

North Macadam District





Steering Committee's Recommended Plan Accepted by City Council - August 11, 1999

In remembrance of Ron Smith, Steering Committee Member, for his invaluable contributions to this Framework Plan; always delivered with wisdom, wit and an eye towards the future.

The North Macadam District Framework Plan represents the collective efforts and recommendations of the Steering Committee and incorporates work from the six Work Groups appointed by the Steering Committee. It was prepared for and presented to the Steering Committee by Portland Development Commission staff and the Consultant Team.

The Steering Committee presented the North Macadam District Framework Plan to the Portland Development Commission, Portland Planning Commission and Portland City Council in July and August 1999 for review and acceptance.

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Note: An on-line version of this document and a schedule of public meetings is available on the Portland Development Commission's Web site, http://www.portlanddev.org/about/pubs.htm. The on-line version includes color illustrations and is published in Adobe Acrobat format. To view the document, you must have an Adobe Acrobat viewer installed on your personal computer; the viewer is available at no cost at http://www.adobe.com/prodindex/acrobat/readstep.html.

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Preface

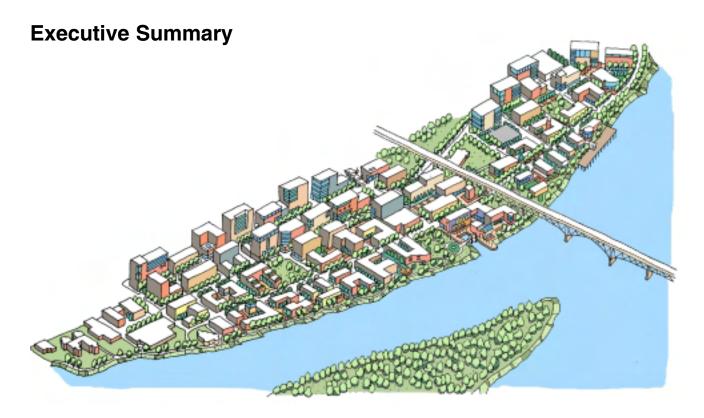
The North Macadam District Framework Plan defines the goals, objectives and overall vision intended to guide the redevelopment of the North Macadam District. It also describes an implementation strategy which proposes: (i) actions to be undertaken by the public and private sectors to achieve the vision and (ii) conceptual amendments to the City's Comprehensive Plan and development code to support the vision.

The plan is the result of an effort that began in June 1997, when the City Council appointed a North Macadam District Steering Committee to lead a public-private planning process, including the work of six citizen committees on key topic areas. A tremendous amount of time and creative energy has been invested in the formation of this Plan. It is built on the work of all affected City bureaus, the Steering Committee and Portland's citizens. The issues have been discussed in more than 150 public meetings in which all attendees were invited to offer comments and suggestions. This Plan presents a vision that balances the interests raised in these meetings and the financial realities of infrastructure and land development.

After approval by the Steering Committee, the plan was presented to the Portland Development Commission, the Planning Commission, and the City Council, who accepted the Plan on August 11, 1999. The Council's action will initiate the implementation process to enact the vision, goals, and objectives for the District. Additional formal procedures, hearings and Planning Bureau analyses to enact the proposed amendments to the City's Comprehensive Plan and development code will follow acceptance of the Plan by City Council.

The North Macadam District Urban Renewal Plan is closely related to - and shares similar goals and objectives with - this Framework Plan, but is not part of this plan. The Urban Renewal Plan has its own legal and technical requirements, and will require its own adoption process. Nonetheless, the Urban Renewal Plan is critical to the implementation of this Framework Plan. It identifies and funds many of the public investments and leverages the private investments required to realize the vision presented by this Framework Plan, and will be the primary mechanism for creating public/private partnerships, although other funding sources and implementation tools will also be used.

The City will consider this Framework Plan with the related Comprehensive Plan and Development Code amendments as well as the Urban Renewal Plan. By enacting these, the City Council will establish a comprehensive and economically feasible development plan for the North Macadam District; a plan that advances significant public objectives and enhances the overall livability of the City of Portland and the metropolitan region.



The Opportunity

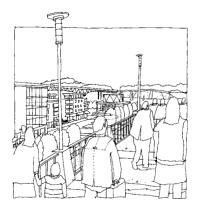
The 130-acre North Macadam District is the last major undeveloped area within the City's core. The extraordinary opportunity afforded by so large a tract of land adjacent to downtown Portland and the Willamette River is threefold: to build upon the unique attributes of the place, to reconnect nearby neighborhoods divided by past infrastructure projects, and to complement what the City already provides with a new neighborhood where people may choose to live, work and play.

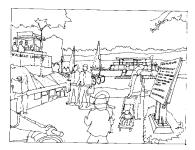
The fact that the area remains largely undeveloped, however, is not an accident. Poor transportation access and circulation, inadequate infrastructure and soil contamination in some areas present significant constraints to development. At the same time, growing awareness of and response to environmental issues - including new clean water standards and Endangered Species Act listings - has appropriately increased expectations about new development near the River. Clearly, the small amount of development in the District over the past decade has occurred at lower densities and without these expectations in place.

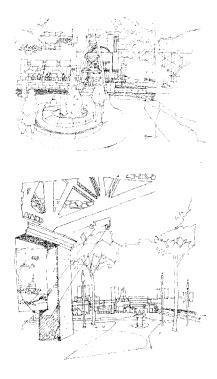
To respond to this unique opportunity and address development constraints, in 1997 the City Council established a Steering Committee comprised of public and private citizens noted for their care about our built and natural environments, and asked them to establish a vision for development of the North Macadam District. The North Macadam District Framework Plan is the result of their efforts.



Immediately south of Downtown, a majority of the North Macadam District property is either vacant or underutilized. Redevelopment of the District provides a unique opportunity to create a vital, urban neighborhood adjacent to the Willamette River.







The Vision

The vision for the North Macadam District reflects and reinforces Portland's unique character and aspirations. A key objective of the City, and the region, is to attract and accommodate jobs and housing at its core in an effort to preserve the Region's natural and agricultural resources. The Framework Plan supports this objective while providing an integrated open space, land use and transportation framework that will encourage a vibrant riverfront neighborhood to emerge. The Plan describes an urban neighborhood designed to accommodate 8,500 - 10,000 jobs and 1,500 - 3000 housing units during the next 20 years.

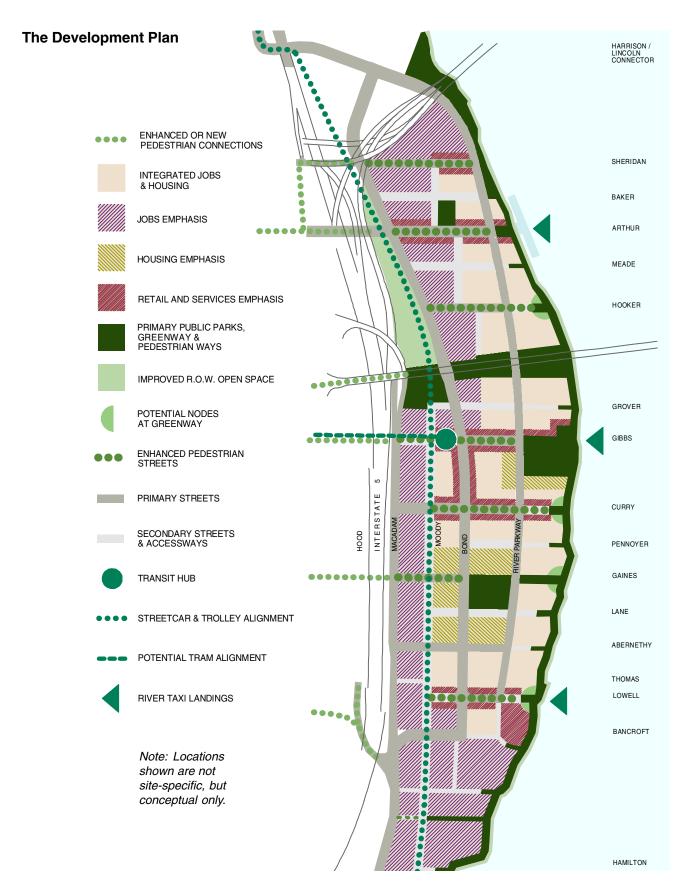
The District will provide a wide variety of public parks and open spaces, each differing in size, configuration, landscaping, adjacent uses and types of human activity. Likewise, the development of buildings will include a variety of sizes, uses and styles, reflecting the diverse interests and preferences of Portland's citizenry. Transportation alternatives to, through, and within the District will accommodate pedestrians, bicycles, transit and automobiles. A series of pedestrian-enhanced east-west streets will connect the north-south transit corridors with the greenway and activate the street life of the District's interior.

Like the City's vision for downtown Portland, the District's vision comprises modest but important ideas that create lively, urban neighborhoods: a diverse population, integrated jobs and housing, accessible and well-crafted open spaces, active streets, pedestrian scale, convenient transit and quality urban design.

The River

The signature of the District is its enthusiastic embrace of the Willamette River. The District neither turns its back nor advances too near as it engages the River in a complementary way, bringing the urban community to the River while respecting and enhancing its wildlife habitat and ecosystem. A widened greenway – roughly double the current standard – will grace the eastern edge of the District, providing a regional amenity that creates a rich diversity of open spaces for residents, workers, and visitors while promoting – among all of them - an appreciation for the living force that is the Willamette River.

The North Macadam District will achieve during the next twenty years what many cities around the world will attempt to do during the next century: demonstrate how a dense, vibrant urban environment can peacefully coexist with natural habitat in a riverside setting. North Macadam will exemplify a key component of Portland's vision for 2025: *a healthy river that centers our community*. The River has given us life for centuries, and it's time to return the favor. But the idea is not to step away from the River nor continue to spread jobs and housing elsewhere by reducing density downtown, but to build an urban community right next door to the River as a respectful and admiring neighbor. Visibility begets awareness, and awareness begets action; there is no better opportunity to demonstrate that notion than in North Macadam.



The Commitment

Achieving the District's vision will not be an easy task, and much work still needs to be done. Most urban communities are not built from scratch; they start slowly at lower densities and evolve over long periods of time. In North Macadam, this timeframe will be compressed.

Meeting the infrastructure, transportation and environmental challenges simultaneously requires both public and private investment, and the North Macadam District Urban Renewal Plan is a key component. Formation of the Urban Renewal District in 1999 will allow the capture of tax increment revenue from projects adjacent to the Framework Plan area that will soon begin construction. In addition, the financing commitment of the Urban Renewal Plan, as well as the development vision articulated in the Framework Plan, will offer a new, attractive and flexible choice for businesses, institutions, and other job-creating entities to locate and expand within the Central City instead of choosing suburban alternatives.

The Future

The purpose of the Framework Plan is not to predict the specific future of development in North Macadam, but to provide a framework of ideas - a touchstone - that will help guide and inform its development over the next two decades. The Framework Plan, although well-deliberated, is primarily an aspirational document - suggesting how the vision for the District can be achieved. As specific implementation activities are initiated and development begins to occur, refinements will continue. Changing markets, economic conditions and development patterns, as well as new experience and knowledge, may influence attitudes and opportunities in unanticipated ways and affect how goals are balanced in the future. Consequently, the District will not evolve precisely as described in this document.

Ultimately, the success of the North Macadam District will depend on the efforts of those who shape its vision, the talent and commitment of those who endeavor to build it, and the investment and stewardship of those who choose to live, work and play there.









I. Process and Stakeholders

Steering Committee and Work Groups

In June 1997, City Council adopted Resolution Number 35618 which initiated an in-depth study of the North Macadam District to make recommendations on:

- Development plan for the District
- Street right-of-way design standards
- Housing implementation plan
- Jobs strategy
- Storm water management plan
- Comprehensive public/private infrastructure plan and financing strategy
- Return on investment plan
- · Urban renewal district formation
- Non-park public spaces

The Council established the North Macadam District Steering Committee to lead the planning study and to make recommendations. The Steering Committee is currently comprised of the following members:

Chair, Rick Michaelson, Inner City Properties

Richard Brandman, *Metro* Dr. Patrick Burk, *Portland Public Schools* Kerry Chipman, *CTLH* Debi Chung, *Pacific Richland Investments*

David Cook, *OSF*Lois Davis, *OHSU*Ross Cornelius, *PDC*Ken Dietrich, *US Bank Trust*

Abe Farkas, PDC Janice Frater, HCDC

Tim Grewe, *OFA*Jon Moss, *Pegasus Devel.*David Knowles, *Planning Bureau*Ann Gardner, *Schnitzer Investment*

Eric Parsons, Standard Ins. Vic Rhodes, PDOT

Rick Saito, NMDC Zari Santner, Parks Bureau

Ron Smith, *BES*Barbara Walker, *Citizen Rep.*Bob Stacey, *Tri-Met*Denny West, *HAP*

Dave Williams, ODOT Steven Shain, Zidell Companies

The Steering Committee established a detailed work program and appointed Work Groups, composed of citizen representatives and other individuals with a broad diversity of perspectives, to assist in overseeing technical analyses and proposing recommendations. The following are the major activities that were undertaken:

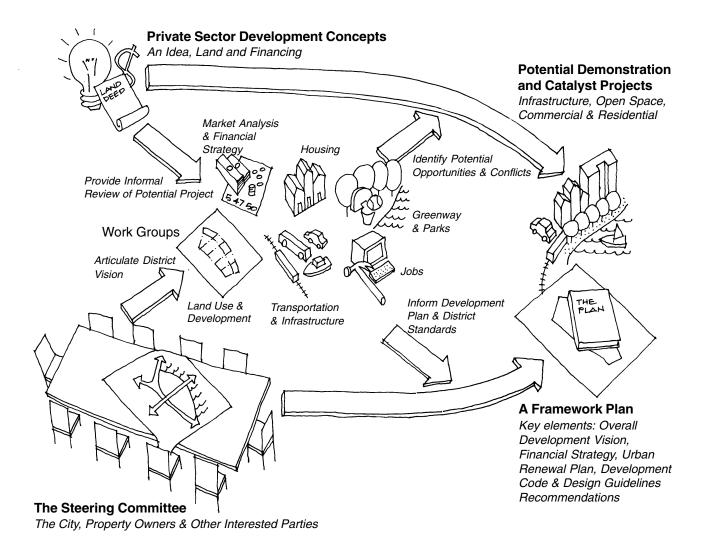
Community Vision: An initial vision statement that balanced economic and development opportunities with community goals and objectives was developed through a series of charettes with Steering Committee and Work Group members, neighborhood representatives, property owners and stakeholders. This initial vision established the framework for analyses and design work that ensued.

- Market Analysis: A technical analysis was completed that analyzed current and future economic and demographic conditions affecting the District. It identified the development market available to the District, considered the factors needed to accommodate that market and the associated development costs, and assessed the basic financial feasibility of development within the District.
- Development Capacity Analysis: This analysis established a
 baseline development scenario that could be accommodated by
 existing comprehensive plan policies and zoning code requirements
 and in the absence of any public assistance to the District beyond
 that available to other areas. The land use implications of existing
 transportation capacity constraints were also assessed.
- Transportation Report, Central City Streetcar and Right-of-Way Design Standards: These three inter-related components of the transportation system were analyzed to better understand the implications of absorbing targeted development. Multiple transportation modes and district connectivity based on the North Macadam District Street Plan contributed to the analysis. The transportation analysis examined current traffic conditions and projected traffic growth for 2003 and 2015 at the three primary district portals. The Metro 2015 transportation model and a projected development growth and distribution scenario provided by the Jobs and Housing Work Group were analyzed to gauge traffic effects on district access. Central City Streetcar evaluation criteria were developed and alignment options were evaluated in conjunction with the transportation work. Preliminary District-wide right-of-way Design Standards were also prepared in conjunction with the transportation analysis and Central City Streetcar alignment work.
- Willamette River Greenway Concept/Open Space Analysis: This
 analysis focused on the local and regional policy issues affecting the
 Greenway and parks and open space within the District. It considered connections between the Greenway and regional open space
 system and connections to nearby neighborhoods. It assessed
 potential uses and users of the Greenway and their design requirements, as well as environmental issues affecting development along
 the riverfront. An assessment of parks and open space needs was
 also prepared.
- Work Group Recommendations: Based on the above referenced analyses, other technical work undertaken and many meetings, each of the Work Groups completed a draft set of conclusions and recommendations for submission to the Steering Committee for consideration and inclusion into the Framework Plan.
- Return on Investment Analysis

The conclusions and recommendations of the technical consultants and the Work Groups were integrated into a comprehensive and consistent set of recommendations. These recommendations have been reviewed and amended by the Steering Committee, producing this Plan.

Development of the North Macadam District Framework Plan

Planning for the North Macadam District built upon a public-private partnership and emphasized an open process to ensure that community goals and public benefit will be achieved.



A Working Vision for the North Macadam District



The Neighborhood in the Year 2020...

The North Macadam District is a vibrant urban neighborhood. The area derives its character, identity and attractiveness from its exemplary riverfront and high quality open space system, its compact, mixed-use developments, and significant employment opportunities. The District is a desirable location for jobs and residences because of its unique riverfront location and strong connections to other Central City neighborhoods. It features an efficient, well-planned and integrated transportation network that serves an eclectic and well-designed mix of buildings and open space. Densities are exceeded only by the nearby downtown, yet the District's architecture and design carefully incorporate human-scale elements and tremendous river views.



The waterfront and greenway are the focus of the District and support a variety of users and activities and a diverse range of experiences throughout North Macadam. Public access along the riverfront greenway complements private residential and commercial buildings oriented to their spectacular riverfront location. Active riverfront uses, commercial enterprises, public parks, plazas and open spaces are set at strategic locations along the greenway and are well connected to adjacent neighborhoods. Special care has been taken to vary the greenway to accommodate adjacent uses, allow opportunities to access the river and to be compatible with and supportive of the river itself. All of this has been accomplished while providing a continuous pedestrian and bicycle trail that adequately serves these users while enhancing and integrating natural resource values, views and a contemplative character. Its exemplary riverbank establishes a standard for stabilization while enhancing fish and wildlife habitat.



The North Macadam District provides a significant number and wide range of employment opportunities. A diverse array of neighborhood residents, including people working in service jobs, managers and professionals (as well as retirees) have access to local jobs and take advantage of the opportunity to live close to work. A full range of businesses from incubator and emerging businesses to corporate headquarters are present and have opportunities to grow in the District. Many of the businesses are in technology related fields, including medical and bio-technology connections with Marquam Hill. North Macadam continues to contribute to the city's share of regional job growth and to the vibrancy and vitality of the Central City.



The North Macadam District is a diverse, inclusive riverfront neighborhood. The mix of incomes, household types, age and race of residents generally reflect the diversity found in the city as a whole, and are balanced with local employment opportunities. The specific housing needs of a full spectrum of residents were considered throughout the development of the District and are well-served. The challenge of creating a public/private collaboration to finance and build an array of housing that is sufficiently affordable has been met with dramatic success.

It is a vibrant urban neighborhood that provides many of the day-to day recreational and commercial needs of residents and people who work in the District, as well as visitors. Retail opportunities are varied and support local residents and workers. Community meeting spaces are well integrated into the District and the Corbett-Terwilliger-Lair Hill neighborhood.

Local access and circulation is provided by a balanced mix of transit, pedestrian, bicycle and other modes, including automobiles. Relatively dense mixed-use development is well-served by a transit system that includes streetcar and buses. Congestion at the portals to the District has been resolved. An integrated street network creates a safe and efficient environment for pedestrians, cyclists, transit and cars. A regionally popular tram connecting North Macadam to Marquam Hill has been carefully integrated into the District and the Corbett-Terwilliger-Lair Hill neighborhood. Parking is adequate, but limited in quantity and designed to be subordinate to the high quality urban environment created by buildings, open spaces and the river.

In summary, North Macadam is a dense, energetic urban community which fits its role and location in Portland's Central City.







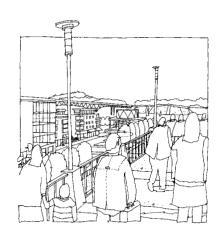


Steering Committee Goals and Objectives

The Steering Committee goals and objectives for the North Macadam District respond to the goals of the Central City Plan, Metro's Region 2040 Concept, Central City Transportation Management Plan and Design Guidelines for the North Macadam District: The goals and objectives are:

- 1. The North Macadam District should be a distinct neighborhood of exceptional urban character with a diversity of jobs and housing. The Plan should:
 - Support Central City employment and housing objectives.
 - Encourage a complementary mix of housing, employment, retail, open space, recreational and institutional facilities.
 - Attract Marquam Hill's economic, research, and related residential developments.
 - Attract job intensive businesses that support family wage incomes.
 - Promote both ownership and rental housing options.
 - Address environmental constraints including, but not limited to, soil contamination, freeway noise, and threatened species listings.
 - Create an examplary greenway system throughout the District.
- 2. The North Macadam District should be visually and physically re-attached to adjacent neighborhoods, facilitating use of District amenities by neighboring residents and use of neighboring amenities by District residents. The Plan should:
 - Support the role of the District identified in the Central City Plan as the southern gateway to the downtown urban core.
 - Promote enhancements to existing connections and new connecting routes between the District, the Corbett-Terwilliger-Lair Hill (CTLH) neighborhood and downtown that provide access to commercial, retail and recreational destinations while meeting the District's own development needs.
 - Promote improved physical connections between North Macadam and adjacent neighborhoods that link with existing institutional uses in the area, such as schools, recreational and religious facilities.
 - Encourage development of complementary fixed-alignment transit modes such as tram and streetcar that connect the District to Marquam Hill, Downtown and adjacent neighborhoods.
 - Encourage development of pedestrian and bike connections over the I-5 freeway and at north and south portals.
 - Preserve established view corridors from the CTLH neighborhood to the Willamette River.
- 3. The North Macadam District should capitalize on the unique opportunities of the Willamette River through the creation of an extraordinary open space network that establishes a relationship between the site's history, natural areas, and public and private development. The Plan should:
 - Utilize the waterfront as the focus of an open space network that recognizes the District's maritime industrial history.
 - Complete the Willamette Greenway Trail through the District and connect it to the 40-Mile Loop.
 - Encourage a diversity of well-designed open spaces that reflect the housing and employment objectives and are an asset to the District. These open space types should include: the Willamette Greenway, major parks and plazas, pocket parks and enhanced pedestrian streets and pedestrian ways.
 - Promote design of open spaces and adjacent development so that each complements the other.
 - Ensure the development of a structurally sound riverbank, if necessary, that is integrated with the natural environment and supports fish and wildlife habitat along the Willamette River.

- Encourage physical and visual connections to the Willamette River from both the district and the adjoining neighborhoods.
- Integrate institutions of the adjacent neighborhood within the regional open space network.
- Anticipate an implementation program for the public acquisition, construction, operations and management of Parks and Open Space facilities.
- Establish criteria and provide incentives for the private sector to contribute to the quality and quantity
 of open space in the District.
- Anticipate open space programming to meet the needs of the District's and the City's residents and public and private interests.
- Promote a storm water management plan that complies with present and future clean water standards.
- 4. The North Macadam District should address access, transportation and parking challenges. This should be achieved through strong commitments by both the public and private sector for early implementation of a logical transportation strategy that establishes a balance of transportation modes. The Plan should:
 - Encourage improved access and circulation options to, through and within the North Macadam District.
 - Coordinate transportation solutions with those of inner Southwest Portland.
 - Identify distinct district access points that recognize the limited number of ways into the district and provide entry features that reinforce the sense of community and neighborhood.
 - Promote the development of multiple transportation options, including a safe and convenient walking environment; tram, streetcar and light rail alignments; improved bus service; water taxi; ride-sharing; bicycles and shared parking.
 - Encourage neighborhood streets through the district that meet the transportation needs of pedestrians, bicyclists, transit riders and vehicle drivers.
 - Provide access and circulation for service vehicles, minimizing conflicts with other street uses.
 - Recommend development of a district-wide parking strategy that considers timing, control of commuter trips, equitable treatment for near and long term developments, parking meters, shared parking policy and a Transportation Demand Management Program that balances a multi-mode transportation system.
- 5. Development of the North Macadam District should be implemented through strong public and private investment. Phasing should support a competitive and predictable development environment. The Plan should:
 - Promote phased development of under-utilized property while also accommodating the ongoing operation of appropriate existing uses.
 - Promote viable redevelopment while avoiding remnants of land that cannot be developed economically.
 - Plan for flexibility to allow for changes in market demand while also assuring that an urban neighborhood is developed that benefits public and private interests, and is realized within a reasonable period of time.
 - Establish public investment priorities for Transportation, Parks and Greenway, Infrastructure, Housing and Jobs.
 - Promote public investments that leverage significant private investments.
 - Guide incremental expansion of the infrastructure system in a manner that preserves land use options and maximizes the benefits from capital investments.
 - Use an Urban Renewal Plan and other public financing and policy tools to help implement the Plan.







II. The Development Plan

The Development Plan responds to both the aspirations of the Working Vision and the projections of the Residential and Commercial Market Evaluation Study developed by E.D. Hovee and Company. The Market Evaluation Study established a market development scenario that projected (to the year 2020):

- 8,500-10,000 jobs (a net gain of 8,300). Development would include
 1.9 million square feet of office, 250,000 square feet of retail and 900 rooms of lodging.
- 1,500-3,000 housing units (primarily market-rate condominiums).

These projections slightly exceed the CCTMP Policy Framework projections of 1,420 added dwellings and two million square feet of commercial space. Ability to achieve the market development scenerio assumes:

- Adequate multimodal transportation access to and from the district to serve the development anticipated, coupled with an ability to provide parking at ratios adequate to attract residents and businesses.
- Market rate development of all real estate product types at densities that are at or near the top end of what could be expected without public intervention (in the form of direct financial incentives).
- Continued population growth consistent with Metro Regional forecasts.
- Early implementation of necessary on- and off-site infrastructure to allow early phases of development by 2000.
- Resolution of key public policy questions as part of the North Macadam framework planning process.
- Private owner and development initiative responding to highest and best use opportunities in an economic climate which is consistent with regional growth expectations.

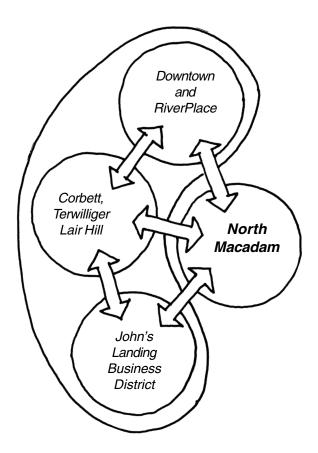
The Development Plan has been developed and refined through a series of presentations to the Steering Committee and the Work Groups. First, the numerous options for housing, jobs, retail, open space and transportation infrastructure were illustrated and discussed with the Steering Committee. Subsequently, three alternative development concepts that organized the various options into complementary relationships were presented and discussed. The Development Plan builds on the following comments from the Steering Committee and the Work Groups:

- Connections to the adjacent neighborhoods are vital.
- Open Space opportunities should be diverse with parks internal to the neighborhood and along the riverfront.
- Housing and Jobs should be mixed throughout the neighborhood to ensure a vital, "18 hour" mixed-use District.
- Neighborhood Retail and Service should reinforce the east-west connections between the transit service and the Greenway.
- Transit (Streetcar, Bus and Tram) should serve the areas with the highest potential development densities.

These key elements are illustrated on the following pages.

Connections to Adjacent Neighborhoods

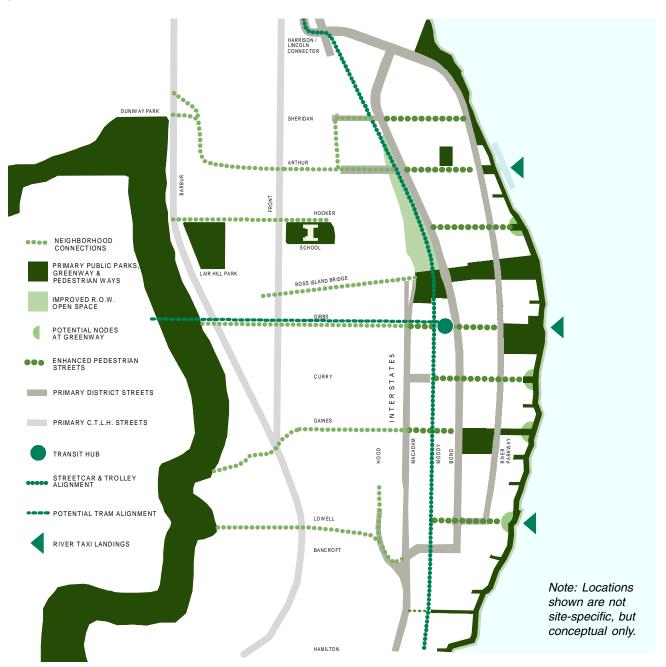
The North Macadam Distict's open space, land use, and transportation should complement those in the adjacent neighborhoods of Corbett-Terwilliger-Lair Hill, RiverPlace and Downtown.



The improvement of physical connections will foster economic and social opportunities for both the District and the adjacent neighborhoods.

Regional Open Space and the Willamette Greenway

The North Macadam District provides a unique opportunity to establish access to the Willamette River Greenway from the 40 Mile Loop at Terwilliger Boulevard, and from adjacent neighborhoods. Improvements to the existing pedestrian connections at Sheridan Street and Bancroft are anticipated. Pedestrian-only connections, via overpasses of I-5, may be developed along the Ross Island Bridge, Gibbs Street and Gaines Street corridors. A future extension of Arthur Boulevard from Front Ave. to River Parkway, with an underpass at I-5, may provide both vehicular and pedestrian access.



The Willamette Greenway and Open Space **Network** The Willamette Greenway and a diversity of river-oriented and internal parks will create the open space network within the North SHERIDAN Macadam District. East-West Urban connections will be reinforced with Park/Plaza BAKER the development of Enhanced Pedestrian Streets and Pedestrian ARTHUR Ways. MEADE ENHANCED OR NEW PEDESTRIAN CONNECTIONS HOOKER PRIMARY PUBLIC PARKS, GREENWAY & PEDESTRIAN WAYS IMPROVED R.O.W. OPEN SPACE Ross Island Bridge Park GROVER POTENTIAL NODES AT GREENWAY GIBBS ENHANCED PEDESTRIAN Riverside STREETS Park Note: Locations CURRY shown are not site-specific, but PENNOYER conceptual only. GAINES LANE Neighborhood Park ABERNETHY (to be located in this area) THOMAS LOWELL BANCROFT Development along the Greenway will be varied in dimension and character.

The Willamette Greenway and Open Space Network

The North Macadam District will be identified by the quality of its waterfront and open space development. Unique opportunities in North Macadam include:

- Excellent views of the river, mountains, downtown Portland, Ross Island, southeast Portland and beyond.
- Extension of the Willamette Greenway Trail providing access for pedestrians, bicyclists and other users to Tom McCall Waterfront Park, RiverPlace, CTLH and the 40 Mile Loop Regional Trail.
- The potential for improved riparian and upland habitat for fish and wildlife that utilize this river corridor across from Ross Island.
- Close proximity to the downtown core.
- Recognition of a long-standing maritime and industrial heritage that was pivotal in the development of the city.

Creation of the open space network is key to the Framework Plan and is an integral part of the District's infrastructure. It will create social, ecological and economic benefits for future residents and employees of the District, for the current and future property owners, and for residents of the City of Portland. The following are key objectives for public open space development within the North Macadam District:

- Create an exemplary open space network that exceeds minimal requirements while meeting community objectives in a creative, functional and ecological fashion.
- Strive for high-quality planning, design, construction and maintenance of parks and open space improvements.
- Ensure public spaces evolve to serve the future residents and employees of the District.
- Provide connections between adjacent neighborhoods and the North Macadam District.
- Create an outstanding example of public-private partnership that leads to a successful new neighborhood in the city.
- Treat property owners and the public sector fairly. Provide a combination of public and private investments, incentives and regulations to achieve an exemplary network of greenway development and open spaces.
- Enhance the natural fish and wildlife habitat value of the riverbank, the Greenway environment and other public spaces in the District.
- Maximize the public benefit from each proposed investment.

The open space network will include the Willamette Greenway (including Setback, Trail and Riverbank), Public Parks, Enhanced Pedestrian Streets, Pedestrian Ways, and other privately developed open space such as pocket parks.







Remnants of the area's historic uses and activities, such as the bargeway and dock structures, should be integrated into the development of the neighborhood and waterfront to express the identity of the District.

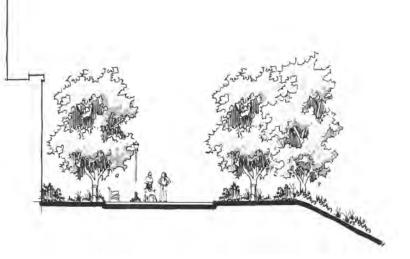
The Willamette River and Greenway is the District's most exceptional public amenity and a key catalyst for attracting businesses, residents and visitors to the District. Therefore, the design and construction of the Greenway Trail and Riverbank should be expedited.

The Willamette Greenway

The Willamette River and Greenway is the North Macadam District's most exceptional public amenity. The Greenway will help provide the District with a unique image and sense of place, attract businesses, residents and visitors to the District, connect the District to adjacent neighborhoods, and enhance fish and wildlife habitat. Developing an exemplary Greenway is essential to achieving the vision of the North Macadam District.

The Willamette Greenway in the North Macadam District should:

- Provide high-quality spatial and visual experiences that vary along the
 waterfront. This variety should be accomplished by encouraging a
 range of activities, user groups, development patterns, active and
 passive spaces, building heights, greenway widths, and expanded
 'nodes' at the intersections of the Greenway with east-west streets
 and accessways, including limited retail. The character of the
 Greenway should relate to adjacent land use.
- Provide a pedestrian scale along the entire greenway by substantially widening the current minimum 25' greenway setback to 50' in most areas, providing numerous public accessways, and encouraging a diversity of massing, facade treatments and building details.
- Emphasize the "Green" in Greenway.
- Provide interpretive signage at locations along the Greenway as part
 of an interpretive design plan, including themes such as the District's
 maritime heritage, wood processing and recycling history, fish and
 wildlife, and the urban/natural riverfront.



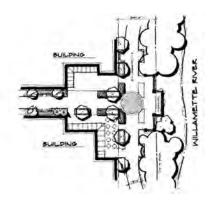
The Greenway Setback will be a minimum of 50 feet wide in most locations. Within the setback, a continuous paved trail 18 feet wide will accommodate both bicyclists and pedestrians.

- Provide gateways at major entry points to the Greenway, including information and wayfinding kiosks, public restrooms, seating, and decorative paving.
- Connect functionally and thematically to districts at the north and south ends of North Macadam.
- Provide active nodes adjacent to commercial and public use areas, and passive nodes adjacent to residential and other uses where privacy is a consideration
- Provide a variety of flexible and attractive seating options at regular intervals, both adjacent to the Trail and within separate spaces accessable from the Trail.
- Use consistent materials and themes to provide a sense of continuity along the Greenway through the District, including paving materials, railings, water features, signage, seating, rest rooms, lighting, trash receptacles, drinking fountains, public art, seasonal plant color, and native riparian plant materials.
- Provide Greenway users with varied views to the river and beyond: at
 or over the bank at some locations or from inland at other locations to
 provide a weaving of experience allowing riverbank habitat to wrap
 over the top of bank in some locations while accentuating the views
 and openness at the water's edge in others.
- Encourage views onto the trail from adjacent developments and streets.
- Minimize vagrancy and crime by limiting hidden areas of the trail.
- Accommodate all intended uses safely.

Greenway Trail

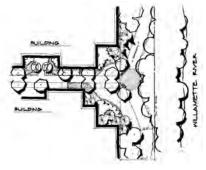
The Greenway Trail in the North Macadam District will provide an 18' wide clear pedestrian and bicycle zone. Signs, benches, light standards, landscaping and other site amenities will be placed outside of the 18' clear zone. This width is designed to provide comfortable and safe passage for both pedestrian and bicycle traffic. In some areas where additional Greenway width is available, pedestrian and bicycle traffic may be separated into two distinct paths whose total width equals at least 18 feet.

The Greenway Trail will be located above the flood plain and should be usable on a year-round basis, consistent with current regulation.



Active Nodes

Active Nodes along the Williamette Greenway may include active uses such as retail storefronts and seating areas beyond the minimum Greenway Setback and access rights-of-way. Active Nodes are typically located at commercial and public use areas.



Passive Nodes

Passive Nodes provide relief and additional depth to the Greenway at accessways, maintaining a passive character. Passive Nodes are located at residential developments or other locations where privacy is a consideration.

Greenway Setback

The Greenway Setback includes the 18' Willamette Greenway Trail and landscaped areas on either side of the trail. The Greenway Setback is considered public open space with no encroachments of private or commercial uses. It should be accessible to the general public.

A minimum Greenway Setback of 50' will be required throughout the North Macadam District. In three locations the minimum Greenway Setback is less than 50' to help create a diversity of pedestrian experience and to preserve development flexibility within small or irregular parcels adjacent to the Greenway:

- Between Hooker Street and Baker Street, the Greenway Setback is 35' minimum.
- Between Gibbs and the Ross Island Bridge, the 50' minimum Greenway Setback is maintained, but commercial uses such as private outdoor seating may encroach a maximum of 15' into the 50' Greenway Setback.
- 3. Between Abernathy and Hamilton, the required Greenway Setback is 50' average with 35' minimum.

In addition, at the north end of the District, River Parkway will be closer than 50' from the top of bank for approximately 200' along the greenway. At its closest point, River Parkway will be approximately 35' from the top of the bank.

The areas described above account for approximately 30% of the Greenway length within the North Macadam District. When the Greenway width is averaged over the entire length of the District, including 100' greenway width at major parks and open spaces, but not including nodes, the average Greenway width will be at least 60', a 140% increase over the current minimum Greenway setback of 25'. (The actual average Greenway width may be slightly higher, as buildings are expected to be faceted along the Greenway edge to maximize views and achieve building economy.)

Key objectives in the North Macadam District include substantially widening the Greenway Setback, providing a variety of quality pedestrian experiences and preserving development flexibility.



Building Heights

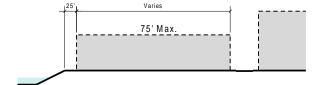
The current maximum permitted height of buildings located between the Greenway Setback and River Parkway is 75 feet. In order to promote discontinuous facades and a diversity of building forms and heights along the Greenway, the following building height options are proposed for developments along the Greenway (only one would apply to each development project):

- Buildings may reach a maximum height of 95 feet between the Greenway Setback and River Parkway, but may not exceed an average maximum height of 75 feet within the zone 50 feet west of the Greenway Setback. Public and private open space provided beyond the required Greenway Setback can be included in calculating average building height within the 50 foot zone.
- 2. Alternatively, buildings may reach a maximum height of 75 feet between the Greenway Setback and River Parkway, except that buildings located more than 150 feet west of the Greenway Setback may reach a maximum height of 125 feet.

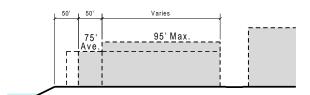
The current 125 feet maximum permitted building height between River Parkway and Bond Street would remain unchanged with building height bonuses increasing the allowable maximum to 170 feet. The current 250 feet maximum permitted building height at the west end of the District would also remain.

All proposed developments would remain subject to City of Portland design review to ensure appropriate pedestrian scale, articulation, relief and variation of buildings facades and treatments adjacent to the Greenway. Supplemental design guidelines should also be considered for buildings adjacent to the Greenway.

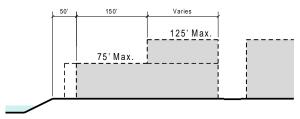
Existing regulations require a minimum Greenway setback of 25 feet, and allow maximum building heights along the Greenway of 75 feet.



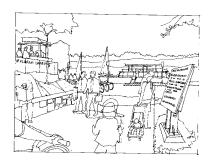
Both proposed options would double the Greenway setback to 50 feet and allow additional building height.



Option 1: 75' Ave./95' Max. height limits



Option 2: 75' Max./125' Max. height limits



Access to the river in the North Macadam District will be provided at key locations. Potential water taxi stops may be located at active Greenway nodes on Arthur, Gibbs, and Lowell Streets.

Riverbank design criteria are intended to be flexible enough to respond to the individual opportunities and contraints of specific sites.

The Willamette Riverbank

Enhancement of the 6200 linear feet of Willamette Riverbank in North Macadam is important for several major reasons. First, its stability is vital if redevelopment is to occur in the District. Second, within an urban context, the riverbank in North Macadam holds great potential for providing a corridor of improved wildlife habitat, both aquatic and terrestrial. Additionally, the bank is the zone where people will experience the river; either visually from above, or physically, in a few limited places where they can have seasonal access to the river. Finally, since there are so many varied conditions along the bank, a variety of stabilizing and revegetation solutions will be needed, thus creating habitat diversity.

Key objectives for improvements to the Willamette Riverbank include:

- Within this urban setting, create a model for fish and wildlife habitat that allows bank enhancement projects to more easily move through the permitting process
- Provide for a variety of river experiences for people. Provide visual and physical access to water that changes seasonally.
- Improve the aesthetics of the riverbank from land and river. Provide views to the River from the North Macadam District.
- Protect and improve water quality and habitat by: stabilizing slopes, isolating contamination, reducing erosion, and providing flexible vegetative cover.
- Protect and enhance existing significant cultural remnants.
- Integrate the design of the Greenway and riverbank

Riverbank Design Criteria

The following design criteria for riverbank development are intended to encourage the development of state-of-the-art bank treatments that integrate vegetation, enhancement, stability and habitat objectives, creating healthier fish and wildlife habitat while also providing adequate stability, protection for upland development, and maximized public benefits:

Recreation

- Provide only passive recreation activities on the bank
- To strengthen the habitat value, limit the number of places where people can access the bank.
- Integrate bank design with the Greenway, Trail, Accessways, Nodes and adjacent Parks and Open Spaces.
- Focus education and interpretation emphasis in the district on natural, cultural, maritime and historical themes.

Aesthetics

- Protect existing established view corridors
- Identify, preserve and enhance views and panoramas from the Greenway.
- Enhance overall appearance of bank as viewed from the riverrecognize the river as a designated view corridor.
- Provide a diversity of bank treatments.
- Create view opportunities without degrading fish habitat.

Stability/Hydrology

- Ensure there are minimal negative effects on other sections of the river
- Provide a stable bank structure with flexible vegetation.
- Match structural treatment to the level of acceptable risk.
- Ensure proposed treatments are insurable.
- Ensure bank is stable against wave and tidal action.

Fish and Wildlife Habitat

- Maximize diversity of habitat types.
- Complement Ross Island habitat.
- Ensure 'no take' of threatened and endangered species as a minimum; exceed this requirement where appropriate.
- Achieve habitat diversity through structural diversity of solutions.

Vegetation

- Use vegetation with a high degree of flexibility in lower portions of bank (willow species, redtwig dogwood, etc.)
- Develop 3 vegetation/habitat zones: aquatic, riparian, and upland.
- Consider safety for trail users.
- Utilize native plant species.
- Conserve/protect existing pockets of established vegetation.

Regulatory Feasibility

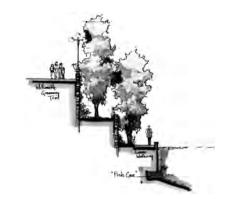
- Design to 100 year flood event.
- Ensure no net loss of water surface area in the floodway.
- Ensure no net loss of water storage capacity in the floodway.
- Exceed minimum requirements where appropriate.
- Eliminate combined sewer outfalls where appropriate.

Riverbank Treatments

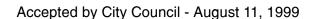
Riverbank treatments in the North Macadam District may include the following, depending on the specific design opportunities and engineering constraints of each site:

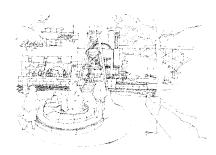
- Structured Soil Bank
- Vegetated Seawall
- Vegetated Steps
- Stepped Bank
- Rip Rap with Soil Cover and Integrated Plantings
- Hybrid

It is not within the scope of this Framework Plan to recommend particular bank treatments in specific locations. The Portland Development Commission and the Bureau of Environmental Services are currently developing optional design standards, criteria and solutions as part of the City's response to the listing of Steelhead and Chinook Salmon as Threatened Species. The resources produced from this separate work effort should prove valuable to private property owners and city agencies involved with riverbank improvements in the North Macadam District.

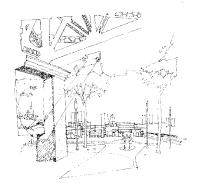


Riverbank solutions may include a limited number of secondary, non-continuous seasonal access paths to water's edge





Development along the north side of the bargeway will create an active urban edge with the opportunity to overlook the Riverside Park's more natural habitat and innovative riverbank treatments.



Art on the recessed panels of the Ross Island Bridge supports could depict the maritime history of the District. The art could celebrate the district's role in early Portland, its contribution to the ship building effort in WWII and its role as the site of Portland's first major recycling industry.

Major Public Parks

The North Macadam District will include four major public parks, including the Riverside Park, the Ross Island Bridge Park, Neighborhood Park and an Urban Park/Plaza.

Riverside Park

The Riverside Park is a proposed major open space adjacent to the river and to the south of the existing Bargeway. Here the perceived width of the greenway will dramatically widen to fill the deep, wide expanse of the entire park. The bargeway at the northern edge of the park, when developed, will provide a unique opportunity to incorporate an existing water feature that connects the dynamic, active, urban development to the north with the natural habitat and passive recreational areas to the south. The park should:

- Emphasize passive public use with no formal active recreation facilities.
- Include natural habitat and exemplary bank treatments as major elements; address potential conflicts between habitat value and human use.
- Be designed for use by the public, but not a performance venue or regional attraction.
- Provide a possible opportunity for a river taxi stop at the Bargeway.
- Emphasize passive recreation use with educational and interpretive features.
- Emphasize habitat value along the bank with inclusion of native trees.
- Provide transitional habitat between riverbank and interior development; it also must be compatible with human use.

Ross Island Bridge Park

A major opportunity within the District is to create Ross Island Bridge Park beneath and adjacent to the Ross Island Bridge. The Park could be the identifying icon for the District - the focal point that actually and thematically connects the dense, new urban development with its historic past. It will provide a 200 foot wide open space connecting the river and the western edge of the District and provide opportunities for connections for bicycle and pedestrian access to the Bridge, CTLH, and across the river to the Eastbank trail and neighborhoods. The area beneath the bridge is dry and relatively quiet, appropriate for an esplanade and gathering place. At the river's edge the park would provide one of the District's most outstanding views of the Central City and Ross Island. The park should:

- Support active recreation uses.
- Provide opportunities for concessions (skate rental, bike lockers, etc.) near the west end of the bridge.
- Create a scenic overlook at the river's edge.
- Provide a pedestrian connection between the river, streetcar and CTLH.
- Incorporate potential daylighting of the Woods outfall, if feasible.
- Be developed in conjunction with surrounding development, allowing for phased construction.

Neighborhood Park

The Neighborhood Park is conceptually located between River Parkway and Bond Street, south of the proposed Gaines pedestrian way, and intended for use primarily by local residents. The park should:

- Provide easy access from surrounding development
- Be primarily "green"; with lawn, trees, and a small proportion of paving
- Be programmed and designed as a Neighborhood Park to serve the citizens who live and work in the North Macadam District
- Be sized to accommodate a variety of uses with the flexibility to change over time as District needs change. These uses, both active and passive, may include a play area, hard surface courts, open fields, picnic areas, and community gardens. The current City standard for a neighborhood park is between 2.5 and 10 acres
- Provide adequate space between the uses to avoid user conflicts
- Rely upon on-street parking only.

Urban Park/Plaza

The Urban Park/Plaza is to be located north of the Ross Island Bridge and west of River Parkway. The park should:

- Provide easy access from surrounding development
- Form the "heart" of the northern District area
- Be programmed and designed as an Urban Park for the needs of District residents and workers
- Be developed in conjunction with surrounding development; allowing for phased construction
- Rely upon on-street parking only.

Smaller Parks and Open Spaces

"Pocket parks," plazas and other smaller spaces should occur in various locations throughout the residential and office/commercial sectors of the neighborhood and, when possible, should be linked to the major open spaces. These parks and open spaces should:

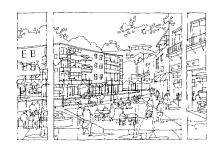
- Be located along the street frontage to maximize the public benefit
- Be inviting and visually accessible
- Include amenities such as seating, landscaping, lighting and water features
- Be sited to take advantage of solar access
- Balance the use of hard and soft surfaces depending upon the adjacent uses
- Address the needs of surrounding neighbors.

Enhanced Pedestrian Streets and Pedestrian Ways

The Greenway and major public parks will be complemented with the development of enhanced pedestrian streets and pedestrian ways that serve as east-west 'fingers' linking the River, transit corridors on the District's east side, and major parks and open spaces. These are described in more detail in the Transportation section (page 30).



The Neighborhood Park will provide adequate open lawn area to accomodate a variety of informal sports activities, including soccer, softball, football or frisbee. Intended for recreational use primarily by District residents and workers, no dedicated parking will be provided.



The Urban Park/Plaza will provide a lively gathering place in the northern part of the District, surrounded by active commercial, office and retail development.

Land Use Development

Jobs and Housing:

Jobs and Housing will be integrated throughout the District with an emphasis on jobs along the western edge and housing focused on the parks.

Retail and Services:

Neighborhood Retail and Services will be focused on the Primary East-West Streets and at the intersections with Moody-Bond and River Parkway. The east-west orientation is intended to attract and support public activity on the pedestrian corridors between the CTLH Neighborhood, the transit corridors and the Willamette Greenway.

Parking:

Parking will be dispersed throughout the District.



HARRISON / LINCOLN CONNECTOR

SHERIDAN

Land Use Development - Jobs and Housing

The Development Plan for the North Macadam District provides an opportunity to absorb a significant portion of the City's projected employment and housing growth in a relatively small area.

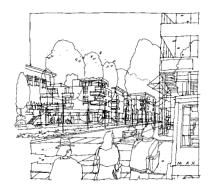
Jobs

The North Macadam District is an extension of the Central City as the regional employment center, and offers a medium-density employment transition area to close-in Southwest Portland neighborhoods. The area's relationship to the river, the Corbett-Terwilliger-Lair Hill neighborhood, and proximity to the downtown offer the opportunity for development of an employment center unique to the region.

By stimulating employment growth in the North Macadam District, the City can work toward meeting Region 2040 job objectives. It can create quality job opportunities in, and adjacent to, the Central City. These job objectives support City goals to increase personal income levels and create community wealth by targeting jobs in industries where Portland has a comparative national advantage and that pay livable wages. Job creation in North Macadam will provide the primary source of tax increment revenues available to support other district activities such as housing, transportation and parks. Like public investments in housing and transportation, job strategies will ensure the quality and quantity of jobs needed to support the vision of the District.

Employment Goals

- Support the development of targeted industries that are nationally competitive, offer a comparative advantage for the City of Portland, and pay above average wages.
- Encourage a mix of occupations and wage levels that provide a range of employment opportunities consistent with the Central City, and Central City near-in workforce.
- Develop a mix of employment density that reflects the District's status as a transition area between the Central City and close-in neighborhoods.
- Identify and encourage opportunities such as Oregon Health Sciences University development in the North Macadam District, including the potential capture of spin-off activities from OHSU's bioscience and health technologies research and development.
- Address the relocation of existing industrial uses within the District to other locations in the City of Portland.
- Identify employment opportunities supported by the market, including the development of home offices, and develop an overall jobs policy, tools, incentives, and public investment programs available to achieve employment objectives.
- Define additional employment objectives that will require special programs or policy.
- Provide state-of-the-art telecommunications infrastructure.





North Macadam will be a strong and vital neighborhood, complete with retail and services such as childcare centers and grocery stores.

The North Macadam Jobs Strategy will support the City's Central City employment goal. It will target clusters of industry groups that have wage, density and transportation characteristics compatible with the vision for the North Macadam District. Lease and tenant costs will be driven primarily by market rates and should be competitive with other comparable areas. The job strategy will support the link to the river and natural assets that increase the aesthetics and marketability of the District.



OHSU, because of its close proximity and need to expand its facilities, continues to be a strong candidate for one job-creating catalyst in the North Macadam District. OHSU is currently considering its future development strategy, and the role of North Macadam within that strategy is under evaluation.

Job sectors included will be located in a mix of Class A office, retail, lodging and targeted industries. Employment activities supported by the market and economic trends will include: Creative Services (multimedia, public relations, advertising, software, film & video), Health Services, Engineering, Architecture, Legal, Accounting, Non-depository Financial Specialties, Business and Personal Services and Retail Sales. The density of jobs will average 250-300 jobs per acre. Approximately 5-10% of housing units will have home businesses.

Housing

The District's proximity to the Willamette River and Downtown offers the opportunity for the evolution of a unique mixed-income, urban neighborhood. The neighborhood's vitality and livability will be characterized by the opportunity for citizens to work and play near where they live.

Housing Goals

- Provide a wide range of housing type options, including low- and moderate-income and market-rate rental and owner-occupied housing, to support prospective residential markets in, adjacent to, and near the District.
- Develop quality housing in a manner that provides housing opportunities for a profile of household incomes that are representative of the city as a whole; including low and very low-income households, consistent with City policy.
- Promote and encourage a density of housing in the District that supports transit orientation and ridership, and that accommodates the City's housing unit growth goals in this Central City location.
- Encourage programs that create linkage between employment and housing in or near the District. Pursue an appropriate balance of jobs and housing to insure vitality and reduce congestion. Promote housing that supports and enhances the attraction of new jobs to the Central City and creates residential linkages with the research and medical facilities on Marquam Hill.
- Promote the development of housing in the District that supports a connection with the surrounding neighborhood, and provides increased housing opportunities for nearby residents and workers.
- Develop and support services and amenities necessary for a quality neighborhood that will assist in the maintenance and production of substantial and well-designed housing.
- Assess the impact of new development on existing housing in the District to prevent or mitigate potential displacement.

An attraction to the North Macadam District for future residents will be the ease of access to nearby employment centers, downtown cultural and service amenities, neighborhood retail services and restaurants, and health care facilities on Marquam Hill. Residents' choices for housing within the District will be influenced by proximity to the river, public open spaces and transit. The affordability and range of building types in North Macadam will also be influenced by potentially higher construction costs due to environmental mitigation, location of flood plain, and parking constraints.

The anticipated residential profile for the North Macadam District includes:

- Younger, professional couples
- Empty-nesters who have downsized from larger homes
- Workers in or near the district, or employed downtown
- Single-parent head of households with children old enough to ride transit independently
- Seniors
- Marquam Hill employees

The Comprehensive Plan Housing Policy

The recently adopted Comprehensive Plan Housing Policy (1999) includes objectives for both housing unit production and housing income. The Housing Income Policy, Policy 4.7, was adopted as a "balancing" policy and establishes the objective that large redevelopment areas that provide opportunities for housing development should reflect the income distribution of the city as a whole. Pursuit of this policy should also respond to other policies and public objectives for the area, such as job growth and open space.

Given that the urban renewal funds identified for housing in this framework plan are not adequate for achieving full compliance with the City income policy, then a reasonable and acceptable distribution of housing which provides for all income levels in the area should be pursued. For the North Macadam area, this housing profile should also respond to prospective employment activities in and near the area, and encourage further housing density in the central city. However, should additional urban renewal funds become available for housing, they should be applied towards fulfillment of the housing income policy to the extent feasible.

Expected Housing Production

The current estimate of housing production for the Framework Plan area anticipates 1500-3000 units. Urban renewal funds will be used as a direct subsidy for housing production to accomplish the city's adopted policy of matching the city's income profile in new redevelopment areas. Housing affordability estimates were determined by applying the available urban renewal resources to the city household income profile.







A variety of housing types may be developed in the District to include a mix of uses and encourage shared parking.

Assumptions of the required financing from the city, in combination with other private and public resources, were applied to each income level to determine how many units could be successfully financed. Given this analytic approach, \$25 million of proposed urban renewal funding would generate approximately 800 affordable housing units, which would translate into a total of 1230 units in the district if the City's income profile were to be achieved.

Three City objectives are: increasing the number of Central City housing units, matching housing availability to job growth in North Macadam, and improving the financial resources available to the urban renewal district. To achieve these, it is recommended that the production of units beyond that which reflects the City Income Policy should be undertaken by the private development community without direct financial subsidy.

Housing Production Targets

Based on the \$25 million of urban renewal funding for housing which has been identified in this plan, and an anticipated average household size of 1.6 persons, the following affordable housing unit production targets by household income level have been identified:

Targeted Affordable and Moderate Income Units

	Affor	dable	Affordable	Total
% of Median	F	Rental	Ownership	Affordable
Family Income		Units	Units	Units
0 - 30%		166	0	166
31 - 50%		211	0	211
51 - 80%		205	0	205
81 -100%		129¹	43	172
101 -120%			34	34
	Total	711	772	788

- Subsidy needs for these units are undetermined. An additional 102 units for 101-120% MFI have also been targeted. Provision of units serving households in these income categories is considered an essential element of the Framework Plan. Due to potential changes in rental market conditions, yet-to-be determined construction costs, variation of unit sizes, amenities and parking configurations, requests for direct financial assistance for units in this income level will be addressed by PDC staff during project underwriting.
- The 77 subsidized affordable ownership units are targeted for a non-profit community land trust affordable ownership model currently under development by the City.

It is assumed that the subsidized affordable units will require direct financial assistance from the City as underwritten by PDC. Voluntary zoning bonuses should also be considered as a mechanism for incenting production in the moderate income rental categories, especially in the 81-100% MFI range. Anticipated required subsidies identified at the time of this plan are described in the technical appendix. Affordability covenants will be attached as part of the loan agreements, and the use of tax



Housing should be located and designed to provide "eyes on the street" for security of those using neighborhood parks and transit...

abatements will be considered in determining project feasibility. Due to the desire to maintain a balanced profile of housing across the income spectrum, it is recommended that the housing unit build-out be monitored periodically in the district to review the unit mix provided by the market in the 120% -150% and 151+% categories. No targets have been identified or set for these ranges because actual unit amounts and percentages are difficult to predict at this time. The forecasts for different build-out scenarios are described in a separate document listed in the appendix.

Homeownership

In addition to the subsidized ownership units mentioned above, further ownership opportunities in the district are encouraged. It is anticipated that the market will respond by producing ownership units in the district serving the mid-to-upper income categories. The anticipated relationship between ownership opportunities and household incomes is described in a separate document listed in the appendix. In addition, a program to encourage ownership for workers who also live in the district is proposed and further outlined in the implementation section of the Framework Plan.

0-30% MFI Housing

The Framework Plan anticipates the production of 166 housing units affordable to households in the 0-30% MFI income bracket. These 166 units will serve households in the upper end of this bracket, i.e. households with minimum wage earners working full-time. Additional operating subsidies would be needed to provide units affordable to households at the bracket's lower end. While funding sources for such subsidies are unavailable at present and in the foreseeable future, they may eventually materialize. Should operating funds become available, units in this category should be developed in a manner which takes full advantage of North Macadam's proximity to health services in Marquam Hill, as well as other nearby service providers.

Duration of Affordability

Recognizing that a goal of the North Macadam area is to create and sustain an economically diverse neighborhood over the life of the district, further study is needed to determine ways to maintain the affordability of rental units which are produced without direct City subsidy for affordable or moderately affordable income levels. Voluntary zoning bonuses or incentives may be one tool to accomplish this.

Affordable Housing and Parking

It is recommended that mixed-use configurations of affordable housing and structured parking be explored where applicable throughout the district as a way of optimizing the use of public investment. Parking structures that could be shared by multiple housing developments, or between commercial and residential uses, should also be examined.



...and may incorporate ecologically progressive elements, such as roof gardens and storm water drainage systems, which enhance the residential environment.

The Transportation System

Transit:

Transit (Bus and Streetcar) will be located along the western edge on Moody and Bond where the projected density will be highest. The Tram will connect with Bus and Streetcar at the Multi-modal Transit Hub.

Bicycle:

Moody-Bond is designated as a Central City Bikeway. The Willamette Greenway Trail, Bancroft, Curry and River Parkway north of the Marquam Bridge will function as Bicycle Paths.

Neighborhood Connections:

Improvements to the existing pedestrian connections at Sheridan Street and Bancroft are anticipated. Pedestrianonly connections, via overpasses of I-5, may be developed along the Ross Island Bridge, Gibbs St. and Gaines St. corridors. An extension of Arthur Boulevard from Front Ave. to River Parkway, with an underpass at I-5, could provide vehicular & pedestrian access.

ENHANCED OR NEW

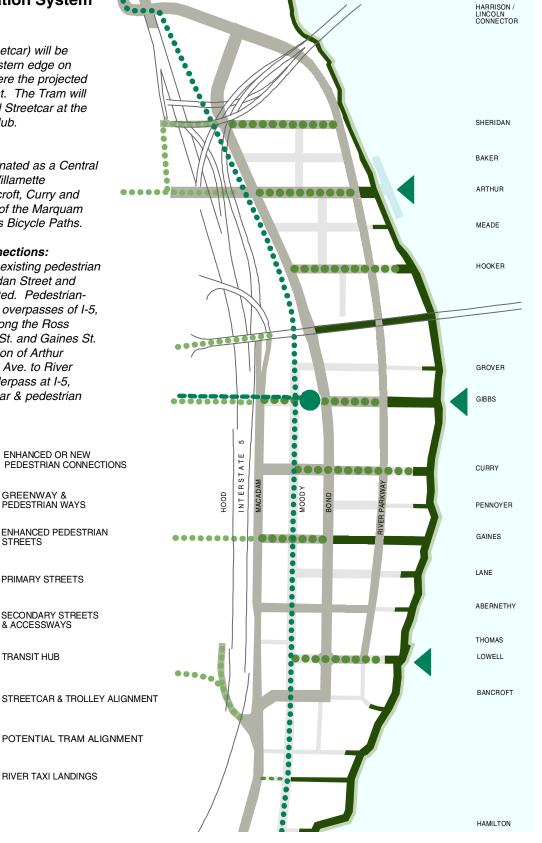
GREENWAY & PEDESTRIAN WAYS

PRIMARY STREETS

& ACCESSWAYS

RIVER TAXI LANDINGS

TRANSIT HUB



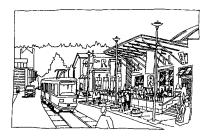
The Transportation System and Parking

Successful development in North Macadam will depend on an efficient and comprehensive transportation system. The Transportation goals for the District include:

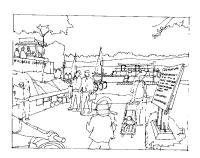
- Improve the primary portals to accommodate projected development growth of 1,500 to 3,000 residences and 8,500 to 10,000 jobs.
- Promote mixed-use, transit-friendly development by accommodating and increasingly improving service to and from the District through a variety of means, such as: Central City Streetcar, efficient bus service, Central City Transit Hub, Marquam Hill Tram, River Taxi, and future South/North Light Rail Transit. Preserve the Willamette Shore Line rail corridor for future passenger rail operations, including streetcar and trolley alignments.
- Develop a District-wide pedestrian and bicycle network using streets and accessways to link internal employment, residential, neighborhood service, recreational and transit destinations.
- Develop a transportation system that is integrated with land uses anticipated in the District and respects the existing street plan.
- Create a parking strategy, including approaches to interim parking, that acknowledges an early need for North Macadam development to be competitive with other commercial submarkets, but reduces parking ratios as transit service increases. The parking strategy should serve residents, visitors, and employees of the neighborhood.
- Make transit efficient, convenient, and attractive enough to allow people to choose to live, work, and visit in North Macadam. Develop a transportation system that facilitates efficient transit movement.
- Provide safe, direct bicycle and pedestrian connections between the North Macadam portion of the Willamette Greenway and adjacent neighborhoods, including CTLH and River Place.
- Achieve at least a 30% mode split (tranportation by means other than single-occupancy vehicle), utilizing Transportation Demand Management (TDM), parking ratios, local Transportation Management Association (TMA), and transit. The achievement of this mode split should be a responsibility shared by all developers.
- Design and develop east-west streets to physically and aesthetically connect the western edge of the District to the river.
- Develop a transportation system that reduces the traffic impacts on surrounding neighborhoods resulting from North Macadam development.
- Develop a tram that provides effective connections between North Macadam, Marquam Hill and CTLH.



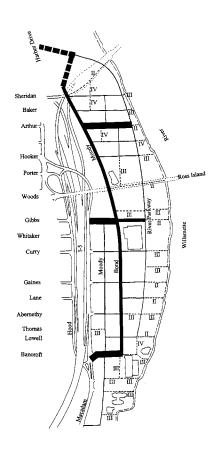
New pedestrian connections over Interstate 5 will reconnect North Macadam with the Corbett-Terwilliger-Lair Hill Neighborhood.



Transit opportunities include the Streetcar...



...and the River Taxi.



The North Macadam District Street Plan reflects the Central City Design Guidelines, which envisions an extension of the 200-foot block pattern and the ratio of open space to buildings that it produces.

The North Macadam District Street Plan

The North Macadam District Street Plan, prepared by the Portland Office of Transportation and accepted by the City Council in December 1996, identified a network of streets to address the transportation needs of pedestrians, bicyclists, transit riders and vehicle drivers. Subsequently, work on the Framework Plan has conceptually identified aspects of the Street Plan that should be reviewed for potential adjustments:

- Curry Street The shift of the portal from Gibbs to Curry will require revised rights-of-way and function of Curry and Gibbs.
- Streetcar Alignment A two-way alignment on Moody will require an additional 2' of right-of-way, sidewalk reconfiguration, or removal of on-street parking on one side of the street to accommodate pedestrian activity.

Street Standards will be finalized based on the completed Framework Plan.

Enhanced Pedestrian Streets

The Willamette Greenway and Major Public Parks will be complemented with the development of enhanced pedestrian streets that serve as eastwest 'fingers' linking the River, the District's transit corridors, and major parks and open spaces. Potential corridors for enhanced pedestrian streets include Sheridan, Arthur, Hooker, Curry, Gibbs, Gaines and Lowell Streets. (An additional east-west connection is provided by the Ross Island Bridge Park.)

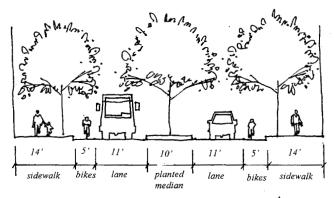
The pedestrian enhancements should be provided within existing street rights-of-way, and may include pedestrian amenities such as benches, water features, lights, bike racks, trash receptacles, and drinking fountains, as well as curb extensions, where appropriate, at intersections for pedestrian convenience and to provide additional landscaping.

Pedestrian Ways

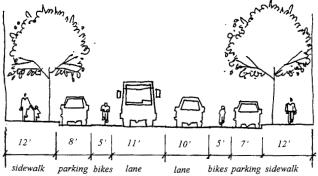
If the Neighborhood Park is located adjacent to Gaines Street, Gaines has been identified as a possible pedestrian way between Bond Street and the Greenway, providing a right-of-way accessible only to pedestrians and bicycles and expanding the open space available to the Park. A Gaines pedestrian way would require additional accessways at Lane and Pennoyer between Bond and River Parkway, and the expansion of Abernathy to a 60' right-of-way between Bond and River Parkway.

Pedestrian ways would have a maximum of 50% of their total area covered with paved, impervious surfaces, with the remainder densely planted with vegetation. Pedestrian ways may provide similar pedestrian amenities as the enhanced pedestrian streets.

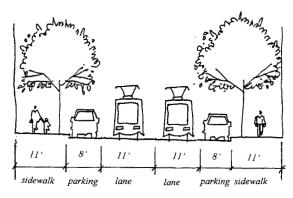
Street configurations, function and character will vary in response to the adjacent uses and access requirements.



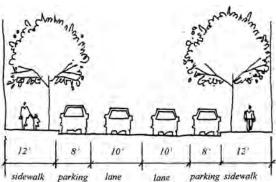
Moody-Bond Street - 70' R.O.W. with a landscaped median. The introduction of on-street parking for a portion of Moody-Bond will require a revised street section.



Curry Street (Bond Street to River Parkway) - 70' R.O.W. with bicycle lanes and on-street parking.



Moody Street (south of Gibbs Street) - 60' R.O.W. with Streetcar and on-street parking. A two-way alignment for streetcar may require an additional 2' of right-of-way, sidewalk reconfiguration, or removal of on-street parking on one side of the street to accommodate pedestrian activity.



River Parkway (south of Baker Street) - 60' R.O.W. with on-street parking.

Transportation and Development

Three transportation portals at Bancroft at Macadam, Curry at Macadam, and at Moody and Harbor Drive provide connections to and from the district. Today, these portals all operate above acceptable levels of service and primarily accommodate trucking and automobile access. The North Macadam District Transportation Report (November 1998) and subsequent refinements have determined that to reach the District's development expectations, street and intersection improvements will be necessary at Bancroft and Curry on Macadam Avenue in conjunction with some version of the planned Harrison/Lincoln Connector.

The transportation analysis for 2015 included minimal Transportation Demand Management (TDM) assumptions; some transit service as well as parking restrictions in the District result in a 15% mode split. The CCTMP goal for this district is a 30% mode split: 20% transit and 10% alternative modes.

Specific recommendations include:

- Two access improvement projects 1) Bancroft, Hood and Macadam intersection improvements, and 2) Macadam weave mitigation project that moves the central portal from Gibbs Street to Curry Street.
- The transportation improvements at Bancroft should be a priority because the portal is expected to operate at or above capacity in the near future. The Macadam weave project is proposed for a later phase of improvements if warranted and agreed to by ODOT. In the interim, all existing connections to Macadam must be maintained to provide vehicular ingress to and egress from the District.
- The transportation system, with the proposed improvements, will meet regional standards for target growth with a two-hour PM peak for significant congestion. TDM measures will be necessary to meet the expected growth in the district, comply with the CCTMP goal of a 30% mode split, and assist with achieving an acceptable balance between development density and livability in the District and adjacent neighborhoods. These measures include: promotion of alternative modes, parking management and trip reduction.

Parking

Adequate parking will be essential to support both commercial and residential development within the North Macadam District. Parking implementation strategies within the District should ensure:

- A balance between parking development and transit service is achieved over time.
- Metered parking is implemented.
- Shared parking policies are created.
- Off-street parking ratios and phasing strategies are developed.
- Public parking both interim surface parking and permanent structured parking - are planned, located, and developed.

The Market Evaluation Study completed in 1998 for the Framework Plan concluded that, along with significant transit investment and Transportation Demand Management (TDM) programs, a parking ratio of 3 spaces per 1000 square feet of commercial space will be needed to serve the office market identified for the North Macadam District. Parking ratios for residential development within the District are anticipated to be similar to those allowed for the River District. The forecasts of tax increment funds generated within the North Macadam Urban Renewal District are based on these market assumptions. If parking ratios are inadequate, commercial growth objectives are unlikely to be achieved and, as a result, tax increment funding will not be available to meet public objectives.

Parking ratios established for the District should reflect market requirements to achieve growth objectives, CCTMP goals and a 30% mode split objective. Interim parking ratios should also take into account the current deficiency in transit service levels, the absence of existing public and private parking spaces within the District, and the schedule for developing public parking.

Transportation Demand Management

Transportation Demand Management (TDM) programs promote alternative modes of transportation such as transit, ridesharing in vanpools and carpools, biking and walking. They also help establish and manage parking by creating special off-street parking ratios, by developing phasing strategies and shared parking policies, and by controlling onstreet parking through timing and/or metering. Promotion of programs that encourage residents to live and work within the same District through telecommuting, compressed work weeks and alternating work hours can further contribute to the reduction of vehicle trips and congestion.

Implementation of a TDM program in the North Macadam District will be necessary to assure acceptable operation of the street system. It will also be necessary to achieve the CCTMP mode split goal of 30%. Ultimately, a TDM program can help assure the viability and livability of the District.

A Transportation Management Association (TMA) should be established to manage the expected traffic growth in the District and be responsible for implementing a Transportation Demand Management program. Early establishment of a TMA will be necessary to manage expected traffic growth in the District. The TMA should prepare an implementation strategy to guide and manage the initiation of various TDM programs, and should account for the dynamic characteristics of development growth and equity for property owners over the foreseeable future.

South / North Light Rail Project

To fill the transit gap left by the defeat of the South/North Light Rail funding proposal in November 1998, a higher emphasis on other modes of transit such as bus and streetcar will be important to support development in the North Macadam District. However, nothing within this Framework Plan precludes the most recent South/North Light Rail alignment from being constructed through the District in the future.

Central City Streetcar

The Streetcar is an integral component of the multi-modal transportation system in the district. The proposed Willamette Shore Line/Moody Avenue alignment runs along the existing Willamette Shore Line north of the Ross Island Bridge, and along Moody Avenue south of the Ross Island Bridge. The selection of the preferred alignment was influenced by these factors:

- Urban Design The Willamette Shore Line/Moody Avenue alignment will serve as a catalyst for areas of the district with the highest development potential.
- Land Use The highest densities follow the Bond corridor and will eventually attract the greatest number of riders.
- East-West Connectors The alignment will reinforce the east-west connector streets of the district, and encourage pedestrian traffic between the western transit edge and the eastern river's edge.
- Operations, Connections and Transfers The Willamette Shore Line/ Moody Avenue alignment would provide service to the highest density housing and employment areas, be easily understood, provide convenient transfer to other modes of travel including the Marquam Hill Tram and be closer to the the CTLH neighborhood.
- Early Construction Complete construction of River Parkway and the timing of the barge manufacturing facility's relocation is uncertain and could preclude streetcar service on River Parkway for many years.
- Cost Improvement costs in the Willamette Shore Line segment would possibly be less than other public rights-of-way in the district.

Bus

Bus service should be implemented concurrent with the reconstruction of Bond Street, providing expandable transit service to the District. A transit service strategy should be prepared by Tri-Met that projects service requirements based on anticipated and realized development growth. A transit implementation strategy should be part of the service strategy and should account for service growth, rider incentives, transit priority measures and other programs that would coincide with TDM programs. Proposals for widening and providing exclusive bus lanes or bus pullouts on Moody/Bond, or creating a combined transit corridor with streetcar, can only be evaluated based on Tri-Met's service strategy for the District.

Marquam Hill Tram

A study that investigated alternatives for connecting the North Macadam District and Oregon Health Sciences University (OHSU), the Central City's largest employer, was completed in August 1998. The study considered various aerial tramway systems and alignments that would connect OHSU to one of two primary locations in the North Macadam District. One alignment proposed a tram terminal on the north side of the Ross Island Bridge near Hooker while the second alignment proposed a terminal facility on the south side of the bridge at Gibbs. Guiding principles for the Tram include:

- Transit and Transportation The tram should link Marquam Hill medical facilities to the district's Transit Hub, which will provide modal transfer to other travel modes such as bus, streetcar, taxi cabs, automobiles and shuttles.
- Connections Tram service should provide an opportunity to enhance connections to CTLH.
- Employment Tram service should provide convenient transportation to and from the OHSU campus that is one of Oregon's largest employers. It would also provide to employees "on the hill" alternative access to any new OHSU facilities that may locate within the North Macadam District.
- Housing Housing for OHSU employees could be provided within the District. The tram would support living and working within the same immediate area by providing residents with an alternative mode of transportation for commuting to and from work.

The tram could provide alternative mobility for the district's target densities of employment and households and would reduce automobile trips on the local street system by connecting potential OHSU facilities on the river with services "on the hill". This connection is integral to the jobs and housing strategy, should intersect with the Central City Transit Hub and is a fundamental component of the TDM and parking strategy.

Neighborhood and Regional Transportation Issues

Neighborhood representatives have expressed concerns regarding traffic impacts to the Corbett-Terwilliger-Lair Hill neighborhood resulting from the current use of local service streets to access the regional system and the potential for increased traffic due to North Macadam development. These concerns should be addressed as part of the Neighborhood Transportation Alliance outlined in the next section. Continued coordination with the South Portland Circulation Study and the I-405 Reconnaissance Study is also necessary to ensure complementary projects will be undertaken.

Environmental Considerations and Infrastructure Development

Brownfield Redevelopment

Brownfield cleanup and reuse projects are an integral part of the City's comprehensive growth management strategy. Portland's *Livable Community Showcase - Brownfield Renewal Program* has identified the North Macadam District as a significant opportunity to demonstrate a high potential for environmental restoration and economic reuse of the City's brownfields.

Several industrial uses have occupied sites in the North Macadam District, including a steel recycling and fabrication plant, a wood products factory, and the existing barge construction operation. A clean-up plan for the Schnitzer Steel properties has been approved by the Oregon Department of Environmental Quality (DEQ) that requires the removal of all hazardous soils and the capping of remaining contaminated soils with clean soil, impervious paving or buildings. Other properties in the District are in the process of initiating similar clean-up plans.

Endangered Species Act

The City's comprehensive response to the listing of Steelhead and Chinook Salmon as Threatened Species under the Endangered Species Act is in the process of being formulated. The City Council has declared its goal to be recovery of threatened fish populations. Because of the significance of the development in this district and the degree to which public dollars are being invested, development should be supportive of this commitment. New development in the North Macadam District should satisfy the Endangered Species Act requirement of ensuring a "no take" of endangered species while also improving existing Willamette riverbank habitat conditions. In addition to the riverbank goals, objectives, and design criteria set forth in this Framework Plan, development projects within North Macadam should be coordinated with the riverbank design standards described in the Willamette Downtown Design Notebook, currently being developed by the Portland Development Commission and the Bureau of Environmental Services.

Utilities

All utilities for the North Macadam District are to be placed underground. Consequently, the North Macadam District will require substantial improvements to its existing utilities infrastructure. Existing above-ground structures and electrical and telecommunications wires will need to be relocated and buried. A high-voltage electrical tower south of the Ross Island Bridge is currently sited within the proposed Riverside Park, and supports electrical lines spanning across the Willamette River. Replacement and/or relocation of the tower may be possible, although relatively costly. To ensure the level and type of telecommunications infrastructure is competitive with the types of high technology jobs that are likely to locate in the District, state-of-the art telecommunications systems will also need to be developed. Relocation and burial of existing utilities, as well as installation of new underground utilities, will need to be carefully coordinated with street development, brownfield considerations and improvement projects.

Water, Sanitary Sewer and Stormwater Management

The North Macadam District will require significant improvements to its water, sanitary and storm sewer infrastructure to support its projected employment and housing growth.

Water System

Initial findings by the Water Bureau indicate that no upgrades are necessary to the water feeder systems with water service provided by an extension of the existing two pressure zones and improvements will be limited to new distribution lines within the new public roadways.

Based on input from the Water Bureau, the following system improvements are anticipated to serve the District. First, a 12-inch main distribution line will need to extend from Macadam at Bancroft along River Parkway to the PG&E building. This 12-inch line will serve as the main distribution loop supplemented by east-west cross connections of 8-inch and 12-inch lines to the existing 12-inch system in Macadam and Moody. Flow and pressure appears adequate to serve the development of the District assuming approximately 3,000 housing units and 10,000 jobs as a base case. Fire flows dictate line sizes for a development of this size and the conceptual cost estimate assumes a number of hydrants based on the street grid and coverage for the proposed buildings. Because of the proposed location of the Streetcar within the Moody right-of-way, no new water lines are proposed in that street.

North Macadam District Framework Plan

Sanitary Sewer System

Two sanitary sewer pump stations serve this area. These pump stations lift sewer flows into a 42-inch gravity line in Moody. Both pump stations are slated for upgrade by BES; however, the timing is highly dependent on the North Macadam development.

The development of the District will require extension of gravity collection systems and possibly construction of one or two sanitary sewer pump stations. These pump stations may not be required depending on the timing and construction of a new 96-inch gravity interceptor, located in Moody-Bond, planned by BES as part of the CSO program and scheduled to be in place by 2003. Initially, this 96-inch line is to operate as a wet weather line intercepting a portion of the combined sewer flows that currently discharge to the Willamette River. This line will not completely eliminate overflows to the river and will provide capacity for the North Macadam District whether by gravity or as a connection point from a pumping system.

The conceptual plans project either a one- or a two-pump station option for development. A one-pump station option is preferred and possible if the Zidell Barge Facility is decommissioned prior to needing gravity collection lines in the area of the bargeway. Depending on the timing of development, this station could be temporary until the 96-inch line is installed and operational, or permanent should the 96-inch line not be able to serve the site by gravity. The same conditions exist under the two-pump station option. The two-pump station option assumes the District develops around an operating barge facility which would not allow for continuous gravity sewer lines running north/south.

The gravity sewer system includes pipe sizes ranging from 8- to 10-inches in diameter. The conceptual plan assumes that due to the flat grades existing within the North Macadam District the pipe size will need to be increased from 8- to 10-inches in downstream reaches to accommodate the anticipated flows. Because of the proposed location of the Streetcar within the Moody right-of-way, no new lines are proposed in that street.

Stormwater Management

The North Macadam District will be required to provide water quality systems meeting present and future City of Portland standards, which currently include removal of at least 70% of total suspended solids. New development will require a new collection system and also include removing existing connections from the combined sewer.

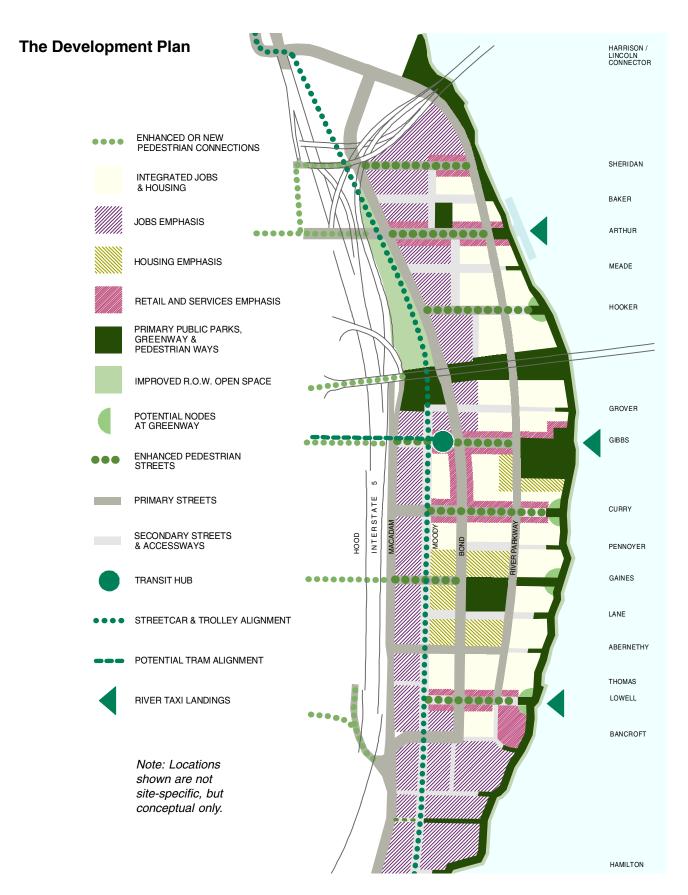
The stormwater system concept includes dividing the site into smaller drainage basins in order to minimize flow concentrations and pipe sizes. The District's urban character and density, its proximity to the river, as well as DEQ requirements to cap brownfield soils, will limit the use of surface stormwater treatment within the District. Nonetheless, the use of some pervious surfacing materials and other landscape treatments such as vegetated swales and roof gardens could reduce the size of the mechanical systems required. Combined public and private stormwater management will also be an important policy to apply in the District.

At present, the District's storm drainage systems are limited to the five existing outfalls (3 City of Portland and 2 ODOT), catch basins within existing roadways, and private properties with small piping connections to the combined sewer system. The City of Portland 60-inch combined sewer located along the south side of the Ross Island Bridge appears to be the oldest outfall in the district. This pipe is a brick and stone construction that will need to be replaced along its entire length by a new 72-inch pipe. This outfall has also been identified as a potential daylighting opportunity at the Ross Island Bridge Park if feasible and appropriate. Portions of the other two City of Portland outfall pipes most likely will need to be reconstructed and increased in size. A portion of the 66-inch outfall pipe located within Sheridan will need to be replaced by a 72-inch pipe from River Parkway to the river. The 36-inch outfall pipe located within Lowell will need to be replaced with a 72-inch line from Bond to the river.

The two ODOT systems carry only stormwater and are separated from the City system. The ODOT 42- to 48-inch pipe located to the north of Sheridan will need to be removed from its current location and reconstructed within the Marquam Bridge right-of-way. This new location has been discussed with ODOT during the preliminary design of Sheridan and River Parkway done for the Schnitzer property. At this time, it appears that the 36- to 42-inch ODOT culvert located approximately 400 feet south of Bancroft will not be affected by North Macadam District development.

Because of the proposed location of the Streetcar within the Moody rightof-way, no new systems are proposed in that street.

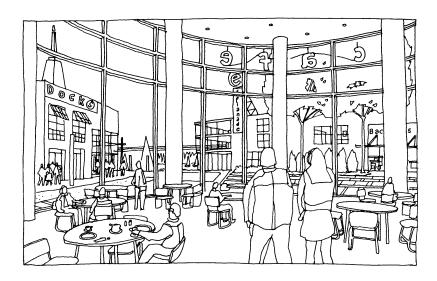
North Macadam District Framework Plan



The Development Plan

A key objective of the City and the Region is to attract and accommodate a dense concentration of jobs and dwellings at its core. The Development Plan supports this objective, but its primary purpose is to provide a framework that will encourage a healthy, self sufficient neighborhood to emerge in the North Macadam District. The integration of exceptional open space, land use development that is urban in character, and an efficient transportation system will establish the foundation for a quality neighborhood.

The Development Plan provides an environment projected to accommodate 8,500 - 10,000 jobs and 1,500 - 3000 housing units. Approximately 33 acres, or 25%, of the District's gross area of 130 acres is dedicated to streets and accessways. An additional 18.5 acres, or 14%, of the District will form the basis for the public open space network including the Willamette Greenway and four major parks: the Riverside Park, a Ross Island Bridge Park, a Neighborhood Park, and an Urban Park/Plaza. In addition, private open space will be developed to complement the public open space network.





The District will become a vibrant urban neighborhood that provides many of the daily recreational and commercial needs of residents, workers and visitors.

Neighborhood Connections:

Improvements to the existing pedestrian connections at Sheridan Street and Bancroft are anticipated. Pedestrian-only connections, via overpasses of I-5, may be developed along the Ross Island Bridge, Gibbs Street and Gaines Street corridors. An extension of Arthur Boulevard from Front Ave. to River Parkway, with an underpass at I-5, may provide both vehicular and pedestrian access.

Open Space:

The Willamette Greenway and a diversity of river-oriented and internal parks will create an open space network within the North Macadam District. East-West connections will be reinforced with the development of Enhanced Pedestrian Streets and Pedestrian Ways.

Jobs and Housing:

Jobs and Housing will be integrated throughout the District with an emphasis on jobs along the western edge and housing focused on the parks.

Retail and Services:

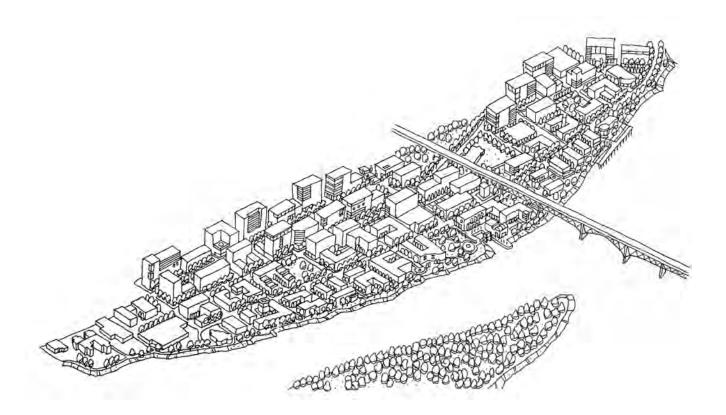
Neighborhood Retail and Services will be focused on the Primary East-West Streets and at the intersections with Moody-Bond and River Parkway. The east-west orientation is intended to attract and support public activity on the pedestrian corridors between the CTLH Neighborhood, the transit corridors and the Willamette Greenway.

Transit and Circulation:

Transit (Bus and Streetcar) will be located along the western edge where the projected density will be highest. Bicycle circulation will be on Moody-Bond, the Willamette Greenway, Bancroft, Curry, and the north end of River Parkway.

Parking:

Parking will be dispersed throughout the District.



III. Implementation of the Framework Plan

The Development Plan described in the previous section outlines the vision, goals and objectives of the North Macadam District, and is intended to provide a foundation for a successive series of actions that will initiate, guide and implement its development.

The following section describes potential strategies, tools and activities to implement the Development Plan, including phasing considerations. Included are a series of matrices that outline implementation activities and their funding options, a description of five public/private partnerships to assist in coordinating those activities, and a preliminary list of proposed changes to plan policies, zoning code regulations and design guidelines within the District.

Also described are public investment principals and a public investment program that includes specific costs estimates of capital improvements to the District and the primary assumptions underlying those cost estimates. The public investment program defines two levels of financial investment: development funding to support the overall objectives of the Framework Plan, and enhanced development funding to fully achieve the vision of the North Macadam District.

An important implementation tool is the proposed North Macadam Urban Renewal District. The Tax Increment Financing generated by the Urban Renewal District will be a significant source of revenue to fund proposed capital improvement projects. Agreements between the City and property owners that assure public and private performance of obligations in exchange for necessary and beneficial public and private investments may also be used to achieve public objectives.

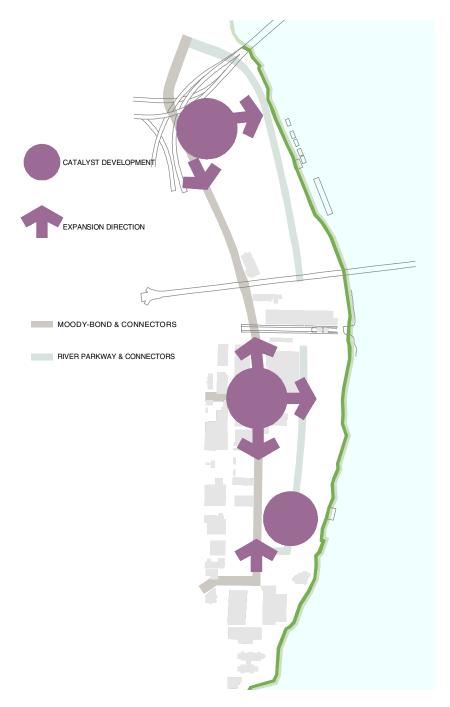
Phasing Considerations

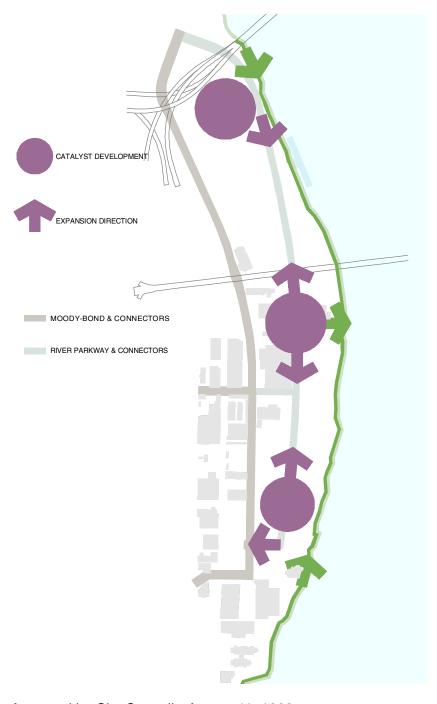
One challenge to producing a quality high-density neighborhood in North Macadam is finding the appropriate balance between public and private investments, and the sequencing and phasing of those investments. Catalyst projects, whether public infrastructure or private development, tend to stimulate subsequent investments nearby. These diagrams illustrate how long-term development may be expected to grow sequentially, depending on the location and timing of early catalyst projects.

Catalyst Development along the Moody-Bond Corridor

Improvements to Moody-Bond can be expected to stimulate development on the western edge of the District.

Phasing of transportation improvements to Moody-Bond, River Parkway, and east-west connector streets will need to be carefully coordinated with planned below-grade infrastructure improvements (water, sewer, and utilities).





Catalyst Development on the River

Improvements to River Parkway and the Greenway can be expected to stimulate development along the eastern edge of the District.

Because of the infrastructure costs attached to early catalyst projects, including streets, utilities, riverbank, greenway, and environmental mitigation, early catalyst projects may require a higher proportion of public investment than projects built in later years, when much of the District infrastructure will already be in place.

Greenway, Parks and Open Space Activities

The following matrix lists implementation activities intended to encourage exemplary open space development in the District.

	Tin	ne (Ye	ars)	Partners	Funding	Rel	ated	Bene	efits
	0-6	7-13	14-20			N	J	Т	Н
Develop Williamette Riverbank, Greenway and Trail									
Establish North Macadam Greenway Partnership: This partnership will focus on accelerating the implementation of riverbank stabilization, restoration, greenway and trail. Determine appropriate public incentives to private developers who accelerate	•			PDC Parks OPDR BES Private		•	•	•	•
improvements (see page 58). Develop Habitat Performance Standards: Determine specific native species and appropriate habitat for both the riverbank and greenway setback. Coordinate with Willamette Downtown Design Notebook currently in development.	•			PDC Parks OPDR BES Private	PDC Private	•	•	•	•
Develop Design Theme for Greenway: Develop a design theme that unites all of the diverse spaces, greenway and trail, bank treatments and adjacent developments into a recognizable whole. The theme should address: media, paving, materials, amenties and furnishings, vegetation and signage.	•			PDC Parks OPDR BES Private	PDC Private	•	•	•	•
Identify Key Enhancement Opportunities: Locate sites within the District and develop preliminary plans for enhancement that meet habitat standards described above.	•			PDC Parks OPDR BES Private	PDC Private	•	•	•	•

	Tin	ne (Ye	ars)	Partners	Funding	Rel	ated	Bene	efits
	0-6	7-13	14-20			N	J	Т	Н
Develop Four Major Parks (Riverside, Neighborhood,	Urbar	and I	Ross Is	sland)	•	•	•	•	
Develop Preliminary Park Designs: Consistent with				PDC	Private				
the criteria described within the Framework Plan, define				Parks	Bonds				
the uses, major elements, access, materials, art	•			OPDR	PDC	•	•		•
program, and relationships to adjoining development.				BES	BES				
Develop detailed design program and concept.				Private	SDC				
Evaluate Land Acquisition Strategies: These include				PDC	PDC				
long-term purchase options, sale and lease-back	•			Parks		•	•		•
provisions, and property exchanges.				Private					
Determine Operations Responsibilities: Identify				Parks	Parks				
operations and maintenance standards for each park. When applicable, negotiate between City and property owners regarding operations.	•			Private	Private	•	•		•
Develop Design Standards						_			
Develop General Landscape Design Standards:				PDC	PDC				
These standards address the various types of vegetated				Parks	Parks				
areas (bank, greenway, streets, accessways, parks and	•			OPDR	Private		•	•	•
buffers) with standards for species, percent of cover,				BES	SDC				
density, stability, sizes and maintenence standards.				Private	BES				
Identify Key Viewpoints and View Corridors: Identify				PDC	PDC				
viewpoints and corridors along the riverbank to be				Parks	Parks				
protected and enhanced.	•			OPDR	BES	•	•	•	•
				BES	Private				
				Private					
Develop Interpretive Plan: Identify potential themes,				PDC	PDC				
media and locations.	•			Private	Parks	•	•	•	•
	_			Parks	Private	1			

Key to Related Benefits:N NeighborhoodsJ Jobs

Т T TransportationH Housing

North Macadam District Framework Plan

Jobs Activities

Job strategies focus on the quality and quantity of jobs, targeting jobs that pay livable wages and create community wealth. Livable wage jobs support city goals of increasing personal income and assist residents in meeting affordable housing needs. Investment in job strategies provides significant returns and leverages the ability for the District to meet its overall objectives.

The employment base, which requires commercial development, will be the primary generator of tax increment revenue available to finance public capital improvements needed in the North Macadam Urban Renewal District. A clear and comprehensive job strategy provides an effective means to reach the level of employment needed to support the vision of North Macadam.

In the absence of job-creating catalysts, new jobs associated with office and retail activities can be expected to grow relatively slowly in North Macadam due to the historical office absorption and job growth rates of the Central City and the sustained economic competitiveness of surrounding suburban office developments. This in turn will reduce the amount of tax increment revenue available to the North Macadam Urban Renewal District to finance capital improvements for housing, transportation and parks.

	Tin	ne (Ye	ars)	Partners	Funding	Rel	ated	Bene	efits
	0-6	7-13	14-20			N	Р	Т	Н
Determine Job Activites and Tools that Support Emp	loyme	nt Obj	ective	S					
Develop a Marketing and Business Assistance Fund: This fund would support overall employment goals and target quality jobs.	•	•	•	PDC	PDC			•	•
Provide Predevelopment Assistance: Provide assistance to private developers to acquire, prepare or otherwise assist in the development of land for the purpose of pursuing quality job growth.	•	•	•	PDC PDOT Private	PDC			•	•
Establish North Macadam - OHSU Partnership:				OHSU	OHSU				
Subject to OHSU's determination that North Macadam				PDC	PDC				
should be part of its development strategy, establish a North Macadam - OHSU Partnership to determine				PDOT	Private				
feasibility of OHSU facilities within the District (see page 59).				OPDR					
Develop Wage Incentive Program: Develop target industry strategies that provide incentives for businesses that pay livable wages of at least 200% of minimum wage.	•	•	•	PDC	PDC	•			•
Develop Telecommunications Infrastructure: Ensure				PDC	PDC				
the level and type of telecommunications infrastructure		١ ـ		OPDR	Private	۱.			
is competitive with the types of high technology jobs that are likely to locate in the District.	•	•		PDOT		•		•	_
•				Private					
Determine Market for and Economic Feasibility of Business Innovation Center: Determine the feasibility of developing a business innovation center or business facilities that support target industries, including tenancy, operating subsidy, phasing and land requirements. (The following two actions are only applicable if the business innovation center is feasible.)	•	•		PDC	PDC			•	•
Secure Funding for Business Innovation Center:				PDC	PDC				
Determine and secure financial commitments required to	•	•		Private	Private			•	•
develop a business innovation center.					Grant				
Evaluate Land Acquisition Strategies: These include long-term purchase options, sale and lease-back provisions, and property exchanges.	•	•	•	PDC Private	PDC			•	•
Develop Employee Home Ownership Program: Assist				PDC	PDC				
employees to acquire housing within the District; geared toward moderate-income households.		•	•	Private	Private	•		•	•

Key to Related Benefits:

N NeighborhoodsP Parks

T Transportation

H Housing

Housing Activities

The following matrix lists activities intended to encourage the development of a full range of housing types and affordability levels within the North Macadam District. A combination of financial resources and development methods, in addition to urban renewal resources, will be needed to accomplish the desired housing mix.

	Time (Years)			Partners	Funding	Rel	ated	Bene	efits
	0-6	7-13	14-20			N	J	Р	Т
Develop Housing Tools and Strategies									
Evaluate Mixed-Income Development Methods: These include a) allocating some units as affordable within a larger housing complex, and b) cross-subsidized projects, which depend on the ratio of public/private investment, return on investment, land value, and infrastructure costs.	•	•	•	PDC Private	PDC	•	•		•
Evaluate Mixed-Use Development Methods: Identify and evaluate non-housing funding sources to facilitate commercial development in conjunction with housing in mixed-use buildings.	•	•	•	PDC Private	PDC	•	•		•
Establish Housing Implementation Group: This group would monitor progress toward housing goals, targets and forecasts (see page 60).	•	•	•	PDC Private	PDC	•	•		•
Evaluate Implementation Strategies: These include linkage, owner buy-out provisions, land swaps, adjustment to housing targets over time, and periodic monitoring of housing inventory.	•	•	•	PDC Private	PDC		•		•
Evaluate Land Acquisition Strategies: These include long-term purchase options, sale and lease-back provisions, and property exchanges.	•	•	•	PDC Private	PDC		•		•
Encourage Alternative Financing Options: These options include employer-assisted housing, trusts and cooperatives, mortgage discounts for transit-riding households and veteran's home loan program.	•	•	•	PDC Private			•		•
Assemble Public Funding and Development Assistance Sources: Identify and secure funding sources to 'package' housing deals and make development feasible at a range of income levels, including direct PDC financial assistance, tax credits, bonds, and brownfield redevelopment/showcase funds.	•	•	•	PDC HAP et al Private	PDC HUD Bonds Private 1st Purch. LIHTC et al		•		•

	Tin	ne (Ye	ars)	Partners	Funding	Rel	ated	Bene	efits
	0-6	7-13	14-20			N	J	Р	Т
Evaluate Parking and Housing Configurations									
Evaluate Shared Parking Options: Examine options for parking structures that could be shared by multiple housing developments, or between commercial and residential uses, or wood-framed housing on top of commercial parking structures. Shared parking should be considered as part of a District-wide parking strategy (see page 56).	•			PDC Private	PDC Private		•		•
Evaluate Shared Automobile Options: Cars are made available to tenants for shared, short-term use; reduces required parking ratios.		•	•	PDC Private	PDC Private		•		•
Evaluate Developing Assisted Living/Senior Housing									
Evaluate Feasibility: Examine market potential, determine housing product, location and rent/purchase price preferred by senior market. Ascertain associated development and operations costs and financial feasibility. (The following two actions are only applicable if the study concludes that such housing is feasible.)	•	•	•	PDC OHSU Private	PDC Private		•		•
Acquire Land (if necessary): Property acquisition by PDC or the housing developer may be necessary if existing property owner interest is low. (If private interest is high, this project may proceed as an ordinary private development.)	•	•	•	PDC OHSU Private	PDC Private		•		•
Implement Development Offering or Negotiated Agreement Process and Construct Housing: The developer may be selected through an RFP or negotiated agreement process administered by PDC.		•	•	PDC OSHU Private	PDC Private		•		•

Key to Related Benefits:

N NeighborhoodsJ Jobs

Parks

T Transportation

Housing Activities (continued)

	Tin	ne (Ye	ars)	Partners	Funding	Rel	ated	Bene	efits
	0-6	7-13	14-20			N	J	Р	Т
Evaluate Marquam Hill-Related Housing		•	•						
Evaluate Market Potential of District Housing Aimed				PDC	PDC				
at Marquam Hill Employees, Interns and Students:				OHSU					
Determine housing product, location and rent/purchase price preferences of Marquam Hill employee market.	•	•		VA/Shr.			•		•
(The following five actions are only applicable if the study concludes that housing needs are not being met.)				Private					
					77.0				<u> </u>
Determine Financial Feasibility of Serving this				PDC	PDC				
Market: Determine associated development and operations costs, revenue potential and economic				OHSU			•		
feasibility.				VA/Shr.					`
<u>, </u>				Private	55.0				
Determine Ownership and Funding Requirements: Determine proper organizational structure for developing				PDC	PDC				
and operating Marquam Hill employee housing: public	•	•		OHSU			•		•
vs.non-profit vs. private.				Private					
Acquire Land (if necessary): Property acquisition by				PDC	PDC				
PDC or the housing developer may be necessary if				OHSU	HUD				
existing property owner interest is low. (If private				Private	TOD				
interest is high, this project may proceed as an ordinary private development.)		•			Bonds		•		•
private development.)					Private				
					1st Purch.				
					et al				
Implement Development Offering or Negotiated				PDC					
Agreement Process and Construct Housing: The				OHSU					
developer may be selected through an RFP or negotiated agreement process administered by PDC and/or private partners.		•	•	Private			•		•

Key to Related Benefits:

N Neighborhoods

J Jobs

P Parks

T Transportation

Transportation Activities

The following matrix lists activities intended to improve the District's transportation system.

	Time (Years) Pa			Time (Years) Partners Funding Rel				Bene	efits
	0-6	7-13	14-20			N	J	Р	Н
Develop Transportation Demand Management Plan		•	•						
Establish District Transportation Management				Private	PDOT				
Association: The property owners should establish a				PDOT	Tri-Met				
Transportation Management Association (TMA), in				Tri-Met	PDC				
conjunction with PDOT and Tri-Met to prepare and implement a Transportation Demand Management (TDM) Plan for the District (see page 60).				PDC					
Prepare and Enact TDM Plan: The goal of the TDM				Private	Private				
Plan is to achieve a 30% mode split for alternative				PDOT	CMAQ				
modes to the single-occupant auto. The TDM plan should address methods for: dispersing commuter arrival and departure times, maximizing carpool, bike/pedestrian and transit use, providing circulation within the District, and effective use of parking resources and live and work in same district.	•	•		Tri-Met		•	•	•	•
Develop Neighborhood Connections									
Establish Neighborhood Transportation Alliance:				PDOT	Private				
The alliance will evalute and propose solutions to				CTLH	LID				
common transportation problems between the District				NMDC	Gas Tax		١.,		
and adjacent neighborhoods (see page 61).	•			OHSU		•	_		
				PDC					
				et al					
Design and Construct Pedestrian and Bicycle				PDOT	PDC				
Improvements: These include improvements to				PDC	SDC				
Sheridan and Corbett, overcrossings at I-5, and		•		CTLH	TEA-21			•	
improvements incorporated into the Greenway Trail.				Private	Gas Tax				

Key to Related Benefits:

N Neighborhoods

J Jobs

P Parks

H Housing

Transportation Activities (continued)

	Tin	ne (Yea	ars)	Partners	Funding	Rel	ated	Bene	efits
	0-6	7-13	14-20			N	J	Р	Н
Implement District Road Network									
Update Street Plan as Required: Potential updates include revised rights-of-way and function of Curry and Gibbs, adjustments to Moody right-of-way to support two way streetcar, rights-of-way associated with the Gaines Pedestrian Way, and/or other modifications relating to street widths, function, and transit priority.	•			PDOT PDC Private	PDC PDOT		•	•	•
Finalize and Enact North Macadam District Street Standards: Completion of standards awaits resolution of issues regarding Pedestrian Ways, on-street parking and others.	•			PDOT PDC Private	PDC		•	•	•
Develop Design Guidelines for Enhanced Pedestrian Streets: These east-west connectors link the eastern transit corridors, the major parks and open spaces in the heart of the District, and the Willamette Greenway. The guidelines should address width, design, location and access.	•			PDOT PDC Parks Private	PDC Parks Private PDOT	•	•	•	•
Design and Construct Portal Improvements: These include reconfiguration of Bancroft/Hood/ Macadam intersection and the Harrison and/or Lincoln connectors.	•	•		PDOT PDC Private ODOT	PDC SDC TEA-21 Gas Tax	•	•		
Design and Construct Improvements to Macadam/Curry Intersection: This weave mitigation project moves the central portal from Gibbs Street to Curry Street.		•	•	PDOT PDC Private ODOT	PDC SDC TEA-21 Gas Tax	•	•		
Design and Construct Moody/Bond Avenue: This will be the major route through the District, and is required to allow bus circulation through the District (see next page).	•			PDOT PDC Private	PDC SDC TEA-21 Gas Tax		•		
Design and Construct River Parkway: This major north-south street will be constructed in phases as development occurs.	•	•		PDOT PDC Private	PDC Private LID SDC Gas Tax		•	•	•
Design and Construct Primary East-West Streets: Arthur, Gibbs, Curry and Lowell are the primary connectors between Moody-Bond and River Parkway, and will be constructed in phases as development occurs.	•	•		PDOT PDC Private	PDC Private LID SDC Gas Tax		•	•	•
Design and Construct Local Road Network: The local road network will be constructed in phases as development occurs.	•	•	•	PDOT PDC Private	PDC Private LID SDC Gas Tax		•	•	•

	Tin	ne (Ye	ars)	Partners	Funding	Rel	ated	Bene	efits
	0-6	7-13	14-20			N	J	Р	Н
Implement Regional Transit Access/Egress to Distric	t	1							
Implement Transit Service Strategy: Prepare a transit				Tri-Met	Tri-Met				
service strategy for the District that includes phasing and	•			PDOT		•	•		•
implementation.				Private					
Initiate Macadam Bus Service: After completion of				Tri-Met	Tri-Met				
required street improvements, Tri-Met initiates service.	•			Private		•	•		•
Establish Implementation Plan for Transit Hub:				Tri-Met	Tri-Met				
Develop implementation and funding plan for capital and				PDOT	Metro				
operating costs of Transit Hub.				PDC					
				Private					
Locate and Design Transit Hub: Confirm the location				Tri-Met	Tri-Met				
for the transit hub within the District in close proximity to				PDOT	Metro				
the streetcar alignment and the terminus of the possible Marquam Hill tram. Initiate design and engineering.	•	•		Private			•		•
marquam riiii tram. iiiittate design and engineering.				PDC					
				CTLH					
Implement Transit Hub Service Plan: Build transit				Tri-Met	Tri-Met				
center. Tri-Met commences service.				PDOT	TIF				
	•	•		PDC	Donation	•	•		•
				Private	TEA-21				
					Metro				
Implement Central City Streetcar									
Design Central City Streetcar Alignment: Begin				PDOT	PSI				
conceptual design work on selected Willamette				PDC	PDC				
Shore/Moody alignment. Determine captial and		•		PSI	Metro	_		_	
operating costs, station locations and phasing plan.				Private	Private				
Establish Funding Plan and Secure Funds: This				PDOT	PDC				
activity addresses both capital and operating needs.				PDC	LID				
	•	•		PSI	Parking	•	•	•	•
				Private	TEA-21				
					HUD				
Final Design, Engineering and Construction of Initial				PDOT	(See				
Segment of North Macadam Streetcar Alignment	•	•		PSI	above)	•	•	•	•
				PDC					

Key to Related Benefits:

N NeighborhoodsJ Jobs

P Parks

H Housing

Transportation Activities (continued)

	Tin	ne (Year	s)	Partners	Funding	Rel	ated	Bene	efits
	0-6	7-13 1	4-20			N	J	Р	Н
Implement Marquam Hill Tram (Applicable if OHSU dec	ides to	locate f	acilit	ies in North	Macadam.)				
Complete Tram Study: Finalize alignment and				OHSU	OHSU				
technology, cost estimates, funding plan, operations				PDC	PDC				
plan and community decision-making.	•			PDOT	Private	•	•	•	•
				CTLH					
				Private					
Seek Funding for Tram: Secure funding for tram				OHSU	OHSU				
design, construction, and operations.				PDC	TEA-21				
	_			PDOT	HUD	_	۱ ـ	_	
	•	•		CTLH	PDC	•	•	•	•
				Private	Grants				
					Private				
Enter into Design/Build Contract(s) for Tram				OHSU	(See				
Construction: Organize and implement design/build				PDC	above)		۱ ـ	۱.	
request for proposals; negotiate and manage	•	•		PDOT		•	•	•	•
construction contracts.				Private					
Implement Parking Strategy									
Implement On-Street Parking Program: The program				PDOT	PDOT				
will include signage, parking meters, passes, and on-	•			PDC	PDC		•		•
street parking locations.				Private					
Establish Parking Ratios for District and Allow				OPDR	OPDR				
Certain Interim Uses: Determine appropriate policy to				PDC	PDOT		۱ ـ		
allow higher interim parking ratios and/or interim surface	•			PDOT			•		•
parking lots.				Private					
Establish Shared Visitor Parking Program: Establish				PDOT					
shared parking program that may include City-owned	•	•	•	BGS			•		•
short term structured parking space.				PDC					
Develop River Taxi System									
Investigate Feasibility of River Taxi System: The				PDOT	Private				
feasibility of the river taxi system will be evaluated in a				PDC	PDC				1
broader context than North Macadam. Costs, operation responsibilities, funding, and operating characteristics will be considered.	•			Private			•	•	

Key to Related Benefits:

- N Neighborhoods
- **J** Jobs
- P Parks
- **H** Housing

Public/Private Partnerships

The activities listed in the previous matricies, as well as other implementation actions necessary to achieve the goals and objectives of the Framework Plan, will involve the coordinated efforts of public agencies, institutions, as well as private property owners and developers. The sharing of responsibility between each will vary, depending on the specific activity. Multiple property owners are represented within the District, which presents unique challenges and opportunities to achieve District-wide public objectives while preserving appropriate development flexibility for each property owner.

During the first few years of Framework Plan implementation, the North Macadam District Steering Committee will continue to play a role by working with City staff and consultants on implementation activities, such as finalizing planning and development standards, street design standards, District-wide parking strategy and/or additional transportation planning. In addition, it may be appropriate for the Committee to continue to represent the District's interests within larger City and Regional planning and policy areas.

More specialized public/private partnerships may also help coordinate and focus implementation efforts involving specific aspects of the Framework Plan. These public/private partnerships might include long-term development agreements between the City and a property owner, or negotiated agreements on a project-by-project basis. In some cases, a formalized public/private partnership will be helpful to support collaboration and highlight the importance of the project activity. Five such partnerships are described here:

Williamette Greenway Partnership

North Macadam - OHSU Partnership

Housing Implementation Group

Transportation Management Association (TMA)

Neighborhood Transportation Alliance

Each of the partnerships, if established, would coordinate their efforts with each other as well as the continuing North Macadam District Steering Committee.

North Macadam Greenway Partnership

This strategic partnership will focus on accelerating the implementation of riverbank stabilization and enhancement, greenway and greenway trail within the North Macadam District, consistent with the design criteria described in Section II of this plan. Expediting these improvements will:

- Provide an accelerated public return from Urban Renewal and other public investments, and address the local and regional goal of completing the Willamette Greenway trail quickly.
- Create a unique, exemplary amenity that serves both the District and the region, and enhances the economic vitality of the district by attracting businesses, residents and visitors.
- Serve as an important component of the City and Region's response to the Endangered Species Act listings, and provide a public showcase of an urban environment that peacefully co-exists with - instead of competing with - fish and wildlife habitat.

One approach might be that each owner of property along the riverbank that chooses to participate in this partnership, in consultation with PDC, the Parks Bureau, BES, Army Corps of Engineers and National Marine Fisheries Service, would prepare a detailed plan for streambank stabilization and restoration, greenway setback and greenway trail consistent with the design criteria set forth in Section II of this Plan. Long-term maintenence of the greenway and riverbank is also an important consideration, and would be described in detail within the plan. This is only one example; other approaches might be preferable, and it would be the responsibility of the Greenway Partnership to articulate and implement them.

North Macadam - OHSU Partnership

OHSU is currently evaluating its future long-term development strategy and the role, if any, of the North Macadam District within that strategy. A direct connection between North Macadam and OHSU presents a unique opportunity for OSHU-related development within the District. The purpose of this partnership is to establish agreements between OHSU, PDC and the affected property owners to advance such a development.

Subject to OHSU's determination that North Macadam may be part of its development strategy and describing its requirements for administrative, research and/or clinical space, PDC, OHSU and property owners should:

- Determine the feasibility of developing research facilities and laboratory space in the District, including tenancy, phasing and land requirements.
- Determine the feasibility of relocating and/or expanding other OHSU departments into the District, including internal administrative offices, education, clinical and outpatient services.
- Finalize the preliminary design and operations plans for the tram and seek federal grants and other funding to support its construction.
- Determine the feasibility of developing housing within the District for OHSU students, residents and staff, including the financial incentives necessary to develop OHSU-related housing, and develop requests for proposals.

Housing Implementation Group

This group would be formed to continue the public input and review of the housing build-out of the North Macadam district. The group would monitor progress towards the housing goals, targets and forecasts for the district, and play an advisory role in reviewing further implementation and housing development strategies to meet the public benefit.

The Housing Implementation Group will continue to pursue options of creating linking mechanisms which support the development of affordable housing targets in or near the district at development costs that provide the best return on the public investment, while pursuing the preferred balance of income profiles.

Transportation Management Association

The property owners, in conjunction with PDOT, PDC and Tri-Met, should establish a Transportation Management Association (TMA) to prepare and implement a Transportation Demand Management (TDM) Plan for the District.

The responsibility of a TMA is to distribute information such as bus schedules, through brochures and fairs. A TMA also offers financial incentives to use alternative transportation modes such as free or subsidized transit passes or free shuttle busses or vans to common destinations or transit centers. The association can help improve transit by providing bus and streetcar shelters at key stops, requesting improved transit service and selling transit passes and tickets on-site.

A District-wide parking strategy is another way that the TMA can manage transportation demand. On-street parking management techniques include promotion of ridesharing by establishing preferential parking for carpools and vanpools, organizing car-sharing cooperatives and initiating "guaranteed ride home" programs for personal or family emergencies. In concert with on-street parking management, shared parking programs and incentives can maximize private parking.

A TMA can also increase bicycling and walking by providing sufficient, safe and secure bike parking, employee showers and lockers and pedestrian enhancements such as benches and drinking fountains.

Neighborhood Transportation Alliance

This alliance will focus on finding overarching and efficient transportation solutions for Southwest Portland that will accomodate growth without sacrificing community livability. Years of regional planning that provided through-traffic benefits at the expense of local neighborhoods, as well as accidental results of well-intentioned traffic management plans, have resulted in increased regional traffic on neighborhood streets, increased congestion, higher speeds, and less efficient traffic movement. Individual traffic studies have been conducted in Southwest Portland, including the South Portland Circulation Study, I-405 Reconnaissance, and the traffic analysis that informed the local traffic improvements proposed in this framework plan, but none have included a truly comprehensive approach.

The alliance membership will consist of neighborhood representatives, public agencies, and institutions, and has already assembled on an ad-hoc basis. Activities may include but are not limited to:

- Coordinating future North Macadam transportation development with other adjacent regional transportation improvements.
- Evaluating ways to alleviate additional traffic flows created by the new North Macadam neighborhood southbound on Macadam Avenue, and to provide improved connections from the District to the Ross Island Bridge and Barbur Blvd.
- Participating in the selection of a preferred tram alignment connecting the North Macadam transit hub and Marquam Hill.
- Developing proposals to control regional traffic cutting through adjacent neighborhood streets.

Potential neighborhood participants include:

Corbett-Terwilleger-Lair Hill Neighborhood Association (CTLH)

Downtown Community Association (DCA)

Homestead Neighborhood Association

North Macadam Development Council (NMDC)

Central Eastside Industrial Council (CEIC)

Southeast neighborhood assocations

Potential Public Agency participants include:

Portland Development Commission (PDC)

Association for Portland Progress (APP)

Portland Department of Transporation (PDOT)

Oregon Department of Transportation (ODOT)

Tri-Met

Potential Institutional Participants include:

Oregon Health Sciences University (OHSU)

Portland State University (PSU)

Oregon Museum of Science and Industry (OMSI)

Development Regulations and Guidelines

After City Council acceptance of the North Macadam Framework Plan, the conceptual changes to the plan policies, zoning code regulations, and design guidelines will be detailed and reviewed through a citizen involvement process that complies with State Goal 1, Citizen Involvement, and the provisions of Portland's Comprehensive Plan. The preliminary proposals in the Framework Plan will be adjusted to reflect the understandings that emerge during public review. A refined proposal will then be forwarded by the Steering Committee to the Planning and Design Commissions for public hearings. The Planning Commission will send on the recommended changes to the City Council for adoption. Council consideration of the changes is planned for the latter half of FY 99-00. The potential changes are grouped by topic and apply to the North Macadam District only.

Required Residential Development Area

 Establish process for permitting commercial projects which are located within the existing residential overlay zone to proceed without a complementary housing project or associated master plan.

Height Bonus Options Allowed in other Central City Subdistricts

 Allow the North Macadam subdistrict access to the Central City plan district's bonus height in conjunction with floor area bonus options. Up to 45 feet of bonus could be achieved.

Revisions of Current Floor Area Bonus Options and Height Transfers

- Allow transfers of height and bonus height for dedications of additional Greenway area.
- Revise mapping of the retail bonus option to reflect retail service emphasis areas shown on the Development Plan, and transportation capacity limitations.
- Change the "percent for art" bonus option to clarify the actual ownership of the works of art. They must be transferred to the Regional Arts and Culture Council to qualify for the bonus.
- Reduce the locker room bonus option for the construction of locker room facilities to encourage bicycling.
- Revise the rooftop gardens bonus to incent green roofs.

New Floor Area and Height Provisions

- Exempt structured parking from the calculation of floor area ratios.
- Revise the allowed FARs and building heights in the district along the Greenway setback as described in the Framework Plan. Consider eliminating or modifying the Willamette Greenway floor area bonus option if increased height and FAR are allowed by right on Maps 510-2 and 510-3.
- Create incentives for greenway setbacks of greater than 50 feet.

Guidelines and Design Standards to be Revised or Completed

- Design Guidelines for the North Macadam District.
- Street Design Standards.
- Greenway Design Standards (pavement, furniture, signage, etc.).
- Standards for Private Development of Public Open Space.

Public Investment Principles

The North Macadam District Framework and Urban Renewal Plans anticipate the planned expenditure of significant tax increment and other city, state and federal resources over a multi-year period. As with downtown Portland, the Convention Center and other urban renewal districts, City of Portland investment has proven critical to leveraging private investment in support of public objectives that otherwise would not occur.

Purpose of Public Investment: The primary purpose of public funding is to obtain a *return on investment* that exceeds what would be expected without a major public contribution to redevelopment of the North Macadam District.

Public Funding Objectives: Public investment serves a series of objectives more specifically focused on outcomes desired for the North Macadam District. These objectives include:

- Increased density of development with less parking than would otherwise occur.
- Amenities ranging from parks and open space to pedestrian scale development and improved quality of development.
- Office development to improve the Central City's competitive position within the region for new jobs including an expanding health services and technology community.
- A greater mix of housing affordable to the full range of incomes found in Portland for both renters and owners.
- More efficient, less expensive use of infrastructure, particularly transportation investment by encouraging people to live and work in the same district.
- A faster pace of redevelopment better addressing Central City population and employment objectives.
- Creation of a neighborhood reflecting the full range of activities and values of the entire city.

Public investment in North Macadam also serves broad citywide policy objectives for housing and job development. To the extent that North Macadam succeeds, the pressure on other city neighborhoods to meet Metro job and housing targets is correspondingly reduced.

Scenarios Evaluated: The degree to which the District Framework Plan and Urban Renewal Plan can *make a difference* is to be assessed through the formulation and subsequent evaluation of three alternative scenarios:

(A) Base Case Development — assuming limited public capital investment, maintenance of the current land use regulatory framework, public-private development tools currently available and market rate development. This scenario also assumes no significant transportation infrastructure or planning constraints that would limit the level of private sector-driven development otherwise achievable.

North Macadam District Framework Plan

- (B) Urban Renewal/Tax Increment Strategy predicated on adoption of an urban renewal plan enabling multi-year funding of a balanced set of project and program activities including jobs, parks/open space/greenway, housing investment, transportation, public parking and infrastructure — achieved through tax increment financing (TIF).
- (C) An Enhanced Development Funding Strategy assume availability of additional public resources (as yet undetermined) beyond TIF and private development capital to accomplish the full range of investment proposed with the North Macadam Framework Plan (as the preferred development program).

Performance Measures: Quantitative measures of investment performance to be applied in assessing prospective effects of the three development scenarios are anticipated to include:

- Total private investment leveraged by project phasing.
- Density of development both employment and residential.
- Parks, open space and greenway in acreage and dollars invested.
- Net added employment and associated incomes.
- Number of housing units by income range and owner/rental status.
- Transportation efficiency improvements enabling full build-out, non-auto mode availability, mode split, live/work opportunity, and parking spaces.

In addition to measures that can be directly quantified, the city's return on investment also will be comprised of distinctive *qualitative* benefits — for the North Macadam District, adjoining neighborhoods, and the broader Portland community. Qualitative performance is not as easily measured in numerical terms, but can be discerned from the extent to which the *working vision* for the North Macadam District is realized — as a "vibrant urban neighborhood."

The quality of the North Macadam experience undoubtedly will be assessed based on factors including but not limited to: accessibility to and diversity of waterfront, greenway and open space experiences; achievement of compact, mixed-use, human-scale developments; housing affordable and attractive to those who work in the District; business activities ranging from incubator to corporate firms; active public, non-profit and civic institutions; and a mix of transportation modes lessening dependence on the automobile.

Principles for Investment: Based on the purpose and more specific public funding objectives as outlined, a set of recommended *principles* for investment of public resources in support of North Macadam District Framework Plan and urban renewal implementation can be articulated:

- 1. Provide public infrastructure and urban amenity investments to facilitate development consistent with the goals and objectives of the North Macadam Framework and Urban Renewal Plans.
 - Make public investment decisions that serve private investment in conformance with plan objectives calling for the creation of a jobs center with significant housing and mixed-use development in a high density environment.
 - Make beyond base level commitments as justified by public financing capacity — from urban renewal/tax increment resources and other sources as available.
- 2. Secure private financing for development and infrastructure that can be supported with reasonable returns to private investments made in periods of changing market conditions over time.
 - Rely on private investment for residential market segments
 that can be served without public investment; target public
 resources to assure affordability to other renter and owner
 segments so that District housing is attractive to and reflects
 the income profile of all Portland households with 1,500 to
 3,000 housing units developed by 2020.
 - Encourage office development competitive with the edge-ofcity market and attractive for expansion of nearby health service institutions and technology-based businesses to achieve an added 8,500-10,000 jobs by 2020.
 - Secure private investment that can be financially successful and supportive of Framework Plan implementation.
- 3. Target public funding for investments required to leverage private development competitive in the Central City and regional market throughout both the early and later phases of plan implementation.
 - Link beyond base level investment to fulfillment of plan objectives not typically associated with private development in the Portland metro area, notably the public funding objectives described above.
 - Recognize the catalytic role of public sector investment, particularly for front-end infrastructure necessary to attract early phase private investment.
- 4. Assure adequate resources early on for investments necessary to attract a critical mass of initial job and housing related private investment in the next five years (2000-2005).
 - Target properties most efficiently served and ready to proceed with immediate private development.

North Macadam District Framework Plan

- Prioritize near term public funding on the infrastructure and transportation improvements together with park, open space and greenway acquisition set-asides necessary for first phases of private development to move forward quickly, beginning the District's redevelopment process and establishing a tax base for tax increment generation.
- Focus public funding for affordable housing and targeted jobs strategies in mid- and late-term phases after basic transportation and infrastructure systems are in place.
- Pursue agreements or mechanisms with property owners that assure private performance in exchange for the full complement of public infrastructure necessary for development to proceed.
- 5. In addition to assuring adequacy of tax increment funding over the life of the Urban Renewal Plan, achieve a rate of return on public investment that meets or exceeds city financial objectives over a long-term (30 year) time horizon.
 - Identify categories of public investment and ongoing public services for which a financial return is expected versus investments benefiting the greater Portland community for which a direct financial return from the District is not required.
 - Prepare and periodically update projections of public investment outlays versus revenues by source (both operating and debt) to assure year-by-year financial capacity to perform.
 - Modify funding priorities with periodic updates based on identification of public investments most likely to secure the next market-ready wave of development consistent with the Framework Plan.
 - Actively pursue additional public and private resources in order to fully realize all aspirations including full funding of the North Macadam Framework Plan.

Public Investment Programs

The public investments necessary to accomplish the goals of the Framework Plan fall into six broad categories: jobs; greenway, parks and open space; housing; transportation; infrastructure; and public parking. Described below are the elements of each category and the primary assumptions underlying the cost estimates.

Two levels of costs have been identified. The first level includes the *basic* funding required to achieve the overall objectives of the Framework Plan. The second level includes the *enhanced* funding required to fully achieve the vision of the North Macadam District. Tax Increment Financing (TIF) revenue, along with other known public sources and private investment, will be adequate to fulfill the *basic* funding requirements. Additional public funding and/or private investment will be required if the *enhanced* funding levels are to be realized.

The following sections describe the basis for project cost estimates, allocation of costs by funding source and phasing of project activities for discussion and modification by the Market and Finance Work Group and Steering Committee.

1. Jobs

Employee Investment Program - assumes loan/grant programs to encourage creation of quality wage jobs in North Macadam, similar to programs in Airport Way and the Downtown. Assumes loan amounts of \$2,000 - \$5,000 per employee.

<u>Strategic Land Acquisition - land acquisition of key parcels for immediate business development opportunities or land banking, focusing on target industries for the District.</u>

<u>Business Innovation Center</u> - direct capital funding of a joint venture business innovation center, linking research activities with potential growth industries. Assumes acquisition of four-acre site (approximately).

<u>TIF Funding Allocation</u> - assumes 2/3 of jobs programs are tax increment (TIF) funded. Unfunded category of \$8.2MM (1/3 of total program). Basic infrastructure development is prerequisite for commercial development & job creation programs. Limited Jobs funding in Near Term.

2. Greenway, Parks and Open Space

<u>Parks</u> - assumes development of four major public parks throughout District, consistent with land use plan. Assumes low range cost estimates for land acquisition, design and construction costs. <u>Greenway</u> - assumes upper range construction/furnishings cost estimate above base case. Assumes no land acquisition. Assumes property owners pay for base case construction.

North Macadam District Framework Plan

<u>Bank Treatment</u> - assumes construction cost funded with both private and public sources. No land acquisition.

<u>TIF Funding Allocation</u> - assumes low range cost estimates for parks and no land acquisition for greenway and bank treatments. To achieve enhanced park facilities, additional funds may be required. Assume initial funding is applied towards parks land acquisition and greenway/bank improvements. Unfunded category of \$5.3MM.

3. Housing

Assumes \$25 million during life of District, to be used for both rental and ownership programs, consistent with modeling assumptions of the Housing Work Group. Funding will be directed to achieve a citywide income distribution to the extent feasible with tax increment proceeds and other forms of public subsidy. Assume approximately 788 low/moderate rate units to be developed. Encourage market rate housing, as market will demand to ensure achieving at least 3,000 units in the District.

<u>TIF Funding Allocation</u> - assumes limited funding in near term, as basic District infrastructure is created to support future residential and commercial development. To achieve citywide income distribution for 3,000-unit scenario, additional \$36 MM of local housing resources will be needed.

4. Transportation

Cost estimates prepared by PDOT staff and consultants for those improvements necessary to support commercial and residential development in the District, consistent with the land use plan and jobs and housing unit goals. Projects include street improvements, transit projects and pedestrian and bike connections.

<u>TIF Funding Allocation</u> - approximately one-half of tax increment funds available during the near term are allocated for basic street improvement projects and transit projects. Mid- and Long-term allocations primarily support additional transit -related improvements, including completion of street car, transportation demand management projects and the Lincoln connector related to future LRT service (approx. \$7MM of undetermined funding).

5. Infrastructure

Extensive water, sanitary and storm sewer system improvements necessary to support higher densities of development in the District. System concept designs and cost estimates prepared by OTAK, in conjunction with review by Bureau of Environmental Services and Water Bureau. Dollar amounts represent low range estimates with 10% contingency.

Strategic Infrastructure Fund represents a program to encourage superior technology-related utilities in the District and to assist with basic infrastructure development to give the District a competitive edge with other sub-markets.

Utilities represent augmentation of private utility services in the District, if necessary. May include partial funding for relocation and undergrounding of 3 stage electrical tower south of Ross Island Bridge, though no cost estimates are available for this project. Additional analysis and consultation with PGE is necessary.

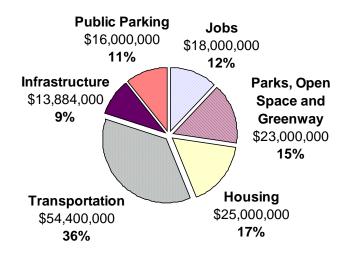
<u>TIF Funding Allocation</u> - 90% of total funding allocated during Nearand Mid-Term as a prerequisite to create private development capacity (\$4.5MM unfunded).

6. Public Parking

Public parking and management will be a necessary ingredient of development build-out in the District. Anticipate two to three public parking facilities (approx. 10% of District parking 875 spaces), strategically located to support visitors to the area and nearby businesses. Public parking will be coordinated with a strong transportation management program aimed at achieving the overall mode split target of 30% non-single occupancy vehicle trip

<u>Funding Allocation</u> - no funding in Near-term proposed. Three-quarters of funding expected in the last years of the life of the District to accommodate final phases of development, presumably as surface parking lots are developed and private parking ratios are decreased overall throughout the District. Because of other limited City parking resources, the parking strategy relies on TIF resources only, althought other funding options should be explored as well.

Distribution of Tax Increment Financing Revenue



Development Funding Strategy Proposed Project and Program Activities

Project Cost Estimate, 2000-2020 (1999 Constant Dollars)

		OTHER		
Project/Program Activities	TIF (1)	PUBLIC (2)	PRIVATE	TOTAL
JOBS				
Employee Investment Program	8,000,000			8,000,000
Strategic Land Acquisition	4,000,000			4,000,000
Business Innovation Center(s)	5,000,000			5,000,000
Private Development (Office, Retail, Hotel)	3,000,000		433,140,000	433,140,000
Employee Assistance Home Ownership	1,000,000		,,	1,000,000
	18,000,000	-	433,140,000	451,140,000
PARKS, OPEN SPACE, & GREENWAY				
Neighborhood Park	4,040,000			4,040,000
Urban Park	3,010,000			3,010,000
Riverfront Park	4,230,000			4,230,000
Ross Island Bridge Park	5,775,000			5,775,000
ODOT Moody/Bond Property Open Space	230,000			230,000
Greenway Trail				-
Original 25 Foot Setback			3,100,000	3,100,000
Enhancement - GW Setback (add'l 25 ft)	0.450.000		3,100,000	3,100,000
Design & Construction	2,150,000	500,000	843,000	3,493,000
Bank Treatment	3,565,000		6,820,000	10,385,000
Enhanced Pedestrian Streets	-			-
Total Parks & Rec.	23,000,000	500,000	13,863,000	37,363,000
HOUSING INVESTMENT (3)				
Affordable Rental (4)				_
0-30%	7,140,461			7,140,461
31-50%	8,019,828			8,019,828
51-80%	4,703,592			4,703,592
81-100%	2,977,374			2,977,374
Affordable Ownership	, ,			-
81-100%	1,208,210			1,208,210
101-120%	950,535			950,535
Private/Non Profit Development			443,012,500	443,012,500
Total Housing	25,000,000	-	443,012,500	468,012,500

	OTHER			
Project/Program Activities	TIF (1)	PUBLIC (2)	PRIVATE	TOTAL
TRANSPORTATION				
Street Improvements:				
Bancroft, Hood, and Macadam Intersection	400,000			400,000
Curry and Macadam Intersection	900,000			900,000
Bond Ave. (Marquam Bridge to Bancroft)	5,000,000			5,000,000
Bancroft Widening to Bond	600,000			600,000
Curry Widening to River Parkway	500,000			500,000
Harrison Connector (Streetcar@Grade) (4)	3,100,000			3,100,000
River Parkway	3,500,000			3,500,000
Additional Street Improvements	3,750,000			3,750,000
East West Streets	-		7,000,000	7,000,000
Sub-Total Street	15,750,000	-	7,000,000	24,750,000
Transit Improvements:				-
Central City Streetcar (6)	30,500,000	7,500,000	7,000,000	45,000,000
Central City Transit Hub	500,000	600,000		1,100,000
Tram	3,000,000		5,000,000	8,000,000
Other (Transportation Management, etc.)	1,000,000	1,000,000		2,000,000
Sub-Total Transit	35,000,000	9,100,000	12,000,000	56,100,000
Pedestrian/Bike Improvements:				-
Ped./Bike Cross. Over I-5 @ Gibbs/Gaines	1,500,000			1,500,000
Ped./Bike Improvements to Sheridan/Corb	150,000			150,000
Ped./Bike Cross. Over I-5 @ Bancroft				-
Sub-Total Pedestrian/Bike	1,650,000	-	-	1,650,000
Total Transportation	54,400,000	9,100,000	19,000,000	82,500,000
PUBLIC PARKING	16,000,000			16,000,000
INFRASTRUCTURE				
Water System	1,050,000		350,000	1,400,000
Sanitary Sewer System	900,000	900,000	600,000	2,400,000
Storm Sewer	1,875,000	1,500,000	1,125,000	4,500,000
Strategic Infrastructure Fund	8,000,000			8,000,000
Utilities	2,059,000		686,250	2,745,250
Total Infrastructure	13,884,000	2,400,000	2,761,250	19,045,250
GRAND TOTAL	150,284,000	12,000,000	911,776,750	1,074,060,750

⁽¹⁾ Tax Increment Financing

⁽²⁾ Indicates possible, though not committed, funding sources.

⁽³⁾ Additional public sources (bonds, LIHTC, OLTC, etc.) required to leverage TIF to create a total of 3,000 units.

⁽⁴⁾ Assume 30% MFI served. Additional funding for operational expenses required to serve households below 30% MFI.

⁽⁵⁾ Harrison connector creates at-grade street for streetcar and vehicles. Not suitable for light rail service, which will require dedicated bridge structure.

⁽⁶⁾ Other public funds are not firmly identified. If the full \$7,500,000 is not available for streetcar, additional funding from private sources or TIF may be necessary.

Enhanced Development Funding Strategy Additional Project and Program Activities

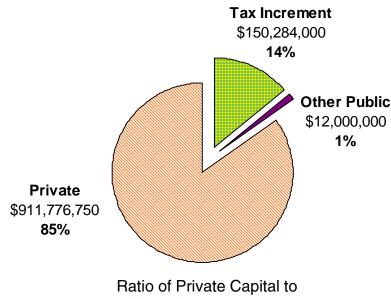
Project Cost Estimate, 2000-2020 (1999 Constant Dollars)

Project/Program Activities	ADDITIONAL FUNDING (1)
JOBS	
Employee Investment Program	2,000,000
Strategic Land Acquisition	1,200,000
Business Innovation Center(s)	5,000,000
_	8,200,000
	, ,
PARKS, OPEN SPACE, & GREENWAY	
Neighborhood Park	690,640
Urban Park	1,154,380
Riverfront Park	574,700
Ross Island Bridge Park	688,000
ODOT Moody/Bond Property Open Space	230,000
Enhanced Pedestrian Streets	2,000,000
Total Parks & Rec.	5,337,720
HOUSING INVESTMENT Affordable Rental (2) 0-30% 31-50% 51-80% 81-100% Affordable Ownership	10,440,000 11,160,000 6,840,000 4,320,000
81-100%	1,800,000
101-120%	1,440,000
Total Housing	36,000,000
TRANSPORTATION Street Improvements:	
Lincoln Connector (Portal Connection) (3)	5,500,000
Arthur Boulevard Extension (4)	Undetermined
Sub-Total Street	5,500,000
Pedestrian/Bike Improvements:	
Pedestrian Crossing Over I-5 @ Bancroft	1,500,000
Ross Island Pedestrian Connection (5)	Undetermined
Sub-Total Pedestrian/Bike	1,500,000
Total Transportation	7,000,000

Project/Program Activities	ADDITIONAL FUNDING (1)
PUBLIC PARKING	
INFRASTRUCTURE	
Strategic Infrastructure Fund	4,500,000
Total Infrastructure	4,500,000
GRAND TOTAL	61,037,720

- (1) Funding source (public or private) not yet determined and committed.
- (2) Assume 30% MFI served. Additional funding for operational expenses required to serve households below 30% MFI.
- (3) Lincoln connector for vehicular connection into south downtown. Light rail transit will require dedicated bridge structure and relocate vehicles onto Lincoln. Key north portal improvement.
- (4) The Arthur Boulevard Extension would be from Front Ave to Bond and includes an I-5 underpass. The project would provide another portal into the District.
- (5) Ross Island Bridge Connection would provide vertical circulation between the Bridge and the Ross Island Park.

Proposed Funding Sources



Public Investment 6:1

Development Financing & Public Return on Investment Analysis

The central question addressed by this development financing and public return on investment analysis is whether and under what conditions the public/private investment contemplated is *necessary and sufficient* to accomplish the objectives of the *North Macadam District Framework Plan* and *Urban Renewal Plan*. The degree to which the Framework and Urban Renewal Plans can *make a difference* for the North Macadam District is assessed pursuant to three alternative scenarios:

- A. Base Case Development assuming limited public capital investment, maintenance of the current land use regulatory framework, public/private development tools currently available and market rate development. This scenario also assumes no significant transportation infrastructure or planning constraints that would limit the level of private sector-driven development otherwise achievable.
- B. Urban Renewal/Tax Increment Strategy predicated on adoption of an urban renewal plan enabling multi-year funding of a balanced set of project and program activities including jobs, parks/open space/ greenway, housing investment, transportation, public parking and infrastructure. Funding is achieved through urban renewal and associated tax increment financing (TIF) with modest commitments of other outside public funding resources to accomplish basic North Macadam District Framework Plan and Urban Renewal Plan goals.
- C. Enhanced Development Funding Strategy assuming availability of other (as yet undetermined) resources beyond tax increment financing and private development to accomplish a fuller vision for the area as proposed in the North Macadam District Framework Plan and Urban Renewal Plan.

Summary Comparison of Alternative Scenarios

The chart on the facing page presents a summary comparison of the three alternative scenarios considered by public return on investment performance indicators including:

- Framework Plan Area Development greenway, parks and open space, housing, jobs, density of development (with less parking), and transportation.
- Urban Renewal Area Capital Investment anticipated from both public and private sources.
- City of Portland Operating Budget Impacts on-going public revenues less expenses for provision of city services to support added district population and employment.

Public Return on Investment Performance Indicators For North Macadam Alternative Development Scenarios

	Scenario Considered			
A. Framework Plan Area Development	Base Case Development	Urban Renewal/Tax Increment Strategy (TIF)	Enhanced Development Funding Strategy	
Greenway, Parks & Open Space	Greenway built to current minimum public 25 foot standard; <i>no parks</i> <i>planned</i>	Four public parks, open space, & Greenway built to 50 foot setback, with moderate funding for design & construction	Four public parks, open space, & Greenway built to 50 foot setback, with higher quality park and art amenities	
Housing	+/- 1,000 du	+/- 3,000 du	3,000+ du	
	Average density <50 du/acre	Average density 80 du/acre	Average density 80+ du/acre	
	Mix of market rate apartment and condo; limited affordable housing	Mix of affordable and market rate condo and apartment; 788 affordable housing units	Mix of affordable and market rate condo and apartment; 1,928 affordable housing units	
Jobs	3,200 net added jobs	8,300 net added jobs	8,300 net added jobs	
	625,000 sf suburban scale office	million sf mid-rise office; targeting of industries for which Portland has competitive advantage and which provide livable wages	1.9 million sf mid-rise office space with a higher level of targeting for jobs that increase personal income levels and create community wealth	
	300 lodging rooms	<i>900</i> lodging rooms	900 lodging rooms <i>plus</i> conference facilities	
	60,000 sf of local serving retail development	250,000 sf of primarily local serving retail development	250,000 sf of local serving retail plus additional destination retail/attractors	
Parking	Over half of land area developed expected to consist of surface parking lots	Parking facilitates are structured and most often developed with other uses, some surface lots in early years	Parking facilitates are structured and most often developed with other uses, limited surface parking in early years	
Transportation	Improvements limited to private funding of Bancroft-Macadam intersection, one half of River Parkway and one half of East-West streets; Harrison connector publicly funded	Builds all transit (including a portion of streetcar and tram) and most North-South street and portal improvements; most East-West streets privately funded	Funding similar to urban renewal <i>plus funding of Lincoln connector</i> (required for light rail services)	
B. Urban Renewal Plan Area Capital Investment				
Public Investment				
Tax Increment	\$0	\$150,284,000	\$150,284,000	
Other Public	\$3,100,000	\$12,000,000	\$12,000,000	
Subtotal Public	\$3,100,000 \$320,717,500	\$162,284,000 \$011,776,750	\$162,284,000 \$011,776,750	
Private Investment* Undetermined	\$320,717,500 \$0	\$911,776,750 \$0	\$911,776,750 \$61,037,720	
Total Investment	\$323,817,500	\$1,074,060,750	\$1,135,098,470	
	Operating Budget Impacts		ψ1,100,030, 4 10	
On-Going Public Revenues less Expenses**	Net positive due to combination of property and other tax revenues	Net positive due to combined business license and utility franchise fees, plus transient lodging tax receipts	Similar effect as with urban renewal/tax increment strategy	

Notes: The term du refers to number of dwelling units; sf denotes square feet of building area.

^{*} Includes investment within North Macadam Urban Renewal Plan area.

^{**} This indicator is provided to show the North Macadam Urban Renewal District is expected to generate sufficient revenues to cover service costs. Development at scenario levels may or may not result in net revenue growth in the city.

The primary purpose of public funding is to obtain a *public benefit or return* on investment that exceeds what would be expected with private market mechanisms alone. It is clear from comparison of the alternative development scenarios that the investment of tax increment financing (TIF) would stimulate substantial private expenditure in excess of what might otherwise occur.

The additional development stimulated with TIF in turn provides revenues for continued investment of public money in amenities, jobs and housing targets, transportation, and infrastructure necessary to support the overall objectives of the *North Macadam District Framework and Urban Renewal Plans*. Achievement of these objectives serves citywide policy goals for housing and job development. Enhanced development funding provides for a different *quality* of development reflecting the full vision for the district.

Private Development Feasibility

A 1998 Residential and Commercial Market Evaluation identified North Macadam development potentials, assuming market rate development and availability of transportation and other infrastructure as needed. Financial pro forma analysis has been conducted — and updated in recent months — to ascertain the degree to which residential and office development appears financially feasible. Market and financial feasibility considerations have been applied to testing of development potentials under conditions of base case, urban renewal, and enhanced funding.

Base Case

Private development under base case conditions is expected to reach about one-third of projected development with urban renewal or enhanced development funding. Base case development anticipated includes up to 1,000 housing units and 3,200 net added jobs. More than one- half (55%) of the developed land area is expected to consist of surface parking lots.

Financial return on investment (per private equity dollar invested) is greater with lower density development — particularly the avoidance of structured parking facilities. Public transit investment would not be adequate to support achievement of the City Council's targeted 30% mode split and resulting reduced parking demand.

With cost of infrastructure borne primarily by the private sector, property owners and developers would have little incentive to bear the added per square foot expense associated with more dense development. Total private investment over 20 years with the base case scenario is estimated at about \$320 million. Little if any public open space and related amenities are anticipated.

The Willamette Greenway would be built to the 25-foot set back currently required; no public funding would be allocated for other parks and open spare. Transportation improvements would be limited to minimum access needs involving private funding of the Bancroft-Macadam intersection, half of River Parkway and half of the east-west streets.

Urban Renewal

This second scenario assumes expenditure of over \$150 million in tax increment financing (TIF) between 2000-2020 in the North Macadam District, plus another \$12 million in other public funds (possible, though not yet committed, funding sources). TIF resources would be expended for jobs, parks/open space/greenway, housing investment, transportation, and utility infrastructure.

The Urban Renewal/Tax Increment Strategy (TIF) is expected to result in an estimated 3,000 housing units and 8,300 net jobs added from 2000-2020. Total private investment over 20 years is estimated to be in excess of \$910 million. This scenario essentially triples the level of development projected with base case development for three reasons:

- Assumption of major portions of transportation/infrastructure/parking facility expense by the City/PDC reduces developer cost making it more feasible to assume added costs associated with greater density.
- Urban amenities associated with parks and open space will be important to creating and marketing a denser pattern of residential and commercial development and should also prove attractive for prospective office tenants.
- The use of developer agreements will tie private performance to public delivery of the investment proposed.

There is also a major qualitative difference in the mix of housing that can be made available with urban renewal. With \$25 million in planned public housing investment, a broader range of housing would be created, specifically an estimated 788 affordable rental and condo housing units. Private development of affordable housing is not expected to be financially feasible in North Macadam without public investment.

Urban renewal funding will make it possible to fund four public parks and open spaces in addition to privately funded Willamette Greenway improvements. Most of the street improvements required to serve 20-year development would be built, as would a portion of the Central City Streetcar and tram.

Enhanced Development Funding

In addition to what is proposed with the Urban Renewal Strategy, enhanced funding would add \$61 million in public/private investment for North Macadam. Specific sources of this enhanced funding are as of yet undetermined. Added investment is targeted toward job-related strategies, parks/open space enhancement, affordable housing investment, added transportation improvements in the form of the Lincoln Connector and I-5 pedestrian overpass (at Bancroft), and a strategic infrastructure fund:

- Job and infrastructure related investments are targeted to high wage jobs, strategic land acquisition, a business innovation center and superior technology related utilities.
- Approximately two-thirds of the added investment (\$36 million) would be targeted for affordable housing. The additional funding would significantly increase the number of affordable housing units created (from 788 to 1,927 units) and would enable North Macadam to achieve a housing distribution that could accommodate an income profile comparable to that of the entire city.
- Additional investment is targeted to park improvements and pedestrian improvements along major streets.

Overall levels of development are not expected to increase appreciably as a result of enhanced funding. The emphasis of enhanced investment is primarily on the quality rather than quantity of development, public use opportunity, and fuller achievement of housing and job objectives.

Public Investment Program

Each of the three scenarios considered carries different implications in terms of required public capital investment and effects for on-going City revenues and expenses.

Base Case

Public capital investment is expected to be limited to funding of the Harrison connector with the base case private sector driven development scenario. The City of Portland should receive net positive on-going revenues generated from development (including property tax, business license and utility franchise fees). Added revenues are projected to exceed costs to serve the new development (for police, fire protection and parks maintenance). *Note:* Other major City expenses as for water/sewer are essentially self-liquidating as user fees are set to repay the full cost of the service provided.

Urban Renewal/Tax Increment Strategy

Tax increment financing (TIF) is predicated on pledging added property taxes generated as a result of new development back to defray the cost of public investment planned for the district. In North Macadam, TIF revenues are closely matched to expenses, generating minimal net added property tax revenue to the City's General Fund through 2020.

With incremental property tax revenues pledged to repay one time public capital improvements, the cost of providing public services is borne by transient lodging tax, business license and utility franchise fees. Revenues generated directly as a result of new development are expected to offset incremental public service expense to serve the district.

Enhanced Development Funding

The enhanced development funding scenario involves projected expenditures of an added \$61 million. As noted, sources for this funding are as yet undetermined. Potential sources considered could include city revenues (SDCs, General Fund support), federal/state grants (including transportation funds), private donations, and a possible local or economic improvement district (LID, EID).

Projections of on-going city operating revenues versus expenditures with enhanced funding are not expected to be substantially different from the Urban Renewal/Tax Increment Strategy.

Public Private Investment Strategy

Successful implementation of the *North Macadam District Framework Plan* and *Urban Renewal Plan* depend upon a combination of private and public investment over the 2000-2020 time period.

Implementation of Framework Plan and Urban Renewal Plan Goals:

Accomplishing complete implementation of the Framework and Urban Renewal Plans depends on a combination of private and public investment resources. The level of investment toward and Framework Plan/Urban Renewal goal achievement attained with each scenario is summarized in the figure on the following page.

Investment Level for North Macadam Alternative Development Scenarios

	Investment Level by Scenario Considered			
Framework Plan/Urban Renewal Goal	Base Case Development	Urban Renewal/Tax Increment Strategy (TIF)	Enhanced Development Funding Strategy	
Jobs: stimulating employment growth, targeting industries and jobs which pay a livable wage	Public: limited Private: \$144 million in office, retail and hotel development	Public: \$18 million in jobs programs Private: \$433 million in office, retail and hotel development	Public: \$18 million in jobs programs Private: \$433 million in office, retail and hotel development Undetermined: \$8 million in jobs related programs	
Urban Amenities: encourage exemplary open space development	Public: limited Private: \$3 million for greenway built to 25 foot standard	Public: \$23 million for four public parks and open space Private: \$14 million greenway built to 50 foot standard and bank treatment	Public: \$23 million for four public parks and open space Private: \$14 million greenway built to 50 foot standard and bank treatment Undetermined: \$5 million for higher quality park and art amenities	
Housing: encourage a full range of housing types and affordability levels	Public: limited Private: \$144 million for market rate housing	Public: \$25 million for 788 affordable housing units Private: \$443 million primarily for market rate housing (and limited non-profit housing development)	Public: \$25 million for 788 affordable housing units Private: \$443 million primarily for market rate housing (and limited non-profit housing development) Undetermined: \$36 million for 1,140 affordable housing units	
Transportation: development of an efficient and comprehensive transportation system	Public: \$3 million associated with Harrison connector Private: \$6 million for minimum access needs	Public: \$63 million for street, transit, pedestrian and bike improvements Private: \$19 million for street and transit improvements	Public: \$63 million for street, transit, pedestrian and bike improvements Private: \$19 million for street and transit improvements Undetermined: \$7 million for additional street and pedestrian improvements	

Note: Not all public/private investment is identified in this table. Items *do not* add to Urban Renewal Plan Area capital investment totals.

The degree to which the Framework and Urban Renewal Plans can *make a difference* for the North Macadam District is clearly indicated by the comparisons in the above chart. Investment in and achievement of the *North Macadam District Framework Plan* and *Urban Renewal Plan* goals clearly increases with each subsequent development scenario. The base case results in little if any movement toward plan goals and substantially reduced investment in the district. Under the Urban Renewal/TIF Strategy there is direct *public benefit or return on investment* more closely accomplishing the goals of the Framework and Urban Renewal Plans. The enhanced development funding scenario further succeeds in reaching the goals outlined.

IV. Recommendations to City Council and City Council Actions

The planning process has raised dozens of questions about how North Macadam will influence and relate to the larger urban context, and about how relationships within the area can be optimized. The Steering Committee has drawn on assistance from citizen work groups and technical specialists regarding critical aspects of new development, from affordable housing to public open space, from traffic access to building heights. The Steering Committee distilled from this process the following recommendations to City Council:

- The City Council should acknowledge the vision, principles and concepts contained in the North Macadam Framework Plan, and accept the Framework Plan as the aspirational planning context for developing implementation recommendations to achieve the vision for the North Macadam District.
- 2. The North Macadam Steering Committee, with continued public involvement, should be charged with providing continued direction and recommendations on all implementation activities, and to evaluate proposed implementation activities against the vision, principles and concepts contained in the North Macadam Framework Plan.
- 3. The City Council should direct the Portland Development Commission to take lead responsibility for coordinating a City Bureau team and to develop recommendations implementing the Framework Plan. Support will be provided by the Bureau of Planning, and Office of Transportation, Bureau of Parks & Recreation, Bureau of Environmental Services, Bureau of General Services and Office of Finance and Administration and other affected City Bureaus.
- 4. The City Council should direct a Public Negotiating Team composed of the City representatives on the Steering Committee, headed by PDC, to develop agreements with private property owners regarding public and private financial participation and performance obligations in projects and activities that may be proposed within the District.

On August 11, 1999, the City Council accepted by resolution the Steering Committee's Recommended Plan and a proposed work program for Framework Plan Implementation. The City Council also approved the North Macadam Urban Renewal Plan. The documents listed below are available from the Portland Development Commission.

Resolution No. 35815

Acceptance of the Framework Plan

Resolution No. 35815 - Exhibit A

Proposed Work Program for Framework Plan Implementation

Ordinance No. 173651

Approval of the North Macadam Urban Renewal Plan

Glossary

APP Association for Portland Progress
BES Bureau of Environmental Services
CAT Community Alliance of Tenants

CCP Central City Plan

CCTMP Central City Transportation Management Plan

CDN Community Development Network

CMAQ Congestion Management and Air Quality

COE Army Corps of Engineers
CTLH Corbett-Terwilliger-Lair Hill

DCA Downtown Community Association
HAP Housing Authority of Portland

HCDC Housing and Community Development CommissionHUD Federal Department of Housing and Urban Development

LIDLocal Improvement DistrictLIHTCLow-Income Housing Tax CreditODOTOregon Department of TransportationOFAOffice of Finance and Administration

OPDR Office of Planning and Development Review

OSF Old Spaghetti Factory

PDC Portland Development Commission
PDOT Portland Office of Transportation

PSI Portland Streetcar Inc.
PSU Portland State University
MFI Median Family Income

NMMFS North Macadam Development Council
NMFS National Marine and Fisheries Service
OHSU Oregon Health Sciences University

OMSI Oregon Museum of Science and Industry

SDC Systems Development Charge

TEA-21 Transportation Equity Act for the 21st Century

TOD Transit-Oriented Development

TDM Transportation Demand Management
TMA Transportation Management Association

TIF Tax Increment Financing
WSL Willamette Shore Line (trolley)

Work Group Membership

Greenway and Parks Work Group

Chair Barbara Walker

MembersDebbie BischoffBureau of PlanningBeverly BookinThe Bookin Group

Beverly Bookin I ne Bookin Group

Lyppe Coward League of Women Vote

Lynne Coward League of Women Voters

Linda Dobson BES Jeanne Galick CTLH

Michael Houck Audobon Society of Portland

Kurt Lango Parks Bureau

Ken Sanders Zimmer Gunsul Frasca

Zari Santner Parks Bureau

Steven Shain The Zidell Companies

Cheryl Twete PDC

Housing Work Group

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Eric Parson Standard Insurance Company

Transportation and Infrastructure Work Group

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David Cook OSF International Cheryl McDowell CTLH Land Use

Karen Rabiner
Lidwien Rahman
Vic Rhodes
Ron Smith
Al Smith
Bes
Bob Stacey
Dave Williams

PDOT
PDOT
BES
Tri-Met
ODOT

Urban Renewal Advisory Committee

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Barry Rosen Schnitzer Investment Group

Zari Santner Parks Bureau

Chris Scherer PDC

Steven Shain The Zidell Companies

Ron Smith BES

Barbara Walker

Denny West HAP

List of Technical Documents

The following technical documents may be requested from the Portland Development Commission (823-3200).

Development Financing & Return on Investment Strategy, E.D. Hovee, June 1999

Draft Development Scenarios, Spencer & Kupper, October 1998

Draft Parks Standards: A Process for Determining Parks and Open Space Needs, Portland Parks & Recreation, August 1998

The Economic Benefits of Greenways, Bureau of Planning, February 1999

Market Evaluation Study, E.D. Hovee, October 1998

Marquam Hill to North Macadam District Tram Ridership Analysis, Parsons Brinckerhoff Quade & Douglas, August 1998

North Madacam District to OHSU Tram Study, Jewett Engineering, August 1998

North Macadam District Street Design Standards and Criteria Plan Transportation Report, David Evans & Associates for Lloyd Lindley and PDOT, November 1998

North Macadam District Street Standards and Criteria - Central City Streetcar Alignment Alternatives Progress Report, Lloyd D. Lindley, ASLA for PDOT, March 5, 1999

North Macadam District Transportation Analysis - Executive Summary, Lloyd D. Lindley, ASLA, and David Evans & Associates for PDOT, February 12, 1998

North Macadam District Urban Renewal Feasibility Study, PDC, March 1999

Parks, Open Space, & Recreation Needs, GreenWorks and Perron Collaborative, October 1998

Riverfront Bank Options, Greenworks and Perron Collaborative, November 1998

Summary of Development Standards, Bureau of Planning, February 1999

Transportation Analysis Summary, DEA and Lloyd Lindley, June 1998

Willamette Greenway User Survey, Portland Parks and Recreation, October 1998

Willamette Greenway Trail Design Standards, GreenWorks and Perron Collaborative, October 1998

Work Group Final Reports: Jobs, Housing, Transportation, Parks, Greenway, and Open Space, June 1999

Housing Report includes the following information: Demographic Findings of the Work Groups, Area Student Demographics, Housing Employment Linkages, Forecast of Market-rate Unit Build-outs, Housing Development in North Macadam, Forecast Market Production, Targeted Affordable Production, Housing Income Policy, Underwriting the City Investment, Addressing the Very Low Income Housing Segment, Housing Ownership, Affordable Ownership, Employer-Assisted Housing, Percentage of Ownership in North Macadam, Additional Information.

Working Vision for North Macadam, Livable Oregon and Spencer & Kupper, April 1998