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Planning Guidelines: Portland Downtown Plan Implementation Program

Portland (Or.). City Planning Commission

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PLANNING GUIDELINES
PORTLAND DOWNTOWN PLAN
IMPLEMENTATION PROGRAM

Staff Report
Portland City Planning Commission
CH2M/HILL
December 1972
P7178.0
INTRODUCTION

Planning Guidelines, Portland Downtown Plan will serve as a standard by which the City Planning Commission and City Council can judge proposals for both public and private development in Downtown Portland. The public interest in the development of the central area of the city and the complex interrelationships between land use, traffic and pedestrian circulation justify public review of all development proposals. Extension of the "conditional use" or design review approach to land use regulation will provide more effective public direction to Downtown development.

Land use regulations can provide economic incentives to encourage housing and other uses when normal market conditions are not consistent with the city's planning objectives.

A local improvement district (LID) can be created to accomplish major public improvements in the retail core--parking, sidewalk improvements, and the development of public squares and small plazas. The improvement district approach with assessments levied against the benefited properties can help to achieve a "total program" as against the independent development of individual parking structures or other facilities.

The Citizens' Advisory Committee to the Downtown Plan must be involved in the Plan implementation phase to assure full citizen participation, understanding and support of specific development projects.

This section describes procedures to carry out the Plan. The implementation program recommends a list of first-phase projects with cost estimates, identifies detailed planning studies for carrying out specific portions of the Plan, identifies responsibility for accomplishing first-phase projects, and summarizes financing methods which may be applicable to various public and private projects proposed in the Plan.
FIRST PHASE PROJECTS

The following list of first phase projects is recommended for implementation between now and 1975. These are more important projects to be accomplished in the Plan. Several of these projects are currently under way or have been identified as priority items by city agencies, Downtown interests and citizens.

The projects are assigned approximate cost estimates to give those responsible for implementation an "order of magnitude" when proceeding with a particular project. Financing and responsibility for each project are dealt with following the projects chart.

The next step toward accomplishment of each project is also indicated in the chart. "Construction" refers to developing working drawings and building the project. "Technical Design" refers to location and planning studies, market feasibility studies, architectural design and preliminary engineering studies for the project. "Concept Design" refers to planning, economic and architectural studies and developing standards to be followed in the technical design of each project.
<table>
<thead>
<tr>
<th>PROJECT</th>
<th>PHASING</th>
<th>APPROXIMATE COST $</th>
<th>FINANCING</th>
<th>RESPONSIBILITY</th>
<th>NEXT STEP</th>
</tr>
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<tbody>
<tr>
<td>1. Close Harbor Drive and make Front Avenue interim improvements.</td>
<td>1972-73</td>
<td>2,000,000</td>
<td>Highway Construction Funds</td>
<td>Oregon State Highway Division</td>
<td>Construction</td>
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<tr>
<td>2. Develop Fifth-Sixth transit malls between Burnside and Madison streets. Redevelop Pioneer Courthouse open space as part of this project.</td>
<td>1973-74</td>
<td>3-6,000,000</td>
<td>2/3 UMTA Capital Grant 1/3 Tri-Met General Funds</td>
<td>Tri-Met</td>
<td>Technical Design</td>
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<tr>
<td>3. Locate and construct phase one parking facilities as recommended by the parking consultant:</td>
<td>1973-74</td>
<td>8,000,000</td>
<td>Private Investment Local Improvement District</td>
<td>Merchants Property Owners</td>
<td>Technical Design</td>
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<tr>
<td>a. east of Retail Core (2 blocks)</td>
<td>1973-74</td>
<td>4,000,000</td>
<td>Revenue Bonds</td>
<td>City</td>
<td>Technical Design</td>
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<tr>
<td>b. north of Burnside (1 block)</td>
<td>1974-75</td>
<td>4,000,000</td>
<td>Revenue Bonds</td>
<td>City</td>
<td>Technical Design</td>
</tr>
<tr>
<td>c. west of Retail Core (1 block)</td>
<td>1974-75</td>
<td>4,000,000</td>
<td>Revenue Bonds</td>
<td>City</td>
<td>Technical Design</td>
</tr>
<tr>
<td>d. remove curb parking as new off-street facilities are provided.</td>
<td>1973-75</td>
<td>Not Available</td>
<td>Parking Meter Funds</td>
<td>City</td>
<td>Technical Design</td>
</tr>
<tr>
<td>4. Construct east-west skyway from Meier &amp; Frank to shopper parking facilities.</td>
<td>1973-74</td>
<td>500,000</td>
<td>Private Investment Local Improvement District</td>
<td>Merchants Property Owners</td>
<td>(1)Develop Standards (2)Technical Design</td>
</tr>
<tr>
<td>5. Construct north-south skyway from Meier &amp; Frank to Burnside.</td>
<td>1974-75</td>
<td>2,000,000</td>
<td>Private Investment Local Improvement District</td>
<td>Merchants Property Owners</td>
<td>(1)Develop Standards (2)Technical Design</td>
</tr>
<tr>
<td>6. Begin waterfront redevelopment as recommended by waterfront planners.</td>
<td>1973-75</td>
<td>4-6,000,000</td>
<td>General Obligation Bonds Tax Allocation Bonds Bicentennial Funds Open Space Funds Capital Improvement Funds</td>
<td>City County State</td>
<td>(1)Concept Design (under way) (2)Technical Design</td>
</tr>
<tr>
<td>PROJECT</td>
<td>PHASING</td>
<td>APPROXIMATE COST</td>
<td>FINANCING</td>
<td>RESPONSIBILITY</td>
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<tr>
<td>7. Implement a housing relocation program for Lownsdale area residents.</td>
<td>1973-75</td>
<td>Not Available</td>
<td>Public Housing, FHA Mortgage Insurance, Rent Supplement, Non-Profit Housing</td>
<td>City, Housing Authority of Portland, Portland Development Commission, Social Service Organizations, Private Investors</td>
<td>Employ a &quot;Downtown Housing Expeditor&quot; to 1) develop a specific relocation plan; 2) investigate, in detail, ways of financing relocation housing; 3) provide this information to prospective developers, and 4) coordinate the efforts of non-profit and profit-making groups where their programs affect housing relocation implementation.</td>
</tr>
<tr>
<td>8. Implement a housing relocation program for Skid Road area residents.</td>
<td>1973-75</td>
<td>Not Available</td>
<td>Urban Renewal, Development Incentive Program</td>
<td>City, Housing Authority of Portland, Portland Development Commission, Social Service Organizations, Private Investors</td>
<td>Employ a &quot;Downtown Housing Expeditor&quot; to investigate, in detail, methods of financing housing rehabilitation and new housing, and to provide this information to prospective developers.</td>
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<tr>
<td>9. Rehabilitate existing housing west of Tenth Avenue.</td>
<td>1973-75</td>
<td>Not Available</td>
<td>Public Housing, FHA Mortgage Insurance, Rent Supplement, Non-Profit Housing, Development Incentive Program</td>
<td>City, Housing Authority of Portland, Private Investors</td>
<td>Technical Design</td>
</tr>
<tr>
<td>10. Acquire the Meier &amp; Frank parking block and redevelop into Downtown central square. Coordinate with and connect to the Pioneer Courthouse block and Sixth Avenue transit mall.</td>
<td>1973-74</td>
<td>3,000,000</td>
<td>Open Space Funds, Revenue Bonds, Private Donations, Capital Improvement Funds</td>
<td>City</td>
<td>Construction</td>
</tr>
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<td>11. a. Redevelop block bounded by Washington, Stark, Park &amp; Ninth for open space.</td>
<td>1973-74</td>
<td>1,300,000</td>
<td>Open Space Funds, Land &amp; Water Conservation Funds, Revenue Bonds, Private Donations</td>
<td>City</td>
<td>Technical Design</td>
</tr>
<tr>
<td>b. Redevelop block bounded by Stark, Oak, Park &amp; Ninth for open space.</td>
<td>1974-75</td>
<td>1,800,000</td>
<td>Open Space Funds, Revenue Bonds, Capital Improvement Funds</td>
<td>City</td>
<td>Technical Design</td>
</tr>
<tr>
<td>PROJECT</td>
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<tr>
<td>12. Develop Ankeny Street as a pedestrianway</td>
<td>1973-74</td>
<td>300,000</td>
<td>Footpath &amp; Bikeway Funds Local Improvement District Capital Improvement Funds</td>
<td>Merchants Property Owners</td>
<td>Technical Design</td>
</tr>
<tr>
<td>13. a. Develop G.S.A. park block (Federal Plaza) b. as part of a coordinated redesign of Chapman and Lownsdale squares.</td>
<td>1973-74</td>
<td>2,000,000</td>
<td>GSA Funds Private Investor Lease-Back</td>
<td>General Services Administration</td>
<td>Construction</td>
</tr>
<tr>
<td></td>
<td>1974-75</td>
<td>300,000</td>
<td>Open Space Funds Capital Improvement Funds</td>
<td>City</td>
<td>Technical Design</td>
</tr>
<tr>
<td>14. Close Park and Ninth avenues to automobile traffic between Burnside and Market streets. Redevelop streets as pedestrian and bicycle ways with provisions for service and loading.</td>
<td>1973-74</td>
<td>1,500,000</td>
<td>Footpath &amp; Bikeway Funds Local Improvement District Capital Improvement Funds</td>
<td>Merchants Property Owners</td>
<td>Technical Design</td>
</tr>
<tr>
<td>15. Continue Portland State University urban renewal project implementation as planned or revised.</td>
<td>1972-75</td>
<td>Not Available</td>
<td>State Board of Higher Education Urban Renewal Funds</td>
<td>Portland State University Portland Development Commission</td>
<td>Construction</td>
</tr>
<tr>
<td>17. Begin Government Center facilities as recommended by the Government Center Advisory Committee.</td>
<td>1974-75</td>
<td>6,000,000</td>
<td>Revenue Bonds Capital Improvement Funds Private Investor Lease-Back</td>
<td>City County</td>
<td>Technical Design</td>
</tr>
<tr>
<td>18. Widen sidewalks and provide pedestrian facilities on Yamhill and Washington streets in the retail core.</td>
<td>1973-75</td>
<td>700,000</td>
<td>Local Improvement District Capital Improvement Funds</td>
<td>Merchants Property Owners City</td>
<td>Technical Design</td>
</tr>
<tr>
<td>19. Develop Morrison and Alder streets as pedestrian/transit malls.</td>
<td>1973-75</td>
<td>2-3,000,000</td>
<td>Local Improvement District Capital Improvement Funds UMTA Funds Tri-Met General Funds</td>
<td>City Tri-Met Merchants Property Owners</td>
<td>Concept Design</td>
</tr>
</tbody>
</table>
Several areas of more detailed study have been identified in the first phase planning guidelines. Studies already under way include the detailed design of the Waterfront and of the 5th-6th Transit Malls. Additional studies which are recommended for immediate attention are:

1. Formulate new and revised development standards based on the guideline plan for regulating both public and private development. This will include density guidelines for height and floor area ratio, zoning standards for land use, and a design review procedure.

2. Give priority to the development of detailed design plans and implementation programs for the following planning districts:
   
   a) the area between the Waterfront and Fourth Avenue incorporating Skidmore Fountain/Old Town, Waterfront Retail/Entertainment Center, West of Waterfront, and Government Center districts.

   b) Retail Core.

   c) West of Tenth.

3. Develop a detailed program for rehabilitating and replacing substandard Downtown housing, for building additional Downtown housing, and for relocating Downtown residents. Priority will be placed on relocation plans for Skid Road (Burnside) and Lownsdale (Government Center) area residents and on rehabilitation of existing housing west of Tenth Avenue.

4. Set up a parking implementation procedure for first phase parking structures as recommended in the plan
   
   a) between Third and Fourth (two blocks)

   b) north of Burnside (one or two blocks)

   c) west of Tenth (one block)
5. Prepare an in-depth study of the skyway system proposed in the retail core. This will include formulating specific design criteria for the system, control procedures for operating the system, indicating alternative ways to finance the system, and gaining acceptance of the system by property owners.

6. Prepare detailed design plans for Ankeny Street and Park and Ninth avenues semi-pedestrian malls.

7. Formulate incentive programs for preservation of historic buildings, for rehabilitation or new construction of housing, and for creation of open space in new private development.

8. Identify and designate additional historic and architectural landmarks in Downtown to be preserved.

9. Develop and implement street tree planting and lighting programs for Downtown.

10. Develop and adopt sign and graphic standards for Downtown.
RESPONSIBILITY

Responsibility for implementing the plan is shared by Downtown businessmen, property owners and various public agencies. Cooperation among these groups is essential for the success of the program.

City of Portland

The city has the responsibility of leadership. It must promote and coordinate the planning program by seeking financial assistance for the construction of public improvements and by encouraging private improvement. Specific city responsibilities are as follows:

1. Adopt the Downtown Plan as a policy guide for evaluating public and private actions.

2. Coordinate the implementation program. One of the most difficult tasks will be guiding the implementation of the plan once it is adopted. To coordinate the efforts of both public agencies and private developers, a "Downtown Plan Coordinator" should be appointed by the city. He will be responsible for coordinating various details and steps of the program.

3. Continue to promote the Guideline Plan and its various features through the Citizens' Advisory Committee and through presentations to various organizations and groups. This should be the responsibility of the "Downtown Plan Coordinator."

4. Reappoint the Downtown Citizens' Advisory Committee and assign it the continuing responsibility to advise the Downtown planning team and its various consultants in carrying out the first phase implementation program and detailed design studies.

As part of its responsibility, the Citizens' Advisory Committee should develop a continuing program of public information to keep the people of Portland informed about the progress of the Downtown Plan.

5. Undertake detailed planning studies recommended in this first phase implementation program. These include detailed design and urban renewal studies, formulation of development regulations and design standards, financing programs for specific projects and a housing implementation program.
6. Assign specific responsibility to the Portland Development Commission to investigate the feasibility of urban renewal action for blighted areas of Downtown. These may include the following districts:

   a) North of Burnside
   b) Skidmore Fountain/Old Town
   c) West of Waterfront
   d) Government Center
   e) Waterfront Retail/Entertainment Center
   f) West of Tenth

7. Employ a "Downtown Housing Expeditor" to,

   a) develop a specific housing relocation plan;
   b) investigate, in detail, ways of financing relocation housing;
   c) provide this information to prospective developers;
   d) coordinate the efforts of non-profit and profit-making groups where their programs affect housing relocation implementation.

8. Assign specific responsibility to the Housing Authority of Portland to coordinate with and assist the "Downtown Housing Expeditor" in developing various types of housing programs for Downtown. The Housing Authority should further be charged with the responsibility for financing a specific number of housing units in Downtown.

9. Obtain county, state and federal assistance in financing and constructing major public improvements.

10. Construct the first phase public projects indicated in the plan.

Multnomah County
The major responsibility of the county in Downtown will be to work with the city in developing a financing program for construction of city-county government facilities. The county should also cooperate with and assist the city in developing other Downtown public projects of county-wide benefit.
State of Oregon

The state will have responsibility, through the highway division, for coordinating with the city in developing the Downtown Waterfront and in developing a compatible traffic circulation system, particularly for through or bypass traffic around Downtown. This will include a workable solution to the Harbor Drive-Front Avenue situation.

Tri-Met

Tri-Met will have responsibility for implementing the public transportation aspects of the Downtown Plan. These include

a) developing the 5th-6th Transit Malls between Burnside and Madison streets;

b) developing East-West Transit Malls along Morrison and/or Alder streets;

c) developing a Downtown loop shuttle system.

Several transportation measures are recommended which are beyond the physical scope of Downtown but will have an important impact on Downtown. These are:

a) developing outlying park-and-ride stations;

b) developing exclusive bus lanes from outlying park-and-ride stations into Downtown Portland;

c) providing improved equipment and operations to encourage more bus patronage;

d) developing an improved marketing program;

e) developing a commuter-oriented ticket discount system;

f) developing a shop-and-ride program.
Merchants, Property Owners and Private Investors

The Downtown property owners and businessmen have responsibility for the maintenance, renovation and redevelopment of private property, plus sharing with the city the implementation of public projects. Specifically they can:

a) promote implementation of the Downtown Plan;

b) develop promotional programs and activities to upgrade the image of Downtown;

c) coordinate individual private projects with the Downtown Plan;

d) provide continuing maintenance and remodeling of buildings;

e) rehabilitate and rebuild obsolete and substandard buildings;

f) assist in the financing of public projects such as street improvements, sidewalk widening, landscaping, lighting and street furnishings through a local improvement district;

g) finance and construct the first phase parking facilities and skyway system recommended in the plan;

h) encourage the preservation of historic structures and the development of housing in areas recommended in the plan.
METHODS OF FINANCING

Following is a summary of financing methods which are applicable to a number of different public and private projects proposed in the Downtown Plan.

Municipal Assistance

City General Fund. The city's general fund typically pays for programs which have city-wide benefits. These include police and fire protection, administration, utilities, street and park improvements and operation and maintenance of city properties. No moneys are presently available from the general fund for capital improvement in Downtown.

The general fund includes several "dedicated" sources of revenue which may be used only for operation, maintenance and capital improvements of specific facilities. "Dedicated" funds which can be used in Downtown include the street lighting fund, street fund, gas tax fund, water fund, sewer fund and parking meter fund. The Guideline Plan recommends a reduction in curb parking which will reduce parking meter funds. This loss can be partially offset by an increase in parking rates. Available revenue from this fund can be used to further improve the coordination of traffic signs and signals in Downtown.

Revenue Sharing Funds. The federal government has recently established a five-year revenue sharing program which provides funds to local governments on a semi-annual basis. The City of Portland will receive approximately 13 million dollars in fiscal 1972-73. A portion of this money can be used in Downtown for specific public projects and detailed planning studies.

Capital Improvements Fund (Proposed). The city's administrative review committee has recommended that approximately 3.25 million dollars be set aside annually from general fund revenues for a capital improvement program. This proposed fund could be used to match federal funds for various projects. In Downtown Portland, these might include park acquisition and development, pedestrian mall construction, street furnishings and amenities such as benches, shelters, fountains, trees and landscaping, and major street improvements.

Special Assessment Bonds (Local Improvement District). Under the Bancroft Bonding Act (ORS 223.387), bonds may be issued
for specified local improvements. Special assessments are specifically authorized for pedestrian malls (ORS 376.720). These bonds are secured by an assessment against the benefited property. Only the property benefited is charged and the charge is in proportion to the benefit. These bonds are issued and administered by the city and can be retired over a ten-year period.

Because of the direct relationship between assessment and benefit, this technique is a practical approach to financing public improvements in Downtown. These can include the construction of pedestrian malls, parking garages, skyways, street furnishings and landscaping, underground wiring and other street and sidewalk improvements.

General Obligation Bonds. These are the customary municipal bonds backed by the general credit of the city. These bonds require voter approval and are limited in aggregate to not more than 3 percent of the true cash value of the city's taxable property (ORS 287.004).

General obligation bonds are ordinarily used to finance improvements having a city-wide benefit. In Downtown, these may include new bridge construction, city-county government center, waterfront development and a downtown central square on the Meier and Frank parking block.

Revenue Bonds. The city may issue bonds secured by part or all of the revenues from a public improvement which will produce income. Improvements must produce sufficient revenue to pay the annual interest and principal plus operating costs. This financing method can be used to construct public parking facilities for both long-term and short-term needs and for community exhibition facilities on the waterfront.

It is possible to issue a combined revenue and general obligation bond. The available revenue is used to pay as much of the debt service as possible and the city is obliged to make up any deficiency from other revenue sources. This type of bond is in reality a general obligation bond and is subject to the same limitations and conditions.

Tax Allocation Bonds. This method of financing accomplishes self-liquidation of costs of an urban renewal project through the sale of revenue bonds. The bonds are retired by the increase in tax income resulting from increased property valuation in the project area (ORS 457.410-457.450). Tax allocation bonds are currently being used as part of the local share of the federally funded South Auditorium Urban Renewal Project. The city charter places a five million dollar limitation on this type of revenue bonding.
The value of this financing method is that it can pay for public improvements without placing an additional financial burden on the city or on the affected property owners. The city as a whole benefits because a low-value area is upgraded which helps to decrease the city-wide property tax rate once the revenue bonds have been retired.

The procedure is as follows:

1. A redevelopment plan of specific public and private improvements is prepared.
2. A feasibility analysis of the plan is made.
3. The redevelopment plan and financing method is adopted by the redevelopment agency, the planning commission and the city council.
4. The plan is filed with the county assessor who then certifies the current true cash value and freezes the assessed value of the project area.
5. Revenue bonds are sold for project improvements.
6. Project improvements are undertaken.
7. The bonds are retired from taxes paid on the increase in assessed value above the frozen assessed value.

Development Incentive Program (Proposed). The State of Missouri has adopted an incentive program to encourage private developers to redevelop blighted inner-city areas without the necessity of urban renewal. The private redevelopment program described here is based on Chapter 353 of the Revised Statutes of the State of Missouri and has been used successfully for several projects in Downtown St. Louis.

Under this program, a private developer forms a redevelopment corporation which submits plans for rehabilitation and/or clearance and redevelopment for any areas or portions of areas designated by the city as blighted. The development plan is submitted to the planning commission who reviews the project for conformance with the general plan for the area. The private developer is required to provide a general description and preliminary design plan of the project showing proposed land use, circulation, density and building development, urban design constraints, public improvements and amenities. In addition, the developer must provide a relocation plan for existing businesses and residences, including the securing of satisfactory replacement accommodations. A detailed statement
of the proposed method of financing must also be included. The planning commission holds public hearings on the development and submits its recommendation to the city council for final action.

After a project is approved by the city, the private redevelopment corporation may acquire the property by conventional means or by public condemnation. This "borrowing" of the city's power of eminent domain is the unique feature of the Missouri Law. The redevelopment corporation is not limited to paying fair market value for the land as public money is not involved.

Tax increases resulting from the redevelopers are partly exempted over a 25-year period as a further development incentive under the Missouri statute. For the first ten years after acquiring the project property, the redevelopment corporation pays taxes on the land only. In addition, the city requires the redevelopment corporation to make a contribution during this period in lieu of taxes equal to the taxes on the former improvements. This provision avoids a tax loss to local taxing districts. For the next 15 years, taxes are based on only 50 percent of land and improvement assessed valuation. After 25 years, taxes on land and improvements are assessed at full value.

The private development corporation is limited to an annual return of 8 percent on net earnings.

Public improvements within the project, such as malls, open space, landscaping, lighting, street improvements and utilities are usually included in the private developer's project costs. The private developer can sell or dedicate portions of the project to public agencies for public use. Major public improvements which are adjacent to or continue beyond the boundaries of the project are usually not included in the project cost. These are paid for in other ways, such as through local improvement districts, federal urban renewal, etc.

Advantages of a development incentive program are that:

It encourages private redevelopment and/or rehabilitation of blighted areas.

It encourages new development in accord with local planning objectives.

It eases the tax burden on new development.

It makes housing development more feasible.

It eases the redevelopment burden on the local urban renewal agency.
It makes land assembly more easy.
Public money is not involved.

The only disadvantage of any consequence is that tax allocation bond financing for public improvements cannot be used with this program.

County Assistance

County participation in Downtown improvement projects is generally limited to those with a county-wide benefit. These include projects such as City-County Government facilities. The county is also responsible for maintenance of existing bridges and construction of new bridges (except freeway and railroad bridges). County-wide general obligation bonds are the normal type funds which are used for new bridge construction and for civic building projects.

State Assistance

Highway Construction Fund. State assistance for Downtown street projects is limited to construction and improvement of the state highway system. The funds for this purpose are a combination of state and federal moneys administered by the State Highway Division. Downtown streets designated for improvement with these funds are Burnside, Clay and Market streets, Front Avenue and Harbor Drive.

Willamette River Greenway. The purpose of this program is to obtain and preserve public access to the Willamette River. State and federal funds are available to pay 75 percent of the cost of waterfront land acquisition. The local public agency is responsible for the remaining 25 percent. This program, administered by the State Highway Division, does not allow acquisition by power of eminent domain nor does it provide funds for development. In Downtown, these funds can be used to acquire waterfront land south of the Hawthorne Bridge and north of the Steel Bridge.

Footpath and Bikeway Fund. One percent of the total annual state highway funds received by the city are to be used for establishing and maintaining footpaths and bicycle trails. If not used, these moneys may be reserved up to ten years. The City of Portland currently receives about $50,000 per year for these purposes. In Downtown Portland, this money can be used to develop pedestrian malls and bicycle paths along Park and 9th avenues, Ankeny Street, along the waterfront and on bridge crossings.
State Park Funds. These funds are available through the State Highway Division to acquire and develop recreation areas in all parts of the state. This financing source is normally used as the local matching share of federal open space grants and land and water conservation grants to establish state parks. These funds can help finance acquisition and development of open space in the south of Downtown waterfront district.

Federal Assistance

Open Space Land (Legacy of Parks Program). This program provides 50 percent federal matching funds for acquisition and development of open space in urban areas and for preservation of historic structures. This program requires that acquisition and development of open space be completed within one year. Historic structures to be preserved must be listed in the National Register of Historic Places. This program can assist in the acquisition and development of the block bounded by 6th, Yamhill, Broadway and Morrison.

Land and Water Conservation Funds. This program provides 50 percent federal matching grants for acquisition and development of outdoor recreation projects such as picnic areas, camp grounds, tennis courts, swimming pools and boat launching ramps. The specific project must be in accord with a comprehensive outdoor recreation plan and must also meet a high priority recreation need. This program gives priority consideration to projects serving urban populations. These funds can assist in the public development of the south of Downtown waterfront area.

Traffic Operations Program to Increase Capacity and Safety (TOPICS). Federal grants are made through the state for cities to make traffic improvements which increase the capacity and improve the safety of existing streets. These improvements include grade-separated pedestrian street crossings, traffic signal systems and traffic channelization at intersections, all of which are applicable to Downtown Portland. Individual projects must be part of an area-wide traffic improvement plan.

Urban Mass Transportation Capital Improvement Grants. The Department of Transportation provides capital grants for two-thirds of the cost of urban mass transit improvements. The local share of improvement costs are provided by Tri-Met. In Downtown, these improvements can include north-south and east-west transit malls, bus shelters and shuttle busses. A technical grant under this program has already been received by Tri-Met to design the Fifth-Sixth Transit Malls.
Urban Renewal. The urban renewal program aids community in eliminating blight conditions and to rebuild deteriorated areas. Grants cover up to two-thirds of the project cost for cities over 50,000 population. The local contribution may include cash or noncash credits. Money used to finance other projects using federal assistance may be used as part of the local share of an urban renewal project.

This program provides grants for surveys and planning, land acquisition and clearance, rehabilitation of existing structures, installation of public improvements including streets and sidewalks, utilities, recreation areas, and for the restoration of historic structures and relocation of structures which will be restored and maintained for historic purposes. The following kinds of renewal assistance are available:

(1) Code enforcement: This involves the concentrated enforcement of local codes and the provision of adequate supporting public facilities and services. The city is required to systematically enforce its building code within the project area. Property owners may qualify for 3 percent rehabilitation loans to make their property comply with local codes. Eligible public improvements include streets, sidewalks, lighting and landscaping. Undergrounding of utilities and land acquisition are not eligible expenses.

(2) Rehabilitation: This program requires that all buildings in the project area meet rigid structural standards. Eligible project expenses are expanded to include undergrounding of utilities and land acquisition for public improvements. Rehabilitation loans are also available in this program.

(3) Redevelopment: This program provides for clearance and redevelopment within the renewal area. All public improvements are included as eligible projects.

(4) Rehabilitation loans: This program helps owners finance repairs and improvements to their property. Loans at 3 percent interest for up to twenty years are made for property improvements in urban renewal areas. Nonresidential loans cannot exceed the lesser of $50,000 or the cost of rehabilitation. Other limitations may apply to specific properties.

(5) Relocation grants: This program assists in relocating individuals, families and businesses displaced by HUD-assisted programs. In an urban renewal project, the property owners may participate in the redevelopment of their property. The urban renewal agency can purchase
and demolish unsound buildings, relocate tenants and turn the cleared land back to the owner for private improvements specified in the plan.

Neighborhood Development Program. This program consists of urban renewal activities which are planned and carried out in annual increments. Communities can proceed simultaneously with the actual renewal of specific projects and with detail planning and scheduling of subsequent renewal. The program provides two-thirds federal matching grants for cities over 50,000 population to cover development activities for a 12-month period and planning activities for the next 12 months. Relocation assistance and three percent rehabilitation loans are available to those who are eligible.

Public Housing. This HUD program provides grants to assist local housing authorities in providing low-rent housing by (1) acquiring existing housing, (2) developing new housing and (3) letting contracts to private developers (turnkey program). This program can be used in Downtown to provide decent housing for low income people living in the Lownsdale, Burnside and West of Tenth areas.

Mortgage Insurance Programs. There are several mortgage insurance assistance programs for housing available through the Federal Housing Administration of HUD. The objective of these programs is to provide good quality rental or cooperative housing within the price range of elderly, handicapped, low-income and moderate-income groups. These programs insure mortgage lenders against losses. Insured mortgages may be used to finance construction or rehabilitation of rental or cooperative housing or to finance the purchase of structures which have been rehabilitated by a local public agency.

The FHA mortgage insurance programs which may be applicable in Downtown Portland are:

1. Rental Housing Program (Section 207, 1938 Housing Act).
2. Rental Housing for Low- and Moderate-Income Families, Market Interest Rate (Section 221d3, 1954 Housing Act).
3. Rental Housing for the Elderly (Section 231, 1959 Housing Act).
4. Rental Housing for Moderate-Income Families (Section 221d4, 1959 Housing Act).
Rent Supplemental Program. (Housing Act of 1965) This program provides payment to owners of rental housing to supplement low-cost rents paid by eligible low-income tenants. Rent supplements cover the difference between the tenant's payment and the market rental of the housing. Eligible sponsors may apply at the FHA area office.

Non-Profit Housing Loans. (Section 106b, Housing Act of 1968) FHA may make interest-free loans to non-profit housing sponsors covering up to 80 percent of the development costs incurred in planning a housing proposal to be developed under one of several other FHA programs. The loan may be converted to a grant if an insured mortgage is not made available to repay the loan. Loan application may be made to the area FHA or HUD office.

Interest Reduction for Lower Income Housing. (Section 236, 1968 Housing Act) The objective of this FHA program is to provide good quality rental and cooperative housing for low- and moderate-income persons by providing interest reduction payments in order to lower housing costs. Benefits received by the mortgagor are passed on to families qualifying for assistance. Additional information can be obtained at the local HUD or FHA office.