

RESOLUTION No. 36588

Recommend amendment of River District Urban Renewal Area to add area in east Portland
(Resolution)

WHEREAS, The River District Urban Renewal Area (River District) was created in September 1998 in order to create a vibrant, mixed-use, high density urban neighborhood on abandoned industrial land.

WHEREAS, The River District has successfully converted former rail yards and an under-utilized warehouse area into the new and vibrant Pearl Neighborhoods.

WHEREAS, The results have dramatically exceeded the overall targets for new housing units and more housing continues to be developed.

WHEREAS, Affordable housing was and is a central tenet of the River District work, with roughly 25% of the 7500 housing units in the River District affordable to people earning less than half of the median income.

WHEREAS, A weakness of the River District, is that it has few children. This is a result of a shortage of amenities such as parks, community space and a school, but the biggest obstacle is shortage of affordable housing units big enough to house families.

WHEREAS, The sheer impact of the investment and vitality generated in the River District, moreover, have made Portland as a whole and central city housing in particular more attractive and more highly valued in the market place.

WHEREAS, The increase in housing prices has pushed renters and new families starting out from inner Portland neighborhoods to more affordable areas.

WHEREAS, The biggest impact of this significant displacement of families has been felt east of 82nd Street in the David Douglas School District. In the past decade, enrollment has increased by 2618 children, or 36.1%. There is no reason to expect this increase in enrollment to stop in the near future.

WHEREAS, Under current state funding mechanisms, the costs of building and rehabilitating school facilities generally must be borne by local tax payers through local bond measures approved by voters.

WHEREAS, The David Douglas School District, along with other East Portland school districts, faces a daunting mix of challenges in raising money to build new schools.

WHEREAS, David Douglas lacks the tax base generated by downtown Portland. Its largest employer, a hospital, is a non-profit entity and pays no property taxes.

WHEREAS, In addition to a weak property tax base, incomes in the David Douglas School District are lower than in inner Portland neighborhoods, owing to a large number of seniors and households who moved into the area precisely because they were priced

out of inner Portland. 70% of the students in David Douglas schools qualify for free or reduced school lunch.

WHEREAS, In November 2006, the David Douglas School District went out to its voters with a facilities bond measure for \$45 million, that included a new elementary school for its Deardorff Road property, a wing of ten classrooms at Floyd Light Middle School, a wing of twenty classrooms at David Douglas High School, and construction of a set of Industrial and Engineering Systems (Vocational Education) lab classrooms at David Douglas High School. The proposal also included some playground upgrades at several elementary schools and various remodeling and refurbishing projects in existing buildings.

WHEREAS, The proposal would have cost property owners \$1.12 per thousand of assessed value. The proposal failed by a vote of 44.56% yes, to 55.44% no.

WHEREAS, The Deardorff Road property offers the opportunity to construct a new elementary school on the Rosa Parks model, as a multi-functional community space. It also offers possibilities for community partnerships.

WHEREAS, The Urban Renewal Advisory Group will complete its work on March 4, 2008, and will recommend both a boundary expansion and an increase of the River District's maximum indebtedness.

WHEREAS, The Portland Development Commission will use the Urban Renewal Advisory Group's recommendations to propose amendments to the River District Urban Renewal Area Plan.

WHEREAS, The City Council supports the creation of noncontiguous areas within an urban renewal district when necessary to address negative impacts of urban renewal development on other parts of the community.

WHEREAS, It is time to share the prosperity that has been generated by the central city's successes and to acknowledge that we are all one city with responsibility to work together to resolve the problems of all.

NOW, THEREFORE, BE IT RESOLVED that the City Council directs the Portland Development Commission to develop and present to the Council for approval an amendment to the River District Urban Renewal Plan (Plan) that includes an appropriate portion of property in the David Douglas School District within the City of Portland that includes the Deardorff Road property, and

BE IT FURTHER RESOLVED that the Portland Development Commission should conduct appropriate investigation into the conditions of the property proposed to be included in the amended Plan and comply with the requirements of ORS Chapter 457 regarding plan amendments, and

BE IT FURTHER RESOLVED that the amendment should comply with the criteria for the addition of a noncontiguous area adopted by City Council in Resolution No. 36587, adopted March 12, 2008, and

BE IT FURTHER RESOLVED that this is binding City policy.

Adopted by the Council: March 12, 2008

Commissioner Erik Sten,
Mayor Potter and Commissioners Adams,
Leonard and Saltzman
Prepared by:
Jamaal Folsom:cop
March 6, 2008

Gary Blackmer
Auditor of the City of Portland
By: /S/ Susan Parsons
Deputy

BACKING SHEET INFORMATION

AGENDA NO. 324-2008

ORDINANCE/RESOLUTION/COUNCIL DOCUMENT NO. 36588

COMMISSIONERS VOTED AS FOLLOWS:		
	YEAS	NAYS
ADAMS	X	
LEONARD	X	
SALTZMAN	X	
STEN	X	
POTTER	X	