

# Table of Contents

<b>Tribal Land Acknowledgement</b>	<b>2</b>
<b>Section 1: Background and Context</b>	<b>3</b>
Cully: History, current conditions, demographics	3
Development, organizing, and outreach efforts in Cully	4
<b>Section 2: Vision, Values, Goals</b>	<b>6</b>
Portland’s Cully Neighborhood a 2040 Vision	6
Values	6
Goals	6
<b>Section 3: Community Engagement in Designing the TIF District</b>	<b>7</b>
Vision, Values, and Goals of Community Engagement Process	7
Description of Engagement Process	7
Data Collection and Analysis	8
<b>Survey and Focus Group Demographics</b>	<b>10</b>
<b>Section 4: Geographic Area and Boundaries of the TIF District</b>	<b>13</b>
Preliminary Draft Boundaries	14
City of Portland Zoning Designations	15
City of Portland Comprehensive Plan Designations	16
City of Portland Zoning Designations: Acreage	17
City of Portland Comprehensive Plan Designations: Acreage	17
<b>Section 5: Community Development and Investment Priorities for the Cully Neighborhood</b>	<b>18</b>
Housing	18
Houseless Services and Infrastructure	21
Building Wealth, Jobs and Businesses	21
<b>Section 6: Community Governance &amp; Decision-Making</b>	<b>23</b>
<b>Section 7: Principles that Guide Implementation of the Plan</b>	<b>25</b>
<b>Section 8: Tax Increment Finance Technical Elements</b>	<b>28</b>

# Tribal Land Acknowledgement

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

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

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

# Section 1: Background and Context

## Cully: History, current conditions, demographics

### Our Neighborhood

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

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

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

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

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

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

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

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

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

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

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

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

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

## Development, organizing, and outreach efforts in Cully

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

### Defining this process

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

**This is not** a process to increase property values, contribute to gentrification, or pay for basic public infrastructure and services that we should already expect from local government.

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

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

To realize our vision for Cully, the project partners have facilitated a community process during the calendar years of 2019-21 to explore the creation of a Cully TIF District. While past use of TIF in the City of Portland has produced racially and economically unjust outcomes that are completely in opposition to our community development and anti-displacement objectives, we believe there is strong potential

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

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

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

## Section 2: Vision, Values, Goals

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

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

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

### Values

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

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

### Goals

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

# Section 3: Community Engagement in Designing the TIF District

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

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

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

## Description of Engagement Process

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

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

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

### Engaging the Community

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

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

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

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

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

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

### **In Focus: Líderes Verdes**

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

## Data Collection and Analysis

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

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

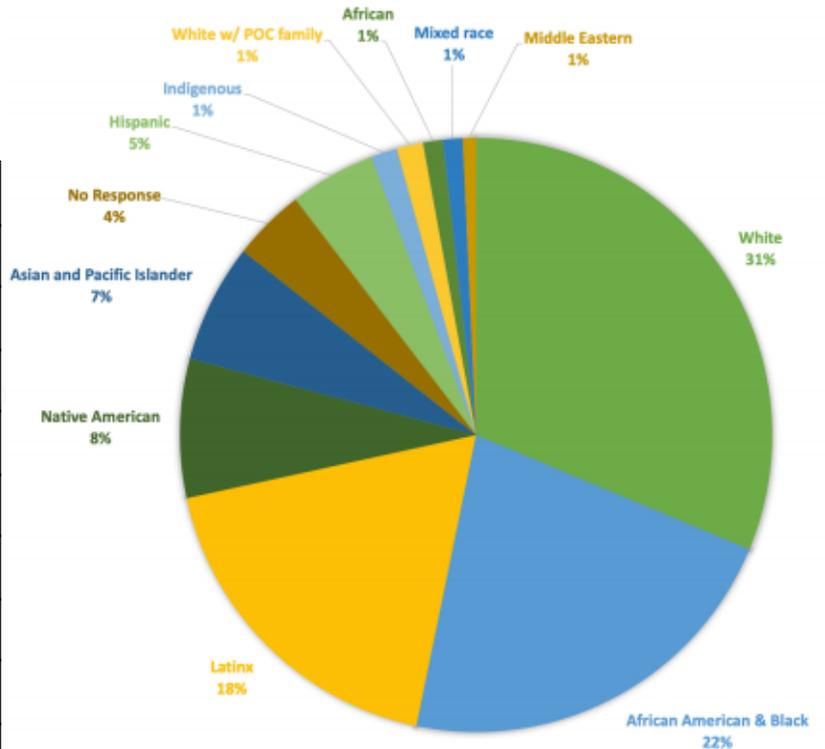
- Duplicate responses were excluded.
- Responses that were nearly duplicate (i.e., most of the answers were the same and the responses were submitted within seconds or minutes of one another) were excluded.
- Respondents who did not respond to both the race AND income questions were excluded, but those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

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

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

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

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



## Survey and Focus Group Demographics

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

Housing Type		
I am currently houseless	6	2.2%
I live in a mobile home park	26	9.4%
I own my home - not in a mobile home park	77	27.7%
I rent a room	6	2.2%

I rent from a for-profit landlord — not in a mobile home park	101	36.3%
I rent from a non-profit or public housing agency — not in a mobile home park	55	19.8%
Other	7	2.5%
All types	278	100.0%

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

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

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

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

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

The process described in this section was just the first Phase of community engagement around the TIF District. Phase 2 will begin in June 2021 after this preliminary plan is adopted by the ELC and both

Prosper Portland and Portland Housing Bureau leadership offer their support. CEC will go back to the community in a series of meetings to present this report back to them and confirm that we heard them correctly and faithfully reported their concerns and findings. We will update and revise the Cully TIF plan as we continue to engage with the community during Phase 2.

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

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

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

### The Cully TIF Boundary

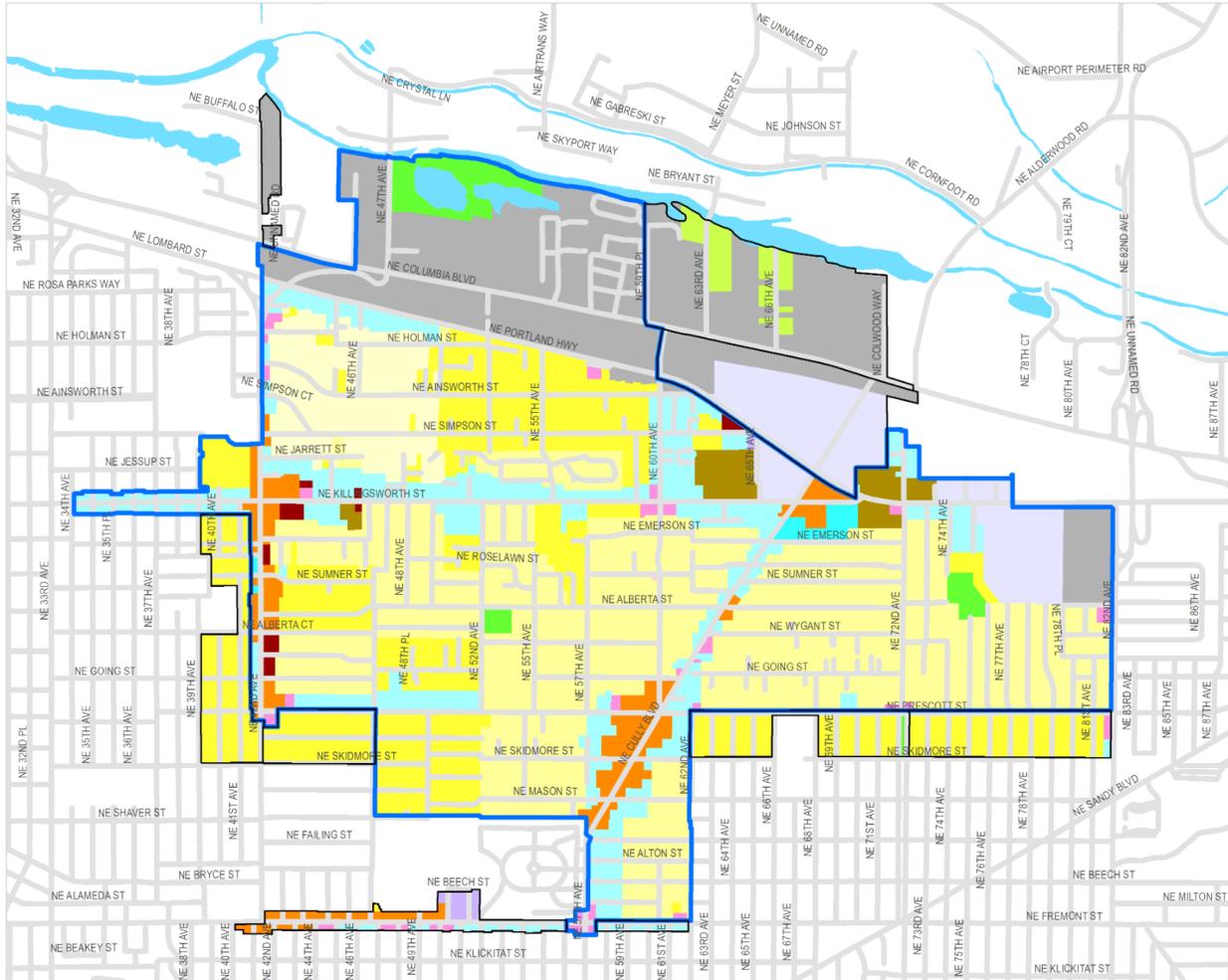
The Cully TIF District boundary is important for several reasons. Only areas within the boundary are eligible for developments using TIF funds. It's important to include land zoned for residential, commercial and industrial purposes to ensure we meet the many priorities identified by residents through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

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

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



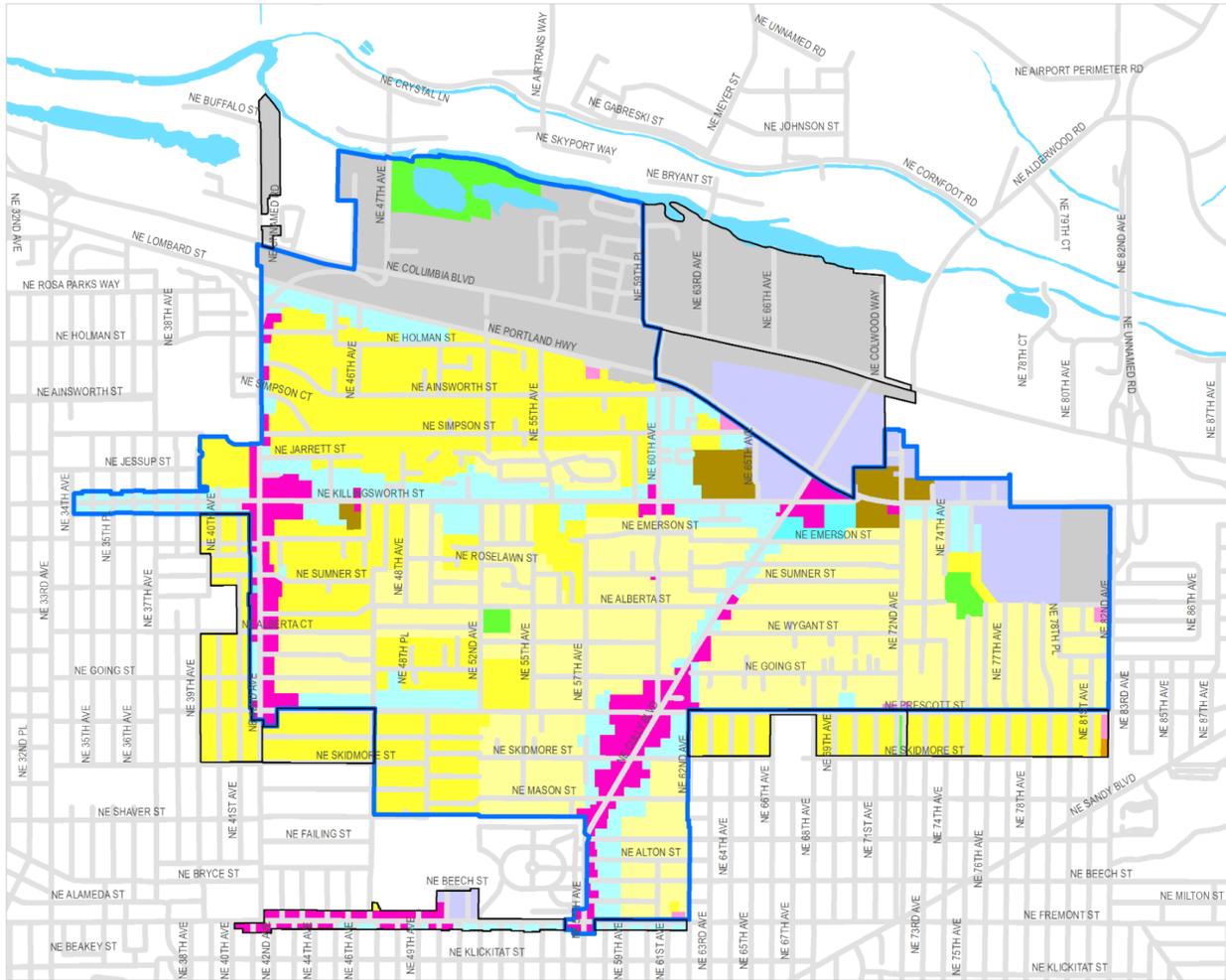
# City of Portland Zoning Designations



Cully Core     Areas for further consideration

- |  |  |
|--|--|
| <span style="display: inline-block; width: 15px; height: 15px; background-color: #800000; border: 1px solid black;"></span> Commercial Employment (CE)   | <span style="display: inline-block; width: 15px; height: 15px; background-color: #FFFF00; border: 1px solid black;"></span> Single Dwelling Residential 5,000 (R5)       |
| <span style="display: inline-block; width: 15px; height: 15px; background-color: #FF00FF; border: 1px solid black;"></span> Commercial Mixed Use 1 (CM1) | <span style="display: inline-block; width: 15px; height: 15px; background-color: #FFFF99; border: 1px solid black;"></span> Single Dwelling Residential 7,000 (R7)       |
| <span style="display: inline-block; width: 15px; height: 15px; background-color: #FF8C00; border: 1px solid black;"></span> Commercial Mixed Use 2 (CM2) | <span style="display: inline-block; width: 15px; height: 15px; background-color: #FFFF66; border: 1px solid black;"></span> Single Dwelling Residential 10,000 (R10)     |
| <span style="display: inline-block; width: 15px; height: 15px; background-color: #FFB6C1; border: 1px solid black;"></span> Commercial Residential (CR)  | <span style="display: inline-block; width: 15px; height: 15px; background-color: #808080; border: 1px solid black;"></span> Residential Manufactured Dwelling Park (RMP) |
| <span style="display: inline-block; width: 15px; height: 15px; background-color: #9370DB; border: 1px solid black;"></span> General Employment 1 (EG1)   | <span style="display: inline-block; width: 15px; height: 15px; background-color: #90EE90; border: 1px solid black;"></span> Residential Farming (RF)                     |
| <span style="display: inline-block; width: 15px; height: 15px; background-color: #E6E6FA; border: 1px solid black;"></span> General Employment 2 (EG2)   | <span style="display: inline-block; width: 15px; height: 15px; background-color: #00FFFF; border: 1px solid black;"></span> Residential Multi-Dwelling 1 (RM1)           |
| <span style="display: inline-block; width: 15px; height: 15px; background-color: #A9A9A9; border: 1px solid black;"></span> General Industrial 2 (IG2)   | <span style="display: inline-block; width: 15px; height: 15px; background-color: #00CED1; border: 1px solid black;"></span> Residential Multi-Dwelling 2 (RM2)           |
| <span style="display: inline-block; width: 15px; height: 15px; background-color: #00FF00; border: 1px solid black;"></span> Open Space (OS)              |  |

# City of Portland Comprehensive Plan Designations



Cully Core
  Areas for further consideration

- |   |  |
|---|--|
| <ul style="list-style-type: none"> <li><span style="display: inline-block; width: 20px; height: 10px; background-color: grey; margin-right: 5px;"></span> Industrial Sanctuary</li> <li><span style="display: inline-block; width: 20px; height: 10px; background-color: brown; margin-right: 5px;"></span> Manufactured Dwelling Park</li> <li><span style="display: inline-block; width: 20px; height: 10px; background-color: purple; margin-right: 5px;"></span> Mixed Employment</li> <li><span style="display: inline-block; width: 20px; height: 10px; background-color: orange; margin-right: 5px;"></span> Mixed Use - Civic Corridor</li> <li><span style="display: inline-block; width: 20px; height: 10px; background-color: pink; margin-right: 5px;"></span> Mixed Use - Dispersed</li> <li><span style="display: inline-block; width: 20px; height: 10px; background-color: magenta; margin-right: 5px;"></span> Mixed Use - Neighborhood</li> </ul> | <ul style="list-style-type: none"> <li><span style="display: inline-block; width: 20px; height: 10px; background-color: cyan; margin-right: 5px;"></span> Multi-Dwelling - Corridor</li> <li><span style="display: inline-block; width: 20px; height: 10px; background-color: lightblue; margin-right: 5px;"></span> Multi-Dwelling - Neighborhood</li> <li><span style="display: inline-block; width: 20px; height: 10px; background-color: green; margin-right: 5px;"></span> Open Space</li> <li><span style="display: inline-block; width: 20px; height: 10px; background-color: yellow; margin-right: 5px;"></span> Single-Dwelling 5,000</li> <li><span style="display: inline-block; width: 20px; height: 10px; background-color: lightyellow; margin-right: 5px;"></span> Single-Dwelling 7,000</li> </ul> |
|---|--|

## City of Portland Zoning Designations: Acreage

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

## City of Portland Comprehensive Plan Designations: Acreage

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

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

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

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

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

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

## Housing

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

### **Affordable Housing**

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

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

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

### **Affordability**

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

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

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

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

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

Research and ELC analysis note this purchasing strategy has been central to community-led development initiatives in other cities and is all-the-more important in the context of rapidly rising property values. Waiting to acquire property, after prices have continued to go up, means being able to afford less and ultimately build less housing. This strategy opens up possibilities for interim community uses and stewardship of land-banked properties, such as growing food. Respondents also suggested purchasing existing homes and apartment buildings that are for sale, abandoned or foreclosed and converting them

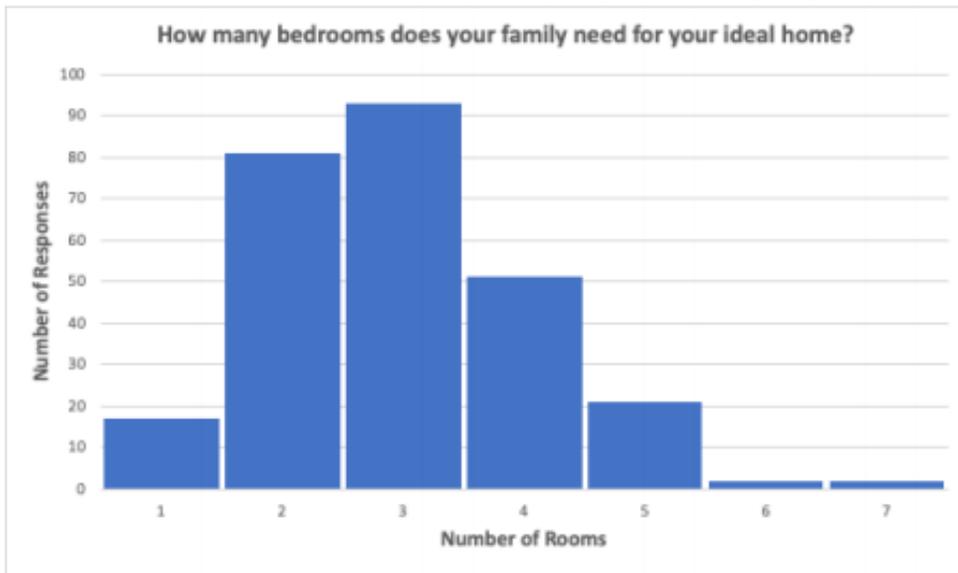
to affordable housing. Notes from research and ELC analysis indicate this strategy would both stabilize current residents and preserve affordable homes for future generations. This strategy would require setting aside funds that can be mobilized quickly when opportunities arise to acquire properties, rather than programming all affordable housing funds through traditional NOFAs. One respondent suggested creating a revolving loan fund to help low-income households buy homes; the same money could then support the next family and the next.

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

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

**Housing Characteristics**

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



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

**Home Repairs**

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

### **Tenant ownership and control**

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

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

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

## **Houseless Services and Infrastructure**

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

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

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

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

Cully Boulevard Alliance (CBA) and Our 42nd Avenue are two Cully Neighborhood Prosperity Districts (NPD) that have existed for over a decade. It is critical to the community that we ensure the continuation of the place based economic development that the NPDs have been doing for almost a decade, when a Cully TIF district is in operation. It is currently unknown what the future of NPDs looks like given the creation of a Cully TIF district. This should be further explored during Phase 2 of this process as we prepare for final adoption of the TIF plan.

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

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

### **Small business development**

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

#### **Affordable commercial space**

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

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

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

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

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

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

Respondents support innovation in commercial property ownership to secure stability and affordability: master-leasing

by non-profits, following the model established by Our 42nd Avenue, commercial land trust to own property and keep it affordable permanently, the strategy to buy land now for future commercial

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

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

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

### **Living-wage employment**

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

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

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

### **Goods and services**

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

### **Public Space**

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

### **Public Infrastructure**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

## Shared Understandings

### **Community-led**

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

### **Decision-making**

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

### **Adoption of Plans and Expenditure Authority**

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

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

## **Content for the District Plan:**

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

**Action Plans.** The TIF District Plan will be implemented via a sequence of Action Plans, each of approximately 5 years. The Action Plans will be co-created by the Committee and the Bureaus pursuant to the decision-making processes established in the Community Governance

Document. The Action Plans will provide the foundation for the Committee’s leadership and oversight of the TIF District Plan’s implementation.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

- **Decision-making Roles and Authorities**

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

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

- **District Plan Amendments**

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

- **Amendments to the Community Governing Document**

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

- **Committee Structure and Membership**

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

- **Committee Support**

What resources and technical assistance will be provided in order to ensure the overall success of the Community Leadership Committee, and to support the leadership development and

success of its individual members? Forms of support could include, but are not limited to, dedicated staff capacity housed at community-based organizations and/or City bureaus; training and capacitation, financial compensation for committee members; and logistical support such as childcare, food and interpretation/translation.

- **Community Engagement Capacity and Practices**

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

- **Annual Budgets**

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

- **Action Plan Implementation Decisions**

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

- **Oversight and Accountability**

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

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

### Analysis of potential investments

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

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

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

### **Sequencing of Investments**

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

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

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

1. Stabilization of current residents and businesses
2. Real estate acquisition to remove property from the market and secure opportunities for later development (residential, commercial and mixed-use)
  - a. **Note:** 1 & 2 can and should be done simultaneously when possible, e.g. acquiring a market-rate apartment building in order to stabilize current tenants and also preserve affordable homes for future generations.
3. New development to expand opportunities for affordable housing and economic prosperity
4. Amenities that improve the quality of life for Cully residents who already have stable housing and economic situations
  - a. **Note:** Activities in category 4 may have other potential funding sources beyond TIF, including public entities that we should already expect to provide basic infrastructure and amenities. TIF funds should be used sparingly, if at all, for this category. See #4 below.

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

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

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

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

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

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

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

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

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

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

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

For large-scale investments, our TIF District will prioritize investments that remove properties from market-based ownership in order to permanently preserve them for uses that meet our values, vision, and goals. This means we will prioritize investments in properties owned by (or being purchased by) non-profits, public agencies, land trusts, resident-owned cooperatives, and other models of community ownership.

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

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

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

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

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

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

### **Contracting and Employment**

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

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

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

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

*How will we ensure the TIF investments result in environmentally sustainable development, and that the resulting benefits (e.g. lower energy costs from solar power) go to BIPOC and low-income community members? When we build affordable homes or commercial buildings, what standards do we want to require for energy efficiency, renewable energy, stormwater management, etc?*

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

## Section 8: Tax Increment Finance Technical Elements

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

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

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

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

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

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

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

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

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

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

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

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

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

- (1) By a housing authority of the municipality established pursuant to the Housing Authorities Law in which case the name of the body corporate and politic shall be the "housing authority and urban renewal agency" of the municipality.
- (2) By appointing a board or commission composed of not less than three members.
- (3) By the governing body, itself, provided, however, that any act of the governing body acting as the urban renewal agency shall be, and shall be considered, the act of the urban renewal agency only and not of the governing body

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

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

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

- 457.085 Urban renewal plan requirements.** (1) An urban renewal agency shall provide for public involvement in all stages in the development of an urban renewal plan.
- (2) An urban renewal plan proposed by an urban renewal agency shall include all of the following:
- (a)** A description of each urban renewal project to be undertaken.
  - (b)** An outline for the development, redevelopment, improvements, land acquisition, demolition and removal of structures, clearance, rehabilitation or conservation of the urban renewal areas of the plan.
  - (c)** A map and legal description of the urban renewal areas of the plan.
  - (d)** An explanation of the plan's relationship to definite local objectives regarding appropriate land uses and improved traffic, public transportation, public utilities, telecommunications utilities, recreational and community facilities and other public improvements.
  - (e)** An indication of proposed land uses, maximum densities and building requirements for each urban renewal area.
  - (f)** A description of the methods to be used for the temporary or permanent relocation of persons living in, and businesses situated in, the urban renewal area of the plan.

(g) An indication of which real property may be acquired and the anticipated disposition of such real property, whether by retention, resale, lease or other legal use, together with an estimated time schedule for such acquisition and disposition.

(h) If the plan provides for a division of ad valorem taxes under ORS [457.470 \(Modification of assessed value\)](#), [457.420 \(Plan may provide for division of property taxes\)](#) to the maximum amount of indebtedness that can be issued or incurred under the plan.

(i) A description of what types of possible future amendments to the plan are substantial amendments and require the same notice, hearing and approval procedure required of the original plan under ORS [457.095 \(Approval of plan by ordinance\)](#) as provided in ORS [457.220 \(Plan amendment\)](#), including but not limited to amendments:

(A) Adding land to the urban renewal area if the addition results in a cumulative addition of more than one percent of the urban renewal area.

(B) Increasing the maximum amount of indebtedness that can be issued or incurred under the plan.

(j) For a project that includes a public building, an explanation of how the public building serves or benefits the urban renewal area.

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

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

(1) A description of the physical, social and economic conditions in the urban renewal areas of the plan and the expected impact, including the fiscal impact, of the plan in light of added services or increased population;

(2) Reasons for the selection of each urban renewal area in the plan;

(3) The relationship between each project to be undertaken under the plan and the existing conditions in the urban renewal area;

(4) The estimated total costs for each project and the sources of moneys to pay the costs;

(5) The anticipated completion date for each project;

(6) The estimated amount of moneys required for each urban renewal area under ORS [457.420 \(Plan may provide for division of property taxes\)](#) to [457.470 \(Modification of assessed value\)](#) and the anticipated year in which indebtedness will be retired or otherwise provided for under ORS [457.420 \(Plan may provide for division of property taxes\)](#) to [457.470 \(Modification of assessed value\)](#);

(7) A financial analysis of the plan with sufficient information to determine the feasibility of the plan;

(8) A fiscal impact statement that estimates the impact of the tax increment financing, both until and after the indebtedness is repaid, upon all districts levying taxes upon property in the urban renewal area; **and**

(9) A relocation report that includes:

(a) An analysis of existing residents or businesses required to relocate temporarily or permanently as a result of the urban renewal agency's actions under ORS 457.170. [457.170 \(Urban renewal agency's powers in planning or undertaking an urban renewal project\)](#);

- (b) A description of the methods to be used for the temporary or permanent relocation of persons living, and businesses situated, in the urban renewal area, in accordance with ORS [35.500 \(Definitions for ORS 35.500 to 35.530\)](#) to [35.530 \(Federal law controls\)](#); and
- (c) An enumeration, by cost range, of the existing housing units in the urban renewal areas of the plan to be destroyed or altered and the new units to be added.

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

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

The Agency is responsible for undertaking projects.

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

- (1) To carry out any work or undertaking and exercise any powers which a housing authority is authorized to perform or exercise under ORS [456.055 \(Definitions for ORS 456.055 to 456.235\)](#) to [456.235 \(Dissolution of housing authorities\)](#), subject to the provisions of this chapter provided, however, that ORS [456.155 \(Policy regarding profit from projects\)](#) and [456.160 \(Limitations as to rentals\)](#) do not limit the power of an agency in event of a default by a purchaser or lessee of land in an urban renewal plan to acquire property and operate it free from the restrictions in those sections.
- (2) To carry out any rehabilitation or conservation work in an urban renewal area.
- (3) To acquire real property, by condemnation if necessary, when needed to carry out the plan.
- (4) To clear any areas acquired, including the demolition, removal or rehabilitation of buildings and improvements.
- (5) To install, construct or reconstruct streets, utilities and site improvements in accordance with the urban renewal plan.
- (6) To carry out plans for a program of the voluntary repair and rehabilitation of buildings or other improvements in an urban renewal area in accordance with the urban renewal plan.
- (7) To assist in relocating persons living in, and property situated in, the urban renewal area in accordance with the approved urban renewal plan and to make relocation payments.
- (8) To dispose of, including by sale or lease, any property or part thereof acquired in the urban renewal area in accordance with the approved urban renewal plan.
- (9) To plan, undertake and carry out neighborhood development programs consisting of urban renewal project undertakings in one or more urban renewal areas which are planned and carried out

on the basis of annual increments in accordance with the provisions of this chapter for planning and carrying out urban renewal plans.

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

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

- (1)**Make plans for carrying out a program of voluntary repair and rehabilitation of buildings and improvements.
- (2)**Make plans for the enforcement of laws, codes and regulations relating to:
  - (a)**The use of land.
  - (b)**The use and occupancy of buildings and improvements.
  - (c)**The repair, rehabilitation, demolition or removal of buildings and improvements.
- (3)**Make plans for the relocation of persons and property displaced by an urban renewal project.
- (4)**Make preliminary plans outlining urban renewal activities for neighborhoods to embrace two or more urban renewal areas.
- (5)**Conduct preliminary surveys to determine if the undertaking and carrying out of an urban renewal project is feasible.
- (6)**Develop, test and report methods and techniques and carry out demonstrations and other activities for the prevention and the elimination of urban blight.
- (7)**Engage in any other housing or community development activities specifically delegated to it by the governing body of the municipality including but not limited to land acquisition and disposition, conservation and rehabilitation, residential or business relocation, construction, leasing or management of housing, and the making of grants and loans from any available source.

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

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

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

**(2)**An urban renewal agency may do all things necessary or desirable to secure such financial aid, including obligating itself in any contract with the federal government for federal financial aid to convey to the federal government the project to which the contract relates upon the occurrence of a substantial default thereunder, in the same manner as a housing authority may do to secure such aid in connection with blighted area clearance and housing projects under the Housing Authorities Law.

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

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

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

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

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

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

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

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

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

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

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

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

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

**457.220 Plan amendment; limit on additional land and increased maximum indebtedness.** (1) Except for the provisions of subsections (2) and (4) of this section, an urban renewal agency shall carry out the urban renewal plan approved under ORS 457.095.

- (2) Any substantial change made in the urban renewal plan shall, before being carried out, be approved and recorded in the same manner as the original plan.
- (3) An urban renewal agency may not by amendments add to the urban renewal areas of a plan land that is equal to more than 20 percent of the total land area of the original plan as calculated without taking into account any subsequent reductions of the area.
- (4) On or after January 1, 2010, the urban renewal agency may amend a plan that is not a large metropolitan plan as defined in ORS 457.470 to increase the maximum indebtedness, provided that:
- (a) The aggregate of all amendments under this subsection may not exceed 20 percent of the plan's initial maximum indebtedness, as adjusted pursuant to paragraph (b) of this subsection.
- (b) For purposes of computing the 20 percent limit on increases in maximum indebtedness, the initial maximum indebtedness may be increased annually on the anniversary date of initial approval of the plan by the index used in the urban renewal report to compute the future costs of projects that will be financed under the plan, beginning on the later of July 1, 1999, or the first anniversary of plan approval. This increase may be applied only to the first amendment to the maximum indebtedness that is made on or after January 1, 2010.
- (5) The limits in subsection (4) of this section do not apply if the agency obtains concurrence as provided in ORS 457.470.

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

**457.230 Disposition of land in urban renewal project; determination of value; obligations of purchaser or lessee; recordation.** (1) The urban renewal agency shall, in accordance with the approved urban renewal plan, make land in an urban renewal project available for use by private enterprise or public agencies. Such land shall be made available at a value determined by the urban renewal agency to be its fair reuse value, which represents the value, whether expressed in terms of rental or capital price, at which the urban renewal agency in its discretion determines such land should be made available in order that it may be developed, redeveloped, cleared, conserved or rehabilitated for the purposes specified in such plan.

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

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

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

Gross TIF is calculated by multiplying the tax rate times the excess value used. The tax rate is per thousand dollars of value, so the calculation is "tax rate times excess value used divided by one

thousand.” The consolidated tax rate includes permanent tax rates and the Fire and Police Disability and Retirement Fund. One way to understand this complex formulation can be:

Current Assessed Value - Frozen Base = Increment

$(\text{Increment}/1,000) * \text{Tax Rate} = \text{Gross TIF}$

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

The definitions of the columns are:

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

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

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

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

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

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

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

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

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

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

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

**Table 1 – Projected TIF Revenues Cully Core**

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

**Table 2 – Projected TIF Revenues Cully Total**

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

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

Table 3 - Cully Core Capacity

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

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

Table 4 – Cully Total Capacity

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

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

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

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

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

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

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

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

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

Table 6 - Impacts to Taxing Districts Cully Core - Education

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

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

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

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

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

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

Table 8 - Impacts to Taxing Districts Cully Total - Education

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

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

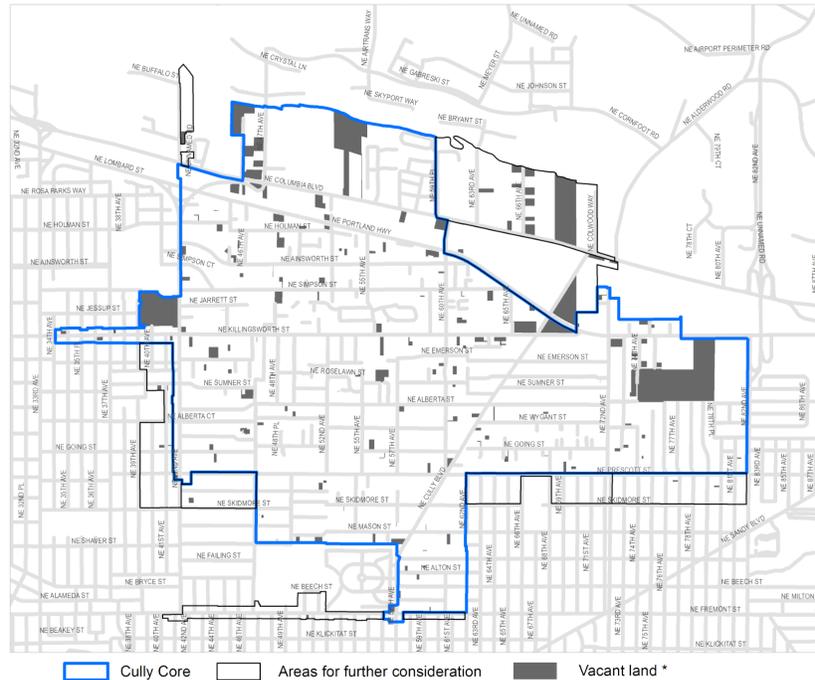
## Blight Findings

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

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

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

Preliminary Draft Boundaries: Vacant Land and Zoning Designations



Vacant Land Zoning Designations

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

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