

# Central City TIF District Exploration Process

June 2024



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Housing Bureau**



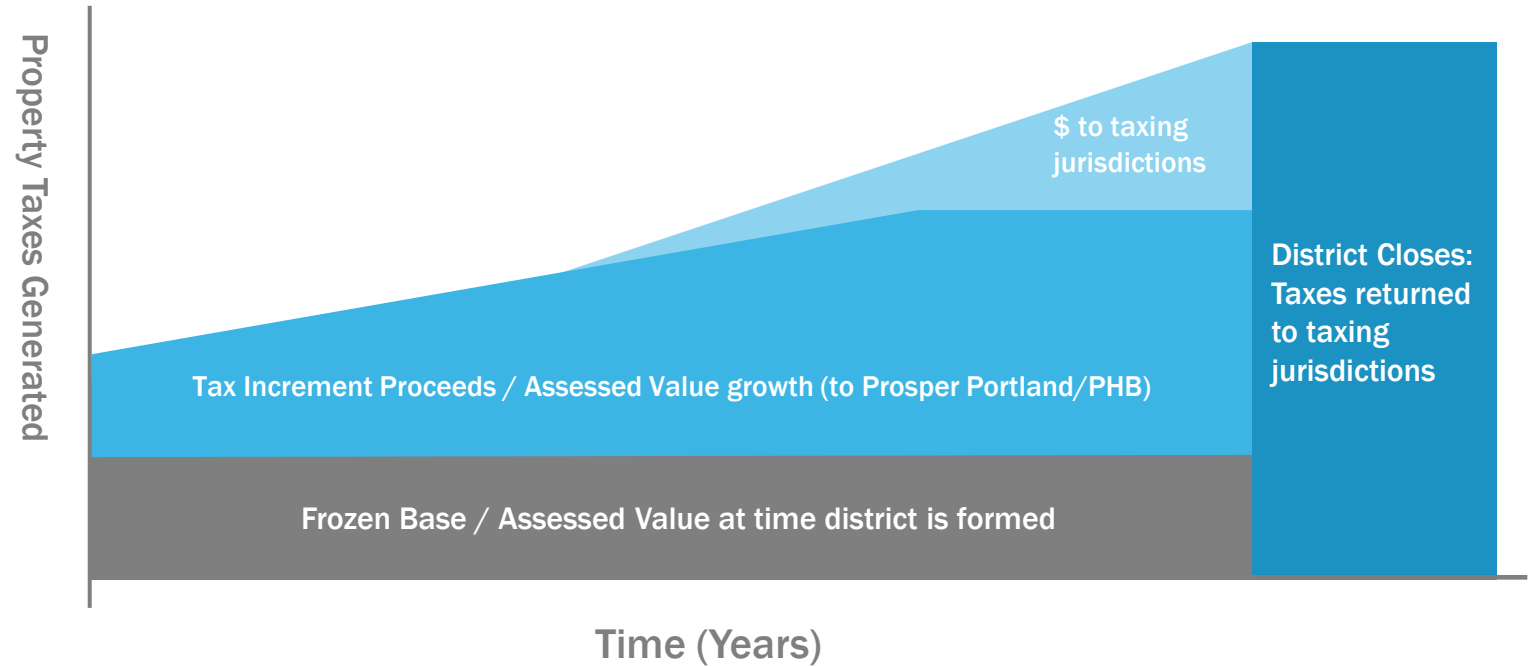
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# What is Tax Increment Financing?

Tax Increment Financing is a long-term **source of funding** that can be invested in community priorities for physical improvements.

It is not a new or increased tax.

Funding comes from the growth in property taxes within a **defined TIF district**.



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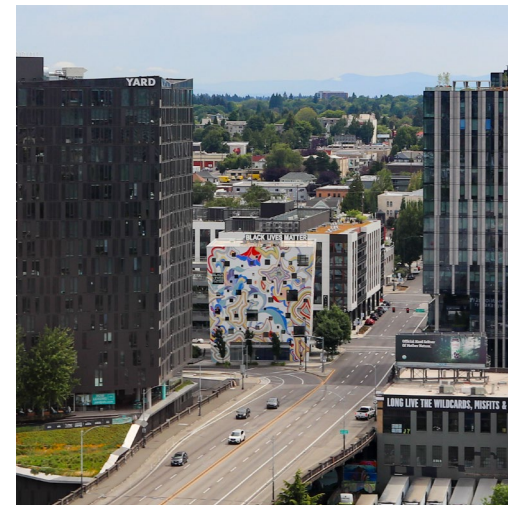


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# What can TIF fund?

## Physical improvements and related investments:

- Loans and grants to renovate buildings or redevelop property
- Property acquisition and disposition by City
- Affordable housing development and preservation
- Commercial tenanting
- Infrastructure (ex: parks, streets & sidewalks, transit)
- Project-allocated administration



# Examples of Central City TIF Investments

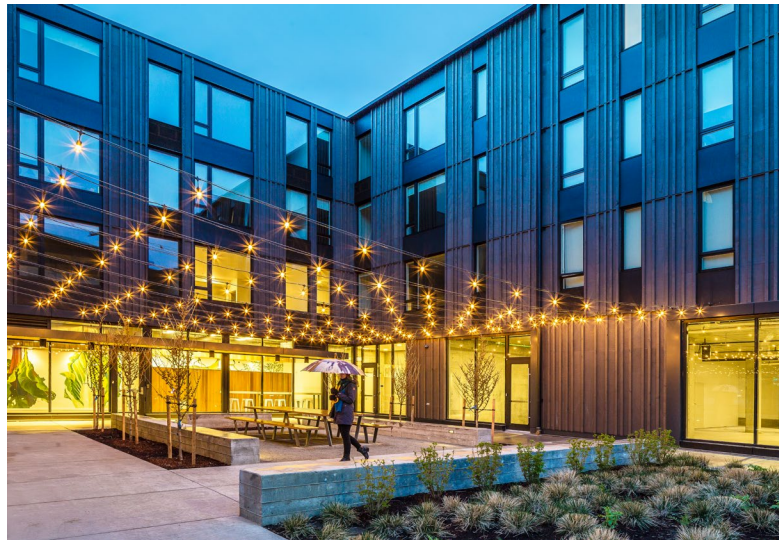
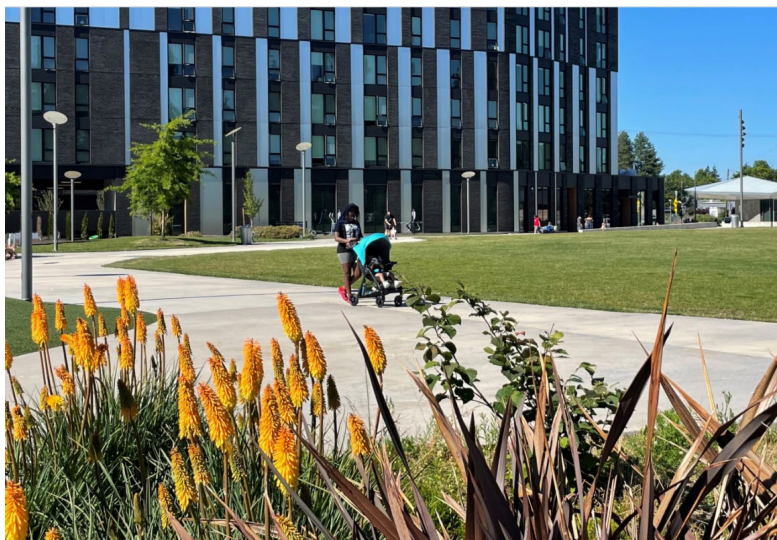


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# Examples of Neighborhood TIF Investments

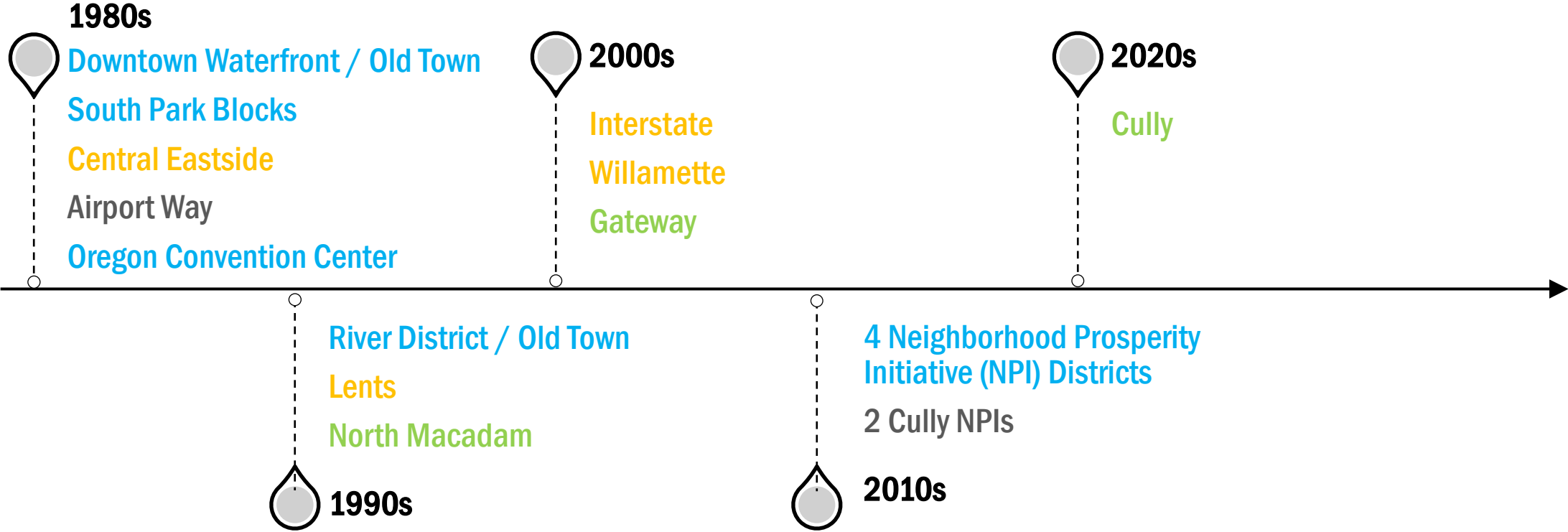


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# Portland TIF Districts: Status



Active - TIF proceeds remain and district is active

Sunsetting - TIF proceeds remain and district is winding down

Concluded - No TIF proceeds remain, district is largely inactive

Terminated - District is complete

# Resolution: Acreage & Assessed Value

**3%**

City acreage to be in TIF districts (max is 15%)\*

**3%**

City assessed value (AV) to be in TIF districts (max is 15%)

**11,186**

Available acreage for TIF in FY24/25

**\$9.8B**

Available AV for TIF in FY24/25

**7,500**

Max East Portland Acreage

**\$6B**

Max East Portland AV

**1,500**

Max Central City Acreage

**\$3.8B**

Max Central City AV

**Additional 447** acres released and available by end of FY 2026-27

\* Assumes Downtown Waterfront, Lents Town Center, Interstate Corridor, and Central Eastside TIF districts are amended to officially terminate collections of property tax revenues & release acreage

# Central City TIF Exploration



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# Study Areas & Priorities

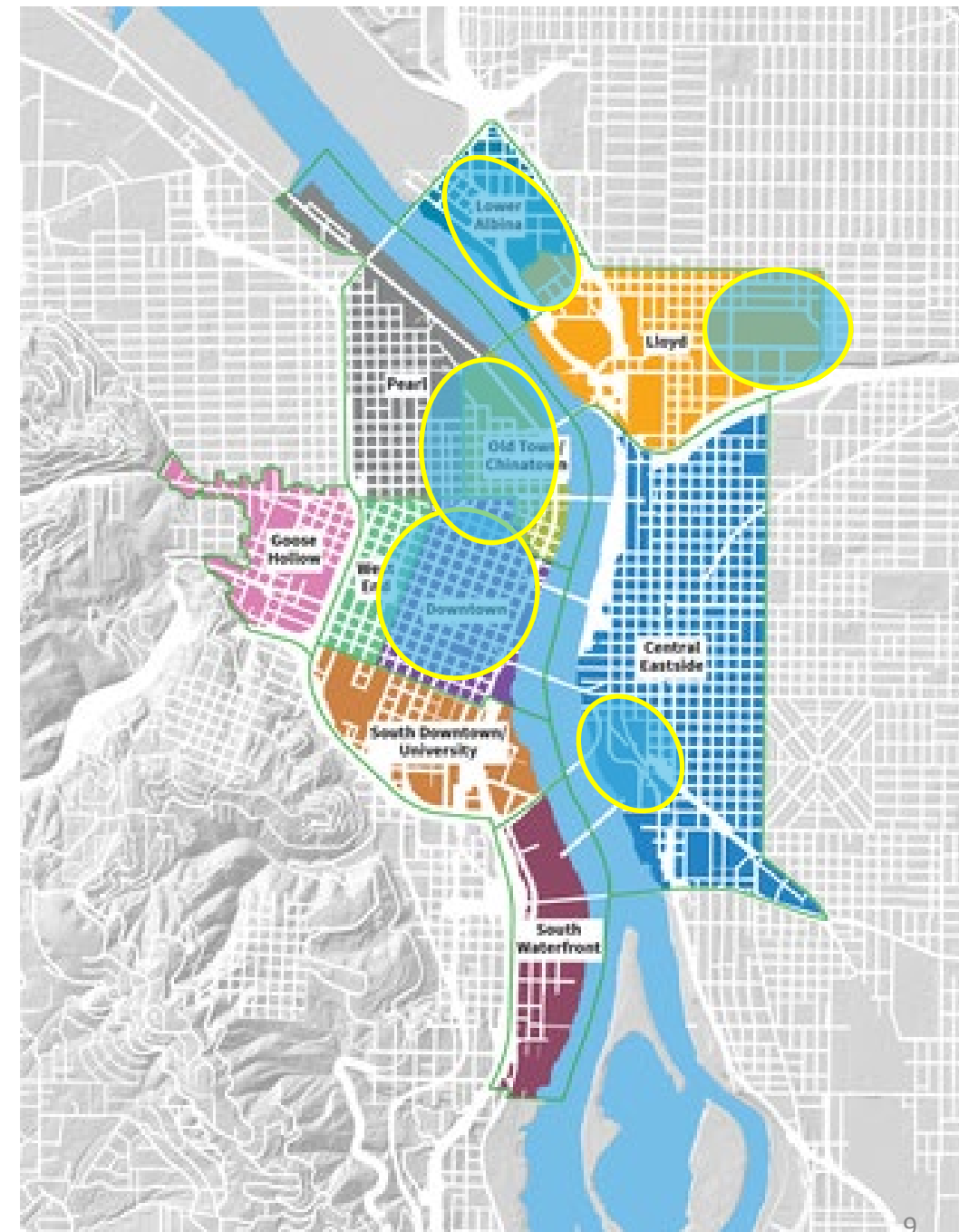
Small business & entrepreneurship support

Housing production, preservation for range of incomes

Large scale catalytic development

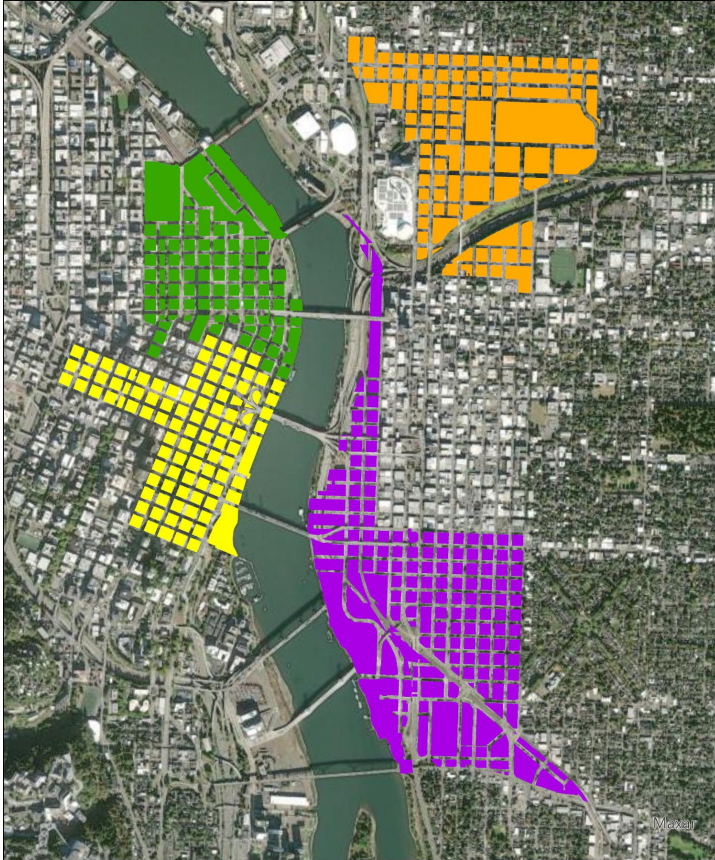
Inclusive economic growth

Traded sector retention, recruitment, & job growth



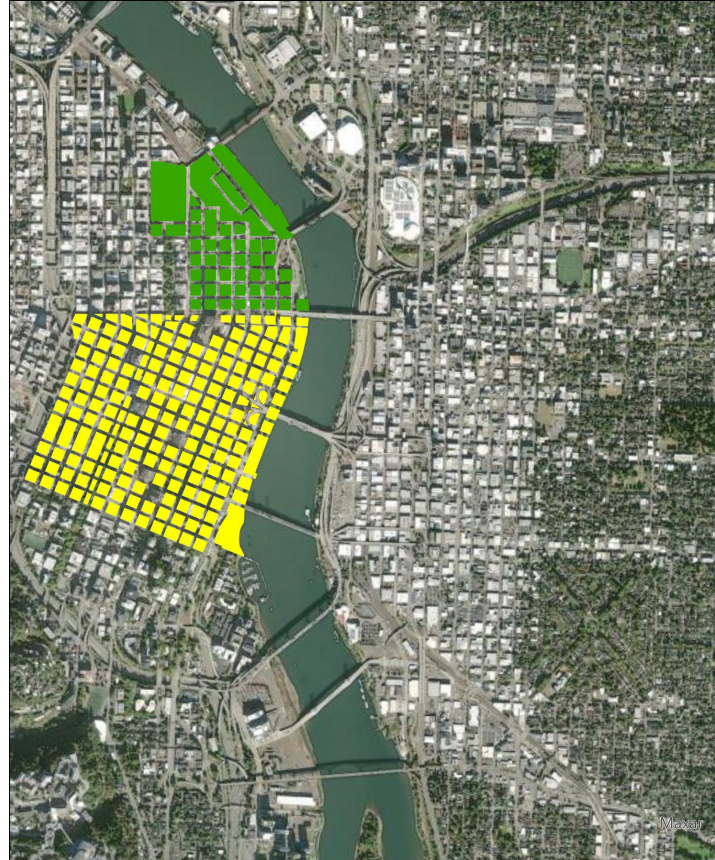
# Central City Steering Committee Scenarios

## Scenario A



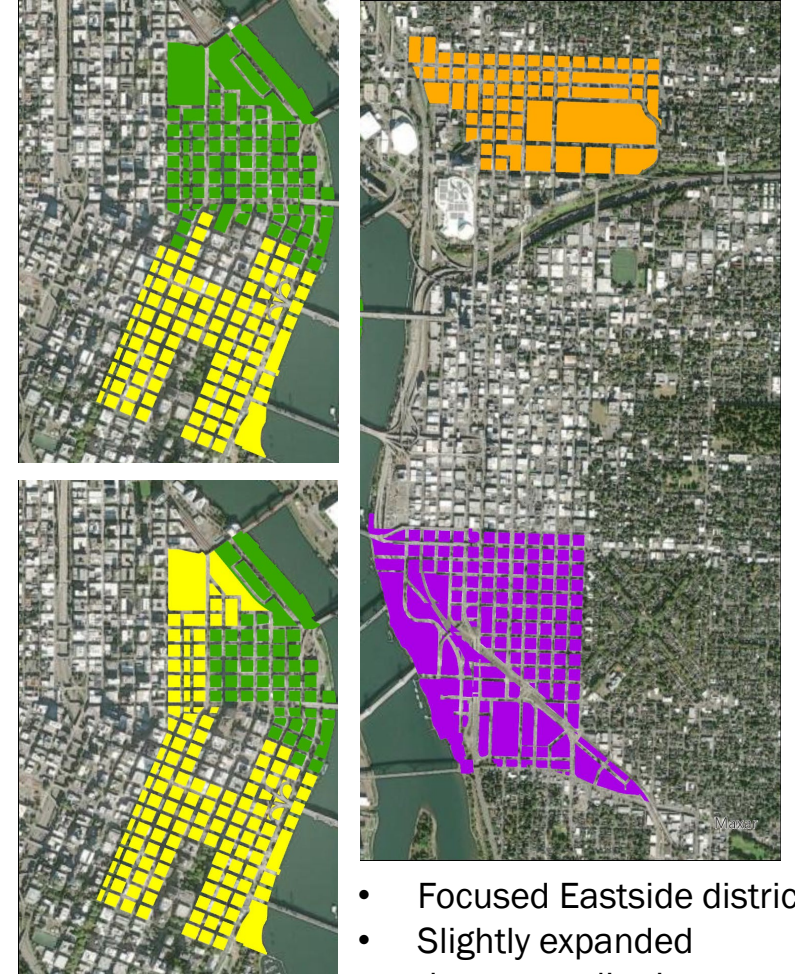
- Expanded Eastside districts & continuous Eastside riverfront
- Old Town/Union Station/Broadway Corridor
- Focused Downtown Core

## Scenario B



- Expanded Downtown Core
- Old Town/Union Station/Broadway Corridor
- Can be a single or two districts

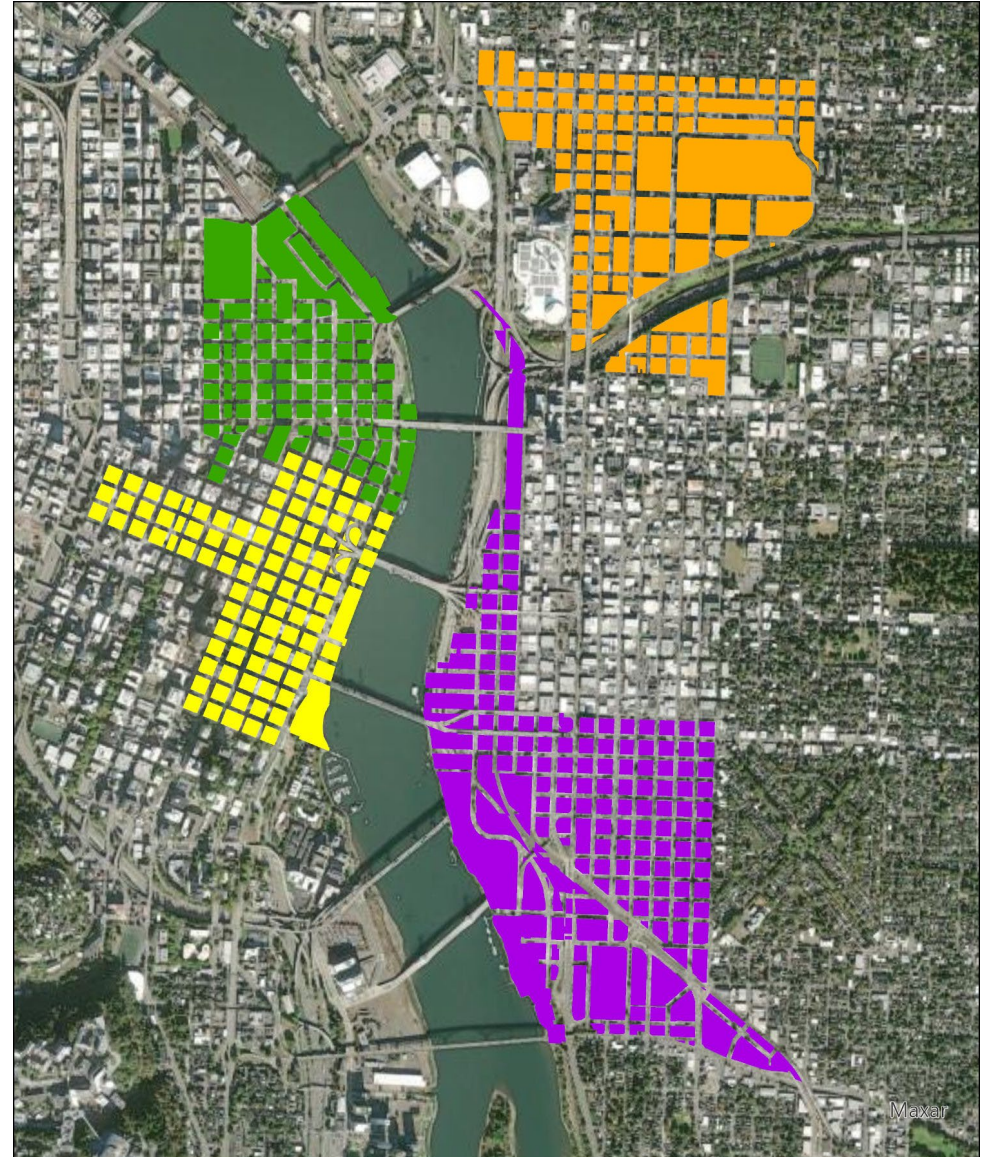
## Scenario C



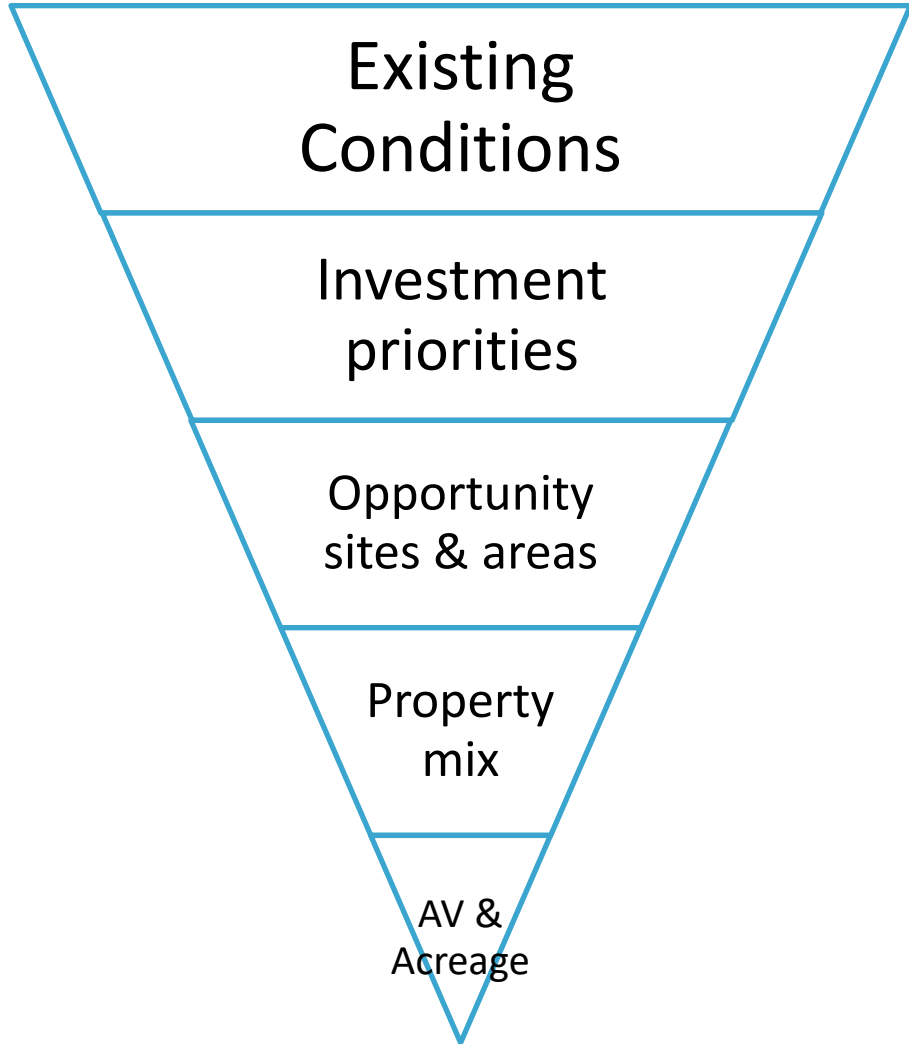
- Focused Eastside districts
- Slightly expanded downtown district
- Connectivity between Old Town, Broadway Corridor & Downtown

# What We've Heard.....

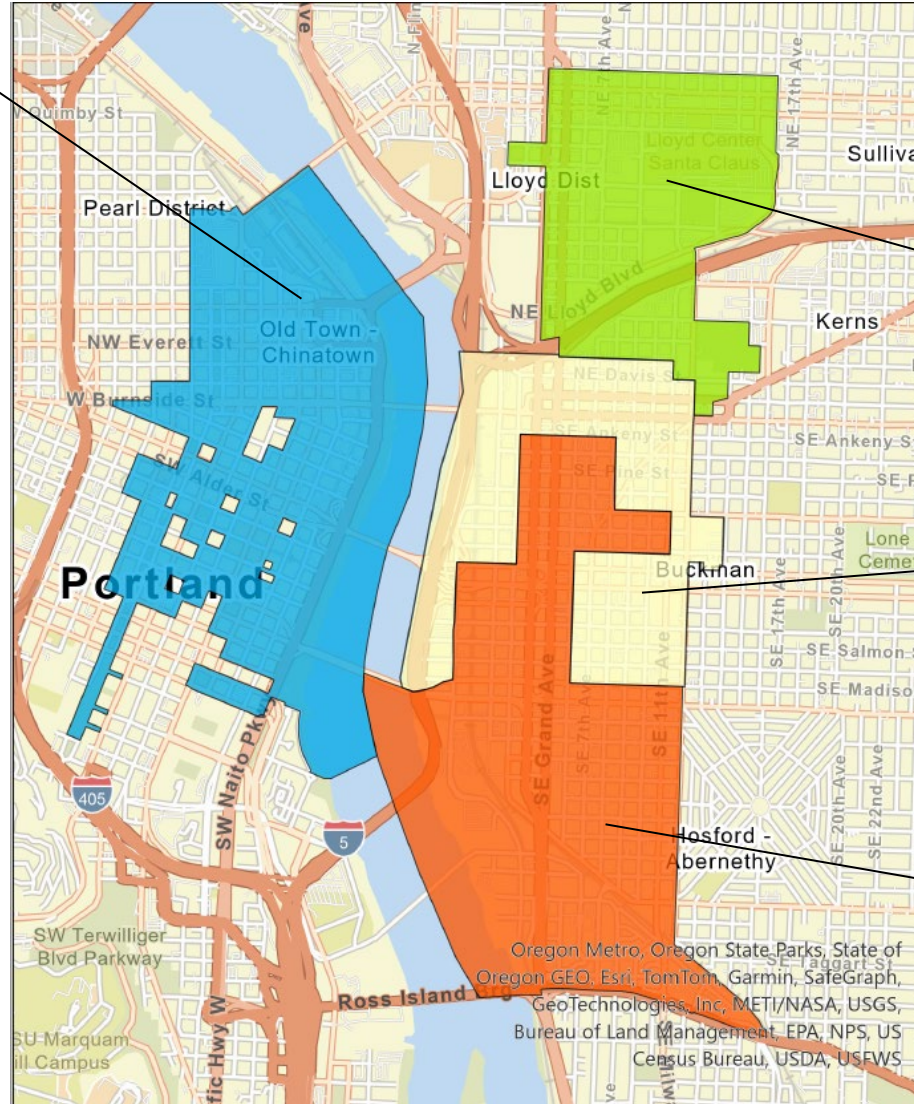
- Strongest support for Scenario A; least support for a 'Downtown only' Scenario B
  - Importance of investment in the Downtown retail core and along waterfront
  - Support for investment in catalytic sites (Lloyd Mall, OMSI, Broadway Corridor)
- Support for a single westside district
- Balance affordable and middle-income housing investment based existing mix and opportunity
- Agreement to selectively remove high AV properties to meet value cap
- Support for 'Action Plan' approach while maintaining flexibility to be responsive



# Revised DRAFT District Recommendations



**Central City - West  
TIF District**



**Lloyd TIF District**

**Amended Central  
Eastside\***

**Central City - East  
TIF District**

*\* Existing Central Eastside TIF District to remain in amended/reduced geography*

# Financial Model

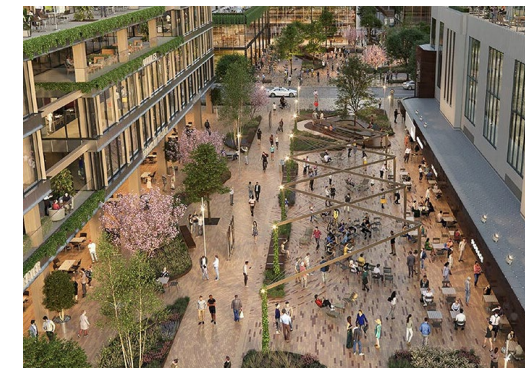
## Rate of AV Growth Largely Drives Funding Availability

District	2030 / YR 5	2035 / YR 10	2050 / YR 30
CC West	\$6-19M	\$32M-\$127M	\$161M-\$634M
Lloyd	\$7M	\$57M	\$240M-\$305M
CC East	\$3M	\$27M	\$129M-\$200M

- **Central City West** assumptions = **1-3%** (conservative – standard) growth rate
- **Lloyd & Central City East** = **3% - 5% for final 15 years** due to large-scale development opportunities
- Cash flow includes staffing and administration (~25%) and Affordable Housing Set-Aside (45% net admin costs)

# Draft Central City TIF Investments Allocations

Projects	CC West	Lloyd	CC East
<b>Economic Development</b> <ul style="list-style-type: none"> <li>Commercial renovation, seismic and new development</li> <li>Recruitment and Retention</li> <li>Tenant Improvements</li> <li>Regional Assets &amp; Destinations</li> <li>Middle Income Housing (60-120% AMI) including conversions</li> </ul>	\$48M- \$190M	\$72M- \$92M	\$39M- \$60M
<b>Affordable Housing</b> <ul style="list-style-type: none"> <li>0-60% AMI Preservation and New Development</li> </ul>	\$72M- \$285M	\$108M- \$137M	\$58M- \$90M
<b>Infrastructure</b> <ul style="list-style-type: none"> <li>Large scale sites: Broadway Corridor, OMSI, Lloyd Mall</li> <li>Streets &amp; utilities</li> <li>Placemaking &amp; wayfinding</li> <li>Parks &amp; open space</li> </ul>	\$16M- 63M	\$24M- \$31M	\$13M- \$20M



# Who Decides?

- **Prosper Portland Board** (55% Economic Development Resources) & **City Council** (45% Set-Aside Resources) authorize project spending and annual budgets
- Ad hoc **Action Plan Committees** create 5-year Action Plans to determine investment priorities, ongoing oversight, and reporting
- District-specific ad hoc committees to include private sector and community representatives

## Central City West

- Clean & Safe
- Downtown Retail Council
- Old Town Chinatown, River District, Downtown Neighborhood/ Community Associations
- Brokers
- Property Owners
- Greater Portland, Inc
- Focus Group input: residents, small business owners

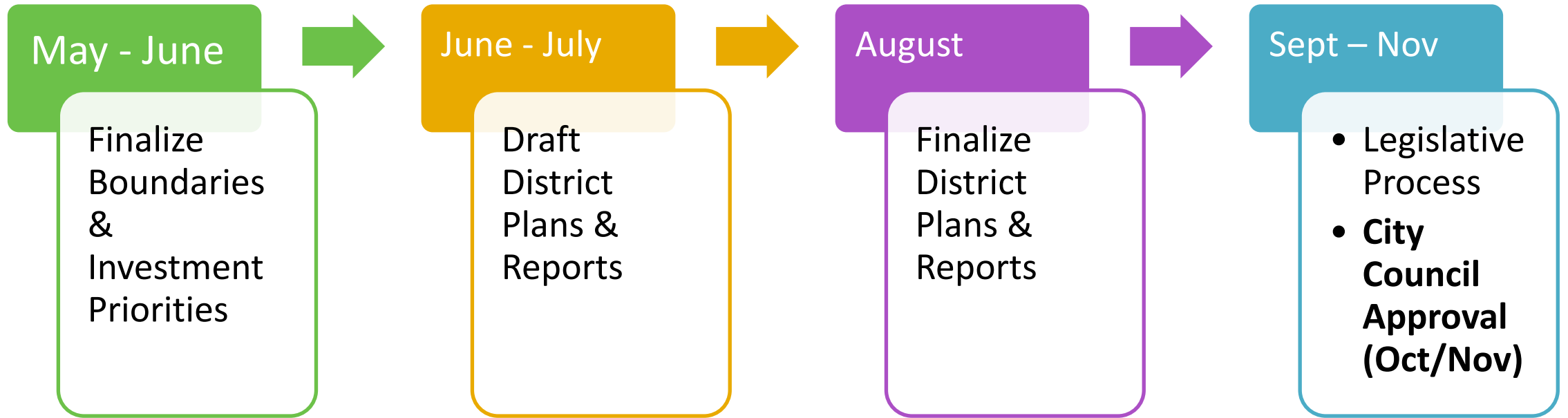
## Central City East

- OMSI Master Plan partners
- Central Eastside Industrial District
- Hand, Buckman Neighborhood Associations

## Lloyd

- Lloyd Mall Master Plan partners
- Go Lloyd
- Lloyd Community Association, Kerns Neighborhood Association
- Lloyd EcoDistrict
- Historic Albina Advisory Board
- Central Eastside Industrial Council
- Small business representation along Broadway /Weidler couplet

# Immediate Next Steps





# How To Stay Engaged?



Review project materials and join our Interested Parties list

[www.prosperportland.us/cctif](http://www.prosperportland.us/cctif)



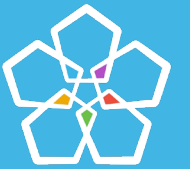
Contact us with any questions or concerns

[CCTIF@prosperportland.us](mailto:CCTIF@prosperportland.us)

# Discussion



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Building an Equitable Economy

# Central City TIF Exploration Committee

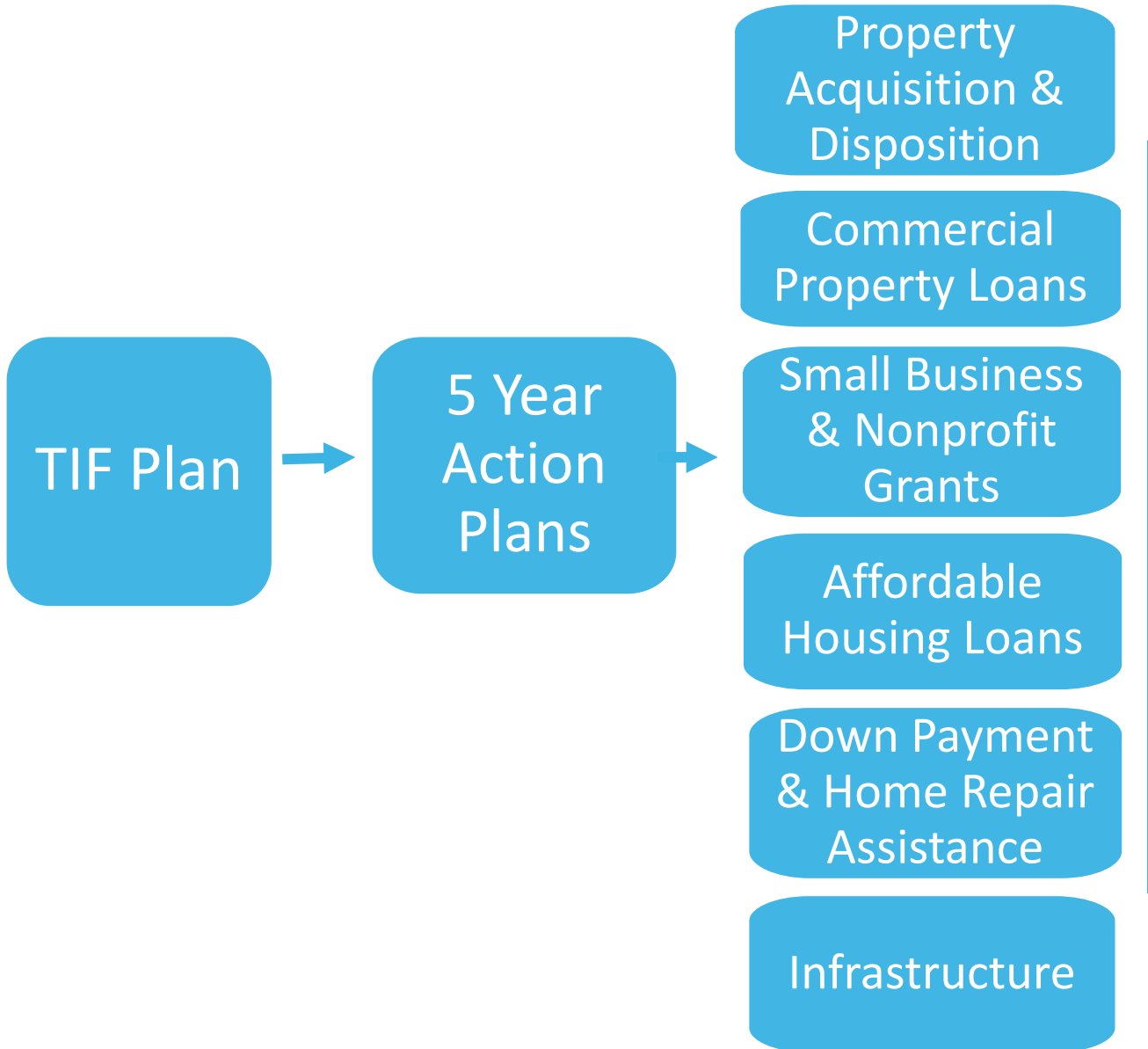
Jeff Renfro  
Dana White  
Kimberly Branam  
Monique Claiborne  
Andrew Fitzpatrick  
Peter Andrews  
Justin Hobson  
Lauren Peng  
Sydney Mead  
Nicole Davison Leon  
Jessie Burke  
Carolyn Holcomb  
Jason Chupp  
Jessica Curtis  
Marc Brune  
Angel Medina  
Brian Ferriso  
Brad Cloepfil  
Michael Buonocore  
Damien Hall

Multnomah County  
Portland Public Schools  
Prosper Portland  
Greater Portland Inc  
Office of Mayor Wheeler  
Melvin Mark  
Miller Nash  
CBRE  
Portland Metro Chamber  
Hispanic Chamber  
Old Town Community Association  
Central Eastside Industrial Council  
Swinerton  
Brookfield Properties / Pioneer Place  
PAE Engineers  
Republica  
Portland Art Museum / Travel Portland  
Allied Works  
Portland Housing Bureau  
Home Forward

Christina Ghan  
Sam Rodriguez  
Matt Goodman  
Jason Franklin  
Stef Kondor  
Mary-Rain O'Meara  
Sarah Stevenson  
Eric Paine  
Gus Baum  
Ian Roll  
Millicent Williams  
Jill Sherman  
Angela Rico  
Natalie King  
Erin Graham  
Tom Kilbane  
James Parker  
JT Flowers  
Dr. Carlos Richard  
Andrea Pastor

Office of Commissioner Rubio  
Mill Creek Residential  
Downtown Development Group  
Portland State University  
Related Northwest  
Central City Concern  
Innovative Housing  
Community Development Partners  
Security Properties  
Gensler  
Portland Bureau of Transportation  
Edlen & Co  
Office of Commissioner Rubio  
Trail Blazers  
OMSI  
Urban Renaissance Group / Lloyd Mall  
Oregon Native American Chamber  
Albina Vision Trust  
Historic Albina Advisory Board  
Metro

# If Approved . . .



## Project Case Study: Dos Hermanos

**\$960k Project total**

**\$1.00:\$1.34 Public: Private leverage**



**\$550K** Landlord provided funds for tenant improvements

**\$410K** Prosper Portland Business Incentive Loan

# Priority Central City TIF Investments

## Jobs & Small Business

1. Recruit/retain large and traded sector anchor employers
2. Support inclusive commercial tenant options
3. Recruit/retain national retailers
4. Rehabilitation of existing buildings and new commercial spaces



## Catalytic Development & Placemaking

1. Enhance accessibility, connectivity, and wayfinding
2. Create a renewed vision through placemaking, regional attractions, and activation of public spaces
3. Improve street connectivity
4. Provide utility infrastructure (water, storm, sanitary sewer)



## Housing

1. Invest in affordable housing (0-60% AMI)
2. Invest in middle income housing (60-120% AMI)
3. Support conversion of office space to residential use

