

To: Portland Development Commission, Mayor Sam Adams

CC: Bruce Warner, Executive Director PDC

Re: Fiscal Year 2010-11 Draft Budget and Priorities, Lents Town Center Urban Renewal Area

From: Lents Town Center Urban Renewal Area Budget Subcommittee

Despite the broader economic challenges of recent months, our urban renewal area has succeeded in making great progress with the dedicated help of PDC staff, and the ongoing support of the Commission. We are entering the second half of the current fiscal year with:

1. A Town Center development study completed
2. A site development strategy for a large mixed-use development at 92<sup>nd</sup> and Harold in progress
3. And a major streetscape improvement project entering the engineering phase.

The budget process and priorities for the upcoming 2010-11 fiscal year are focused on building on our recent successes, advancing projects, studies and strategies to the next stage and exploring new opportunities. While our committee members still recommend a strong focus on the revitalization of the Lents Town Center the recent plan amendment has generated additional conversation about creating stronger connections to the major corridors of SE Foster Rd and 122<sup>nd</sup>.

The budget committee of the LTCURAC evaluated funding allocations and projects in the FY 2010-11 proposed budget with the following priorities in mind:

- Providing adequate funding to advance and/or complete high-priority projects, including engineering and implementation of the Foster-Woodstock Streetscape improvements, creating a development plan for the 92<sup>nd</sup> and Harold site, and providing adequate funding for ongoing activities associated with Town Center revitalization including a strong focus on community economic development.
- Continuing to create a strong foundation for future projects by refining completed studies and strategies into implementable actions, proactively engaging the Portland Plan process, planning for our high-capacity transit station areas and corridors, creating a strategy for the Johnson Creek Industrial Corridor / Freeway Land and maximizing our ability to leverage available funds from private and public partnerships.
- Supporting projects that secure and support the community and residents within the LTCURA by funding enhancement projects including the Lents Park Master Plan and Clean Energy Works home and business energy efficiency retrofits.

There are issues of concern with our current budget where allocations for housing funding are concerned. The current allocations and production goals, associated with the TIF Set Aside Policy Affordable Housing Income Guidelines, are proving difficult to implement. Our opportunities for affordable rental housing development and demand for homeownership assistance are not matching well with the established guidelines.

Stabilization of the existing single family housing stock and support of new and existing home owners is a priority in the Lents Town Center URA. Funding for successful homeownership programs has been depleted, within the TIF set-aside guidelines while efforts to provide rental housing for the lowest income categories are not progressing in the manner that the guidelines project. At this point in the life of the TIF set-aside, we feel we are actually missing opportunities to provide housing opportunity because of the restrictions placed on us by the income guidelines.

We strongly recommend that these guidelines be reviewed, in coordination with the new Portland Housing Bureau with significant input from the LTCURAC, residents, organizations and businesses, within the LTCURA, and reconfigured into more realistic goals that reflect the actual opportunities that exist within the LTCURA, before the FY 2011-12 budgeting process begins. We also recommend that PHB consider structuring the new funding guidelines to establish flexibility for TIF set-aside funds that allow us to provide gap funding for projects that leverage other funding sources for low-income housing, provide needed funds for affordable workforce housing development and to continue our successful homeownership programs without interruption.

Once again, we would like to sincerely thank you for your ongoing support and vision. We would also like to thank you for providing the Lents Town Center URA with a team of staff who deserve a great deal of credit for guiding our URA into the next stage in its life.

Sincerely,

Cora Lee Potter  
Chair, Lents Town Center Urban Renewal Advisory Committee