

PORTLAND DEVELOPMENT COMMISSION
Portland, Oregon

RESOLUTION NO. 6584

RESOLUTION APPROVING THE PROPOSED TWENTY-EIGHTH AMENDMENT TO THE DOWNTOWN WATERFRONT URBAN RENEWAL PLAN AND DIRECTING THE AMENDMENT BE SUBMITTED TO THE PORTLAND CITY COUNCIL FOR ADOPTION

WHEREAS, the Portland City Council (the "Council") adopted the Downtown Waterfront Urban Renewal Plan (as amended, the "Plan") on April 25, 1974, by Ordinance No. 31395 to provide tax increment funding and urban renewal authority to eliminate blight and foster the development and redevelopment in order to protect the public health, safety, and welfare of the City of Portland;

WHEREAS, the Plan has reached the last date to issue bonded indebtedness on April 24, 2008;

WHEREAS, the Council established the maximum indebtedness of \$165,000,000 when it adopted the Twentieth Amendment to the Plan on June 10, 1998, by Ordinance No. 172356;

WHEREAS, a 2004 Central City Urban Renewal Area Study Review Committee recommended to the Portland Development Commission that the needs of Old Town/Chinatown, a portion of the Downtown Waterfront Urban Renewal Area, be addressed with remaining Downtown Waterfront resources and also determine whether certain property should be transferred to River District Urban Renewal Area;

WHEREAS, in April 2007 the Commission appointed an Urban Renewal Advisory Group (the "Advisory Group") to review the status of three downtown urban renewal areas – Downtown Waterfront, South Park Blocks and River District;

WHEREAS, the Advisory Group consisted of members of the Portland Development Commission, Portland City Council, Portland Planning Commission, Multnomah County Board, a private citizen and met nine times through March 2008, receiving broad community input;

WHEREAS, the Advisory Group recommended the Downtown Waterfront should utilize all of its debt capacity but that the current last date to issue bonded indebtedness under the Plan should not be extended;

WHEREAS, although the Downtown Waterfront Urban Renewal Area has been successful, there is urban renewal work remaining to be done which cannot be accomplished within the existing debt capacity;

WHEREAS, the Advisory Group therefore recommended that 47.03 acres be removed from Downtown Waterfront Urban Renewal Area and transferred to River District Urban Renewal Area as described in Exhibit B;

WHEREAS, the Commission has sought and received valuable input from related taxing jurisdictions pursuant to ORS 457.085(5), citizens, and other interested parties in Portland;

WHEREAS, City of Portland's Office of Management and Finance, who manages the Commission's bonds for Downtown Waterfront has determined that the removal of property and assessed value will not impact the ability to payoff the bonds;

WHEREAS, the amendment of the Plan to reduce the boundary is both financially feasible and conforms to the Plan goals as well as the City's Comprehensive Plan;

WHEREAS, the Commission has desired to standardize how amendments are processed and standardize the amendment language among urban renewal plans; and

WHEREAS, the amendment of the Plan reduces the acreage and changes the Plan amendment procedures which requires review and recommendation by the Planning Commission and approval of the Portland City Council.

NOW, THEREFORE, BE IT RESOLVED that based on the accompanying reports, hereby incorporated by reference, the Commission finds there is a need to reduce the Plan area by 47.03 acres to 232 acres;

BE IT FURTHER RESOLVED that the Commission finds there is a need to standardize the language to amend urban renewal plans;

BE IT FURTHER RESOLVED that the Twenty-Eighth Amendment to the Downtown Waterfront Urban Renewal Plan in the form attached hereto as Exhibit C (the "Twenty-Eighth Amendment") is approved;

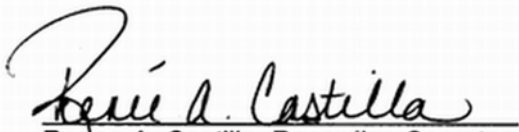
BE IT FURTHER RESOLVED that the Report on the Twenty-Eight Amendment in the form attached hereto as Exhibit D (the "Technical Report") is approved;

BE IT FURTHER RESOLVED that the Commission directs the Executive Director to submit the Twenty-Eighth Amendment, Technical Report and supporting materials to the Portland Planning Commission for review and recommendation and to the Portland City Council for final approval in accordance with the terms of the Plan and ORS 457.095;

BE IT FURTHER RESOLVED that the Executive Director shall cause notice of the hearing by the Portland City Council on the adoption of the of the Twenty-Eighth Amendment to be published in accordance with ORS 457.120; and

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

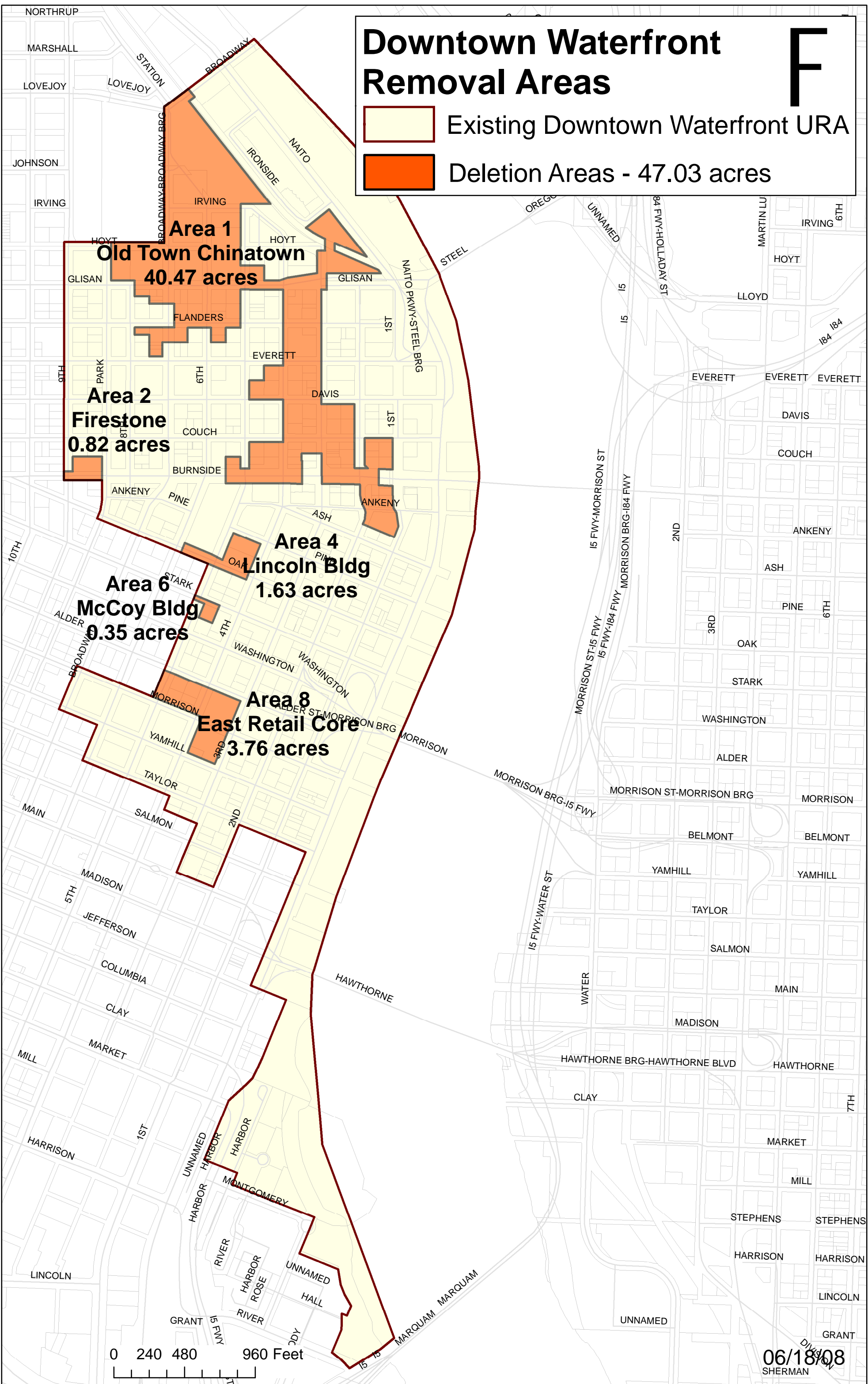
Adopted by the Portland Development Commission on May 14, 2008.


Renee A. Castilla, Recording Secretary

Downtown Waterfront Removal Areas

F

- Existing Downtown Waterfront URA
- Deletion Areas - 47.03 acres



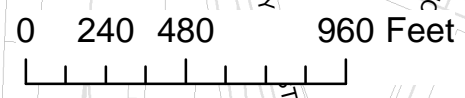
Area 1
Old Town Chinatown
40.47 acres

Area 2
Firestone
0.82 acres

Area 4
Lincoln Bldg
1.63 acres

Area 6
McCoy Bldg
0.35 acres

Area 8
East Retail Core
3.76 acres



06/18/08
SHERMAN

EXECUTIVE SUMMARY

In May of 2007, the Portland Development Commission (PDC) formed the Urban Renewal Advisory Group (Advisory Group) to make recommendations regarding the future of three downtown urban renewal areas (URAs): Downtown Waterfront, South Park Blocks, and River District. This report summarizes the Advisory Group's findings and recommendations.

1. DOWNTOWN WATERFRONT AND SOUTH PARK BLOCKS URBAN RENEWAL AREAS SHOULD BE CLOSED DOWN

The Advisory Group reached an early consensus that urban renewal areas should not be perpetual. Once a district has substantially achieved its goals, it should be closed. In the case of downtown Portland's two older districts (Downtown Waterfront and South Park Blocks), the Advisory Group determined that both districts had been successful and should be closed down.

A. Maximum indebtedness limits should not be increased for either district:

These two districts should be closed down in a way that allows for a phase-out period that provides PDC with the time and resources necessary to complete critical projects. The Advisory Group recommends, however, that PDC limit borrowing in the two districts to that which is necessary to complete those commitments. The Advisory Group recommends no extension or increase to the borrowing authority for either district when that authority expires this year.

B. To the extent possible, the amount of new debt should be limited to that which can be repaid no later than 2024: An Urban Renewal Area continues to exist and collect tax increment resources until all outstanding loans have been paid. The Advisory Group recommends that debt be repaid by 2024 for a full "close-out" of both Downtown Waterfront and South Park Blocks.

2. EXTEND AND EXPAND RIVER DISTRICT URBAN RENEWAL AREA

In order to achieve the 2024 close-out goals for both of the older districts, the Advisory Group recognized and approved moving certain unfinished projects to River District through a River District boundary expansion. Most notably, a considerable amount of unfinished work in the Old Town/Chinatown neighborhood will be moved to River District.

The Advisory Group recognized that River District has been very successful in its first ten years. Unlike the two older districts, however, the Advisory Group recommends that the district should grow in terms of size and financial capacity to pursue: several pending catalytic projects; unfinished elements of its original plan; and those projects that cannot be completed in the two older districts.

A. Extend River District from 2020 to 2021: The Advisory Group recommends extending the district's expiration date by one year. The extension will increase the district's financial capacity by a little more than \$27 million. The additional capacity will be used to support Multnomah County's efforts to replace two aging downtown facilities.

B. Maximum Indebtedness in the River District should be increased: The Advisory Group recommends increasing River District maximum indebtedness from \$225 million to its 2021 financial capacity of \$563 million. This action would create approximately \$416 million for project funding from now until 2021.

C. The boundaries of the River District should be expanded: The Advisory Group recommends expanding River District by approximately 40.5 acres to address blight conditions and development opportunities in Old Town/Chinatown; and approximately ten acres to complete other critical projects that are currently in Downtown Waterfront or South Park Blocks. Up to 11 acres should be designated for future expansions including possible island district formations.

D. Explore creating “Island Districts”: The concept of an “island district” is relatively new. It is a potential mechanism by which to extend the financial capacity of exceptionally successful urban renewal areas such as River District to help other parts of the community that would not otherwise benefit directly from this urban renewal tool.

E. Assist Multnomah County with Capital Needs: The Advisory Group recommends setting aside \$35 million to assist Multnomah County with its capital needs, beginning with \$10 million in 2015.

F. Release acreage under Interstate 405. Approximately 30.7 acres will be removed from River District, because its location under Interstate 405 limits its re-development potential. This is a housekeeping measure with little substantive impact for River District.

3. BEGIN TO SET UP THE NEXT GENERATION OF CENTRAL CITY URBAN RENEWAL ACTIVITIES

As it concluded its work, the Advisory Group also identified steps that should be taken now to prepare for future downtown urban renewal work.

A. Downsize Downtown Waterfront and South Park Blocks. PDC should work with the Office of Management and Finance to determine whether these districts may be reduced in size as part of each district’s close-out strategy, and work with the Bureau of Planning to determine which blocks should be removed from the districts.

B. Identify Potential New Districts. PDC should lead a community effort to identify potential new urban renewal areas for downtown. PDC should collaborate with Portland’s Bureau of Planning to ensure that these urban renewal opportunities and challenges are addressed in the Central Portland Plan Update.

C. Develop Interim Development Strategies. PDC should work in collaboration with Portland’s Bureau of Planning to ensure adequate consideration of urban renewal challenges and opportunities pending completion of the Central Portland Plan Update.

D. Give Multnomah County A Meaningful Voice. The Advisory Group agreed that Multnomah County should have a meaningful voice in major decisions to expand or extend an existing district or to create a new one.

DOWNTOWN WATERFRONT URBAN RENEWAL PLAN

Twenty-Eighth Amendment



City of Portland
Portland Development Commission

June 18, 2008

The Downtown Waterfront Urban Renewal Plan (as amended, the “Plan”), which was formerly amended by the Twenty-Seventh amendment through Ordinance #178631 adopted by the City Council on July 28, 2004, is now being amended to remove certain property from the Downtown Waterfront Urban Renewal Area and to revise the procedures for amending the Plan. The new boundary of the Downtown Waterfront Urban Renewal Area is contained in the Exhibits amended into the Plan by the provisions set forth below.

The Downtown Waterfront Urban Renewal Plan is amended as follows:

1. Exhibit One - Part Two of the Plan (containing a map identifying the boundaries of the Downtown Waterfront Urban Renewal Area) is amended to read in its entirety as set forth in Exhibit One – Part Two, attached hereto and labeled Downtown Waterfront Urban Renewal Area Boundary Map.
2. Exhibit Two – Part Two of the Plan (containing the legal description of the boundary of the Downtown Waterfront Urban Renewal Area) is amended to read in its entirety as set forth in Exhibit Two – Part Two, attached hereto and labeled Legal Description
3. The Plan is amended to add Exhibit Two (A) – Part Two (containing the map necessary for reading the legal description) in the form attached hereto as Exhibit Two (A) – Part Two and labeled Legal Description Map.
4. The Plan is amended to add Exhibit A – Part Two in the form attached hereto as Exhibit A – Part Two and labeled Downtown Waterfront Urban Renewal Area Land Use (Zoning Plan) Map.
5. Section H of the Plan, entitled PROCEDURE FOR CHANGES IN THE APPROVED URBAN RENEWA PLAN, is amended to read in its entirety as set forth below:

This Plan may be reviewed and evaluated periodically, and may be amended as needed, in conformance with statutory requirements. All amendments to this Plan shall be made pursuant to the following procedures.

A. Substantial Amendments

Substantial amendments are solely amendments:

1. Adding land to the urban renewal area, except for an addition of land that totals not more than one percent of the existing area of the urban renewal area.
2. Increasing the maximum amount of indebtedness that can be issued or incurred under the plan.

Substantial amendments shall require the same approval process as required for initial plan adoption including the approval process as provided in ORS 457.095 and the notice requirement set forth in ORS 457.120.

B. Major Amendments

A major amendment is solely an amendment:

1. Adding land to the urban renewal area that totals not more than one percent of the existing area of the urban renewal area.

Major amendments shall be forwarded to the Planning Commission for recommendations as described in ORS 457.085(4) and shall require City Council approval as provided in ORS 457.095, but shall not require the notice described in ORS 457.120 or compliance with the procedures described in ORS 457.085(5). A report as required by ORS 456.085(3) shall accompany the amendment.

C. Council-Approved Amendments

Council-approved amendments are solely amendments:

1. Changing the Goals of the Plan.
2. Removing land from the urban renewal area.
3. Extending the last date to issue debt.
4. Identifying a building as a public building and explaining how the building serves or benefits the urban renewal area.

Council-approved amendments require approval by the Portland Development Commission by resolution and by the City Council, which may approve the amendment by resolution. Council-approved amendments do not require any of the procedural or notice requirements found in ORS Chapter 457, including but limited to the procedures set forth in ORS 457.085(4) and (5).

D. Minor Amendments

Minor amendments are amendments that are neither substantial, major, nor council-approved amendments. Minor amendments are effective upon adoption of a resolution by the Portland Development Commission approving the amendment.

6. The Plan is further amended to delete references to uncompleted projects and land acquisitions that were proposed for portions of the Downtown Waterfront Urban Renewal Area removed by this Twenty-Eighth Amendment.

Exhibit One – Part Two. Downtown Waterfront Urban Renewal Area Boundary Map



Exhibit Two – Part Two. Legal Description

Commencing in the S.E. 1/4 of Section 3, Township 1 South, Range 1 East, Willamette Meridian, City of Portland, County of Multnomah, State of Oregon, along the westerly Harbor Line of the Willamette River (US Corps of Engineers, 1968) at its intersection with the easterly prolongation of the northerly line of Partition Plat 1999-129, Multnomah County Survey Records, Assessor Map 1S1E 3CD for the POINT OF BEGINNING of the Downtown-Waterfront Urban Renewal Area Boundary Line;

1. Thence southerly 810 feet more or less along said westerly Harbor Line to its intersection with the northerly right-of-way line of Interstate 5 freeway (west Marquam Bridge Interchange), Assessor Map 1S1E 3CD;
2. Thence southwesterly 310 feet more or less along the northerly right-of-way line of said Interstate 5 freeway to its intersection with the northerly right-of-way line of S.W. River Parkway, Assessor Map 1S1E 3CD;
3. Thence westerly 200 feet more or less along the northerly right-of-way line of S.W. River Parkway to its intersection with the west line of Parcel 2 of said Partition Plat 1999-129, Assessor Map 1S1E 3CD;
4. Thence northerly and westerly 925 feet more or less along the west line of Parcel 2 of said Partition Plat 199-129 to its intersection with the east right-of-way line of S.W. River Drive, Assessor Map 1S1E 3CD;
5. Thence northerly 285 feet more or less along the east right-of-way line of S.W. River Drive to its intersection with the northerly right-of-way line of S.W. Montgomery Street, Assessor Map 1S1E 3CD;
6. Thence westerly 860 feet more or less along the northerly right-of-way line and its westerly prolongation of S.W. Montgomery Street as shown in the plat of The Riverplace Condominium No 1 to its intersection with the easterly line of Block J South Auditorium Addition, Assessor Map 1S1E 3CA;
7. Thence northerly 525 feet more or less along the easterly line of Block J South Auditorium Addition to its intersection with the north right-of-way line of S.W. Market Street, Assessor Map 1S2E 3CA;
8. Thence northeasterly 224 feet more or less to the south line of vacation ordinance number 152717 recorded Jan. 22, 1982, said point being at the end of S.W. Clay Street, Assessor Map 1S1E 3CA;
9. Thence northerly 580 feet more or less along the easterly lines of Blocks 112 and 113 City of Portland and their southerly and northerly prolongation to the intersection with the northerly right-of-way line of S.W. Jefferson Street as shown in the plat of the City of Portland, said right-of-way is now vacated, Assessor Map 1S1E 3BD;
10. Thence westerly 260 feet more or less along the northerly right-of-way line of S.W. Jefferson Street as shown in the plat of the City of Portland, a portion of which is vacated, to its intersection with the westerly right-of-way line of S.W. Naito Parkway (S.W. Front Street), Assessor Map 1S1E 3BD;
11. Thence northerly 980 feet more or less along the westerly right-of-way line of S.W. Naito Parkway to its intersection with the southerly right-of-way line of S.W. Taylor Street, Assessor Map 1S1E 3BA;

12. Thence westerly 490 feet more or less along the southerly right-of-way line of S.W. Taylor Street to its intersection with the centerline of the right-of-way of S.W. 2nd Avenue, Assessor Map 1S1E 3BA;
13. Thence southerly 490 feet more or less along the centerline of the right-of-way of S.W. 2nd Avenue to its intersection with the centerline of the right-of-way of S.W. Main Street, Assessor Map 1S1E 3BA;
14. Thence westerly 270 feet more or less along the centerline of the right-of-way of S.W. Main Street to its intersection with the centerline of the right-of-way of S.W. 3rd Avenue, Assessor Map 1S1E 3BA;
15. Thence northerly 390 feet more or less along the centerline of the right-of-way of S.W. 3rd Avenue to its intersection with the easterly prolongation of the south line of Lot 2 Block 52 City of Portland, Assessor Map 1S1E 3BA;
16. Thence westerly 280 feet more or less along the south lines of Lots 2 and 7, Block 52 City of Portland and their easterly and westerly prolongation to its intersection with the centerline of the right-or-way of S.W. 4th Avenue, Assessor Map 1S1E 3BA;
17. Thence northerly 100 feet more or less along the centerline of the right-of-way of S.W. 4th Avenue to its intersection with the southerly right-of-way line of S.W. Taylor Street, Assessor Map 1S1E 3BA;
18. Thence westerly 320 feet more or less along the southerly right-of-way line of S.W. Taylor Street to its intersection with the westerly right-of-way line of S.W. 5th Avenue, said point being common to the South Park Blocks Urban Renewal Area Boundary Line, Assessor Map 1S1E 3BB;

SAID SOUTH PARK BLOCKS URBAN RENEWAL AREA BOUNDARY LINE IS COMMON TO THE DOWNTOWN WATERFRONT URBAN RENEWAL AREA BOUNDARY LINE

19. Thence continuing westerly 280 feet more or less along said southerly right-of-way line of S.W. Taylor Street to its intersection with the westerly right-of-way line of S.W. 6th Avenue, Assessor Map 1S1E 3BB;
20. Thence northerly 260 feet more or less along the westerly right-of-way line of S.W. 6th Avenue to its intersection with the southerly right-of-way line of S.W. Yamhill Street, Assessor Map 1S1E 3BB;
21. Thence westerly 280 feet more or less along the southerly right-of-way line of S.W. Yamhill Street to its intersection with the westerly right-of-way line of S.W. Broadway Avenue, Assessor Map 1S1E 3BB;
22. Thence northerly 320 feet more or less along the westerly right-of-way line of S.W. Broadway Street to its intersection with the northerly right-of-way line of S.W. Morrison Street, said point being common with the River District Urban Renewal Area Boundary Line, Assessor Map 1S1E 3BB;

SAID RIVER DISTRICT URBAN RENEWAL AREA BOUNDARY LINE IS COMMON TO THE DOWNTOWN WATERFRONT URBAN RENEWAL AREA BOUNDARY LINE

23. Thence leaving the said South Park Blocks Urban Renewal Area Boundary Line, easterly 920 feet more or less along the northerly right-of-way line of S.W. Morrison Street to its intersection with westerly right-of-way line of S.W. 4th Avenue, Assessor Map 1S1E 3BA;
24. Thence southerly 260 feet more or less along the westerly right-of-way line of S.W. 4th Avenue to its intersection with the northerly right-of-way line of S.W. Yamhill Street, Assessor Map 1S1E 3BA;
25. Thence easterly 200 feet more or less along the northerly right-of-way line of S.W. Yamhill Street to its intersection with the westerly right-of-way line of S.W. 3rd. Avenue, Assessor Map 1S1E 3BA;
26. Thence northerly 460 feet more or less along the westerly right-of-way line of S.W. 3rd Avenue to its intersection with the southerly right-of-way line of S.W. Alder Street, Assessor Map 1S1E 3BA;
27. Thence westerly 560 feet more or less along the southerly right-of-way line of S.W. Alder Street to its intersection with the westerly right-of-way line of S.W. 5th Avenue, Assessor Map 1S1E 3BA;
28. Thence northerly 520 feet more or less along the westerly right-of-way line of S.W. 5th Avenue to its intersection with the southerly right-of-way line of S.W. Stark Street, Assessor Map 1N1E 34CD;
29. Thence easterly 80 feet more or less along the southerly right-of-way line of S.W. Stark Street to the easterly right-of-way line of S.W. 5th Avenue, Assessor Map 1N1E 34CD;
30. Thence southerly 100 feet more or less along the easterly right-of-way line of S.W. 5th Avenue to it its intersection with the south line of Lot 7 Block 64 City of Portland, Assessor Map 1N1E 34CD;
31. Thence easterly 100 feet more or less along the south line of Lot 7 Block 64 City of Portland to its intersection with the west line of Lot 7 Block 64 City of Portland, Assessor Map 1N1E 34CD;
32. Thence northerly 130 feet more or less along the west lines of Lot 7 and Lot 8 Block 64 City of Portland and their northerly prolongation to the centerline of the right-of-way of S.W. Stark Street, Assessor Map 1N1E 34CD;
33. Thence westerly 180 feet more or less along the centerline of the right-or-way of S.W. Stark Street to its intersection with the westerly right-or-way line of S.W. 5th Avenue, Assessor Map 1N1E 34CD;
34. Thence northerly 230 feet more or less along the westerly right-of-way line of S.W. 5th Avenue to its intersection with the southerly right-of-way line of S.W. Oak Street, Assessor Map 1N1E 34 CD;
35. Thence easterly 280 feet more or less along the southerly right-of-way line of S.W. Oak Street to its intersection with the westerly right-of-way line of S.W. 4th Avenue, Assessor Map 1N1E 34CD;
36. Thence northerly 260 feet more or less along the westerly right-of-way line of S.W. 4th Avenue to its intersection with the southerly right-of-way line of S.W. Pine Street, Assessor Map 1N1E 34CD;
37. Thence westerly 200 feet more or less along the southerly right-of-way line of S.W. Pine Street to its intersection with the easterly right-of-way line of S.W. 5th Avenue, Assessor Map 1N1E 34CD;

38. Thence southerly 200 feet more or less along the easterly right-of-way line of S.W. 5th Avenue to its intersection with the northerly right-of-way line of S.W. Oak Street, Assessor Map 1N1E 34CD;
39. Thence westerly 280 feet more or less along the northerly right-of-way line of S.W. Oak Street to its intersection with the easterly right-of-way line of S.W. 6th Avenue, Assessor Map 1N1E 34CD;
40. Thence southerly 60 feet more or less along the easterly right-of-way line of S.W. 6th Avenue to its intersection with the southerly right-of-way line of S.W. Oak Street, Assessor Map 1N1E 34CD;
41. Thence westerly 620 feet more or less along the southerly right-of-way line of S.W. Oak Street to its intersection with the westerly right-of-way line of S.W. Park Avenue, Assessor Map 1N1E 34CC;
42. Thence north 435 feet more or less along the west right-of-way line of S.W. Park Avenue to its intersection with the north line of Lot 4 Block 56 Couch's Addition, Assessor Map 1N1E 34CB;
43. Thence west 200 feet more or less along the north lines of Lot 4 and Lot 3 Block 56 Couch's Addition to its intersection with the easterly right-of-way line of S.W. 9th Avenue, Assessor Map 1N1E 34CB;
44. Thence south 100 feet more or less along the east right-of-way line of S.W. 9th Avenue to its intersection with the north right-of-way line of W. Burnside Street, Assessor Map 1N1E 34CB;
45. Thence west 60 feet more or less along the north right-of-way line of W. Burnside Street to its intersection with the west right-of-way line of N.W. 9th Avenue, Assessor Map 1N1E 34CB;
46. Thence north 1560 feet more or less along the west right-of-way line of N.W. 9th Avenue to its intersection with the north right-of-way line of N.W. Hoyt Street, Assessor Map 1N1E 34BC;
47. Thence east 320 feet more or less along the north right-of-way line of N.W. Hoyt Street to its intersection with the east right-of-way line of N.W. Park Avenue, Assessor Map 1N1E 34BC;
48. Thence south 260 feet more or less along the east right-of-way line of N.W. Park Avenue to its intersection with the north right-of-way line of N.W. Glisan Street, Assessor Map 1N1E 34BC;
49. Thence east 160 feet more or less along the north right-of-way line of N.W. Glisan Street to its intersection with the east right-of-way line of N.W. 8th Avenue, Assessor Map 1N1E 34BC;
50. Thence south 110 feet more or less along the east right-of-way line of N.W. 8th Avenue to its intersection with the north line of Lot 6 Block 49 Couch's Addition, Assessor Map 1N1E 34CB;
51. Thence east 100 feet more or less along the north line of Lot 6 Block 49 Couch's Addition to the east line of Lot 6 Block 49 Couch's Addition, Assessor Map 1N1E 34CB;
52. Thence south 50 feet more or less along the east line of Lot 6 Block 49 Couch's Addition to its intersection with the south line of Lot 5 Block 49 Couch's Addition, Assessor Map 1N1E 34CB;

53. Thence east 180 feet more or less along the south line of Lot 5 Block 49 Couch's Addition and its easterly prolongation to the east right-of-way line of N.W. Broadway Avenue, Assessor Map 1N1E 34CB;
54. Thence south 160 feet more or less along the east right-of-way line of N.W. Broadway Avenue to its intersection with the south right-of-way line of N.W. Flanders Street, Assessor Map 1N1E 34CB;
55. Thence west 280 feet more or less along the south right-of-way line of N.W. Flanders Street to its intersection with the east right-of-way line of N.W. 8th Avenue, Assessor Map 1N1E 34CB;
56. Thence south 50 feet more or less along the east right-of-way line of N.W. 8th Avenue to its intersection with the south line of Lot 7 Block 50 Couch's Addition, Assessor Map 1N1E 34CB;
57. Thence east 100 feet more or less along the south line of Lot 7 Block 50 Couch's Addition to the west line of Lot 5 Block 50 Couch's Addition, Assessor Map 1N1E 34CB;
58. Thence south 150 feet more or less along the west lines of Lot 5, 4 and 1 of Block 50 Couch's Addition to its intersection with the north right-of-way line of N.W. Everett Street, Assessor Map 1N1E 34CB;
59. Thence east 90 feet more or less along the north right-of-way line of N.W. Everett Street to its intersection with the west right-of-way line of NW. Broadway Avenue, Assessor Map 1N1E 34CB;
60. Thence north 100 feet more or less along the west right-of-way line of N.W. Broadway Avenue to its intersection with the westerly prolongation of the north line of Lot 3 Block 47 Couch's Addition, Assessor Map 1N1E 34CB;
61. Thence east 170 feet more or less along the north line of Lot 3 Block 47 Couch's Addition and its westerly prolongation to its intersection with the west line of Lot 5 Block 47 Couch's Addition, Assessor Map 1N1E 34CA;
62. Thence north 100 feet more or less along the west line of Lot 5 and Lot 8 Block 47 Couch's Addition to its intersection with the south right-of-way line of N.W. Flanders Street, Assessor Map 1N1E 34CA;
63. Thence east 160 feet more or less along the south right-of-way line of N.W. Flanders Street to the east right-of-way line of N.W. 6th Avenue, Assessor Map 1N1E 34CA;
64. Thence south 100 feet more or less along the east right-of-way line of N.W. 6th Avenue to its intersection with the north line of Lot 3 Block 38 Couch's Addition, Assessor Map 1N1E 34CA;
65. Thence east 100 feet more or less along the north line of Lot 3 Block 38 Couch's Addition to the west line of Lot 5 Block 38 Couch's Addition, Assessor Map 1N1E 34CA;
66. Thence north 100 feet more or less along the west line of Lot 5 and Lot 8 Block 38 Couch's Addition to the south right-of-way line of N.W. Flanders Street, Assessor Map 1N1E 34CA;
67. Thence east 100 feet more or less along the south right-of-way line of N.W. Flanders Street to its intersection with the west right-or-way line of N.W. 5th Avenue, Assessor Map 1N1E 34CA;

68. Thence north 260 feet more or less along the west right-of-way line of N.W. 5th Avenue to its intersection with the south right-of-way line of N.W. Glisan Street, Assessor Map 1N1E 34CA;
69. Thence east 290 feet more or less along the south right-of-way line of N.W. Glisan Street to its intersection with the centerline of the right-of-way of N.W. 4th Avenue, Assessor Map 1N1E 34CA;
70. Thence south 520 feet more or less along the centerline of the right-of-way of N.W. 4th Avenue to its intersection with the south right-of-way line of N.W. Everett Street, Assessor Map 1N1E 34CA;
71. Thence west 130 feet more or less along the south right-of-way line of N.W. Everett Street to its intersection with east line Lot 7 Block 34 Couch's Addition, Assessor Map 1N1E 34CA;
72. Thence south 100 feet more or less along the east line of Lot 7 and Lot 6 Block 34 Couch's Addition to its intersection with the south line of Lot 6 Block 34 Couch's Addition, Assessor Map 1N1E 34CA;
73. Thence west 100 feet more or less along the south line of Lot 6 Block 34 Couch's Addition to its intersection with the east right-of-way line of N.W. 5th Avenue, Assessor Map 1N1E 34CA;
74. Thence south 130 feet more or less along the east right-of-way line of N.W. 5th Avenue to its intersection with centerline of the right-of-way of N.W. Davis Street, Assessor Map 1N1E 34CA;
75. Thence east 230 feet more or less along the centerline of the right-of-way of N.W. Davis Street to its intersection with the centerline of the right-of-way of N.W. 4th Avenue, Assessor Map 1N1E 34CA;
76. Thence south 290 feet more or less along the centerline of the right-of-way of N.W. 4th Avenue to its intersection with the south right-of-way line of N.W. Couch Street, Assessor map 1N1E 34CA;
77. Thence west 230 feet more or less along the south right-of-way line of N.W. Couch Street to its intersection with the east right-of-way line of N.W. 5th Avenue, Assessor Map 1N1E 34CA;
78. Thence south 180 feet more or less along the east right-of-way line of N.W. 5th Avenue to its intersection with the north right-of-way line of W. Burnside Street, Assessor Map 1N1W 34CA;
79. Thence west 60 feet more or less along the north right-of-way line of W. Burnside Street to its intersection with the west right-of-way line of N.W. 5th Avenue, Assessor Map 1N1E 34CA;
80. Thence north 80 feet more or less along the west right-of-way line of N.W. 5th Avenue to its intersection with the south line of Lot 5 Block 41 Couch's Addition, Assessor Map 1N1E 34CA;
81. Thence west 100 feet more or less along the south line of Lot 5 Block 41 Couch's Addition to the east line of Lot 3 Block 41 Couch's Addition; Assessor Map 1N1E 34CA;
82. Thence south 180 feet more or less along the east line of Lot 3 and Lot 2 Block 41 Couch's Addition and their south prolongation to the south right-of-way line of W. Burnside Street, Assessor Map 1N1E 34CA;

83. Thence east 520 feet more or less along the south right-of-way line of W. Burnside Street to its intersection with the south prolongation of the west line of Lot 1 Block 29 Couch's Addition, Assessor Map 1N1E 34CA;
84. Thence north 158 feet more or less along the west lines of Lot 1 and Lot 4 Block 29 Couch's Addition and their south prolongation to its intersection with a line that is 28 feet north of the south line of Lot 4 Block 29 Couch's Addition, Assessor Map 1N1E 34CA;
85. Thence west 5 feet along the westerly prolongation of said line that is 28 feet north of south line of Lot 4 Block 29 Couch's Addition to a point being 5 feet west of said west line of Lot 4 Block 29 Couch's Addition, Assessor Map 1N1E 34CA;
86. Thence north 45 feet along a line that is 5 feet west and parallel with the west line of Lot 4 and Lot 5 Block 29 Couch's Addition to its intersection with a line that is 23 feet north of the south line of Lot 5 Block 29 Couch's Addition; Assessor Map 1N1E 34CA;
87. Thence east 135 feet along a line that is 23 feet north of the south line of Lot 5 Block 29 Couch's Addition to its intersection with the centerline of the right-of-way of N.W. 3rd Avenue, Assessor Map 1N1E 34CA;
88. Thence south 208 feet more or less along the centerline of the right-of-way of N.W. 3rd Avenue to its intersection with the south right-of-way line W. Burnside Street, Assessor Map 1N1E 34CA;
89. Thence east 260 feet more or less along the south right-of-way line of W. Burnside Street to its intersection with the centerline of the right-of-way of S.W. 2nd Avenue, Assessor Map 1N1E 34CD;
90. Thence south 110 feet more or less along the centerline of the right-of-way of S.W. 2nd Avenue to its intersection with the westerly prolongation of the south line of Lot 3 Block 11 Couch's Addition, Assessor Map 1N1E 34CD;
91. Thence southeasterly 60 feet more or less to the intersection of the centerline of S.W. 2nd Avenue, said centerline being 30.00 feet westerly of the west line of Block 33 City of Portland, with the south right-of-way line of S.W. Ankeny Street , Assessor Map 1N1E 34 CD;
92. Thence southerly 110 feet more or less along the centerline of S.W. 2nd Avenue parallel with the west line of Block 33 City of Portland to its intersection with the westerly prolongation of a line that is 20 feet north of the southerly line of Lot 6 Block 33 City of Portland, Assessor Map 1N1E 34DC;
93. Thence easterly 230 feet more or less along the said line that is 20 feet north of the southerly line of Lot 6 and Lot 3 Block 33 City of Portland and their westerly prolongation to the west right-of-way line of S.W. 1st Avenue, Assessor Map 1N1E 34DC;
94. Thence north 342 feet more or less along the west right-of-way line of S.W. 1st Avenue to its intersection with the south right-of-way line of W. Burnside Street, Assessor Map 1N1E 34DC;
95. Thence west 95 feet more or less along the south right-of-way line of W. Burnside Street to its intersection with the west line of Lot 8 Block 11 Couch's Addition, Assessor Map 1N1E 34DB;

96. Thence north 100 feet more or less to the north right-of-way line of W. Burnside Street at its intersection with the west line of Lot 1 Block 12 Couch's Addition, Assessor Map 1N1E 34DB;
97. Thence east 95 feet more or less along the north right-of-way line of W. Burnside Street to its intersection with the west right-of-way line of N.W. 1st Avenue, Assessor Map 1N1E 34DB;
98. Thence north 185 feet more or less along the west right-of-way line of N.W. 1st Avenue to its intersection with the south right-of-way line of N.W. Couch Street, Assessor Map 1N1E 34DB;
99. Thence west 190 feet more or less along the south right-of-way line of N.W. Couch Street to its intersection with the east right-of-way line of N.W. 2nd Avenue, Assessor Map 1N1E 34CA;
100. Thence south and southeasterly 184 feet more or less along the east right-of-way line of N.W. 2nd Avenue to its intersection with the north right-of-way line of W. Burnside Street, Assessor Map 1N1E 34CA;
101. Thence west 90 feet more or less along the north right-of-way line of W. Burnside Street to its intersection with the west right-of-way line of N.W. 2nd Avenue, Assessor Map 1N1E 34CA;
102. Thence north 435 feet more or less along the west right-of-way line of N.W. 2nd Avenue to its intersection with the south right-of-way line of N.W. Davis Street, Assessor Map 1N1E 34CA;
103. Thence west 230 feet more or less along the south right-of-way line of N.W. Davis Street to its intersection with the centerline of the right-of-way of N.W. 3rd Avenue, Assessor Map 1N1E 34CA;
104. Thence north 780 feet more or less along the centerline of the right-or-way of N.W. 3rd Avenue to its intersection with the south right-of-way line of N.W. Glisan Street, Assessor Map 1N1E 34CA;
105. Thence east 35 feet more or less along the south right-of-way line of N.W. Glisan Street to its intersection with the east right-of-way line of N.W. 3rd Avenue, Assessor Map 1N1E 34CA;
106. Thence north 110 feet more or less along the east right-of-way line of N.W. 3rd Avenue to its intersection with the north line of Lot 2 Block N, Couch's Addition; Assessor Map 1N1E 34CA;
107. Thence east 368 feet more or less along the north line of Lot 2 and Lot 1 Block N and Lot 2 Block A of Couch's Addition to its intersection with the westerly right-of-way line of N.W. Naito Parkway, Assessor Map 1N1E 34BD;
108. Thence northwesterly 28 feet more or less along the westerly right-of-way line of N.W. Naito Parkway to its intersection with the southerly right-of-way line of the Portland Terminal Railroad Company, Assessor Map 1N1E 34BD;
109. Thence northeasterly 331.37 feet along the southerly right-of-way line of the Portland Terminal Railroad Company, Assessor Map 1N1E 34BD;
110. Thence northeasterly 50 feet more or less perpendicular to when measured at right angles to said southerly right-of-way line of the Portland Terminal Railroad Company to its intersection with the westerly line of Lot 5 Union Station recorded Oct. 15, 1996 as Book 1233 Page 1 Multnomah County Records, Assessor Map 1N1E 34BD;

111. Thence southeasterly 238.70 feet along the said south line of Lot 5 Union Station to its intersection with the westerly right-of-way line of N.W. Naito Parkway, Assessor Map 1N1E 34BD;
112. Thence northwesterly 410 feet more or less along the westerly right-of-way line of N.W. Naito Parkway to the most northerly corner of said Lot 5 Union Station, Assessor Map 1N1E 34BD;
113. Thence southwesterly 200 feet more or less along the north line of said Lot 5 Union Station to the most westerly corner of said Lot 5 Union Station, Assessor Map 1N1E 34BD;
114. Thence southeasterly 183.47 feet along the southerly line of said Lot 5 Union Station, Assessor Map 1N1E 34BD;
115. Thence southwesterly 44 feet more or less to the intersection of the southerly right-of-way line of the Portland Terminal Railroad Company, with the east right-of-way line at the termination of N.W. Hoyt Street, Assessor Map 1N1E 34BD;
116. Thence south 35 feet more or less along the east right-of-way line at the termination of N.W. Hoyt Street to the northwest corner of Book 1486 Page 294 Multnomah County Records, Assessor Map 1N1E 34BD;
117. Thence west 58 feet more or less along the south right-of-way line of N.W. Hoyt Street as shown in the plat of Couch's Addition to its intersection with the west right-of-way line of N.W. 3rd Avenue as shown in the Plat of Couch's Addition, Assessor Map 1N1E 34BD;
118. Thence south 150 feet more or less along the west right-of-way line of N.W. 3rd Avenue as shown in the plat of Couch's Addition to its intersection with the north right-of-way line of N.W. Glisan Street, Assessor Map 1N1E 34BD;
119. Thence southwesterly and west 357 feet more or less along the north right-of-way line of N.W. Glisan Street to its intersection with the west line of Lot 1 Block P Couch's Addition, Assessor Map 1N1E 34BD;
120. Thence north 100 feet more or less along the west lines of Lot 1 and Lot 4 Block P Couch's Addition to its intersection with the south line of Lot 6 Block P Couch's Addition, Assessor Map 1N1E 34BD;
121. Thence west 160 feet more or less along the south line of Lot 6 Block P Couch's Addition and its west prolongation to its intersection with the west right-of-way line of N.W. 5th Avenue, Assessor Map 1N1E 34BD;
122. Thence north 420 feet more or less along the west right-of-way line of N.W. 5th Avenue to its intersection with the north right-of-way line of N.W. Irving Street, Assessor Map 1N1E 34BD;
123. Thence east 210 feet more or less along the north right-of-way line of N.W. Irving Street as shown in the plat of Couch's Addition, a portion of which is now vacated in ordinance no. 23258 to its intersection with the westerly right-of-way line of the Portland Terminal Railroad Company, Assessor Map 1N1E 34BD;
124. Thence northwesterly 900 feet more or less along the westerly right-of-way line of the Portland Terminal Railroad Company to its intersection with the southerly easement line of the N.W. Broadway Avenue Bridge, Assessor Map 1N1E 34BD;
125. Thence northeasterly 50 feet more or less along the southerly easement line of the N.W. Broadway Avenue Bridge to its intersection with the easterly right-of-way line of the Portland Terminal Railroad Company, Assessor Map 1N1E 34BD;

126. Thence northwesterly 70 feet more or less along the easterly right-of-way line of the Portland Terminal Railroad Company to its intersection with the northerly easement line of the N.W. Broadway Avenue Bridge, Assessor Map 1N1E 34BD;
127. Thence northeasterly 559 feet more or less along the northerly easement line of the N.W. Broadway Avenue Bridge to its intersection with the westerly Harbor Line of the Willamette River, Assessor Map 1N1E 34BA;

CONTINUING SAID DOWNTOWN-WATERFRONT URBAN RENEWAL AREA BOUNDARY LINE WHERE SAID LINE IS NOT COMMON WITH ANY OTHER URBAN RENEWAL AREA BOUNDARY, AS FOLLOWS:

128. Thence leaving said River District Urban Renewal Area Boundary line southerly 8400 feet more or less along the westerly Harbor Line of the Willamette River to the POINT OF BEGINNING.

The Downtown-Waterfront Urban Renewal Area contains 232 acres more or less.

Exhibit Two (A) – Part Two, Legal Description Map

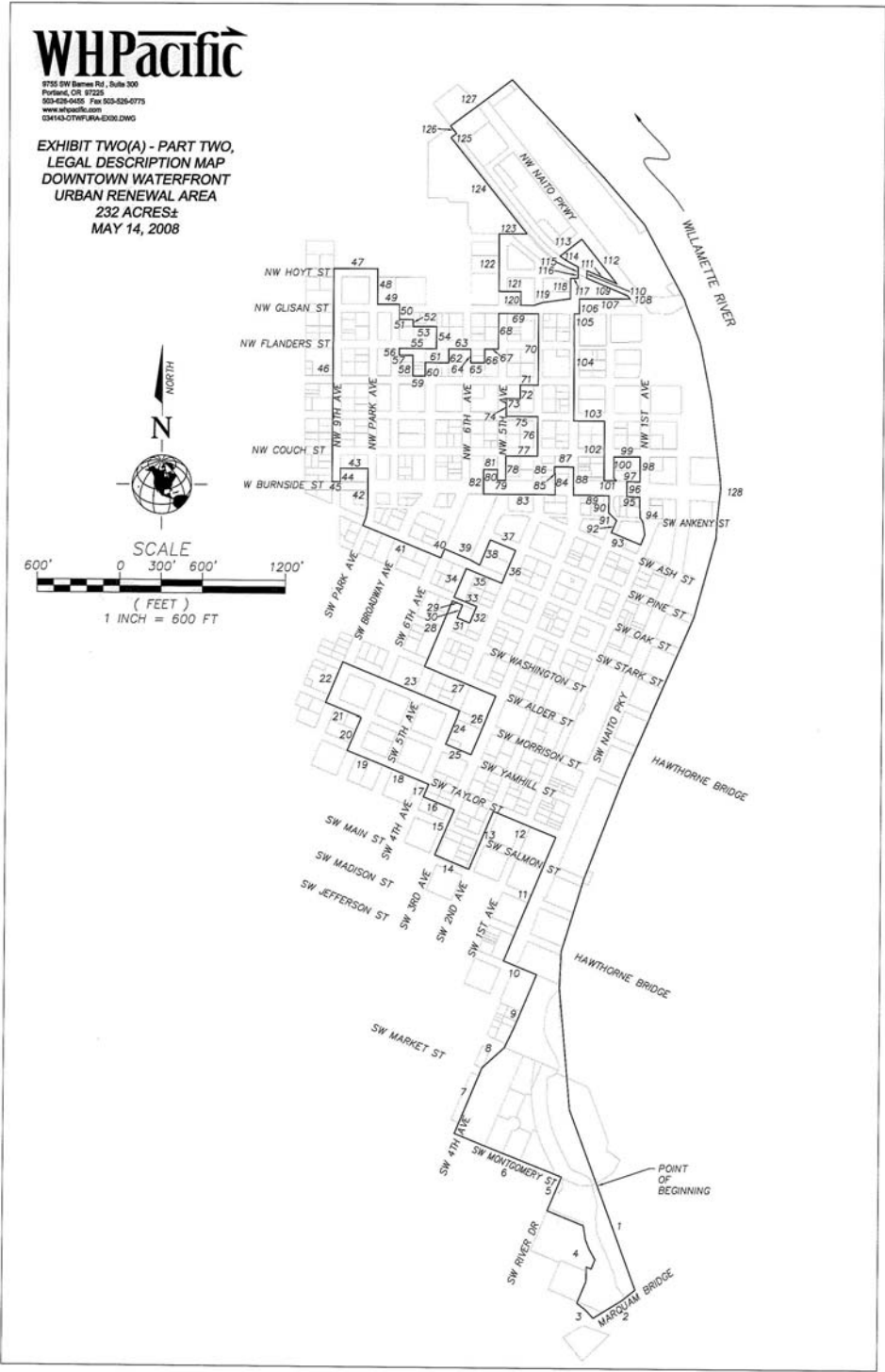
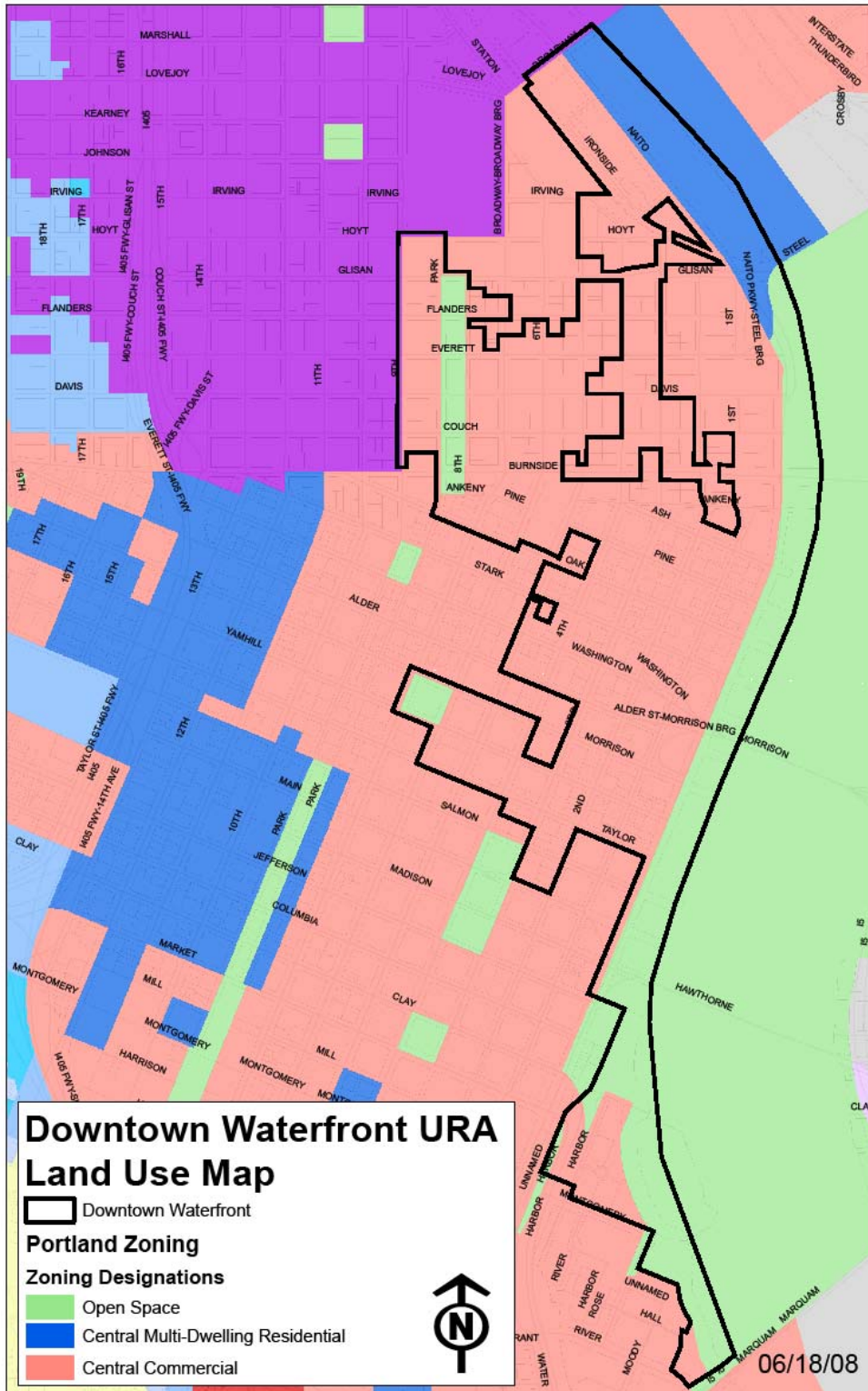


Exhibit A – Part Two. Downtown Waterfront Urban Renewal Area Land Use (Zoning Plan) Map



Report on the Twenty-Eighth Amendment to
the
Downtown Waterfront Urban Renewal Plan

Portland Development Commission

June 18, 2008

TABLE OF CONTENTS

I. INTRODUCTION.....1

II. EXISTING PHYSICAL, SOCIAL, AND ECONOMIC CONDITIONS AND IMPACT ON MUNICIPAL SERVICES4

III. REASONS FOR SELECTION OF EACH URBAN RENEWAL AREA IN THE PLAN.....9

IV. THE RELATIONSHIP BETWEEN URBAN RENEWAL PROJECTS AND THE EXISTING CONDITIONS IN THE URBAN RENEWAL AREA.....9

V. THE ESTIMATED TOTAL COST OF EACH PROJECT AND THE SOURCES OF FUNDS TO PAY SUCH COSTS.....9

VI. THE ANTICIPATED COMPLETION DATE FOR EACH PROJECT.....9

VII. THE ESTIMATED AMOUNT OF TAX INCREMENT REVENUES REQUIRED AND THE ANTICIPATED YEAR IN WHICH INDEBTEDNESS WILL BE RETIRED.....9

VIII. FINANCIAL ANALYSIS OF THE PLAN.....13

IX. IMPACT OF THE TAX INCREMENT FINANCING BOTH UNTIL AND AFTER THE INDEBTEDNESS IS REPAID, UPON ALL ENTITIES LEVYING TAXES UPON PROPERTY IN THE URBAN RENEWAL AREA.....17

X. RELOCATION.....17

XI. COMPLIANCE WITH STATUTORY LIMITS ON ASSESSED VALUE AND SIZE OF URBAN RENEWAL AREA.....17

I. INTRODUCTION

The Downtown Waterfront Urban Renewal Report (the “Report”) contains background information and project details for the Twenty-Eighth Amendment to the Downtown Waterfront Urban Renewal Plan (as amended, the “Plan”). The Report is not a legal part of the Plan but is intended to provide public information and a basis for the findings made by the City Council as part of its approval of the Plan.

The Report provides the information required in ORS 457.085(3). The format of the Report is based on this statute.

The Twenty-Eighth Amendment to the Plan provides for the following changes:

- Removes area from the Plan
- Revises the Legal Description of the Plan
- Replaces Section H. Procedures for Changes in the Approved Urban Renewal Plan, in its entirety. These changes are housekeeping changes only in an effort to make the language in this section consistent in all urban renewal plans administered by the Portland Development Commission
- Completes a Financial Analysis of the Plan

The Report on the Twenty-Eighth Amendment to the Plan is a stand alone document and refers only to the changes identified in the Twenty-Eighth Amendment of the Plan.

The reasons, rationale and purpose for these changes are guided by the recommendations of the Westside Study Urban Renewal Advisory Group (URAG). These changes to the Plan will enable the areas being deleted to be added to the River District Urban Renewal Area, allowing the projects specified for the parcels to be completed through funding from the River District Urban Renewal Plan.

1. Public Participation Process

A joint process of public participation began in 2006 with PDC and the City of Portland staff interviewing 35 stakeholders to obtain their thoughts and ideas about the future of the downtown area, specifically concerning an update to the Central Portland Plan and reviewing three downtown urban renewal areas.

The Westside Study officially started in May 2007 when the PDC Commission directed staff in PDC Resolution # 6474 to look at the downtown urban renewal areas. Two of the Urban Renewal Areas (URAs), Downtown Waterfront (DTWF) and South Park Blocks (SPB), are due to expire in 2008 but still have important projects to complete. This expiration refers to the last date a URA can issue bonded indebtedness, which was set during the creation of the URA. The River District (RD) URA has performed beyond expectations and a boundary change could allow uncompleted projects in the DTWF and SPB

URAs to be completed as part of the RD Urban Renewal Plan. A Public Participation Plan was developed in cooperation with PDC staff and community stakeholders to ensure that there will be sufficient public input around the critical decisions about the future of these URAs.

2. Urban Renewal Advisory Group Formed

The PDC created the URAG in May of 2007. The URAG includes two PDC Commissioners (Charles Wilhoite and Mark Rosenbaum), two City Council members (Erik Sten and Dan Saltzman), Multnomah County Commissioner Jeff Cogen, Planning Commissioner Chairman Don Hanson and citizen budget committee member Jon Kruse.

As an extension of City Council/PDC's FY 07-08 Budget Advisory Committee, the URAG reflects the new relationship between the Council and PDC created by last year's city charter change, providing for greater Council involvement in the development of PDC's budget. The new advisory group also includes other local officials in recognition of the broad potential impact of this community discussion.

The charge to the URAG was to make recommendations regarding the future of three downtown URAs: DTWF, SPB, and RD. Specifically, they were asked to address the following questions:

- Should PDC expand the RD by up to 61 acres?
- Should PDC increase the maximum indebtedness of the RD, which will likely be reached in 2010?
- Should PDC extend the last date to issue debt for DTWF and SPB?

The URAG met for six months during 2007 and heard from a variety of stakeholders including:

- Pearl District Neighborhood Association
- Portland Downtown Neighborhood Association
- Old Town/Chinatown Neighborhood Association
- Old Town/Chinatown Visions Committee
- League of Women Voters
- Portland State University
- University of Oregon
- Portland Business Alliance/Downtown Retail Council
- Chinese Consolidated Benevolent Association
- Regional Arts and Culture Commission
- Representatives from non-profit and for profit housing organizations
- City of Portland Bureau representatives including Planning, Transportation, Housing and Community Development, and Parks & Recreation

3. Additional Community Meetings

PDC staff also briefed stakeholders at community meetings including:

- Downtown Neighborhood Association National Night Out event in the Downtown Waterfront
- Downtown Neighborhood Association Land Use committee
- Old Town/Chinatown Neighborhood Association
- Pearl District Planning and Transportation Committee
- Old Town/Chinatown Visions Committee

4. Electronic Communications

PDC staff created a web page dedicated to the Future of Urban Renewal that includes the opportunity for collecting comments electronically. People accessing the web site could also sign up for email notifications about the project.

5. URAG Recommendations Specific to the Downtown Waterfront URA

The URAG came up with 2 major recommendations for the DTWF URA:

- Remove 47.03 acres from the DTWF URA boundaries and add this area to the RD URA.
- Issue bonds in the DTWF URA to the extent that indebtedness will be repaid by the year 2024. This recommendation did not require any change in the Plan, it merely made specific recommendations about using authority already granted.

6. Report Format

The format of the Report is based on ORS 457.085(3) which requires that an urban renewal plan amendment which is a significant change, requiring a substantial amendment to the plan, be accompanied by a report which provides:

- A. A description of physical, social and economic conditions in the urban renewal areas of the plan, and the expected impact, including the fiscal impact, of the plan (or change) in light of added services and increased population;
- B. Reasons for selection of each urban renewal area in the plan;
- C. The relationship between each project to be undertaken and the existing conditions in the urban renewal area;
- D. The estimated total cost of each project and the sources of funds to pay such costs;

- E. The anticipated completion date for each project;
- F. The estimated amount of money required in each urban renewal area under ORS 457.420 to 457.460 and the anticipated year in which indebtedness will be retired or otherwise provided for under ORS 457.420 to 457.460;
- G. A financial analysis of the plan with sufficient information to determine feasibility;
- H. A fiscal impact statement that estimates the impact of the tax increment financing, both until and after indebtedness is repaid, upon all entities levying taxes upon property in the urban renewal area; and
- I. A relocation report which shall include:
 - 1. An analysis of existing residents or businesses required to relocate permanently or temporarily as a result of agency actions, under ORS 457.170;
 - 2. A description of the methods to be used for the temporary or permanent relocation of persons living in, and businesses situated in, the urban renewal area in accordance with ORS 285.045 - .105; and
 - 3. An enumeration, by cost range, of the existing housing in the urban renewal areas of the plan which are to be destroyed or altered, and of the new units to be added.

This report will address each of the required information category.

II. EXISTING PHYSICAL, SOCIAL AND ECONOMIC CONDITIONS AND IMPACT ON MUNICIPAL SERVICES

A map of the area to be deleted from the DTWF URA is shown in Figure 1. Figure 2 shows the new boundary of the DTWF URA. The area is reduced by 47.03 acres.

- A. Physical Conditions
 - 1. Land Use: see Figures 1, Downtown Waterfront Areas to be Deleted and Figure 2, New Boundary DTWF URA.
 - 2. Zoning: Since no new area is added, prior reports cover this section.
- B. Infrastructure

1. Transportation: Since no new area is added, prior reports cover this section.
2. Water, Sewer and Storm Drainage Facilities: Since no new area is added, prior reports cover this section.
3. Parks and Open Space: Since no new area is added, prior reports cover this section.
4. Public Spaces: Since no new area is added, prior reports cover this section.
5. Public Parking: The 3rd and Alder SmartPark garage is being removed from the Area. It is proposed to be added to the RD URA.

C. Social Conditions

Currently, PDC GIS shows the area to be deleted in the amendment contains approximately 690 residential dwellings (derived from the 2005 Central City Housing Inventory). The following social information in Table 1 shows information for

- the new RD Area
- the City of Portland as a whole
- the original RD
- for the “Deletion Areas” which would include both those from the DTWF and SPB URA deletion areas

Table 1. Social Characteristics

| | | | | | |
|------------------------|------------------|-------------------------|-----------------------------------|------|--------------------------------------|
| Population | 3576 | 551302 | Original River District URA | 2035 | 1541 |
| Households | 1944 | 234726 | New River District URA | 1530 | 414 |
| Social Characteristics | District URA 242 | City of Portland 22,127 | URA | 232 | DTWF and SPB Deletion Areas 10 |

| | | | | |
|----------------------------|--------------|----------------|--------------|--------------|
| Average Household Size | 1.47 | 2.29 | 1.26 | |
| Median Age | 39.3 | 36.9 | 34.6 | |
| Race & Ethnicity | | | | |
| White Alone | 2776 (77.6%) | 412133 (74.8%) | 1679 (82.5%) | 1097 (71.2%) |
| Black Alone | 303 (8.5%) | 38650 (7.0%) | 104 (5.1%) | 199 (12.9%) |
| American Indian Alone | 93(2.6%) | 5607 (1.0%) | 31(1.5%) | 62 (4%) |
| Asian Alone | 127 (3.6%) | 42479 (7.7%) | 87(4.3%) | 40 (2.6%) |
| Pacific Islander Alone | 13 (0.4%) | 2252 (0.4%) | 7(0.3%) | 6 (0.4%) |
| Some Other Race Alone | 120 (3.4%) | 25771 (4.7%) | 51(2.5%) | 69 (4.5%) |
| Two or More Races | 145 (4.1%) | 24409 (4.4%) | 76 (3.8%) | 69 (4.5%) |
| Hispanic Origin (Any Race) | 282 (7.9%) | 49,719 (9.0%) | 138 (6.8%) | 144 (9.4%) |
| Median Household Income | \$28,479 | \$52,206 | \$38,140 | |

Source: ESRI Business Analyst

D. Economic Conditions

1. Taxable Value of Property to be removed from the Downtown Waterfront Urban Renewal Area by the Twenty-Eighth Amendment: The 07/08 taxable value of property in the area is approximately \$97,914,680. The frozen base of the DTWF URA will be reduced by the historical frozen base value of the properties being removed from the area, as to be determined by the Multnomah County Assessor. The new frozen base will be calculated by the Multnomah County Assessor after adoption of the Amendment.
2. Building to Land Ratio: Since no new area is added, prior reports cover this section.

E. Impact on Municipal Services

Since the properties being removed from the DTWF URA are proposed to be added to the RD URA, there should be no negative impact on municipal services. In fact, since the projects which were to be completed on the properties will likely completed in the RD URA, the impact on municipal services is a positive benefit as properties which are in need of rehabilitation will likely be improved through funding from the RD URA.

Figure 1. Areas to be Deleted

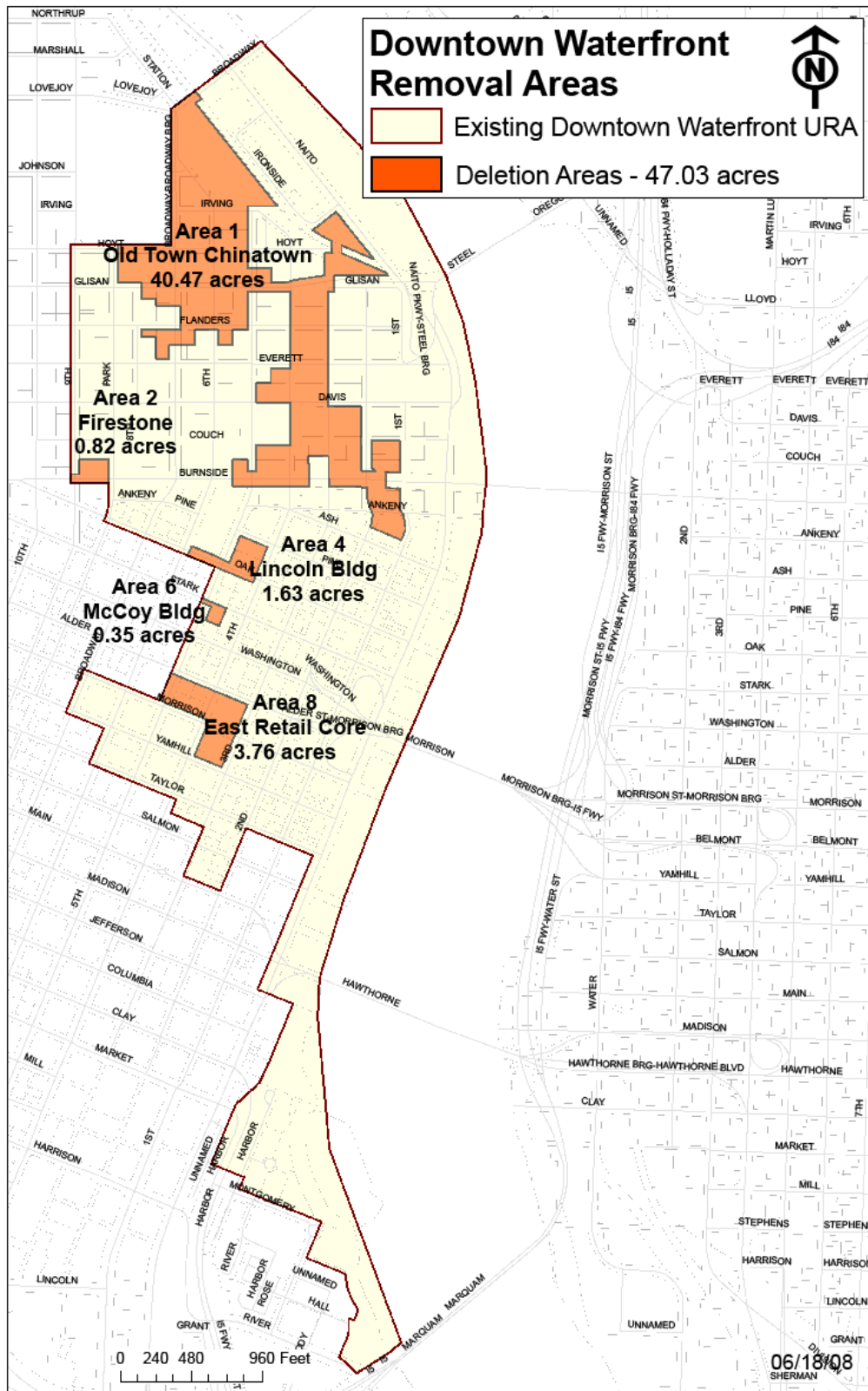


Figure 2. New Boundary DTWF URA



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

Since no new area is added, prior reports cover this section.

IV. THE RELATIONSHIP BETWEEN URBAN RENEWAL PROJECTS AND THE EXISTING CONDITIONS IN THE URBAN RENEWAL AREA

Since no new projects are added, prior reports cover this section.

V. THE ESTIMATED TOTAL COST OF EACH PROJECT AND THE SOURCES OF MONEYS TO PAY SUCH COSTS

Since no new projects are added, prior reports cover this section.

VI. THE ANTICIPATED COMPLETION DATE FOR EACH PROJECT

Since no new projects are added, prior reports cover this section.

VII. THE ESTIMATED AMOUNT OF TAX INCREMENT REVENUES REQUIRED AND THE ANTICIPATED YEAR IN WHICH INDEBTEDNESS WILL BE RETIRED

The City issued the Downtown Waterfront Urban Renewal and Redevelopment Bonds, 2008 Series A (the “2008 Series A Bonds”) in April 2008. With the issuance of the 2008 Series A Bonds, the maximum indebtedness of the Area was reached and no additional “new money” indebtedness may be issued. The 2008 Series A Bonds were structured with a final debt service payment on June 15, 2024 in conformance with the URAG decision to issue indebtedness which will be repaid by FY 2023-24.

Table 2 shows the projected tax increment revenues for the Area (after adjustments for discounts, under-collections and penalties) and the debt service on all outstanding bonds for the Area. The analysis shows that all remaining debt can be paid by FY 2023-24. Note that with the boundary adjustments contemplated by the Twenty-Eighth Amendment, there is no change to either the fixed Divide the Taxes revenues for the Area or projected allocations of the Special Levy.

Table 2. Tax Increment Revenues, Debt Service and Debt Repayment

| Fiscal Year | 2008-09 | 2009-10 | 2010-11 | 2011-12 | 2012-13 | 2013-14 |
|--------------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | | | | | | |
| Divide the Taxes (before compression) | \$7,710,000 | \$7,710,000 | \$7,710,000 | \$7,710,000 | \$7,710,000 | \$7,710,000 |
| Less Compression | (462,600) | (462,600) | (462,600) | (462,600) | (462,600) | (462,600) |
| Divide the Taxes (after compression) | 7,247,400 | 7,247,400 | 7,247,400 | 7,247,400 | 7,247,400 | 7,247,400 |
| Less Delinquencies, Discounts | (289,896) | (289,896) | (289,896) | (289,896) | (289,896) | (289,896) |
| Divide the Taxes Collections | \$6,957,504 | \$6,957,504 | \$6,957,504 | \$6,957,504 | \$6,957,504 | \$6,957,504 |
| | | | | | | |
| | | | | | | |
| Special Levy (before compression) | \$3,593,132 | \$3,523,279 | \$3,550,367 | \$3,557,465 | \$3,553,801 | \$3,553,674 |
| Less Compression | (143,725) | (140,931) | (142,015) | (142,299) | (142,152) | (142,147) |
| Special Levy (after compression) | 3,449,406 | 3,382,347 | 3,408,352 | 3,415,167 | 3,411,649 | 3,411,527 |
| Less Delinquencies, Discounts | (137,976) | (135,294) | (136,334) | (136,607) | (136,466) | (136,461) |
| Special Levy Collections | \$3,311,430 | \$3,247,054 | \$3,272,018 | \$3,278,560 | \$3,275,183 | \$3,275,066 |
| Total Tax Increment Collections | \$10,268,934 | \$10,204,558 | \$10,229,522 | \$10,236,064 | \$10,232,687 | \$10,232,570 |
| | | | | | | |
| | | | | | | |
| Debt Service (less Payments from Reserves) | | | | | | |
| 2000 Bonds | \$4,574,063 | \$5,818,142 | \$5,820,705 | \$5,817,296 | \$5,817,189 | \$5,817,604 |
| 2002 Bonds | 0 | 0 | 0 | 0 | 0 | |
| 2008 Bonds | 5,624,356 | 4,377,022 | 4,375,456 | 4,378,941 | 4,378,928 | 4,381,599 |
| Total Debt Service | \$10,198,419 | \$10,195,164 | \$10,196,161 | \$10,196,237 | \$10,196,117 | \$10,199,203 |

Table 2. Tax Increment Revenues, Debt Service and Debt Repayment, continued.

| Fiscal Year | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--------------------------------------------|----------------|----------------|----------------|----------------|----------------|
| | | | | | |
| Divide the Taxes (before compression) | \$7,710,000 | \$7,710,000 | \$7,710,000 | \$7,710,000 | \$7,710,000 |
| Less Compression | (462,600) | (462,600) | (462,600) | (462,600) | (462,600) |
| Divide the Taxes (after compression) | 7,247,400 | 7,247,400 | 7,247,400 | 7,247,400 | 7,247,400 |
| Less Delinquencies, Discounts | (289,896) | (289,896) | (289,896) | (289,896) | (289,896) |
| Divide the Taxes Collections | \$6,957,504 | \$6,957,504 | \$6,957,504 | \$6,957,504 | \$6,957,504 |
| | | | | | |
| | | | | | |
| Special Levy (before compression) | \$3,554,122 | \$3,555,641 | \$3,555,885 | \$3,554,033 | \$3,554,595 |
| Less Compression | (142,165) | (142,226) | (142,235) | (142,161) | (142,184) |
| Special Levy (after compression) | 3,411,957 | 3,413,415 | 3,413,649 | 3,411,872 | 3,412,411 |
| Less Delinquencies, Discounts | (136,478) | (136,537) | (136,546) | (136,475) | (136,496) |
| Special Levy Collections | \$3,275,479 | \$3,276,878 | \$3,277,103 | \$3,275,397 | \$3,275,915 |
| Total Tax Increment Collections | \$10,232,983 | \$10,234,382 | \$10,234,607 | \$10,232,901 | \$10,233,419 |
| | | | | | |
| | | | | | |
| Debt Service (less Payments from Reserves) | | | | | |
| 2000 Bonds | \$5,821,298 | \$5,819,228 | \$5,817,515 | \$5,819,465 | \$5,818,188 |
| 2002 Bonds | | | | | |
| 2008 Bonds | 4,374,383 | 4,379,628 | 4,382,092 | 4,376,289 | 4,378,185 |
| Total Debt Service | \$10,195,681 | \$10,198,856 | \$10,199,607 | \$10,195,754 | \$10,196,373 |

Table 2. Tax Increment Revenues, Debt Service and Debt Repayment, continued.

| Fiscal Year | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|--------------------------------------------|----------------|----------------|----------------|----------------|----------------|
| Divide the Taxes (before compression) | \$7,710,000 | \$7,710,000 | \$7,710,000 | \$7,710,000 | \$7,710,000 |
| Less Compression | (462,600) | (462,600) | (462,600) | (462,600) | (462,600) |
| Divide the Taxes (after compression) | 7,247,400 | 7,247,400 | 7,247,400 | 7,247,400 | 7,247,400 |
| Less Delinquencies, Discounts | (289,896) | (289,896) | (289,896) | (289,896) | (289,896) |
| Divide the Taxes Collections | \$6,957,504 | \$6,957,504 | \$6,957,504 | \$6,957,504 | \$6,957,504 |
| | | | | | |
| Special Levy (before compression) | \$3,554,757 | \$0 | \$0 | \$0 | \$0 |
| Less Compression | (142,190) | 0 | 0 | 0 | 0 |
| Special Levy (after compression) | 3,412,566 | 0 | 0 | 0 | 0 |
| Less Delinquencies, Discounts | (136,503) | - | - | - | - |
| Special Levy Collections | \$3,276,064 | \$0 | \$0 | \$0 | \$0 |
| Total Tax Increment Collections | \$10,233,568 | \$6,957,504 | \$6,957,504 | \$6,957,504 | \$6,957,504 |
| | | | | | |
| | | | | | |
| Debt Service (less Payments from Reserves) | | | | | |
| 2000 Bonds | \$5,818,325 | | | | |
| 2002 Bonds | | | | | |
| 2008 Bonds | 4,379,425 | 6,945,585 | 6,949,440 | 6,946,560 | 2,424,500 |
| Total Debt Service | \$10,197,750 | \$6,945,585 | \$6,949,440 | \$6,946,560 | \$2,424,500 |

VIII. FINANCIAL ANALYSIS OF THE PLAN

Table 3 shows the projected incremental assessed value, projected tax rates that would produce tax increment revenues, projected maximum tax increment revenues that would be available for the Area, and the annual tax increment revenues (not adjusted for under-collection and penalties) expected to be collected. These, in turn, provide the basis for the projections in Table 2. Table 3 shows the effect of the boundary reduction, assuming property transfers out of the Area in FY 2009-10. Even with the boundary reduction, there is still more incremental assessed value than is needed to generate the fixed Divide the Taxes revenues, which is “released” to overlapping taxing jurisdictions.

Table 3. Projected Incremental Value

| Fiscal Year | 2008-09 | 2009-10 | 2010-11 | 2011-12 | 2012-13 | 2013-14 |
|--------------------------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Frozen Base | \$70,866,644 | \$63,579,468 | \$63,579,468 | \$63,579,468 | \$63,579,468 | \$63,579,468 |
| Incremental Assessed Value | 905,143,390 | 833,959,206 | 856,397,673 | 879,397,101 | 902,971,516 | 927,135,290 |
| Total Assessed Value | \$976,010,034 | \$897,538,674 | \$919,977,141 | \$942,976,569 | \$966,550,984 | \$990,714,758 |
| Projected Maximum Tax Increment Revenues | \$30,212,938 | \$27,836,868 | \$28,585,846 | \$29,353,548 | \$30,140,442 | \$30,947,009 |
| Consolidated Tax Rate | \$21.0000 | \$20.7500 | \$20.5000 | \$20.2500 | \$20.0000 | \$20.0000 |
| Fixed Divide the Taxes to Raise | \$7,710,000 | \$7,710,000 | \$7,710,000 | \$7,710,000 | \$7,710,000 | \$7,710,000 |
| Incremental Assessed Value Needed for Divide the Taxes | \$367,142,857 | \$371,566,265 | \$376,097,561 | \$380,740,741 | \$385,500,000 | \$385,500,000 |
| "Released" Incremental Assessed Value | \$538,000,533 | \$462,392,941 | \$480,300,112 | \$498,656,361 | \$517,471,516 | \$541,635,290 |
| Divide the Taxes (before compression) | \$7,710,000 | \$7,710,000 | \$7,710,000 | \$7,710,000 | \$7,710,000 | \$7,710,000 |
| Less Compression | (462,600) | (462,600) | (462,600) | (462,600) | (462,600) | (462,600) |
| Divide the Taxes (after compression) | \$7,247,400 | \$7,247,400 | \$7,247,400 | \$7,247,400 | \$7,247,400 | \$7,247,400 |
| Special Levy (before compression) | \$3,593,132 | \$3,523,279 | \$3,550,367 | \$3,557,465 | \$3,553,801 | \$3,553,674 |
| Less Compression | (143,725) | (140,931) | (142,015) | (142,299) | (142,152) | (142,147) |
| Special Levy (after compression) | \$3,449,406 | \$3,382,347 | \$3,408,352 | \$3,415,167 | \$3,411,649 | \$3,411,527 |
| Total Tax Increment Revenues | \$10,696,806 | \$10,629,747 | \$10,655,752 | \$10,662,567 | \$10,659,049 | \$10,658,927 |

Table 3. Projected Incremental Value, continued

| Fiscal Year | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--------------------------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Frozen Base | \$63,579,468 | \$63,579,468 | \$63,579,468 | \$63,579,468 | \$63,579,468 |
| Incremental Assessed Value | 951,903,159 | 977,290,225 | 1,003,311,967 | 1,029,984,253 | 1,057,323,346 |
| Total Assessed Value | \$1,015,482,627 | \$1,040,869,693 | \$1,066,891,435 | \$1,093,563,721 | \$1,120,902,814 |
| Projected Maximum Tax Increment Revenues | \$31,773,740 | \$32,621,139 | \$33,489,724 | \$34,380,022 | \$35,292,579 |
| Consolidated Tax Rate | \$20.0000 | \$20.0000 | \$20.0000 | \$20.0000 | \$20.0000 |
| Fixed Divide the Taxes to Raise | \$7,710,000 | \$7,710,000 | \$7,710,000 | \$7,710,000 | \$7,710,000 |
| Incremental Assessed Value Needed for Divide the Taxes | \$385,500,000 | \$385,500,000 | \$385,500,000 | \$385,500,000 | \$385,500,000 |
| "Released" Incremental Assessed Value | \$566,403,159 | \$591,790,225 | \$617,811,967 | \$644,484,253 | \$671,823,346 |
| Divide the Taxes (before compression) | \$7,710,000 | \$7,710,000 | \$7,710,000 | \$7,710,000 | \$7,710,000 |
| Less Compression | (462,600) | (462,600) | (462,600) | (462,600) | (462,600) |
| Divide the Taxes (after compression) | \$7,247,400 | \$7,247,400 | \$7,247,400 | \$7,247,400 | \$7,247,400 |
| Special Levy (before compression) | \$3,554,122 | \$3,555,641 | \$3,555,885 | \$3,554,033 | \$3,554,595 |
| Less Compression | (142,165) | (142,226) | (142,235) | (142,161) | (142,184) |
| Special Levy (after compression) | \$3,411,957 | \$3,413,415 | \$3,413,649 | \$3,411,872 | \$3,412,411 |
| Total Tax Increment Revenues | \$10,659,357 | \$10,660,815 | \$10,661,049 | \$10,659,272 | \$10,659,811 |

Table 3. Projected Incremental Value, continued

| Fiscal Year | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|--------------------------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Frozen Base | \$63,579,468 | \$63,579,468 | \$63,579,468 | \$63,579,468 | \$63,579,468 |
| Incremental Assessed Value | 1,085,345,916 | 1,114,069,051 | 1,143,510,264 | 1,173,687,507 | 1,204,619,182 |
| Total Assessed Value | \$1,148,925,384 | \$1,177,648,519 | \$1,207,089,732 | \$1,237,266,975 | \$1,268,198,650 |
| Projected Maximum Tax Increment Revenues | \$36,227,949 | \$37,186,703 | \$38,169,427 | \$39,176,718 | \$40,209,192 |
| Consolidated Tax Rate | \$20.0000 | \$20.0000 | \$20.0000 | \$20.0000 | \$20.0000 |
| Fixed Divide the Taxes to Raise | \$7,710,000 | \$7,710,000 | \$7,710,000 | \$7,710,000 | \$7,710,000 |
| Incremental Assessed Value Needed for Divide the Taxes | \$385,500,000 | \$385,500,000 | \$385,500,000 | \$385,500,000 | \$385,500,000 |
| "Released" Incremental Assessed Value | \$699,845,916 | \$728,569,051 | \$758,010,264 | \$788,187,507 | \$819,119,182 |
| Divide the Taxes (before compression) | \$7,710,000 | \$7,710,000 | \$7,710,000 | \$7,710,000 | \$7,710,000 |
| Less Compression | (462,600) | (462,600) | (462,600) | (462,600) | (462,600) |
| Divide the Taxes (after compression) | \$7,247,400 | \$7,247,400 | \$7,247,400 | \$7,247,400 | \$7,247,400 |
| Special Levy (before compression) | \$3,554,757 | \$0 | \$0 | \$0 | \$0 |
| Less Compression | (142,190) | 0 | 0 | 0 | 0 |
| Special Levy (after compression) | \$3,412,566 | \$0 | \$0 | \$0 | \$0 |
| Total Tax Increment Revenues | \$10,659,966 | \$7,247,400 | \$7,247,400 | \$7,247,400 | \$7,247,400 |

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

Since no additional financing is involved from that already approved for the Area in prior Plan and Amendment documents, there is no new impact on taxing districts.

X. RELOCATION

No relocation is anticipated as a result of this Amendment. This amendment does not change the analysis for relocation which was provided when the Plan was originally adopted and previously amended.

XI. COMPLIANCE WITH STATUTORY LIMITS ON ASSESSED VALUE AND SIZE OF URBAN RENEWAL AREA

A chart showing the acreages and assessed values in the urban renewal areas in the City of Portland is shown in Table 4.

State law limits the percentage of a municipality's total assessed value and area that can be contained in an urban renewal area at the time of its establishment to 15% for municipalities with a population of 50,000 or greater. The deletion of 47.03 acres in the amendment will decrease the Area's acreage and therefore the total acreage in URAs. The total acreage is within the 15% area limit contained in Chapter 457 of the Oregon Revised Statutes.

The City also remains in compliance with the assessed value percentage, as shown below in Table 4. This chart is not updated for the change in frozen base to reflect the amendments on 6/18/08 to the DTWF Urban Renewal Plan. Those numbers will be reduced once the assessor calculates the new frozen base. Therefore, the numbers in the Frozen Base Assessed Value column are higher than what the final tabulation will show, but even so, still comply with the 15% restriction.

Table 4. Compliance with Acreage and Assessed Values

| Urban Renewal Area | Frozen Base Assessed Value | Acres |
|----------------------------------------------------------------------------------------------|----------------------------|-----------|
| Airport Way | \$129,701,177 | 2,726 |
| Central Eastside | \$224,626,739 | 692 |
| Downtown Waterfront (6/18/08 <u>area</u> reduction is calculated) | \$70,866,644 | 232 |
| South Park Blocks | \$378,055,680 | 160.55 |
| Oregon Convention Center | \$248,689,281 | 594 |
| North Macadam | \$180,450,967 | 402 |
| River District | \$358,684,364 | 309.21 |
| Interstate | \$1,019,370,465 | 3,769 |
| Gateway | \$307,174,681 | 659 |
| Willamette Industrial | \$481,443,135 | 758 |
| Lents (Includes 6/18/08 Amendment: area and AV) | \$714,432,705 | 2,846.79 |
| Total | \$4,019,783,268 | 13,148.55 |
| Total Acreage, City of Portland | | 92,773 |
| Total Assessed Value City of Portland Less Incremental Assessed Value in Urban Renewal Areas | \$37,261,781,831 | |
| Percent of Portland AV in Urban Renewal Areas | 10.79% | |
| Percent of Portland Area in Urban Renewal Area | | 14.17% |

PDC

PORTLAND DEVELOPMENT COMMISSION

Resolution Number 6584

TITLE: RESOLUTION APPROVING THE PROPOSED TWENTY-EIGHTH AMENDMENT TO THE DOWNTOWN WATERFRONT URBAN RENEWAL PLAN AND DIRECTING THE AMENDMENT BE SUBMITTED TO THE PORTLAND CITY COUNCIL FOR ADOPTION

Adopted by the Portland Development Commission on May 14, 2008.

| PRESENT FOR VOTE | COMMISSIONERS | VOTE | | |
|-----------------------------------------|-----------------------|----------------------------------------------------|--------------------------|--------------------------|
| | | Yea | Nay | Abstain |
| <input checked="" type="checkbox"/> | Mark Rosenbaum, Chair | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <input checked="" type="checkbox"/> | Sal Kadri | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <input checked="" type="checkbox"/> | Bertha Ferrán | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <input checked="" type="checkbox"/> | Charles Wilhoite | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <input checked="" type="checkbox"/> | John Mohlis | <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 duly recorded in the official minutes of the meeting.


Renee A. Castilla, Recording Secretary

Date: June 12, 2008