Potential Westside Central City Urban Renewal Area Study

Presentation to the Portland Downtown Neighborhood Association

August 17, 2009

Investing in Portland’s Future

PDC
PORTLAND DEVELOPMENT COMMISSION
Presentation Contents

- Background
- Where We Are Today
- Influencing Factors
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Background

- 2004 Central City Study
- 2008 Urban Renewal Advisory Group (URAG) Recommendation to analyze formation of new district downtown
- “Expiration” of Downtown Waterfront and South Park Blocks (2008)
- Economic Development Strategy (2009)
- Central Portland Plan (October roll out)
Central Portland Plan

Coordination with Bureau of Planning and Sustainability

- ECONorthwest Study was a cooperative effort of BPS and PDC
- Update to Comprehensive Plan (the Portland Plan)
- Central Portland Plan
Evaluation Committee

- 25 members appointed by Mayor Adams
- Formed in May, 2009
- Anticipate recommendation by February, 2010
- Making recommendations on:
  - Whether or not to create a new district
  - Boundaries
  - Maximum Indebtedness
  - Goals and Project Priorities
Central City Study Areas

- Northwest
- Goose Hollow
- North of Market
- South of Market
Influencing Factors

- River District LUBA Appeal
- N/NE Economic Development Initiative
Influencing Factors

- Assessed Value & Acreage
- Limitations
- Revenue Sharing Legislation
- LARGE METROPOLITAN PLAN MODEL -
For a New District with a Maximum Indebtedness of $380 million

When TIF revenues equal 3% of maximum indebtedness all future growth to overlapping jurisdictions
When TIF equals 10% of maximum indebtedness all future growth to overlapping jurisdictions

Property Taxes Generated

Assessed Value growth (property taxes) to urban renewal agency/area
Assessed Value at time district is formed: $950 million (to County, Cty., etc.)

Time in Years

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How New Rules Dictate Max. Ind.
1. First $150 million in assessed value of frozen base allows for a maximum indebtedness of $100M
2. Set remaining Max. Ind. by multiplying the remaining assessed value ($950 - $150 = $800) of frozen base by 35% ($800 x .35) = $280M
   1. Max Ind. can be $100 million + $280 million = $380M

Maximum indebtedness can be increased by 20% of original amount:
1. 20% x $380 = $76. $76 + $380 = $456 M

Sharing Triggers (blue font indicates Portland/Mult.Cty/PPS/etc. terms only):
1. First sharing occurs when amount of tax increment revenues equals 3% of Max. Ind.
   (.03 x $380) = $11.4M
   1. At this point all growth above $11.4 is split 75% to URA; 25% to overlapping jurisdictions.
2. Second sharing trigger occurs when tax increment revenues equal 10% of Max. Ind. (.10 x $380) = $38 M
   1. At this point ALL future growth is release to overlapping jurisdictions.
QUESTIONS?

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