

AUDITOR OF THE CITY OF PORTLAND

PORTLAND, OREGON 97204

ROOM 202
CITY HALL

COPY CERTIFICATE

STATE OF OREGON,
County of Multnomah,
CITY OF PORTLAND,

} ss

JEWEL LANSING Auditor of the City of Portland, do hereby certify that I have compared the following copy of Ordinance No. 158940, passed by the Council August 27, 1986, being "An Ordinance making certain determinations related to and adopting the Central Eastside Urban Renewal Plan", *and exhibits thereof*

with the original thereof, and that the same is a full, true and correct copy of such original

Ordinance No. 158940, *and exhibits*

and of the whole thereof as the same appears on file and of record in my office, and in my care and custody.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of the City of Portland affixed

this *2nd* day of *September, 1986.*



Jewel Lansing

Auditor of the City of Portland

By

Eana Lecora

Deputy

ORDINANCE NO. 158940

An Ordinance making certain determinations related to and adopting the Central Eastside Urban Renewal Plan.

The City of Portland ordains:

Section 1: The Council finds:

1. On December 12, 1985, the City Council passed Resolution 33993, adopting the Central Eastside Revitalization Program.
2. The Central Eastside Revitalization Program includes goals and objectives and recommends specific action items, including Urban Renewal as a potential mechanism to secure certain public and private improvements in the Central Eastside.
3. Subsequent to adoption of the Central Eastside Revitalization Program, Development Commission staff have met with interested citizens, property owners, and representatives of City bureaus in the process of developing an Urban Renewal Plan.
4. On July 16, 1986, the Portland Development Commission reviewed and adopted the Central Eastside Urban Renewal Plan and Central Eastside Urban Renewal Report, attached hereto as Exhibit A and by this reference made a part hereof.
5. The Development Commission held a public information meeting July 31, continued to meet with interested citizens, met with the Central Eastside Industrial Council Land Use Committee, the Central Eastside Industrial Council Board of Directors, representatives of Southeast Uplift Land Use Committee, the Inner S.E. Coalition, the Housing Advisory Committee, and representatives of affected City of Portland bureaus to review and discuss the Urban Renewal Plan and Report.
6. On August 12, 1986, the Portland Planning Commission reviewed and recommended adoption of the Plan and Report and made findings of conformance with the Comprehensive Plan and statutory requirements of ORS 457 by a report, which is attached hereto as Exhibit B, and by this reference made a part hereof.
7. The City Council reviewed and considered the Plan and Report and does by this Ordinance desire to approve the Central Eastside Urban Renewal Plan.
8. The City Council hereby finds and determines that:
 - a. The Central Eastside Urban Renewal Area as a whole as defined in the Plan, is blighted in accordance with ORS 457.010;
 - b. That said Plan complies with all requirements of ORS Chapter 457;

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- c. Rehabilitation and redevelopment is necessary to protect the public health, safety, and welfare of the City of Portland;
- d. The Plan conforms to the City's Comprehensive Plan and provides an outline for accomplishing the urban renewal projects the Plan proposes;
- e. No residential displacement is expected to occur as a result of the renewal actions proposed by the Plan. Provision has been made to house displaced persons within their financial means in accordance with ORS 281.045 to 281.105 and, except in the relocation of elderly or handicapped individuals, without displacing on priority lists persons already waiting for existing federally subsidized housing;
- f. Adoption and carrying out of the Plan is economically sound and feasible;
- g. Acquisition of real property is provided for in the Plan, and is necessary under the conditions described; and
- h. The City of Portland will cooperate in carrying out the Plan and shall assume and complete any activities prescribed to it by the Plan.

NOW, THEREFORE, the Council directs:

- a. The Plan, having been duly reviewed and considered by the Council, is hereby approved and adopted.
- b. The Portland Development Commission shall file in the Records of Multnomah County, Oregon a copy of the Plan and this Ordinance upon adoption by the Council.
- c. The City Auditor shall forward forthwith to the Portland Development Commission and to the Portland City Planning Commission copies of this Ordinance upon adoption by the Council.
- d. The City Auditor, in accordance with ORS 457, shall publish notice of the adoption of this Ordinance approving the Plan in the newspaper having the greatest circulation in the City of Portland within four days following adoption of this Ordinance.

Passed by the Council, AUG 27 1986

Mayor Clark
August 20, 1986
PDC:KS:lg

Jewel Lansing
Auditor of the City of Portland
By *Dorothy E. Chesney*
Deputy

CITY OF PORTLAND, OREGON
CENTRAL EASTSIDE URBAN RENEWAL PLAN

JULY 1986

CITY OF PORTLAND DEVELOPMENT COMMISSION
1120 S.W. FIFTH AVENUE, SUITE 1102
PORTLAND, OREGON 97204-1968

158940

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URBAN RENEWAL PLAN
FOR THE
CENTRAL EASTSIDE URBAN RENEWAL PROJECT

ADOPTED AUGUST 1986
BY CITY COUNCIL ORDINANCE NO. 158940

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EXHIBITS

- EXHIBIT 1 - Renewal Area Boundary
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- EXHIBIT 3 - Land Use (Comprehensive Plan) Plan Map

SECTION 100 - INTRODUCTION

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The Central Eastside Urban Renewal Plan consists of Part One - Text and Part Two - Exhibits. This Urban Renewal Plan, as amended, has been prepared by the Urban Renewal Agency of the City of Portland, Oregon pursuant to Oregon Revised Statute (ORS) Chapter 457, the Oregon Constitution, and all applicable laws and ordinances. All such applicable laws are made a part of this Plan, whether expressly referred to in the text or not.

The Urban Renewal Plan for the Central Eastside Urban Renewal Area was originally approved by the City Council of the City of Portland by Ordinance No. _____.

SECTION 200 - DEFINITIONS

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The following definitions will govern the construction of this Plan unless the context otherwise requires:

"Plan" means the Urban Renewal Plan for the Central Eastside Urban Renewal Area, Parts One and Two.

"Text" means the Urban Renewal Plan for the Central Eastside Urban Renewal Area, Part One - Text.

"Exhibit" means an attachment, either narrative or map, to the Urban Renewal Plan for the Central Eastside Urban Renewal Area, Part Two - Exhibits.

"Area" means the area included within the boundaries of the Central Eastside Urban Renewal Area.

"Development Commission" means the Portland Development Commission which is the Urban Renewal Agency of the City of Portland, Oregon.

"Planning Commission" means the Planning Commission of the City of Portland, Oregon.

"City" means the City of Portland, Oregon.

"City Council" means the City Council of the City of Portland, Oregon.

"County" means the County of Multnomah, State of Oregon.

"State" means the State of Oregon.

"ORS" means Oregon Revised Statute (State Law) and specifically Chapter 457 thereof.

"Redeveloper" means any individual or group acquiring property from the Development Commission or receiving financial assistance for the physical improvement of privately or publicly held structures and land.

"General Plan" means the City's Comprehensive Plan.

"Objective" means any goal, general or specific, or objective described in Section 400 of this Plan.

"Displaced" person or business means any person who moves or is required to move as a result of real property acquired by the Development Commission or any person receiving a written notice to vacate the property for public use as more specifically described in ORS 28.045.

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"Central Eastside Revitalization Program (CERP)" means the framework of goals, objectives and action recommendations adopted by City Council, December 1985 (Resolution 33993).

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SECTION 300 - LEGAL BOUNDARY DESCRIPTION

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The approximate boundaries of the Area are shown by the Renewal Area Boundary Map - Exhibit 1.

The Area is described as that land containing all lots or parcels of property situated in the City of Portland, County of Multnomah, and State of Oregon, bounded generally as follows:

Beginning at the intersection of the east Harbor Line of the Willamette River and the north line of the Ross Island Bridge; thence easterly along the north line of the Ross Island Bridge to it's intersection with the north line of S.E. Powell Boulevard; thence easterly along said line to it's intersection with the east line of S.E. Milwaukie Avenue; thence northerly along said line to it's intersection with the east line of S.E. 12th Avenue; thence northerly along said east line of S.E. 12th Avenue and N.E. 12th Avenue to it's intersection with the south line of I-84; thence westerly along said line to it's intersection with the north line or extension thereof of N.E. Everett Street within the vicinity of N.E. Grand Avenue; thence westerly along the north line of N.E. Everett Street and westerly extension thereof to it's intersection with the east Harbor Line of the Willamette River; thence southerly along said line to the north line of the Ross Island Bridge point of beginning.

SECTION 400 - GOALS AND OBJECTIVES FOR THE CENTRAL EASTSIDE URBAN RENEWAL AREA

The primary goal of the Plan is to improve the condition and appearance of the Area, eliminate blight and blighting influences, to expand and improve public facilities and to stimulate private investment and economic growth in the Central Eastside Urban Renewal Area.

This plan is supportive of the City of Portland Comprehensive Plan, Central Eastside Revitalization Program (CERP) and other adopted City policies, programs and objectives.

I. Urban Development**A. General Goal**

Maintain Portland's role as the major regional employment, population, cultural center through public policies that encourage expanded opportunity for housing and jobs while retaining the character of established residential, neighborhood and business centers. (Comprehensive Plan Goal 2.)

B. Specific Goals

- (1) **Urban Diversity:** Promote a range of employment opportunities and living environments for Portland residents in order to attract and retain a stable and diversified population. (Comprehensive Plan 2.2.)
- (2) **Utilization of Vacant Land:** Provide for full utilization of existing vacant land except in those areas designated as open space. (Comprehensive Plan 2.18.)
- (3) **Other Urban Renewal Areas:** Coordinate, support and provide ability to integrate goals and activities of adjacent renewal areas with this renewal area.

II. Business Retention and New Business Development**A. General Goal:**

Improve the level, distribution and stability of jobs and income for resident industry, business and people in accordance with the Economic Development Policy adopted by the City Council. (Comprehensive Plan Goal 5.)

B. Specific Goals:

- (1) **Public/Private Partnership:** Foster a development Partnership between the public and private sectors that is responsive to the economic needs of Portland's business and residents. (Comprehensive Plan 5.1.) (CERP Objective 5.)

- (2) **Jobs and Income:** Encourage long-term employment opportunities that enhance broad vocational and income opportunities, decrease unemployment, and increase the disposable income of City residents. (Comprehensive Plan 5.2.) (CERP Objective 7.)
- (3) **District Economic Development:** Encourage the development and maintenance of business and industrial district organizations where such organizations help meet the City's economic development objectives and are compatible with neighborhood liveability. (Comprehensive Plan 5.4.)
- (4) **Business and Industry:** Encourage in-city business to remain and expand and promote the recruitment of new business and industry by keeping Portland competitive with other regional and national centers. (Comprehensive Plan 5.3.)

III. Central Eastside Revitalization Program

A. General Goal:

Maintain and enhance the Central Eastside District 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 of opportunity for complimentary ventures, and offer a positive environment for adjacent neighborhoods.

B. Specific Goals:

- (1) Preserve and enhance the unique characteristics of the Central Eastside Industrial District as a near-in employment center with a diverse industrial base complimented by concentrations of commercial and residential uses in appropriately designated areas. (CERP 1*.)
- (2) Increase the attractiveness of the Central Eastside as an industrial center, particularly for specialty manufacturing and distribution firms desiring convenient access to regional transportation network. (CERP 2.)
- (3) Enhance business and development opportunities for existing firms, recognizing the importance of providing industrial sanctuaries for certain industrial activities while affording opportunities for commercial and housing development within appropriately designated subareas. (CERP 3.)
- (4) Create an attractive environment featuring high quality design standards for new and existing businesses in a manner which is complimentary to the overall business climate while recognizing the CEID is both the "front door" to nearby residential neighborhoods and highly visible to Portland's Central Business District. (CERP 4.)

- (5) Maintain and bolster the function of the CEID as a business incubator for new industrial and commercial businesses. (CERP 10.)
- (6) Intensify property utilization at locations not suitable for industry (on a conditional basis) and increase the number of compatible businesses and retail services along commercial corridors. (CERP 8.)
- (7) Improve the transportation system and parking resources to meet the CEID's business needs and redevelopment objectives while respecting the traffic concerns of adjacent neighborhoods. (CERP 9.)

* Central Eastside Revitalization Program Objectives

IV. Riverfront Access

Willamette River Greenway Plan and Esplanade Development: Implement the Willamette River Greenway Plan which preserves a strong working river while promoting recreation, commercial and residential waterfront development along the Willamette - South of the Broadway Bridge. (Comprehensive Plan 2.7.) Increase accessibility to the river and enhance Greenway areas as a public resource and improve the environmental quality of life for adjacent and nearby neighborhoods. (CERP objective 6.)

SECTION 500 - LAND USE PLAN

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The Land Use Plan consists of the Land Use (Comprehensive Plan) Plan Map (Exhibit Two - Part Two) and the descriptive material and regulatory provisions contained in this Section (both those directly stated and those herein included by reference).

This Plan shall be in accordance with the approved Comprehensive Plan of the City of Portland and with its implementing ordinances and policies.

Any Comprehensive Plan, Planning and Zoning Code Amendments, or additions including those resulting from the adoption of the Central City Plan, shall automatically amend Section 500 of this Urban Renewal Plan, as applicable, without the necessity of a formal amendment. This Section 500 and Exhibits 2 and 3 of this Plan document shall thereafter incorporate the relevant amendments, additions or deletions.

1. LAND USE MAP AND REGULATIONS

The use and development of land in the Area shall be in accordance with regulations prescribed in this Section 500, which regulations are in addition to any conditions, limitations or restrictions contained in Title 33, Planning and Zoning Code of the City of Portland, or any other applicable local, state or federal laws regulating the use of property in the Area.

Exhibits 2 and 3 respectively the "Zoning Map" and the "Land Use (Comprehensive Plan) Plan Map" describe the locations of the principal land use classifications which are applicable to the Renewal Area.

A. Land Uses Permitted:

- (1) **Heavy Industrial (HI)** complying with Title 33, Planning and Zoning Code of the City of Portland, as amended.
- (2) **General Industrial (GI)** complying with Title 33, Planning and Zoning Code of the City of Portland.
- (3) **Light Manufacturing (M3)** complying with Title 33, Planning and Zoning Code of the City of Portland.
- (4) **General Commercial (C2)** complying with Title 33, Planning and Zoning Code of the City of Portland.
- (5) **Medium Density Multi-Family Residential (R1)** complying with Title 33, Planning and Zoning Code of the City of Portland.

2. ADDITIONAL LAND USE PROVISIONS

The following provisions are in addition to conditions, limitations or restrictions previously identified in this Section 500.

A. Plan and Design Review:

The Development Commission shall facilitate coordination of regulatory procedures related to applications for land use approvals of all private and public development activities for which it provides assistance.

The Development Commission shall be notified of proposed zoning and comprehensive plan changes and conditional use permits and Historic Landmark designations requested within the Area.

Plan and design review of private and public development shall be as follows:

- (1) Within the Area, procedures established in Title 33, Planning and Zoning Code of the City of Portland shall be followed.
- (2) Redevelopers, as defined in this Plan, shall comply with the Redevelopers Obligations, Section 600 of this Plan, which section provides for supplementary plan and design review by the Commission.

SECTION 600 - PROJECT ACTIVITIES

In order to achieve the objectives of this Plan, the following activities will be undertaken on behalf of the City by the Development Commission, in accordance with applicable Federal, State, County and City laws, policies and procedures.

1. PUBLIC IMPROVEMENTS

- A. Intent. Public facilities and utilities may be improved or constructed within public rights-of-way, easements, or on public property for the purpose of eliminating or preventing blight, retaining business and jobs, and stimulating new private investment. These improvements may include storm and sanitary sewer improvements, street lighting installation, landscaping, street improvements, parking facilities, parks, open space development, and public restrooms or other improvements deemed appropriate for the achievement of the plan goals and objectives. The private utilities concerned will make such modifications and adjustments as may be legally required of them by the City to adequately serve development and meet the objectives of this Plan. Public improvements which may be undertaken, under this Plan, are listed in Subsection 600-1-B, below.

Public improvement projects planned in the Central Eastside Urban Renewal Area are described more fully in the Report on the Plan.

- B. Anticipated Improvements. Public improvements may include the construction, reconstruction, repair or replacement of sidewalks, streets, pedestrian amenities and public infrastructure including, but not limited to:
- (1) New curbs and gutters, including curb extensions;
 - (2) Construction and reconstruction of streets;
 - (3) Storm water, sanitary sewer, and other public or private utilities;
 - (4) New sidewalks or other pedestrian improvements and streets;
 - (5) Trees, shrubs, flowering plants, ground covers, and other plant materials including irrigation systems, soil preparation and/or containers to support same;
 - (6) Street lights and traffic control devices, tables, benches and other street furniture, drinking fountains;
 - (7) Special graphics and signage for directional and informational purposes;
 - (8) Sidewalk awnings, canopies and other weather-sheltering structures for the protection of pedestrians;
 - (9) On and off-street parking facilities.

2. REDEVELOPMENT THROUGH NEW CONSTRUCTION

- A. Intent. It is the intent of this Plan to stimulate new private investment on vacant or underutilized property to achieve the objectives of this Plan.
- B. Method. Redevelopment through new construction may be achieved in two ways:
- (1) By property owners, with or without financial assistance by the Development Commission;
 - (2) By acquisition of property by the Development Commission for resale to others for redevelopment.
- C. Redevelopment Financing. The Development Commission, with funds available to it, is authorized to promulgate rules and guidelines, establish financial assistance programs and provide below-market interest rate and market rate loans or other assistance and provide such other forms of financial assistance to property owners as it may deem appropriate in order to achieve the objectives of this Plan.

3. REDEVELOPMENT THROUGH REHABILITATION

- A. Intent. It is the intent of this Plan to encourage conservation and rehabilitation of existing buildings, and to promote the preservation of historical structures which can be economically rehabilitated.
- B. Method. Rehabilitation and conservation may be achieved in three ways:
- (1) By owner and/or tenant activity, with or without financial assistance by the Development Commission;
 - (2) By the enforcement of existing City codes and ordinances;
 - (3) By acquisition of property by the Development Commission for rehabilitation by the Development Commission or resale for rehabilitation by others.
- C. Rehabilitation Financing. The Development Commission, with funds available to it, is authorized to promulgate rules and guidelines, establish financial assistance programs and provide below-market interest rate and market rate loans or other assistance to the owners of buildings which are in need of rehabilitation and which are economically capable of same.

4. 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 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 Plan Amendments. 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.

If such plan amendment is approved by the City Council, a map exhibit shall be prepared showing the properties to be acquired and the purpose of such acquisition. Such map exhibit shall be appropriately numbered and shall be included in Part Two as an official part of this Urban Renewal Plan.

- D. Land Acquisition Without Urban Renewal Plan Amendment. Land acquisition not requiring a Plan amendment requires the prior approval of City Council, except where conditions under (3) below exist. The Development Commission may acquire land without amendment to this Plan where the following conditions exist:
- (1) Where it is determined that the property is needed to provide public improvements and facilities as follows:
 - (a) Right-of-way acquisition for streets, alleys or pedestrian ways;
 - (b) Property acquisition for public use.
 - (2) Where such conditions exist as may affect the health, safety and welfare of the Area as follows:
 - (a) Where existing conditions do not permit practical or feasible rehabilitation of a structure and it is

determined that acquisition of such properties and demolition of the improvements thereon are necessary to remove substandard and blighting conditions;

(b) Where detrimental land uses or conditions such as incompatible uses, or adverse influences from noise, smoke or fumes exist, or where there exists overcrowding, excessive dwelling unit density or conversions to incompatible types of uses, and it is determined that acquisition of such properties and demolition of the improvements are necessary to remove blighting influences and to achieve the objectives of this Plan.

(3) Where the owner of real property within the boundaries of the Area wishes to convey title of such property by any means, including by gift.

5. LAND DISPOSITION

A. Property Disposition. The Development Commission is authorized to sell, lease, exchange, subdivide, transfer, assign, pledge, encumber by mortgage or deed of trust, or otherwise dispose of any interest in real property which has been acquired, in accordance with the provisions of this Urban Renewal Plan.

All real property acquired by the Development Commission in the Area shall be disposed of for development for the uses permitted in the Plan at its fair re-use value for the specific uses to be permitted on the real property. Real property acquired by the Development Commission may be disposed of to any other public entity by the Development Commission, in accordance with the Plan. All persons and entities obtaining property from the Development Commission shall use the property for the purposes designated in this Plan, and shall commence and complete development of the property within a period of time which the Development Commission fixes as reasonable, and shall comply with other conditions which the Development Commission deems necessary to carry out the purposes of this Plan.

To provide adequate safeguards to insure that the provisions of this Plan will be carried out to prevent the recurrence of blight, all real property disposed of by the Development Commission, as well as all real property owned or leased by participants which is assisted financially by the Development Commission, shall be made subject to this Plan. Leases, deeds, contracts, agreements, and declarations of restrictions by the Development Commission may contain restrictions, covenants, covenants running with the land, rights of reverter, conditions subsequent, equitable servitudes, or any other provisions necessary to carry out this Plan.

B. Redeveloper's Obligations

Any Redeveloper, and his successors and assigns, within the Area, in addition to the other controls and obligations stipulated and required of him by the provisions of this Urban Renewal Plan, shall also be obligated by the following requirements.

- (1) The Redeveloper shall obtain necessary approvals of proposed developments from all Federal, State and/or Local agencies that may have jurisdiction on properties and facilities to be developed within the Area.
- (2) The Redeveloper and his successors or assigns shall develop such property, in accordance with the land use provisions and building requirements specified in this Plan.
- (3) The Redeveloper shall submit all plans and specifications for construction of improvements on the land to the Development Commission for review and distribution to appropriate reviewing bodies as stipulated in this Plan and existing City codes and ordinances. Such plans and specifications shall comply with this Plan and the requirements of existing City codes and ordinances.
- (4) The Redeveloper shall accept all conditions and agreements as may be required by the Development Commission in return for receiving financial assistance from the Development Commission.
- (5) The Redeveloper shall commence and complete the development of such property for the uses provided in this Plan within a reasonable period of time as determined by the Development Commission.
- (6) The Redeveloper shall not effect or execute any agreement, lease, conveyance, or other instrument whereby the real property or part thereof is restricted upon the basis of age, race, color, religion, sex, or national origin in the sale, lease or occupancy thereof.
- (7) The Redeveloper shall maintain developed and/or undeveloped property under his ownership within the area in a clean, neat, and safe condition, in accordance with the approved plans for development.

6. OWNER PARTICIPATION

Property owners within the Urban Renewal Area proposing to improve their properties and receiving financial assistance from the Development Commission shall do so in accordance with all applicable provisions of this Plan and with all applicable codes, ordinances, policies, plans and procedures of the City.

7. RELOCATION

The Development Commission will provide assistance to persons or businesses displaced in finding replacement facilities. All persons or businesses to be displaced will be contacted to determine such relocation needs. They will be provided information on available space and will be given assistance in moving. All relocation activities will be undertaken and payments made, in accordance with the requirements of ORS 281.045-281.105 and any other applicable laws or regulations. Relocation payments will be made as provided in ORS 281.060. Payments made to persons displaced from dwellings will assure that they will have available to them decent, safe and sanitary dwellings at costs or rents within their financial reach. Payment for moving expense will be made to businesses displaced.

The Development Commission has prepared 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.

SECTION 700 - METHODS FOR FINANCING THE PROJECT**1. GENERAL DESCRIPTION OF THE PROPOSED FINANCING METHODS**

The Development Commission may borrow money and accept advances, loans, grants and any other form of financial assistance from the Federal Government, the State, City, County, or other public body, or from any sources, public or private, for the purposes of undertaking and carrying out this Plan, or may otherwise obtain financing as authorized by ORS Chapter 457 and Chapter XV of the Charter of the City of Portland. Upon request of the Development Commission, the Council of the City of Portland may from time to time issue revenue bonds, certificates, debentures or promissory notes to assist in financing project activities as provided by Section 15-106 of the Charter of the City of Portland.

The funds obtained by the Development Commission shall be used to pay or repay any costs, expenses, advancements and indebtedness incurred in planning or undertaking project activities or in otherwise exercising any of the powers granted by ORS Chapter 457 and Chapter XV of the Charter of the City of Portland in connection with the implementation of this Plan.

2. SELF-LIQUIDATION OF COSTS OF PROJECT

The Project may be financed, in whole or in part, by self-liquidation of the costs of project activities as provided in ORS 457.420 through ORS 457.450. The ad valorem taxes, if any, levied by a taxing body upon the taxable real and personal property situated in the Area, shall be divided as provided in ORS 457.440. That portion of the taxes representing the levy against the increase, if any, in assessed value of property located in the Area, or part thereof, over the true cash value specified in the certificate of amendment to the certificate filed under ORS 457.430, shall, after collection by the tax collector, be paid into a special fund of the Development Commission and shall be used to pay the principal and interest on any indebtedness incurred by the Development Commission to finance or refinance the implementation of this Plan.

3. PRIOR INDEBTEDNESS

Any indebtedness permitted by law and incurred by the Development Commission or the City in connection with preplanning for this Urban Renewal Plan shall be repaid from tax increments from the Area when and if such funds are available.

SECTION 800 - OTHER PROVISIONSBOOK **1947** PAGE **1099****1. NON-DISCRIMINATION**

In the preparation, adoption and implementation of this Plan, no public official or private party shall take any action or cause any person, group or organization to be discriminated against on the basis of age, race, color, religion, sex, marital status or national origin.

2. CONFORMANCE WITH CITY GENERAL PLAN

This Urban Renewal Plan is in conformity with the General Plan of the City as a whole relative to the improvement of the major industrial, commercial and residential areas of the City of Portland.

SECTION 900 - PROCEDURES FOR CHANGES OR AMENDMENTS IN THE APPROVED CENTRAL EASTSIDE URBAN RENEWAL PLAN

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 studies are completed, as financing becomes available, or as local needs dictate. Where the proposed modification will substantially change the Plan, the modification must be duly approved and adopted by the City Council in the same manner as the original Plan and in accordance with the requirements of State and local law. The provisions of ORS 457.095 and ORS 457.220 shall apply.

1. MINOR CHANGES

Minor changes such as clarification of language, procedures or minor modifications in or to the Area's infrastructure which will not change the basic planning or engineering principals of this Plan, may be approved by the Development Commission.

2. SUBSTANTIAL CHANGES

Substantial changes shall include but are not limited to revisions of project boundaries, acquisitions of real property not specifically authorized by this Plan, and other elements which will change the basic planning principles of this Plan.

SECTION 1000 - DURATION AND VALIDITY OF APPROVED URBAN RENEWAL PLAN**1. DURATION OF URBAN RENEWAL PLAN**

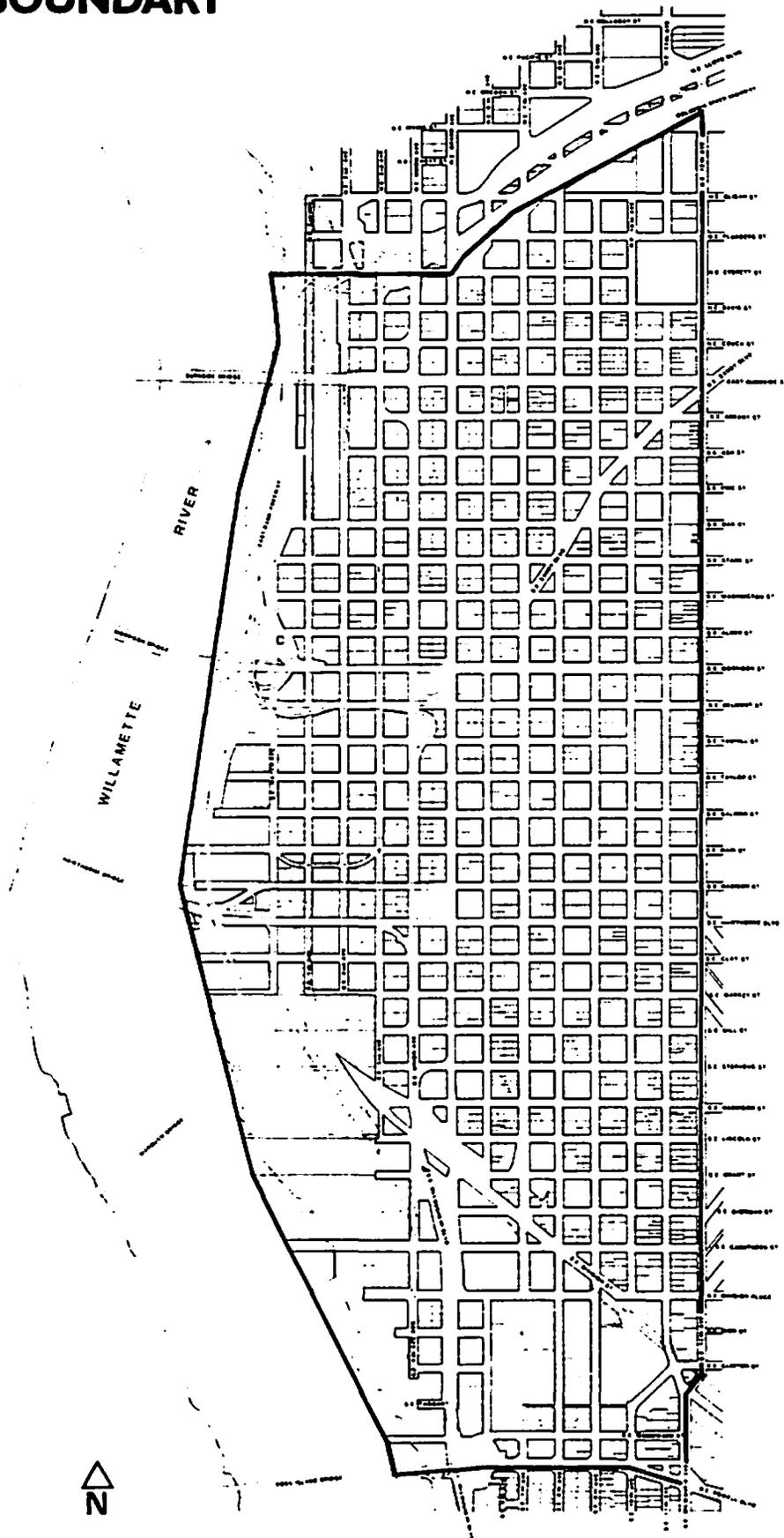
It is anticipated that this Plan shall remain in full force and effect for a period of not more than twenty (20) years from the effective date of such Plan.

2. VALIDITY

Should a court of competent jurisdiction find any work, clause, sentence, section or part of this Plan to be invalid, the remaining words, clauses, sentences, sections or parts shall be unaffected by such findings and shall remain in full force and effect for the duration of the Plan.

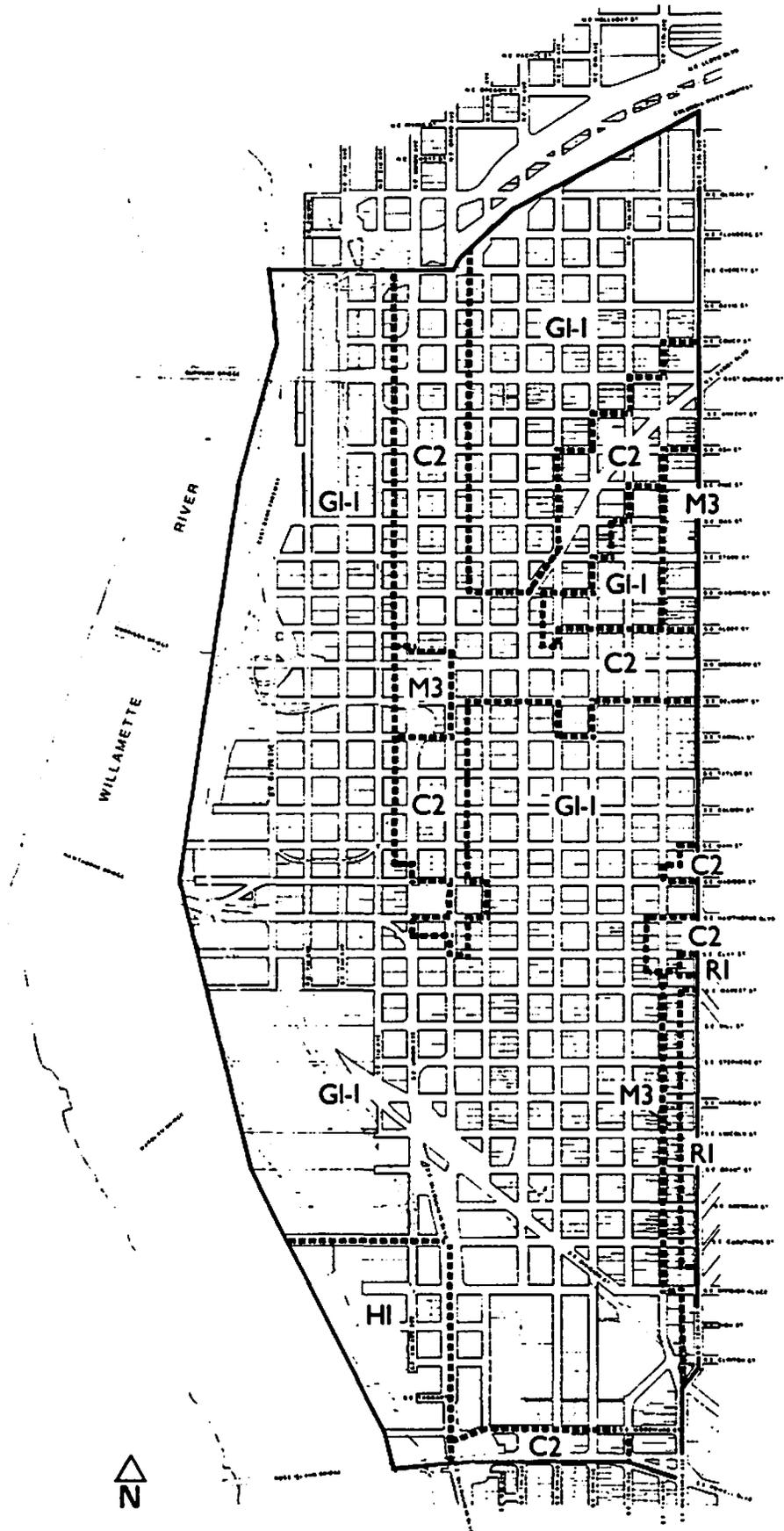
CENTRAL EASTSIDE URBAN RENEWAL AREA RENEWAL AREA BOUNDARY

FIGURE I



CENTRAL EASTSIDE URBAN RENEWAL AREA ZONING

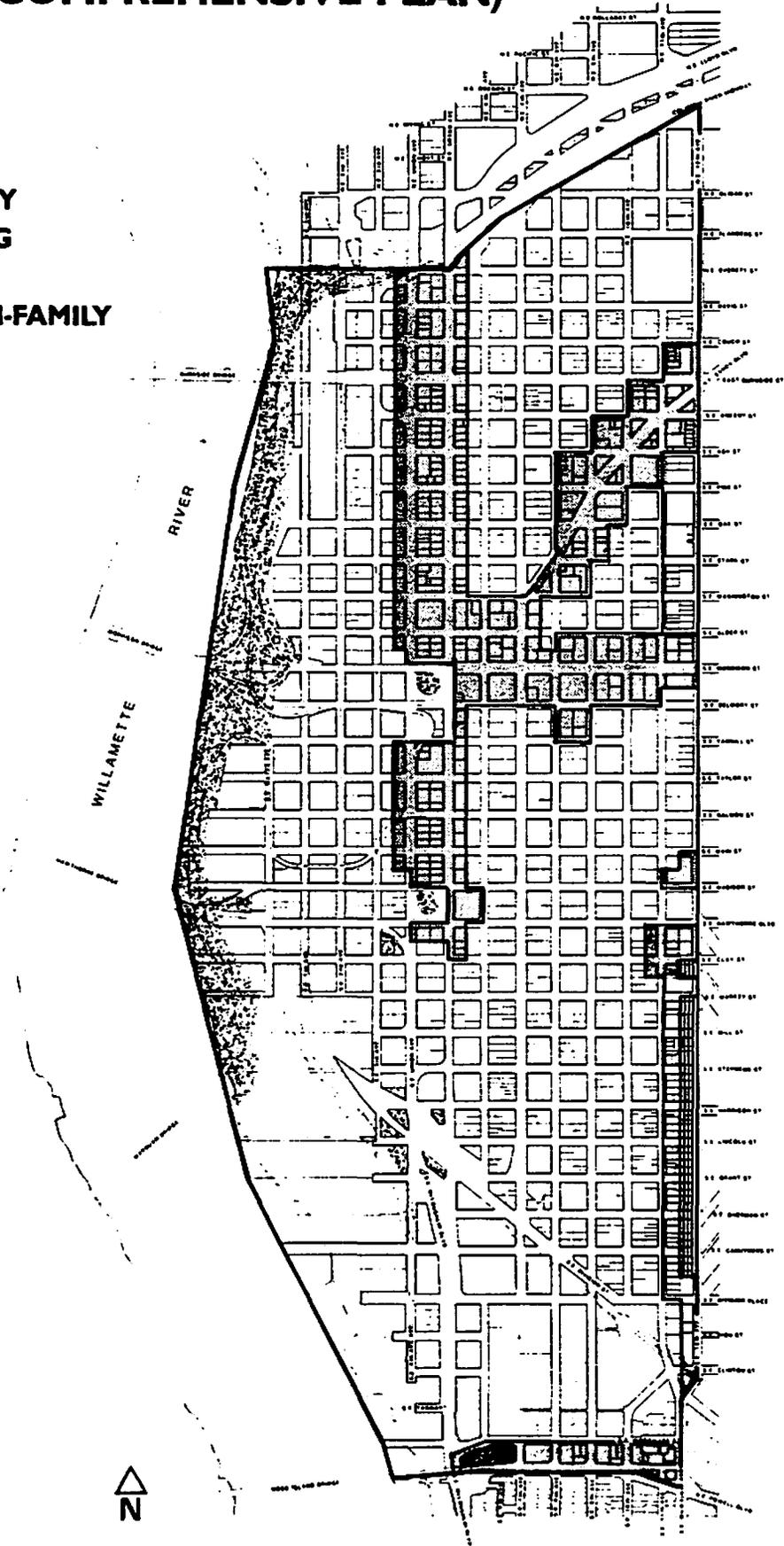
FIGURE 2



CENTRAL EASTSIDE URBAN RENEWAL AREA LAND USE PLAN (COMPREHENSIVE PLAN)

FIGURE 3

- INDUSTRIAL SANCTUARY
- LIGHT MANUFACTURING
- ▣ GENERAL COMMERCIAL
- ▤ MEDIUM DENSITY MULTI-FAMILY
- ▥ OPEN SPACE



REPORT ON
CENTRAL EASTSIDE URBAN RENEWAL PLAN

APPROVED BY
CITY OF PORTLAND DEVELOPMENT COMMISSION

JULY 1986

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CHAPTER I - INTRODUCTION

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The Portland Development Commission, the City of Portland's Urban Renewal Agency, has prepared an Urban Renewal Plan for the Central Eastside Renewal Area complying with the provisions of Chapter 457 of the Oregon Revised Statutes (ORS 457).

Section (3) of ORS 457.095, the State of Oregon law regulating the urban renewal of blighted areas, requires that an urban renewal plan be accompanied by a report. This document, consisting of text and an appendix containing tables and graphic exhibits, constitutes the required Report.

The Urban Renewal Plan is known as the Central Eastside Renewal Plan and is hereinafter referred to as the "Plan" or "Renewal Plan."

The Urban Renewal Area contains approximately 681 acres and is known as the Central Eastside Urban Renewal Area and is hereinafter referred to as the "Area" or "Renewal Area." A written legal description of the Renewal Area is set forth in Section 300 of the Plan and is described on each graphic exhibit included in such Plan. Further, the boundary of the Renewal Area is graphically delineated on each figure located in the Appendix of this Report.

Other defined terms of Section 200 of the Plan have the same meaning and usage in this Report on the Plan.

This Report has been prepared by the City of Portland's Urban Renewal Agency, known as the Portland Development Commission, hereinafter referred to as the "Development Commission."

CHAPTER II - A DESCRIPTION OF THE PHYSICAL, SOCIAL, AND ECONOMIC
CONDITIONS IN THE URBAN RENEWAL AREA

A. **PHYSICAL CONDITIONS**

1. Land Area.

The Renewal Area encompasses 681 acres of land area. See Appendix Figures 1 and 2. Other approved urban renewal areas within the incorporated limits of the City of Portland total 3,724.07 acres.

ORS 457.420(2)(a) provides that the total land area of a proposed urban renewal district, when added to the land area of existing renewal areas in which tax increment proceeds are being collected, may not exceed 15% of the City's total land area.

The City's total land area (June 31, 1986) is reported to encompass 79,943.82 acres (124.91 square miles). The land area of the Central Eastside Renewal Area, when combined with the land area contained within the boundaries of the City's other approved urban renewal areas, totals (681 + 3,724.07) 4,405 acres which represent 5.51% of the City's incorporated land area.

2. Existing Comprehensive Plan and Zoning.

The use and development of land in the Area will be in accordance with Title 33, Planning and Zoning Code of the City of Portland, or any other applicable local, state or federal laws regulating the use of property in the Area.

Figures 2 and 3 respectively the "Zoning Map" and the "Land Use (Comprehensive Plan) Plan Map" describe the locations of the principal land use classifications which are applicable to the Renewal Area.

The following land uses are identified by the Comprehensive Plan and form the basis for the existing zoning for the Area:

- (1) **Heavy Industrial (HI)**, and
- (2) **General Industrial (GI)**. These two designations were created as a product of the Industrial Zoning Code Improvement Project - Final Code and Policy Revisions adopted by City Council July 31, 1985. Within the Central Eastside Industrial District, the HI designation has been applied in the area that was previously designated Heavy Manufacturing (M1) and GI has replaced the previous General Manufacturing Designation (M2). Each zone permits a wide range of industrial activities including manufacturing and production, warehouse and distribution, industrial product sales, and industrial service. Each zone also generally permits outright up to 3,000 square feet of commercial activity per site, agricultural activities,

public services and open spaces, and vehicle service. Additional activities are allowed as a conditional use, including commercial activities in excess of 3,000 feet per site. New residential activity is not allowed in the HI zone and is allowed only in very limited situations in the GI zone.

- (3) **Light Manufacturing (M3).** This zone provides for mixed use activities, permitting a wide range of small light manufacturing and warehousing uses, as well as a full-range of office and retail uses. Medium density multi-family housing is permitted outright and high-density low-rise housing is allowed as a conditional use.
- (4) **General Commercial (C2).** This zone permits a full-range of both transit-oriented and auto-oriented commercial uses as well as some labor intensive, light industrial uses. Warehouse and distribution activities are allowed as a conditional use. Medium-density apartments and condominiums are allowed outright and high-density apartments are permitted as a conditional use.
- (5) **Medium Density Multi-Family Residential (R1).** This zone allows single-family houses, rowhouses, duplexes, apartments and condominiums. Maximum height allowed is four stories or 45 feet.
- (6) **Open Space.** This is not a zoning classification but is designated for parks, cemeteries, golf courses, schools with Park Bureau playground improvements, parkways and recreational trails. Existing uses in Open Space areas may continue indefinitely but new inconsistent uses are not allowed.
- (7) **Willamette Greenway.** This overlay zone requires a special view of development along the Willamette River to ensure compliance with the State Willamette Greenway goal.

Uses within all Comprehensive Plan designations and zones must be in compliance with Title 33, Planning and Zoning Code of the City of Portland.

3. **Condition of Buildings and Dwelling Units.** During the preparation of the Urban Renewal Eligibility Analysis referred to above, the condition of each building was evaluated. The judgment in most cases was based on an exterior view of the building and not on a detailed interior structural evaluation. Each building was graded:

- "A" - Substantially up to current building codes.
- "B" - Older buildings - exhibit code deficiencies, but appear to be economically feasible for rehabilitation.
- "C" - Buildings which appear to be deteriorated beyond their ability to be economically rehabilitated.

In the Appendix of this Report, Table 3 reports the condition of the structures located within the Renewal Area. Table 4 reports the condition of the dwelling units which are located within different residential and commercial structures. Following are percentage summaries of the conditions of the structures and the dwelling units by land use category:

<u>Structures: 1313 = 100.0%</u>	<u>A</u>	<u>B</u>	<u>C</u>
Residential	38	105	78
Commercial	28	128	106
Industrial/Wholesale	84	431	260
Mixed Use	1	11	6
Public	4	8	5
Quasi Public	<u>4</u>	<u>9</u>	<u>7</u>
Total	159	692	462

<u>Dwelling Units: 1392 = 100.0%</u>	<u>A</u>	<u>B</u>	<u>C</u>
Single Family	25	80	58
Duplex	6	30	8
Multi-Family	165	284	233
D.U. Above Commercial	<u>195</u>	<u>76</u>	<u>232</u>
Total	391	470	531

Source: Patterson, Stewart and Associates

It will be noted that 35.2% of the structures and 38.1% of the dwelling units fall in the "C" category.

4. Water Delivery System

The present water delivery system in all but the least densely developed areas is basically sound and capable of delivering sufficient water capacity to support substantial increased development and fire fighting capability. Certain areas may require additional water delivery capacity prior to the commencement of redevelopment activities.

5. Storm & Sanitary Sewer Systems

Approximately 85% of the proposed Renewal Area is serviced by a combined storm water/sanitary sewer system.

In Portland's early development, it was common practice to transmit both storm run-off water and untreated sanitary sewage in the same pipes and discharge the combined material into the Willamette River. In more recent times, both State and Federal governments have mandated that this practice cease and that programs be initiated and implemented to correct the practice.

As funds are available, Portland is complying with these mandates. At the present times, two conditions exist:

- a) Where the sanitary and storm systems have been separated, the sanitary sewage is transmitted to a treatment plant and processed before discharge into the river. The storm water is discharged directly into the river.
- b) Where the sanitary and storm systems are combined in a single transmission pipe, under normal conditions the combined material is transmitted to a treatment plant and all of it processed before discharge into the river. However, under conditions of heavy storm, when the pipe size is inadequate to accommodate the combined sanitary and storm run-off material, the excess combined material is discharged - untreated - directly into the river.

The City has a permit from the DEQ to discharge this excess material during heavy storm periods when conditions produce a flow of three times dry weather flow.

The building of treatment plant capacity to process storm water is costly and the discharge of raw, untreated sanitary sewage into the river is unacceptable environmentally. The elimination of the combined system would free up valuable and needed wastewater treatment capacity of the present treatment plants to process sanitary sewage generated by property developed or annexed to the City in the east county.

6. Streets/Transportation

The surface street grid, which consumes a high 43.56% of the Renewal Area's total land area, is generally in good repair. However, the decision by Portland's early planners to develop a square 200-foot block, grid-iron pattern places severe constraints on business expansion and redevelopment. Very efficient and cost effective developments are being constructed today with 25% and less of the land being devoted to streets.

The physical condition of the street system is, in a large number of segments, substandard and in need of repair or upgrading to adequately and safely serve existing business and their patrons.

Certain large tracts of land which have significant potential for new private industrial and commercial development within the Area additionally face serious access and capacity problems which will, if unresolved, prevent needed new private investment and job creation from taking place. If the full benefit of planned freeway accessd improvements is to be realized, further refinements to internal circulation will be required. Internal circulation is also constrained in portions of the area by the presence of Rail Service lines.

7. Vehicular and Pedestrian Safety

Throughout the Area, an increase in overall light levels from existing conditions would enhance the safety of motorists and

pedestrians. Improved light levels would increase perceived and actual safety, particularly near commercial uses. Underutilized and vacant property, which will undergo redevelopment with more intensive utilization of land, will require additional new lighting to accommodate these new uses. A reassessment of lighting needs throughout this area is required.

B. SOCIAL CONDITIONS

The Urban Renewal Area contains parts of Census Tracts 10, 11.01, 11.02 and 21 that were established for the Federal Census of 1980. However, the majority of the dwelling units within the Renewal Area, are located in Census Tract 11.02.

For comparison purposes, the figures and percentages noted below for the Renewal Area, are compared with the same categories for the Portland Standard Metropolitan Statistical Area (SMSA) prepared by the Bureau of the Census for 1980.

	Urban Renewal Area	Portland SMSA
Number of Households	1013	477,792
Population	1541	1,242,594
Housing Units Built Prior to 1939	82.5%	22.8%
Occupancy:		
Owner Occupied	43.2%	62.8%
Renter Occupied	56.8%	37.2%
Median Value - Owner Occupied Units	\$45,600	\$62,300
Median Rent - Renter Occupied Units	\$155/mo.	\$226/mo.
Household Size (Persons/Unit)		
Owner Occupied	2.2	2.43
Renter Occupied	1.3	1.84
Housing Units Lacking Complete Plumbing Facilities for Exclusive Use	18.3%	1.4%

Source: Bureau of Census: 1980

Urban Renewal Area	Portland SMSA
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Household Income:

Less than \$5,000	36.7%	10.8%
\$5,000 to \$7,499	16.7%	7.2%
\$7,500 to \$9,999	10.7%	7.5%
\$10,000 to \$14,999	18.1%	14.5%
\$15,000 to \$19,999	6.9%	14.3%
\$20,000 to \$24,999	5.6%	13.4%
\$25,000 to \$34,999	4.3%	17.8%
\$35,000 to \$49,000	.8%	9.8%
\$50,000 or more	.3%	4.8%

Median Household Income	\$6,984	\$18,423
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Per Capita Income	\$6,361	\$8,335
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Household Income Below Poverty Level

Families	3.5%	6.3%
Unrelated Individuals	26.8%	20.5%
Persons	28.3%	8.9%

Source: Bureau of Census: 1980

C. ECONOMIC CONDITIONS

1. Value of Property

The following analysis is based on the Multnomah County Tax Assessor's figures which appear on the 1985-86 tax roll for land and improvements for property located in the Renewal Area.

These figures include only real property values for which the County Assessor is responsible. The figures provided by the Assessor do not include the value of County Assessed personal property and State assessed property such as those owned by private utility companies. Such personal property, State assessed values, in certain analysis reported herein, have been estimated on the basis of the percentages they represent of total County assessed real property. Where estimates are used, they are so noted.

The County Assessor's total 1985-86 True Cash Value (TCV) for taxable, county assessed real property in the Renewal Area was calculated to be \$206,380,000 (rounded).

When adding the assessed value of personal property and State assessed utilities to the County Assessor's real property, the total estimated taxable assessed value of the Renewal Area is about \$227,003,000. At an effective tax rate of \$25.68, the total property tax yield was approximately \$5,829,437. The City of Portland's share, at a tax rate of \$6.71 was estimated to be about \$1,523,190.

2. Eligibility--Assessed Value Limitation

ORS 457.420 provides that if the division of property taxes (collection of tax increment proceeds) is planned, cities of 50,000 population or more are limited to a maximum of 15% of the City's total assessed value.

County assessed True Cash Value (TCV-rounded) taxable property within the Central Eastside Renewal Area for fiscal 1985-86 is:

County Assessed Real Property (Tax Roll)	\$206,380,000
County Assessed Personal Property (Estimate)	8,240,000
State Assessed Property (Estimate)	<u>12,383,000</u>
Total Estimated TCV =	\$227,003,000

This value, when added to the modified assessed value of the frozen base of the City's five active urban renewal areas (\$227,003,000 + \$697,118,551 = \$924,121,551), represents about 6.58% of the City's total assessed value of \$14,046,037,000--well within the 15% limitation.

CHAPTER III - THE EXPECTED IMPACT, INCLUDING FISCAL IMPACT OF THE PLAN
IN LIGHT OF ADDED SERVICES OR INCREASED POPULATION

The principal goals and objectives for the Central Eastside Urban Renewal Area and the Urban Renewal Plan are to eliminate blight and correct those conditions which are the causes of blight so that the Area will be developed and redeveloped by private sector initiative, and in the process, produce job-generating industries and businesses and increase property values.

The Area currently contains 1,013 occupied dwelling units and an estimated resident population of 1,541 people. The land use element of the Renewal Plan establishes industrial, distribution, and related businesses as the major future land uses of the Area. Significant additional new residential development within the Area is not anticipated. As a result, the additional development anticipated with the Plan's implementation is not expected to require additional school capacity.

At full development, it is estimated that development within the Renewal Area will create some 4,500 jobs while retaining the estimated 17,000 existing employment base.

Affected Taxing Bodies. There are eight (8) separate taxing bodies whose jurisdiction includes the Urban Renewal Area. Table 5 lists the affected taxing bodies, their estimated 1985-86 assessed value, and tax yield from the Area.

The assessed value of each taxing body's portion of the Renewal Area for the tax roll, last equalized at the time of approval of the Urban Renewal Plan, will be "frozen." However, each taxing body will continue to receive property tax proceeds from Renewal Area property based on a given year's tax rate multiplied by the frozen base A.V.

Tax proceeds generated by any increased assessed value above that of the frozen base will be received by the Development Commission to retire debts incurred in implementing the approved Urban Renewal Plan.

It is estimated that, if the Renewal Plan is implemented, the tax increment process will be terminated in fiscal year 2004-05 and that on the following year (FY 05-06) the assessed value of the Renewal Area will be "unfrozen" and an estimated \$323,786,000 in assessed value will be placed on the tax roll. The \$323,786,000 figure represents an increase of \$96,783,000 (42.64%) over the \$227,003,000 frozen base assessed value. See Table 6.

CHAPTER IV - REASONS FOR SELECTION OF EACH URBAN RENEWAL AREA IN THE PLAN

The Central Eastside Urban Renewal Area is a single urban renewal area. The City Council, by Resolution 33,993, adopted the Central Eastside Revitalization Program which recommends the creation of an Urban Renewal Plan for the Area.

The purpose and objective of the Plan is to initiate and implement activities and actions that will eliminate existing blight and blighting influences, achieve the revitalization of the Area sought by the City, stimulate redevelopment of underutilized land, and improve the Area's living, shopping and working environment.

CHAPTER V - THE RELATIONSHIP BETWEEN EACH PROJECT ACTIVITY TO BE UNDERTAKEN UNDER THE PLAN AND THE EXISTING CONDITIONS

All public improvements, including improved street lighting, pedestrian amenities and sewer improvements; redevelopment financing programs; administrative and technical support; property acquisition and redevelopment authorization; relocation activities (if any); property disposition; creation of redeveloper's obligations and owner participation programs set forth in Section 600 of the Plan are intended to correct the deficiencies described in Chapter II of this Report.

CHAPTER VI - THE ESTIMATED TOTAL COST OF EACH PROJECT OR ACTIVITY, THE SOURCES OF MONIES TO PAY SUCH COSTS, AND THE ANTICIPATED COMPLETION DATE FOR EACH PROJECT OR ACTIVITY

The following program activities and projects are provided for in the Plan and are more fully described below.

A. TRANSPORTATION AND PEDESTRIAN SAFETY IMPROVEMENTS

A significant program of public improvements oriented toward improved pedestrian and traffic safety and circulation was identified in the Central Eastside Urban Renewal Plan as an essential element in the Area's rehabilitation and redevelopment. Improvements particularly with respect to lighting will additionally assist in crime prevention.

Figure 4 describes those parts of the Renewal Area where improvements in the public right-of-way may be undertaken.

Improvements within these areas may include, but not be limited to, the following, as required:

1. New street lights and traffic control devices;
2. New curbs, gutters, and streets;
3. Patching and replacement of street pavement as required;
4. New sidewalks and pedestrian crosswalks;
5. Trees, shrubs, flowering plants, ground covers and other plant materials including irrigation systems, soil preparation and/or containers to support same;
6. Tables, benches, other street furniture and drinking fountains;
7. Shade structures or other weather-protection devices;
8. Special graphics for directional and informational purposes;
9. New fire hydrants; and
10. Right-of-way acquisition.

The commencement of planning, design and construction of the aforementioned improvements is expected to begin in Fiscal Year 1986-87 and be completed in Fiscal Year 2005-06. The total completed in-place costs of these improvements could be \$5,579,000 inclusive of all hard and soft costs.

**B. BUSINESS DEVELOPMENT ASSISTANCE FUND
REDEVELOPMENT FINANCING FUND**

The Plan provides for the provision of financial assistance to public and private activities which create a significant number of jobs, provide an economic development advantage to the Area, benefit the residents of the City of Portland, or remove or reduce blight or blighting influences.

Two funds will be established to provide financial assistance to business and property owners within the Area. The Business Development Assistance Fund will be established to assist business and property owners with the improvement, expansion and equipping of primarily industrial and commercial facilities in order to retain or expand employment. The Fund may also assist owners of deteriorated residential properties in the rehabilitation of single- and multi-family housing to acceptable physical standards.

The Redevelopment Financing Fund will be established to assist owners of vacant or underutilized property which, due to physical limitations, constraints or excessive infrastructure and access improvement costs, may not be developed or, if developed, not to its fullest employment and tax generating potential.

Priority will be given in the utilization of these Funds to activities which most directly address and assist in the achievement of the objectives of the Plan in a manner which is supportive of the existing business community and sensitive to adjacent neighborhoods. Policies for the administration of each Fund may be established by the Portland Development Commission in order to achieve the Plan's objectives.

The Development Commission may use the Funds to make loans at below-market or at-market rates of interest or provide such other forms of financial assistance or participation in an assisted project as may be required to achieve the objectives of the Plan.

Both Funds will be established by the Development Commission in Fiscal Year 1987-88 and receive funding over the life of the Plan totaling \$6,100,000 in tax increment proceeds.

The Development Commission will maintain each Fund until the termination of the Plan or the substantial achievement of the Plan's objectives, whichever is earlier.

To the maximum extent feasible, each Fund will be used in conjunction with private funding and other forms of federal, state, and local grant, loan and tax exempt bond financing to insure the efficient use of each Fund's resources.

C. ESPLANADE OPEN SPACE IMPROVEMENTS

A program of improvement and development of access to the east shore of the Willamette River and preservation and improvement of open space will be undertaken as an integral part of the Central Eastside Program.

Improvements within this area will include, but will not be limited to, the following as required:

1. Land acquisition and related costs.
2. Landscaping, including irrigation systems.
3. Construction of paths, special crosswalks, and tunnels.
4. Drainage, grading, and soil preparation.
5. Signage.
6. Survey, design, and soil testing.
7. Park benches and furniture.
8. Public utilities and fees.
9. Engineering and planning studies.

The commencement of planning, design and construction of the aforementioned improvements is expected to begin in Fiscal Year 1987-88 and be completed in Fiscal Year 1996-97. The total completed in-place costs of these improvements will not exceed \$2,800,000 inclusive of all hard and soft costs. All costs will be paid from tax increment proceeds.

D. PROJECT MANAGEMENT, LEGAL AND FINANCIAL SERVICES

It is estimated that the costs for staff, technical services such as accounting, auditing, economic and market studies, renewal studies, legal services, etc., which will be required for the administration of the plan's projects and activities will be \$2,530,000. These costs could be funded from tax increment proceeds and will commence in Fiscal Year 1986-87 and continue until the termination of the project.

E. BORROWING FUNDS AND ESTABLISHING INTEREST BEARING ACCOUNTS

The Development Commission is authorized and expects to borrow money to carry out the Plan. A \$4,230,000, 20-year urban renewal bond is budgeted for fiscal 1987-88. Further, an additional \$13,660,000 in urban renewal bonds is estimated to be sold between fiscal 1988-89 and 2003-04. A bond reserve fund equal to approximately 10.5% of the face value of each borrowing will be maintained. The bond reserve fund will be placed in an interest-bearing account and remain in place until the year 2004-05 when the accumulated \$1,890,000 will be transferred to other Plan implementation accounts or used for bond retirement.

CHAPTER VII - THE ESTIMATED AMOUNT OF MONEY REQUIRED UNDER ORS 457.420 TO 457.440 AND THE ANTICIPATED YEAR IN WHICH INDEBTEDNESS WILL BE RETIRED OR OTHERWISE PROVIDED FOR UNDER ORS 457.440

Table 4 describes the estimated amount of tax increment proceeds required and the Development Commission's expenditures by major categories or project activities.

It is estimated that \$25,701,000 of tax increment proceeds for debt principal and interest is required to implement the Plan. This sum is estimated to be collected during or before fiscal year 2006. Further, it is estimated that in fiscal year 2006, if the Renewal Plan is implemented, an assessed value of \$323,786,000 will be available to the eight (8) affected taxing bodies. See Table 6. The \$323,786,000 assessed value figure represents a 42.64% increase above the \$227,003,00 estimated to be the "frozen base" year (1985-86) assessed value.

Table 5 illustrates the tax rates and tax proceeds of the eight (8) taxing bodies affected by the Renewal Plan. The "frozen base" assessed value for each taxing body shown on Table 5 and their resulting tax proceeds will be unaffected by the City Council's approval of the Urban Renewal Plan.

**CHAPTER VIII - A FINANCIAL ANALYSIS OF THE PLAN WITH SUFFICIENT INFORMATION
TO DETERMINE FEASIBILITY**

Tax increment proceeds will be required for an estimated period of 18 years (FY 1987-88 to FY 2004-05). See Table 4. Table 7 estimates the effect the tax increment financing process will have on each of the eight (8) affected taxing bodies. This table projects growth of assessed value within the Area if the Renewal Plan is not adopted. All known new development which is expected to be added to the tax rolls within the immediate future is included and recent trends in value growth within the Area are projected forward. The greater the net assessed value growth within the area without the implementation of the proposed Plan, the greater the tax rate impact. The rise in the tax rate among all of the eight (8) taxing jurisdictions is estimated to vary from \$0.00006 to \$0.01469 per \$1,000 of assessed value of the 18-year period.

The tax paying impact on a property with a \$60,000 assessed value, based on the above estimated tax rate increase for a given year, will range from \$1.30 to \$1.59.

When the tax increment process is terminated--estimated to be in fiscal year 2004-05--the increased assessed value generated within the Renewal Area will be unfrozen and returned to the tax rolls of the eight (8) taxing bodies.

The 18-year flow of tax increment proceeds (Table 6) and the related cash-flow described on the Development Commission's "Income/Expenditure Analysis" (Table 4) illustrates the feasibility of the Urban Renewal Plan.

CHAPTER IX - RELOCATION REPORT

A. AN ANALYSIS OF EXISTING RESIDENTS OR BUSINESSES REQUIRED TO RELOCATE PERMANENTLY OR TEMPORARILY AS A RESULT OF DEVELOPMENT COMMISSION ACTIONS UNDER ORS 457.170.

The Plan provides for the acquisition of property. However, no occupied residences, businesses nor any other occupied properties are proposed for acquisition. Therefore, no relocation activities are anticipated.

B. A DESCRIPTION OF THE METHODS TO BE USED FOR THE TEMPORARY OR PERMANENT RELOCATION OF PERSONS LIVING IN, AND BUSINESSES SITUATED IN THE RENEWAL AREA IN ACCORDANCE WITH ORS 281.045 THROUGH 281.105.

No relocation activity is anticipated in the Plan. However, should conditions change at a future date, relocation activities and assistance would be provided in accordance with ORS 281.045 through 281.105. The Development Commission has prepared 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.

C. AN ENUMERATION, BY COST RANGE, OF THE EXISTING HOUSING UNITS IN THE RENEWAL AREA OF THE PLAN TO BE ELIMINATED OR ALTERED, AND NEW UNITS TO BE ADDED.

No existing housing units are proposed to be eliminated by actions of the Development Commission.

TABLE 1: LAND AREA BY EXISTING LAND USE CATEGORIES

Land Use Category	Urban Renewal Acres	Area %
Vacant	38.82	5.70
Residential	24.18	3.55
Commercial	62.11	9.12
Industrial	215.61	31.66
Institutional	9.26	1.36
Park/Open Space	1.56	0.23
River (to Harbor Line)	15.86	2.33
Railroad R.O.W.	<u>16.96</u>	<u>2.49</u>
SUBTOTALS	384.36	56.44
Street R.O.W.	<u>296.64</u>	<u>43.56</u>
TOTALS	681.00	100.00

TABLE 2: CONDITION OF ALL STRUCTURES IN RENEWAL AREA

LAND USE CATEGORY	CONDITION						TOTAL	
	A		B		C		#	%
	#	%	#	%	#	%		
RESIDENTIAL:	38	17.2	105	47.5	78	35.3	221	100.0
Single Family	25		80		58		163	
Duplex	3		15		4		22	
Multiple Family	10		10		16		36	
COMMERCIAL:	28	10.7	128	48.9	106	40.4	262	100.0
Office	12		30		28		70	
Retail	10		61		48		119	
Service	6		37		30		73	
INDUSTRIAL/WHOLESALE:	84	10.8	431	55.6	260	33.6	775	100.0
MIXED USE:	1	5.6	11	61.1	6	33.3	18	100.0
PUBLIC:	4	23.5	8	47.1	5	29.4	17	100.0
QUASI PUBLIC:	<u>4</u>	20.0	<u>9</u>	45.0	<u>7</u>	35.0	<u>20</u>	100.0
TOTALS	159	12.1	692	52.7	462	35.2	1,313	100.0

TABLE 3: CONDITION OF DWELLING UNITS IN RENEWAL AREA

LAND USE CATEGORY	CONDITION						TOTAL	
	A		B		C		#	%
	#	%	#	%	#	%		
Single Family	25	15.3	80	49.1	58	35.6	163	100.0
Duplex	6	13.6	30	68.2	8	18.2	44	100.0
Multiple Family	<u>165</u>	24.2	<u>284</u>	41.6	<u>233</u>	34.2	<u>682</u>	100.0
SUBTOTALS	196	22.1	394	44.3	299	33.6	889	100.0
DU Above Commercial	<u>195</u>	38.3	<u>76</u>	15.1	<u>232</u>	46.1	<u>503</u>	100.0
TOTALS	391	28.1	470	33.8	531	38.1	1,392	100.0

NOTE: Percentage figures may not total 100% due to rounding.

TABLE 4: ESTIMATED PORTLAND DEVELOPMENT COMMISSION INCOME/EXPENDITURE ANALYSIS (IN THOUSANDS OF DOLLARS)
(Columns may not sum due to rounding.)

Fiscal Year	DEVELOPMENT COMM. INCOME		DEVELOPMENT COMM. EXPENDITURES		DEBT ISSUANCE EXPENDITURES		SINKING FUND	
	Annual Tax Increment	Funds Borrowed	Renewal ¹ Program	Program M'gmt. & Prof. Services	Debt Issuance Costs ²	Debt Reserve ³	Annual Debt Service ⁴	Add to Fund ⁵
1986-87	0	0	0	0	0	0	0	0
87-88	537	4,230	3,494	120	169	447	447	257
88-89	634	760	529	120	30	80	527	166
89-90	732	780	546	120	31	82	610	187
1990-91	831	780	546	120	31	82	692	210
91-92	932	800	553	130	32	85	777	232
92-93	1,035	810	562	130	32	86	862	255
93-94	1,139	820	571	130	33	87	949	278
94-95	1,245	830	579	130	33	88	1,037	302
95-96	1,352	850	596	130	34	90	1,126	326
96-97	1,461	850	596	130	34	90	1,216	351
97-98	1,571	870	613	130	35	92	1,308	376
98-99	1,683	890	620	140	36	94	1,402	401
99-00	1,797	900	629	140	36	95	1,497	426
2000-01	1,912	910	637	140	36	96	1,594	452
01-02	2,030	920	646	140	37	97	1,691	479
02-03	2,149	940	663	140	38	99	1,790	505
03-04	2,269	950	672	140	38	100	1,890	533
04-05	2,392	0	712	150	0	(862)	1,890	624
05-06	0	0	713	150	0	(863)	0	0
TOTALS	25,701	17,890	14,479	2,530	716	165		6,361

¹Includes earnings on proceeds as borrowing at 6.5%.

²Estimated at 4%.

³Established from funds borrowed.

⁴Paid from tax increment proceeds.

⁵The difference between annual tax increment plus interest earnings and annual debt service. The funds will be used to retire all borrowings debt service in 2004-05.

Source: Portland Development Commission; Government Finance Associates; Patterson, Stewart & Associates.

TABLE 5: TOTAL ASSESSED VALUE (A.V. 1985-86) OF AFFECTED TAXING BODIES OF THEIR PORTION OF THE RENEWAL AREA AND TAXES GENERATING FROM RENEWAL AREA

Affected Taxing Bodies	District's Total		District's Assessed Value		Tax Yield From Renewal Area
	Taxable Assessed Value \$000	Tax Rate	within Renewal Area ¹ \$000	%	
City of Portland	14,046,037	6.71	227,003	1.62	1,523,190
Multnomah County	18,309,571	3.29	227,003	1.24	746,840
Port of Portland	35,992,024	.37	227,003	.63	83,991
Metro Service District	32,494,096	.16	227,003	.70	36,320
ESD (Elementary School)	18,468,611	.81	227,003	1.23	183,872
ESD (High School)	18,644,882	.41	227,003	1.22	93,071
Portland School Dist. No. 1	13,494,651	13.30	227,003	.70	3,019,140
Portland Community College	25,718,928	0.58	227,003	.88	131,662

¹All taxing bodies would continue to receive property tax proceeds based on their respective "frozen base" assessed value portion of the Renewal Area as noted. For subsequent years, the tax rate for that year would be multiplied by the A.V. (as modified) which would produce the tax proceeds to be received from the Renewal Area. This procedure would apply for the period in which the tax increment process is in effect.

**TABLE 6: ESTIMATED GROWTH IN ASSESSED VALUE WITH
RENEWAL PLAN AND RESULTING ANNUAL TAX
INCREMENT PROCEEDS**

Fiscal Year	Expected Total Assessed Value in Renewal Area \$000	Expected Annual Tax Increment
1986-87	\$244,008,000	0
87-88	\$247,668,000	\$537,290
88-89	\$251,383,000	\$633,880
89-90	\$255,154,000	\$731,926
90-91	\$258,981,000	\$831,428
91-92	\$262,866,000	\$932,438
92-93	\$266,809,000	\$1,034,956
93-94	\$270,811,000	\$1,139,008
94-95	\$274,873,000	\$1,244,620
95-96	\$278,996,000	\$1,351,818
96-97	\$283,181,000	\$1,460,628
97-98	\$287,429,000	\$1,571,076
98-99	\$291,740,000	\$1,683,162
99-00	\$296,116,000	\$1,796,938
2000-01	\$300,558,000	\$1,912,430
01-02	\$305,066,000	\$2,029,638
02-03	\$309,642,000	\$2,148,614
03-04	\$314,287,000	\$2,269,384
04-05	\$319,001,000	\$2,391,948
05-06	\$323,786,000	

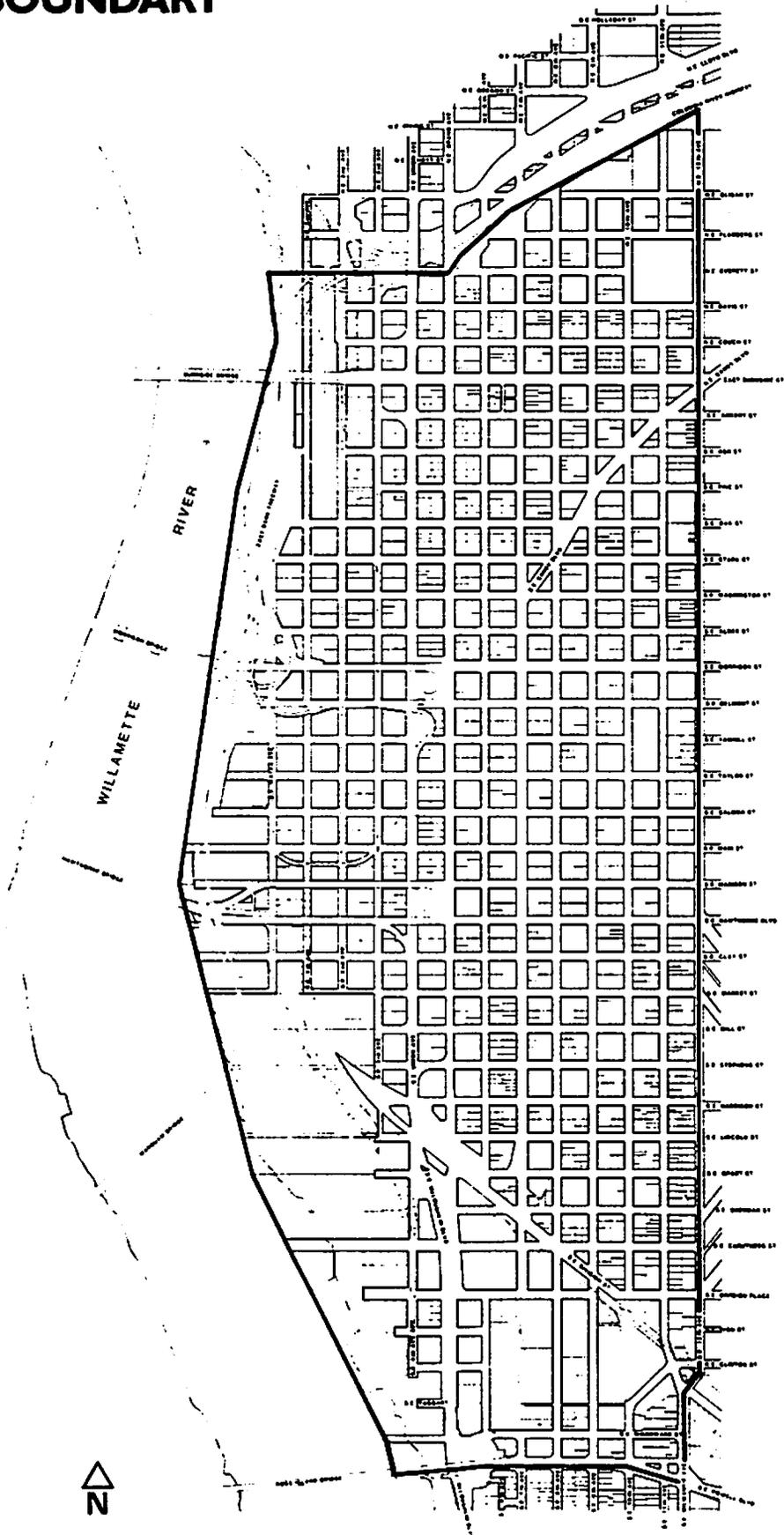
*Estimated "frozen base" Assessed Value is \$227,003,000.

TABLE 7: ESTIMATED ANNUAL EFFECT OF CENTRAL EASTSIDE URBAN PLAN ON THE TAX RATES OF THE EIGHT (8) AFFECTED TAXING BODIES

FISCAL YEAR	CITY OF PORT.	MULT. COUNTY	PORT OF P'TLD	METRO. SERVICE	ESD (EL. SCH.)	ESD (HI. SCH.)	P'TLD SCH. DIST. NO. 1	P.C.C.
1986-87	0	0	0	0	0	0	0	0
87-88	.00727	.00259	.00015	.00007	.00063	.00032	.01419	.00032
88-89	.00738	.00263	.00015	.00007	.00064	.00032	.01441	.00033
89-90	.00747	.00265	.00015	.00007	.00065	.00032	.01455	.00033
1990-91	.00751	.00267	.00015	.00007	.00065	.00033	.01466	.00033
91-92	.00753	.00268	.00015	.00007	.00065	.00033	.01469	.00034
92-93	.00753	.00268	.00015	.00007	.00065	.00033	.01468	.00034
93-94	.00751	.00267	.00015	.00007	.00065	.00033	.01463	.00033
94-95	.00746	.00265	.00015	.00007	.00065	.00032	.01455	.00033
95-96	.00739	.00263	.00015	.00007	.00064	.00032	.01443	.00033
96-97	.00732	.00260	.00015	.00007	.00064	.00032	.01427	.00033
97-98	.00724	.00257	.00015	.00007	.00063	.00031	.01409	.00032
98-99	.00712	.00253	.00014	.00007	.00062	.00031	.01390	.00032
99-00	.00701	.00249	.00014	.00007	.00061	.00031	.01368	.00031
2000-01	.00688	.00245	.00014	.00007	.00060	.00030	.01344	.00031
01-02	.00676	.00241	.00014	.00007	.00059	.00029	.01319	.00030
02-03	.00662	.00236	.00013	.00007	.00058	.00029	.01292	.00030
03-04	.00649	.00231	.00013	.00006	.00056	.00028	.01266	.00029
04-05	.00634	.00226	.00013	.00006	.00055	.00028	.01237	.00028
05-06	.00619	.00220	.00013	.00006	.00054	.00027	.01208	.00028

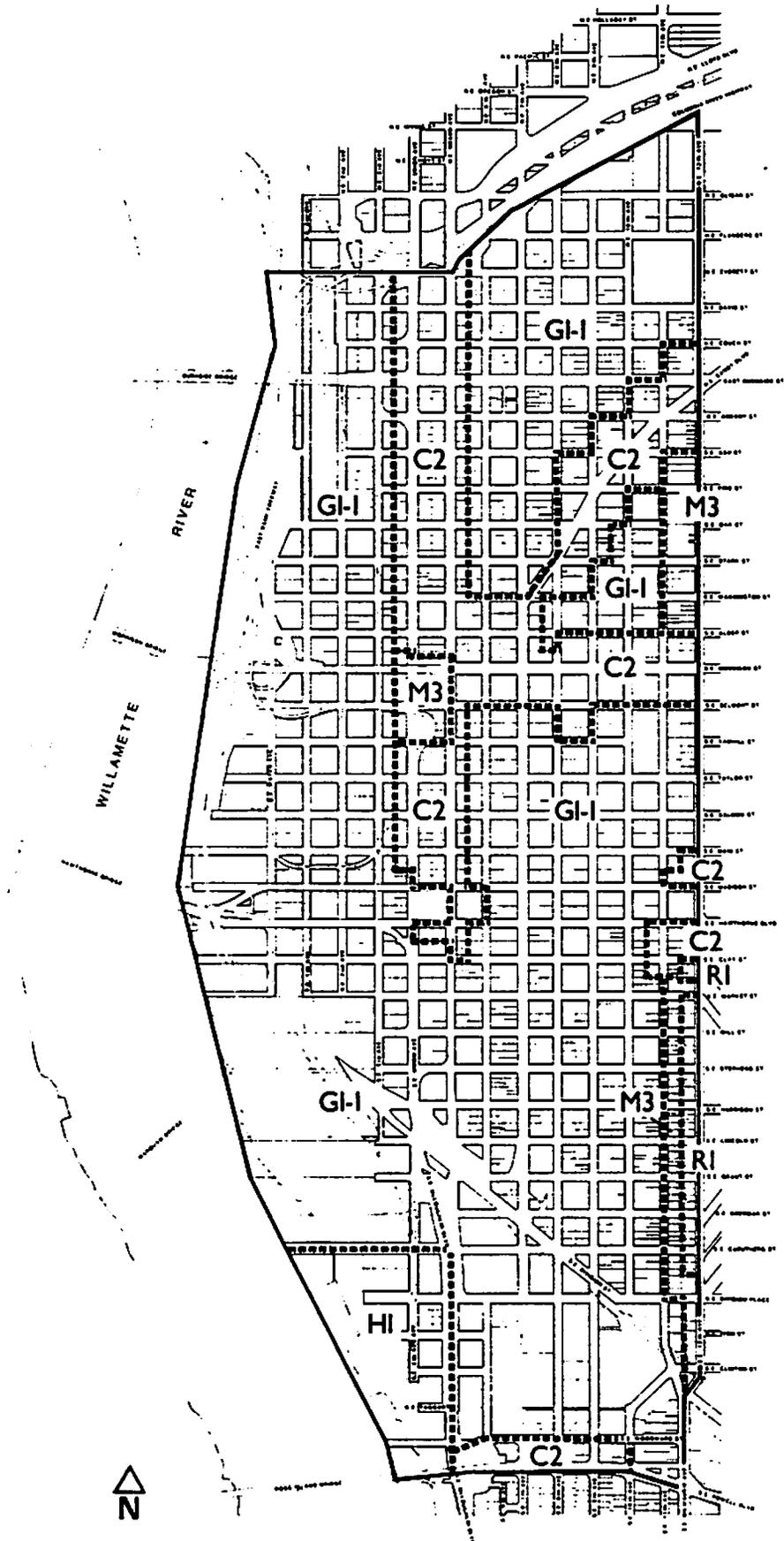
CENTRAL EASTSIDE URBAN RENEWAL AREA RENEWAL AREA BOUNDARY

FIGURE 1



CENTRAL EASTSIDE URBAN RENEWAL AREA ZONING

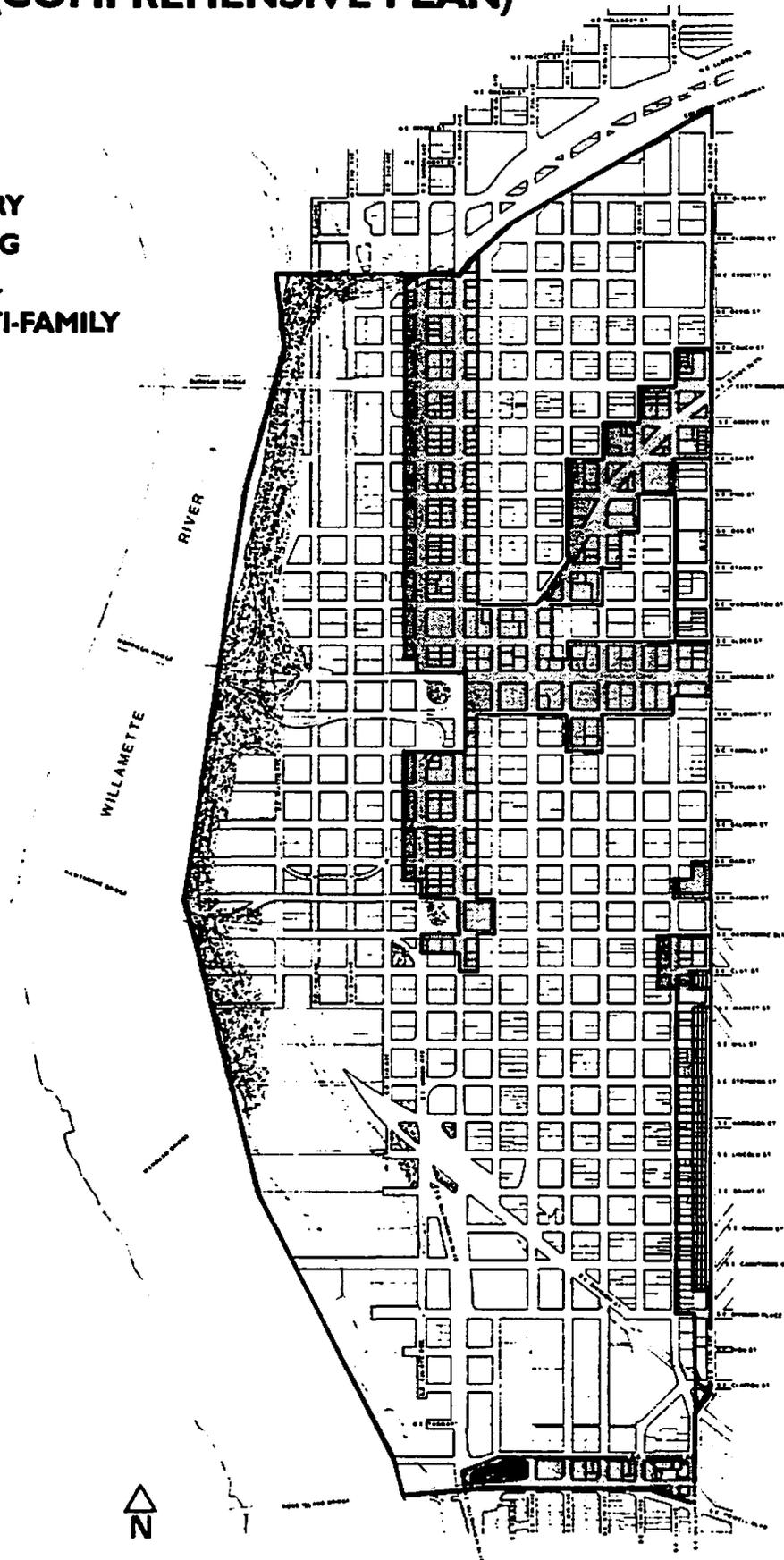
FIGURE 2



CENTRAL EASTSIDE URBAN RENEWAL AREA LAND USE PLAN (COMPREHENSIVE PLAN)

FIGURE 3

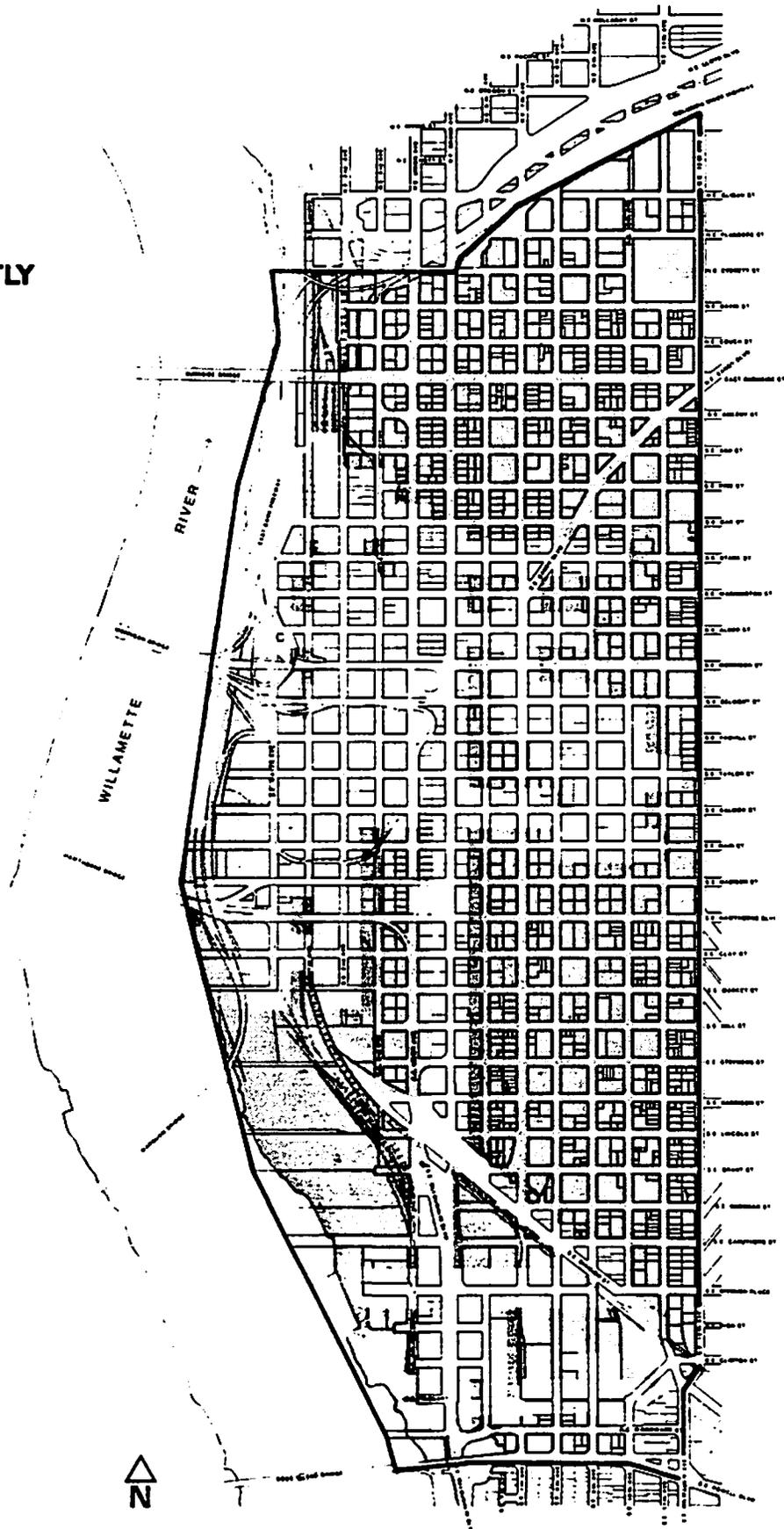
- INDUSTRIAL SANCTUARY
- LIGHT MANUFACTURING
- ▣ GENERAL COMMERCIAL
- ▤ MEDIUM DENSITY MULTI-FAMILY
- ▥ OPEN SPACE



CENTRAL EASTSIDE URBAN RENEWAL AREA SEWER SERVICE

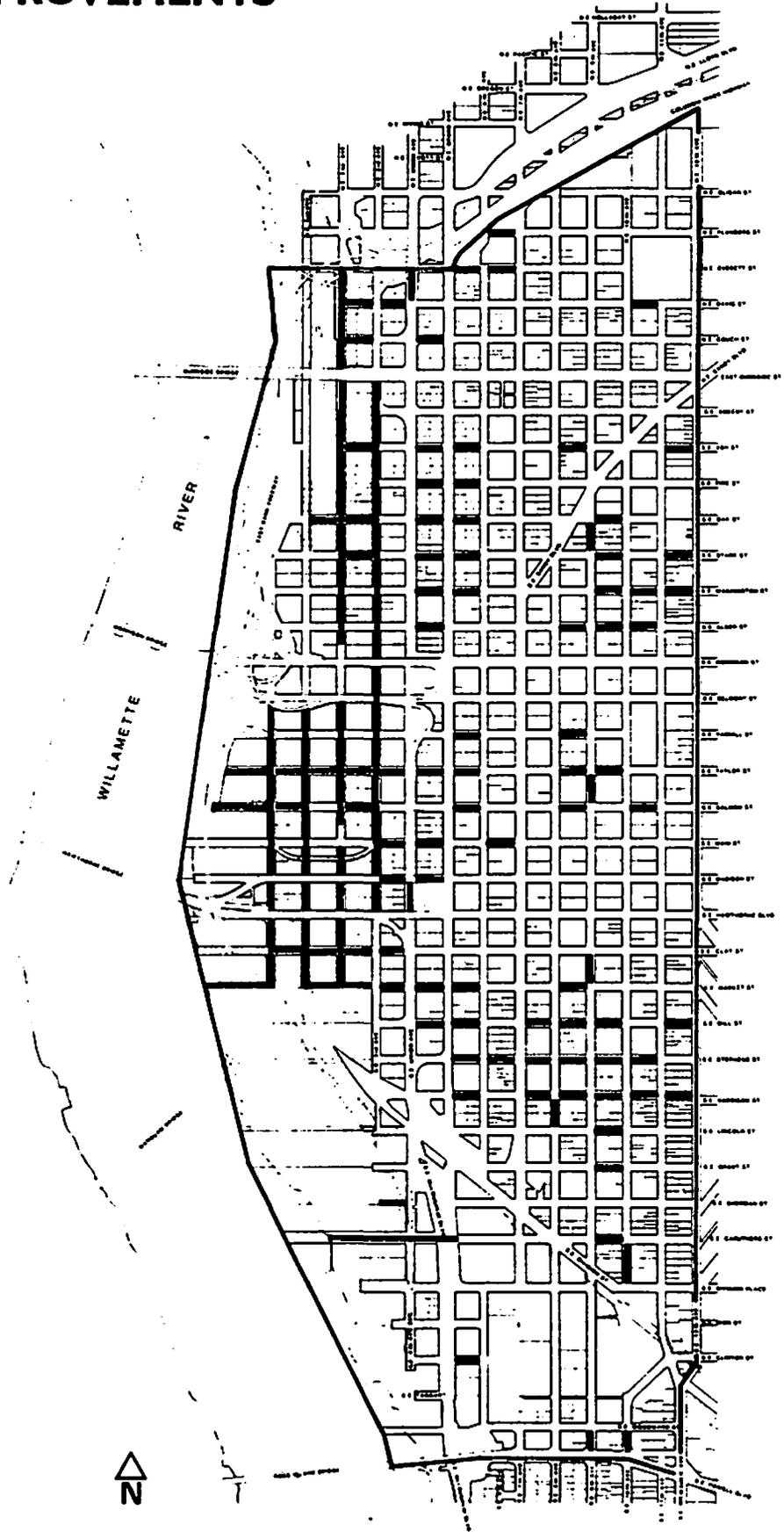
FIGURE 4

SERVICE NOT CURRENTLY
AVAILABLE



CENTRAL EASTSIDE URBAN RENEWAL AREA RIGHT-OF-WAY IMPROVEMENTS

FIGURE 5



Bureau of Planning
City of Portland, Oregon
August 1986

REPORT AND RECOMMENDATION OF THE PLANNING COMMISSION ON THE CENTRAL EASTSIDE URBAN RENEWAL PLAN

I. Central Eastside Urban Renewal Proposal

Background

The proposed Central Eastside Urban Renewal Area includes 681 acres of land area bounded by the Willamette River on the west, I-84 on the north, 12th Avenue on the east and Powell Boulevard on the south. The proposed urban renewal area coincides with the boundaries of the Central Eastside Industrial District (CEID) and of the Central Eastside Revitalization Program.

The City of Portland and the Central Eastside community have worked together to stimulate investment and economic development in the Central Eastside Industrial District for several years.

In 1978, a revitalization study was completed as a joint project involving the City of Portland and Central Eastside representatives. That study is credited with contributing to numerous subsequent accomplishments including: new freeway ramps connecting I-5 and Water Avenue, which are designed and funded; the East Marquam Street Improvement Project, which will be completed this summer; the new facilities of The Moore Company and Pacific Coast Fruit on the Produce Row site; and various lighting and landscaping improvements.

In 1984-85, the Portland Development Commission coordinated an update of the 1978 study. Based upon the 1984-85 research, the Central Eastside Revitalization Program was prepared. A broad range of community representatives participated in this effort. The Study Advisory Committee was comprised of representatives of numerous groups and individuals, including the Central Eastside Industrial Council, Southeast Uplift, the Association for Portland Progress, Central Eastside businesses, Tri-Met and the U.S. Department of Commerce Economic Development Administration.

The Central Eastside Revitalization Program includes goals, objectives and a plan of action. The plan of action specifies urban renewal as a potential tool for stimulating and coordinating the economic revitalization of the area. Specifically, the Program states: "General problems associated with blight, transportation and circulation, parking, sewers and storm drainage, and pedestrian access and amenities, and site assembly might be [addressed by] Urban Renewal."

According to the 1986 Central City Industrial Districts Study, the Central Eastside includes approximately 1,000 businesses which provide 17,000 jobs. Of those businesses and jobs, 60% are classified as industrial. The district also includes approximately 1,000 households and 1,500 residents.

The proposed Central Eastside Urban Renewal Area is an area of diverse economic strengths but with significant problems and needs which must be addressed if the area is to realize its potential as an industrial/commercial center. Recent development of the Central Eastside Business Center, Pacific Coast Fruit, and the Moore Company demonstrate a commitment to the Central Eastside as an industrial center, while interest in special commercial development is indicated by the Benjamin Franklin Financial Center and Crossroads Square and by recent proposals to develop PGE Station L.

This increased development and redevelopment of vacant or blighted areas within the District has resulted in increased infrastructure demands. Public participation through urban renewal provides an effective mechanism to plan and fund key improvements, thereby leveraging additional private and public investment.

The Central Eastside Revitalization Program was adopted by the Portland Development Commission through Resolution 3402 on November 6, 1985 and by City Council through Resolution No. 33993 on December 12, 1985.

Following the City's adoption of the Central Eastside Revitalization Program, Portland Development Commission staff undertook an analysis of the area's eligibility for urban renewal designation under the criteria set forth in ORS 457. Based on this analysis, it was determined that the Central Eastside Industrial District is eligible for such designation under state law. Staff legal counsel concurred in this conclusion.

Proposed Program Goals

The goals and objectives of the Central Eastside Urban Renewal Plan are based upon the City's Comprehensive Plan Goals and Policies concerning business retention and new business attraction as well as the goals for the revitalization of the Central Eastside District adopted by City Council in December 1985 and the goals for the development of improved access and use of the Willamette River Greenway.

The primary goal of the Plan is to improve the condition and appearance of the Area, to eliminate blight and blighting influences, to expand and improve public facilities and to stimulate public investment and economic growth in the Central Eastside Urban Renewal Area. The Plan also includes a general goal and specific goals related to four areas: urban development; business retention and new business development; the Central Eastside Revitalization Program and riverfront access.

Any amendments or additions to the Comprehensive Plan Goals and Policies, Plan Map or Zoning Code, including those resulting from the adoption of the Central City Plan, shall automatically amend Section 500 of the Urban Renewal Plan without the necessity of a formal amendment.

Proposed Program Activities

The Urban Renewal Plan proposes three major program areas:

1. Transportation and Pedestrian Safety Improvements which are required to provide for improved traffic circulation, mitigate the potential impacts of development, provide a safer pedestrian environment, and upgrade the physical appearance of the area. Among the projects which will be undertaken to improve pedestrian safety and traffic movement are upgrading of the existing lighting, street and sidewalk repair and replacement, and signage.

2. Business Development Assistance and Redevelopment Financing Funds will be established to provide financial assistance to business and property owners within the Area.

The Business Development Assistance Fund will be established to assist business and property owners with the improvement, expansion and equipping of their facilities in order to retain or expand employment. The fund may also assist owners of deteriorated residential properties in the rehabilitation of single or multi-family housing to acceptable physical standards.

The Redevelopment Financing Fund will be established to assist owners of vacant or underutilized property which, due to physical limitation, constraints or excessive infrastructure and access improvement costs, may not be developed or, if developed, not to its fullest employment and tax generating potential.

3. Esplanade Open Space Improvements will concentrate on the improvement and development of access to the east shore of the Willamette River and preservation and improvement of open space for the benefit of the many neighborhoods and residents within and adjacent to the Renewal Area.

II. Urban Renewal Plan Authority and Adoption Process

Urban Renewal Plan Authority

Authority for the use of urban renewal, including criteria for the establishment of an urban renewal agency, the determination of eligible urban renewal areas and the content of an urban renewal plan and urban renewal plan report was established by the Oregon Legislature and codified as Chapter 457 of the Oregon Revised Statutes.

Chapter 15, Article 1 of the Portland City Charter assigns all "general powers and duties" to the Portland Development Commission to serve as the City's Urban Renewal and Redevelopment Agency to carry 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 Planning Commission and City Council. The Portland Development Commission approved the proposed Central Eastside Urban Renewal Plan and Urban Renewal Plan Report on July 16, 1986.

Planning Commission and City Council Review and Adoption

According to ORS 457, the Planning Commission must review the urban renewal plan and report. The Planning Commission's recommendations, if any, are submitted to City Council for consideration in their decision on the urban renewal plan.

The City Council is charged with final review and approval of an urban renewal plan. An urban renewal plan can only be approved after public notice, a public hearing and the consideration of public testimony and of any Planning Commission recommendations. Approval of an renewal plan must be by nonemergency ordinance which must incorporate the plan by reference and include determinations and findings of compliance with the requirements of ORS 457.095.

III. Review of Urban Renewal Plan and Report for Completeness

Overview of ORS 457.085 Requirements

The Oregon Revised Statutes requirements for urban renewal documentation are in two parts: the required contents of the urban renewal plan and the required contents of the urban renewal plan report. Eight elements are required to be contained within both the plan and the report.

Review of the Proposed Central Eastside Urban Renewal Plan Contents

An urban renewal plan must contain the following eight elements: 1) describe each urban renewal project; 2) outline development, redevelopment, improvements, land acquisition, etc; 3) contain a map and legal description; 4) explain its relationship to local objectives, land uses, traffic and other public improvements; 5) indicate proposed land use densities and building requirements; 6) describe relocation methods for persons and businesses; 7) indicate real property to be acquired; and 8) describe type of future amendments and procedures for notice.

The proposed Central Eastside Urban Renewal Plan contains all of the elements required for a complete urban renewal plan.

Review of Central Eastside Urban Renewal Plan Report Contents

An urban renewal plan report must also contain eight elements. These elements are: 1) a description of physical, social and economic conditions, including expected impact and fiscal impact; 2) the reasons for selection; 3) relationship between Plan and existing conditions; 4) the estimated total cost of each project and sources of monies to pay such costs; 5) the anticipated completion date for each project; 6) the money required and anticipated year indebtedness will be retired; 7) a financial analysis sufficient to determine feasibility; and 8) a relocation report.

The proposed Central Eastside Urban Renewal Plan Report contains all of the elements required for a complete urban renewal plan report.

Conclusions

Both the proposed Central Eastside Urban Renewal Plan and the proposed Central Eastside Urban Renewal Plan Report are complete and comply with the content requirements of ORS 457.085.

IV. Determinations and Findings of Compliance with ORS 457.095 Requirements

The following provides a statement of the seven requirements under ORS 457.095 and of compliance of the Central Eastside Urban Renewal Plan with those requirements.

(1) Each urban renewal area is blighted.

ORS 457.010 defines blighted areas as follows:

"Blighted areas" means areas which, by reason of deterioration, faulty planning, inadequate or improper facilities, deleterious land use or the existence of unsafe structures, or any combination of these factors, are detrimental to the safety, health or welfare of the community. A blighted area is characterized by the existence of one or more of the following conditions: (nine specific conditions are listed).

The following conditions of blighted areas apply to the Central Eastside Area:

Condition 1: The existence of buildings and structures, used or intended to be used for living, commercial, industrial or other purposes, or any combination of those uses, which are unfit or unsafe to occupy for those purposes because of any one or a combination of the following conditions:

...
(E) Obsolescence, deterioration, dilapidation, mixed character or shifting of uses.

The Central Eastside Urban Renewal Report presents data on the conditions of buildings and dwelling units within the Central Eastside Urban Renewal Area. Each building within the Area was assigned to one of three categories: substantially up to current building codes; older buildings which exhibit code deficiencies but appear to be economically feasible for rehabilitation; and buildings which appear to be deteriorated beyond their ability to be economically rehabilitated.

Of the 1,313 structures in the Area, only 12.1% were found to be substantially up to current building codes. The majority of the structures, 52.7% exhibited code deficiencies but appeared to be economically feasible for rehabilitation; but just over a third of the total structures, 35.2%, appeared to be deteriorated to the extent that rehabilitation would not be economically feasible. Similarly, 71.9% of the 1,392 dwelling units located in the Area fell in the latter two categories.

Condition 3: The division or subdivision and sale of property or lots of irregular form and shape and inadequate size or dimensions for property usefulness and development.

The 200-foot block, grid-iron pattern of street development throughout most of the Area places severe constraints on business expansion and redevelopment. Some consolidation of blocks may be necessary to facilitate development in the Area.

Condition 5: The existence of inadequate streets and other rights-of-way, open spaces and utilities.

The physical condition of the street system is, in a large number of segments, substandard and in need of repair or upgrading to adequately and safely serve existing business and their patrons. The need for improved open space and access to the Willamette River is also a deficiency in the Area.

(2) The rehabilitation and redevelopment is necessary to protect the public health, safety or welfare of the municipality.

The linkage between the existence of a blighted area and a menace to the public health, safety or welfare of the municipality is specified in ORS 457.020, which reads as follows:

It is hereby found and declared:

- (1) That there exist within the state blighted areas.
- (2) That such areas impair economic values and tax revenues.
- (3) That such areas cause an increase in and spread of disease and crime and constitute a menace to the health, safety, morals and welfare of the residents of the state and that these conditions necessitate excessive and disproportionate expenditures of public funds for crime prevention and punishment, public health, safety and welfare, fire and accident protection and other public services and facilities. . . .

For the Central Eastside Urban Renewal Area, this is related to the age and condition of public facilities, especially as manifested in the street system. A significant program of public improvements oriented toward improved pedestrian and traffic safety and circulation is an essential element in the rehabilitation and redevelopment of the Area. Improvements with respect to lighting will assist in crime prevention.

The Urban Renewal Plan provides for specific public improvements to meet these needs, including:

- (1) Construction and reconstruction of streets;
- (2) New curbs and gutters, including curb extensions;
- (3) New sidewalks or other pedestrian improvements and streets;
- (4) Street lights and traffic control devices.

(3) The urban renewal plan conforms to the comprehensive plan and economic development plan, if any, of the municipality as a whole and provides an outline for accomplishing the urban renewal projects the urban renewal plan proposes.

The City of Portland's Comprehensive Plan, effective January 1, 1981, provides a guide for all land use related development within the City as well as for the provision of public facilities and services required to support that development. The Central Eastside Urban Renewal Plan is in conformance with and supportive of the City's Comprehensive Plan.

Several of the urban renewal plan goals listed under Section 400 of the Plan are taken directly from the Goals and Policies of the Comprehensive Plan. These provide the direction for three of the four goal areas of the Plan: urban development, business retention and new business development, and riverfront access. The direction for the fourth goal area, Central Eastside Revitalization Program, is taken from the goals and objectives adopted by City Council in December 1985 as part of the Central Eastside Revitalization Program.

The Urban Renewal Plan is especially supportive of the following Comprehensive Plan Goals and Policies. Where a Comprehensive Plan Goal or Policy is also a specific Goal of the Urban Renewal Plan, that is noted in parentheses following the title of the Goal or Policy.

Goal 2 Urban Development (General Goal for Urban Development)

Maintain Portland's role as the major regional employment, population and cultural center through public policies that encourage expanded opportunity for housing and jobs, while retaining the character of established residential neighborhoods and business centers.

Expanded development of the Central Eastside Area provides a significant opportunity for the retention of existing jobs and provision of new jobs and is important in maintaining Portland's role as a major regional employment center.

Policy 2.2 Urban Diversity (Specific Goal 1 for Urban Development)

Promote a range of employment opportunities and living environments for Portland residents in order to attract and retain a stable and diversified population.

The Central Eastside Area contains land designated and zoned for industrial, commercial and residential use, thereby allowing a wide diversity of activities within the Area.

Policy 2.7 Willamette Greenway (Riverfront Access Goal)

Implement the Willamette River Greenway Plan which preserves a strong working river while promoting recreation, commercial and residential waterfront development along the Willamette south of the Broadway Bridge

The esplanade open space improvements provided through the Plan will concentrate on the development of access to the east shore of the Willamette River and preserve and improve open space for the benefit of the many neighborhoods and residents within and adjacent to the Renewal Area.

Policy 2.14 Industrial Sanctuaries

Provide industrial sanctuaries. Encourage the growth of industrial activities in the City by preserving industrial land primary for manufacturing purposes.

The majority of the land within the Area is designated as Industrial Sanctuary and is reserved primarily for industrial use.

Policy 2.18 Utilization of Vacant Land (Urban Development Specific Goal 2)

Provide for full utilization of existing vacant land except in those areas designated as open space.

The improvement to public facilities and the provision of business development assistance and redevelopment financing funds will allow for the full use of the vacant land within the Area.

Goal 3 Neighborhoods

Preserve and reinforce the stability and diversity of the City's neighborhoods while allowing for increased density in order to attract and retain long-term residents and businesses and insure the City's residential quality and economic vitality.

The Central Eastside Revitalization Program and this Urban Renewal Plan have been developed in consultation with the effected neighborhood and business associations and will promote the stability and diversity of the Central Eastside Area.

Goal 4 Housing

Provide for a diversity in the type, density and location of housing within the City consistent with the adopted City Housing Policy in order to provide an adequate supply of safe, sanitary housing at price and rent levels appropriate to the varied financial capabilities of City residents.

The Urban Renewal Plan establishes a Business Development Assistance Fund which can be used to assist owners of deteriorated residential properties in the rehabilitation of single and multi-family housing to acceptable physical standards.

Goal 5 Economic Development (Business Retention/Development General Goal)

Improve the level, distribution and stability of jobs and income for resident industry, business and people in accordance with the Economic Development Policy adopted by City Council.

The Urban Renewal Plan will provide a major economic development opportunity for the City.

Policy 5.1 Public Private Partnership (Business Retention/Development Specific Goal 1)

Foster a development partnership between the public and private sectors that is responsive to the economic needs of Portland's business and residents.

Implementation of the Urban Renewal Plan will be done through a joint effort of public and private sectors.

Policy 5.2 Jobs and Income (Business Retention/Development Specific Goal 2)

Encourage long-term employment opportunities that enhance broad vocational and income opportunities, decrease unemployment, and increase the disposable income of City residents.

Development of vacant land within the Urban Renewal Area will provide long-term employment opportunities, while support for existing businesses will promote retention of existing jobs.

Policy 5.3 Business and Industry (Business Retention/Development Specific Goal 4)

Encourage in-City businesses to remain and expand and promote the recruitment of new business and industry by keeping Portland competitive with other regional and national centers.

Improvements to the Central Eastside Industrial District through the Urban Renewal Plan will help keep Portland competitive with other portions of the region and the northwest.

Policy 5.4 District Economic Development (Business Retention/Development Specific Goal 3)

Encourage the development and maintenance of business and industrial district organizations where such organizations help meet the City's economic development objectives and are compatible with neighborhood livability.

The Urban Renewal Plan has been developed in consultation with the Central Eastside Industrial Council and implements the goals and objectives of the Central Eastside Revitalization Program.

Goal 11A Public Facilities General Goal

Provide a timely, orderly and efficient arrangement of public facilities and services that support existing and planned land use patterns and densities.

The public improvements provided under the Urban Renewal Plan will be important in meeting this Goal.

In summary, the Central Eastside Urban Renewal Plan conforms with the City's Comprehensive Plan and will serve to implement many of the Plan's Goals and Policies.

The Central Eastside Urban Renewal Plan also provides an outline for accomplishing the urban renewal projects proposed by the Plan.

Section 600 of the Plan, Project Activities, specifies the four types of activities to be undertaken to achieve the Plan's goals and objectives. These are: public improvements; redevelopment through new construction; redevelopment through rehabilitation; and acquisition and development. The following summarizes the methods proposed for each of the four activities.

Public Improvements:

Public improvements which may undertaken under the Plan include:

- (1) New curbs and gutters, including curb extensions;
- (2) Construction and reconstruction of streets;
- (3) Storm water, sanitary sewer, and other public or private utilities;
- (4) New sidewalks or other pedestrian improvements and streets;
- (5) Trees, shrubs, flowering plants, ground covers, and other plant materials including irrigation systems, soil preparation and/or containers to support them;

- (6) Street lights and traffic control devices, tables, benches and other street furniture and drinking fountains;
- (7) Special graphics and signage for directional and informational purposes;
- (8) Sidewalk awnings, canopies and other weather-sheltering structures for the protection of pedestrians; and
- (9) On and off-street parking facilities.

Redevelopment through New Construction

Redevelopment through new construction will be achieved in two ways:

- (1) By property owners, with or without financial assistance by the Development Commission; and
- (2) By acquisition of property by the Development Commission for resale to others for redevelopment.

Redevelopment through Rehabilitation

Rehabilitation and conservation may be achieved in three ways:

- (1) By owner and/or tenant activity, with or without financial assistance by the Development Commission;
- (2) By the enforcement of existing City codes and ordinances; and
- (3) By acquisition of property by the Development Commission for rehabilitation by the Development Commission or resale for rehabilitation by others.

Acquisition and Redevelopment

No specific property has been identified for acquisition as part of the initial adoption of the Urban Renewal Plan. The Urban Renewal Plan does authorize such acquisition. The procedures for acquisition without amendment to the Urban Renewal Plan are detailed under Section (5) below.

- (4) Provision has been made to house displaced persons within their financial means in accordance with ORS 281.045 to 281.105 and, except in the relocation of elderly or handicapped individuals, without displacing on priority lists persons already waiting for existing federally subsidized housing.

As noted in Section (3) above, the Urban Renewal Plan does not include an initial acquisition of property. Should displacement take place, however, the Plan states that:

The Development Commission will provide assistance to persons or businesses displaced in finding replacement facilities. . . . All relocation activities will be undertaken and payments made, in accordance with the requirements of ORS 281.045-281.105 and any other applicable laws or regulations. Relocation payments will be made as provided in ORS 281.060. Payments made to persons displaced from dwellings will assure that they will have available to them decent, safe and sanitary dwellings at costs or rents within their financial reach. Payment for moving expense will be made to businesses displaced.

(5) If acquisition of real property is provided for, that it is necessary.

The Central Eastside Urban Renewal Plan does not initially call for the acquisition of specific property. The Plan does provide for acquisition under two procedures: acquisition requiring an amendment to the Urban Renewal Plan and acquisition which does not require such an amendment.

Property acquisition is only allowed without an amendment to the Plan when the following conditions exist:

1. Where it is determined that the property is needed to provide public improvements and facilities as follows:
 - (a) Right-of-way acquisition for streets, alleys or pedestrian ways;
 - (b) Public acquisition for public use.
2. Where such conditions exist as may affect the health, safety and welfare of the Area as follows:
 - (a) Where existing conditions do not permit practical or feasible rehabilitation of a structure and it is determined that acquisition of such properties and demolition of the improvements thereon are necessary to remove substandard and blighting conditions;
 - (b) Where detrimental land uses or conditions such as incompatible uses, or adverse influences from noise, smoke or fumes exist, or where there exists overcrowding, excessive dwelling unit density or conversions to incompatible types of uses, and it is determined that acquisition of such properties and demolition of the improvements are necessary to remove blighting influences and to achieve the objectives of this Plan.
3. Where the owner of real property within the boundaries of the Area wishes to convey title of such property by any means, including by gift.

(6) Adoption and carrying out of the urban renewal plan is economically sound and feasible.

Tax increment proceeds will be required for an estimated period of 18 years, from FY 1987-88 to FY 2004-05.

The Urban Renewal Plan Report includes an analysis of the effect the tax increment financing process will have on each of the eight affected taxing bodies. This analysis projects growth of assessed value within the Area if the Renewal Plan is not adopted. All known new development which is expected to be added to the tax rolls within the immediate future is included and recent trends in value growth within the Area are projected forward.

Based on this analysis, the rise in the tax rate among the eight taxing jurisdictions is estimated to vary from \$0.00006 to \$0.01469 per \$1,000 of assessed value over the 18-year period. The tax paying impact on a property with a \$60,000 assessed value, based on the above estimated tax rate increase for a given year, will range from \$1.30 to \$1.59.

At the termination of the tax increment process, the increased assessed value generated within the Area will be "unfrozen" and returned to the tax rolls of the eight taxing jurisdictions.

The Urban Renewal Plan Report also includes an income/expenditure analysis that demonstrates the financial feasibility of the Plan. That analysis shows that the tax increment proceeds are adequate to finance the proposed renewal program activities.

(7) The municipality shall assume and complete any activities prescribed it by the urban renewal plan.

Through its adoption of the Central Eastside Urban Renewal Plan by Ordinance, the City of Portland states its responsibility for carrying out any portions of the Urban Renewal Plan under its authority.

V. Discussion of Other Issues

Relation to Central City Plan

The Central Eastside Industrial District is one of six areas included within the Central City Plan. Preparation of the Urban Renewal Plan has been coordinated with the Central City Plan in order to ensure that Urban Renewal Plan activities compliment the Central City planning effort.

The Plan also makes provision for the automatic incorporation of any amendments to the Comprehensive Plan Goals and Policies, Plan Map and Zoning Code adopted by City Council subsequent to adoption of the Urban Renewal Plan as a result of the completion of the Central City Plan.

Potential for Additional Urban Renewal Area Designations

ORS 457.420(2)(a) provides that the total land area of a proposed urban renewal area, when added to the land area of existing renewal areas in which tax increment proceeds are being collected, may not exceed 15% of the City's total land area. The proposed Central Eastside Urban Renewal Area includes 681 acres of land area. Other approved urban renewal areas within the incorporated limits of the City of Portland total 3,724 acres. If approved, the Central Eastside Urban Renewal Area will bring the total land within urban renewal areas to 4,405 acres.

The City's total land area as of June 31, 1986 is reported to be 79,943 acres. The 4,405 acres represented by the proposed Central Eastside Urban Renewal Area plus other current City urban renewal areas makes up 5.51% of the City's incorporated land area. This 5.51% is just over one-third of the total City land area that could be included within urban renewal areas under State law. As a result, there is adequate opportunity for the creation of additional urban renewal areas within the City if needed to implement future plans.

VI. Planning Commission Recommendation

The Planning Commission recommends that City Council adopt the Central Eastside Urban Renewal Plan.

JWC:
8/13/86

084312

After Recording Returns to:
Berland Development Commission
1102 SW 5th Ave. 47504
Attn: D. Lyon

STATE OF OREGON
Multnomah County

ss.

I, a Deputy for the Recorder of Conveyances, in and for said County, do hereby certify that the within instrument of writing was received for record and recorded in the record of said County

1986 OCT 15 PH 4: 14

RECORDING SECTION
MULTNOMAH CO. OREGON

In Book

On Page

BOOK 1947 PAGE 1077

witness my hand and seal of office affixed.

Recorder of Conveyances

m Burns

Deputy

P.A.

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