

ORDINANCE NO.

Approve the First Amendment to the Amended and Restated River District Urban Renewal Plan to expand boundaries by 8.53 acres and increase maximum indebtedness by \$19 million (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

1. The Council adopted the River District Urban Renewal Plan (the “Plan”) on October 21, 1998, by Ordinance No. 172808. The Council subsequently approved an Amended and Restated Plan on June 25, 2008 (the “Amended and Restated Plan”) to provide tax increment funding and urban renewal authority to eliminate blight and foster the development and redevelopment in order to protect the public health, safety, and welfare of the City of Portland (City).
2. The Amended and Restated Plan has a last date to issue bonded indebtedness of October 30, 2021 after which time the City and the Portland Development Commission (Commission) will lose the ability to issue additional debt to carry on the important work of alleviating blight in the area.
3. The Council established the maximum indebtedness of \$549,500,000 when it adopted the Amended and Restated Plan on June 25, 2008.
4. The David Douglas School District (District) and the Council desire to include in the Amended and Restated Plan area a noncontiguous 8.53-acre area of property on Deardorff Road within the District for possible use as the site of a new elementary school and community center.
5. The Council on March 12, 2008 in Resolution No. 36588, directed the Portland Development Commission to develop and present to the Council for approval an amendment to the Amended and Restated Plan that includes this 8.53-acre area of property.
6. The project requires additional maximum indebtedness of \$19.0 million.
7. Pursuant to the City Council directive in Resolution No. 36588, on May 14, 2008 the Portland Development held a public hearing and, after considering the testimony and other information presented to it, approved the First Amendment to the Amended and Restated River District Urban Renewal Area Plan (First Amendment). (PDC Resolution 6586.) Among other changes, the First Amendment expands the Amended and Restated Plan’s boundaries by 8.53 acres and increases maximum indebtedness by \$19 million.
8. The Executive Director, under authorization from the Commission’s Board, has submitted the First Amendment, together with resolutions, reports and other supporting materials, to the Portland Planning Commission for review and recommendation, and to the City Council for final approval in accordance with the terms of the Plan and ORS 457.095.

9. On June 3, 2008, the Portland Planning Commission reviewed the Commission's proposed First Amendment at a public hearing. After considering the testimony and other information presented to it at the hearing, the Planning Commission recommended changes to explain the First Amendment's relationship to local objectives pursuant to ORS 457.085(2)(d) and, as modified, recommended approval of the First Amendment.
10. On June 18, 2008, the City Council received and considered public testimony on the proposed First Amendment at a public hearing, with notice of such hearing distributed to all postal patrons within the City of Portland as required by ORS 457.120.
11. The City Council also considered materials forwarded by the Commission and the Planning Commission and the input of the community and believes additional time and resources are required in order to eliminate blight and invest in the economic development activities within the area covered by the Amended and Restated Plan as amended by the First Amendment.
12. A finding of blight was made in the original ordinance adopting the Plan (Ordinance No. 172808). Since the original Plan has not been completed, the original findings of blight continue to be accurate. In addition, the Commission's report accompanying the First Amendment includes findings of blight with respect to property to be added to the River District Urban Renewal Area by the First Amendment.
13. Pursuant to ORS 457.095 and, as described in greater detail in the attached Exhibits A, B and C, the Council finds: (a) the Amended and Restated Plan area, as amended by the First Amendment, is blighted; (b) rehabilitation and redevelopment is necessary to protect the public health, safety and welfare of the City of Portland; (c) the Amended and Restated Plan, as amended by the First Amendment, conforms with the Comprehensive Plan of the City of Portland and provides an outline for accomplishing urban renewal projects proposed in the Amended and Restated Plan, as amended; (d) provisions have been made to house displaced persons within their financial means in accordance with ORS 35.500 to 35.530 and, except in the relocation of elderly or disabled individuals, without displacing on priority lists persons already waiting for federally subsidized housing; (e) acquisition of real property is provided for and it is necessary; (f) adoption and carrying out the Amended and Restated Plan, as amended by the First Amendment, is economically sound and feasible; and (g) the City shall assume and complete any activities prescribed it by the Amended and Restated Plan, as amended by the First Amendment..
14. The First Amendment is being adopted as a substantial amendment pursuant to the Section XIII(A) of the Plan. For a substantial amendment, Section XIII(A) requires the same approval process as required for initial plan adoption including approval of the proposed amendment by the Portland Development Commission, review and recommendation by the Planning Commission, approval by the City Council in accordance with ORS 457.095, and the notice requirement set forth in ORS 457.120. The City and the Portland Development Commission have complied with all of the requirements for adoption of a substantial amendment under the Plan and ORS 457.095.

15. As described in the Commission's report accompanying the First Amendment (included in Exhibit A), after approval of the First Amendment, the City will remain in compliance with the land area and assessed value limits imposed by ORS 457.420.

NOW, THEREFORE, the Council directs:

a. The First Amendment to the Amended and Restated River District Urban Renewal Plan, attached hereto as Exhibit C, and incorporated herein by reference, is hereby approved.

b. The City Auditor shall forward to the Portland Development Commission and to the City of Portland Planning Commission certified copies of this Ordinance upon adoption by the Council.

c. The Portland Development Commission shall record in the Deed Records of Multnomah County, Oregon, a copy of this Ordinance and the First Amendment to the Amended and Restated Plan upon adoption by the Council.

d. The City Auditor, in accordance with ORS 457.115, shall publish notice of the adoption of this Ordinance approving the First Amendment to the Amended and Restated Plan, including the provisions of ORS 457.135, in the newspaper having the greatest circulation in the City of Portland within four days following the adoption of this Ordinance.

Passed by Council: _____, 2008

Mayor Tom Potter

Prepared by:

GARY BLACKMER

Auditor of the City of Portland

By /S/ Andrew N. Bryans

Deputy