

Multnomah County Official Records  
E Murray, Deputy Clerk

2022-110382



\$1,666.00

02972348202201103823193195

12/21/2022 01:07:08 PM

ORDI-ORDI  
\$1.595.00 \$11.00 \$60.00

Pgs=319 Stn=1 ATJN

**CITY OF PORTLAND**  
**Office of the City Auditor**  
**1221 SW Fourth Avenue, Room 130**  
**Portland, OR 97204**

**I hereby certify this Ordinance No. 191071 to be a complete and exact copy of the original as the same appears on file and of record in my office and in my care and custody on December 16, 2022.**

**Mary Hull Caballero**  
**Auditor of the City of Portland**

By *ARAMIS*  
Deputy *Ania Ramis*



191071

Ordinance

## Approve the Cully Tax Increment Finance District Plan

Passed

The City of Portland ordains:

Section 1. The Council finds:

1. Local, State and Federal under-investment in housing, access to capital and social services, exclusionary public policies and laws, the legacy of traditional urban renewal practices and land use decisions, and infrastructure investments have collectively harmed the economic health of Communities of Color in Cully and citywide. These include African American and Black persons; Indigenous and Native American persons; Latino/a/e persons, and persons of color. Priority Communities also include immigrants and refugees of any legal status; renters; mobile home residents; persons with disabilities; low-income people; houseless people; and other population groups that are systemically vulnerable to exclusion from Cully due to gentrification and displacement.
2. As private market pressures intensify in Cully as the area becomes more desirable, there is an urgent need for restorative and transformative community-centered investments that can be used to intervene in the market and proactively and strategically combat rising residential and commercial rents, which disproportionately affect Communities of Color due to prior harm.
3. On May 25, 2011, City Council adopted the City of Portland Neighborhood Economic Development Strategy (NED Strategy) with the goal of fostering economic opportunity and neighborhood vitality throughout Portland through community-based partnerships, including: Objective I. Create the Focus Area Program for commercial areas within priority neighborhoods and Objective II.B.3. Establish Neighborhood Opportunity Districts as small scale, long-term, debt-free tax increment finance districts in three to six commercial hubs within priority neighborhoods.

Introduced by

[Mayor Ted Wheeler](#)

Bureau

[Prosper Portland](#)

Contact

**Kathryn Hartinger**  
Project Manager

✉ [hartingerk@prosperportland.us](mailto:hartingerk@prosperportland.us)

☎ [503-823-4852](tel:503-823-4852)

Requested Agenda Type

Time Certain

Date and Time Information

Requested Council Date

**November 16, 2022**

Requested Start Time

9:45 am

Time Requested

10 minutes

4. On April 11, 2012, in alignment with the NED Strategy, City Council approved the creation of six micro tax increment finance (TIF) districts - in 42nd Avenue, 82nd Avenue and Division (Jade District), Cully Boulevard, Division-Midway, Parkrose, and Rosewood - with the purpose of investing in and launching the Neighborhood Prosperity Network (NPN) of partners in commercial areas and along specific corridors with lagging investment, higher poverty rates, lower median income, greater racial diversity, and interested community groups.
5. Prosper Portland has cultivated strong relationships and facilitated equity-centered, small-scale community economic development priorities within the Cully area through partnership with two NPN districts in Cully, Our 42nd Avenue and the Cully Blvd Alliance, whose accomplishments include: administering small scale TIF grant funding to respond to community economic development needs, from physical improvements for small businesses to community plazas to managing and tenanting affordable commercial space; engaging community and businesses to highlight activities of the district such as the Cully Farmers Market and Community Coffee Hour; creating connections to business technical assistance and workforce supports; and, deploying critical resources to address community and business needs during the pandemic in partnership with Prosper Portland, the City and Multnomah County by disbursing multiple rounds of grant funding, providing Personal Protective Equipment (PPE), encouraging diverse businesses to apply for federal funds, and assisting with grant applications.
6. The Portland Housing Bureau (PHB) has cultivated strong partnerships in Cully to deliver on affordable rental housing and housing stabilization in partnership with Habitat for Humanity, Home Forward, Community Development Partners (CDP), Native American Youth and Family Center (NAYA) and Hacienda Community Development Corporation (Hacienda CDC), amongst others, which most recently resulted in nearly \$24 million of Portland's Affordable Housing Bond resources in two affordable housing projects. Combined, these projects create 191 new homes that will be permanently affordable to low-income households, ranging from studios to three-bedroom apartments.
7. The Bureau of Planning and Sustainability's Gentrification and Displacement Risk Typology Assessment shows the Cully area in Dynamic and Late Type 2 phases of gentrification. The dynamic phase indicates an area currently undergoing gentrification with higher shares of vulnerable populations and the Late Type 2 phase indicates areas that have experienced demographic change by losing higher shares of vulnerable populations.

8. Cully has a larger share of low-income residents than Portland as a whole, with a mean household income that is almost \$20,000 less than that of all Portland households, and is experiencing increased market and gentrification pressures through rising retail and office lease rates (37% and 51%, respectively) and increased housing costs.
9. The 2020 State of Housing in Portland Report found that rental housing is unaffordable to three-person extremely low-income households, Black residents, and single mothers in Cully-Roseway, outlined how homeownership is affordable only to couples with children and white residents, and identified Cully-Roseway as the neighborhood with the second largest loss of racial diversity between 2013 and 2018.
10. In 2018, seven community-based organizations working in the Cully neighborhood of northeast Portland -- Our 42nd Avenue, Cully Boulevard Alliance, Cully Association of Neighbors, Habitat for Humanity, Native American Youth and Family Center, Verde, and Hacienda CDC -- approached Prosper Portland to explore creating, within Cully, a full-sized Tax Increment Financing district or urban renewal area (Cully TIF District or Area), building on the work of the Neighborhood Prosperity Network and community based partners and scaling City support to counter market pressures and center people most at risk of displacement.
11. The seven partner organizations referred to above, and other residents, formed an Exploration Leadership Committee (ELC) to facilitate and lead a community conversation around the potential new Cully TIF District. The creation of the Cully TIF District aims to equitably address challenges and center the experiences and needs of communities most at risk of displacement pressures that could accelerate gentrification. Between 2019 and 2022, the ELC, together with Prosper Portland and PHB staff, facilitated a community led process regarding a potential new Cully TIF District with funding from a Metro 2040 Planning and Development grant, City General funds, and Prosper Portland funds.
12. The ELC issued a Preliminary Report establishing a 2040 vision of the Cully neighborhood as a place that provides a sense of belonging for its residents, particularly for those most vulnerable to displacement, with plentiful safe, affordable housing, thriving Black-, Indigenous-, and People of Color (BIPOC)-owned businesses, rewarding employment opportunities, safe and accessible transportation options, parks and open spaces, a clean and healthy environment, climate resiliency, with places and programs that reflect the cultural diversity of BIPOC individuals. The Preliminary Report also identifies many challenges in Cully, including rising costs of housing and rents, sparse commercial development, poor walkability, insufficient

transit, brownfields and a lack of open space/recreational opportunities and provides a baseline of input regarding initial shared priorities for the district from community members.

13. Prosper Portland, PHB and the ELC partnered on engagement in the preparation of the proposed Cully TIF District urban renewal plan (Cully TIF District Plan), TIF report required under ORS 457.087 (TIF Report), and Governance Charter, with City agencies focused on broad public engagement and the community engagement subcommittee of the ELC leading deeper, focused engagement with Cully's Black and African American community, Latine and Hispanic community, Somali community, Indigenous and tribal communities, low-income homeowners, mobile home park residents, small business owners and workers and houseless people.
14. In August 2022, the ELC voted in favor of supporting the City's adoption of the Cully TIF District Plan, TIF Report and Governance Charter.
15. Approval of the Cully TIF District would provide \$350,000,000 in maximum indebtedness and significant resources over the life of the Cully TIF District to stabilize residents and small businesses, with more modest resources available in the first five to ten years that will be critical to its stabilization. Forty-five percent or \$143,000,000 would be reserved for PHB-stewarded investments in line with the City of Portland's Housing Set Aside Policy and the remaining would be administered by Prosper Portland with a minimum of 45 percent reserved for economic development investments. The Cully TIF District is expected to reach maximum indebtedness in 2059.
16. Affordable housing and economic development investments within the Cully TIF District will be guided by 5-Year Action Plan priorities, which will be co-created with a forthcoming Community Leadership Committee (the Committee) as further outlined in the proposed Governance Charter and align with the list of eligible TIF investments outlined in the Cully TIF Plan.
17. Implementation of the Cully TIF District Plan will be undertaken with significant community leadership and partnership as set forth in the Governance Charter which further details the Committee's role in decisions, recommendations, and accountability oversight; how the Committee will make recommendations regarding implementation; as well as membership, Charter compliance, and other pertinent matters.
18. The Cully vision aligns with Prosper Portland's Strategic Plan goals to create healthy, complete neighborhoods, foster wealth creation within communities of color, and form 21st century civic network, institutions, and partnerships.

19. The Cully TIF District Plan, the TIF Report, and the Governance Charter, each attached hereto as Exhibits A, C, and Exhibit 2 to Exhibit A, respectively, have been drafted to address how TIF investments in Cully will accomplish development of the projects described in the Cully TIF District Plan.
20. The Cully TIF District Plan has been prepared in conformance with ORS Chapter 457 and with public involvement in all stages of its development.
21. The approval procedures required by ORS 457.095 were followed, and notice of the November 9, 2022, Council hearing was sent on October 3, 2022, to postal patrons in the city of Portland, as required by ORS 457.120.
22. The Area, as a whole, is blighted (as defined in ORS 457.010(1)) based on the information set forth in Section XI of the Report. The indices of blight identified in the Report include:
  - A. Based on information from the Portland Bureau of Transportation, Section XI(B)(1) of the Report shows that 47 percent of the streets within the Area are in poor or very poor condition. Such inadequate rights of way constitute blight in accordance with ORS 457.010(1)(e).
  - B. Based on information from the Bureau of Environmental Services, Section XI(B)(2) shows that sewer and stormwater lines in the Area are in poor or very poor or immediate attention condition. Such inadequate utilities constitute blight in accordance with ORS 457.010(1)(e).
  - C. Based on information from the Portland Water Bureau, Section XI(B)(3) of the Report shows there are water main deficiencies in the Area that are in poor or very poor condition. Such inadequate utilities constitute blight in accordance with ORS 457.010(1)(e).
  - D. An analysis of the improvement to land ratio ("I:L") in the Area, summarized in Section XI (D)(3) of the Report, shows that over seventy-nine percent (77%) of the Area has an improvement to land ratio of less than 1:0. Such prevalence of depreciated values and underutilized properties constitute blight in accordance with ORS 457.010(1)(g). In addition, there are two hundred thirty-three vacant parcels in the Area for a total of 107.55 acres of land.
23. The stagnant and unproductive condition of the land, combined with the inadequate rights of way set forth in the Report result in the Area, as a whole, being blighted as defined by ORS 457.010(1).

Rehabilitation and redevelopment are necessary to protect the public health, safety and welfare of the community by curing the identified blight.

24. Acquisition of real property is necessary to carry out the Cully TIF District Plan. The purpose and use of parcels to be acquired are described in Section VII of the Plan.
25. **No housing displacement is anticipated in the Plan.** If displacement occurs, provisions for such displacement will be made in accordance with ORS 35.500 to 35.530. Section XI of the Cully TIF District Plan establishes the procedures for the relocation of displaced persons in accordance with ORS 457.095(2)(d).
26. Adoption of and carrying out the Plan is economically sound and feasible, based on the Financial Analysis of the Plan as set forth in Sections VI, VII, and VIII of the Report.
27. **The City will assume and complete any activities prescribed to the City by the Cully TIF District Plan.**
28. On **September 14, 2022**, the Prosper Portland Board of Commissioners held a public hearing and, after considering testimony and other information presented to it, unanimously **recommended approval of the Cully TIF District Plan (Resolution No. 7465).**
29. Pursuant to ORS 457.089(2), notice of the intended Cully TIF District was forwarded to the governing body of each affected taxing district on September 15, 2022, with confirmation of receipt of the documents by all taxing districts received as of September 20, 2022. Prosper Portland has consulted and conferred with such taxing districts, and the City Council has not received any written recommendations from these districts.
30. The Prosper Portland Executive Director, under authorization from Prosper Portland's Board of Commissioners, submitted the Cully TIF District Plan, Report and Governance Charter, along with supporting materials, to the Council for final approval in accordance with ORS 457.095.
31. On September 27, 2022, the Portland Planning and Sustainability Commission held a public hearing and voted unanimously to recommend that the Portland City Council adopt the Cully TIF District Plan and found that it conforms to Portland's Comprehensive Plan. Chair Steph Routh's letter of support is attached as Exhibit D to this Ordinance.
32. On October 27, 2022, PHB and Prosper Portland met with the Multnomah County Board of Commissioners to review the Cully TIF District Plan, including the projects, the maximum indebtedness, and the time frame of the plan.

33. On November 9, 2022, the City Council held a public hearing to review and consider the Cully TIF District Plan, Report, Governance Charter and Planning and Sustainability Commission recommendation, and to receive public testimony.
34. Pursuant to ORS 457.095, the City Council has considered any public testimony on the Cully TIF District Plan, Report, Governance Charter, the materials provided by Prosper Portland, and the Planning Commission recommendations.
35. The City Council finds that the Cully TIF District Plan conforms to the Portland Comprehensive Plan, as shown in the Findings of Fact Report, attached as Exhibit B to this Ordinance.
36. The City Council finds, as set forth in the Findings of Fact Report, that the proposed Cully TIF District area is blighted and that rehabilitation and redevelopment described in the Cully TIF District Plan is necessary to protect the public health, safety or welfare of the city.
37. The City Council finds that the Cully TIF District Plan provides an outline for accomplishing the urban renewal projects described therein, it complies with ORS 35.500 regarding housing and displacement, and adoption and carrying out of the Cully TIF District Plan is economically sound and feasible.








NOW, THEREFORE, the Council directs:

- A. As set forth and described more specifically in the Cully TIF District Plan and in accordance with the Cully TIF District Plan, the Board encourages investment in healthy public/private/community partnerships and projects with community development corporations, community-based organizations, and culturally specific businesses and real estate developers with ties to Cully and Priority Communities to achieve the objectives of the Cully TIF District Plan.
- B. The Cully TIF District Plan, attached hereto as Exhibit A, and incorporated herein by reference, is hereby approved and will be effective thirty (30) days after passage of this ordinance.
- C. The Report on Cully TIF District, attached hereto as Exhibit C, and incorporated herein by reference, is hereby approved.
- D. The Governance Charter, attached hereto as Exhibit 2 to Exhibit A, and incorporated herein by reference, is hereby approved. The consequences for not following the agreements and procedures outlined in the Governance Charter are set forth exclusively within the document.
- E. That the success of TIF District implementation long term, with its intentional focus on Priority Communities, will require

community-based staff to help coordinate and advocate for the forthcoming Community Leadership Committee; continue to engage with vulnerable communities to ensure Action Plan priorities reflect their needs; and proactively provide navigation services. It is expected that Prosper Portland will bring forward a proposal to satisfy these needs prior to the next budget cycle.

- F. Prosper Portland shall administer implementation of the Cully TIF District Plan, and the Portland Housing Bureau shall assume and complete activities agreed upon by the City and prescribed to it by the Cully TIF District Plan.
- G. The Plan shall be financed, in part, by division of taxes as provided in ORS 457.420 to 457.450.
- H. The City Auditor shall forward to Prosper Portland and the Planning Commission certified copies of this Ordinance upon approval by the Council.
- I. The Prosper Portland shall record in the Deed Records of Multnomah County, Oregon, a copy of this Ordinance and the Cully TIF District Plan, upon adoption by the Council.
- J. The Prosper Portland shall send a copy of this Ordinance and the Cully TIF District Plan to the Multnomah County Assessor.
- K. The Prosper Portland, in accordance with ORS 457.115, shall publish notice of adoption of this Ordinance approving the Cully TIF District Plan, including the provisions of ORS 457.135, in the newspaper having the greatest circulation in the City within four days following adoption of this Ordinance.

## Documents and Exhibits

-  [Exhibit A](#) (1.39 Mb)
-  [Exhibit A1](#) (5.18 Mb)
-  [Exhibit A2](#) (43.44 Kb)
-  [Exhibit A3](#) (4.71 Mb)
-  [Exhibit B](#) (341.4 Kb)
-  [Exhibit C](#) (5.38 Mb)
-  [Exhibit D](#) (1.6 Mb)

An ordinance when passed by the Council shall be signed by the Auditor. It shall be carefully filed and preserved in the custody of the Auditor (City Charter Chapter 2 Article 1 Section 2-122)

Passed by Council  
November 16, 2022

Auditor of the City of Portland  
Mary Hull Caballero

## **Impact Statement**

### **Purpose of Proposed Legislation and Background Information**

**Purpose:** This legislation would approve the Cully Tax Increment Finance District Plan under Oregon Revised Statutes 457 – Urban Renewal. The Prosper Portland Board of Commissioners unanimously approved the plan at a September 14, 2022 public hearing. The Planning and Sustainability Commission also voted unanimously on September 27, 2022, to recommend the Plan to City Council for consideration.

**Background:** Historically, TIF districts<sup>1</sup> in Portland have been a vehicle to serve ambitious land use plans and create resources for investment into regional assets like light rail, the Oregon Convention Center, and the Eastbank Esplanade. In recent years, Prosper Portland has used TIF in innovative ways, to support neighborhood Action Plans and implement smaller TIF districts through the creation of the Neighborhood Prosperity Network (NPN), which have been informed by significant community engagement and outreach. TIF has also been a crucial tool for the Portland Housing Bureau to support the development of affordable housing projects in districts across the city.

In 2018, a coalition of community-based partners in the Cully neighborhood approached Prosper Portland to explore a community-centered TIF district creation process that could lead to a new TIF model that centers historically underserved, marginalized, and underrepresented community voices in the TIF district creation process. To that end, Prosper Portland participated in a co-creation model that centered those most vulnerable to displacement and elevated the voices of historically underserved and marginalized communities in the engagement and planning process of the plan. Co-creation is a form of partnership and collaboration in which parties jointly guide and develop products together, sharing knowledge, power, and acquiring deeper understandings of each other’s needs, interests and challenges.

An Exploration Leadership Committee (ELC) made up of community-based organizations and Cully residents, Prosper Portland staff, and Portland Housing Bureau (PHB) staff co-created the Cully TIF District proposal for consideration by Prosper Portland Board and Portland City Council. ELC partners include:

- Native American Youth and Family Center (NAYA)
- Our 42nd Avenue
- Cully Boulevard Alliance

- Verde
- Cully Association of Neighbors
- Hacienda CDC
- Habitat for Humanity Portland Region
- Cully residents

The community's long-term vision is to transform Cully into a place that provides a sense of belonging for its residents, particularly for Priority Communities. This means Cully will have plentiful safe, affordable housing, thriving Black-, Indigenous-, and People of Color (BIPOC)-owned businesses, rewarding employment opportunities, safe and accessible transportation options, parks and open spaces, a clean and healthy environment, climate resiliency, with places and programs that reflect the cultural diversity of BIPOC individuals.

The Cully TIF District Plan, Report and Governance Charter are the products of multiple years of co-creation with the ELC and extensive community outreach. Consistent with ORS 457.085, the Plan will guide future 5-year Action Plans and establishes the Project List, a list of legally eligible housing and economic development project types for future TIF investment that will help move the community toward its vision.

The project list contains affordable housing-related programs and projects like single-family home repair, homeownership down payment assistance, multi-family rental development, and rehabilitation and preservation of existing regulated housing. It also contains commercial property-related programs and projects to support affordable commercial space, employment, and mixed-use development. In addition, the Project List allows for investments that support arts, culture and signage; land acquisition and land banking; recreational improvements; infrastructure improvements that directly support stabilization; and administration.

The Draft TIF Plan aims to stabilize Cully residents and ensure the neighborhood provides a sense of belonging for everyone. The TIF Plan takes a targeted universalism approach, meaning, to move the community toward this goal of stabilization and belonging, energy must be spent on those historically marginalized, made invisible, or most at risk of displacement.

"Priority Communities" refers to the intended beneficiaries of the Cully TIF District: African American and Black persons; Indigenous and Native American persons; persons of color; immigrants and refugees of any legal status; renters; mobile home residents; persons with disabilities; low-income people; houseless people; and other population groups that are systemically vulnerable to exclusion from Cully due to gentrification and displacement.

## **Financial and Budgetary Impacts**

The total maximum indebtedness being established in the Plan is \$350 million that will be issued using short-term and long-term borrowing over an estimated 30 years, with total payoff of the district estimated to occur by FY 2058-59. As part of the Consult and Confer period mandated by ORS 457 prior to the November 9, 2022, City Council hearing date, copies of the Cully TIF Plan and Report were sent to the City Budget Office on Thursday, September 15, 2022, for review and comment.

The total estimated impact to taxing jurisdictions through FY 2058-59 is anticipated to be between \$350 million and \$479 million, the range of which is dependent upon the amount of short-term borrowing vs. long-term borrowing. The estimated high impact of \$479 million assumes \$150 million in long-term debt (bonds) with terms of 20 years and conservative interest rates, and \$200 million in short-term debt with minimal interest.

The impact to the City's General Fund at this level is estimated to be \$115 million through FY 2058-59. Higher use of short-term (pay-as-you-go) borrowing, or more favorable interest rates for long-term borrowing, will reduce the financial impact. Lowering the financial impact to \$350 million requires the issuance of only short-term borrowing that has no interest and minimal issuance costs, but also limits resources earlier in the District's first 5 to 10 years and puts more constraints on the size of projects that could be accomplished. This will result in an estimated \$84 million in foregone revenue to the City of Portland General Fund.. Long-term borrowing is currently included in the model to illustrate when higher levels of resources could be made available by leveraging tax increment revenues to support earlier investment in the community.

Through the duration of the District, staff will coordinate annually with the Portland Housing Bureau and Office of Management and Finance to forecast, if and when, the issuance of lines of credit and long-term debt (bonds) should be used to fund planned projects and if the issuance of debt is feasible based on projected resources as well as capital markets conditions at the time of issuance.

## **Community Impacts and Community Involvement**

As development and gentrification pressures intensify in the Cully neighborhood, there is an urgent need for community-led investments that can proactively combat displacement pressures, which disproportionately affect low-income people and people of color. This is a unique and timely opportunity to shape investments that prevent or reduce displacement in a way that increases wealth, choice, and stability for those that call Cully home, and secure those benefits for future generations of Priority Communities.

In order to broaden community outreach beyond regular meetings with the ELC, from December 2021 to June 2022, Prosper Portland staff proactively engaged all neighborhood associations within the proposed TIF boundary, including:

- Cully Association of Neighbors
- Concordia Neighborhood Association
- Beaumont-Wilshire Neighborhood Association
- Sumner Neighborhood Association
- Rose City Park Neighborhood Association
- Roseway Neighborhood Association

Staff offered briefings and notified the associations of engagement opportunities at open houses that occurred in March 2022 and June 2022. Approximately 50 individuals across all neighborhood association meetings and open houses participated in the outreach efforts. Further, the Cully Association of Neighbors published information regarding the open houses on their webpage, reaching a broader audience. Prosper Portland established a webpage on its site for this exploration as a tool for sharing information about the Cully TIF District.

Additionally, between January and May 2022, staff supported and participated in monthly engagements with priority groups led by the ELC. These monthly meetings were intended to both inform participants of the proposal (TIF Plan, TIF Report, and Governance Charter) and obtain feedback from priority group members through affinity spaces/focus groups. The ELC and partners involved with this exploration hosted multiple focus groups within various communities, with each focus group targeted to a specific community for outreach and recruitment. The focus groups and target communities included:

- Latina/o/e/x community members;
- Black and African American community members;
- Urban Native/Indigenous community members;
- Mobile home park community members;
- Somali community members;
- Low-income homeowners;
- Small business community members; and
- Houseless community members.

The ELC voted in support of approving the Cully TIF District Plan in August 2022. More recently, ELC members, PHB and Prosper Portland staff have provided additional briefings on the proposed plan, including:

- Portland Housing Advisory Commission – September 6, 2022
- Portland Public Schools Leadership Briefing – September 26, 2022
- Planning and Sustainability Commission – September 27, 2022
- Multnomah County Board of Commissioners – October 27, 2022

## **100% Renewable Goal**

This action will have no effect on the City's goal of meeting 100 percent of community-wide energy needs with renewable energy by 2050.

## **Budget Office Financial Impact Analysis**

If approved, the legislation would create a new Tax Increment Finance (TIF) district in Portland's Cully neighborhood (Cully TIF District). Like Portland's existing TIF districts, the Cully TIF District would divert tax increment revenues (the amount of property taxes generated by the increase in total assessed values within a TIF area from the time an area is first established) from the City of Portland's General Fund to pay indebtedness incurred to implement eligible projects in the area, such as affordable housing development, infrastructure upgrades, economic development programming, among other district improvements. The Cully TIF District plan has a thirty-six-year horizon, with expiration estimated in FY2058-59, in which the area is anticipated to complete all projects and have sufficient revenue to terminate the program. Over this lifespan, Prosper provides two scenario estimates for foregone General Fund revenues given long versus short-term debt composition. In the first scenario, which entails \$350 million in short-term debt, Prosper estimates \$84 million in foregone revenue for the City. In the second scenario, which entails incurring \$479 million in long-term debt, Prosper estimates \$115 million in foregone revenue for the City through FY2058-59.

## **Agenda Items**

### **948 Time Certain in November 9, 2022 Council Agenda**

Passed to second reading

Passed to second reading November 16, 2022 at 9:45 a.m. Time Certain.

### **957 Time Certain in November 16-17, 2022 Council Agenda**

Passed

Commissioner Mingus Mapps Yea

Commissioner Carmen Rubio Yea

Commissioner Dan Ryan Yea

Commissioner Jo Ann Hardesty Yea

Mayor Ted Wheeler Yea

# Cully Tax Increment Finance District Plan

**Cully Tax Increment Finance District Plan**

**Adopted by the City of Portland**

**DATE**

**Ordinance No. [ \_\_\_\_\_ ]**

**If Amendments are made to the Plan, the Resolution or Ordinance Number and date will be listed here. The amendment will be incorporated into the Plan and noted through a footnote.**

<b>Date</b>	<b>Resolution or Ordinance No.</b>	<b>Purpose of Change</b>

**TABLE OF CONTENTS**

I. DEFINITIONS .....4

II. BACKGROUND AND CONTEXT .....8

III. COMMUNITY ENGAGEMENT IN DESIGNING THE TIF DISTRICT.....13

IV. VISION, VALUES, GOALS .....17

V. GOVERNANCE AND DECISION MAKING .....19

VI. PRINCIPLES THAT GUIDE IMPLEMENTATION OF THE PLAN .....19

VII. TIF DISTRICT PROJECTS .....25

VIII. MAXIMUM INDEBTEDNESS .....32

IX. AMENDMENTS TO TIF PLAN .....32

X. PROPERTY ACQUISITION AND DISPOSITION .....33

XI. RELOCATION METHODS .....34

XII. TAX INCREMENT FINANCING OF PLAN.....34

XIII. VALIDITY .....35

XIV. ANNUAL FINANCIAL STATEMENT .....35

XV. RELATIONSHIP TO LOCAL OBJECTIVES.....39

XVI. LEGAL DESCRIPTION .....44

## I. DEFINITIONS

**“Action Plans”** means a plan which proposes investments and programs in the TIF Area on a five-year basis.

**“Accessibility”** means in compliance with the Americans with Disabilities Act Standards for Accessible Design.

**“Affordable housing”** means:

TIF funded affordable housing is guided by the Tax Increment Financing for Affordable Housing Policy, and the supplementary Implementation Plan and Income Guidelines which are binding City Policy under Section 1.07.020 A of the City Code.

For rental housing: the Portland Housing Bureau (PHB) utilizes the HUD affordability standard, which states that the rent plus expenses associated with occupancy, such as tenant paid utilities or fees, does not exceed 30% of the gross household income, based on unit size, at the level of the rent restriction.

For homeownership units: the purchase price, for which the sum of debt service and housing expenses (including an allowance for utilities and other required ownership fees), when compared to the annual gross income for a family, adjusted for family size, does not preclude conventional mortgage financing.

**“Affordable commercial space”** means offering access and assistance to qualified businesses in the form of an equitable tenanting application processes, access to space, and in some cases additional financial support or incentives designed to lower the barriers to entry for emerging and small businesses, such as reduced rent, tenant improvement contributions and technical assistance.

**“Agency”** means Prosper Portland. Prosper Portland is responsible for implementation and administration as required under ORS 457.

**“Annual report”** is the ORS 457.460 requirement for the production of an annual report that gets distributed to the taxing districts.

**“Area”** or **“TIF Area”** means the properties and rights-of-way located within the Cully Tax Increment District Boundary. It is a defined geography from which tax increment financing is both calculated and spent. This term is understood to refer to and replace references to the term **“urban renewal area”** as defined in ORS 457.010(18).

**“Area median income”** means an income threshold set by Department of Housing and Urban Development, updated annually, generally in December. New thresholds are effective immediately. Current MFI thresholds can be found online at <https://www.portlandoregon.gov/phb/>

**“BIPOC”** means Black, Indigenous and People of Color.

**“Blight”** is defined in ORS 457.010(1)(A-E) and identified in the ordinance adopting a TIF plan.

**“Board of Commissioners”** means the Prosper Portland Board of Commissioners.

“Charter” is the Governance Charter for the Cully TIF District, as the same may be amended from time to time, pursuant to its terms and conditions. It establishes the Community Leadership Committee.

“City” means the City of Portland Oregon and includes the Portland Housing Bureau.

“City Council” or “Council” means the Portland City Council.

“Comprehensive Plan” means the City of Portland comprehensive land use plan and its implementing ordinances, policies, and standards.

“County” means Multnomah County, Oregon.

“Cully Preliminary Report” is defined and described in Section III.B of this Plan. The Cully Preliminary Report is attached as Exhibit 1 to this Plan. The Cully Preliminary Report is not the statutory report referenced in ORS 457.087 (see definition of “Tax Increment Finance Area Report” / “Report” later in this Section).

“Cully Boulevard Alliance (CBA)” is an organization engaged in community economic development at the neighborhood scale within the Cully micro-TIF district; part of Prosper Portland’s Neighborhood Prosperity Network, this organization serves all of those who live, work, or support those in the outer NE Portland neighborhood of Cully.

“Neighborhood Prosperity Districts: (NPD). Is a program initiated by Prosper Portland to strengthen the economic competitiveness of neighborhood business districts through community-planned and community-implemented actions and projects.

ELC means the Cully Exploration Leadership Committee.

“Fiscal year” means the year commencing on July 1 and closing on June 30 of the next calendar year.

“Frozen base” means the total assessed value including all real, personal, manufactured, and utility values within a TIF Area at the time of adoption as more particularly described in ORS 457.430(1). The County Assessor certifies the assessed value after the adoption of a TIF area plan.

“Increment” means that part of the assessed value of a TIF area attributable to any increase in the assessed value of the property located in a TIF area, or portion thereof, over the Frozen Base.

“ITIN” means Individual Taxpayer Identification Number which is a tax processing number only available for certain nonresident and resident persons, their spouses, and dependent who cannot get a Social Security Number.

“Living Cully” means an innovative collaboration that formed in 2010 among [Habitat for Humanity Portland Region](#), [Hacienda Community Development Corporation](#), [Native American Youth and Family Center](#), and [Verde](#). They work to improve the quality of life for BIPOC individuals and low-income people in Northeast Portland’s [Cully neighborhood](#), and ensure that Cully will always be a place where BIPOC individuals and low-income people can live and thrive. This work requires a dual-emphasis on community-led neighborhood improvements and robust efforts to combat gentrification and displacement.

**“Manufactured housing park”** means an area or tract of land where two or more mobile homes or mobile home lots are rented or held out for rent.

**“Maximum indebtedness”** means the amount of the principal of indebtedness included in a plan pursuant to ORS 457.190 and does not include indebtedness incurred to refund or refinance existing indebtedness.

**“Metro”** is the regional government for the Oregon portion of the Portland metropolitan area, covering portions of Clackamas, Multnomah, and Washington Counties.

**“Minor Amendment”** means any amendment to the TIF Plan that is not a Substantial Amendment.

**“Mobile home”** of **“manufactured home”** means factory-built homes that can be placed on a piece of land.

**“Neighborhood Prosperity Initiative”** means a Prosper Portland program focused on community economic development at the neighborhood scale. A community-driven, self-help approach is at the heart of this work. With grants, training, and support from Prosper Portland, each district is responsible for planning and implementing projects to improve the local commercial district.

**“NOFA”** means Notice of Funding Availability – means the official notice of availability of funds which may be disbursed for projects and is a means of soliciting proposals for undertaking projects.

**“ORS”** means the Oregon Revised Statutes. ORS Chapter 457 specifically relates to tax increment financing.

**“Permanently affordable homeownership”** means homeownership opportunities which prescribe affordability for subsequent buyers of the property or home, in contrast with homeownership opportunities which proscribe no additional affordability beyond the first purchaser.

**“PHB”** means the Portland Housing Bureau

**“Planning Commission”** means the Portland Planning and Sustainability Commission.

**“Priority Communities”** refers to the intended beneficiaries of the Cully TIF District: African American and Black persons; Indigenous and Native American persons; persons of color; immigrants and refugees of any legal status; renters; mobile home residents; persons with disabilities; low-income people; houseless people; and other population groups that are systemically vulnerable to exclusion from Cully due to gentrification and displacement.

**“Prosper Portland”** is the City of Portland’s economic and urban development agency.

**“RFP”** means request for proposals. It is a means of soliciting proposals for undertaking projects. It is a document issued by the City, Prosper Portland, a business or an organization to request bids for development, products, solutions and services.

**“Regulated affordable unit”** means a residential unit subject to a regulatory agreement that runs with the land and that requires affordability for an established income level for a defined period of time.

**“Revenue sharing”** means under-levying tax increment proceeds to effectively share a portion of the revenue with the other taxing districts who levy permanent rate taxes as described in ORS 457.470.

**“Substantial Amendment”** means an increase in maximum indebtedness that can be issued or incurred under the TIF Plan or an increase in acreage over one percent of the original acreage of the TIF Areas described in ORS 457.085.(2)(i).

**“Tax increment finance area plan”** or **“TIF plan”** means a plan, as it exists or is changed or modified from time to time, for one or more TIF areas, as provided in ORS 457. This term is understood to refer to and replace references to the term **“urban renewal plan”** or **“plan”** as defined in ORS 457.010(19).

**“Tax increment finance area project(s)”** or **“TIF area project(s)”** or **“project(s)”** means any work or undertaking carried out under ORS 457.170 and ORS 457.180 in a TIF area. This term is understood to refer to and replace references to the term **“urban renewal project(s)”** as defined in ORS 457.010(20).

**“Tax increment finance area report”** or **“report”** means the official report that accompanies the TIF plan pursuant to ORS 457.087.

**“Tax increment finance”** or **“tax increment financing”** or **“TIF”** means the funds that are associated with the division of taxes accomplished through the adoption of a TIF plan. In Portland it is a program designed to leverage private investment for economic development and affordable housing projects in a manner that enhances the benefits accrued to the public interest.

**“Tax increment revenues”** means the funds allocated by the assessor to renewal TIF area due to increases in assessed value over the frozen base within the area.

**“Urban Renewal”** means the statutory authority provided in ORS 457. In this Plan it is synonymous with tax increment financing.

## II. BACKGROUND AND CONTEXT

This Plan will be used for decision-making related to the Cully TIF District, from the development and adoption of Action Plans, to the implementation of individual programs and investments. This Plan is the result of ongoing collaboration between stakeholders in Cully, Prosper Portland, and the Portland Housing Bureau, among others. Much of the information in this Plan is drawn from the Cully Preliminary Report, prepared by Cully TIF Exploration Leadership Committee (ELC) as part of a community driven TIF District planning process and submitted to Metro in June 2021. The aforementioned report was completed to be in compliance with grant funding received from Metro for this process.

### A. Cully: History, Current Conditions, Demographics

Standing on the site of a traditional Chinook village called Neerchokikoo, Cully was an unincorporated area of Multnomah County until its annexation to the City of Portland in 1985. Cully is Northeast Portland's largest neighborhood by land area and population: over 3 square miles, with a population of 12,756<sup>1</sup>.

Cully is socially and economically diverse. Per the *Cully TIF Preliminary Report*, which relied on American Community Survey (ACS) data from 2015-2019, "Forty-three percent of residents represent communities of color, compared to 29 percent citywide<sup>1</sup>...Cully also has a larger share of low-income populations than Portland as a whole." Access to neighborhood amenities continues to vary dramatically based on an individual's background and socio-economic status.

More recent data from ECONorthwest, which relied on 2010-2020 United States Census Bureau data, shows a changing picture for the Cully TIF boundary, with roughly 35 percent of residents representing communities of color. While the number of white households remained the same over the ten-year period, there was a noticeable, recent decline in the number of Black households from 14 percent to seven percent. This trend highlights the urgent need to invest in stabilizing projects centered on Cully's Priority Communities.

"Priority Communities" refers to the intended beneficiaries of the Cully TIF District: African American and Black persons; Indigenous and Native American persons; persons of color; immigrants and refugees of any legal status; renters; mobile home residents; persons with disabilities; low-income people; houseless people; and other population groups that are systemically vulnerable to exclusion from Cully due to gentrification and displacement.

Most of Cully's development occurred between 1910 and 1960. Its character from the outset has had strong rural elements: large lots, unpaved and meandering streets, and low density. Historically, investment in Cully's parks, sidewalks, roads, other infrastructure, family-oriented businesses and other amenities has lagged behind other areas of the city. This historic underinvestment contributed to the relative affordability of homes in Cully, making it possible for low-income people and BIPOC

---

<sup>1</sup> 2015-2019 American Community Survey. United States Census Bureau

households to have long term stability and work together to bring about improvements to their neighborhood.

Cully residents, including households already displaced to Cully, are now threatened with displacement from Cully as investment pressures rise. Unlike in closer-in neighborhoods, some properties remain relatively affordable, and land is still available for development, attracting new private, and potentially gentrifying, development in Cully and in nearby neighborhoods. The experience of other Portland neighborhoods as well as communities from across the United States make clear that gentrification inherently entails the displacement of existing community members, especially low-income and BIPOC residents.

Much of the Cully neighborhood is zoned for single-family dwellings. Only two areas, along the western boundary at N.E. 42nd Ave. and the central artery, Cully Blvd., are zoned for commercial activity. The northern edge of the neighborhood, between N.E. Portland Highway and Columbia Blvd., is an industrial area. Cully's unique combination of rural features, sparse commercial development, and relatively low household incomes have made it relatively deficient in the commercial and recreational opportunities that characterize the rapidly developing inner neighborhoods of Portland. Portland's inner neighborhoods are, in general, highly rich in amenities such as parks, tree canopy coverage, open spaces, bike lanes and neighborhood services. Cully, by contrast, offers less walkability, scarce access to transit, relative lack of open space or tree coverage, and an abundance of brownfields or industrial lands.

As development and gentrification pressures intensify in the Cully neighborhood, there is an urgent need for community-led investments that can be used proactively to combat displacement pressures, which disproportionately affect low-income people and BIPOC individuals. In response, the neighborhood has seen some early investments in affordable housing, including the Las Adelitas and Mamook Tokatee projects. This is a unique and timely opportunity to scale up and shape investment to prevent or reduce displacement in a way that increases wealth, choice and stability for those that call Cully home, and secure those benefits for future generations of Priority Communities. Cully should remain a neighborhood where low-income people and BIPOC individuals can live and thrive.

---

“Priority Communities” refers to the intended beneficiaries of the Cully TIF District: African American and Black persons; Indigenous and Native American persons; persons of color; immigrants and refugees of any legal status; renters; mobile home residents; persons with disabilities; low-income people; houseless people; and other population groups that are systemically vulnerable to exclusion from Cully due to gentrification and displacement.

## **B. Development, Organizing, and Outreach Efforts in Cully**

Seven partner organizations — the Native American Youth and Family Center (NAYA), Hacienda CDC, Habitat for Humanity Portland Region, Verde, Our 42nd Avenue, the Cully Boulevard Alliance and the Cully Association of Neighbors — with strong roots in the Cully neighborhood produced the Cully Preliminary Report, on which much of the information provided in this Section III is drawn. The Cully Preliminary Report explores the potential for a Community-Controlled Tax Increment Financing (TIF) District to develop projects in the Cully neighborhood. Together, these organizations have formed an Exploration Leadership Committee (ELC) to explore this issue. For more than a decade these organizations have worked toward enhancing social and economic inclusion to prevent the displacement of Priority Community members.

The City of Portland recognizes Cully as a neighborhood likely to experience significant change in the coming years. Portland City Council adopted Resolution 36953 in August 2012, which calls for a coordinated effort by city bureaus to study and prevent displacement in Cully. Since then NAYA has developed affordable housing in multiple locations in Cully, Verde and partners have developed a Cully Energy Plan to map out the future of community-controlled energy in Cully, Cully Park converted a former landfill into the neighborhood's newest environmental asset, preservation of Oak Leaf and Arbor mobile home parks were key anti-displacement victories and the community came together to purchase and rehabilitate a run-down strip club into Las Adelitas, a Hacienda CDC affordable housing development. Since 2012 Habitat for Humanity has built a total of forty-six homes in the neighborhood with twenty-five of them being permanently affordable. There has also been a huge investment in home repair for homeowners with low incomes by Habitat for Humanity, NAYA and other partners.

Cully Boulevard Alliance (CBA) and Our 42nd Avenue are two Neighborhood Prosperity Districts (NPD) within the Cully TIF District that have existed for over a decade. The two NPDs have targeted the investments of their respective TIF funds into community and BIPOC focused economic development efforts in the neighborhood. Both have prioritized the direction of funds to create affordable commercial lease opportunities and to support BIPOC-owned businesses with tenant improvement grants. Critically, the two NPDs provided vital sustaining support for Cully businesses during the pandemic. They helped businesses to access Prosper Portland grants, state and federal support to keep their businesses alive. This level of intentional focus and commitment to preserving neighborhood businesses was the last line of defense preventing countless business closures and job losses. Working together, neighborhood organizations and public agencies have an opportunity to once again align programs and policies so that Cully remains a place where diverse residents can live, work, and thrive.

Despite these successes, the current scale of activity is entirely insufficient in the face of looming gentrification and mass displacement. If we fail to fund investments at a significantly larger scale and produce a community-led framework to direct the administration of those funds and prioritize those investments, it could soon be too late. Current development trends threaten the neighborhood's shared vision of community prosperity. There are new parks, more sidewalks and paved streets, new houses and apartments and new businesses in growing commercial districts. These improvements, while needed and desirable, make the neighborhood more attractive to developers, investors and home buyers, driving up prices and causing displacement. As rising rents spread across Cully, lower-

income families and BIPOC individuals are being disproportionately displaced from the neighborhood that they have helped to make such a vibrant, caring, diverse corner of Portland. Even Cully residents who are fortunate enough to own their homes recognize that they could not afford to buy a house there now, and their children won't be able to afford to live here in the future. Locally owned businesses face the threats of rising rents for commercial space, and the loss of their customer base due to residential displacement.

To realize the neighborhood's vision for Cully, these community organizations, together with Prosper Portland, Metro, and PHB, have facilitated a community process during the calendar years of 2019-22 to explore the creation of a Cully TIF District. While past use of TIF in the City of Portland has produced racially and economically unjust outcomes that are completely in opposition to the neighborhood's community development and anti-displacement objectives, we believe there is strong potential for this powerful tool to be repurposed to benefit Cully and its Priority Community residents. To fully explore and vet this possibility through community engagement, research, and policy analysis, we worked together with partners to secure a Metro 2040 Planning and Development Grant. This grant supported a community-driven, iterative process to determine priorities for the programming, rules, and leadership of a prospective community-controlled TIF District.

The relationship between the sections of the Plan and the ORS 457.085 requirements is shown in Table 1. The specific reference in the table below is the section of this Plan that primarily addresses the statutory reference. There may be other sections of the Plan that also address the statute.

**Table 1 - Statutory References**

Statutory Requirement	Plan Sections
ORS 457.085(2)(a)	VII
ORS 457.085(2)(b)	VII
ORS 457.085(2)(c)	XVI, and Figure 2
ORS 457.085(2)(d)	XV
ORS 457.085(2)(e)	XV
ORS 457.085(2)(f)	XI
ORS 457.085(2)(g)	X
ORS 457.085(2)(h)	VIII
ORS 457.085(2)(i)	IX
ORS 457.085(2)(j) (applicable if the Plan includes a public building)	NOT APPLICABLE

**C. Tax Increment Overview**

ORS 457 allows for the use of tax increment revenues, a financing source that is unique to TIF areas, to pay indebtedness incurred to fund eligible projects within a TIF area. Tax increment revenues - the amount of property taxes generated by the increase in total assessed values within a TIF area from the time an area is first established - are used to pay indebtedness incurred to implement eligible

projects in the area. The amount of available funds is subject to statutory and plan-based limitations, including limitations regarding maximum indebtedness that may be incurred, as well as statute-required revenue sharing in certain circumstances.

The purpose of a TIF area is to improve specific areas of a municipality that are poorly developed or underdeveloped, called blighted areas in ORS 457. Required findings regarding this definition are set forth in the Report.

The Report contains the information required by ORS 457.087, including:

- A description of the physical, social, and economic conditions in the area, together with the expected impact of the Plan, including fiscal impact;
- Reasons for selection of the Plan area;
- The relationship between each project to be undertaken and the existing conditions;
- The estimated total cost of each project and the source of funds to pay such costs;
- The estimated completion date of each project;
- The estimated amount of funds required in the Area and the anticipated year in which the debt will be retired or otherwise provided for;
- A financial analysis of the Plan;
- A fiscal impact statement that estimates the impact of tax increment financing upon all entities levying taxes upon property in the area; and
- A relocation report.

### III. COMMUNITY ENGAGEMENT IN DESIGNING THE TIF DISTRICT

The community engagement process led by the Cully TIF Exploration Leadership Committee (ELC) explicitly sought to center the voices and priorities of people and groups that are structurally vulnerable to displacement and exclusion from the Cully neighborhood as a result of gentrification. This includes Black people, Indigenous people, people of color, renters, mobile home residents, low-income people, and small business owners and workers.

In late 2020, the ELC formed a sub-committee, the Community Engagement Committee (CEC), which included staff from several ELC member organizations and several Cully community members who received monthly stipends and helped lead outreach and engagement among their neighbors and networks. The CEC designed and carried out a robust community engagement process in order to inform the content of this TIF District Plan, along with three other documents: the District Report, the Governance Charter and a proposal for the resources, staffing and capacity needed by the community to support long-term implementation of the District. Collectively, these four documents comprise a holistic proposal for the Cully TIF District. The content of this Plan, along with the other three documents, reflects the voices and leadership of hundreds of community members from Cully, with particular emphasis on the voices of Priority Community members.

As a result of the COVID-19 pandemic, most community engagement activities leading to the development of the Cully TIF proposal were conducted through online methods, primarily focus groups and community meetings using Zoom video-conferencing software. In late 2020, the CEC worked with Cully-based artist and educator Patricia Vazquez to develop educational materials that could be used in online meetings to develop community members' knowledge and understanding of tax increment financing (TIF), its history of contributing to gentrification and displacement, and the ELC's vision for using TIF in a new way in the Cully neighborhood.

The CEC organized three distinct phases of community engagement, with each one iteratively informing the ELC's process of co-creating the Cully TIF proposal alongside staff from Prosper Portland and the Portland Housing Bureau. Over the course of 17 months, these efforts resulted in:

- 48 focus groups and workshop meetings, with a total of 500 participants
- 2 online surveys, with a total of 389 qualifying responses

#### A. Phase 1: Early 2021

The first series of focus groups was held from January through April 2021. The agendas for these meetings included:

- Education about the tool of tax increment financing
- Discussion of community members' priorities for the future of their neighborhood
- Developing an understanding of the differences between investments and development projects that can contribute to gentrification, and those that prevent or counteract gentrification
- Discussion of how a future Cully TIF District should be governed to keep community members in the lead as the district is implemented

These focus groups were convened by the organizations that participate in the ELC, and held with priority constituencies that are vulnerable to displacement:

- African American community (convened by Living Cully)
- Indigenous and tribal community (convened by NAYA)
- Latinx community (convened by Hacienda and Verde)
- Somali community (convened by Hacienda)
- Low-income homeowners (convened by Habitat for Humanity Portland Region)
- People experiencing houselessness (convened by Living Cully)
- Private market renters (convened by Living Cully)
- Mobile home park residents (convened by Living Cully)
- Small business owners and workers (convened by Our 42nd Avenue and Cully Boulevard Alliance)

Some of the groups met more than once. In total, 14 online focus groups were convened with a total of 95 participants. In addition, an online survey received 278 unique responses from people representing demographic groups that are structurally vulnerable to displacement, based on income, race/ethnicity, and housing status. The notes from these focus groups and the survey responses were analyzed by a contracted consultant, Amy Coplen. The resulting themes and priorities were incorporated by the ELC into the Cully TIF Preliminary Report, which was published in June 2021, with the support of Prosper Portland and the Portland Housing Bureau.

#### **B. Phase 2: Summer 2021**

The content of the Cully TIF Preliminary Report was shared with the Cully community through a series of three online workshops, held in June and July 2021. In total, 134 participants attended those sessions. The workshops were promoted through a direct mail brochure sent to USPS addresses in the Cully neighborhood, and through online channels, phone calls and text messages by the Community Engagement Committee. The workshops presented the content of the Preliminary Report (which was informed by Phase 1 community engagement), and solicited participants' input regarding any revisions, additional detail or nuance that should be included as the ELC worked with Prosper Portland and the Portland Housing Bureau to develop the final Cully TIF District Plan. Each workshop focused on a different topic:

1. Eligible investments
2. Geographic boundaries of the district
3. Governance and decision-making

Forty-one people attended a follow-up workshop in September 2021, recapping all three topics and soliciting additional community feedback. Subsequently, 111 people responded to a second online survey in order to generate additional data to inform the content of the TIF District Plan.

After the ELC made its recommendation on the geographic boundary of the District, as informed by feedback gathered during this phase of community engagement, the ELC and Prosper Portland communicated with each of the neighborhood associations beyond Cully that had small areas included in the proposed boundary: Beaumont-Wilshire, Concordia, Rose City Park, Roseway and Sumner.

Incorporating the input collected through Phase 2 activities, Prosper Portland completed the Draft District Plan in December 2021, setting up the final phase of the ELC's community engagement.

### **C. Phase 3: 2022**

The final phase of ELC-led community engagement was carried out from January to May 2022. The ELC member organizations convened eight priority constituencies, representing groups vulnerable to displacement:

- African American community (convened by Living Cully)
- Indigenous and tribal community (convened by NAYA)
- Latinx community (convened by Verde)
- Somali community (convened by Hacienda)
- Low-income homeowners (convened by Habitat for Humanity Portland Region)
- People experiencing houselessness (convened by Living Cully)
- Mobile home park residents (convened by Living Cully)
- Small business owners and workers (convened by Our 42nd Avenue and Cully Boulevard Alliance)

Each of these constituencies generally met once per month for four straight months. Each month's round of meetings focused on a different element of the Cully TIF Proposal, which was simultaneously being finalized by the ELC's Executive Committee through collaboration and negotiation with staff from Prosper Portland and the Portland Housing Bureau. The four meeting topics were:

- Meeting #1: Eligible Investments in the TIF District Plan (Section 8)
- Meeting #2: Guiding Principles in the TIF District Plan (Section 7)
- Meeting #3: Governance & Decision-Making (informing the Governance Charter)
- Meeting #4: Resources and community-based staffing needed to support implementation of the TIF District (informing the ELC's proposal to the City)

In total, 30 focus group meetings were convened with 230 participants.

Following each month's round of meetings, the Community Engagement Committee produced a written report that highlighted each constituency's central feedback and priorities, and also identified common themes that arose across all eight groups. These monthly reports were used by the Executive Committee to inform the final revisions that were made to the four documents of the Cully TIF proposal, including this District Plan.

### **D. Prosper Portland Community Engagement**

In addition to the multi-year, ELC-led community engagement described above, Prosper Portland carried out additional community engagement activities in partnership with PHB. Prosper Portland established a page on its website dedicated to this project, in order to share information about the Cully TIF proposal as it was being developed. Two online "open house" meetings were held in March and June 2022, and were publicized by Prosper Portland and the Cully Association of Neighbors.

Participants in the first open house requested an open-ended survey to provide additional comments on the draft TIF project list. At the conclusion of the second meeting, participants had the opportunity to respond to a survey, which remained open on Prosper Portland's website for

approximately three weeks. Input received via the survey and open houses was incorporated into the TIF Plan and associated documents, through discussion and collaboration with the ELC.

Several neighborhoods are either adjacent to or were included in the initial draft boundaries of the District. Prosper Portland specifically invited members of the neighborhood associations representing those neighborhoods to the open house meetings: Beaumont-Wilshire Neighborhood Association, Concordia Neighborhood Association, Cully Association of Neighbors, Rose City Park Neighborhood Association, Roseway Neighborhood Association, and Sumner Neighborhood Association. Some of these associations also accepted Prosper Portland's invitation to participate in separate briefings on the project. Approximately 50 individuals participated in neighborhood-specific briefings and the two open houses, combined.

#### **IV. VISION, VALUES, GOALS**

The vision, goals and principles set forth in Sections IV and VII which were developed by the Cully community throughout the engagement process described in Section IV, are intended to guide TIF investment in the Area over the life of the Plan.

##### **A. Vision**

The community's long-term vision is to transform Cully into a place that provides a sense of belonging for its residents, and particularly for Priority Communities. This means Cully will have plentiful safe, affordable housing, thriving BIPOC businesses, rewarding employment opportunities, safe and accessible transportation options, parks and open spaces, a clean and healthy environment, climate resiliency, with places and programs that reflect the cultural diversity of BIPOC individuals.

The community envisions that Cully will be a place where residents regularly engage in decision making and grassroots organizing to strengthen the neighborhood and develop their own leadership and collective political power. The vision is that Cully will be a neighborhood where:

- neighborhood changes are guided by and result in more opportunities and greater housing stability and economic prosperity for Priority Communities;
- all residents will participate in, guide and lead the decisions that affect them and their communities, balancing the needs of current residents with those of future generations;
- access to affordable, stable homes is preserved and expanded, and new investments and development create stability and opportunity for low-income people, rather than leading to their displacement from their homes and neighborhood;
- Cully residents will have access to meaningful, living-wage employment and economic opportunities, and new investment will bring community benefits including education, workforce training, BIPOC and woman-owned contracting and social enterprise opportunities, renewable energy resources and environmental assets; and
- The neighborhood stands as an example of how development and prosperity can occur guided by, led by and supported by Priority Communities;
- Cully based small businesses will continue to be supported and retained; and
- a Cully community that is stable and resilient in the face of climate change and related impacts to health and environment.

---

“Priority Communities” refers to the intended beneficiaries of the Cully TIF District: African American and Black persons; Indigenous and Native American persons; persons of color; immigrants and refugees of any legal status; renters; mobile home residents; persons with disabilities; low-income people; houseless people; and other population groups that are systemically vulnerable to exclusion from Cully due to gentrification and displacement.

## **B. Values**

These shared values, which were specifically affirmed by the Exploration Leadership Committee (ELC), guided the process of planning, community engagement, and development of this Plan:

- Equity
- Inclusivity
- Diversity
- Community leadership and control
- Cultural responsiveness
- Community Stabilization and Prosperity
- Forward thinking
- Solidarity with similar community-led efforts

## **C. Goals**

1. Prevent the displacement of vulnerable people, communities, businesses and community-based institutions from Cully.
2. Preserve existing opportunities for affordable housing and economic prosperity activities and create new opportunities for vulnerable people and communities, especially Priority Communities to live, work and thrive in Cully, including those previously displaced.
3. Ensure that current residents benefit from investments and neighborhood change, and that opportunities for housing and economic prosperity activities will be preserved and expanded for future generations.
4. Ensure that Priority Communities play lead roles in decisions about investments and policies that affect them and their communities.
5. Develop and inspire a new model for the creation of future TIF districts in Portland and beyond.

---

“Priority Communities” refers to the intended beneficiaries of the Cully TIF District: African American and Black persons; Indigenous and Native American persons; persons of color; immigrants and refugees of any legal status; renters; mobile home residents; persons with disabilities; low-income people; houseless people; and other population groups that are systemically vulnerable to exclusion from Cully due to gentrification and displacement.

6. Actively work to remove barriers that could preclude community members from accessing TIF-funded projects and opportunities, including barriers such as immigration status, credit history, legal history, rental history, eviction history, and experience of domestic violence.
7. Spur innovation of environment and climate change initiatives in TIF projects.

## **V. GOVERNANCE AND DECISION MAKING**

Implementation of this plan will be undertaken with significant community leadership, input and involvement, a key component of which is the Community Leadership Committee as set forth in the Governance Charter, attached as Exhibit 2 to this Cully TIF Plan, as the same may be amended from time to time, in accordance with its terms. This Charter details what decisions and actions require Committee oversight, how the Committee will make recommendations regarding implementation, membership, consequences for not following the Charter, and other pertinent matters. It is a living document that may be updated from time to time, pursuant to the procedures stated within.

## **VI. PRINCIPLES THAT GUIDE IMPLEMENTATION OF THE PLAN**

The principles that will guide implementation of the Plan are described below. These principles should be applied to guide all decisions about the use of TIF funds, including the selection of projects, programs and investments for inclusion in Action Plans. Once projects, programs and investments are selected, these principles should also guide decisions about how they are designed and implemented in order to achieve the goals and purposes of the Cully TIF District.

While all of the principles will be proactively considered for each project, it may not always be possible to apply every principle, especially for smaller-scale projects. In general, larger-scale projects, which draw on larger investments of TIF funds, entail a greater responsibility and more leverage to implement these principles in a comprehensive manner.

### **A. Analyze Potential Investments**

Proactively analyze potential projects, programs and investments, in order to ensure that they meet and do not undermine the values, vision, and goals set forth in Section V, and the guiding principles in this section. This analysis will be undertaken with significant community leadership – as described in the Governance Charter – and will serve as a key input into the development of Action Plans and other decisions about the use of TIF funds.

This analysis should:

- Assess a program's, project's, or investment's anticipated contributions to achieving the District's goals, which include:
  - Reducing or preventing gentrification and displacement (both commercial and residential);
  - Securing stable, affordable homes and economic prosperity for people who are vulnerable to displacement; and

- Securing those benefits not only for current residents and businesses, but for future generations.
- Identify any potential for the project, program or investment to contribute to gentrification and displacement -- especially in terms of contributing to upward pressure on rents and property values.
- Identify mitigation measures for any potential displacement impacts, to include the options of foregoing, delaying or revising the project, or accompanying the project with other mitigating investments.
- Creatively identify if and how each of the guiding principles in this section can be applied to the proposed program, project or investment.

#### **B. Strategically sequence investments over time**

Action Plans will thoughtfully and strategically prioritize and sequence activities and investments to achieve the values, vision, goals and guiding principles of the Plan. In general, investments will be prioritized in the following order over time:

1. Projects that prevent displacement and stabilize current residents, businesses and community institutions
2. Real estate acquisition to remove property from the market, including to protect current leaseholders from displacement (residential and commercial), and secure opportunities for later development of the projects in Section VIII.
3. New development to expand opportunities for affordable housing and economic prosperity
4. Amenities that improve the quality of life for Cully residents, but whose primary function is neither affordable housing nor economic prosperity

Categories 1 and 2 (stabilization and real estate acquisition) should be done simultaneously when possible (e.g. to enable the acquisition and rent-stabilization of existing market rate housing).

Priority will be placed on pairing investments in category 4 (Amenities) with accompanying projects that explicitly prevent or counteract displacement and gentrification (e.g. building permanently affordable homes and commercial space in conjunction with a community center).

#### **C. Set Aside Funds for Opportunistic Property Acquisition**

When developing Action Plans, strongly consider the inclusion of dedicated, flexible property acquisition funds. Such funding should enable quick and nimble property acquisition by public or nonprofit entities for the purposes of:

- Preventing the displacement of residents, businesses and community-based institutions from existing buildings; and/or
- Securing opportunities for the subsequent development of projects included in Section VII of this plan.

Acquisition opportunities won't always align with the timelines of RFPs and NOFAs, and will often require the availability of funds that can be used opportunistically.

A similar set-aside of funds for emergency repair and rehabilitation projects, for the purpose of preventing displacement, should also be considered.

#### **D. Leverage and Prioritize TIF Resources Alongside Other Funding Sources**

Ensure that finite TIF funds have the largest possible impact in terms of achieving the values, vision and goals of the Plan.

Whenever possible, TIF-funded projects should leverage other funding sources in order to preserve TIF funds for additional projects. Where TIF is unavailable or certain undertakings are not eligible for TIF funding, or where TIF funding is prioritized for other goals described in this Plan, other funding sources should be pursued and utilized.

TIF investments should be paired with programmatic/operating funds, if available, that can ensure the long-term success of the TIF capital investment, which may require funding from non-TIF sources.

TIF investments should be focused on projects that are not likely to be adequately funded by other sources. Where adequate non-TIF funding already exists, TIF funding should be deprioritized.

TIF funds should not be used to pay for basic infrastructure that public agencies should already be expected to provide, except as specified in the Infrastructure subsection of Section VIII.

#### **E. Create Community Benefits from TIF Investments**

In relative proportion to the scale of each project, TIF investments should produce meaningful, long-term benefits to the broader community, in addition to whatever benefits go to a property owner, developer or other recipient of TIF funds.

1. For larger-scale projects, particularly those that acquire property and/or develop new buildings, there will be more leverage to ensure robust, long-term community benefits by guiding the ownership and use of properties:
  - a) Seek to permanently remove properties from the private market so they provide significant, multi-generational community benefits in line with this Plan;
  - b) Such investments should generally result in properties being owned by entities such as non-profit organizations, public agencies, land trusts, and cooperatives (rather than private or for-profit entities).
2. For smaller-scale investments, such as repairs or other improvements to existing structures:
  - a) When investing in properties that will remain privately owned, prioritize property that is owned by community members from populations that have historically been subject to displacement and/or excluded from ownership opportunities;
  - b) Ensure that investments in privately-owned properties create community benefits, in addition to benefits for the property owner. Mechanisms to be

considered for ensuring community benefits from smaller-scale investments include, but are not limited to:

- i. Affordability covenants with property owners, in order to ensure stable rents for tenants of rental properties (commercial and residential);
- ii. Master leases by a public or nonprofit entity, in order to provide below-market rent to tenants (applicable to both commercial and residential properties);
- iii. 'Right of first refusal' or 'Right of first purchase' agreements, which give nonprofits and public agencies the first opportunity to purchase properties that have received TIF investments, at whatever point in the future they might be sold;
- iv. Structuring investments as loans that are repaid only if the property is sold to another private owner, but forgiven if the property is sold to a nonprofit or public entity;
- v. Commitments to hire workers from Cully and nearby neighborhoods for good-paying jobs.

#### **F. Create Equitable Contracting and Employment Opportunities**

Ensure that there are quality job standards and equitable opportunities and outcomes for workers and small business owners who represent Priority Communities.<sup>5</sup> Opportunities and outcomes should extend beyond to construction to include ongoing maintenance, property management, architecture work, and operations of properties that receive TIF investments.

#### **G. Prioritize and Support Community-based Organizations and Businesses**

When making Cully TIF investment decisions, prioritize organizations and businesses that have an established presence or strong connection to the district, or represent Priority Communities. It is critical that entities or partnerships performing/leading Cully TIF investments represent these communities. Cully TIF investments should create opportunities to sustain, enhance, invest in, develop, and grow the environment of organizations and businesses led by those from Priority Communities.

Additionally, to build on lessons learned from existing hyper-localized economic development initiatives, such as the work of the Neighborhood Prosperity Network, it is critical to maintain place-based community capacity that leverages other City of Portland funding sources, serves as key pipeline and referral infrastructure for TIF products, and aligns with capacity opportunities tied to 5-Year Action Plans.

---

<sup>5</sup>“Priority Communities” refers to the intended beneficiaries of the Cully TIF District: African American and Black persons; Indigenous and Native American persons; persons of color; immigrants and refugees of any legal status; renters; mobile home residents; persons with disabilities; low-income people; houseless people; and other population groups that are systemically vulnerable to exclusion from Cully due to gentrification and displacement.

#### **H. Advance Climate Action and Environmental Stewardship**

Ensure that TIF investments respond to the reality that climate disaster and environmental inequities are a driving force of displacement. TIF investments should result in environmentally sustainable development, and the resulting benefits (e.g. lower energy costs from solar power) should go to Priority Community members.

Reduce barriers, spur innovation, and provide incentives for energy efficiency, renewable energy, stormwater management, climate resiliency, and robust environmental standards in affordable housing and commercial projects.

#### **I. Incorporate Arts, Culture and Signage**

Seek opportunities to include historical and cultural art and signage in TIF investments, to celebrate and represent Priority Communities in Cully. These elements should be developed by and/or in collaboration with artists and community members who represent those communities. It is the intent that these elements be infused throughout the projects completed in the District.

Signage is not specifically for beautification but for the greater purpose of the TIF district. It should be funded if it is a part of a project that is TIF-funded. Adding any of these elements outside of a TIF funded project will require being included in an Action Plan or reviewed and approved by the Community Leadership Committee, as established in the Governance Charter.

#### **J. Remove Barriers to TIF-Funded Opportunities**

Actively partner with financial institutions and others to address barriers that could preclude community members from accessing TIF-funded projects and opportunities (e.g. housing, commercial investments, contracting, employment, etc.). Ensure equitable access regardless of barriers such as immigration status, credit history, legal history, rental history, eviction history and experience of domestic violence.

#### **K. Support Cooperative Ownership**

Support the formation of resident, tenant, and business cooperatives in conjunction with the acquisition, rehabilitation or development of residential and commercial properties.

---

“Priority Communities” refers to the intended beneficiaries of the Cully TIF District: African American and Black persons; Indigenous and Native American persons; persons of color; immigrants and refugees of any legal status; renters; mobile home residents; persons with disabilities; low-income people; houseless people; and other population groups that are systemically vulnerable to exclusion from Cully due to gentrification and displacement.

**L. Ensure Physical Accessibility**

Design buildings and physical spaces to ensure accessibility for people of all abilities and incentivize the use of innovative standards, such as universal design, that provide accessibility, potentially beyond legal requirements. Support accessibility and safety through design elements such as pedestrian-focused lighting for public spaces.

## **VII. TIF DISTRICT PROJECTS**

Funding for the projects and programs below will use Tax Increment Financing (TIF) resources and leverage, to the extent practical, other resources to achieve the goals of this Plan. In general, financial resources will be made available through either loans or grants (or both), and the City's direct acquisition of property. The list below outlines the projects and programs eligible to be funded with these resources, including those selected through Action Plans.

In addition to the programs listed in this section, other programs can be added as eligible investments through amendments to this plan, following the process established in the Charter and the principles in Section VII of this Plan.

### **A. Affordable Housing**

In partnership with mission-driven organizations and developers, preserve and create affordable housing for families and individuals. Tax Increment Financing funds may be used for activities that support property acquisition, pre-development, development, rehabilitation and/or preservation of affordable housing.

As a result of the TIF Set-Aside Policy adopted by Portland City Council in 2006, at least 45% of all TIF resources generated in the District will be allocated for affordable housing. In accordance with city policy, rental housing is created and preserved with a focus on families earning less than 60% of area median income, and homeownership housing with focus on families earning 80% to 100% or less of area median income depending on home size.

This Plan authorizes projects and programs which fulfill the housing-related goals and objectives of this Plan. This Plan envisions that through collaboration with the community, the Portland Housing Bureau will lead implementation of affordable housing related activities. The type and funding level for projects and programs will be based on the Action Plans, , and the Portland Housing Bureau's Strategic Framework, as well as other adopted City housing policies, where applicable.

The following programs that are currently operated by the Portland Housing Bureau and are eligible to receive funding through the Cully TIF District.

1. **Single Family Home Repair** – support low-income community members who currently own their homes, so that they are more likely to be able to stay in-place, through home repairs relating to life safety, code compliance, energy efficiency upgrades, and accessibility upgrades.
2. **Homeownership** – through the provision of down payment assistance and other types of financial assistance, as well as the financial subsidization of the development of new homes. The preferred model for homeownership investments made under this plan is permanently affordable homeownership utilizing mechanisms such as down payment assistance, community land trusts, and covenants that ensure the homes remain affordable for subsequent buyers.
3. **Multi-family Rental Development** – development of new affordable rental housing in a variety of unit sizes, including family sized units (two-bedrooms or larger).

4. **Rehabilitation & Preservation of Existing Regulated Housing - Provide funding to rehabilitate and preserve the affordability of existing regulated affordable housing.**
5. **Acquisition & Rehabilitation of Existing Market-Rate Housing - Purchase market-rate housing, including foreclosed and unoccupied properties, make needed repairs and renovations, and convert to regulated affordable housing (for individual ownership, cooperative ownership, and rental), in order to protect current residents from displacement and secure permanently affordable homes.**
6. **In addition to the creation of affordable housing for people experiencing houselessness, a limited amount of resources may be used for capital expenditures for community services which would include the creation of stand-alone shelters or shelters that are integrated into affordable housing or commercial developments, and sanitation facilities such as showers and laundry**

The Cully community is particularly interested in the implementation of existing programs which align with identified community priorities. Additional details highlighting housing stabilization, anti-displacement, resident-owned cooperatives, and repair funds that can be quickly accessed to respond to emergency situations are examples of these priorities.

In addition to the programs operated by the Portland Housing Bureau in 2022, Cully community members and stakeholders have expressed an interest in new programs using TIF funds. These new programs may or may not be developed in accordance with the current legal definitions of affordable housing, but if agreed to as part of an Action Plan, will be implemented in line with the vision, values, goals, and implementation principles in this District Plan. Consideration of and decisions regarding any new programs the Housing Bureau currently does not operate will occur during the planning process for an Action Plan. The following new programs are eligible for legal, financial, feasibility and impact analysis, and if determined feasible, for program development and implementation through a five-year action plan.

- **Affordable infill and middle-density housing: Add regulated affordable housing (for both rental and homeownership) in middle-density configurations including attached units (e.g., duplexes, triplexes, other -plexes), cottage clusters, tiny houses and accessory dwelling units (ADUs).**
- **Manufactured housing park stabilization, preservation and development: Support the *Provide funding for the* acquisition and rehabilitation of existing manufactured housing parks, and the development of new manufactured housing parks, by affordable housing providers and resident-owned cooperatives, including repairs to existing manufactured homes and purchase of new manufactured homes.**
- **Rehabilitation loans or grants to single family owners of manufactured structures**

Alongside current and new programs, there is an intention for the Community Leadership Committee to work in partnership with the City to facilitate discussions among mortgage lenders and affordable housing providers to advance the availability of mortgage specific products for ITIN borrowers.

## **B. Commercial Property Acquisition, Development and Renovation**

Retain, create, and expand economic opportunities through investments in commercial, industrial and mixed-use properties, and in residential properties where home-based businesses operate.

This project category will be advanced in a manner consistent with the goals, values and implementation principles identified in Sections V and VI of this Plan. In addition, TIF-funded commercial projects will seek to:

1. Provide long-term stable, affordable commercial space with priority for businesses and non-profits that are owned, led by, and/or support Priority Communities; especially existing businesses located within the District boundary, and new businesses being started by community members with ties to Cully and surrounding neighborhoods. This especially includes investments in properties developed, owned or otherwise controlled for the long term by public agencies and non-profit organizations;
2. Support employment of community members from Cully and adjacent neighborhoods, particularly of Priority Communities;
3. Support mixed-use development that combines commercial space with the other eligible projects in this plan, including affordable homes, and priority services and amenities; and
4. Support access to high-wage employment for the benefit of Cully residents.

For the purposes of this section, the terms "commercial" and "business" also include non-profit uses, unless otherwise stated.

The following types of business and services have been prioritized by community members as those that TIF investments should seek to support:

- Affordable and culturally relevant groceries, fresh food and restaurants
- Credit union or bank that serves our community in line with the goals of this Plan
- Affordable childcare
- Retail goods and services that meet regular household needs, such as clothing, home goods, and cleaning services
- Services and businesses that expand multimodal transportation options available in Cully, including but not limited to bicycle, electric vehicle and automotive services and repair.
- Health services, including mental health

To achieve the above goals, eligible activities to implement this project category include:

- Technical and/or financial assistance to determine the feasibility of development, redevelopment and renovation projects

---

"Priority Communities" refers to the intended beneficiaries of the Cully TIF District: African American and Black persons; Indigenous and Native American persons; persons of color; immigrants and refugees of any legal status; renters; mobile home residents; persons with disabilities; low-income people; houseless people; and other population groups that are systemically vulnerable to exclusion from Cully due to gentrification and displacement.

- Acquisition of properties
- Development, redevelopment and renovation activities such as:
  - New construction
  - Building façade improvements
  - Landscaping enhancements and pedestrian amenities, including lighting and safety improvements
  - Professional services such as engineering, architecture, landscape design, and other building and site design assistance
  - Tenant improvements
  - Building repairs and upgrades including, but not limited to, mechanical, electrical, weatherization, HVAC, and renewable energy, including those to support ongoing industrial use in industrially zoned areas
  - Community solar projects
  - Seismic, fire suppression, and other public safety improvements
  - Accessibility improvements
- Funding for permanent infrastructure to support food cart operations and other temporary, pop-up, seasonal and low-barrier opportunities for startup businesses and non-profits.
- A set-aside of funds for emergency repair and rehabilitation projects, for the purpose of preventing displacement, will also be considered.

#### **C. Arts, Culture and Signage**

Seek opportunities to include historical and cultural art (not public art as a “public building,” defined in ORS 457.010) and signage in TIF investments, to celebrate and represent Priority Communities in Cully. These elements should be developed by and/or in collaboration with artists and community members who represent those communities. It is the intent that these elements be infused throughout the projects completed in the District.

Signage is not specifically for beautification but for the greater purpose of the TIF district. It should be funded if it is a part of a project that is TIF funded. Adding any of these elements outside of a TIF funded project will require being included in an Action Plan.

#### **D. Land Acquisition and Land Banking**

Acquire properties for future development or redevelopment in conformance with Sections V and VI of this Plan. These activities will directly implement Section V: Vision, Values and Goals and Section VI: Principles of this Plan by providing future development opportunities to prevent the displacement of vulnerable people and communities from Cully, preserve existing opportunities for affordable housing and economic prosperity and create new opportunities for vulnerable people and communities, especially BIPOC individuals, low-income people and Indigenous and tribal people to live, work and thrive in Cully, including those previously displaced.

This project also implements the specific principles stated in Section VI that focus efforts on

- controlling land so that it remains affordable.

- sets aside funds for rapid, opportunistic property acquisition when TIF eligible opportunities arise that would further the goals of the Plan.

Remediation activities can be funded through this Plan on all land banked property to ensure that it is developable in the future.

#### **E. Recreational Improvements**

In partnership with public agencies and community-based organizations, assist in the creation of recreational facilities for the District.

Eligible investments include:

- Community centers
- Community gardens
- Athletic facilities such as basketball courts and soccer fields
- Recreational facilities that are located in affordable housing and commercial developments

The following have been prioritized by community members as desired elements of a community center:

- Community and adult education
- Youth activities and gathering spaces
- Indoor recreation
- Safe space for community gathering and connection
- Gallery space, art studios and other facilities to support local artists

**F. Infrastructure Improvements**

Provide infrastructure improvements, including safety-related transportation improvements, sidewalks, natural areas, green infrastructure or other climate resilience investments, that are triggered by or directly support community stabilization for Priority Community members, or the implementation of other investments in this Plan, but not for general infrastructure improvements.

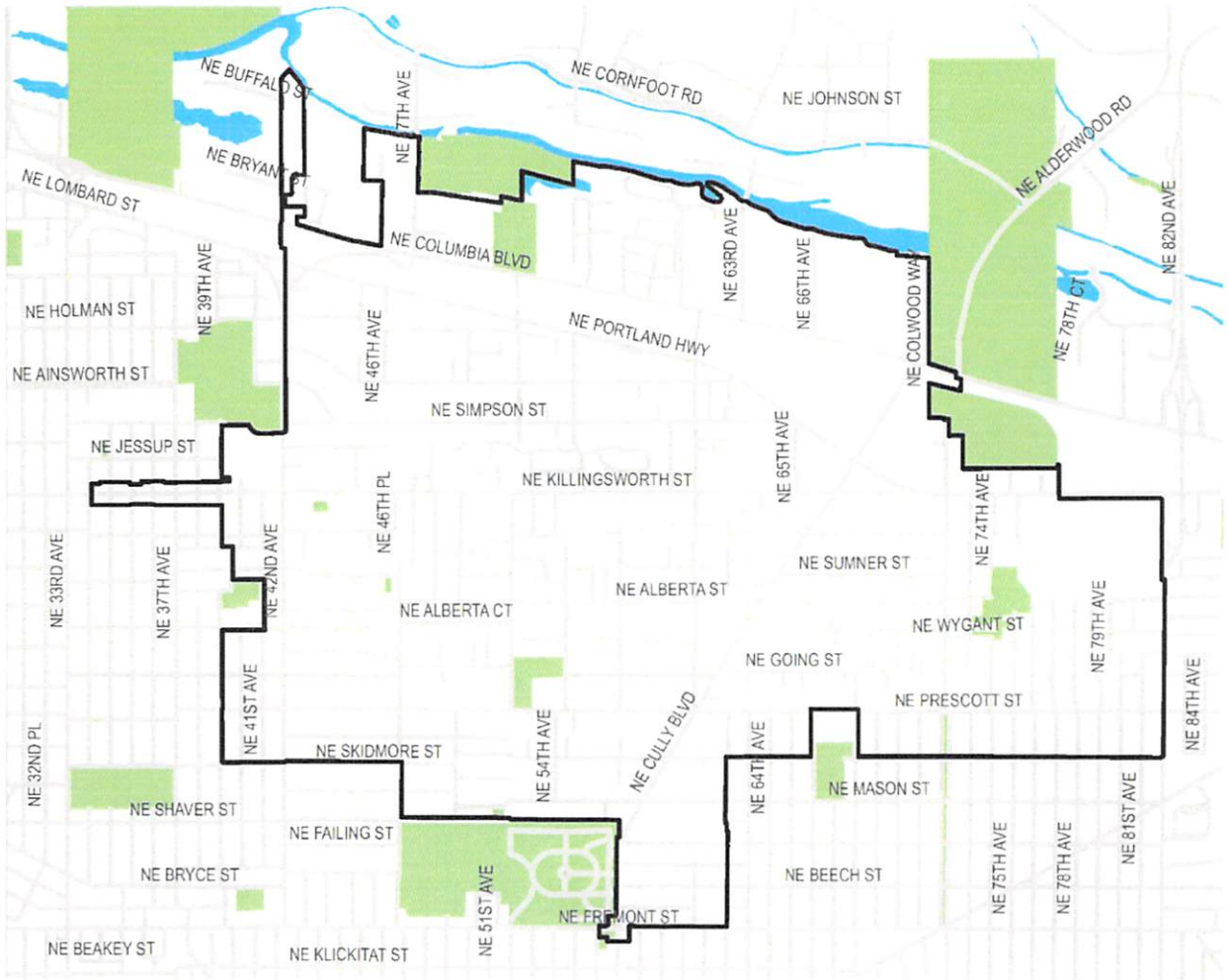
**G. Administration**

Authorizes expenditures for the administrative costs associated with managing the TIF District including budgeting and annual reporting, planning and the implementation of projects in the District.

**Table 2 – Relationship of Projects to Goals**

Project Category	Goals	Priorities
Affordable Housing	1,2,3,4,6,7	A,B,C,D,E,F,G,H,J, K,L
Commercial Property Acquisition, Development and Renovation	1,2,3,4,6,7	A,B,C,D,E,F,G,H,J,K,L
Arts, Culture and Signage	2,3,4	A,B,D,E,F,G,I
Land Acquisition and Land Banking	1,2,3,4,6,7	A,B,C,D,E,F,G,H,J,K
Recreational Improvements	2,3,4	A,B,D,E,F,G,L
Infrastructure Improvements	1,2,3,4,6,7	A,B,D,E,F,G,H,L
Administration	1,2,3,4,5,6,7	

Figure 1 – Cully TIF District Boundary



**VIII. MAXIMUM INDEBTEDNESS**

Maximum indebtedness is the amount of indebtedness secured by a pledge of tax increment revenue as described in ORS 457.190. The maximum amount of indebtedness that may be issued or incurred under the Plan, based upon good faith estimates of the scope and costs of projects in the Plan and the schedule for their completion is \$350,000,000 (Three Hundred and Fifty Million Dollars). This amount is the principal of such indebtedness and does not include interest or indebtedness incurred to refund or refinance existing indebtedness or interest earned on bond proceeds.

**IX. AMENDMENTS TO TIF PLAN**

The Plan may be amended as described in this section.

**A. Substantial Amendments**

Substantial Amendments, in accordance with ORS 457.085(2)(i), shall require the same notice, hearing, and approval procedure required of the original Plan, under ORS 457.095, including public involvement, consultation with taxing districts, presentation to the Prosper Portland Board of Commissioners, the Planning and Sustainability Commission, Multnomah County Board of Commissioners, and adoption by the City Council by non-emergency ordinance after a hearing.

Notice of such hearing shall be provided to individuals or households within the City of Portland, as required by ORS 457.120.

Notice of adoption of a Substantial Amendment shall be provided in accordance with ORS 457.095 and 457.115.

Substantial Amendments are amendments that:<sup>8</sup>

1. Add land to the urban renewal area, except for an addition of land that totals not more than a cumulative 1% of the urban renewal area; or
2. Increase the maximum amount of indebtedness that can be issued or incurred under the Plan.

**B. Minor Amendments**

Minor Amendments are amendments that are not Substantial Amendments as defined in this Plan and in ORS 457. Minor Amendments require approval by the Board of Commissioners by resolution.

---

<sup>8</sup> Unless otherwise permitted by state law, no land equal to more than 20 percent of the total land area of the original Plan shall be added to the urban renewal area by amendments, and the aggregate amount of all amendments increasing the maximum indebtedness may not exceed 20 percent of the Plan's initial maximum indebtedness, as adjusted, as provided by law and by concurrence provisions in ORS 457.470.

**C. Amendments to the Portland Comprehensive Plan and/or Portland Municipal Code**

Amendments to the Portland Comprehensive Plan and/or Portland Municipal Code that affect the Plan and/or the Area shall be incorporated automatically within the Plan without any separate action required by the Agency or City Council. If a Substantial Amendment is thereafter adopted, the Section of this Plan on Relationship to Local Objectives should also be updated at the same time.

**X. PROPERTY ACQUISITION AND DISPOSITION**

The Plan authorizes the acquisition and disposition of property as described in this section. Property includes any and all interests in property, including fee simple ownership, lease, easements, licenses, or other rights to use. If property acquisition includes a public building, how that public building serves and benefits the Area must be identified per ORS 457.085(2)(j). The schedule for acquisition and disposition will be based on the availability of funding. The Plan is anticipated to complete all projects and have sufficient revenue to terminate in 2059, a thirty-six year program.

**A. Property acquisition for public improvements**

The Agency may acquire any property within the Area for the public improvement projects undertaken pursuant to the Plan by all legally-authorized means, including any means authorized by ORS 457.

**B. Property acquisition from willing sellers**

This Plan authorizes Agency acquisition of any interest in property within the Area that the Agency finds is necessary or appropriate for private redevelopment, but only in those cases where the property owner wishes to convey such interest. Property acquisition from willing sellers may be required to support development of projects within the Area i.e. to acquire and renovate housing to prevent displacement of current residents. Residents of properties being considered for acquisition will be involved in making decisions about the future of their homes.

**C. Land disposition**

The Agency will dispose of property acquired for a public improvement project by conveyance to the appropriate public agency responsible for the construction, operation and/or maintenance of the public improvement. The Agency may retain such property during the construction of the public improvement, or otherwise if agreed by the appropriate public agencies.

The Agency may dispose of property it acquires pursuant to this Plan, subject to any contractual or legal constraints that may exist, by conveying any interest in property acquired. Property shall be conveyed at its fair reuse value, as defined in ORS 457.230. Because fair reuse value reflects limitations on the use of the property to those purposes specified in the Plan, the value may (but will not necessarily) be lower than the property's fair market value.

Where land is sold or leased, the purchaser or lessee must agree to use the land for the purposes designated in the Plan and to begin and complete the building of its improvements within a period of time that the Agency determines is reasonable.

**D. Properties to be acquired**

Property may be acquired where it is consistent with this Plan and where the Board of Commissioners, believes such acquisition is reasonably necessary or appropriate to furthering the goals and objectives of the Plan.

**XI. RELOCATION METHODS**

The overall goal of the Plan is to prevent displacement, not cause it.

When the Agency acquires occupied property under the Plan, occupants of such property shall be offered relocation assistance, in such circumstances as may be required under applicable state law. Prior to such acquisition, the Agency shall adopt rules and regulations as reviewed by the Community Leadership Committee, as necessary, for the administration of relocation assistance including but not limited to right of return for current residents, support for tenants to form cooperative ownership structures or other methods that will prevent permanent displacement.

The Agency will comply with all applicable state and Federal law in providing these potential benefits. All acquisitions will be reviewed for potential of relocation benefits.

**XII. TAX INCREMENT FINANCING OF PLAN**

Tax increment financing consists of using annual tax increment revenues to make payments on debt, usually in the form of bank loans or revenue bonds. The proceeds of the debt are used to finance the urban renewal projects authorized in the Plan. Debt may be either long-term or short-term.

Tax increment revenues equal the portion of the annual property taxes imposed on the cumulative increase in assessed value within an urban renewal area over the frozen base value (i.e., total assessed value at the time an urban renewal plan is adopted), subject to certain statutory qualifications. The property taxes for general obligation (GO) bonds and local option levies approved after October 6, 2001 are not part of the tax increment revenues.

**A. General Description of the Proposed Financing Methods**

The Plan will be financed using a combination of revenue sources. These include, but are not necessarily limited to:

- Proceeds of indebtedness secured by tax increment revenues;
- Advances, loans, grants, and any other form of financial assistance from federal, state, or local governments, or other public bodies;

- Loans, grants, dedications, or other contributions from private developers and property owners, including, but not limited to, assessment districts; and
- Any other public or private source.

The Agency will take reasonable measures to ensure that any revenues obtained by the Agency for the purpose of implementing the Plan are used in accordance with applicable legal or contractual (e.g., bond or indebtedness document) requirements.

#### **B. Tax Increment Financing**

The Plan may be financed, in whole or in part, by tax increment revenues allocated to the Agency, as provided in ORS Chapter 457. The ad valorem taxes, if any, levied by a taxing district in which all or a portion of the Area is located, shall be divided as provided in Section 1c, Article IX of the Oregon Constitution, and ORS 457.440. Amounts collected pursuant to ORS 457.420 to 457.470 shall be deposited into the special fund and used to finance indebtedness for projects as described in this Plan, or as otherwise permitted or required by applicable law.

#### **XIII. 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 this Plan.

#### **XIV. ANNUAL FINANCIAL STATEMENT**

The Agency shall prepare an Annual Financial Statement in compliance with ORS 457.460. This statement must include

- The amount of moneys received during the preceding fiscal year
- The purposes and amount for which any moneys received and from indebtedness incurred were expended during the preceding fiscal year
- An estimate of moneys to be received during the current fiscal year and from indebtedness incurred
- A budget setting forth the purposes and estimated amounts for which the moneys that have been or will be received and from indebtedness incurred are to be expended during the current fiscal year.
- The maximum indebtedness for the TIF District, including the amount of indebtedness incurred through the end of the immediately preceding fiscal year; and
- An analysis of the impact, if any, of carrying out the TIF District Plan on the tax collections for the preceding year for all taxing districts impacted by the TIF District

The statement shall be filed with the City of Portland and with Prosper Portland and distributed to each taxing district affected by the TIF District.

Notice shall be published that the statement has been prepared and is on file with the City and Prosper Portland and the information contained in the statement is available to all interested persons. The notice shall be published once a week for not less than two successive weeks before March 1 of the year in which the statement is filed. The notice shall summarize the information required and shall set forth the full information about the impacts on taxing districts.

A representative of Prosper Portland shall be available to consult with the taxing districts and respond to questions.

Figure 2 Comprehensive Plan Designations

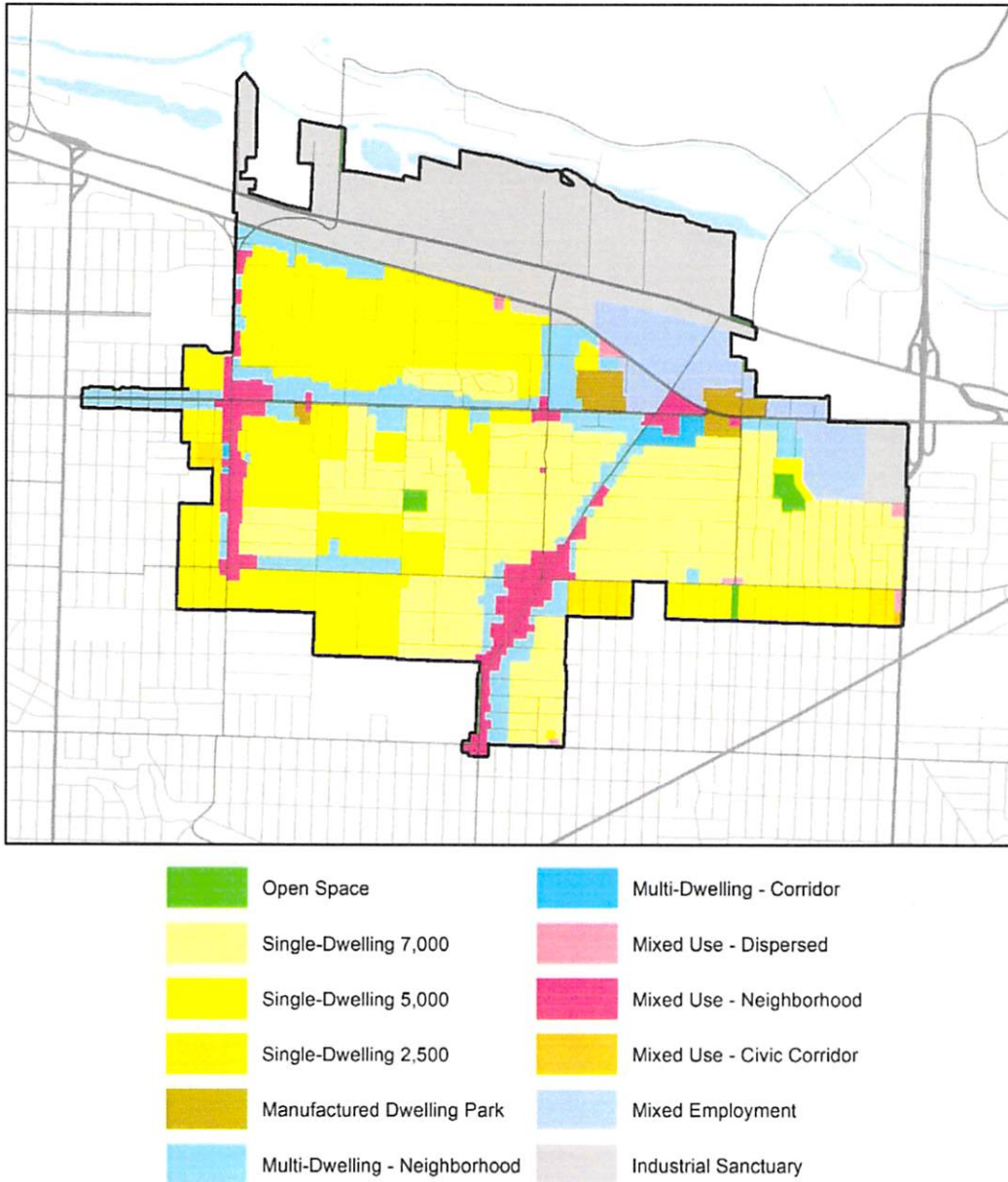
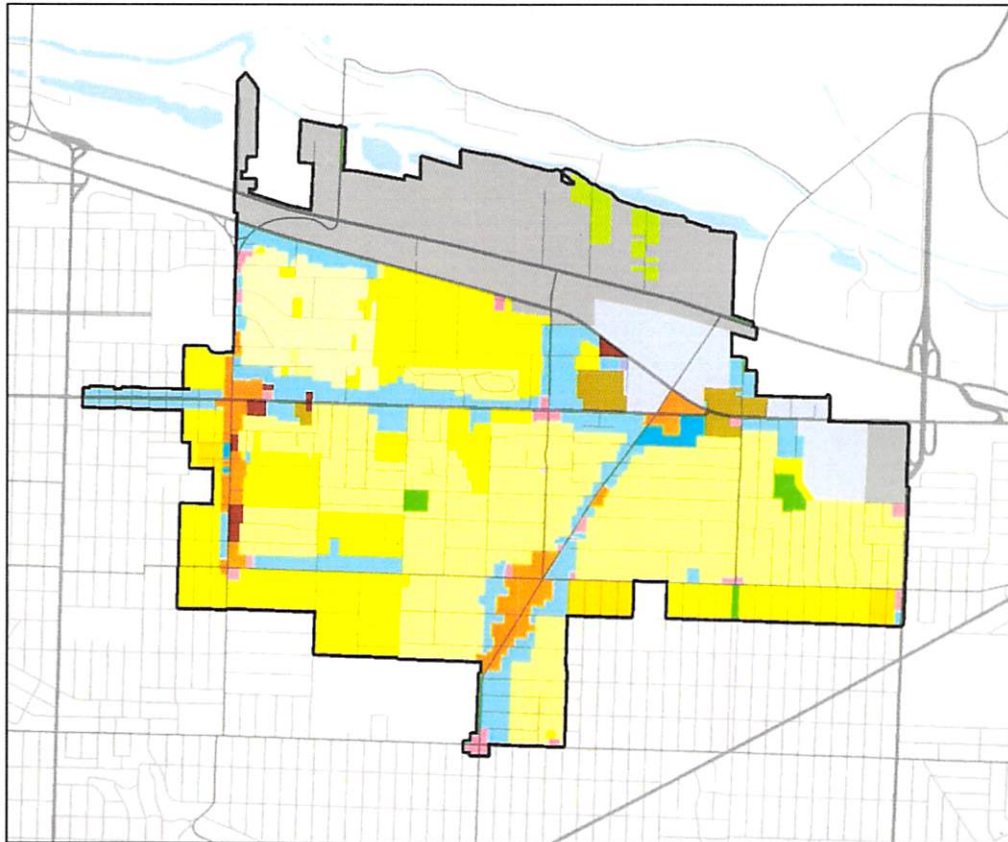



Figure 3 Zoning Designations



 Commercial Employment (CE)	 Single Dwelling Residential 10,000 (R10)
 Commercial Mixed Use 1 (CM1)	 Single Dwelling Residential 2,500 (R2.5)
 Commercial Mixed Use 2 (CM2)	 Single Dwelling Residential 5,000 (R5)
 Commercial Residential (CR)	 Single Dwelling Residential 7,000 (R7)
 General Employment 1 (EG1)	 Residential Farming (RF)
 General Employment 2 (EG2)	 Residential Multi-Dwelling 1 (RM1)
 General Industrial 2 (IG2)	 Residential Multi-Dwelling 2 (RM2)
 Open Space (OS)	 Residential Manufactured Dwelling Park (RMP)

## **XV. RELATIONSHIP TO LOCAL OBJECTIVES**

ORS 457.085 requires that the Plan conform to local objectives including the comprehensive plan and economic development plan of a locality. This section provides that analysis. Relevant local planning and development objectives are contained within the *Portland Comprehensive Plan (Comprehensive Plan)*, the *Cully Neighborhood Plan*, the *Albina Community Plan*, the *Concordia Neighborhood Plan* and the *82<sup>nd</sup> Avenue Study*.

Comprehensive Plan designations for all land in the Area are shown in Figure 2. All proposed land uses conform to Figure 2. Maximum densities and building requirements for all land in the Area are contained in the Portland City Code, Title 33 of Planning and Zoning and are identified below:

### **Open Space Zone**

#### **33.100.010 Purpose**

The Open Space zone is intended to preserve and enhance public and private open, natural, and improved park and recreational areas identified in the Comprehensive Plan. These areas serve many functions including:

- Providing opportunities for outdoor recreation;
- Providing contrasts to the built environment;
- Preserving scenic qualities;
- Protecting sensitive or fragile environmental areas;
- Enhancing and protecting the values and functions of trees and the urban forest;
- Preserving the capacity and water quality of the stormwater drainage system; and
- Providing pedestrian and bicycle transportation connections.

### **Single-Dwelling Residential Zones**

#### **33.110.010 Purpose**

The single-dwelling zones are intended to preserve land for housing and to provide housing opportunities for individual households. The zones implement the comprehensive plan policies and designations for single-dwelling housing.

**A. Use regulations.** The use regulations are intended to create, maintain and promote single dwelling neighborhoods. They allow for some non-household living uses but not to such an extent as to sacrifice the overall image and character of the single-dwelling neighborhood.

**B. Development standards.** The development standards preserve the character of neighborhoods by providing six different zones with different densities and development standards. The development standards work together to promote desirable residential areas by addressing aesthetically pleasing environments, safety, privacy, energy conservation, and recreational opportunities. The site development standards allow for flexibility of development while maintaining compatibility within the City's various neighborhoods. In addition, the regulations provide certainty to property owners,

developers, and neighbors about the limits of what is allowed. The development standards are generally written for houses on flat, regularly shaped lots. Other situations are addressed through special regulations or exceptions.

<b>Full Name</b>	<b>Short Name/Map Symbol</b>
Residential Farm/Forest	RF
Residential 10,000	R10
Residential 7,000	R7
Residential 5,000	R5

**Multi-Dwelling Zones**

**33.120.010 Purpose**

The multi-dwelling zones are intended to preserve land for urban housing and to provide opportunities for multi-dwelling housing.

**A. Use regulations.** The use regulations are intended to create and maintain higher density residential neighborhoods. At the same time, they allow for institutional, limited commercial, and other nonresidential uses, but not to such an extent as to sacrifice the overall residential neighborhood character of the multi-dwelling zones and their intended role as places for housing.

**B. Development standards.** The six multi-dwelling zones are distinguished primarily by their allowed scale and development standards. The development standards work together to create desirable residential areas by promoting aesthetically pleasing environments, safety, privacy, energy conservation, and recreational opportunities. The development standards generally assure that new development will be compatible with the City’s character and contribute to the intended characteristics of each zone. At the same time, the standards allow for flexibility for new development. In addition, the regulations provide certainty to property owners, developers, and neighbors about the limits of what is allowed. The development standards are generally written for development on flat, regularly shaped lots. Other situations are addressed through special standards or exceptions.

<b>Full Name</b>	<b>Short Name/Map Symbol</b>
Residential Multi-Dwelling 1	RM1
Residential Multi-Dwelling 2	RM2
Residential Manufactured Dwelling Park	RMP

**33.120.030 Characteristics of the Zones**

**A. RM1 zone.** The RM1 zone is a low-scale multi-dwelling zone that is generally applied in locations intended to provide a transition in scale to single-dwelling residential areas, such as the edges of mixed-use centers and civic corridors, and along or near neighborhood corridors. Allowed housing is characterized by one to three story buildings that relate to the patterns of residential neighborhoods, but at a somewhat larger scale and building coverage than allowed in the single-dwelling zones. The major types of new development will be duplexes, triplexes, rowhouses, courtyard housing, small apartment buildings, and other relatively small-scale multi-dwelling and small-lot housing types that are compatible with the characteristics of Portland’s residential neighborhoods.

**B. RM2 zone.** The RM2 zone is a medium-scale multi-dwelling zone that is generally applied in and around a variety of centers and corridors that are well-served by transit. Allowed housing is characterized by buildings of up to three or four stories with a higher percentage of building coverage than in the RM1 zone, while still providing opportunities for landscaping and outdoor spaces that integrate with residential neighborhood characteristics. The major types of new housing development will be a diverse range of multi-dwelling structures and other compact housing that contribute to the intended urban scale of centers and corridors, while providing transitions in scale and characteristics to lower-scale residential neighborhoods.

**F. RMP zone.** The RMP zone is a low-scale multi-dwelling zone that allows manufactured dwelling parks. Allowed density may be up to 29 units per acre. Allowed housing is manufactured dwellings that are assembled off-site. Units are generally surrounded by vehicle circulation systems, pedestrian pathways and open area, often resulting in lower building coverage than other multi-dwelling zones. Development is compatible with low and medium-density single-dwelling development and multi-dwelling development. Generally, RMP zoning will be applied on large sites.

**Commercial/Mixed Use Zones**

**33.130.010 Purpose**

The commercial/mixed use zones are intended for commercial and mixed-use areas of the City as designated on the Comprehensive Plan map. These zones implement the vision, guiding principles, and goals and policies of the Comprehensive Plan, and encourage economic prosperity, human health, environmental health, equity, and resilience. These zones are primarily distinguished by the uses allowed and the intensity of development allowed. The zones allow a mix of commercial activities, housing, and employment uses that reflect the different types of centers and corridors described in the Urban Design chapter of the Comprehensive Plan, and also accommodate smaller, dispersed commercial and mixed-use areas to provide opportunities for services in areas between the centers and corridors. The commercial/mixed use zones are intended to serve local neighborhood areas, larger districts, as well as broader citywide or regional markets. The regulations promote uses and development that support healthy complete neighborhoods—places where people of all ages and abilities have safe and convenient access to the goods and services they need in their daily life, and where people have the opportunity to live active lifestyles. The zones encourage quality and innovative design and facilitate creation of great places and great streets.

The development standards are designed to allow development flexibility, within parameters, that supports the intended characteristics of the specific zone. In addition, the regulations provide guidance to property owners, developers, and neighbors about the limits of what is allowed.

<b>Full Name</b>	<b>Short Name / Map Symbol</b>
Commercial Residential	CR
Commercial/Mixed Use 1	CM1
Commercial/Mixed Use 2	CM2
Commercial Employment	CE

**33.130.030 Characteristics of the Zones**

**A. Commercial Residential zone.** The Commercial Residential (CR) zone is a low-intensity zone for small and isolated sites in residential neighborhoods. The zone is intended to be applied in limited situations on local streets and neighborhood collectors in areas that are predominately zoned single-dwelling residential. The zone encourages the provision of small scale retail and service uses for surrounding residential areas. Uses are restricted in size to promote a local orientation, and to limit adverse impacts on surrounding residential areas. Where commercial uses are not present, residential density is limited to provide compatibility with surrounding residential areas. Development is intended to be pedestrian-oriented and building height is intended to be compatible with the scale of surrounding residentially zoned areas.

**B. Commercial/Mixed Use 1 zone.** The Commercial/Mixed Use 1 (CM1) zone is a small-scale zone intended for sites in dispersed mixed use nodes within lower density residential areas, as well as on neighborhood corridors and at the edges of neighborhood centers, town centers and regional centers. The zone is also appropriate in core commercial areas of centers in locations where older commercial storefront buildings of 1 to 2 stories are predominant. This zone allows a mix of commercial and residential uses. The size of commercial uses is limited to minimize impacts on surrounding residential areas. Buildings in this zone will generally be up to three stories tall. Development is intended to be pedestrian-oriented and compatible with the scale and characteristics of adjacent residentially zoned areas or low-rise commercial areas.

**C. Commercial/Mixed Use 2 zone.** The Commercial/Mixed Use 2 (CM2) zone is a medium scale zone intended for sites in a variety of centers, along corridors, and in other mixed use areas that have frequent transit service. The zone allows a wide range and mix of commercial and residential uses, as well as employment uses that have limited off-site impacts. Buildings in this zone will generally be up to four stories tall unless height and floor area bonuses are used, or plan district provisions specify other height limits. Development is intended to be pedestrian-oriented, provide a strong relationship between buildings and sidewalks, and complement the scale of surrounding residentially zoned areas.

**E. Commercial Employment zone.** The Commercial Employment (CE) zone is a medium-scale zone intended for sites along corridors with a Neighborhood Collector or higher traffic classification, especially along civic corridors that are also Major Truck Streets or Priority Truck Streets. This zone is generally not appropriate in designated centers, except on a site that is currently developed in an auto-oriented manner and where more urban development is not yet economically feasible. The zone allows a mix of commercial uses, including auto-accommodating development and drive-through facilities, as well as some light manufacturing and distribution uses that have few off-site impacts. The emphasis of this zone is on commercial and employment uses, but residential uses are also allowed. Buildings in this zone will generally be up to four stories tall. This zone is intended to allow for development with auto-accommodating configurations, while also including pedestrian oriented design features that support transit and pedestrian access.

**Employment and Industrial Zones**

**33.140.010 General Purpose of the Zones**

The employment and industrial zones are for areas of the City that are reserved for industrial uses and for areas that have a mix of uses with a strong industrial orientation. The zones reflect the diversity of industrial and business areas in the City. The zones differ in the mix of allowed uses, the allowed intensity of development, and the development standards. The regulations promote areas which consist of uses and developments which will support the economic viability of the specific zoning district and of the City. The regulations protect the health, safety and welfare of the public, address area character, and address environmental concerns. In addition, the regulations provide certainty to property owners, developers, and neighbors about the limits of what is allowed.

<b>Full Name</b>	<b>Short Name/Map Symbol</b>
General Employment 1	EG1
General Employment 2	EG2
General Industrial 2	IG2

**33.140.030 Characteristics of the Zones**

**A. General Employment.** The General Employment zones implement the Mixed Employment map designation of the Comprehensive Plan. The zones allow a wide range of employment opportunities without potential conflicts from interspersed residential uses. The emphasis of the zones is on industrial, industrially-related, and office uses, typically in a low-rise, flexspace development pattern. Retail uses are allowed but limited in intensity to maintain adequate employment development opportunities. The development standards for each zone are intended to allow new development which is similar in character to existing development. The intent is to promote viable and attractive industrial/commercial areas.

1. **General Employment 1.** EG1 areas generally have smaller lots and a grid block pattern. The area is mostly developed, with sites having high building coverages and buildings which are usually close to the street. EG1 zoned lands will tend to be on strips or small areas.

2. **General Employment 2.** EG2 areas have larger lots and an irregular or large block pattern. The area is less developed, with sites having medium and low building coverages and buildings which are usually set back from the street. EG2 zoned lands will generally be on larger areas than those zoned EG1.

**C. General Industrial.** The General Industrial zones are two of the three zones that implement the Industrial Sanctuary map designation of the Comprehensive Plan. The zones provide areas where most industrial uses may locate, while other uses are restricted to prevent potential conflicts and to preserve land for industry. The development standards for each zone are intended to allow new development which is similar in character to existing development. The intent is to promote viable and attractive industrial areas.

2. **General Industrial 2.** IG2 areas generally have larger lots and an irregular or large block pattern. The area is less developed, with sites having medium and low building coverages and buildings which are usually set back from the street.

**XVI. LEGAL DESCRIPTION**

A tract of land and road rights-of-way located in the Northeast and Southeast One-Quarters of Section 13, and the Northeast and Southeast One-Quarters of Section 24, Township 1 North, Range 1 East, in the Northwest, Southeast, and Southwest One-Quarters of Section 17, the Northwest, Northeast, Southwest, and Southeast One-Quarters of Section 18, the Northwest, Northeast, Southwest, and Southeast One-Quarters of Section 19, the Northwest, Northeast, Southwest, and Southeast One-Quarters of Section 20, the Northwest and Southwest One Quarters of Section 21, and in the Northeast One-Quarter of Section 30, Township 1 North, Range 2 East, Willamette Meridian, City of Portland, Multnomah County, Oregon.

See Exhibit 3 for the full legal description and map of the TIF District

**ATTACHMENTS**

- Exhibit 1 – Preliminary Report
- Exhibit 2 - Governance Charter
- Exhibit 3 – Legal Description

## **A Preliminary Report on the creation of a Community-Led TIF District in Cully**

**This report is based on community outreach done in 2020 and the first half of 2021 by 7 community based organizations in Cully, and was created alongside Proper Portland (PP) and Portland Housing Bureau (PHB). It outlines what has been done to-date, the goals, possible investments, possible boundaries, and the beginnings of a proposed governance structure for a Community-Led Tax Increment Finance (TIF) District in Cully. This work was funded by a Metro and Prosper Portland. The group of representatives from the 7 organizations has determined there is support from the Cully community to move forward with creating TIF district. Attached is also a letter of support from PP and PHB. Information from this document is being used to create a TIF Plan to bring to community and local government for approval.**

# Table of Contents

<b>Tribal Land Acknowledgement</b>	3
<b>Section 1: Background and Context</b>	4
Cully: History, current conditions, demographics	4
Development, organizing, and outreach efforts in Cully	5
<b>Section 2: Vision, Values, Goals</b>	8
Portland's Cully Neighborhood a 2040 Vision	8
Values	8
Goals	8
<b>Section 3: Community Engagement in Designing the TIF District</b>	9
Vision, Values, and Goals of Community Engagement Process	9
Description of Engagement Process	9
Data Collection and Analysis	11
<b>Survey and Focus Group Demographics</b>	12
<b>Section 4: Geographic Area and Boundaries of the TIF District</b>	14
Preliminary Draft Boundaries	15
City of Portland Zoning Designations	16
City of Portland Comprehensive Plan Designations	17
City of Portland Zoning Designations: Acreage	18
City of Portland Comprehensive Plan Designations: Acreage	19
<b>Section 5: Community Development and Investment Priorities for the Cully Neighborhood</b>	19
Housing	20
Houseless Services and Infrastructure	22
Building Wealth, Jobs and Businesses	22
<b>Section 6: Community Governance &amp; Decision-Making</b>	25
<b>Section 7: Principles that Guide Implementation of the Plan</b>	31
<b>Section 8: Tax Increment Finance Technical Elements</b>	34

## Tribal Land Acknowledgement

The State of Oregon, Multnomah County, the City of Portland, and the Cully neighborhood rest on unceded Indigenous lands, and traditional village sites of the Multnomah, Kathlamet, Clackamas, bands of the Chinook, Tualatin, Kalapuya, Molalla and many other Tribes who made their homes along the Columbia River. Neerchokikoo is an ancient Native encampment and gathering site near the confluence of the Columbia and Willamette Rivers in Cully. For many centuries, Native Americans from tribes throughout the area came to this land to gather, trade, and build community. This land is now home to a vibrant Native community with representatives from over 400 tribal nations.

The authors of this report acknowledge the nine federally recognized tribes of Oregon: Burns Paiute Tribe, Confederated Tribes of the Coos, Lower Umpqua and Siuslaw Indians, Confederated Tribes of the Grand Ronde Community of Oregon, Confederated Tribes of Siletz Indians, Confederated Tribes of the Umatilla Indian Reservation, Confederated Tribes of Warm Springs, Coquille Indian Tribe, Cow Creek Band of Umpqua Tribe of Indians and Klamath Tribes. We also recognize the tribal communities who lack federal recognition who have carried on the traditions and culture of their peoples and will continue to do so. We acknowledge the Chinook Tribe, the Chetco Tribe, the Celilo-Wyam and the Clatsop-Nehalem Confederated Tribes. These Tribes and tribal communities continue to celebrate their heritage, showing resilience and tenacity that would be greatly admired by their ancestors.

We recognize Indigenous people as traditional stewards of this land and acknowledge the enduring relationship between the land and the people since time immemorial. We also acknowledge the history of colonization, genocide, oppression, displacement, and suffering that has been inflicted on Indigenous people in Oregon. We also recognize that the general population continues to benefit from the use and occupation of these lands. We commit to learn, build relationships and take action to support Indigenous sovereignty, priorities, and actions.

## Section 1: Background and Context

### Cully: History, current conditions, demographics

#### **Our Neighborhood**

Cully is one of Portland's largest and most diverse neighborhoods. Many people are moving into Cully who have been pushed out of other neighborhoods because of increased costs of living closer to the city center. Cully's affordability means more people want to live here and that threatens to cause more displacement if the wrong investments are made. Ensuring we make community-focused investments soon can prevent displacement from pushing out existing residents who call Cully their home.

Cully is a highly diverse, majority low-income neighborhood in Northeast Portland. Standing on the site of a traditional Chinook village called Neerchokikoo, Cully was an unincorporated area of Multnomah County until its annexation to the City of Portland in 1985. Cully is Northeast Portland's largest neighborhood by land area and population: over 3 square miles, with a population of 12,756<sup>1</sup>.

Cully is socially and economically diverse. Forty-five percent of residents represent communities of color, compared to 29 percent citywide<sup>2</sup>. The neighborhood includes the most racially/ethnically diverse Census tract in Oregon by some measures. Cully also has a larger share of low-income populations than Portland as a whole.

The neighborhood holds a rich cross-cultural history, including the thriving pre-colonial Neerchokikoo Indian Village near the Columbia Slough and settlement by early American immigrant farmers. Cully consists of a heterogeneous mix of people that cannot be easily classified. Though these communities live amongst and interact with many of the same places, access to neighborhood amenities varies dramatically based on an individual's background and socio-economic status. While some populations here are well organized and extremely civically engaged, others are less able to be civically engaged due to the institutional barriers that disenfranchise immigrants, exclude the participation of non-English speakers, houseless and working people,

and reduce opportunities for communities of color and those with low income.

Most of Cully's development occurred between 1910 and 1960. Its character from the outset has had strong rural elements: large lots, unpaved and meandering streets, and low density. Cully was annexed into the city of Portland in 1985. Since then, investment in Cully's parks, sidewalks, roads, other infrastructure, family-oriented businesses and other amenities has lagged behind the rest of the city. This historic underinvestment has contributed to the relative affordability of homes in Cully, making it possible for low-income people and BIPOC households to have long term stability and work together to bring about improvements to their neighborhood.

Unlike other Portland neighborhoods that have experienced gentrification and displacement, Cully's diversity is new. Over the last three decades, low-income households and communities of color have increasingly made Cully their home, attracted by affordable housing in a relatively close-in Portland neighborhood. A large Black population, including families previously displaced from North and Northeast Portland neighborhoods by urban renewal and gentrification, have increasingly made Cully home. These newer residents have started businesses and established strong community relationships, interacting with longtime residents to make Cully a rich, diverse place to live, work and thrive. Housing

<sup>1</sup> 2015-2019 American Community Survey. United States Census Bureau

<sup>2</sup> 2015-2019 American Community Survey. United States Census Bureau

affordable to low- and moderate-income families, proximity to downtown, and a socially and economically diverse community is an increasingly rare combination of assets in Portland. Over the last 20 years, redevelopment and gentrification of inner-city neighborhoods has pushed low-income households and communities of color away from the city center, toward the urban fringe, away from the services, frequent transit and amenities of inner-Portland.

Cully residents are now threatened with displacement as investment pressures rise. Cully's housing affordability, proximity to downtown, rich cultural assets and economic diversity make it a desirable place to live. This means that some properties remain relatively affordable, and land is still available for development. However, a flurry of private development is already happening in Cully and in nearby neighborhoods, and increased investment is flowing into Cully. The experience of other Portland neighborhoods as well as communities from across the United States make clear that gentrification inherently entails the displacement of existing community members, especially low-income and people of color residents.

The majority of the neighborhood is zoned for single-family dwellings. Only two areas, along the western boundary at N.E. 42nd Ave. and the central artery, Cully Blvd., are zoned for commercial activity. The northern edge of the neighborhood, between N.E. Portland Highway and Columbia Blvd., is an industrial area. Cully's unique combination of rural features, sparse commercial development, and relatively low household incomes have made it relatively deficient in the commercial and recreational opportunities that characterize the rapidly developing inner neighborhoods of Portland. Portland's inner neighborhoods are in general highly rich in amenities such as parks, open spaces, bike lanes and neighborhood services. Cully, by contrast, suffers from poor walkability, scarce access to transit, relative lack of open space, and an abundance of brownfields – contaminated, post-industrial land.

As development and gentrification pressures intensify in the Cully neighborhood, there is an urgent need for community-led investments that can be used proactively to preferentially benefit – and prevent the displacement of low-income people and people of color. With property values climbing, we have a limited window of opportunity to make the anti-displacement investments that will ensure Cully is always a neighborhood where low-income people and people of color can live and thrive. We have a unique and timely opportunity to shape investment and prevent displacement in a way that increases wealth, choice and stability for those that call Cully home, and secures those benefits for future generations of BIPOC and low-income residents

## Development, organizing, and outreach efforts in Cully

Seven partner organizations — the Native American Youth and Family Center (NAYA), Hacienda CDC, Habitat for Humanity Portland Region, Verde, Our 42nd Avenue, the Cully Boulevard Alliance and the Cully Association of Neighbors — with strong roots in the Cully neighborhood have produced this report on the potential for a Community-Controlled Tax Increment Financing (TIF) District to develop projects in the Cully neighborhood. Together we have formed an Exploration Leadership Committee (ELC) to explore this

### Defining this process

**This process** is meant to explicitly benefit Black people, Indigenous and tribal people, people of color, renters, mobile home residents, and low-income people. This community-led effort is meant to minimize, and prevent efforts which will lead to the displacement and gentrification of our most vulnerable community members and secure opportunities across generations.

**This is not** a process to increase property values, contribute to gentrification, or pay for basic

issue. For more than a decade our organizations have worked toward enhancing social and economic inclusion to prevent the displacement of people of color and low-income community members. The City of Portland recognizes Cully as a neighborhood likely to experience significant change in the coming years, Portland City Council adopted Resolution 36953 in August 2012, which calls for a coordinated effort by city bureaus to study and prevent displacement in Cully. Since then NAYA has developed affordable housing in multiple locations in Cully, Verde and partners have developed a Cully Energy Plan to map out the future of community-controlled energy in Cully, Cully Park converted a former landfill into our neighborhood's newest environmental asset, preservation of Oak Leaf and Arbor mobile home parks were key anti-displacement victories and the community came together to purchase and rehabilitate a run-down strip club into Las Adelitas, a Hacienda CDC affordable housing development. Cully Boulevard Alliance (CBA) and Our 42nd Avenue are two Cully Neighborhood Prosperity Districts (NPD) that have existed for over a decade. The two NPDs have targeted the investments of their respective TIF funds into community and BIPOC focused economic development efforts in the neighborhood. Both have prioritized the direction of funds to create affordable commercial lease opportunities and to support BIPOC-owned businesses with tenant improvement grants. Critically, the two NPDs provided vital sustaining support for Cully businesses during the pandemic. They helped businesses to access Prosper Portland grants, state and federal support to keep their businesses alive. This level of intentional focus and commitment to preserving neighborhood businesses was the last line of defense preventing countless business closures and job losses in an economically fragile community. Partners have been involved in the formation of the Multnomah County Climate Justice Collaborative, Portland Clean Energy Fund Steering Committee, and the Not in Cully anti-displacement plan. Working together, neighborhood organizations and public agencies have an opportunity to once again align programs and policies so that Cully remains a place where diverse residents can live, work, and thrive.

Despite our successes, our current scale of activity is entirely insufficient in the face of looming gentrification and mass displacement. If we fail to fund investments at a significantly larger scale and produce a community-led framework to direct the administration of those funds and prioritize those investments, it could soon be too late. Current development trends threaten our partnership's shared vision of community prosperity.

We have new parks, more sidewalks and paved streets, new houses and apartments and new businesses in growing commercial districts. These improvements, while needed and desirable, make our neighborhood more attractive to developers, investors and home buyers, driving up prices and causing displacement. As rising rents spread across Cully, lower-income families and people of color are being displaced from the neighborhood that they have helped to make such a vibrant, caring, diverse corner of Portland. Even Cully residents who are fortunate enough to own their homes recognize that they could not afford to buy a house here now, and their children won't be able to afford to live here in the future. Locally owned businesses face the threats of rising rents for commercial space, and the loss of their customer base due to residential displacement.

To realize our vision for Cully, the project partners have facilitated a community process during the calendar years of 2019-21 to explore the creation of a Cully TIF District. While past use of TIF in the City of Portland has produced racially and economically unjust outcomes

### **What is a TIF District?**

A TIF District is like a bank account for a neighborhood, with money coming from property taxes. In Portland, TIF District bank accounts have been used for projects that have made certain neighborhoods expensive to live in. But TIF money can be used differently: in Cully we believe that a TIF District can be used to create long-term stability for residents who are most at-risk of displacement. It can create affordable housing, places to run a business, good jobs, and other priorities that the community helps to decide.

that are completely in opposition to our community development and anti-displacement objectives, we believe there is strong potential for this powerful tool to be repurposed to benefit people of color and low-income people. To fully explore and vet this possibility through community engagement, research, and policy analysis, partners secured a Metro 2040 Planning and Development Grant. This grant supported a community-driven, iterative process to determine priorities for the programming, rules, and governance of a prospective community-controlled TIF District. This report, which marks the end of the first phase of this community engagement process, recommends necessary features for a TIF District that serves community-identified development and anti-displacement objectives. This exploration will serve as the foundation for a Cully TIF District Plan that we plan to submit to City Council for approval, and that we plan to implement in partnership with Prosper Portland, the Portland Housing Bureau, Cully community members, and other stakeholders.

## Section 2: Vision, Values, Goals

### A 2040 vision for Portland's Cully Neighborhood

Our long-term vision is to transform Cully, our neighborhood, into a place with plentiful safe, affordable housing, thriving Black, Indigenous and people of color owned (BIPOC) businesses, rewarding employment opportunities, safe and accessible transportation options, parks and open spaces, a clean and healthy environment with places and programs that reflect the cultural diversity of people of color and tribal people.

Once we succeed, Cully will be a place where residents regularly engage in decision making and grassroots organizing to strengthen the neighborhood and develop their own leadership and collective political power. Cully will be a neighborhood where neighborhood changes are guided by and result in more opportunities and greater housing and economic prosperity for people of color, Indigenous and tribal people, and low-income people. All residents will participate in, guide and lead the decisions that affect them and their communities, balancing the needs of current residents with those of future generations. Access to affordable, stable homes is preserved and expanded, and new investments and development create stability and opportunity for low-income people, rather than leading to their displacement from their homes and neighborhood. Cully residents will have access to meaningful, living-wage employment and economic opportunities, and new investment will bring community benefits including education, workforce training, BIPOC and woman-owned contracting and social enterprise opportunities, renewable energy resources and environmental assets. Cully will serve as a neighborhood model in the state and country where development and prosperity can occur guided by, led by and supported by low income, Black, Indigenous, Tribal, and people of color.

### Values

Our decisions throughout the process have been guided by these shared values established by the ELC:

- Equity
- Inclusivity
- Diversity
- Community leadership and control
- Cultural responsiveness
- Community Stabilization and Prosperity
- Forward thinking
- Solidarity with similar community-led efforts

### Goals

Our goals are first, to prevent the displacement of vulnerable people and communities from Cully. We will preserve existing opportunities for affordable housing and economic prosperity and create new opportunities for people of color, low-income people and Indigenous and tribal people to live, work and thrive in Cully, including those previously displaced. We will ensure that current residents benefit from investments and neighborhood change, and that opportunities for housing and economic prosperity will be preserved and expanded for future generations. Our goals are to ensure that people of color, low-income people and Indigenous and tribal people play lead roles in making decisions about investments and policies that affect them and their communities. Ultimately, we believe we will develop and inspire a new model for the creation of future TIF Districts in Portland and beyond.

## Section 3: Community Engagement in Designing the TIF District

This section describes the process of designing the Cully TIF plan thus far, with emphasis on the community engagement process.

### Vision, Values, and Goals of Community Engagement Process

This process embodies our vision, values, and goals, with a particular emphasis on sharing power and taking leadership from community members, and an intentional focus on connecting with people from a variety of races, cultures, backgrounds, housing statuses, incomes, and nationalities. The community engagement process was based on longstanding work and relationships with community members and built on a foundation of trust in the community cultivated over many years by all of the partner organizations involved. Community engagement efforts for this process took advantage of the community organizing that has occurred among Cully residents for many years.

### Description of Engagement Process

The Community Engagement Committee (CEC), a subcommittee of the ELC, created and implemented our community engagement strategy. To ensure the engagement of community members, all community organizations involved helped recruit and activate Community Leaders (CL). CL are active and trusted Cully residents who helped connect our effort to people that our project partners might not otherwise be able to reach. CL engaged residents, committed to approximately 40 hours of involvement between October 2020 and June 2021, and received stipends for their time and efforts.

The following were the responsibilities of CL as defined in the CL charter:

1. Attend CL Meetings:
  - a. 1 virtual kick-off meeting
  - b. 4-5 additional virtual or in-person (socially distanced) meetings to learn about the project and coordinate our work.
2. Learn about TIF and how it works:
  - a. History of TIF in Portland and how it has affected communities in the past: gentrification/displacement
  - b. Examples of how community development can be done without displacement
  - c. Potential community-led governance models for the project
3. Provide feedback on the draft community engagement plan for the project and on strategies for implementation
4. Help collect priorities from community members for the project via phone calls, texts, social media, and other methods

### Engaging the Community

Our lead organizations built this plan based on years of working in the community. Partner organizations identified Community Leaders who designed a plan to reach the communities who are often overlooked. The Leaders and partners designed a survey and held focus groups that reached various diverse communities. The responses we paid the most attention to are the ones that represent Cully: racially and economically diverse perspectives inform the conclusions we present in the following Sections.

5. Assist with outreach and the planning and facilitation of 2-3 community meetings/focus groups (virtual or in person) that will help community members understand TIF and allow a space for feedback on the project

In partnership with the CL team and a contractor, Patricia Vasquez, project partners created educational materials that were used to help the community learn about TIF, how this tool was used in the past, and how it can be used moving forward. In addition to their educational purpose, the materials were designed to help our team seek feedback on community priorities and investment, as well as generate ideas about the governance models to produce these needed investments. After feedback on the educational materials was received and incorporated, materials were translated into multiple languages, and then provided to the community.

The educational materials included a video, in Spanish and English, explaining the concept of tax increment financing (TIF) and how this exploratory process intended to solicit community feedback. The video is available online at <http://cullycommunityled.org/>. Other educational components also consisted of a hybrid of a workshop and focus group. The workshop focused on the key concepts of TIF and its potential for use in anti-displacement efforts, while the focus group elicited feedback on investment and leadership priorities.

The CEC and partners involved with this exploration hosted multiple focus groups within various communities. Each focus group targeted a specific community for outreach and recruitment. The CL helped support these organizations during the focus groups. The focus groups and target communities included:

- Hacienda - Latinx
- Hacienda - Somali youth
- NAYA - Indigenous community members
- Our 42nd - small business owners & workers along NE 42nd Ave
- Cully Boulevard - small business owners & workers along Cully Blvd.
- O42A + CBA - Cully Community members
- Habitat -homeowners and home repair recipients
- Verde - Líderes Verdes participants
- Black community
- Mobile Home Parks - English- and Spanish-speaking
- Private market renters - English with real-time Spanish interpretation
- Houseless folks

Recognizing that focus groups would have limited reach, the CEC also created a survey. The survey was developed using feedback from the two pilot focus groups and with input from the ELC and the CL team. The goal of the survey was to capture community responses to a wide range of questions about creating the TIF plan, including investment priorities and values around decision making. The survey was available in both English and Spanish. We specifically used outreach by the organizations and CL team to prioritize input from Black, Native and Latinx communities, Cully business owners, Renters and Houseless.

#### **In Focus: Líderes Verdes**

Verde led a focus group in Spanish with the community members involved in Líderes Verdes. Líderes Verdes is a yearlong leadership program which works towards building environmental leaders and growing collective community power. The program has allowed Verde to build strong relationships with community members and keep them connected with their work. Verde staff reached out to community members who have participated in the LV program and shared with them information about TIF. In this way, project partners were able to utilize existing relationships, and the Líderes Verdes participants could then bring the TIF conversation to the other community members they are involved with.

## Data Collection and Analysis

Data was collected from the notes from the focus groups as well as survey responses. The information gathered has been used to determine what investments will be most beneficial to the people and groups most vulnerable to displacement. This analysis also informs the governance and decision making of our TIF District which these communities find most desirable.

A survey was circulated amongst the Cully community and available in both English and Spanish. 16.9% of survey respondents primarily speak Spanish in their home. We received a total of 497 responses. The survey data set analyzed was 278 responses. This is significantly smaller than the full data set collected. The following logic was used to determine what data to include in the data set:

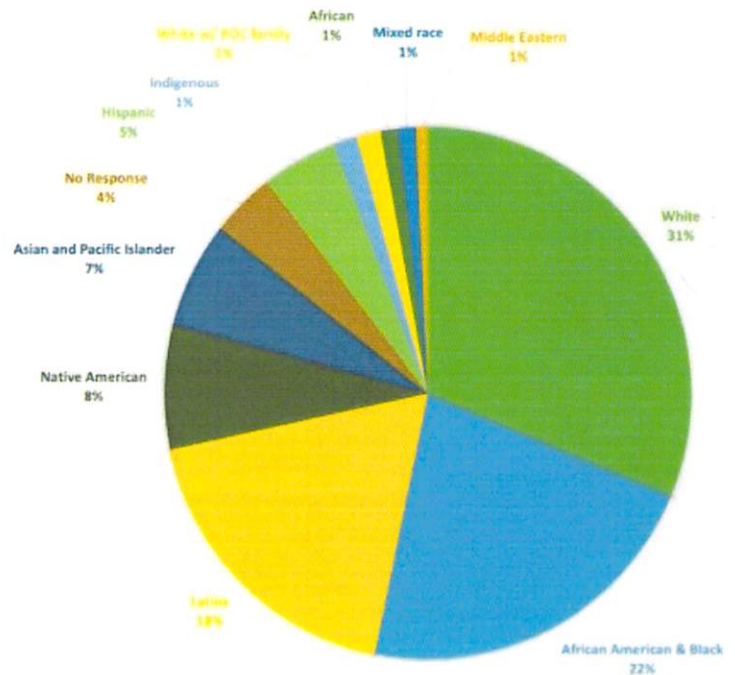
- Duplicate responses were excluded.
- Responses that were nearly duplicate (i.e., most of the answers were the same and the responses were submitted within seconds or minutes of one another) were excluded.
- Respondents who did not respond to both the race AND income questions were excluded, but those who responded to at least one of these questions were included
- Respondents who identified as white homeowners with an income greater than \$49,999 were excluded.
- White people who earn less than or equal to \$49,999 were included.
- White people who earn more than \$49,999 but are renters were included.
- Higher income white people who are renters, but who do not currently live in Cully were excluded.
- Respondents who identify as white but have family of color living with them were included. They were categorized as their own racial/ethnic group.

In addition to the survey, partners and CL conducted 14 focus groups with a total of 95 participants. The focus groups served two main purposes: First, to build a foundation of basic knowledge about TIF to foster discussions about what investments Cully residents want. Second, to begin to explore governance and decision making. Each focus group assigned a note taker that followed a [template](#) created by the CEC. Focus groups asked for discussion on the following:

- Affordable housing
- Businesses and jobs
- Infrastructure improvements
- Governance and decision-making of TIF money
- Dreams of target demographics for the Cully neighborhood
- What investments would prevent displacement of current residents?
- Ideas for ongoing community involvement in the project

It is important to note that NAYA held a focus group specific for members of the Indigenous community after the datasets had been otherwise collected and tabulated. Native community members' perspectives tracked with what we heard from other participants in this process, unique responses included a desire for spaces to teach culture, culturally specific childcare services, housing for nontraditional families (such as youth with aunties and uncles). The results that follow do not include responses generated by the Indigenous community focus group.

What is your race and/or ethnicity?*		
White	87	31.3%
African American & Black	61	21.9%
Latinx	51	18.3%
Native American	21	7.6%
Asian and Pacific Islander	18	6.5%
Hispanic	13	4.7%
Indigenous	4	1.4%
White with POC family	4	1.4%
African	3	1.1%
Mixed race	3	1.1%
Middle Eastern	2	0.7%
No Response	11	4.0%



### Survey and Focus Group Demographics

\*This question was open-ended, allowing respondents to answer however they wished. Eleven categories were used to group respondents. All responses that were given are included in a category. Respondents who identified as multiple identities were categorized under their first listed identity (with the exception of “Mexican Indigenous” which was categorized as Indigenous). Respondents who identified as white and another identity were categorized under their non-white identity.

Housing Type		
I am currently houseless	6	2.2%
I live in a mobile home park	26	9.4%
I own my home - not in a mobile home park	77	27.7%
I rent a room	6	2.2%
I rent from a for-profit landlord — not in a mobile home park	101	36.3%

I rent from a non-profit or public housing agency — not in a mobile home park	55	19.8%
Other	7	2.5%
All types	278	100.0%

What is your household's annual income?		
Less than \$25,000	68	24.5%
\$25,000-\$49,999	106	38.1%
\$50,000-\$74,999	56	20.1%
\$75,000-\$99,999	32	11.5%
\$100,000 or more	13	4.7%
No Response/Unknown	3	1.1%

We collected data on how many survey respondents had also participated in focus groups, and learned that 90 survey respondents had also been part of a focus group or workshop, while 167 had not. 21 respondents were not sure.

Results of the surveys, workshops and focus groups were compiled following delivery of a high-level analysis from Amy K. Coplen of Cultivate Consulting. Qualitative data from the survey and focus groups were coded to find common themes. Focus group data was not recorded or transcribed, and all focus groups did not use the same exact set of discussion questions, making each set of focus group notes unique. Similar questions were categorized together for the purpose of analysis.

Project team members, in partnership with CL, have distilled these findings into a report on the investments, community oversight, and governance that the community prioritized through this engagement process. Conclusions from the survey and focus group data analysis are detailed in Sections 5 through 7 of this report. These community-defined priorities will guide the content of a District Plan our team will present to the City of Portland, laying out the kinds of investments the District will prioritize, and how the District will be governed.

Our community shared many important ideas with us during this community engagement process. Not all of these ideas will fit neatly into a proposal to the City of Portland for the creation of a Cully TIF District. It is the ongoing role of the project team, with our deep commitment to the community and connection to its residents to honor these ideas. Partners will continue to track progress toward our broadest areas of agreement, and the innovative ideas that community generates when given the space to speak and be listened to by trusted community institutions like those that make up the ELC.

The process described in this section was just the first Phase of community engagement around the TIF District. Phase 2 will begin in June 2021 after this preliminary plan is adopted by the ELC and both Prosper Portland and Portland Housing Bureau leadership offer their support. CEC will go back to the community in a series of meetings to present this report back to them and confirm that we heard them correctly and faithfully reported their concerns and findings. We will update and revise the Cully TIF plan as we continue to engage with the community during Phase 2.

## Section 4: Geographic Area and Boundaries of the TIF District

The preliminary district boundary was developed through a series of workshops between ELC members, Prosper Portland, Portland Housing Bureau, and Bureau of Planning and Sustainability staff. The draft boundary plus additional areas for consideration are currently included. As the exploration process moves forward, the boundary will continue to be discussed and defined. The main boundary, referred to as the Cully Core, is approximately 1,342 acres and was established using the Cully neighborhood boundary as the basis. Through community priority discussions, additional areas were identified that would allow for investment in the following:

- Business/Employment Support – 179 acres
- Single-family Homeowner Support – 124 acres
- Mixed-Use Development – 26 acres

In total, the draft boundary amounts to approximately 1,671 acres. State law governing tax increment financing of urban renewal districts (ORS 457.420) limits the amount of acreage that can be included in TIF districts in the City of Portland to 15% of the city's total area. Portland's current utilization of TIF is 11.3%. If the 1,671 acres were approved today, the Cully TIF acreage would increase the City's utilization to 13.1%. This figure, however, is highly dependent upon timing as other TIF districts will soon expire and at different times.

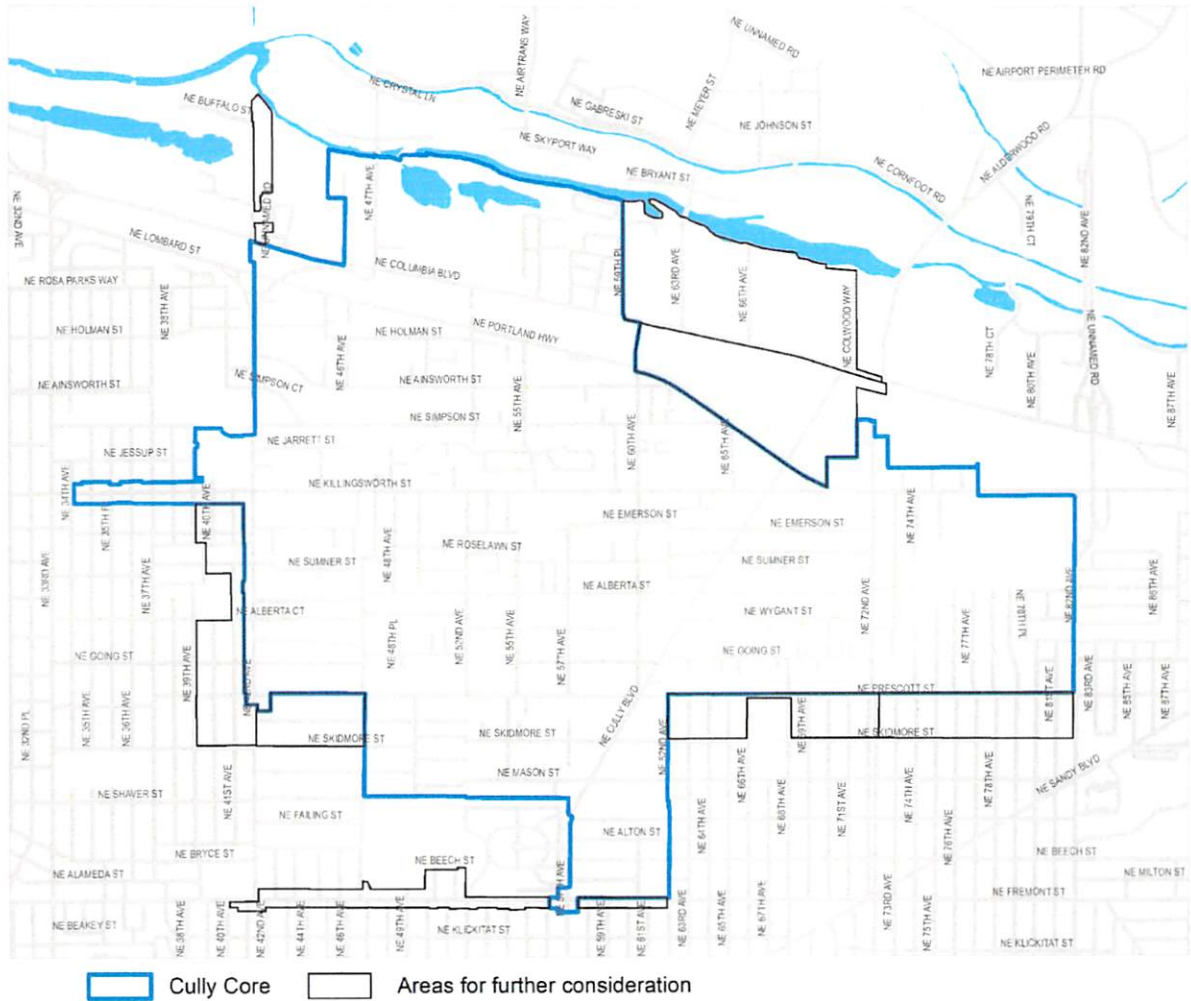
Revenue modeling and land use analyses are presented in this report specifically to the Cully Core and all areas combined. Throughout Phase 2, additional community engagement efforts, feedback from the ELC and discussions with bureau partners, we will continue to refine the draft boundary. This draft boundary does not limit the bounds of the final TIF district. The final determination will balance community priorities, ensure sufficient revenue is generated to deliver on those priorities, while considering statutory provisions and citywide policies that guide decisions related to TIF.

### **The Cully TIF Boundary**

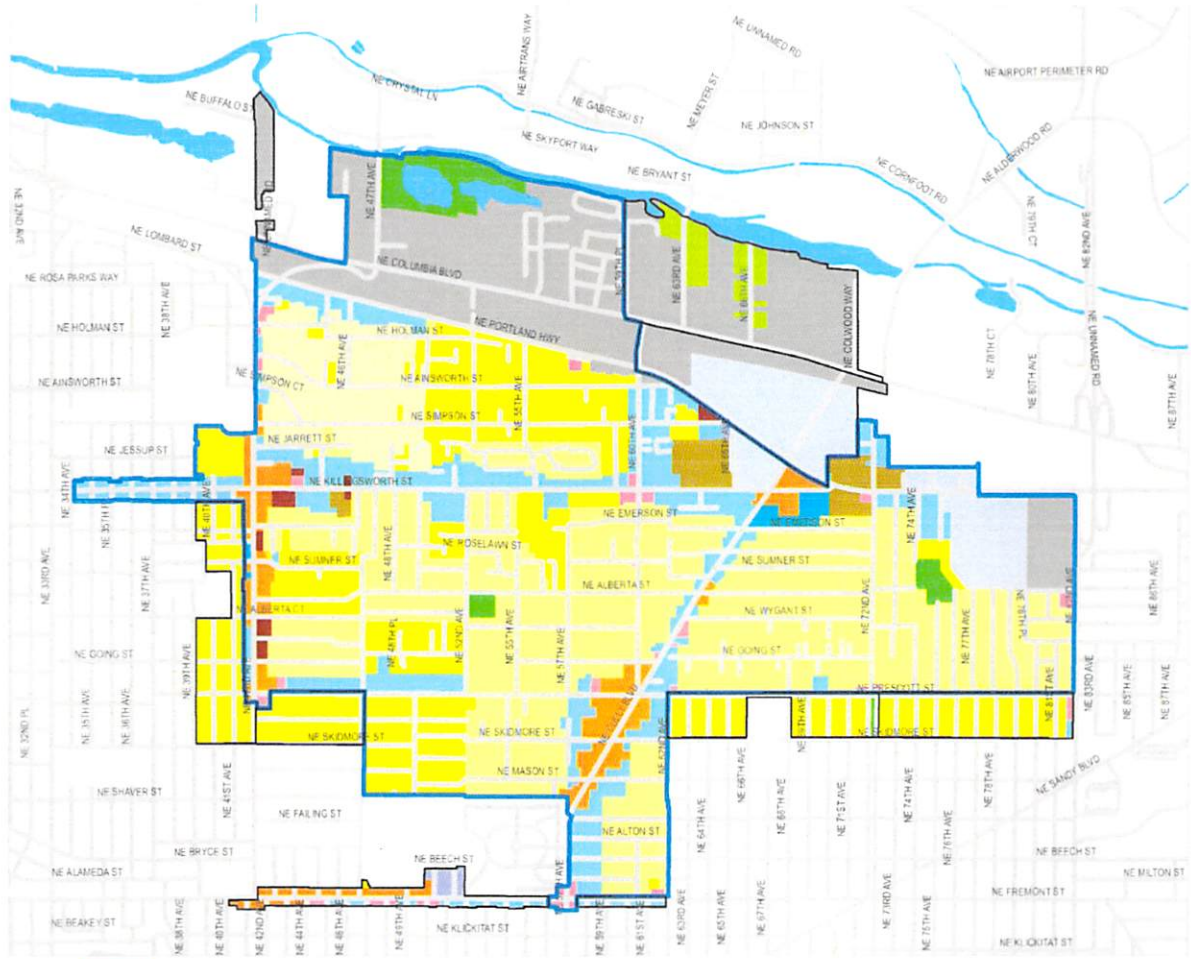
The Cully TIF District boundary is important for several reasons. Only areas within the boundary are eligible for developments using TIF funds. It's important to include land zoned for residential, commercial and industrial purposes to ensure we meet the many priorities identified by residents through our community engagement process.

## Preliminary Draft Boundaries

[Link to interactive map](#)



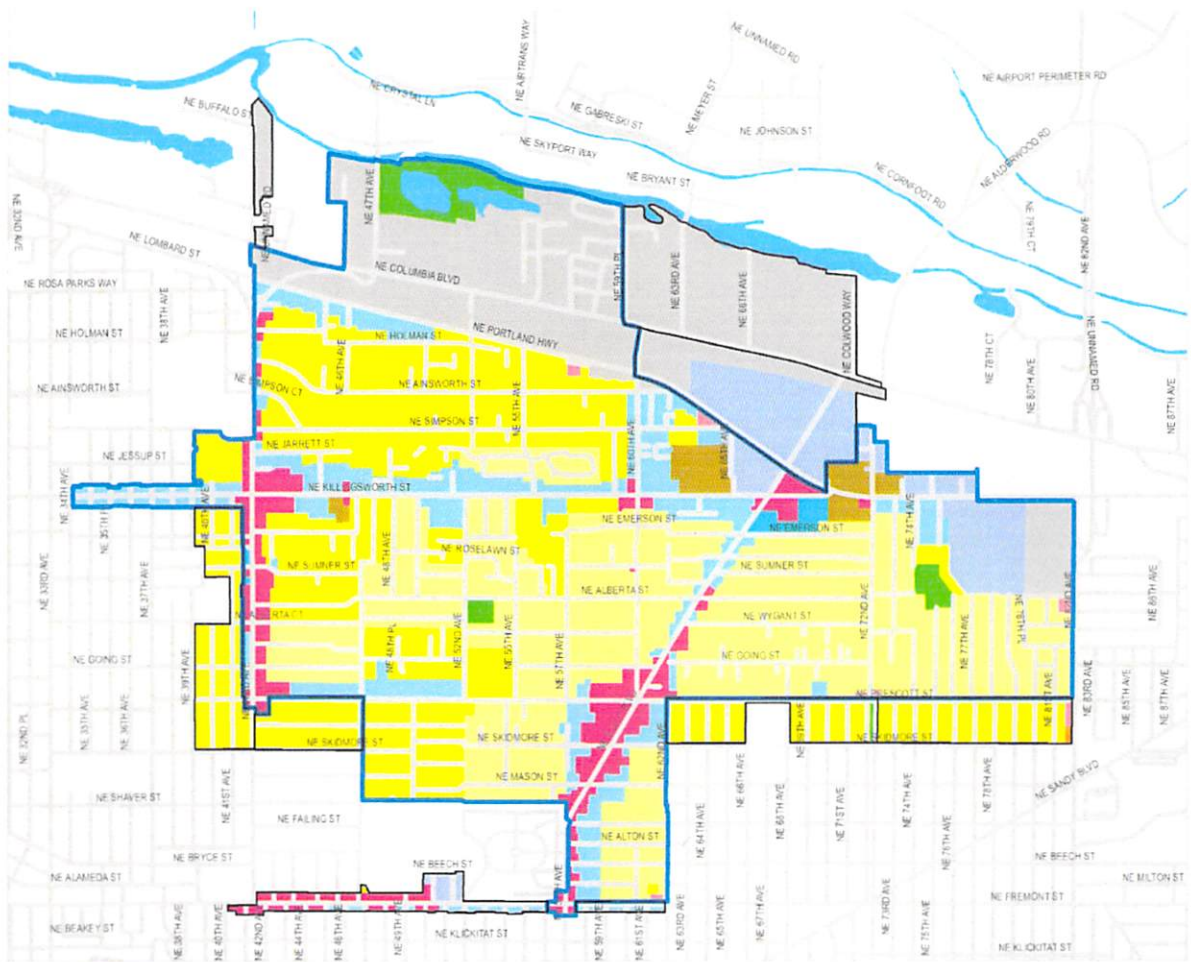
### City of Portland Zoning Designations



Cully Core     Areas for further consideration

- |  |  |
|--|--|
| <ul style="list-style-type: none"> <li><span style="display: inline-block; width: 20px; height: 10px; background-color: #8B0000; margin-right: 5px;"></span> Commercial Employment (CE)</li> <li><span style="display: inline-block; width: 20px; height: 10px; background-color: #F08080; margin-right: 5px;"></span> Commercial Mixed Use 1 (CM1)</li> <li><span style="display: inline-block; width: 20px; height: 10px; background-color: #FFA500; margin-right: 5px;"></span> Commercial Mixed Use 2 (CM2)</li> <li><span style="display: inline-block; width: 20px; height: 10px; background-color: #FFB6C1; margin-right: 5px;"></span> Commercial Residential (CR)</li> <li><span style="display: inline-block; width: 20px; height: 10px; background-color: #6495ED; margin-right: 5px;"></span> General Employment 1 (EG1)</li> <li><span style="display: inline-block; width: 20px; height: 10px; background-color: #ADD8E6; margin-right: 5px;"></span> General Employment 2 (EG2)</li> <li><span style="display: inline-block; width: 20px; height: 10px; background-color: #A9A9A9; margin-right: 5px;"></span> General Industrial 2 (IG2)</li> <li><span style="display: inline-block; width: 20px; height: 10px; background-color: #32CD32; margin-right: 5px;"></span> Open Space (OS)</li> </ul> | <ul style="list-style-type: none"> <li><span style="display: inline-block; width: 20px; height: 10px; background-color: #FFFF00; margin-right: 5px;"></span> Single Dwelling Residential 5,000 (R5)</li> <li><span style="display: inline-block; width: 20px; height: 10px; background-color: #FFFACD; margin-right: 5px;"></span> Single Dwelling Residential 7,000 (R7)</li> <li><span style="display: inline-block; width: 20px; height: 10px; background-color: #FAFAD2; margin-right: 5px;"></span> Single Dwelling Residential 10,000 (R10)</li> <li><span style="display: inline-block; width: 20px; height: 10px; background-color: #D2B48C; margin-right: 5px;"></span> Residential Manufactured Dwelling Park (RMP)</li> <li><span style="display: inline-block; width: 20px; height: 10px; background-color: #9ACD32; margin-right: 5px;"></span> Residential Farming (RF)</li> <li><span style="display: inline-block; width: 20px; height: 10px; background-color: #ADD8E6; margin-right: 5px;"></span> Residential Multi-Dwelling 1 (RM1)</li> <li><span style="display: inline-block; width: 20px; height: 10px; background-color: #00CED1; margin-right: 5px;"></span> Residential Multi-Dwelling 2 (RM2)</li> </ul> |
|--|--|

### City of Portland Comprehensive Plan Designations



Cully Core     Areas for further consideration

- |   |  |
|---|--|
| <ul style="list-style-type: none"> <li><span style="display: inline-block; width: 20px; height: 10px; background-color: #cccccc; margin-right: 5px;"></span> Industrial Sanctuary</li> <li><span style="display: inline-block; width: 20px; height: 10px; background-color: #e69a00; margin-right: 5px;"></span> Manufactured Dwelling Park</li> <li><span style="display: inline-block; width: 20px; height: 10px; background-color: #add8e6; margin-right: 5px;"></span> Mixed Employment</li> <li><span style="display: inline-block; width: 20px; height: 10px; background-color: #ff9900; margin-right: 5px;"></span> Mixed Use - Civic Corridor</li> <li><span style="display: inline-block; width: 20px; height: 10px; background-color: #ff6666; margin-right: 5px;"></span> Mixed Use - Dispersed</li> <li><span style="display: inline-block; width: 20px; height: 10px; background-color: #ff0066; margin-right: 5px;"></span> Mixed Use - Neighborhood</li> </ul> | <ul style="list-style-type: none"> <li><span style="display: inline-block; width: 20px; height: 10px; background-color: #00bfff; margin-right: 5px;"></span> Multi-Dwelling - Corridor</li> <li><span style="display: inline-block; width: 20px; height: 10px; background-color: #add8e6; margin-right: 5px;"></span> Multi-Dwelling - Neighborhood</li> <li><span style="display: inline-block; width: 20px; height: 10px; background-color: #008000; margin-right: 5px;"></span> Open Space</li> <li><span style="display: inline-block; width: 20px; height: 10px; background-color: #ffff00; margin-right: 5px;"></span> Single-Dwelling 5,000</li> <li><span style="display: inline-block; width: 20px; height: 10px; background-color: #ffff99; margin-right: 5px;"></span> Single-Dwelling 7,000</li> </ul> |
|---|--|

### City of Portland Zoning Designations: Acreage

Zoning Designation	Cully Core		Additional Areas		Total	
	Acres	%	Acres	%	Acres	%
Commercial Employment	7.3	0.5%	0.6	0.2%	7.9	0.5%
Commercial Mixed Use 1	14.4	1.1%	3.7	1.1%	18.1	1.1%
Commercial Mixed Use 2	51.6	3.8%	10.6	3.2%	62.2	3.7%
Commercial Residential	0.2	0.0%	0.0	0.0%	0.2	0.0%
General Employment 1	0.6	0.0%	4.0	1.2%	4.7	0.3%
General Employment 2	44.0	3.3%	48.6	14.8%	92.7	5.5%
General Industrial 2	184.9	13.8%	111.5	33.9%	296.3	17.7%
Open Space	34.2	2.5%	2.3	0.7%	36.6	2.2%
Residential 5,000	207.6	15.5%	116.6	35.5%	324.2	19.4%
Residential 7,000	511.2	38.1%	3.6	1.1%	514.8	30.8%
Residential 10,000	81.3	6.1%	0.0	0.0%	81.3	4.9%
Residential Manufactured Dwelling	24.9	1.9%	0.0	0.0%	24.9	1.5%
Residential Farm / Forest	0.0	0.0%	16.4	5.0%	16.4	1.0%
Residential Multi-Dwelling 1	171.4	12.8%	10.7	3.3%	182.1	10.9%
Residential Multi-Dwelling 2	8.7	0.6%	0.0	0.0%	8.7	0.5%
<b>Total</b>	<b>1,342.2</b>	<b>100.0%</b>	<b>328.7</b>	<b>100.0%</b>	<b>1,670.9</b>	<b>100.0%</b>

### City of Portland Comprehensive Plan Designations: Acreage

Comprehensive Plan Designation	Cully Core		Additional Areas		Total	
	Acres	%	Acres	%	Acres	%
Industrial Sanctuary	184.9	13.8%	127.8	38.9%	312.7	18.8%
Manufactured Dwelling Park	24.9	1.9%	0.0	0.0%	24.9	1.5%
Mixed Employment	49.0	3.7%	52.7	16.0%	101.7	6.1%
Mixed Use - Civic Corridor	0.0	0.0%	0.5	0.1%	0.5	0.0%
Mixed Use - Dispersed	4.3	0.3%	1.6	0.5%	5.9	0.4%
Mixed Use - Neighborhood	75.6	5.6%	13.4	4.1%	88.9	5.2%
Multi-Dwelling - Corridor	8.7	0.6%	0.0	0.0%	8.7	0.5%
Multi-Dwelling - Neighborhood	163.0	12.1%	10.2	3.1%	173.2	10.4%
Open Space	34.2	2.5%	2.3	0.7%	36.6	2.2%
Single - Dwelling 5,000	323.4	24.1%	116.6	35.5%	440.0	26.0%
Single - Dwelling 7,000	474.3	35.3%	3.6	1.1%	477.9	28.8%
<b>Total</b>	<b>1,342.2</b>	<b>100.0%</b>	<b>328.7</b>	<b>100.0%</b>	<b>1,670.9</b>	<b>100.0%</b>

The tables above present the zoning and comprehensive plan designations within the proposed boundary of the Cully Core, as well as the additional proposed areas. The current Cully Core proposal is overwhelmingly residential, 74.9%. If the additional boundary zone areas are included, the residential zone becomes 69%. The non-residential portion of the Cully Core is 25.1%. Once the additional areas are included it increases to 31%. The TIF boundary will continue to be discussed during Phase 2.

## Section 5: Community Development and Investment Priorities for the Cully Neighborhood

If residents, community organizations and city leaders want to maintain Cully’s diversity and affordability, the time to act is now before market forces continue to raise land and property values. The debate about how to improve neighborhoods without displacing current residents is not unique to Cully. Across the country, central cities are struggling to improve communities without pushing out low-income residents and people of color. It is a difficult dilemma to solve. Cully residents, like many community members across the country, feel strongly about two opposing ideas: development and

investment are positive because they improve the neighborhood and bring more amenities, and development and investment are negative because they cause gentrification and displacement. This section identifies community development and investment priorities for the Cully neighborhood as identified through survey data, focus groups, research findings, and past campaigns and outreach in the neighborhood. While no clear consensus exists in how to prevent gentrification and displacement, strong partnerships guided by an empowered community voice are best situated to make the right investments, at the proper pace.

Not all of the priorities identified in this section are eligible to be funded by TIF. As a community, we will seek other avenues to make those priorities happen.

## Housing

Through focus groups and surveys, Cully community members expressed the following priorities for housing investments made by the Cully Community-Led Development District.

### **Affordable Housing**

Regulated affordable housing is regulated by the government to be rented at below-market rents. The exact amount of the rent charged for any given home is determined by the specific subsidies and regulations associated with that home. For example, many regulated affordable apartments charge rents that are the equivalent of 30% of the monthly income for a family that earns 60% of Portland's area median income (AMI). Other rents are designed to be affordable to families that earn only 30% of the AMI. Most regulated affordable homes are owned by public agencies or non-profit organizations, such as Hacienda CDC and NAYA.

Regulated affordable housing does not refer to housing that happens to be inexpensive now, but is not protected from future cost increases.

When housing is labeled as "affordable," many families find it misleading because they cannot actually afford the rent being charged, based on their income and other circumstances. Cully residents have expressed a need for housing that is

### **Affordability**

Many respondents said that existing regulated affordable housing is still too expensive for their household. Cully residents need more homes that are "actually affordable" based on families' incomes, not based on citywide percentages. Respondents expressed the need for rent assistance because their current rents are not affordable.

### **Expand and diversify Cully's affordable housing infrastructure**

There is a need for more regulated affordable housing of all kinds. Waitlists are full for existing options. Many Respondents also expressed a strong interest in affordable homeownership opportunities. Respondents would like to see more variety in regulated affordable housing opportunities: condominiums, townhouses, ADUs, manufactured housing, and stand-alone homes. Research and ELC analysis indicate huge potential for affordable, moderate-density infill housing in Cully, given the neighborhood's large, underbuilt lots and Portland's new zoning rules which allow for 4- or 6-plexes on all residential lots.

### **Strategies for increasing supply of affordable homes**

57% of homeowner respondents are interested in building an ADU on their property. Respondents suggested purchasing land now to later build new affordable homes, for both rental and homeownership.

Research and ELC analysis note this purchasing strategy has been central to community-led development initiatives in other cities and is all-the-more important in the context of rapidly rising property values. Waiting to acquire property, after prices have continued to go up, means being able to

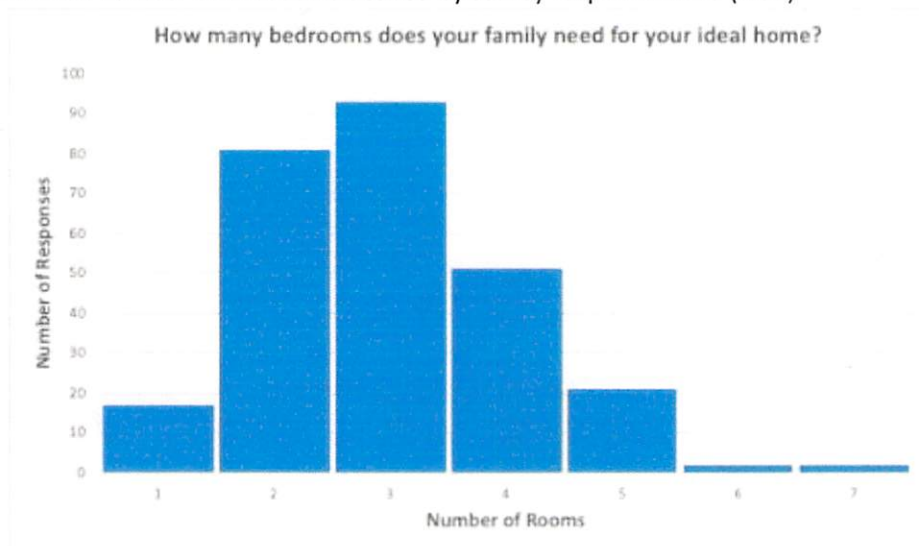
afford less and ultimately build less housing. This strategy opens up possibilities for interim community uses and stewardship of land-banked properties, such as growing food. Respondents also suggested purchasing existing homes and apartment buildings that are for sale, abandoned or foreclosed and converting them to affordable housing. Notes from research and ELC analysis indicate this strategy would both stabilize current residents and preserve affordable homes for future generations. This strategy would require setting aside funds that can be mobilized quickly when opportunities arise to acquire properties, rather than programming all affordable housing funds through traditional NOFAs. One respondent suggested creating a revolving loan fund to help low-income households buy homes; the same money could then support the next family and the next.

**Preferred Housing By Type (in order of preference among survey respondents):**

- Stand-alone house
- Attached house (e.g. townhouse/duplex/triplex)
- Small backyard home (i.e. accessory dwelling unit)
- Manufactured home
- Apartment

**Housing Characteristics**

- Median number of bedrooms desired by survey respondents: 3 (2.97)



Respondents expressed interest in multi-generational/co-housing situations where large and multi-generational households can live together, and residents can share resources. Community spaces should be incorporated with housing, so that elders can help care for and interact with younger people, and housing should be available for people transitioning out of houselessness

**Home Repairs**

69% of manufactured home resident respondents said they have repair needs that they cannot afford. 34% of non-manufactured homeowners have these needs. Home repair programs need to be available for modest-income households, rather than being restricted to very low-income households. One respondent shared that their income is too high to qualify for free repairs from the County, but too low to afford the needed repairs. More funding is needed to support renovations, repairs, and weatherization of manufactured homes.

### **Tenant ownership and control**

Four of the six mobile home parks in Cully are currently owned by for-profit investors. 24 out of 26 respondents want the mobile home park where they live to be owned by either a resident-owned cooperative or a non-profit that involves residents in decision-making and management. Respondents expressed interest in programming funds to help groups of tenants and mobile home residents buy and cooperatively manage their own homes. Several focus group participants discussed community land trusts as a model for community control of housing, affordable homeownership for individual households, and keeping housing affordable for future generations. Research and ELC analysis indicates several other community-led development initiatives implemented land trusts as a central strategy for preserving affordability and preventing displacement for the long run, while also advancing the collective leadership and decision-making of community members. The land trust model could be explored for commercial properties as well, in order to permanently preserve affordable commercial space in Cully.

### **Remove immigration status as a barrier to housing**

85% of respondents think that Cully needs housing options that do not require proof of immigration status. Respondents identified immigration status as a barrier to home ownership for families that would otherwise be able to buy a home. Homeownership programs could eliminate this barrier by making mortgages available using an ITIN number. Our analysis revealed that mortgages with ITINs are an established practice elsewhere, but we do not know of any affordable housing developers in Oregon that currently provide them. Point West Credit Union has developed an ITIN mortgage product.

## **Houseless Services and Infrastructure**

Houseless interview participants and survey respondents identified a need for shelters and other resources to meet their basic human needs. Access to safe indoor spaces to eat and sleep, clean and safe drinking water, bathrooms, and unlocked garbage dumpsters with scheduled pickups were suggestions that would meet some basic human needs. Houseless respondents spoke to the lack of vacant housing in general, and how even “affordable housing” is not affordable for them. One respondent emphasized that houseless youth are particularly vulnerable and should have access to additional resources.

The response with regard to a campground or tiny house-style village as a means to meeting the housing needs in Cully was inconclusive, and therefore will require further investigation. Interview respondents offered some ideas for a designated campground for the houseless that would charge a flat rate for a spot, be cooperatively managed, have a warming station, and a covered social gathering structure. One respondent suggested that people should not be discriminated against for misdemeanors and other non-violent crimes, or any other offense that is more than 4 years old, when attempting to obtain a spot in the campground.

## **Building Wealth, Jobs and Businesses**

### **Business owner and worker needs**

Cully Boulevard Alliance (CBA) and Our 42nd Avenue are two Cully Neighborhood Prosperity Districts (NPD) that have existed for over a decade. It is critical to the community that we ensure the continuation of the place based economic development that the NPDs have been doing for almost a decade, when a Cully TIF district is in operation. It is currently unknown what the future of NPDs looks

like given the creation of a Cully TIF district. This should be further explored during Phase 2 of this process as we prepare for final adoption of the TIF plan.

Although there were a wide range of needs that came from the voices of Cully business owners, one of the biggest needs that came out of the three different focus groups that targeted businesses owners was the need to continue the work that the current Neighborhood Prosperity Districts are doing in their districts. In every focus group questions were asked about what would happen to the NPDs and how BIPOC- and women-owned small businesses were going to get the same level of support that they do now. Some asked how the current District Managers would have enough time to better support a bigger district, noting that if this work was to move forward, the District Managers would need more support themselves. Additional priorities are listed below.

Community members highlighted a number of clear priorities for businesses and services that Cully residents desire. Our process clearly communicates that TIF investments should explicitly serve our priority community members: Black, Indigenous and tribal people, people of color, immigrants and refugees, low-income people, renters and mobile home residents.

#### **Small business development**

Many survey respondents already run their own business. To support more Cully residents being able to establish successful businesses, especially people from populations vulnerable to displacement, there is a need for ongoing training to start and maintain a business. Many community members expressed interest in cooperative or collective ownership of businesses (e.g. ice cream store example on page 13 of data analysis report). Space is needed for food trucks, especially those that have been displaced from previous locations. More retail spaces are needed, including spaces for temporary pop-up businesses.

#### **Affordable commercial space**

Affordable commercial efforts supported by Prosper Portland focus on stabilizing and growing local business or nonprofit organizations, based in the Portland–Vancouver–Hillsboro metropolitan area and on woman-owned business, minority-owned business, or other businesses primarily owned by individuals who are members of historically underserved populations. Within these efforts, affordability is defined by lease rates, rental escalation rates, and tenant improvement allocations and standards as provided in a business’s lease.

#### **Barriers to business ownership**

Respondents report difficulty starting a business because of a lack of capital and funding, lack of training and education, lack of networking and connections, limited time, citizenship status and language barriers, and the need for more commercial space that is affordable and will remain affordable for the long term. The most common business already established is also the type reported as most needed: food & restaurant.

#### **Support to keep businesses thriving**

Respondents support a variety of strategies to help existing businesses maintain and grow, including more exposure and advertising to increase customers, ongoing support and training for business owners and employees, turning more buildings into commercial spaces like on NE 42nd Ave., and improved transportation accessibility such as bike paths and walkways.

#### **Community-control of commercial properties**

Respondents support innovation in commercial property ownership to secure stability and affordability: master-leasing by non-profits, following the model established by Our 42nd Avenue, commercial land trust to own property and keep it affordable permanently, the strategy to buy land now for future commercial

development, and to build new commercial developments, including mixed-use developments that combine commercial and residential uses

#### **Shared Spaces that Support Residents and Businesses**

Mixed-use development can perform multiple desirable functions that contribute to neighborhood livability and could be a core strategy of the deployment of TIF dollars. It would help accomplish a number of priorities highlighted in the surveys and focus groups. This concept should be further explored during Phase 2.

#### **Living-wage employment**

There is a need for good-paying jobs in Cully, especially jobs that don't require higher education. Construction and development activities funded by TIF should create living-wage jobs during construction, and also for the long-term as part of whatever business or organization is operating in the new buildings. Many survey respondents already work for an employer based in the Cully neighborhood. Residents seek support and training to get hired for a job. They need support to find jobs for those without proof of citizenship or residency, and for young people.

#### **Workforce development in the Cully industrial zone**

Many of the jobs in Cully's industrial zone are held by non-Cully residents. Many Cully residents are public transit dependent. Residents and past research have indicated that employers in the industrial district screen out applicants who rely on public transit out of hiring consideration because the transit system is unreliable. Improvement in transportation options to connect the industrial area to the neighborhood is important. A Cully hiring preference for neighborhood residents in the industrial zone should be considered to ensure the economic benefits of those jobs go to the residents who also bear the burdens of proximity to industry, such as the dangers of living and working on high-speed shipping corridors and near train tracks. There was no intentional outreach to industrial zone employers during Phase 1. This should be prioritized during Phase 2. Respondents want workforce development opportunities that expand on what Portland Community College currently offers.

#### **Goods and services**

The biggest need is affordable, culturally relevant food. Respondents suggested affordable restaurants, grocery options such as an affordable, full-service supermarket like WinCo or Grocery Outlet, and culturally specific neighborhood markets with fresh food. Additional needs include retail clothing, cleaning services, auto body shops, and retail and home goods through local community businesses. Respondents are also interested in community-based services. A common theme in focus groups was affordable (or free) childcare. 54% of survey responses support recreation and exercise opportunities for children, and 64% support such facilities for adults, including gyms and athletic facilities. 47% of survey responses, as well as many focus group participants, favor access to mental health support. Half of survey respondents support adding health clinics.

#### **Public Space**

Community spaces were common ideas in focus groups. Residents support a community center that can meet various community needs, such as recreation, exercise, youth programming, education, etc. New parks, and improving existing parks are popular concepts, with an emphasis on more and/or bigger spaces for playing sports and preserving existing green spaces. One participant in the African American focus group noted that Cully Park has soccer fields, but no basketball courts. This sends a message that the Black community is not a high priority in Cully. Community gardens, a public library, and somewhere to swim are also favorable.

### **Public Infrastructure**

Residents support pedestrian and bicycle and safety improvements, sidewalks and paved streets, more streetlights, and investments to improve community safety. Residents report increasing gun violence and fear for the safety of their children and families.

## **Section 6: Community Governance & Decision-Making**

The final governance and decision-making structure for the Cully Community-Led Development District will be established through additional community engagement and ongoing collaboration between stakeholders in Cully, Prosper Portland, and the Portland Housing Bureau.

The ideas being considered for our decision-making structure are inspired by these existing examples of community-led governance models:

### **Our 42nd Avenue & Cully Boulevard Alliance (Portland, OR)**

Decisions are guided by a steering committee, which has a Chair and Vice Chair who serve 2-year terms. New steering committee members are voted in by the group. The committee consists of:

- 3 Cully business owners
- 3 Cully homeowners
- 3 Cully renters
- 3 at large Cully agencies/experts

The District Manager, who is responsible for communicating with the community and understanding what the community needs are, presents a plan on how to use TIF money. With the guidance of a Prosper Portland staff member, the steering community talks about the plan and either requests more information about it or approves the project.

### **Portland Clean Energy Fund (Portland, OR)**

- An independent, 9-member Grant Committee is made up of Portland residents.
- The Grant Committee makes decisions about which grants to fund. These decisions are public, and get referred to City Council.
- City Council gives final approval to the decisions of the Grant Committee. If it wants to reject one of the projects, it has to provide written rationale. This creates a high political hurdle for City Council to overrule the Grant Committee.
- In PCEF's first round of grantmaking in spring 2021, City Council unanimously approved all of the Grant Committee's decisions.

### **Cooperation Jackson (Jackson, MS)**

- Created a people's assembly form of direct democracy to facilitate broad community participation in decisions
- Deployed an "inside-out" strategy that combines participatory democracy in its own organization's decisions with electoral organizing to have community members take on positions of power in local government

### **Dudley Street Neighborhood Initiative (Boston, MA)**

- Created a governance structure with defined seats for community members from specific ethnic/racial groups, community-based orgs, small businesses, and other sectors. These representatives are directly elected by community members who identify with those specific constituencies (e.g. African American residents vote for the African American board members).
- One of DSNI's core principles for its neighborhood development plan was community control over the plan's implementation: "Neighborhood Control through a community-driven planning process that empowers residents to develop the vision, define priorities and plans, and manage implementation."

The following themes regarding governance and decision-making arose from the first phase of community engagement, including focus groups and surveys:

- Over the entire lifespan of the district, there need to be avenues for everyone in the community to continue to be informed about decisions being made, and to give input into those decisions. Treat this as an ongoing community organizing program, not just a one-time project to create a plan.
- Need to ensure that the plan actually gets implemented according to the community's vision, rather than being just a nice plan sitting on a shelf.
- There needs to be transparent, regular reporting back to the community about how the plan is being implemented and what decisions are being made. This includes explanations of how current activities relate to the initial plan.
- A decision-making committee should be formed that is representative of the Cully community members who are vulnerable to displacement
- Committee members (and/or community-based staff that support them) help bring the voices of the broader community to the process. Decisions should not be made by committee members in isolation, but through a participatory process that invites all priority community members in.
- There should be opportunities for new people to join the committee periodically
- Members of the decision-making committee need to have ongoing support and training from staff at the community-based organizations in Cully
- Members of the committee need compensation to allow them to dedicate their time to this important role, along with childcare, food and interpretation/translation services

### **Community Governance & Decision-Making Structure**

The final TIF District Plan will utilize a community-led approach in the identification, prioritization, administration and accountability of investments. This approach will be outlined in a structure that will exist for the life of the Cully Community-Led Development District, consisting of two components: 1) high-level commitments and principles that will be included in the District Plan itself; and 2) a more detailed Community Governance Document that will exist outside of the District Plan, but which the District Plan will refer to, which establishes how decisions about the District, and specifically the use of TIF funds, will be made. It will define roles and responsibilities of a Committee of Cully community members and Portland City Council and the Prosper Portland Board, along with their delegated authorities in accordance with state statute and city code. It will also establish how City staff and the community-based Committee will collaborate with one another, regularly engage with the broader community, to evaluate and prioritize potential investments, how the City will administer and implement those investments and ensure investments are aligned with the goals set forth in the District Plan.

## Shared Understandings

### Community-led

The Cully Community-Led Development District will center the intended beneficiaries of the District's investments by prioritizing the leadership of people and groups vulnerable to displacement, including Black, Indigenous and tribal people, people of color, immigrants and refugees, renters, mobile home residents and low-income people. The vision and priorities of the broader community are represented by a Community Leadership Committee through ongoing community engagement efforts.

### Decision-making

Decision-making is a process approach, through which the Community Leadership Committee and the City bureaus collaborate to identify decisions to be made, gather relevant information, identify alternatives, weigh evidence, choose among alternatives, implement action, and review and evaluate the decision. As part of the co-creation process, various kinds of formal decisions may potentially be made by the Community Leadership Committee, City government, or through a collaborative process that involves both the Committee and City representatives.

### Adoption of Plans and Expenditure Authority

A central function of the community governance structure for the Cully Community-Led Development District is to ensure that the Community Leadership Committee's role in co-creation and decision-making, as outlined in the Community Governance Document, comes prior to the formal adoption of plans and approval of expenditures by the following authorities:

- Portland City Council adopts the overall TIF District Plan. Amendments to Plan, depending on type, can be approved by Portland City Council or the Prosper Portland Board of Commissioners.
- Periodic Action Plans are adopted by the Prosper Portland Board of Commissioners and Portland City Council.
- Expenditure authority for TIF funds is outlined in City code and policy, which generally lays out different authority levels depending on amounts and uses, as approved by the Prosper Portland Board and Portland City Council.

## Content for the District Plan:

**Community Leadership Committee.** A standing Committee representing Cully community members who are vulnerable to displacement will oversee the TIF District plan, in partnership and with support from Prosper Portland and the Portland Housing Bureau who will administer the plan. The Committee will be in existence for the life of the TIF District. The Committee's guiding principles, structure, membership, operations, and decision-making authorities are further described in the Community Governance Document and can be amended, without need for TIF District Plan amendment, pursuant to the process outlined in that document.

**Action Plans.** The TIF District Plan will be implemented via a sequence of Action Plans, each of approximately 5 years. The Action Plans will be co-created by the Committee and the Bureaus

pursuant to the decision-making processes established in the Community Governance Document. The Action Plans will provide the foundation for the Committee's leadership and oversight of the TIF District Plan's implementation.

**Co-Creation.** Decisions about the TIF District and TIF investments will be made through close collaboration and partnership between the Committee and the City Bureaus. This co-creation process, including the specific decision-making roles and authorities of each entity, is further described in the Community Governance Document. This approach will be used, at a minimum, to introduce, evaluate, and make decisions about priorities, objectives, programs and investments that will be developed collaboratively.

**Oversight and Accountability.** The Community Leadership Committee and Bureau partners commit to creating and utilizing a clear and transparent process to ensure accountability for the implementation of the Cully TIF vision, goals, objectives and investment priorities. This process is further described in the Community Governance Document.

#### **Content for the Governing Document:**

The following three-step process will generally be used to make decisions about how to spend TIF funds. Further details and refinements to this process will be added during Phase 2 of the project.

##### **STEP 1: Community-Led Development of Action Plans**

Concepts for programs and investments that are an allowable TIF expenditure, and in line with the overall TIF District Plan, are established through a community-led process and put forth via the Committee. Bureau staff will also present information to the Committee about existing programs that could be implemented and/or adapted for Cully. Identifying and evaluating potential programs and investments to be included in five-year Action Plans will entail significant community engagement and collaboration with Bureau partners. Citywide policy implications, administrative considerations, financial feasibility, technical assistance, and constant collaboration from Prosper Portland and Portland Housing Bureau will be key inputs into decisions about which priorities, programs and investments to include in the Action Plans.

If community members or bureau staff bring forward new or different proposals for priorities, programs and investments, those proposals will be referred to the Committee for consideration. If City Council identifies new or different priorities, Prosper Portland or the Portland Housing Bureau will present this information to the Committee.

*To be determined in Phase 2:* Specific decision-making roles and authorities of the Committee and the City entities in the development and adoption of Action Plans.

##### **STEP 2: Prosper Portland & PHB Administration & Implementation of the Action Plan**

The City bureaus will further develop and then implement the Action Plan in accordance with the decisions and priorities included in both the District Plan and the Action Plan.

Bureau partners, in partnership with the Committee, commit to exploring approaches that provide transparency and incorporate community input regarding delivery on outcomes into administration and implementation processes.

*To be determined in Phase 2:* What role, if any, the Committee will have in contributing to (or making) decisions that are more granular than the content of the Action Plans. Such decisions could include, but are not necessarily limited to, the content of RFPs and NOFAs for large-scale investments, and the program design for packages of smaller-scale investments.

### **STEP 3: Oversight and Accountability**

The Bureaus will work with the Committee to develop a transparent process for the Committee's oversight of the Bureau's administration and implementation of the programs and investments carried out under the TIF District Plan, via each Action Plan.

*NOTE:* Steps 2 & 3 can happen iteratively, so that regular communication between the community and the Bureaus informs the Bureaus' work of developing and implementing ideas.

### **Community Governance Considerations for Phase 2:**

The following topics and issues will be resolved during Phase 2 of this project, through continued close collaboration and co-creation among the Cully-based partners and the City bureaus:

- **Decision-making Roles and Authorities**

The final Community Governance Document needs to be very clear and specific about where decision-making power lies. Which decisions are the Committee making, and which decisions are City entities making? Which Committee decisions are technically recommendations to the ultimate decision-makers at the City (and who are those decision-makers)? What are the practices of co-creation and shared decision-making that lead up to any moment of making a formal, final decision?

*Examples to consider:* Portland Clean Energy Fund, Prosper Portland's Community Livability Grants, Neighborhood Prosperity Districts, Planning and Sustainability Commission

- **District Plan Amendments**

What types of TIF Plan amendments can occur? What is the process for determining when and why they are necessary, and who approves them? Examples of potential amendments could include: maximum indebtedness, acreage, goals and priorities, council-approved amendments, and inclusion of public buildings.

- **Amendments to the Community Governing Document**

What is the process for making amendments? Who needs to approve them?

- **Committee Structure and Membership**

What is the membership structure of the Community Leadership Committee? How will members be selected, and what specific positions or roles will they fill? Who will be eligible to participate? What are the responsibilities of the committee members, and for how long will they serve?

- **Committee Support**

What resources and technical assistance will be provided in order to ensure the overall success of the Community Leadership Committee, and to support the leadership development and success of its individual members? Forms of support could include, but are not limited to, dedicated staff capacity housed at community-based organizations and/or City bureaus; training and capacitation, financial compensation for committee members; and logistical support such as childcare, food and interpretation/translation.

- **Community Engagement Capacity and Practices**

What resources and capacities are needed in order to meaningfully and consistently engage with the broader Cully community -- specifically Black, Indigenous and tribal people, people of color, immigrants and refugees, renters, mobile home residents, and low-income people -- throughout the life of the TIF District? Should community engagement capacities be held by one or more community-based organizations, or by City bureaus, or both? What are the expected community engagement practices and activities, and how will they relate to decisions being made about the District's activities and the use of TIF funds? How will the broader community be engaged in oversight and reporting on outcomes?

- **Annual Budgets**

Adopted every year for the coming fiscal year, plus a 4-year forecast; the annual budget pays for the investments programmed in the five-year Action Plan. How will the Committee be involved in the annual budget process, if at all? Should the Committee participate in the Prosper Portland Community Budget Committee (CBC)?

- **Action Plan Implementation Decisions**

Under the umbrella of each five-year Action Plan, more granular decisions must be made along the way in order to implement the investments and programs called for in the Action Plan. What will be the role of the Community Leadership Committee in co-creation and decision-making for those more granular decisions? Such decisions could include, but are not necessarily limited to, the content of RFPs and NOFAs for large-scale investments, and the program design for packages of smaller-scale investments. Should the Committee give its approval/endorsement to RFPs, NOFAs, and funding packages before they are issued? How will the five-year Action Plans proactively flag the implementation decisions/processes planned for the coming five-year period, and indicate which of those the Community Committee will be involved in?

- **Oversight and Accountability**

What will be the Committee's role in the ongoing oversight of the implementation of the District Plan, the Action Plans, and all uses of TIF funds? What are the check-points at which the Bureaus will report to the Committee on their planned implementation of programs and investments? What will be the Committee's role and authority to propose changes to the Bureau's plans prior to their final implementation of a program or investment? How will the outcomes of programs, investments and any other uses of TIF funds be reported transparently to the Committee and the broader community?

## Section 7: Principles that Guide Implementation of the Plan

### **Analysis of potential investments**

*How will we proactively analyze the impacts of potential investments, in order to ensure that we are making investments that meet -- and do not undermine -- our values/vision/goals?*

The ELC will work with Prosper Portland, the Portland Housing Bureau, and the Bureau of Planning and Sustainability to create a protocol that will be used to proactively analyze proposed TIF investments (individual large-scale investments, and packages of smaller-scale investments, e.g. a grant or loan program), to be used as a key input into the community-led decision-making process. This protocol will:

- Evaluate the investment's anticipated contributions to achieving the District's goals of:
  - Preventing gentrification and displacement;
  - Securing stable homes and economic prosperity for people who are vulnerable to displacement; and
  - Securing those benefits not only for current residents, but for future generations.
- Identify any potential for the investment to contribute to gentrification and displacement -- especially in terms of contributing to upward pressure on rents and property values.
- Identify mitigation measures for any potential displacement impacts, to include the options of foregoing, delaying or revising the project, or accompanying the project with other mitigating investments.

### **Sequencing of Investments**

*How will we strategically order investments over the life of the District to best meet our anti-displacement goals?*

TIF funds are limited especially during the first phase (first 5 years) of the district. It will be critical to leverage additional resources in order to achieve the vision and goals set out by our plan. We will need to be thoughtful and deliberate advocates and come up with specific strategies to bring additional resources during the first phase of the TIF district.

The five-year action plans that are created to implement the District Plan will thoughtfully and strategically prioritize and sequence activities and investments in order to achieve the values, vision and goals of the district. In general, this means that investments and programs will be prioritized in the following order over time, with the first activities being prioritized earlier in the life of the district, and the subsequent activities being considered later, as the earlier objectives are met.

1. Stabilization of current residents and businesses
2. Real estate acquisition to remove property from the market and secure opportunities for later development (residential, commercial and mixed-use)
  - a. **Note:** 1 & 2 can and should be done simultaneously when possible, e.g. acquiring a market-rate apartment building in order to stabilize current tenants and also preserve affordable homes for future generations.
3. New development to expand opportunities for affordable housing and economic prosperity
4. Amenities that improve the quality of life for Cully residents who already have stable housing and economic situations

- a. **Note:** Activities in category 4 may have other potential funding sources beyond TIF, including public entities that we should already expect to provide basic infrastructure and amenities. TIF funds should be used sparingly, if at all, for this category. See #4 below.

**Set aside funds to take advantage of acquisition opportunities and respond to immediate displacement threats**

*How can we be prepared to act quickly and nimbly when opportunities arise to acquire properties for the purpose of preventing displacement and/or bringing property under community ownership for future development?*

The five-year action plans should include a program that sets aside funds for rapid, opportunistic property acquisition. The ELC will work with City staff to develop methods to ensure that these set-aside funds can be deployed quickly in order to compete on the market with other potential buyers, and to respond to urgent crises and opportunities. For example, funds could be administered by a Community Development Financial Institution or other entity that is able to act more quickly than a public agency.

These set-aside funds would be available to purchase a house, apartment building, mobile home park, commercial building, or developable property that is put up for sale. Priority should go to acquiring properties where current tenants (residential or commercial) could be threatened with displacement if a private investor were to acquire the property (e.g. past situations at the Normandy Apartments and Oak Leaf Mobile Home Park). Such investments should seek to protect current residents from displacement, and also remove the property from market-based ownership in order to preserve it permanently for affordable housing and/or commercial space.

A similar set-aside of funds for emergency repair and rehab projects, for the purpose of preventing displacement, should also be considered.

**Leveraging and prioritizing TIF resources alongside other funding sources**

*How can we ensure that finite TIF funds can have the largest possible impact in terms of achieving our values, vision and goals?*

Whenever possible, TIF-funded projects should leverage other funding sources in order to preserve TIF funds for additional projects. TIF investments should be paired with programmatic/operating funds that can ensure the long-term success of the TIF capital investment.

TIF investments should be focused on projects that are not likely to be funded by other sources, and should generally not be used to pay for basic infrastructure that public agencies should already be expected to provide.

**Community-owned property vs. privately-owned property**

*How will we balance investments in privately-owned property with investments that remove property from the private market, and therefore have a longer-term community benefit?*

For large-scale investments, our TIF District will prioritize investments that remove properties from market-based ownership in order to permanently preserve them for uses that meet our values, vision, and goals. This means we will prioritize investments in properties owned by (or being purchased by)

non-profits, public agencies, land trusts, resident-owned cooperatives, and other models of community ownership.

We will prioritize investments that ensure affordability and stability for multiple generations, rather than only benefiting or preventing the displacement of the current owner/user of a property.

Especially for smaller-scale investments, we will also prioritize investments in property that is privately owned by community members from populations that have historically been excluded from ownership opportunities, while also seeking to ensure long-term community benefits from those investments via mechanisms such as:

- Land trust models
- Affordability covenants for privately-owned properties, to provide at least medium-term stability for tenants and long-term affordability for homeownership
- Master leases by a non-profit, in order to provide below-market rent to tenants
- 'Right of first refusal' or 'Right of first purchase' agreements for non-profits and public agencies to have the first opportunity to purchase privately-owned properties that receive TIF investments, at whatever point in the future they might be sold
- Structuring investments as loans that are repaid if the property is sold to another private owner, or forgiven if the property is sold to a non-profit

**Right of first refusal:** *I get to be the first to say whether I want to buy the unit*

**Right of first offer:** *I get to be the first to submit an offer on the unit.*

**First opportunity to purchase:** *I get to be the first to try and purchase the unit.*

### **Contracting and Employment**

*How will we ensure that TIF investments result in contracts for minority-owned firms and jobs for BIPOC workers, at levels beyond Prosper Portland's and PHB's existing targets? How can we ensure that these benefits extend beyond construction, and into the ongoing maintenance and operations of properties that receive TIF investments?*

Recognizing that good-paying jobs can be created through TIF investments, we wish to ensure that there are quality job standards, job opportunities for BIPOC workers and equitable opportunities for small businesses. The City of Portland and Prosper Portland both have agency goals for contractor diversity and professional services contracts, alongside a City of Portland Workforce Training and Hiring Program. There are different mechanisms for ensuring economic benefits and opportunities for workers in the TIF district, drawing from existing policies and tailoring it to meet the goals of the Cully neighborhood.

One promising precedent that should be studied is the Portland Clean Energy Fund's Workforce and Contractor Equity Agreement, which gives PCEF grant recipients various options for going above and beyond established baseline goals for equitable contracting and hiring. Another opportunity to build off of is the contracting and employment terms laid out in the Broadway Corridor Community Benefits Agreement.

### **Climate Action and Environmental Stewardship**

*How will we ensure the TIF investments result in environmentally sustainable development, and that the resulting benefits (e.g. lower energy costs from solar power) go to BIPOC and low-income community*

*members? When we build affordable homes or commercial buildings, what standards do we want to require for energy efficiency, renewable energy, stormwater management, etc?*

Guidance for this area will be developed in Phase 2 of the project.

## Section 8: Tax Increment Finance Technical Elements

The following is a high-level overview of technical elements related to the establishment of a tax increment finance district. Information detailed below will inform and guide the exploration of a Cully Community-Led Development District. The *Clarification of Regulatory Limitations of TIF* section highlights portions of the Oregon Revised Statute (ORS) 457, covering tax increment finance, that are relevant to the ongoing discussions in the Cully neighborhood. Included is a financial analysis showing the annual revenue that could be generated over a 25 year timeframe for both the Cully Core and all areas being put forth as part of the draft boundaries found in Section 4 of this report, referred to below as Cully Total. The analysis also presents impacts to overlying taxing jurisdictions as a result of a proposed district. The final component looks at establishing a declaration of necessity or purpose, otherwise known as blight. For the purposes of the preliminary report, blight is defined as the lack of proper utilization of areas as highlighted through an analysis of vacant land. More detailed financial analyses and blight findings will be conducted during Phase 2 of the effort.

### **Clarification of Regulatory Limitations of TIF**

The Chapter of the Oregon Revised Statute covering tax increment financing (TIF) and TIF districts is ORS 457. The statute clearly defines authority, what body can implement a plan, specific powers in planning and undertaking a project, establishing a maximum indebtedness, requirements for the component parts of a TIF District Plan and Report, requirements for specific types of amendments, adoption requirements and reporting requirements. The language used in the statute uses “urban renewal”. Many cities in Oregon have begun using the term “tax increment districts” instead of “urban renewal areas”, however, the official statute still uses the term urban renewal.

That authority to create a TIF District is vested in the municipality, in this case, the Portland City Council. The City Council also creates an “urban renewal agency” and designates the makeup of the agency members by appointing a board of not less than three members. That agency has the authority to implement a TIF District Plan. The Agency in Portland is Prosper Portland.

Prosper Portland delegates specifically identified portions of implementation in TIF districts to the Portland Housing Bureau. This is accomplished through an interagency agreement that establishes protocols for transfer and investment of funds.

Eligible TIF project activities are identified in ORS 457.170 and 457.180.

Other relevant ORS 457 requirements are shown below in excerpts of the statute.

There is one urban renewal agency in each municipality (ORS 457.035)

**457.035 Urban renewal agencies; creation; ordinance to exercise powers; area of operation.**

(1) In each municipality, as defined in ORS 457.010, there hereby is created a public body corporate and politic to be known as the "urban renewal agency" of the municipality.

(2) An urban renewal agency, upon activation under subsection (1) of this section, shall have authority to exercise its powers within the same area of operation given a housing authority of the municipality under ORS 456.060.

The composition of that Agency is determined by the governing body of the municipality (Portland City Council) (ORS 457.045)

**457.045 Election of method of exercise of urban renewal agency's powers.** The governing body of a municipality shall, in the ordinance adopted under ORS 457.035, elect to have the powers of an urban renewal agency under this chapter exercised in one of the following ways:

(1) By a housing authority of the municipality established pursuant to the Housing Authorities Law in which case the name of the body corporate and politic shall be the "housing authority and urban renewal agency" of the municipality.

(2) By appointing a board or commission composed of not less than three members.

(3) By the governing body, itself, provided, however, that any act of the governing body acting as the urban renewal agency shall be, and shall be considered, the act of the urban renewal agency only and not of the governing body

The powers of an Agency may be transferred pursuant to ORS 457.045 and 457.055. However, there is still only one Agency for the municipality (City of Portland).

**457.055 Transfer of urban renewal agency powers.** At any time following adoption of the ordinance under ORS 457.035, or for urban renewal agencies activated before October 3, 1979, at any time following adoption of a proper resolution or ordinance of the governing body of the municipality, the governing body of a municipality may, by ordinance, transfer the authority to exercise the powers of the urban renewal agency to any other body authorized to exercise those powers under ORS 457.045. All duties and obligations of the urban renewal agency shall thereafter be assumed by the body to which those powers are transferred.

The Agency is responsible for preparing the urban renewal plan and meeting all requirements (ORS 457.085)

**457.085 Urban renewal plan requirements.** (1) An urban renewal agency shall provide for public involvement in all stages in the development of an urban renewal plan.

(2) An urban renewal plan proposed by an urban renewal agency shall include all of the following:

(a) A description of each urban renewal project to be undertaken.

(b) An outline for the development, redevelopment, improvements, land acquisition, demolition and removal of structures, clearance, rehabilitation or conservation of the urban renewal areas of the plan.

(c) A map and legal description of the urban renewal areas of the plan.

- (d) An explanation of the plan's relationship to definite local objectives regarding appropriate land uses and improved traffic, public transportation, public utilities, telecommunications utilities, recreational and community facilities and other public improvements.
- (e) An indication of proposed land uses, maximum densities and building requirements for each urban renewal area.
- (f) A description of the methods to be used for the temporary or permanent relocation of persons living in, and businesses situated in, the urban renewal area of the plan.
- (g) An indication of which real property may be acquired and the anticipated disposition of such real property, whether by retention, resale, lease or other legal use, together with an estimated time schedule for such acquisition and disposition.
- (h) If the plan provides for a division of ad valorem taxes under ORS [457.470 \(Modification of assessed value\)](#), [457.420 \(Plan may provide for division of property taxes\)](#) to the maximum amount of indebtedness that can be issued or incurred under the plan.
- (i) A description of what types of possible future amendments to the plan are substantial amendments and require the same notice, hearing and approval procedure required of the original plan under ORS [457.095 \(Approval of plan by ordinance\)](#) as provided in ORS [457.220 \(Plan amendment\)](#), including but not limited to amendments:
  - (A) Adding land to the urban renewal area if the addition results in a cumulative addition of more than one percent of the urban renewal area.
  - (B) Increasing the maximum amount of indebtedness that can be issued or incurred under the plan.
- (j) For a project that includes a public building, an explanation of how the public building serves or benefits the urban renewal area.

The Agency is responsible for preparing the urban renewal report and meeting all requirements (ORS 457.087)

**457.087 Report required to accompany proposed urban renewal plan.** An urban renewal plan proposed by an urban renewal agency shall be accompanied by a report that contains:

- (1) A description of the physical, social and economic conditions in the urban renewal areas of the plan and the expected impact, including the fiscal impact, of the plan in light of added services or increased population;
- (2) Reasons for the selection of each urban renewal area in the plan;
- (3) The relationship between each project to be undertaken under the plan and the existing conditions in the urban renewal area;
- (4) The estimated total costs for each project and the sources of moneys to pay the costs;
- (5) The anticipated completion date for each project;
- (6) The estimated amount of moneys required for each urban renewal area under ORS [457.420 \(Plan may provide for division of property taxes\)](#) to [457.470 \(Modification of assessed value\)](#) and the anticipated year in which indebtedness will be retired or otherwise provided for under ORS [457.420 \(Plan may provide for division of property taxes\)](#) to [457.470 \(Modification of assessed value\)](#);
- (7) A financial analysis of the plan with sufficient information to determine the feasibility of the plan;

- (8) A fiscal impact statement that estimates the impact of the tax increment financing, both until and after the indebtedness is repaid, upon all districts levying taxes upon property in the urban renewal area; and
- (9) A relocation report that includes:
- (a) An analysis of existing residents or businesses required to relocate temporarily or permanently as a result of the urban renewal agency's actions under ORS 457.170. [457.170 \(Urban renewal agency's powers in planning or undertaking an urban renewal project\)](#);
  - (b) A description of the methods to be used for the temporary or permanent relocation of persons living, and businesses situated, in the urban renewal area, in accordance with ORS [35.500 \(Definitions for ORS 35.500 to 35.530\)](#) to [35.530 \(Federal law controls\)](#); and
  - (c) An enumeration, by cost range, of the existing housing units in the urban renewal areas of the plan to be destroyed or altered and the new units to be added.

The Agency is responsible for taking the Plan through the review and approval process.

**457.089 Urban renewal plan and report to planning commission and affected taxing districts for recommendations before approval by municipality; taxing district concurrence required for plan that includes public building project.** (1) An urban renewal agency shall forward an urban renewal plan and the accompanying report to the planning commission of the municipality for recommendations before presenting the plan to the governing body of the municipality for approval under ORS 457.095.

The Agency is responsible for undertaking projects.

**457.170 Urban renewal agency's powers in planning or undertaking an urban renewal project.** An urban renewal agency may plan or undertake any urban renewal project to carry out an approved urban renewal plan. In planning or undertaking an urban renewal project, the urban renewal agency has the power:

- (1) To carry out any work or undertaking and exercise any powers which a housing authority is authorized to perform or exercise under ORS [456.055 \(Definitions for ORS 456.055 to 456.235\)](#) to [456.235 \(Dissolution of housing authorities\)](#), subject to the provisions of this chapter provided, however, that ORS [456.155 \(Policy regarding profit from projects\)](#) and [456.160 \(Limitations as to rentals\)](#) do not limit the power of an agency in event of a default by a purchaser or lessee of land in an urban renewal plan to acquire property and operate it free from the restrictions in those sections.
- (2) To carry out any rehabilitation or conservation work in an urban renewal area.
- (3) To acquire real property, by condemnation if necessary, when needed to carry out the plan.
- (4) To clear any areas acquired, including the demolition, removal or rehabilitation of buildings and improvements.
- (5) To install, construct or reconstruct streets, utilities and site improvements in accordance with the urban renewal plan.
- (6) To carry out plans for a program of the voluntary repair and rehabilitation of buildings or other improvements in an urban renewal area in accordance with the urban renewal plan.

(7)To assist in relocating persons living in, and property situated in, the urban renewal area in accordance with the approved urban renewal plan and to make relocation payments.

(8)To dispose of, including by sale or lease, any property or part thereof acquired in the urban renewal area in accordance with the approved urban renewal plan.

(9)To plan, undertake and carry out neighborhood development programs consisting of urban renewal project undertakings in one or more urban renewal areas which are planned and carried out on the basis of annual increments in accordance with the provisions of this chapter for planning and carrying out urban renewal plans.

(10)To accomplish a combination of the things listed in this section to carry out an urban renewal plan.

**457.180 Powers of urban renewal agencies in general.** An urban renewal agency, in addition to its other powers, may:

(1)Make plans for carrying out a program of voluntary repair and rehabilitation of buildings and improvements.

(2)Make plans for the enforcement of laws, codes and regulations relating to:

(a)The use of land.

(b)The use and occupancy of buildings and improvements.

(c)The repair, rehabilitation, demolition or removal of buildings and improvements.

(3)Make plans for the relocation of persons and property displaced by an urban renewal project.

(4)Make preliminary plans outlining urban renewal activities for neighborhoods to embrace two or more urban renewal areas.

(5)Conduct preliminary surveys to determine if the undertaking and carrying out of an urban renewal project is feasible.

(6)Develop, test and report methods and techniques and carry out demonstrations and other activities for the prevention and the elimination of urban blight.

(7)Engage in any other housing or community development activities specifically delegated to it by the governing body of the municipality including but not limited to land acquisition and disposition, conservation and rehabilitation, residential or business relocation, construction, leasing or management of housing, and the making of grants and loans from any available source.

The Agency is responsible for establishing the maximum indebtedness and getting the funds from the assessor.

**457.190 Acquisition of funds by urban renewal agency; maximum amount of indebtedness.** (1) An urban renewal agency may...

1)An urban renewal agency may borrow money and accept advances, loans, grants and any other form of financial assistance from the federal government, the state, county or other public body, or from any sources, public or private, for the purposes of undertaking and carrying out urban renewal projects.

(2)An urban renewal agency may do all things necessary or desirable to secure such financial aid, including obligating itself in any contract with the federal government for federal financial aid to convey to the federal government the project to which the contract relates upon the occurrence of a

substantial default thereunder, in the same manner as a housing authority may do to secure such aid in connection with blighted area clearance and housing projects under the Housing Authorities Law.

**(3)(a)** Each urban renewal plan adopted by ordinance on or after July 14, 1997, that provides for a division of taxes pursuant to ORS [457.440 \(Computation of amounts to be raised from property taxes\)](#) shall include in the plan the maximum amount of indebtedness that may be issued or incurred under the plan.

**Sections 3b-c are not relevant to this TIF District.**

**Section C is not relevant to this TIF District.**

**Sections 4 a-e are relevant to this TIF District as specified in ORS 457.470(6)(a).**

4) For an urban renewal plan initially approved on or after January 1, 2010, other than for a large metropolitan plan as defined in ORS [457.470 \(Modification of assessed value\)](#), the initial maximum indebtedness that may be issued or incurred under the plan shall be established as follows:

**(a)** If the total assessed value in the certified statement under ORS [457.430 \(Certification of assessed value of property in urban renewal area\)](#) is less than or equal to \$50 million, the initial maximum indebtedness may not exceed \$50 million.

**(b)** If the total assessed value in the certified statement is more than \$50 million and less than or equal to \$150 million, the initial maximum indebtedness may not exceed \$50 million plus 50 percent of the total assessed value in the certified statement that is over \$50 million.

**(c)** If the total assessed value in the certified statement exceeds \$150 million, the initial maximum indebtedness may not exceed \$100 million, plus 35 percent of the total assessed value in the certified statement that is over \$150 million.

**(d)** Beginning July 1, 2010, the dollar limits set forth in this subsection may be increased on July 1 of each year by the index used in the urban renewal report to compute the future costs of projects that will be financed under the plan.

**(e)** The limits in this subsection do not apply if the agency obtains concurrence as provided in ORS [457.470](#)

The statute allows any state public body to assist with implementation of housing projects.

**457.210 Applicability of housing cooperation law to urban renewal projects; delegation of urban renewal agency powers and functions.** (1) Any state public body, as defined in ORS 456.305, shall have the same rights and powers to cooperate with and assist urban renewal agencies with respect to urban renewal projects that such state public body has pursuant to ORS 456.305 to 456.325 to cooperate and assist housing authorities with respect to housing projects in the same manner as though those sections were applicable to urban renewal agencies and projects under this chapter.

The Agency is responsible for carrying out the Plan and processing amendments to the Plan. Certain specified activities require substantial amendments to the Plan and the process for those requires public involvement.

**457.220 Plan amendment; limit on additional land and increased maximum indebtedness. (1)**

Except for the provisions of subsections (2) and (4) of this section, an urban renewal agency shall carry out the urban renewal plan approved under ORS 457.095.

(2) Any substantial change made in the urban renewal plan shall, before being carried out, be approved and recorded in the same manner as the original plan.

(3) An urban renewal agency may not by amendments add to the urban renewal areas of a plan land that is equal to more than 20 percent of the total land area of the original plan as calculated without taking into account any subsequent reductions of the area.

(4) On or after January 1, 2010, the urban renewal agency may amend a plan that is not a large metropolitan plan as defined in ORS 457.470 to increase the maximum indebtedness, provided that:

(a) The aggregate of all amendments under this subsection may not exceed 20 percent of the plan's initial maximum indebtedness, as adjusted pursuant to paragraph (b) of this subsection.

(b) For purposes of computing the 20 percent limit on increases in maximum indebtedness, the initial maximum indebtedness may be increased annually on the anniversary date of initial approval of the plan by the index used in the urban renewal report to compute the future costs of projects that will be financed under the plan, beginning on the later of July 1, 1999, or the first anniversary of plan approval. This increase may be applied only to the first amendment to the maximum indebtedness that is made on or after January 1, 2010.

(5) The limits in subsection (4) of this section do not apply if the agency obtains concurrence as provided in ORS 457.470.

The Agency is responsible for disposition of land in the TIF area.

**457.230 Disposition of land in urban renewal project; determination of value; obligations of purchaser or lessee; recordation. (1)**

The urban renewal agency shall, in accordance with the approved urban renewal plan, make land in an urban renewal project available for use by private enterprise or public agencies. Such land shall be made available at a value determined by the urban renewal agency to be its fair reuse value, which represents the value, whether expressed in terms of rental or capital price, at which the urban renewal agency in its discretion determines such land should be made available in order that it may be developed, redeveloped, cleared, conserved or rehabilitated for the purposes specified in such plan.

**Assessed Value, Tax Increment and Impact on Taxing Jurisdictions**

The financial tables were prepared showing two separate scenarios, one with the Cully Core Area and one with the Cully Core Area plus potential additional areas, called Cully Total. These areas are shown in Section 4: Geographic Areas and Boundaries of the TIF District in this report. These will be noted in each of the tables in this section.

The estimated tax increment revenues through FYE 2047 are based on projections of the assessed value within the Area and the consolidated tax rate that will apply in the Area. Table 1 and Table 2 show the incremental assessed value, tax rates and tax increment revenues each year, adjusted for discounts, and delinquencies. The projections in the financial model assume an assessed value growth rate of 3%.

Gross TIF is calculated by multiplying the tax rate times the excess value used. The tax rate is per thousand dollars of value, so the calculation is "tax rate times excess value used divided by one thousand." The consolidated tax rate includes permanent tax rates and the Fire and Police Disability and Retirement Fund. One way to understand this complex formulation can be:

Current Assessed Value - Frozen Base = Increment

(Increment/1,000) \* Tax Rate = Gross TIF

Adjustments are an average 7.8% and are attributed to delinquencies, non-payment and compression.

The definitions of the columns are:

**FYE** - The values by fiscal year end. The first year of TIF would be FYE 2023

**Total Assessed Value** - The projections are based on real property values, not utility or personal property values. If a TIF District is established, the Assessor will set the "frozen base" after the TIF District is established and will include all property value account types: property, utility, personal and manufactured values.

**Frozen Base Assessed Value** - The value established by the Multnomah County Assessor once a TIF District is approved.

**Increment** – The increased value above the frozen base assessed value. This increases annually due to the three percent assessed value increases allowed by State law and by any added value from new development or major rehabilitation on a property.

**Increment Shared** - The statute requires revenue sharing at specifically defined thresholds.

**Tax Rate** - This is the permanent rate levy amount of taxes

**Gross TIF** - The amount of taxes to be generated from the increment.

**Gross TIF shared** - The amount of taxes to be shared with overlapping taxing districts when the thresholds in the statute are met.

**Adjustments** - The amount of TIF that is attributed to delinquencies, non-payment and compression.

**Net TIF** – The expected TIF revenues to be distributed by the Assessor to Prosper Portland on an annual basis.

**PV of Net TIF** – The present value of the Net TIF revenues. This is reached by discounted those revenues to equal value in 2021 \$.

Table 1 – Projected TIF Revenues Cully Core

FYE	Total Assessed Value	Frozen Base Assessed Value	Increment	Increment Shared	Tax Rate	Gross TIF	Gross TIF Shared	Adjustments (to Agency)	Net TIF (Agency)	PV of Net TIF (Agency)
2023	820,939,559	797,028,698	23,910,861	0	18.70	447,173	0	(35,103)	412,070	400,068
2024	845,567,746	797,028,698	48,539,048	0	18.70	907,733	0	(71,257)	836,476	788,459
2025	870,934,778	797,028,698	73,906,080	0	18.69	1,381,096	0	(108,416)	1,272,680	1,164,682
2026	897,062,822	797,028,698	100,034,123	0	18.69	1,869,307	0	(146,741)	1,722,566	1,530,478
2027	923,974,706	797,028,698	126,946,008	0	18.69	2,372,147	0	(186,214)	2,185,933	1,885,605
2028	951,693,947	797,028,698	154,665,249	0	18.69	2,890,048	0	(226,869)	2,663,179	2,230,371
2029	980,244,766	797,028,698	183,216,068	0	18.67	3,420,974	0	(268,546)	3,152,427	2,563,212
2030	1,009,652,109	797,028,698	212,623,411	0	18.67	3,970,062	0	(311,650)	3,658,412	2,887,984
2031	1,039,941,672	797,028,698	242,912,974	0	18.67	4,535,622	0	(356,046)	4,179,576	3,203,297
2032	1,071,139,922	797,028,698	274,111,224	0	18.67	5,118,150	0	(401,775)	4,716,375	3,509,426
2033	1,103,274,120	797,028,698	306,245,422	0	18.67	5,718,153	0	(448,875)	5,269,278	3,806,639
2034	1,136,372,343	797,028,698	339,343,645	0	18.67	6,336,157	0	(497,388)	5,838,768	4,095,195
2035	1,170,463,514	797,028,698	373,434,816	0	18.67	6,972,700	0	(547,357)	6,425,343	4,375,346
2036	1,205,577,419	797,028,698	408,548,721	0	18.67	7,628,340	0	(598,825)	7,029,515	4,647,338
2037	1,241,744,742	797,028,698	444,716,044	0	18.67	8,303,649	0	(651,836)	7,651,813	4,911,407
2038	1,278,997,084	797,028,698	481,968,386	0	18.67	8,999,217	0	(706,439)	8,292,779	5,167,786
2039	1,317,366,997	797,028,698	520,338,298	0	18.67	9,715,653	0	(762,679)	8,952,974	5,416,696
2040	1,356,888,006	797,028,698	547,761,771	12,097,537	18.67	10,227,698	225,883	(802,874)	9,424,824	5,536,091
2041	1,397,594,647	797,028,698	578,291,751	22,274,197	18.67	10,797,748	415,899	(847,623)	9,950,125	5,674,417
2042	1,439,522,486	797,028,698	609,737,631	32,756,157	18.67	11,384,899	611,616	(893,715)	10,491,185	5,808,714
2043	1,482,708,161	797,028,698	642,126,886	43,552,576	18.67	11,989,665	813,205	(941,189)	11,048,476	5,939,100
2044	1,527,189,405	797,028,698	675,487,820	54,672,887	18.67	12,612,573	1,020,841	(990,087)	11,622,486	6,065,689
2045	1,573,005,088	797,028,698	709,849,582	66,126,808	18.67	13,254,169	1,234,707	(1,040,452)	12,213,717	6,188,590
2046	1,620,195,240	797,028,698	745,242,196	77,924,346	18.67	13,915,013	1,454,988	(1,092,329)	12,822,685	6,307,911
2047	1,668,801,097	797,028,698	781,696,589	90,075,810	18.67	14,595,682	1,681,878	(1,145,761)	13,449,921	6,423,757
								<b>Total Net TIF</b>	<b>165,283,584</b>	

Table 2 – Projected TIF Revenues Cully Total

FYE	Total Assessed Value	Frozen Base Assessed Value	Increment	Increment Shared	Tax Rate	Gross TIF	Gross TIF Shared	Adjustments (to Agency)	Net TIF (Agency)	PV of Net TIF (Agency)
2023	1,059,317,127	1,028,463,230	30,853,897	0	18.70	577,019	0	(45,296)	531,723	516,236
2024	1,091,096,640	1,028,463,230	62,633,411	0	18.70	1,171,313	0	(91,948)	1,079,365	1,017,405
2025	1,123,829,540	1,028,463,230	95,366,310	0	18.69	1,782,127	0	(139,897)	1,642,230	1,502,873
2026	1,157,544,426	1,028,463,230	129,081,196	0	18.69	2,412,101	0	(189,350)	2,222,751	1,974,885
2027	1,192,270,759	1,028,463,230	163,807,529	0	18.69	3,060,951	0	(240,285)	2,820,666	2,433,131
2028	1,228,038,881	1,028,463,230	199,575,652	0	18.69	3,729,236	0	(292,745)	3,436,491	2,878,007
2029	1,264,880,048	1,028,463,230	236,416,818	0	18.67	4,414,328	0	(346,525)	4,067,803	3,307,496
2030	1,302,826,449	1,028,463,230	274,363,219	0	18.67	5,122,855	0	(402,144)	4,720,711	3,726,573
2031	1,341,911,243	1,028,463,230	313,448,013	0	18.67	5,852,639	0	(459,432)	5,393,206	4,133,444
2032	1,382,168,580	1,028,463,230	353,705,350	0	18.67	6,604,316	0	(518,439)	6,085,877	4,528,464
2033	1,423,633,637	1,028,463,230	395,170,408	0	18.67	7,378,543	0	(579,216)	6,799,327	4,911,979
2034	1,466,342,646	1,028,463,230	437,879,417	0	18.67	8,175,997	0	(641,816)	7,534,181	5,284,323
2035	1,510,332,926	1,028,463,230	481,869,696	0	18.67	8,997,375	0	(706,294)	8,291,081	5,645,823
2036	1,555,642,914	1,028,463,230	527,179,684	0	18.67	9,843,394	0	(772,706)	9,070,687	5,996,793
2037	1,602,312,201	1,028,463,230	573,848,971	0	18.67	10,714,793	0	(841,111)	9,873,682	6,337,541
2038	1,650,381,567	1,028,463,230	621,918,337	0	18.67	11,612,335	0	(911,568)	10,700,767	6,668,364
2039	1,699,893,014	1,028,463,230	671,429,784	0	18.67	12,536,803	0	(984,139)	11,552,664	6,989,551
2040	1,750,889,805	1,028,463,230	701,276,088	21,150,487	18.67	13,094,087	394,918	(1,027,886)	12,066,201	7,087,621
2041	1,803,416,499	1,028,463,230	740,671,109	34,282,160	18.67	13,829,663	640,110	(1,085,629)	12,744,034	7,267,745
2042	1,857,518,994	1,028,463,230	781,247,980	47,807,784	18.67	14,587,306	892,657	(1,145,104)	13,442,203	7,442,622
2043	1,913,244,563	1,028,463,230	823,042,157	61,739,176	18.67	15,367,679	1,152,782	(1,206,363)	14,161,316	7,612,405
2044	1,970,641,900	1,028,463,230	866,090,160	76,088,511	18.67	16,171,462	1,420,709	(1,269,460)	14,902,002	7,777,243
2045	2,029,761,157	1,028,463,230	910,429,603	90,868,325	18.67	16,999,359	1,696,675	(1,334,450)	15,664,910	7,937,281
2046	2,090,653,992	1,028,463,230	956,099,229	106,091,534	18.67	17,852,094	1,980,920	(1,401,389)	16,450,704	8,092,656
2047	2,153,373,612	1,028,463,230	1,003,138,944	121,771,438	18.67	18,730,410	2,273,692	(1,470,337)	17,260,073	8,243,507
								<b>Total Net TIF</b>	<b>212,514,655</b>	

The financial analysis examines capacity of funding for projects in five-year increments and is shown below in Table 3 and Table 4. The total net TIF is the amount of TIF revenues over the 25-year period. The capacity (2021\$) takes this funding, which covers the 25-year period, and discounts it to a present value so the amount of funds allocated to projects can be discussed in 2021 \$. The Cully Core has a capacity of \$100,500,000 over a 25-year time frame to allocate to projects. The Cully Total has a capacity of \$129,300,000 over a 25-year time frame to allocate to projects. The Cully Total has more capacity as it starts with a higher assessed value of property. The Total Net TIF is equal to the sum of Total Net (Agency) in the tables above. The maximum indebtedness will be defined in Phase 2 of this effort after the determination of projects, timing and types of debt to be issued. Those factors will refine these numbers. These numbers reflect just short-term debt, so no interest payments.

Table 3 - Cully Core Capacity

	Actual Dollars	Rounded Dollars
<b>Total Net TIF</b>	<b>\$165,283,584</b>	<b>\$165,300,000</b>
<b>Capacity (2021 \$)</b>	<b>\$100,528,258</b>	<b>\$100,500,000</b>
Years 1-5	\$5,769,292	\$5,800,000
Years 6-10	\$14,394,290	\$14,400,000
Years 11-15	\$21,835,925	\$21,800,000
Years 16-20	\$27,603,704	\$27,600,000
Years 21-25	\$30,925,047	\$30,900,000

Source: Prosper Portland and City of Portland Office of Management and Finance

Table 4 – Cully Total Capacity

	Actual Dollars	Rounded Dollars
<b>Total Net TIF</b>	<b>\$212,514,655</b>	<b>\$212,500,000</b>
<b>Capacity (2021 \$)</b>	<b>\$129,313,968</b>	<b>\$129,300,000</b>
Years 1-5	\$7,444,531	\$7,400,000
Years 6-10	\$18,573,984	\$18,600,000
Years 11-15	\$28,176,458	\$28,200,000
Years 16-20	\$35,455,903	\$35,500,000
Years 21-25	\$39,663,092	\$39,700,000

Source: Prosper Portland and City of Portland Office of Management and Finance

The next tables describe the impact of tax increment financing upon all entities levying taxes upon property in the TIF District.

The impact of tax increment financing on overlapping taxing districts consists primarily of the property tax revenues foregone on permanent rate levies as applied to the growth in assessed value in the Area. These projections are for impacts estimated through FYE 2047 and are shown in and

Portland Public Schools and the Multnomah County Education Service District are not *directly* affected by the tax increment financing, but the amounts of their taxes divided for the urban renewal plan are shown in the following tables. Under current school funding law, property tax revenues are combined with State School Fund revenues to achieve per-student funding targets. Under this system, property taxes foregone, due to the use of tax increment financing, are substantially replaced with State School Fund revenues, as determined by a funding formula at the state level.

Table 5 and Table 6 show the projected impacts to permanent rate levies of taxing districts as a result of this Plan. Table 5 shows the general government levies, and Table 6 shows the education levies for the Cully Core. FPDR is the Fire and Police Disability and Retirement Fund.

Table 5 – Impacts to Taxing Districts Cully Core - General Government

Fiscal Year	City	County	Library	Metro	Port	E Mult Soil/Cons	FPDR	Total Gen. Government
22-23	100,849	95,702	26,881	2,128	1,545	2,203	61,695	291,003
23-24	204,723	194,275	54,569	4,321	3,135	4,473	125,240	590,737
24-25	311,714	295,805	83,087	6,579	4,774	6,810	194,098	902,868
25-26	421,914	400,381	112,461	8,905	6,462	9,218	262,717	1,222,059
26-27	535,421	508,094	142,717	11,300	8,200	11,698	339,244	1,556,674
27-28	652,332	619,039	173,879	13,768	9,991	14,252	413,320	1,896,581
28-29	772,751	733,312	205,977	16,309	11,835	16,883	498,059	2,255,127
29-30	896,783	851,013	239,038	18,927	13,735	19,593	578,001	2,617,090
30-31	1,024,535	972,245	273,090	21,623	15,691	22,384	671,533	3,001,103
31-32	1,156,120	1,097,115	308,164	24,401	17,707	25,259	757,780	3,386,546
32-33	1,291,653	1,225,730	344,290	27,261	19,783	28,221	846,615	3,783,553
33-34	1,431,252	1,358,204	381,500	30,207	21,921	31,271	938,116	4,192,469
34-35	1,575,038	1,494,652	419,827	33,242	24,123	34,412	1,032,361	4,613,654
35-36	1,723,138	1,635,193	459,303	36,368	26,391	37,648	1,129,433	5,047,473
36-37	1,875,681	1,779,951	499,963	39,587	28,727	40,981	1,229,418	5,494,308
37-38	2,032,801	1,929,051	541,843	42,903	31,134	44,413	1,332,402	5,954,547
38-39	2,194,634	2,082,624	584,980	46,319	33,612	47,949	1,438,475	6,428,594
39-40	2,310,298	2,192,385	615,810	48,760	35,384	50,476	1,514,287	6,767,401
40-41	2,439,064	2,314,580	650,133	51,478	37,356	53,290	1,598,688	7,144,588
41-42	2,571,694	2,440,440	685,485	54,277	39,387	56,187	1,685,620	7,533,091
42-43	2,708,302	2,570,076	721,898	57,160	41,480	59,172	1,775,160	7,933,248
43-44	2,849,009	2,703,602	759,404	60,130	43,635	62,246	1,867,386	8,345,411
44-45	2,993,936	2,841,133	798,034	63,189	45,854	65,413	1,962,379	8,769,938
45-46	3,143,212	2,982,789	837,824	66,339	48,141	68,674	2,060,222	9,207,201
46-47	3,296,966	3,128,696	878,807	69,584	50,495	72,033	2,161,000	9,657,582
<b>Total</b>	<b>40,513,822</b>	<b>38,446,086</b>	<b>10,798,965</b>	<b>855,066</b>	<b>620,498</b>	<b>885,161</b>	<b>26,473,248</b>	<b>118,592,846</b>

Source: Prosper Portland and City of Portland Office of Management and Finance

Table 6 - Impacts to Taxing Districts Cully Core - Education

<b>Fiscal Year</b>	<b>Portland</b>	<b>Portland CC</b>	<b>Other Education(ESD)</b>	<b>Total Education</b>
<b>22-23</b>	110,037	4,139	6,891	<b>121,067</b>
<b>23-24</b>	223,351	8,401	13,987	<b>245,739</b>
<b>24-25</b>	336,120	12,643	21,049	<b>369,812</b>
<b>25-26</b>	454,909	17,111	28,488	<b>500,508</b>
<b>26-27</b>	571,930	21,512	35,817	<b>629,259</b>
<b>27-28</b>	696,757	26,207	43,634	<b>766,598</b>
<b>28-29</b>	815,551	30,676	51,073	<b>897,300</b>
<b>29-30</b>	946,452	35,599	59,271	<b>1,041,322</b>
<b>30-31</b>	1,071,108	40,288	67,077	<b>1,178,473</b>
<b>31-32</b>	1,208,674	45,463	75,692	<b>1,329,829</b>
<b>32-33</b>	1,350,368	50,792	84,566	<b>1,485,725</b>
<b>33-34</b>	1,496,312	56,282	93,705	<b>1,646,299</b>
<b>34-35</b>	1,646,635	61,936	103,119	<b>1,811,690</b>
<b>35-36</b>	1,801,467	67,760	112,815	<b>1,982,042</b>
<b>36-37</b>	1,960,944	73,758	122,802	<b>2,157,505</b>
<b>37-38</b>	2,125,206	79,937	133,089	<b>2,338,232</b>
<b>38-39</b>	2,294,395	86,300	143,684	<b>2,524,380</b>
<b>39-40</b>	2,415,317	90,849	151,257	<b>2,657,423</b>
<b>40-41</b>	2,549,937	95,912	159,687	<b>2,805,537</b>
<b>41-42</b>	2,688,596	101,128	168,371	<b>2,958,094</b>
<b>42-43</b>	2,831,414	106,500	177,315	<b>3,115,228</b>
<b>43-44</b>	2,978,516	112,033	186,527	<b>3,277,076</b>
<b>44-45</b>	3,130,032	117,732	196,015	<b>3,443,779</b>
<b>45-46</b>	3,286,093	123,602	205,789	<b>3,615,484</b>
<b>46-47</b>	3,446,837	129,648	215,855	<b>3,792,339</b>
<b>Total</b>	<b>42,436,959</b>	<b>1,596,205</b>	<b>2,657,575</b>	<b>46,690,739</b>

Source: Prosper Portland and City of Portland Office of Management and Finance

Table 7 and Table 8 show the impacts to the taxing districts from the Cully Total area. Table 7 shows the impacts to the general government category and Table 8 shows the education category.

Table 7 - Impacts to Taxing Districts Cully Total - General Government

Fiscal Year	City	County	Library	Metro	Port	E Mult Soil/Cons	FPDR	Total Gen. Government
22-23	130,133	123,491	34,687	2,747	1,993	2,843	79,609	375,502
23-24	264,169	250,687	70,414	5,575	4,046	5,772	161,607	762,270
24-25	402,227	381,698	107,214	8,489	6,160	8,788	250,458	1,165,035
25-26	544,426	516,640	145,117	11,490	8,338	11,895	339,003	1,576,910
26-27	690,892	655,630	184,157	14,582	10,581	15,095	437,751	2,008,689
27-28	841,751	798,790	224,369	17,766	12,892	18,391	533,336	2,447,295
28-29	997,137	946,245	265,787	21,045	15,272	21,786	642,681	2,909,952
29-30	1,157,183	1,098,123	308,447	24,423	17,723	25,283	745,836	3,377,018
30-31	1,322,031	1,254,558	352,388	27,902	20,248	28,884	866,527	3,872,538
31-32	1,491,825	1,415,686	397,646	31,486	22,848	32,594	977,818	4,369,903
32-33	1,666,712	1,581,647	444,262	35,177	25,527	36,415	1,092,449	4,882,189
33-34	1,846,846	1,752,587	492,277	38,979	28,286	40,351	1,210,518	5,409,844
34-35	2,032,384	1,928,656	541,732	42,895	31,127	44,404	1,332,129	5,953,328
35-36	2,223,489	2,110,007	592,671	46,928	34,054	48,580	1,457,388	6,513,117
36-37	2,420,326	2,296,798	645,138	51,082	37,069	52,880	1,586,405	7,089,699
37-38	2,623,068	2,489,193	699,179	55,361	40,174	57,310	1,719,293	7,683,579
38-39	2,831,893	2,687,360	754,842	59,769	43,372	61,872	1,856,168	8,295,275
39-40	2,957,776	2,806,818	788,396	62,425	45,300	64,623	1,938,678	8,664,015
40-41	3,123,933	2,964,494	832,685	65,932	47,845	68,253	2,047,585	9,150,727
41-42	3,295,074	3,126,901	878,302	69,544	50,466	71,992	2,159,760	9,652,040
42-43	3,471,349	3,294,179	925,289	73,265	53,166	75,843	2,275,300	10,168,392
43-44	3,652,913	3,466,477	973,685	77,097	55,947	79,810	2,394,306	10,700,234
44-45	3,839,924	3,643,943	1,023,532	81,044	58,811	83,896	2,516,883	11,248,032
45-46	4,032,545	3,826,733	1,074,875	85,109	61,761	88,105	2,643,136	11,812,264
46-47	4,230,945	4,015,007	1,127,759	89,296	64,800	92,439	2,773,178	12,393,423
<b>Total</b>	<b>52,090,953</b>	<b>49,432,345</b>	<b>13,884,851</b>	<b>1,099,407</b>	<b>797,810</b>	<b>1,138,103</b>	<b>34,037,802</b>	<b>152,481,271</b>

Source: Prosper Portland and City of Portland Office of Management and Finance

Table 8 - Impacts to Taxing Districts Cully Total – Education

<b>Fiscal Year</b>	<b>Portland</b>	<b>Portland CC</b>	<b>Other Education</b>	<b>Total Education</b>
<b>22-23</b>	141,988	5,341	8,892	<b>156,221</b>
<b>23-24</b>	288,206	10,840	18,049	<b>317,095</b>
<b>24-25</b>	433,720	16,314	27,161	<b>477,195</b>
<b>25-26</b>	587,001	22,079	36,760	<b>645,841</b>
<b>26-27</b>	738,002	27,759	46,217	<b>811,977</b>
<b>27-28</b>	899,075	33,817	56,304	<b>989,196</b>
<b>28-29</b>	1,052,364	39,583	65,903	<b>1,157,850</b>
<b>29-30</b>	1,221,275	45,936	76,481	<b>1,343,693</b>
<b>30-31</b>	1,382,127	51,987	86,554	<b>1,520,668</b>
<b>31-32</b>	1,559,639	58,664	97,671	<b>1,715,974</b>
<b>32-33</b>	1,742,476	65,541	109,121	<b>1,917,138</b>
<b>33-34</b>	1,930,799	72,624	120,914	<b>2,124,337</b>
<b>34-35</b>	2,124,771	79,920	133,062	<b>2,337,753</b>
<b>35-36</b>	2,324,562	87,435	145,574	<b>2,557,571</b>
<b>36-37</b>	2,530,347	95,175	158,461	<b>2,783,983</b>
<b>37-38</b>	2,742,306	103,148	171,734	<b>3,017,188</b>
<b>38-39</b>	2,960,623	111,360	185,406	<b>3,257,389</b>
<b>39-40</b>	3,092,228	116,310	193,648	<b>3,402,186</b>
<b>40-41</b>	3,265,938	122,843	204,526	<b>3,593,307</b>
<b>41-42</b>	3,444,858	129,573	215,731	<b>3,790,163</b>
<b>42-43</b>	3,629,147	136,505	227,272	<b>3,992,924</b>
<b>43-44</b>	3,818,964	143,645	239,159	<b>4,201,768</b>
<b>44-45</b>	4,014,476	150,999	251,403	<b>4,416,877</b>
<b>45-46</b>	4,215,853	158,573	264,014	<b>4,638,440</b>
<b>46-47</b>	4,423,271	166,375	277,003	<b>4,866,649</b>
<b>Total</b>	<b>54,564,016</b>	<b>2,052,346</b>	<b>3,417,021</b>	<b>60,033,384</b>

Source: Prosper Portland and City of Portland Office of Management and Finance

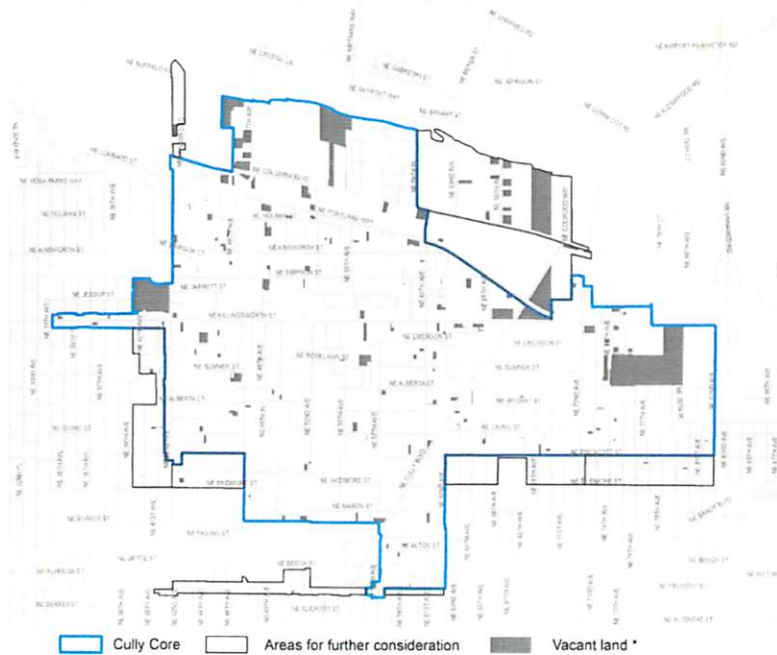
**Blight Findings**

ORS 457.010 defines blight and states that “A blighted area is characterized by the existence of one or more of the following conditions.” In ORS 457.010, a full list of blighting conditions follows the general statement. The blight condition that exists in the feasibility study area is “(h) A growing or total lack of proper utilization of areas, resulting in a stagnant and unproductive condition of land potentially useful and valuable for contributing to the public health, safety, and welfare.”

An analysis of Multnomah County Tax Assessor property description data identified the existence of vacant land that could be further utilized for commercial, single-family, multi-family, employment and industrial, and open space priorities of a potential TIF district. The official blight findings will be made in a future ordinance adopting the TIF district plan. However, these conditions constitute blight as defined by ORS 457.010

Project identification and related cost estimates will be determined in the next phase of the Cully TIF Exploration effort.

Preliminary Draft Boundaries: Vacant Land and Zoning Designations



Vacant Land Zoning Designations

Zoning Designation	Cully Core		Additional Areas		Total	
	Acres	%	Acres	%	Acres	%
Commercial Mixed Use 1	0.8	0.9%	0.1	0.4%	0.8	0.8%
Commercial Mixed Use 2	5.4	6.1%	0.1	0.3%	5.4	4.8%
General Employment 2	21.5	24.2%	5.1	22.0%	26.6	23.7%
General Industrial 2	18.9	21.3%	14.4	61.6%	33.3	29.7%
Open Space	7.9	8.9%	0.0	0.0%	7.9	7.0%
Residential 5,000	17.7	20.0%	0.7	3.0%	18.4	16.4%
Residential 7,000	7.7	8.7%	0.0	0.0%	7.7	6.9%
Residential 10,000	2.0	2.2%	0.0	0.0%	2.0	1.7%
Residential Farm / Forest	0.0	0.0%	3.0	12.9%	3.0	2.7%
Residential Multi-Dwelling 1	6.9	7.8%	0.0	0.0%	6.9	6.2%
<b>Total</b>	<b>88.7</b>	<b>100.0%</b>	<b>23.4</b>	<b>100.0%</b>	<b>112.1</b>	<b>100.0%</b>

\* Vacant land based on Multnomah County Tax Assessor property descriptions: improved land as vacant, miscellaneous improvements and vacant land

**Cully TIF District**  
**Community Governance Charter**

**I. Preamble**

In 2018, a group of community-based organizations, representing people of color, tribal and Indigenous communities, immigrants, and low-income people in Northeast Portland's Cully neighborhood, approached Prosper Portland and the Portland Housing Bureau ("PHB") to determine whether Tax Increment Financing ("TIF") could be available for community development and anti-displacement efforts.

To realize the neighborhood's vision, Cully community organizations, together with Prosper Portland and PHB, have facilitated a community process during the calendar years of 2019-22 to explore the creation of a Cully TIF District. While past use of TIF as a tool of urban renewal in the City of Portland has produced racially and economically unjust outcomes that are in opposition to the neighborhood's community development and anti-displacement objectives, all parties believe TIF can be repurposed to benefit people of color and low-income people. To support this shift, a new Cully TIF District needs to prioritize different types of investments than past TIF Districts, and be governed in a new, community-led way. To fully explore and vet this possibility through community engagement, research, and policy analysis, the parties worked together to secure a Metro 2040 Planning and Development Grant. This grant supported a community-driven, iterative process to determine priorities for the programming, rules, and leadership of a prospective community-led TIF District.

Along with the Cully TIF District Plan, this Community Governance Charter ("Charter") is the result of a co-creation process between Cully community members, Cully-based community organizations, Prosper Portland, and PHB. Co-creation includes collaborative idea generation as well as equitable participation in discussion. It requires sharing a deep understanding and respect for each other's positions, power and expertise as proposals are being developed. Co-creation relies on transparency, technical support, and communication, the process of which is set forth in this Charter. We expect this Charter to inspire and facilitate ongoing guidance and recommendations<sup>1</sup>, so that implementation of the Cully TIF District Plan ("TIF Plan") and actions taken pursuant to the TIF Plan reflect in-depth input and specific recommendations and guidance from residents and stakeholders of the Cully neighborhood.

As signatories to this Charter, we are committed to authentic, open, and equitable public engagement processes. Our intent is to upend historic models of urban renewal by co-creating TIF Action Plans and other facets of TIF Plan implementation. While we acknowledge that differences of opinion will inevitably arise, we are committed to continue working together in co-creation for the life of the TIF Plan to achieve the community's vision, goals, and values as established in the TIF Plan.

**II. Creation and Purpose**

The Cully TIF District Community Leadership Committee (the "Committee") is hereby created. The Committee's purpose is to advise City staff, the Directors of Prosper Portland and PHB, Commissioners-in-Charge, the Portland City Council ("City Council") and the Prosper Portland Board of Commissioners ("Board") on the implementation of the TIF Plan by providing essential guidance, public recommendations, and oversight of the City of Portland's and Prosper Portland's implementation of the

---

<sup>1</sup> "Recommendations" are non-binding guidance to decision makers. It is the intent of the City that recommendations be treated as important and be used to shape and guide the implementation of the TIF Plan.

TIF Plan. As the Committee will advise City Council and the Board directly on certain decisions, it is a public body pursuant to ORS Chapter 192.

This Charter is adopted by Portland City Council as an exhibit to the Cully TIF District Plan. It describes the processes and roles that will be followed to develop and present public recommendations to decision-makers about the implementation of the District Plan. It is a living document that may be amended from time to time pursuant to the procedures stated in Section IX. The consequences for not following this Charter can be found in Section VIII.

### III. Roles and Responsibilities

a. Shared among the Committee, City Staff, Executive Directors, City Council and Prosper Portland Board of Commissioners are commitments to:<sup>2</sup>

i. Comply with Cully TIF District Plan

1. Recommendations and decisions about the implementation of the Cully TIF District Plan will be guided by the Plan, with particular attention to Section IV (Values, Vision and Goals) and Section VI (Principles that Guide Implementation of the Plan).
2. Recommendations and decisions related to the Cully TIF District Plan will draw on community engagement that centers the voices and needs of Cully community members, particularly those representing Priority Communities<sup>3</sup>, as defined in the TIF Plan.

ii. Respect Partnerships and Adhere to the Co-creation Process

1. The goal of the co-creation process is to produce recommendations that are supported in their entirety by the Committee, Prosper Portland, and PHB.
2. Through collaboration, transparent and proactive communication, community engagement, and technical support, the City and the Committee will develop public recommendations outlined in Section IV of this Charter.
3. If full support of both the Committee and the City cannot be reached, recommendations will make clear which areas have joint support. Remaining areas will include both the Committee's and the City's recommendations.
4. The Committee and the City will jointly present their recommendation(s), including alternate versions of any sections that could not be agreed on, to the relevant decision-maker(s).

---

<sup>2</sup> The term "City," for purposes of this document, is intended to refer primarily to PHB, a bureau of the City of Portland, and Prosper Portland, the City of Portland's economic development and urban redevelopment agency, but if context requires otherwise, it may include staff of other City of Portland bureaus who are or become responsible for administering or assisting with this Committee.

<sup>3</sup> "Priority Communities" refers to the intended beneficiaries of the Cully TIF District: African American and Black persons; Indigenous and Native American persons; persons of color; immigrants and refugees of any legal status; renters; mobile home residents; persons with disabilities; low-income people; houseless people; and other population groups that are systemically vulnerable to exclusion from Cully due to gentrification and displacement.

5. If for any reason the Committee is not able to provide recommendations, the work of the City to implement the TIF Plan may still proceed, in line with the TIF Plan and any sections of this Charter that are still able to be implemented.

- b. **Community Leadership Committee:** The Committee's recommendations and other actions should reflect the needs and priorities of the Cully community, both current and future generations, as described in the TIF Plan. Members are responsible for complying with laws and regulations applicable to the Committee as a public body, such as city and state ethics codes, conflict of interest rules, and public meeting and record laws.

The Committee will establish its collective position on recommendations through a vote or other procedure that will be established in the Committee by-laws (see section VIII.d).

- c. **PHB and Prosper Portland:** The agencies are responsible for implementing program offerings in line with the Cully TIF Plan and the processes described in Section IV, including financial and competitive land offerings that align with the TIF Plan and Action Plans. Staff will provide research and technical support and engage with the Committee on co-creation as described in Section IV, and will coordinate with staff in other City bureaus as needed. In the context of the co-creation process, the City will be responsible for drafting and revising TIF Plan documents with the active collaboration of the Committee. Staff are responsible for communicating with the broader Cully community regarding the Bureaus' work.

Bureau Directors will support the co-creation process by ensuring adequate staffing, subject to appropriations<sup>4</sup>, and by providing guidance on recommendations and alignment with citywide affordable housing and economic development policies, together with any political opportunities and challenges, as needed. Bureau Directors will consider co-created recommendations and will provide an explanation to the Committee if their final decision differs from the recommendation.

- d. **The City Council and Prosper Board of Commissioners:** Commissioners are subject to public meetings laws. The City Staff will ensure that any public meetings that occur with the Prosper Portland Board or the City Council are noticed to the Committee in advance of the meetings to allow Committee members to testify on any actions regarding the Cully TIF District.

#### **IV. Scope of Work and Processes**

- a. **Implementing the TIF Plan through Action Plans and Program Offerings:** This subsection outlines how Cully TIF funds will generally be programmed and allocated over the life of the District, notwithstanding investments made outside of an Action Plan. Through the co-creation process, as outlined in Section III.a.ii, the steps below will be followed to select and implement investments and programs ("Program Offerings") from the Cully TIF District Plan. Section VII of the TIF Plan contains the complete list of eligible Cully TIF District projects. Through the co-creation process, the District Plan's Values, Vision and Goals (Section IV) and Guiding Principles (Section VI) will be applied to guide the following processes:

---

<sup>4</sup> "Appropriations," for the purpose of this document, refers to a sum of money allocated by City Council for a specific purpose, such as staffing.

- i. **Action Plans and Action Plan Amendments:** Approximately every five years, an Action Plan will be presented to City Council to select the Program Offerings that are expected to be implemented over the subsequent five years.
  1. Through the co-creation process, the Committee and the City Staff will collaborate to create a recommended Action Plan, which will be a public document presented to the City Council.  
Program offerings eligible to be included in an Action Plan are those that appear in Section VII of the Cully TIF District Plan. This includes developing new programs that are identified in the Plan.
  2. Portland City Council makes the final decision to adopt and amend Action Plans, after receiving for consideration the recommendation(s) of the Committee and City staff.
  3. This same process will be used to consider amendments to an existing Action Plan.

It is possible for investments to be made outside of an Action Plan's identified Program Offerings, typically at the direction of City Council, provided that the investment is consistent with the TIF Plan. When these types of investments are made, there is a commitment by the City to bring announcements and information regarding the investment to the Committee at the first possible opportunity to engage in the co-creation process to the extent possible based on the negotiations of the project.

- ii. **Program Offerings:** When a Program Offering has been included in an adopted Action Plan, but before it is moved forward for implementation by Prosper Portland or PHB, its structure and details should be considered to determine how it could be implemented as part of the Cully TIF District.
  1. Through the co-creation process, the Committee and the City will collaborate to create recommended Program Offerings, which will be public documents presented to the relevant decision makers.
    - a. Existing programs. The Committee and the City will review the existing program and may elect to make recommendations for adapting or tailoring the program to best fulfill the TIF Plan.
    - b. New programs. The Committee and the City will work together to make recommendations about the program's structure, guidelines, and other elements of program design and implementation.
    - c. Funding solicitations. The City will develop drafts in-line with the TIF Plan, Action Plan, and dialogue with the Committee, and then refine them in consultation with the Committee.

The final decision makers for approving Program Offerings will vary depending on the specific offering, but they will consist of one or more of the following: City staff; Bureau director(s); Commissioner(s) in Charge; the Prosper Portland Board of Directors; and/or Portland City Council. Final decisions to move forward with implementation of Program Offerings should happen only after the relevant decision makers have received for consideration the Committee's and City's recommendation(s).

- iii. **Program Implementation:** After Program Offerings are developed and approved as described above, they will be implemented by the City, subject to appropriations and staff capacity.
  - 1. The City intends to use competitive processes to select for any development partners/owners. The City will work with the Committee to select a representative from the Committee to serve on selection advisory committees for projects within the Cully TIF District, subject to policies and practices regarding conflicts of interest and committee diversity.
- b. **TIF Plan Amendments:** The Committee and City may propose both substantial and minor amendments to the Cully TIF Plan. If and when an amendment is proposed, the co-creation process described in section III.a.ii will be used to make recommendations about those amendments.
  - i. The adoption processes for amendments to the Cully TIF Plan are outlined in the Plan section IX. The final decision-making body for substantial amendments is the Portland City Council. The final decision-making body for minor amendments is the Prosper Portland Board of Directors.
    - 1. For substantial amendments, the Committee will have the opportunity to provide guidance for the community engagement aspects of the adoption process.

**V. Committee Membership, Appointments, and Terms**

**a. Membership**

- i. The Committee will consist of thirteen (13) positions and will not convene if fewer than seven (7) positions are filled. The process to fill any vacancies should begin within 30 days of a member leaving.
- ii. All Committee members must either live, work, worship, have children enrolled in school, or have been displaced from within the Cully TIF District boundaries.
- iii. All committee members will represent the interests of community members vulnerable to displacement within the Cully TIF District boundaries, rather than their own personal or organizational interests.
- iv. The Committee's composition should reflect the socio-economic, gender, racial, ethnic, cultural, and geographic diversity of the Cully TIF District community. Committee membership should specifically include Cully residents and community members who represent populations that are disproportionately vulnerable to displacement, including:
  - 1. African American and Black people
  - 2. Indigenous and Native American people
  - 3. People who identify as Latinx, Asian American, Pacific Islander American, multiracial people and other people of color.
  - 4. Immigrants and refugees of any legal status
  - 5. Renters
  - 6. Mobile home residents
  - 7. Low-income people
  - 8. People living with disabilities

9. Houseless people
  10. Small business owners and workers
- v. Committee members should have a range of experience and knowledge to inform implementation of the TIF Plan, drawing from life experiences, community connections and leadership, education, and professional experience.
- b. Appointments
    - i. Creating the inaugural committee:
      1. The Board will nominate, or delegate to the Executive Director of Prosper Portland the ability to nominate, seven (7) Committee members for initial 3-year terms. The Mayor will nominate six (6) Committee members for initial 2-year terms. City Council will confirm Committee members.
      2. The City will announce an opportunity for community members and community-based organizations to suggest nominees for consideration for initial Committee appointments.
    - ii. Filling vacancies:
      1. Once the Committee is established and initial members appointed and confirmed, the Committee and the City will collaborate through co-creation to identify nominees to fill any vacancies. City Council will confirm new Committee members.
      2. The Committee should develop additional procedures to involve community members and groups in the process of nominating Committee members.
  - c. Removals:
    - i. The Committee may develop procedures in addition to what is in the bylaws to involve community members and groups in the process of removing Committee members.
  - d. Terms
    - i. Seven (7) initial members will be appointed for 3-year terms. Six (6) initial members will be appointed for 2-year terms. The length of terms for members after the initial members will be defined in the by-laws.
    - ii. Each member's term will start upon the City Council's confirmation.
    - iii. Committee members can be reappointed, and a Committee member may continue to serve until their replacement is confirmed, unless they were removed from the Committee through the process described in the by-laws.

**VI. Staffing**

All staffing commitments are subject to appropriations.

- a. Prosper Portland and/or PHB will provide staffing for the administration and logistics of Committee meetings (regular and special meetings as necessary) as described in the by-laws.
- b. Bureaus will dedicate appropriate program and subject area staff to fully participate in the governance processes defined in this Charter, as needed.
- c. Bureau staff will invite other City staff to participate as appropriate, and as requested by the Committee.
- d. Additional staff dedicated to supporting the Committee and its members and engaging the Cully community in the processes defined in this Charter, may be employed by the City or funded by the City but housed in an external, community-based organization.

**VII. Operating Procedures**

- a. Up to and including the creation of the first Action Plan, the Committee will plan to meet at least monthly. After the initial Action Plan is adopted by City Council, the Committee will plan to meet at least once every 3 months on a regular date established by the Committee and the City. Additional meetings may also be scheduled as determined by the Committee Co-Chairs and the City. The Committee Co-Chairs, in partnership with City staff, will develop meeting agendas in consultation with other Committee members.
- b. One-half of the total number of Committee positions (thirteen), plus one person, will constitute a quorum (seven) of the Committee.
- c. The Committee will elect two Co-Chairs.
- d. The Committee may at any time establish standing or temporary subcommittees of at least three (3) Committee members to address specific issues. Subcommittee members are responsible for complying with laws and regulations applicable to the Subcommittee as a public body.
- e. The Committee shall adopt, and may subsequently amend or update, by-laws to govern its procedures, which must not conflict with any portion of this Charter, and which are subject to the prior review and approval of the Mayor in consultation with the Commissioners-in-Charge (as applicable), with approval as to legal sufficiency by the City Attorney.
  - i. The Office of Civic Life provides a standardized by-laws template that includes, among other things, specifications concerning selection and tenure of subcommittee chairs, division of responsibilities, attendance policies, meeting schedules, as well as communications between the Committee and the City, the media, and the general public.

**VIII. Accountability**

- a. If the Committee determines that City staff is not working in co-creation or in alignment with the Cully TIF Plan Vision, Values, and Goals, it has the responsibility to elevate this concern to the executive directors of PHB and Prosper Portland for resolution. If the

Committee determines the executive directors are not working in co-creation, they have the responsibility to elevate this concern to the Board and the City Council.

Examples of the breakdown of co-creation include but are not limited to:

- i. The Committee being surprised by decisions made by the City, such as investments made outside of an Action Plan's identified Program Offerings that the Committee did not have the opportunity to offer recommendations on.
  - ii. The City implementing investments not in alignment with the Cully TIF Plan Vision, Values, and Goals, or not in alignment with decisions adopted through the processes defined in this Charter.
- b. If the City determines the Committee is not working in co-creation or in alignment with the Cully TIF Plan Vision, Values, and Goals, the Executive Directors of PHB and Prosper Portland have the responsibility to elevate this concern to the Committee co-chairs. If the Executive Directors determine the co-chairs are not working in co-creation, they have the responsibility to elevate this concern to the Mayor and/or Commissioner-in-Charge (if applicable).
  - c. Each year, the Committee should prepare and submit to the Council a report summarizing the Committee's perspective, concerns, and recommendations on the co-creation process and implementation of the Cully TIF District during the previous year, providing its assessment of how the co-creation framework is working, how it could be improved or strengthened, and if the Cully TIF District should be terminated. The Committee may receive assistance from and provide guidance to non-City support staff in preparation of the report. The Committee should present its report to the Council in a regular meeting or work session.

**IX. Amendments to this Charter**

- a. A charter review process will occur when:
  - i. The Committee or the City determines a review is needed, as described in the by-laws; or
  - ii. The City charter, local statutes, or statewide statutes relevant to this Charter change.
- b. Revisions will be drafted in co-creation and enacted if agreed to by the Committee and the Executive Directors of both Prosper Portland and PHB.



AKS ENGINEERING & FORESTRY, LLC  
 12965 SW Herman Road, Suite 100, Tualatin, OR 97062  
 P: (503) 563-6151 | www.aks-eng.com

AKS Job #7197-01

OFFICES IN: BEND, OR - KEIZER, OR - TUALATIN, OR - VANCOUVER, WA

## EXHIBIT 3 to EXHIBIT A

### Cully Neighborhood URA Legal Description

A tract of land and road rights-of-way located in the Northeast and Southeast One-Quarters of Section 13, and the Northeast and Southeast One-Quarters of Section 24, Township 1 North, Range 1 East, in the Northwest, Southeast, and Southwest One-Quarters of Section 17, the Northwest, Northeast, Southwest, and Southeast One-Quarters of Section 18, the Northwest, Northeast, Southwest, and Southeast One-Quarters of Section 19, the Northwest, Northeast, Southwest, and Southeast One-Quarters of Section 20, the Northwest and Southwest One Quarters of Section 21, and in the Northeast One-Quarter of Section 30, Township 1 North, Range 2 East, Willamette Meridian, City of Portland, Multnomah County, Oregon, and being more particularly described as follows:

Beginning at the most northerly corner of Parcel 1 of Partition Plat Number 2008-143 (Assessor's Map 1N.2E.18B);

1. Thence along the northerly line of said Parcel 1, Southeasterly 257 feet, more or less, to the westerly line of Document Number 2020-085304 (Assessor's Map 1N.2E.18A);
2. Thence along said westerly line, Northerly 360 feet, more or less, to the southerly line of Document Number 96-181824 (Assessor's Map 1N.2E.18A);
3. Thence along said southerly line, Southeasterly 649 feet, more or less, to the easterly line of said Document Number 96-181824 (Assessor's Map 1N.2E.18A);
4. Thence along said easterly line, Northerly 283 feet, more or less, to the southerly mean high water line per Division of State Lands 1989 Photos of the Columbia Slough (Assessor's Map 1N.2E.18A);
5. Thence along said southerly mean high water line, Southeasterly 4,825 feet, more or less, to the westerly line of Document Number 2008-000352 (Assessor's Map 1N.2E.17B);
6. Thence along said westerly line, Southerly 49 feet, more or less, to the southerly line of said Document Number 2008-000352 (Assessor's Map 1N.2E.17B);
7. Thence along said southerly line, Easterly 394 feet, more or less, to the easterly line of the plat of "Schetky Addition" (Assessor's Map 1N.2E.17B);
8. Thence along said easterly line, Southerly 1,280 feet, more or less, to the northerly right-of-way line of NE Columbia Boulevard (Assessor's Map 1N.2E.17);
9. Thence along said northerly right-of-way line, Southeasterly 344 feet, more or less, to the westerly right-of-way line of NE Alderwood Road (Assessor's Map 1N.2E.17);
10. Thence along the southerly extension of said westerly right-of-way line, Southerly 68 feet, more or less, to the southerly right-of-way line of said NE Columbia Boulevard (Assessor's Map 1N.2E.17);
11. Thence along said southerly right-of-way line, Southeasterly 62 feet, more or less, to the easterly line of Document Number 2006-068889 (Assessor's Map 1N.2E.17CA);

12. Thence along said easterly line and the southerly extension thereof, Southerly 143 feet, more or less, to the southerly right-of-way line of Union Pacific Railroad (Assessor's Map 1N.2E.17DC);
13. Thence along said southerly right-of-way line, Northwesterly 401 feet, more or less, to the westerly line of Document Number 2002-041972 (Assessor's Map 1N.2E.17DC);
14. Thence along said westerly line, Southerly 420 feet, more or less, to the northerly line of Lot 7 of the plat of "Portview Tracts" (Assessor's Map 1N.2E.17CD);
15. Thence along said northerly line, Easterly 180 feet, more or less, to the easterly line of said Lot 7 (Assessor's Map 1N.2E.17CD);
16. Thence along said easterly line, Southerly 18 feet, more or less, to the northerly right-of-way line of NE 72<sup>nd</sup> Avenue (Assessor's Map 1N.2E.17DC);
17. Thence along said northerly right-of-way line, Easterly 60 feet, more or less, to the easterly right-of-way line of said NE 72<sup>nd</sup> Avenue (Assessor's Map 1N.2E.17DC);
18. Thence along said easterly right-of-way line, Southerly 200 feet, more or less, to the northerly line of Lot 10 of said plat of "Portview Tracts" (Assessor's Map 1N.2E.17DC);
19. Thence along said northerly line, Easterly 167 feet, more or less, to the easterly line of said plat of "Portview Tracts" (Assessor's Map 1N.2E.17DC);
20. Thence along said easterly line, Southerly 400 feet, more or less, to the southerly line of said Document Number 2002-041972 (Assessor's Map 1N.2E.17DC);
21. Thence along said southerly line, Easterly 1,159 feet, more or less, to the easterly line of said Document Number 2002-041972 (Assessor's Map 1N.2E.17DC);
22. Thence along said easterly line, Northerly 40 feet, more or less, to the westerly southerly line of Document Number 2013-148879 (Assessor's Map 1N.2E.17DD);
23. Thence along said westerly southerly line, Easterly 12 feet, more or less, to the westerly line of said Document Number 2013-148879 (Assessor's Map 1N.2E.17DD);
24. Thence along said westerly line and the southerly extension thereof, Southerly 410 feet, more or less, to the southerly right-of-way line of U.S. Highway 30 (Assessor's Map 1N.2E.20A);
25. Thence along said southerly right-of-way line, Easterly 1,230 feet, more or less, to the westerly right-of-way line of NE 82<sup>nd</sup> Avenue (Assessor's Map 1N.2E.21BB);
26. Thence along said westerly right-of-way line, Southerly 1,000 feet, more or less, to the westerly extension of the southerly right-of-way line of NE Webster Street (Assessor's Map 1N.2E.21BB);
27. Thence along said westerly extension, Easterly 40 feet, more or less, to the centerline of NE 82<sup>nd</sup> Avenue (Assessor's Map 1N.2E.21BB);
28. Thence along said centerline, Southerly 2,161 feet, more or less, to the easterly extension of the north right-of-way line of NE Skidmore Street (Assessor's Map 1N.2E.20DA);
29. Thence along said easterly extension and the northerly right-of-way line NE Skidmore Street, Westerly 3,707 feet, more or less, to the easterly right-of-way line of NE 68<sup>th</sup> Avenue (Assessor's Map 1N.2E.20CA);
30. Thence along said easterly right-of-way line, Northerly 577 feet, more or less, to the northerly right-of-way line of NE Prescott Street (Assessor's Map 1N.2E.20BD);
31. Thence along said northerly right-of-way line, Westerly 580 feet, more or less, to the westerly right-of-way line of NE 66<sup>th</sup> Avenue (Assessor's Map 1N.2E.20BC);

32. Thence along said westerly right-of-way line, Southerly 579 feet, more or less, to the northerly right-of-way line of NE Skidmore Street (Assessor's Map 1N.2E.20CB);
33. Thence along said northerly right-of-way line, Westerly 1,030 feet, more or less, to the westerly right-of-way line of NE 62<sup>nd</sup> Avenue (Assessor's Map 1N.2E.20CB);
34. Thence along said westerly right-of-way line, Southerly 811 feet, more or less, to the southerly right-of-way line of NE Shaver Street (Assessor's Map 1N.2E.20CB);
35. Thence along said southerly right-of-way line, Easterly 15 feet, more or less, to the westerly line of Document Number 96-057118 (Assessor's Map 1N.2E.20CC);
36. Thence along said westerly line, Southerly 85 feet, more or less, to the westerly southerly line of said Document Number 96-057118 (Assessor's Map 1N.2E.20CC);
37. Thence along said westerly southerly line, Easterly 15 feet, more or less, to the east line of Section 19, Township 1 North, Range 2 East, Willamette Meridian (Assessor's Map 1N.2E.20CC);
38. Thence along said section line, Southerly 1,165 feet, more or less, to the northerly right-of-way line of NE Fremont Street (Assessor's Map 1N.2E.30AA);
39. Thence along said northerly right-of-way line, Westerly 1,192 feet, more or less, to the northerly extension of the easterly line of Lot 15, Block 123 of the plat of "Rose City Park" (Assessor's Map 1N.2E.30AA);
40. Thence along said northerly extension and said easterly line, Southerly 186 feet, more or less, to the southerly line of said Lot 15, Block 123 (Assessor's Map 1N.2E.30AA);
41. Thence along said southerly line and the westerly extension thereof, Westerly 265 feet, more or less, to the westerly line of Lot 2, Block 122 of said plat of "Rose City Park" (Assessor's Map 1N.2E.30AB);
42. Thence along said westerly line, Northerly 50 feet, more or less, to the southerly line of Lot 16, Block 122 of said plat of "Rose City Park" (Assessor's Map 1N.2E.30AB);
43. Thence along said southerly line, Westerly 100 feet, more or less, to the westerly line of said Lot 16, Block 122 (Assessor's Map 1N.2E.30AB);
44. Thence along said westerly line and the northerly extension thereof, Northerly 136 feet, more or less, to said northerly right-of-way line of NE Fremont Street (Assessor's Map 1N.2E.19);
45. Thence along said northerly right-of-way line, Easterly 95 feet, more or less, to the easterly line of Document Number 2000-160837 (Assessor's Map 1N.2E.19);
46. Thence along said easterly line, Northerly 1,422 feet, more or less, to the northerly line of said Document Number 2000-160837 (Assessor's Map 1N.2E.19);
47. Thence along said northerly line, Westerly 1,332 feet, more or less, to the easterly right-of-way line of NE Shaver Street (Assessor's Map 1N.2E.19CA);
48. Thence along said easterly right-of-way line, Northerly 18 feet, more or less, to the northerly right-of-way line of said NE Shaver Street (Assessor's Map 1N.2E.19CA);
49. Thence along said northerly right-of-way line, Westerly 1,320 feet, more or less, to the easterly right-of-way line of NE 47<sup>th</sup> Avenue (Assessor's Map 1N.2E.19CA);
50. Thence along said easterly right-of-way line, Northerly 673 feet, more or less, to the northerly right-of-way line of NE Skidmore Street (Assessor's Map 1N.2E.19CA);
51. Thence along said northerly right-of-way line, Westerly 2,178 feet, more or less, to the easterly right-of-way line of NE Cesar E. Chavez Boulevard (Assessor's Map 1N.1E.24DA);

52. Thence along said easterly right-of-way line, Northerly 1,622 feet, more or less, to the southerly right-of-way line of NE Alberta Court (Assessor's Map 1N.1E.24AD);
53. Thence along said southerly right-of-way line, Easterly 520 feet, more or less, to the easterly right-of-way line of NE 41<sup>st</sup> Avenue (Assessor's Map 1N.1E.24AD);
54. Thence along said easterly right-of-way line, Northerly 613 feet, more or less, to the southerly line of Lot 34, Block 5 of the plat of "Hilton" (Assessor's Map 1N.1E.24AA);
55. Thence along said southerly line and the westerly extension thereof, Westerly 380 feet, more or less, to the easterly right-of-way line of said NE Cesar E. Chavez Boulevard (Assessor's Map 1N.1E.24AA);
56. Thence along said easterly right-of-way line, Northerly 402 feet, more or less, to the northerly right-of-way line of NE Roselawn Street (Assessor's Map 1N.1E.24AA);
57. Thence along said northerly right-of-way line, Westerly 130 feet, more or less, to the easterly right-of-way line of said NE Cesar E. Chavez Boulevard (Assessor's Map 1N.1E.24AA);
58. Thence along said easterly right-of-way line, Northerly 503 feet, more or less, to the easterly extension of the northerly line of Lot 4, Block 5 of the plat of "Killingsworth Avenue Addition" (Assessor's Map 1N.1E.24AA);
59. Thence along said easterly extension and said northerly line and the westerly extension thereof, Westerly 806 feet, more or less, to the easterly right-of-way line of NE 36<sup>th</sup> Avenue (Assessor's Map 1N.1E.24AB);
60. Thence leaving said easterly right-of-way line, Westerly 61 feet, more or less, to the intersection of the southerly line of Document Number 2008-006269 and the westerly right-of-way line of NE 36<sup>th</sup> Avenue (Assessor's Map 1N.1E.24AB);
61. Thence along said southerly line, Westerly 100 feet, more or less, to the easterly line of Document Number 2017-114970 (Assessor's Map 1N.1E.24AB);
62. Thence along said easterly line, Southerly 2 feet, more or less, to the southerly line of said Document Number 2017-114970 (Assessor's Map 1N.1E.24AB);
63. Thence along said southerly line, Westerly 100 feet, more or less, to the easterly right-of-way line of NE 35<sup>th</sup> Place (Assessor's Map 1N.1E.24AB);
64. Thence leaving said easterly right-of-way line, Westerly 61 feet, more or less, to the intersection of the northerly line of Lot 33, Block 28 of the plat of "Willamette Addition to East Portland" and the westerly right-of-way line of NE 35<sup>th</sup> Place (Assessor's Map 1N.1E.24AB);
65. Thence along said northerly line and the westerly extension thereof, Westerly 460 feet, more or less, to the easterly right-of-way line of NE 34<sup>th</sup> Avenue (Assessor's Map 1N.1E.24AB);
66. Thence along said easterly right-of-way line, Northerly 257 feet, more or less, to the southerly line of Document Number 2020-105355 (Assessor's Map 1N.1E.13DC);
67. Thence along said southerly line, Easterly 100 feet, more or less, to the easterly line of said Document Number 2020-105355 (Assessor's Map 1N.1E.13DC);
68. Thence along said easterly line, Northerly 26 feet, more or less, to the northerly line of Lot 14, Block 10 of the plat of "Kennedy's Addition to East Portland" (Assessor's Map 1N.1E.13DC);
69. Thence along said northerly line and the easterly extension thereof, Easterly 360 feet, more or less, to the westerly right-of-way line of NE 35<sup>th</sup> Place (Assessor's Map 1N.1E.13DC);

70. Thence along said westerly right-of-way line, Southerly 30 feet, more or less, to the westerly extension of the northerly line of Document Number 2015-133075 (Assessor's Map 1N.1E.13DC);
71. Thence along said westerly extension and said northerly line, Easterly 141 feet, more or less, to the westerly line of Document Number 2020-013977 (Assessor's Map 1N.1E.13DC);
72. Thence along said westerly line, Northerly 31 feet, more or less, to the northerly line of said Document Number 2020-013977 (Assessor's Map 1N.1E.13DC);
73. Thence along said northerly line and the easterly extension thereof, Easterly 119 feet, more or less, to the westerly right-of-way line of NE 36<sup>th</sup> Avenue (Assessor's Map 1N.1E.13DC);
74. Thence leaving said westerly right-of-way line, Easterly 61 feet, more or less, to the intersection of the northerly line of Deed Book 2807, Page 1048 and the easterly right-of-way line of NE 36<sup>th</sup> Avenue (Assessor's Map 1N.1E.13DC);
75. Thence along said northerly line, Easterly 100 feet, more or less, to the easterly line of said Deed Book 2807, Page 1048 (Assessor's Map 1N.1E.13DC);
76. Thence along said easterly line, Southerly 16 feet, more or less, to the easterly northerly line of said Deed Book 2807, Page 1048 (Assessor's Map 1N.1E.13DC);
77. Thence along said easterly northerly line and the easterly extension thereof, Easterly 118 feet, more or less, to the westerly right-of-way line of NE 37<sup>th</sup> Avenue (Assessor's Map 1N.1E.13DD);
78. Thence leaving said westerly right-of-way line, Easterly 50 feet, more or less, to the intersection of the southerly line of Lot 5, Block 6 of the plat of "Replat of View Park" and the easterly right-of-way line of NE 37<sup>th</sup> Avenue (Assessor's Map 1N.1E.13DD);
79. Thence along said southerly line and the easterly extension thereof, Easterly 627 feet, more or less, to the easterly line of Lot 5, Block 4 of said plat of "Replat of View Park" (Assessor's Map 1N.1E.13DD);
80. Thence along said easterly line, Northerly 50 feet, more or less, to the northerly line of said Lot 5, Block 4 (Assessor's Map 1N.1E.13DD);
81. Thence along said northerly line, Westerly 94 feet, more or less, to the westerly line of Deed Book 393, Page 244 (Assessor's Map 1N.1E.13DD);
82. Thence along said westerly line, Northerly 642 feet, more or less, to the northerly line of said Deed Book 393, Page 244 (Assessor's Map 1N.1E.13DD);
83. Thence along said northerly line, Easterly 775 feet, more or less, to the westerly right-of-way of NE 42<sup>nd</sup> Avenue (Assessor's Map 1N.1E.13DD);
84. Thence leaving said westerly right-of-way line, Easterly 60 feet, more or less, to the intersection of the southerly line of Document Number 2000-019480 and the easterly right-of-way line of NE 42<sup>nd</sup> Avenue (Assessor's Map 1N.2E.18CC);
85. Thence along said easterly right-of-way line, Northerly 2,221 feet, more or less, to the northerly right-of-way line of Union Pacific Railroad (Assessor's Map 1N.2E.18BC);
86. Thence along said northerly right-of-way line, Northwesterly 54 feet, more or less, to the westerly line of Document Number 2008-118751 (Assessor's Map 1N.2E.18BC);
87. Thence along said westerly line, Northerly 264 feet, more or less, to the southerly right-of-way line of NE Columbia Boulevard (Assessor's Map 1N.2E.18BC);

88. Thence leaving said southerly right-of-way line, Northeasterly 71 feet, more or less, to the intersection of the westerly right-of-way line of NE 42<sup>nd</sup> Avenue and the northerly right-of-way line of NE Columbia Boulevard (Assessor's Map 1N.2E.18BC);
89. Thence along said westerly right-of-way line, Northerly 1,342 feet, more or less, to the southerly line of Deed Book 777, Page 301 (Assessor's Map 1N.1E.13AA);
90. Thence along said southerly line, Easterly 20 feet, more or less, to the southeasterly line of said Deed Book 777, Page 301 (Assessor's Map 1N.1E.13AA);
91. Thence along said southeasterly line, Northeasterly 144 feet, more or less, to the southwesterly mean high water line per Division of State Lands 1989 Photos of the Columbia Slough (Assessor's Map 1N.2E.18BB);
92. Thence along said mean high water line, Southeasterly 296 feet, more or less, to the westerly line of Document Number 2020-117071 (Assessor's Map 1N.2E.18B);
93. Thence along said westerly line, Southerly 1,036 feet, more or less, to the northerly line of Document Number 2002-159286 (Assessor's Map 1N.2E.18BC);
94. Thence along said northerly line, Westerly 136 feet, more or less, to the westerly line of said Document Number 2002-159286 (Assessor's Map 1N.2E.18BC);
95. Thence along said westerly line, Southerly 485 feet, more or less, to the southerly line of said Document Number 2002-159286 (Assessor's Map 1N.2E.18BC);
96. Thence along said southerly line, Easterly 240 feet, more or less, to said westerly line of Document Number 2020-117071 (Assessor's Map 1N.2E.18B);
97. Thence along said westerly line, Southerly 314 feet, more or less, to the northerly right-of-way line of NE Columbia Boulevard (Assessor's Map 1N.2E.18B);
98. Thence along said northerly right-of-way line, Southeasterly 1,058 feet, more or less, to the easterly right-of-way of NE 46<sup>th</sup> Avenue (Assessor's Map 1N.2E.18BC);
99. Thence along said easterly right-of-way line, Northerly 792 feet, more or less, to the easterly extension of the most easterly northerly line of Document Number 2020-117071 (Assessor's Map 1N.2E.18B);
100. Thence along said easterly extension and said easterly northerly line, Westerly 234 feet, more or less, to the easterly line of said Document Number 2020-117071 (Assessor's Map 1N.2E.18B);
101. Thence along said easterly line, Northerly 629 feet, more or less, to the northerly line of Document Number 2018-011168 (Assessor's Map 1N.2E.18BB);
102. Thence along said northerly line of Document Number 2018-011168, Easterly 434 feet, more or less, to the northerly line of Document Number 2019-052610 (Assessor's Map 1N.2E.18BA);
103. Thence along said northerly line of Document Number 2019-052610, Easterly 193 feet, more or less, to the westerly right-of-way line of NE 47<sup>th</sup> Avenue (Assessor's Map 1N.2E.18BA);
104. Thence along said westerly right-of-way line, Southerly 26 feet, more or less, to the westerly extension of the northerly line of Lot 34 of the plat of "London Acres" (Assessor's Map 1N.2E.18BA);
105. Thence along said westerly extension, Easterly 63 feet, more or less, to the easterly right-of-way line of said NE 47<sup>th</sup> Avenue (Assessor's Map 1N.2E.18BA);
106. Thence along said easterly right-of-way line, Southerly 695 feet, more or less, to the southerly line of Lot 29 of the plat of "London Acres" (Assessor's Map 1N.2E.18BD);

107. Thence along said southerly line, Easterly 203 feet, more or less, to the northerly line of Document Number 2011-109537 (Assessor's Map 1N.2E.18BD);
108. Thence along said northerly line, Southeasterly 454 feet, more or less, to the southerly line of Tract A of said Partition Plat 2008-143 (Assessor's Map 1N.2E.18BD);
109. Thence along said southerly line, Southeasterly 366 feet, more or less, to the westerly line of said Parcel 1 of Partition Plat 2008-143 (Assessor's Map 1N.2E.18BD);
110. Thence along said westerly line, Northerly 77 feet, more or less, to the Point of Beginning.

The above described tract of land contains 1,623 acres, more or less.

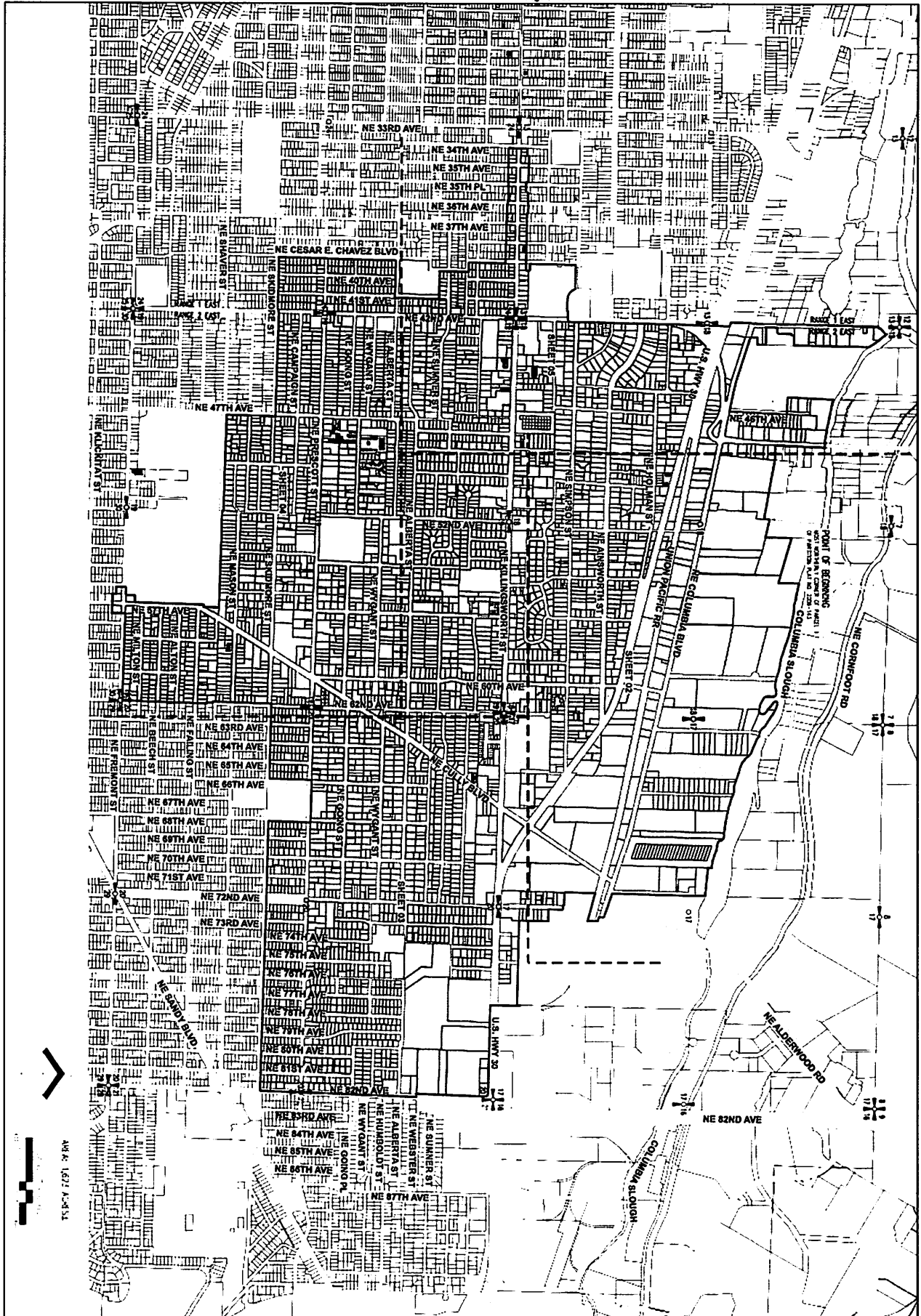
6/27/2022



*Michael S. Kalina*



RENEWS: 6/30/23



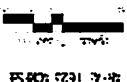
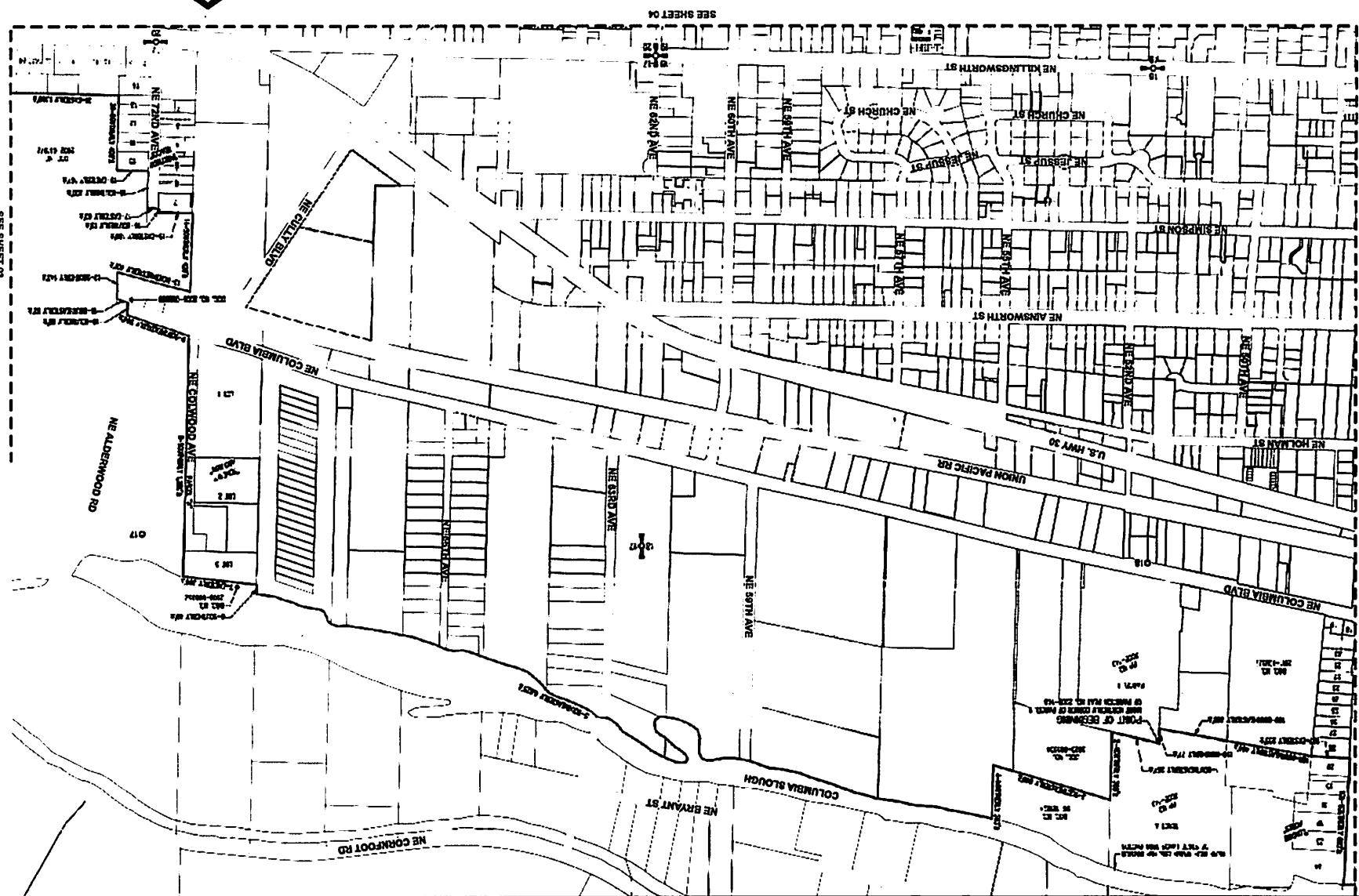
AKS  
1671 A-D-351  
7197-01  
01

**MAP OF URBAN  
RESIDENTIAL AREA  
COVER SHEET**

**CULLY NEIGHBORHOOD  
URBAN RESIDENTIAL AREA  
PORTLAND OREGON**

AKS  
ENGINEERING & DESIGN, LLC  
ENGINEERING SURVEYING MATERIALS RESOURCES  
FORESTRY PLANNING LANDSCAPE ARCHITECTURE

SEE SHEET 03



02

7/17-21

02 AREA

02 AREA

02 AREA

02 AREA

02 AREA

02 AREA

02 AREA

02 AREA

02 AREA

02 AREA

02 AREA

02 AREA

02 AREA

02 AREA

02 AREA

02 AREA

02 AREA

02 AREA

02 AREA

02 AREA

02 AREA

02 AREA

02 AREA

02 AREA

02 AREA

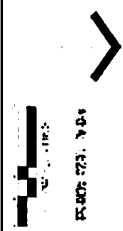
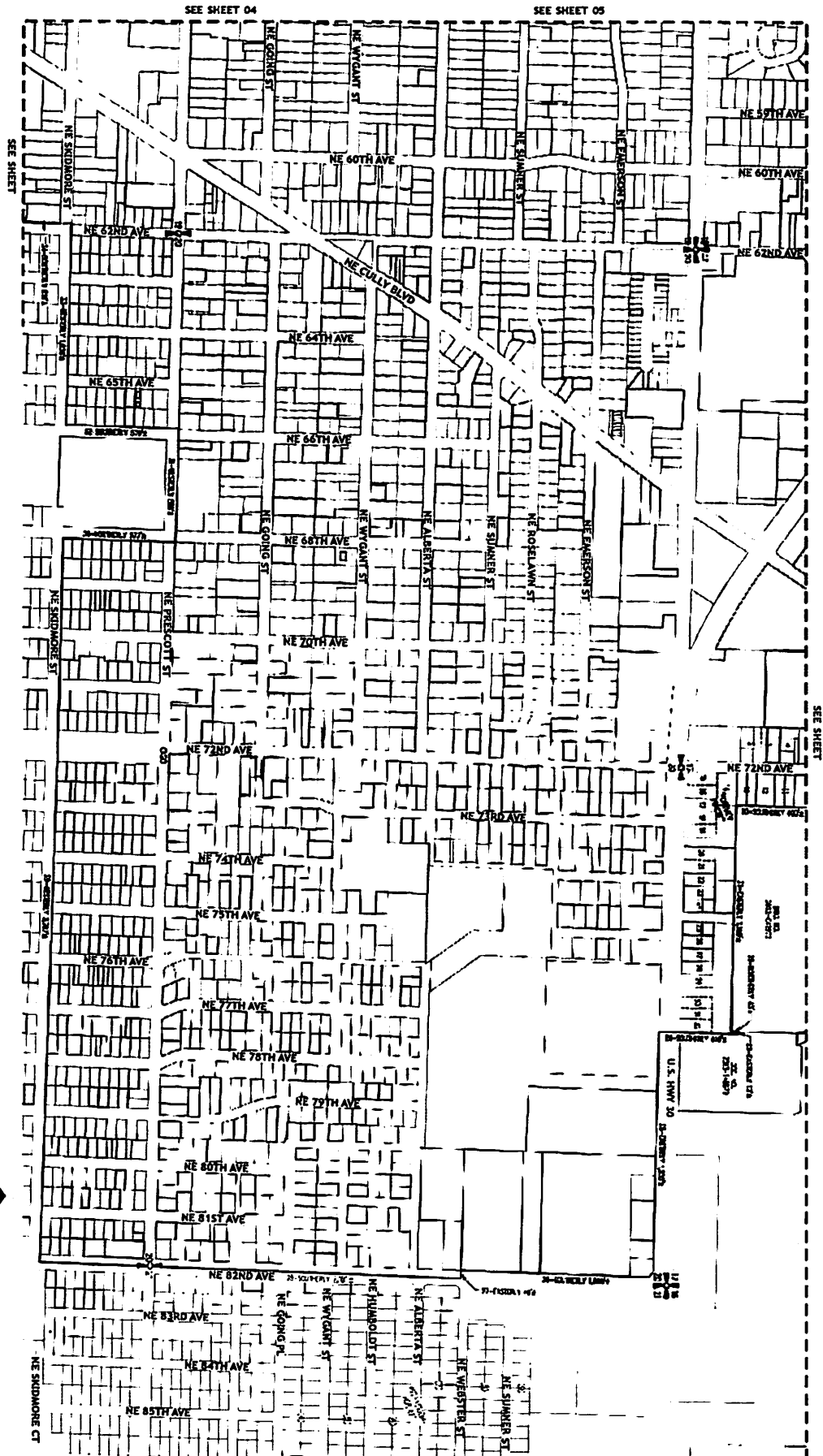
02 AREA

02 AREA

MAP OF URBAN  
RESIDENTIAL AREA

CULLY NEIGHBORHOOD  
URBAN RESIDENTIAL AREA  
PORTLAND OREGON

AKS  
ARCHITECTURAL & ENGINEERING  
CONSULTANTS  
1000 NE 10TH AVE, SUITE 100  
PORTLAND, OREGON 97232  
503.255.1111  
WWW.AKSARCHITECTS.COM



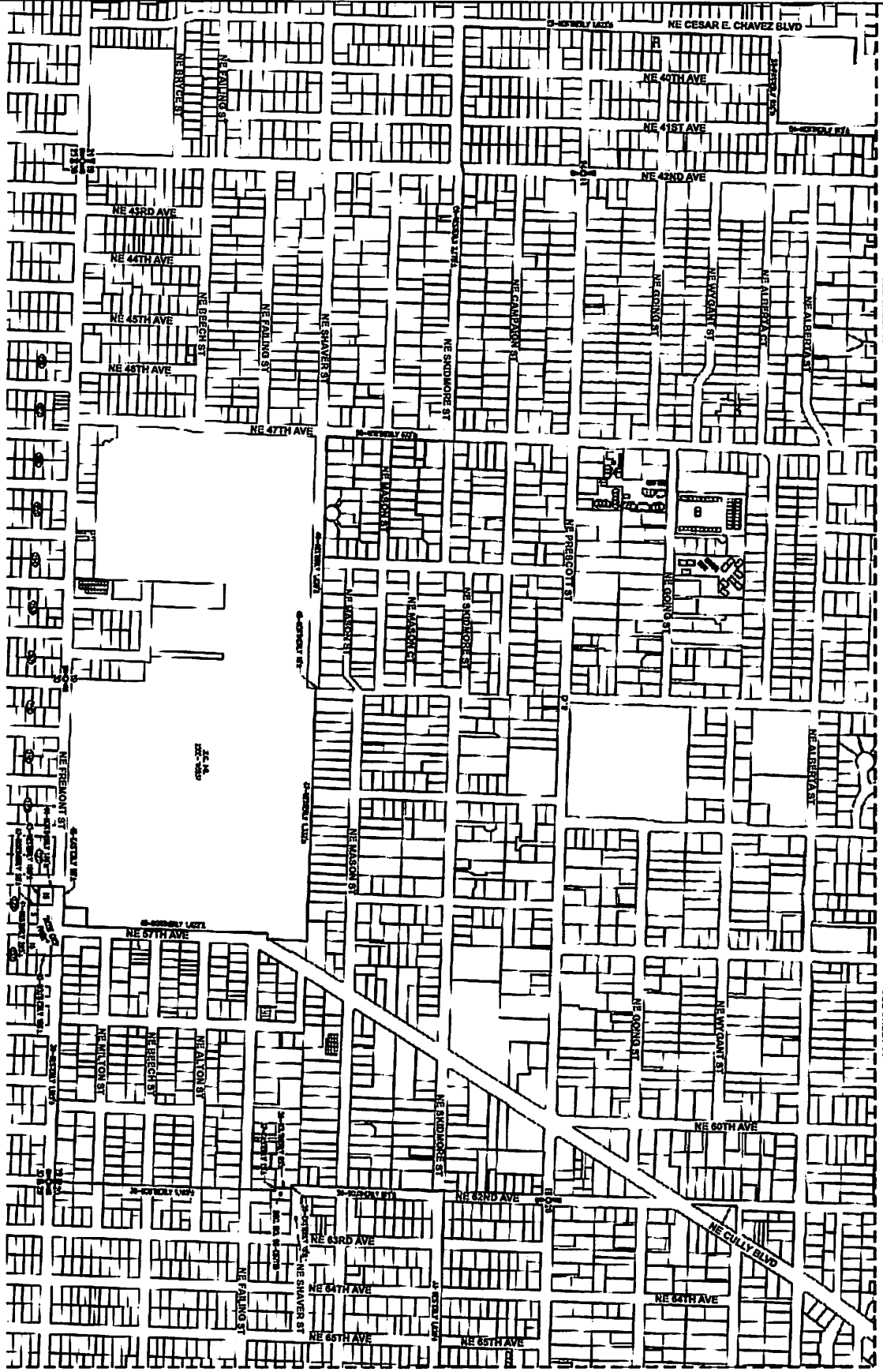
0

AKS ARCHITECTS  
 1000 NE 10TH AVENUE  
 PORTLAND, OREGON 97232  
 TEL: 503.255.1111  
 FAX: 503.255.1112  
 WWW.AKSARCHITECTS.COM

**MAP OF URBAN  
 RESIDENTIAL AREA**

**CULLY NEIGHBORHOOD  
 URBAN RESIDENTIAL AREA  
 PORTLAND OREGON**

**AKS**  
 ARCHITECTS  
 1000 NE 10TH AVENUE  
 PORTLAND, OREGON 97232  
 TEL: 503.255.1111  
 FAX: 503.255.1112  
 WWW.AKSARCHITECTS.COM



SEE SHEET 05

SEE SHEET 01

SEE SHEET 03

AKS  
ARCHITECTS  
1111 SW 5TH AVENUE  
PORTLAND, OREGON 97204  
TEL: 503.228.1111  
WWW.AKSARCHITECTS.COM

DATE: 12/11/11  
DRAWN BY: [Name]  
CHECKED BY: [Name]

**MAP OF URBAN  
RESIDENTIAL AREA**

**CULLY NEIGHBORHOOD  
URBAN RESIDENTIAL AREA  
PORTLAND OREGON**

**AKS**  
ARCHITECTS  
1111 SW 5TH AVENUE  
PORTLAND, OREGON 97204  
TEL: 503.228.1111  
WWW.AKSARCHITECTS.COM

AKS ENGINEERING, 701-10, BULLOCK, LAUREN, OR

SEE SHEET 02

SEE SHEET 04



AKS 1023 30233



**CULLY NEIGHBORHOOD  
URBAN RESIDENTIAL AREA  
PORTLAND OREGON**

**MAP OF URBAN  
RESIDENTIAL AREA**

DATE: 10/1/10  
 PREPARED BY: [Signature]  
 CHECKED BY: [Signature]  
 SCALE: AS SHOWN  
 SHEET: 05 OF 05

10-171  
 05

## Exhibit B: Findings of Fact

### Background on Proposed Cully Tax Increment Finance District Plan:

This Project is the consideration of the Cully Tax Increment Finance (“TIF”) District Plan.

Authority for the use of urban renewal is codified in Chapter 457 of the Oregon Revised Statutes (ORS). The statutes include criteria for establishing urban renewal areas (or tax increment finance districts) and the required contents of urban renewal area plans and reports. Prosper Portland is the City’s designated urban renewal and redevelopment agency. On September 14, 2022 the Prosper Portland Board of Commissioners considered the proposed Cully TIF District Plan (referred to as the “TIF District Plan” or “District Plan” in these findings of fact) and recommended it be forward through the formal public review process outlined in ORS 457.

ORS 457 also requires that the City’s Planning Commission (PSC) review proposed TIF District Plans. The PSC’s recommendations on urban renewal plans are submitted to the Portland City Council for its deliberations. The ordinance adopting a plan must include a Finding that the plan conforms to the city’s comprehensive plan. The background to support that Finding are incorporated into this document.

ORS 457 uses the words “conforms to” (ORS 457.095(2)(c)). The Comprehensive Plan verbiage states “complies with” or is “consistent with”. In these Findings, the statements “complies with” or is “consistent with” are the same as “conforms to”. “Conforms to” will be used in the implementing ordinance to be adopted by the Portland City Council as the ordinance requirements are set out in ORS 457.095.

#### Background on Cully TIF District Plan development:

Seven partner organizations — the Native American Youth and Family Center (NAYA), Hacienda CDC, Habitat for Humanity Portland Region, Verde, Our 42nd Avenue, the Cully Boulevard Alliance and the Cully Association of Neighbors — with strong roots in the Cully neighborhood formed an Exploration Leadership Committee (ELC) to explore a potential tax increment funding district for Cully. For more than a decade these organizations have worked toward enhancing social and economic inclusion to prevent the displacement of Priority Community members.

The City of Portland recognizes Cully as a neighborhood likely to experience significant change in the coming years. Portland City Council adopted Resolution 36953 in August 2012, which calls for a coordinated effort by city bureaus to study and prevent displacement in Cully. Since then NAYA has developed affordable housing in multiple locations in Cully, Verde and partners have developed a Cully Energy Plan to map out the future of community-controlled energy in Cully, Cully Park converted a former landfill into our neighborhood’s newest environmental asset, preservation of Oak Leaf and Arbor mobile home parks were key anti-displacement victories and the community came together to purchase and rehabilitate a run-down strip club into Las Adelitas, a Hacienda CDC affordable housing development. Cully Boulevard Alliance (CBA) and Our 42nd Avenue are two Cully Neighborhood Prosperity Districts (NPD) that have existed for over a decade. The two NPDs have targeted the

investments of their respective TIF funds into community and BIPOC focused economic development efforts in the neighborhood. Both have prioritized the direction of funds to create affordable commercial lease opportunities and to support BIPOC-owned businesses with tenant improvement grants. Critically, the two NPDs provided vital sustaining support for Cully businesses during the pandemic. They helped businesses to access Prosper Portland grants, state and federal support to keep their businesses alive. This level of intentional focus and commitment to preserving neighborhood businesses was the last line of defense preventing countless business closures and job losses in an economically fragile community. Partners have been involved in the formation of the Multnomah County Climate Justice Collaborative, Portland Clean Energy Fund Steering Committee, and the Not in Cully anti-displacement plan. Working together, neighborhood organizations and public agencies have an opportunity to once again align programs and policies so that Cully remains a place where diverse residents can live, work, and thrive.

Despite the successes, the current scale of activity is entirely insufficient in the face of looming gentrification and mass displacement. If the Cully community fails to fund investments at a significantly larger scale and produce a community-led framework to direct the administration of those funds and prioritize those investments, it could soon be too late. Current development trends threaten our partnership's shared vision of community prosperity. Cully has new parks, more sidewalks and paved streets, new houses and apartments and new businesses in growing commercial districts. These improvements, while needed and desirable, make our neighborhood more attractive to developers, investors and home buyers, driving up prices and causing displacement. As rising rents spread across Cully, lower-income families and people of color are being displaced from the neighborhood that they have helped to make such a vibrant, caring, diverse corner of Portland. Even Cully residents who are fortunate enough to own their homes recognize that they could not afford to buy a house here now, and their children won't be able to afford to live here in the future. Locally owned businesses face the threats of rising rents for commercial space, and the loss of their customer base due to residential displacement.

To realize the vision for Cully, the project partners have facilitated a community process during the calendar years of 2019-22 to explore the creation of a Cully TIF District. While past use of TIF in the City of Portland has sometimes been problematic, the Cully ELC believes there is strong potential for this powerful tool to be repurposed to benefit Priority Communities.

"Priority Communities" refers to the intended beneficiaries of the Cully TIF District: African American and Black persons; Indigenous and Native American persons; persons of color; immigrants and refugees of any legal status; renters; mobile home residents; persons with disabilities; low-income people; houseless people; and other population groups that are systemically vulnerable to exclusion from Cully due to gentrification and displacement.

To fully explore and vet this possibility through community engagement, research, and policy analysis, the partners secured a Metro 2040 Planning and Development Grant. This grant supported a community-driven, iterative process to determine priorities for the programming, rules, and governance of a prospective community-controlled TIF District.

The Cully ELC, Prosper Portland and the Portland Housing Bureau negotiated a governance structure for the Cully TIF District. The TIF District Plan will utilize a community-led approach in the identification, prioritization, administration and accountability of investments. This approach will be outlined in a structure that will exist for the life of the District, consisting of two components: 1) high-level commitments and principles that will be included in the District Plan itself; and 2) a more detailed

Community Governance Document that will exist outside of the District Plan, but which the District Plan will refer to, which establishes how decisions about the District, and specifically the use of TIF funds, will be made. It will define roles and responsibilities of a Committee of Cully community members and Portland City Council and the Prosper Portland Board, along with their delegated authorities in accordance with state statute and city code. It will also establish how City staff and the community-based Committee will collaborate with one another, regularly engaging with the broader community, to evaluate and prioritize potential investments. It will also describe how the City will administer and implement those investments and ensure investments are aligned with the goals set forth in the District Plan.

## Overview

A new tax increment finance plan must be found to be consistent with the Comprehensive Plan.  
(33.835.040)

1. **Finding:** The Cully Neighborhood TIF Plan does not make any changes to the Zoning Code, Comprehensive Plan goals or policies, the Comprehensive Plan map, or the zoning map.
2. **Finding:** The City Council has identified and addressed all Comprehensive Plan goals and policies and zoning code purpose statements relevant and applicable to the Cully TIF District Plan in these Findings of fact.
3. **Finding:** As discussed in more detail below, the City Council has considered the public testimony on this matter and has weighed all applicable goals and policies and has found the Cully TIF District Plan is consistent with the goals and policies of the Comprehensive Plan and other relevant city plans including the Cully Neighborhood Plan, the Albina Community Plan, the Concordia Neighborhood Plan and the 82<sup>nd</sup> Avenue Plan.

## Part I. Portland's Comprehensive Plan

**Portland's 2035 Comprehensive Plan** was adopted as part of Task Four of Periodic Review. Task Four was adopted by Ordinance No. 187832 on June 15, 2016. The 2035 Comprehensive Plan was amended as part of Task Five of Periodic Review, which was adopted by Ordinance No. 188177 on December 21, 2016. Both ordinances were made effective on May 24, 2018 by Ordinance No. 188695, and both Tasks Four and Five were approved by LCDC Order 18 – WKTSK – 001897 on August 8, 2018.

4. **Finding:** The City Council has identified the following guiding principles, goals and policies to be applicable to the Cully TIF District Plan.

### Guiding Principles

The 2035 Comprehensive Plan adopted five “guiding principles” in addition to the goals and policies typically included in a comprehensive plan. These principles were adopted to reinforce that implementation of the plan needs to be balanced, integrated and multi-disciplinary, and the influence of each principle helps to shape the overall policy framework of the plan. While the policies in the Comprehensive Plan effectively ensure that the guiding principles are met, the Findings below further demonstrate that in addition to meeting those specific policies, the Cully TIF District Plan is consistent with these guiding principles as described below.

**Economic Prosperity.** Support a low-carbon economy and foster employment growth, competitiveness and equitably distributed household prosperity.

5. **Finding:** This guiding principle asserts prosperity is about more than job growth. It also is about having a resilient regional economy, thriving local businesses and growth in living-wage jobs. It is also prosperity shared by Portland households. The 2035 Comprehensive Plan measures household prosperity in terms of a “self-sufficiency index” of what income is needed to meet basic household needs – costs of housing, childcare, food, healthcare and transportation.

The Cully TIF District Plan strives to enhance economic prosperity through the following goals in the Plan:

- Prevent the displacement of vulnerable people, communities, businesses and community-based institutions from Cully.
- Preserve existing opportunities for affordable housing and economic prosperity activities and create new opportunities for vulnerable people and communities, especially Priority Communities, to live, work and thrive in Cully, including those previously displaced.
- Ensure that current residents benefit from investments and neighborhood change, and that opportunities for housing and economic prosperity activities will be preserved and expanded for future generations.
- Ensure that people from Priority Communities play lead roles in making decisions about investments and policies that affect them and their communities.
- Develop and inspire a new model for the creation of future TIF districts in Portland and beyond.
- Actively work to remove barriers that could preclude community members from accessing TIF-funded projects and opportunities, including barriers such as immigration status, credit history, legal history, rental history, eviction history, and experience of domestic violence.
- Spur innovation of environment and climate change initiatives in TIF projects.

The Cully TIF District Plan implements these goals by providing funding for projects in Affordable Housing, Commercial Property Acquisition, Development and Renovation, Arts, Culture and Signage, Land Acquisition and Land Banking, Recreation Improvements and Infrastructure Improvements. The full Affordable Housing language is shown in Chapter 5 Findings 100 through 102. The full Commercial Property Acquisition, Development and Renovation language is shown in Chapter 6 Finding 137.

Therefore, the Cully TIF District Plan is consistent with the economic prosperity guiding principle. See also additional Findings for relevant policies in Chapters 5 and 6.

**Human Health.** Avoid or minimize negative health impacts and improve opportunities for Portlanders to lead healthy, active lives.

6. **Finding:** The Cully TIF District Plan has a specific goal to “Spur innovation of environment and climate change initiatives in TIF projects” and a principle to “Advance climate action and environmental stewardship”. In addition, the housing cost burden has a direct health impact on many Portlanders – either through added economic stress and the inability to afford medical care, or through the direct impact of living outdoors. The Cully TIF District Plan is supporting human health because it focuses on providing safe, decent and affordable housing options for Cully residents. These options include assistance for existing homeowners and providing new housing opportunities. It also includes resources for the creation of standalone shelters or shelters that are integrated into affordable housing or commercial development and researching the ability to provide permanent improvements to directly assist houseless individuals. Therefore, the Cully TIF District Plan is consistent with the human health guiding principle.

**Environmental Health.** Weave nature into the city and foster a healthy environment that sustains people, neighborhoods, and fish and wildlife. Recognize the intrinsic value of nature and sustain the ecosystem services of Portland’s air, water and land.

7. **Finding:** The Cully TIF District Plan supports this principle by allowing the development of a wider variety of housing and shelter options in more areas of the city. This expands the capacity to provide housing in Portland without impacting natural areas and more undeveloped land. It also includes more shelter options for unhoused people who might otherwise camp in parks or natural areas, as well as allowing some TIF funds to be spent on the creation or improvement of natural areas. Further, existing natural resource protections are not amended with the Cully TIF District Plan (Chapters 33.430 and 33.465). Therefore, the Cully TIF District Plan is consistent with the environmental health guiding principle.

**Equity.** Promote equity and environmental justice by reducing disparities, minimizing burdens, extending community benefits, increasing the amount of affordable housing, affirmatively furthering fair housing, proactively fighting displacement, and improving socio-economic opportunities for under-served and under-represented populations. Intentionally engage under-served and under-represented populations in decisions that affect them. Specifically recognize, address and prevent repetition of the injustices suffered by communities of color throughout Portland’s history.

8. **Finding:** The Cully TIF District Plan provides a funding source to help the Cully residents address equity and environmental justice issues. The project categories of Affordable Housing and Commercial Property Acquisition, Development and Renovation are centered around stabilizing housing costs and opportunities and providing new housing alternatives, retaining existing businesses and providing support to help them thrive in the community and supporting new community-driven economic development. The Cully TIF District Plan was prepared specifically as a

community led plan, with specific principles set, against which all projects will be evaluated. Those principles are listed in Section VII of the Cully TIF District Plan and include:

- An analysis of potential investments,
- Sequencing of investments to address displacement and gentrification issues,
- Setting aside funds for acquisition opportunities and ability to respond to immediate displacement threats,
- Leveraging and prioritizing TIF resources alongside other funding sources and promoting community-owned property versus privately owned property:
- Create community benefits from TIF investments
- Create equitable contracting and employment opportunities
- Prioritize and support community-based organizations and businesses
- Incorporate arts, culture and signage
- Remove barriers to TIF funded opportunities
- Support cooperative ownership
- Ensure physical accessibility

Cully is socially and economically diverse. Data from the ESRI used in the Preliminary Plan show the following statistics.

- Forty-three percent of residents represent communities of color, compared to 27 percent citywide.
- Cully has a larger share of low-income populations than Portland as a whole. The median household income for all Cully households is almost \$20,000 less than for all Portland households.
- The diversity index for Cully is 76.5 while City-wide it is 56.2.
- The wealth index for Cully is 64 while City-wide it is 102.
- The housing affordability index for Cully is 83 with 27.5% of a homeowner's income going toward a mortgage payment. Portland City-wide housing affordability is 86 with 26.6% of a homeowner's income going toward a mortgage payment.

In addition, Multnomah County's Point in Time homeless counts reveal that American Indian, Alaska Native, Native Hawaiian, Pacific Islander, and Black and African American populations are over-represented in Portland's homeless population.

The Cully TIF District Plan will benefit houseless people, people seeking alternative forms of shelter or housing, help provide housing affordability, provide assistance for the retention or expansion of existing businesses and encourage new businesses creation. The intent is to serve a community which, as shown above, is much more diverse than the city of Portland as a whole.

Therefore, the Cully TIF District Plan is consistent with the equity guiding principle.

**Resilience.** Reduce risk and improve the ability of individuals, communities, economic systems, and the natural and built environments to withstand, recover from, and adapt to changes from natural hazards, human-made disasters, climate change, and economic shifts.

9. **Finding:** The Cully TIF District Plan furthers this guiding principle through the Vision, Values and Goals, Principles and Projects in the Cully TIF District Plan. As noted in Finding 5, the principles of the Cully TIF District Plan address the displacement of Cully residents and the gentrification of the neighborhood. The projects identified in the Cully TIF District Plan aim to produce a wider range of

housing options and additional access to shelter. The projects also provide resources to retain, create, and expand economic opportunities through investments in commercial, industrial and mixed-use properties, and in residential properties where home-based businesses operate. Increasing the supply of lower-cost housing and allowing for an increased range of housing types throughout the city provides room for the market to produce housing in varying economic conditions and more readily adapt to changing market demands. A greater diversity of housing also helps individuals find housing that is “right sized” to their needs, both socially and economically.

In terms of natural hazards, the provisions of 33.631 (Sites in Flood Hazard Areas) and 33.632 (Sites in Potential Landslide Hazard Areas) along with City programs for flood management, and erosion and sediment control (Title 10 Erosion Control and the balanced cut and fill requirements of City Title 24), are unchanged by the Cully TIF District Plan. Therefore, the Cully TIF District Plan is consistent with the resilience guiding principle.

## Chapter 1: The Plan

**Goal 1.A: Multiple goals.** Portland’s Comprehensive Plan provides a framework to guide land use, development, and public facility investments. It is based on a set of Guiding Principles that call for integrated approaches, actions, and outcomes that meet multiple goals to ensure Portland is prosperous, healthy, equitable, and resilient.

- 10. Finding:** As noted above, the Cully TIF District Plan is consistent with the guiding principles of the Comprehensive Plan. As part of an integrated approach to meet multiple goals, the City Council has considered, weighed and balanced applicable policies, as described on page HTU-5 of the Comprehensive Plan, to determine that this ordinance on the whole complies with the Comprehensive Plan. As described below, the City Council’s decision to adopt the Cully TIF District Plan has considered the multiple goals of the Comprehensive Plan, including the guiding principles, to determine that the adoption of this ordinance will ensure that Portland is prosperous, healthy, equitable, and resilient. Therefore, the Cully TIF District Plan is consistent with multiple goals of the Comprehensive Plan.

**Goal 1.B: Regional partnership.** Portland’s Comprehensive Plan acknowledges Portland’s role within the region, and it is coordinated with the policies of governmental partners.

- 11. Finding:** All impacted taxing districts received notice of the proposed Cully TIF District Plan from the required 45 day consult and confer process identified in ORS 457 and individual briefings were provided to Multnomah County and Portland Public Schools. City agencies contacted each taxing district as part of their review process. Therefore, the Cully TIF District Plan is consistent with coordinating with regional partners.

**Goal 1.C: A well-functioning plan.** Portland’s Comprehensive Plan is effective, its elements are aligned, and it is updated periodically to be current and to address mandates, community needs, and identified problems.

- 12. Finding:** The City Council defines “effective” as being successful in producing a desired or intended result. The desired or intended result is embodied in the Guiding Principles and goals and policies of the Comprehensive Plan. These Findings demonstrate how the Cully TIF District Plan is consistent with the Comprehensive Plan, including advancing multiple goals. The Cully TIF District Plan addresses community needs regarding gentrification and displacement, securing stable homes and economic prosperity for people who are vulnerable to displacement, securing those benefits not

only for current residents, but for future generations, identifying any potential for the investment to contribute to gentrification and displacement -- especially in terms of contributing to upward pressure on rents and property values, identify mitigation measures for any potential displacement impacts, to include the options of foregoing, delaying or revising the project, or accompanying the project with other mitigating investments. Therefore, the Cully TIF District Plan is consistent with the well-functioning goal of the Comprehensive Plan.

**Goal 1.D: Implementation tools.** Portland's Comprehensive Plan is executed through a variety of implementation tools, both regulatory and non-regulatory. Implementation tools comply with the Comprehensive Plan and are carried out in a coordinated and efficient manner. They protect the public's current and future interests and balance the need for providing certainty for future development with the need for flexibility and the opportunity to promote innovation.

- 13. Finding:** The Cully TIF District Plan is one of the implementation tools for the Comprehensive Plan by providing financing to complete projects in the Cully TIF District Plan boundary.

The City Council defines "flexibility" as a capability to adapt to new, different, or changing requirements and "innovation" as the introduction of something new. The Cully TIF District Plan provides a new approach to tax increment districts in Portland as the Cully TIF District Plan is being drafted jointly with by the Cully Exploration Leadership Committee (ELC) and the Cully TIF District Plan will be implemented through a Governance Charter that will incorporate extensive input and guidance from a new Community Leadership Committee. Therefore, the Cully TIF District Plan is consistent with this goal.

**Goal 1.E: Administration.** Portland's Comprehensive Plan is administered efficiently and effectively and in ways that forward the intent of the Plan. It is administered in accordance with regional plans and state and federal law.

- 14. Finding:** As noted above, the Findings show how the Cully TIF District Plan is consistent with the guiding principles of the 2035 Comprehensive Plan and the use of tax increment financing provides an implementation tool to the goals and policies stated in the Comprehensive Plan. Therefore, the Cully TIF District Plan is consistent with this goal.

## The Comprehensive Plan

**Policy 1.1. Comprehensive Plan elements.** Maintain a Comprehensive Plan that includes these elements:

- **Vision and Guiding Principles.** The Vision is a statement of where the City aspires to be in 2035. The Guiding Principles call for decisions that meet multiple goals to ensure Portland is prosperous, healthy, equitable, and resilient.
- **Goals and policies.** The goals and policies of the Comprehensive Plan, including the Urban Design Framework, provide the long-range planning direction for the development and redevelopment of the city.
- **Comprehensive Plan Map.** The Comprehensive Plan Map is the official long-range planning guide for spatially defining the desired land uses and development in Portland. The Comprehensive Plan Map is a series of maps, which together show the boundaries of municipal incorporation, the Urban Service Boundary, land use designations, and the recognized boundaries of the Central City, Gateway regional center, town centers, and neighborhood centers.

- **List of Significant Projects.** The List of Significant Projects identifies the public facility projects needed to serve designated land uses through 2035 including expected new housing and jobs. It is based on the framework provided by a supporting Public Facilities Plan (PFP). The Citywide Systems Plan (CSP) is the City's public facilities plan. The Transportation System Plan (TSP) includes the transportation-related list of significant projects. The list element of the TSP is also an element of the Comprehensive Plan.
- **Transportation policies, street classifications, and street plans.** The policies, street classifications, and street plan maps contained in the Transportation System Plan (TSP) are an element of the Comprehensive Plan. Other parts of the TSP function as a supporting document, as described in Policy 1.2.

**15. Finding:** The Cully TIF District Plan does not change the structure of these plan elements. This policy does not apply.

### Supporting Documents

**Policy 1.2. Comprehensive Plan supporting documents.** Maintain and periodically update the following Comprehensive Plan supporting documents.

- 1. Inventories and analyses.** The following inventories and analyses are supporting documents to the Comprehensive Plan:
  - Economic Opportunities Analysis (EOA)
  - Buildable Lands Inventory (BLI)
  - Natural Resource Inventory (NRI)
  - Housing Needs Analysis (HNA)

**16. Finding:** The Cully TIF District Plan does not update the above-noted supporting documents. This Policy does not apply.

- 2. Public Facilities Plan.** The Public Facilities Plan (PFP) is a coordinated plan for the provision of urban public facilities and services within Portland's Urban Services Boundary. The Citywide Systems Plan (CSP) is the City's public facilities plan.

**17. Finding:** As demonstrated in the Findings for Chapter 8 of the 2035 Comprehensive Plan, the Cully TIF District Plan does not impact the provision of public services and is consistent with the adopted Citywide Systems Plan (CSP). In particular, Findings responding to Policies 8.67, 8.75, 8.88, and 8.99 address wastewater, stormwater, water and parks facilities. The CSP includes the Public Facilities Plan with information on current and future transportation, water, sanitary sewer, and stormwater infrastructure needs and projects, consistent with the requirements of Statewide Planning Goal 11. The Cully TIF District Plan does not amend the Citywide Systems Plan (CSP). Therefore the Cully TIF District Plan is consistent with this policy.

- 3. Transportation System Plan (TSP).** The TSP is the detailed long-range plan to guide transportation system functions and investments. The TSP ensures that new development and allowed land uses are consistent with the identified function and capacity of, and adopted performance measures for, affected transportation facilities. The TSP includes a financial plan to identify revenue sources for planned transportation facilities included on the List of Significant Projects. The TSP is the transportation element of the Public Facilities Plan. Certain components of the TSP are elements of the Comprehensive Plan. *See Policy 1.1.*

**18. Finding:** As demonstrated in the Findings for the goals and policies of Chapter 9 (Transportation), the Cully TIF District Plan does not propose changes to any zoning or to the transportation system. The Cully TIF District Plan is consistent with and does not amend the Transportation System Plan.

**4. School Facility Plans.** School facility plans that were developed in consultation with the City, adopted by school districts serving the City, and that meet the requirements of ORS 195 are considered supporting documents to the Comprehensive Plan.

**19. Finding:** David Douglas School District (DDSD) is currently the only school district in Portland with an adopted school facility plan that meets this policy. The Cully Neighborhood does not send children to the David Douglas School District, so the Cully TIF District Plan does not amend the David Douglas School Facility Plan. This policy does not apply.

### **Implementation tools**

**Policy 1.3. Implementation tools subject to the Comprehensive Plan.** Maintain Comprehensive Plan implementation tools that are derived from, and comply with, the Comprehensive Plan.

*Implementation tools include those identified in policies 1.4 through 1.9.*

**20. Finding:** The Cully TIF District Plan complies with the Comprehensive Plan and is consistent with this policy for the reasons described in this Findings of Fact Report and because it provides increased financing for projects that implement the policies of the Cully TIF District Plan, the Cully Neighborhood Plan, the Albina Community Plan and the Concordia Neighborhood Plan.

**Policy 1.4. Zoning Code.** Maintain a Zoning Code that establishes the regulations that apply to various zones, districts, uses, and development types.

**21. Finding:** Title 33 is the adopted and effective zoning code tool for the city. The Cully TIF District Plan does not propose any zoning code changes. Therefore, this policy does not apply.

**Policy 1.5 Zoning Map.** Maintain a Zoning Map that identifies the boundaries of various zones, districts, and other special features.

**22. Finding:** The Cully TIF District Plan does not include any Zoning Map amendments. Therefore, this policy does not apply.

**Policy 1.6 Service coordination agreements.** Maintain coordination agreements with local governments of adjoining jurisdictions concerning mutual recognition of urban service boundaries; special service districts concerning public facilities and services within Portland's Urban Services Boundary; and public school districts concerning educational facilities within Portland's Urban Services Boundary.

**23. Finding:** The city maintains several intergovernmental agreements concerning mutual recognition of urban service boundaries; special service districts concerning public facilities and services within Portland's Urban Services Boundary; and with public school districts. This policy is not relevant to the Cully TIF District Plan because there are no changes being made to these coordination agreements. Therefore, this policy does not apply.

**Policy 1.7 Annexations.** Provide a process incorporating urban and urbanizable land within the City's Urban Services Boundary through annexation. See policies 8.11-8.19 for service extension requirements for annexations.

- 24. Finding:** The City has a process for incorporating urban and urbanizable land. The Cully TIF District Plan does not include any annexations nor change current processes for incorporation of land. Therefore, this policy does not apply.

**Policy 1.8 Urban renewal plans.** Coordinate Comprehensive Plan implementation with urban renewal plans and implementation activities. A decision to adopt a new urban renewal district, adopt or amend goals and objectives that will guide investment priorities within a district, or amend the boundaries of an existing district, must comply with the Comprehensive Plan.

- 25. Finding:** The Cully TIF District Plan is a new urban renewal plan and is consistent with this policy because it complies with the Comprehensive Plan for the reasons described in this Findings of Fact Report.

**Policy 1.9 Development agreements.** Consider development agreements entered into by the City of Portland and pursuant to Oregon Revised Statute 94 a Comprehensive Plan implementation tool.

- 26. Finding:** The Cully TIF District Plan does not affect nor necessitate development agreements at this time. There may be development agreements in the future and if so they will comply with the Comprehensive Plan. Therefore, this policy does not apply.

## **Administration**

**Policy 1.10. Compliance with the Comprehensive Plan.** Ensure that amendments to the Comprehensive Plan's elements, supporting documents, and implementation tools comply with the Comprehensive Plan. "Comply" means that amendments must be evaluated against the Comprehensive Plan's applicable goals and policies and on balance be equally or more supportive of the Comprehensive Plan than the existing language or designation.

**1.10.a** Legislative amendments to the Comprehensive Plan's elements and implementation tools must also comply with the Guiding Principles.

**1.10.b** Legislative amendments to the Comprehensive Plan's elements should be based on the factual basis established in the supporting documents as updated and amended over time.

**1.10.c** Amendments to the Zoning Map are in compliance with the Comprehensive Plan if they are consistent with the Comprehensive Plan Map.

- 27. Finding:** The Cully TIF District Plan does not change any provision in the Comprehensive Plan nor in the Zoning Code. It is an implementation tool. The City Council finds that this is a fundamental policy of the Comprehensive Plan that guides the manner in which the City Council considers amendments to the Plan itself or any implementing regulations, such as the Zoning Code.

These Findings identify how the Cully TIF District Plan conforms to the Comprehensive Plan. That is, the Cully TIF District Plan is evaluated against the Comprehensive Plan's Guiding Principles, goals, and policies, as detailed throughout this set of Findings. As described in the Finding for Policy 1.2, the factual basis of the supporting documents is not changed by this ordinance.

The City Council finds that the Cully TIF District Plan is consistent with the Comprehensive Plan as it does not make any changes to the Comprehensive Plan but implements provisions of the Comprehensive Plan as described in these Findings.

Findings in Chapter 10 address consistency with the Comprehensive Plan Map.

**Policy 1.11. Consistency with Metro Urban Growth Management Functional Plan and Urban Growth Boundary.** Ensure that the Comprehensive Plan remains consistent with the Metro Urban Growth Management Functional Plan and supports a tight urban growth boundary for the Portland Metropolitan area.

- 28. Finding:** As noted earlier in these Findings, the Cully TIF District Plan is consistent with this policy because it aims to maintain an adequate housing supply and provide additional residential capacity in Cully as described in Chapter 5 Findings, and more specifically Finding 100. The Cully TIF District Plan also provides resources for local economic development, serving the residents within the community. This supports Metro's plan for a tight urban growth boundary by reducing pressure to develop housing in new greenfield areas. Therefore, the Cully TIF District Plan is consistent with this policy.

**Policy 1.12. Consistency with Statewide Planning Goals.** Ensure that the Comprehensive Plan, supporting documents, and implementation tools remain consistent with the Oregon Statewide Planning Goals.

- 29. Finding:** These findings demonstrate that the Cully TIF District Plan is consistent with the Comprehensive Plan which was acknowledged by the state to be consistent with the Oregon Statewide Planning Goals. Therefore, the Cully TIF District Plan is consistent with this policy.

**Policy 1.13. Consistency with state and federal regulations.** Ensure that the Comprehensive Plan remains consistent with all applicable state and federal regulations, and that implementation measures for the Comprehensive Plan are well coordinated with other City activities that respond to state and federal regulations.

- 30. Finding:** The Cully TIF District Plan was developed to be consistent with applicable state and federal regulations, including the Fair Housing Act, and does not amend any Zoning Code sections that are required by state or federal regulations, including FEMA flood regulations and state building code requirements. The Cully TIF District Plan generally furthers fair housing by providing funding for stabilization of existing housing and creating new housing opportunities. The Cully TIF District Plan is consistent with the Comprehensive Plan which must be consistent with the state and federal regulations. Therefore, the Cully TIF District Plan is consistent with this policy.

**Policy 1.14. Public facility adequacy.** Consider impacts on the existing and future availability and capacity of urban public facilities and services when amending Comprehensive Plan elements and implementation tools. Urban public facilities and services include those provided by the City, neighboring jurisdictions, and partners within Portland's urban services boundaries, as established by Policies 8.2 and 8.6.

- 31. Finding:** As demonstrated in the Findings for Chapter 8 (Public Facilities and Services) of the Comprehensive Plan, City Council considered the impacts on the existing and future availability and capacity of urban public facilities and services consistent with this policy. The Cully TIF District Plan is therefore consistent with the public facility adequacy policy.

**Policy 1.15. Intergovernmental coordination.** Strive to administer the Comprehensive Plan elements and implementation tools in a manner that supports the efforts and fiscal health of the City, county and regional governments, and partner agencies such as school districts and transit agencies.

- 32. Finding:** Prosper Portland notified all impacted taxing districts of the proposed Cully TIF District Plan and its impacts on them through the 45 day consult and confer notification required by ORS 457. The Cully TIF District Plan is therefore consistent with the intergovernmental coordination policy.

**Policy 1.16. Planning and Sustainability Commission review.** Ensure the Planning and Sustainability Commission (PSC) reviews and makes recommendations to the City Council on all proposed legislative amendments to Comprehensive Plan elements, supporting documents, and implementation tools. The PSC advises City Council on the City's long-range goals, policies, and programs for land use, planning, and sustainability. The membership and powers and duties of the PSC are described in the Zoning Code.

**Finding:** The PSC reviewed the Cully TIF District Plan and voted unanimously to recommend it to City Council at a public hearing on September 27, 2022. The PSC fulfilled its responsibilities as outlined in this policy. The Cully TIF District Plan is therefore consistent with this policy.

**Policy 1.17. Community Involvement Committee.** Establish a Community Involvement Committee to oversee the Community Involvement Program as recognized by policies 2.15-2.18 of this Comprehensive Plan.

**33. Finding:** The Community Involvement Committee reviews and advises the way City staff engage with the public in land use and transportation planning. The Cully TIF District Plan does not change this provision and therefore this policy is not applicable. The project's community involvement program is detailed more in the Findings for Chapter 2, Community Involvement.

**Policy 1.18. Quasi-judicial amendments to the Comprehensive Plan Map.** Applicants for quasi-judicial amendments to the Comprehensive Plan Map must show that the requested change adheres to Policies 1.10 through 1.15 and:

- Is compatible with the land use pattern established by the Comprehensive Plan Map.
- Is not in conflict with applicable adopted area-specific plans as described in Policy 1.19, or the applicable hearings body determines that the identified conflict represents a circumstance where the area specific plan is in conflict with the Comprehensive Plan and the proposed amendment is consistent with the Comprehensive Plan.

The Hearings Officer must review and make recommendations to the City Council on all quasi-judicial amendments to the Comprehensive Plan Map using procedures outlined in the Zoning Code.

**34. Finding:** This policy concerns quasi-judicial amendments to the Comprehensive Plan Map. This policy does not apply,

**Policy 1.19. Area-specific plans.** Use area-specific plans to provide additional detail or refinements applicable at a smaller geographic scale, such as for centers and corridors, within the policy framework provided by the overall Comprehensive Plan.

**1.19.a** Area-specific plans that are adopted after May 24, 2018, should clearly identify which components amend Comprehensive Plan elements, supporting documents, or implementation tools. Such amendments should be appropriate to the scope of the Comprehensive Plan; be intended to guide land use decisions; and provide geographically specific detail. Such amendments could include policies specific to the plan area, land use designation changes, zoning map changes, zoning code changes, and public facility projects necessary to serve designated land uses.

**1.19.b** Area-specific plan components intended as context, general guidance, or directives for future community-driven efforts should not amend the Comprehensive Plan elements or implementation tools but be adopted by resolution as intent. These components include vision statements, historical context, existing conditions, action plans, design preferences, and other background information.

**1.19.c** Community, area, neighborhood, and other area-specific plans that were adopted by ordinance prior to January 1, 2018, are still in effect. However, the elements of this Comprehensive Plan supersede any goals or policies of a community, area, or neighborhood plan that are inconsistent with this Plan.

- 35. Finding:** The Cully TIF District Plan includes property located in the Cully Neighborhood Plan, Albina Community Plan, Concordia Neighborhood Plan and the 82<sup>nd</sup> Avenue Plan area. The Cully TIF District Plan complies with these plans, as indicated in the specific Findings for those plans within this Findings of Fact document.

## Chapter 2: Community Involvement

**Goal 2.A: Community involvement as a partnership.** The City of Portland works together as a genuine partner with all Portland communities and interests. The City promotes, builds, and maintains relationships, and communicates with individuals, communities, neighborhoods, businesses, organizations, institutions, and other governments to ensure meaningful community involvement in planning and investment decisions.

**Goal 2.B: Social justice and equity.** The City of Portland seeks social justice by expanding choice and opportunity for all community members, recognizing a special responsibility to identify and engage, as genuine partners, under-served and under-represented communities in planning, investment, implementation, and enforcement processes, particularly those with potential to be adversely affected by the results of decisions. The City actively works to improve its planning and investment-related decisions to achieve equitable distribution of burdens and benefits and address past injustices.

36. **Finding:** The Cully TIF District Plan is a community initiated and driven project. The Cully Community requested the development of this Cully TIF District Plan and has collaborated with Prosper Portland and the City in the development of this plan by providing input, guidance and review on every section of the Plan. In addition to broad engagement with neighborhood associations and a pair of public open houses, targeted engagement was used to ensure the inclusion and centering of community voices representing under-served and under-represented communities, generally those most vulnerable to displacement pressure. Additional detail on engagement efforts can be found in Section III of the Plan. The Cully TIF District Plan is therefore consistent with the community involvement chapter of the Comprehensive Plan.

**Goal 2.C: Value community wisdom and participation.** Portland values and encourages community and civic participation. The City seeks and considers community wisdom and diverse cultural perspectives, and integrates them with technical analysis, to strengthen land use decisions.

**Goal 2.D: Transparency and accountability.** City planning and investment decision-making processes are clear, open, and documented. Through these processes a diverse range of community interests are heard and balanced. The City makes it clear to the community who is responsible for making decisions and how community input is considered. Accountability includes monitoring and reporting outcomes.

**Goal 2.E: Meaningful participation.** Community members have meaningful opportunities to participate in and influence all stages of planning and decision making. Public processes engage the full diversity of affected community members, including under-served and under-represented individuals and communities. The City will seek and facilitate the involvement of those potentially affected by planning and decision making.

**Goal 2.F: Accessible and effective participation.** City planning and investment decision-making processes are designed to be culturally accessible and effective. The City draws from acknowledged best practices and uses a wide variety of tools, including those developed and recommended by under-served and under-represented communities, to promote inclusive, collaborative, culturally-specific, and robust community involvement.

**Goal 2.G: Strong civic infrastructure.** Civic institutions, organizations, and processes encourage active and meaningful community involvement and strengthen the capacity of individuals and communities to participate in planning processes and civic life.

- 37. Finding:** The preparation of the Cully TIF District Plan has provided numerous opportunities for meaningful community involvement consistent with Goals 2.A through 2.G, as identified in Finding 37 and Section III of the Plan.

## **Partners in decision making**

**Policy 2.1. Partnerships and coordination.** Maintain partnerships and coordinate land use engagement with:

**2.1.a** Individual community members.

**2.1.b** Communities of color, low-income populations, Limited English Proficient (LEP) communities, Native American communities, and other under-served and under-represented communities.

**2.1.c** District coalitions, neighborhood associations, and business district associations as local experts and communication channels for place-based projects.

**2.1.d** Businesses, unions, employees, and related organizations that reflect Portland's diversity as the center of regional economic and cultural activity.

**2.1.e** Community-based, faith-based, artistic and cultural, and interest-based non-profits, organizations, and groups.

**2.1.f** Institutions, governments, and Sovereign tribes.

- 38. Finding:** This policy directs the City to maintain partnerships and coordinate community engagement on a programmatic level. These partnerships were engaged and maintained throughout this process of evaluating whether to proceed with a TIF District and the writing of the TIF District Plan. Staff from Prosper Portland, the Portland Housing Bureau and the Bureau of Planning and Sustainability conducted on-going communication with the Cully community on this project through the multi-year process and will continue to work with them on the implementation of the Cully TIF District Plan as described in the Governance Charter. The Cully community has involved a wide spectrum of the population identified in Sections 2.1.a. through 2.1.f in their outreach and decision making process as shown in Finding 37 of this document and Section III of the Plan. The Cully TIF District Plan is therefore consistent with this policy.

**Policy 2.2. Broaden partnerships.** Work with district coalitions, neighborhood associations, and business district associations to increase participation and to help them reflect the diversity of the people and institutions they serve. Facilitate greater communication and collaboration among district coalitions, neighborhood associations, business district associations, culturally-specific organizations, and community-based organizations.

- 39. Finding:** This policy directs the City to work with coalitions and associations to increase participation and improve communication on a programmatic level and is not specific to a particular project. The range of involvement as evidenced in Finding 37 of this document and Section III of the Plan shows broad community partnerships, including the Cully Association of Neighbors (CAN), who worked with the City to prepare the Cully TIF District Plan. The Cully TIF District Plan is therefore consistent with this policy.

## **Environmental justice**

**Policy 2.3. Extend benefits.** Ensure plans and investments promote environmental justice by extending the community benefits associated with environmental assets, land use, and public investments to communities of color, low-income populations, and other under-served or under-represented groups impacted by the decision. Maximize economic, cultural, political, and environmental benefits through ongoing partnerships.

**Policy 2.4. Eliminate burdens.** Ensure plans and investments eliminate associated disproportionate burdens (e.g., adverse environmental, economic, or community impacts) for communities of color, low-income populations, and other under-served or under-represented groups impacted by the decision.

**2.4.a,** Minimize or mitigate disproportionate burdens in cases where they cannot be eliminated.

**2.4.b,** Use plans and investments to address disproportionate burdens of previous decisions.

- 40. Finding:** For policies 2.3 and 2.4, the 2035 Comprehensive Plan defines “ensure” to mean “to make sure that something will happen or be available”. Council interprets these policies to mean that plans and investments each contribute to the extension of community benefits, and elimination of disproportionate burdens, over the duration of the planning period. The Cully TIF District Plan conforms to this Policy as detailed in Finding 5 of this document. The principles of the Cully TIF District Plan will guide all spending and focus on benefitting Priority Communities as a means to stabilize the entire community, reducing or eliminating disproportionate burdens. All projects to be undertaken in the Area will be evaluated according to the principles identified in the Cully TIF District Plan. Cully TIF District Plan is therefore consistent with policies 2.3 and 2.4.

## **Invest in education and training**

**Policy 2.5. Community capacity building.** Enhance the ability of community members, particularly those in under-served and/or under-represented groups, to develop the relationships, knowledge, and skills to effectively participate in plan and investment processes.

**Policy 2.6. Land use literacy.** Provide training and educational opportunities to build the public’s understanding of land use, transportation, housing, and related topics, and increase capacity for meaningful participation in planning and investment processes.

**Policy 2.7. Agency capacity building.** Increase City staff’s capacity, tools, and skills to design and implement processes that engage a broad diversity of affected and interested communities, including under-served and under-represented communities, in meaningful and appropriate ways.

- 41. Finding:** As noted in Findings 5 and 37, the Cully TIF District Plan project engaged partnerships through on-going communication and provided additional information in meaningful and culturally appropriate ways to better enable these community partners to convey important project information and engage their members. Therefore, the Cully TIF District Plan is consistent with these policies.

## **Community assessment**

**Policy 2.8. Channels of communication.** Maintain channels of communication among City Council, the Planning and Sustainability Commission (PSC), project advisory committees, City staff, and community members.

- 42. Finding:** The City Council interprets this policy to create the opportunity for the community and advisory committees to have opportunities to communicate their issues and concerns to the PSC

and City Council outside of the formal legislative process. These changes are a legislative process with formal opportunities to testify to communicate directly with City Council. Therefore, this policy does not apply.

**Policy 2.9. Community analysis.** Collect and evaluate data, including community-validated population data and information, to understand the needs, priorities, and trends and historical context affecting different communities in Portland.

**Policy 2.10. Community participation in data collection.** Provide meaningful opportunities for individuals and communities to be involved in inventories, mapping, data analysis, and the development of alternatives.

**Policy 2.11, Open data.** Ensure planning and investment decisions are a collaboration among stakeholders, including those listed in Policy 2.1. Where appropriate, encourage publication, accessibility, and wide-spread sharing of data collected and generated by the City.

- 43. Finding:** Policies 2.9 through 2.11 concern how the City collects and makes available data that supports land use decisions. This is not a land use decision. However, in this case, the City provided data to the Cully community throughout the formation of the Cully TIF District Plan. In addition, Prosper Portland and the Portland Housing Bureau provided data to support Findings in the Report Accompanying the Cully TIF District Plan. Therefore, the Cully TIF District Plan is consistent with these policies.

### **Transparency and accountability**

**Policy 2.12. Roles and responsibilities.** Establish clear roles, rights, and responsibilities for participants and decision makers in planning and investment processes. Address roles of City bureaus, elected officials, and participants, including community and neighborhood leadership, business, organizations, and individuals.

**Policy 2.13. Project scope.** Establish clear expectations about land use project sponsorship, purpose, design, and how decision makers will use the process results.

**Policy 2.14. Community influence.** At each stage of the process, identify which elements of a planning and investment process can be influenced or changed through community involvement. Clarify the extent to which those elements can be influenced or changed.

**Policy 2.15. Documentation and feedback.** Provide clear documentation for the rationale supporting decisions in planning and investment processes. Communicate to participants about the issues raised in the community involvement process, how public input affected outcomes, and the rationale used to make decisions.

- 44. Finding:** As described in the Findings above, the preparation of the Cully TIF District Plan was outlined in notices, project documents, including how to testify to influence the Cully TIF District Plan. In addition, the meetings identified in Finding 37 and Section III of the Plan contributed to community involvement prior to the formal Prosper Portland Board or PSC hearings and ensured that the process furthered these policies. The Cully Exploration Leadership Committee notified their community about the formal meetings and hearings for the adoption of the Cully TIF District Plan. Therefore, the Cully TIF District Plan is consistent with these policies.

### **Community involvement program**

**Policy 2.16. Community Involvement Program.** Maintain a Community Involvement Program that supports community involvement as an integral and meaningful part of the planning and investment decision-making process.

**Policy 2.17. Community engagement manual.** Create, maintain, and actively implement a community engagement manual that details how to conduct community involvement for planning and investment projects and decisions.

**Policy 2.18. Best practices engagement methods.** Utilize community engagement methods, tools, and technologies that are recognized as best practices.

**Policy 2.19. Community Involvement Committee.** The Community Involvement Committee (CIC), an independent advisory body, will evaluate and provide feedback to City staff on community involvement processes for individual planning and associated investment projects, before, during, and at the conclusion of these processes.

**Policy 2.20. Review bodies.** Maintain review bodies, such as the Planning and Sustainability Commission (PSC), Design Commission, Historic Landmarks Commission, and Adjustment Committee, to provide an opportunity for community involvement and provide leadership and expertise for specialized topic areas.

**Policy 2.21. Program evaluation.** Periodically evaluate the effectiveness of the Community Involvement Program and recommend and advocate for program and policy improvements. The Community Involvement Committee (CIC) will advise City staff regarding this evaluation.

**Policy 2.22. Shared engagement methods.** Coordinate and share methods, tools, and technologies that lead to successful engagement practices with both government and community partners and solicit engagement methods from the community.

**Policy 2.23. Adequate funding and human resources.** Provide a level of funding and human resources allocated to the Community Involvement Program sufficient to make community involvement an integral part of the planning, policy, investment and development process.

45. **Finding:** Policies 2.16 through 2.23 concern the City's Community Involvement Program and are not applicable because the Cully TIF District Plan does not change this program. However, extensive community involvement occurred in the preparation of the Cully TIF Plan as identified fully in Finding 37.

For the reasons stated above, to the extent that policies 2.16 to 2.23 could be read to apply, the Cully TIF District Plan is consistent with these policies.

### **Process design and evaluation**

**Policy 2.24. Representation.** Facilitate participation of a cross-section of the full diversity of affected Portlanders during planning and investment processes. This diversity includes individuals, stakeholders, and communities represented by race, color, national origin, English proficiency, gender, age, disability, religion, sexual orientation, gender identity, and source of income.

**Policy 2.25. Early involvement.** Improve opportunities for interested and affected community members to participate early in planning and investment processes, including identifying and prioritizing issues, needs, and opportunities; participating in process design; and recommending and prioritizing projects and/or other types of implementation.

**Policy 2.26. Verifying data.** Use data, including community-validated population data, to guide planning and investment processes and priority setting and to shape community involvement and decision-making efforts.

**Policy 2.27. Demographics.** Identify the demographics of potentially affected communities when initiating a planning or investment project.

**Policy 2.28. Historical understanding.** To better understand concerns and conditions when initiating a project, research the history, culture, past plans, and other needs of the affected community, particularly under-represented and under-served groups, and persons with limited English proficiency (LEP). Review preliminary Findings with members of the community who have institutional and historical knowledge.

**Policy 2.29. Project-specific needs.** Customize community involvement processes to meet the needs of those potentially affected by the planning or investment project. Use community involvement techniques that fit the scope, character, and potential impact of the planning or investment decision under consideration.

**Policy 2.30. Culturally-appropriate processes.** Consult with communities to design culturally-appropriate processes to meet the needs of those affected by a planning or investment project. Evaluate, use, and document creative and culturally-appropriate methods, tools, technologies, and spaces to inform and engage people from under-served and under-represented groups about planning or investment projects.

**Policy 2.31. Innovative engagement methods.** Develop and document innovative methods, tools, and technologies for community involvement processes for plan and investment projects.

**Policy 2.32. Inclusive participation beyond Portland residents.** Design public processes for planning and investment projects to engage affected and interested people who may not live in Portland such as property owners, employees, employers, and students, among others, as practicable.

**Policy 2.33. Inclusive participation in Central City planning.** Design public processes for the Central City that recognize its unique role as the region's center. Engage a wide range of stakeholders from the Central City and throughout the region including employees, employers, social service providers, students, and visitors, as well as regional tourism, institutional, recreation, transportation, and local/regional government representatives, as appropriate.

**Policy 2.34. Accessibility.** Ensure that community involvement processes for planning and investment projects are broadly accessible in terms of location, time, and language, and that they support the engagement of individuals with a variety of abilities and limitations on participation.

**Policy 2.35. Participation monitoring.** Evaluate and document participant demographics throughout planning and investment processes to assess whether participation reflects the demographics of affected communities. Adapt involvement practices and activities accordingly to increase effectiveness at reaching targeted audiences.

**Policy 2.36. Adaptability.** Adapt community involvement processes for planning and investment projects as appropriate to flexibly respond to changes in the scope and priority of the issues, needs, and other factors that may affect the process.

**Policy 2.37. Process evaluation.** Evaluate each community involvement process for planning or investment projects from both the City staff and participants' perspectives, and consider feedback and lessons learned to enhance future involvement efforts.

46. **Finding:** Policies 2.24 through 2.37 concern how the community involvement program is designed and developed to support planning and investment projects. The community involvement process supporting the Cully TIF Plan is detailed in Finding 37 and Section III of the Plan. The Cully TIF Plan is

consistent with these policies as further described in the Findings addressing Comprehensive Plan Goals 2.A through 2.G. Therefore, the Cully TIF District Plan is consistent with these policies.

### **Information design and development**

**Policy 2.38. Accommodation.** Ensure accommodations to let individuals with disabilities participate in administrative, quasi-judicial, and legislative land use decisions, consistent with federal regulations.

**Policy 2.39. Notification.** Notify affected and interested community members and recognized organizations about administrative, quasi-judicial, and legislative land use decisions with enough lead time to enable effective participation. Consider notification to both property owners and renters.

**Policy 2.40. Tools for effective participation.** Provide clear and easy access to information about administrative, quasi-judicial, and legislative land use decisions in multiple formats and through technological advancements and other ways.

**Policy 2.41. Limited English Proficiency (LEP).** Ensure that limited English proficient (LEP) individuals are provided meaningful access to information about administrative, quasi-judicial, and legislative land use decisions, consistent with federal regulations.

- 47. Finding:** Consistent with Policies 2.38 – 2.41 and Prosper Portland community involvement practices, meetings, community forum events, and all public meetings, described in more detail in the Findings above, were noticed, and information was provided online. Meetings had video conferencing options in response to health advisories for the COVID-19 pandemic. Information about accommodation and translation was provided on all notices. Notice for the September 27, 2022 PSC public hearing on the Cully TIF Plan was on the project website and was also placed in the *Oregon Daily Journal of Commerce* and sent to organizations on the land use and PSC master mailing list as well as individuals who have requested PSC meeting notifications. A city-wide notice of the November 9, 2022 City Council hearing was mailed pursuant to ORS 457.120 and also complied with this policy. Therefore, the Cully TIF District Plan is consistent with these policies.

## Chapter 3: Urban Form

**GOAL 3.A: A city designed for people.** Portland's built environment is designed to serve the needs and aspirations of all Portlanders, promoting prosperity, health, equity, and resiliency. New development, redevelopment, and public investments reduce disparities and encourage social interaction to create a healthy connected city.

48. **Finding:** City Council interprets this goal as calling for a built environment that supports the ability of Portlanders to meet their needs, including but not limited to needs for housing, employment, commercial and community services, education, and access to recreation and open space – as a basis for how the City of Portland will guide the future of the built environment. This goal identifies a number of important outcomes that this goal is intended to promote, including prosperity (which the Comprehensive Plan defines as including the prosperity of both households and businesses), health, equity (which the Comprehensive Plan defines to be when everyone has access to the opportunities necessary to satisfy their essential needs, advance their well-being, and achieve their full potential), and resilience (which the Comprehensive Plan defines as the capability to anticipate, prepare for, respond to, and recover from significant multi-hazard threats with minimum damage to social well-being, the economy, and the environment). This goal also calls for the City to be involved in fostering development and public investments that reduce disparities, which the City Council interprets to mean reducing disparities among Portlanders and Portland communities in access to resources that are essential for achieving equity, such as household income and access to housing, quality education, and services. A desired outcome of this goal is therefore to create a healthy connected city in which Portlanders can meet their needs for housing, employment, services, transportation, social connections, and have access to recreation and nature.

The increased access to housing and anti-displacement measures provided by the Cully TIF District Plan contributes to the health, prosperity, and equity components of this goal, as housing is essential for individuals to remain healthy, access jobs and services, and for children to have stable access to education.

The Cully TIF District Plan is consistent with the social interactions component of this goal because limiting involuntary displacement and allowing a broader range of housing options in existing neighborhoods will strengthen social connections by allowing more Portlanders to afford to live in the neighborhoods where their social networks exist.

The ability to assist businesses within Cully is provided through the tools listed in the Cully TIF District Plan, providing economic resilience in the neighborhood. The ability to both provide housing and assist businesses help provide a healthy, connected city.

The Cully TIF District Plan also contributes to the access to transportation that healthy connected neighborhoods provide by allowing more flexibility for housing to locate in areas close to transit. Therefore, the Cully TIF District Plan is consistent with this goal.

**GOAL 3.B: A climate and hazard resilient urban form.** Portland's compact urban form, sustainable building development practices, green infrastructure, and active transportation system reduce carbon emissions, reduce natural hazard risks and impacts, and improve resilience to the effects of climate change.

**GOAL 3.C: Focused growth.** Household and employment growth is focused in the Central City and other centers, corridors, and transit station areas, creating compact urban development in areas with

a high level of service and amenities, while allowing the relative stability of lower-density single-family residential areas.

**GOAL 3.D: A system of centers and corridors.** Portland’s interconnected system of centers and corridors provides diverse housing options and employment opportunities, robust multimodal transportation connections, access to local services and amenities, and supports low-carbon complete, healthy, and equitable communities.

**GOAL 3.E: Connected public realm and open spaces.** A network of parks, streets, City Greenways, and other public spaces supports community interaction; connects neighborhoods, districts, and destinations; and improves air, water, land quality, and environmental health.

**GOAL 3.F: Employment districts.** Portland supports job growth in a variety of employment districts to maintain a diverse economy.

**GOAL 3.G: Nature in the city.** A system of habitat corridors weaves nature into the city, enhances habitat connectivity, and preserves natural resources and the ecosystem services they provide.

- 49. Finding:** Goals 3.B through 3.G address the large-scale form of the city, and the spatial layout of the city as a whole. The Cully TIF District Plan is consistent with these policies as it creates community benefits by providing funding to develop affordable housing and providing assistance to community businesses. More specific Findings in Findings 51 through 78 also demonstrate that the Cully TIF District Plan is consistent with these goals.

### **Citywide design and development**

**Policy 3.1 Urban Design Framework.** Use the Urban Design Framework (UDF) as a guide to create inclusive and enduring places, while providing flexibility for implementation at the local scale to meet the needs of local communities.

- 50. Finding:** The UDF provides guidance on the built and natural form of Portland, providing in Comprehensive Plan Figure 3-1 a diagrammatic arrangement of centers, corridors, city greenways, urban habitat corridors, and pattern areas. Cully TIF District Plan does not establish or change specific boundaries in the UDF. The UDF identifies centers and corridors where the majority of commercial and housing development is intended to be concentrated. Therefore, the Cully TIF District Plan is consistent with this policy.

**Policy 3.2. Growth and stability.** Direct most growth and change to centers, corridors, and transit station areas, allowing the continuation of the scale and characteristics of Portland’s residential neighborhoods.

- 51. Finding:** This policy reflects the Comprehensive Plan preferred growth scenario, which calls for roughly 30% of the growth in the Central City, centers and corridors accommodating about 50% of new housing units, while the single-dwelling residential areas accounting for the remaining 20% of growth. The Cully TIF District Area covers two neighborhood centers, the 42<sup>nd</sup> Avenue/Killingsworth and the Cully centers. As described in the Findings for Policy 3.1, the Cully TIF District Plan does not significantly affect the concepts of growth focused in centers and corridors.

City Council interprets “continuation of the scale and characteristics of Portland’s residential neighborhoods” to mean that in comparison to the centers and corridors that will experience high amounts of growth and development/redevelopment, single-dwelling zone residential areas should remain places with relatively small-scale development and retain characteristics of residential neighborhoods, such green street edges created by front yards and gardens. The Cully TIF District

Plan is consistent with this policy by allowing funding for single family rehabilitation and for the creation of new affordable housing in the area.

**Policy 3.3. Equitable development.** Guide development, growth, and public facility investment to reduce disparities, ensure equitable access to opportunities, and produce positive outcomes for all Portlanders.

**3.3.a.** Anticipate, avoid, reduce, and mitigate negative public facility and development impacts, especially where those impacts inequitably burden communities of color, under-served and under-represented communities, and other vulnerable populations.

**52. Finding:** The Comprehensive Plan defines 'public facility' as "Any facility, including buildings, property, and capital assets, that is owned, leased, or otherwise operated, or funded by a governmental body or public entity. The Cully TIF District Plan does not include or require new major public facilities. Therefore, the Cully TIF District Plan is consistent with this policy.

**3.3.b.** Make needed investments in areas that are deficient in public facilities to reduce disparities and increase equity. Accompany these investments with proactive measures to avoid displacement and increase affordable housing.

**53. Finding:** Investments in deficient public facility areas are not part of the projects to be funded with the Cully TIF District Plan unless they are required as part of a development project. Therefore, this policy is not applicable.

**3.3.c.** Encourage use of community benefit agreements to ensure equitable outcomes from development projects that benefit from public facility investments, increased development allowances, or public financial assistance. Consider community benefit agreements as a tool to mitigate displacement and housing affordability impacts.

**3.3.d.** Incorporate requirements into the Zoning Code to provide public and community benefits as a condition of development projects to receive increased development allowances.

**3.3.e.** When private property value is increased by public plans and investments, require development to address or mitigate displacement impacts and impacts on housing affordability, in ways that are related and roughly proportional to these impacts.

**3.3.f.** Coordinate housing, economic development, and public facility plans and investments to create an integrated community development approach to restore communities impacted by past decisions.

**3.3.g.** Encourage developers to engage directly with a broad range of impacted communities to identify potential impacts to private development projects, develop mitigation measures, and provide community benefits to address adverse impacts.

**54. Finding:** The projects developed in the Cully TIF District Plan will be reviewed against the Cully TIF Plan goals under the process identified in the Governance Charter. The goals of the TIF Plan highlight intent to:

1. Prevent the displacement of vulnerable people and communities from Cully.
2. Preserve existing opportunities for affordable housing and economic prosperity and create new opportunities for vulnerable people and communities, especially Priority Communities to live, work and thrive in Cully, including those previously displaced.

3. Ensure that current residents benefit from investments and neighborhood change, and that opportunities for housing and economic prosperity will be preserved and expanded for future generations.
4. Ensure that Priority Communities play lead roles in making decisions about investments and policies that affect them and their communities.

There are no proposed changes to the Zoning Code as a result of the Cully TIF District Plan. Therefore, the Cully TIF District Plan is consistent with these policies.

**Policy 3.4. All ages and abilities.** Strive for a built environment that provides a safe, healthful, and attractive environment for people of all ages and abilities.

- 55. Finding:** The City Council interprets this policy to be focused on creating a supportive built environment for children, the elderly, and people with disabilities. The increased access to housing, improvement of existing housing and strengthened community commercial activity that will be facilitated by the Cully TIF District Plan will benefit people of all ages and abilities. Therefore, the Cully TIF District Plan is consistent with this policy.

**Policy 3.5. Energy and resource efficiency.** Support energy-efficient, resource-efficient, and sustainable development and transportation patterns through land use and transportation planning.

**Policy 3.6. Land efficiency.** Provide strategic investments and incentives to leverage infill, redevelopment, and promote intensification of scarce urban land while protecting environmental quality.

**Policy 3.7. Integrate nature.** Integrate nature and use green infrastructure throughout Portland.

**Policy 3.8. Leadership and innovation in design.** Encourage high-performance design and development that demonstrates Portland's leadership in the design of the built environment, commitment to a more equitable city, and ability to experiment and generate innovative design solutions.

- 56. Finding:** Policies 3.5 through 3.8 address energy, resource and land efficiency, integration of nature into design, and high-performance design. The Cully TIF District Plan does not change any design-related development standards that implement this policy, or natural resources standards. The Cully TIF District Plan does not affect the implementation of these policies. These policies do not apply.

**Policy 3.9. Growth and development.** Evaluate the potential impacts of planning and investment decisions, significant new infrastructure, and significant new development on the physical characteristics of neighborhoods and their residents, particularly under-served and under-represented communities, with attention to displacement and affordability impacts. Identify and implement strategies to mitigate the anticipated impacts.

- 57. Finding:** The boundary served by the Cully TIF District Plan is within the urban growth boundary and is served by existing infrastructure. Development within this area is an efficient use of existing resources and maintaining the existing housing supply and creating new housing opportunities conforms with policies of efficient growth. The principles of the Cully TIF District Plan in Section VII of the Plan will be applied to guide all decisions about the use of TIF funds, including the selection of projects, programs and investments for inclusion in Action Plans. The Cully TIF District Plan is designed to benefit priority communities that include under-served and under-represented communities by providing resources to stabilize and create additional affordable housing, to provide resources to increase the supply of affordable housing and to provide economic prosperity.

Addressing displacement is one of the key principles of the Plan as also noted in Finding 55. Therefore, the Cully TIF District Plan is consistent with this policy.

**Policy 3.10. Rural, urbanizable, and urban land.** Preserve the rural character of rural land outside the Regional Urban Growth Boundary. Limit urban development of urbanizable land beyond the City Limits until it is annexed and full urban services are extended.

**58. Finding:** The Cully TIF District Plan provides for stabilized and increased residential and economic prosperity within the City limits and urban services boundary thus indirectly preserving or lessening development pressures on rural land outside the UGB. This plan is consistent with this policy.

**Policy 3.11. Significant places.** Enhance and celebrate significant places throughout Portland with symbolic features or iconic structures that reinforce local identity, histories, and cultures and contribute to wayfinding throughout the city. Consider these especially at:

- High-visibility intersections
- Attractions
- Schools, libraries, parks, and other civic places
- Bridges
- Rivers
- Viewpoints and view corridor locations
- Historically or culturally significant places
- Connections to volcanic buttes and other geologic and natural landscape features
- Neighborhood boundaries and transitions

**59. Finding:** City Council interprets this policy as applying to prominent specific places, features and iconic structures. The Cully TIF District Plan focuses on stabilization and creation of affordable housing and economic prosperity in the Cully neighborhood. It does not propose changes to any significant places. Therefore, the Cully TIF District Plan is consistent with this policy.

## Centers

**Policy 3.12. Role of centers.** Enhance centers as anchors of complete neighborhoods that include concentrations of commercial and public services, housing, employment, gathering places, and green spaces.

**Policy 3.13. Variety of centers.** Plan for a range of centers across the city to enhance local, equitable access to services, and expand housing opportunities.

**Policy 3.14. Housing in centers.** Provide housing capacity for enough population to support a broad range of commercial services, focusing higher-density housing within a half-mile of the center core.

**Policy 3.15. Investments in centers.** Encourage public and private investment in infrastructure, economic development, and community services in centers to ensure that all centers will support the populations they serve.

**Policy 3.16. Government services.** Encourage the placement of services in centers, including schools and colleges, health services, community centers, daycare, parks and plazas, library services, and justice services.

**Policy 3.17. Arts and culture.** Ensure that land use plans and infrastructure investments allow for and incorporate arts, culture, and performance arts as central components of centers.

**Policy 3.18. Accessibility.** Design centers to be compact, safe, attractive, and accessible places, where the street environment makes access by transit, walking, biking, and mobility devices such as wheelchairs, safe and attractive for people of all ages and abilities.

**Policy 3.19. Center connections.** Connect centers to each other and to other key local and regional destinations, such as schools, parks, and employment areas, by frequent and convenient transit, bicycle sharing, bicycle routes, pedestrian trails and sidewalks, and electric vehicle charging stations.

**Policy 3.20. Green infrastructure in centers.** Integrate nature and green infrastructure into centers and enhance public views and connections to the surrounding natural features.

**60. Finding:** Policies 3.12 through 3.20 provide guidance on how centers identified on the Comprehensive Plan map should evolve over time. The policies address investments, uses, the relationship of centers to transportation networks, design, and development. City Council interprets most of these policies as applying to the commercial/mixed use and multi-dwelling zones within the mapped boundaries of centers. The exception to this is policy 3.14, which calls for providing housing capacity within a half-mile of center cores to provide population to support services in centers.

The Cully TIF District Plan contains the Cully Neighborhood Center and the 42<sup>nd</sup> / Killingsworth Neighborhood Center. The projects in the Plan support business activity within the centers and investment for existing and new businesses in the Cully Neighborhood Center along with the development of affordable housing in accordance with the principles of the Cully TIF District Plan.

Therefore, the Cully TIF District Plan is consistent with the policies on centers in the Comprehensive Plan.

## Central City

**Policy 3.21. Role of the Central City.** Encourage continued growth and investment in the Central City, and recognize its unique role as the region's premier center for jobs, services, and civic and cultural institutions that support the entire city and region.

**Policy 3.22. Model Urban Center.** Promote the Central City as a living laboratory that demonstrates how the design and function of a dense urban center can concurrently provide equitable benefits to human health, the natural environment, and the local economy.

**Policy 3.23. Central City employment.** Encourage the growth of the Central City's regional share of employment and continue its growth as the region's unique center for innovation and exchange through commerce, employment, arts, culture, entertainment, tourism, education, and government.

**Policy 3.24. Central City housing.** Encourage the growth of the Central City as Portland's and the region's largest center with the highest concentrations of housing and with a diversity of housing options and services.

**Policy 3.25. Transportation hub.** Enhance the Central City as the region's multimodal transportation hub and optimize regional access as well as the movement of people and goods among key destinations.

**Policy 3.26. Public places.** Promote public places and the Willamette River waterfront in the Central City as places of business and social activity and gathering for the people of its districts and the broader region.

**61. Finding:** The Cully TIF District Plan applies only to the specific boundary of the Plan primarily in the Cully neighborhood. Therefore, these policies do not apply.

### **Gateway Regional Center**

**Policy 3.27 Role of Gateway.** Encourage growth and investment in Gateway to enhance its role as East Portland's center of employment, commercial, and public services.

**Policy 3.28 Housing.** Encourage housing in Gateway, to create East Portland's largest concentration of high-density housing.

**Policy 3.29 Transportation.** Enhance Gateway's role as a regional high-capacity transit hub that serves as an anchor for East Portland's multimodal transportation system.

**Policy 3.30 Public places.** Enhance the public realm and public places in Gateway to provide a vibrant and attractive setting for business and social activity that serves East Portland residents and the region.

**62. Finding:** The Cully TIF District Plan applies only to the specific boundary of the Plan primarily in the Cully neighborhood. Therefore, these policies do not apply.

### **Town Centers**

**Policy 3.31 Role of Town Centers.** Enhance Town Centers as successful places that serve the needs of surrounding neighborhoods as well as a wider area, and contain higher concentrations of employment, institutions, commercial and community services, and a wide range of housing options.

**Policy 3.32 Housing.** Provide for a wide range of housing types in Town Centers, which are intended to generally be larger in scale than the surrounding residential areas. There should be sufficient zoning capacity within a half-mile walking distance of a Town Center to accommodate 7,000 households.

**Policy 3.33 Transportation.** Improve Town Centers as multimodal transportation hubs that optimize access from the broad area of the city they serve and are linked to the region's high-capacity transit system.

**Policy 3.34 Public places.** Provide parks or public squares within or near Town Centers to support their roles as places of focused business and social activity.

**63. Finding:** The Cully TIF District Plan applies only to the specific boundary of the Plan primarily in the Cully neighborhood. Therefore, these policies do not apply.

### **Neighborhood Centers**

**Policy 3.35 Role of Neighborhood Centers.** Enhance Neighborhood Centers as successful places that serve the needs of surrounding neighborhoods. In Neighborhood Centers, provide for higher concentrations of development, employment, commercial and community services, and a wider range of housing options than the surrounding neighborhoods.

**Policy 3.36 Housing.** Provide for a wide range of housing types in Neighborhood Centers, which are intended to generally be larger in scale than the surrounding residential areas, but smaller than Town Centers. There should be sufficient zoning capacity within a half-mile walking distance of a Neighborhood Center to accommodate 3,500 households.

**Policy 3.37 Transportation.** Design Neighborhood Centers as multimodal transportation hubs that are served by frequent-service transit and optimize pedestrian and bicycle access from adjacent neighborhoods.

**Policy 3.38 Public places.** Provide small parks or plazas within or near Neighborhood Centers to support their roles as places of local activity and gathering.

- 64. Finding:** Policies 3.35 through 3.38 provide direction on the desired characteristics and functions of neighborhood centers. These policies are principally targeted at multi-dwelling and mixed-use zones. They address the types of uses that are expected in Neighborhood Centers, the intensity of housing, the presence of multimodal transportation options, and the need for public spaces.

The Cully TIF District Plan does not change the neighborhood center boundaries on the Urban Design Framework or the zoning within the two neighborhood centers in the Cully TIF Area.

The Cully TIF District Plan does identify community priorities and authorizes spending on projects that support the development of safe spaces for community gathering and connection, increased housing supply and increased economic activity in the centers. Therefore, the Cully TIF District Plan is consistent with the policies on Neighborhood Centers in the Comprehensive Plan.

## Inner Ring Districts

**Policy 3.39 Growth.** Expand the range of housing and employment opportunities in the Inner Ring Districts. Emphasize growth that replaces gaps in the historic urban fabric, such as redevelopment of surface parking lots and 20th century auto-oriented development.

**Policy 3.40 Corridors.** Guide growth in corridors to transition to mid-rise scale close to the Central City, especially along Civic Corridors.

**Policy 3.41 Distinct identities.** Maintain and enhance the distinct identities of the Inner Ring Districts and their corridors. Use and expand existing historic preservation and design review tools to accommodate growth in ways that identify and preserve historic resources and enhance the distinctive characteristics of the Inner Ring Districts, especially in areas experiencing significant development.

**Policy 3.42 Diverse residential areas.** Provide a diversity of housing opportunities in the Inner Ring Districts' residential areas. Encourage approaches that preserve or are compatible with existing historic properties in these areas. Acknowledge that these areas are historic assets and should retain their established characteristics and development patterns, even as Inner Ring centers and corridors grow. Apply base zones in a manner that takes historic character and adopted design guidelines into account.

**Policy 3.43 Active transportation.** Enhance the role of the Inner Ring Districts' extensive transit, bicycle, and pedestrian networks in conjunction with land uses that optimize the ability for more people to utilize this network. Improve the safety of pedestrian and bike connections to the Central City. Strengthen transit connections between the Inner Ring Districts and to the Central City.

- 65. Finding:** Policies 3.39 through 3.43 provide direction on the desired characteristics and functions of the Inner Ring Districts.

The Cully TIF District Plan applies only to the specific boundary identified in the Cully TIF District Plan primarily in the Cully neighborhood. Policies 3.39 to 3.43 do not apply.

## Corridors

**Policy 3.44. Growth and mobility.** Coordinate transportation and land use strategies along corridors to accommodate growth and mobility needs for people of all ages and abilities.

**Policy 3.45. Connections.** Improve corridors as multimodal connections providing transit, pedestrian, bicycle, and motor vehicle access and that serve the freight needs of centers and neighborhood business districts.

**Policy 3.46. Design.** Encourage street design that balances the important transportation functions of corridors with their roles as the setting for commercial activity and residential living.

**Policy 3.47. Green infrastructure in corridors.** Enhance corridors with distinctive green infrastructure, including landscaped stormwater facilities, extensive tree plantings, and other landscaping that both provide environmental function and contribute to a quality pedestrian environment.

- 66. Finding:** Policies 3.44 through 3.47 provide direction on the desired characteristics and functions of corridors as well as street design and future land use changes. Corridors are defined as part of the City's Urban Design Framework in Figure 3-2 of the Comprehensive Plan. The Cully TIF District Plan do not change the location of adopted corridors, impact transportation facility design or green infrastructure programs, or amend the TSP. The projects identified in the Cully TIF District Plan provide for improved housing conditions, increased housing supply and investment in commercial neighborhoods.

The Cully TIF District Plan is consistent with policies 3.44 to 3.47.

## Civic Corridors

**Policy 3.48. Integrated land use and mobility.** Enhance Civic Corridors as distinctive places that are models of ecological urban design, with transit-supportive densities of housing and employment, prominent street trees and other green features, and high-quality transit service and pedestrian and bicycle facilities.

**Policy 3.49. Design great places.** Improve public streets and sidewalks along Civic Corridors to support the vitality of business districts, create distinctive places, provide a safe, healthy, and attractive pedestrian environment, and contribute to quality living environments for residents.

**Policy 3.50. Mobility corridors.** Improve Civic Corridors as key mobility corridors of citywide importance that accommodate all modes of transportation within their right-of-way or on nearby parallel routes.

**Policy 3.51. Freight.** Maintain freight mobility and access on Civic Corridors that are also Major or Priority Truck Streets.

- 67. Finding:** Policies 3.48 through 3.51 provide direction on the desired characteristics and functions of civic corridors as well as street design and future land use changes. The Cully TIF District Plan does not change the boundary of corridors on the Urban Design Framework, impact transportation facility design, or amend the TSP.

Policies 3.48 to 3.51 do not apply.

## Neighborhood Corridors

**Policy 3.52. Neighborhood Corridors.** Enhance Neighborhood Corridors as important places that support vibrant neighborhood business districts with quality multi-family housing, while providing transportation connections that link neighborhoods.

- 68. Finding:** This policy provides direction on the desired characteristics and functions of corridors as well as street design and future land use changes. The Cully TIF District Plan does not change the boundary of neighborhood corridors on the Urban Design Framework or amend the TSP. As described in the Findings above for Corridor policies, the Cully TIF District Plan supports economic prosperity and housing affordability by providing a funding source for programs along neighborhood corridors. The Cully TIF District Plan is therefore consistent with the Neighborhood Corridors portion of the Comprehensive Plan.

### **Transit Station Areas**

**Policy 3.53. Transit-oriented development.** Encourage transit-oriented development and transit-supportive concentrations of housing and jobs, and multimodal connections at and adjacent to high-capacity transit stations.

**Policy 3.54. Community connections.** Integrate transit stations into surrounding communities and enhance pedestrian and bicycle facilities (including bike sharing) to provide safe and accessible connections to key destinations beyond the station area.

**Policy 3.55. Transit station area safety.** Design transit areas to improve pedestrian, bicycle, and personal safety.

**Policy 3.56. Center stations.** Encourage transit stations in centers to provide high density concentrations of housing and commercial uses that maximize the ability of residents to live close to both high-quality transit and commercial services.

**Policy 3.57. Employment stations.** Encourage concentrations of jobs and employment-focused land uses in and around stations in employment-zoned areas.

**Policy 3.58. Transit neighborhood stations.** Encourage concentrations of mixed-income residential development and supportive commercial services close to transit neighborhood stations. Transit neighborhood stations serve mixed-use areas that are not in major centers.

**Policy 3.59. Destination stations.** Enhance connections between major destinations and transit facilities and strengthen the role of these station areas as places of focused activity.

- 69. Finding:** These policies generally relate to station planning and supportive active transportation infrastructure and future land use changes. The Cully TIF District Plan does not change the boundary of station areas on the Urban Design Framework or amend the TSP. The Cully TIF District Plan supports creation of affordable housing and economic prosperity so that more people can live close to transit, shop close to transit and support transit service. The Cully TIF District Plan is therefore consistent with the Transit Station Areas of the Comprehensive Plan.

### **City Greenways**

**Policy 3.60. Connections.** Create a network of distinctive and attractive City Greenways that link centers, parks, schools, rivers, natural areas, and other key community destinations.

**Policy 3.61. Integrated system.** Create an integrated City Greenways system that includes regional trails through natural areas and along Portland’s rivers, connected to neighborhood greenways, and heritage parkways.

**Policy 3.62. Multiple benefits.** Design City Greenways that provide multiple benefits that contribute to Portland’s pedestrian, bicycle, green infrastructure, and parks and open space systems.

**Policy 3.63. Design.** Use design options such as distinctive street design, motor vehicle diversion, landscaping, tree plantings, scenic views, and other appropriate design options, to create City Greenways that extend the experience of open spaces and nature into neighborhoods, while improving stormwater management and calming traffic.

- 70. Finding:** These policies primarily relate to the design and construction of improvements for City Greenways. There are no projects in the Cully TIF District Plan that would impact City Greenways. Policies 3.60-3.63 do not apply.

### **Urban habitat corridors**

**Policy 3.64. Urban habitat corridors.** Establish a system of connected, well-functioning, and diverse habitat corridors that link habitats in Portland and the region, facilitate safe fish and wildlife access and movement through and between habitat areas, enhance the quality and connectivity of existing habitat corridors, and establish new habitat corridors in developed areas.

**Policy 3.65. Habitat connection tools.** Improve habitat corridors using a mix of tools including natural resource protection, property acquisition, natural resource restoration, tree planting and landscaping with native plants, and ecological design integrated with new development.

**Policy 3.66. Connect habitat corridors.** Ensure that planned connections between habitat corridors, greenways, and trails are located and designed to support the functions of each element, and create positive interrelationships between the elements, while also protecting habitat functions, fish, and wildlife.

- 71. Finding:** Habitat corridors are mapped on Figure 3-6 of the Comprehensive Plan. The City has an adopted Natural Resources Inventory (NRI) that provides a basis for establishing future habitat corridors and enhancing connectivity. The City’s environmental overlay zone regulations are the implementing regulatory tools to preserve natural resources and their ecosystem services, particularly in relationship habitat areas. The Cully TIF District Plan does not amend either the NRI or the existing environmental zone regulations. Habitat corridors also include tree canopy. The Cully TIF District Plan does not change Title 11 tree preservation and tree density requirements that apply in development situations. In addition, the Cully TIF District Plan does not change the building coverage or minimum landscaped area standards of any zone. Policies 3.64- 3.66 do not apply.

### **Employment areas**

**Policy 3.67. Employment area geographies.** Consider the land development and transportation needs of Portland’s employment geographies when creating and amending land use plans and making infrastructure investments.

- 72. Finding:** The Comprehensive Plan defines Consider as “take into account when planning or making decisions”. Comprehensive Plan Figure 3-7 identifies four employment area geographies – Central City, industrial/employment, commercial, and institutional. The Cully TIF District Plan does not change the use allowances or development standards of the employment area zones. It does provide funding for the support of existing businesses and creation of new businesses in alignment

with the principles stated in the Cully TIF District Plan. The Cully TIF District Plan is therefore consistent with the Comprehensive Plan.

**Policy 3.68. Regional Truck Corridors.** Enhance designated streets to accommodate forecast freight growth and support intensified industrial use in nearby freight districts. *See Figure 3-7 — Employment Areas.* Designated regional truckways and priority truck streets (Transportation System Plan classifications are shown to illustrate this network).

- 73. Finding:** The City Council interprets the verb “enhance”, which is not defined in the 2035 Comprehensive Plan, to mean to intensify or improve. The City Council interprets this policy to acknowledge the role that regional truck corridors play in our transportation system and to take steps to improve those functions. Portland’s approach to regional truck corridors is unchanged because the Cully TIF District Plan does not amend the Citywide System Plan or the Transportation System Plan; and does not include funding to address transportation needs in the Area. Therefore, this policy does not apply.

### Rivers Pattern Area

**Policy 3.69. Historic and multi-cultural significance.** Recognize, restore, and protect the historic and multi-cultural significance of the Willamette and Columbia Rivers, including current activities such as subsistence fishing of legally-permitted fish species.

**Policy 3.70. River transportation.** Recognize and enhance the roles of the Willamette and Columbia rivers as part of Portland’s historic, current, and future transportation infrastructure, including for freight, commerce, commuting, and other public and private transportation functions.

**Policy 3.71. Recreation.** Improve conditions along and within the Willamette and Columbia rivers to accommodate a diverse mix of recreational users and activities. Designate and invest in strategically-located sites along the length of Portland’s riverfronts for passive or active recreation activities that are compatible with nearby land uses, historically and culturally important sites, significant habitat areas, restoration sites, and native fish and wildlife usage.

**Policy 3.72 Industry and port facilities.** Enhance the regionally significant economic infrastructure that includes Oregon’s largest seaport and largest airport, unique multimodal freight, rail, and harbor access; the region’s critical energy hub; and proximity to anchor manufacturing and distribution facilities.

**Policy 3.73. Habitat.** Enhance the roles of the Willamette and Columbia rivers and their confluence as an ecological hub that provides locally and regionally significant habitat for fish and wildlife and habitat restoration opportunities.

**Policy 3.74. Commercial activities.** Enhance the roles of the Willamette and Columbia rivers in supporting local and regional business and commerce, including commercial fishing, tourism, recreation, and leisure.

**Policy 3.75. River neighborhoods.** Enhance the strong river orientation of residential areas that are located along the Willamette and Columbia Rivers.

**Policy 3.76. River access.** Enhance and complete Portland’s system of river access points and riverside trails, including the Willamette Greenway Trail, and strengthen active transportation connections between neighborhoods and the rivers.

**Policy 3.77. River management and coordination.** Coordinate with federal, state, regional, special districts, and other agencies to address issues of mutual interest and concern, including economic development, recreation, water transportation, flood and floodplain management and protection, regulatory compliance, permitting, emergency management, endangered species recovery, climate change preparation, Portland Harbor Superfund, brownfield cleanup, and habitat restoration.

**Policy 3.78 Columbia River.** Enhance the role of the Columbia River for river dependent industry, fish and wildlife habitat, subsistence and commercial fisheries, floating- and land-based neighborhoods, recreational uses, and water transportation.

**Policy 3.79 Willamette River North Reach.** Enhance the role of the Willamette River North Reach for river dependent industry, fish and wildlife habitat, and as an amenity for riverfront neighborhoods and recreational users.

**Policy 3.80. Willamette River Central Reach.** Enhance the role of the Willamette River Central Reach as the Central City and region's primary riverfront destination for recreation, history and culture, emergency response, water transportation, and as habitat for fish and wildlife.

**Policy 3.81 Willamette River South Reach.** Enhance the role of the Willamette River South Reach as fish and wildlife habitat, a place to recreate, and as an amenity for riverfront neighborhoods and others.

**Policy 3.82. Willamette River Greenway.** Maintain multi-objective plans and regulations to guide development, infrastructure investments, and natural resource protection and enhancement within and along the Willamette Greenway.

- 74. Finding:** Policies 3.69 through 3.82 provide direction on the desired characteristics and functions of the Rivers Pattern Area, which includes areas along the Willamette and Columbia Rivers. Much of the land within the Rivers Pattern Area overlaps with the industrial/employment areas, which are addressed in the Findings for Policy 3.67. As described in those Findings, these areas are not affected by the Cully TIF District Plan. Policies 3.69 to 3.82 do not apply.

### **Central City Pattern Area**

**Policy 3.83. Central City districts.** Enhance the distinct identities of the Central City's districts.

**Policy 3.84. Central City river orientation.** Enhance and strengthen access and orientation to the Willamette River in the Central City and increase river-focused activities.

**Policy 3.85. Central City pedestrian system.** Maintain and expand the Central City's highly interconnected pedestrian system.

**Policy 3.86. Central City bicycle system.** Expand and improve the Central City's bicycle system.

- 75. Finding:** Policies 3.83 through 3.86 provide direction on the desired characteristics and functions of the Central City Pattern Area. As they relate to development, Policies 3.83 and 3.84, are largely carried out through design review within the Central City design districts. The Cully TIF District Plan does not affect implementation of design review, and any development that is built pursuant to the Cully TIF District Plan would be subject to design review procedures. Policies 3.85 and 3.86 are implemented by the Bureau of Transportation through the Transportation System Plan do not apply to the Cully TIF District Plan.

### **Inner Neighborhoods Pattern Area**

**Policy 3.87 Inner Neighborhoods main streets.** Maintain and enhance the Streetcar Era pattern of street-oriented buildings along Civic and Neighborhood corridors.

**Policy 3.88 Inner Neighborhoods street patterns.** Preserve the area's urban fabric of compact blocks and its highly interconnected grid of streets.

**Policy 3.89 Inner Neighborhoods infill.** Fill gaps in the urban fabric through infill development on vacant and underutilized sites and in the reuse of historic buildings on adopted inventories.

**Policy 3.90 Inner Neighborhoods active transportation.** Use the extensive street, sidewalk, and bikeway system and multiple connections to the Central City as a key part of Portland's active transportation system

**Policy 3.91 Inner Neighborhoods residential areas.** Continue the patterns of small, connected blocks, regular lot patterns, and streets lined by planting strips and street trees in Inner Neighborhood residential areas.

**Finding:** Policies 3.87 through 3.91 provide direction on the desired characteristics and functions of the Inner Neighborhoods The Cully TIF District Plan does not overlap the inner neighborhood boundaries. Therefore, policies 3.87 to 3.91 do not apply.

### **Eastern Neighborhoods Pattern Area**

**Policy 3.92 Eastern Neighborhoods street, block, and lot pattern.** Guide the evolving street and block system in the Eastern Neighborhoods in ways that build on positive aspects of the area's large blocks, such as opportunities to continue mid-block open space patterns and create new connections through blocks that make it easier to access community destinations.

**Policy 3.93 Eastern Neighborhoods site development.** Require that land be aggregated into larger sites before land divisions and other redevelopment occurs. Require site plans which advance design and street connectivity goals.

**Policy 3.94 Eastern Neighborhoods trees and natural features.** Encourage development and right-of-way design that preserves and incorporates Douglas fir trees and groves, and that protects the area's streams, forests, wetlands, steep slopes, and buttes.

**Policy 3.95 Eastern Neighborhoods buttes.** Enhance public views of the area's skyline of buttes and stands of tall Douglas fir trees.

**Policy 3.96 Eastern Neighborhoods corridor landscaping.** Encourage landscaped building setbacks along residential corridors on major streets.

**Policy 3.97 Eastern Neighborhoods active transportation.** Enhance access to centers, employment areas, and other community destinations in Eastern Neighborhoods by ensuring that corridors have safe and accessible pedestrian and bicycle facilities and creating additional secondary connections that provide low-stress pedestrian and bicycle access.

**76. Finding:** Policies 3.92 through 3.97 provide direction on the desired characteristics and functions of the Eastern Neighborhoods Pattern Area. They address street patterns, site development, natural features, and active transportation. The Cully TIF District Plan does not affect any development standards related to street or lot patterns, connectivity, tree preservation, or landscaping. The Cully TIF District Area is within the Eastern pattern area. Policies 3.92 through 3.97 do not apply.

### **Western Neighborhoods Pattern Area**

**Policy 3.98 Western Neighborhoods village character.** Enhance the village character of the Western Neighborhoods' small commercial districts and increase opportunities for more people to live within walking distance of these neighborhood anchors.

**Policy 3.99 Western Neighborhoods active transportation.** Provide safe and accessible pedestrian and bicycle connections, as well as off-street trail connections, to and from residential neighborhoods.

**Policy 3.100 Western Neighborhoods development.** Encourage new development and infrastructure to be designed to minimize impacts on the area's streams, ravines, and forested slopes.

**Policy 3.101 Western Neighborhoods habitat corridors.** Preserve, enhance, and connect the area's network of habitat areas and corridors, streams, parks, and tree canopy.

**Policy 3.102 Western Neighborhoods trails.** Develop pedestrian-oriented connections and enhance the Western Neighborhoods' distinctive system of trails to increase safety, expand mobility, access to nature, and active living opportunities in the area.

- 77. Finding:** Policies 3.98 through 3.102 provide direction on the desired characteristics and functions of the Western Neighborhoods Pattern Area. Most of these policies relate to right-of-way connections, active transportation, and trails, which are implemented by the City's street and trail programs and are not impacted by the Cully TIF District Plan. Other policies relate to limiting impacts to the area's natural features and riparian corridors, which are implemented through the environmental zones that apply in this pattern area or through stormwater management requirements and are not affected by the Cully TIF District Plan. Policies 3.98-3,102 do not apply.

## Chapter 4: Design and Development

**Goal 4.A: Context-sensitive design and development.** New development is designed to and enhance the distinctive physical, historic, and cultural qualities of its location, while accommodating growth and change.

**Goal 4.B: Historic and cultural resources.** Historic and cultural resources are integral parts of an urban environment that continue to evolve and are preserved.

**Goal 4.C: Human and environmental health.** Neighborhoods and development are efficiently designed and built to enhance human and environmental health: they protect safety and livability; support local access to healthy food; limit negative impacts on water, hydrology, and air quality; reduce carbon emissions; encourage active and sustainable design; protect wildlife; address urban heat islands; and integrate nature and the built environment.

**Goal 4.D: Urban resilience.** Buildings, streets, and open spaces are designed to ensure long-term resilience and to adjust to changing demographics, climate, and economy, and withstand and recover from natural disasters.

- 78. Finding:** These goals and many of the policies in this chapter address site and building design. The Cully TIF District Plan adds resources for affordable housing and economic prosperity. All projects will meet standards as required through the City of Portland's permitting process. Including cultural identity elements is a part of the programs authorized in the Cully TIF District Plan. Maintaining the existing housing stock, providing additional housing and stabilizing existing businesses as described in the Plan will improve the human and environmental health of the neighborhood. Providing tools to address displacement will help add to the urban resilience in the neighborhood. The Cully TIF District Plan is consistent with Goals 4.A. through 4.D.

### Context

**Policy 4.1. Pattern areas.** Encourage building and site designs that respect the unique built, natural, historic, and cultural characteristics of Portland's five pattern areas described in Chapter 3: Urban Form.

**Policy 4.2. Community identity.** Encourage the development of character-giving design features that are responsive to place and the cultures of communities.

**Policy 4.3. Site and context.** Encourage development that responds to and enhances the positive qualities of site and context — the neighborhood, the block, the public realm, and natural features.

- 79. Finding:** Policies 4.1 through 4.3 provide direction on how the context of where development occurs should be considered in City implementation approaches – including how building and site design respect pattern areas and respond to the physical character-giving aspect of place and context. These policies are implemented by site and building development standards in the zoning code, and in some situations through design review guidelines. The Cully TIF District Plan does not affect the code's development standards and guidelines that implement these policies. Policies 4.1-4.3 do not apply.

**Policy 4.4. Natural features and green infrastructure.** Integrate natural and green infrastructure such as trees, green spaces, ecoroofs, gardens, green walls, and vegetated stormwater management systems, into the urban environment. Encourage stormwater facilities that are designed to be a functional and attractive element of public spaces, especially in centers and corridors.

**80. Finding:** This policy calls for including natural elements, such as trees, and green infrastructure, such as ecoroofs and vegetated stormwater facilities, as part of the urban environment – both as part of development projects and within public spaces, such as streets. The Cully TIF District Plan does not affect any development/design standards or programs that implement this policy. Policy 4.4 does not apply.

**Policy 4.5. Pedestrian-oriented design.** Enhance the pedestrian experience throughout Portland through public and private development that creates accessible, safe, and attractive places for all those who walk and/or use wheelchairs or other mobility devices.

**Policy 4.6. Street orientation.** Promote building and site designs that enhance the pedestrian experience with windows, entrances, pathways, and other features that provide connections to the street environment.

**Policy 4.7. Development and public spaces.** Guide development to help create high-quality public places and street environments while considering the role of adjacent development in framing, shaping, and activating the public space of streets and urban parks.

**Policy 4.8. Alleys.** Encourage the continued use of alleys for parking access, while preserving pedestrian access. Expand the number of alley-facing accessory dwelling units.

**Policy 4.9. Transitional urbanism.** Encourage temporary activities and structures in places that are transitioning to urban areas to promote job creation, entrepreneurship, active streets, and human interaction.

**81. Finding:** Policies 4.5 through 4.9 call for new development and public infrastructure to enhance the pedestrian experience, public spaces, and promote access from alleys. The Cully TIF District Plan does not affect any development/design standards or programs that implement these policies. Policies 4.5 through 4.9 do not apply.

## **Health and safety**

**Policy 4.10. Design for active living.** Encourage development and building and site design that promotes a healthy level of physical activity in daily life.

**Policy 4.11. Access to light and air.** Provide for public access to light and air by managing and shaping the height and mass of buildings while accommodating urban-scale development.

**Policy 4.12. Privacy and solar access.** Encourage building and site designs that consider privacy and solar access for residents and neighbors while accommodating urban-scale development.

**Policy 4.13. Crime-preventive design.** Encourage building, site, and public infrastructure design approaches that help prevent crime.

**Policy 4.14. Fire prevention and safety.** Encourage building and site design that improves fire prevention, safety, and reduces seismic risks.

**82. Finding** Policies 4.10 through 4.14 provide direction regarding the promotion of health and safety in development. They address issues such as site planning, solar access, and design approaches that reduce crime or mitigate seismic hazards. The Cully TIF District Plan is consistent with these policies by providing funding for affordable housing retention and creation, supporting existing businesses and new business development.

## **Residential areas**

**Policy 4.15. Residential area continuity and adaptability.** Encourage more housing choices to accommodate a wider diversity of family sizes, incomes, and ages, and the changing needs of households over time. Allow adaptive reuse of existing buildings, the creation of accessory dwelling units, and other arrangements that bring housing diversity that is compatible with the general scale and patterns of residential areas.

- 83. Finding:** The Comprehensive Plan defines Encourage as “Promote or foster using some combination of voluntary approaches, regulations, or incentives.” The Cully TIF District Plan expands housing choices and promotes housing diversity in residential areas by providing funding for the creation of affordable housing in the Area. The programs anticipated to be implemented by the Portland Housing Bureau with Cully TIF District funds include single family home repair, homeownership, multi-family rental development, rehabilitation and preservation of existing regulated housing, acquisition and rehabilitation of existing market rate housing, and creation of affordable housing for those people experiencing houselessness. The Cully TIF District Plan is consistent with Policy 4.15.

**Policy 4.16. Scale and patterns.** Encourage design and development that complements the general scale, character, and natural landscape features of neighborhoods. Consider building forms, scale, street frontage relationships, setbacks, open space patterns, and landscaping. Allow for a range of architectural styles and expression.

- 84. Finding:** The policy above emphasizes physical scale and patterns, and directs us to consider building forms, scale, street frontage relationships, setbacks, open space patterns, and landscaping. Cully TIF District Plan does not change these requirements. Policy 4.16 does not apply.

**Policy 4.17. Demolitions.** Encourage alternatives to the demolition of sound housing, such as rehabilitation and adaptive reuse, especially affordable housing, and when new development would provide no additional housing opportunities beyond replacement.

- 85. Finding:** The Cully TIF District Plan supports this policy by providing resources to rehabilitate existing housing. The Cully TIF District Plan is consistent with Policy 4.17.

**Policy 4.18. Compact single-family options.** Encourage development and preservation of small resource-efficient and affordable single-family homes in all areas of the city.

**Policy 4.19. Resource efficient and healthy residential design and development.** Support resource efficient and healthy residential design and development.

- 86. Finding:** Policies 4.18 and 4.19 address uses and design in residential areas. The Cully TIF District Plan does not affect standards or use allowances related to single-family homes and does not affect development standards that implement policies related to resource-efficient or healthy design. The Cully TIF District Plan supports resource efficient and compact single-family options as affordable housing projects. The Cully TIF District Plan is consistent with Policies 4.18-4.19.

## **Design and development of centers and corridors**

**Policy 4.20. Walkable scale.** Focus services and higher-density housing in the core of centers to support a critical mass of demand for commercial services and more walkable access for customers.

**Policy 4.21. Street environment.** Encourage development in centers and corridors to include amenities that create a pedestrian-oriented environment and provide places for people to sit, spend time, and gather.

**Policy 4.22. Relationship between building height and street size.** Encourage development in centers and corridors that is responsive to street space width, thus allowing taller buildings on wider streets.

**Policy 4.23. Design for pedestrian and bicycle access.** Provide accessible sidewalks, high-quality bicycle access, and frequent street connections and crossings in centers and corridors.

**Policy 4.24. Drive-through facilities.** Prohibit drive through facilities in the Central City, and limit new development of new ones in the Inner Ring Districts and centers to support a pedestrian-oriented environment.

**Policy 4.25. Residential uses on busy streets.** Improve the livability of places and streets with high motor vehicle volumes. Encourage landscaped front setbacks, street trees, and other design approaches to buffer residents from street traffic.

**Policy 4.26. Active gathering places.** Locate public squares, plazas, and other gathering places in centers and corridors to provide places for community activity and social connections. Encourage location of businesses, services, and arts adjacent to these spaces that relate to and promote the use of the space.

**Policy 4.27. Protect defining features.** Protect and enhance defining places and features of centers and corridors, including landmarks, natural features, and historic and cultural resources.

**Policy 4.28. Historic buildings in centers and corridors.** Protect and encourage the restoration and improvement of historic resources in centers and corridors.

- 87. Finding:** Policies 4.20 through 4.28 address design and development in centers and along corridors. The policies provide guidance on development scale, streetscapes, gathering spaces, and historic preservation. The Cully TIF District Plan does not impact programs related to street design, the planning and creation of public gathering spaces or restoration of historic resources unless renovation of an historic building was contemplated under the housing and business programs in the Plan. Policies 4.20 through 4.28 do not apply.

**Policy 4.29. Public art.** Encourage new development and public places to include design elements and public art that contribute to the distinct identities of centers and corridors, and that highlight the history and diverse cultures of neighborhoods.

- 88. Finding:** The Cully TIF District Plan allocates resources to the inclusion of cultural art and signage into TIF funded projects. The Cully TIF District Plan is consistent with policy 4.29.

## Transitions

**Policy 4.30. Scale transitions.** Create transitions in building scale in locations where higher-density and higher-intensity development is adjacent to smaller-scale single-dwelling zoning. Ensure that new high-density and large-scale infill development adjacent to single-dwelling zones incorporates design elements that soften transitions in scale and limit light and privacy impacts on adjacent residents.

**Policy 4.31. Land use transitions.** Improve the interface between non-residential uses and residential uses in areas where commercial or employment uses are adjacent to residentially-zoned land.

**Policy 4.32. Industrial edge.** Protect non-industrially zoned parcels from the adverse impacts of facilities and uses on industrially zoned parcels using a variety of tools, including but not limited to vegetation, physical separation, land acquisition, and insulation to establish buffers between industrial sanctuaries and adjacent residential or mixed-use areas to protect both the viability of long-term industrial operations and the livability of adjacent areas.

- 89. Finding:** Policies 4.30 through 4.32 address scale and use transitions. The Cully TIF District Plan does not change any existing building scale, setback or landscaping standards that apply where zoning designations transition. Therefore, policies 4.30-4.32 do not apply.

## Off-site impacts

**Policy 4.33. Off-site impacts.** Limit and mitigate public health impacts, such as odor, noise, glare, light pollution, air pollutants, and vibration that public facilities, land uses, or development may have on adjacent residential or institutional uses, and on significant fish and wildlife habitat areas. Pay attention to limiting and mitigating impacts to under-served and under-represented communities.

**Policy 4.34. Auto-oriented facilities, uses, and exterior displays.** Minimize the adverse impacts of highways, auto-oriented uses, vehicle areas, drive-through areas, signage, and exterior display and storage areas on adjacent residential uses.

**Policy 4.35. Noise impacts.** Encourage building and landscape design and land use patterns that limit and/or mitigate negative noise impacts to building users and residents, particularly in areas near freeways, regional truckways, major city traffic streets, and other sources of noise.

**Policy 4.36. Air quality impacts.** Encourage building and landscape design and land use patterns that limit and/or mitigate negative air quality impacts to building users and residents, particularly in areas near freeways, regional truckways, high traffic streets, and other sources of air pollution.

**Policy 4.37. Diesel emissions.** Encourage best practices to reduce diesel emissions and related impacts when considering land use and public facilities that will increase truck or train traffic.

**Policy 4.38. Light pollution.** Encourage lighting design and practices that reduce the negative impacts of light pollution, including sky glow, glare, energy waste, impacts to public health and safety, disruption of ecosystems, and hazards to wildlife.

**Policy 4.39. Airport noise.** Partner with the Port of Portland to require compatible land use designations and development within the noise-affected area of Portland International Airport, while providing disclosure of the level of aircraft noise and mitigating the potential impact of noise within the affected area.

**Policy 4.40. Telecommunication facility impacts.** Mitigate the visual impact of telecommunications and broadcast facilities near residentially zoned areas through physical design solutions.

- 90. Finding:** Policies 4.33 through 4.40 generally address impacts that can negatively affect adjacent residential uses and areas. They are implemented through a variety of design and impact-related performance standards in the zoning code. Current base zone development standards address potential off-site impacts through existing setback requirements, tree density standards, limitations on commercial uses and signage. Offsite impacts are additionally addressed in Chapter 33.262. Existing regulations in the Portland International Airport Noise Impact Zone (33.470) are unchanged, and areas with high noise impacts (68 and higher DNL) where new residential uses are prohibited are unaffected by the Cully TIF District Plan.

The Cully TIF District Plan does not change any site or building design regulations, or any of the specific implementing regulations related to these policies. Therefore, policies 4.33-4.40 do not apply.

## Scenic resources

**Policy 4.41. Scenic resources.** Enhance and celebrate Portland's scenic resources to reinforce local identity, histories, and cultures and contribute toward way-finding throughout the city. Consider views of mountains, hills, buttes, rivers, streams, wetlands, parks, bridges, the Central City skyline, buildings, roads, art, landmarks, or other elements valued for their aesthetic appearance or symbolism.

**Policy 4.42. Scenic resource protection.** Protect and manage designated significant scenic resources by maintaining scenic resource inventories, protection plans, regulations, and other tools.

**Policy 4.43. Vegetation management.** Maintain regulations and other tools for managing vegetation in a manner that preserves or enhances designated significant scenic resources.

**Policy 4.44. Building placement, height, and massing.** Maintain regulations and other tools related to building placement, height, and massing to preserve designated significant scenic resources.

**Policy 4.45. Future development.** Encourage new public and private development to create new public viewpoints providing views of Portland's rivers, bridges, surrounding mountains, hills and buttes, the Central City skyline, and other landmark features.

- 91. Finding:** The City has designated scenic resources in an adopted inventory and protects them through an overlay zone (Chapter 33.480) which addresses landscaping, setbacks, screening, building facades and tree removal. The Cully TIF District Plan does not change this program. Therefore, policies 4.41-4.45 do not apply.

### **Historic and cultural resources**

**Policy 4.46. Historic and cultural resource protection.** Protect and encourage the restoration of historic buildings, places, and districts that contribute to the distinctive character and history of Portland's evolving urban environment.

**Policy 4.47. State and federal historic resource support.** Advocate for state and federal policies, programs, and legislation that would enable stronger historic resource designations, protections, and rehabilitation programs.

**Policy 4.48. Continuity with established patterns.** Encourage development that fills in vacant and underutilized gaps within the established urban fabric, while preserving and complementing historic resources.

**Policy 4.49. Resolution of conflicts.** Adopt and periodically update design guidelines for unique historic districts. Refine base zoning in historic districts to consider the character of the historic resources in the district.

**Policy 4.50. Demolition.** Protect historic resources from demolition. Provide opportunities for public comment, and encourage pursuit of alternatives to demolition or other actions that mitigate for the loss.

**Policy 4.51. City-owned historic resources.** Maintain City-owned historic resources with necessary upkeep and repair.

**Policy 4.52. Historic Resources Inventory.** Maintain and periodically update Portland's Historic Resources Inventory to inform historic and cultural resource preservation strategies.

**Policy 4.53. Preservation equity.** Expand historic preservation inventories, regulations, and programs to encourage historic preservation in areas and in communities that have not benefited from past historic preservation efforts, especially in areas with high concentrations of under-served and/or under-represented people.

**Policy 4.54. Cultural diversity.** Work with Portland's diverse communities to identify and preserve places of historic and cultural significance.

**Policy 4.55. Cultural and social significance.** Encourage awareness and appreciation of cultural diversity and the social significance of historic places and their roles in enhancing community identity and sense of place.

**Policy 4.56. Community structures.** Encourage the adaptive reuse of historic community structures, such as former schools, meeting halls, and places of worship, for arts, cultural, and community uses that continue their role as anchors for community and culture.

**Policy 4.57. Economic viability.** Provide options for financial and regulatory incentives to allow for the productive, reasonable, and adaptive reuse of historic resources.

**Policy 4.58. Archaeological resources.** Protect and preserve archaeological resources, especially those sites and objects associated with Native American cultures. Work in partnership with Sovereign tribes, Native American communities, and the state to protect against disturbance to Native American archaeological resources.

- 92. Finding:** These policies address historic and cultural resources. The City's regulations for historic and cultural resource preservation are found in Chapter 33.445. No changes to these historic or cultural resource protections are proposed with the Cully TIF District Plan. There is funding allocated to a project for arts, culture and signage within the Area. Therefore, the Cully TIF District Plan is consistent with policies 4.46-4.58.

### **Public art**

**Policy 4.59. Public art and development.** Create incentives for public art as part of public and private development projects.

- 93. Finding:** The Cully TIF District Plan allows for the use of resources to incorporate cultural art and signage as a component to public and private development projects. Therefore, the Cully TIF District Plan is consistent with policy 4.59.

### **Resource-efficient design and development**

**Policy 4.60. Rehabilitation and adaptive reuse.** Encourage rehabilitation and adaptive reuse of buildings, especially those of historic or cultural significance, to conserve natural resources, reduce waste, and demonstrate stewardship of the built environment.

**Policy 4.61. Compact housing.** Promote the development of compact, space- and energy-efficient housing types that minimize use of resources such as smaller detached homes or accessory dwellings and attached homes.

**Policy 4.62. Seismic and energy retrofits.** Promote seismic and energy-efficiency retrofits of historic buildings and other existing structures to reduce carbon emissions, save money, and improve public safety.

**Policy 4.63. Life cycle efficiency.** Encourage use of technologies, techniques, and materials in building design, construction, and removal that result in the least environmental impact over the life cycle of the structure.

**Policy 4.64. Deconstruction.** Encourage salvage and reuse of building elements when demolition is necessary or appropriate.

**Policy 4.65. Materials and practices.** Encourage use of natural, resource-efficient, recycled, recycled content, and non-toxic building materials and energy-efficient building practices.

**Policy 4.66. Water use efficiency.** Encourage site and building designs that use water efficiently and manage stormwater as a resource.

**Policy 4.67. Optimizing benefits.** Provide mechanisms to evaluate and optimize the range of benefits from solar and renewable resources, tree canopy, ecoroofs, and building design.

**Policy 4.68. Energy efficiency.** Encourage and promote energy efficiency significantly beyond the Statewide Building Code and the use of solar and other renewable resources in individual buildings and at a district scale.

**Policy 4.69. Reduce carbon emissions.** Encourage a development pattern that minimizes carbon emissions from building and transportation energy use.

**Policy 4.70. District energy systems.** Encourage and remove barriers to the development and expansion of low-carbon heating and cooling systems that serve multiple buildings or a broader district.

**Policy 4.71. Ecodistricts.** Encourage ecodistricts, where multiple partners work together to achieve sustainability and resource efficiency goals at a district scale.

**Policy 4.72. Energy-producing development.** Encourage and promote development that uses renewable resources, such as solar, wind, and water to generate power on-site and to contribute to the energy grid.

- 94. Finding:** Policies 4.60 through 4.72 address resource efficiency and resilience – primarily related to building design. This includes consideration of energy use, water use, use of recycled and healthy building materials, seismic standards, and adoptive re-use. The Cully TIF District Plan does not change any existing design or development standards that have an impact on resource efficiency. The Cully TIF District Plan also does not impact programs related to water or energy efficiency, recycling, or seismic resiliency. Generally, these policies are not applicable. However, the Cully TIF District Plan does provide resources that could be used to address these policies in the Area, and to that extent, is consistent with these Policies.

### **Designing with nature**

**Policy 4.73. Design with nature.** Encourage design and site development practices that enhance, and avoid the degradation of, watershed health and ecosystem services and that incorporate trees and vegetation.

**Policy 4.74. Flexible development options.** Encouraging flexibility in the division of land, the siting and design of buildings, and other improvements to reduce the impact of development on environmentally-sensitive areas and to retain healthy native and beneficial vegetation and trees.

**Policy 4.75. Low-impact development and best practices.** Encourage use of low-impact development, habitat-friendly development, bird-friendly design, and green infrastructure.

**Policy 4.76. Impervious surfaces.** Limit use of and strive to reduce impervious surfaces and associated impacts on hydrologic function, air and water quality, habitat connectivity, tree canopy, and urban heat island effects.

**Policy 4.77. Hazards to wildlife.** Encourage building, lighting, site, and infrastructure design and practices that provide safe fish and wildlife passage, and reduce or mitigate hazards to birds, bats, and other wildlife.

**Policy 4.78. Access to nature.** Promote equitable, safe, and well-designed physical and visual access to nature for all Portlanders, while also maintaining the functions and values of significant natural resources, fish, and wildlife. Provide access to major natural features, including:

- Water bodies such as the Willamette and Columbia rivers, Smith and Bybee Lakes, creeks, streams, and sloughs.
- Major topographic features such as the West Hills, Mt. Tabor, and the East Buttes.
- Natural areas such as Forest Park and Oaks Bottom.

**95. Finding.** Policies 4.73 through 4.78 provide direction regarding the interface between development and natural features and functions. They address site and building design and access to nature. The Cully TIF District Plan does not change existing design or development standards that implement these policies. Policies 4.73-4.78 do not apply.

**Policy 4.79. Natural hazards and climate change risks and impacts.** Limit development in or near areas prone to natural hazards, using the most current hazard and climate change-related information and maps.

**Policy 4.80. Geological hazards.** Evaluate slope and soil characteristics, including liquefaction potential, landslide hazards, and other geologic hazards.

**Policy 4.81. Disaster-resilient development.** Encourage development and site-management approaches that reduce the risks and impacts of natural disasters or other major disturbances and that improve the ability of people, wildlife, natural systems, and property to withstand and recover from such events.

**Policy 4.83. Urban heat islands.** Encourage development, building, landscaping, and infrastructure design that reduce urban heat island effects.

**Policy 4.82. Portland Harbor Facilities.** Reduce natural hazard risks to critical public and private energy and transportation facilities in the Portland Harbor.

**Policy 4.84. Planning and disaster recovery.** Facilitate effective disaster recovery by providing recommended updates to land use designations and development codes, in preparation for natural disasters.

**96. Finding:** Policies 4.79 through 4.84 provide direction regarding the interface of development with natural hazards. The policies address climate, geology, disaster recovery, and reducing risks at harbor-related facilities.

The Cully TIF District Plan does not change existing city programs related to disaster planning and reducing hazard-related risks. City programs that are deemed in compliance with Metro Title 3 requirements for flood management, and erosion and sediment control (i.e., City Title 10 Erosion Control, and the balanced cut and fill requirements of City Title 24), as well as the environmental overlay zones are unchanged by these amendments and will ensure any new development will be done in a way to protect people and property from hazards.

The Cully TIF District Plan makes no changes to implementing measures for policies 4.79 through 4.84. Therefore, these policies do not apply.

#### **Healthy food**

**Policy 4.85. Grocery stores and markets in centers.** Facilitate the retention and development of grocery stores, neighborhood-based markets, and farmer's markets offering fresh produce in centers.

**Policy 4.86. Neighborhood food access.** Encourage small, neighborhood-based retail food opportunities, such as corner markets, food co-ops, food buying clubs, and community-supported agriculture pickup/drop-off sites, to fill in service gaps in food access across the city.

**Policy 4.87. Growing food.** Increase opportunities to grow food for personal consumption, donation, sales, and educational purposes.

**Policy 4.88. Access to community gardens.** Ensure that community gardens are allowed in areas close to or accessible via transit to people living in areas zoned for mixed-use or multi-dwelling development, where residents have few opportunities to grow food in yards.

**97. Finding:** Policies 8.85 through 4.88 address ways that programs and land use plans can facilitate better access to healthy food. These policies do not apply because the Cully TIF District Plan does not change any programs related to food access or change retail allowances or zoning that would directly affect food access.

## Chapter 5: Housing

**Goal 5.A: Housing diversity.** Portlanders have access to high-quality affordable housing that accommodates their needs, preferences, and financial capabilities in terms of different types, tenures, density, sizes, costs, and locations.

**98. Finding:** The Cully TIF District Plan expands housing diversity by allowing significant new funding for the Portland Housing Bureau to use in the Cully TIF District Area for affordable housing creation and stabilization. This additional funding would allow Portland residents greater opportunity to access housing that suits their needs, preferences, and financial capabilities. The goals are fully outlined in Finding 100. Therefore, the Cully TIF District Plan is consistent with Goal 5.A. The diversity of the Area is defined in Finding 8.

**Goal 5.B: Equitable access to housing.** Portland ensures equitable access to housing, making a special effort to remove disparities in housing access for people with disabilities, people of color, low-income households, diverse household types, and older adults.

**99. Finding:** City Council defines “equitable access to housing” as a goal to create housing that is accessible and affordable to a wide range of households, including people with disabilities, people of color, low-income households, diverse household types, and older adults. The Cully TIF District Plan is consistent with this goal because it provides additional resources to provide housing in Cully, a neighborhood that is already more culturally diverse than the city of Portland as a whole. The goals of the Cully TIF District Plan that pertain to equitable access to housing set forth below show that the Cully TIF District Plan is consistent with this Goal 5.B. These goals are necessary components to providing equitable access to housing.

1. Prevent the displacement of vulnerable people, communities, businesses and Community-based institutions from Cully.
2. Preserve existing opportunities for affordable housing and economic prosperity activities and create new opportunities for vulnerable people and communities, especially Priority Communities, including under-served and under-represented people to live, work and thrive in Cully, including those previously displaced.
3. Ensure that current residents benefit from investments and neighborhood change, and that opportunities for housing and economic prosperity activities will be preserved and expanded for future generations.
4. Ensure that Priority Communities play lead roles in making decisions about investments and policies that affect them and their communities.
5. Develop and inspire a new model for the creation of future TIF districts in Portland and beyond.
6. Coordinate with the city and implementation agencies to establish accessibility to all programs and projects in the Plan for people with Individual Taxpayer Identification Numbers (ITINs), poor credit history and criminal records.
7. Spur innovation of environment and climate change initiatives in TIF projects.

The Cully TIF District Plan defines priority communities as: “Priority Communities”: African American and Black persons; Indigenous and Native American persons; persons of color; immigrants and refugees of any legal status; renters; mobile home residents; persons with disabilities; low-income people; houseless people; and other population groups that are systemically vulnerable to exclusion from Cully due to gentrification and displacement.

**Goal 5.C: Healthy connected city.** Portlanders live in safe, healthy housing that provides convenient access to jobs and to goods and services that meet daily needs. This housing is connected to the rest of the city and region by safe, convenient, and affordable multimodal transportation.

- 100. Finding:** City Council interprets this goal as to encourage the development of a wide range of housing options in and around complete neighborhoods that have access to transit, bikeways and sidewalks. Homelessness and the housing cost burden has a direct health impact on many Portlanders – either through added economic stress and the inability to afford medical care, or through the direct impact of living outdoors (“Health in Housing, Exploring the Intersection Between Housing and Health Care”, The Center for Outcomes research and Education, Providence Health & Services, Feb. 2016). The Cully TIF District Plan is consistent with a healthy connected city and human health because it focuses on providing safe, decent and affordable housing (and shelter) options to Cully and increases the available housing capacity. The Cully TIF District Plan provides funding to increase housing opportunities including in complete neighborhoods with access to transit, bikeways, and sidewalks. The Cully TIF District Plan is consistent with Goal 5.C.

**Goal 5.D: Affordable housing.** Portland has an adequate supply of affordable housing units to meet the needs of residents vulnerable to increasing housing costs.

- 101. Finding:** City Council interprets this goal as to encourage the development of regulated affordable housing that provides long-term stability to low-income households. The rising cost of housing is a top concern across the city, as more people are finding it difficult to afford housing. The Cully TIF District Plan does not negatively impact programs to produce regulated affordable housing. The Cully TIF District Plan will bring more funding to stabilize housing in the neighborhood and the funding will provide additional housing opportunities.

The Affordable Housing project description in the Cully TIF District Plan includes multiple programs to support low-income community members, though home repair, home ownership, development of multi-family rental affordable housing, rehabilitation and preservation of existing regulated affordable and market rate housing, and houseless facilities. The Plan also includes new programs to support low-income households and to address housing affordability that could be implemented as part of the Cully TIF District Plan. Therefore, the Cully TIF District Plan is consistent with Goal 5.D.

**Goal 5.E: High-performance housing.** Portland residents have access to resource-efficient and high-performance housing for people of all abilities and income levels.

- 102. Finding:** The Cully TIF District Plan does not modify any development or building standards that ensure housing is energy- or resource-efficient. The Cully TIF District Plan includes a specific goal to spur innovation of environment and climate change initiatives in TIF projects and has a specific principle addressing Climate Action and Environmental Stewardship. Therefore, the Cully TIF District Plan is consistent with goal 5.E.

### **Diverse and expanding housing supply**

**Policy 5.1. Housing supply.** Maintain sufficient residential development capacity to accommodate Portland’s projected share of regional household growth.

**Policy 5.2. Housing growth.** Strive to capture at least 25 percent of the seven-county region’s residential growth (Multnomah, Washington, Clackamas, Yamhill, Columbia, Clark, and Skamania counties).

**Policy 5.3. Housing potential.** Evaluate plans and investments for their impact on housing capacity, particularly the impact on the supply of housing units that can serve low- and moderate-income households, and identify opportunities to meet future demand.

- 103. Finding:** The Cully TIF District Plan provides significant funding (a minimum of 45% of the TIF revenues) to provide additional affordable housing supply that can serve low- and moderate-income households. Another goal of the Cully TIF District Plan is to stabilize existing housing. The Cully TIF District Plan is consistent with Policies 5.1 through 5.3. This Finding is reinforced in Finding 102.

**Policy 5.4. Housing types.** Encourage new and innovative housing types that meet the evolving needs of Portland households and expand housing choices in all neighborhoods. These housing types include but are not limited to single-dwelling units; multi-dwelling units; accessory dwelling units; small units; pre-fabricated homes such as manufactured, modular, and mobile homes; co-housing; and clustered housing/clustered services.

- 104. Finding:** “Encourage” is defined in the Comprehensive Plan as “promote or foster using some combination of voluntary approaches, regulations, or incentives.” The Cully TIF District Plan encourages new and innovative housing types addressing the evolving needs of Portland households by providing additional resources to the Portland Housing Bureau to develop housing in the Cully area. The Cully community will be active in working with the Portland Housing Bureau on implementation of programs to address the needs in their community. The Cully TIF District Plan identifies new areas of housing development to be analyzed by the Portland Housing Bureau to be included in their programs as described in Finding 102. The Cully TIF District Plan is consistent with Policy 5.4.

**Policy 5.5. Housing in centers.** Apply zoning in and around centers that allows for and supports a diversity of housing that can accommodate a broad range of households, including multi-dwelling and family-friendly housing options.

- 105. Finding:** The Cully TIF District Plan provides funding to the Portland Housing Bureau to undertake affordable housing creation throughout the Cully area including the Cully Neighborhood Center and 42<sup>nd</sup> / Killingsworth Neighborhood Center. The Cully TIF District Plan is consistent with Policy 5.5.

**Policy 5.6. Middle housing.** Enable and encourage development of middle housing. This includes multi-unit or clustered residential buildings that provide relatively smaller, less expensive units; more units; and a scale transition between the core of the mixed-use center and surrounding single family areas. Where appropriate, apply zoning that would allow this within a quarter mile of designated centers, corridors with frequent service transit, high-capacity transit stations, and within the Inner Ring around the Central City.

- 106. Finding:** The Cully TIF District Plan does not specifically address middle housing, but addresses support for affordable housing and stabilizing housing for existing homeowners and renters. This range of options accommodates a broader diversity of income levels, allowing people to have more housing choices. The Cully TIF District Plan is consistent with Policy 5.6.

**Policy 5.7. Adaptable housing.** Encourage adaptation of existing housing and the development of new housing that can be adapted in the future to accommodate the changing variety of household types.

- 107. Finding:** The Cully TIF District Plan does not specifically address adaptable housing, but addresses support for affordable housing and stabilizing housing for existing homeowners and

renters. This range of options accommodates a broader diversity of income levels, allowing more people to remain in Cully instead of being displaced. The Cully TIF District Plan is consistent with Policy 5.7

**Policy 5.8. Physically-accessible housing.** Allow and support a robust and diverse supply of affordable, accessible housing to meet the needs of older adults and people with disabilities, especially in centers, station areas, and other places that are proximate to services and transit.

**Policy 5.9. Accessible design for all.** Encourage new construction and retrofitting to create physically-accessible housing, extending from the individual unit to the community, using Universal Design Principles.

- 108. Finding.** The Cully TIF District Plan does not specifically address physically accessible nor accessible design for all. However, the housing portion of the Cully TID District Plan will be implemented by the Portland Housing Bureau, which will pursue projects while following the guidelines of the Comprehensive Plan and the Zoning Code. The Cully TIF District Plan is consistent with Policies 5.8 and 5.9.

**Policy 5.10. Coordinate with fair housing programs.** Foster inclusive communities, overcome disparities in access to community assets, and enhance housing choice for people in protected classes throughout the city by coordinating plans and investments to affirmatively further fair housing.

- 109. Finding:** The Comprehensive Plan defines “foster” to mean “encourage or guide the incremental development of something over a long period of time.” The Cully TIF District Plan encourages and enhances housing choice by providing additional housing implementation resources to the Portland Housing Bureau to be dedicated to the Cully area. The Portland Housing Bureau will pursue projects while following policy 5.10 of the Comprehensive Plan. The Cully TIF District Plan is consistent with Policy 5.10

## **Housing access**

**Policy 5.11. Remove barriers.** Remove potential regulatory barriers to housing choice for people in protected classes to ensure freedom of choice in housing type, tenure, and location.

- 110. Finding:** The Cully TIF District Plan identifies new areas of housing development to be analyzed by the Portland Housing Bureau to be included in their programs, identified in Finding 102. The Cully TIF District Plan has goals to establish programs for [people with Individual taxpayer Identification numbers, poor credit history and criminal records. The Cully TIF District Plan is consistent with Policy 5.11.

**Policy 5.12. Impact analysis.** Evaluate plans and investments, significant new infrastructure, and significant new development to identify potential disparate impacts on housing choice, access, and affordability for protected classes and low-income households. Identify and implement strategies to mitigate the anticipated impacts.

**Policy 5.13. Housing stability.** Coordinate plans and investments with programs that prevent avoidable, involuntary evictions and foreclosures.

**Policy 5.14. Preserve communities.** Encourage plans and investments to protect and/or restore the socioeconomic diversity and cultural stability of established communities.

**Policy 5.15. Gentrification/displacement risk.** Evaluate plans and investments, significant new infrastructure, and significant new development for the potential to increase housing costs for, or

cause displacement of communities of color, low- and moderate-income households, and renters. Identify and implement strategies to mitigate the anticipated impacts.

**Policy 5.16. Involuntary displacement.** When plans and investments are expected to create neighborhood change, limit the involuntary displacement of those who are under-served and under-represented. Use public investments and programs, and coordinate with nonprofit housing organizations (such as land trusts and housing providers) to create permanently-affordable housing and to mitigate the impacts of market pressures that cause involuntary displacement.

- 111. Finding:** The City Council interprets Policies 5.12 to 5.16 as requiring evaluation and analysis as to who will benefit and who will be burdened by a planning decision, including amendments to the Comprehensive Plan, the Comprehensive Plan Map, the Zoning Code, and the Zoning Map. The Council interprets “involuntary displacement” to occur when a resident is forced to relocate due to factors that are beyond the resident’s control including, but not limited to, increased rents due to market pressure and decisions by landlords to redevelop property.

The goals of the Cully TIF District Plan are to prevent displacement, preserve and expand on existing affordable housing options and to ensure current residents benefit from investments and neighborhood change preserving opportunities for housing for future generations. This is specifically cited in Finding 5. One of the key implementation strategies is to create community benefits from TIF investments, which includes land banking properties to keep the prices from escalating as fast as they have historically escalated. The Cully TIF District Plan calls for the development of Five Year Action Plans that will not only analyze the impacts of the prior five years but outline investments for the next five years, learning from any successes or failures of the preceding activities. The Cully TIF District Plan is consistent with Policies 5.12 to 5.16.

**Policy 5.17. Land banking.** Support and coordinate with community organizations to hold land in reserve for affordable housing, as an anti-displacement tool, and for other community development purposes.

- 112. Finding:** The goals of the Cully TIF District Plan. are to prevent displacement, preserve and expand on existing affordable housing options and to ensure current residents benefit from investments and neighborhood change preserving opportunities for housing for future generations. One of the key implementation principles within the Cully TIF District Plan is to land bank properties to keep the prices from escalating as fast as they have historically escalated. The Cully TIF District Plan is consistent with Policy 5.17.

**Policy 5.18. Rebuild communities.** Coordinate plans and investments with programs that enable communities impacted by involuntary displacement to maintain social and cultural connections, and re-establish a stable presence and participation in the impacted neighborhoods.

- 113. Finding:** The Cully TIF District Plan was developed as a tool to help prevent involuntary displacement and the resulting loss of social and cultural connections. The projects for affordable housing and business support will aid in assisting community members and small businesses threatened with involuntary displacement. Funding for culturally-specific businesses owned by Priority Community members will be particularly critical for maintaining social and cultural connections within Cully. Funding for arts, culture and signage will maintain social and cultural connections. The Cully TIF District Plan is consistent with Policy 5.18.

**Policy 5.19. Aging in place.** Encourage a range of housing options and supportive environments to enable older adults to remain in their communities as their needs change.

- 114. Finding:** The Cully TIF District Plan was developed as a tool to allow residents to age in place by providing funds to address housing deficiencies through rehabilitation. As a result of the TIF funding, the Portland Housing Bureau will have access to additional funds to use for any new programs that might be developed to assist those who wish to age in place. The Cully TIF District Plan is consistent with policy 5.19.

## Housing location

**Policy 5.20. Coordinate housing needs in high-poverty areas.** Meet the housing needs of under-served and under-represented populations living in high-poverty areas by coordinating plans and investments with housing programs.

**Policy 5.21. Access to opportunities.** Improve equitable access to active transportation, jobs, open spaces, high-quality schools, and supportive services and amenities in areas with high concentrations of under-served and under-represented populations and an existing supply of affordable housing.

**Policy 5.22. New development in opportunity areas.** Locate new affordable housing in areas that have high/medium levels of opportunity in terms of access to active transportation, jobs, open spaces, high-quality schools, and supportive services and amenities.

- 115. Finding:** The Census Bureau uses a set of income thresholds that vary by family size and composition to determine who classifies as impoverished. If a family's total income is less than the family's threshold than that family and every individual in it is considered to be living in poverty. High poverty areas are interpreted to mean areas with more than 25% poverty rate. According to US HUD, census tracts around Cully, Portsmouth, and the Central City have the highest poverty rates (U.S. Census Bureau, 2015-2019 American Community Survey 5-year estimates). Housing needs are coordinated as these high poverty areas are also the areas that qualify for the Low-Income Housing Tax Credit, a tool that is frequently used in combination with other city-incentives including CET and SDC waivers to produce regulated affordable housing units.

The Cully TIF District Plan allocates 45% of its funding to affordable housing through Portland Housing Bureau programs, providing significant additional resources to address the housing needs in the Cully TIF District Area.

The Cully TIF District Plan is consistent with Policies 5.20-5.22 because it allocates additional funding in an established neighborhood with supportive services and amenities and a number of active non-profits which serve the community.

**Policy 5.23. Higher-density housing.** Locate higher-density housing, including units that are affordable and accessible, in and around centers to take advantage of the access to active transportation, jobs, open spaces, schools, and various services and amenities.

- 116. Finding:** The Cully TIF District Plan Area includes the Cully Neighborhood Center. Funding through the Portland Housing Bureau will be available for the entire Cully TIF District Area, including in the Cully and 42<sup>nd</sup> / Killingsworth Neighborhood Centers. Therefore, the Cully TIF District Plan is consistent with Policy 5.23.

**Policy 5.24. Impact of housing on schools.** Evaluate plans and investments for the effect of housing development on school enrollment, financial stability, and student mobility. Coordinate with school districts to ensure plans are aligned with school facility plans.

- 117. Finding:** Portland Public Schools adopted a Long-Range Facility Plan in December of 2021. The overall expectation for growth in East Portland is grounded in regional housing demand forecasts

made by the Portland State University Population Research Center, and those demand forecasts have not been altered by the Cully TIF District Plan. Some of the goals of the Cully TIF District Plan are to prevent displacement, preserve opportunities for affordable housing and create new opportunities. These actions will all stabilize the school population which is forecasted to fall over the next 15 years. Therefore, the Cully TIF District Plan is consistent with Policy 5.24.

### **Housing affordability**

**Policy 5.25. Housing preservation.** Preserve and produce affordable housing to meet needs that are not met by the private market by coordinating plans and investments with housing providers and organizations.

- 118. Finding:** Some of the goals of the Cully TIF District Plan are to prevent displacement, preserve opportunities for affordable housing and create new opportunities. The Cully TIF District Plan provides additional funding to the Portland Housing Bureau to operate programs in the Cully TIF District Area that will preserve the existing housing stock and produce additional housing. In addition, the Cully TIF District Plan has as one of its main principles to invest in community owned properties to ensure long term affordability. See also Finding 102. The Cully TIF District Plan is consistent with Policy 5.25.

**Policy 5.26. Regulated affordable housing target.** Strive to produce at least 10,000 new regulated affordable housing units citywide by 2035 that will be affordable to households in the 0-80 percent MFI bracket.

- 119. Finding:** The Cully TIF District Plan provides an additional funding source, tax increment revenues, to help meet the goal of 10,000 new affordable housing units citywide by 2035. Therefore, the Cully TIF District Plan is consistent with Policy 5.26.

**Policy 5.27. Funding plan.** Encourage development or financial or regulatory mechanisms to achieve the regulated affordable housing target set forth for 2035.

- 120. Finding:** As of August 1, 2016, new residential development and additions that are valued above \$100,000 are required to pay a one-percent affordable housing construction excise tax. This tax pays for affordable housing programs, including production and preservation of housing for people with incomes at or below 60% (MFI), incentives for inclusionary zoning, and State of Oregon homeownership programs. The Cully TIF District Plan does not negatively impact this program. The Cully TIF District Plan provides additional resources through tax increment financing to meet affordable housing targets. The Cully TIF District Plan is consistent with Policy 5.27.

**Policy 5.28. Inventory of regulated affordable housing.** Coordinate periodic inventories of the supply of regulated affordable housing in the four-county (Clackamas, Clark, Multnomah and Washington) region with Metro.

- 121. Finding:** Council interprets this policy to apply to ongoing intergovernmental coordination, and not a directive to be applied with each land use plan amendment. This policy is not applicable.

**Policy 5.29. Permanently-affordable housing.** Increase the supply of permanently-affordable housing, including both rental and homeownership opportunities.

- 122. Finding:** The 2035 Comprehensive Plan defines permanently affordable housing as units that will remain affordable to a low-income household, such as housing that is owned and maintained by a public agency or a nonprofit organization. The goals of the Cully TIF District Plan are to prevent displacement, preserve existing opportunities for affordable housing and create new opportunities

for vulnerable people and communities, especially Priority Communities, to live, work and thrive in Cully, including those previously displaced. The identified principles of the Cully TIF District Plan include having larger scale housing projects be community owned properties to have a longer term community benefit and to set aside funds to take advantage of acquisition opportunities and respond to immediate displacement threats. The models to be evaluated in implementing the Cully TIF District Plan are:

“In relative proportion to the scale of each project, TIF investments should produce meaningful, long-term benefits to the broader community, in addition to whatever benefits go to a property owner, developer or other recipient of TIF funds.

1. For larger-scale projects, particularly those that acquire property and/or develop new buildings, there will be more leverage to ensure robust, long-term community benefits by guiding the ownership and use of properties:
  - I. Seek to permanently remove properties from the private market so they provide significant, multi-generational community benefits in line with this Plan;
  - II. Such investments should generally result in properties being owned by entities such as non-profit organizations, public agencies, land trusts, and cooperatives (rather than private or for-profit entities).
2. For smaller-scale investments, such as repairs or other improvements to existing structures:
  - a) When investing in properties that will remain privately owned, prioritize property that is owned by community members from populations that have historically been subject to displacement and/or excluded from ownership opportunities;
    - III. Ensure that investments in privately-owned properties create community benefits, in addition to benefits for the property owner. Mechanisms to be considered for ensuring community benefits from smaller-scale investments include, but are not limited to:
      - i. Affordability covenants with property owners, in order to ensure stable rents for tenants of rental properties (commercial and residential);
      - ii. Master leases by a public or nonprofit entity, in order to provide below-market rent to tenants (applicable to both commercial and residential properties);
      - iii. ‘Right of first refusal’ or ‘Right of first purchase’ agreements, which give nonprofits and public agencies the first opportunity to purchase properties that have received TIF investments, at whatever point in the future they might be sold;
      - iv. Structuring investments as loans that are repaid only if the property is sold to another private owner, but forgiven if the property is sold to a nonprofit or public entity;
      - v. Commitments to hire workers from Cully and nearby neighborhoods for good-paying jobs.”

Therefore, the Cully TIF District Plan is consistent with Policy 5.29.

**Policy 5.30. Housing cost burden.** Evaluate plans and investments for their impact on household cost and consider ways to reduce the combined cost of housing, utilities, and/or transportation. Encourage energy-efficiency investments to reduce overall housing costs.

**123. Finding:** Along with the Finding for Policy 5.29 on long term affordability, the Cully TIF District Plan includes a specific goal to spur innovation of environment and climate change initiatives in TIF projects and has a specific principle addressing Climate Action and Environmental Stewardship. The goals of forming housing cooperatives also addresses the need to reduce the housing cost burden. The Cully TIF District Plan is consistent with Policy 5.30.

**Policy 5.31. Household prosperity.** Facilitate expanding the variety of types and sizes of affordable housing units, and do so in locations that provide low-income households with greater access to convenient transit and transportation, education and training opportunities, the Central City, industrial districts, and other employment areas.

**Policy 5.32 Affordable Housing in Centers.** Encourage income diversity in and around centers by allowing a mix of housing types and tenures.

**124. Finding:** The Cully TIF District Plan encourages household prosperity and affordable housing by offering additional funding sources to create affordable housing in the Cully TIF District Area. The Portland Housing Bureau offers a variety of housing assistance programs, and the Cully TIF District Plan calls for exploring new affordable housing initiatives. There is an identified center in the Cully TIF District Area where funding could be allocated for affordable housing. The Cully TIF District Plan is consistent with Policies 5.31-5.32.

**Policy 5.33. Central City affordable housing.** Encourage the preservation and production of affordable housing in the Central City to take advantage of the area's unique concentration of active transportation access, jobs, open spaces, and supportive services and amenities.

**125. Finding:** The Cully TIF District Plan provides funding to the Cully TIF District Area only. This policy is not applicable.

**Policy 5.34. Affordable housing resources.** Pursue a variety of funding sources and mechanisms including new financial and regulatory tools to preserve and develop housing units and various assistance programs for households whose needs are not met by the private market.

**126. Finding:** The Cully TIF District Plan provides additional funding through tax increment financing to create affordable housing in the Cully TIF District Area addressing both preservation of existing housing and developing new housing. The Cully TIF District Plan is consistent with Policy 5.34.

**Policy 5.35. Inclusionary housing.** Use inclusionary zoning and other regulatory tools to effectively link the production of affordable housing to the production of market-rate housing.

**127. Finding:** Inclusionary housing regulations were adopted in 2018. The Cully TIF District Plan does not change that program. This policy is not applicable.

**Policy 5.36. Impact of regulations on affordability.** Evaluate how existing and new regulations affect private development of affordable housing and minimize negative impacts where possible. Avoid regulations that facilitate economically-exclusive neighborhoods.

**128. Finding:** The Cully TIF District Plan does not alter the evaluation of how existing and new regulations affect private development of affordable housing. The Cully TIF District Plan will provide

additional funding to make sure that affordable housing is maintained and created in the Cully TIF District Area. The Cully TIF District Plan is consistent with Policy 5.36.

**Policy 5.37. Mobile home parks.** Encourage preservation of mobile home parks as a low/moderate-income housing option. Evaluate plans and investments for potential redevelopment pressures on existing mobile home parks and impacts on park residents and protect this low/moderate-income housing option. Facilitate replacement and alteration of manufactured homes within an existing mobile home park.

**129. Finding:** Cully TIF District Plan directs an evaluation of manufactured housing park stabilization, including preservation and development programs, and is thus consistent with Policy 5.37.

**Policy 5.38. Workforce housing.** Encourage private development of a robust supply of housing that is affordable to moderate-income households located near convenient multimodal transportation that provides access to education and training opportunities, the Central City, industrial districts, and other employment areas.

**Policy 5.39. Compact single-family options.** Encourage development and preservation of small resource-efficient and affordable single-family homes in all areas of the city.

**Policy 5.40 Employer-assisted housing.** Encourage employer-assisted affordable housing in conjunction with major employment development.

**130. Finding:** The Cully TIF District Plan is intended to provide additional funding resources to both maintain existing affordable housing and create additional affordable housing including workforce housing and compact single home options. There is an industrial area at the north end of the Cully District that could produce jobs for the Cully community. The Cully TIF District Plan is consistent with Policies 5.38 – 5.40.

**Policy 5.41 Affordable homeownership.** Align plans and investments to support improving homeownership rates and locational choice for people of color and other groups who have been historically under-served and under-represented.

**Policy 5.42 Homeownership retention.** Support opportunities for homeownership retention for people of color and other groups who have been historically under-served and under-represented.

**Policy 5.43 Variety in homeownership opportunities.** Encourage a variety of ownership opportunities and choices by allowing and supporting including but not limited to condominiums, cooperatives, mutual housing associations, limited equity cooperatives, land trusts, and sweat equity.

**131. Finding:** Council finds that Policies 5.441 through 5.43 all aim to support opportunities for homeownership for all Portlanders, including historically under-served and under-represented Portlanders. They also encourage compact single-dwelling homes, and homes affordable to middle-income Portlanders. One of the Cully TIF District Plan's primary goals is producing affordable housing including the opportunity for homeownership. See Findings 100,102, 123.

The Cully TIF District Plan is consistent with Policies 5.38 through 5.43.

**Policy 5.44 Regional cooperation.** Facilitate opportunities for greater regional cooperation in addressing housing needs in the Portland Metropolitan area, especially for the homeless, low- and moderate-income households, and historically under-served and under-represented communities.

**Policy 5.45 Regional balance.** Encourage development of a “regional balance” strategy to secure greater regional participation to address the housing needs of homeless people and communities of color, low- and moderate-income households, and historically under-served and under-represented communities throughout the region.

- 132. Finding:** Council finds that Policies 5.44 and 5.45 address how the City engages with Metro and other jurisdictions in the Portland region on housing issues. Metro has been key in the development of the Cully TIF District Plan by providing funding for the process including community engagement and Plan development. The Plan is consistent with these policies.

### **Homelessness**

**Policy 5.46. Housing continuum.** Prevent homelessness and reduce the time spent being homeless by ensuring that a continuum of safe and affordable housing opportunities and related supportive services are allowed, including but not limited to Permanent Supportive Housing, transitional housing, self-built micro housing communities, emergency shelters, temporary shelters such as warming centers, and transitional campgrounds.

- 133. Finding:** City Council interprets this policy to provide direction to provide a range of shelter and housing options, especially options that may not be considered traditional housing. There are projects in the Cully TIF District Plan that address homelessness. The Cully TIF District Plan will provide additional funding that can be used in the affordable housing programs currently operated by the Portland Housing Bureau. The Cully TIF District Plan also requests the Portland Housing Bureau evaluate the future ability to provide facilities to assist those who are experiencing homelessness like shower, laundry and sanitation facilities. The Cully TIF District Plan is consistent with Policy 5.46.

### **Health, safety, and well-being**

**Policy 5.47 Healthy housing.** Encourage development and maintenance of all housing, especially multi-dwelling housing, that protects the health and safety of residents and encourages healthy lifestyles and active living.

**Policy 5.48 Housing safety.** Require safe and healthy housing free of hazardous materials such as lead, asbestos, and radon.

**Policy 5.49. Housing quality.** Encourage housing that provides high indoor air quality, access to sunlight and outdoor spaces, and is protected from excessive noise, pests, and hazardous environmental conditions.

**Policy 5.50. High-performance housing.** Encourage energy efficiency, green building practices, materials, and design to produce healthy, efficient, durable, and adaptable homes that are affordable or reasonably priced.

**Policy 5.51. Healthy and active living.** Encourage housing that provides features supportive of healthy eating and active living such as useable open areas, recreation areas, community gardens, crime-preventive design, and community kitchens in multifamily housing.

**Policy 5.52. Walkable surroundings.** Encourage active transportation in residential areas through the development of pathways, sidewalks, and high-quality onsite amenities such as secure bicycle parking.

**Policy 5.53. Responding to social isolation.** Encourage site designs and relationship to adjacent developments that reduce social isolation for groups that often experience it, such as older adults, people with disabilities, communities of color, and immigrant communities.

**134. Finding:** Policies 5.47 through 5.53 relate to the design of housing. The Cully TIF District Plan does not change any development standards that regulate housing safety, quality, energy efficiency, pedestrian connections. The Cully TIF District Plan includes a specific goal to spur innovation of environment and climate change initiatives in TIF projects and has a specific principle addressing Climate Action and Environmental Stewardship. The goals of the Cully TIF District Plan of forming housing cooperatives also address the need to include open areas, recreation areas, community gardens and high quality on-site amenities. The principle of sequencing investments provides guidance that amenities that improve the quality of life for Cully residents who already have stable housing and economic situations is a key future investment in the community. The Cully TIF District Plan is consistent with Policies 5.47 through 5.53.

**Policy 5.54 Renter protections.** Enhance renter health, safety, and stability through education, expansion of enhanced inspections, and support of regulations and incentives that protect tenants and prevent involuntary displacement.

**135. Finding:** The Cully TIF District Plan does not alter regulations establishing tenant protections including required relocation assistance when properties are sold and/or redeveloped (PCC 30.01.085). As a result, this policy does not apply.

## Chapter 6: Economic Development

**Goal 6.A: Prosperity.** Portland has vigorous economic growth and a healthy, diverse economy that supports prosperity and equitable access to employment opportunities for an increasingly diverse population. A strong economy that is keeping up with population growth and attracting resources and talent can:

- Create opportunity for people to achieve their full potential.
- Improve public health.
- Support a healthy environment.
- Support the fiscal well-being of the city.

**Goal 6.B: Development.** Portland supports an attractive environment for industrial, commercial, and institutional job growth and development by: 1) maintaining an adequate land supply; 2) a local development review system that is nimble, predictable, and fair; and 3) high-quality public facilities and services.

**Goal 6.C: Business district vitality.** Portland implements land use policy and investments to:

- Ensure that commercial, institutional, and industrial districts support business retention and expansion.
- Encourage the growth of districts that support productive and creative synergies among local businesses.
- Provide convenient access to goods, services, and markets.
- Take advantage of our location and quality of life advantages as a gateway to world-class natural landscapes in Northwest Oregon, Southwest Washington, and the Columbia River Basin, and a robust interconnected system of natural landscapes within the region's Urban Growth Boundary.

**136. Finding:** The Cully TIF District Plan does not change the Comprehensive Plan designations of any currently designated employment lands. Therefore, there is no impact to employment capacity.

The Cully TIF District Plan does not affect the base development capacity in the commercial mixed-use areas. The Cully TIF District Plan helps support business district vitality by providing for business support and enhancement and community development activities. The specific project categories in the Cully TIF District Plan include commercial property acquisition, development and renovation with the goal to retain, create, and expand economic opportunities through investments in commercial, industrial and mixed-use properties, and in residential properties where home-based businesses operate.

To achieve the above goals, eligible activities to implement this project category include:

Technical and/or financial assistance to determine the feasibility of development, redevelopment and renovation projects

Acquisition of properties

Development, redevelopment and renovation activities such as:

- New construction
- Building façade improvements

- Landscaping enhancements and pedestrian amenities, including lighting and safety improvements
- Professional services such as engineering, architecture, landscape design, and other building and site design assistance
- Tenant improvements
- Building repairs and upgrades including, but not limited to, mechanical, electrical, weatherization, HVAC, and renewable energy, including those to support ongoing industrial use in industrially zoned areas
- Community solar projects
- Seismic, fire suppression, and other public safety improvements
- Accessibility improvements

Funding for permanent infrastructure to support food cart operations and other temporary, pop-up, seasonal and low-barrier opportunities for startup businesses and non-profits.

A set-aside of funds for emergency repair and rehabilitation projects, for the purpose of preventing displacement, will also be considered.

The implementation of the economic development project will follow the principles outlined in the Plan:

1. Analyze potential investments
2. Strategically sequence investments over time
3. Set aside funds for opportunistic property acquisition
4. Leverage and prioritize TIF resources alongside other funding sources
5. Create community benefits from TIF investments
6. Create equitable contracting and employment opportunities
7. Prioritize and support community-based organizations
8. Advance climate action and environmental stewardship
9. Incorporate arts, culture and signage
10. Remove barriers to TIF funded opportunities
11. Support cooperative ownership
12. Ensure physical accessibility

The housing programs also support business district vitality by allowing for more residents to locate in Cully, closer to goods, services, and markets. The Cully TIF District Plan is consistent with economic development goals and policies, including those that support neighborhood business districts. The Plan aims to retain, create, and expand economic opportunities through investments in commercial, industrial and mixed-use properties, and in residential properties where home-based businesses operate. The Plan is consistent with Policy 6.B.

### **Diverse, expanding city economy**

**Policy 6.1. Diverse and growing community.** Expand economic opportunity and improve economic equity for Portland's diverse, growing population through sustained business growth.

**Policy 6.2. Diverse and expanding economy.** Align plans and investments to maintain the diversity of Portland's economy and status as Oregon's largest job center with growth across all sectors (commercial, industrial, creative, and institutional) and across all parts of the city.

**Policy 6.3. Employment growth.** Strive to capture at least 25 percent of the seven-county region's employment growth (Multnomah, Washington, Clackamas, Yamhill, Columbia, Clark, and Skamania counties).

**Policy 6.4. Fiscally-stable city.** Promote a high citywide jobs-to-households ratio that supports tax revenue growth at pace with residential demand for municipal services.

**Policy 6.5. Economic resilience.** Improve Portland's economic resilience to impacts from climate change and natural disasters through a strong local economy and equitable opportunities for prosperity.

**Policy 6.6. Low-carbon and renewable energy economy.** Align plans and investments with efforts to improve energy efficiency and reduce lifecycle carbon emissions from business operations. Promote employment opportunities associated with energy efficiency projects, waste reduction, production of more durable goods, and recycling.

**Policy 6.7. Competitive advantages.** Maintain and strengthen the city's comparative economic advantages including access to a high-quality workforce, business diversity, competitive business climate, and multimodal transportation infrastructure.

**Policy 6.8. Business environment.** Use plans and investments to help create a positive business environment in the city and provide strategic assistance to retain, expand, and attract businesses.

**Policy 6.9. Small business development.** Facilitate the success and growth of small businesses and coordinate plans and investments with programs that provide technical and financial assistance to promote sustainable operating practices.

**Policy 6.10. Business innovation.** Encourage innovation, research, development, and commercialization of new technologies, products, and services through responsive regulations and public sector approaches.

**Policy 6.11. Sharing economy.** Encourage mechanisms that enable individuals, corporations, non-profits, and government to market, distribute, share, and reuse excess capacity in goods and services. This includes peer-to-peer transactions, crowd funding platforms, and a variety of business models to facilitate borrowing and renting unused resources.

**Policy 6.12. Economic role of livability and ecosystem services.** Conserve and enhance Portland's cultural, historic, recreational, educational, food-related, and ecosystem assets and services for their contribution to the local economy and their importance for retention and attraction of skilled workers and businesses.

- 137. Finding:** Policies 6.1 through 6.12 provide direction regarding economic and employment growth. The Cully TIF District Plan does not negatively affect any land designated for industrial or employment uses. The Cully TIF District Plan does not affect the base development capacity in the commercial mixed-use areas. The Cully TIF District Plan Goals are for assisting priority communities by preventing displacement of vulnerable people and communities in Cully, ensuring that current residents benefit from investments and neighborhood change, ensuring that Priority Communities play lead roles in making decisions about investments as primary goals. The Cully TIF District Plan has programmatic categories of Affordable Housing, Community Development and Business Support and Enhancement that will provide support Priority Communities. See also Finding 137. Therefore, the Cully TIF District Plan is consistent with policies 6.1 through 6.12.

## Land development

**Policy 6.13. Land supply.** Provide supplies of employment land that are sufficient to meet the long-term and short-term employment growth forecasts, adequate in terms of amounts and types of sites, available and practical for development and intended uses. Types of sites are distinguished primarily by employment geographies identified in the Economic Opportunities Analysis, although capacity needs for building types with similar site characteristics can be met in other employment geographies.

**138. Finding:** The Cully TIF District Plan does not change the Comprehensive Plan designations of any currently designated employment lands. Therefore, this policy does not apply.

**Policy 6.14. Brownfield redevelopment.** Overcome financial-feasibility gaps to cleanup and redevelop 60 percent of brownfield acreage by 2035.

**Policy 6.15. Regionally-competitive development sites.** Improve the competitiveness of vacant and underutilized sites located in Portland's employment areas using incentives, and regional and state assistance for needed infrastructure and site readiness improvements.

**Policy 6.16. Regulatory climate.** Improve development review processes and regulations to encourage predictability and support local and equitable employment growth and encourage business retention, including:

**6.16.a.** Assess and understand cumulative regulatory costs to promote Portland's financial competitiveness with other comparable cities.

**6.16.b.** Promote certainty for new development through appropriate allowed uses and "clear and objective" standards to permit typical development types without a discretionary review.

**6.16.c.** Allow discretionary-review to facilitate flexible and innovative approaches to meet requirements.

**6.16.d.** Design and monitor development review processes to avoid unnecessary delays.

**6.16.e.** Promote cost effective compliance with federal and state mandates, productive intergovernmental coordination, and efficient, well-coordinated development review and permitting procedures.

**Policy 6.17. Short-term land supply.** Provide for a competitive supply of development-ready sites with different site sizes and types, to meet five-year demand for employment growth in the Central City, industrial areas, campus institutions, and neighborhood business districts.

**Policy 6.18. Evaluate land needs.** Update the Economic Opportunities Analysis and short-term land supply strategies every five to seven years.

**Policy 6.19. Corporate headquarters.** Provide land opportunities for development of corporate headquarters campuses in locations with suitable transportation facilities.

**139. Finding:** Policies 6.13 through 6.19 provide direction regarding land supply and development sites and regulations in employment areas. The Cully TIF District Plan does not change the Comprehensive Plan designations or regulations affecting any currently designated employment lands. Therefore, these policies are not applicable.

## **Traded sector competitiveness**

**Policy 6.20. Traded sector competitiveness.** Align plans and investments with efforts to improve the city and regional business environment for traded sector and export growth. Participate in regional and statewide initiatives.

**Policy 6.21. Traded sector diversity.** Encourage partnerships to foster the growth, small business vitality, and diversity of traded sectors.

- 140. Finding:** Policy 6.21 addresses Portland’s traded sector diversity. The Community Development and Business Support and Enhancement programs will provide support to small businesses which will encourage small business and diversity of traded sectors. The Cully TIF District Plan is consistent with Policy 6.21.

**Policy 6.22. Clusters.** Align plans and investments with efforts that direct strategic business development resources to enhance the competitiveness of businesses in traded sector clusters.

**Policy 6.23. Trade and freight hub.** Encourage investment in transportation systems and services that will retain and expand Portland’s competitive position as a West Coast trade gateway and freight distribution hub.

**Policy 6.24. Traded sector land supply.** Foster traded sector retention, growth, and competitive advantages in industrial districts and the Central City. Recognize the concentration of traded-sector businesses in these districts.

**Policy 6.25. Import substitution.** Encourage local goods production and service delivery that substitute for imports and help keep the money Portlanders earn in the local economy.

**Policy 6.26. Business opportunities in urban innovation.** Strive to have Portland’s built environment, businesses, and infrastructure systems showcase examples of best practices of innovation and sustainability.

- 141. Finding:** Policies 6.20 through 6.26 address Portland’s traded sector competitiveness. The Cully TIF District Plan allocates funding to provide community development, business support and enhancement and housing and shelter programs and does not impact the city and regional business climate as it relates to traded sector competitiveness. The Cully TIF District Plan is consistent with Policy 6.20 through 6.26.

### **Equitable household prosperity**

**Policy 6.27. Income self-sufficiency.** Expand access to self-sufficient wage levels and career ladders for low-income people by maintaining an adequate and viable supply of employment land and public facilities to support and expand opportunities in Portland for middle- and high-wage jobs that do not require a 4-year college degree.

**6.27.a.** Support the role of industrial districts as a leading source of middle-wage jobs that do not require a 4-year college degree and as a major source of wage-disparity reduction for under-served and under-represented communities.

**6.27.b.** Evaluate and limit negative impacts of plans and investments on middle and high wage job creation and retention.

**Policy 6.28. East Portland job growth.** Improve opportunities for East Portland to grow as a business destination and source of living wage jobs.

- 142. Finding:** Policies 6.27 and 6.28 address access to employment opportunities. The Cully TIF District Plan provides funding for community development, business support and enhancement and

housing and shelter all of which can provide more equitable household prosperity opportunities. The Cully TIF District Plan does not adversely impact employment land or public facilities, nor adversely impacts employment land or job growth in Cully. The Cully TIF District Plan does not reduce or convert any industrially zoned land. The Cully TIF District Plan is consistent with Policies 6.27 and 6.28.

**Policy 6.29. Poverty reduction.** Encourage investment in, and alignment of, poverty-reduction efforts that address economic development, land use, transportation, housing, social services, public health, community development, and workforce development.

**143. Finding:** Reducing costs for housing and allowing more residents to reside closer to active transportation options improves public health outcomes, increases economic stability, and offers Portlanders greater means to accumulate savings. Supporting existing and new small businesses and providing opportunities for community development provides additional support to the economic well being of business owners in the Cully area. Therefore, the Cully TIF District Plan supports poverty reduction efforts through land use, transportation, housing and economic and community development, and business support and enhancement and does not affect efforts related to social services, public health and workforce development. The Cully TIF District Plan is consistent with Policy 6.29.

**Policy 6.30. Disparity reduction.** Encourage investment in, and alignment of, public efforts to reduce racial, ethnic, and disability-related disparities in income and employment opportunity.

**Policy 6.31. Minority-owned, woman-owned and emerging small business (MWESB) assistance.** Ensure that plans and investments improve access to contracting opportunities for minority-owned, woman-owned, and emerging small businesses.

**144. Finding:** Policies 6.30 and 6.31 address reduction of employment disparities and MWESB contracting opportunities. The Cully TIF District Plan Goals are preventing displacement of vulnerable people and communities in Cully, ensuring that current residents benefit from investments and neighborhood change, ensuring that Priority Communities play lead roles in making decisions about investments as primary goals. The Cully TIF District Plan has programmatic categories of Affordable Housing, Community Development and Business Support and Enhancement that will support the Priority Communities. Therefore, the Cully TIF District Plan is consistent with Policies 6.30 and 6.31.

**Policy 6.32. Urban renewal plans.** Encourage urban renewal plans to primarily benefit existing residents and businesses within the urban renewal area through:

- Revitalization of neighborhoods.
- Expansion of housing choices.
- Creation of business and job opportunities.
- Provision of transportation linkages.
- Protection of residents and businesses from the threats posed by gentrification and displacement.
- The creation and enhancement of those features which improve the quality of life within the urban renewal area.

**145.** The goals, policies and principles of the Cully TIF District Plan address all of the issues identified in Policy 6.32 with the exception of transportation linkages, which are not directly impacted by the Plan. The specific goals of the Cully TIF District Plan, which are all aimed at benefiting existing residents and businesses, are as follows:

1. Prevent the displacement of vulnerable people, communities, businesses and Community-based institutions from Cully.
2. Preserve existing opportunities for affordable housing and economic prosperity activities and create new opportunities for vulnerable people and communities, especially Priority Communities to live, work and thrive in Cully, including those previously displaced.
3. Ensure that current residents benefit from investments and neighborhood change, and that opportunities for housing and economic prosperity activities will be preserved and expanded for future generations.
4. Ensure that Priority Communities play lead roles in making decisions about investments and policies that affect them and their communities.
5. Develop and inspire a new model for the creation of future TIF districts in Portland and beyond.
6. Actively work to remove barriers that could preclude community members from accessing TIF-funded projects and opportunities, including barriers such as immigration status, credit history, legal history, rental history, eviction history, and experience of domestic violence. Spur innovation of environment and climate change initiatives in TIF projects.

Therefore, the Cully TIF District Plan is consistent with Policy 6.32.

## Central City

**Policy 6.33. Central City.** Improve the Central City's regional share of employment and continue its growth as the unique center of both the city and the region for innovation and exchange through commerce, employment, arts, culture, entertainment, tourism, education, and government.

**Policy 6.34. Central City industrial districts.** Protect and facilitate the long-term success of Central City industrial districts, while supporting their evolution into places with a broad mix of businesses with high employment densities.

**Policy 6.35. Innovation districts.** Provide for expanding campus institutions in the Central City and Marquam Hill, and encourage business development that builds on their research and development strengths.

- 146. Finding:** Policies 6.33 through 6.35 provide direction regarding economic development in the Central City. The Cully TIF District Plan has no impact on Central City or Marquam Hill employment zones. These policies do not apply.

## Industrial and employment districts

**Policy 6.36. Industrial land.** Provide industrial land that encourages industrial business retention, growth, and traded sector competitiveness as a West Coast trade and freight hub, a regional center of diverse manufacturing, and a widely-accessible base of family-wage jobs, particularly for under-served and under-represented people.

**Policy 6.37. Industrial sanctuaries.** Protect industrial land as industrial sanctuaries identified on the Comprehensive Plan Map primarily for manufacturing and distribution uses and to encourage the growth of industrial activities in the city.

**Policy 6.38. Prime industrial land retention.** Protect the multimodal freight-hub industrial districts at the Portland Harbor, Columbia Corridor, and Brooklyn Yard as prime industrial land that is prioritized for long-term retention.

**6.38.a.** Protect prime industrial lands from quasi-judicial Comprehensive Plan Map amendments that convert prime industrial land to non-industrial uses, and consider the potential for other map amendments to otherwise diminish the economic competitiveness or viability of prime industrial land.

**6.38.b.** Limit conversion of prime industrial land through land use plans, regulations, or public land acquisition for non-industrial uses, especially land that can be used by river-dependent and river-related industrial uses.

**6.38.c.** Limit regulatory impacts on the capacity, affordability, and viability of industrial uses in the prime industrial area while ensuring environmental resources are also protected.

**6.38.d.** Strive to offset the reduction of development capacity as needed, with additional prime industrial capacity that includes consideration of comparable site characteristics. Offsets may include but are not limited to additional brownfield remediation, industrial use intensification, strategic investments, and other innovative tools and partnerships that increase industrial utilization of industrial land.

**6.38.e.** Protect prime industrial land for siting of parks, schools, large-format places of assembly, and large-format retail sales.

**6.38.f.** Promote efficient use of freight hub infrastructure and prime industrial land by limiting non-industrial uses that do not need to be in the prime industrial area.

**Policy 6.39. Harbor access lands.** Limit use of harbor access lands to river- or rail-dependent or related industrial land uses due to the unique and necessary infrastructure and site characteristics of harbor access lands for river-dependent industrial uses.

**Policy 6.40. Portland Harbor Superfund Site.** Take a leadership role to facilitate a cleanup of the Portland Harbor that moves forward as quickly as possible and that allocates cleanup costs fairly and equitably. Encourage a science-based and cost-effective cleanup solution that facilitates re-use of land for river- or rail-dependent or related industrial uses.

**Policy 6.41. Multimodal freight corridors.** Encourage freight-oriented industrial development to locate where it can maximize the use of and support reinvestment in multimodal freight corridors.

**Policy 6.42. Columbia East.** Provide a mix of industrial and limited business park development in Columbia East (east of 82nd Avenue) that expand employment opportunities supported by proximity to Portland International Airport and multimodal freight access.

**Policy 6.43. Dispersed employment areas.** Provide small, dispersed employment areas for a flexible and affordable mix of office, creative services, small-scale manufacturing, traded sector and distribution, and other small-format light industrial and commercial uses with access to nearby freeways or truck streets.

**Policy 6.44. Industrial land use intensification.** Encourage reinvestment in, and intensification of, industrial land use, as measured by output and throughput per acre.

**Policy 6.45. Industrial brownfield redevelopment.** Provide incentives, investments, technical assistance and other direct support to overcome financial-feasibility gaps to enable remediation and redevelopment of brownfields for industrial growth.

**Policy 6.46. Impact analysis.** Evaluate and monitor the impacts on industrial land capacity that may result from land use plans, regulations, public land acquisition, public facility development, and other public actions to protect and preserve existing industrial lands.

**Policy 6.47. Clean, safe, and green.** Encourage improvements to the cleanliness, safety, and ecological performance of industrial development and freight corridors by facilitating adoption of market feasible new technology and design.

**Policy 6.48. Fossil fuel distribution.** Limit fossil fuels distribution and storage facilities to those necessary to serve the regional market.

**Policy 6.49. Industrial growth and watershed health.** Facilitate concurrent strategies to protect and improve industrial capacity and watershed health in the Portland Harbor and Columbia Corridor areas.

**Policy 6.50. District expansion.** Provide opportunities for expansion of industrial areas based on evaluation of forecasted need and the ability to meet environmental, social, economic, and other goals.

**Policy 6.51. Golf course reuse and redevelopment.** Facilitate a mix of industrial, natural resource, and public open space uses on privately-owned golf course sites in the Columbia Corridor that property owners make available for reuse.

**Policy 6.52. Residential and commercial reuse.** Facilitate compatible industrial or employment redevelopment on residential or commercial sites that become available for reuse if the site is in or near prime industrial areas, and near a freeway or on a freight street.

**Policy 6.55. Neighborhood park use.** Allow neighborhood park development within industrial zones where needed to provide adequate park service within one-half mile of every resident.

147. **Finding:** Policies 6.36 through 6.55 provide direction regarding industrial and employment districts. The Cully TIF District Plan contains limited industrial land. The Cully TIF District Plan does not affect existing protections for industrial lands, but may provide resources to support employment lands and job expansion opportunities. In addition, the provision of adequate housing in near proximity to the industrial lands will help support jobs on those lands. As a result, to the extent they apply the Plan is consistent with these policies.”

### **Campus institutions**

**Policy 6.56. Campus institutions.** Provide for the stability and growth of Portland’s major campus institutions as essential service providers, centers of innovation, workforce development resources, and major employers.

**Policy 6.57. Campus land use.** Provide for major campus institutions as a type of employment land, allowing uses typically associated with health care and higher education institutions. Coordinate with institutions in changing campus zoning to provide land supply that is practical for development and intended uses.

**Policy 6.58. Development impacts.** Protect the livability of surrounding neighborhoods through adequate infrastructure and campus development standards that foster suitable density and attractive campus design. Minimize off-site impacts in collaboration with institutions and neighbors, especially to reduce automobile traffic and parking impacts.

**Policy 6.59. Community amenities and services.** Encourage campus development that provides amenities and services to surrounding neighborhoods, emphasizing the role of campuses as centers of community activity.

**Policy 6.60. Campus edges.** Provide for context-sensitive, transitional uses, and development at the edges of campus institutions to enhance their integration into surrounding neighborhoods, including mixed-use and neighborhood-serving commercial uses where appropriate.

**Policy 6.61. Satellite facilities.** Encourage opportunities for expansion of uses, not integral to campus functions, to locate in centers and corridors to support their economic vitality.

**148. Finding.** Policies 6.56 through 6.61 provide direction regarding campus institutions. The Cully TIF District Plan does not include changes to campus institutional zones. Therefore, these policies are not applicable.

### **Neighborhood business districts**

**Policy 6.62. Neighborhood business districts.** Provide for the growth, economic equity, and vitality of neighborhood business districts.

**Policy 6.63. District function.** Enhance the function of neighborhood business districts as a foundation of neighborhood livability.

**Policy 6.64. Small, independent businesses.** Facilitate the retention and growth of small and locally-owned businesses.

**Policy 6.65. Home-based businesses.** Encourage and expand allowances for small, low-impact home based businesses in residential areas, including office or personal service uses with infrequent or by-appointment customer or client visits to the site. Allow a limited number of employees, within the scale of activity typical in residential areas. Allow home-based businesses on sites with accessory dwelling units.

**Policy 6.66. Neighborhood-serving business.** Provide for neighborhood business districts and small commercial nodes in areas between centers to expand local access to goods and services. Allow nodes of small-scale neighborhood-serving commercial uses in large planned developments and as a ground floor use in high density residential areas.

**Policy 6.67. Retail development.** Provide for a competitive supply of retail sites that support the wide range of consumer needs for convenience, affordability, accessibility, and diversity of goods and services, especially in under-served areas of Portland.

**Policy 6.68. Investment priority.** Prioritize commercial revitalization investments in neighborhoods that serve communities with limited access to goods and services.

**Policy 6.69. Non-conforming neighborhood business uses.** Limit non-conforming uses to reduce adverse impacts on nearby residential uses while avoiding displacement of existing neighborhood businesses.

**Policy 6.70. Involuntary commercial displacement.** Evaluate plans and investments for their impact on existing businesses.

**6.70.a.** Limit involuntary commercial displacement in areas at risk of gentrification, and incorporate tools to reduce the cost burden of rapid neighborhood change on small business owners vulnerable to displacement.

**6.70.b.** Encourage the preservation and creation of affordable neighborhood commercial space to support a broad range of small business owners.

**Policy 6.71. Temporary and informal markets and structures.** Acknowledge and support the role that temporary markets (farmer's markets, craft markets, flea markets, etc.) and other temporary or mobile-vending structures play in enabling startup business activity. Also, acknowledge that temporary uses may ultimately be replaced by more permanent development and uses.

**Policy 6.72. Community economic development.** Encourage collaborative approaches to align land use and neighborhood economic development for residents and business owners to better connect and compete in the regional economy:

**6.72.a.** Encourage broad-based community coalitions to implement land use and economic development objectives and programs.

**6.72.b.** Enhance opportunities for cooperation and partnerships between public and private entities that promote economic vitality in communities most disconnected from the regional economy.

**6.72.c.** Encourage cooperative efforts by area businesses, Business Associations, and Neighborhood Associations to work together on commercial revitalization efforts, sustainability initiatives, and transportation demand management.

**Policy 6.73. Centers.** Encourage concentrations of commercial services and employment opportunities in centers.

**6.73.a.** Encourage a broad range of neighborhood commercial services in centers to help residents and others in the area meet daily needs and/or serve as neighborhood gathering places.

**6.73.b.** Encourage the retention and further development of grocery stores and local markets as essential elements of centers.

**6.73.c.** Enhance opportunities for services and activities in centers that are responsive to the needs of the populations and cultural groups of the surrounding area.

**6.73.d.** Require ground-level building spaces in core areas of centers accommodate commercial or other street-activating uses and services.

**6.73.e.** Encourage employment opportunities as a key function of centers, including connections between centers, institutions, and other major employers to reinforce their roles as vibrant centers of activity.

**149. Finding:** Policies 6.62 through 6.73 provide direction regarding neighborhood commercial districts, which primarily have commercial/mixed use zoning. The Cully TIF District Plan does not change commercial revitalization priorities or affect development capacity in the commercial/mixed-use zones. The Cully TIF District Plan assists priority communities by increased resources available for small businesses including funding for building renovations, the retention or expansion of existing businesses and support for start-up businesses. The Cully TIF District Plan also provides funding for community development within Cully. The Cully TIF District Plan will help increase housing options and capacity within residential areas, including near neighborhood business districts. The potential for more residents near these business districts could result in a greater number and diversity of consumers, which would help increase the vitality and resulting growth of neighborhood business districts. The Cully TIF District Plan is consistent with Policies 6.6 through 6.73e.

## Chapter 7: Environmental and Watershed Health

**Goal 7.A: Climate.** Carbon emissions are reduced to 50 percent below 1990 levels by 2035.

**Goal 7.B: Healthy watersheds and environment.** Ecosystem services and ecosystem functions are maintained and watershed conditions have improved over time, supporting public health and safety, environmental quality, fish and wildlife, cultural values, economic prosperity, and the intrinsic value of nature.

**Goal 7.C: Resilience.** Portland's built and natural environments function in complementary ways and are resilient in the face of climate change and natural hazards.

**Goal 7.D: Environmental equity.** All Portlanders have access to clean air and water, can experience nature in their daily lives, and benefit from development designed to lessen the impacts of natural hazards and environmental contamination.

**Goal 7.E: Community stewardship.** Portlanders actively participate in efforts to maintain and improve the environment, including watershed health.

- 150. Finding:** These goals focus on City programs and actions to improve environmental quality, watershed health, and resilience. They also provide direction regarding planning for natural resource protection, and provide a framework governing the City's environmental overlay zones. There are also a number of watershed specific policies in this Chapter that provide additional guidance.

The City Council finds that the built and natural environments function in complementary ways when they both function without harming the other. The City Council Finds that an important element of Goal 7.D is to reduce environmental contamination and lessen the impact of development on lands that serve to absorb the impacts of natural hazards (such as floodplains).

The Cully TIF District Plan does not include amendments to any programs or regulations that implement these goals. The Plan provides a future funding source that could be used for remediation efforts on brownfields. The Plan also has a goal to spur innovation of environmental and climate change initiative in TIF funded projects and a priority to advance climate action and environmental stewardship. The Cully TIF District Plan is consistent with Goals 7A-7E.

### Improving environmental quality and resilience

**Policy 7.1. Environmental quality.** Protect or support efforts to protect air, water, and soil quality, and associated benefits to public and ecological health and safety, through plans and investments.

**Policy 7.2. Environmental equity.** Prevent or reduce adverse environment-related disparities affecting under-served and under-represented communities through plans and investments. This includes addressing disparities relating to air and water quality, natural hazards, contamination, climate change, and access to nature.

**Policy 7.3. Ecosystem services.** Consider the benefits provided by healthy ecosystems that contribute to the livability and economic health of the city.

**Policy 7.4. Climate change.** Update and implement strategies to reduce carbon emissions and impacts and increase resilience through plans and investments and public education.

**7.4.a. Carbon sequestration.** Enhance the capacity of Portland’s urban forest, soils, wetlands, and other water bodies to serve as carbon reserves.

**7.4.b. Climate adaptation and resilience.** Enhance the ability of rivers, streams, wetlands, floodplains, urban forest, habitats, and wildlife to limit and adapt to climate-exacerbated flooding, landslides, wildfire, and urban heat island effects.

**Policy 7.5. Air quality.** Improve, or support efforts to improve, air quality through plans and investments, including reducing exposure to air toxics, criteria pollutants, and urban heat island effects. Consider the impacts of air quality on the health of all Portlanders.

**Policy 7.6. Hydrology.** Through plans and investments, improve or support efforts to improve watershed hydrology to achieve more natural flow and enhance conveyance and storage capacity in rivers, streams, floodplains, wetlands, and aquifers. Minimize impacts from development and associated impervious surfaces, especially in areas with poorly-infiltrating soils and limited public stormwater discharge points, and encourage restoration of degraded hydrologic functions.

**Policy 7.7. Water quality.** Improve, or support efforts to improve, water quality in rivers, streams, floodplains, groundwater, and wetlands through land use plans and investments, to address water quality issues including toxics, bacteria, temperature, metals, and sediment pollution. Consider the impacts of water quality on the health of all Portlanders.

**Policy 7.8. Biodiversity.** Strive to achieve and maintain self-sustaining populations of native species, including native plants, native resident and migratory fish and wildlife species, at-risk species, and beneficial insects (such as pollinators) through plans and investments.

**Policy 7.9. Habitat and biological communities.** Ensure that plans and investments are consistent with and advance efforts to improve, or support efforts to improve fish and wildlife habitat and biological communities. Use plans and investments to enhance the diversity, quantity, and quality of habitats habitat corridors, and especially habitats that:

- Are rare or declining.
- Support at-risk plant and animal species and communities.
- Support recovery of species under the Endangered Species Act, and prevent new listings.
- Provide culturally important food sources, including those associated with Native American fishing rights.

**Policy 7.10. Habitat connectivity.** Improve or support efforts to improve terrestrial and aquatic habitat connectivity for fish and wildlife by using plans and investments, to:

- Prevent and repair habitat fragmentation.
- Improve habitat quality.
- Weave habitat into sites as new development occurs.
- Enhance or create habitat corridors that allow fish and wildlife to safely access and move through and between habitat areas.
- Promote restoration and protection of floodplains.

**Policy 7.11. Urban forest.** Improve, or support efforts to improve the quantity, quality, and equitable distribution of Portland’s urban forest through plans and investments.

**7.11.a. Tree preservation.** Require or encourage preservation of large healthy trees, native trees and vegetation, tree groves, and forested areas.

**7.11.b. Urban forest diversity.** Coordinate plans and investments with efforts to improve tree species diversity and age diversity.

**7.11.c. Tree canopy.** Support progress toward meeting City tree canopy targets.

**7.11.d. Tree planting.** Invest in tree planting and maintenance, especially in low-canopy areas, neighborhoods with under-served or under-represented communities, and within and near urban habitat corridors.

**7.11.e. Vegetation in natural resource areas.** Require native trees and vegetation in significant natural resource areas.

**7.11.f. Resilient urban forest.** Encourage planting of Pacific Northwest hardy and climate change resilient native trees and vegetation generally, and especially in urban habitat corridors.

**7.11.g. Trees in land use planning.** Identify priority areas for tree preservation and planting in land use plans.

**7.11.h. Managing wildfire risk.** Address wildfire hazard risks and management priorities through plans and investments.

**Policy 7.12. Invasive species.** Prevent the spread of invasive plants, and support efforts to reduce the impacts of invasive plants, animals, and insects, through plans, investments, and education.

**Policy 7.13. Soils.** Coordinate plans and investments with programs that address human-induced soil loss, erosion, contamination, or other impairments to soil quality and function.

**Policy 7.14. Natural hazards.** Prevent development-related degradation of natural systems and associated increases in landslide, wildfire, flooding, and earthquake risks.

**Policy 7.15. Brownfield remediation.** Improve environmental quality and watershed health by promoting and facilitating brownfield remediation and redevelopment that incorporates ecological site design and resource enhancement.

**Policy 7.16. Adaptive management.** Evaluate trends in watershed and environmental health using current monitoring data and information to guide and support improvements in the effectiveness of City plans and investments.

**Policy 7.18. Community stewardship.** Encourage voluntary cooperation between property owners, community organizations, and public agencies to restore or re-create habitat on their property, including removing invasive plants and planting native species.

- 151. Finding:** Policies 7.1 through 7.18 are focused on City programs and actions to improve environmental quality and resilience. These policies address City actions, coordination, and in some cases regulatory systems related to development. They address environmental quality, equity, ecosystem services, climate, air and water, biodiversity and wildlife habitats, forests, invasive species, soils, hazards, stewardship and adaptive management. The Cully TIF District Plan does not include amendments to any programs or regulations that implement these policies. The Plan provides a future funding source that could be used for remediation efforts on brownfields. The Plan also has a goal to spur innovation of environmental and climate change initiatives in TIF funded projects and a priority to advance climate action and environmental stewardship. Therefore the Cully TIF District Plan is consistent with these policies.

## **Planning for natural resource protection**

**Policy 7.19. Natural resource protection.** Protect the quantity, quality, and function of significant natural resources identified in the City's natural resource inventory, including:

- Rivers, streams, sloughs, and drainageways.
- Floodplains.
- Riparian corridors.
- Wetlands.
- Groundwater.
- Native and other beneficial vegetation species and communities.
- Aquatic and terrestrial habitats, including special habitats or habitats of concern, large anchor habitats, habitat complexes and corridors, rare and declining habitats such as wetlands, native oak, bottomland hardwood forest, grassland habitat, shallow water habitat, and habitats that support special-status or at-risk plant and wildlife species.
- Other resources identified in natural resource inventories.

**Policy 7.20. Natural resource inventory.** Maintain an up-to-date inventory by identifying the location and evaluating the relative quantity and quality of natural resources.

**Policy 7.21. Environmental plans and regulations.** Maintain up-to-date environmental protection plans and regulations that specify the significant natural resources to be protected and the types of protections to be applied, based on the best data and science available and on an evaluation of cumulative environmental, social, and economic impacts and tradeoffs. *See Figure 7-2 — Adopted Environmental Plans.*

**7.21.a.** Improve the effectiveness of environmental protection plans and regulations to protect and encourage enhancement of ecological functions and ecosystem services.

**Policy 7.22. Land acquisition priorities and coordination.** Maintain a land acquisition program as a tool to protect and support natural resources and their functions. Coordinate land acquisition with the programs of City bureaus and other agencies and organizations.

**152. Finding:** Policies 7.19 through 7.22 provide direction regarding planning for natural resource protection. The *2035 Comprehensive Plan* background documents included an updated Natural Resources Inventory (NRI), which was adopted (Ordinance 185657) and acknowledged by LCDC on June 13, 2014. The NRI identified the location, quantity, and quality of all significant natural resources as required by the inventory provisions of Statewide Planning Goal 5. From the set of all significant resources, high and medium quality resources, ranked primarily from riparian corridor and wildlife habitat considerations, were identified to comply with the inventory requirements of Title 13 of Metro's Urban Growth Management Functional Plan.

The City's environmental overlay ones are the primary zoning tool to protect resources and functional values that have been identified by the City as providing benefits to the public (including the Environmental overlay zones, the River Natural overlay zone, the River Environmental overlay zone, and the Pleasant Valley Natural Resource overlay zone). The Cully TIF District Plan does not change these zones or regulations. Therefore policies 7.19 through 7.22 do not apply.

### **Protecting natural resources in development situations**

**Policy 7.23. Impact evaluation.** Evaluate the potential adverse impacts of proposed development on significant natural resources, their functions, and the ecosystem services they provide to inform and

guide development design and mitigation consistent with policies 7.24-7.26. and other relevant Comprehensive Plan policies.

**Policy 7.24. Regulatory hierarchy: avoid, minimize, mitigate.** Maintain regulations requiring that the potential adverse impacts of new development on significant natural resources and their functions first be avoided where practicable, then minimized, then lastly, mitigated.

**Policy 7.25. Mitigation effectiveness.** Require that mitigation approaches compensate fully for adverse impacts on locally and regionally significant natural resources and functions. Require mitigation to be located as close to the impact as possible. Mitigation must also take place within the same watershed or portion of the watershed that is within the Portland Urban Services Boundary, unless mitigating outside of these areas will provide a greater local ecological benefit. Mitigation will be subject to the following preference hierarchy:

- On the site of the resource subject to impact with the same kind of resource; if that is not possible, then
- Off-site with the same kind of resource; if that is not possible, then
- On-site with a different kind of resource; if that is not possible, then
- Off-site with a different kind of resource.

**Policy 7.26. Improving environmental conditions through development.** Encourage ecological site design, site enhancement, or other tools to improve ecological functions and ecosystem services in conjunction with new development and alterations to existing development.

- 153. Finding:** Policies 7.23 through 7.26 provide direction regarding the protection of significant natural resources in development situations. The City's environmental overlay zones (33.430) are the regulations that control development in order to protect the resources and functional values while allowing environmentally sensitive urban development. The Cully TIF District Plan does not change the environmental overlay regulations. The Plan also has a goal to spur innovation of environmental and climate change initiative in TIF funded projects and a priority to advance climate action and environmental stewardship. Therefore the Cully TIF District Plan is consistent with these policies.

### **Aggregate resources**

**Policy 7.27. Aggregate resource protection.** Protect aggregate resource sites for current and future use where there are no major conflicts with urban needs, or where these conflicts may be resolved.

**Policy 7.28. Aggregate resource development.** When aggregate resources are developed, ensure that development minimizes adverse environmental impacts and impacts on adjacent land uses.

**Policy 7.29. Mining site reclamation.** Ensure that the reclamation of mining sites protects public health and safety, protects fish and wildlife (including at-risk species), enhances or restores habitat (including rare and declining habitat types), restores adequate watershed conditions and functions on the site, and is compatible with the surrounding land uses and conditions of nearby land.

- 154. Finding:** Policies 7.27 through 7.29 provide direction regarding aggregate resources. The Cully TIF District Plan does not impact aggregate resources or mine sites. These policies do not apply.

### **Columbia River Watershed**

**Policy 7.30. In-water habitat.** Enhance in-water habitat for native fish and wildlife, particularly in the Oregon Slough and near-shore environments along the Columbia River.

**Policy 7.31. Sensitive habitats.** Enhance grassland, beach, riverbanks, wetlands, bottomland forests, shallow water habitats, and other key habitats for wildlife traveling along the Columbia River migratory corridor, while continuing to manage the levees and floodplain for flood control.

**Policy 7.32. River-dependent and river-related uses.** Maintain plans and regulations that recognize the needs of river-dependent and river-related uses while also supporting ecologically-sensitive site design and practices.

- 155. Finding:** Policies 7.30 through 7.32 provide direction regarding habitat and river-related uses in the Columbia River Watershed. The Cully TIF District Plan does not affect the environmental zones that apply in this area, or other regulations or programs related to habitat enhancement, or river-dependent or river-related uses. These policies do not apply.

### **Willamette River Watershed**

**Policy 7.33. Fish habitat.** Provide adequate intervals of ecologically-functional shallow-water habitat for native fish along the entire length of the Willamette River within the city, and at the confluences of its tributaries.

**Policy 7.34. Stream connectivity.** Improve stream connectivity between the Willamette River and its tributaries.

**Policy 7.35. River bank conditions.** Preserve existing river bank habitat and encourage the rehabilitation of river bank sections that have been significantly altered due to development with more fish and wildlife friendly riverbank conditions.

**Policy 7.36. South Reach ecological complex.** Enhance habitat quality and connections between Ross Island, Oaks Bottom, and riverfront parks and natural areas south of the Central City, to enhance the area as a functioning ecological complex.

**Policy 7.37. Contaminated sites.** Promote and support programs that facilitate the cleanup, reuse, and restoration of the Portland Harbor Superfund site and other contaminated upland sites.

**Policy 7.38. Sensitive habitats.** Protect and enhance grasslands, beaches, floodplains, wetlands, remnant native oak, bottomland hardwood forest, and other key habitats for native wildlife including shorebirds, waterfowl, and species that migrate along the Pacific Flyway and the Willamette River corridor.

**Policy 7.39. Riparian corridors.** Increase the width and quality of vegetated riparian buffers along the Willamette River.

**Policy 7.40. Connected upland and river habitats.** Enhance habitat quality and connectivity between the Willamette riverfront, the Willamette's floodplain, and upland natural resource areas.

**Policy 7.41. River-dependent and river-related uses.** Develop and maintain plans and regulations that recognize the needs of river-dependent and river-related uses, while also supporting ecologically-sensitive site design and practices.

**Policy 7.42. Forest Park.** Enhance Forest Park as an anchor habitat and recreational resource.

- 156. Finding:** Policies 7.33 through 7.42 provide direction regarding habitat and river-related uses in the Willamette River Watershed. The Cully TIF District Plan does not affect the Environmental, Greenway, or River overlay zones that apply in this area, or other regulations or programs related to habitat or watershed health. These policies do not apply.

### **Columbia Slough Watershed**

**Policy 7.43. Fish passage.** Restore in-stream habitat and improve fish passage within the Columbia Slough, including for salmonids in the lower slough.

**Policy 7.44. Flow constriction removal.** Reduce constriction, such as culverts, in the slough channels, to improve the flow of water and water quality.

**Policy 7.45. Riparian corridors.** Increase the width, quality, and native plant diversity of vegetated riparian buffers along Columbia Slough channels and other drainageways within the watershed, while also managing the slough for flood control.

**Policy 7.46. Sensitive habitats.** Enhance grasslands and wetland habitats in the Columbia Slough, such as those found in the Smith and Bybee Lakes and at the St. Johns Landfill site, to provide habitat for sensitive species, and for wildlife traveling along the Columbia and Willamette river migratory corridors.

**Policy 7.47. Connected rivers habitats.** Enhance upland habitat connections to the Willamette and Columbia rivers.

**Policy 7.48. Contaminated sites.** Ensure that plans and investments are consistent with and advance programs that facilitate the cleanup, reuse, and restoration of contaminated sites that are adjacent, or that discharge stormwater, to the Columbia Slough.

**Policy 7.49. Portland International Airport.** Protect, restore, and enhance natural resources and functions in the Portland International Airport plan district, as identified in Portland International Airport/Middle Columbia Slough Natural Resources Inventory. Accomplish this through regulations, voluntary strategies, and the implementation of special development standards.

- 157. Finding:** Policies 7.43 through 7.49 provide direction regarding the environment and watershed health in the Columbia Slough Watershed. While the Cully TIF District Plan's boundary overlaps the Columbia Slough watershed, it does not affect the environmental zones that apply in this area, or other regulations or programs related to habitat or watershed health. These policies do not apply.

### **Fanno and Tryon Creek Watersheds**

**Policy 7.50. Stream connectivity.** Encourage the daylighting of piped portions of Tryon and Fanno creeks and their tributaries.

**Policy 7.51. Riparian and habitat corridors.** Protect and enhance riparian habitat quality and connectivity along Tryon and Fanno creeks and their tributaries. Enhance connections between riparian areas, parks, anchor habitats, and areas with significant tree canopy. Enhance in-stream and upland habitat connections between Tryon Creek State Natural Area and the Willamette River.

**Policy 7.52. Reduced hazard risks.** Reduce the risks of landslides and streambank erosion by protecting trees and vegetation that absorb stormwater, especially in areas with steep slopes or limited access to stormwater infrastructure.

- 158. Finding:** Policies 7.50 through 7.52 provide direction regarding habitat and river-related uses in the Fanno and Tryon Creek Watersheds. The Cully TIF District Plan does not affect the environmental zones that apply in this area, or other regulations or programs related to habitat or watershed health. These policies do not apply.

### **Johnson Creek Watershed**

**Policy 7.53. In-stream and riparian habitat.** Enhance in-stream and riparian habitat and improve fish passage for salmonids along Johnson Creek and its tributaries.

**Policy 7.54. Floodplain restoration.** Enhance Johnson Creek floodplain functions to increase flood-storage capacity, improve water quality, and enhance fish and wildlife habitat.

**Policy 7.55. Connected floodplains, springs, and wetlands.** Enhance hydrologic and habitat connectivity between the Johnson Creek floodplain and its springs and wetlands.

**Policy 7.56. Reduced natural hazards.** Reduce the risks of landslides, streambank erosion and downstream flooding by protecting seeps, springs, trees, vegetation, and soils that absorb stormwater in the East Buttes.

**Policy 7.57. Greenspace network.** Enhance the network of parks, trails, and natural areas near the Springwater Corridor Trail and the East Buttes to enhance habitat connectivity and nature-based recreation in East Portland.

- 159. Finding:** Policies 7.53 through 7.57 provide direction regarding the environment and watershed health in the Johnson Creek Watershed. The Cully TIF District Plan does not affect the environmental zones that apply in this area or programs related to habitat or watershed health. These policies do not apply.

## Chapter 8: Public Facilities and Services

**Goal 8.A: Quality public facilities and services.** High-quality public facilities and services provide Portlanders with optimal levels of service throughout the city, based on system needs and community goals, and in compliance with regulatory mandates.

**Goal 8.B: Multiple benefits.** Public facility and service investments improve equitable service provision, support economic prosperity, and enhance human and environmental health.

**Goal 8.C: Reliability and resiliency.** Public facilities and services are reliable, able to withstand or recover from catastrophic natural and manmade events, and are adaptable and resilient in the face of long-term changes in the climate, economy, and technology.

**Goal 8.D: Public rights-of-way.** Public rights-of-way enhance the public realm and provide a multi-purpose, connected, safe, and healthy physical space for movement and travel, public and private utilities, and other appropriate public functions and uses.

**Goal 8.E: Sanitary and stormwater systems.** Wastewater and stormwater are managed, conveyed, and/or treated to protect public health, safety, and the environment, and to meet the needs of the community on an equitable, efficient, and sustainable basis.

**Goal 8.F: Flood management.** Flood management systems and facilities support watershed health and manage flooding to reduce adverse impacts on Portlanders' health, safety, and property.

**Goal 8.G: Water.** Reliable and adequate water supply and delivery systems provide sufficient quantities of high-quality water at adequate pressures to meet the needs of the community on an equitable, efficient, and sustainable basis.

**Goal 8.H: Parks, natural areas, and recreation.** All Portlanders have safe, convenient, and equitable access to high-quality parks, natural areas, trails, and recreational opportunities in their daily lives, which contribute to their health and well-being. The City manages its natural areas and urban forest to protect unique urban habitats and offer Portlanders an opportunity to connect with nature.

**Goal 8.I: Public safety and emergency response.** Portland is a safe, resilient, and peaceful community where public safety, emergency response, and emergency management facilities and services are coordinated and able to effectively and efficiently meet community needs.

**Goal 8.J: Solid waste management.** Residents and businesses have access to waste management services and are encouraged to be thoughtful consumers to minimize upstream impacts and avoid generating waste destined for the landfill. Solid waste — including food, yard debris, recyclables, electronics, and construction and demolition debris — is managed, recycled, and composted to ensure the highest and best use of materials.

**Goal 8.K: School facilities.** Public schools are honored places of learning as well as multifunctional neighborhood anchors serving Portlanders of all ages, abilities, and cultures.

**Goal 8.L: Technology and communications.** All Portland residences, businesses, and institutions have access to universal, affordable, and reliable state-of-the-art communication and technology services.

**Goal 8.M: Energy infrastructure and services.** Residents, businesses, and institutions are served by reliable energy infrastructure that provides efficient, low-carbon, affordable energy through decision-making based on integrated resource planning.

**160. Finding:** The policies in this chapter, and these goals, generally address provision of public services, and adequacy of services as it relates to growth and development. The adopted 2035 Comprehensive Plan includes the Citywide Systems Plan (CSP), which was adopted (Ordinance 185657) and acknowledged by LCDC on April 25, 2017. The CSP includes the Public Facilities Plan with information on current and future transportation, water, sanitary sewer, and stormwater infrastructure needs and projects.

The Cully TIF Plan does not anticipate prioritizing changes to public infrastructure unless it is a part of a larger project, for example, if infrastructure improvements are required to develop an affordable housing project.

The policy-specific Findings below address the goals as follows:

Goal 8.D (Public rights-of-way) is addressed in response to policies 8.39 through 8.52.

Goal 8.E (Sanitary and stormwater systems) is addressed in response to policies 8.61 through 8.67 and policies 8.68 through 8.75.

Goal 8.F (Flood management) is addressed in response to policies 8.76 through 8.80.

Goal 8.G (Water) is addressed in response to policies 8.81 through 8.91.

Goal 8.H (Parks, natural areas, and recreation) is addressed in response to policies 8.92 through 8.103.

Goal 8.I (Public safety and emergency response) is addressed in response to policies 8.104 through 8.111.

Goal 8.K (School facilities) is addressed in response to policies 8.118 and 8.119.

Transportation facilities are addressed under Chapter 9 (Transportation), below.

## **Service provision and urbanization**

**Policy 8.1. Urban services boundary.** Maintain an Urban Services Boundary for the City of Portland that is consistent with the regional urban growth policy, in cooperation with neighboring jurisdictions. The Urban Services Boundary is shown on the Comprehensive Plan Map.

**Policy 8.2. Rural, urbanizable, and urban public facility needs.** Recognize the different public facility needs in rural, urbanizable and urban land as defined by the Regional Urban Growth Boundary, the City Urban Services Boundary, and the City Boundaries of Municipal Incorporation. See Figure 8-1 — Urban, Urbanizable, and Rural Lands.

**Policy 8.3. Urban service delivery.** Provide the following public facilities and services at urban levels of service to urban lands within the City's boundaries of incorporation:

- Public rights-of-way, streets, and public trails
- Sanitary sewers and wastewater treatment
- Stormwater management and conveyance
- Flood management
- Protection of the waterways of the state
- Water supply
- Police, fire, and emergency response
- Parks, natural areas, and recreation

- Solid waste regulation

**Policy 8.4. Supporting facilities and systems.** Maintain supporting facilities and systems, including public buildings, technology, fleet, and internal service infrastructure, to enable the provision of public facilities and services.

**Policy 8.5. Planning service delivery.** Provide planning, zoning, building, and subdivision control services within the boundaries of incorporation, and as otherwise provided by intergovernmental agreement within the City's Urban Services Boundary.

- 161. Finding:** The City Council interprets policies 8.1 through 8.5 to provide direction on the provision of public facilities and services and the process of urbanization. The Cully TIF District Plan does not urbanize any rural land or include new public facilities or infrastructure projects. The Cully TIF District Plan authorizes infrastructure improvements that support projects meeting other plan goals. The Cully TIF District Plan is consistent with policies 8.1 through 8.5.

### **Service coordination**

**Policy 8.6. Interagency coordination.** Maintain interagency coordination agreements with neighboring jurisdictions and partner agencies that provide urban public facilities and services within the City of Portland's Urban Services Boundary to ensure effective and efficient service delivery. See Policy 8.3 for the list of services included. Such jurisdictions and agencies include, but may not be limited to:

- Multnomah County for transportation facilities and public safety.
- State of Oregon for transportation and parks facilities and services.
- TriMet for public transit facilities and services.
- Port of Portland for air and marine facilities and services.
- Metro for regional parks and natural areas, and for solid waste, composting, and recycling facilities and transfer stations.
- Gresham, Milwaukie, Clackamas County Service District #1, and Clean Water Services for sanitary sewer conveyance and treatment.
- Multnomah County Drainage District No. 1, Peninsula Drainage District No 1, and Peninsula Drainage District No. 2 for stormwater management and conveyance, and for flood mitigation, protection, and control.
- Rockwood People's Utility District; Sunrise Water Authority; and the Burlington, Tualatin Valley, Valley View, West Slope, Palatine Hill, Alto Park, and Clackamas River Water Districts for water distribution.
- Portland Public Schools and the David Douglas, Parkrose, Reynolds, Centennial, and Riverdale school districts for public education, park, trail, and recreational facilities.

**Policy 8.7. Outside contracts.** Coordinate with jurisdictions and agencies outside of Portland where the City provides services under agreement.

**Policy 8.8. Public service coordination.** Coordinate with the planning efforts of agencies providing public education, public health services, community centers, urban forest management, library services, justice services, energy, and technology and communications services.

**Policy 8.9. Internal coordination.** Coordinate planning and provision of public facilities and services, including land acquisition, among City agencies, including internal service bureaus.

**Policy 8.10. Co-location.** Encourage co-location of public facilities and services across providers where co-location improves service delivery efficiency and access for historically under-represented and under-served communities.

- 162. Finding:** The City Council interprets policies 8.6 through 8.10 to provide direction on coordination with neighboring jurisdictions and partner agencies that provide urban public facilities and services within the City of Portland's Urban Services Boundary. The Cully TIF District Plan does not include new public facility or infrastructure projects or amendments to public service coordination agreements. These policies do not apply. These agencies were, however, notified of the Cully TIF District Plan pursuant to the City's legislative procedures (33.740).

### **Service extension**

**Policy 8.11. Annexation.** Require annexation of unincorporated urbanizable areas within the City's Urban Services Boundary as a prerequisite to receive urban services.

**Policy 8.12. Feasibility of service.** Evaluate the physical feasibility and cost-effectiveness of extending urban public services to candidate annexation areas to ensure sensible investment and to set reasonable expectations.

**Policy 8.13. Orderly service extension.** Establish or improve urban public services in newly-annexed areas to serve designated land uses at established levels of service, as funds are available and as responsible engineering practice allows.

**Policy 8.14. Coordination of service extension.** Coordinate provision of urban public services to newly-annexed areas so that provision of any given service does not stimulate development that significantly hinders the City's ability to provide other urban services at uniform levels.

**Policy 8.15. Services to unincorporated urban pockets.** Plan for future delivery of urban services to urbanizable areas that are within the Urban Services Boundary but outside the city limits.

**Policy 8.16. Orderly urbanization.** Coordinate with counties, neighboring jurisdictions, and other special districts to ensure consistent management of annexation requests, and to establish rational and orderly process of urbanization that maximize efficient use of public funds.

**Policy 8.17. Services outside the city limits.** Prohibit City provision of new urban services, or expansion of the capacity of existing services, in areas outside city limits, except in cases where the City has agreements or contracts in place.

**Policy 8.18. Service district expansion.** Prohibit service district expansion or creation within the City's Urban Services Boundary without the City's expressed consent.

**Policy 8.19. Rural service delivery.** Provide the public facilities and services identified in Policy 8.3 in rural areas only at levels necessary to support designated rural residential land uses and protect public health and safety. Prohibit sanitary sewer extensions into rural land and limit other urban services.

- 163. Finding:** The City Council interprets policies 8.11 through 8.19 to provide direction on extending public services. The Cully TIF District Plan does not include new public facility or infrastructure projects or service extensions. These policies do not apply.

### **Public investment**

**Policy 8.20. Regulatory compliance.** Ensure public facilities and services remain in compliance with state and federal regulations. Work toward cost-effective compliance with federal and state mandates through intergovernmental coordination and problem solving.

**Policy 8.21. System capacity.** Establish, improve, and maintain public facilities and services at levels appropriate to support land use patterns, densities, and anticipated residential and employment growth, as physically feasible and as sufficient funds are available.

**Policy 8.22. Equitable service.** Provide public facilities and services to alleviate service deficiencies and meet level-of-service standards for all Portlanders, including individuals, businesses, and property owners.

**8.22.a.** In places that are not expected to grow significantly but have existing deficiencies, invest to reduce disparity and improve livability.

**8.22.b.** In places that lack basic public facilities or services and also have significant growth potential, invest to enhance neighborhoods, fill gaps, maintain affordability, and accommodate growth.

**8.22.c.** In places that are not expected to grow significantly and already have access to complete public facilities and services, invest primarily to maintain existing facilities and retain livability.

**8.22.d.** In places that already have access to complete public facilities and services, but also have significant growth potential, invest to fill remaining gaps, maintain affordability, and accommodate growth.

**Policy 8.23. Asset management.** Improve and maintain public facility systems using asset management principles to optimize preventative maintenance, reduce unplanned reactive maintenance, achieve scheduled service delivery, and protect the quality, reliability, and adequacy of City services.

**Policy 8.24. Risk management.** Maintain and improve Portland's public facilities to minimize or eliminate economic, social, public health and safety, and environmental risks.

**Policy 8.25. Critical infrastructure.** Increase the resilience of high-risk and critical infrastructure through monitoring, planning, maintenance, investment, adaptive technology, and continuity planning.

**Policy 8.26. Capital programming.** Maintain long-term capital improvement programs that balance acquisition and construction of new public facilities with maintenance and operations of existing facilities.

**164. Finding:** The City Council interprets policies 8.20 through 8.26 to provide direction on investment priorities for public facilities. The Cully TIF District Plan does not include new public facility or infrastructure projects. These policies do not apply.

## **Funding**

**Policy 8.27. Cost-effectiveness.** Establish, improve, and maintain the public facilities necessary to serve designated land uses in ways that cost-effectively provide desired levels of service, consider facilities' lifecycle costs, and maintain the City's long-term financial sustainability.

**Policy 8.28. Shared costs.** Ensure the costs of constructing and providing public facilities and services are equitably shared by those who benefit from the provision of those facilities and services.

**Policy 8.29. System development.** Require private or public entities whose prospective development or redevelopment actions contribute to the need for public facility improvements, extensions, or construction to bear a proportional share of the costs.

**Policy 8.30. Partnerships.** Maintain or establish public and private partnerships for the development, management, or stewardship of public facilities necessary to serve designated land uses, as appropriate.

- 165. Finding:** The City Council interprets policies 8.27 through 8.30 to provide direction on funding public facilities and services within the City of Portland's Urban Services Boundary. The Cully TIF District Plan does not include new public facility or infrastructure projects. These policies do not apply.

### **Public benefits**

**Policy 8.31. Application of Guiding Principles.** Plan and invest in public facilities in ways that promote and balance the Guiding Principles established in The Vision and Guiding Principles of this Comprehensive Plan.

**Policy 8.32. Community benefit agreements.** Encourage the use of negotiated community benefit agreements for large public facility projects as appropriate to address environmental justice policies in Chapter 2: Community Involvement.

**Policy 8.33. Community knowledge and experience.** Encourage public engagement processes and strategies for larger public facility projects to include community members in identifying potential impacts, mitigation measures and community benefits.

**Policy 8.34. Resource efficiency.** Reduce the energy and resource use, waste, and carbon emissions from facilities necessary to serve designated land uses to meet adopted City goals and targets.

**Policy 8.35. Natural systems.** Protect, enhance, and restore natural systems and features for their infrastructure service and other values.

**Policy 8.36. Context-sensitive infrastructure.** Design, improve, and maintain public rights-of-way and facilities in ways that are compatible with, and that minimize negative impacts on, their physical, environmental, and community context.

**Policy 8.38. Age-friendly public facilities.** Promote public facility designs that make Portland more age-friendly.

- 166. Finding:** The City Council interprets policies 8.31 through 8.38 to provide direction on the associated public benefits that should be considered in conjunction with investment in public facilities and services within the City of Portland's Urban Services Boundary. The Cully TIF District Plan does not include new public facility or infrastructure projects. These policies do not apply.

### **Public rights-of-way**

**Policy 8.39. Interconnected network.** Establish a safe and connected rights-of-way system that equitably provides infrastructure services throughout the city.

**Policy 8.40. Transportation function.** Improve and maintain the right-of-way to support multimodal transportation mobility and access to goods and services as is consistent with the designated street classification.

**Policy 8.41. Utility function.** Improve and maintain the right-of-way to support equitable distribution of utilities, including water, sanitary sewer, stormwater management, energy, and communications, as appropriate.

**Policy 8.42. Stormwater management function.** Improve rights-of-way to integrate green infrastructure and other stormwater management facilities to meet desired levels-of-service and economic, social, and environmental objectives.

**Policy 8.43. Trees in rights-of-way.** Integrate trees into public rights-of-way to support City canopy goals, transportation functions, and economic, social, and environmental objectives.

**Policy 8.44. Community uses.** Allow community use of rights-of-way for purposes such as public gathering space, events, or temporary festivals, if the community uses are integrated in ways that balance and minimize conflict with the designated through movement and access roles of rights-of-ways.

**Policy 8.45. Pedestrian amenities.** Encourage facilities that enhance pedestrian enjoyment, such as transit shelters, garbage containers, benches, etc. in the right-of-way.

**Policy 8.46. Commercial uses.** Accommodate allowable commercial uses of the rights-of-way for enhancing commercial vitality, if the commercial uses can be integrated in ways that balance and minimize conflict with the other functions of the right-of-way.

**Policy 8.47. Flexible design.** Allow flexibility in right-of-way design and development standards to appropriately reflect the pattern area and other relevant physical, community, and environmental contexts and local needs.

**8.47.a.** Use a variety of transportation resources in developing and designing projects for all City streets, such as the City of Portland's Pedestrian Design Guide, Bicycle Master Plan-Appendix A, NACTO Urban Bikeway Design Guide, NACTO Urban Street Design Guide, Portland Parks and Recreation Trail Design Guidelines, Designing for Truck Movements and Other Large Vehicles, and City of Portland Green Street Policy, Stormwater Management Manual, Design Guide for Public Street Improvements, and Neighborhood Greenways. (TSP objective 8.1.e.).

**Policy 8.48. Corridors and City Greenways.** Ensure public facilities located along Civic Corridors, Neighborhood Corridors, and City Greenways support the multiple objectives established for these corridors.

**Policy 8.49. Coordination.** Coordinate the planning, design, development, improvement, and maintenance of public rights-of-way among appropriate public agencies, private providers, and adjacent landowners.

**8.49.a.** Coordination efforts should include the public facilities necessary to support the uses and functions of rights-of-way, as established in policies 8.40 to 8.46.

**8.49.b.** Coordinate transportation and stormwater system plans and investments, especially in unimproved or substandard rights-of-way, to improve water quality, public safety, including for pedestrians and bicyclists, and neighborhood livability.

**Policy 8.50. Undergrounding.** Encourage undergrounding of electrical and telecommunications facilities within public rights-of-way, especially in centers and along Civic Corridors.

**Policy 8.51. Right-of-way vacations.** Maintain rights-of-way if there is an established existing or future need for them, such as for transportation facilities or for other public functions established in policies 8.40 to 8.46.

**Policy 8.52. Rail rights-of-way.** Preserve existing and abandoned rail rights-of-way for future rail or public trail uses.

- 167. Finding:** The City Council interprets policies 8.39 through 8.52 to apply to new public facilities, uses, or infrastructure projects in the right-of-way; and right of way vacations. The Cully TIF District Plan does not include new public facility, uses, or infrastructure projects in the right-of-way. These policies do not apply.

## **Trails**

**Policy 8.53. Public trails.** Establish, improve, and maintain a citywide system of public trails that provide transportation and/or recreation options and are a component of larger network of facilities for bicyclists, pedestrians, and recreational users.

**Policy 8.54. Trail system connectivity.** Plan, improve, and maintain the citywide trail system so that it connects and improves access to Portland's neighborhoods, commercial areas, employment centers, schools, parks, natural areas, recreational facilities, regional destinations, the regional trail system, and other key places that Portlanders access in their daily lives.

**Policy 8.55. Trail coordination.** Coordinate planning, design, improvement, and maintenance of the trail system among City agencies, other public agencies, non-governmental partners, and adjacent landowners.

**Policy 8.56. Trail diversity.** Allow a variety of trail types to reflect a trail's transportation and recreation roles, requirements, and physical context.

**Policy 8.57. Public access requirements.** Require public access and improvement of public trails along the future public trail alignments shown in Figure 8-2 — Future Public Trail Alignments.

**Policy 8.58. Trail and City Greenway coordination.** Coordinate the planning and improvement of trails as part of the City Greenways system.

**Policy 8.59. Trail and Habitat Corridor coordination.** Coordinate the planning and improvement of trails with the establishment, enhancement, preservation, and access to habitat corridors.

**Policy 8.60. Intertwine coordination.** Coordinate with the Intertwine Alliance and its partners, including local and regional parks providers, to integrate Portland's trail and active transportation network with the bi-state regional trail system.

- 168. Finding:** The City Council interprets policies 8.53 through 8.60 to apply to designated trails. The Cully TIF District Plan does not amend the designated trail alignments. These policies do not apply.

## **Sanitary system**

**Policy 8.61. Sewer connections.** Require all developments within the city limits to be connected to sanitary sewers unless the public sanitary system is not physically or legally available per City Code and state requirements; or the existing onsite septic system is functioning properly without failure or complaints per City Code and state requirements; and the system has all necessary state and county permits.

**Policy 8.62. Combined sewer overflows.** Provide adequate public facilities to limit combined sewer overflows to frequencies established by regulatory permits.

**Policy 8.63. Sanitary sewer overflows.** Provide adequate public facilities to prevent sewage releases to surface waters as consistent with regulatory permits.

**Policy 8.64. Private sewage treatment systems.** Adopt land use regulations that require any proposed private sewage treatment system to demonstrate that all necessary state and county permits are obtained.

**Policy 8.65. Sewer extensions.** Prioritize sewer system extensions to areas that are already developed at urban densities and where health hazards exist.

**Policy 8.66. Pollution prevention.** Reduce the need for wastewater treatment capacity through land use programs and public facility investments that manage pollution as close to its source as practical and that reduce the amount of pollution entering the sanitary system.

**Policy 8.67. Treatment.** Provide adequate wastewater treatment facilities to ensure compliance with effluent standards established in regulatory permits.

- 169. Finding:** The City Council interprets policies 8.61 through 8.67 to apply to the provision of sanitary sewer facilities. Policy 8.61, in particular, applies to development. Policy 8.61 is ensured through Title 25, Plumbing Regulations and verified at the time of development permit application. The Cully TIF District Plan do not alter or affect Title 25 requirements.

BES regularly analyzes the sanitary sewer and stormwater system needs in the city, in conjunction with the Bureau of Planning and Sustainability's planning projects, to ensure that Portland residents and businesses have adequate sanitary and stormwater service. Based on an understanding of current and anticipated growth in the city and system conditions, BES identifies priority areas for upgrading infrastructure, improving system capacity, and providing programs needed to serve the community's needs related to clean water and public health. The Cully TIF District Plan does not change these policies. These policies do not apply.

## **Stormwater Systems**

**Policy 8.68. Stormwater facilities.** Provide adequate stormwater facilities for conveyance, flow control, and pollution reduction.

**Policy 8.69. Stormwater as a resource.** Manage stormwater as a resource for watershed health and public use in ways that protect and restore the natural hydrology, water quality, and habitat of Portland's watersheds.

**Policy 8.70. Natural systems.** Protect and enhance the stormwater management capacity of natural resources such as rivers, streams, creeks, drainageways, wetlands, and floodplains.

**Policy 8.71. Green infrastructure.** Promote the use of green infrastructure, such as natural areas, the urban forest, and landscaped stormwater facilities, to manage stormwater.

**Policy 8.72. Stormwater discharge.** Avoid or minimize the impact of stormwater discharges on the water and habitat quality of rivers and streams.

**Policy 8.73. On-site stormwater management.** Encourage on-site stormwater management, or management as close to the source as practical, through land use decisions and public facility investments.

**Policy 8.74. Pollution prevention.** Coordinate policies, programs, and investments with partners to prevent pollutants from entering the stormwater system by managing point and non-point pollution sources through public and private facilities, local regulations, and education.

**Policy 8.75. Stormwater partnerships.** Provide stormwater management through coordinated public and private facilities, public-private partnerships, and community stewardship.

- 170. Finding:** The City Council interprets policies 8.68 through 8.75 to apply to the provision of stormwater facilities. Stormwater is conveyed through the combined sewer system, pipes, ditches, or drainageways to streams and rivers. In some cases, stormwater is managed in detention facilities, other vegetated facilities, or allowed to infiltrate in natural areas. The Citywide Systems Plan includes projects to address facilities needed for conveyance, flow control and pollution reduction.

Many of these policies are ensured through application of the City's Stormwater Management Manual. Stormwater management is critical to maintaining and enhancing the City's livability and improving watershed health. The Stormwater Management Manual (SWMM) allows the City of Portland to protect both watershed resources and infrastructure investments with every development or improvement. Implementing the requirements in this manual helps protect Portland's water resources, which in turn will provide great benefit to human health, fish and wildlife habitat, recreational resources, and drinking water. Environmental Services evaluates development proposals that increase impervious area (including buildings and hardscape) against the SWMM and Source Control Manual to effectively comply with local, state and federal point and non-point pollution water quality mandates. The Cully TIF District Plan does not change these policies. These policies do not apply.

## **Flood management**

**Policy 8.76. Flood management.** Improve and maintain the functions of natural and managed drainageways, wetlands, and floodplains to protect health, safety, and property, provide water conveyance and storage, improve water quality, and maintain and enhance fish and wildlife habitat.

**Policy 8.77. Floodplain management.** Manage floodplains to protect and restore associated natural resources and functions and to minimize the risks to life and property from flooding.

**Policy 8.78. Flood management facilities.** Establish, improve, and maintain flood management facilities to serve designated land uses through planning, investment and regulatory requirements.

**Policy 8.79. Drainage district coordination.** Coordinate with drainage districts that provide stormwater management, conveyance, and flood mitigation, protection, and control services within the City's Urban Services Boundary.

**Policy 8.80. Levee coordination.** Coordinate plans and investments with special districts and agencies responsible for managing and maintaining certification of levees along the Columbia River.

- 171. Finding.** The City Council interprets policies 8.76 through 8.80 to apply to the management of floodplains. For sites in flood prone areas, the Cully TIF District Plan does not amend the Environmental overlay maps, nor do they change City programs that regulate development in the floodplain (i.e., Title 33.631 Sites in Flood Hazard Areas; Title 10 Erosion Control, and the balanced cut and fill requirements of Title 24). The Cully TIF District Plan does not change these policies. These policies do not apply.

## **Water systems**

**Policy 8.81. Primary supply source.** Protect the Bull Run watershed as the primary water supply source for Portland.

**Policy 8.82. Bull Run protection.** Maintain a source-protection program and practices to safeguard the Bull Run watershed as a drinking water supply.

**Policy 8.83. Secondary supply sources.** Protect, improve, and maintain the Columbia South Shore wellfield groundwater system, the Powell Valley wellfield groundwater system, and any other alternative water sources designated as secondary water supplies.

**Policy 8.84. Groundwater wellfield protection.** Maintain a groundwater protection program and practices to safeguard the Columbia South Shore wellfield and the Powell Valley wellfield as drinking water supplies.

**Policy 8.85. Water quality.** Maintain compliance with state and federal drinking water quality regulations.

**Policy 8.86. Storage.** Provide sufficient in-city water storage capacity to serve designated land uses, meet demand fluctuations, maintain system pressure, and ensure supply reliability.

**Policy 8.87. Fire protection.** Provide adequate water facilities to serve the fire protection needs of all Portlanders and businesses.

**Policy 8.88. Water pressure.** Provide adequate water facilities to maintain water pressure in order to protect water quality and provide for the needs of customers.

**Policy 8.89. Water efficiency.** Reduce the need for additional water facility capacity and maintain compliance with state water resource regulations by encouraging efficient use of water by customers within the city.

**Policy 8.90. Service interruptions.** Maintain and improve water facilities to limit interruptions in water service to customers.

**Policy 8.91. Outside user contracts.** Coordinate long-term water supply planning and delivery with outside-city water purveyors through long-term wholesale contracts.

- 172. Finding:** The City Council interprets policies 8.81 through 8.91 to apply to the provision of water service. Primarily these policies govern how the City manages its water system and are not applicable to development. Policies 8.81 through 8.85 are addressed through the requirements in Title 21 Water. Protections for the Bull Run watershed are enumerated in Chapter 21.36. Groundwater wellfield protections are ensured through regulations in Chapter 21.35. And water quality is locally regulated by Chapter 21.12, as well as Title 25 Plumbing Regulations, in addition to compliance mandates at the state and federal level. Implementation of these policies is unaffected by the Cully TIF District Plan. New development may be required to extend service where no service is presently available or upgrade water mains when development requires larger water meter sizes. Development is anticipated in zones where development is already expected. The Cully TIF District Plan does not change these policies. These policies do not apply.

## **Parks and recreation**

**Policy 8.92. Acquisition, development, and maintenance.** Provide and maintain an adequate supply and variety of parkland and recreational facilities to serve the city's current and future population based on identified level-of-service standards and community needs.

**Policy 8.93. Service equity.** Invest in acquisition and development of parks and recreation facilities in areas where service-level deficiencies exist.

**Policy 8.94. Capital programming.** Maintain a long-range park capital improvement program, with criteria that considers acquisition, development, and operations; provides opportunities for public input; and emphasizes creative and flexible financing strategies.

**Policy 8.95. Park planning.** Improve parks, recreational facilities, natural areas, and the urban forest in accordance with current master plans, management plans, or adopted strategies that reflect user group needs, development priorities, development and maintenance costs, program opportunities, financing strategies, and community input.

**Policy 8.96. Recreational trails.** Establish, improve, and maintain a complete and connected system of public recreational trails, consistent with Portland Parks & Recreation’s trail strategy.

**Policy 8.97. Natural resources.** Preserve, enhance, and manage City-owned natural areas and resources to protect and improve their ecological health, in accordance with both the natural area acquisition and restoration strategies, and to provide compatible public access.

**Policy 8.98. Urban forest management.** Manage urban trees as green infrastructure with associated ecological, community, and economic functions, through planning, planting, and maintenance activities, education, and regulation.

**Policy 8.99. Recreational facilities.** Provide a variety of recreational facilities and services that contribute to the health and well-being of Portlanders of all ages and abilities.

**Policy 8.100. Self-sustaining Portland International Raceway (PIR).** Provide for financially self-sustaining operations of PIR, and broaden its programs and activities to appeal to families, diverse communities, and non-motorized sports such as biking and running.

**Policy 8.101. Self-sustaining and inclusive golf facilities.** Provide financially self-sustaining public golf course operations. Diversify these assets to attract new users, grow the game, provide more introductory-level programming, and expand into other related recreational opportunities such as foot golf and disk golf.

**Policy 8.102. Specialized recreational facilities.** Establish and manage specialized facilities within the park system that take advantage of land assets and that respond to diverse, basic, and emerging recreational needs.

**Policy 8.103. Public-private partnerships.** Encourage public-private partnerships to develop and operate publicly-accessible recreational facilities that meet identified public needs.

**173. Finding:** The City Council interprets policies 8.92 through 8.103 to primarily address City-owned parks and natural areas and not development on private land. The Cully TIF District Plan does not change current parks and recreation programs or change the supply of parks. These policies do not apply. The Cully TIF District Plan provides for the future development of recreation facilities in the Area in alignment of the Values, Vision, and Goals and the Priorities stated in the Cully TIF District Plan. The Cully TIF Plan is consistent with these policies.

## **Public safety and emergency response**

**Policy 8.104. Emergency preparedness, response, and recovery coordination.** Coordinate land use plans and public facility investments between City bureaus, other public and jurisdictional agencies, businesses, community partners, and other emergency response providers, to ensure coordinated and comprehensive emergency and disaster risk reduction, preparedness, response, and recovery.

**Policy 8.105. Emergency management facilities.** Provide adequate public facilities – such as emergency coordination centers, communications infrastructure, and dispatch systems – to support emergency management, response, and recovery.

**Policy 8.106. Police facilities.** Improve and maintain police facilities to allow police personnel to efficiently and effectively respond to public safety needs and serve designated land uses.

**Policy 8.107. Community safety centers.** Establish, coordinate, and co-locate public safety and other community services in centers.

**Policy 8.108. Fire facilities.** Improve and maintain fire facilities to serve designated land uses, ensure equitable and reliable response, and provide fire and life safety protection that meets or exceeds minimum established service levels.

**Policy 8.109. Mutual aid.** Maintain mutual aid coordination with regional emergency response providers as appropriate to protect life and ensure safety.

**Policy 8.110. Community preparedness.** Enhance community preparedness and capacity to prevent, withstand, and recover from emergencies and natural disasters through land use decisions and public facility investments.

**Policy 8.111. Continuity of operations.** Maintain and enhance the City's ability to withstand and recover from natural disasters and human-made disruptions in order to minimize disruptions to public services.

- 174. Finding:** The City Council interprets policies 8.104 through 8.111 to address the provision of public safety and emergency response services. The City of Portland is currently under four declared States of Emergency – Emergency Declaration to Prohibit Camping within High Crash Transportation Corridors, Emergency Declaration to Delegate Property Management, Emergency Declaration - pandemic recovery cleanup, Emergency Declaration - pandemic recovery cleanup, and Emergency Declaration on Gun Violence Interventions .. The Cully TIF District Plan is a long range funding plan. There will not be funding in this District in the timeframe of the four States of Emergency presently in operation. Other emergency response services are not affected by the Cully TIF District Plan. These policies do not apply.

### **Solid waste management**

**Policy 8.112. Waste management.** Ensure land use programs, rights-of-way regulations, and public facility investments allow the City to manage waste effectively and prioritize waste management in the following order: waste reduction, recycling, anaerobic digestion, composting, energy recovery, and then landfill.

- 175. Finding:** The City Council interprets this policy to address the provision of waste management services. The Cully TIF District plan does not impact these waste management services. These policies do not apply.

### **School facilities**

**Policy 8.113. School district capacity.** Consider the overall enrollment capacity of a school district – as defined in an adopted school facility plan that meets the requirements of Oregon Revised Statute 195 – as a factor in land use decisions that increase capacity for residential development.

- 176. Finding:** Portland Public Schools adopted a Long Range facility Plan I December of 2021.

A primary intent of the Cully TIF District Plan is to prevent displacement and enable more housing options that are affordable to those with low incomes. Providing more affordable housing may reduce enrollment changes caused by economic displacement. The Cully TIF District Plan is consistent with this policy.

**Policy 8.114. Facilities Planning.** Facilitate coordinated planning among school districts and City bureaus, including Portland Parks and Recreation, to accommodate school site/facility needs in response to most up-to-date growth forecasts.

**Policy 8.115. Co-location.** Encourage public school districts, Multnomah County, the City of Portland, and other providers to co-locate facilities and programs in ways that optimize service provision and intergenerational and intercultural use.

**Policy 8.116. Community use.** Encourage public use of public school grounds for community purposes while meeting educational and student safety needs and balancing impacts on surrounding neighborhoods.

**Policy 8.117. Recreational use.** Encourage publicly-available recreational amenities (e.g. athletic fields, green spaces, community gardens, and playgrounds) on public school grounds for public recreational use, particularly in neighborhoods with limited access to parks.

**Policy 8.118. Schools as emergency aid centers.** Encourage the use of seismically-safe school facilities as gathering and aid-distribution locations during natural disasters and other emergencies.

**Policy 8.119. Facility adaptability.** Ensure that public schools may be upgraded to flexibly accommodate multiple community-serving uses and adapt to changes in educational approaches, technology, and student needs over time.

**177. Finding:** The Cully TIF District Plan does not change 8.114 through 8.119. These policies do not apply.

**Policy 8.120. Leverage public investment.** Encourage City public facility investments that complement and leverage local public school districts' major capital investments.

**Policy 8.121. School access.** Encourage public school districts to consider the ability of students to safely walk and bike to school when making decisions about the site locations and attendance boundaries of schools.

**Policy 8.122. Private institutions.** Encourage collaboration with private schools and educational institutions to support community and recreational use of their facilities.

**178. Finding:** The City Council interprets policies 8.114 through 8.122 to address school facilities and school sites. Implementation of these school facility policies is not affected by the Cully TIF District Plan. These policies do not apply.

### **Technology and communications**

**Policy 8.123. Technology and communication systems.** Maintain and enhance the City's technology and communication facilities to ensure public safety, facilitate access to information, and maintain City operations.

**Policy 8.124. Equity, capacity, and reliability.** Encourage plans and investments in technology and communication infrastructure to ensure access in all areas of the city, reduce disparities in capacity, and affordability, and to provide innovative high-performance, reliable service for Portland's residents and businesses.

**179. Finding:** The City Council interprets policies 8.123 and 8.124 to address the provision technology and communication services. These policies do not apply.

### **Energy infrastructure**

**Policy 8.125. Energy efficiency.** Promote efficient and sustainable production and use of energy resources by residents and businesses, including low-carbon renewable energy sources, district energy systems, and distributed generation, through land use plans, zoning, and other legislative land use decisions.

**Policy 8.126. Coordination.** Coordinate with energy providers to encourage investments that ensure reliable, equitable, efficient, and affordable energy for Portland residents and businesses.

- 180. Finding:** The Cully TIF District Plan does not amend the sections of the zoning code that regulate the production of energy or other types of energy infrastructure and does not affect coordination efforts. The Plan's projects include funding for renovation activities, such as mechanical, electrical, weatherization, HVAC, and renewable energy projects, as well as for community solar projects, all of which would promote efficient use and production of energy. The Plan is consistent with these policies.

## Chapter 9 Transportation

**GOAL 9.A: Safety.** Transportation safety impacts the livability of a city and the comfort and security of those using City streets. Comprehensive efforts to improve transportation safety through engineering, education, enforcement and evaluation will be used to eliminate traffic-related fatalities and serious injuries from Portland's transportation system.

**Goal 9.B: Multiple goals.** Portland's transportation system is funded and maintained to achieve multiple goals and measurable outcomes for people and the environment. The transportation system is safe, complete, interconnected, multimodal, and fulfills daily needs for people and businesses.

**GOAL 9.C: Great places.** Portland's transportation system enhances quality of life for all Portlanders, reinforces existing neighborhoods and great places, and helps make new great places in town centers, neighborhood centers and corridors, and civic corridors.

**GOAL 9.D: Environmentally sustainable.** The transportation system increasingly uses active transportation, renewable energy, or electricity from renewable sources, achieves adopted carbon reduction targets, and reduces air pollution, water pollution, noise, and Portlanders' reliance on private vehicles.

**GOAL 9.E: Equitable transportation.** The transportation system provides all Portlanders options to move about the city and meet their daily needs by using a variety of safe, efficient, convenient, and affordable modes of transportation. Transportation investments are responsive to the distinct needs of each community.

**GOAL 9.F: Positive health outcomes.** The transportation system promotes positive health outcomes and minimizes negative impacts for all Portlanders by supporting active transportation, physical activity, and community and individual health.

**GOAL 9.G: Opportunities for prosperity.** The transportation system supports a strong and diverse economy, enhances the competitiveness of the city and region, and maintains Portland's role as a West Coast trade gateway and freight hub by providing efficient and reliable goods movement, multimodal access to employment areas and educational institutions, as well as enhanced freight access to industrial areas and intermodal freight facilities. The transportation system helps people and businesses reduce spending and keep money in the local economy by providing affordable alternatives to driving.

**GOAL 9.H. Cost Effectiveness.** The City analyzes and prioritizes capital and operating investments to cost effectively achieve the above goals while responsibly managing and protecting our past investments in existing assets.

**GOAL 9.I. Airport Futures.** Promote a sustainable airport (Portland International Airport [PDX]) by meeting the region's air transportation needs without compromising livability and quality of life for future generations.

- 181. Finding:** The City Council generally interprets the goals and the policies of Chapter 9 to address transportation improvements, programming, funding priorities and maintenance and not development or uses on private or public land outside of the right of way. The plan does not directly affect transportation improvements, funding, or maintenance; accordingly, these policies do not generally apply, except where noted

## Designing and planning

**Policy 9.1. Street design classifications.** Maintain and implement street design classifications consistent with land use plans, environmental context, urban design pattern areas, and the Neighborhood Corridor and Civic Corridor Urban Design Framework designations.

**Policy 9.2. Street policy classifications.** Maintain and implement street policy classifications for pedestrian, bicycle, transit, freight, emergency vehicle, and automotive movement, while considering access for all modes, connectivity, adjacent planned land uses, and state and regional requirements.

**9.2.a.** Designate district classifications that emphasize freight mobility and access in industrial and employment areas serving high levels of truck traffic and to accommodate the needs of intermodal freight movement.

**9.2.b.** Designate district classifications that give priority to pedestrian access in areas where high levels of pedestrian activity exist or are planned, including the Central City, Gateway regional center, town centers, neighborhood centers, and transit station areas.

**9.2.c.** Designate district classifications that give priority to bicycle access and mobility in areas where high levels of bicycle activity exist or are planned, including Downtown, the River District, Lloyd District, Gateway Regional Center, town centers, neighborhood centers, and transit station areas.

**Policy 9.3. Transportation System Plan.** Maintain and implement the Transportation System Plan (TSP) as the decision-making tool for transportation-related projects, policies, programs, and street design.

**Policy 9.4. Use of classifications.** Plan, develop, implement, and manage the transportation system in accordance with street design and policy classifications outlined in the Transportation System Plan.

**9.4.a.** Classification descriptions are used to describe how streets should function for each mode of travel, not necessarily how they are functioning at present.

- 182. Finding:** Policies 9.1 through 9.4 provide direction regarding transportation system classifications and the Transportation System Plan. The Cully TIF District Plan does not change the functional classification of any existing or proposed transportation facility, nor does it change the standards implementing a functional classification system. These policies do not apply.

**Policy 9.5. Mode share goals and Vehicle Miles Travelled (VMT) reduction.** Increase the share of trips made using active and low-carbon transportation modes. Reduce VMT to achieve targets set in the most current Climate Action Plan and Transportation System Plan, and meet or exceed Metro's mode share and VMT targets.

- 183. Finding:** Council interprets this policy to mean reducing the share of single occupant motor vehicle trips through actions, investments, and plans that either encourage use of other modes or discourage the use of single occupant vehicles. Specific goals for mode share are stated in policy 9.49.

Making a diversity of housing and shelter possible not just along select corridors, but broadly throughout many areas of the city, also allows residents and clients to seek housing closer to the amenities and necessities they prioritize, be it a job, daycare, school, or recreation. Providing support to small businesses and supporting community development reduces the impact on the

transportation system. Proximity reduces transportation costs through less vehicle miles travelled or more transit/bike/pedestrian travel all of which means lower carbon emissions.

Therefore, while the proposed Cully TIF District Plan will not have a significant impact on VMT, its goals of supporting a diversity of housing and businesses within the plan area are consistent with this policy.

**Policy 9.6. Transportation strategy for people movement.** Design the system to accommodate the most vulnerable users, including those that need special accommodation under the Americans with Disabilities Act (ADA). Implement a prioritization of modes for people movement by making transportation system decisions per the following ordered list:

1. Walking
2. Bicycling
3. Transit
4. Fleets of electric, fully automated, multiple passenger vehicles
5. Other shared vehicles
6. Low or no occupancy vehicles, fossil-fueled non-transit vehicles

When implementing this prioritization ensure that:

- The needs and safety of each group of users are considered, and changes do not make existing conditions worse for the most vulnerable users.
- All users' needs are balanced with the intent of optimizing the right of way for multiple modes on the same street.
- When necessary to ensure safety, accommodate some users on parallel streets as part of multi-street corridors.
- Land use and system plans, network functionality for all modes, other street functions, and complete street policies, are maintained.
- Policy-based rationale is provided if modes lower in the ordered list are prioritized.

**Policy 9.7. Moving goods and delivering services.** In tandem with people movement, maintain efficient and reliable movement of goods and services as a critical transportation system function. Prioritize freight system reliability improvements over single-occupancy vehicle mobility where there are solutions that distinctly address those different needs.

**Policy 9.8. Affordability.** Improve and maintain the transportation system to increase access to convenient and affordable transportation options for all Portlanders, especially those who have traditionally been under-served or under-represented or have historically borne unequal burdens.

**Policy 9.9. Accessible and age-friendly transportation system.** Ensure that transportation facilities are accessible to people of all ages and abilities, and that all improvements to the transportation system (traffic, transit, bicycle, and pedestrian) in the public right-of-way comply with the Americans with Disabilities Act of 1990. Improve and adapt the transportation system to better meet the needs of the most vulnerable users, including the young, older adults, and people with different abilities.

**Policy 9.10. Geographic policies.** Adopt geographically-specific policies in the Transportation System Plan to ensure that transportation infrastructure reflects the unique topography, historic character, natural features, system gaps, economic needs, demographics, and land uses of each area. Use the Pattern Areas identified in Chapter 3: Urban Form as the basis for area policies.

**9.10.a.** Refer to adopted area plans for additional applicable geographic objectives related to transportation. Land use, development, and placemaking

- 184. Finding:** Policies 9.6 through 9.10 provide direction regarding planning for the transportation system. These policies address the design and planning of transportation facilities and not development or uses on private or public land outside of the right of way. These policies do not apply.

### **Land use, development, and placemaking**

**Policy 9.11. Land use and transportation coordination.** Implement the Comprehensive Plan Map and the Urban Design Framework through coordinated long-range transportation and land use planning. Ensure that street policy and design classifications and land uses complement one another.

**Policy 9.12. Growth strategy.** Use street design and policy classifications to support Goals 3A-3G in Chapter 3: Urban Form. Consider the different design contexts and transportation functions in Town Centers, Neighborhood Centers, Neighborhood Corridors, Employment Areas, Freight Corridors, Civic Corridors, Transit Station Areas, and Greenways.

**Policy 9.13. Development and street design.** Evaluate adjacent land uses to help inform street classifications in framing, shaping, and activating the public space of streets. Guide development and land use to create the kinds of places and street environments intended for different types of streets.

- 185. Finding:** Policies 9.11 through 9.13 address the relationship between land use and transportation planning – both at the citywide scale of urban form, and at the site and street level. Policy 9.12 does not apply because the Cully TIF District Plan does not change the Comprehensive Plan Map, the Urban Design Framework, or the functional classification of any existing or proposed transportation facility, nor do they change the standards implementing a functional classification system. These policies do not apply.

### **Streets as public spaces**

**Policy 9.14. Streets for transportation and public spaces.** Integrate both placemaking and transportation functions when designing and managing streets by encouraging design, development, and operation of streets to enhance opportunities for them to serve as places for community interaction, environmental function, open space, tree canopy, recreation, and other community purposes.

**Policy 9.15. Repurposing street space.** Encourage repurposing street segments that are not critical for transportation connectivity to other community purposes.

**Policy 9.16. Design with nature.** Promote street alignments and designs that respond to topography and natural features, when feasible, and protect streams, wildlife habitat, and native trees.

- 186. Finding:** Policies 9.14 through 9.16 address the design and use of public streets and not development or uses on private or public land outside of the right of way. These policies do not apply.

### **Modal policies**

**Policy 9.17. Pedestrian transportation.** Encourage walking as the most attractive mode of transportation for most short trips, within and to centers, corridors, and major destinations, and as a means for accessing transit.

**Policy 9.18. Pedestrian networks.** Create more complete networks of pedestrian facilities, and improve the quality of the pedestrian environment.

**Policy 9.19. Pedestrian safety and accessibility.** Improve pedestrian safety, accessibility, and convenience for people of all ages and abilities.

**Policy 9.20. Bicycle transportation.** Create conditions that make bicycling more attractive than driving for most trips of approximately three miles or less.

**Policy 9.21. Accessible bicycle system.** Create a bicycle transportation system that is safe, comfortable, and accessible to people of all ages and abilities.

**Policy 9.22. Public transportation.** Coordinate with public transit agencies to create conditions that make transit the preferred mode of travel for trips that are longer than 3 miles or shorter trips not made by walking or bicycling.

**Policy 9.23. Transportation to job centers.** Promote and enhance transit to be more convenient and economical than the automobile for people travelling more than three miles to and from the Central City and Gateway. Enhance regional access to the Central City and access from Portland to other regional job centers.

**Policy 9.24. Transit service.** In partnership with TriMet, develop a public transportation system that conveniently, safely, comfortably, and equitably serves residents and workers 24 hours a day, 7 days a week.

**Policy 9.25. Transit equity.** In partnership with TriMet, maintain and expand high-quality frequent transit service to all Town Centers, Civic Corridors, Neighborhood Centers, Neighborhood Corridors, and other major concentrations of employment, and improve service to areas with high concentrations of poverty and historically under-served and under-represented communities.

**9.25.a.** Support a public transit system and regional transportation that address the transportation needs of historically marginalized communities and provide increased mobility options and access.

**Policy 9.26. Transit funding.** Consider funding strategies and partnership opportunities that improve access to and equity in transit service, such as raising Metro-wide funding to improve service and decrease user fees/fares.

**Policy 9.27. Transit service to centers and corridors.** Use transit investments to shape the city's growth and increase transit use. In partnership with TriMet and Metro, maintain, expand, and enhance Portland Streetcar, frequent service bus, and high-capacity transit, to better serve centers and corridors with the highest intensity of potential employment and household growth.

**9.27.a.** Locate major park-and-ride lots only where transit ridership is increased significantly, vehicle miles traveled are reduced, transit-supportive development is not hampered, bus service is not available or is inadequate, and the surrounding area is not negatively impacted.

**Policy 9.28. Intercity passenger service.** Coordinate planning and project development to expand intercity passenger transportation services in the Willamette Valley, and from Portland to Seattle and Vancouver, BC.

**Policy 9.29. Regional trafficways and transitways.** Maintain capacity of regional transitways and existing regional trafficways to accommodate through-traffic.

**Policy 9.30. Multimodal goods movement.** Develop, maintain, and enhance a multimodal freight transportation system for the safe, reliable, sustainable, and efficient movement of goods within and through the city.

**Policy 9.31. Economic development and industrial lands.** Ensure that the transportation system supports traded sector economic development plans and full utilization of prime industrial land, including brownfield redevelopment.

**Policy 9.32. Multimodal system and hub.** Maintain Portland's role as a multimodal hub for global and regional movement of goods. Enhance Portland's network of multimodal freight corridors.

**Policy 9.33. Freight network.** Develop, manage, and maintain a safe, efficient, and reliable freight street network to provide freight access to and from intermodal freight facilities, industrial and commercial districts, and the regional transportation system. Invest to accommodate forecasted growth of interregional freight volumes and provide access to truck, marine, rail, and air transportation systems. Ensure designated routes and facilities are adequate for over-dimensional trucks and emergency equipment.

**Policy 9.34. Sustainable freight system.** Support the efficient delivery of goods and services to businesses and neighborhoods, while also reducing environmental and neighborhood impacts. Encourage the use of energy efficient and clean delivery vehicles, and manage on- and off-street loading spaces to ensure adequate access for deliveries to businesses, while maintaining access to homes and businesses.

**Policy 9.35. Freight rail network.** Coordinate with stakeholders and regional partners to support continued reinvestment in, and modernization of, the freight rail network.

**Policy 9.36. Portland Harbor.** Coordinate with the Port of Portland, private stakeholders, and regional partners to improve and maintain access to marine terminals and related river dependent uses in Portland Harbor.

**9.36.a.** Support continued reinvestment in, and modernization of, marine terminals in Portland Harbor.

**9.36.b.** Facilitate continued maintenance of the shipping channels in Portland Harbor and the Columbia River.

**9.36.c.** Support more long-distance, high-volume movement of goods to river and oceangoing ships and rail.

**Policy 9.37. Portland Heliport.** Maintain Portland's Heliport functionality in the Central City.

**Policy 9.38. Automobile transportation.** Maintain acceptable levels of mobility and access for private automobiles while reducing overall vehicle miles traveled (VMT) and negative impacts of private automobiles on the environment and human health.

**Policy 9.39. Automobile efficiency.** Coordinate land use and transportation plans and programs with other public and private stakeholders to encourage vehicle technology innovation, shifts toward electric and other cleaner, more energy-efficient vehicles and fuels, integration of smart vehicle technology with intelligent transportation systems, and greater use of options such as car-share, carpool, and taxi.

**Policy 9.40. Emergency response.** Maintain a network of accessible emergency response streets to facilitate safe and expedient emergency response and evacuation. Ensure that police, fire, ambulance,

and other emergency providers can reach their destinations in a timely fashion, without negatively impacting traffic calming and other measures intended to reduce crashes and improve safety.

- 187. Finding:** Policies 9.17 through 9.40 primarily address the design and use of transportation infrastructure, and the goal of developing a more multimodal system. The Cully TIF District Plan does not change these policies as funding is not specifically allocated for any transportation improvements. However, the funding for both housing retention and development of additional housing options, and commercial development and retention will assist in keeping development in the urban core, providing a transportation system that is more efficient. The Cully TIF Plan is consistent with policies 9.17 through 9.40.

## **Airport Futures**

**Policy 9.41. Portland International Airport.** Maintain the Portland International Airport as an important regional, national, and international transportation hub serving the bi-state economy.

**Policy 9.42. Airport regulations.** Implement the Airport Futures Plan through the implementation of the Portland International Airport Plan District.

**9.42.a.** Prohibit the development of a potential third parallel runway at PDX unless need for its construction is established through a transparent, thorough, and regional planning process.

**9.42.b.** Support implementation of the Aircraft Landing Zone to provide safer operating conditions for aircraft in the vicinity of Portland International Airport by limiting the height of structures, vegetation, and construction equipment.

**9.42.c.** Support the Port of Portland's Wildlife Hazard Management Plan by implementing airport-specific landscaping requirements in the Portland International Airport Plan District to reduce conflicts between wildlife and aircraft.

**Policy 9.43. Airport partnerships.** Partner with the Port of Portland and the regional community to address the critical interconnection between economic development, environmental stewardship, and social responsibility. Support an ongoing public advisory committee for PDX to:

**9.43.a.** Support meaningful and collaborative public dialogue and engagement on airport related planning and development.

**9.43.b.** Provide an opportunity for the community to inform the decision-making related to the airport of the Port, the City of Portland, and other jurisdictions/organizations in the region.

**9.43.c.** Raise public knowledge about PDX and impacted communities.

**Policy 9.44. Airport investments.** Ensure that new development and redevelopment of airport facilities supports the City's and the Port's sustainability goals and policies, and is in accordance with Figure 9-3 — Portland International Airport. Allow the Port flexibility in configuring airport facilities to preserve future development options, minimize environmental impacts, use land resources efficiently, maximize operational efficiency, ensure development can be effectively phased, and address Federal Aviation Administration's airport design criteria.

- 188. Finding:** Policies 9.41 through 9.44 provide policy direction related to Portland International Airport. The amendments of the Cully TIF District Plan do not change the Portland International Airport Plan District or have any impact on airport facilities. These policies do not apply.

## **System management**

**Policy 9.45. System management.** Give preference to transportation improvements that use existing roadway capacity efficiently and that improve the safety of the system for all users.

**9.45.a.** Support regional equity measures for transportation system evaluation.

**Policy 9.46. Traffic management.** Evaluate and encourage traffic speed and volume to be consistent with street classifications and desired land uses to improve safety, preserve and enhance neighborhood livability, and meet system goals of calming vehicle traffic through a combination of enforcement, engineering, and education efforts.

**9.46.a.** Use traffic calming tools, traffic diversion and other available tools and methods to create and maintain sufficiently low automotive volumes and speeds on neighborhood greenways to ensure comfortable cycling environment on the street.

**Policy 9.47. Connectivity.** Establish an interconnected, multimodal transportation system to serve centers and other significant locations. Promote a logical, direct, and connected street system through street spacing guidelines and district-specific street plans found in the Transportation System Plan, and prioritize access to specific places by certain modes in accordance with policies 9.6 and 9.7.

**9.47.a.** Develop conceptual master street plans for areas of the City that have significant amounts of vacant or underdeveloped land and where the street network does not meet City and Metro connectivity guidelines.

**9.47.b.** As areas with adopted Street Plans develop, provide connectivity for all modes by developing the streets and accessways as shown on the Master Street Plan Maps in the Comprehensive Plan.

**9.47.c.** Continue to provide connectivity in areas with adopted Street Plans for all modes of travel by developing public and private streets as shown on the Master Street Plan Maps in the Comprehensive Plan.

**9.47.d.** Provide street connections with spacing of no more than 530 feet between connections except where prevented by barriers such as topography, railroads, freeways, or environmental constraints. Where streets must cross over protected water features, provide crossings at an average spacing of 800 to 1000 feet, unless exceptional habitat quality or length of crossing prevents a full street connection.

**9.47.e** Provide bike and pedestrian connections at approximately 330 feet intervals on public easements or rights-of-way when full street connections are not possible, except where prevented by barriers such as topography, railroads, freeways, or environmental constraints. Bike and pedestrian connections that cross protected water features should have an average spacing of no more than 530 feet, unless exceptional habitat quality or length of connection prevents a connection.

**Policy 9.48 Technology.** Encourage the use of emerging vehicle and parking technology to improve real-time management of the transportation network and to manage and allocate parking supply and demand.

**Policy 9.49 Performance measures.** Establish multimodal performance measures and measures of system completeness to evaluate and monitor the adequacy of transportation services based on performance measures in goals 9.A. through 9.I. Use these measures to evaluate overall system performance, inform corridor and area-specific plans and investments, identify project and program

needs, evaluate and prioritize investments, and regulate development, institutional campus growth, zone changes, Comprehensive Plan Map amendments, and conditional uses.

**9.49.a.** Eliminate deaths and serious injuries for all who share Portland streets by 2025.

**9.49.b.** Maintain or decrease the number of peak period non-freight motor vehicle trips, system-wide and within each mobility corridor to reduce or manage congestion.

**9.49.c.** By 2035, reduce the number of miles Portlanders travel by car to 11 miles per day or less, on average.

**9.49.d.** Establish mode split targets in 2040 Growth Concept areas within the City, consistent with Metro’s targets for these areas.

**9.49.e.** By 2035, increase the mode share of daily non-drive alone trips to 70 percent citywide, and to the following in the five pattern areas:

Pattern Area	2035 daily target mode share
Central City	85%
Inner Neighborhoods	70%
Western Neighborhoods	65%
Eastern Neighborhoods	65%
Industrial and River	55%

**9.49.f.** By 2035, 70 percent of commuters walk, bike, take transit, carpool, or work from home at approximately the following rates:

Mode	Mode Share
Walk	7.5%
Bicycle	25%
Transit	25%
Carpool	10%
Single Occupant Vehicle (SOV)	30% or less
Work at home	10% below the line (calculated outside of the modal targets above)

**9.49.g.** By 2035, reduce Portland’s transportation-related carbon emissions to 50% below 1990 levels, at approximately 934,000 metric tons.

**9.49.h.** By 2025, increase the percentage of new mixed use zone building households not owning an automobile from approximately 13% (2014) to 25%, and reduce the percentage of households owning two automobiles from approximately 24% to 10%.

**9.49.i.** Develop and use alternatives to the level-of-service measure to improve safety, encourage multimodal transportation, and to evaluate and mitigate maintenance and new trip impacts from new development.

**9.49.j.** Use level-of-service, consistent with Table 9.1, as one measure to evaluate the adequacy of transportation facilities in the vicinity of sites subject to land use review.

**9.49.k.** Maintain acceptable levels of performance on state facilities and the regional arterial and throughway network, consistent with the interim standard in Table 9.2, in the development and adoption of, and amendments to, the Transportation System Plan and in legislative amendments to the Comprehensive Plan Map.

**9.49.l.** In areas identified by Metro that exceed the level-of-service in Table 9.2 and are planned to, but do not currently meet the alternative performance criteria, establish an action plan that does the following:

- Anticipates growth and future impacts of motor vehicle traffic on multimodal travel in the area
- Establishes strategies for mitigating the future impacts of motor vehicles
- Establishes performance standards for monitoring and implementing the action plan.

Location	Standards		
	Mid-Day One-Hour Peak *	PM 2-Hour Peak	
		1st Hour	2nd Hour
Central City, Gateway, Town Centers, Neighborhood Centers, Station Areas	0.99	1.1	0.99
I-84 (from I-5 to I-205), I-5 North (from Marquam Bridge to Interstate Bridge, OR 99- E (from Lincoln St. to OR 224), US 26 (from I-405 to Sylvan Interchange), I-405	0.99	1.1	0.99
Other Principal Arterial Routes	0.90	0.99	0.99
*The demand-to-capacity ratios in the table are for the highest two consecutive hours of the weekday traffic volumes. The mid-day peak hour is the highest 60-minute period between the hours of 9 a.m. and 3 p.m. The 2nd hour is defined as the single 60-minute period, either before or after the peak 60-minute period, whichever is highest.			

**9.49.m.** Develop performance measures to track progress in creating and maintaining the transportation system.

**Policy 9.50 Regional congestion management.** Coordinate with Metro to establish new regional multimodal mobility standards that prioritize transit, freight, and system completeness.

**9.50.a.** Create a regional congestion management approach, including a market-based system, to price or charge for auto trips and parking, better account for the cost of auto trips, and to more efficiently manage the regional system.

**Policy 9.51. Multimodal Mixed-Use Area.** Manage Central City Plan amendments in accordance with the designated Central City Multimodal Mixed-Use Area (MMA) in the geography indicated in Figure 9-2. The MMA renders congestion / mobility standards inapplicable to any proposed plan amendments under OAR 660-0012-0060(10).

- 189. Finding:** Policies 9.45 through 9.51 generally address the system-wide management of the City's transportation system. VMT and mode split targets are integrally related because they are two ways to measure system performance. Policy 9.49 addresses state and regional system performance standards, and includes standards related to vehicle congestion. The Cully TIF District Plan could have an impact on these performance standards if Cully residents were able to find jobs in closer proximity to their place of residence. The Plan provides funding to provide more affordable housing and increase economic prosperity in the Cully Neighborhood.

The Cully TIF District Plan is not anticipated to significantly impact how the transportation system functions, by impacting mobility, generating significant congestion, impacting mode choices or changing VMT. Existing zoning capacity is not proposed for change. Any transportation impacts that are likely to occur because of Cully TIF District Plan can be sufficiently managed through current and planned projects and programs that have already been identified in the 2035 Transportation System Plan. Therefore, the Cully TIF Plan is consistent with these policies.

## **Transportation Demand Management**

**Policy 9.52. Outreach.** Create and maintain TDM outreach programs that work with Transportation Management Associations (TMA), residents, employers, and employees that increase the modal share of walking, bicycling, and shared vehicle trips while reducing private vehicle ownership, parking demand, and drive-alone trips, especially during peak periods.

**Policy 9.53. New development.** Create and maintain TDM regulations and services that prevent and reduce traffic and parking impacts from new development and redevelopment. Encourage coordinated area-wide delivery of TDM programs. Monitor and improve the performance of private-sector TDM programs.

**Policy 9.54. Projects and programs.** Integrate TDM information into transportation project and program development and implementation to increase use of new multimodal transportation projects and services.

- 190. Finding.** Policies 9.52 through 9.54 provide direction regarding transportation demand management. The City has created TDM financial incentive programs but has elected to only require participation in those programs for larger developments (10 or more dwelling units). The Cully TIF District Plan does not affect existing TDM regulations or outreach programs (e.g., requirements in Title 17, Smart Trips and Safe Routes to Schools). These policies do not apply.

## **Parking Management**

**Policy 9.55. Parking management.** Reduce parking demand and manage supply to improve pedestrian, bicycle and transit mode share, neighborhood livability, safety, business district vitality, vehicle miles traveled (VMT) reduction, and air quality. Implement strategies that reduce demand for new parking and private vehicle ownership, and that help maintain optimal parking occupancy and availability.

**Policy 9.56. Curb Zone.** Recognize that the Curb Zone is a public space, a physical and spatial asset that has value and cost. Evaluate whether, when, and where parking is the highest and best use of this public space in support of broad City policy goals and local land use context. Establish thresholds to utilize parking management and pricing tools in areas with high parking demand to ensure adequate on-street parking supply during peak periods.

**Policy 9.57. On-street parking.** Manage parking and loading demand, supply, and operations in the public right of way to achieve mode share objectives, and to encourage safety, economic vitality, and livability. Use transportation demand management and pricing of parking in areas with high parking demand.

**Policy 9.58. Off-street parking.** Limit the development of new parking spaces to achieve land use, transportation, and environmental goals, especially in locations with frequent transit service. Regulate off-street parking to achieve mode share objectives, promote compact and walkable urban form, encourage lower rates of car ownership, and promote the vitality of commercial and employment areas. Use transportation demand management and pricing of parking in areas with high parking demand.

**Policy 9.59. Share space and resources.** Encourage the shared use of parking and vehicles to maximize the efficient use of limited urban space.

**Policy 9.60. Cost and price.** Recognize the high public and private cost of parking by encouraging prices that reflect the cost of providing parking and balance demand and supply. Discourage employee and resident parking subsidies.

- 191. Finding:** Policies 9.55 and 9.58 address parking management and off-street parking. These policies direct us to consider mode share objectives, promote compact and walkable urban form, and encourage lower rates of car ownership. These policies do not apply because the Cully TIF District Plan does not change how the City manages the right of way.

**Policy 9.61. Bicycle parking.** Promote the development of new bicycle parking facilities including dedicated bike parking in the public right-of-way. Provide sufficient bicycle parking at high-capacity transit stations to enhance bicycle connection opportunities. Require provision of adequate off-street bicycle parking for new development and redevelopment. Encourage the provision of parking for different types of bicycles. In establishing the standards for long-term bicycle parking, consider the needs of persons with different levels of ability.

- 192. Finding:** This policy does not apply because the Cully TIF Plan does not include any changes to the bicycle parking regulations. This policy does not apply.

## **Finance, programs, and coordination**

**Policy 9.62. Coordination.** Coordinate with state and federal agencies, local and regional governments, special districts, other City bureaus, and providers of transportation services when planning for, developing, and funding transportation facilities and services.

**Policy 9.63. New development impacts.** Prevent, reduce, and mitigate the impacts of new development and redevelopment on the transportation system. Utilize strategies including transportation and parking demand management, transportation system analysis, and system and local impact mitigation improvements and fees.

**193. Finding:** The potential impacts on the transportation system from the Cully TIF District Plan is addressed in the Finding 189.

**Policy 9.64. Education and encouragement.** Create, maintain, and coordinate educational and encouragement programs that support multimodal transportation and that emphasize safety for all modes of transportation. Ensure that these programs are accessible to historically under-served and under-represented populations.

**Policy 9.65. Telecommuting.** Promote telecommuting and the use of communications technology to reduce travel demand.

**Policy 9.66. Project and program selection criteria.** Establish transportation project and program selection criteria consistent with goals 9A through 9I, to cost-effectively achieve access, placemaking, sustainability, equity, health, prosperity, and safety goals.

**Policy 9.67. Funding.** Encourage the development of a range of stable transportation funding sources that provide adequate resources to build and maintain an equitable and sustainable transportation system.

**194. Finding:** Policies 9.64 through 9.67 address the funding and management of the City's transportation system and programs and not development or uses on private or public land outside of the right of way. The Cully TIF Plan does not propose any changes to these policies. These policies do not apply.

### **Connected and Automated Vehicles**

**Policy 9.68 New mobility priorities and outcomes.** Facilitate new mobility vehicles and services with the lowest climate and congestion impacts and greatest equity benefits; with priority to vehicles that are fleet/shared ownership, fully automated, electric and, for passenger vehicles, shared by multiple passengers (known by the acronym FAVES). Develop and implement strategies for each following topic.

**9.68.a.** Ensure that all new mobility vehicles and services and levels of automated vehicles advance Vision Zero by operating safely for all users, especially for vulnerable road users. Require adequate insurance coverage for operators, customers, and the public-at-large by providers of new mobility vehicles and services.

**9.68.b.** Ensure that new mobility vehicles and services improve active transportation and shared ride travel time reliability and system efficiency by:

1. maintaining or reducing the number of vehicle trips during peak congestion periods;
2. reducing low occupancy vehicle trips during peak congestion periods;
3. paying for use of, and impact on, Portland's transportation system including factors such as congestion level, carbon footprint, vehicle miles traveled, vehicle occupancy, and vehicle energy efficiency; and
4. supporting and encouraging use of public transportation.

**9.68.c.** Cut vehicle carbon pollution by reducing low occupancy “empty miles” traveled by passenger vehicles with zero or one passengers. Prioritize vehicles and services with the least climate pollution, and electric and other zero direct emission vehicles operated by fleets and carrying multiple passengers.

**9.68.d.** Make the benefits of new mobility available on an equitable basis to all segments of the community while ensuring traditionally disadvantaged communities are not disproportionately hurt by new mobility vehicles and services. This includes people with disabilities, as well as communities of color, women, and geographically underserved communities.

**9.68.e** Identify, prevent, and mitigate potential adverse impacts from new mobility vehicles and services.

**Policy 9.69 New mobility tools.** Use a full range of tools to ensure that new mobility vehicles and services and private data communications devices installed in the City right of way contribute to achieving Comprehensive Plan and Transportation System Plan goals and policies.

**9.69.a.** Maintain City authority to identify and develop appropriate data sharing requirements to inform and support safe, efficient, and effective management of the transportation system. Ensure that when new mobility vehicles and services use City rights-of-way or when vehicles connect with smart infrastructure within the City they share information including, but not limited to, vehicle type, occupancy, speed, travel routes, and travel times, crashes and citations, with appropriate privacy controls. Ensure that private data communications devices installed in the City right of way are required to share anonymized transportation data.

**9.69.b.** Design and manage the mobility zone, curb/flex zone, and traffic control devices, e.g. to limit speeds to increase safety, to minimize cut-through traffic, evaluate future demand for pick-up and drop-off zones, and to prioritize automated electric vehicles carrying more passengers in congested times and locations;

**9.69.c.** Evaluate the public cost and benefit of investments in wayside communication systems serving new mobility vehicles and services.

**9.69.d.** Develop sustainable user-pays funding mechanisms to support new mobility vehicle infrastructure and service investments, transportation system maintenance, and efficient system management.

**9.69.e.** Ensure that new mobility vehicles and vehicles that connect to smart City infrastructure, and private data communications devices installed in the City right of way, help pay for infrastructure and service investments, and support system reliability and efficiency. Develop a tiered pricing structure that reflects vehicle and service impacts on the transportation system, including factors such as congestion level, carbon footprint, vehicle miles traveled, vehicle occupancy, and vehicle energy efficiency.

**195. Finding:** Policies 9.68 and 9.69 address the management of automated vehicles and not development or uses on private or public land outside of the right of way. These policies do not apply.

## Chapter 10: Land Use Designations and Zoning

**Goal 10.A: Land use designations and zoning.** Effectively and efficiently carry out the goals and policies of the Comprehensive Plan through the land use designations, Zoning Map, and the Zoning Code.

- 196. Finding:** The Cully TIF District Plan does not change land use designations or the Zoning Map. Therefore the Plan is consistent with Chapter 10: Land Use Designations and Zoning.

### Land use designations

**Policy 10.1. Land use designations.** Apply a land use designation to all land and water within the City's Urban Services Boundary. Apply the designation that best advances the Comprehensive Plan goals and policies. The land use designations are shown on the adopted Land Use Map and on official Zoning Maps.

- 197. Finding:** The Cully TIF District Plan does not change land use designations or the Zoning Map. The Cully TIF District Plan projects are consistent with the existing land use designations and therefore the Plan is consistent with Policy 10.1.

### The Zoning Map and the Zoning Code

**Policy 10.2. Relationship of land use designations to base zones.** Apply a base zone to all land and water within the City's urban services boundary. The base zone applied must either be a zone that corresponds to the land use designation or be a zone that does not correspond but is allowed per Figure 10-1 — Corresponding and Less-Intense Zones for Each Plan Map Designation. In some situations, there are long-term or short-term obstacles to achieving the level of development intended by the land use designation (e.g., an infrastructure improvement to serve the higher level of development is planned but not yet funded). In these situations, a less intense zone (listed in Figure 10-1) may be applied. When a land use designation is amended, the zone may also have to be changed to a corresponding zone or a zone that does not correspond but is allowed.

- 198. Finding:** The Cully TIF District Plan does not apply or remove any base zones. This policy does not apply.

#### Policy 10.3. Amending the Zoning Map.

**10.3.a.** Amending a base zone may be done legislatively or quasi-judicially.

**10.3.b.** When amending a base zone quasi-judicially, the amendment must be to a corresponding zone (*see Figure 10-1 — Corresponding and Allowed Zones for Each Land Use Designation*). When a designation has more than one corresponding zone, the most appropriate zone, based on the purpose of the zone and the zoning and general land uses of surrounding lands, will be applied.

**10.3.c.** When amending a base zone legislatively, the amendment may be to a corresponding zone or to a zone that does not correspond but is allowed (*see Figure 10-1 — Corresponding and Allowed Zones for each Land Use Designation for zones that are allowed*). A legislative Zoning Map amendment may not be to a zone that is not allowed.

- 199. Finding:** The Cully TIF District Plan does not apply or remove any base zones. This policy does not apply.

**10.3.d.** An amendment to a base zone consistent with the land use designation must be approved when it is found that current public services can support the uses allowed by the zone, or that public services can be made capable by the time the development is complete. The adequacy of services is based on the proposed use and development. If a specific use and development proposal is not submitted, services must be able to support the range of uses and development allowed by the zone. For the purposes of this requirement, services include water supply, sanitary sewage disposal, stormwater management, transportation, school district capacity (where a school facility plan exists), and police and fire protection.

**200. Finding:** The Cully TIF District Plan does not apply or remove any base zones. This policy does not apply.

**10.3.e.** An amendment to apply or remove an overlay zone or plan district may be done legislatively or quasi-judicially, and must be based on a study or plan document that identifies a specific characteristic, situation, or problem that is not adequately addressed by the base zone or other regulations.

**201. Finding:** The Cully TIF District Plan does not apply or remove any overlay zones. This policy does not apply.

**Policy 10.4. Amending the Zoning Code.** Amendments to the zoning regulations must be done legislatively and should be clear, concise, and applicable to a broad range of development situations faced by a growing city. Amendments should:

**10.4.a.** Promote good planning:

- Effectively and efficiently implement the Comprehensive Plan.
- Address existing and potential land use problems.
- Balance the benefits of regulations against the costs of implementation and compliance.
- Maintain Portland's competitiveness with other jurisdictions as a location in which to live, invest, and do business.

**10.4.b.** Ensure good administration of land use regulations:

- Keep regulations as simple as possible.
- Use clear and objective standards wherever possible.
- Maintain consistent procedures and limit their number.
- Establish specific approval criteria for land use reviews.
- Establish application requirements that are as reasonable as possible, and ensure they are directly tied to approval criteria.
- Emphasize administrative procedures for land use reviews.
- Avoid overlapping reviews.

**10.4.c.** Strive to improve the code document:

- Use clear language.
- Maintain a clear and logical organization.
- Use a format and layout that enables use of the document by lay people as well as professionals.
- Use tables and drawings to clarify and shorten the document.
- Identify and act on regulatory improvement suggestions.

**202. Finding:** The Cully TIF District Plan does not apply or remove any overlay zones. This policy does not apply.

## **Part IV. Area-Specific Plans**

### **Albina Community Plan**

The Albina Community Plan was adopted by City Council on September 30, 1993, as part of Portland's Comprehensive Plan. The Albina Community Plan articulates a detailed vision for the revitalization of north and northeast Portland.

The Cully TIF Plan conforms to the following applicable provision of the Albina Community Plan for the reasons stated in the citywide Findings above. Whenever the Albina Community Plan establishes a numeric objective that is not contained in the citywide plan, a supplemental Finding is provided below:

#### **Albina Land Use Policy A: General Land Use**

Encourage residential, recreational, economic and institutional developments that reinforce Plan Area neighborhoods; increase the attractiveness of Albina to residents, institutions, businesses and visitors; and create a land use pattern that will reduce dependence on the automobile.

- 203. Finding:** Funding from the Cully TIF District Plan will go towards housing and community economic development, adding residents to the area and contributing to neighborhood businesses that will reduce dependence on automobiles. The Cully TIF District Plan is consistent with this policy.

#### **Albina Land Use Policy B: Livable Neighborhoods**

Protect and improve the livability of the residential neighborhoods within the Albina Community. Direct new development activity to those areas that have experienced or are experiencing a loss of housing. Ensure the compatibility of new development with nearby housing. Foster the development of complete neighborhoods that have service and retail businesses located within or conveniently near to them. Promote increases in residential density without creating economic pressure for the clearance of sound housing.

- 204. Finding:** The Cully TIF District Plan complies with this policy as the projects to be funded through the Plan call for investment that will increase the supply of affordable housing and commercial development that serves the community. The Cully TIF District Plan is consistent with this policy.

#### **Albina Land Use Policy C: A Pattern of Green**

Enhance the Albina area with attractive and well maintained parks and open spaces. Ensure that open space and recreation facilities in the Albina Community meet the needs of present and future residents. Develop green links between Albina's parks and recreational facilities, its residential areas, a citywide system of green spaces and nearby natural areas.

- 205. Finding:** The funding from the Cully TIF District Plan will initially go towards housing and community economic development. After those priorities are addressed, there is a project for recreational improvements including a community center, natural areas, community gardens, athletic facilities and recreational facilities located in affordable housing and commercial developments. The Cully TIF District Plan is consistent with this policy.

#### **Albina Land Use Policy D: Economic Development**

Foster development of distinct, well-anchored commercial , institutional and industrial nodes and centers that serve the needs of the community, attract shoppers from throughout the region and take advantage of the close proximity of the district to the Central City, Oregon Convention Center and Columbia Corridor. Ensure that institutions have opportunities for growth that meet their needs. Support the expanding and new industrial firms that provide family wage jobs to Albina Community residents. Protect residential neighborhoods from negative impacts associated with commercial, institutional and/or industrial growth.

**206. Finding:** The Cully TIF District Plan supports this policy, because the Cully TIF District Plan contains goals, principles and projects that invest in economic development and jobs to strengthen existing businesses and assist residents in meeting jobs needs. The values, of the Cully TIF District Plan support equity, inclusivity, diversity, community leadership and control, cultural responsiveness, community stabilization and prosperity, forward thinking and solidarity with similar community-led efforts. The goals further support these efforts:

1. Prevent the displacement of vulnerable people, communities, businesses and Community-based institutions from Cully.
2. Preserve existing opportunities for affordable housing and economic prosperity activities and create new opportunities for vulnerable people and communities, especially Priority Communities to live, work and thrive in Cully, including those previously displaced.
3. Ensure that current residents benefit from investments and neighborhood change, and that opportunities for housing and economic prosperity activities will be preserved and expanded for future generations.
4. Ensure that Priority Communities play lead roles in making decisions about investments and policies that affect them and their communities.
5. Develop and inspire a new model for the creation of future TIF districts in Portland and beyond.
6. Actively work to remove barriers that could preclude community members from accessing TIF-funded projects and opportunities, including barriers such as immigration status, credit history, legal history, rental history, eviction history, and experience of domestic violence.
7. Spur innovation of environment and climate change initiatives in TIF projects.

The implementation of the economic development project will follow the principles outlined in the Plan:

13. Analyze potential investments
14. Strategically sequence investments over time
15. Set aside funds for opportunistic property acquisition
16. Leverage and prioritize TIF resources alongside other funding sources
17. Create community benefits from TIF investments
18. Create equitable contracting and employment opportunities
19. Prioritize and support community-based organizations
20. Advance climate action and environmental stewardship
21. Incorporate arts, culture and signage
22. Remove barriers to TIF funded opportunities
23. Support cooperative ownership
24. Ensure physical accessibility

Therefore, the Cully TIF District Plan is consistent with this policy.

**Albina Land Use Policy E: Transit Supportive Land Use**

Focus new development at locations along transportation corridors that offer opportunities for transit supportive developments and foster the creation of good environments for pedestrians in these areas.

- 207. Finding:** The Cully TIF District Plan supports this policy as the development of affordable housing and support for the neighborhood business districts will encourage living in the neighborhood, reducing development into non-transit served neighborhoods. The Cully TIF District Plan is consistent with this policy.

**Albina Transportation Policy**

Take full advantage of the Albina Community's location by improving its connections to the region. Emphasize light rail transit as the major transportation investment while improving access to freeways to serve industrial and employment centers. Protect neighborhood livability and the viability of commercial areas when making transportation improvements. Provide safe and attractive routes for bicyclists and pedestrians

- 208. Finding:** The Cully TIF District Area is not served by the light rail system. This policy does not apply.

**Albina Business Growth and Development, General Policy**

Stimulate investment, capital formation, and job creation benefiting Albina enterprises and households. Expand and diversify the area's industrial, commercial, and institutional employment base. Aggressively market the Albina Community to investors, developers, business owners, workers, households, and tourists.

- 209. Finding:** Much of the funding from the Cully TIF District Plan will go towards affordable housing and local business support and development. See Findings 5, 100,102,123, and 137. The Cully TIF District Plan is consistent with this policy.

**Albina Business Investment and Development, Policy A**

Build a sustainable and robust economic activity and employment base in the Albina Community. Use public policies and resources to capture and direct the benefits of growth in community institutions and Albina Impact Area industries to Albina Community enterprises and households. Improve the competitive position and performance of the community's retail and service sectors. Maintain the public infrastructure necessary to support the expansion of economic activities and employment.

- 210. Finding:** Much of the funding from the Cully TIF District Plan will go towards affordable housing and local business support and development. Providing local services in close proximity to affordable housing will help to support these businesses. The Cully TIF District Plan is consistent with this policy.

**Albina Business Investment and Development, Policy A, Objective 7** Nurture and promote local entrepreneurship, micro-business growth, and business expansion, particularly for emerging small businesses and enterprises owned by women and minorities.

**Albina Business Investment and Development, Policy A, Objective 8** Support community and private sector efforts to build working capital loan funds for Albina Community business start-up and expansion.

**Albina Business Investment and Development, Policy A, Objective 9** Support the growth of community-based revitalization organizations and corporations offering technical, development, and/or financial assistance to community entrepreneurs and businesses.

**Albina Business Investment and Development, Policy A, Objective 10**  
Create business incentive programs and resources which foster start-up firms and expansion in targeted industries.

**211. Finding:** The values, of the Cully TIF District Plan support equity, inclusivity, diversity, community leadership and control, cultural responsiveness, community stabilization and prosperity, forward thinking and solidarity with similar community-led efforts. The goals and priorities further support these efforts, see Finding 222. The Cully TIF District Plan is consistent with these policies.

**Albina Business Investment and Development, Policy B, Commercial, Institutional and Employment Centers**

Recruit, retain, and encourage expansion of economic activities and institutions which enhance neighborhood livability. Conserve community assets and resources. Use public programs and resources to encourage more efficient design and utilization in the Albina Community's commercial, institutional and industrial centers.

**212. Finding:** See Finding 222. The Cully TIF District Plan is consistent with this policy.

**Albina Business Investment and Development, Policy C: Household Income and Employment**  
Use public resources to stimulate the creation of new sources of household income and family-wage employment for community residents. Focus economic development activities to produce the greatest positive impact on those portions of Albina suffering most severely from under-utilization of human resources.

**213. Finding:** See Finding 222. The Cully TIF District Plan is consistent with this policy.

**Albina Jobs and Employment Policy**

Reduce the unemployment rate among Albina residents. Strengthen programs that provide education, job training, job retention skills and services that prepare area residents for long-term employment and that create opportunities for career advancement. Ensure that job training programs include comprehensive services that are ethnically and culturally sensitive.

**214. Finding:** The funding from the Cully TIF District Plan will support housing stabilization and local economic development. It will not provide direct funding for education, job training or other skills referenced above. This policy does not directly apply but is supported through the investments in housing and local economic development.

**Albina Jobs and Employment Policy, Objective 1**

Increase the number of Albina residents who have family wage jobs.

**Albina Jobs and Employment Policy, Objective 2**

Encourage local employers to hire area residents from the Albina Community.

**Albina Jobs and Employment Policy, Objective 3**

Develop and strengthen a network of agencies to effectively coordinate the referral of adults and youth into the appropriate pre-employment training, educational programs and support services, thus eliminating duplication of services.

**Albina Jobs and Employment Policy, Objective 4**

Encourage instructors of job skills training and education programs to become familiar with other languages in order to improve communication with Albina's diverse population.

**Albina Jobs and Employment Policy, Objective 5**

Ensure that job training and education programs prepare area residents and students to effectively participate in the workforce.

**Albina Jobs and Employment Policy, Objective 6**

Identify successful sensitivity and multi-cultural training programs and invite local businesses to replicate them.

**Albina Jobs and Employment Policy, Objective 7**

Develop and continue training programs that are designed to accommodate youth, adult and "special needs" populations.

**Albina Jobs and Employment Policy, Objective 8**

Develop a mix of programs and services to provide child care for working parents and those who are in job training or education programs.

**Albina Jobs and Employment Policy, Objective 9**

Provide assistance and guidance to youth with education and career decisions.

**Albina Jobs and Employment Policy, Objective 10**

Encourage collaboration between businesses, schools and job training centers so that they can solicit from each other the types of skills and training necessary for a successful job candidate.

**Albina Jobs and Employment Policy, Objective 12**

Ensure that area residents have affordable and convenient access to major employment centers.

**Albina Jobs and Employment Policy, Objective 13**

Target a minimum of 20% of all new jobs over the next 20 years to Albina residents.

**215. Finding:** The intent of the Cully TIF District Plan is meet the objectives identified in 1-13 above. See Finding 222 that details the values, goals and priorities of the Cully TIF District Plan. The Cully TIF District Plan is consistent with this policy and objectives 1-13. See employment and workforce-related findings in Chapter 6: Economic Development Findings.

**Albina Jobs and Employment Policy, Objective 14**

Identify and support an existing, broadly representative community-based committee from the Albina Community Plan area to monitor, advocate, and serve as the accountability link with organized

employment and education service delivery systems. The committee's goals are to ensure that the Plan's Jobs, Employment and Education policy objectives and actions are rigorously pursued, and implementation programs coordinated, efficient, and effective.

**216. Finding:** The Cully TIF District Plan has been developed through an extremely broad community led effort as detailed in Finding 37. The community will continue to implement the Cully TIF District Plan as detailed in the Governance Charter. Therefore, the Cully TIF Plan is consistent with this policy.

**Albina Housing Policy**

Increase housing opportunities for current and future residents of the Albina Community by preserving and rehabilitating the existing housing stock, constructing appropriate infill housing in residential neighborhoods and building higher density housing near business centers and major transit routes. Stimulate new housing investment by emphasizing the Albina Community's central location, established public services, and quality housing stock.

**217. Finding:** Forty-five percent of the funding from the Cully TIF District Plan will go towards affordable housing as detailed in Finding 102. The support for the neighborhood businesses will further support affordable housing in the neighborhood. The Cully TIF District Plan is consistent with this policy.

**Albina Housing Policy, Objective 1**

Improve the quality and quantity of housing for Albina residents. Provide a variety of housing types for households of all sizes and incomes.

**Albina Housing Policy, Objective 2**

Add 3,000 new housing units to the Albina Community Plan Study Area over the next 20 years.

**218. Finding:** Forty-five percent of the funding from the Cully TIF District Plan will go towards affordable housing as detailed in Finding 102. This will add to the number new housing units in the Albina Community Plan Study Area. The Cully TIF District Plan is consistent with these policies and Objectives 1 and 2.

**Albina Community Image and Character, General Policy**

Build a positive identity for the Albina Community throughout the metropolitan area. Reinforce Albina's identity as a part of Portland and celebrate its special diverse architectural and cultural character. Provide opportunities for people outside of the district to experience the positive characteristics of the Albina Community. Strengthen the Albina Community's sense of place through the promotion of its art, history and culture.

**Albina Community Image and Character, Policy A:** Arts and Culture encourage private and public organizations to participate in activities and actions that create a sense of identity and community among those living and working in the Albina Community. Promote the importance of art as a means for community pride, involvement and revitalization.

**Albina Community Image and Character, Policy B:** Urban Design Improve the physical appearance of Albina. Enhance the desirable and distinctive characteristics of the Albina Community and its individual

residential, commercial and employment districts. Strengthen visual and physical connections to the rest of the city. Mark transitions into neighborhoods and districts. Create a safe and pleasant environment for pedestrians. Strengthen the pattern of green that exists throughout the Albina Community.

**219. Finding:** The funding from the Cully TIF District Plan will go towards affordable housing, economic development, arts culture and signage as further elaborated in Finding 122. The arts culture and signage project is intended to:

“Seek opportunities to include historical and cultural art & signage in TIF investments, to celebrate and represent Priority Communities in Cully. These elements should be developed by and/or in collaboration with artists and community members who represent those communities. It is the intent that these elements be infused throughout the projects completed in the District.

Signage is not specifically for beautification but for the greater purpose of the TIF district. It should be funded if it is a part of a project that is TIF funded. Adding any of these elements outside of a TIF funded project will require being included in a Five Year Action Plan or reviewed and approved by the Community Leadership Committee as established in the Governance Charter..”

The Cully TIF District Plan is consistent with these policies.

**Albina Community Image and Character, Policy C: Historic Preservation**

Protect the rich historic, cultural and architectural heritage of the Albina Community for its residents, workers and visitors.

**220. Finding:** The funding from the Cully TIF District Plan will allow for funding for home repair which could address the historic inventory. The Cully TIF District Plan is consistent with this policy.

## **Cully Neighborhood Plan**

The Cully Neighborhood Plan was adopted by Ordinance 164922 by the Portland City Council on December 18, 1991. The following are the policies incorporated into the Cully Neighborhood Plan and how the Cully TIF District Plan relates to them.

### **1 A. POLICY: IMAGE**

Develop a strong neighborhood identity that creates a sense of place and belonging for residents of the neighborhood and unifies residential, commercial and industrial interests into a cooperative force for mutual improvement and advancement.

**221. Finding:** The Cully TIF Plan is an implementation tool to create a sense of place and belonging for residents of the neighborhood and unite residential, commercial and industrial interests. The vision, goals, polices and principles all incorporate this policy. See Finding 222. The Cully TIF Plan is consistent with this policy.

### **1 B. POLICY: NEIGHBORHOOD ASSOCIATION**

Continue to develop the identity of the Cully Association of Neighbors (CAN) as a representative communicating body.

**222. Finding:** The Cully Association of Neighbors was a key partner in the development of the Cully TIF Plan and numerous members were involved in outreach efforts with City partners and adjacent neighborhood associations. Several members of the Cully Association of Neighbors have expressed interest in applying for the Community Leadership Committee, and/or being engaged in Action Planning as well. Therefore, the Cully TIF Plan is consistent with this policy.

### **2.A. POLICY: LIVABILITY AND COMMUNICATOIN**

Develop the communication, cooperation and commitment necessary among the residential, commercial and industrial neighbors to nurture and sustain a vibrant, safe, diverse and stable community.

**223. Finding:** The City has been working with the Cully neighborhood for over two years in the development of the Cully TIF District. This has involved community organizing and training to develop the communication, cooperation and commitment necessary among the residential, commercial and industrial neighbors to nurture and sustain a vibrant, safe, diverse and stable community. Therefore, the Cully TIF Plan is consistent with this policy. See Comprehensive Plan Chapter 2: Public Involvement Findings 36-47.

### **2.B. POLICY: URBAN CHARACTER AND HISTORIC PRESERVATION**

Maintain and improve the quality and historic character of the neighborhood's existing physical environment while attracting compatible development.

**224. Finding:** The Cully TIF Plan has an affordable housing program to assist in maintaining and improving the quality and historic character of the neighborhood. Therefore, the Cully TIF Plan is consistent with this policy.

### **2.C. POLICY: SAFETY**

Make the neighborhood safer and more cohesive through active involvement in crime prevention.

**225. Finding:** This policy does not apply.

**3.A. POLICY: PRESERVE HOUSING AND PROMOTE NEW DEVELOPMENT**

Preserve, protect and improve existing housing stock while providing opportunities for new housing for people of all ages, family types and income levels.

**226. Finding:** A minimum of forty-five percent of the funding in the Cully TIF Plan is allocated to Affordable Housing. This allocation of funding is meant to preserve, protect and improve the existing housing stock and provide new opportunities for housing. Therefore, the Cully TIF Plan is consistent with this policy. See Comprehensive Plan Chapter 5: Housing Findings 98-135.

**4.A.POLICY: PROTECT RESIDENTIAL AREAS**

Maintain and solidify the residential character of the neighborhood while promoting a supportive relationship among the residential, commercial and industrial interests of the neighborhood.

**227. Finding:** Forty-five percent of the funding in the Cully TIF Plan is allocated to affordable housing. This allocation of funding is meant to preserve, protect and improve the existing housing stock and provide new opportunities for housing. In addition, the funding to assist business stabilization and encourage new business development will assist in promoting a supportive relationship among residential, commercial and industrial interests of the neighborhood. Therefore, the Cully TIF Plan is consistent with this policy.

**4.B. POLICY: COMMERCIAL AND INDUSTRIA USES**

Maintain and encourage commercial and industrial uses which serve the neighborhood and provide stable employment.

**228. Finding:** Maintaining and encouraging commercial uses is one of the goals of the Cully TIF District Plan. It is also a key component in the twelve principles of the Plan noted in Finding 222. Funding is allocated to the Commercial property acquisition, development and renovation. Therefore, the Cully TIF Plan is consistent with this policy.

**4.C.POLICY: REDEVELOPMENT IN THE SPECIAL FOCUS AREA**

Encourage mixed industrial, commercial and new residential uses within the special focus area while providing a buffer or step down in use between the heavier industrial uses to the north and the neighborhood to the south.

**229. Finding:** The Cully TIF Plan does not change any existing zoning or land use requirements. This policy does not apply.

**4..D. POLICY: RECREATION**

Maintain existing parks, playgrounds and private open spaces; encourage new parks and community facilities.

**230. Finding:** Recreational improvements is a project that is anticipated to be funded in the future in the Cully TIF District Plan. The community has expressed the desire for community centers, natural areas, community gardens, athletic facilities and recreational facilities that are located in affordable housing and commercial developments and these are listed as potential projects in

the Plan. . The Cully TIF Plan may not pay for existing maintenance or operations of facilities but could be used to help construct new facilities in the future. Therefore, the Cully TIF Plan is consistent with this policy.

**4.E. POLICY: COLUMBIA SLOUGH**

Develop the shough as a recreational resource as part of the 40 Mile Loop trail system.

**231. Finding:** This policy does not apply.

**5.A. POLICY: SOCIAL AND CULTURAL CENTER**

Maintain existing and provide new social and cultural services and facilities.

**232. Finding:** The Cully TIF Plan may not pay for existing maintenance or operations of facilities but could be used to help construct new facilities in the future. The community has expressed the desire for community centers, natural areas, community gardens, athletic facilities and recreational facilities that are located in affordable housing and commercial developments and these are listed as potential projects in the Plan. Therefore, the Cully TIF Plan is consistent with this policy.

**5.B. POLICY: CHILD CARE**

Maintain and encourage new safe child care facilities in the neighborhood.

**233. Finding:** Affordable child care was one of the community's desires in any new or renovated commercial development. Child care is noted in the Plan as one of the types of businesses that is prioritized by community members. Therefore, Cully TIF Plan is consistent with this policy.

**5.C. POLICY: OTHER FACILITIES AND SOCIAL SERVICES**

Improve and enhance existing facilities in the neighborhood such as nursing and group home.

**234. Finding:** This policy does not apply.

**6.A. POLICY: REGIONAL**

Encourage the use of major arterials for regional traffic and separate this traffic from local traffic.

**235. Finding:** The Cully TIF District Plan will not change any designations of streets within the Area. This policy does not apply.

**6.B. POLICY: ARTERIALS**

Improve the neighborhood's system of streets to ensure an energy efficient and safe network that minimizes traffic impacts on residential areas and business operations and encourages transit uses.

**236. Finding:** The Cully TIF District Plan will not change the neighborhood's system of streets within the Area. This policy does not apply.

**6.C. POLICY: PEDESTRIAN, BICYCLE ROUTES AND LOCA STREETS**

Improve sidewalks and bicycle paths to provide a safe transportation route.

**237. Finding:** The Cully TIF District Plan allows funding for sidewalks, crossings and other safety-related transportation improvements that are triggered by or directly support community stabilization for Priority Community members, or the implementation of other investments in the plan. The Cully TIF Plan is consistent with this policy.

**7.A. POLICY: SUPPORT BUSINESS**

Improve the neighborhood as a location for business while enhancing it as a place to live and work.

**238. Finding:** Funding to assist business stabilization and encourage new business development will assist in improving the neighborhood as a location for business while enhancing it as a place to live and work. In addition, the improvement of the existing housing stock and production of new housing will support local businesses in the Area. Therefore, Cully TIF Plan is consistent with this policy.

**8.A.POLICY: WATER, FIRE AND STORM SEWERS**

Maintain the existing water and fire services and allow continued use of on-site disposal of storm water.

**239. Finding:** The Cully TIF District Plan does not propose funding for water, fire and storm sewer within the Area. This policy does not apply.

**8.B. POLICY: SEWER COST AND PERFORMANCE**

Provide sewers in the neighborhood in an efficient and low-cost manner.

**240. Finding:** The Cully TIF District Plan does not propose funding for sewer construction or maintenance within the Area. This policy does not apply.

## **Concordia Neighborhood Plan**

The Concordia Neighborhood Plan was adopted by Ordinance 167054 by the Portland City Council in September, 1993. The following are the policies incorporated into the Concordia Neighborhood Plan and how the Cully TIF District Plan relates to them.

A small portion of the Concordia Neighborhood is located within the Cully TIF District Plan. These are the properties that are located west of 42<sup>nd</sup> Avenue.

### **Policy A: Community Values and Involvement•**

Strengthen the bonds of community shared by the area's diverse population of residents, businesses, institutions, and service providers. Expand opportunities for all members of the community to share in the planning of the neighborhood's future. Work to make the Concordia Neighborhood an attractive and safe neighborhood in which to live, work, shop, play, and visit. (Adopted only by the Concordia Neighborhood Association)

**241. Finding:** The Cully TIF District Plan area incorporates portions of the Concordia Neighborhood Area. The intent of the Cully TIF District Plan is to strengthen the neighborhood through improved access to affordable housing improved housing conditions, support for the business community and providing future funding for arts, culture and signage and recreational improvements. The values, goals and priorities of the Cully TIF District Plan are intended to expand opportunities for all members of the community. The extensive community involvement has allowed a multitude of opportunities for residents to be involved in the planning process. Therefore, the Cully TIF Plan is consistent with Policy A.

#### **Policy 1: Transportation**

Strengthen and diversify the Concordia Neighborhood's transportation system and networks.

**242. Finding:** The Cully TIF District Plan allows funding for sidewalks, crossings and other safety-related transportation improvements that are triggered by or directly support community stabilization for Priority Community members, or the implementation of other investments in the plan. The Cully TIF Plan is consistent with this policy.

#### **Policy 2: Housing**

Strengthen the residential base of the Concordia Neighborhood. Provide choices in housing which are responsive to the needs of present and future generations of households. Preserve viable existing housing. Support the construction of new housing within the neighborhood which is affordable and expands the diversity of housing opportunities.

**243. Finding:** The Cully TIF District Plan are overlaps higher density zoning along NE 42<sup>nd</sup> Avenue and NE Killingsworth where newer, higher density zoning is anticipated to occur. It also incorporates a limited amount of single dwelling residential zoning. The affordable housing program in the Plan will provide resources for the stabilization of existing housing and assist in funding construction of new affordable housing in the Area. Therefore, the Cully TIF Plan is consistent with Policy 2.

#### **Policy 3: Economic Revitalization**

Foster a business climate in the neighborhood which is attractive to investors and business. Stabilize existing commercial centers and nodes. Use public resources to rehabilitate commercial

area rights-of-way and stimulate private sector reinvestment within targeted local revitalization areas.

- 244. Finding:** The Cully TIF District Plan will provide resources through its commercial property acquisition, development and renovation program to provide long-term affordable space, support employment of community members, support mixed use development that combines commercial space with other eligible uses. These activities will foster a business climate in the neighborhood which is attractive to investors and business, with the intent to help facilitate existing business growth. Therefore, the Cully TIF Plan is consistent with Policy 2.

**Policy 4: Jobs and Employment**

Forge new linkages between the needs of local business for a qualified workforce and the needs of Albina community residents for jobs. Identify new opportunities to involve area households in the economic life of the community. Support the creation and expansion of instructional and business based programs designed to prepare youth and adults for entry into and continued success within the marketplace. Improve access and the availability of job preparedness programs, job skill training, and employment recruiters to area residents.

- 245. Finding:** The Cully TIF District Plan focuses on funding of capital improvements as required by state statute. This policy does not apply.

**Policy 5: Community Institutions and Facilities**

Create a neighborhood which offers access to education, employment, health, community and social services, transportation, and recreation for all its members. Build on the strength of Ute neighborhood's existing institutions and services.

- 246. Finding:** The Cully TIF District Plan identifies as one of its principles to prioritize and support community based organizations and businesses. Therefore, the Cully TIF Plan is consistent with Policy 5.

**Policy 6: Public Safety**

Create a safe and attractive neighborhood.

- 247. Finding:** A safe neighborhood has affordable housing and an ability to do local shopping within the neighborhood. The Cully TIF District Plan will provide resources for stabilization of the housing opportunities and for support for local businesses. Therefore, the Cully TIF Plan is consistent with Policy 6.

**Policy 7: Design**

Reinforce the identity and character of the Concordia Neighborhood. Use design features in building rehabilitation and new construction which enhance neighborhood attractiveness and livability. Design streetscapes and site layouts to promote safety and encourage pedestrian use of the streets.

- 248. Finding:** The Cully TIF District Plan will provide resources for improvement of existing housing supply, creation of new housing and for support for local businesses. Therefore, the Cully TIF Plan is consistent with Policy 7.

## **82<sup>nd</sup> Avenue Plan**

The primary focus of this plan is increasing safety and removing transportation barriers. The City of Portland and our partners are working to eliminate deaths and serious injuries on our streets to meet our Vision Zero goal. This plan identifies many safety improvements to help remove 82nd Ave from the Vision Zero High Crash Corridor network.

This plan covers 82nd Ave from NE Killingsworth to SE Clatsop (city limits).

- 249. Finding:** The Cully TIF District Plan does not provide resources for transportation improvements unless they are associated with direct TIF funded projects. This 82nd Avenue Plan and its policies do not apply.

November 9, 2022

**Exhibit C**  
**Report Accompanying the**  
**Cully Tax Increment Finance Plan**  
**(Required Pursuant to ORS 457.087)**

**Date**

**Cully TIF Plan Ordinance No. 2022-**

**Ordinance - Approve the Cully Tax Increment Finance District Plan**  
**November 9, 2022**

**Exhibit C**

**TABLE OF CONTENTS**

I. DEFINITIONS.....4

II. INTRODUCTION.....7

III. THE PROJECTS IN THE AREA AND THE RELATIONSHIP BETWEEN TAX INCREMENT PROJECTS AND THE EXISTING CONDITIONS IN THE TAX INCREMENT AREA .....10

IV. THE ESTIMATED TOTAL COST OF EACH PROJECT AND THE SOURCES OF MONEYS TO PAY SUCH COSTS .....27

V. FINANCIAL ANALYSIS OF THE PLAN .....28

VI. THE ESTIMATED AMOUNT OF CULLY TAX INCREMENT FINANCE PLAN REVENUES REQUIRED AND THE ANTICIPATED YEAR IN WHICH INDEBTEDNESS WILL BE RETIRED .....31

VII. THE ANTICIPATED COMPLETION DATE FOR EACH PROJECT.....37

VIII. REVENUE SHARING .....39

IX. IMPACT OF THE CULLY TAX INCREMENT FINANCE PLAN FINANCING .....42

X. COMPLIANCE WITH STATUTORY LIMITS ON ASSESSED VALUE AND SIZE OF TAX INCREMENT AREA.....46

XI. EXISTING PHYSICAL, SOCIAL, AND ECONOMIC CONDITIONS AND IMPACTS ON MUNICIPAL SERVICES .....47

XII. REASONS FOR SELECTION OF EACH TAX INCREMENT AREA IN THE PLAN .....62

XIII. RELOCATION REPORT.....62

## **I. DEFINITIONS**

These definitions mirror the definitions in the Cully TIF District Plan. They are repeated here for the convenience of the reader.

“Action Plans” means a plan which proposes investments and programs in the TIF Area on a five-year basis.

“Accessibility” means in compliance with the Americans with Disabilities Act Standards for Accessible Design.

“Affordable housing” means:

TIF funded affordable housing is guided by the Tax Increment Financing for Affordable Housing Policy, and the supplementary Implementation Plan and Income Guidelines which are binding City Policy under Section 1.07.020 A of the City Code.

For rental housing: the Portland Housing Bureau (PHB) utilizes the HUD affordability standard, which states that the rent plus expenses associated with occupancy, such as tenant paid utilities or fees, does not exceed 30% of the gross household income, based on unit size, at the level of the rent restriction.

For homeownership units: the purchase price, for which the sum of debt service and housing expenses (including an allowance for utilities and other required ownership fees), when compared to the annual gross income for a family, adjusted for family size, does not preclude conventional mortgage financing.

“Affordable commercial space” means offering access and assistance to qualified businesses in the form of an equitable tenanting application processes, access to space, and in some cases additional financial support or incentives designed to lower the barriers to entry for emerging and small businesses, such as reduced rent, tenant improvement contributions and technical assistance.

“Agency” means Prosper Portland. Prosper Portland is responsible for implementation and administration as required under ORS 457.

“Annual report” is the ORS 457.460 requirement for the production of an annual report that gets distributed to the taxing districts.

“Area” or “TIF Area” means the properties and rights-of-way located within the Cully Tax Increment District Boundary. It is a defined geography from which tax increment financing is both calculated and spent. This term is understood to refer to and replace references to the term “urban renewal area” as defined in ORS 457.010(18).

“Area median income” means an income threshold set by Department of Housing and Urban Development, and is updated annually

“BIPOC” means Black, Indigenous and People of Color.

“Blight” is defined in ORS 457.010(1)(A-E) and identified in the ordinance adopting a TIF plan.

“Board of Commissioners” means the Prosper Portland Board of Commissioners.

“Charter” is the Governance Charter for the Cully TIF District, as the same may be amended from time to time, pursuant to its terms and conditions. It establishes the Community Leadership Committee.

“City” means the City of Portland Oregon and includes the Portland Housing Bureau.

“City Council” or “Council” means the Portland City Council.

“Comprehensive Plan” means the City of Portland comprehensive land use plan and it’s implementing ordinances, policies, and standards.

“County” means Multnomah County, Oregon.

“Cully Preliminary Report” is defined and described in Section III.B of the Plan. The Cully Preliminary Report is attached as Exhibit 1 to the Plan. The Cully Preliminary Report is not the statutory report referenced in ORS 457.087 (see definition of “Tax Increment Finance Area Report” / “Report” later in this Section).

Cully Boulevard Alliance (CBA) is part of Prosper Portland’s Neighborhood Prosperity Network. As a micro-urban renewal area or TIF district we do have a specific set of boundaries, but as an organization we are here to serve all of those who live, work, or support those in the outer NE Portland neighborhood of Cully.

“Cully Boulevard Alliance (CBA)” is an organization engaged in community economic development at the neighborhood scale within the Cully micro-TIF district; part of Prosper Portland’s Neighborhood Prosperity Network, this organization serves all of those who live, work, or support those in the outer NE Portland neighborhood of Cully.

Cully ELC means the Cully Exploration Leadership Committee.

“Fiscal year” means the year commencing on July 1 and closing on June 30 of the next calendar year.

“Frozen base” means the total assessed value including all real, personal, manufactured, and utility values within a TIF Area at the time of adoption as more particularly described in ORS 457.430(1). The County Assessor certifies the assessed value after the adoption of a TIF area plan.

“Increment” means that part of the assessed value of a TIF area attributable to any increase in the assessed value of the property located in a TIF area, or portion thereof, over the Frozen Base.

“ITIN” means Individual Taxpayer Identification Number which is a tax processing number only available for certain nonresident and resident persons, their spouses, and dependent who cannot get a Social Security Number.

“Living Cully” means an innovative collaboration that formed in 2010 among [Habitat for Humanity Portland Region](#), [Hacienda Community Development Corporation](#), [Native American Youth and Family Center](#), and [Verde](#). They work to improve the quality of life for people of color and low-income people in Northeast Portland’s [Cully neighborhood](#), and ensure that Cully will always be a place where people of color and low-income people can live and thrive. This work requires a dual-emphasis on community-led neighborhood improvements and robust efforts to combat gentrification and displacement.

**“Manufactured Dwelling”**. A dwelling unit constructed off of the site which can be moved on the public roadways. Manufactured dwellings include residential trailers, mobile homes, and manufactured homes, as further defined in the Portland City Code 910

**“Manufactured housing park.”** Four or more manufactured dwellings which are located on a single site for 30 days or more and intended for residential use. Manufactured dwelling park does not include sites where unoccupied manufactured dwellings are offered for sale or lease, as defined in Portland City Code, 910. See also Recreational Vehicle Park.

**“Maximum indebtedness”** means the amount of the principal of indebtedness included in a plan pursuant to ORS 457.190 and does not include indebtedness incurred to refund or refinance existing indebtedness.

**“Metro”** is the regional government for the Oregon portion of the Portland metropolitan area, covering portions of Clackamas, Multnomah, and Washington Counties.

**“Minor Amendment”** means is any amendment to the TIF Plan that is not a Substantial Amendment.

**“Neighborhood Prosperity Initiative”** means a Prosper Portland program focused on community economic development at the neighborhood scale. A community-driven, self-help approach is at the heart of this work. With grants, training, and support from Prosper Portland, each district is responsible for planning and implementing projects to improve the local commercial district.

**“NOFA”** means Notice of Funding Availability – means the official notice of availability of funds which may be disbursed for projects and is a means of soliciting proposals for undertaking projects.

**“ORS”** means the Oregon Revised Statutes. ORS Chapter 457 specifically relates to tax increment financing.

**“Our 42<sup>nd</sup> Avenue”** is an organization engaged in community economic development at the neighborhood scale within the Cully micro-TIF district; part of Prosper Portland’s Neighborhood Prosperity Network, this organization partners to ensure that economic change benefits the people of 42<sup>nd</sup> Avenue in an inclusive way.

**“Permanently affordable homeownership”** means homeownership opportunities which prescribe affordability for subsequent buyers of the property or home, in contrast with homeownership opportunities which proscribe no additional affordability beyond the first purchaser.

**“PHB”** means the Portland Housing Bureau.

**“Planning Commission”** means the Portland Planning and Sustainability Commission.

**“Priority Communities”** refers to the intended beneficiaries of the Cully TIF District: African American and Black persons; Indigenous and Native American persons; persons of color; immigrants and refugees of any legal status; renters; mobile home residents; persons with disabilities; low-income people; houseless people; and other population groups that are systemically vulnerable to exclusion from Cully due to gentrification and displacement

**“Prosper Portland”** is the City of Portland’s economic and urban development agency.

“RFP” means request for proposals. It is a means of soliciting proposals for undertaking projects. It is a document issued by the City, Prosper Portland, a business or an organization to request bids for development, products, solutions and services.

“Regulated affordable unit” means a residential unit subject to a regulatory agreement that runs with the land and that requires affordability for an established income level for a defined period of time.

“Revenue sharing” means under-levying tax increment proceeds to effectively share a portion of the revenue with the other taxing districts who levy permanent rate taxes as described in ORS 457.470.

“Substantial Amendment” means an increase in maximum indebtedness that can be issued or incurred under the TIF Plan or an increase in acreage over one percent of the original acreage of the TIF Areas described in ORS 457.085.(2)(i).

“Tax increment finance area plan” or “TIF plan” means a plan, as it exists or is changed or modified from time to time, for one or more TIF areas, as provided in ORS 457. This term is understood to refer to and replace references to the term “urban renewal plan” or “plan” as defined in ORS 457.010(19).

“Tax increment finance area project(s)” or “TIF area project(s)” or “project(s)” means any work or undertaking carried out under ORS 457.170 and ORS 457.180 in a TIF area. This term is understood to refer to and replace references to the term “urban renewal project(s)” as defined in ORS 457.010(20).

“Tax increment finance area report” or “report” means the official report that accompanies the TIF plan pursuant to ORS 457.087.

“Tax increment finance” or “tax increment financing” or “TIF” means the funds that are associated with the division of taxes accomplished through the adoption of a TIF plan. In Portland it is a program designed to leverage private investment for economic development and affordable housing projects in a manner that enhances the benefits accrued to the public interest.

“Tax increment revenues” means the funds allocated by the assessor to renewal TIF area due to increases in assessed value over the frozen base within the area.

“Urban Renewal” means the statutory authority provided in ORS 457. In the Plan it is synonymous with tax increment financing.

## **II. INTRODUCTION**

The Report Accompanying the Cully Tax Increment Finance Plan (Report) contains background information and project details that pertain to the Cully Tax Increment Finance Plan (Plan). The Report is not a legal part of the Plan but is intended to provide public information and support the findings made by the Portland City Council as part of the approval of the Plan.

The Report provides the analysis required to meet the standards of ORS 457.087, including financial feasibility. The Report accompanying the Plan contains the information required by ORS 457.087, including:

- A description of the physical, social, and economic conditions in the area and expected impact of the plan, including fiscal impact in light of increased services; (ORS 457.087(1))

- Reasons for selection of the plan Area; (ORS 457.087(2))
- The relationship between each project to be undertaken and the existing conditions; (ORS 457.087(3))
- The estimated total cost of each project and the source of funds to pay such costs; (ORS 457.087(4))
- The estimated completion date of each project; (ORS 457.087(5))
- The estimated amount of funds required in the Area and the anticipated year in which the debt will be retired; (ORS 457.087(6))
- A financial analysis of the plan; (ORS 457.087(7))
- A fiscal impact statement that estimates the impact of Cully Tax Increment Finance Plan financing (TIF) upon all entities levying taxes upon property in the tax increment area; (ORS 457.0857(8))
- A relocation report. (ORS 457.087(9))

The relationship of the sections of the Report and the ORS 457.087 requirements is shown in Table 1. The specific reference in the table below is the section of this Report that most addresses the statutory reference. There may be other sections of the Report that also address the statute. The Report provides guidance on how the Plan might be implemented. As the budget advisory committee reviews revenues and potential projects each year, it has the authority to make adjustments to the implementation assumptions in this Report.

The Plan will be implemented in accordance with the Governance Charter (Charter) and the subsequent Five-Year Action Plans. Those Action Plans may vary from this initial Report. They may allocate budgets differently, adjust the timing of the projects, decide to incur debt at different timeframes than projected in this Report, and make other adjustments to the financials as determined by the Agency and in accord with the Charter and as influenced by the planning for the Five-Year Action Plan.

**Table 1 - Statutory References**

<b>Statutory Requirement</b>	<b>Report Section</b>
ORS 457.087 (1)	XI
ORS 457.087 (2)	XII
ORS 457.087 (3)	III
ORS 457.087 (4)	IV
ORS 457.087 (5)	VII
ORS 457.087 (6)	V,VI
ORS 457.087 (7)	V,VI
ORS 457.087 (8)	IX
ORS 457.087 (9)	XIII

Source: Elaine Howard Consulting, LLC



### III. THE PROJECTS IN THE AREA AND THE RELATIONSHIP BETWEEN TAX INCREMENT PROJECTS AND THE EXISTING CONDITIONS IN THE TAX INCREMENT AREA

The projects identified for the Cully Tax Increment Finance Area (Area) are described below, including how they relate to the existing conditions in the Area.

#### Background:

*Not in Cully: Anti-Displacement Strategies for the Cully Neighborhood*<sup>1</sup> documented the potential for gentrification and displacement in Cully. The document presents facts about the displacement and gentrification threats in the neighborhood and presents recommendations for strategies to help prevent gentrification and displacement. Many of those strategies are to increase the supply of affordable housing in Cully.

“While there is significant debate about the definition of gentrification and whether gentrification always includes displacement, most definitions include five common facets:

1. It occurs in central-city neighborhoods;
2. It occurs in neighborhoods that are initially inhabited by low-income residents;
3. It occurs in neighborhoods that have experienced a period of disinvestment;
4. It involves an influx of gentrifiers of higher socioeconomic status;
5. It involves investment capital.”<sup>2</sup>

With increasing public investment and a housing market on the upswing, some Cully residents and leaders are concerned about the possibility of increasing gentrification and displacement. A large portion of Cully’s residents appear to be vulnerable due to a variety of socioeconomic factors that make resisting displacement more difficult. Communities of color have historically been subject to displacement in Portland and elsewhere. Lower-income households are less equipped to withstand changes in housing affordability.

Lower-education households have fewer economic opportunities that would enable them to increase their earnings as housing prices increase. Education rates in Cully in 2010 lagged behind those in Portland overall: 81 percent of Cully residents are high school graduates compared to Ninety percent of Portland residents.<sup>3</sup> This percentage has increased in recent years: Ninety-two percent of Cully residents are high school graduates compared to ninety-three percent of Portland residents<sup>4</sup>. The increase in this percentage alone shows a changing neighborhood population.

Certain populations within Cully may be more vulnerable to displacement due to higher housing cost burdens, including large family households and elderly non-family households. Additionally,

---

<sup>1</sup> *Not in Cully: Anti-Displacement Strategies for the Cully Neighborhood*, June 2013.

<sup>2</sup> *Ibid.*/ page 3 of Appendix E. Background and Documents Contents.

<sup>3</sup> *Ibid.*/ page 3 of Appendix E. Background and Documents Contents.

<sup>4</sup> ECONorthwest (2022). Cully Community-Centered Tax Increment Financing (TIF) Plan: Social, Economic, & Development Conditions. Data source: American Community Survey (ACS) 2016-2020 5-year Estimates.

displacement could affect neighborhood businesses in Cully. Eighty-three percent of all Cully businesses are small enterprises with fewer than 20 employees. These businesses are more likely to experience displacement as commercial lease rates increase and neighborhood demographics change than larger enterprises with greater resources to draw upon.<sup>5</sup>

Taken from the Cully TIF District Plan:

As development and gentrification pressures intensify in the Cully neighborhood, there is an urgent need for community-led investments that can be used proactively to combat displacement pressures, which disproportionately affect low-income people and people of color. In response, the neighborhood has seen some early investments in affordable housing, including the Las Adelitas and Mamook Tokatee projects, and others. This is a unique and timely opportunity to scale up and shape investment to prevent or reduce displacement in a way that increases wealth, choice and stability for those that call Cully home, and secure those benefits for future generations of Priority Communities. Cully should remain a neighborhood where low-income people and people of color can live and thrive.

The projects in the Plan were developed by the Cully community to address the issues documented in the *Not in Cully: Anti-Displacement Strategies for the Cully Neighborhood* and to ensure community members benefit from investment and are able to remain in Cully.

#### **Project: Affordable Housing**

In partnership with mission-driven organizations and developers, preserve and create affordable housing for families and individuals. Tax Increment Financing funds may be used for activities that support property acquisition, pre-development, development, rehabilitation and/or preservation of affordable housing.

As a result of the TIF Set-Aside Policy adopted by Portland City Council in 2006, at least 45% of all TIF resources generated in the District will be allocated for affordable housing. In accordance with City policy, rental housing is created and preserved with a focus on families earning less than 60% of area median income, and homeownership housing with focus on families earning 80% to 100% or less of area median income depending on home size.

The Plan authorizes projects and programs which fulfill the housing-related goals and objectives of the Plan. The Plan envisions that through collaboration with the community, the Portland Housing Bureau will lead implementation of affordable housing related activities. The type and funding level for projects and programs will be based on the Action Plans, and the Portland Housing Bureau's Strategic Framework, as well as other adopted City housing policies, where applicable.

The following programs that are currently operated by the Portland Housing Bureau and are eligible to receive funding through the Cully TIF District.

---

<sup>5</sup> *Not in Cully: Anti-Displacement Strategies for the Cully Neighborhood*, June 2013, p8.

**Single Family Home Repair** – support low-income community members who currently own their homes, so that they are more likely to be able to stay in place, through home repairs relating to life safety, code compliance, energy efficiency upgrades, and accessibility upgrades.

**Homeownership** – through the provision of down payment assistance and other types of financial assistance, as well as the financial subsidization of the development of new homes. The preferred model for homeownership investments made under the plan is permanently affordable homeownership utilizing mechanisms such as down payment assistance, community land trusts and covenants that ensure the homes remain affordable for subsequent buyers.

**Multi-family Rental Development** – development of new affordable rental housing in a variety of unit sizes, including family sized units (two-bedrooms or larger).

**Rehabilitation & Preservation of Existing Regulated Housing** - Provide funding to rehabilitate and preserve the affordability of existing regulated affordable housing.

**Acquisition & Rehabilitation of Existing Market-Rate Housing** - Purchase market-rate housing, including foreclosed and unoccupied properties, make needed repairs and renovations, and convert to regulated affordable housing (for individual ownership, cooperative ownership, and rental), in order to protect current residents from displacement and secure permanently affordable homes.

In addition to the creation of affordable housing for people experiencing houselessness, a limited amount of resources may be used for capital expenditures for community services which would include the creation of stand-alone shelters or shelters that are integrated into affordable housing or commercial developments, and sanitation facilities such as showers and laundry.

The Cully community is particularly interested in the implementation of existing programs which align with identified community priorities. Additional details highlighting housing stabilization, anti-displacement, resident-owned cooperatives, and repair funds that can be quickly accessed to respond to emergency situations are examples of these priorities.

In addition to the programs operated by the Portland Housing Bureau in 2022, Cully community members and stakeholders have expressed an interest in new programs using TIF funds. These new programs may or may not be developed in accordance with the current legal definitions of affordable housing, but if agreed to as part of an Action Plan, will be implemented in line with the vision, values, goals, and implementation principles in this District Plan. Consideration of and decisions regarding any new programs the Housing Bureau currently does not operate will occur during the planning process for an Action Plan. "Affordable infill and middle-density housing: Add regulated affordable housing (for both rental and homeownership) in middle-density configurations including attached units (e.g. duplexes, triplexes, other -plexes), cottage clusters, tiny houses and accessory dwelling units (ADUs)."

**Manufactured housing park stabilization, preservation and development:** acquisition and rehabilitation of existing manufactured housing parks, and the development of new manufactured housing parks, by affordable housing providers and resident-owned

cooperatives., including repairs to existing manufactured homes and purchase of new manufactured homes.

Rehabilitation loans or grants to single family owners of manufactured structures.

Alongside current and new programs, there is an intention for the Community Leadership Committee to work in partnership with the City to facilitate discussions among mortgage lenders and affordable housing providers to advance the availability of mortgage specific products for ITIN borrowers.

**RELATIONSHIP OF THE AFFORDABLE HOUSING PROJECT TO EXISTING CONDITIONS:**

The existing conditions cited below come from the *esri Community Profile (2021, noted esri below)* and the City of Portland Housing Bureau’s *State of Housing in Portland 2020 Neighborhood Profile* for Roseway-Cully and the city as a whole (noted PHB below). The Roseway/Cully boundary in the Portland Housing Bureau *State of Housing in Portland* report is slightly larger than the Cully TIF boundary. Affordability is assessed through a comparison test on whether the average rent exceeded 30% of that household’s median income (PHB).

The Bureau of Planning and Sustainability’s *Gentrification and Displacement Risk Typology Assessment* identifies the Cully Area in Dynamic and Late Type 2 phases of gentrification (see more info and map on pp. 54-55).

Analysis of communities by race and ethnicity indicate that nearly thirty-three percent of Cully residents identify as a race or ethnicity other than white while city-wide the rate is closer to thirty-one percent.

**Table 2 – Population by Race/ethnicity (percentages)**

Race/Ethnicity	Cully TIF	Portland
	Percent	Percent
White	67%	69%
Black	7%	6%
Asian	5%	9%
Hispanic	14%	10%
Hawaiian Pacific Islander	0%	1%
American Indian/Alaska Native	1%	1%
Some Other Race	0%	0%
Two or More Races	4%	5%

Source: ECONW Report April 2022, American Community Survey (ACS) 2016-2020 5 years Estimates

The housing affordability data collected by the Portland Housing Bureau indicates that rental housing is not affordable in the Roseway/Cully neighborhood to the following households: 3-person extremely low income, Black residents, seniors needing 3-bedroom units, and single mothers.

**Table 3 – Renter Rates**

Renter rates	Roseway/Cully 2020	Portland 2020
Total	34%	47%
White	28%	44%
Black	54%	70%
Asian	21%	42%
Hispanic/Latinx	71%	63%
Hawaiian Pacific Islander	-	67%
Native American	27%	47%

Source: Portland Housing Bureau State of Housing in Portland 2020

The data also indicates that, homeownership in Cully is only affordable to a couple with children and white residents. In general, Cully has a higher percentage of homeownership than citywide, sixty-six percent compared to fifty-three percent, respectively (PHB). Homeownership rates broken down by race are shown below in *Table 4 – Homeownership Rates*. The table indicates that homeownership rates for Native American households in Cully is substantial, however, this community comprises only one percent of the total population in the neighborhood, making these numbers appear disproportionately successful.

**Table 4 – Homeownership Rates**

Homeownership rates	Cully in 2000	Cully in 2020	Portland 2020
Total	70%	66%	53%
White	77%	72%	56%
Black	59%	46%	30%
Asian	73%	79%	58%
Hispanic/Latinx	24%	29%	37%
Hawaiian Pacific Islander	-	-	33%
Native American	53%	73%	53%

Source: Portland Housing Bureau State of Housing in Portland 2020

The analysis of race and origin are shown in the table below with over thirty-three percent of the Cully residents identifying themselves as a race or ethnicity other than white while city-wide thirty-one percent of the residents identify themselves as a race or ethnicity other than white.

**Table 5 – Population by Race/ethnicity (number, percentage)**

Race/Ethnicity	Cully TIF		Portland	
	Number	Percent	Number	Percent
White	17,913	67%	451,999	69%
Black	1,871	7%	37,107	6%
American Indian/Alaska Native	297	1%	3,738	1%
Asian	1,402	5%	55,681	9%
Native Hawaiian and Other Pacific Islander	8	0%	4,066	1%
Some Other Race	103	0%	2,784	0%
Two or More Races	1,177	4%	31,196	5%
Hispanic	3,827	14%	63,809	10%

Source: ECONW Report April 2022, American Community Survey (ACS) 2016-2020 5 years Estimates

The mix of units in the Roseway/Cully neighborhood favors single-family homes (71 percent in Roseway/Cully are single family compared to 53 percent citywide). This may also account for the increase in homeownership rates in Roseway/Cully. (PHB)

Mobile homes also account for a higher share of all housing units in Cully than in Portland. (*Not in Cully: Anti-Displacement Strategies for the Cully Neighborhood*, p18)

Over the last decade, Cully has an increase in diversity rate that is a small bit lower than citywide (a 4 percent increase in communities of color in Cully versus 5 percent citywide). (esri)

Rentership has increased by about three percent over the last decade. (esri)

Homes in Cully are less expensive compared to Portland overall, however they are becoming less affordable. In 2020, the median home sales price in Cully was \$439,226 while in Portland citywide was \$476,132. (esri)

In 1990, the median home value in Cully was 79 percent of Portland’s median value; in 2020 that figure is 92 percent. This shows that overall, Cully has increased in value as compared to the remainder of the city. (esri)

In terms of racial and ethnic identity, per the Cully TIF Preliminary Report, which relied on American Community Survey (ACS) data from 2015-2019, forty-three percent of residents represent communities of color, compared to 29 percent citywide. More recent data from ECONorthwest, which relied on 2010-2020 United States Census Bureau data, shows a changing picture for Cully, with roughly 33 percent of residents representing communities of color. While the number of White households remained the same over the ten-year period, there was a noticeable, recent decline in the number of Black households from 14 percent to seven percent.

Lower-education households have fewer economic opportunities that would enable them to increase their earnings as housing prices increase. Education rates in Cully lag slightly behind those in Portland overall: 92 percent of Cully residents are high school graduates compared to 93 percent of Portland residents (esri). See Table 36 in the social conditions section of this document.

The average household income in Cully is \$80,426 compared to \$104,517 city-wide. This translates to the ability to pay \$24,128 a year for housing versus \$31,355 a year towards housing using thirty percent of a household income towards housing (esri).

The median income in Cully is \$70,852 and thirteen percent of the population is considered to meet the poverty standards. The poverty rate is similar percentage for the City as a whole, but notably the Black population in Cully has a forty percent poverty rate (PHB).

**Table 6 - Income and Poverty Rate**

	Roseway-Cully Median Income 2000*	Roseway-Cully Median Income 2019	Portland Median Income 2019	Roseway-Cully Poverty Rate 2019	Portland Poverty Rate 2019
Total	\$59,564	\$70,852	\$71,005	13%	14%
White	\$61,881	\$73,467	\$75,475	12%	12%
Black	\$53,851	\$28,173	\$36,588	40%	29%
Asian	\$59,300	\$64,490	\$63,194	10%	18%
Hispanic/Latinx	\$45,701	\$39,458	\$56,610	30%	20%
Hawaiian Pacific Islander	-		\$57,165		22%
Native American	-	-	\$50,214		19%

Source: Census 2010, ACS 2019 5-Year Data

\*Notes: 2000 in 2019 dollars, Cully Data is for Cully Roseway PHB Study Area

Home values in Cully are appreciating at a slightly higher rate than in Portland overall. Over the last decade, the median home value in Cully increased by sixty-six percent, compared to sixty-three percent citywide. However, the median home value in Cully remains lower than that for all Portland homes (PHB).

**Table 7 – Median Home Values**

Cully 2011	Cully 2019	Portland 2011	Portland 2021
\$236,401	\$392,000	\$267,654	\$424,900
Percentage increase	66%		63%

Source: Portland Housing Bureau

The number of home sales in Cully per year has increased significantly (252 percent) over the last two decades. Over the last 10 years, sales volume increased by 14 percent. The median sales price also increased by 116 percent between 1992 and 2012. (Not in Cully: Anti-Displacement Strategies for the Cully Neighborhood, p19.)

The rate of single female-headed households (another indicator associated with poverty) in the neighborhood is almost twice that of the city as a whole. (*Not in Cully: Anti-Displacement Strategies for the Cully Neighborhood*, p.6)

### Multi-family Rental Housing

The following information on office, retail and industrial/flex existing conditions is from the *Cully Community-Centered Tax Increment Financing Plan*, ECONorthwest, April 2022.

The Cully TIF area has remained an affordable place to live when compared to citywide multifamily rents. The area's low vacancy rate indicates an increased demand for housing at all price points. Very few market-rate rental housing units have been constructed in the past decade. Since 2012, there have been a total of 240 multifamily housing units built in the area, of which 181 units were market-rate. Supply and demand analysis indicates a demand for both market-rate and affordable housing units to adequately serve the households in the area. As of April 2022, there were no market-rate units under construction, however, there were 141 affordable units under construction. Las Adelitas is a new 141-unit affordable housing project being constructed in 2022 by Hacienda CDC in the Cully Neighborhood.<sup>6</sup> In addition, NAYA has constructed Mamook Tokatee 56 units and Hayu Tilxam provides 50 affordable housing units both in 2022, which adds an additional 106 affordable units not included in EconW report.

**Table 8 – Multi-family Rental Housing Market Conditions Q1 2022**

	Cully TIF	Portland
Existing Multifamily Units	2,002	108,059
Existing Multi-family Buildings	105	3,837
Q1 2022 Vacancy Rate	2.8%	6.2%
Units Under Construction	141	4,162
<b>Effective Rent</b>		
Average	\$1,107 per unit (\$1.56) per sq. ft.	\$1,475 per unit (\$2.03) per sq. ft.
Studio	\$1,253 per unit (\$2.68) per sq. ft.	\$1,199 per unit (\$2.62) per sq. ft.
1 bedroom	\$1,031 per unit (\$1.86) per sq. ft.	\$1,421 per unit (\$2.19) per sq. ft.
2 bedroom	\$1,143 per unit (\$1.37) per sq. ft.	\$1,677 per unit (\$1.78) per sq. ft.
3 bedroom	\$1,341 per unit (\$1.01) per sq. ft.	\$1,843 per unit (\$1.54) per sq. ft.

Source: Cully Community-Centered Tax Increment Financing Plan, ECONorthwest, April 2022, CoStar, April 2022

<sup>6</sup> Cully Community-Centered Tax Increment Financing Plan, ECONorthwest, April 2022, p 7

**The overall demographics identified in the Existing Conditions of the Affordable Housing project and in the Social Conditions section of this document identify the demographics that lead to gentrification and displacement. The intent of the Affordable Housing projects identified in the Plan are to address those factors.**

**Project: Commercial Property Acquisition, Development and Renovation**

This project is to “Retain, create, and expand economic opportunities through investments in commercial, industrial and mixed-use properties, and in residential properties where home-based businesses operate.” In response to community engagement wanting a prioritization of commercial investments along with affordable housing, the Cully ELC requested that at least forty-five percent of TIF resources generated in the District are also allocated for commercial / business development.

This project category will be advanced in a manner consistent with the goals, values and implementation principles identified in Sections V and VI of the Plan. In addition, TIF-funded commercial projects will seek to:

- Provide long-term stable, affordable commercial space with priority for businesses and non-profits that are owned, led by, and/or support Priority Communities;<sup>7</sup> especially existing businesses located within the District boundary, and new businesses being started by community members with ties to Cully and surrounding neighborhoods. This especially includes investments in properties developed, owned or otherwise controlled for the long term by public agencies and non-profit organizations;
- Support employment of community members from Cully and adjacent neighborhoods, particularly of Priority Communities;
- Support mixed-use development that combines commercial space with the other eligible projects in the plan, including affordable homes, and priority services and amenities; and
- Support access to high-wage employment for the benefit of Cully residents.

For the purposes of this section, the terms “commercial” and “business” also include non-profit uses, unless otherwise stated.

The following types of business and services have been prioritized by community members as those that TIF investments should seek to support:

- Affordable and culturally relevant groceries, fresh food and restaurants
- Credit union or bank that serves our community in line with the goals of the Plan
- Affordable childcare
- Retail goods and services that meet regular household needs, such as clothing, home goods, and cleaning services
- Services and businesses that expand multimodal transportation options available in Cully, including but not limited to bicycle, electric vehicle and automotive services and repair. Health services, including mental health

To achieve the above goals, eligible activities to implement this project category include:

---

“Priority Communities” refers to the intended beneficiaries of the Cully TIF District: African American and Black persons; Indigenous and Native American persons; persons of color; immigrants and refugees of any legal status; renters; mobile home residents; persons with disabilities; low-income people; houseless people; and other population groups that are systemically vulnerable to exclusion from Cully due to gentrification and displacement.

- Technical and/or financial assistance to determine the feasibility of development, redevelopment and renovation projects
- Acquisition of properties

Development, redevelopment and renovation activities such as:

- New construction
- Building façade improvements
- Landscaping enhancements and pedestrian amenities, including lighting and safety improvements
- Professional services such as engineering, architecture, landscape design, and other building and site design assistance
- Tenant improvements
- Building repairs and upgrades including, but not limited to, mechanical, electrical, weatherization, HVAC, and renewable energy, including those to support ongoing industrial use in industrially zoned areas
- Community solar projects
- Seismic, fire suppression, and other public safety improvements
- Accessibility improvements

Funding for permanent infrastructure to support food cart operations and other temporary, pop-up, seasonal and low-barrier opportunities for startup businesses and non-profits.

A set-aside of funds for emergency repair and rehabilitation projects, for the purpose of preventing displacement, will also be considered.

#### **RELATIONSHIP OF THE COMMERCIAL PROPERTY ACQUISITION, DEVELOPMENT AND RENOVATION PROJECT TO EXISTING CONDITIONS:**

There are two existing Neighborhood Prosperity Districts (NPI) in the Cully area, the Cully Blvd. Alliance and Our 42<sup>nd</sup> Avenue. A NPI is a mini tax increment district formed to assist neighborhood business districts in Portland. These two business districts take in the majority of commercial properties within Cully. The following statements about the existing conditions in the Cully Area come from Prosper Portland's Neighborhood Economic Profiles, evaluating from 2010 to 2019.

In the Cully Blvd. Alliance, the 79 businesses employ 505 people, an average of 6.3 employees per business. In Our 42<sup>nd</sup> Avenue, the seventy-three businesses employ 557 people, an average of 7.6 employees per business.

Unemployment has decreased by 4% in both NPIs since 2010.

The overall population grew by 10% in the Cully Community and 12% in the Our 42<sup>nd</sup> Avenue Community.

Both NPIs have a higher share of non-White population than the City of Portland. Approximately 36% to 27%.

**Retail lease rates have increased dramatically in both NPIs, 78% in Cully Blvd. Alliance and 201% in Our 42<sup>nd</sup> Avenue.**

**There was 21,168 square feet of new commercial space developed in Cully Blvd. Alliance and 3,419 square feet developed in Our 42<sup>nd</sup> Avenue.**

**The home sales prices increased 63% in the Cully community and 216% in the Our 42<sup>nd</sup> Avenue community.**

**There were small increases in education rates in both the Cully Blvd. Alliance and Our 42<sup>nd</sup> Avenue areas.**

The following table shows the statistical information for the two NPIs.

**Table 9 – Economic Conditions**

	# of Businesses	Number of Employees	Unemployment Rate Decrease since 2010	Population Growth	Share of BIPOC Population	City of Portland
<b>Cully</b>	79	505	4%	10%	36%	27%
<b>Our 42<sup>nd</sup> Avenue</b>	73	557	4%	12%	35%	
<b>From 2010 to 2019</b>						
	<b>Retail Lease Rate increases</b>	<b>Commercial space new sq. footage</b>	<b>Increase in home sales price</b>	<b>Bachelor’s Degree increase</b>	<b>Graduate or Professional Degree increase</b>	
<b>Cully</b>	78%	21,168	63% increase to \$462,361	1%	3%	
<b>Our 42<sup>nd</sup> Avenue</b>	210%	3,419	216% increase to \$566,403	7%	3%	
<b>Portland</b>	29%					

Source: Prosper Portland’s Neighborhood Economic Profiles, evaluating from 2010 to 2019.

Note: There will be variations in data from the Housing Section of this Report and the Commercial section as the data comes from two different sources.

The following narrative information and information in Table 10 on office, retail and industrial/flex existing conditions is from the *Cully Community-Centered Tax Increment Financing Plan*, ECONorthwest, April 2022.

**Office**

Compared to Portland, the Cully TIF office market has remained stable and is performing well with a healthy vacancy rate—by industry standards. COVID-19 has disrupted the office market world-wide with remote work environments and this is seen the Portland office market where vacancy rates are high at about 15.5% in Q1 2022. Current office rents in the Cully TIF area coupled with unpredictable office demand in the near future indicate limited near-term demand for new office space in the Cully TIF area. If near-term office demand increases in the Cully TIF area, rents would need to increase to citywide averages to make any speculative new office development viable. However, Portland has seen a shift in market preference for office locations in neighborhood business districts since the COVID-19 pandemic. If these demand preferences continue into the future, there could be some demand for neighborhood scale office development.

**Retail**

Retail is one the best performing commercial real estate classes in the Cully TIF area. Extremely low vacancy rates have created upward rent pressures in the Cully TIF area with asking rents surpassing citywide average rents. Supply and demand analysis indicate some demand for retail space in the Cully TIF area with current rents possibly supporting speculative new retail construction.

**Industrial/Flex**

Industrial / flex real estate in the Cully TIF has performed well with rents slightly below citywide averages. Industrial / flex space makes up the majority of commercial real estate in the Cully TIF which is concentrated long the north side of NE Columbia Blvd. Vacancy rates for industrial flex space in the area is extremely low and supply and demand analysis indicate possible rent increases in response to high demand.

**Table 10 – Commercial Real Estate Market Conditions in Cully TIF and Portland, Q1 2022**

	<b>Cully TIF</b>	<b>Portland</b>
<b>Office</b>		
Existing Square Feet	421,400	58,935,102
Existing Buildings	64	2,632
Q1 2022 Vacancy Rate	5.3%	15.5%
Base Rent / Sq. Ft.	\$17.36	\$26.98
Square Feet Under Construction	0	603,000
<b>Retail</b>		
Existing Square Feet	962,848	40,590,979
Existing Buildings	218	4,954
Q1 2022 Vacancy Rate	1.4%	4.3%
Base Rent / Sq. Ft.	\$31.57	\$ 9.98
Square Feet Under Construction	0	57,800
<b>Industrial/Flex</b>		
Existing Square Feet	3,564,412	95,890,736
Existing Buildings	227	3,165
Q1 2022 Vacancy Rate	1.9%	5.1%
Base Rent / Sq. Ft.	\$8.83	\$9.89
Square Feet Under Construction	0	718,000

Source: ECONW Report April 2022, CoStar, April 2022

The foregoing Existing Conditions identify the economic conditions that lead to gentrification and displacement. The intent of the Commercial Property Acquisition, Development and Renovation project identified in the Plan is to address those conditions.

**Arts, Culture and Signage**

Seek opportunities to include historical and cultural art (not public art as a “public building,” defined in ORS 457.010) & signage in TIF investments, to celebrate and represent Priority Communities<sup>8</sup> in Cully. These elements should be developed by and/or in collaboration with artists and community members who represent those communities. It is the intent that these elements be infused throughout the projects completed in the District.

Signage is not specifically for beautification but for the greater purpose of the TIF district. It should be funded if it is a part of a project that is TIF funded. Adding any of these elements outside of a TIF funded project will generally require being included in an Action Plan.

**RELATIONSHIP OF THE ARTS, CULTURE AND SIGNAGE PROJECT TO EXISTING CONDITIONS:**

The need to establish a sense of identity and to honor of culture has been one of the constant themes from the Cully community. There is presently no consistent funding source nor consistent requirement for funding arts, culture and signage in the Cully community. Including TIF funding for arts, culture and signage provides one avenue for achieving the Cully TIF Plan principle of celebrating and representing Priority Communities in Cully.

**Land Acquisition and Land Banking**

This project calls for acquiring properties for future development or redevelopment (in conformance with Sections V, VI, and X of the Plan). These activities provide future development opportunities to prevent the displacement of vulnerable people and communities from Cully, preserve existing opportunities for affordable housing and economic prosperity and create new opportunities for vulnerable people and communities, especially Priority Communities to live, work and thrive in Cully, including those previously displaced.

This project also focuses efforts on controlling land so that it remains affordable, and on remediation activities on land banked property to ensure that it is developable in the future.

**RELATIONSHIP OF LAND ACQUISITION AND LAND BANKING PROJECT TO EXISTING CONDITIONS:**

There is presently no funding source for the Cully community to expend funds on opportunistic property acquisition that would prevent the displacement of residents, businesses and community-based institutions from existing buildings. There is also not an overall funding source for the Cully community to land bank properties to prevent the displacement of vulnerable people and communities from Cully, preserve existing opportunities for affordable housing and economic prosperity and create new opportunities for vulnerable people and communities, especially people

---

“Priority Communities” refers to the intended beneficiaries of the Cully TIF District: African American and Black persons; Indigenous and Native American persons; persons of color; immigrants and refugees of any legal status; renters; mobile home residents; persons with disabilities; low-income people; houseless people; and other population groups that are systemically vulnerable to exclusion from Cully due to gentrification and displacement.

of color, low-income people and Indigenous and tribal people to live, work and thrive in Cully, including those previously displaced. The existing housing and commercial existing conditions support the need for these the Affordable Housing and Commercial Property Acquisition, Development and Renovation project in the Plan.

### **Recreational Improvements**

In partnership with public agencies and community-based organizations, the Plan seeks to assist in the creation of recreational facilities for the District.

Eligible investments include:

- Community centers
- Community gardens
- Athletic facilities such as basketball courts and soccer fields
- Recreational facilities that are located in affordable housing and commercial developments

The following have been prioritized by community members as desired elements of a community center:

- Community and adult education
- Youth activities and gathering spaces
- Indoor recreation
- Safe space for community gathering and connection
- Gallery space, art studios and other facilities to support local artists

### **RELATIONSHIP BETWEEN EXISTING CONDITIONS AND THE RECREATIONAL IMPROVEMENTS PROJECT:**

The desire for enhanced recreation opportunities has also been a constant theme in the community input while developing the Cully TIF Plan. The parks in the Area as shown on the Discover Portland Parks & Recreation map are shown in the Infrastructure section of this document, see

Figure 4.

The community has expressed desires for additional facilities that provide the recreational opportunities. Included in the project description: community centers, community gardens, athletic facilities such as basketball courts and soccer fields and recreational facilities that are located in affordable housing and commercial developments.

### **Infrastructure Improvements**

This project would provide infrastructure improvements, including safety-related transportation improvements, sidewalks, natural areas, green infrastructure or other climate resilience investments, that are triggered by or directly support community stabilization for Priority

Community members, or the implementation of other investments in this Plan, but not general infrastructure improvements.

**RELATIONSHIP OF EXISTING CONDITIONS TO THE INFRASTRUCTURE IMPROVEMENTS PROJECT:**

Forty-seven percent (47%) of the streets are in poor or very poor condition. Infrastructure improvements may be required in the implementation of projects in the Plan. These infrastructure improvements may include such things as frontage improvements including installation of sidewalks, safety-improvements or utility hook ups.

**Administration**

This project authorizes expenditures for the administrative costs associated with managing the TIF District including budgeting and annual reporting, planning and the implementation of projects in the District.

**RELATIONSHIP BETWEEN EXISTING CONDITIONS AND THE ADMINISTRATION PROJECT:**

Once a tax increment plan with its associated requirements for administration exists, there will also be a need for administrative funds to be allocated for that administration. There is currently no other source of funding for these costs.

**IV. THE ESTIMATED TOTAL COST OF EACH PROJECT AND THE SOURCES OF MONEYS TO PAY SUCH COSTS**

The maximum indebtedness for the district would be \$350 million with significant resources over the life of the TIF District to stabilize residents and small businesses, with more modest resources available in the first five to ten years that will be critical to its stabilization. Forty-five percent, or \$143 million would be reserved for PHB-stewarded investments in line with the City of Portland’s Housing Set Aside Policy and the remaining would be administered by Prosper Portland with a minimum of 45 percent reserved for economic development investments.

Table 11 shows the estimated costs of the projects in FYE 2023 constant dollars and the estimated year of expenditure dollars. These costs are also shown in “year of expenditure” costs, which assumes inflation of three percent annually. These estimates are ballpark estimates and will be refined in the Five-Year Action Plans and in the annual budgeting process with the acknowledgement that the limiting factor is the maximum indebtedness. The sources of moneys to pay such costs are tax increment revenues.

The maximum indebtedness for the district would be \$350 million with significant resources over the life of the TIF District to stabilize residents and small businesses, with more modest resources available in the first five to ten years that will be critical to its stabilization. Forty-five percent, or \$143 million would be reserved for PHB-stewarded investments in line with the City of Portland’s Housing Set Aside Policy and the remaining would be administered by Prosper Portland with a minimum of 45 percent reserved for economic development investments.

**Table 11 - Estimated Cost of Each Project**

Total Maximum Indebtedness	350,000,000
Bond and TIF Administration (4%)	13,426,000
Bond Issuance Cost and Reserves	17,159,000
Projects (Maximum Indebtedness - Administration)	319,415,000
Affordable Housing Per Set Aside Policy (45% Minimum)	143,736,750
Economic Development (55%, minimum of 45%)	175,678,250
Total Maximum Indebtedness	350,000,000

Source: Prosper Portland with input from Cully ELC Committee

## V. FINANCIAL ANALYSIS OF THE PLAN

The estimated Cully Tax Increment Finance Plan revenues through Fiscal Year End (FYE) 2059 are calculated based on projections of the assessed value within the Area and the consolidated tax rate that will apply in the Area adjusted for discounts, and delinquencies.

The long-term projections for FYE 2024 and beyond assume an annual growth rate of three percent for assessed value in the Area. These projections of growth are the basis for the projections in the following tables.

Table 12 and Table 1313 show the incremental assessed value, tax rates, and Cully Tax Increment Finance Plan revenues each year.

The first year of Cully Tax Increment Finance Plan collections is anticipated to be the fiscal year ending in 2024. Gross Cully Tax Increment Finance Plan financing (TIF)<sup>9</sup> is calculated by multiplying the tax rate times the assessed value used. The tax rate is per thousand dollars of assessed value, so the calculation is "tax rate times assessed value used divided by one thousand."

The consolidated tax rate includes permanent tax rates only, except for \$0.5038/\$1,000 of the Portland Public Schools permanent rate levy (the "Gap Tax"). The consolidated rate also excludes levies for general obligation bonds and local option levies. The adjustments are for compression losses estimated at 6.5 percent and underpayments and delinquencies assumed at 5 percent.

---

<sup>9</sup> TIF is also used to signify Cully Tax Increment Finance Plan revenues

**Table 12 - Projected Incremental Assessed Value, Tax Rates, and Cully Tax Increment Finance Plan Revenues**

FYE	Total Assessed Value	Frozen Base Assessed Value	Increment URA	Increment Shared	Tax Rate	Gross TIF URA	Gross TIF Shared	Adjustments (to URA)	Net TIF (URA)	PV of Net TIF (URA)
2024	1,103,279,231	1,071,144,885	32,134,347	0	19.02	611,253	0	(47,983)	563,270	546,864
2025	1,136,377,608	1,071,144,885	65,232,723	0	19.02	1,240,844	0	(97,406)	1,143,438	1,077,800
2026	1,170,468,936	1,071,144,885	99,324,052	0	19.02	1,889,322	0	(148,312)	1,741,010	1,593,271
2027	1,205,583,005	1,071,144,885	134,438,120	0	19.12	2,570,699	0	(201,800)	2,368,899	2,104,736
2028	1,241,750,495	1,071,144,885	170,605,610	0	18.92	3,228,165	0	(253,411)	2,974,754	2,566,049
2029	1,279,003,009	1,071,144,885	207,858,125	0	18.92	3,933,050	0	(308,744)	3,624,305	3,035,299
2030	1,317,373,100	1,071,144,885	246,228,215	0	18.92	4,659,081	0	(365,738)	4,293,343	3,490,881
2031	1,356,894,293	1,071,144,885	285,749,408	0	18.92	5,406,893	0	(424,441)	4,982,452	3,933,194
2032	1,397,601,122	1,071,144,885	326,456,237	0	18.92	6,177,140	0	(484,905)	5,692,234	4,362,624
2033	1,439,529,155	1,071,144,885	368,384,270	0	18.92	6,970,493	0	(547,184)	6,423,310	4,779,546
2034	1,482,715,030	1,071,144,885	411,570,145	0	18.92	7,787,648	0	(611,330)	7,176,318	5,184,325
2035	1,527,196,481	1,071,144,885	456,051,596	0	18.92	8,629,317	0	(677,401)	7,951,916	5,577,314
2036	1,573,012,375	1,071,144,885	501,867,490	0	18.92	9,496,236	0	(745,455)	8,750,782	5,958,857
2037	1,620,202,746	1,071,144,885	549,057,862	0	18.92	10,389,163	0	(815,549)	9,573,614	6,329,287
2038	1,668,808,829	1,071,144,885	597,663,944	0	18.92	11,308,878	0	(887,747)	10,421,131	6,688,927
2039	1,718,873,094	1,071,144,885	624,525,030	23,203,179	18.92	11,817,138	439,046	(927,645)	10,889,492	6,785,972
2040	1,770,439,286	1,071,144,885	663,199,675	36,094,727	18.92	12,548,932	682,977	(985,091)	11,563,840	6,996,314
2041	1,823,552,465	1,071,144,885	703,034,559	49,373,022	18.92	13,302,679	934,226	(1,044,260)	12,258,419	7,200,529
2042	1,878,259,039	1,071,144,885	744,064,489	63,049,665	18.92	14,079,039	1,193,013	(1,105,205)	12,973,835	7,398,797
2043	1,934,606,810	1,071,144,885	786,325,318	77,136,608	18.92	14,878,690	1,459,563	(1,167,977)	13,710,713	7,591,289
2044	1,992,645,015	1,071,144,885	829,853,971	91,646,159	18.92	15,702,331	1,734,110	(1,232,633)	14,469,698	7,778,176
2045	2,052,424,365	1,071,144,885	874,688,484	106,590,996	18.92	16,550,681	2,016,894	(1,299,228)	15,251,452	7,959,618
2046	2,113,997,096	1,071,144,885	920,868,032	121,984,179	18.92	17,424,481	2,308,160	(1,367,822)	16,056,659	8,135,777
2047	2,177,417,009	1,071,144,885	968,432,967	137,839,157	18.92	18,324,495	2,608,165	(1,438,473)	16,886,022	8,306,804
2048	2,242,739,519	1,071,144,885	1,017,424,849	154,169,785	18.92	19,251,510	2,917,170	(1,511,243)	17,740,266	8,472,850
2049	2,310,021,705	1,071,144,885	1,067,886,489	170,990,331	18.92	20,206,335	3,235,445	(1,586,197)	18,620,137	8,634,059
2050	2,379,322,356	1,071,144,885	1,119,861,977	188,315,494	18.92	21,189,804	3,563,268	(1,663,400)	19,526,405	8,790,574
2051	2,450,702,026	1,071,144,885	1,173,396,730	206,160,412	18.92	22,202,778	3,900,926	(1,742,918)	20,459,860	8,942,529
2052	2,524,223,087	1,071,144,885	1,228,537,525	224,540,677	18.92	23,246,141	4,248,714	(1,824,822)	21,421,319	9,090,059
2053	2,599,949,780	1,071,144,885	1,285,332,545	243,472,350	18.92	24,320,805	4,606,935	(1,909,183)	22,411,622	9,233,292
2054	2,677,948,273	1,071,144,885	1,343,831,415	262,971,974	18.92	25,427,709	4,975,903	(1,996,075)	23,431,634	9,372,352

**Table 13 - Projected Incremental Assessed Value, Tax Rates, and Cully Tax Increment Finance Plan Revenue, page 2**

FYE	Total Assessed Value	Frozen Base Assessed Value	Increment URA	Increment Shared	Tax Rate	Gross TIF URA	Gross TIF Shared	Adjustments (to URA)	Net TIF (URA)	PV of Net TIF (URA)
2055	2,758,286,721	1,071,144,885	1,404,085,251	283,056,586	18.92	26,567,820	5,355,940	(2,085,574)	24,482,246	9,507,363
2056	2,841,035,323	1,071,144,885	1,466,146,702	303,743,736	18.92	27,742,135	5,747,378	(2,177,758)	25,564,377	9,638,441
2057	2,926,266,383	1,071,144,885	1,530,069,997	325,051,501	18.92	28,951,678	6,150,559	(2,272,707)	26,678,972	9,765,702
2058	3,014,054,374	1,071,144,885	1,595,910,991	346,998,499	18.92	30,197,509	6,565,836	(2,370,504)	27,827,004	9,889,255
2059	3,104,476,005	1,071,144,885	1,663,727,214	369,603,907	18.92	31,480,714	6,993,571	(2,471,236)	29,009,478	10,009,210

Source: Prosper Portland

**VI. THE ESTIMATED AMOUNT OF CULLY TAX INCREMENT FINANCE PLAN REVENUES REQUIRED AND THE ANTICIPATED YEAR IN WHICH INDEBTEDNESS WILL BE RETIRED**

Table 14 shows a summary of the financial capacity of the Area, including how total TIF revenue translates to the ability to fund tax increment projects in constant 2022 dollars in five-year increments. Table 15 through Table 19 show more detailed tables on the allocation of tax revenues to debt service.

The Area is anticipated to complete all projects and have sufficient Cully Tax Increment Finance Plan finance revenue to terminate the tax increment area in FYE 2059, a 36-year tax increment plan. These assumptions show one scenario for financing and that this scenario is financially feasible.

The maximum indebtedness is \$350,000,000. The estimated total amount of Cully Tax Increment Finance Plan revenues required to service the maximum indebtedness of \$350,000,000 is \$478,900,000 and is from permanent rate tax levies. The increase over the maximum indebtedness is due to the projected cost of the interest on borrowings (loans) which is not a part of the maximum indebtedness.

The financial analysis projects capacity of funding for projects in five-year increments is shown below in Table 20.

**Table 14 - TIF Capacity of the Area in FYE 2022 Constant Rounded Numbers**

	Actual Dollars	Rounded Dollars
Total Net TIF	478,914,227	478,900,000
Maximum Indebtedness	350,000,000	350,000,000
Capacity (2023 \$)	236,727,933	236,700,000
Years 1-5	8,791,371	8,800,000
Years 6-10	25,015,645	25,000,000
Years 11-15	43,873,760	43,900,000
Years 16-20	61,396,300	61,400,000
Years 21-25	80,404,097	80,400,000
Years 26-30	102,439,344	102,400,000
Years 31-36	156,993,711	157,000,000

Source: Prosper Portland

Due to the urgency of stabilizing community, the ELC has expressed interest in gaining access to capital earlier in the life of the district, whether by bonding or other means.

**Table 15 - Cully Tax Increment Finance Plan Revenues and Allocations to Debt Service, page 1**

FY	23-24	24-25	25-26	26-27	27-28	28-29	29-30
Prior Year Assessed Value	1,071,144,885	1,103,279,231	1,136,377,608	1,170,468,936	1,205,583,005	1,241,750,495	1,279,003,009
Frozen Base	1,071,144,885	1,071,144,885	1,071,144,885	1,071,144,885	1,071,144,885	1,071,144,885	1,071,144,885
Increment	32,134,347	65,232,723	99,324,052	134,438,120	170,605,610	207,858,125	246,228,215
AV (Baseline)	1,103,279,231	1,136,377,608	1,170,468,936	1,205,583,005	1,241,750,495	1,279,003,009	1,317,373,100
<b>Taxes</b>							
Consolidated Tax Rate for Du Jour	19.0218	19.0218	19.0218	19.1218	18.9218	18.9218	18.9218
Beginning Balance	-	-	-	-	-	-	-
Divide the Taxes (to Raise) Sal 4c	611,253	1,240,844	1,889,322	2,570,699	3,228,165	3,933,050	4,659,081
<b>Debt Service</b>							
LOC 1						595,000	595,000
<b>Total Debt Service</b>						<b>595,000</b>	<b>595,000</b>

Source: Prosper Portland

**Table 16 - Cully Tax Increment Finance Plan Revenues and Allocations to Debt Service, page 2**

FY	30-31	31-32	32-33	33-34	34-35	35-36	36-37
Prior Year Assessed Value	1,317,373,100	1,356,894,293	1,397,601,122	1,439,529,155	1,482,715,030	1,527,196,481	1,573,012,375
Frozen Base	1,071,144,885	1,071,144,885	1,071,144,885	1,071,144,885	1,071,144,885	1,071,144,885	1,071,144,885
Increment	285,749,408	326,456,237	368,384,270	411,570,145	456,051,596	501,867,490	549,057,862
AV (Baseline)	1,356,894,293	1,397,601,122	1,439,529,155	1,482,715,030	1,527,196,481	1,573,012,375	1,620,202,746
Taxes							
Consolidated Tax Rate for Du Jour	18.9218	18.9218	18.9218	18.9218	18.9218	18.9218	18.9218
Beginning Balance	-	-	6,229,933	3,114,967	3,114,967	3,114,967	3,114,967
Divide the Taxes (to Raise) Sal 4c	5,406,893	6,177,140	6,970,493	7,787,648	8,629,317	9,496,236	10,389,163
LOC 1	595,000	595,000	-				
LOC 2	280,000	280,000	-				
BOND 1			3,114,967	3,114,967	3,114,967	3,114,967	3,114,967
LOC 3					280,000	280,000	280,000
LOC 4							280,000
<b>Total Debt Service</b>	<b>875,000</b>	<b>875,000</b>	<b>3,114,967</b>	<b>3,114,967</b>	<b>3,394,967</b>	<b>3,394,967</b>	<b>3,674,967</b>

Source: Prosper Portland

**Table 17 - Cully Tax Increment Finance Plan Revenues and Allocations to Debt Service, page 3**

<b>FY</b>	<b>38-39</b>	<b>39-40</b>	<b>40-41</b>	<b>41-42</b>	<b>42-43</b>	<b>43-44</b>	<b>44-45</b>
Prior Year Assessed Value	1,668,808,829	1,718,873,094	1,770,439,286	1,823,552,465	1,878,259,039	1,934,606,810	1,992,645,015
Frozen Base	1,071,144,885	1,071,144,885	1,071,144,885	1,071,144,885	1,071,144,885	1,071,144,885	1,071,144,885
Increment	647,728,209	699,294,402	752,407,580	807,114,154	863,461,926	921,500,130	981,279,480
AV (Baseline)	1,718,873,094	1,770,439,286	1,823,552,465	1,878,259,039	1,934,606,810	1,992,645,015	2,052,424,365
Taxes	-	-	-	-	-	-	-
Consolidated Tax Rate for Du Jour	18.9218	18.9218	18.9218	18.9218	18.9218	18.9218	18.9218
Beginning Balance	3,114,967	3,114,967	3,114,967	3,114,967	10,100,043	6,607,505	6,607,505
Divide the Taxes (to Raise) Sal 4c	11,817,138	12,548,932	13,302,679	14,079,039	14,878,690	15,702,331	16,550,681
LOC 1							
LOC 2							
BOND 1	3,114,967	3,114,967	3,114,967	3,114,967	3,114,967	3,114,967	3,114,967
LOC 3	280,000	280,000	280,000	280,000			
LOC 4	280,000	280,000	280,000	280,000			
LOC 5	280,000	280,000	280,000	280,000			
LOC 6			175,000	175,000			
Bond 2					3,492,538	3,492,538	3,492,538
LOC 7							280,000
<b>Total Debt Service</b>	<b>3,954,967</b>	<b>3,954,967</b>	<b>4,129,967</b>	<b>4,129,967</b>	<b>6,607,505</b>	<b>6,607,505</b>	<b>6,887,505</b>

Source: Prosper Portland

**Table 18 – Cully Tax Increment Finance Plan Revenues and Allocations to Debt Service, page 4**

FY	46-47	47-48	48-49	49-50	50-51	51-52	52-53
Prior Year Assessed Value	2,113,997,096	2,177,417,009	2,242,739,519	2,310,021,705	2,379,322,356	2,450,702,026	2,524,223,087
Frozen Base	1,071,144,885	1,071,144,885	1,071,144,885	1,071,144,885	1,071,144,885	1,071,144,885	1,071,144,885
Increment	1,106,272,124	1,171,594,634	1,238,876,820	1,308,177,471	1,379,557,142	1,453,078,203	1,528,804,895
AV (Baseline)	2,177,417,009	2,242,739,519	2,310,021,705	2,379,322,356	2,450,702,026	2,524,223,087	2,599,949,780
Taxes	-	-	-	-	-	-	-
Consolidated Tax Rate for Du Jour	18.9218	18.9218	18.9218	18.9218	18.9218	18.9218	18.9218
Beginning Balance	6,607,505	6,607,505	6,607,505	6,607,505	6,607,505	6,607,505	21,710,373
Divide the Taxes (to Raise) Sal 4c	18,324,495	19,251,510	20,206,335	21,189,804	22,202,778	23,246,141	24,320,805
LOC 1							
LOC 2							
BOND 1	3,114,967	3,114,967	3,114,967	3,114,967	3,114,967	3,114,967	
LOC 3							
LOC 4							
LOC 5							
LOC 6							
Bond 2	3,492,538	3,492,538	3,492,538	3,492,538	3,492,538	3,492,538	3,492,538
LOC 7	280,000	280,000	280,000	280,000	280,000	280,000	
LOC 8	280,000	280,000	280,000	280,000	280,000	280,000	
LOC 9			280,000	280,000	280,000	280,000	
LOC 10					280,000	280,000	
Bond 3							7,551,434
<b>Total Debt Service</b>	<b>7,167,505</b>	<b>7,167,505</b>	<b>7,447,505</b>	<b>7,447,505</b>	<b>7,727,505</b>	<b>7,727,505</b>	<b>11,043,972</b>

Source: Prosper Portland

**Table 19 - Cully Tax Increment Finance Plan Revenues and Allocations to Debt Service, page 5**

FY	54-55	55-56	56-57	57-58	58-59
Prior Year Assessed Value	2,677,948,273	2,758,286,721	2,841,035,323	2,926,266,383	3,014,054,374
Frozen Base	1,071,144,885	1,071,144,885	1,071,144,885	1,071,144,885	1,071,144,885
Increment	1,687,141,837	1,769,890,438	1,855,121,498	1,942,909,490	2,033,331,121
AV (Baseline)	2,758,286,721	2,841,035,323	2,926,266,383	3,014,054,374	3,104,476,005
Taxes	-	-	-	-	-
Consolidated Tax Rate for Du Jour	18.9218	18.9218	18.9218	18.9218	18.9218
Beginning Balance	27,521,413	41,118,737	55,854,745	71,766,522	88,892,274
Divide the Taxes (to Raise) Sal 4c	26,567,820	27,742,135	28,951,678	30,197,509	31,480,714
LOC 1					
LOC 2					
BOND 1					
LOC 3					
LOC 4					
LOC 5					
LOC 6					
Bond 2	3,492,538	3,492,538	3,492,538	3,492,538	3,492,538
LOC 7					
LOC 8					
LOC 9					
LOC 10					
Bond 3	7,551,434	7,551,434	7,551,434	7,551,434	7,551,434
<b>Total Debt Service</b>	<b>11,043,972</b>	<b>11,043,972</b>	<b>11,043,972</b>	<b>11,043,972</b>	<b>11,043,973</b>

Source: Prosper Portland

## **VII. THE ANTICIPATED COMPLETION DATE FOR EACH PROJECT**

The schedule for construction of projects will be based on the availability of funding. The projects will be ongoing and will be completed as directed by the Agency in accordance with the Charter and the Five-Year Action Plans. Annual expenditures for program administration are also shown.

The Area is anticipated to complete all projects and have sufficient revenue to terminate the Area in FYE 2059, a thirty-six year program.

The amount of money available for projects in 2023 constant dollars for the Area is approximately \$236,700,000. This \$236,700,000 is calculated by taking the maximum indebtedness (MI) and bringing it back to constant 2023 dollars. This is done as the MI is referenced in constant dollars, so understanding how the MI relates to the inflation factor over 36 years is important to be able to make projections on the allocation of funds throughout the life of the Area.

Table 20 shows the approximate \$236,700,000 of 2023 constant dollars for projects inflated over the life of the Area including administrative expenses, reaching the total maximum indebtedness of \$350,000,000.

The 3% inflation rate is the rate to use in the future if any amendment to increase maximum indebtedness is pursued in accordance with ORS 457.470.

The following tables are prepared to show that the Area is financially feasible as required by ORS 457. It assumes completion of projects as funding becomes available and in accordance with the Five-Year Action Plans.

**Table 20 - Programs and Costs with Estimated Completion Timeframes**

	Bond Issuance Costs and Reserves	District-Wide Admin/Predev	Housing	Economic Development	Total
Years 1-5	8,809	1,032,006	11,145,663	13,622,476	25,808,954
Years 6-10	3,794,002	1,249,665	13,496,383	16,495,579	35,035,629
Years 11-15	26,769	2,029,688	21,920,632	26,791,884	50,768,974
Years 16-20	4,271,370	1,902,424	20,546,175	25,111,992	51,831,961
Years 21-25	45,980	2,797,342	30,211,294	36,924,915	69,979,531
Years 26-30	9,212,009	4,294,518	46,380,791	56,687,633	116,574,951
Years 31-36	0	0	0	0	0
<i>Total</i>	<i>17,358,939</i>	<i>13,305,642</i>	<i>143,700,938</i>	<i>175,634,480</i>	<i>350,000,000</i>

Source: Prosper Portland

### VIII. REVENUE SHARING

Revenue sharing means that, at thresholds defined in ORS 457.470, the impacted taxing jurisdictions will receive a share of the incremental growth in the Area. The first threshold is when annual Cully Tax Increment Finance Plan finance revenues exceed three percent of the original maximum indebtedness of the Plan (3% of \$350,000,000 is \$10,500,000). At the three percent threshold, the Agency will receive tax increment revenue as stated in ORS 457.470(4)(a-e). The overlapping taxing districts would receive the remainder of the TIF revenues. Revenue sharing projections are shown in Table in the column labelled "Revenue Sharing".

#### ORS 457.470

(4)(a) Except as provided in paragraphs (b) to (d) of this subsection, an urban renewal agency may notify the assessor to impose the maximum division of taxes for a large metropolitan plan that is initially approved on or after January 1, 2010.

(b) In the first year after the year in which the maximum division of taxes equals or exceeds three percent of the initial maximum indebtedness in the plan, the agency shall notify the assessor pursuant to ORS 457.440 (2)(d) to compute the division of taxes for the urban renewal area using an assessed value that is not greater than the sum of:

(A) The amount of assessed value the agency estimates will produce division of tax revenues equal to three percent of the initial maximum indebtedness in the plan; and

(B) Seventy-five percent of the amount by which the assumed increment exceeds the assessed value of the increment the agency estimates will produce division of tax revenues equal to three percent of the initial maximum indebtedness in the plan.

(c) Except as provided in paragraph (d) of this subsection, beginning with the year after the year described in paragraph (b) of this subsection, the agency shall notify the assessor pursuant to ORS 457.440 (2)(d) to compute the division of taxes for the urban renewal area using an assessed value that is not greater than the sum of:

(A) The amount of assessed value the agency estimates will produce division of tax revenues equal to the greatest amount of division of tax revenues the agency was permitted to use in any prior year to compute assessed value under this paragraph or paragraph (b) of this subsection; and

(B) Seventy-five percent of the amount by which the assumed increment exceeds the assessed value of the increment the agency estimates will produce division of tax revenues equal to the greatest amount of division of tax revenues the agency was permitted to use in any prior year under this paragraph or paragraph (b) of this subsection.

(d) Beginning with the first year after the year described in paragraph (c) of this subsection in which the division of tax revenues equals or exceeds 10 percent of the initial maximum indebtedness in the plan, the agency shall notify the assessor pursuant to ORS 457.440 (2)(d) to compute the division of taxes for the urban renewal area using an amount of assessed value the agency estimates will produce division of tax revenues that does not exceed 10 percent of the initial maximum indebtedness in the plan.

**(e) After computing the assessed value as required under paragraph (b), (c) or (d) of this subsection, an agency shall further modify the value if, for reasons other than use of the assumed increment, the value included in the prior year's notice to the assessor resulted in division of tax revenues different from the respective target amounts under paragraphs (b) to (d) of this subsection. The modification under this paragraph may not exceed an amount that would result in the difference between the actual revenues and the target amounts.**

**If assessed value in the Area grows more quickly than projected, the revenue sharing triggers would be reached earlier.**

**Table 21 - Revenue Sharing**

FYE	Total Assessed Value	Frozen Base Assessed Value	Increment URA	Revenue Sharing
2024	1,103,279,231	1,071,144,885	32,134,347	0
2025	1,136,377,608	1,071,144,885	65,232,723	0
2026	1,170,468,936	1,071,144,885	99,324,052	0
2027	1,205,583,005	1,071,144,885	134,438,120	0
2028	1,241,750,495	1,071,144,885	170,605,610	0
2029	1,279,003,009	1,071,144,885	207,858,125	0
2030	1,317,373,100	1,071,144,885	246,228,215	0
2031	1,356,894,293	1,071,144,885	285,749,408	0
2032	1,397,601,122	1,071,144,885	326,456,237	0
2033	1,439,529,155	1,071,144,885	368,384,270	0
2034	1,482,715,030	1,071,144,885	411,570,145	0
2035	1,527,196,481	1,071,144,885	456,051,596	0
2036	1,573,012,375	1,071,144,885	501,867,490	0
2037	1,620,202,746	1,071,144,885	549,057,862	0
2038	1,668,808,829	1,071,144,885	597,663,944	0
2039	1,718,873,094	1,071,144,885	624,525,030	23,203,179
2040	1,770,439,286	1,071,144,885	663,199,675	36,094,727
2041	1,823,552,465	1,071,144,885	703,034,559	49,373,022
2042	1,878,259,039	1,071,144,885	744,064,489	63,049,665
2043	1,934,606,810	1,071,144,885	786,325,318	77,136,608
2044	1,992,645,015	1,071,144,885	829,853,971	91,646,159
2045	2,052,424,365	1,071,144,885	874,688,484	106,590,996
2046	2,113,997,096	1,071,144,885	920,868,032	121,984,179
2047	2,177,417,009	1,071,144,885	968,432,967	137,839,157
2048	2,242,739,519	1,071,144,885	1,017,424,849	154,169,785
2049	2,310,021,705	1,071,144,885	1,067,886,489	170,990,331
2050	2,379,322,356	1,071,144,885	1,119,861,977	188,315,494
2051	2,450,702,026	1,071,144,885	1,173,396,730	206,160,412
2052	2,524,223,087	1,071,144,885	1,228,537,525	224,540,677
2053	2,599,949,780	1,071,144,885	1,285,332,545	243,472,350
2054	2,677,948,273	1,071,144,885	1,343,831,415	262,971,974
2055	2,758,286,721	1,071,144,885	1,404,085,251	283,056,586
2056	2,841,035,323	1,071,144,885	1,466,146,702	303,743,736
2057	2,926,266,383	1,071,144,885	1,530,069,997	325,051,501
2058	3,014,054,374	1,071,144,885	1,595,910,991	346,998,499
2059	3,104,476,005	1,071,144,885	1,663,727,214	369,603,907

Source: Prosper Portland

#### **IX. IMPACT OF THE CULLY TAX INCREMENT FINANCE PLAN FINANCING**

The impact of Cully Tax Increment Finance Plan financing of the maximum indebtedness, both until and after the indebtedness is repaid is on all entities levying permanent rate property in the Area.

The impact of Cully Tax Increment Finance Plan financing on overlapping taxing districts consists primarily of the property tax revenues foregone on permanent rate levies as applied to the growth in assessed value in the Area. These projections are for impacts estimated through FYE 2059 and are shown in Table through Table 25.

Other than the Portland Public Schools Gap Tax, the Portland School District and the Multnomah County ESD are not *directly* affected by the tax increment financing, but the amounts of their taxes divided for the Plan are shown in the following tables. Under current school funding law, property tax revenues are combined with State School Fund revenues to achieve per-student funding targets. Under this system, property taxes foregone, due to the use of tax increment financing, are substantially replaced with State School Fund revenues, as determined by a funding formula at the state level. The Gap Tax is not anticipated to be calculated in the division of tax revenues to be allocated to Prosper Portland, so the impact on the Portland Public Schools of the Gap Tax is a positive impact. The School District will need to complete appropriate paperwork with the Multnomah County assessor to ensure the Gap tax is not included in the division of taxes.

The City of Portland levies a tax to pay costs of its Fire and Police Disability and Retirement Fund (FPD&R) Plan. The rate for this levy is included in the consolidated tax rate for the Area. The levy is imposed such that, when the tax rate is divided for tax increment areas, tax collections are sufficient to provide both the amount requested by the City for the FPD&R Plan and amounts for tax increment plans. Taxpayers pay a higher amount of taxes as a result of the division of taxes. Tax collections for the Area attributable to the FPD&R levy are shown in Table 22 through Table 25.

**Table 22 - Projected Impact on Taxing District Permanent Rate Levies, page 1**

FY	TOTAL:	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33
City of Portland	115,834,331	135,533	275,132	418,920	567,020	719,564	876,684	1,038,518	1,205,207	1,376,896	1,553,736
Multnomah County	109,922,402	128,616	261,090	397,539	538,081	682,839	831,940	985,514	1,143,696	1,306,623	1,474,437
Multnomah County Library	30,875,658	36,126	73,337	111,663	151,139	191,800	233,680	276,817	321,248	367,012	414,149
Metro	2,444,745	2,860	5,807	8,842	11,967	15,187	18,503	21,918	25,437	29,060	32,792
Port of Portland	1,774,085	2,076	4,214	6,416	8,684	11,021	13,427	15,906	18,459	21,088	23,797
E Mult Soil/Cons	2,530,792	2,961	6,011	9,153	12,388	15,721	19,154	22,690	26,332	30,083	33,947
FPDR	75,966,650	91,797	186,347	283,734	396,431	471,639	574,624	680,698	789,954	902,488	1,018,398
<b>Total Gov't</b>	<b>339,348,662</b>	<b>399,970</b>	<b>811,938</b>	<b>1,236,266</b>	<b>1,685,712</b>	<b>2,107,771</b>	<b>2,568,013</b>	<b>3,042,062</b>	<b>3,530,332</b>	<b>4,033,250</b>	<b>4,551,256</b>
Portland Public Schools	126,850,383	148,423	301,298	458,760	620,945	787,996	960,059	1,137,283	1,319,824	1,507,842	1,701,499
Portland Community College	4,771,293	5,583	11,333	17,256	23,356	29,639	36,111	42,777	49,643	56,715	63,999
Multnomah County ESD	7,943,888	9,295	18,869	28,729	38,886	49,348	60,123	71,221	82,653	94,427	106,555
<b>Total Education</b>	<b>139,565,564</b>	<b>163,300</b>	<b>331,499</b>	<b>504,745</b>	<b>683,187</b>	<b>866,983</b>	<b>1,056,293</b>	<b>1,251,282</b>	<b>1,452,120</b>	<b>1,658,984</b>	<b>1,872,054</b>
<b>TOTAL:</b>	<b>478,914,227</b>	<b>563,270</b>	<b>1,143,438</b>	<b>1,741,010</b>	<b>2,368,899</b>	<b>2,974,754</b>	<b>3,624,305</b>	<b>4,293,343</b>	<b>4,982,452</b>	<b>5,692,234</b>	<b>6,423,310</b>

Source: Prosper Portland

**Table 23 - Projected Impact on Taxing District Permanent Rate Levies, page 2**

FY	33-34	34-35	35-36	36-37	37-38	38-39	39-40	40-41	41-42	42-43	43-44
City of Portland	1,735,882	1,923,491	2,116,729	2,315,764	2,520,771	2,634,063	2,797,181	2,965,193	3,138,245	3,316,489	3,500,080
Multnomah County	1,647,286	1,825,321	2,008,696	2,197,573	2,392,116	2,499,626	2,654,419	2,813,856	2,978,076	3,147,222	3,321,443
Multnomah County Library	462,700	512,707	564,214	617,267	671,912	702,110	745,589	790,373	836,500	884,011	932,947
Metro	36,637	40,596	44,675	48,875	53,202	55,593	59,036	62,582	66,234	69,996	73,871
Port of Portland	26,586	29,460	32,419	35,468	38,607	40,343	42,841	45,414	48,064	50,794	53,606
E Mult Soil/Cons	37,926	42,025	46,247	50,596	55,075	57,550	61,114	64,785	68,566	72,460	76,471
FPDR	1,137,786	1,260,755	1,387,413	1,517,870	1,652,242	1,726,499	1,833,416	1,943,539	2,056,966	2,173,796	2,294,131
<b>Total Gov't</b>	<b>5,084,802</b>	<b>5,634,354</b>	<b>6,200,394</b>	<b>6,783,414</b>	<b>7,383,924</b>	<b>7,715,784</b>	<b>8,193,595</b>	<b>8,685,741</b>	<b>9,192,651</b>	<b>9,714,768</b>	<b>10,252,549</b>
Portland Public Schools	1,900,967	2,106,419	2,318,034	2,535,998	2,760,500	2,884,567	3,063,198	3,247,188	3,436,698	3,631,893	3,832,943
Portland Community College	71,502	79,230	87,189	95,388	103,832	108,499	115,218	122,138	129,266	136,608	144,171
Multnomah County ESD	119,046	131,913	145,165	158,815	172,874	180,643	191,830	203,352	215,220	227,444	240,035
<b>Total Education</b>	<b>2,091,516</b>	<b>2,317,561</b>	<b>2,550,388</b>	<b>2,790,200</b>	<b>3,037,206</b>	<b>3,173,709</b>	<b>3,370,245</b>	<b>3,572,678</b>	<b>3,781,184</b>	<b>3,995,945</b>	<b>4,217,149</b>
<b>TOTAL:</b>	<b>7,176,318</b>	<b>7,951,916</b>	<b>8,750,782</b>	<b>9,573,614</b>	<b>10,421,131</b>	<b>10,889,492</b>	<b>11,563,840</b>	<b>12,258,419</b>	<b>12,973,835</b>	<b>13,710,713</b>	<b>14,469,698</b>

Source: Prosper Portland

**Table 24 - Projected Impact on Taxing District Permanent Rate Levies, page 3**

FY	44-45	45-46	46-47	47-48	48-49	49-50	50-51	51-52	52-53	53-54	54-55
City of Portland	3,689,178	3,883,950	4,084,565	4,291,198	4,504,031	4,723,248	4,949,042	5,181,609	5,421,154	5,667,885	5,922,018
Multnomah County	3,500,891	3,685,722	3,876,098	4,072,185	4,274,155	4,482,184	4,696,454	4,917,152	5,144,470	5,378,609	5,619,771
Multnomah County Library	983,351	1,035,267	1,088,741	1,143,820	1,200,550	1,258,982	1,319,168	1,381,159	1,445,009	1,510,776	1,578,515
Metro	77,862	81,973	86,207	90,568	95,060	99,687	104,452	109,361	114,416	119,624	124,987
Port of Portland	56,502	59,485	62,558	65,723	68,982	72,340	75,798	79,360	83,029	86,808	90,700
E Mult Soil/Cons	80,603	84,858	89,241	93,756	98,406	103,195	108,129	113,210	118,443	123,834	129,386
FPDR	2,418,076	2,545,740	2,677,233	2,812,671	2,952,172	3,095,858	3,243,855	3,396,292	3,553,302	3,715,022	3,881,594
<b>Total Gov't</b>	<b>10,806,464</b>	<b>11,376,995</b>	<b>11,964,643</b>	<b>12,569,920</b>	<b>13,193,356</b>	<b>13,835,495</b>	<b>14,496,897</b>	<b>15,178,142</b>	<b>15,879,824</b>	<b>16,602,557</b>	<b>17,346,972</b>
Portland Public Schools	4,040,026	4,253,321	4,473,014	4,699,299	4,932,372	5,172,437	5,419,705	5,674,390	5,936,716	6,206,911	6,485,213
Portland Community College	151,960	159,982	168,246	176,757	185,524	194,554	203,854	213,434	223,301	233,464	243,932
Multnomah County ESD	253,003	266,360	280,118	294,289	308,885	323,919	339,404	355,353	371,781	388,702	406,130
<b>Total Education</b>	<b>4,444,988</b>	<b>4,679,664</b>	<b>4,921,379</b>	<b>5,170,346</b>	<b>5,426,781</b>	<b>5,690,910</b>	<b>5,962,963</b>	<b>6,243,177</b>	<b>6,531,798</b>	<b>6,829,077</b>	<b>7,135,275</b>
<b>TOTAL:</b>	<b>15,251,452</b>	<b>16,056,659</b>	<b>16,886,022</b>	<b>17,740,266</b>	<b>18,620,137</b>	<b>19,526,405</b>	<b>20,459,860</b>	<b>21,421,319</b>	<b>22,411,622</b>	<b>23,431,634</b>	<b>24,482,246</b>

Source: Prosper Portland

**Table 25 - Projected Impact on Taxing District Permanent Rate Levies, page 4**

FY	55-56	56-57	57-58	58-59
City of Portland	6,183,775	6,453,385	6,731,083	7,017,111
Multnomah County	5,868,169	6,124,018	6,387,543	6,658,974
Multnomah County Library	1,648,286	1,720,151	1,794,171	1,870,412
Metro	130,512	136,202	142,063	148,100
Port of Portland	94,709	98,838	103,091	107,472
E Mult Soil/Cons	135,105	140,996	147,063	153,312
FPDR	4,053,163	4,229,879	4,411,896	4,599,374
<b>Total Gov't</b>	<b>18,113,719</b>	<b>18,903,468</b>	<b>19,716,910</b>	<b>20,554,755</b>
Portland Public Schools	6,771,863	7,067,113	7,371,221	7,684,451
Portland Community College	254,714	265,819	277,258	289,039
Multnomah County ESD	424,082	442,571	461,616	481,232
<b>Total Education</b>	<b>7,450,659</b>	<b>7,775,504</b>	<b>8,110,094</b>	<b>8,454,722</b>
<b>TOTAL:</b>	<b>25,564,377</b>	<b>26,678,972</b>	<b>27,827,004</b>	<b>29,009,478</b>

Source: Prosper Portland

Table 26 shows the projected increased revenue to the taxing jurisdictions after Cully Tax Increment Finance Plan proceeds are projected to be terminated. These projections are for FYE 2060. The table also shows the estimated impact of returned incremental assessed value on the FPD&R tax levy rate, which could be reduced by approximately three percent.

The Frozen Base is the assessed value of the Area established by the County Assessor at the time the Area is established. Excess Value is the increased assessed value in the Area above the Frozen Base.

**Table 26 - Additional Revenues Obtained after Termination of TIF - FYE 2060**

Taxing District	Type	Tax Rate	From Frozen Base	From Excess Value	Total
<b>General Government</b>					
City	Permanent	4.5770	4,902,630	9,732,832	14,635,462
County	Permanent	4.3434	4,652,411	9,236,090	13,888,501
Library	Permanent	1.2200	1,306,797	2,594,288	3,901,085
Metro	Permanent	0.0966	103,473	205,417	308,889
Port	Permanent	0.0701	75,087	149,065	224,152
E Mult Soil/Cons	Permanent	0.1000	107,114	212,647	319,761
FPDR	Permanent	3.0000	3,213,435	6,379,396	9,592,831
<b>Subtotal General Government</b>		<b>13.4071</b>	<b>14,360,947</b>	<b>28,509,734</b>	<b>42,870,681</b>
<b>Education</b>					
Portland	Permanent	4.7743	5,113,967	10,152,384	15,266,351
Portland CC	Permanent	0.2828	302,920	601,364	904,284
Multnomah County ESD	Permanent	0.4576	490,156	973,071	1,463,226
<b>Subtotal Education</b>		<b>5.5147</b>	<b>5,907,043</b>	<b>11,726,819</b>	<b>17,633,861</b>
<b>Total</b>		<b>18.9218</b>	<b>20,267,989</b>	<b>40,236,553</b>	<b>60,504,542</b>

Source: Prosper Portland

## X. COMPLIANCE WITH STATUTORY LIMITS ON ASSESSED VALUE AND SIZE OF TAX INCREMENT AREA

State law limits the percentage of both a municipality's total assessed value and the total land area that can be contained in a tax increment area at the time of its establishment to fifteen percent for municipalities over 50,000 in population. As noted below, the frozen base (assumed to be FY 2022-23 values), including all real, personal, manufactured, and utility properties in the Area, is projected to be \$1,071,144,885. The Multnomah County Assessor will certify the frozen base once the tax increment plan is adopted. The frozen base values and excess values of the existing URAs were taken from the Multnomah County Tax Supervising Commission FY 2021/22 Annual Report. The total assessed value of the City of Portland was taken from the County Assessor's SAL 4a Report - FY 2021/22. The percentage of total City assessed value in tax increment areas is 8.6% percent which does not exceed 15% of the city's assessed values minus the excess values of the urban renewal areas. Excess values are the increase in assessed values over the frozen base in each urban renewal area.

The Area contains approximately 1,623 acres, including public rights-of-way. The City of Portland contains 92,773 acres. Other tax increment areas in Portland total 9,953 acres. This puts 12.5% percent of the City's acreage in a tax increment area, which is below the 15% threshold. Airport Way, Willamette Industrial, and four of six Neighborhood Prosperity Initiative districts are not included in the statutory limitation calculations as they are no longer taking tax increment revenues. (ORS 457.420(2)(a)(A)).

**Table 27 - Tax increment Area Conformance with Assessed Value and Acreage Limits**

Area	Frozen Base Assessed Value	Acreage
Central Eastside	\$230,541,190	708.49
Downtown Waterfront	\$55,674,313	233.13
Gateway Regional Center	\$307,174,681	658.5
Interstate Corridor	\$1,293,460,097	3,991.46
Lents Town Center	\$736,224,033	2,846.30
North Macadam	\$628,094,444	447.1
Oregon Convention Center	\$214,100,689	410.03
River District	\$432,292,135	314.79
South Park Blocks	\$305,692,884	97.86
Cully District	\$1,071,144,885	1,623
Neighborhood Prosperity Initiatives (combined)	\$164,919,235	245
<b>A. Total Tax Increment Areas</b>	<b>\$5,439,318,586</b>	<b>11,575.66</b>
<b>B. Total AV/Acreage of the City of Portland</b>	<b>\$76,142,269,310</b>	<b>92,773</b>
<b>C. Incremental Excess of Tax Increment Areas Used</b>	<b>\$6,714,596,619</b>	
<b>D. Incremental Value Not Used</b>	<b>\$5,906,839,944</b>	
<b>E. Total Incremental Value</b>	<b>\$12,621,436,563</b>	
<b>F. Total AV of City minus incremental excess B – E</b>	<b>\$63,520,832,747</b>	
<b>Percent in Tax Increment Areas AV= A/F</b>	<b>8.56%</b>	<b>12.48%</b>

## XI. EXISTING PHYSICAL, SOCIAL, AND ECONOMIC CONDITIONS AND IMPACTS ON MUNICIPAL SERVICES

This section of the Report describes existing conditions within the Cully TIF Area and documents the occurrence of “blighted areas,” as defined by ORS 457.010(1).

### Physical Conditions

#### Land Use

The Area measures approximately 1,623 total acres in size, which is composed of 5,008 individual parcels encompassing 1,310.17 acres, and an additional 312.83 acres in public rights-of-way. An analysis of FY 2021/2022 property classification data from the Multnomah County Department of Assessment and Taxation database was used to determine the land use designation of parcels in the Area. By acreage, Residential uses account for the most prevalent land use within the Area (62.82%). This was followed by Commercial/Local Industrial uses (30.99%). Detailed land use designations in the Area can be seen in Table 28.

**Table 28 - Land Use in the Area**

Property Class	Parcels	Acreage	Percent of Acreage
Residential	4,352	811.17	62.82%
Commercial/Local Industrial	395	400.20	30.99%
Multi-family	93	70.45	5.46%
N/A	13	3.98	0.31%
Recreation	2	3.93	0.30%
Miscellaneous	9	1.62	0.13%
<b>TOTAL:</b>	<b>4,864</b>	<b>1,291.34</b>	<b>100.00%</b>

Source: Data from Portland Housing Bureau using the Multnomah County Department of Assessment and Taxation database (FYE 2022)

**Comprehensive Plan Designations**

The comprehensive plan and zoning designations in the Area can be seen in Table 29. The most prevalent comprehensive plan designation in the Area is Single Dwelling 7,000 (28.77%). The second most prevalent designation is Single Dwelling 5,000 (27.82%).

**Table 29 – Comprehensive Plan Designations in the Area**

<b>Comprehensive Plan</b>	<b>Parcels</b>	<b>Acreage</b>	<b>Percent of Acreage</b>
Single - Dwelling 7,000	2,053	371.46	28.77%
Single - Dwelling 5,000	1,826	351.44	27.22%
Industrial Sanctuary	244	262.74	20.35%
Multi-Dwelling - Neighborhood	651	124.25	9.62%
Mixed Employment	66	86.50	6.70%
Mixed Use - Neighborhood	229	54.47	4.22%
Manufactured Dwelling Park	19	21.61	1.67%
Open Space	9	7.29	0.56%
Multi-Dwelling - Corridor	10	7.14	0.55%
Mixed Use - Civic Corridor	15	3.99	0.31%
Mixed Use - Dispersed	4	0.45	0.03%
<b>TOTAL:</b>	<b>5,126</b>	<b>1,291.34</b>	<b>100.00%</b>

*Source: Data from Portland Housing Bureau*

**Zoning Designations**

The zoning designations in the Area can be seen in Table 30. The most prevalent zoning designation in the Area is Residential 7,000 (31.13%). The second most prevalent designation is Residential 5,000 (19.75%). There are also tax lots that have more than one zoning designation on a single tax lot. This is the reason for this table showing more tax lots in the Area than in Table 29.

**Table 30 – Zoning in the Area**

<b>Zoning</b>	<b>Parcels</b>	<b>Acreage</b>	<b>Percent of Acreage</b>
Residential 7,000	2,176	402.00	31.13%
Residential 5,000	1,505	255.05	19.75%
General Industrial 2	224	247.78	19.19%
Residential Multi-Dwelling 1	701	130.91	10.14%
General Employment 2	47	82.43	6.38%
Residential 10,000	239	67.56	5.23%
Commercial Mixed Use 2	137	37.61	2.91%
Residential Manufactured Dwelling Park	18	21.61	1.67%
Residential Farm / Forest	35	14.95	1.16%
Commercial Mixed Use 1	50	10.75	0.83%
Open Space	9	7.29	0.56%
Residential Multi-Dwelling 2	13	7.14	0.55%
Commercial Employment	23	5.69	0.44%
General Employment 1	4	0.47	0.04%
Commercial Residential	1	0.08	0.01%
<b>TOTAL:</b>	<b>5,182</b>	<b>1,291.34</b>	<b>100.00%</b>

*Source: Data from Portland Housing Bureau*

Figure 2 – Cully Tax Increment Area Comprehensive Plan Designations

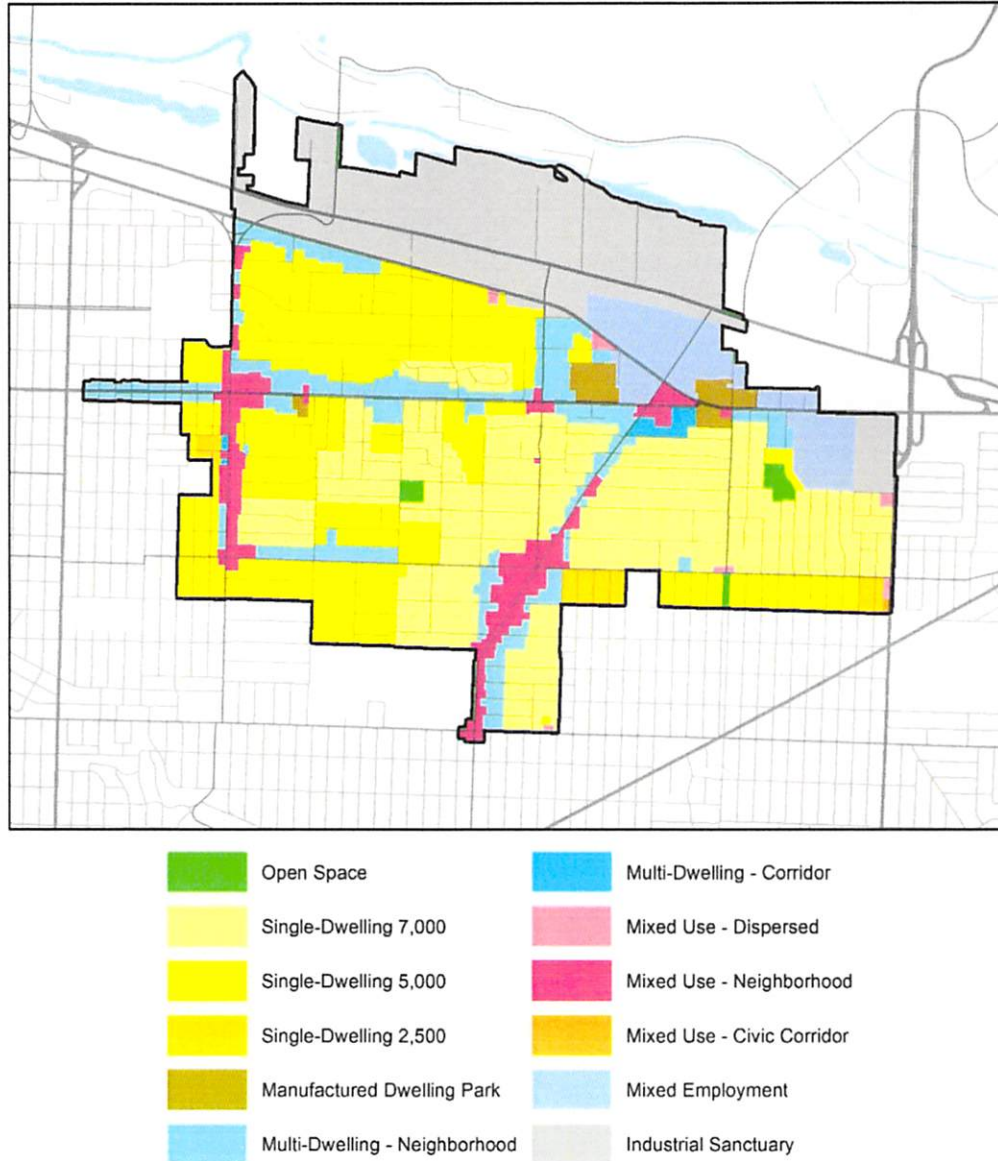
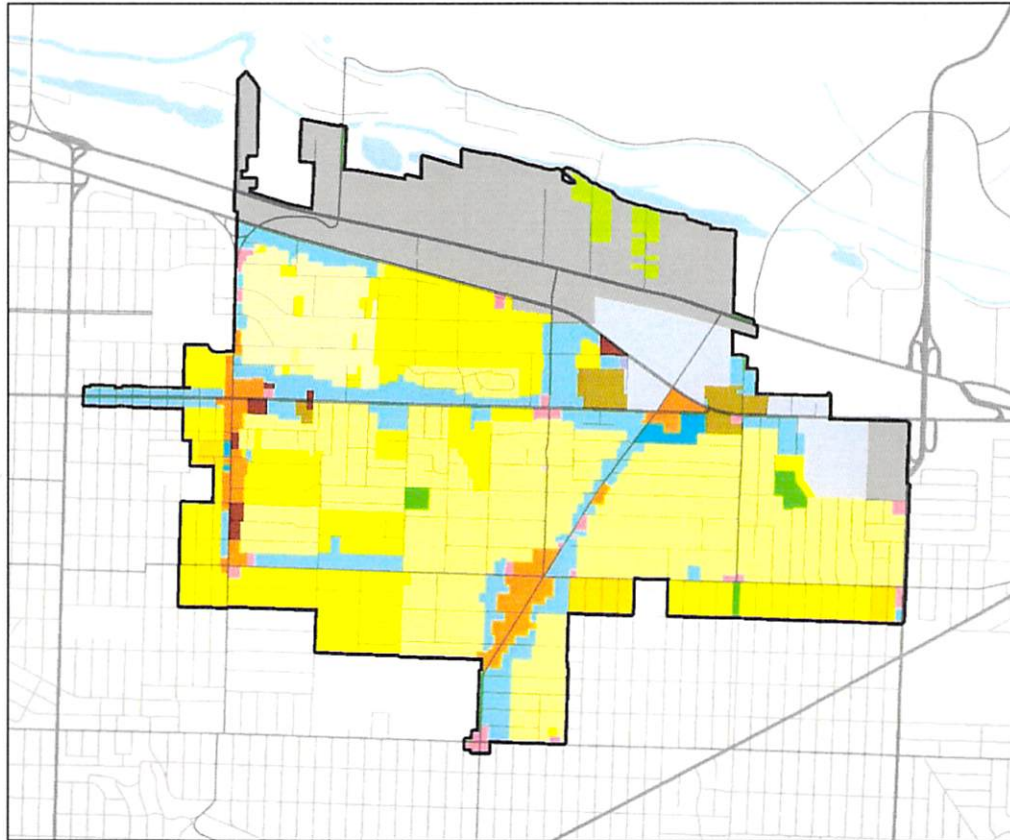


Figure 3 – Cully Tax Increment Area Zoning



	Commercial Employment (CE)		Single Dwelling Residential 10,000 (R10)
	Commercial Mixed Use 1 (CM1)		Single Dwelling Residential 2,500 (R2.5)
	Commercial Mixed Use 2 (CM2)		Single Dwelling Residential 5,000 (R5)
	Commercial Residential (CR)		Single Dwelling Residential 7,000 (R7)
	General Employment 1 (EG1)		Residential Farming (RF)
	General Employment 2 (EG2)		Residential Multi-Dwelling 1 (RM1)
	General Industrial 2 (IG2)		Residential Multi-Dwelling 2 (RM2)
	Open Space (OS)		Residential Manufactured Dwelling Park (RMP)

### Infrastructure

This section identifies the existing conditions in the Area to assist in **establishing the existing conditions and blight in the ordinance adopting the tax increment plan. This does not mean these projects are included in the tax increment plan.** The specific projects that are included in the Plan are listed in Sections II and III of this Report.

### Streets

An evaluation of the current conditions of the streets in the Area, taken from the Portland Bureau of Transportation Pavement Management System, is shown below in Table . The ratings are on a five-point scale, from fair to very poor. Forty-seven percent (47%) of the streets are in poor or very poor condition.

**Table 31 - Pavement Conditions**

Condition	Length Feet	Percent
Very Good	31,469	14%
Good	41,780	18%
Fair	49,868	21%
Poor	63,712	27%
Very Poor	45,470	20%
TOTAL:	232,300	

Source: Portland Housing Bureau GIS from Portland Bureau of Transportation Pavement Management System data

### Sanitary Sewer/Storm Water System

An evaluation of the current conditions of the streets in the Area, taken from the Portland Bureau of Environmental Services System, is shown below in Table 32. The ratings are on a five-point scale, from excellent to very poor or needs immediate attention. One percent of the sanitary sewer and storm water laterals are in poor or very poor condition.

**Table 32 – Sanitary Sewer/Storm Water System**

Condition	Length Feet	Percent
Excellent	205,452	88%
Good	22,103	9%
Fair	4,322	2%
Poor	2,629	1%
Very Poor/Immediate Attention	68	< 1%
TOTAL:	234,575	100%

Source: Prosper Portland GIS from Portland Bureau of Environmental Services data

Water Systems

The conditions of the water system were summarized by the Portland Water Bureau as shown in Table 33 – Water System Conditions. The Portland Water Bureau’s methodology was:

- Because most of these assets are buried, we do not often have condition ratings from inspections. Hydrants and some of the valves are the exceptions as they are regularly inspected and are more accessible.
- When there is no inspection-based condition rating available for an asset, we have used the asset’s age along with its estimated useful life to estimate a condition rating between 1 (very good) and 5 (very poor).
- Age based assessments of condition are estimates and in reality, there is some uncertainty due to the variations in the environmental conditions or a specific asset’s design characteristics and operational history.
- Some of our older assets are missing install dates so it is difficult to estimate their age without some assumptions. To overcome this gap, we use GIS connections between asset types (e.g., mains and valves “touching” in GIS) and other available attributes to estimate age of assets when missing. The condition rating in this case would be based on this estimated age. If install date is not available or cannot be reliably estimated, we have identified the condition rating of those assets as unknown (generally a small percentage of the population).

**Table 33 – Water System Conditions**

		287	285,840	5,096	1,007
		By count	By feet	By count	By count
Condition Description	Condition Rating	Hydrants	Mains	Services	Valves
Very good	1	58	26,603	898	246
Good	2	179	99,091	879	232
Fair	3	8	90,819	1,759	91
Poor	4	27	40,336	1,028	76
Very poor	5	3	13,623	131	244
Unknown	Unknown	5	4,412	219	77
		As %	As %	As %	As %
Condition Description	Condition Rating	Hydrants	Mains	Services	Valves
Very good	1	21%	10%	18%	25%
Good	2	64%	36%	18%	24%
Fair	3	3%	33%	36%	9%
Poor	4	10%	15%	21%	8%
Very poor	5	1%	5%	3%	25%
Unknown	Unknown	2%	2%	4%	8%

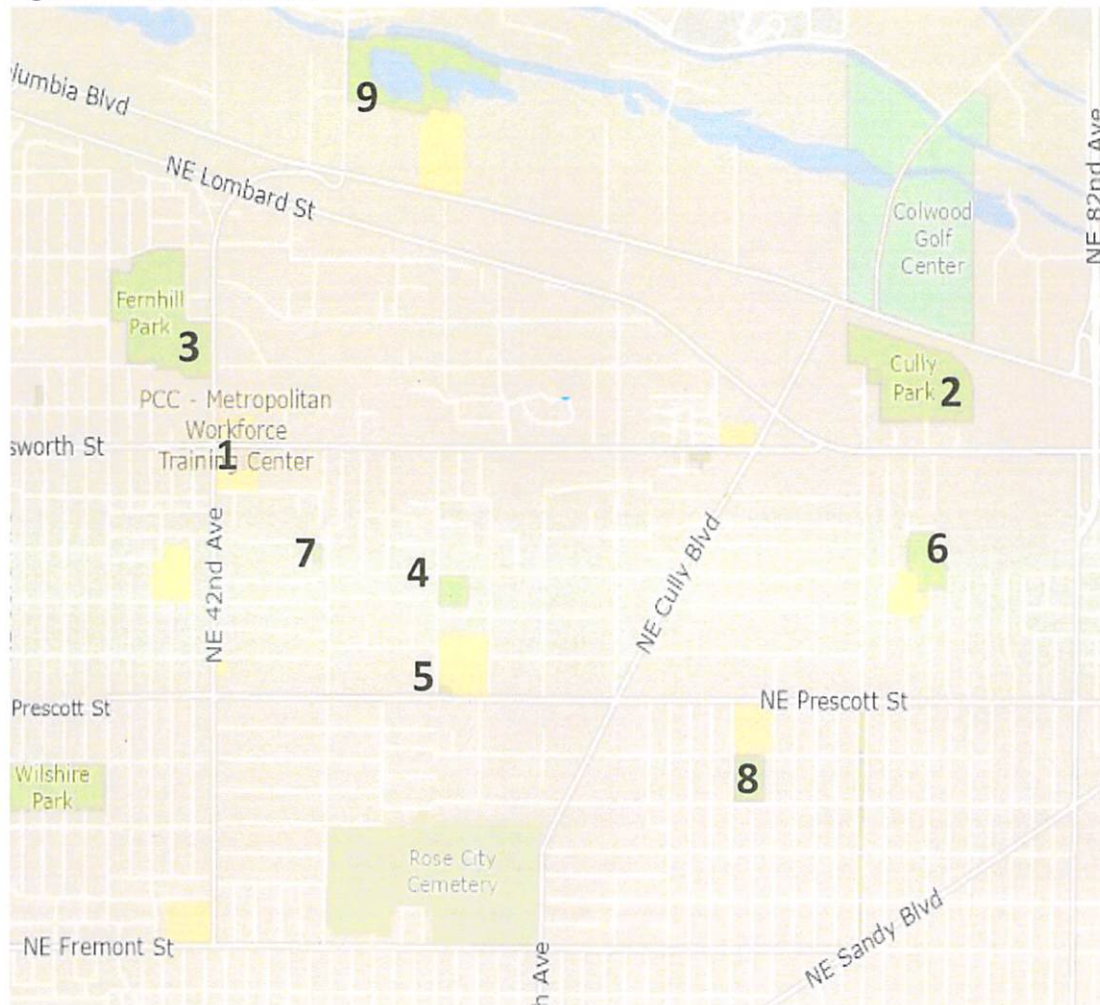
Source: Portland Water Bureau

Parks

The parks in the Area as shown on the Discover Portland Parks & Recreation map are:

- Cully Community Garden NE 42nd & Killingsworth
- Cully Park, 5801 NE 72nd
- Fernhill Park, 6010 NE 37th
- Khunamokwst Park, NE 52nd & Alberta
- Rigler Community Garden, 5401 NE Prescott
- Sacajawea Park, NE 75th & Roselawn
- Sumner Street Community Garden, 47th & Sumner
- Wellington Park, NE 66th & Mason
- Whitaker Ponds Nature Park, 7040 NE 47th

**Figure 4 – Parks in the Area**



### **Social Conditions**

“Cully’s housing affordability, proximity to downtown, rich cultural assets and economic diversity make it a desirable place to live. Research conducted for this report as well as findings presented in September 2013 at the Bureau of Planning and Sustainability find that Cully is in an early stage of gentrification. This means that property remains relatively affordable and land is still available for development. However, a flurry of private development is happening in nearby neighborhoods, and increased investment is flowing into Cully. The experience of other Portland neighborhoods as well as communities from across the United States indicate that gentrification often leads to displacement of existing community members, especially low-income and people of color residents. These were the conditions that started the effort to combat displacement and gentrification in the Cully neighborhood. Updated social conditions are shown below. <sup>10</sup> Cully is socially and economically diverse. Esri data shows the following: <sup>11</sup>

Cully has a larger share of low-income populations than Portland as a whole. The median household income for all Cully households is almost \$20,000 less than for all Portland households.

The wealth index for Cully is 64 while City-wide it is 102.

The housing affordability index for Cully is 83 with twenty-eight percent of a homeowner’s income going toward a mortgage payment. Portland City-wide housing affordability is 86 with twenty-seven percent of a homeowner’s income going toward a mortgage payment.

“The City of Portland recognizes Cully as a neighborhood likely to experience significant change in the coming years. The Portland City Council adopted Resolution 36953 in August 2012. This calls for a coordinated effort by city bureaus to study and prevent displacement in Cully. Working together, neighborhood organizations and public agencies have an opportunity to align programs and policies so that Cully remains a place where diverse residents can live, work, and thrive” (students, 2013).p 11.

The following Gentrification and Displacement Risk Typology Assessment map from the Portland Bureau of Planning shows the Cully Area in Dynamic and Late Type 2 phases of gentrification.

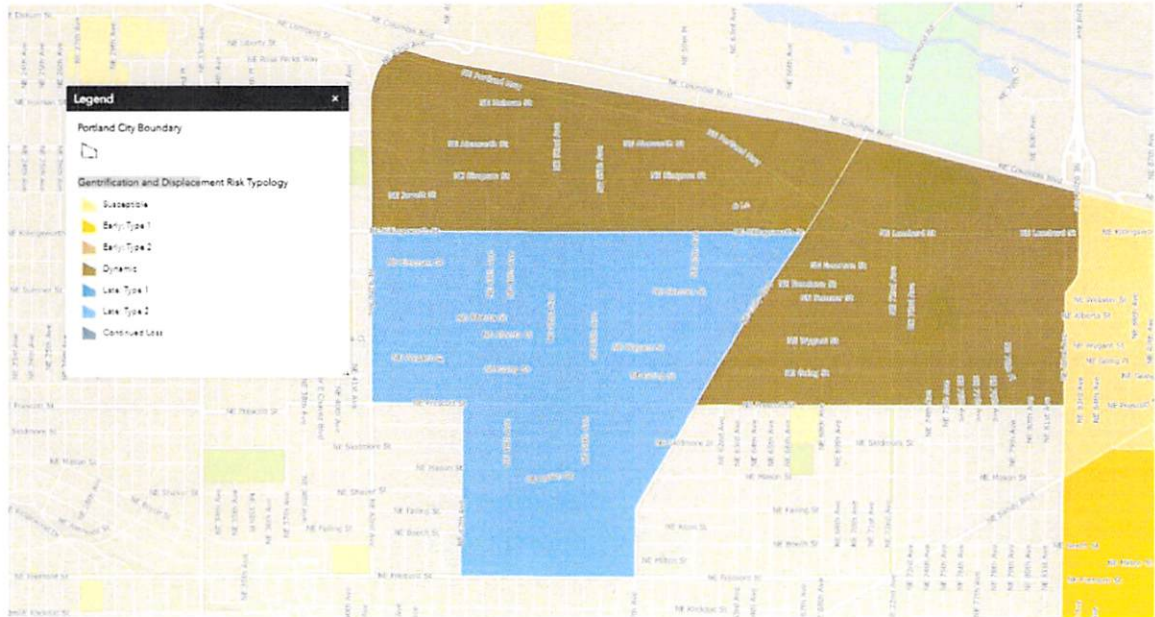
*Not in Cully: Anti-Displacement Strategies for the Cully Neighborhood, Executive Summary.*

---

<sup>10</sup> *Not in Cully: Anti-Displacement Strategies for the Cully Neighborhood, Executive Summary.*

<sup>11</sup> Esri Community Profile , forecasts for 2021 and 2026 Esri converted Census data .

**Figure 5 - Gentrification and Displacement Risk Typology Assessment**



Source: (<https://pdx.maps.arcgis.com/apps/webappviewer/index.html?id=777c415ec7874b74ae7c501bff0f67da>)

**Additional Social Conditions:**

Cully residents are a bit younger than the City of Portland residents with eighty seven percent of Cully residents under the age of 65 and eighty-five percent of the city residents under the age of 65.

**Table 34 - Age**

Age	Cully TIF		Portland	
	Number	Percent	Number	Percent
Under 18	5,150	19%	113,464	17%
18-29 years	3,563	13%	111,362	17%
30-39 years	5,440	20%	125,830	19%
40-49 years	4,291	16%	99,301	15%
50-59 years	3,691	14%	75,907	12%
60-64 years	1,459	5%	35,737	5%
65 years and over	2,908	11%	85,802	13%

Source: ECONW Report April 2022, American Community Survey (ACS) 2016-2020 5 years Estimates

The analysis of race and origin are shown in the table below with over thirty-three percent of the Cully residents identifying themselves as a race or ethnicity other than white while city-wide thirty-one percent of the residents identify themselves as a race or ethnicity other than white. These numbers reflect a recent loss of racial diversity in Cully, particularly within the Black community.

**Table 35 – Population by Race/ethnicity (percent, number)**

Race/Ethnicity	Cully TIF		Portland	
	Number	Percent	Number	Percent
White	17,913	67%	451,999	69%
Black	1,871	7%	37,107	6%
American Indian/Alaska Native	297	1%	3,738	1%
Asian	1,402	5%	55,681	9%
Native Hawaiian and Other Pacific Islander	8	0%	4,066	1%
Some Other Race	103	0%	2,784	0%
Two or More Races	1,177	4%	31,196	5%
Hispanic	3,827	14%	63,809	10%

Source: ECONW Report April 2022, American Community Survey (ACS) 2016-2020 5 years Estimates

Twenty-three percent of the Cully residents reported an education that included less than high school or gaining a high school diploma compared to twenty-two percent city wide. Forty-eight percent had a bachelor's degree or graduate/professional degree compared to fifty-one percent city-wide.

**Table 36 -Education Attainment in Cully TIF and City of Portland, 2020**

Race/Ethnicity	Cully TIF		Portland	
	Number	Percent	Number	Percent
Less Than High School	1,644	8%	34,595	7%
High School Diploma	1,644	15%	34,595	15%
Some College	2,934	29%	75,245	26%
Bachelor's Degree	6,022	31%	149,423	31%
Advanced Degree	3,444	17%	98,748	20%

Source: ECONW Report April 2022, American Community Survey (ACS) 2016-2020 5 years Estimates

The average household income in the Cully Area was \$80,426 the city-wide average household income was \$104,517.

**Table 37 - Income**

<b>Income Range</b>	<b>Cully</b>	<b>City of Portland</b>
<\$15,000	10.6%	9.8%
\$15,000 - \$24,999	7.4%	6.4%
\$25,000 - \$34,999	7.9%	6.5%
\$35,000 - \$49,999	9.7%	10.6%
\$50,000 - \$74,999	19.1%	16.5%
\$75,000 - \$99,999	15.5%	12.6%
\$100,000 - \$149,999	17.6%	18.1%
\$150,000 - \$199,999	9.3%	8.8%
\$200,000+	3.0%	10.7%
Average household income	\$80,426	\$104,517

Source: esri Community Profile 2021

**Economic Conditions****Business Summary within the Area**

There are 467 total businesses in the Area with 4,699 employees as indicated on the esri Business Summary.

These businesses are in the categories shown in Table 38.

**Table 38 – Business Types In the Area**

<b>Business Type</b>	<b>Number of Businesses</b>	<b>Percent</b>	<b>Number of Employees</b>	<b>Percent</b>
Agriculture & Mining	13	2.8%	55	1.2%
Construction	39	8.4%	294	6.3%
Manufacturing	21	4.5%	351	7.5%
Transportation	14	3.0%	491	10.4%
Communication	2	0.4%	14	0.3%
Utility	1	0.2%	25	0.5%
Wholesale Trade	23	4.9%	286	6.1%
Retail Trade	102	21.8%	1,032	22.0%
Finance, Insurance, Real Estate	27	5.8%	139	3.0%
Services	184	39.4%	1,783	37.9%
Government	5	1.1%	212	4.5%
Unclassified	36	7.7%	18	0.4%
<b>TOTAL:</b>	<b>467</b>	<b>100.0%</b>	<b>4,699</b>	<b>100.0%</b>

Source: esri Business Summary 2021

**Taxable Value of Property within the Area**

The estimated total assessed value of the Area calculated with data from the Multnomah County Department of Assessment and Taxation for FYE 2022 including all real property is estimated to be \$1,071,144,885. Personal, manufactured, and utility properties values are not included in this total.

**Building to Land Value Ratio**

An analysis of property values can be used to evaluate the economic condition of real estate investments in a given area. The relationship of a property's improvement value (the value of buildings and other improvements to the property) to its land value is generally an accurate indicator of the condition of real estate investments. This relationship is referred to as the "Improvement to Land Value Ratio," or "I:L." The values used are real market values. In tax increment areas, the I:L is often used to measure the intensity of development or the extent to which an area has achieved its short- and long-term development objectives.

Table 39 shows the improvement to land ratios (I:L) for properties within the Area. "The improvement-to-land value ratio (I/L ratio) for a property attempts to capture its investment potential. Properties with I/L ratios greater than 1.0 are less likely to be redeveloped because the improvement (e.g., a building or parking lot) is worth more than the land itself. Properties with I/L ratios less than or equal to 1.0 are more likely to be redeveloped, because the land is worth more than the improvement (this includes vacant lots). By this measure, almost half of all commercial and residential lots in Cully have the potential for investment and (re)development."<sup>12</sup>

In the Area, 2,305 parcels representing 77% of the acreage have I:L ratios less than 1.0, including those parcels that have no improvements on them. No improvement value means there are no taxable structures on the tax lot. Twenty-three percent of the acreage of the parcels in the Area have I:L ratios of 1.0 or more as determined by an analysis of the real market values from the Multnomah County Assessor data for FY 2021-2022. An analysis of Multnomah County Tax Assessor property description data identified the existence of vacant land that could be further utilized for future development.

**Table 39 - Improvement to Land Ratios in the Area**

Improvement to Land (I:L) Ratio	Parcels	Acreage	Percent of Acreage
No Improvement Value	306	1,422.54	54.68%
0.01-0.50	300	196.58	7.56%
0.51-1.00	1,699	384.68	14.79%
1.01-1.50	1,750	353.19	13.58%
1.51-2.00	553	107.35	4.13%
2.01-2.50	124	32.94	1.27%
2.51-3.00	47	30.46	1.17%
3.01-4.00	36	18.04	0.69%
>4.00	49	55.74	2.14%
<b>TOTAL:</b>	<b>4,864</b>	<b>2,601.52</b>	<b>100.00%</b>

Source: Compiled by Portland Housing Bureau using the Multnomah County Department of Assessment and Taxation database (FYE 2022)

---

<sup>12</sup> *Ibid.* page 25.

There are two hundred thirty-three vacant parcels in the Area for a total of 107.55 acres of land. This vacant property is largely general employment, general industrial and residential 5,000 zoned land as shown in Table .

**Table 40 – Vacant Land in the Area**

Property Description	Parcels	Acres	% of Total
Improved land as vacant	11	21.32	19.83%
Misc. Improvements	18	6.33	5.88%
Vacant land	204	79.9	74.29%
<b>TOTAL:</b>	<b>233</b>	<b>107.55</b>	<b>100.00%</b>

Source: Portland Housing Bureau

**Table 41 – Zoning Designations of Vacant Land**

Zoning Designation - Vacant Land	Parcel	Acres	% of Total
Commercial Mixed Use 1	4	0.76	0.71%
Commercial Mixed Use 2	13	5.37	4.99%
General Employment 2	8	26.6	24.73%
General Industrial 2	39	33.3	30.97%
Open Space	3	3.36	3.13%
Residential 10,000	14	1.96	1.82%
Residential 5,000	46	18.42	17.13%
Residential 7,000	72	7.69	7.15%
Residential Farm / Forest	8	3.02	2.80%
Residential Manufactured Dwelling Park	8	1.11	1.03%
Residential Multi-Dwelling 1	44	5.96	5.54%
<b>TOTAL:</b>	<b>259</b>	<b>107.55</b>	<b>100.00%</b>

Source: Portland Housing Bureau

### **Impact on Municipal Services**

The projects being considered for future use of tax increment funding are for addressing gentrification and displacement of both residents and businesses in the Cully neighborhood and to benefit people of color and low-income people.

The fiscal impact of Cully Tax Increment Finance Plan financing on taxing districts that levy taxes within the Area (affected taxing districts) is described in Section VIII of this Report. This subsection discusses the fiscal impacts on municipal services. All of the property within the Plan boundary is within the city limits and therefore already served by city infrastructure and county services. The Plan will bring increased funding to allow the Portland Housing Bureau to create additional affordable housing options in the Area. The Plan will also provide funding to Prosper Portland to assist existing businesses and promote the creation of new businesses, providing needed services to the community.

The financial impacts from Cully Tax Increment Finance Plan collections will be countered by providing financial tools to address displacement and gentrification in an ethnically diverse neighborhood and to benefit people of color and low-income people. These actions are consistent with and in conformance with implementing the Portland Comprehensive Plan which has detailed language about addressing displacement and gentrification in Portland neighborhoods. The analysis of conformance to the Portland Comprehensive Plan is detailed in the Cully Tax Increment District Plan

### **XII. REASONS FOR SELECTION OF EACH TAX INCREMENT AREA IN THE PLAN**

The reason for selecting the Area is to provide the ability to fund projects and programs necessary to cure blight within the Area. Blight is specifically defined in ORS 457.010(1)(b) An economic dislocation, dilapidation, mixed character or shifting of uses; and (g) A prevalence of depreciated values, impaired investments and social and economic maladjustments to such an extent that the capacity to pay taxes is reduced and tax receipts are inadequate for the cost of public services rendered.

The Cully Neighborhood was identified in the *Not in Cully Anti Displacement Study* in 2013 as an area that was already experiencing displacement and gentrification. Further studies and data from the Bureau of Planning and Sustainability support those original findings. The Cully Neighborhood has been working with the City of Portland on ways to both improve the neighborhood but to do so without causing further displacement or gentrification of the neighborhood. The Cully TIF District Plan has entire Chapters on the reasons for selecting this area, including Sections II. *Background and Context*, III *Community Engagement in Designing the TIF District*, IV. *Visions, Values, Goals* and VI. *Principles that Guide Implementation of the Plan*.

### **XIII. RELOCATION REPORT**

When the Agency acquires occupied property under the Plan, residential or commercial occupants of such property shall be offered relocation assistance, as required under applicable state law. Prior to such acquisition, the Agency shall adopt rules and regulations, as necessary, for the administration of relocation assistance. The Agency will comply with all applicable state law in providing these potential benefits.



Date: September 19, 2022  
To: Planning and Sustainability Commission  
From: Nicholas Starin  
cc: Patricia Diefenderfer and Barry Manning  
Re: Cully Tax Increment Finance District Plan

---

### Staff Recommendation

Staff recommends that the PSC take the following actions:

1. Find that the Cully TIF District Plan conforms to the City of Portland Comprehensive Plan; and
2. Recommend that City Council adopt the Cully TIF District Plan and Report.

### Urban Renewal Plan Authority and PSC Role

Authority for the use of urban renewal, also referred to as tax increment financing (TIF) in this memo and the *Cully TIF District Plan*, is codified in Chapter 457 of the Oregon Revised Statutes (ORS). The statutes include criteria for establishing urban renewal areas (or TIF districts) and the required contents of urban renewal plans and reports. Proposed urban renewal plans are prepared by Prosper Portland staff, approved by the Prosper Portland Board of Commissioners, and submitted to Portland City Council for adoption. On September 14, the Prosper Portland Board approved the *Cully TIF District Plan* and referred it to the City Council.

ORS 457 also requires that the City's Planning Commission (PSC) review proposed urban renewal plans, reading in part:

"An urban renewal agency shall forward an urban renewal plan and the accompanying report to the planning commission of the municipality for recommendations before presenting the plan to the governing body of the municipality for approval ..."

The statute also requires that urban renewal plans conform with the City's adopted Comprehensive Plan. The *2035 Comprehensive Plan* reiterates these requirements for PSC review and consistency with the Comprehensive Plan.



### **Key Elements of the Cully Tif District Proposal**

The *Cully TIF District Plan* is the result of ongoing collaboration between stakeholders in Cully, Prosper Portland, and the Portland Housing Bureau. It will be used for decision-making related to the Cully TIF District, from the development and adoption of Action Plans to the implementation of individual programs and investments. The plan's vision, values and goals are intended to transform Cully into a place that provides a sense of belonging for its residents, particularly for identified Priority Communities. The goals of the Cully TIF District Plan are to support and facilitate plentiful safe, affordable housing, thriving BIPOC businesses, rewarding employment opportunities, safe and accessible transportation options, parks and open spaces, a clean and healthy environment, climate resiliency, with places and programs that reflect the cultural diversity of BIPOC individuals. The proposal includes three documents:

- The TIF District Plan, which includes the 30-year vision and values, goals, implementation principles, and the allowable 'menu' for future TIF investments in Cully. If adopted, five-year action plans will set forth short-term implementation strategies and identify specific project, program and budget priorities;
- The TIF Report provides technical information on the district, in support of the Plan; and
- The Governance Charter, which establishes a Community Leadership Committee and describes the roles, responsibilities, and commitments of all parties in future co-creation processes.

If adopted, the proposal would establish a new, community-guided TIF District in Cully. Over the 30-year life of the district, it would generate approximately \$320 million for projects, with approximately \$144 million going toward affordable housing development and programs and \$176 million toward economic and community development projects and programs. The Plan's project list intentionally limits spending on general public infrastructure to ensure funds support household and businesses stabilization more directly. The range of eligible program and project types are described in Chapter VIII of the Plan.

Tax increment financing uses annual property tax increment revenues to make payments on debt, usually in the form of bank loans or revenue bonds. The proceeds of the debt are used to finance the urban renewal projects authorized in the Plan. Tax increment revenues are captured from increases in property tax within the boundary area above the year of adoption or base year.

### **Relationship to the Comprehensive Plan**

ORS 457.095 requires determinations by the governing body (City Council) that new urban renewal plans be in conformance with the City's Comprehensive Plan. Overall, the *Cully TIF District Plan* is in conformance with Portland's *2035 Comprehensive Plan*. In particular, the plan supports and helps implement the Comprehensive Plan's Guiding Principles on Economic Prosperity and Equity, and the Goals and Policies of Chapter 2 Community Involvement, Chapter 5 Housing, and Chapter 6 Economic Development.



As a community initiated and driven project, the *Cully Tif District Plan* supports the goals and policies of Chapter 2 Community Involvement. In particular, the co-creation practices used in the development of the plan and the envisioned ongoing governance model supports Goal 2.A Community Involvement as a Partnership and related policies by centering historically underserved, marginalized and underrepresented communities and needs.

The plan also supports the goals and policies of Chapter 5 Housing. In support of Goal 5.B Equitable Access to Housing, Goal 5.D Affordable Housing, and related policies, the plan will create significant new funding for the Portland Housing Bureau to use in the Cully TIF District for affordable housing production and stabilization. The plan envisions multiple programs to support low-income community members, though home repair, home ownership, development of multi-family rental affordable housing, rehabilitation and preservation of existing regulated affordable and market rate housing, and houseless facilities.

The *Cully TIF District Plan* supports the economic development policies of Comprehensive Plan Chapter 6 through its goals for retaining, creating, and expanding economic opportunities in Cully. This will be accomplished through investments in commercial, industrial and mixed-use properties in the district's commercial and employment areas and by providing increased resources for small businesses, including funding for building renovations, the retention or expansion of existing businesses and support for start-up businesses.

Perhaps most directly, the *Cully TIF District Plan* supports Comprehensive Plan Policy 6.32 Urban Renewal Areas, which calls for urban renewal areas to primarily benefit existing residents and businesses. The Cully plan's goals and implementation principles support this by emphasizing and providing resources for preserving existing affordable housing and economic opportunities and the prevention of involuntary residential and business displacement. The plan intentionally limits spending on general public infrastructure to ensure more funds directly support household and businesses stabilization efforts.

### **Outreach and Engagement**

Beginning in 2018, seven partner organizations — the Native American Youth and Family Center (NAYA), Hacienda CDC, Habitat for Humanity Portland Region, Verde, Our 42nd Avenue, the Cully Boulevard Alliance and the Cully Association of Neighbors — have collaborated with Prosper Portland, the Portland Housing Bureau, Metro and community members to create the Cully TIF District Plan.

Utilizing a co-creation model, the project's community engagement process placed a particular emphasis on sharing power and community leadership, and an intentional focus on connecting with people from a variety of races, cultures, backgrounds, housing statuses, incomes, and nationalities. The engagement process was based on longstanding work and relationships with community members and built on a foundation of trust in the community cultivated over many years by all of the partner



organizations involved. Additional information on the engagement process can be found in Chapter III of the Plan.

### Issues

- Concerns on the part of some stakeholders about the Plan's engagement approach and the future Governance Charter Committee – both of which intentionally center “Priority Communities,” or those most at risk of displacement.
- Questions around how to best confront displacement and market pressures – balancing affordability approaches with equitable wealth creation/development value capture. The eligible investment list in the Plan reflects both approaches, with the aim of both stabilizing the neighborhood and creating wealth building opportunities for underrepresented communities.
- Concerns about accountability and transparency of the TIF Plan in the long term, including: a) delivering on goals; and b) contracting with partners. TIF funds will be awarded through transparent and competitive public RFP processes – and the Governance Charter commits Prosper Portland, PHB and the forthcoming Community Leadership Committee to provide City Council with an annual report—to review financials and provide an opportunity for the committee and other community members to provide feedback on progress in achieving the Plan's stated goals.

### For more information

Webpage: <http://prosperportland.us/cully-tif>

Contact project staff:

Justin Douglas, Project Manager  
[DouglasJ@ProsperPortland.us](mailto:DouglasJ@ProsperPortland.us)

Kathryn Hartinger, Project Staff  
[hartingerk@prosperportland.us](mailto:hartingerk@prosperportland.us)





## Portland Planning and Sustainability Commission

Steph Routh, Chair

Erica Thompson, Vice Chair  
Jeff Bachrach  
Jessie Gittemeier

Johnell Bell  
Gabe Sheeships  
Katie Larsell

Oriana Magnera  
Valeria McWilliams, Vice Chair  
Eli Spevak

October 25, 2022

Dear Mayor Wheeler and City Commissioners,

The Portland Planning and Sustainability Commission (PSC) is pleased to unanimously recommend that City Council adopt the proposed *Cully Tax Increment Finance District Plan and Report*. We believe the Cully TIF Plan conforms to Portland's *2035 Comprehensive Plan* as a whole and will significantly advance City priorities for equitable development and anti-displacement in NE Portland.

The Plan's emphasis on providing resources for preserving existing affordable housing and economic opportunities and preventing involuntary residential and business displacement supports and implements key housing and economic development policies of the Comprehensive Plan. In addition, the co-creation process used in the development of the plan and the envisioned community governance model sets a new and higher bar for urban renewal planning in Portland by centering historically underserved, marginalized and under-represented communities and needs. We hope this plan can serve as a model for future TIF planning projects.

The PSC provides the following additional recommendations:

- The PSC heard testimony requesting funding for community-based staff to support the new Community Leadership Committee, community engagement, and TIF Plan implementation. The PSC supports this request and believes that community-based staff is critical to connecting TIF resources to Priority Community members and those most at risk of displacement.
- The Commission requests that Prosper Portland and Portland Housing Bureau continue to collaborate closely with the community organizations and leaders that helped craft the Cully TIF Plan. Long term success will rely on true partnership and trust between the City and community partners. City Council should monitor plan implementation and ensure that the City is mindful of the co-creation process and held accountable to community needs, desires and input.



City of Portland, Oregon | Bureau of Planning and Sustainability | [www.portland.gov/bps](http://www.portland.gov/bps)  
1900 SW 4<sup>th</sup> Avenue, Suite 7100, Portland Oregon, 97201 | phone: 503-823-7700 | tty: 503-823-6868

The City of Portland is committed to providing meaningful access. To request translation, interpretation, modifications, accommodations, or other auxiliary aids or services, contact 503-823-7700, Relay: 711.

Traducción e Interpretación | Biên Dịch và Thông Dịch | अनुवादन तथा I | 口笔译服务 | Устный и письменный перевод | Turjumaad iyo Fasiraad | Письмовий і усний переклад | Traducere și interpretariat | Chiaku me Awewen Kapas | 翻訳または通訳 | תרגום או שירותי תרגום | [Portland.gov/bps/accommodation](http://Portland.gov/bps/accommodation) | الترجمة التحريرية أو الشفهية

Thank you for the opportunity to review the proposed *Cully Tax Increment Finance District Plan and Report* and for considering our recommendations.

Sincerely,



Steph Routh  
Chair

