewal Plan Amendments.** Land acquisition for any purpose other than specifically listed in Section D shall be accomplished by the following procedures for amending this Plan as set forth in Section 900 of this Plan.

Assembling land for development by the private sector where the developer of such land is a person or group other than the owner of record of such land to be acquired, shall be accomplished only following a formal amendment to this Plan. Therefore, each such development and the property acquisition required shall be processed on a case-by-case basis and no such acquisition shall be undertaken until the City Council authorizes same in conjunction with or by formal amendment to this Plan.

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<u>Parcel</u>	<u>Intended Use</u>
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4. Exhibit 3 (Kuzman Parcel)	Riverfront parks and recreation

5. *Exhibit 3 (ODOT West of
Water Avenue)*

*Industrial/commercial redevelopment/
parks and recreation*

6. *Exhibit 4 (Block 106 – lot 8;
George parcel)*

Redevelopment/commercial/retail uses

7. *Exhibit 3 (Convention Plaza -
Verizon Leasehold
Interest)*

Redevelopment/commercial/retail uses

Report to the Portland Planning Commission

Tenth Amendment to the *Central Eastside Urban Renewal Plan*



October 2006
Bureau of Planning
Portland, Oregon

The City of Portland is committed to providing equal access to information and hearings.

If you need special accommodation, please call **503-823-7700**. (TTY **503-823-6868**).

For more information about this project, please contact:

Portland Bureau of Planning
1900 SW 4th Avenue, Suite 4100
Portland, Oregon 97201
Phone: 503-823-7709
Fax: 503-823-7800
TDD: 503-823-6868
Internet: <http://www.portlandonline.com/planning>

Acknowledgments

Portland City Council

Mayor Tom Potter
Sam Adams, Commissioner
Randy Leonard, Commissioner
Dan Saltzman, Commissioner
Eric Sten, Commissioner

City of Portland Planning Commission

Paul R. Schlesinger, President
Don Hanson, Vice President
Timothy W. Smith, Vice President
Christine Caruso
Amy Cortese
Larry Hilderbrand
Ingrid Stevens

Portland Bureau of Planning

Mayor Tom Potter, Commissioner-in-Charge
Gil Kelley, AICP, Planning Director

Bureau of Planning Project Staff

Joe Zehnder, Principal Planner



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Summary

The Portland Development Commission (PDC) seeks to amend the *Central Eastside Urban Renewal Plan* to allow acquisition of a leasehold interest in the Convention Plaza property, located at 123 NE Third Avenue. The leasehold interest, held by Verizon Wireless, is for cellular communication facilities located primarily on the roof of the building (a "cell tower"). The ability to acquire this property interest is necessary to implement the Eastbank at Burnside: the Lower East Burnside Redevelopment Plan, and the goals of the Central Eastside Urban Renewal Area (CES URA) Housing Strategy through the development of the Burnside Bridgehead project.

The redevelopment of this site also supports objectives of the Central Eastside Revitalization Program that call for more intense use of property at locations not suitable for industry.

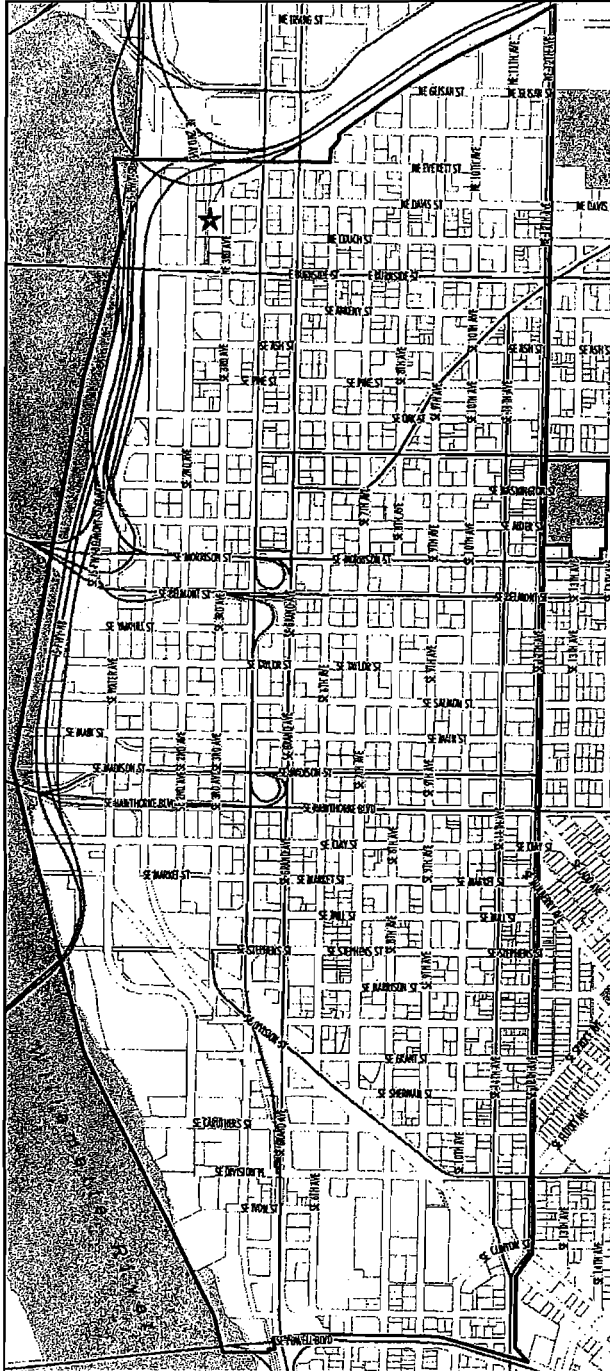
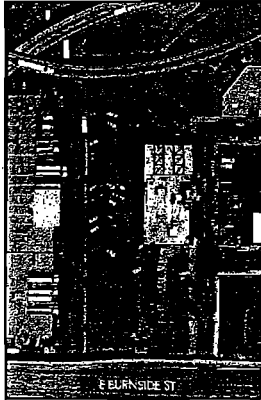
The redevelopment of the site as proposed would be more consistent with the adopted development standards for the block, which call for more intense development than currently exists. This site is designated Central Employment with a design overlay zone (EXd). This designation allows a full range of residential, commercial and light industrial uses. Development on the site will be subject to design review. The allowed floor area ratio (FAR) on the block is 9:1. The existing building on the site has a FAR of 1:1.

The *Central Eastside Urban Renewal Plan* allows for the acquisition of property, if necessary, to achieve the objectives of the plan. Assembling land for development by the private sector, where the developer of the land is other than the owner, requires a formal amendment to the *Central Eastside Urban Renewal Plan*. This amendment is being requested to satisfy that requirement.

Central Eastside Urban Renewal Area

Burnside Bridgehead

Verizon Cell Tower at the
Convention Plaza ★



Central Eastside URA
Boundary

Investing in Portland's Future

PDC
PORTLAND DEVELOPMENT COMMISSION

August 2006

Information Sources: Portland Development Commission Geographic
Information Systems (GIS), City of Portland Corporate GIS and Multnomah
County Tax Assessor Office.

0 150 300 600 900 1,200 1,500
Feet

Location of the Central Eastside Tenth Amendment Site



Aerial Map of the Central Eastside Tenth Amendment Site

1. Recommendation

The Bureau of Planning and the Portland Development Commission recommend that the Portland Planning Commission approve and recommend that the Portland City Council approve the tenth amendment to the *Central Eastside Urban Renewal Plan*.

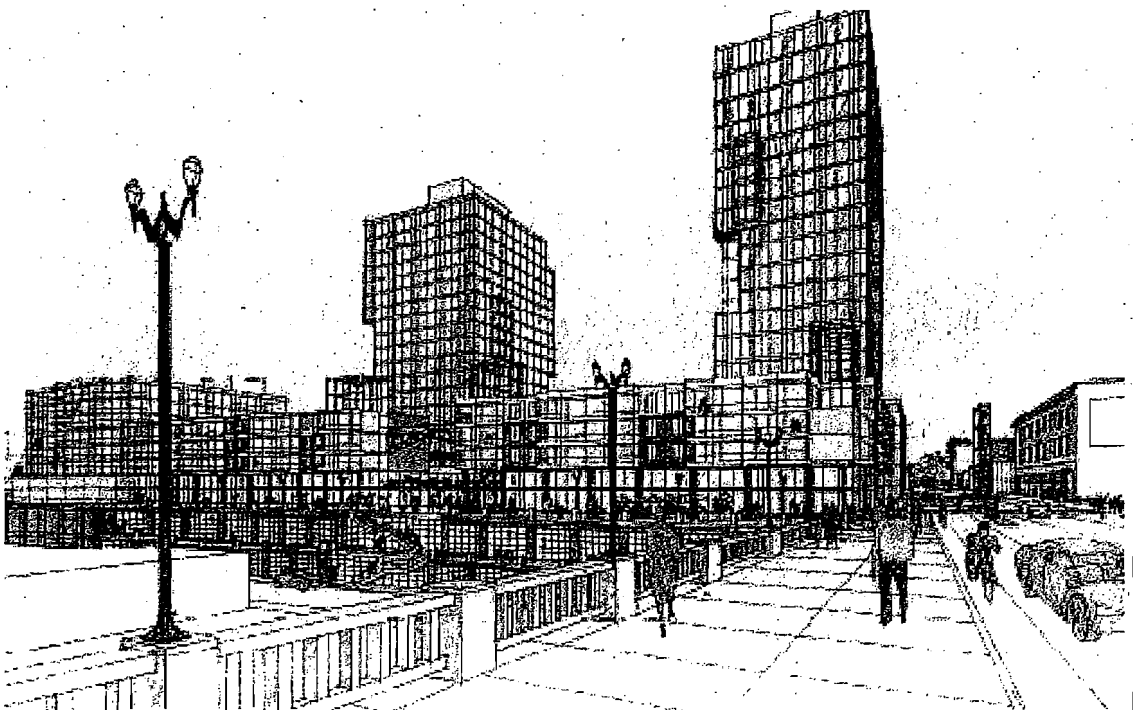
2. Background

In August 1986, the *Central Eastside Urban Renewal Plan* and district was originally adopted by City Council Ordinance No. 158940. The renewal plan has been amended nine times since its adoption.

February 17, 1999, the Portland Development Commission (PDC) adopted the Eastbank at Burnside: Lower East Burnside Redevelopment Plan (Eastbank at Burnside Plan), which called for development of a mixed-use gateway project at the foot of the Burnside Bridge in the CES URA.

On April 27, 2005, the Commission selected Opus Northwest (Opus) to be the developer of such a mixed use project - the Burnside Bridgehead project. Opus' proposal contained the following approximate mix of uses:

- 120,000 s.f. of retail space
- 472,000 s.f. of residential space (395 units) containing a mix of affordable rental units and market rate, condominiums
- 50,000 s.f. of traditional office space
- 88,000 s.f. of light industrial flex space
- 1,030 structured parking spaces



Artist rendering of Burnside Bridgehead project proposal

On May 11, 2006, PDC acquired the Convention Plaza property to be included in the Burnside Bridgehead project site. The Convention Plaza building is a five-story Class C office building, which is currently 70 percent occupied and contains approximately 29 tenants. This site is designated Central Employment with a design overlay zone (EXd). This designation allows a full range of residential, commercial and light industrial uses. Development on the site will be subject to design review. The allowed floor area ratio (FAR) on the block is 9:1. The existing building on the site has a FAR of 1:1.

PDC's plan is to continue to operate the building until construction is imminent, which is currently planned for early 2008. Tenant relocation expenses are currently estimated to be approximately \$1,000,000. Additionally, ten leases extend beyond the estimated demolition date. PDC staff has successfully renegotiated leases with nine of those tenants to reduce their current lease terms to be consistent with the Burnside Bridgehead Project schedule.

The proposed tenth amendment to the *Central Eastside Urban Renewal Plan* continues the property acquisition needed for the development of the Burnside Bridgehead project. The PDC undertook the Burnside Bridgehead project and the related property acquisitions to implement established public plans and to accrue a variety of public benefits. The development of this project implements recommendations of the Lower East Burnside Redevelopment Plan and the goals of the Central Eastside Urban Renewal Area (CES URA) Housing Strategy. Implementation of the Burnside Bridgehead project is projected to result in the creation of jobs, additional revenue for taxing jurisdictions, additional affordable housing units, the removal of blight, and a catalytic development at the corner of NE Martin Luther King Jr. Boulevard and East Burnside Street. The Burnside Bridgehead project is a priority for the CES URA and tax increment funding for this project is included in the current CES adopted budget and in the CES Urban Renewal Extension study recommendations.

3. Description of the Proposed Amendment

The proposed tenth amendment to the *Central Eastside Urban Renewal Plan* would authorize acquisition of a leasehold interest for cellular communication facilities located in the Convention Plaza building. Specifically the amendment adds to the list of properties identified for potential acquisition (subsection 602 C of the *Central Eastside Urban Renewal Plan*) the leasehold interest held by Verizon Wireless for a communications facilities and rooftop cell tower on the Convention Plaza, 123 NE 3rd Street, Portland, Oregon.

4. Urban Renewal Plan Authority

Authority for the use of urban renewal was established by the Oregon Legislature and codified as Chapter 457 of the *Oregon Revised Statutes* (ORS). The statutes include criteria for the establishment of an urban renewal district, the development of eligible urban renewal areas, and the content of an urban renewal plan and urban renewal plan report.

Chapter 15, Article 1, of the Portland City Charter assigns all general powers and duties to the Portland Development Commission. The commission is designated as the body that will serve as the City's urban renewal and redevelopment agency. PDC is

responsible for carrying out all urban renewal functions. Proposed urban renewal plans and urban renewal plan amendments are prepared by the Portland Development Commission staff and approved by the Portland Development Commission prior to their submission to the Portland Planning Commission and Portland City Council.

ORS 457 also requires that the City's Planning Commission review urban renewal plans and substantial amendments to urban renewal plans. The Planning Commission's recommendations on urban renewal plans or renewal plan amendments are submitted to the Portland City Council for consideration in their decision on the plan or on a substantial plan amendment.

On September 13, 2006, the Portland Development Commission held a public meeting on the proposed tenth amendment to the *Central Eastside Urban Renewal Plan* and approved the proposed amendment by Resolution No. 6391. The *Report on the Tenth Amendment to the Central Eastside Urban Renewal Plan*, prepared by the Portland Development Commission in accordance with ORS 457 is attached to this report in Appendix C.

Portland's City Council has final review and approval authority over urban renewal plans and certain urban renewal plan amendments. In the case of a minor amendment in the CES URA, which is the case here, the amendment requires a recommendation from the Planning Commission and approval by the City Council.

The ability of PDC to acquire specifically identified property is authorized by the following subsection of Section 600, Urban Renewal Activities, of the *Central Eastside Urban Renewal Plan*:

"Section 602 - Property Acquisition and Redevelopment

- A. Intent. It is the intent of this plan to acquire property within the Area, if necessary, by any legal means to achieve the objectives of this plan, and specifically, where one or more of the conditions listed in Subsection 602-C below are found to exist.
- B. Method. At the time of this plan's adoption, no specific property has been identified for acquisition. However, property acquisition, including limited interest acquisition, is hereby made a part of this Plan and may be used to achieve the objectives of this plan.
- C. Land acquisition by urban renewal amendment. Land acquisition for any purpose other than specifically listed in Section D shall be accomplished only following procedures for amending this plan as set forth in Section 900 of this Plan.

Assembling land for development by the private sector where the developer of such land is a person or group other than the owner of record of such land to be acquired, shall be accomplished only following a formal amendment to this Plan. Therefore, each such development and the property acquisition required shall be processed on a case-by case basis and no such acquisition shall be undertaken until the City Council authorizes same in conjunction with or by formal amendment to this Plan."

5. The proposed amendment's consistency with the Central Eastside Urban Renewal Plan

The development of the Burnside Bridgehead project will produce significant new development in an important location that has been identified for such development in planning for the Central Eastside and for the Central City as a whole. The project is expected to result in approximately:

- 120,000 s.f. of retail space
- 472,000 s.f. of residential space (395 units) containing a mix of affordable rental units and market rate, condominiums
- 50,000 s.f. of traditional office space
- 88,000 s.f. of light industrial flex space

This level and mix of development at the proposed location conforms to the following goals of the *Central Eastside Urban Renewal Plan*:

Goal 1: Urban Development

Encourage expanded opportunities for housing and jobs while retaining the character of established residential, neighborhood and business centers.

Goal 2: Business Retention & New Business Development

Improve the level, distribution and stability of jobs and income for resident industry, business and people.

Goal 3: Central Eastside Revitalization Program

Enhance the Central Eastside as a near-in job center featuring a diverse industrial base with compatible, supportive and appropriately located commercial and residential activities. Encourage the vitality of existing firms, provide an attractive climate for complimentary ventures, and offer a positive environment for adjacent neighborhoods.

- Feature high quality design standards complimentary to the overall business climate for new and existing businesses, recognizing the Central Eastside Industrial District (CEID) is both the "front door" to nearby residential neighborhoods and highly visible to Portland's Central Business District.
- Intensify property use at locations not suitable for industry and increase the number of compatible businesses and retail services along commercial corridors.
- Improve the transportation system and parking resources to meet the CEID's business needs and redevelopment objectives while respecting traffic concerns of adjacent neighborhoods.

This project as proposed also implements recommendations of the 1999 Eastbank at Burnside: Lower East Burnside Redevelopment Plan which was undertaken as a subarea area plan to supplement the *Central Eastside Urban Renewal Plan*. The relevant recommendations from the Lower East Burnside Redevelopment Plan are as follows:

- Develop the Central City Gateway at the Burnside Bridgehead.
 - Exploit views to the river and downtown.
 - Wait for the right development for Block 76.
- Emphasize commercial and office developments that create jobs and identity.
- Focus on large corporate tenants and employers where possible to create a magnet for investment.
- Create a balance of jobs, housing, retail and office in the CEID, which is critical to improving lower Burnside.
- Provide for a mix of retail and housing.
- Provide for a balance of housing types.

6. Conclusion

The proposed amendment provides for acquisition of a leasehold interest held by Verizon Wireless for communication facilities and a rooftop cell tower on the Convention Plaza, 123 NE 3rd Street, Portland, Oregon. The ability to make such an amendment is authorized by ORS 457 and by Section 602 C *Central Eastside Urban Renewal Plan*.

The proposed amendment supports several specific goals of the *Central Eastside Urban Renewal Plan*. Acquisition of the property will allow redevelopment of the site in a key location with more intense development. The amendment is consistent with the *Central Eastside Urban Renewal Plan*.

The redevelopment of the site as proposed in the Burnside Bridgehead project would be more consistent with the adopted comprehensive plan designation and related development standards for the block, which call for more intense development than currently exists.

The proposed amendment also is consistent with applicable State, regional and Portland City goals and policies. The specific findings are reported in Appendix A of this document.

Appendix A

Findings of Fact for Consistency with Applicable State, Regional and Portland Goals and Policies

1. Applicable State Land Use Planning Goals Findings

State planning statutes require cities to adopt and amend comprehensive plans and land use regulations in compliance with the state land use goals. Because of the limited scope of the proposed tenth amendment to the *Central Eastside Urban Renewal Plan*, only the state goals addressed below apply.

Goal 1, Citizen Involvement, requires provision of opportunities for citizens to be involved in all phases of the planning process. The amendment is supportive of this goal in the following ways:

- a) The Portland Development Commission approved the amendment at an advertised public meeting on September 13, 2006.
- b) The Portland Development Commission advertised a notice of the Planning Commission and City Council meetings to the major Portland taxing jurisdictions on August 28, 2006.
- c) The Burnside Bridgehead Citizens Advisory Committee (CAC) was briefed on the 10th amendment on July 11, 2006 and September 12, 2006.
- d) The Central Eastside Urban Renewal Advisory Committee (URAC) was briefed on September 11, 2006.
- e) The Planning Bureau made a report on the amendment available on October 2, 2006.
- f) The Planning Commission will hold a public hearing on October 10, 2006
- g) City Council will hold on a public meeting on the recommended amendment on October 11, 2006.

Goal 2, Land Use Planning, requires the development of a process and policy framework which acts as a basis for all land use decisions and ensures that decisions and actions are based on an understanding of the facts relevant to the decision. The amendment is supportive of this goal. The Portland Development Commission completed the *Report on the Tenth Amendment to the Central Eastside Urban Renewal Plan* for the Portland Development Commission public meeting on September 13, 2006. The report details that the amendment is supportive of the *Central Eastside Urban Renewal Plan* that City Council adopted on August 27, 1986.

Goal 3, Agricultural Lands, requires the preservation and maintenance of the State's agricultural land, generally located outside of urban areas. The amendment is supportive of this goal because it facilitates the more intense use of urban land for development so that the need for urban growth boundary expansions is reduced. Maintaining the urban growth boundary will reduce the need to convert agricultural lands to urban uses.

Goal 4, Forest Lands, requires the preservation and maintenance of the state's forest lands, generally located outside of urban areas. The amendment is supportive of this

goal because it facilitates the more intense use of urban land for development so that the need for urban growth boundary expansions is reduced. Maintaining the urban growth boundary will reduce the need to convert forest lands to urban uses.

Goal 5, Natural, Historic, Cultural and Scenic Resources, requires protection natural, historic, cultural and scenic resources. This amendment is supportive of this goal because it allows growth of a Central Eastside employment and residential development on a site that does not contain historic resources and is not located within the nearby East Portland/Grand Avenue Historic District.

Goal 6, Air, Water and Land Resource Quality, requires the maintenance and improvement of the quality of air, water and land resources. The amendment is supportive of this goal because acquisition of this site will for more intense use of an underused site in the Central City. The ultimate development will meet standards for sustainable design and construction.

Goal 9, Economic Development, requires provision of adequate opportunities for a variety of economic activities vital to public health, welfare, and prosperity. The amendment is supportive of this goal because the acquisition of this site will allow the redevelopment for more intense commercial uses in the Central Eastside, a close-in employment center.

Goal 11, Public Facilities and Services, requires planning and development of timely, orderly and efficient public service facilities that serve as a framework for urban and rural development. The amendment is supportive of this goal because it fosters the more intense development of urban land that has adequate infrastructure and urban services.

Goal 12, Transportation, requires provision of a safe, convenient and economic transportation system. The amendment is supportive of this goal. The acquisition of this site will allow its redevelopment with more intense commercial uses in an area that has excellent transit service. This will reduce the need for employees and customers to travel by automobile.

Goal 13, Energy Conservation, requires development of a land use pattern that maximizes the conservation of energy based on sound economic principles. The amendment is consistent with this goal because acquisition of this site will allow its redevelopment with more intense commercial uses and help conserve the city's supply of developable sites. Also, the site is located in an area with excellent transit service. This will reduce reliance on the automobile by or employees and customers.

Goal 14, Urbanization, requires provision of an orderly and efficient transition of rural lands to urban use. The amendment is consistent with this goal because redevelopment of urban land with more intense uses minimizes the amount of rural land that must be transitioned to urban use to provide for new commercial development.

2. Metro Urban Growth Management *Functional Plan* Findings

Metro, the regional government, requires cities to adopt and amend land use regulations in compliance with the urban growth management goals set out in the *Functional Plan*. Because of the limited scope of the proposed Tenth amendment to the *Central Eastside Urban Renewal Plan*, only the titles addressed below apply.

Title 1, Requirements for Housing and Employment Accommodation, requires that each jurisdiction contribute its fair share to increasing the development capacity of land within the urban growth boundary. This requirement is to be generally implemented through citywide analysis based on calculated capacities from land use designations. The amendment is supportive of this title because the acquisition of this site may lead to redevelopment with uses that provide more employment on the site than currently exists.

Title 2, Regional Parking Policy, regulates the amount of parking permitted by use for jurisdictions in the region. The amendment is supportive of the implementation of this title because it will allow redevelopment of a site that is designated Central Employment. This *Comprehensive Plan* map designation does not require the provision of off-street parking for most uses. This site also has excellent transit service reducing the need to provide off-street parking for employees and customers. Both Martin Luther King Boulevard and East Burnside are classified in the *Central City Transportation Management Plan* as Major Transit priority streets and have bus service.

Title 3, Water Quality and Flood Management Conservation, calls for the protection of the beneficial uses and functional values of resources within Metro-defined Water Quality and Flood Management Areas by limiting or mitigating the impact of development in these areas. The amendment is supportive of this goal because it will allow the more intense use of a site that is not located in a Metro-defined Water Quality or Flood Management Area. This will reduce the need to allow development of sites in those environmentally constrained areas.

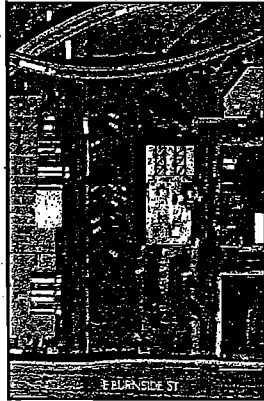
Title 5, Neighbor Cities and Rural Reserves, defines Metro's policy regarding areas outside of the urban growth boundary. The amendment is supportive of this goal because it will allow the more intense use of a site in an urban area. This will reduce the need to expand the urban growth boundary and the need to designate additional lands for rural reserves.

Title 6, Regional Accessibility, recommends street design and connectivity standards that better serve pedestrian, bicycle and transit travel and that supports the *2040 Growth Concept*. The amendment is consistent with this title because it will allow the more intense use of a site that is to be close to transit, which will reduce the need for automobile travel by customers and employees. Reducing vehicle miles traveled by automobile will help reduce unacceptable levels of traffic congestion.

**Central Eastside
Urban Renewal Area**

**Burnside
Bridgehead**

**Verizon Cell Tower at the
Convention Plaza ★**



Central Eastside URA
Boundary

Investing in Portland's Future

PDC
PORTLAND DEVELOPMENT COMMISSION

August 2006

Information Sources: Portland Development Commission Geographic
Information Systems (GIS), City of Portland Corporate GIS and Multnomah
County Tax Assessor Office.

0 150 300 600 900 1,200 1,500
Feet

Location of the Central Eastside Tenth Amendment Site

3. City of Portland *Comprehensive Plan* Findings

The *Central Eastside Urban Renewal Plan* was prepared in conformity with the *Comprehensive Plan* of the City of Portland. The City's *Comprehensive Plan* was adopted by the Portland City Council on October 16, 1980, and was acknowledged as being in conformance with the statewide planning goals by the Land Conservation and Development Commission on May 1, 1981. The proposed Tenth amendment to the *Central Eastside Urban Renewal Plan* is consistent with the following *Comprehensive Plan* policies:

Goal 1, Metropolitan Coordination, calls for the *Comprehensive Plan* to be coordinated with federal and state law and to support regional goals, objectives and plans. The amendment is consistent with this goal because the acquisition of this site will allow the redevelopment of the site with a more intense use in the Central Eastside District of the Central City and in conformance with the *Central City Plan*.

Goal 2, Urban Development, calls for maintenance of Portland's role as the major regional employment and population center by expanding opportunities for housing and jobs, while retaining the character of established residential neighborhoods and business centers. The amendment is consistent with this goal because it will facilitate the redevelopment of a site with more intense commercial and residential uses that could provide more and more diverse employment opportunities on the site than currently exist.

Goal 5, Economic Development, calls for promotion of a strong and diverse economy that provides a full range of employment and economic choices for individuals and families in all parts of the city. The amendment is consistent with this goal because it will facilitate the redevelopment of a site with a more intense use that could provide more employment opportunities than currently exist there. The amendment is supportive of the following specific economic development policies:

- a. **Policy 5.1, Urban Development and Revitalization**, calls for encouraging investment in the development, redevelopment, rehabilitation and adaptive reuse of urban land and buildings for employment and housing opportunities. The amendment is supportive of this goal because the acquisition of this site will allow for its redevelopment with a more intense use. This redevelopment could result more employment opportunities than currently exist on the site. The Burnside Bridgehead project represents approximately \$200 million in investment in the site. The program for the site integrates a mix of uses (retail, office and industrial) that will add a range of employment opportunities.
- b. **Policy 5.2, Business Development**, calls for sustaining and supporting business development activities to retain, expand and recruit businesses. The proposed development of the site will result in approximately 120,000 s.f. of retail space, 50,000 s.f. of traditional office space and 88,000 s.f. of light industrial flex space.

Goal 6, Transportation, calls for protection of the public interest and investment in the public right-of-way and transportation system by:

- Encouraging development of a balanced, affordable and efficient transportation system consistent with the Arterial Streets Classifications and Policies;
- Providing adequate accessibility to all planned land uses;
- Providing safe and efficient movement of people and goods while preserving, enhancing, or reclaiming neighborhood livability;
- Minimizing the impact of interregional trips on city neighborhoods, commercial areas, and the city street system;
- Reducing reliance on the automobile and per capita vehicle miles traveled;
- Building the use of the city street system to control air pollution, traffic, and livability problems; and
- Maintaining the infrastructure in good condition.

The amendment is supportive of this goal because it will facilitate the redevelopment of a commercial site for a more intense mixed-use in the Central Eastside District that is well served by transit. This will reduce the need for employees and customers to rely on automobile travel. This will reduce air pollution and traffic congestion on the city street system.

Goal 7, Energy, calls for promotion of a sustainable energy future by increasing energy efficiency in all sectors of the city by ten percent by the year 2000. The amendment is consistent with this goal because facilitating the redevelopment of a site for more intense use in the heart of the Central City makes efficient use of existing infrastructure.

Goal 8, Environment, calls for maintenance and improvement of the quality of Portland's air, water, and land resources, as well as protection of neighborhoods and business centers from noise pollution. The amendment is supportive of this goal because it facilitates the redevelopment of a site in the Central City for more intense commercial and residential use. This will conserve land resources, promote transit use and decrease the need for automobile travel. Since the site is well served by local and regional transit and proximate to employment centers, it may help decrease the need for automobile travel and thereby will help improve Portland's air quality.

Goal 9, Citizen Involvement, calls for improved methods and ongoing opportunities for citizen involvement in the land use decision-making process. The amendment is consistent with this goal. Business and neighborhood organizations were notified of opportunities to be involved with the planning process on this amendment. These opportunities are detailed in the findings under State Goal 1, Citizen Involvement.

Goal 11, Public Facilities, calls for provision of a timely, orderly and efficient arrangement of public facilities and services that support existing and planned land use patterns and densities. The amendment is consistent with this goal because it supports the efficient use of infrastructure by facilitating redevelopment of sites in the Central City for more intense commercial use.

Goal 12, Urban Design, calls for the enhancement of Portland as a livable city, attractive in its setting and dynamic in its urban character by preserving its history and building a substantial legacy of quality private developments and public improvements for future generations. The amendment is consistent with this goal because of the mixed-use program of the proposed Burnside Bridgehead project and its approach to inclusion of plazas, pedestrian connections and active ground floor uses as organizing

elements of the plan. acquisition of this site will allow its redevelopment with a new multi-story building that will enclose a portion of the auto sales lot located on the same block as the site.

4. Central City Plan Findings

City Council adopted the *Central City Plan* on March 24, 1988. The policies and objectives of the plan were adopted as part of Portland's *Comprehensive Plan*. The *Central Eastside Urban Renewal Plan* is supportive of the *Central City Plan* which encourages investment in the Central City and enhancing its attractiveness as an employment, residential, cultural and recreational center. The proposed amendment is particularly supportive of several general *Central City Plan* policies and Policy 20: Central Eastside.

General Central City Plan Policies

Central City Policy 1, Economic Development, calls for strengthening the Central City as the heart of the region and utilization of the Central City's growth to foster the city's prosperity and livability. The amendment is consistent with this goal because it facilitates the redevelopment of a site for more intense use. The Burnside Bridgehead project is proposed to include approximately 120,000 s.f. of retail space, 50,000 s.f. of traditional office space and 88,000 s.f. of light industrial space

Central City Policy 4, Transportation, calls for actions that will improve accessibility to the Central City from the rest of the region and extend the Central City's ability to accommodate growth while enhancing livability. The amendment is consistent with this goal because it facilitates the redevelopment of a site, which is zoned for employment uses in an area with excellent transit service, for more intense commercial use.

Central City Policy 12, Urban Design, calls for actions that will enhance the Central City as a livable, walkable area that focuses on the Willamette River and captures the excitement of urban living. The amendment is supportive of this policy because of the mixed-use program of the proposed Burnside Bridgehead project and its approach to inclusion of plazas, pedestrian connections and active ground floor uses as organizing elements of the plan.

Policy 20: Central Eastside calls for preserving the Central Eastside as an industrial sanctuary while improving freeway access and expanding the area devoted to the Eastbank Esplanade. This amendment is supportive of this policy because it allows an existing Central Eastside commercial business, which is compatible with local industrial uses, to expand on a block that is not suitable for industrial use. This amendment is particularly supportive of one objective under this policy: promotes more intensive non-industrial development in a location that has already been designated for such use. The proposed project is the first major new development in the Central Eastside EX areas and may help influence more intensive development of other sites in the ample existing supply of EX zoned land in the Central Eastside. This implements the long established strategy for the Central Eastside, which seeks the coexistence of industrial and non-industrial use in the district of industrial only zones supported by commercial and

residential corridors. Demonstrating greater success with this strategy may also reduce some of the market pressure for conversion of viable industrially designated land.

5. Buckman Neighborhood Plan Findings

City Council adopted the *Buckman Neighborhood Plan* on June 24, 1991. The policies and objectives of the plan were adopted as part of Portland's *Comprehensive Plan* by Ordinance No. 164489. The *Central Eastside Urban Renewal Plan* is supportive of the *Buckman Neighborhood Plan*, which calls for maintaining and improving the quality and urban character of Buckman's physical environment. The proposed amendment is particularly supportive of one neighborhood plan policy.

Policy 1, Urban Design and Livability, calls for maintaining and improving the quality and urban character of Buckman's physical environment and attracting compatible development. The amendment is supportive of this policy because redevelopment of the mixed-use program of the proposed Burnside Bridgehead project and its approach to inclusion of plazas, pedestrian connections and active ground floor uses as organizing elements of the plan. The plan also introduces more residential development in an appropriate location on the west side of the district and introduces additional retail uses that can serve Buckman and other eastside neighborhoods.

Appendix B

PORTLAND DEVELOPMENT COMMISSION

Portland, Oregon

RESOLUTION NO. 6391

AUTHORIZING ACQUISITION, BY CONDEMNATION IF NECESSARY, OF THE LEASEHOLD INTEREST HELD BY VERIZON WIRELESS IN THE CONVENTION PLAZA BUILDING AT 123 NE THIRD 3RD AVENUE IN THE CENTRAL EASTSIDE URBAN RENEWAL AREA (CES URA); AND APPROVING THE TENTH AMENDMENT TO THE CES URA PLAN AUTHORIZING ACQUISITION OF THE LEASEHOLD INTEREST

WHEREAS, on August 27, 1986, the Portland City Council adopted Ordinance No. 158940 to establish the Central Eastside Urban Renewal Plan (Plan), which emphasizes revitalization, retention of existing businesses, new business development and access to the river in the Central Eastside; and

WHEREAS, ORS 457.085 (2) (g) requires a delineation of property that may be required under an urban renewal plan, and its anticipated timeframe for acquisition and disposition; and

WHEREAS, on February 17, 1999 (Resolution 5228), the Portland Development Commission (PDC) adopted the Eastbank at Burnside: Lower East Burnside Redevelopment Plan (Eastbank at Burnside Plan), which emphasizes a mixed-use gateway project at the foot of the Burnside Bridge in the CES URA; and

WHEREAS, PDC has acquired Block 76, portions of Block 75 and Block 67, and on or about January 16, 2004, PDC entered into an Option and Agreement of Purchase and Sale for the Convention Plaza Property (Option Agreement) located on Block 68 and portions of Blocks 67 and 69 (Convention Plaza) (all collectively known as the "Burnside Bridgehead property") to implement the Plan and Eastbank at Burnside Plan; and

WHEREAS, on January 11, 2006 (Resolution 6327), the Board authorized the Executive Director to exercise the Option Agreement; and on May 11, 2006, PDC acquired the Convention Plaza subject to any existing leases; and

WHEREAS, on the date PDC acquired Convention Plaza, Verizon Wireless had an existing lease with the owner of the building for cellular communication facilities which are located primarily on the roof of the building; and

WHEREAS, the acquisition of the Verizon Wireless leasehold interest at the Convention Plaza Property is necessary for the planned redevelopment of the Burnside Bridgehead property; and

WHEREAS, Section 602C of the Plan requires that the Plan be amended for the acquisition of property by an amendment that is reviewed by the Planning Commission and approved by the City Council; now, therefore, be it

RESOLVED that the PDC Board of Commissioners does hereby authorize the Executive Director to make a written offer immediately on behalf of PDC to all owners or parties having ownership of the leasehold interest in the Verizon Wireless leasehold. The offer to purchase shall comply with all legal formalities as determined by the attorneys for PDC who are retained by the Commission to represent PDC for this acquisition (the Attorneys), and shall remain open for at least forty (40) days. The written offer and forty-day waiting period may be waived by consent of all affected owners or parties having an ownership interest; and be it

FURTHER RESOLVED that if the offer is not accepted, the Attorneys are hereby authorized to continue negotiations for the purchase of the lease hold interest and upon agreement, to submit documents to the Executive Director to effect that agreement. In the event that no satisfactory agreement can be reached promptly, then the Attorneys are directed and authorized to commence and prosecute to final determination such proceedings as may be necessary, including condemnation, to acquire the leasehold interest therein. Notwithstanding any other authority granted by this Resolution, the Attorneys may, with the concurrence of the Executive Director, file an action in eminent domain at any time after the expiration of the forty-day letter offer or upon waiver of the forty-day waiting period; and be it

FURTHER RESOLVED that the PDC Board of Commissioners hereby finds and determines that acquisition of the Verizon Wireless leasehold interest in the Convention Plaza Building located at 123 NE Third 3rd Avenue, by condemnation if necessary, is a necessity for the purpose of the planned redevelopment of the Burnside Bridgehead property, and adopts as its Report on the Amendment the staff findings labeled Exhibit B; and be it

FURTHER RESOLVED that the PDC Board of Commissioners does hereby approve the Tenth Amendment to the Central Eastside Urban Renewal Plan, attached hereto as Exhibit A; and be it

FURTHER RESOLVED that the PDC Board of Commissioners does hereby direct that the Tenth Amendment to the Central Eastside Urban Renewal Plan be forwarded to the Planning Commission for its recommendation to the City Council to adopt an ordinance declaring that the Plan shall be amended as provided therein; and be it

FURTHER RESOLVED that this resolution shall become effective immediately upon its adoption.

ADOPTED by the Commission September 13, 2006

Text of the Tenth Amendment to the Central Eastside Urban Renewal Plan

TENTH AMENDMENT TO
THE CENTRAL EASTSIDE URBAN RENEWAL PLAN

The Tenth Amendment to the Central Eastside Urban Renewal Plan authorizes acquisition of property for private development pursuant to Section 602C of the Urban Renewal Plan. Redevelopment of the property through new construction and through Rehabilitation is authorized by Sections 601B and C of the Central Eastside Urban Renewal Plan (Plan).

Section 602C is amended as follow:

- C. **Land Acquisition by Urban Renewal Plan Amendments.** Land acquisition for any purpose other than specifically listed in Section D shall be accomplished by the following procedures for amending this Plan as set forth in Section 900 of this Plan.

Assembling land for development by the private sector where the developer of such land is a person or group other than the owner of record of such land to be acquired, shall be accomplished only following a formal amendment to this Plan. Therefore, each such development and the property acquisition required shall be processed on a case-by-case basis and no such acquisition shall be undertaken until the City Council authorizes same in conjunction with or by formal amendment to this Plan.

Real property which may be acquired by the Development Commission is shown on the Property Acquisition Map, (Exhibit 3). Parcels shown on the Central Eastside Property Acquisition map are for use as follows:

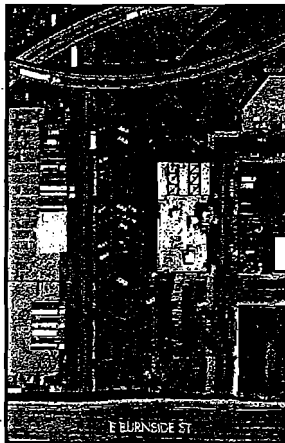
<u>Parcel</u>	<u>Intended Use</u>
1. Exhibit 3 (Glacier Park Area)	Redevelopment for industrial/commercial business uses
2. Exhibit 3 (Portland Traction Yard)	Industrial/commercial redevelopment and public streets and transportation
3. Exhibit 3 (North OMSI Riverfront)	Riverfront parks and recreation
4. Exhibit 3 (Kuzman Parcel)	Riverfront parks and recreation
5. Exhibit 3 (ODOT West of Water Avenue)	Industrial/commercial redevelopment/parks and recreation
6. Exhibit 4 (Block 106 – lot 8; George parcel)	Redevelopment/commercial/retail uses
7. Exhibit 3 (Convention Plaza)	Redevelopment/commercial/retail uses

Exhibit 3

Central Eastside Urban Renewal Area

Burnside Bridgehead

Verizon Cell Tower at the Convention Plaza ★



Central Eastside URA Boundary

Investing in Portland's Future

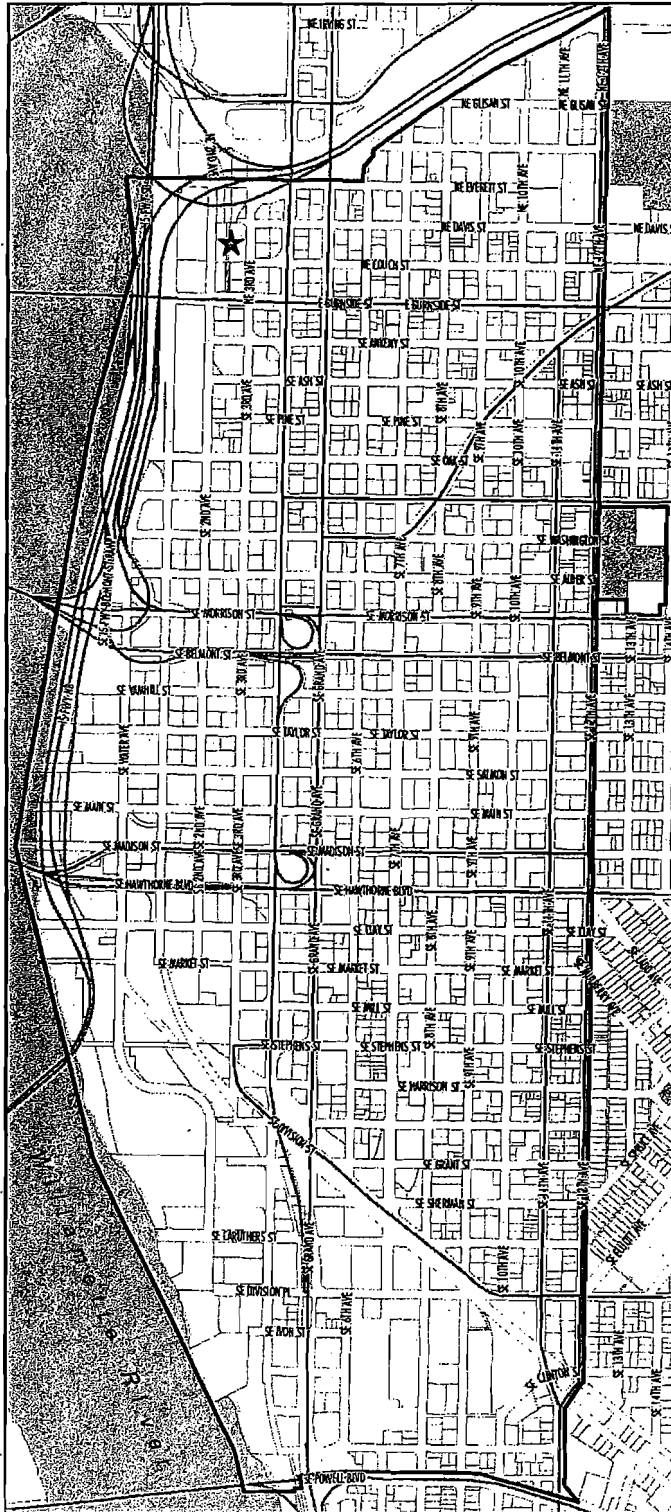
PDC

PORTLAND DEVELOPMENT COMMISSION

August 2006

Information Sources: Portland Development Commission Geographic Information Systems (GIS), City of Portland Corporate GIS and Multnomah County Tax Assessor Office.

0 150 300 600 900 1,200 1,500 Feet



Appendix C

**REPORT ON THE TENTH AMENDMENT
TO THE
CENTRAL EASTSIDE URBAN RENEWAL PLAN
City of Portland, Oregon**

**Portland Development Commission
September 13, 2006**

Chapter 1 – Introduction

Tenth Amendment to the Central Eastside Urban Renewal Plan (Plan) makes the following changes to the Plan:

Add one property/leasehold interest to the list properties to be acquired pursuant to Section 602C of the Plan. The property/leasehold interest is to be acquired for development by the private sector.

The Plan was adopted by City Council on August 27, 1986. The Plan noted, “*The Plan will be reviewed and analyzed periodically and will continue to evolve during the course of project execution and ongoing planning. It is anticipated that this Plan will be changed or modified from time to time or amended as development potential and conditions warrant, as planning dictate.*” Subsequent to adoption of the Plan, additional planning work has been completed and additional changes in conditions have occurred, warranting an Amendment to the Plan.

In particular, the Board has determined that it is necessary to acquire an existing leasehold interest in a wireless communication facility. Section 602C of the Plan requires that such properties to be acquired be shown in the Plan and their intended use described.

ORS 457.095 (3) requires that an urban renewal plan amendment, which is a significant change requiring a substantial amendment to the plan, be accompanied by a report which shall contain:

- a. A description of physical, social and economic conditions in the urban renewal areas of the plan and the expected impact, including the fiscal impact, of the plan in light of added services or increased population;
- b. Reasons for selection of each urban renewal area in the plan;
- c. The relationship between each project to be undertaken under the plan and the existing conditions in the urban renewal area;
- d. The estimated total cost of each project and the sources of moneys to pay such costs;
- e. The anticipated completion date for each project;
- f. The estimated amount of money required in each urban renewal area under ORS 457.420 to 457.460 and the anticipated year in which indebtedness will be retired or otherwise provided for under ORS 457.420 to 457.460;
- g. A financial analysis of the plan with sufficient information to determine feasibility;
- h. A fiscal impact statement that estimates the impact of the tax increment financing, both until and after the indebtedness is repaid, upon all entities levying taxes upon property in the urban renewal area; and
- i. A relocation report which shall include:

- A. An analysis of existing residents or businesses required to relocate permanently or temporarily as a result of agency actions under ORS 457.170;
- B. A description of the methods to be used for the temporary or permanent relocation of persons living in, and businesses situated in, the urban renewal area in accordance with ORS 35.500 to 35.530; 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 new units to be added.

This report will address each of the required information categories.

Chapter 2 – a: A description of physical, social and economic conditions in the urban renewal areas of the plan and the expected impact, including the fiscal impact, of the plan in light of added services or increased population.

This Plan Amendment does not change the analysis of the physical, social and economic conditions in the urban renewal area contain in the original Report of the Plan.

The following is a summary of specific conditions found within the property/leasehold interest acquisition site:

- Land/Site area: Block 68, consisting of 8 lots totaling 40,000 square feet.
- Existing land use and zoning: The parcel is zoned EXd, Central Employment zone with a design review overlay.
- Condition of Building and Dwelling units: This block consists of a five story Class C building containing approximately 96,000 square feet. Building contains approximately 29 tenants, requiring acquisition of one leasehold interest. The building footprint is approximately 20,000 square feet. Remainder of the site is used as surface parking for the office building.
- Condition of Public Infrastructure: All public facilities and services are available at the site.
- Environmental Conditions: A level 1 Environmental Assessment has been conducted on the entire Block 68 and no environmental conditions were found.
- Economic Conditions: The aggregate value of the leasehold interest to be acquired will be established by appraisal.

This Plan Amendment will not create a need for added services; therefore, will not change any elements of the analysis in the original Report accompanying the Plan.

Chapter 3 – b: Reasons for selection of each urban renewal area in the plan

This Plan Amendment does not affect the area of the Central Eastside Urban Renewal Area (CES URA), nor does it affect the purpose and objective of the Plan.

Chapter 4 – c: The relationship between each project to be undertaken under the plan and the existing conditions in the urban renewal area

“Urban Renewal Project” is a defined term in ORS Chapter 457. It includes both single-site activities and implementation of programs necessary to achieve the goals of the urban renewal plan.

This Plan Amendment adds one property to the list of properties to be acquired for private redevelopment. Acquisition of property for private redevelopment is authorized in Section 602C of the Plan. Property acquisition and redevelopment is intended to correct the deficiencies described in Chapter II of the original Report in the Plan.

Chapter 5 – d: The estimated total cost of each project and the sources of moneys to pay such costs

The property acquisition authorized in this Amendment will be carried out within the maximum indebtedness of this Plan. All acquisition authorized by this Amendment will be concluded by the termination date of the Plan, and property disposition will be completed as soon as reasonably possible after acquisition, in order to accomplish the goals of the Plan.

Chapter 6 – e: The anticipated completion date for each project

The completion date of the Burnside Bridgehead Project is anticipated to be December, 2009.

Chapter 7 – f: The estimated amount of money required in each urban renewal area under ORS 457.420 to 457.460 and the anticipated year in which indebtedness will be retired or otherwise provided for under ORS 457.420 to 457.460

This Plan Amendment does not affect the maximum indebtedness for the Plan, or the anticipated year in which indebtedness will be retired.

Chapter 8 – g: A financial analysis of the plan with sufficient information to determine feasibility

This Plan Amendment does not change the financial analysis of the Plan under the Fourth Amendment, incorporated herein by this reference, since all property acquisition will be completed within the maximum indebtedness allowed under the Plan.

Chapter 9 – h: A fiscal impact statement that estimates the impact of the tax increment financing, both until and after the indebtedness is repaid, upon all entities levying taxes upon property in the urban renewal area

This Plan Amendment does not change the impact of the tax increment financing from the original Plan, or from the Plan under the Fourth Amendment (since the property acquisition will be completed within the maximum indebtedness allowed in the Fourth Amendment).

Chapter 10 – i: A relocation report which shall include:

- A. An analysis of existing residents or businesses required to relocate permanently or temporarily as a result of agency actions under ORS 457.170.

The acquisition authorized in this amendment will require the relocation of equipment owned by Verizon Wireless. Neither the type of business use, nor the type of property the business occupies should pose an obstacle to the relocation of the facilities. No residential relocations will result from this Plan Amendment.

- B. A description of the methods to be used for the temporary or permanent relocation of persons living in, and businesses situated in, the urban renewal area in accordance with ORS 35.500 to 35.530.

The Portland Development Commission has adopted a Relocation Policy that conforms to the requirements of ORS 281.045 through 282.105 and maintains information in its office relating to the relocation program and procedures, including eligibility for and amounts of relocation payments, services available and other relevant matters. This Relocation Policy will apply to all persons and businesses required to relocate by the acquisition authorized in this amendment. In any event, it is not anticipated that this acquisition will result in relocation of any person or business situated in the urban renewal area.

- 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 new units to be added.

No existing housing units are proposed to be eliminated, and approximately 527 housing units will be added by this Plan Amendment.

Section 602C – The Tenth Amendment to the Central Eastside Urban Renewal Plan amends section 602C of the Plan to add a property to the list of real property which may be acquired by the Portland Development Commission. New text is shown in underline.

Section 602C is amended as follow:

- D. **Land Acquisition by Urban Renewal Plan Amendments.** Land acquisition for any purpose other than specifically listed in Section D shall be accomplished by the following procedures for amending this Plan as set forth in Section 900 of this Plan.

Assembling land for development by the private sector where the developer of such land is a person or group other than the owner of record of such land to be acquired, shall be accomplished only following a formal amendment to this Plan. Therefore, each such development and the property acquisition required shall be processed on a case-by-case basis and no such acquisition shall be undertaken until the City Council authorizes same in conjunction with or by formal amendment to this Plan.

Real property which may be acquired by the Development Commission is shown on the Property Acquisition Map, (Exhibit 3). Parcels shown on the Central Eastside Property Acquisition map are for use as follows:

<u>Parcel</u>	<u>Intended Use</u>
1. Exhibit 3 (Glacier Park Area)	Redevelopment for industrial/commercial business uses
2. Exhibit 3 (Portland Traction Yard)	Industrial/commercial redevelopment and public streets and transportation
3. Exhibit 3 (North OMSI Riverfront)	Riverfront parks and recreation
4. Exhibit 3 (Kuzman Parcel)	Riverfront parks and recreation
5. Exhibit 3 (ODOT West of Water Avenue)	Industrial/commercial redevelopment/ parks and recreation
6. Exhibit 4 (Block 106 – lot 8; George parcel)	Redevelopment/commercial/retail uses
<u>7. Exhibit 3 (Convention Plaza - Verizon Leasehold Interest)</u>	<u>Redevelopment/commercial/retail uses</u>