

PORTLAND DEVELOPMENT COMMISSION

Portland, Oregon

RESOLUTION NO. 7096

**APPROVING THE ELEVENTH AMENDMENT TO THE AIRPORT WAY
URBAN RENEWAL PLAN**

WHEREAS, the Portland City Council (“City Council”) adopted the Airport Way Urban Renewal Plan (“Original Plan”) on May 15, 1982, by Ordinance No. 158500 to provide tax increment funding and urban renewal authority to eliminate blight and foster development and redevelopment within the Airport Way Urban Renewal Area (“URA”) in order to protect the public health, safety, and welfare of the city of Portland;

WHEREAS, the Original Plan was subsequently amended through the Tenth Amendment to the Airport Way Urban Renewal Plan (as amended, the “Plan”);

WHEREAS, City Council adopted Resolution No. 37072 on May 7, 2014, directing the Portland Development Commission (“PDC”) and the Office of Management and Finance (“OMF”) to prepare proposed amendments to the Airport Way URA as part of a package of amendments to six URAs;

WHEREAS, City Council also directed PDC and OMF to work with the Bureau of Planning and Sustainability and the Portland Housing Bureau to coordinate with partner taxing jurisdictions and engage community stakeholders to consider, discuss, and finalize the proposed amendments;

WHEREAS, PDC and OMF have completed this coordination process including the appointment of an advisory committee that has reviewed the proposed amendment (“Eleventh Amendment”);

WHEREAS, the indebtedness cap in the Airport Way URA was reached in 2009 and more bonded debt cannot be issued;

WHEREAS, the time frame for paying off the maximum indebtedness is not increased by this reduction in acreage;

WHEREAS, the Airport Way URA has grown in assessed value from a frozen base of \$124,710,301 to \$1,211,634,515 in real, personal, and manufactured fiscal year (FY) 2014-15 value. Since Airport Way is an Option 3 URA, it also receives a portion of the Special Levy, which means that the area receives a set amount of tax increment on an annual basis. As a result, an estimated \$504,754,177 is released to the other taxing districts in FY 2015-16;

WHEREAS, the City of Portland debt manager has reasonably projected that the estimated reduction in the Airport Way URA’s assessed valuation does not exceed limitations contained in applicable bond insurance agreement provisions relating to the URA's outstanding bonds. The debt

manager has further reasonably projected that the URA's Maximum Tax Increment Revenues, after the proposed area reduction, will exceed Maximum Annual Debt Service by more than the minimum debt service coverage requirements in the bond declarations and insurance agreement for the URA outstanding bonds;

WHEREAS, a determination has been made to reduce the acreage in the Airport Way URA to return assessed value to the overlapping taxing jurisdictions and to free up acreage within the acreage limitation for urban renewal in the city of Portland; and

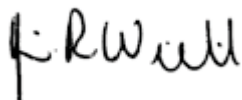
WHEREAS, 970.5 acres including 781.31 acres in tax lots and 189.19 acres in right of way have been identified as property that can be removed from the Airport Way URA and still allow the URA to remain financially feasible and to complete the projects identified within the Plan.

NOW, THEREFORE, BE IT RESOLVED, that the PDC Board of Commissioners hereby approves the Eleventh Amendment to the Airport Way Urban Renewal Plan, attached hereto as Exhibit A, and the Report accompanying the Eleventh Amendment to the Airport Way Urban Renewal Plan attached hereto as Exhibit B and incorporated herein by this reference to become effective July 1, 2015;

BE IT FURTHER RESOLVED, that PDC does hereby direct that the Eleventh Amendment to the Airport Way Urban Renewal Plan be forwarded to City Council for adoption; and

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

Adopted by the Portland Development Commission on January 21, 2015



Gina Wiedrick, Recording Secretary

PORTLAND DEVELOPMENT COMMISSION

Portland, Oregon

RESOLUTION NO. 7096

EXHIBIT A

**APPROVING THE ELEVENTH AMENDMENT TO THE AIRPORT WAY
URBAN RENEWAL PLAN**

Exhibit A includes this cover page and contains 11 pages:

- Airport Way Plan Amendment No. 11

Exhibit A Airport Way Plan Amendment No. 11

Section 300 is replaced in its entirety with the following legal description and boundary map.

Section 300 - Legal Boundary Description and Map

DRAFT: Currently being reviewed by Multnomah County

Airport Way Urban Renewal Area Legal Description

Beginning at the Northeast corner of Lot 2, Partition Plat 1992-106, on the south right-of-way line of N.E. Marine Drive, in the Southwest 1/4 of Section 14, Township 1 North, Range 2 East, Willamette Meridian, City of Portland, County of Multnomah, State of Oregon, Assessor's Map 1N2E14C for the Airport Way Urban Renewal Area Boundary Line;

- 1. Thence westerly along the South right-of-way of N.E. Marine Drive 5,278 feet, more or less, to a point 63.99 feet west of the northeast corner of Lot 4 in the INTERNATIONAL CORPORATE CENTER NUMBER 2, Assessor's Map 1N2E14C, 14DC, 14DD, & 15A;*
- 2. Thence leaving said right-of-way and continuing westerly along the north line of said Lot 4 a distance of 629.74 feet, more or less, to the northwest corner of said Lot 4, and the east right-of-way line of NE 112th Ave, Assessor's Map 1N2E15AC;*
- 3. Thence northwesterly perpendicular to the Interstate 205 "L" Line 335.7 feet, more or less, to said "L" Line, Assessor's Map 1N2E15 & 15AC;*
- 4. Thence southwesterly along said "L" Line 1212 feet, more or less, to the centerline of NE Airport Way, Assessor's Map 1N2E15A & 15B;*
- 5. Thence southeasterly along said centerline of N.E. Airport Way 397 feet, more or less, to a point on said centerline 133.66 feet northwesterly, when measured at a right angle to N.E. Airport Way centerline, from the north corner of Parcel 1 described in Warranty Deed 99066046, recorded April 1, 1999, Multnomah County Deed Records, Assessor's Map 1N2E15A & 15CA;*
- 6. Thence southwesterly 133.66 feet, to said north corner of Parcel 1 and recorded under Record of Survey Number 46925, Multnomah County Survey Records, labeled as a "point opposite and 454.82 feet Southerly Engineers Center Line Station 138+00 (Deed);" said point being on the East right-of-way of Interstate 205, Assessor's Map 1N2E15CA;*
- 7. Thence southwesterly along said East right-of-way of Interstate 205 a distance of 1757 feet, more or less, to the most westerly corner of Parcel 1, described in Document Number 2003-*

207447, Multnomah County Deed Records and recorded under Record of Survey Number 56983, Multnomah County Survey Records, Assessor's Map 1N2E15CA & 15CB;

8. Thence leaving said right-of-way southwesterly 148 feet, more or less, to the centerline intersection of N.E. 105th Avenue (also known as N.E. Holman St.) and N.E. Alderwood Road (also known as N.E. Clark Rd,) Assessor's Map 1N2E15CB;
9. Thence westerly along said centerline of N.E. Alderwood Road 620 feet, more or less, to the intersection of said centerline and the West right-of-way of Interstate 205, Assessor's Map 1N2E15;
10. Thence northerly along said West right-of-way 1597.5 feet, more or less, to the South right-of-way of N.E. Airport Way, Assessor's Map 1N2E15;
11. Thence northerly along said South right-of-way 46.42 feet, more or less, to the most easterly South line of the Cascade Station Lease Boundary, recorded under Record of Survey Number 58015, Multnomah County Survey Records, Assessor's Map 1N2E15;
12. Thence westerly along said easterly South line of the Cascade Station Lease Boundary 1080.48 feet, more or less, to the easterly southwest corner as shown on said Record of Survey Number 58015, Multnomah County Surveys, Page 3 of 7, and described in an Unrecorded Lease Agreement to IKEA, per Chicago Title Insurance Company of Oregon Order Number 406145S, Assessor's Map 1N2E15;
13. Thence westerly along said Unrecorded Lease Agreement 22.1 feet, more or less, to the centerline of the Tri-met Airport Light Rail Lines, lying within an Easement for the Tri-County Metropolitan Transportation District of Oregon, and described in an Operating/Maintenance Agreement dated May 26, 1999, the location of said easement being based on the physical placement of said Rails, Assessor's Map 1N2E15 & 16;

Thence along the centerline of the Tri-Met Airport Light Rail Lines the following four courses:

14. Northerly 274.92 feet, more or less, to the beginning of a 607.83 foot radius curve to the left, Assessor's Map 1N2E16;
15. Thence northerly along said curve 95.09 feet, more or less, to the beginning of a 407.75 foot radius Compound Curve to the left, Assessor's Map 1N2E16;
16. Thence northwesterly along said Compound Curve 308.57 feet, more or less, to the beginning of a 607.83 foot radius Compound Curve to the left, Assessor's Map 1N2E16;

17. *Thence northwesterly along said Compound Curve 51.41 feet, more or less, to the east right-of-way line of the northbound lane of Mt. St. Helens Avenue, Assessor's Map 1N2E16;*
18. *Thence northerly 45 feet, more or less, to the intersection of the northwesterly right-of-way of the northbound lane of Mt. St. Helens Avenue and the South right-of-way of N.E. Cascades Parkway, Assessor's Map 1N2E16;*
19. *Thence northwesterly along said South right-of-way of the N.E. Cascades Parkway 2928 feet, more or less, to the intersection of said right-of-way line and the southeasterly line of Tax Lot 101, PORTLAND INTERNATIONAL CENTER P.U.D., Assessor's Map 1N2E16;*
20. *Thence northwesterly along the prolongation of said southeasterly line of Tax Lot 101 207 feet, more or less, to the intersection of the North right-of-way N.E. Cascades Parkway and the easterly line of Tax Lot 1301, PORTLAND INTERNATIONAL CENTER P.U.D., Assessor's Map 1N2E9C;*
21. *Thence continuing northwesterly along said easterly line of Tax Lot 1301 904 feet, more or less, to the intersection of said easterly line and the easterly line of Tax Lot 1302, PORTLAND INTERNATIONAL CENTER P.U.D., Assessor's Map 1N2E9C;*
22. *Thence northwesterly along southerly line of Tax Lot 1400 89.8 feet, more or less, to the intersection of said southerly line and the South right-of-way of N.E. Airport Way, Assessor's Map 1N2E9C ;*
23. *Thence northwesterly along said South right-of-way 73.48 feet, more or less, to the angle point on the north line of Lot 2, PORTLAND INTERNATIONAL CENTER P.U.D., also being the intersection of the south right-of-way line and the East Line of the Portland International Airport tract of land described in Book 1809, Page 75, Multnomah County Deed Records, Assessor's Map 1N2E9C;*
24. *Thence continuing northwesterly along said South right-of-way line of N.E. Airport Way 985.35 feet, more or less, to the northwest corner of Lot 1, PORTLAND INTERNATIONAL CENTER P.U.D., also being a point on the East right-of-way of N.E. 82nd Avenue, Assessor's Map 1N2E9C;*
25. *Thence southwesterly along said East right-of-way 537.15 feet, more or less, to the southwest corner of said Lot 1, Assessor's Map 1N2E9C;*

26. *Thence easterly along the south line of said Lot 1 a distance of 184.72 feet, more or less, to the northwest corner of Lot 6, PORTLAND INTERNATIONAL CENTER P.U.D., Assessor's Map 1N2E9C;*
27. *Thence continuing along the south line of said Lot 1 a distance of 72.5 feet, more or less, to the beginning of an Ingress/Egress Access Easement across Lot 5 and Lot 6, PORTLAND INTERNATIONAL CENTER P.U.D., as shown on Record of Survey Numbers 54785 and 56402, Multnomah County Survey Records, Assessor's Map 1N2E9C;*
28. *Thence southerly along the east line of said access easement 16.00 feet, more or less, to the point of curvature of a 135.00 foot radius Curve to the right, Assessor's Map 1N2E9C;*
29. *Thence southwesterly along said Curve 147.08 feet, more or less, to the west line of Lot 6, PORTLAND INTERNATIONAL CENTER P.U.D., Assessor's Map 1N2E9C;*
30. *Thence southwesterly along said west line of Lot 6 a distance of 464.34 feet, more or less, to the southwest corner of said Lot 6, Assessor's Map 1N2E9C;*
31. *Thence southeasterly along the south line of said Lot 6 a distance of 716.16 feet, more or less, to the southeasterly corner of said Lot 6 and the west right-of-way of N.E. Cascades Parkway, Assessor's Map 1N2E9C;*
32. *Thence easterly across N.E. Cascades Parkway 117.5 feet, more or less, to the most northerly northeast corner of Tract D, PORTLAND INTERNATIONAL CENTER P.U.D., on the East right-of-way of N.E. Cascades Parkway, Assessor's Map 1N2E9C, 1N2E16B;*
33. *Thence northeasterly along said East right-of-way 82 feet, more or less, to the southwest corner of Cascade Station Lease Boundary as shown on Record of Survey Number 58015, Multnomah County Survey Records, Page 2 of 7, Assessor's Map 1N2E16B;*
34. *Thence southeasterly along the south line of said Lease Boundary 975.76 feet, more or less, to the east line of Lot 8, PORTLAND INTERNATIONAL CENTER P.U.D., being southwesterly 321.91 feet from the most easterly corner of said Lot 8, Assessor's Map 1N2E16B;*

Thence along the east and south lines of said Lot 8, the following five courses:

35. *Southwesterly 3.09 feet, more or less, to the interior corner of said Lot 8, Assessor's Map 1N2E16B;*
36. *Thence southerly 310.00 feet, more or less, Assessor's Map 1N2E16B;*
37. *Thence westerly 111.67 feet, more or less, Assessor's Map 1N2E16B;*
38. *Thence westerly 105.00 feet, more or less, Assessor's Map 1N2E16B;*

39. Thence westerly 200.75 feet, more or less, to the most easterly corner of Tract D, PORTLAND INTERNATIONAL CENTER P.U.D., Assessor's Map 1N2E16B;
40. Thence southwesterly along the east line of said Tract D 91.13 feet, more or less, to the northeast corner of Lot 10, PORTLAND INTERNATIONAL CENTER P.U.D., Assessor's Map 1N2E16B;
41. Thence southwesterly along the east line of said Lot 10 a distance of 504 feet, more or less, to the north line of the George M. Long Donation Land Claim (DLC) 40, Assessor's Map 1N2E16B;
42. Thence westerly along said north line of said DLC 40 a distance of 600 feet, more or less, to the West line of said Lot 10, Assessor's Map 1N2E16B;

Thence along said West line of Lot 10 the following four courses:

43. Southwesterly 63 feet, more or less, Assessor's Map 1N2E16B;
44. Thence southerly 352.94 feet, more or less, Assessor's Map 1N2E16B;
45. Thence southeasterly 91.42 feet, more or less, Assessor's Map 1N2E16B;
46. Thence southeasterly 295 feet, more or less, to the most southerly east corner of said Lot 10, Assessor's Map 1N2E16B;
47. Thence southerly along the east line of Tract F, PORTLAND INTERNATIONAL CENTER P.U.D. 135.32 feet, more or less, to the southeast corner of said Tract F and the North right-of-way of N.E. Alderwood Road, Assessor's Map 1N2E16B;
48. Thence northwesterly along said North right-of-way 1906 feet, more or less, to the southeast corner of Lot 5, PORTLAND INTERNATIONAL CENTER P.U.D., Assessor's Map 1N2E16B;
49. Thence southwesterly 96.5 feet, more or less, to the south right-of-way line of N.E. Alderwood Road, being the northeast corner of the Lot 12B lease line, as shown on Record of Survey Number 54786, Multnomah County Survey Records, and a 144.08 foot radius Curve to the right, Assessor's Map 1N2E16B;

Thence along said Lot 12B lease line the following five courses:

50. Southwesterly along said Curve 158.23 feet, more or less, to a 263.92 foot radius Compound Curve to the right, Assessor's Map 1N2E16B;
51. Thence westerly along said Compound Curve 79.43 feet, more or less, to a 195.00 foot radius Reverse Curve to the left, Assessor's Map 1N2E16B;

52. Thence southwesterly along said Reverse Curve 184.03 feet, more or less, to a 95.00 foot radius Compound Curve to the left, Assessor's Map 1N2E16B;
53. Thence southerly along said Compound Curve 82.11 feet, more or less, Assessor's Map 1N2E16B;
54. Thence westerly 42.80 feet, more or less, to the East right-of-way of N.E. 82nd Avenue, Assessor's Map 1N2E16B;
55. Thence southerly along the said East right-of-way 1695.78 feet, more or less, to the northwest corner of the Trail Easement as shown on the PORTLAND INTERNATIONAL CENTER P.U.D., Assessor's Map 1N2E16B;
56. Thence southeasterly along the north line of said Trail Easement 579.29 feet, more or less, to the northeast corner of said Trail Easement, Assessor's Map 1N2E16B;
57. Thence southerly along the east line of said trail easement 50.00 feet to the southeast corner of said Trail Easement, Assessor's Map 1N2E16B;
58. Thence continuing southwesterly along the extension of the east line of said Trail Easement 80 feet, more or less, to the south line of the Columbia Slough, Assessor's Map 1N2E16B & 16CB;
59. Thence easterly along the south bank of the Columbia Slough 535.5 feet, more or less, to the Extension of the West Line of the tract of land shown on Record of Survey Number 51195, Multnomah County Survey Records, Assessor's Map 1N2E16CA & 16CB;
60. Thence southerly along the said Extension of the West Line 85 feet, more or less, to the westerly northwest corner of said Tract of land shown on Record of Survey Number 51195, Multnomah County Survey Records, Assessor's Map 1N2E16CA;
61. Thence southerly along the west line of said Tract 469.06 feet, more or less, to the North right-of-way of N.E. Marx Drive, Assessor's Map 1N2E16CA & 16CB;
62. Thence westerly along said North right-of-way 635 feet, more or less, to a point on a curve closest to the northwest line of Parcel 2 as shown on Record of Survey Number 41371, Multnomah County Survey Records, Assessor's Map 1N2E16CB;
63. Thence northwesterly radial to the North line of said Parcel 2 a distance of 0.96 feet, more or less, to a point on said North line of said Parcel 2, Assessor's Map 1N2E16CB;
64. Thence southwesterly along said North line of Parcel 2 a distance of 360 feet, more or less, to the northwest corner of said Parcel 2, Assessor's Map 1N2E16CB & 16CC;

65. Thence southerly along the west line of Parcel 2 and Parcel 1, as shown on Record of Survey Number 41371, Multnomah County Survey Records, 847.57 feet, more or less, to the southwest corner of said Parcel 1 and the North right-of-way of N.E. Columbia Boulevard, Assessor's Map 1N2E16CC;
66. Thence easterly along said North right-of-way line 1200 feet, more or less, to the southeast corner of Lot 3, A.P. INDUSTRIAL PARK, Assessor's Map 1N2E16CC & 16CD;
67. Thence northerly along the east line of said Lot 3, the extension of said east line of Lot 3, and the most westerly east line of Lot 4, A.P. INDUSTRIAL PARK 797 feet, more or less, to the interior corner of said Lot 4, Assessor's Map 1N2E16CD;
68. Thence easterly along the South line of said Lot 4 a distance of 970.36 feet, more or less, to the southeast corner of said Lot 4 and the west right-of-way N.E. 92nd Drive Assessor's Map 1N2E16CD & 16D;
69. Thence continuing easterly along the extension of said South line of said Lot 4 a distance of 60 feet, more or less, to the East right-of-way of N.E. 92nd Drive, Assessor's Map 1N2E16CD & 16D;
70. Thence northerly along the said East right-of-way 421.78 feet, more or less, to the intersection of said East right-of-way and the southern angle point of Levy Code Area 606, Assessor's Map 1N2E16CA;

Thence along the existing western boundary of Levy Code Area 006 along the following three courses:

71. Thence northerly 801.55 feet, more or less, Assessor's Map 1N2E16 & 16D;
72. Thence southwesterly 4.35 feet, more or less, Assessor's Map 1N2E16;
73. Thence continuing northerly along existing western boundary of said Levy Code Area 433.5 feet, more or less, to the intersection with the northwest corner of Tract 9, Assessor's Map 1N2E16;
74. Thence easterly along the north line of said LEGGS GARDEN TRACTS 338.48 feet, more or less, to the southwest corner of Lot 18, LEGGS GARDEN TRACTS, Assessor's Map 1N2E16;
75. Thence northerly along the west line of said Lot 18 a distance of 34.5 feet, more or less, to the South right-of-way line of N.E. Alderwood Road, Assessor's Map 1N2E16;
76. Thence easterly along said South right-of-way 2598.5 feet, more or less, to the West right-of-way of Interstate Highway 205, Assessor's Map 1N2E16;
77. Thence southerly along said West right-of-way of Interstate Highway 205 a distance of 74 feet, more or less, to the North Bank of the Columbia Slough, Assessor's Map 1N2E16;

78. Thence easterly along the said North Bank 4957 feet, more or less, to the East line of Parcel 1 of the tract of land shown on Record of Survey Number 50761, Multnomah County Survey Records, Assessor's Map 1N2E15CC, 15CD, 15D, & 16;
79. Thence southerly along said East line 123 feet, more or less, to the northwest corner of Parcel 1, Partition Plat 1998-144, Multnomah County Survey Records, Assessor's Map 1N2E15D, 22A;
80. Thence southerly along the west line of said Partition Plat 699.77 feet, more or less, to the Centerline of the Columbia Slough, Assessor's Map 1N2E22A;
81. Thence easterly along said Centerline and the south line of said Partition Plat 966.92 feet, more or less, to the West right-of-way of N.E. 122nd Boulevard, Assessor's Map 1N2E22A;
82. Thence southerly along said West right-of-way 989 feet, more or less, to the southeast corner of Lot 3, TREE OAKS, Assessor's Map 1N2E22A;
83. Thence easterly 90 feet, more or less, to the Southwest corner of Lot 11, PACIFIC BUSINESS PARK, Assessor's Map 1N2E22A & 23BC;
84. Thence easterly along the south line of PACIFIC BUSINESS PARK 1199.29 feet, more or less, to the west line of Lot 1, Block 2, SPACE INDUSTRIAL PARK, Assessor's Map 1N2E23BC & 23B;
85. Thence southerly along the west line of SPACE INDUSTRIAL PARK 305.86 feet, more or less, to the southwest corner of said Lot 1 and the North right-of-way of the Union (O.W.R.&N. Co.) Pacific Railroad, Assessor's Map 1N2E23B & 23BC;
86. Thence easterly along said North right-of-way 2463.14 feet, more or less, to the southeast corner of Lot 44, REYNOLDS MOUNTAIN VIEW, Assessor's Map 1N2E23DB;
87. Thence northerly along the West right-of-way line of N.E. 135th Ave 708.63 feet, more or less, to northeast corner of Lot 50, REYNOLDS MOUNTAIN VIEW, Assessor's Map 1N2E23AC;
88. Thence continuing northerly along a line parallel with said West right-of way line 121.93 feet, more or less, to the centerline intersection of N.E. Whitaker Road (also known as N.E. Wygant St.), Assessor's Map 1N2E23AC;
89. Thence easterly along said centerline of N.E. Whitaker Road 727.23 feet, more or less, to the intersection of said centerline and the centerline of N.E. 138th Avenue (also known as Government Island Road.), Assessor's Map 1N2E23A & 23AC;
90. Thence northerly along said centerline of N.E. 138th Avenue 1608.44 feet, more or less, to the intersection of said centerline and the centerline of N.E. Airport Way (also known as N.E. Inverness Drive), 1N2E23A, 23AB, & 14DC,

91. *Thence northwesterly along said centerline of N.E. Airport Way 1239.64 feet, more or less, to a point on said centerline that is 38.94 feet, more or less, southerly of the southeast corner of Lot 2, PARTITION PLAT 1992-106, Multnomah County Survey Records, Assessor's Map 1N2E14C & 14DC,*
92. *Thence northerly 38.94 feet , more or less, to said southeast corner of Lot 2, PARTITION PLAT 1992-106, Multnomah County Survey Records, Assessor's Map 1N2E14C & 14DC,*
93. *Thence continuing northerly along the east line of said Lot 2 1095.80 feet, more or less, to the northeast corner of said Lot 2 and the point of beginning.*

Said Airport Way Urban Renewal Boundary contains 885 acres, more or less.

END OF PLAN AMENDMENT

PORTLAND DEVELOPMENT COMMISSION

Portland, Oregon

RESOLUTION NO. 7096

EXHIBIT B

**APPROVING THE ELEVENTH AMENDMENT TO THE AIRPORT WAY
URBAN RENEWAL PLAN**

Exhibit B includes this cover page and contains 13 pages:

- Report Accompanying the Eleventh Amendment to the Airport Way Urban Renewal Plan

REPORT ACCOMPANYING THE ELEVENTH
AMENDMENT TO
THE AIRPORT WAY URBAN RENEWAL PLAN

City of Portland
Portland Development Commission

December 11, 2014

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This Report accompanies the Eleventh Amendment to the Airport Way Urban Renewal Plan (the "Eleventh Amendment"). The Eleventh Amendment consists solely of replacing the legal description of the Airport Way Urban Renewal Plan (the "Plan") to effectuate the removal of approximately 970.5 acres from the Plan area.

I. DESCRIPTION OF PHYSICAL, SOCIAL AND ECONOMIC CONDITIONS IN THE URBAN RENEWAL AREAS OF THE PLAN AND THE EXPECTED IMPACT, INCLUDING THE FISCAL IMPACT, OF THE PLAN IN LIGHT OF ADDED SERVICES OR INCREASED POPULATION

The Eleventh Amendment removes a total of 970.5 acres including 250 tax lots representing 781.31 acres and 189.19 acres of right of way from the Plan Area (Area). Maps of the existing area, the area to be removed and the Airport Way Urban Renewal Area (Airport Way) after the removal are shown in Figures 1, 2 and 3 respectively. A new Legal Description is provided as Appendix A.

The majority of the parcels being removed are Commercial/Local Industrial in use, representing 226 parcels and 692.48 acres. Ten of the parcels and 43.19 acres are State Industrial use. Four properties accounting for 4.87 acres have residential uses. The remaining parcels have miscellaneous uses.

Eighty two of the parcels being removed are zoned General Employment 2 (EG2), representing 248.53 acres. The remaining 168 single-zone parcels are General Industrial 2 (IG2), representing 532.78 acres. (There are some parcels that have mixed zoning.)

The comprehensive plan designations of the parcels being removed are: 167 parcels and 532.33 acres is Industrial Sanctuary (IS), 83 parcels and 248.98 acres is Mixed Employment (ME).

The removal of property does not impact the social conditions of the Area as only four of the properties accounting for only 4.87 acres are designated by the county assessor as having residential uses. This accounts for less than one percent of the total acreage being removed. The removal of property will not result in added services or increased population in the Area. The removal of property will add to the overall tax base of the taxing jurisdictions, allowing them to have more funds to pay for services in their service areas.

The Eleventh Amendment removes approximately \$489,461,940 in real, personal and manufactured assessed value from the Area, shown in Table 1. It also removes an estimated \$15,292,237 in unmapped assessed value, for a total estimated removal of \$504,754,177 in assessed value. This does not equate to the change of the frozen base, that number will be calculated by the Multnomah County Assessor once the amendment is adopted.

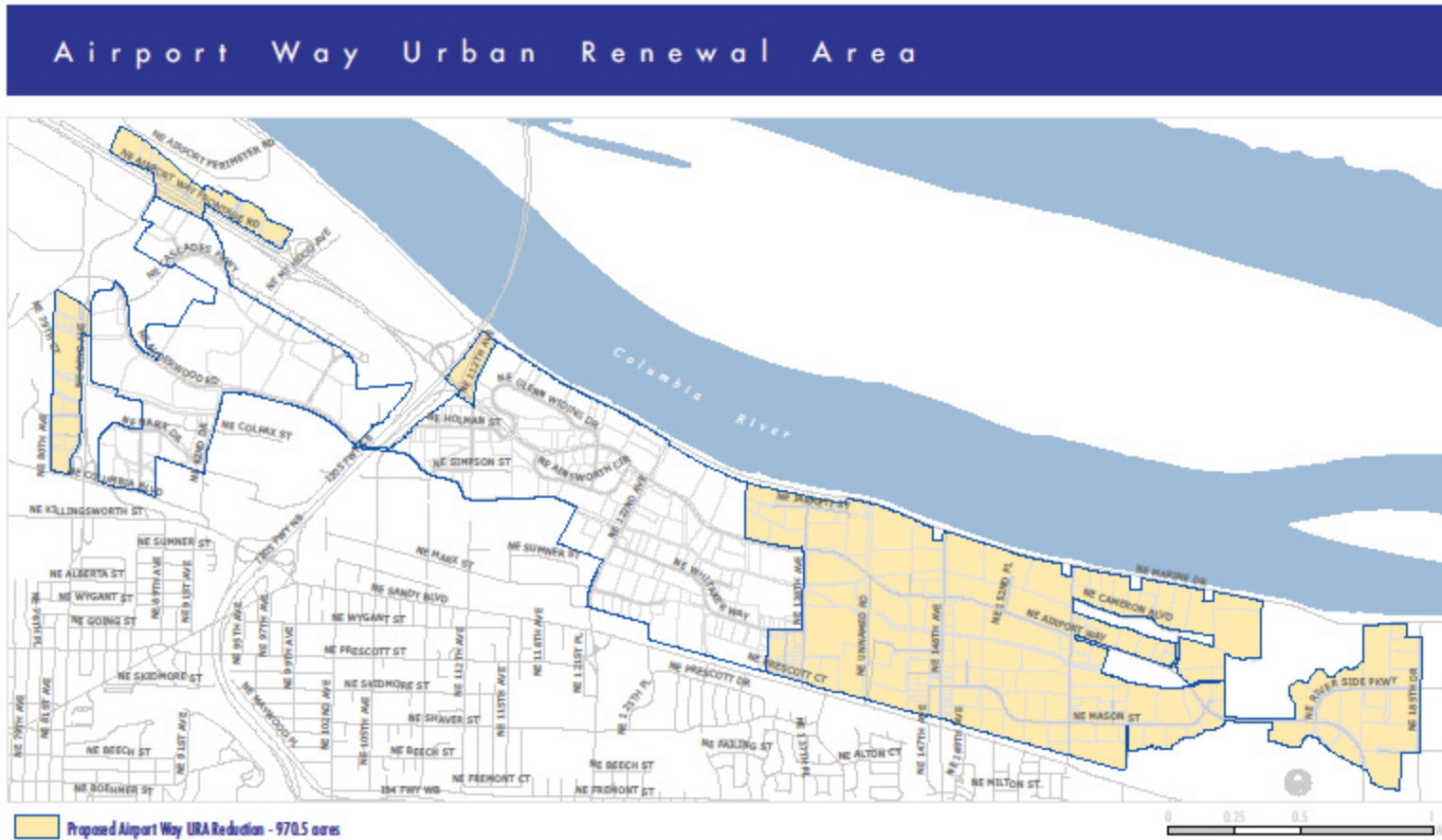
Table 1 - Value of Removed Property

Property Type	Assessed Value Removed
Mapped Value	
Real Property	\$416,846,990
Personal Property	\$72,614,950
Manufactured Property	\$0
Total Real, Personal and Manufactured Mapped	\$489,461,940
Estimated Unmapped Assessed Value	\$15,292,237*
Estimated Total AV to be Removed	\$504,754,177

Source: Portland Development Commission

*These values are estimated based on FY 13/14 values.

Figure 2 - Area To Be Removed



II. REASONS FOR SELECTION OF EACH URBAN RENEWAL AREA IN THE PLAN

Not applicable to the Eleventh Amendment. No new area is being added.

III. THE RELATIONSHIP BETWEEN EACH PROJECT TO BE UNDERTAKEN UNDER THE PLAN AND THE EXISTING CONDITIONS IN THE URBAN RENEWAL AREA

Not applicable to the Eleventh Amendment. No projects are being changed.

IV. THE ESTIMATED TOTAL COST OF EACH PROJECT AND THE SOURCES OF MONIES TO PAY SUCH COSTS

Not applicable to the Eleventh Amendment. No projects are being changed.

V. THE ANTICIPATED COMPLETION DATE FOR EACH PROJECT

Not applicable to the Eleventh Amendment. No projects are being changed.

Table 2 shows the total assessed value, tax rate, amount to raise, debt service and ending balance for the Area, retiring debt in FY 2019/20.

Table 2 - Assessed Value and Tax Increment

Fiscal Year Ending June 30	2015-16	2016-17	2017-18	2018-19	2019-20
Projected Assessed Value Growth					
<i>Existing Area Less Reduction</i>					
Frozen Base	\$124,710,301	\$72,757,303	\$72,757,303	\$72,757,303	\$72,757,303
Incremental Assessed Value	1,117,215,077	669,908,852	688,475,506	707,506,326	727,012,917
Total Assessed Value	\$1,241,925,378	\$742,666,155	\$761,232,809	\$780,263,629	\$799,770,220
Tax Rate					
	\$20.2664	\$20.3559	\$20.2064	\$20.0841	\$20.0443
Divide the Taxes to Raise					
	\$2,540,000	\$2,540,000	\$2,540,000	\$2,540,000	\$2,540,000
Incremental AV Used					
	\$125,330,397	\$124,779,423	\$125,702,855	\$126,468,279	\$126,719,600
Incremental AV Released					
	\$991,884,680	\$545,129,429	\$562,772,651	\$581,038,047	\$600,293,317
Tax Collections and Debt Service					
<i>Beginning Balance</i>					
	\$1,386,037	\$1,409,913	\$1,433,789	\$1,457,665	\$1,481,541
Tax Increment Revenues					
Divide the Taxes to Raise	\$2,540,000	\$2,540,000	\$2,540,000	\$2,540,000	\$2,540,000
Less Baseline Compression	(279,400)	(279,400)	(279,400)	(279,400)	(279,400)
Divide the Taxes Imposed	2,260,600	2,260,600	2,260,600	2,260,600	2,260,600
Less Delinquencies/Discounts	(135,636)	(135,636)	(135,636)	(135,636)	(135,636)
Divide the Taxes Collected	2,124,964	2,124,964	2,124,964	2,124,964	2,124,964
Special Levy to Raise					
	\$4,076,060	\$4,074,891	\$4,078,398	\$4,079,860	\$2,318,792
Less Baseline Compression	(366,845)	(366,740)	(367,056)	(367,187)	(208,691)
Special Levy Imposed	3,709,215	3,708,151	3,711,343	3,712,672	2,110,101
Less Delinquencies/Discounts	(222,553)	(222,489)	(222,681)	(222,760)	(126,606)
Special Levy Collected	\$3,486,662	\$3,485,662	\$3,488,662	\$3,489,912	\$1,983,495
Total Tax Increment Revenue					
	\$5,611,626	\$5,610,626	\$5,613,626	\$5,614,876	4,108,459
Debt Service					
	\$5,587,750	\$5,586,750	\$5,589,750	\$5,591,000	\$5,590,000
Ending Balance					
	\$1,409,913	\$1,433,789	\$1,457,665	\$1,481,541	\$0

Source: City of Portland Office of Management and Finance

VII. FINANCIAL ANALYSIS OF THE PLAN

The Eleventh Amendment does not materially change the financial capacity of Airport Way Urban Renewal Area to repay its bonded indebtedness. As an Option 3 District, it receives a fixed amount of Divide-the-Taxes revenue in addition to a portion of the Special Levy, and neither of these are impacted by this amendment.

Table 3 indicates the Debt Manger of the City of Portland’s Statement of Compliance with Bond Declaration Covenants Pertaining to the Proposed Removal of Property from the Airport Way Urban Renewal Area.

Table 3 - Compliance with Bond Covenants

Maintenance of Maximum Tax Increment Revenues (MTIR) at Not Less Than 130% of Maximum Annual Debt Service (MADS)			
PRE-REDUCTION:			
2014-15 Maximum Tax Increment Revenues:		\$32,157,386	
Maximum Annual Debt Service (as of December 1, 2014)		\$5,591,000	
MTIR as a Percent of MADS		575%	
Proposed Mapped Assessed Value Proposed for Removal		\$489,461,940	
Proposed Unmapped Assessed Value Proposed for Removal		15,292,237	
Sum of Mapped A.V. and Maximum Unmapped A.V. Proposed for Removal		\$504,754,177	
Percent Reduction to FY 2014-15 Area A.V.		41.7%	
	Before		After
2014-15 A.V.:	Reduction	2016-17 A.V.:	Reduction*
Frozen Base	\$124,710,301	Frozen Base	\$72,757,303
Incremental A.V.	1,086,924,214	Incremental A.V.	669,908,852
Total	\$1,211,634,515	Total	\$742,666,155
Percent Reduction in Incremental A.V. Due to Reduction (FY 2016-17):		38.4%	
POST-REDUCTION:			
Maximum Tax Increment Revenue After Reduction		\$19,819,705	
Maximum Annual Debt Service (as of December 1, 2014)		\$5,591,000	
MTIR as a Percent of MADS		354%	
Minimum Required MTIR Coverage per Bond Declaration		130%	
Conclusion: Maximum Tax Increment Revenues after Proposed Area Reduction will Remain in Excess of Bond Declaration Requirements			
*estimated; assumes proportional reduction in frozen base and incremental assessed value based on FY 2014-15 values.			

VIII. IMPACT OF TAX INCREMENT FINANCING, BOTH UNTIL AND AFTER THE INDEBTEDNESS IS REPAID, UPON ALL ENTITIES LEVYING TAXES UPON PROPERTY IN THE URBAN RENEWAL AREA

Since Airport Way has reached its legal maximum indebtedness no new financing can be done. Release of property will have no impact on the timing or payoff of the districts outstanding indebtedness. Therefore, there is no change in the impact on the taxing entities.

IX. RELOCATION REPORT

Not applicable to the Eleventh Amendment.

X. COMPLIANCE WITH LAND AREA AND ASSESSED VALUE LIMITATIONS

This chart changes with the reduction in acreage and assessed value in Airport Way, leaving more acreage and more assessed value capacity for future urban renewal areas. The overall limitation is urban renewal may account for up to 15% of the city.

The reduction of 970.5 acres from the Airport Way will reduce the overall acreage in urban renewal in the city. The total acreage is within the 15% area limit contained in Chapter 457 of the Oregon Revised Statutes (12.31%). The assessed value reduction of the frozen base for Airport Way will be calculated once the Multnomah County Assessor's office reviews the amendment and calculates the reduction. The city of Portland Office of Management and Finance estimate of the frozen base reduction is reflected in the table below. The estimate of the assessed value in urban renewal after this amendment is 10.4%, below the 15% restriction.

Table 4 – Compliance with AV and Acreage City-wide Limitations

Urban Renewal Area	Frozen Base Assessed Value	Acres
Airport Way	\$72,757,303*	870.9
Central Eastside	\$230,387,869	708.5
Downtown Waterfront	\$55,674,313	233.1
South Park Blocks	\$305,692,884	98.0
Oregon Convention Center	\$214,100,689	410.0
North Macadam	\$622,412,373	447.0
River District	\$461,577,974	351.2
Interstate	\$1,293,389,062	3,990.0
Gateway	\$307,174,681	658.5
Lents	\$736,224,033	2,846.3
Neighborhood Prosperity Initiative Districts (NPIs)	\$498,707,491	803.7
Total	\$4,798,098,672*	11,417.2
Total Acreage, City of Portland		92,773
Total Assessed Value City of Portland Less Incremental Assessed Value in Urban Renewal Areas	\$46,142,052,109	
Percent of Portland AV in Urban Renewal Areas	10.40%	
Percent of Portland Area in Urban Renewal Area		12.31%

*this number will be reduced by Multnomah County Assessor once the Amendment is adopted and a new frozen base is calculated for Airport Way

RESOLUTION NO. 7096

RESOLUTION TITLE:

APPROVING THE ELEVENTH AMENDMENT TO THE AIRPORT WAY URBAN RENEWAL PLAN

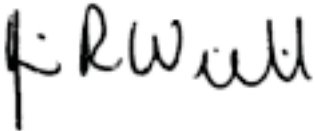
Adopted by the Portland Development Commission on January 21, 2015

PRESENT FOR VOTE	COMMISSIONERS	VOTE		
		Yea	Nay	Abstain
<input checked="" type="checkbox"/>	Chair Tom Kelly	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	Commissioner Aneshka Dickson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Commissioner Mark Edlen	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Commissioner John Mohlis	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Commissioner Charles Wilhoite	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Consent Agenda		<input checked="" type="checkbox"/> Regular Agenda		

CERTIFICATION

The undersigned hereby certifies that:

The attached resolution is a true and correct copy of the resolution as finally adopted at a Board Meeting of the Portland Development Commission and as duly recorded in the official minutes of the meeting.

	<p>Date:</p> <p>January 22, 2015</p>
<p>Gina Wiedrick, Recording Secretary</p>	