

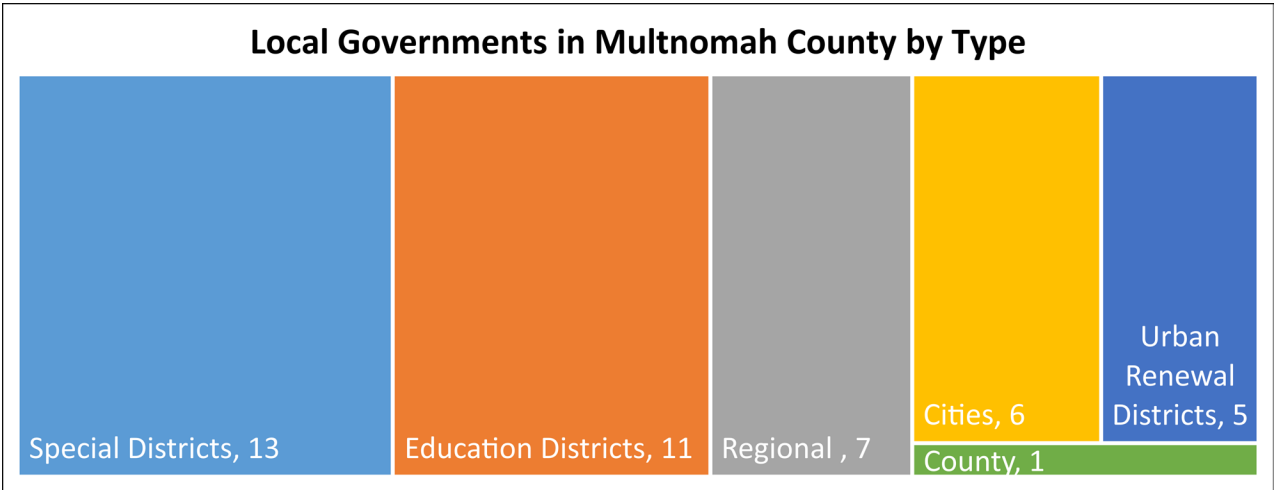
GENERAL INFORMATION

Introduction

This is a comprehensive annual report summarizing budget activity for the taxing districts in Multnomah County. Community member involvement is crucial to successful government, and we hope to encourage community members to learn more about the districts serving them. The Commission has published this report in order to provide financial information about local governments in Multnomah County in a clear, objective, and understandable manner for community members and public officials.

In this report we provide high-level aggregate data. For specifics on an individual district's budget, we encourage you to review the district's budget documents. This report is produced for the benefit of its readers and we welcome your ideas about how this Annual Report could better serve you.

Multnomah County local governments provide a wide range of services to community members financed by a variety of revenues. Local governments primarily or exclusively in Multnomah County include special districts (primarily water and fire districts in unincorporated areas), education districts, regional districts (Port, TriMet, library district, and soil and water conservation), cities, urban renewal, and the county itself. The full list of districts is available on pg.ix.



Each year, districts make their best estimates based on the information available to create a spending plan for the coming year – their budget. Actual spending may vary from the planned spending, but reviewing the budgets shows the community the intent of the local governments for spending the money available.

GENERAL INFORMATION

Oregon Budget Law encourages public participation in the budget process. To learn more about these districts, we highly encourage you to visit their websites, review this report, and participate in the budget process through public comment opportunities. Need guidance? TSCC is here to help – [please reach out with any questions](#).

By law, district budgets must balance between resources (the amount of money they have available) and requirements (the amount of money planned for specific purposes):

Resources	Requirements
<ul style="list-style-type: none">• Beginning Fund Balance• Revenues• Transfers In	<ul style="list-style-type: none">• Expenditures• Transfers Out• Contingencies• Ending Fund Balance

Each fund in a local government budget must have balanced resources and requirements. Resources include all money available, including beginning fund balance (dollars left over from the prior year) and transfers in from other funds. Revenues are the money anticipated to be received in the coming year and come from a number of sources. Requirements include the money expected to be spent in the coming year (expenditures), as well as transfers out to other funds, contingencies and ending fund balance that are reserved for specific uses.

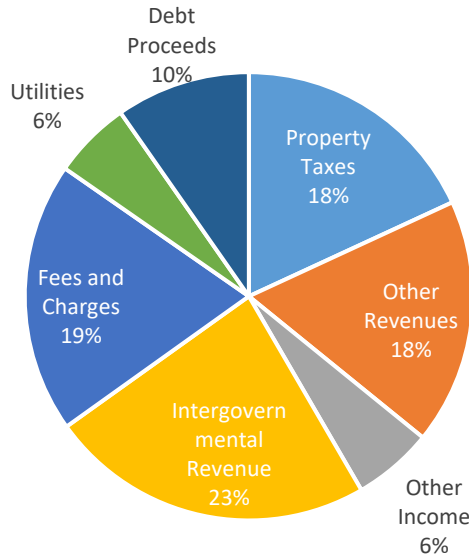
Did you know?

Resources and revenues are easily confused but mean two different things. Resources include all the money a taxing district has available, including their beginning fund balance (money available in their bank accounts at the beginning of the year) and transfers in from other funds. Revenues refer to new money that is expected to be received during the fiscal year.

GENERAL INFORMATION

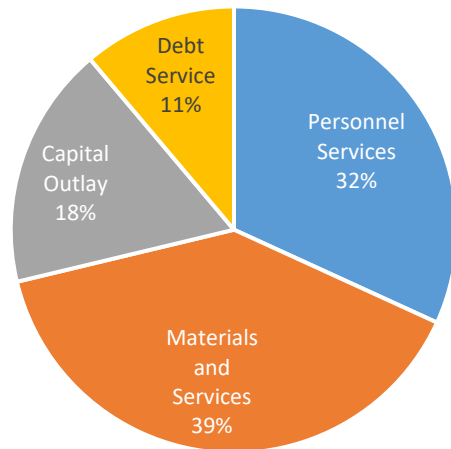
Where the Money Comes From

Revenues for 2023-24 Budgets



Where the Money Goes

Expenditures for 2023-24 Budgets



Total Resources Budgeted - All Districts Combined

Dollars in Millions

	2022-23	2023-24	Annual Change	
Beginning Fund Balance	\$ 7,929	\$ 8,925	\$ 996	13%
Revenues	\$ 12,470	\$ 12,511	\$ 41	0%
Transfers in	\$ 2,229	\$ 2,479	\$ 251	11%
Total Resources	\$ 22,628	\$ 23,915	\$ 1,288	6%

Total Requirements Budgeted - All Districts Combined

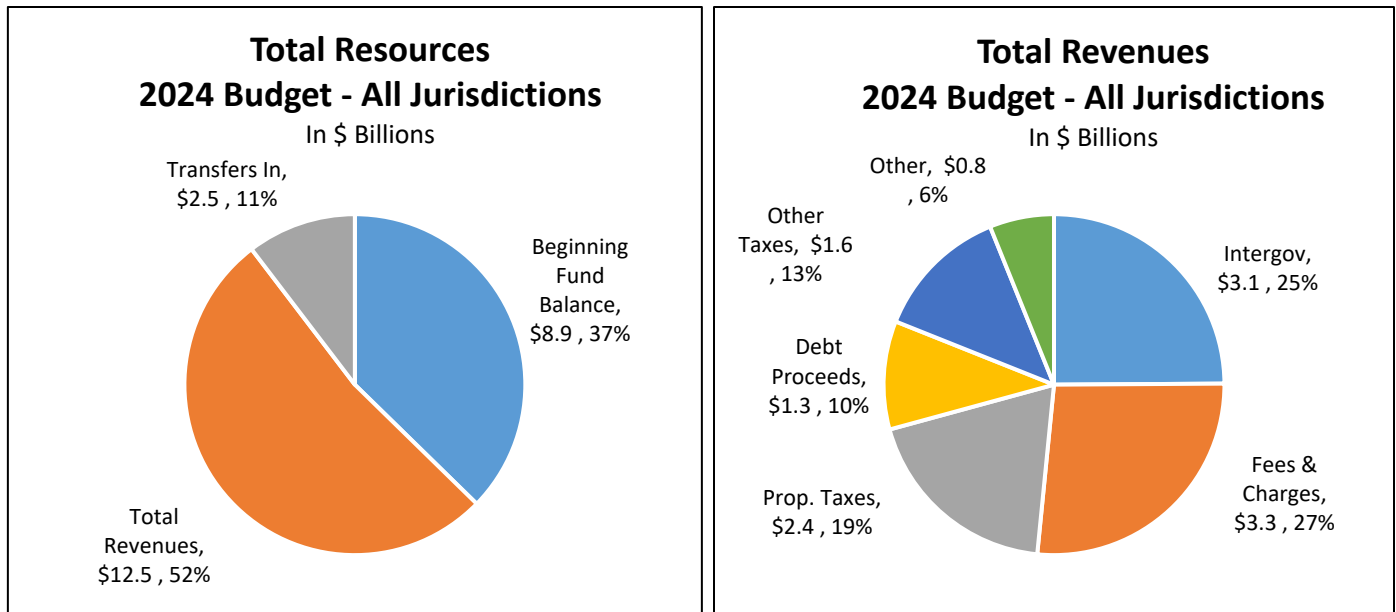
Dollars in Millions

	2022-23	2023-24	Annual Change	
Expenditures	\$ 14,753	\$ 15,586	\$ 833	6%
Transfers & Contingencies	\$ 5,351	\$ 5,709	\$ 358	7%
Ending Fund Balance	\$ 2,524	\$ 2,620	\$ 96	4%
Total Requirements	\$ 22,628	\$ 23,915	\$ 1,288	6%

Total FY 23-24 Adopted budgets increased by 6% from FY 22-23 budgets. Beginning fund balance, the amount districts expect to have at the beginning of the fiscal year, increased by 13%, nearly \$1 billion. Over half of this fund balance increase was in the Port of Portland budget. Year over year transfers also increased – these represent dollars moving between funds for individual districts (for example, for one department to pay central services for human resources, or to transfer money from the general fund to pay for a capital project). Requirement categories increased between 4 and 6%.

GENERAL INFORMATION

Combined Budget Resources - \$23.9 Billion for 2023-24



The total combined 2023-24 budgeted resources are \$23.9 billion, a 6% increase from last year. Beginning fund balance is \$8.9 billion and transfers are \$2.5 billion, leaving revenues of \$12.5 billion, a very slight increase from last year. Three revenue sources—Property Taxes, Fees and Charges, and Intergovernmental Revenues—account for 70% of the districts’ revenues.

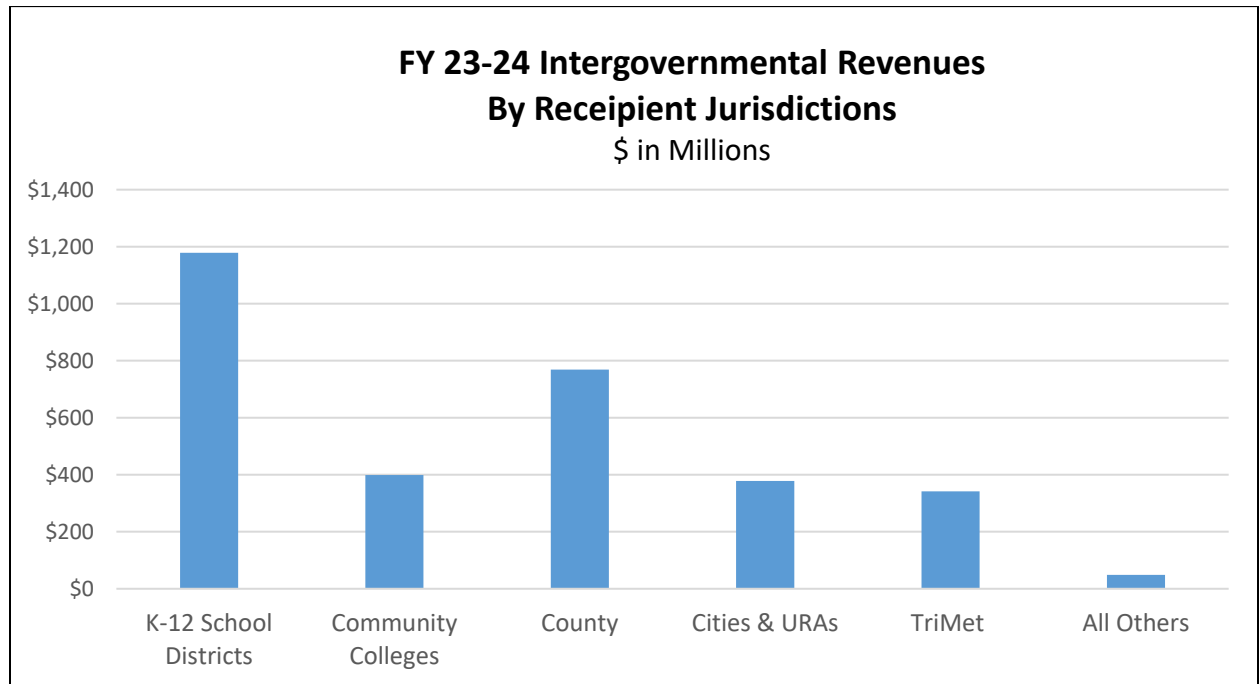
Total Revenues - All Districts Combined				
Dollars in Millions				
	2022-23	2023-24	Annual Change	
	Budget	Budget		
Intergovernmental Revenue	\$ 3,180	\$ 3,116	\$ (65)	-2%
Fees, Charges, Utilities	3,183	3,336	154	5%
Property Taxes	2,327	2,401	74	3%
Debt Proceeds	1,594	1,286	(308)	-19%
Other Taxes	1,452	1,606	154	11%
Other Income	734	765	32	4%
Total Revenues	\$ 12,470	\$ 12,511	\$ 41	0%

GENERAL INFORMATION

Intergovernmental Revenue - \$3.1 Billion for 2023-24

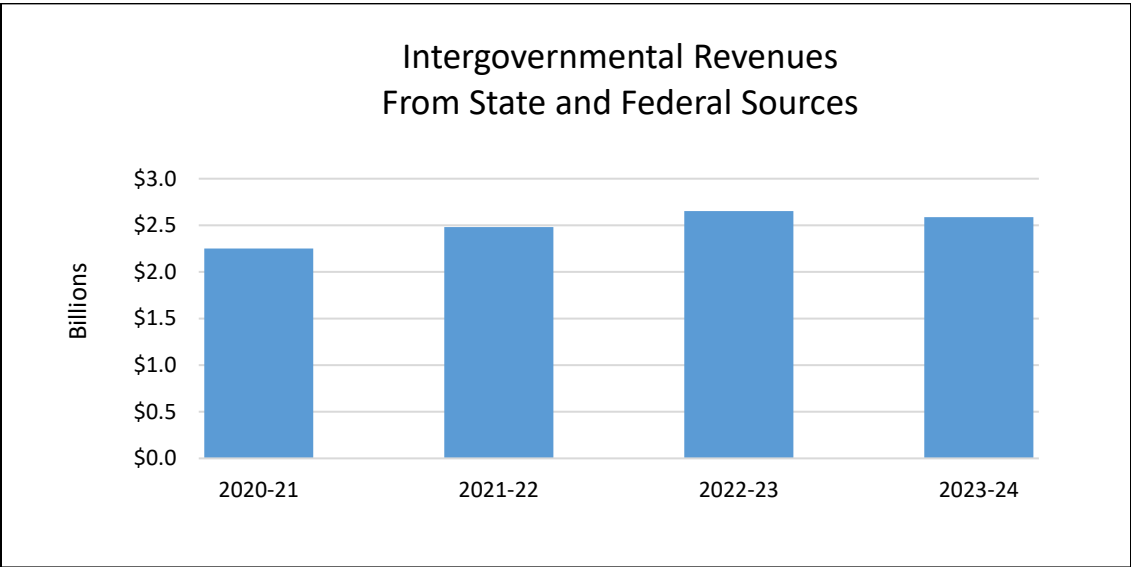
Budgeted Intergovernmental Revenues decreased by 2% from last year's budget. These revenues are 25% of the combined total revenues.

Intergovernmental Revenue consists of funds transferred from the federal and state governments and funds transferred within local governments. The funds are transferred as grants and shared revenue. This category does not include intergovernmental payments for services (see Fees and Charges section).



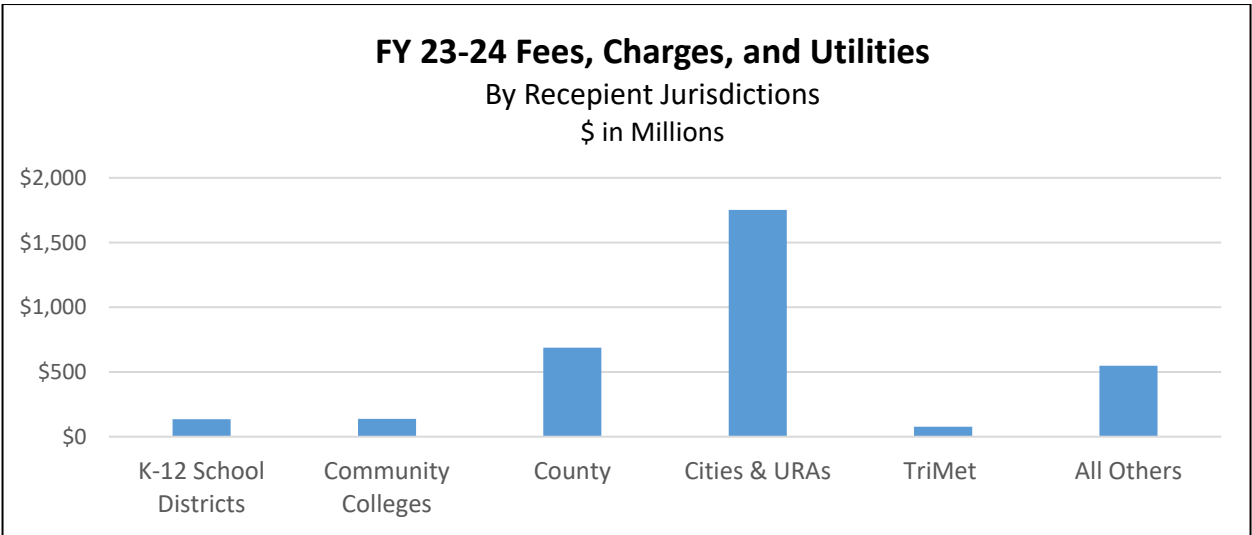
The largest portion of intergovernmental revenue are in education districts, and that funding is primarily from federal and state sources. The chart on the next page shows actual (20-21 and 21-22) and budget (22-23 and 23-24) federal and state revenues. Budgeted federal dollars continue to decrease as covid relief funds from the federal government taper off.

GENERAL INFORMATION



Fees, Charges and Utilities - \$3.3 Billion for 2023-24

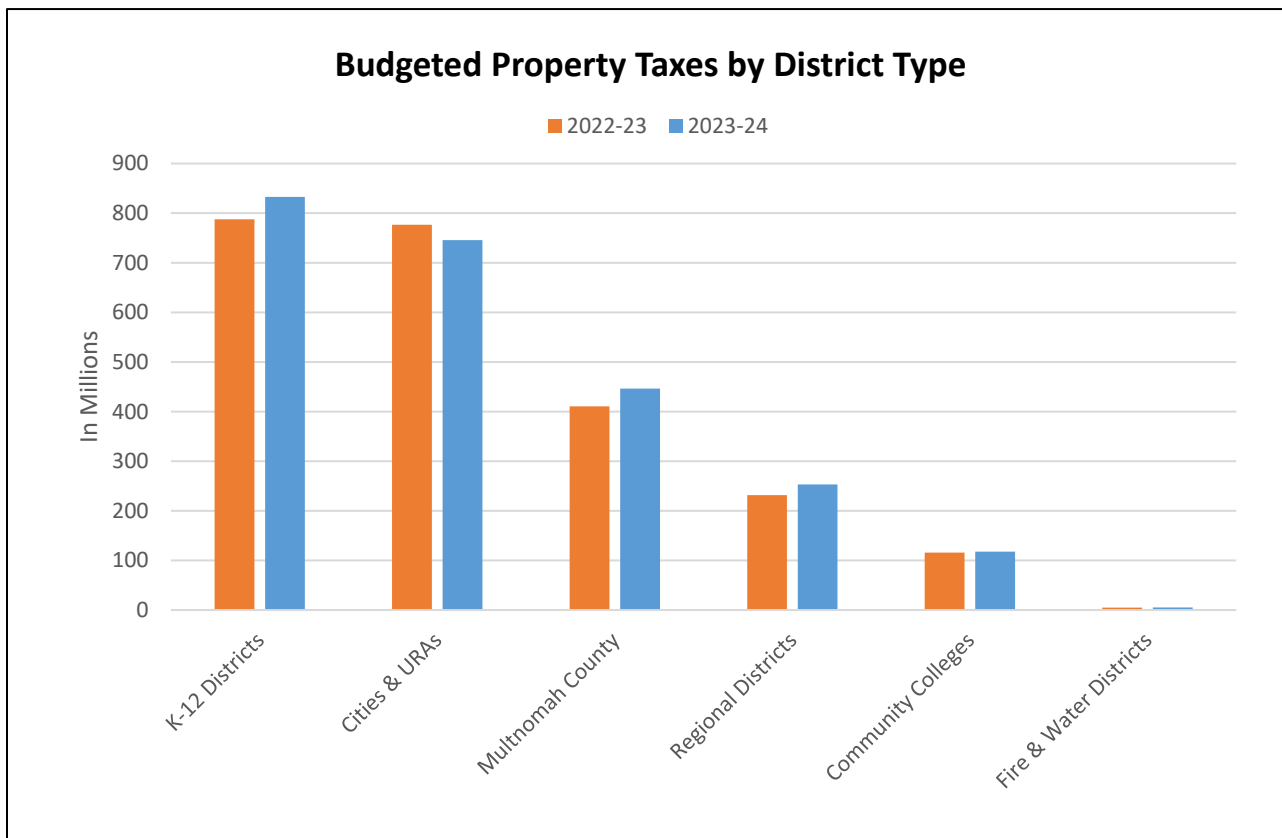
Fees, Charges and Utility Charges comprise 27% of total budgeted revenue for districts. Sources of this category vary widely from district to district and includes items such as system development charges, school tuition and fees, franchise fees, licenses, permits and fines, utility revenues, service reimbursements, and other charges for services. Cities receive the most revenue from this category compared to other districts due to the utilities they provide (e.g., water, wastewater, etc.). This category of revenues increased by 5% over last year’s budget, with the largest dollar increase in the City of Portland budget.



GENERAL INFORMATION

Property Taxes - \$2.4 Billion for 2023-24

Property tax receipts are budgeted to increase by 3% in 2023-24. Property taxes are 19% of FY 23-24 district budgeted revenue. Schools and cities have the largest share of property taxes budgeted. Cities and URAs see a slight decrease in property taxes from last year's budget to this year's budget driven by the reduction in budgeted tax increment financing (TIF) taxes as city's economic development agency (Prosper Portland) continues planned TIF district closures, resulting in less overall property taxes for the cities/URA category. Additionally, assessed value will return to other taxing districts within the closing TIF districts, increasing taxes the other districts. (More information in the Urban Renewal and Property Tax sections of this report).



GENERAL INFORMATION

Debt Proceeds - \$1.3 Billion for 2023-24

The districts have budgeted \$1.3 billion in debt proceeds for 2023-24, a 24% decrease from last fiscal year's budget. These debt obligations (loans and bonds) will be paid back in future years through one of four methods:

1. *Revenue Bonds* are paid back by existing dedicated revenues such as water utility revenue or gas tax revenue.
2. *General Obligation Bonds* are paid back with dedicated voter-approved property tax revenue.
3. *Tax Increment Bonds* are paid back with urban renewal property tax revenue.
4. *Full Faith and Credit* obligations are paid back by a taxing jurisdiction's general operating revenues.

Debt Proceeds	
	2023-24 Budget
Multnomah County	2,742,123
Port Of Portland	280,000,000
Urban Flood Safety & Water Qual	1,200,000
Prosper Portland	70,130,903
Fairview URA	5,000,000
Gresham Redevel Comm	7,389,900
Troutdale URA	4,100,000
City of Fairview	500,000
City of Gresham	38,804,700
City of Portland	442,588,720
Multnomah ESD	4,900,000
Portland Public Schools	415,560,000
Parkrose School District	4,035,000
Corbett School District	5,395,665
Burlington Water District	295,000
Lusted Water District	3,776,350
Total	\$ 1,286,418,361

Other Taxes - \$1.6 Billion for 2023-24

Taxes other than property taxes account for 13% of local government revenues in the county and have increased in recent years. Voters approved income taxes to fund clean energy (City of Portland), supportive housing (Metro, personal income tax) and preschool for all (Multnomah County, personal income tax).

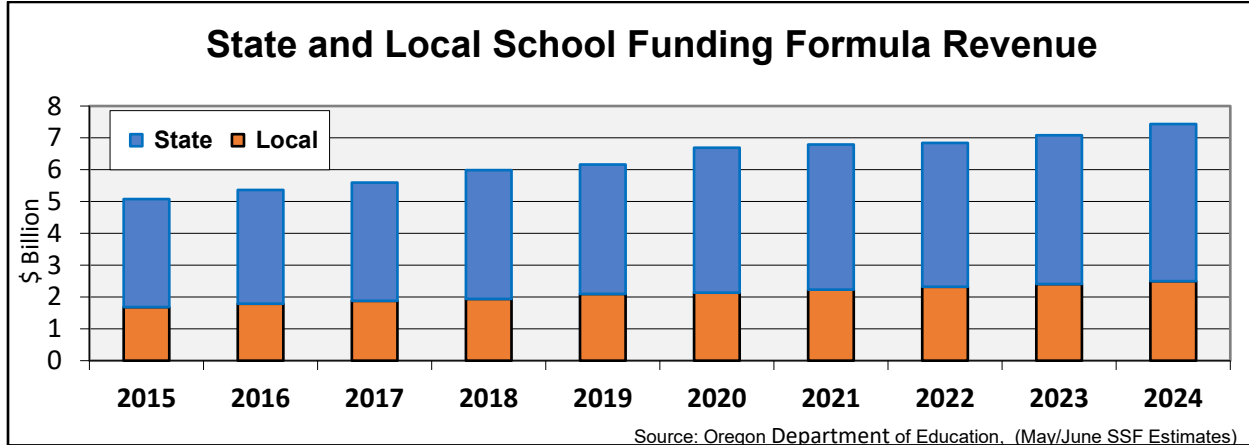
Other Taxes Collected					
(Budgeted & Actual in Millions)					
	2020-21	2021-22	2022-23	2023-24	% Change
Business Income Taxes	\$319	\$473	\$428	\$455	6.5%
TriMet Payroll Tax	\$416	\$464	\$470	\$516	9.7%
Personal Income Taxes	\$0	\$335	\$225	\$270	20.1%
Clean Energy Tax	\$116	\$135	\$91	\$100	10.4%
Transient Lodging Tax	\$36	\$87	\$101	\$122	20.7%
Excise Taxes*	\$40	\$44	\$43	\$43	0.5%
Rental Car Tax	\$20	\$38	\$39	\$40	2.7%
Local Gas Tax**	\$26	\$29	\$28	\$28	-0.7%
LID and Svc Dist Asstmts	\$15	\$20	\$14	\$19	31.9%
Arts Tax	\$13	\$12	\$13	\$13	-3.0%
Solid Waste Tax	\$0.1	\$0.1	\$0.1	\$0.1	-0.8%
Total Other Taxes	\$1,001	\$1,637	\$1,452	\$1,606	10.6%
*Includes Metro 7.5% charge on users of Metro facilities and various construction taxes.					
**Includes City of Portland (\$0.10), Mult. County, and City of Troutdale (both at \$0.03).					

GENERAL INFORMATION

School Specific Revenues

State School Funding

With the introduction of property tax limitations and the demand for school funding equalization, the State of Oregon took over primary responsibility for funding schools in 1991. The chart below shows the ratio of local funding (property tax) to state funding (income tax) has been about 33/67%. Prior to 1991, the ratio was the opposite. The Legislature determines how much money is available statewide from both local and state sources and allocates that money to districts on a per-student basis. That allocation is each district's General Purpose grant. The per-student amount is the same for all districts, equalizing school funding generally. The state deducts permanent rate property taxes from each school districts' General Purpose grant to determine how much the school district will receive from the State School Fund Grant. Local option levies are excluded.



Funding Allocation

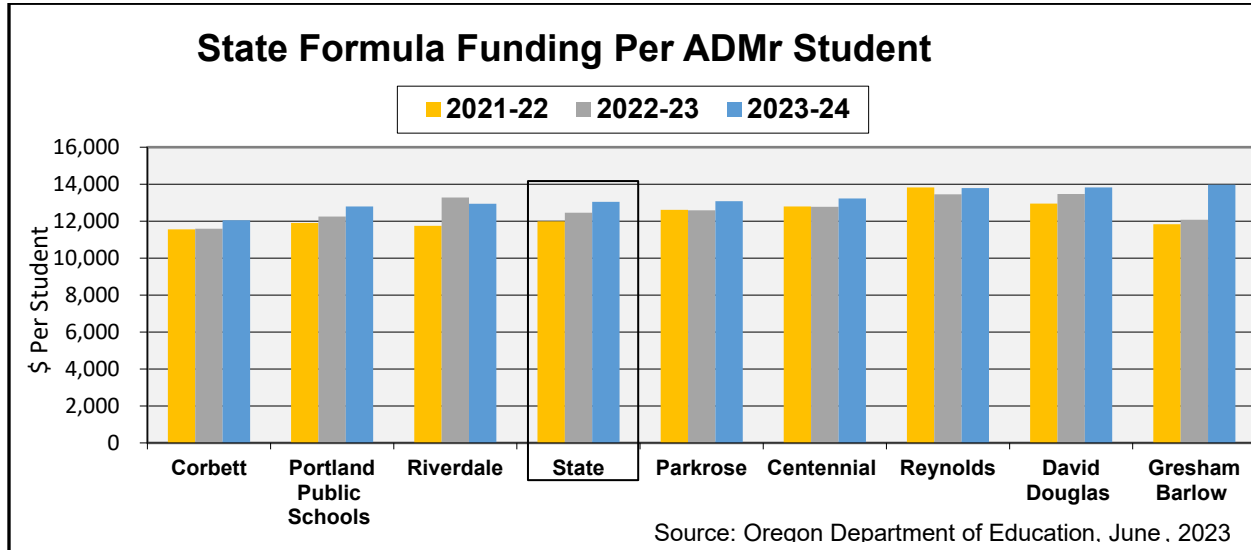
The state school funding formula allocates funds based on student enrollment. *Average Daily Membership, resident* (ADM_r) is the average number of students enrolled in a district on a daily basis. The variance in funding per ADM_r is due to adjustments within the allocation formula. ADM_r does not recognize that some categories of students require more assistance than others, increasing a school district's workload.

A second enrollment number, *Average Daily Membership, weighted* (ADM_w) (see following table) recognizes that and is used to adjust the allocation formula for the higher resource needs of those student groups.

ADMw Weighting Factors	
Each Student Who Is:	Is Counted As:
In a family at or below poverty level	1.25 Students
In foster care	1.25 Students
Learning English as a second language	1.50 Students
On an individualized Education Program	2.00 Students
Pregnant or parenting	2.00 Students

GENERAL INFORMATION

Up to date information on the factors impacting weighted categories, such as English language learners and students in poverty, can be found in the Statewide Report Card: [Oregon Department of Education : Statewide Annual Report Card : State of Oregon](#).



Student Population Trends

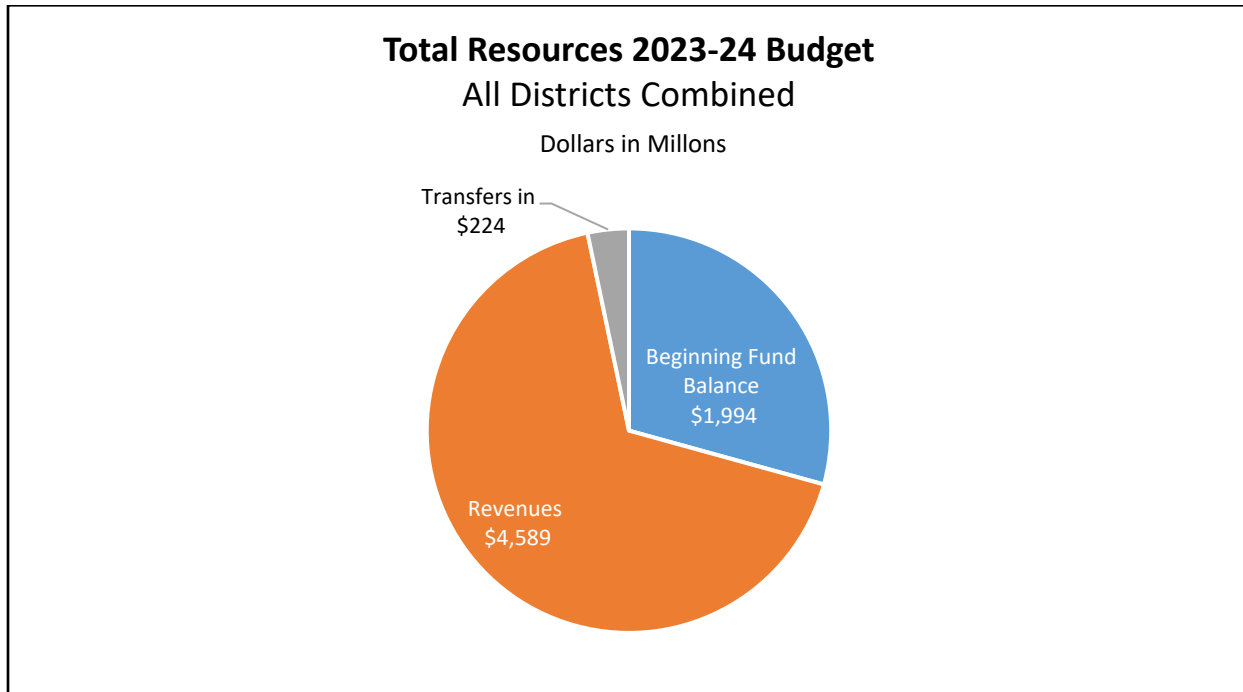
Using the enrollment measure that best reflects workload level (ADMw), the county's total student enrollment population is projected to decrease by 1% according to projections by the state (numbers as of June, 2023).

Change in District Student Population				
ADMw				
	2022-23 Reported	2023-24 Forecast	Change	
			#	Percent
Portland Public Schools	53,153	52,816	(337)	-0.6%
Parkrose	3,489	3,504	15	0.4%
Reynolds	12,768	12,928	160	1.3%
Gresham Barlow	13,720	12,679	(1,041)	-7.6%
Centennial	6,864	6,866	2	0.0%
Corbett	1,227	1,228	1	0.1%
David Douglas	11,012	10,877	(135)	-1.2%
Riverdale	639	661	22	3.4%
Total	102,872	101,559	(1,313)	-1.3%

GENERAL INFORMATION

General Fund Resources

Each district's General Fund warrants special attention because they are the depositories for most property tax funds. Total General Fund budgets for 2023-24 are \$6.8 billion, a 4% increase.



General Fund Reserves

Local governments use Beginning Fund Balance as a depository for money not spent in the prior years as of the first day of the new fiscal year. Money in the Beginning Fund Balance is segregated by its planned or committed future use: dedicated reserves, rainy day reserves, funds carried over from unfinished capital projects, and funds with no assigned purpose, to name a few.

The chart on the next page details the Beginning Fund Balance for each district's General Fund for the last four years.

Beginning Fund Balance is a measure of the financial health of a local government. The ratio of Beginning Fund Balance to the total budget of the fund (last column) can be a key indicator of financial health.

GENERAL INFORMATION

General Fund Beginning Balance					
	20-21 Actual	20-21 Actual	22-23 Budget	23-24 Budget	BFB/GF Bdgt
Multnomah County	128,565,416	182,726,126	173,696,669	180,711,621	21%
Multnomah County Library	12,572,699	21,223,784	28,121,243	24,690,971	18%
East Multnomah Soil & Water	2,875,535	3,534,574	3,432,540	3,822,463	38%
West Multnomah Soil & Water	1,060,349	1,283,653	1,556,000	1,622,000	39%
Port Of Portland	208,664,341	220,922,334	200,937,555	266,439,591	59%
Metro	57,526,276	49,373,460	69,034,607	68,691,007	38%
TriMet	673,306,610	726,496,717	1,064,741,634	971,671,044	50%
Urban Flood Soil & Water Quality	0	136,076	800,000	385,000	23%
Prosper Portland	1,225,521	1,336,514	1,604,287	1,460,069	4%
Fairview URA	3,421,012	1,122,587	2,934,395	709,359	10%
Gresham Redevel Comm	2,599,568	373,375	446,800	3,304,200	31%
Troutdale URA	(74,022)	178,612	171,112	213,637	0%
Wood Village URA	3,860,847	2,198,961	1,940,000	960,000	61%
City of Fairview	2,554,016	2,635,284	3,110,119	4,320,810	42%
City of Gresham	12,947,719	19,173,591	23,300,000	26,474,000	22%
City of Maywood Park	65,923	105,597	146,000	196,000	44%
City of Portland	70,766,904	102,632,470	161,964,850	95,464,168	10%
City of Troutdale	4,755,397	6,442,284	6,888,114	9,112,834	36%
City of Wood Village	2,281,367	2,568,605	3,500,000	2,820,000	43%
Mt. Hood Community College	9,666,312	15,402,319	19,535,549	12,230,494	14%
Portland Community College	62,851,749	101,209,081	61,925,295	95,496,056	27%
Multnomah ESD	8,325,729	8,683,957	9,369,881	10,500,000	18%
Portland Public Schools	64,474,000	88,691,000	99,978,000	94,984,000	11%
Parkrose School District	823,322	3,057,090	3,757,090	2,907,226	8%
Reynolds School District	18,958,789	24,654,907	34,006,549	41,519,249	22%
Gresham-Barlow School District	21,393,671	26,829,419	26,085,240	20,645,304	12%
Centennial School District	1,420,478	11,529,310	21,100,000	18,500,000	20%
Corbett School District	4,689,570	4,504,500	4,207,288	1,065,086	7%
David Douglas School District	15,338,222	18,738,516	23,245,445	20,829,259	15%
Riverdale School District	1,482,071	1,177,227	1,000,000	760,000	7%
Multnomah RFPD District 10	523,353	499,345	531,725	543,819	20%
Riverdale RFPD District 11J	1,349,574	1,397,490	1,410,000	1,337,500	51%
Corbett RFPD District 14	262,500	359,065	213,000	196,000	23%
Sauvie Island RFPD 30J	257,634	326,699	1,256,011	541,816	69%
Alto Park Water District	25,167	28,035	28,733	27,004	28%
Burlington Water District	161,168	216,942	175,000	400,000	32%
Corbett Water District	997,529	215,129	380,323	554,345	34%
Lusted Water District	301,085	263,653	380,000	500,000	44%
Palatine Hill Water District	884,095	1,284,019	1,624,986	1,780,634	53%
Pleasant Home Water District	179,763	160,053	170,053	157,075	27%
Valley View Water District	1,143,906	1,318,193	1,394,424	1,742,670	67%
Dunthorpe-Riverdale Sewer	1,259,766	1,837,787	2,240,000	2,466,000	63%
Mid-County Lighting	379,235	388,109	600,000	883,000	61%

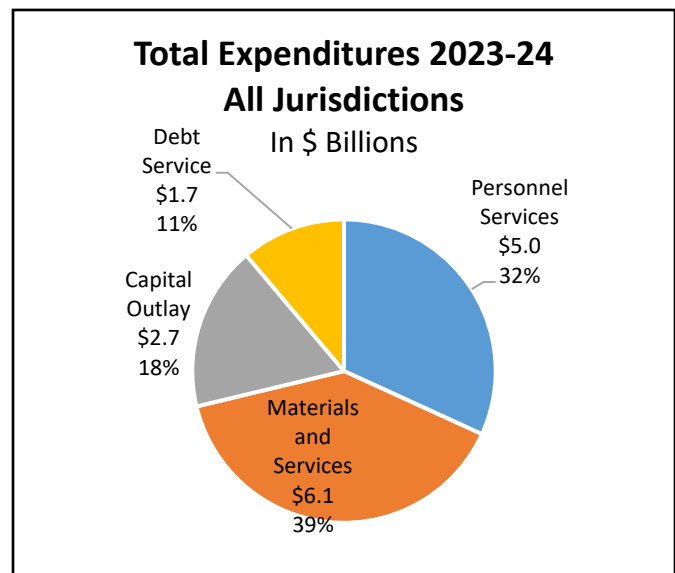
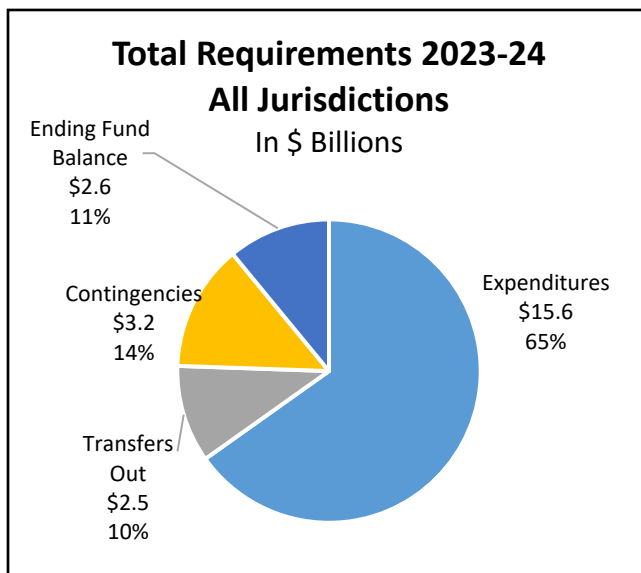
GENERAL INFORMATION

Combined Budget Requirements and Expenditures

Budgets are made up of requirements, meaning the money a district may require for spending in the coming year. Requirements are made up of expenditures, reserves, and transfers. The expenditure budget is a better measure when looking to understand the amount of money districts expect to spend in a fiscal year since items like contingency, reserves, or transfers may or may not be spent depending on need. Overall expenditures for all districts combined are budgeted to increase 5%.

What is an expenditure?

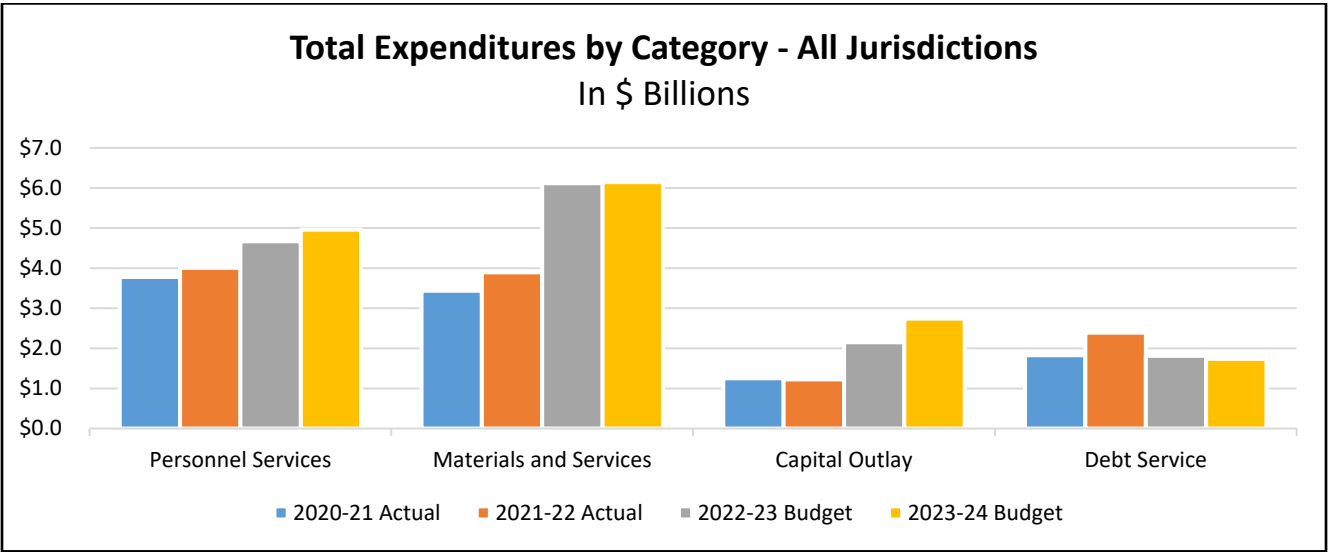
Budget law defines expenditures as Personnel Services, Materials & Services, Capital Outlay, and Debt Service. It excludes the other requirements: Fund Balance, Fund Transfers, and Contingencies (*Oregon Administrative Rule 150-294.550*).



Total combined 2023-24 requirements for all districts in Multnomah County are \$23.9 billion. The 2023-24 net budget (expenditures only) is \$15.6 billion, an increase of 5.6% over the 2022-23 budget.

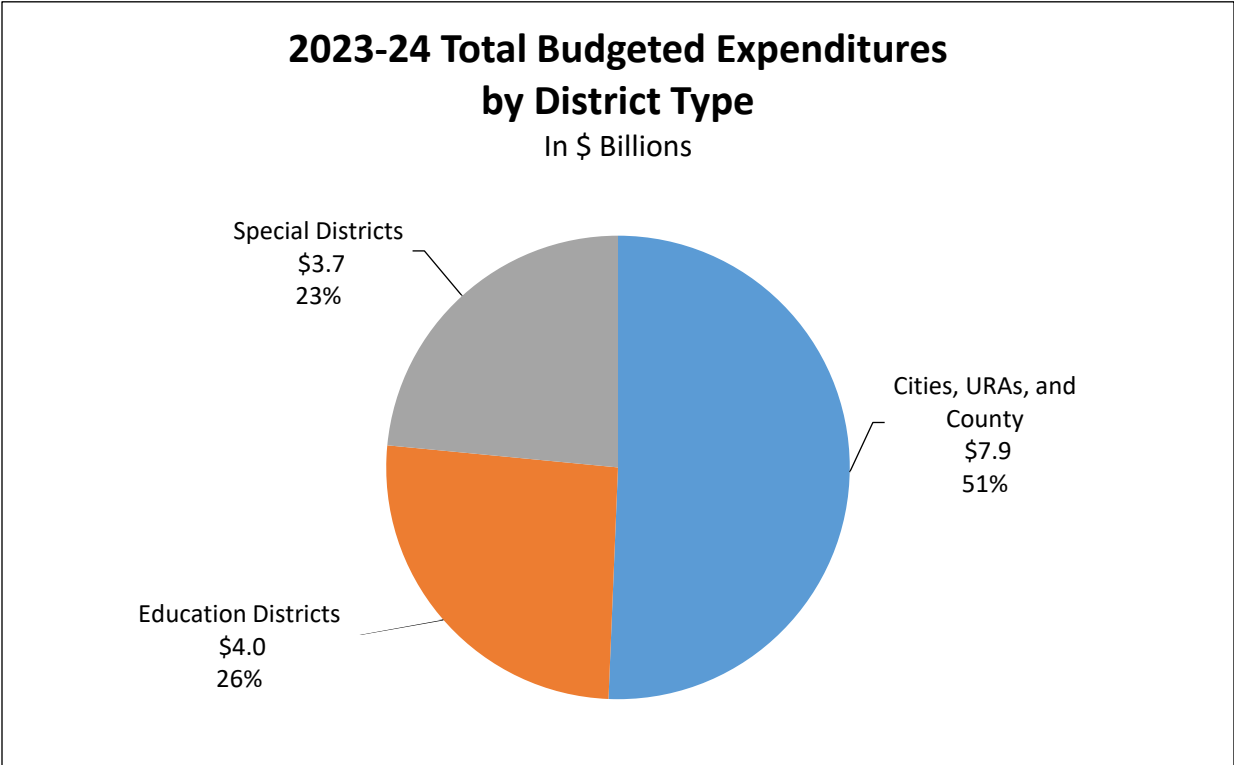
The following chart shows the year-by-year changes for the four main expenditure categories. The numbers for 2020-21 and 2021-22 are the actual expenditures for the year, which usually are lower than the budget. The chart shows a trend of increasing Personal Services and Materials and Services costs, with Capital Outlay and Debt Service fluctuating over time.

GENERAL INFORMATION

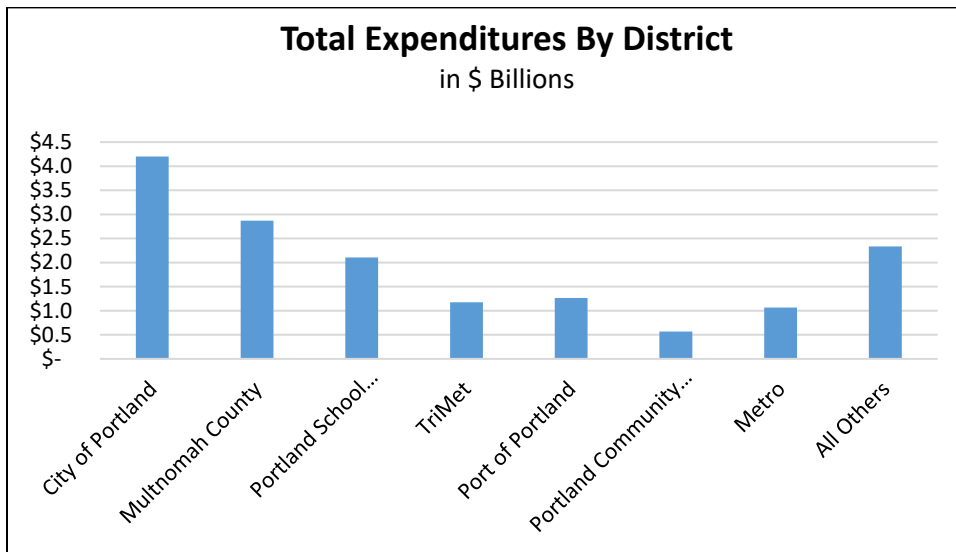


Combined Budget Expenditures by Entity

As shown below, the cities, urban renewal agencies, and the county account for \$7.9 billion in 2023-24 budgeted expenditures (51% of the total).



GENERAL INFORMATION



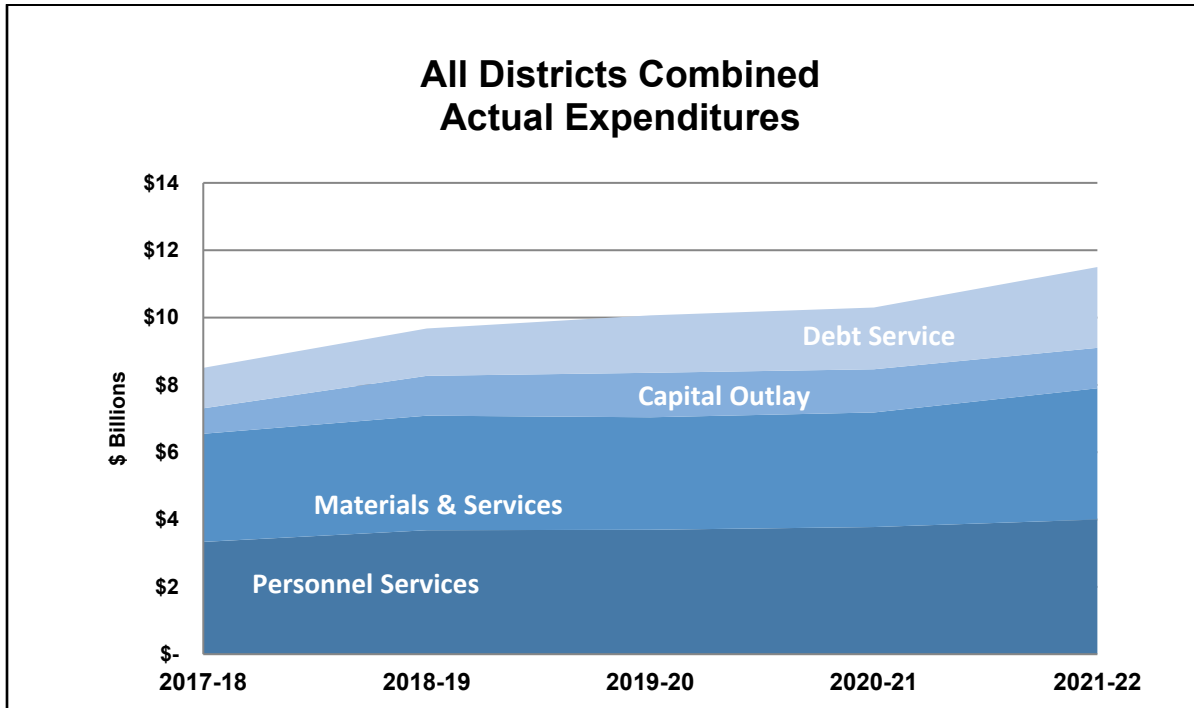
Audited Expenditures

As mentioned, the budget is a district's spending plan for the coming year. By law, budgets must also include two years of actual historical spending. The majority of districts are required to conduct an annual audit of their spending. Multnomah County taxing districts reported actual spending expenditures of \$11.5 billion in total, a 12% increase over the prior year. Since 2017-18, the average annual expenditure increase has been roughly 7%.

All Districts Combined Requirements - Actuals						
(\$ Millions)						
	2017-18	2018-19	2019-20	2020-21	2021-22	Avg. Annual Change
Personnel Services	3,337	3,509	3,697	3,779	4,008	4%
Materials & Services	3,211	3,408	3,342	3,436	3,896	7%
Capital Outlay	757	1,184	1,317	1,255	1,227	9%
Debt Service	1,202	1,578	1,710	1,828	2,389	7%
Sub-Total Expenses	8,507	9,679	10,067	10,298	11,520	7%
Interfund Transfers	1,067	1,195	1,383	1,398	1,427	8%
Ending Fund Balance	5,729	6,184	6,695	7,691	8,839	12%
Total Requirements	\$ 15,303	\$ 17,058	\$ 18,145	\$ 19,386	\$ 21,786	8%
EFB as a % of Expenses	67%	64%	67%	75%	77%	

GENERAL INFORMATION

The figure below stacks the expenditure actuals by category to give a picture of spending trends over the five-year period from 2017-18 through 2021-22. Personnel Services and Materials and Services costs have tended to increase uniformly over the years. Debt Service and Capital Outlay costs are more likely to fluctuate annually as projects are started and completed.



Expenditures are one piece of total requirements. Actual numbers also include amounts for other requirements, such as ending fund balance and transfers out. The actual combined ending fund balances for the districts was \$8.8 billion in 2021-22. Fund balance as a percent of expenditures increased by two percentage points to 77% over the prior year. One of the primary drivers of fund balance fluctuations is capital project financing from bond sales. The fund balance increases with new bond issues and decreases as the proceeds are used for capital projects.

Personnel Expenditures

For the majority of districts, personnel costs are the largest annual expenditure. The following pages provide detail on the staffing levels of local districts.

GENERAL INFORMATION

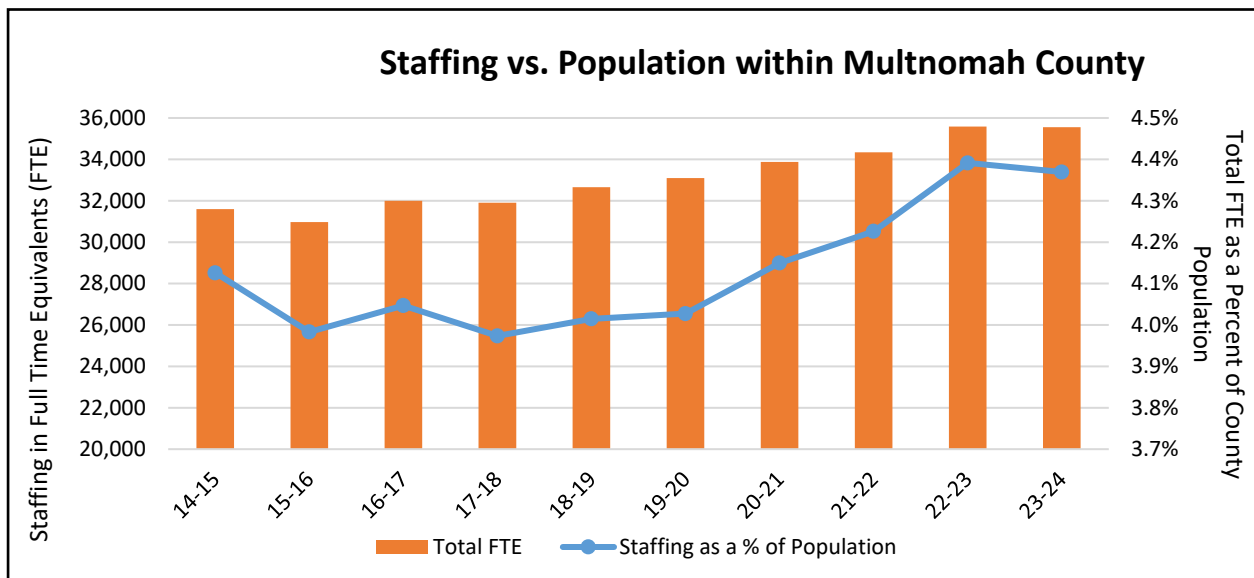
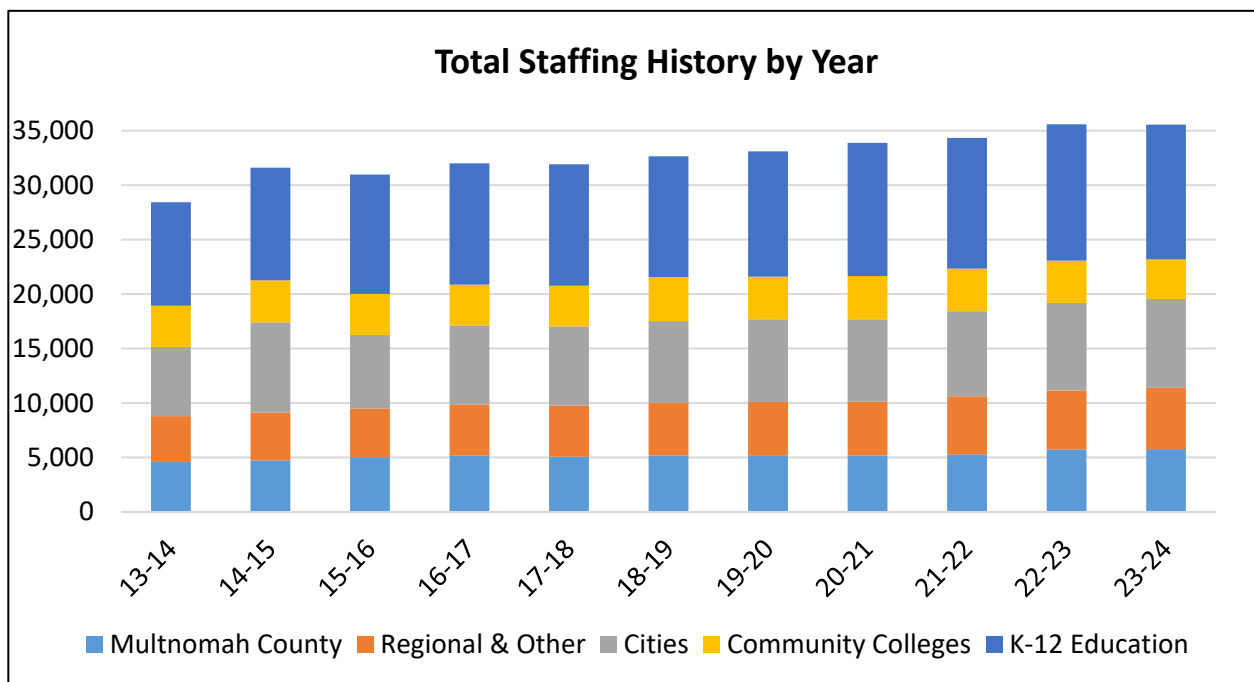
Staffing Levels

Entity	Total Number of Staff Positions (Full Time Equivalents)				Change From FY23 to FY24	
	FY21	FY22	FY23	FY24	#	%
Multnomah County	5,185	5,279	5,732	5,774	42	1%
Regional Districts						
Metro	967	1,027	1,102	1,149	47	4%
Port	755	725	866	896	30	3%
TriMet	3,188	2,996	3,430	3,545	115	3%
East Multnomah SWCD	22	23	23	22	-1	-4%
West Multnomah SWCD	11	11	11	12	1	9%
Subtotal Regional	4,943	4,782	5,432	5,624	192	3.5%
Cities						
Prosper Portland	81	81	78	81	3	4%
City of Fairview	25	25	25	27	2	8%
City of Gresham	589	613	639	647	8	1%
City of Maywood Park	1	1	1	1	0	0%
City of Portland	6,781	6,822	7,244	7,322	78	1%
City of Troutdale	57	58	60	63	3	5%
City of Wood Village	16	15	15	16	1	7%
Subtotal Cities	7,550	7,615	8,062	8,157	95	1%
Community Colleges						
Mt. Hood CC	992	924	1,014	1,018	4	0%
Portland CC	2,986	2,677	2,677	2,612	-65	-2%
Subtotal CC's	3,978	3,601	3,691	3,630	-61	-2%
K-12 Education						
Education Service District	728	712	746	778	32	4%
Portland SD 1J	6,627	6,212	6,530	6,247	-283	-4%
Parkrose SD 3	365	355	363	356	-7	-2%
Reynolds SD 7	1,204	1,336	1,336	1,377	41	3%
Gresham Barlow SD 10J	1,019	1,114	1,126	1,121	-5	0%
Centennial SD 28J	664	680	707	703	-4	-1%
Corbett SD 39	104	133	107	103	-4	-4%
David Douglas SD 40	1,433	1,493	1,577	1,610	33	2%
Riverdale SD 51J	68	75	74	74	0	0%
Subtotal K-12	12,212	12,110	12,566	12,369	-197	-1.6%
Various Other	9	8	8	10	2	0.0%
Total	33,868	33,395	35,491	35,564	73	0.2%

GENERAL INFORMATION

The chart to the right shows staffing levels by type of taxing district since 2013-14. Regional governments and schools have seen the greatest growth in personnel. Many districts have added staff in recent years due to the influx of pandemic relief funds from the federal and state government.

Ten Year Change in Staffing Levels				
Full Time Equivalent Employees				
	13-14	23-24	Change	
			#	%
Multnomah County	4,571	5,774	1,203	26%
Regional & Other	4,222	5,624	1,402	33%
Cities	6,362	8,157	1,795	28%
Community Colleges	3,767	3,630	-137	-4%
K-12 Education	9,507	12,369	2,862	30%
Totals	28,429	35,554	7,125	25%



GENERAL INFORMATION

Budget Related Trends

Each year, the annual report includes analysis and details on areas related to budgets for local governments. The following covers PERS, population, and transportation.

Public Employee Retirement System (PERS)

State agencies and many local governments provide retirement benefits to their employees through the Oregon Public Employee Retirement System (PERS).

The Oregon Legislature created PERS in 1945 and is the plan sponsor. Current and future pension benefits are set by the Legislature. From 1945 to 1996, the benefit structure was generally consistent. In 1996, the Legislature modified the benefit structure, creating a reduced benefit program for employees hired after the effective date. In 2003, the Legislature overhauled the benefit structure and created a new program, the Public Service Retirement Program (OPSRP), for employees that started work after August 28, 2003. The system now has three membership categories, Tier 1, Tier 2, and OPSRP, and benefit costs have been reduced in each tier.

In Multnomah County, most districts that have employees are in PERS. Two districts, TriMet and East Multnomah Soil & Water Conservation District, provide non-PERS retirement plans for their employees. The City of Portland has a special property tax levy that funds a separate pension program for sworn police officers and firefighters hired before January 2007 while all other Portland employees are members of PERS.

System Financial Status

The Legislature has created a system in which some benefits are *defined* (guaranteed in statute) and some are *contribution-based* (the retiree receives the amount contributed plus interest). The *defined benefit* plan drives system costs, because the contributions and the investment income must be sufficient to pay the promised benefits. Actuarial studies of employee groups are required to determine cost of future benefits—thus future benefits are called “actuarial liabilities”. PERS is funded using the following equation:

The PERS funding equation

At the end of each calendar year, the PERS actuaries calculate the system’s funded status using the following basic equation:

$$\begin{array}{ccccc} \mathbf{B} & = & \mathbf{C} & + & \mathbf{E} \\ \mathbf{BENEFITS} & & \mathbf{CONTRIBUTIONS} & & \mathbf{EARNINGS} \\ \textit{Present value} & & \textit{Employer and member funds} & & \textit{Future returns on invested funds} \\ \textit{of earned benefits} & & \textit{to pay pension benefits} & & \textit{(managed by Oregon Investment} \\ \textit{(set by Oregon Legislature)} & & \textit{(set by PERS Board)} & & \textit{Council and Oregon State Treasury)} \end{array}$$

GENERAL INFORMATION

At the end of each calendar year, PERS publishes a “PERS by the Numbers” report with details on the system. The most recently available report was published in December 2023 and is available here: [PERS-by-the-Numbers.pdf \(oregon.gov\)](#). Per the report, PERS was 79% funded as of June 2023 (including side accounts), a 1% decrease over the prior year.

Employer Rates

PERS performs actuarial studies for all member governments. These studies evaluate the employee demographics of each government (employer) and determine a payroll rate that is sufficient to pay the retirement benefits of those employees. The rates are employer-specific and in effect for two years corresponding to the State of Oregon’s biennia (which start on July 1 of each odd numbered year).

In October 2022, PERS released the new system-wide rates for the 2023-25 biennium: <https://www.oregon.gov/pers/EMP/Pages/Contribution-Rates.aspx>. These rates are based on system financial status as of December 31, 2021. These rates were effective July 1, 2023.

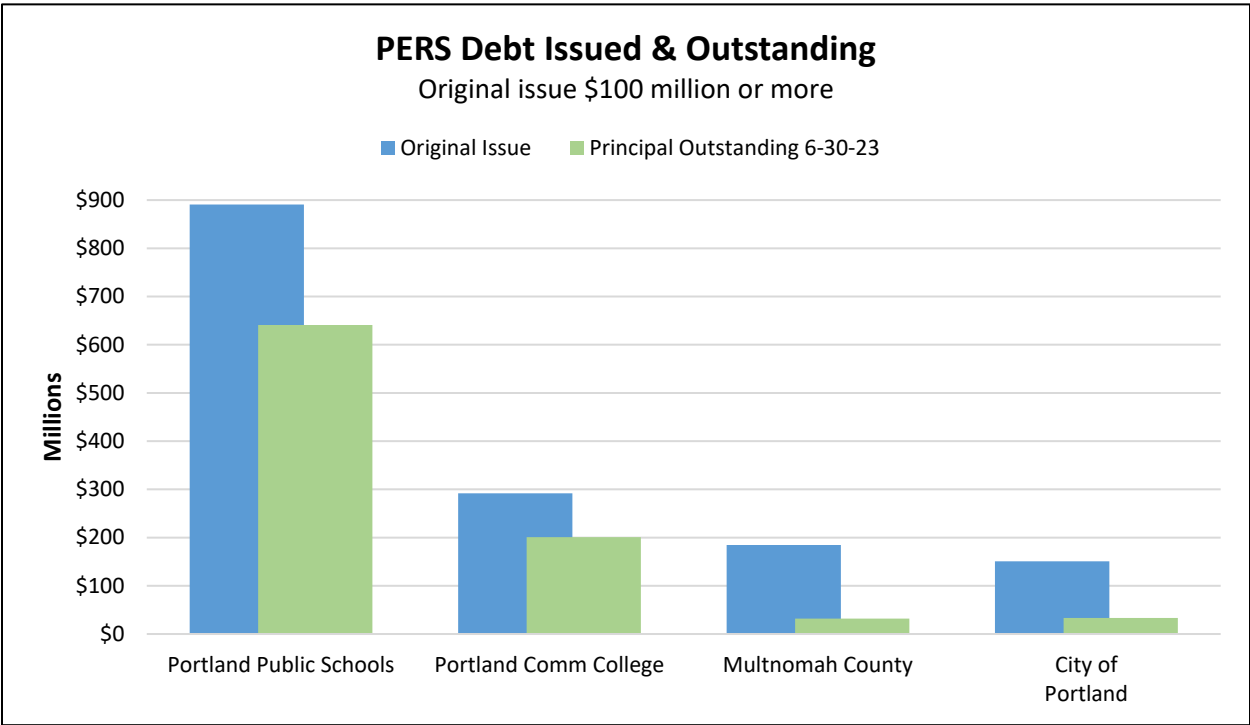
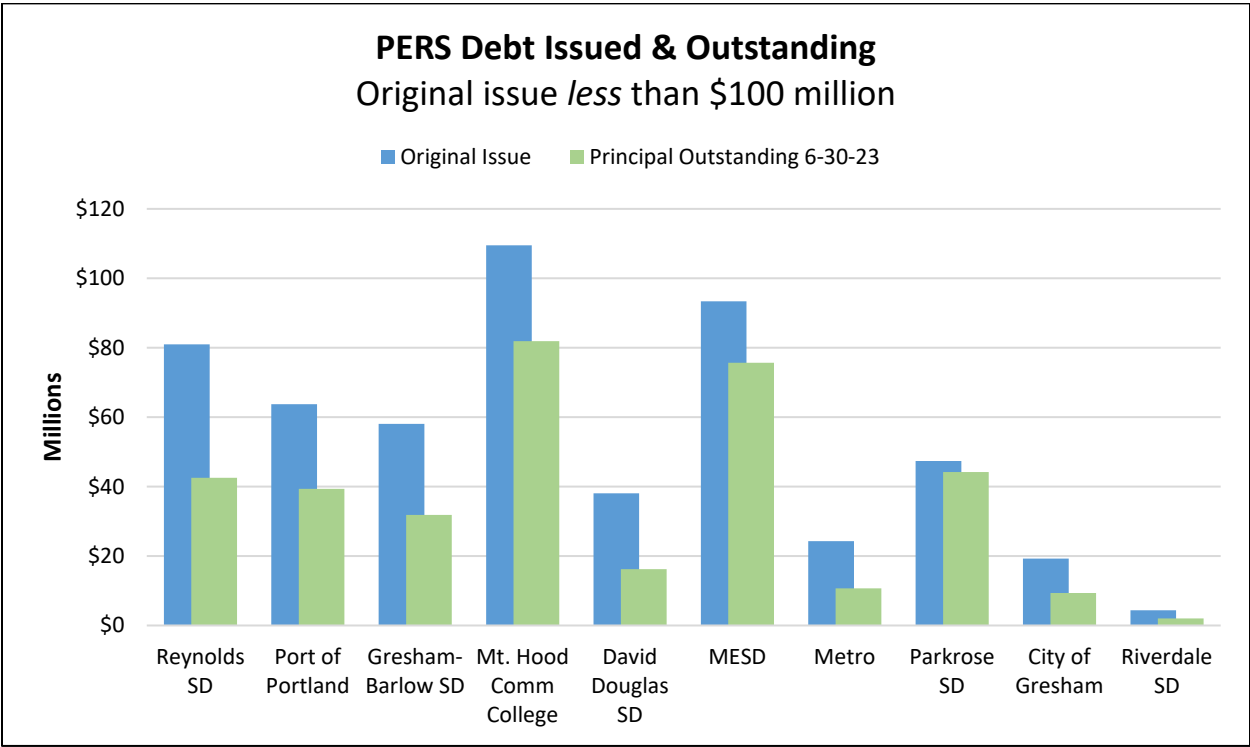
Employers can use side accounts to reduce their PERS contributions. PERS describes the side accounts this way:

When an employer makes a lump-sum payment to prepay part or all of its pension unfunded actuarial liability (UAL), the money is placed in a special account called a "side account."

This account is attributed solely to the employer making the payment and is held separate from other employer reserves. Most employers with side accounts issued pension obligation bonds and deposited the bond proceeds with PERS as a UAL lump-sum payment. A few employers funded their UAL lump-sum payments from other sources, such as savings from internal operations.

Fourteen Multnomah County PERS employers have sold bonds and maintain side accounts. These bonds were issued between 1999 and 2022 with four new issuances in 2021 and 2022. The total of the original issues is \$2 billion and \$1.26 billion will be outstanding at the end of FY 2023-24, roughly 61% of the original issues. The following charts show debt issued compared to debt outstanding for PERS debt.

GENERAL INFORMATION

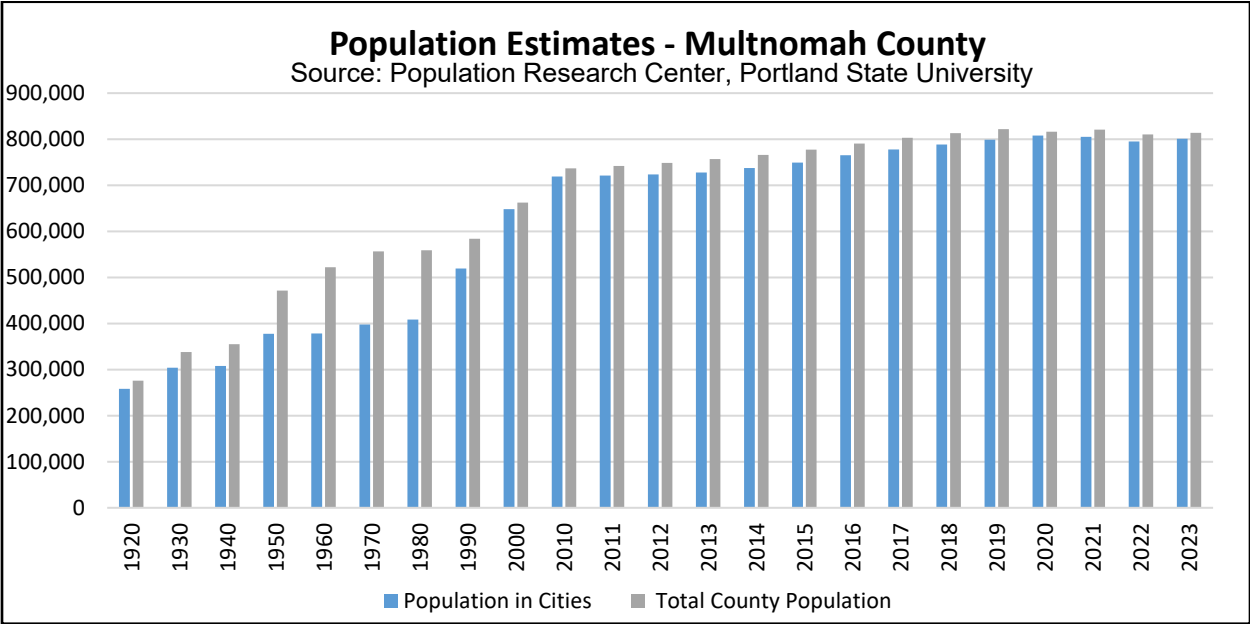


GENERAL INFORMATION

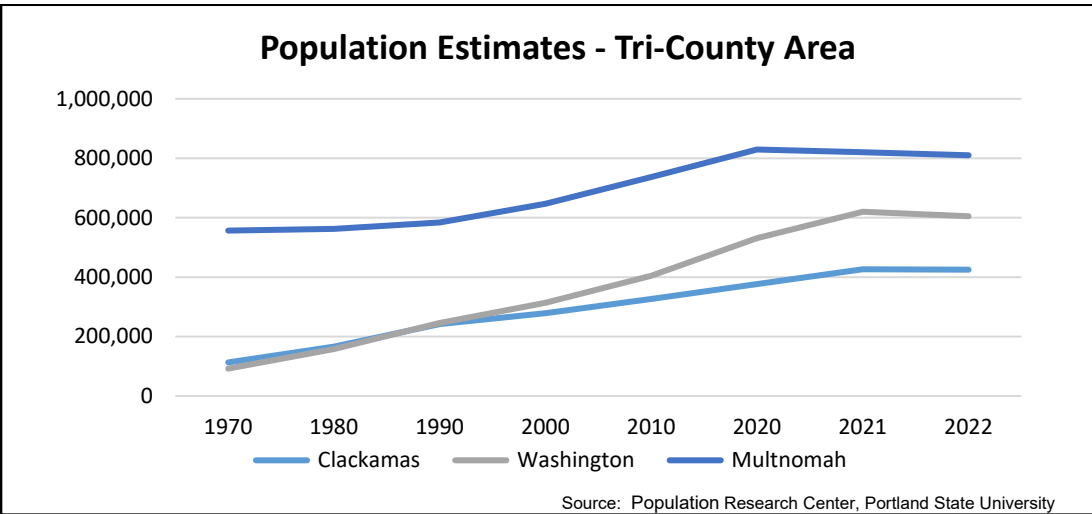
Population

The following figure shows the population growth in Multnomah County as a whole and the growth of population in the cities of Portland, Gresham, Troutdale, Wood Village, Maywood Park and Fairview.

The Population Research Center at Portland State University releases preliminary population numbers in November of each year. In recent years, population has flattened. 2021 to 2022 saw a slight decline, and 2022 to 2023 saw an increase of roughly 0.5%.



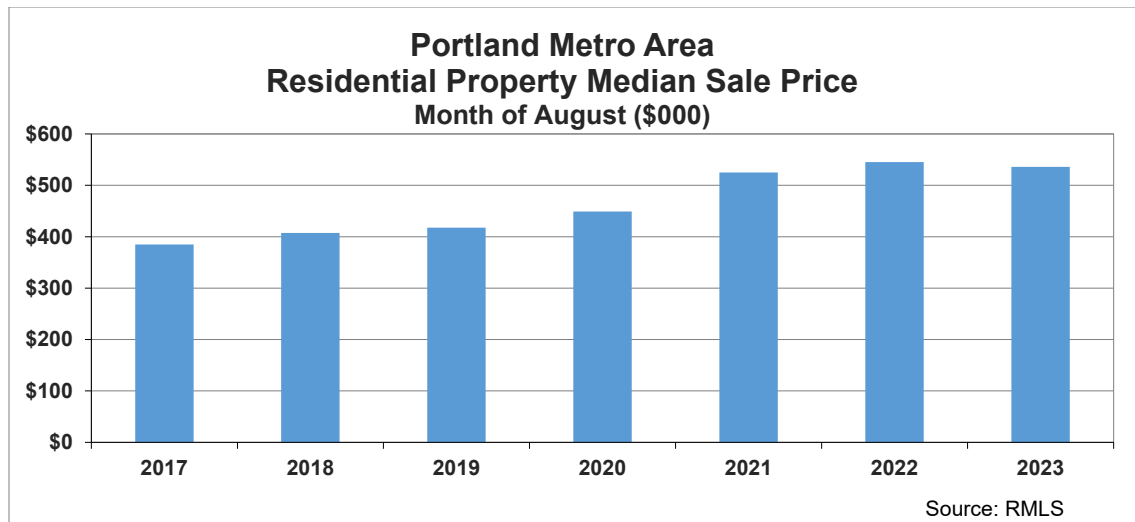
Population growth in Clackamas and Washington county has similarly leveled off.



GENERAL INFORMATION

Residential Property Sale Prices

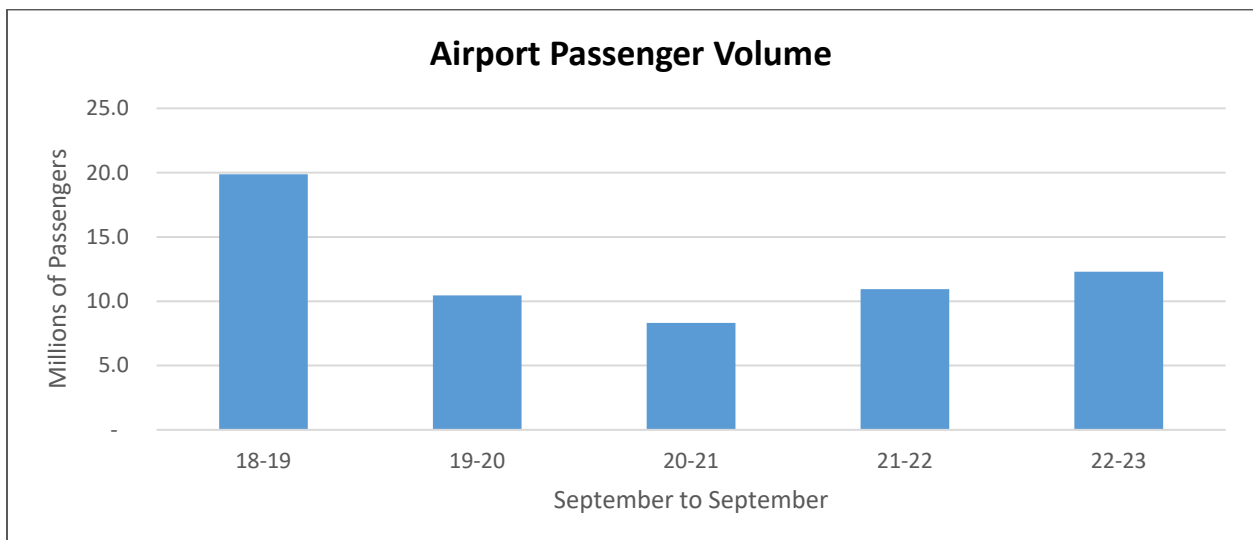
Residential property sale prices this year declined for the first time since 2011, with the median price decreasing by 2%. The Regional Multiple Listing Service (RMLS) data includes Multnomah, Yamhill, Washington and Columbia counties and the cities of Oregon City and Lake Oswego.



Transportation

Airport Passenger Volume

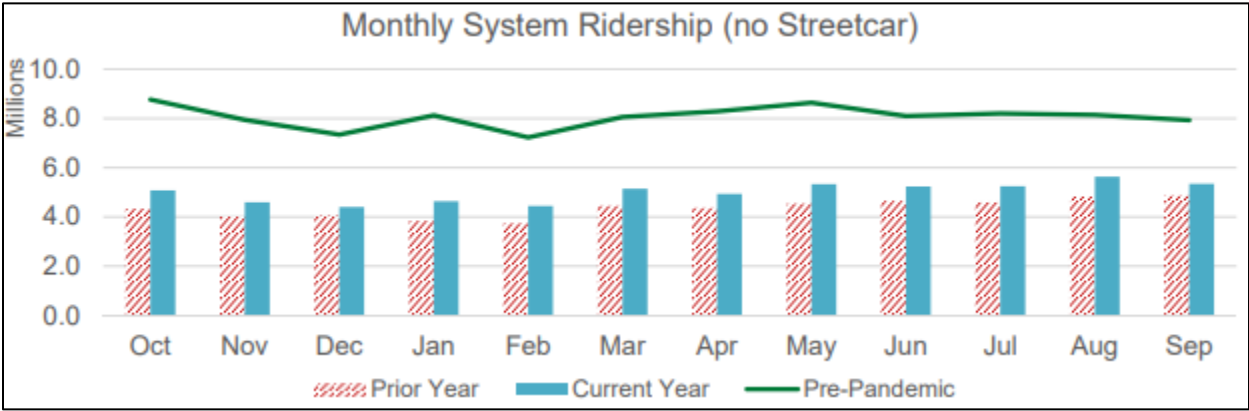
As of September 2023, annual passenger counts at Portland International Airport had improved but have not yet returned to pre-pandemic levels. The most recent statistical information is available at <https://www.portofportland.com/FinanceAndStatistics>.



GENERAL INFORMATION

TriMet Ridership

TriMet ridership levels have increased over last year but have yet to reach pre-pandemic levels (see graph from TriMet below). Check out the TriMet website for additional ridership statistics: <https://trimet.org/about/performance.htm>.



PROPERTY TAX

Oregon's Property Tax System Overview

The three major local government tax methods are income tax, sales tax, and property tax. In Oregon we have two of these: property taxes (administered locally) and income taxes (administered by the state for the benefit of the schools). Nationally, property tax is used in all 50 states, but income tax and sales tax are used inconsistently.

The property tax system is well-suited to fund local government for two reasons: 1) it can be administered easily at the local level and 2) of the three bases for generating taxes, property values are more stable than either incomes or sales.

What is Real Market Value?

The price your property would sell for in a transaction between a willing buyer and a willing seller on January 1, the assessment date for the tax year.

What is Assessed Value?

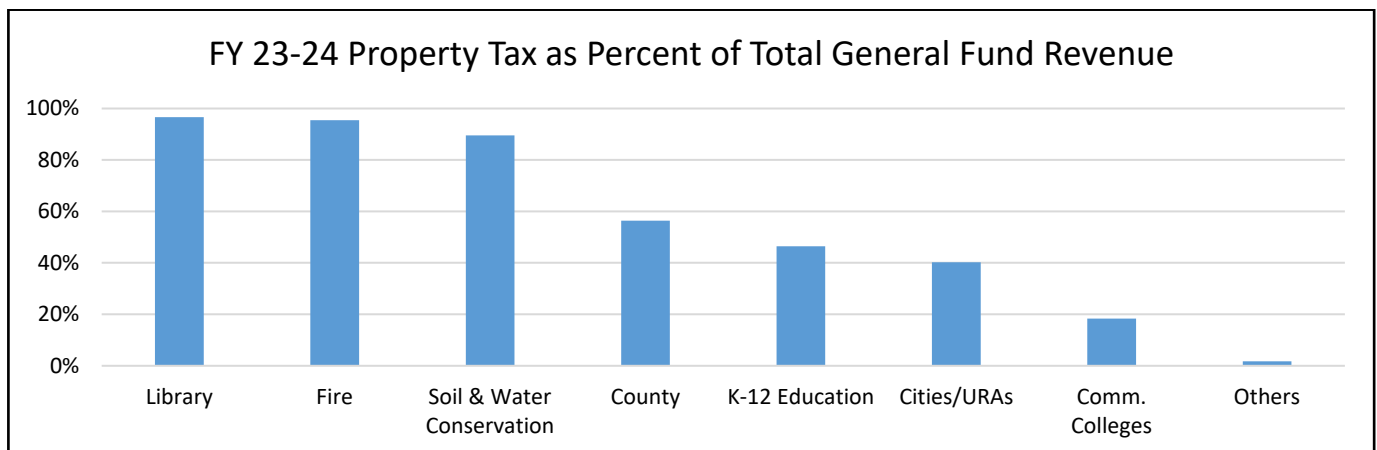
The value of your property as calculated based on historical values and capped annual increases as outlined in Oregon law. This value provides the baseline for your tax bill calculation.

Oregon real property taxes are, for the most part, not based directly on the real market value of property. They are based on an artificial assessed value which is derived from historical values and statutorily capped annual increases.

Oregon's primary property tax rates (known as permanent rates) are also set at a historical level, from which they cannot be increased. Oregon local governments can increase taxes upon voter approval using two methods: local option levies and general obligation bond levies. These two options generate levy rates and those rates are

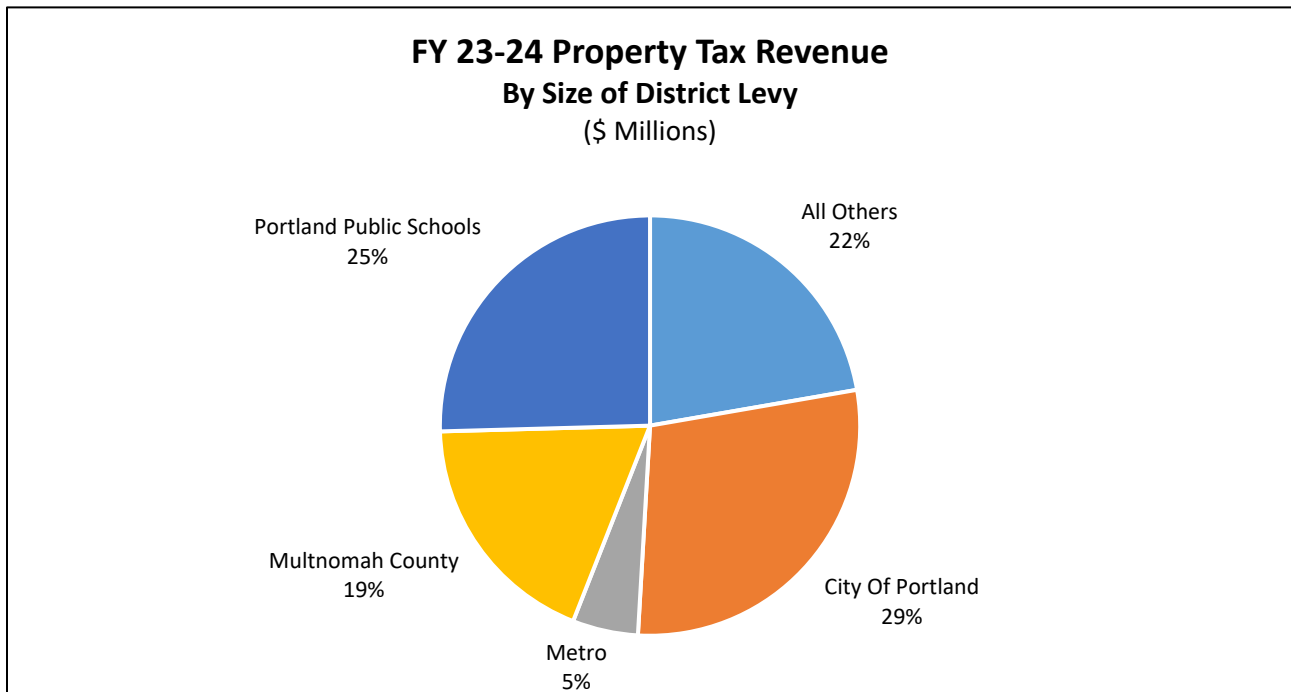
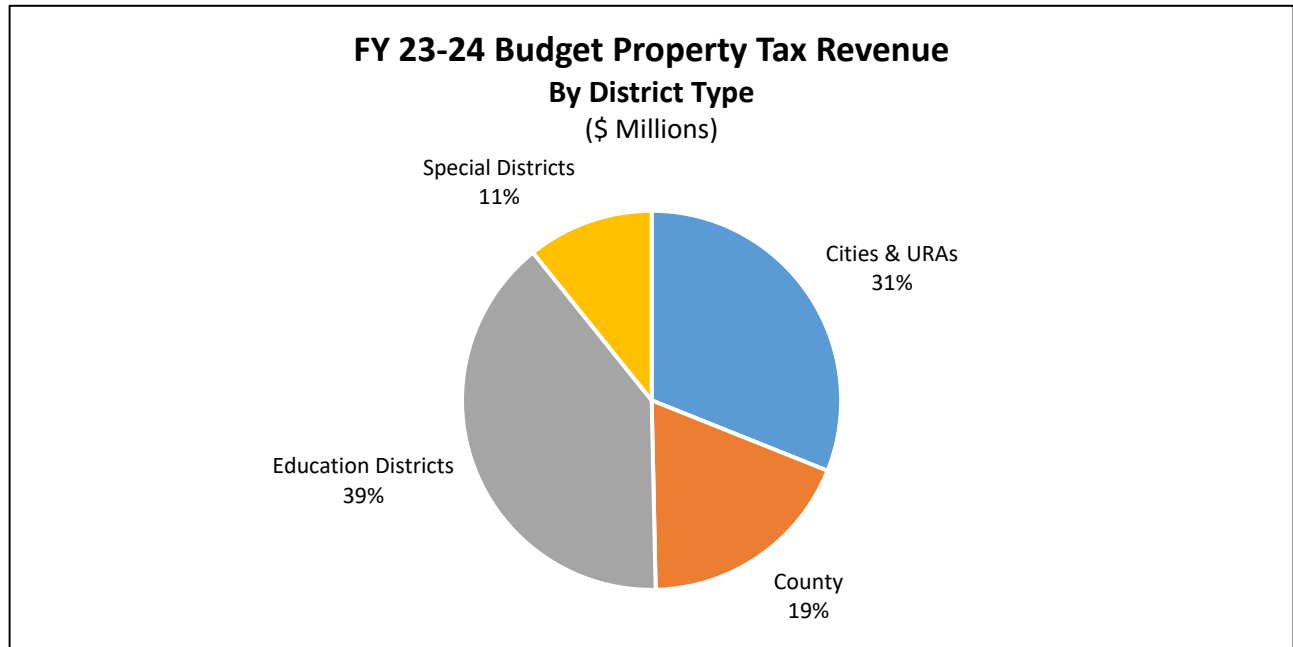
applied to the same assessed value as the permanent rate. You can view a history of property tax ballot measures starting on page E-14. In the last 20 years, roughly 70% of the 85 measures brought to voters have passed.

Local Government Dependence on Property Taxes



PROPERTY TAX

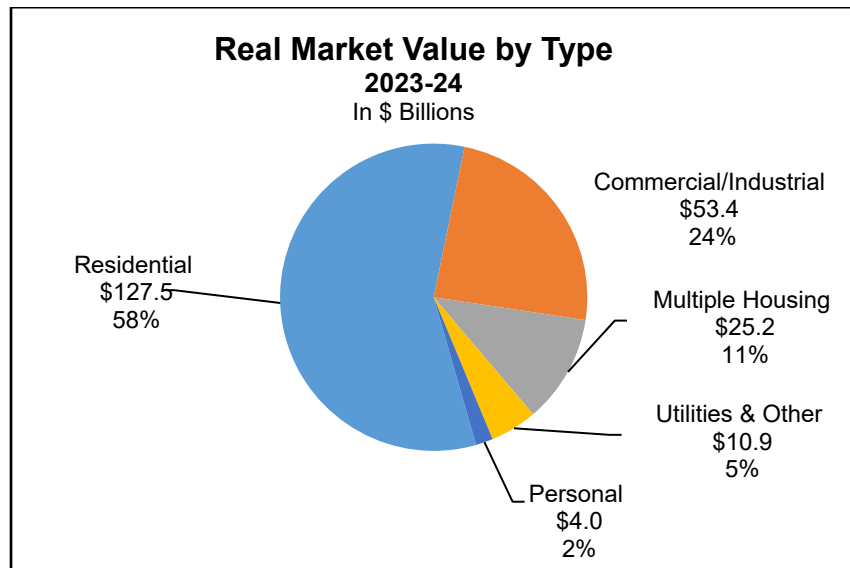
Library, Fire, and Soil & Water Conservation districts are almost completely reliant on property taxes for General Fund revenue. Of the total \$2.4 billion budgeted in property taxes for 2023-24, over one third is for education, just less than a third for cities and urban renewal districts, and less than a third each for the county and special districts. City of Portland and Portland Public Schools receive the largest dollar share of property taxes.



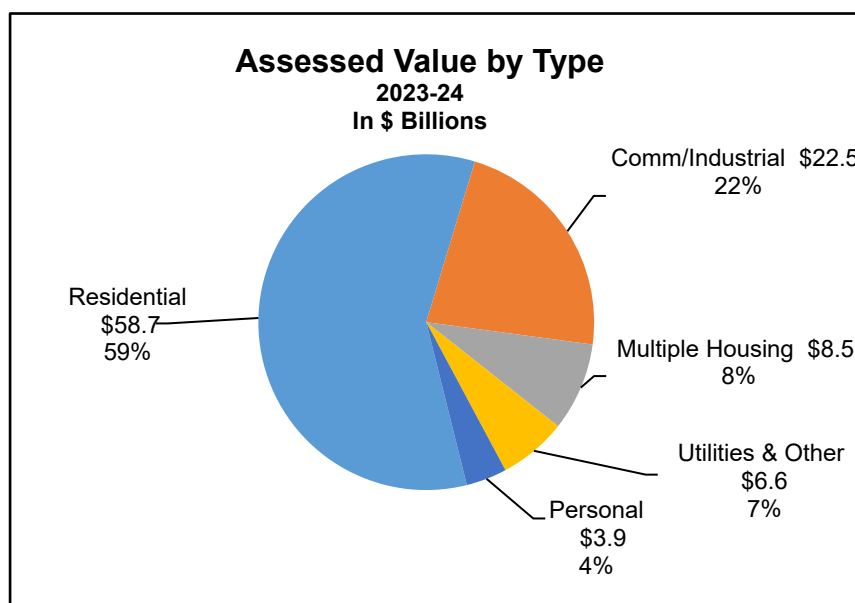
PROPERTY TAX

Taxable Property Types & Values

Real Market Value (RMV) is determined by a professional appraisal of the property. The chart below shows the RMV for properties in Multnomah County, differentiated by property type. Total values for each type are shown, as is the percentage of the total RMV. RMV for 23-24 increased overall from the year prior; however, residential RMV did see a slight decrease. Overall RMV increased 1% from last year.



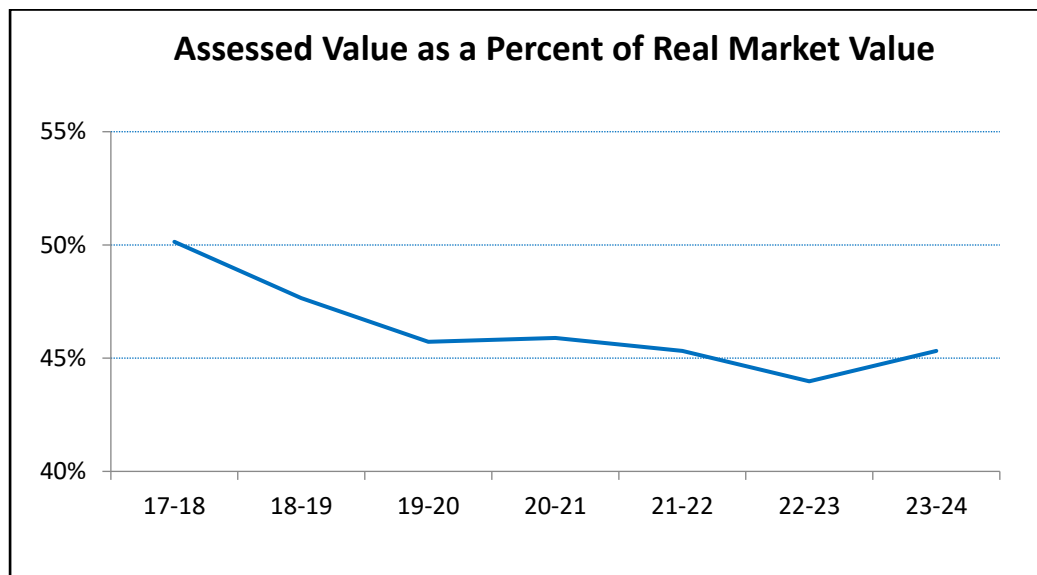
The chart below shows the Assessed Value (AV) by property type. AV rarely relates to RMV. AV was locked in place by property tax control measures in the 1990s and is generally allowed to increase at a rate of 3% per year.



PROPERTY TAX

In certain circumstances AV may not increase by the allowed 3%: if RMV drops below AV, then the RMV becomes the new, lower AV. Conversely, new construction, rezoning, removal from an exemption, disqualification from a special assessment (farm/forest) or a property division can cause an AV increase in excess of 3%.

The gap between RMV and AV is one aspect of the property tax limitations adopted by Oregon voters in the 1990s. Measure 50, which locked AV in place and set the 3% increase limit, also created a new permanent rate for taxing districts based on their existing operating levy authority at the time of Measure 50's passage. This year sees the first increase in AV as a percent of RMV due to slowing RMV growth. In the current year, AV is 45% of RMV, a 1% increase over last year.



In combination with Measure 5 (p. B-14), Measure 50 limitations have moderated property tax increases. The total reduction from RMV to AV is 55%. The largest reductions from RMV are in the multiple housing (66%) and commercial/industrial (58%) sectors.

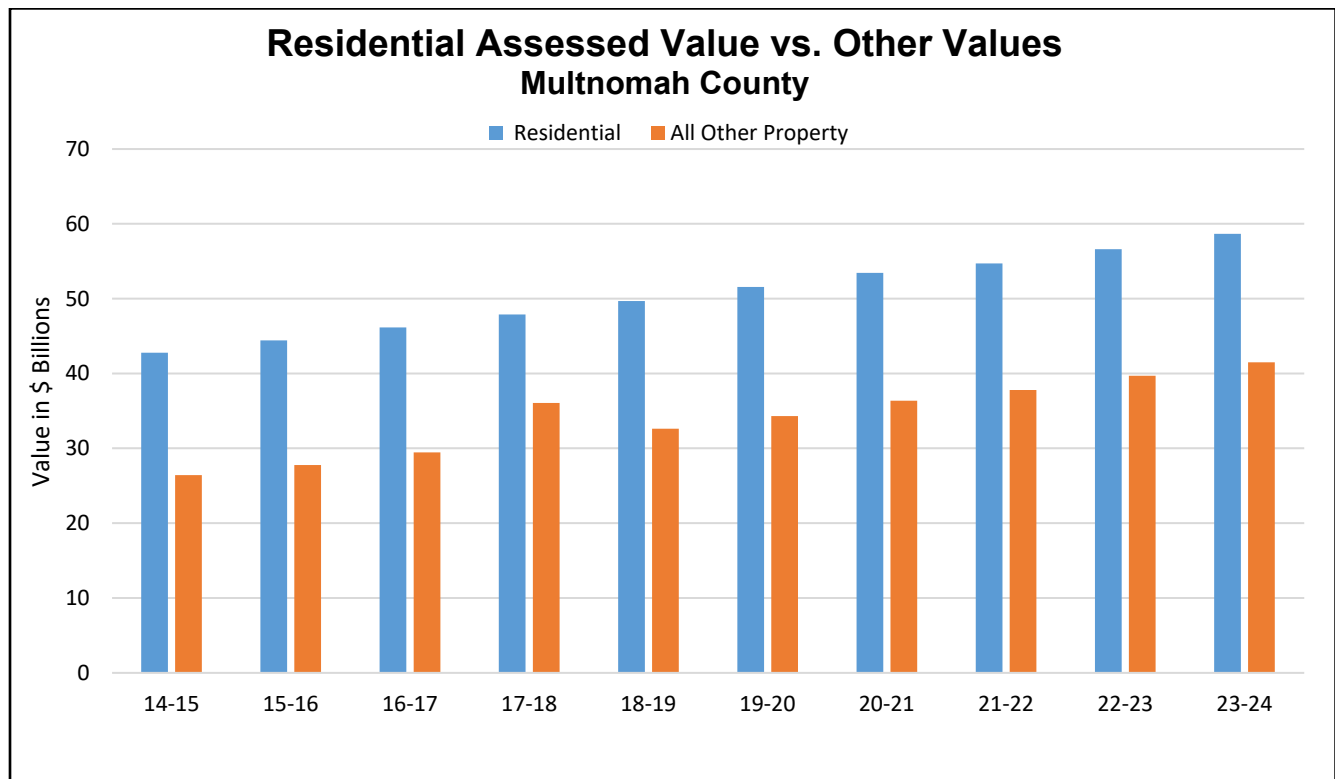
Real Market Values Compared to Assessed Values 2023-24				
Dollars in Millions				
	RMV	AV	Value Reduction	
			Amount	Percent
Residential	\$ 127,451	\$ 58,651	\$ 68,800	54%
Comm/Indust	53,388	22,480	30,908	58%
Multiple Housing	25,201	8,517	16,684	66%
Utilities & Other	10,950	6,563	4,387	40%
Personal	4,000	3,934	66	2%
Totals	\$ 220,990	\$100,145	\$ 120,845	55%

PROPERTY TAX

All property is subject to property tax unless exempted by state law. Exemptions include personal property used by individuals, public property, religious property and non-profit, charitable use property. Property subject to taxation includes real property (land, buildings and fixed machinery), personal property that is used in business (machinery, equipment and office furniture), and public utility property (electric, communications and gas utilities as well as transportation companies such as railroads and airlines).

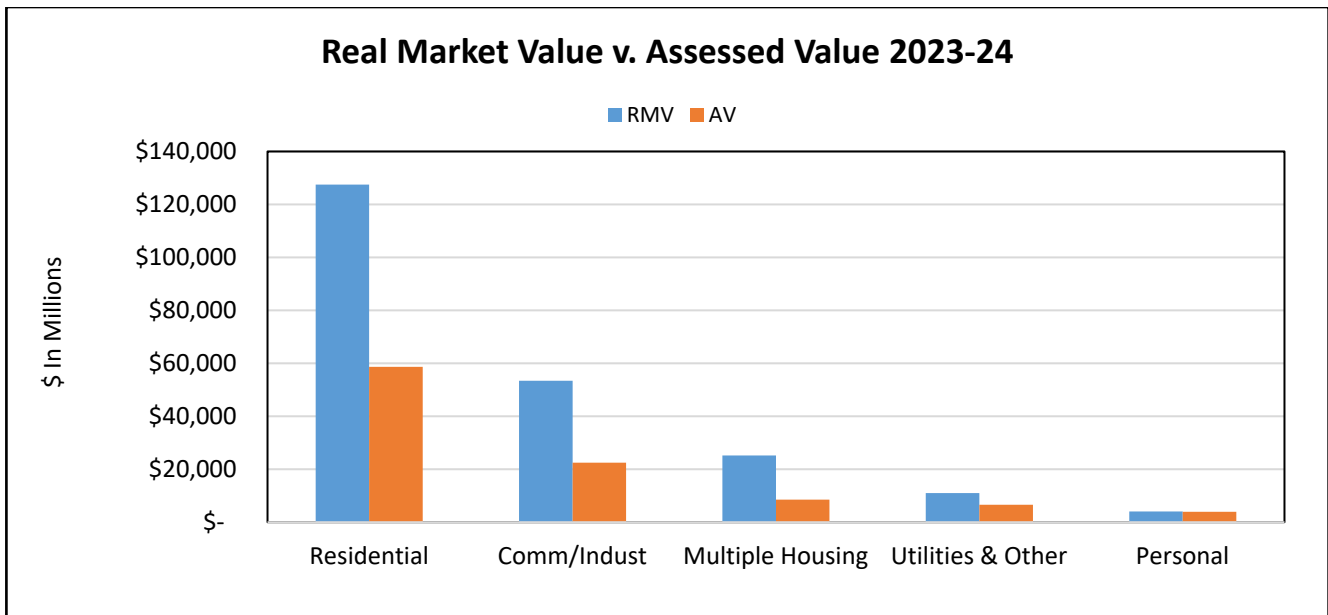
Value Growth

The chart below shows the growth of assessed value (AV) in the county by residential AV vs. all other property categories. The “All Other Property” category consolidates the commercial/industrial, personal property, and multi-family property categories (see next page for a breakout of these categories for FY 2023-24).



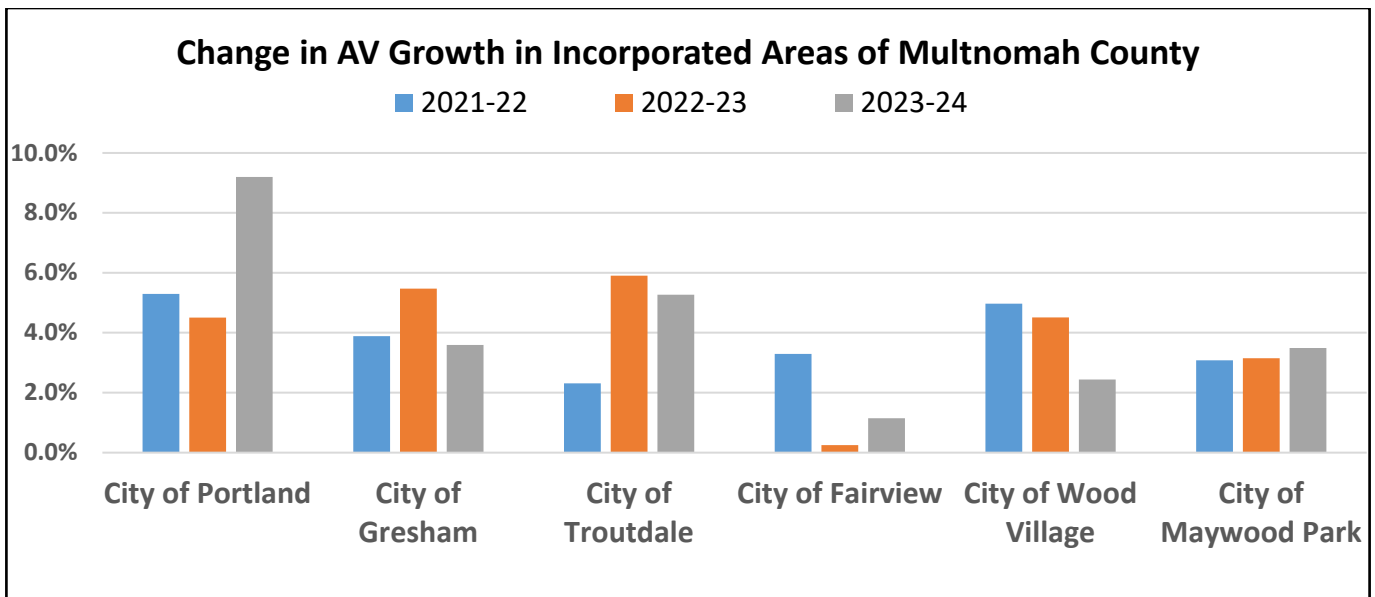
Over the past 10 years, residential assessed value has made up approximately 60% of total assessed value, with all other property making up the remaining 40%.

PROPERTY TAX



Assessed Value Growth by Area

Assessed value grew by 4% countywide in 2023-24, same as last year. Growth varied throughout the county. The chart below shows the differences for the six cities in the county.

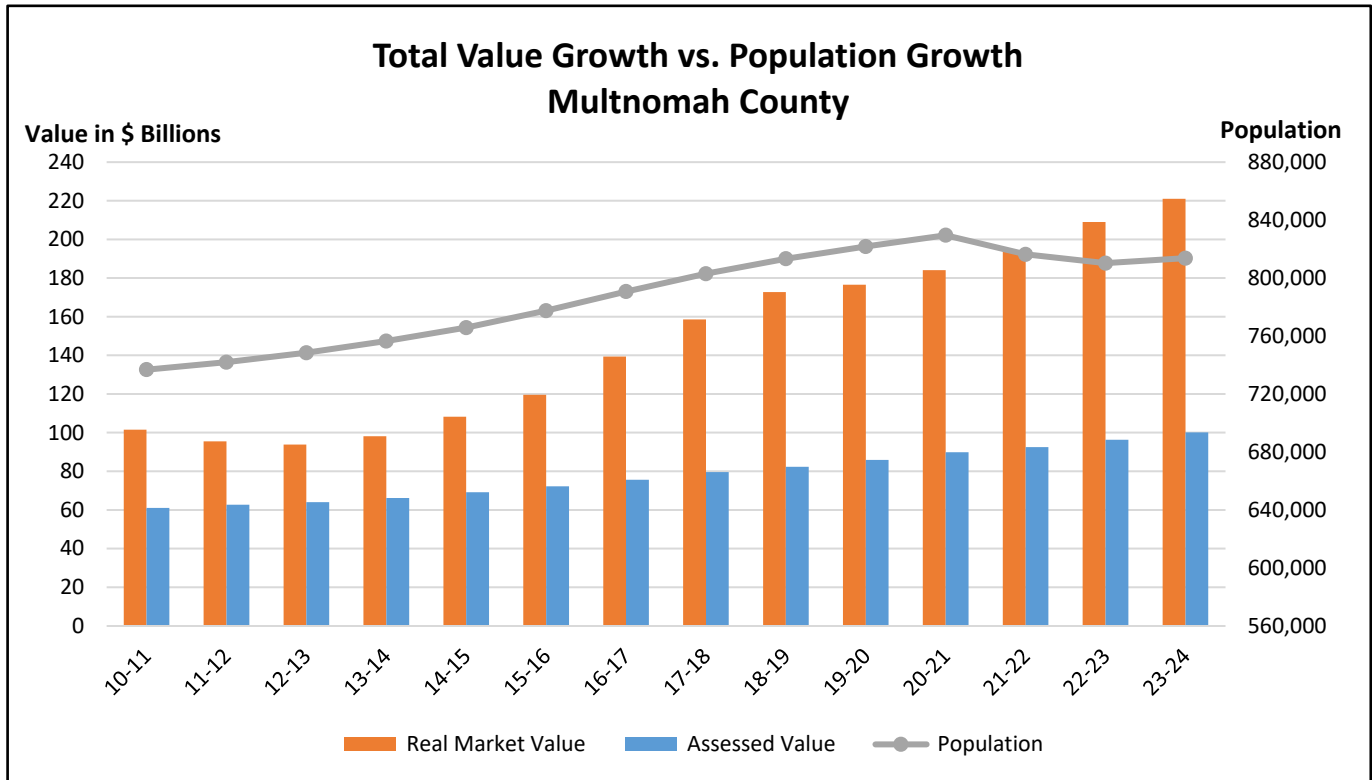


The bar chart illustrates the inconsistency of AV increases and the challenge of forecasting AV. AV for the cities of Portland and Wood Village increased around 4%, while Maywood Park was closer to 3%. Fairview saw very little change in AV this year, while in prior years, Fairview has increased by as much as 7.7%.

PROPERTY TAX

Value Growth Compared to Population Growth

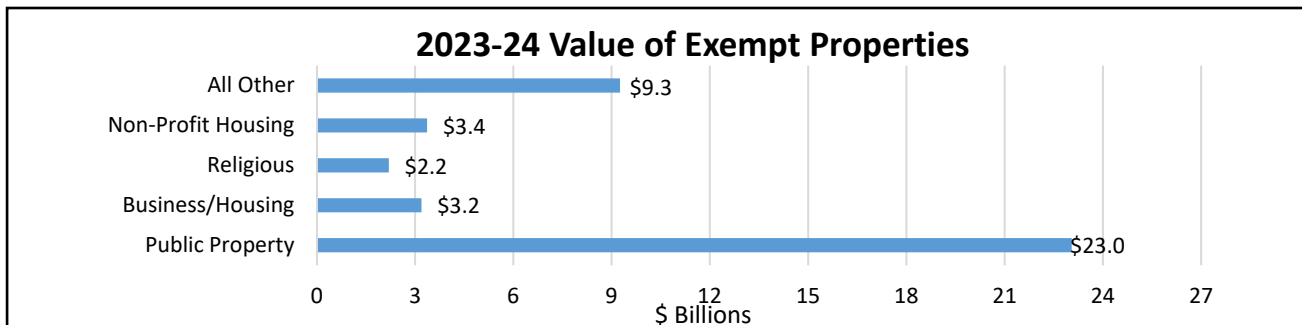
The current assessed value of Multnomah is \$100 billion, a 4% increase over 2022-23. Real market value increased by 12% to \$221 billion. Population has leveled off in recent years.



Exempt Property

Exemptions are used to encourage social welfare issues, promote economic growth and preserve natural resources. There are over 100 property tax exemptions in Oregon, including:

- total exemptions (property used exclusively for religious, fraternal, or governmental purposes, and personal property such as farm equipment),
- partial exemptions (for disabled war veterans and some commercial properties); and
- special exemptions (assigning a lower assessed value for taxation purposes to promote uses such as farmland, forestland, and open spaces.



PROPERTY TAX

Tax Rates

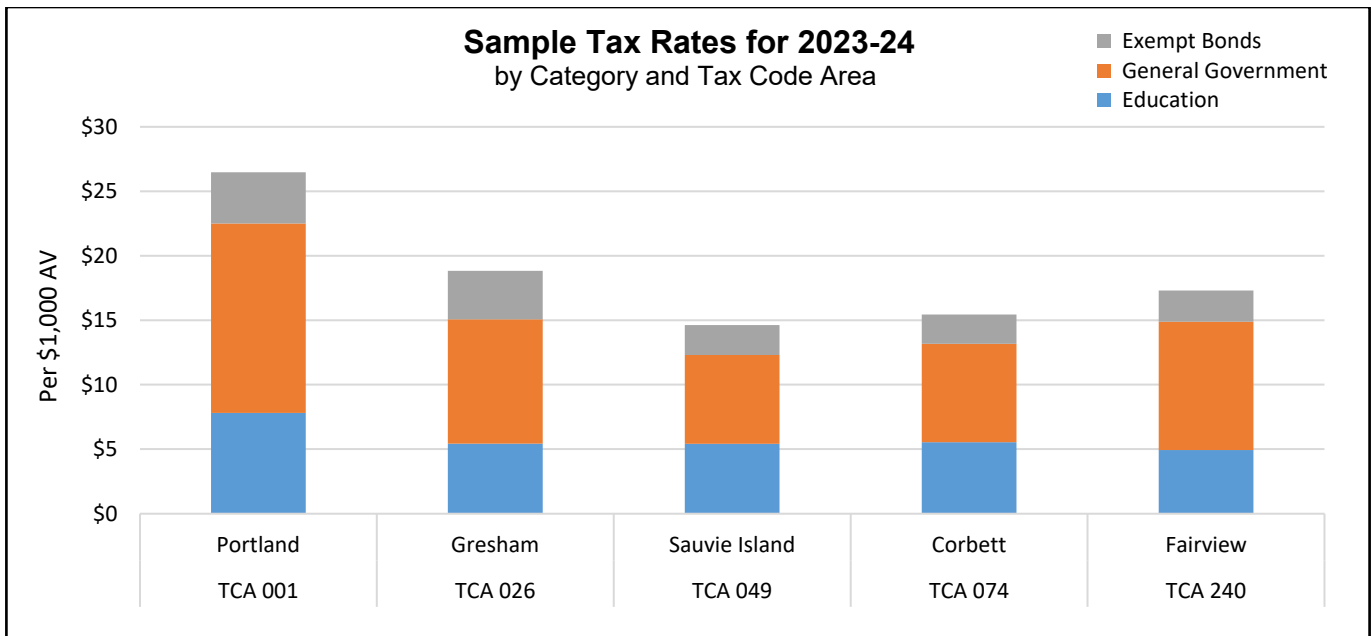
PERMANENT RATES Multnomah County			
MULTNOMAH COUNTY		4.3434	
REGIONAL DISTRICTS:		EDUCATION DISTRICTS:	
Multnomah County Library	1.2400	Mt. Hood Community College	0.4917
Metro	0.0966	Portland Community College	0.2828
Port of Portland	0.0701	Multnomah Education Service Dist.	0.4576
TriMet	none	Portland SD No. 1J	5.2781
East Multnomah SWCD	0.1000	Parkrose SD No. 3	4.8906
West Multnomah SWCD	0.0750	Reynolds SD No. 7	4.4626
		Gresham-Barlow SD No. 10J	4.5268
		Centennial SD No. 28J	4.7448
CITIES:		Corbett SD No. 39	4.5941
Fairview	3.4902	David Douglas SD No. 40	4.6394
Gresham	3.6129	Riverdale SD No. 51J	3.8149
Maywood Park	1.9500		
Portland	4.5770	WATER DISTRICTS:	
Troutdale	3.7652	Alto Park	1.5985
Wood Village	3.1262	Burlington	3.4269
		Corbett	0.5781
RURAL FIRE PROTECTION DISTRICTS:		Lusted	0.2423
Multnomah RFPD No. 10	2.8527	Palatine Hill	0.0038
Riverdale RFPD No. 11J	1.2361	Pleasant Home	none
Multnomah RFPD No. 14	1.2624	Valley View	1.7389
Sauvie Island RFPD No. 30J	0.7894		

Any local government with the power to levy property taxes is called a taxing district and all real property in the county is served by six or more taxing districts. The County assessor calculates tax for an individual property by applying the rates for the tax code area (TCA) for that property. Each year the assessor publishes the TCA rates.

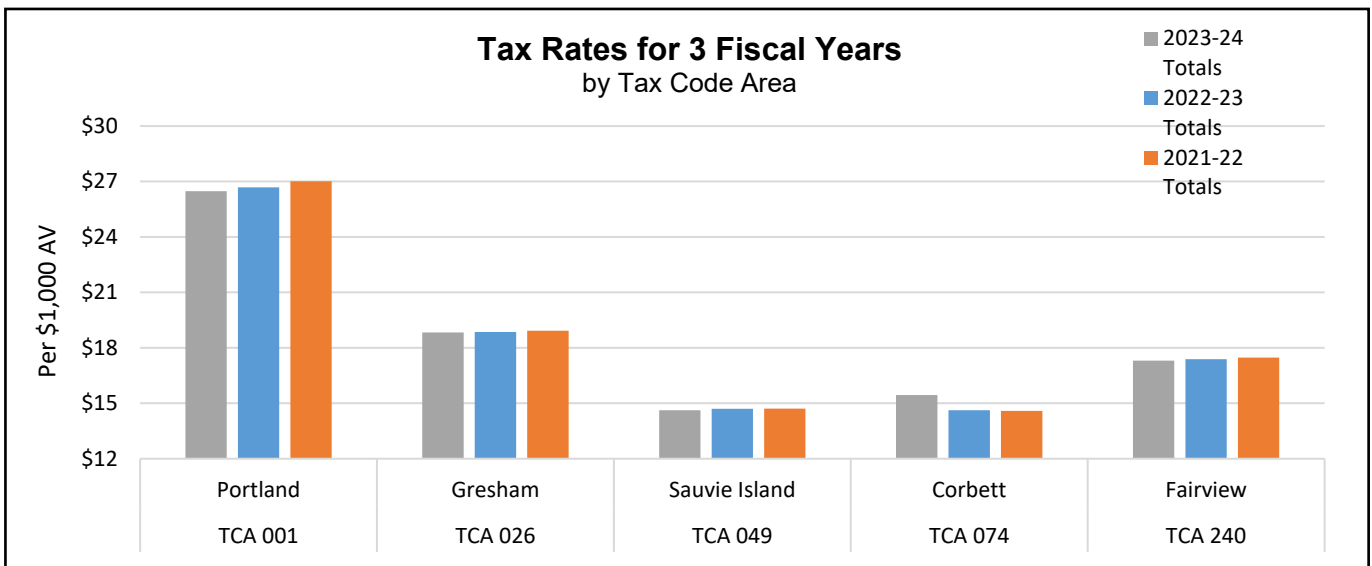
What is a Tax Code Area?

Each property sits in multiple taxing districts. A geographic group of tax parcels that are served by the same taxing districts is called a tax code area (TCA). Each TCA has a unique set of taxing districts.

PROPERTY TAX



Each TCA has a unique set of taxing districts. For instance, all the properties in TCAs 160 and 161 are in the same nine taxing districts except that 160 is in Parkrose School District and 161 is in David Douglas. Portland, alone, has over 30 TCAs. Several sample TCAs are shown above.



Total rates can change from year-to-year based on changes to bonds, urban renewal, and local option levies. Permanent rates stay the same from year to year, although districts can choose to levy less.

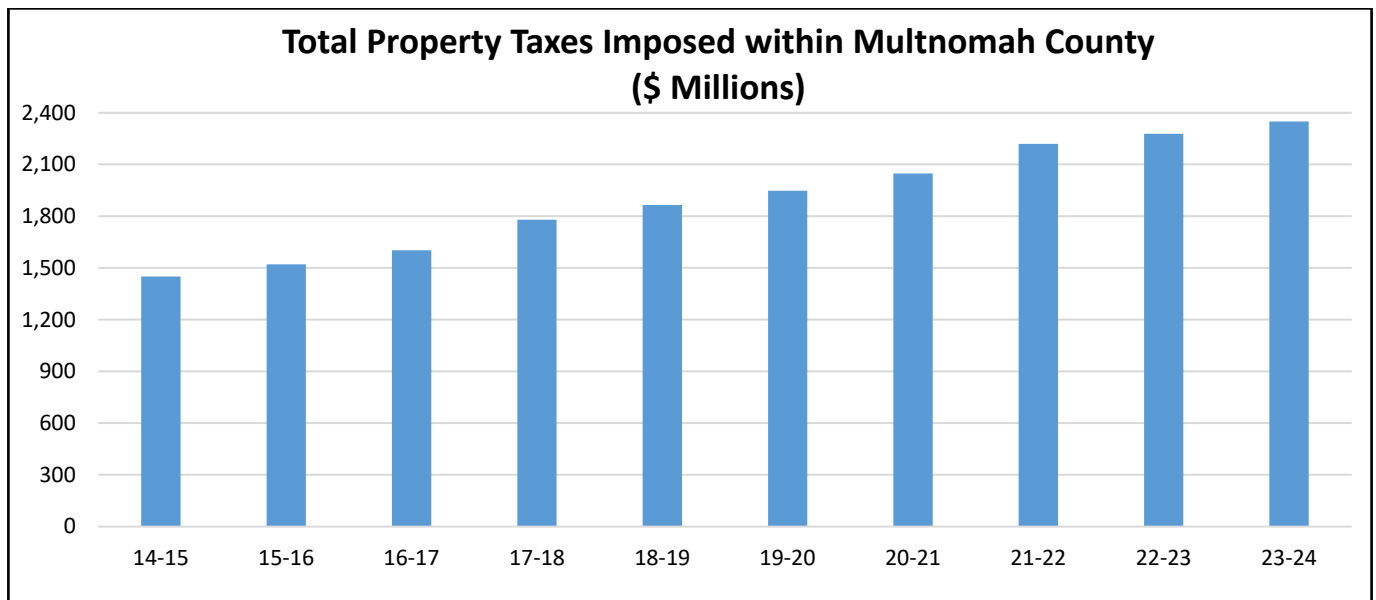
PROPERTY TAX

Total Property Taxes Imposed

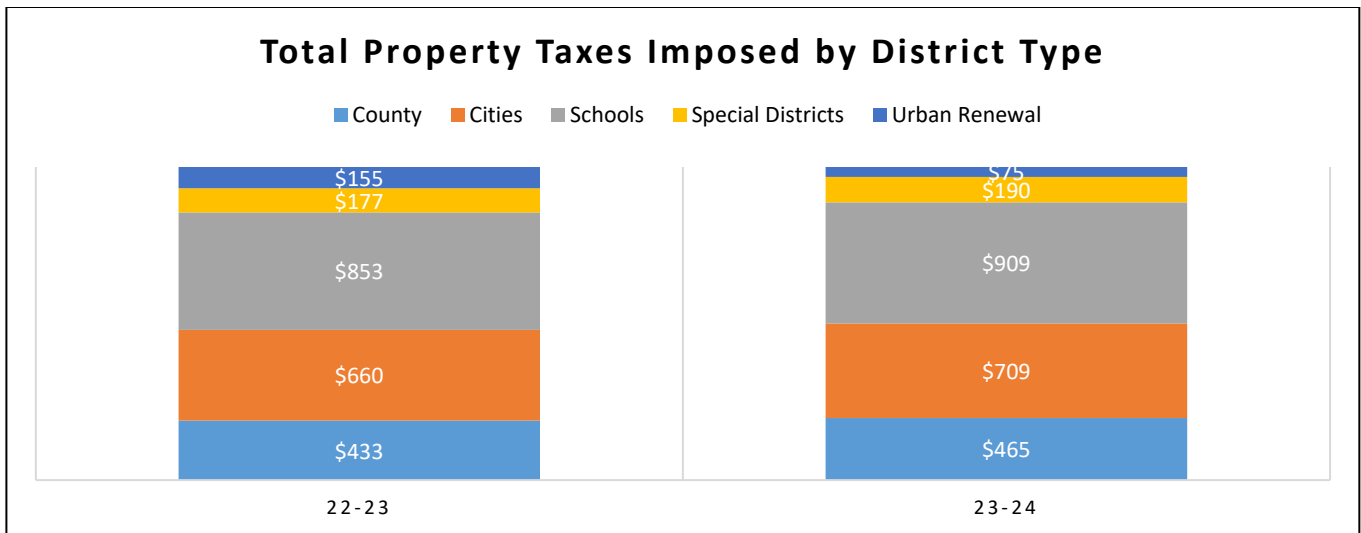
Taxes imposed include permanent rate, local option levy, and bond levies. A total of \$2.4 billion in property taxes were imposed by Multnomah County districts in FY 2023-24, an increase of \$72 million (3%) over 2022-23. The most significant change is in urban renewal taxes imposed, which declined sharply as Prosper Portland closed some of the largest urban renewal districts in the county. The assessed value in those urban renewal areas now returns to the other local taxing district, resulting in an increase to taxes imposed for other district types. Additional detail is available in the Urban Renewal/Tax Increment Financing section of this report.

Property Taxes Imposed by Type (2022-23 and 2023-24)												
within Multnomah County (\$ in Millions)												
Type of District	Perm Rate & Gap Levies			Local Option Levies			Bond Levies			Total Taxes Imposed		
	22-23	23-24	Change	22-23	23-24	Change	22-23	23-24	Change	22-23	23-24	Change
County	\$374	\$405	8%	\$4	\$4	3%	\$55	\$56	2%	\$433	\$465	8%
Cities	\$556	\$599	8%	\$75	\$77	3%	\$28	\$32	13%	\$660	\$709	7%
Schools	\$518	\$558	8%	\$115	\$113	-1%	\$221	\$239	8%	\$853	\$909	7%
Special Districts	\$134	\$145	8%	\$8	\$9	3%	\$35	\$37	8%	\$177	\$190	8%
Urban Renewal	\$155	\$75	-52%	\$0	\$0	0%	\$0	\$0	0%	\$155	\$75	-52%
Total Taxes	\$1,736	\$1,782	3%	\$202	\$203	0%	\$339	\$364	8%	\$2,277	\$2,349	3%

The chart below shows the total amount of taxes imposed since 2014-15. Taxes have steadily increased due to increased assessed values and voter-approved bonds and local option levies.

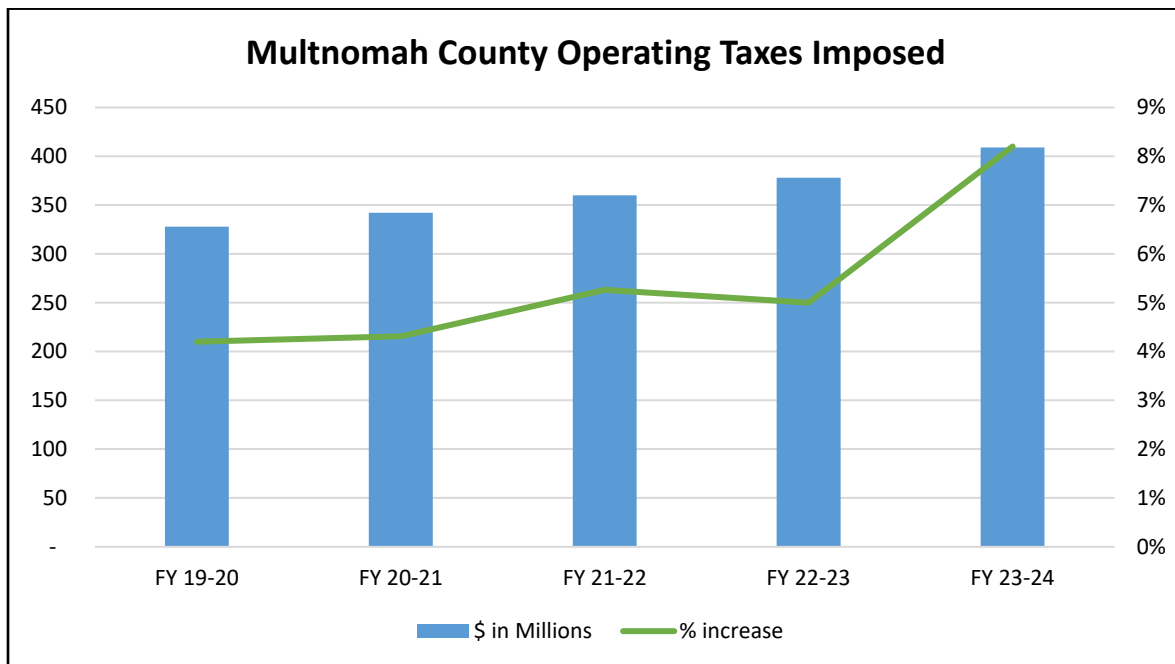


PROPERTY TAX



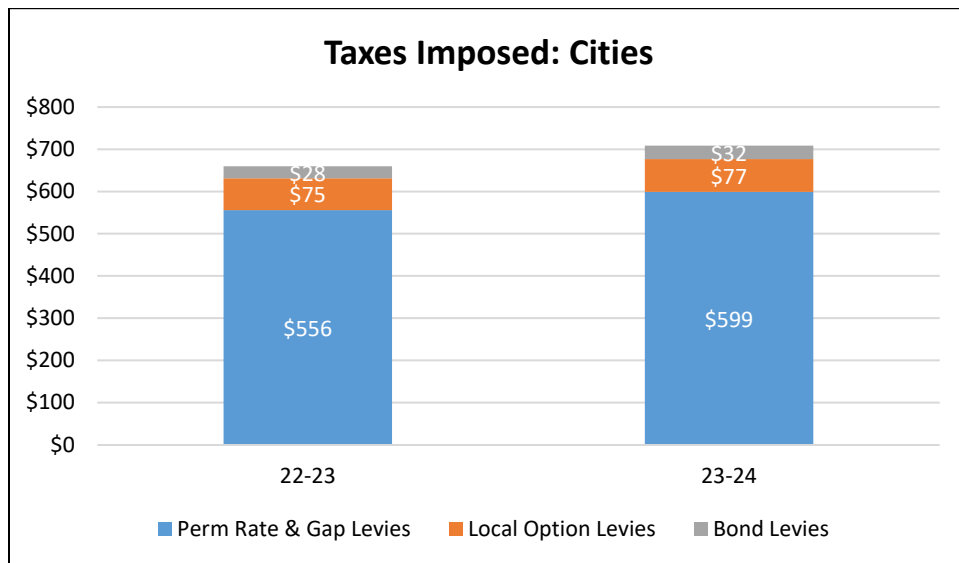
Operating Taxes Imposed in Multnomah County

The chart below displays the operating taxes (permanent rate and local option levies) imposed by Multnomah County: \$409 million in permanent rate and local option levy property taxes in 2023-24, an 8% increase from the prior year. Operating taxes have increased by an annual average of 5% over the last five years. This year's 8% increase is in part attributable to Prosper Portland urban renewal districts closing, resulting in an increase of assessed value to all taxing districts within the urban renewal plan areas.



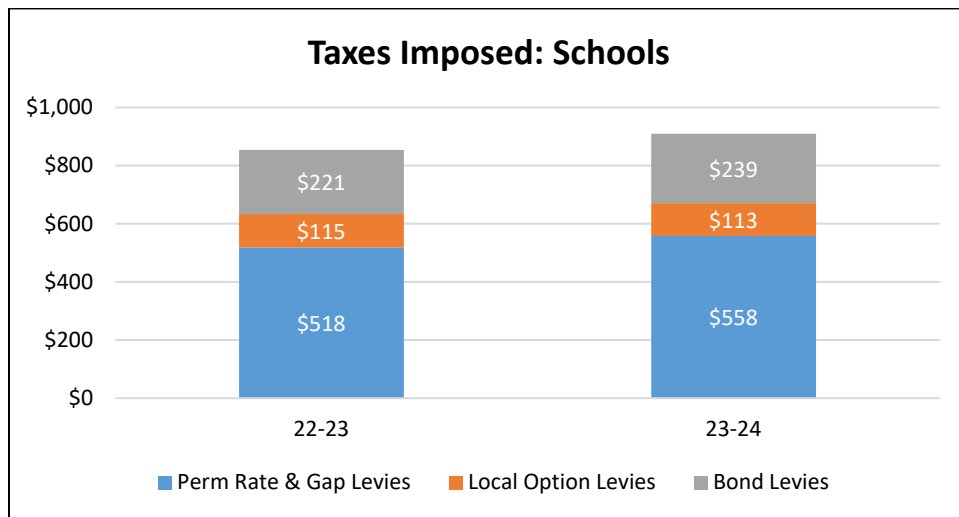
PROPERTY TAX

City Taxes Imposed



For 2023-24, cities are imposing \$709 million in property taxes. This is an increase of \$49 million (7%) from last year.

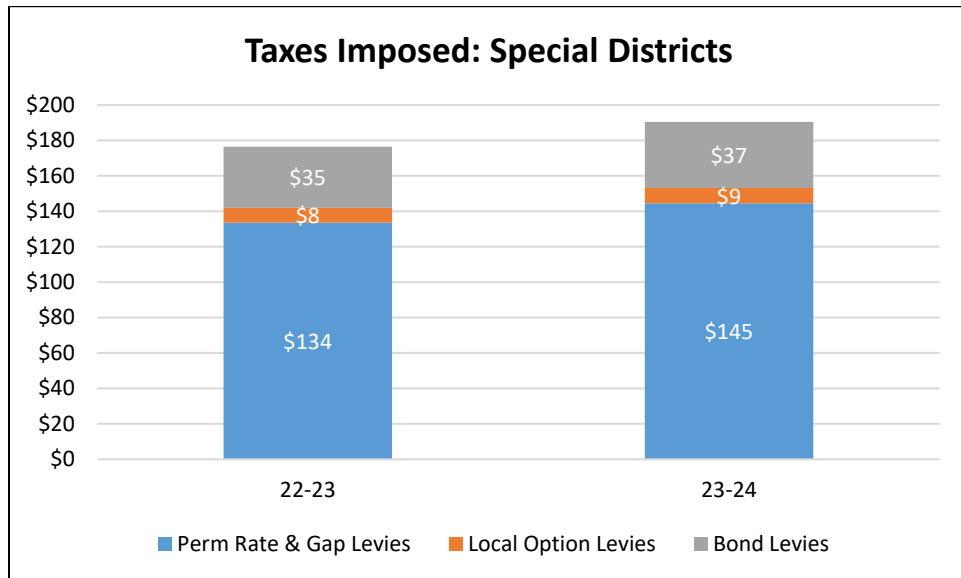
Education District Taxes Imposed



Education districts (K-12, education service districts, and community colleges) saw operating tax increases of \$38 million (6%) in 2023-24. Bond levies increased by 8% (\$18 million).

PROPERTY TAX

Special District Taxes Imposed



Special districts include the large regional districts (Tri-Met, the Port of Portland, and Metro) as well as rural fire districts, water districts, and the two soil and water conservation districts (SWCDs). Combined, these districts levied \$153 million in taxes in 2023-24, an 8% increase.

PROPERTY TAX

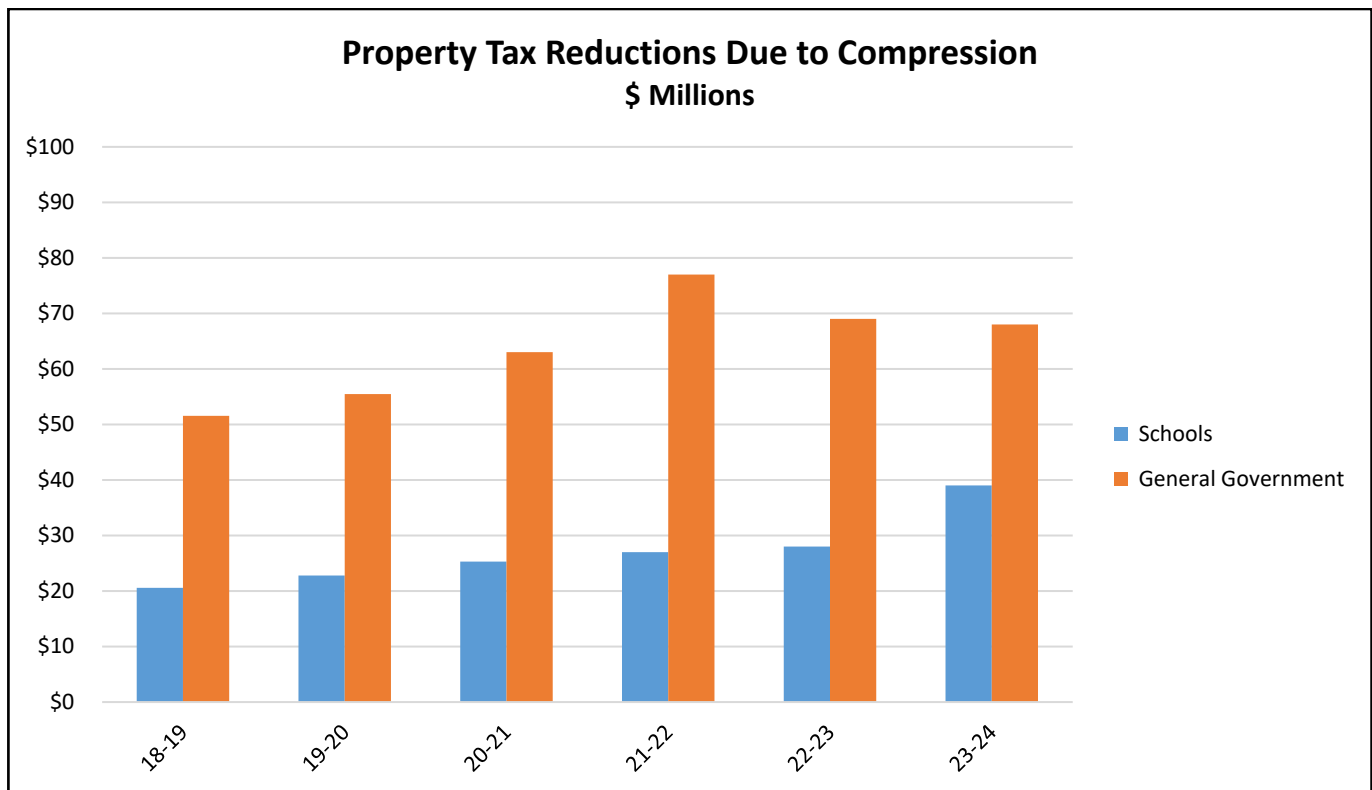
Measure 5 Reductions

Compression is the reduction of taxes required by Measure 5's property tax limits. Conceptually, if the total property tax rates levied against a property exceed \$10 of real market value (RMV) for local governments or \$5 for education, then the rates are reduced to these limits and the taxes are reduced.

Did You Know?

Measure 5 limits of \$5 per \$1,000 for education and \$10 per \$1,000 are calculated using the M-5 (Measure 5) Value. For most properties this is the same as Real Market Value. For properties under special assessment (e.g., farm or forestland) or under partial exemption the M-5 value is less.

The figure below shows the reduction in taxes due to compression for both education districts and general government. For the last five years, approximately 4% of operating taxes have been lost to compression. Compression loss increased for schools this year, driven by a \$10 million increase in compression loss for Portland Public Schools, according to the assessor's data. Total compression loss for education districts is estimated at \$39 million for FY 23-24. General Government compression loss is expected to be roughly \$68 million, a slight decrease from last fiscal year.



PROPERTY TAX

Local Option Levy Compression

When levy rates are compressed, local option levies are reduced first. Only after local option levies are reduced to zero on a specific property are permanent levies on that property reduced.

Nearly half of the compression in Multnomah County is from local option levies.

Impact of Compression on MultCo Local Option Levies in FY 2023-24						
Taxing District	Levy Purpose	Taxes			Levy Rate	
		Extended	Comp Loss	% Reduced	Levied	Effective
Portland Public Schools	General Operations	140,880,893	29,111,527	21%	\$1.9900	\$1.1780
City of Portland*	Parks & Children's Prgms	98,902,649	21,542,440	22%	\$1.2026	\$0.9501
Metro	Parks & Natural Areas	9,512,859	1,816,983	19%	\$0.0960	\$0.0385
Multnomah County	OR Historical Society	5,009,224	946,359	19%	\$0.0500	\$0.0580
Riverdale School	General Operations	1,093,300	56,673	5%	\$1.3700	\$1.2835
Riverdale Fire**	General Operations	188,656	694	0%	\$0.2500	\$0.2491
Sauvie Island Fire	General Operations	70,743	0	0%	\$0.3500	\$0.3579
Alto Park Water	General Operations	19,643	0	0%	\$0.6000	\$0.6000
Total		\$255,677,967	\$ 53,474,676	21%		
FY 2022-23 Totals		\$245,671,215	\$ 44,316,276	18%		

*City of Portland has two Local Option Levies: one for children's programs (\$0.4026) and one for Parks maintenance and operations (\$0.8000).

**Riverdale Fire District authorized a rate of \$0.5000, but the district only levies half that.

The table above shows compression for local option levy taxes levied in Multnomah County. The percentage of local option levy taxes extended lost due to compression increased slightly from last year.

PROPERTY TAX

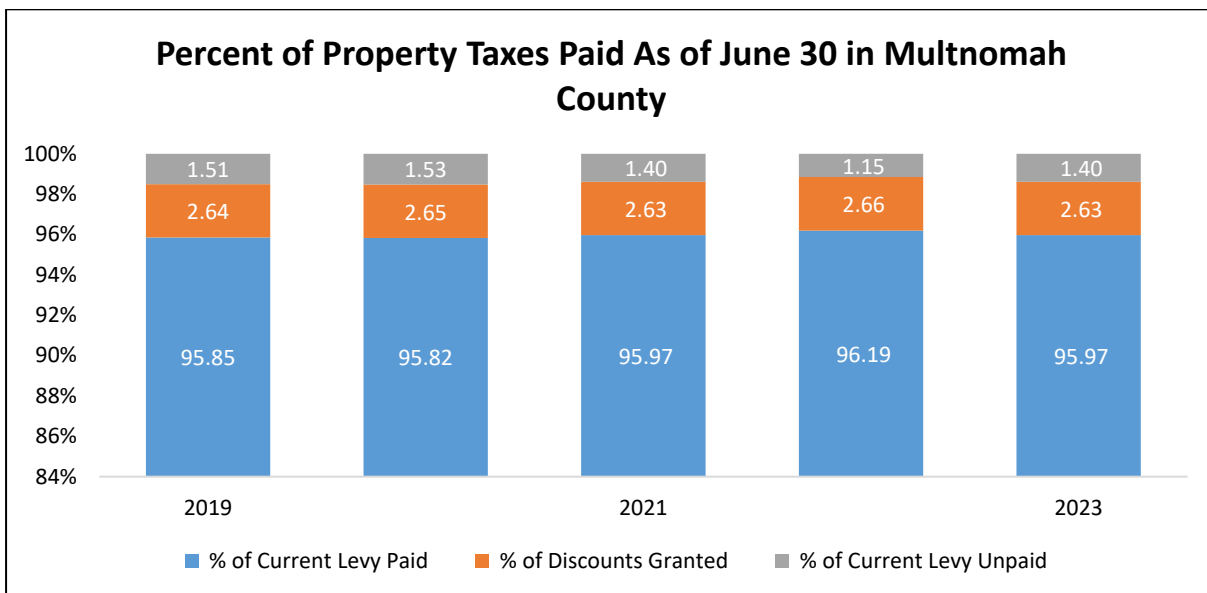
Tax Collections

Property is valued as of January 1 annually. The taxes become a lien on July 1. Tax statements are mailed in October. One-third payments are due November 15th, February 15th and May 15th. A 3% discount is given if full payment is made in November. A 2% discount is given for a two-thirds payment. Interest accrues at a rate of 1.33% per month for late payments and has previously been roughly \$8 to \$9 million per year. The majority of interest on past-due taxes are transferred to the state to be used as part of an Assessment and Taxation Grant Program. Approximately 9% is distributed to districts.

Real property taxes, if unpaid, become delinquent on May 16. Foreclosure proceedings are initiated three years after delinquency. Personal property taxes become delinquent with any unpaid installment. Warrants for unpaid personal property taxes are issued 30 days after the taxes are due.

The combined effects of the discounts taken and the taxes unpaid require taxing districts to apply an uncollected rate to their tax levy. That rate varies annually. The discount portion of taxes has stayed stable in recent years at around 2.65% of taxes paid. The unpaid portion of tax has averaged 1.4% of the levied amount for the past five years. The average uncollected rate is 4.4% for the last 10 years.

Every dollar collected is proportionately distributed to all taxing districts in the county. This allows districts to budget knowing they will receive approximately 95% of the amount that is due to them rather than being dependent on how the individual taxpayers in the district pay their taxes.



PROPERTY TAX

Historical Comparison of Taxable Values & Property Taxes Levied

Property taxes have been used to fund government services since at least 1900, when Multnomah County collected total taxes of \$1.1 million dollars on a value of \$45 million in taxable property. A portion of those taxes were levied by the State of Oregon. As taxable value continues to grow, so do total taxes. The table below provides per capita data. Population estimates are from the Center for Population Research at Portland State University, released in November each year. Total tax is for Multnomah County only and includes imposed tax plus special assessments and cancellations, penalties, and omitted assessments. These data are provided by the county assessor each year in November in the Summary of Assessments and Taxes document.

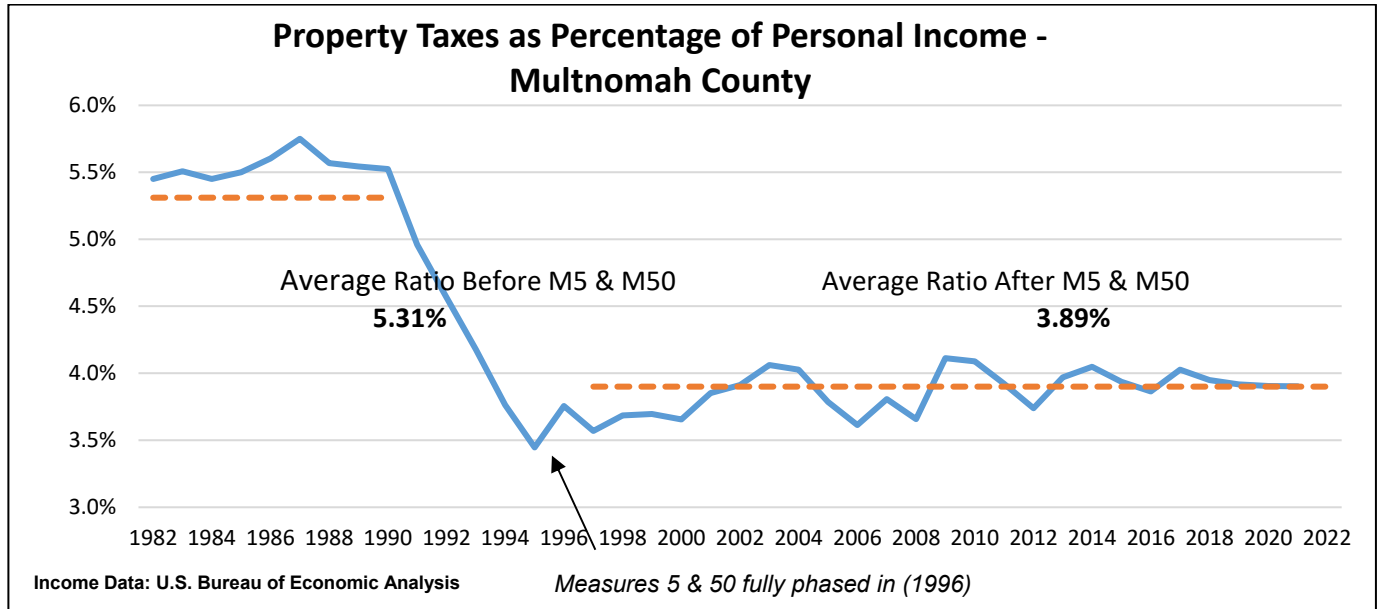
Year	County Population	County Taxable Value (AV)	Per Capita Property Value	Total Tax	Per Capita Tax
1900	103,167	\$45,228,244	\$438	\$1,114,990	\$11
1950-51	471,537	\$997,624,394	\$2,116	\$32,207,179	\$68
1960-61	522,813	\$2,612,178,726	\$4,996	\$71,126,380	\$136
1970-71	556,667	\$4,643,244,365	\$8,341	\$137,598,136	\$247
1980-81	562,640	\$16,351,057,369	\$29,061	\$290,379,549	\$516
1990-91	583,887	\$20,849,827,083	\$35,709	\$675,322,761	\$1,157
1995-96*	626,000	\$36,130,751,708	\$57,671	\$558,507,607	\$891
2000-01	662,400	\$41,133,501,000	\$62,098	\$800,298,594	\$1,208
2005-06	692,825	\$49,193,195,419	\$71,004	\$932,428,285	\$1,346
2010-11	736,785	\$61,027,180,083	\$82,829	\$1,216,561,720	\$1,651
2015-16	777,490	\$72,222,759,453	\$92,892	\$1,520,142,205	\$1,955
2020-21	816,310	\$89,815,140,110	\$108,268	\$2,047,080,719	\$2,507
2021-22	820,672	\$92,536,448,190	\$108,268	\$2,218,661,739	\$2,704
2022-23	810,242	\$96,309,081,010	\$118,864	\$2,292,168,650	\$2,829
2023-24	813,691	\$100,145,137,050	\$123,075	\$2,365,882,732	\$2,907

*1995-96 was the last year under the original tax system based on real market values. Measure 50 was passed in 1996-97, which cut and capped assessed value, effectively decoupling the assessed value from real market value. The levy-based system was shifted to a primarily rate-based system (see Appendix A - History of Oregon's Property Tax System for more detail).

PROPERTY TAX

Property Tax a Percentage of Personal Income

How have property tax increases compared to increases in personal income? The figure below shows that Measures 5 and 50 put a significant dent in the amount of personal income that was used to pay ad valorem property taxes. In the 21 years before Measure 5, on average, property taxes were 5.3% of personal income. Since the measures were fully enacted, that average has decreased to 3.9% and has been less volatile.



URBAN RENEWAL/TAX INCREMENT FINANCING

What is Urban Renewal/Tax Increment Financing?

Urban renewal, or tax increment financing, is a tool that allows cities or counties to work on behalf of local communities using concentrated revenues to improve areas considered underdeveloped within a designated district. The urban renewal districts, often called urban renewal agencies, are a separate entity from the city or county that created it. With the help of tax increment finance (TIF) districts, the theory is that areas can, overtime, increase their contribution to the local economy as a result of the additional development. Funding options for urban renewal include tax increment financing, selling property, loans, grants, and bonds.

TIF vs. Urban Renewal

In recent years, the term “Urban Renewal” has begun to be replaced by “tax increment financing”. However, statutory references and tax assessor reports still refer to Urban Renewal, and so we continue use the term in this report to minimize confusion. We hope to begin a gradual transition to the term tax increment financing (TIF) in the years to come.

Types of Projects Completed

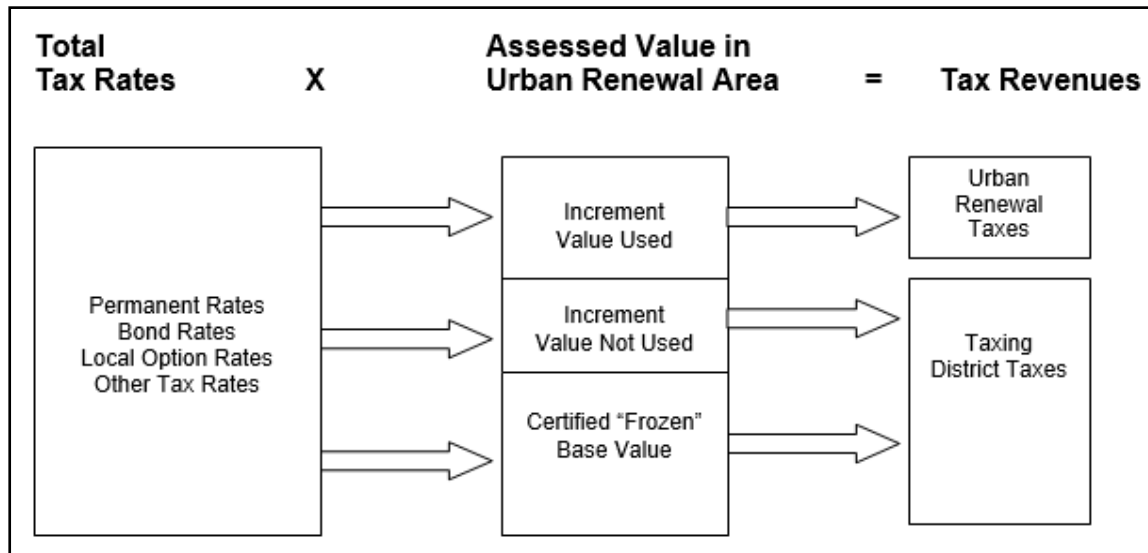
Urban renewal/tax increment financing can fund a range of initiatives, including capital projects and development assistance programs, such as:

- Infrastructure projects to support new development, such as transportation network development and utilities.
- Streetscape improvements and transportation enhancements, including new lighting, trees, sidewalks, pedestrian and bicycle amenities, and intersection improvements.
- Catalyst redevelopment projects, such as mixed-use or infill housing developments.
- Development assistance grants or incentives for specific desired development types.
- Storefront improvement grants for improvements to existing properties.
- Developing or improving parks and plazas.
- Clean up of brownfield sites.
- Property acquisition to aggregate properties for desired development.
- Public buildings.
- Historic preservation projects.

URBAN RENEWAL/TAX INCREMENT FINANCING

Tax Increment Financing

Tax increment financing is the primary tool governments use to fund urban renewal.



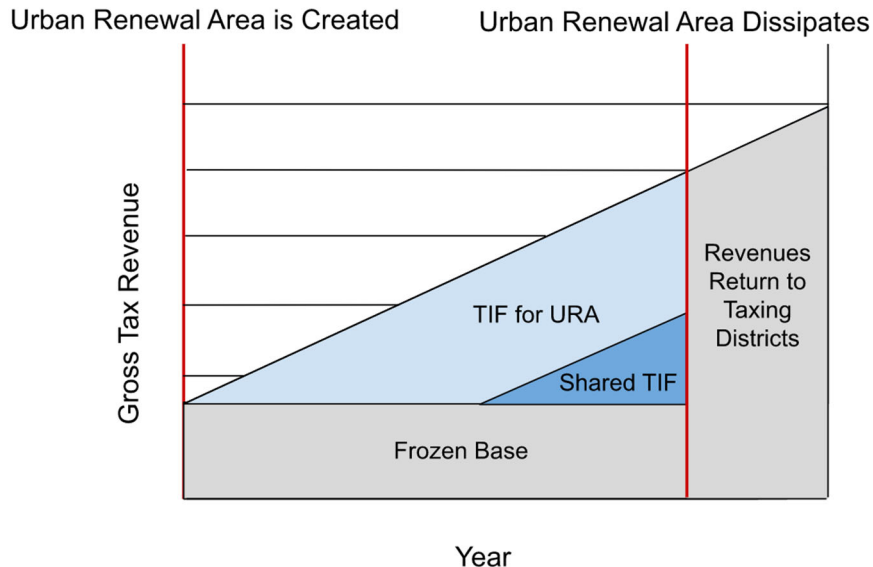
When an urban renewal area is created, the property tax revenue is separated into two revenue streams: the frozen base and the increment. The frozen base is the total assessed value of property tax revenue the year the urban renewal area was formed. Individual property values may rise due to either a substantial improvement on the property or an assessor increasing the property value. The revenue generated by this rise will, in part, go to the urban renewal agency. The frozen base will continue to fund regular taxing jurisdictions such as school districts, the city, and the county.

These are the steps of the urban renewal process:

1. Identify a geographic area (not necessarily contiguous) - the Plan Area.
2. Document the value of the properties in the plan area at the time it is created (the Frozen Value).
3. Continue sending taxes generated by the frozen value to the taxing districts that touch the plan area.
4. Allow the urban renewal agency to capture taxes generated by growth in value (Increment or Excess Value).
5. Use the excess value tax revenue to pay debt issued to pay for the improvements to areas identified as underdeveloped.

URBAN RENEWAL/TAX INCREMENT FINANCING

Some of the excess value (or increment value) may be unused by the urban renewal district and allocated back to the plan area taxing districts.



This governmental activity and increased private investment in the area is expected to accelerate the increase in property values, “renewing” the area’s economy. At the end of the urban renewal area’s life span, the increased property value reverts to the taxing districts, increasing their assessed values.

Urban renewal areas have a maximum amount of funds they can use, which is known as the debt limit or maximum indebtedness. This amount is determined by considering the needs of the project and the timeframe.

There are five urban renewal agencies in Multnomah County:

1. City of Gresham’s Redevelopment Commission
2. Prosper Portland, acting on behalf of the City of Portland
3. The Urban Renewal Agency of the City of Troutdale
4. The Urban Renewal Agency of the City of Wood Village
5. The Fairview Urban Renewal Agency

With the exception of Portland, each district has one urban renewal area. Portland has 14 active TIF districts, with six of these areas collecting taxes in FY 2023-24. Lake Oswego has two plans and Milwaukie has one with portions in Multnomah County, and so those cities’ urban renewal taxes appear on some Multnomah County tax bills. Conversely, since the City of Portland extends into Clackamas and Washington counties, urban renewal taxes for the City of Portland come from those other counties, too.

URBAN RENEWAL/TAX INCREMENT FINANCING

Impact of Urban Renewal on Property Owners

There is little to no direct impact to property owners from urban renewal. The taxes for permanent levies will be the same with or without the urban renewal agency. The urban renewal agency simply captures a portion of the taxes that would otherwise go to the other taxing districts. The total taxpayer bill for permanent (operating) taxes is unchanged, but the original taxing districts receive less tax revenue because of the urban renewal district capture of taxes.

If a property owner pays taxes for general obligation bond levies, there is probably a small increase in the taxes. The taxing districts size their general obligation debt levies to meet the debt service payments for the capital improvements paid for by the general obligation bonds. Because the urban renewal districts also capture some of those levies, the districts generally increase the size of the levy to compensate for the urban renewal capture of the taxes.

Local option levies, optional tax levies approved by voters and subject to certain limitations, used to also be subject to urban renewal tax capture, but the legislature changed the statutes in 2013 to exempt those levies from the capture.

Five (5) Different Types of TIF Districts

There are five types of urban renewal plans and they differ in how revenues are collected, maximum authority, and if they rely on a special levy. The first three types are referred to as "existing plans" because they were in effect when mid-1990's property reform took place. At that time, urban renewal agencies were able to obtain a special levy if needed to make up for revenues limited by Measure 50, because Measure 50 limited the assessed increment values which urban renewal agencies used to pay off debt, threatening their ability to make debt payments. Plan areas adopted after December 6, 1996 are referred to as "Other" plan and do not have the option for a special levy. As of FY 2023-24, no urban renewal plans in Multnomah County are imposing a special levy.

House Bill 3215 established new levies for certain types of urban renewal plan areas, resulting in two new types of plan areas: "Other Standard Rate Plans" and "Other Reduced Rate Plans". Local option levies and bonded debt levies approved after October 6, 2001 use the full amount of assessed value, which can result in a lower tax rate or more property tax revenue for districts.

URBAN RENEWAL/TAX INCREMENT FINANCING

Closing of a TIF District

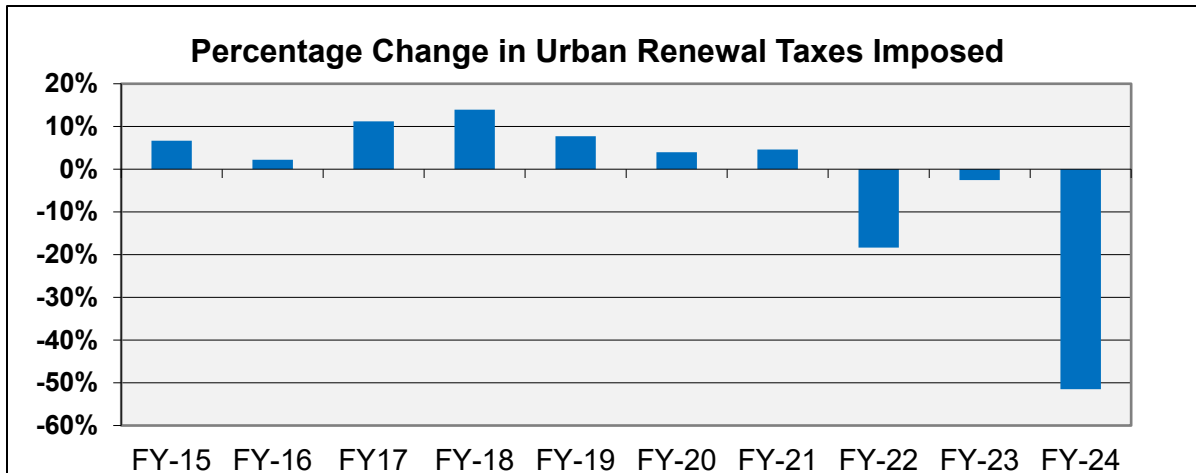
Urban renewal plans typically last 20 to 25 years, but the duration can be adjusted to fit the goals of the urban renewal area. Plans can be closed out if all projects are completed earlier and the debt is repaid.

Urban Renewal Taxes Imposed

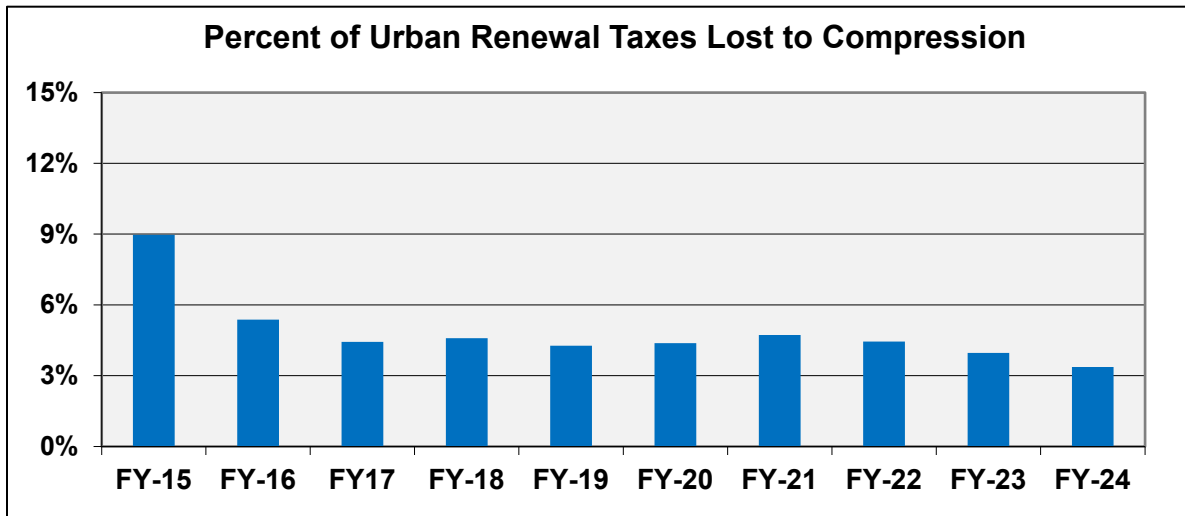
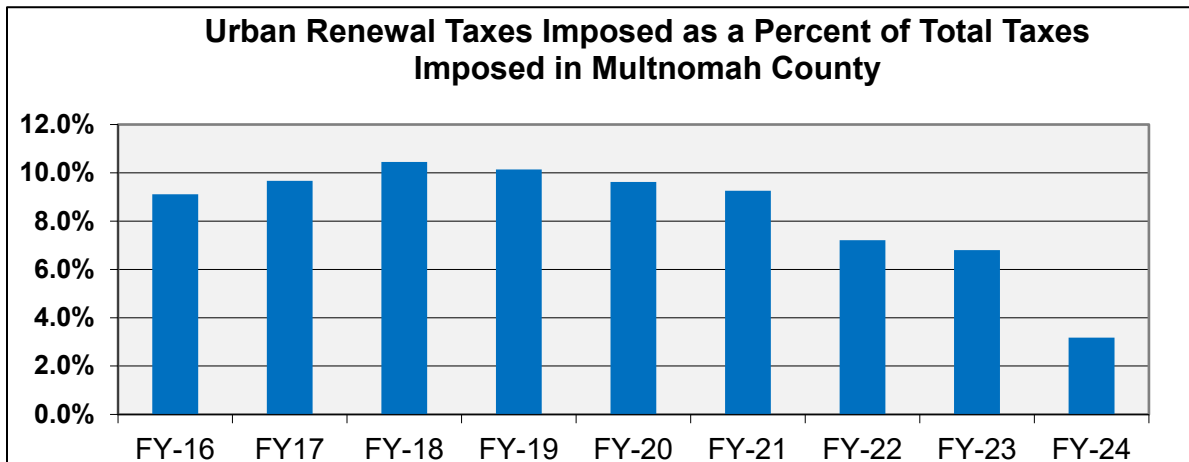
The 21 urban renewal plan areas in Multnomah County are capturing \$75 million in property tax revenue in FY 2023-24, as shown in the table below.

Urban Renewal Property Taxes Imposed in Multnomah County (\$ Millions)					
Fiscal Year	Urban Renewal	Total County	UR as a % of County	Loss to Compression	
2015-16	\$131.3	\$1,440.6	9%	\$7.5	6%
2016-17	\$146.0	\$1,510.2	10%	\$6.8	5%
2017-18	\$166.3	\$1,591.5	10%	\$8.0	5%
2018-19	\$179.1	\$1,766.5	10%	\$8.0	4%
2019-20	\$186.2	\$1,935.0	10%	\$8.5	5%
2020-21	\$194.7	\$2,103.0	9%	\$9.7	5%
2021-22	\$158.9	\$2,204.8	7%	\$7.4	4%
2022-23	\$154.8	\$2,277.1	7%	\$6.4	4%
2023-24	\$75.1	\$2,365.8	3%	\$2.6	3%

Urban renewal taxes made up 3% of total taxes imposed in Multnomah County, a decrease of 4% from last year. There was a \$79.7 million decrease in urban renewal taxes imposed in 2023-24, a reduction of over 50%. As Prosper Portland continues to close urban renewal areas, this downward trend is expected to continue. The closure of these areas releases dollars back to other taxing districts in the region.



URBAN RENEWAL/TAX INCREMENT FINANCING

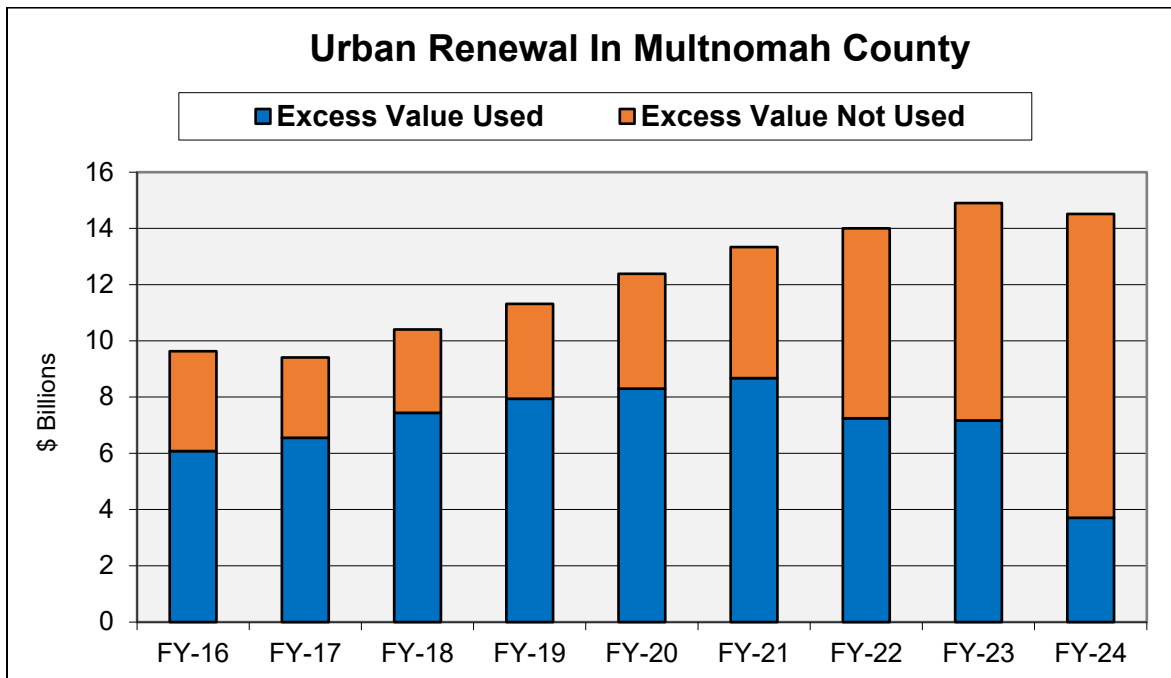
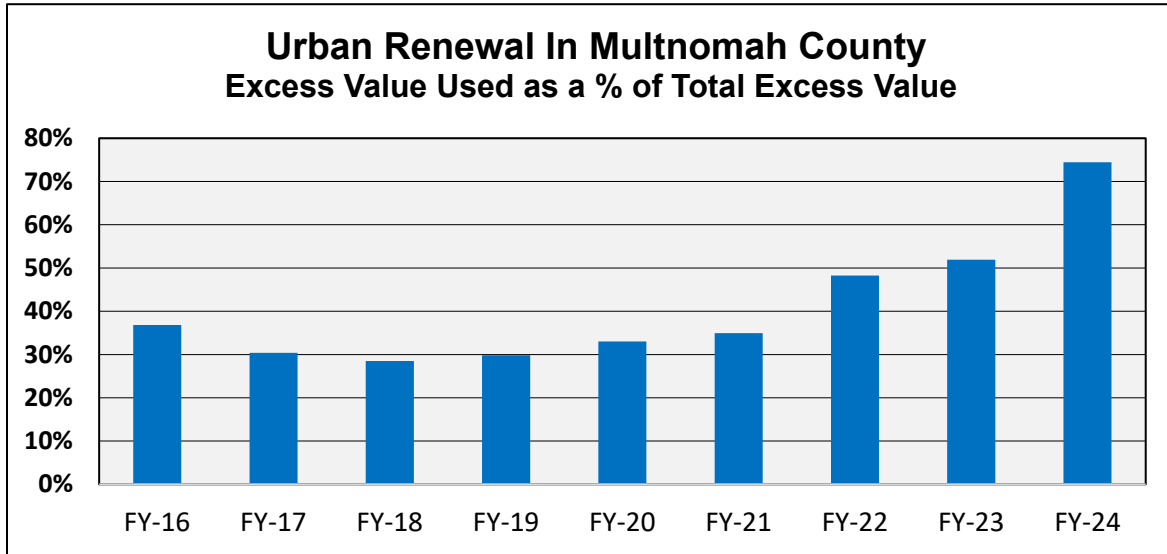


Excess Value Used and Unused

Excess value is the total assessed value of property in urban renewal plan areas that is “in excess” of the frozen base as property values grow over time. Districts may choose to not use all the excess value. Thus, there is “excess value used” (assessed value diverted from the districts to the urban renewal district) and “excess value not used” (assessed value that stays with the taxing districts).

The next graph shows nine years of history of those used and unused values. For FY 2023-24, \$10.8 billion in excess value (74%) was not used, resulting in an estimated \$7.7 billion in property tax revenue that remains with schools and local governments in Multnomah County.

URBAN RENEWAL/TAX INCREMENT FINANCING



URBAN RENEWAL/TAX INCREMENT FINANCING

The Fairview Urban Renewal Agency

The City Council established the Fairview Urban Renewal Agency on May 16, 2018 by Ordinance Number 5-2018. The City Council appointed themselves as the board of the urban renewal agency. The Fairview City Administrator is the Executive Director of the Agency. The council has the option of having the agency reimburse the city for any staff time spent on agency activities.

The plan area consists of 459 acres: 404 acres of land in tax lots and 55 acres of public rights-of-way. The city anticipates that the plan will take 25 years of tax increment collections to implement. The maximum amount of indebtedness that may be issued for the plan is \$51 million.

Fairview Plan Area	Maximum Indebtedness	Debt Issued 6/30/2023	Expiration Date	Acres
Fairview	\$51,000,000	\$9,165,000	Nov., 2044	459
Total Acres in City of Fairview				2,258
Percentage of Acres in Urban Renewal Plan Areas (Maximum Allowed = 25%)				20%
Total Assessed Value in City of Fairview (less Excess Value, Used and Not Used)				\$850,068,747
Percentage of Frozen Value in Urban Renewal Plan Areas (Maximum Allowed = 25%)				18%

FAIRVIEW URBAN RENEWAL AGENCY URBAN RENEWAL PROPERTY VALUES AND TAXES							
Tax Year	Base Frozen Value	Excess Value Used	Excess Value Not Used	Total Plan Area Value	Maximum Authority	Actual Taxes Imposed	Measure 5 Loss
2018-19	153,649,777	0	0	153,649,777	N/A	0	0
2019-20	153,649,777	7,433,443	0	161,083,220	N/A	114,253	162
2020-21	153,649,777	25,188,343	0	178,838,120	N/A	370,024	582
2021-22	153,649,777	35,231,423	0	188,881,200	N/A	518,380	240
2022-23	153,649,777	47,526,103	0	201,175,880	N/A	699,541	224
2023-24	153,649,777	84,160,136	0	237,809,913	N/A	1,238,943	461
				Total Fairview		2,941,141	

URBAN RENEWAL/TAX INCREMENT FINANCING

Fairview Urban Renewal Agency—Division of Tax

The following chart shows the division of tax calculations for each taxing district that includes territory within the plan area. None of the taxing districts' boundaries encompass only a portion of the plan area and so the excess value is the same for all of the overlapping districts.

ALLOCATION OF URBAN RENEWAL TIF REVENUES, BY TAXING DISTRICT FAIRVIEW URBAN RENEWAL DISTRICT 2023-24				
	Increment Value Used	Permanent Rate		Total Tax Imposed
		Rate	Tax Imposed	
PORT OF PORTLAND	84,160,163	0.0701	\$5,850.30	\$5,850.30
CITY OF FAIRVIEW	84,160,163	3.4902	\$293,553.03	\$293,553.03
METRO	84,160,163	0.0966	\$8,114.94	\$8,114.94
EAST MULT SOIL/WATER - GOV	84,160,163	0.1000	\$8,398.01	\$8,398.01
MULTNOMAH COUNTY	84,160,163	4.3434	\$365,360.76	\$365,360.76
MULTNOMAH COUNTY LIBRARY	84,160,163	1.2200	\$102,568.99	\$102,568.99
MULTNOMAH ESD	84,160,163	0.4576	\$38,404.39	\$38,404.39
MT HOOD COMM COLLEGE	84,160,163	0.4917	\$41,329.55	\$41,329.55
REYNOLDS SCHOOL DIST	84,160,163	4.4626	\$375,362.86	\$375,362.86
TOTALS			\$1,238,942.83	\$1,238,942.83
Adjustments: Truncation: (\$460.81) Fractional: \$0.11 Compression: (\$460.82)				

URBAN RENEWAL/TAX INCREMENT FINANCING

Gresham Redevelopment Commission

The City of Gresham established its urban renewal agency, the Gresham Redevelopment Commission (GRDC), in 2003. The commission has one plan area: the Rockwood-West Gresham Renewal Plan Area. It contains approximately 1,211 acres, 8% of the total area of the city. The assessed value within the plan area was frozen as of the 2003-04 assessment roll at \$437,507,294. This represents 5% of the city's net assessed value (assessed value less urban renewal excess value).

The plan for Rockwood-West Gresham calls for a maximum debt issuance of \$92 million. In May 2022, voters approved an extension of the plan to 2029. At that time, the district estimated approximately \$37 million remained for investment and grant funding. The area, referred to as Gresham's "front door", is a mix of industrial, commercial and residential.

Gresham Plan Area	Maximum Indebtedness	Debt Issued 6/30/2023	Expiration Date	Acres
Rockwood/West Gresham	\$92,000,000	\$44,617,905	Aug., 2029	1,211
Total Acres in City of Gresham				14,331
Percentage of Acres in Urban Renewal Plan Areas (Maximum Allowed = 15%)				8%
Total Assessed Value in City of Gresham (less Excess Value, Used and Not Used)				\$9,813,005,004
Percentage of Frozen Value in Urban Renewal Plan Areas (Maximum Allowed = 15%)				4%

GRESHAM REDEVELOPMENT COMMISSION URBAN RENEWAL PROPERTY VALUES AND TAXES							
Tax Year	Base Frozen Value	Excess Value		Total Plan Area Value	Maximum Authority	Actual Taxes Imposed	Measure 5 Loss
		Used	Not Used				
ROCKWOOD - WEST GRESHAM							
2004-05	437,507,294	42,372,201	N/A	479,879,495	N/A	703,604	39
2005-06	437,507,294	57,080,950	N/A	494,588,244	N/A	900,537	48
2006-07	437,507,294	79,147,409	N/A	516,654,703	N/A	1,240,316	62
2007-08	437,507,294	96,960,133	N/A	534,467,427	N/A	1,500,486	74
2008-09	437,507,294	136,186,345	N/A	573,693,639	N/A	2,097,633	108
2009-10	437,507,294	159,067,818	N/A	596,575,112	N/A	2,411,567	124
2010-11	437,507,294	182,889,752	N/A	620,397,046	N/A	2,768,727	147
2011-12	437,507,294	184,731,016	N/A	622,238,310	N/A	2,821,967	161
2012-13	437,507,294	195,621,085	N/A	633,128,379	N/A	3,021,085	386
2013-14	437,507,294	207,260,079	N/A	644,767,373	N/A	3,427,274	6,328
2014-15	437,507,294	225,995,571	N/A	663,502,865	N/A	3,688,006	4,487
2015-16	437,507,294	250,742,002	N/A	688,249,296	N/A	3,947,617	3,501
2016-17	437,507,294	294,416,648	N/A	731,923,942	N/A	4,609,760	10,007
2017-18	437,507,294	314,753,863	N/A	752,261,157	N/A	4,922,223	10,774
2018-19	437,507,294	346,830,746	N/A	784,338,040	N/A	5,425,953	16,210
2019-20	437,507,294	397,547,026	N/A	835,054,320	N/A	6,162,826	23,965
2020-21	437,507,294	437,507,294	N/A	875,014,588	N/A	6,035,151	13,211
2021-22	437,507,294	437,507,294	N/A	898,574,600	N/A	6,825,884	20,238
2022-23	437,507,294	475,091,896	N/A	912,599,190	N/A	7,033,893	20,266
2023-24	437,507,294	583,101,746	N/A	1,020,609,040	N/A	8,618,780	39,067
Total Rockwood / West Gresham						78,163,288	

URBAN RENEWAL/TAX INCREMENT FINANCING

Gresham Redevelopment Commission — Division of Tax

ALLOCATION OF URBAN RENEWAL TIF REVENUES, BY TAXING DISTRICT GRESHAM REDEVELOPMENT COMMISSION 2023-24				
	Increment Value Used	Permanent Rate		Total Tax Imposed
		Rate	Tax Imposed	
PORT OF PORTLAND	583,101,746	0.0701	\$40,736.79	\$40,736.79
CITY OF GRESHAM	583,101,746	3.6129	\$2,100,089.41	\$2,100,089.41
METRO	583,101,746	0.0966	\$55,745.10	\$55,745.10
EAST MULT SOIL/WATER - GOV	583,101,746	0.1	\$57,889.14	\$57,889.14
MULTNOMAH COUNTY	583,101,746	4.3434	\$2,525,681.82	\$2,525,681.82
MULTNOMAH COUNTY LIBRARY	583,101,746	1.22	\$708,605.96	\$708,605.96
MULTNOMAH ESD	583,101,746	0.4576	\$265,861.21	\$265,861.21
MT HOOD COMM COLLEGE	583,101,746	0.4917	\$285,157.63	\$285,157.63
GRESHAM-BARLOW SCHL DIST	583,101,746	4.5268	\$0.00	\$0.00
REYNOLDS SCHOOL DIST	583,101,746	4.4626	\$2,569,723.32	\$2,569,723.32
CENTENNIAL SCHOOL DIST	583,101,746	4.7448	\$9,289.99	\$9,289.99
TOTALS			\$8,618,780.37	\$8,618,780.37
Adjustments:				
	Truncation:	(\$4,638.59)	Fractional: \$0.52	Compression: (\$39,067.26)

URBAN RENEWAL/TAX INCREMENT FINANCING

Urban Renewal Agency of the City of Troutdale

The Troutdale City Council activated The Urban Renewal Agency of the City of Troutdale in 2006 to implement the Troutdale Riverfront Plan Area. In accordance with the City Charter, the plan area was submitted to voters, who approved the plan in May 2006. The area to be redeveloped includes 48 acres of the city's 3,189 acres, or 2%. This is well below the 25% limit imposed on cities of under 50,000 population. The frozen value of the plan area, as certified by the county assessor as of the 2005-06 assessment roll, is \$19 million or 1% of the city's net assessed value (assessed value less urban renewal excess value) of \$1.7 billion.

The agency plan calls for redeveloping the city's former sewage treatment plant and adjacent properties into a public area adjacent to the Sandy River, including providing access to the site that is currently not available. Private development may also occur with the expansion of the adjacent retail outlet mall.

Troutdale Plan Area	Maximum Indebtedness	Debt Issued 6/30/2023	Expiration Date	Acres
Troutdale Riverfront	\$7,000,000	\$6,500,000	Feb., 2026	48
Total Acres in City of Troutdale				3,189
Percentage of Acres in Urban Renewal Plan Areas (Maximum Allowed = 25%)				2%
Total Assessed Value in City of Troutdale (less Excess Value, Used and Not Used)				\$1,718,829,480
Percentage of Frozen Value in Urban Renewal Plan Areas (Maximum Allowed = 25%)				1%

URBAN RENEWAL AGENCY OF CITY OF TROUTDALE URBAN RENEWAL PROPERTY VALUES AND TAXES							
Tax Year	Base Frozen Value	Excess Value		Total Plan Area Value	Maximum Authority	Actual Taxes Imposed	Measure 5 Loss
		Used	Not Used				
2007-08	19,177,950	1,446,189	N/A	20,624,139	N/A	22,970	0
2008-09	19,177,950	2,096,130	N/A	21,274,080	N/A	33,082	1
2009-10	19,177,950	2,450,480	N/A	21,628,430	N/A	38,494	1
2010-11	19,177,950	3,132,190	N/A	22,310,140	N/A	49,180	1
2011-12	19,177,950	4,927,204	N/A	24,105,154	N/A	79,015	4
2012-13	19,177,950	6,981,004	N/A	26,158,954	N/A	115,246	8
2013-14	19,177,950	8,570,290	N/A	27,748,240	N/A	150,653	119
2014-15	19,177,950	10,515,210	N/A	29,693,160	N/A	181,425	83
2015-16	19,177,950	8,308,240	N/A	27,486,190	N/A	137,301	28
2016-17	19,177,950	7,915,080	N/A	27,093,030	N/A	129,811	6
2017-18	19,177,950	8,884,550	N/A	28,062,500	N/A	144,842	5
2018-19	19,177,950	10,137,200	N/A	29,315,150	N/A	159,909	9
2019-20	19,177,950	16,060,250	N/A	35,238,200	N/A	251,897	14
2020-21	19,177,950	10,672,000	N/A	29,849,950	N/A	159,295	7
2021-22	19,177,950	11,819,750	N/A	30,997,700	N/A	176,848	4
2022-23	19,177,950	10,951,160	N/A	30,129,110	N/A	163,629	3
2023-24	19,177,950	11,569,750	N/A	30,747,700	N/A	173,008	3
Total Troutdale Riverfront						2,166,605	

URBAN RENEWAL/TAX INCREMENT FINANCING

Urban Renewal Agency of the City of Troutdale — Division of Tax

ALLOCATION OF URBAN RENEWAL TIF REVENUES, BY TAXING DISTRICT TROUTDALE URBAN RENEWAL AGENCY 2023-24				
	Increment Value Used	Permanent Rate		Total Tax Imposed
		Rate	Tax Imposed	
PORT OF PORTLAND	11,569,750	0.0701	\$728.38	\$728.38
CITY OF TROUTDALE	11,569,750	3.7652	\$43,520.55	\$43,520.55
METRO	11,569,750	0.0966	\$1,092.56	\$1,092.56
EAST MULT SOIL/WATER - GOV	11,569,750	0.1000	\$1,092.56	\$1,092.56
MULTNOMAH COUNTY	11,569,750	4.3434	\$50,075.94	\$50,075.94
MULTNOMAH COUNTY LIBRARY	11,569,750	1.2200	\$14,021.27	\$14,021.27
MULTNOMAH ESD	11,569,750	0.4576	\$5,280.74	\$5,280.74
MT HOOD COMM COLLEGE	11,569,750	0.4917	\$5,644.92	\$5,644.92
REYNOLDS SCHOOL DIST	11,569,750	4.4626	\$51,550.98	\$51,550.98
TOTALS			173,007.90	173,007.90
Adjustments: Truncation: (\$618.49) Fractional: \$0.20 (\$3.02)				

URBAN RENEWAL/TAX INCREMENT FINANCING

Urban Renewal Agency of the City of Wood Village

The Wood Village City Council activated The Urban Renewal Agency of the City of Wood Village in January 2010. Four city council members and three citizens serve as the agency's governing body.

The area to be redeveloped includes 129 acres of the city's total area of 608 acres (21%). This is below the 25% limit imposed on cities of under 50,000 population. The frozen value of the plan area, as certified by the county assessor as of the 2010-11 assessment roll, is \$38 million (11%) of the city's net assessed value (assessed value less urban renewal excess value) of \$341.6 million. The agency is authorized to incur \$11,750,000 in debt.

Wood Village Plan Area	Maximum Indebtedness	Debt Issued 6/30/2023	Expiration Date	Acres
Wood Village	\$11,750,000	\$4,635,000	Feb., 2031	129
Total Acres in City of Wood Village				608
Percentage of Acres in Urban Renewal Plan Areas (Maximum Allowed = 25%)				21%
Total Assessed Value in City of Wood Village (less Excess Value, Used and Not Used)				\$341,559,003
Percentage of Frozen Value in Urban Renewal Plan Areas (Maximum Allowed = 25%)				11%

URBAN RENEWAL AGENCY OF CITY OF WOOD VILLAGE URBAN RENEWAL PROPERTY VALUES AND TAXES							
Tax Year	Base Frozen Value	Excess Value Used	Excess Value Not Used	Total Plan Area Value	Maximum Authority	Actual Taxes Imposed	Measure 5 Loss
2011-12	38,346,200	1,564,688	N/A	39,910,888	N/A	23,016	0
2012-13	38,346,200	914,867	N/A	39,261,067	N/A	13,580	0
2013-14	38,346,200	2,735,650	N/A	41,081,850	N/A	43,846	0
2014-15	38,346,200	3,900,960	N/A	42,247,160	N/A	61,733	0
2015-16	38,346,200	6,402,150	N/A	44,748,350	N/A	97,676	0
2016-17	38,346,200	7,434,630	N/A	45,780,830	N/A	112,990	0
2017-18	38,346,200	7,843,350	N/A	46,189,550	N/A	118,977	0
2018-19	38,346,200	7,713,930	N/A	46,060,130	N/A	117,189	0
2019-20	38,346,200	16,905,410	N/A	55,251,610	N/A	254,856	0
2020-21	38,346,200	23,500,520	N/A	61,846,720	N/A	337,540	0
2021-22	38,346,200	24,546,060	N/A	62,892,260	N/A	352,494	0
2022-23	38,346,200	41,507,970	N/A	79,854,170	N/A	596,167	0
2023-24	38,346,200	41,943,080	N/A	80,289,280	N/A	602,473	0
				Total Wood Village		2,732,535	

URBAN RENEWAL/TAX INCREMENT FINANCING

Urban Renewal Agency of the City of Wood Village—Division of Tax

URBAN RENEWAL AGENCY OF CITY OF WOOD VILLAGE URBAN RENEWAL PROPERTY VALUES AND TAXES

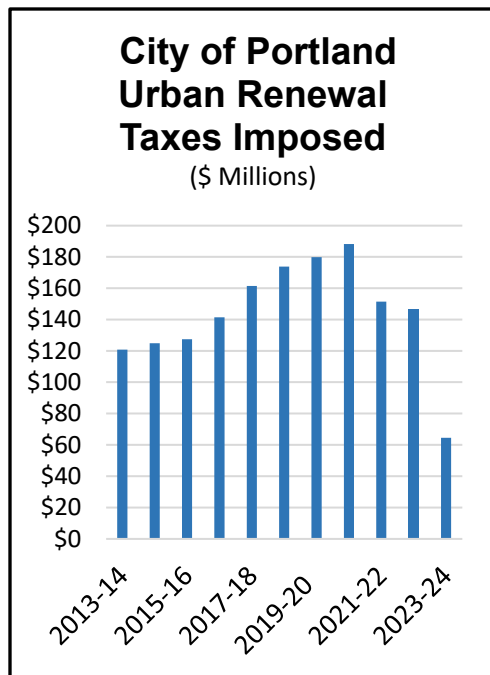
Tax Year	Base Frozen Value	Excess Value Used	Excess Value Not Used	Total Plan Area Value	Maximum Authority	Actual Taxes Imposed	Measure 5 Loss
2011-12	38,346,200	1,564,688	N/A	39,910,888	N/A	23,016	0
2012-13	38,346,200	914,867	N/A	39,261,067	N/A	13,580	0
2013-14	38,346,200	2,735,650	N/A	41,081,850	N/A	43,846	0
2014-15	38,346,200	3,900,960	N/A	42,247,160	N/A	61,733	0
2015-16	38,346,200	6,402,150	N/A	44,748,350	N/A	97,676	0
2016-17	38,346,200	7,434,630	N/A	45,780,830	N/A	112,990	0
2017-18	38,346,200	7,843,350	N/A	46,189,550	N/A	118,977	0
2018-19	38,346,200	7,713,930	N/A	46,060,130	N/A	117,189	0
2019-20	38,346,200	16,905,410	N/A	55,251,610	N/A	254,856	0
2020-21	38,346,200	23,500,520	N/A	61,846,720	N/A	337,540	0
2021-22	38,346,200	24,546,060	N/A	62,892,260	N/A	352,494	0
2022-23	38,346,200	41,507,970	N/A	79,854,170	N/A	596,167	0
2023-24	38,346,200	41,943,080	N/A	80,289,280	N/A	602,473	0
				Total Wood Village		2,732,535	

URBAN RENEWAL/TAX INCREMENT FINANCING

Prosper Portland

The organization now called Prosper Portland (formerly Portland Development Commission) was created by a vote of Portland citizens in 1958. The Oregon Legislature had just established laws allowing urban renewal agencies in 1957 and tax increment financing was approved by a statewide vote in November 1960. Prosper Portland is governed by a volunteer Board of Commissioners appointed by the City Council. The board reports directly to Portland's Mayor and is authorized by the City Charter to administer the business activities of the agency.

Since its establishment, Prosper Portland has managed 25 TIF districts and/or programs, primarily locally funded. Prosper Portland urban renewal areas include designated NPI (Neighborhood Prosperity Initiative) plans, a citywide initiative to foster economic opportunity and vitality throughout Portland neighborhoods, with a focus on low-income populations and communities of color through grants, training, and support from Prosper Portland. The six NPI's are 42nd Avenue, Cully Boulevard Alliance, Parkrose, Rosewood Initiative, Division-Midway Alliance, and the Jade District (82nd Ave & Division).



A number of plan areas have closed in the last two years as Prosper Portland strategically focuses away from tax increment financing, starting new plans only when there is community interest and engagement. Additional plans will close in the next two years. There are six plan areas (URA's) collecting tax in 2023-24 to pay off debt (see page C-18). Of the active plan areas, two have reached their maximum indebtedness: Interstate Corridor and 82nd and Division NPI. The total taxes extended for City of Portland urban renewal taxes were \$67 million. The city lost \$2.6 million of that to compression and is imposing \$64.5 million in urban renewal property taxes in 2023-24. That is a 56% decrease over the prior year, down from \$147 million. The change is due to the several districts closing. The largest closure

was Interstate Corridor, which levied \$47 million in 2022-23 and will levy only \$3 million in 2023-24. Additionally, three plans that received funds from the special levy (see p. C-4), Downtown Waterfront, Oregon Convention Center, and the South Park Blocks also closed. Last year the special levy accounted for \$14 million of Portland urban renewal taxes.

URBAN RENEWAL/TAX INCREMENT FINANCING

City of Portland Plan Areas	Maximum Indebtedness (MI)	Debt Issued 6/30/2023	Expiration Date	Acres
Central Eastside	125,974,800	125,974,272	Aug. 26, 2023	709
Downtown Waterfront	165,000,000	165,000,000	April 24, 2008	233
Gateway Regional Center	164,240,000	117,646,099	June, 2022	659
Interstate Corridor	402,000,000	373,165,131	At MI	3,992
Lents Town Center	245,000,000	242,762,926	June, 2024	2,846
North Macadam	288,562,000	238,006,482	June, 2025	447
Oregon Convention Center	167,511,000	167,510,000	June 30, 2013	410
South Park Blocks	143,619,000	113,498,679	June, 2008	98
82nd & Division NPI	1,250,000	1,250,000	At MI	109
Totals	1,703,156,800	1,544,813,589		9,502
*Chart only includes plan areas that received tax increment revenue in 22-23. For information on closed plans, refer to previous TSCC Annual reports.				
Total Acres in City of Portland				92,773
Percentage of Acres in Urban Renewal Plan Areas (Maximum Allowed = 15%)				10.2%
Total Assessed Value in City of Portland (less Excess Value, Used and Not Used)				58,565,816,577
Percentage of Frozen Value in Urban Renewal Plan Areas (Maximum Allowed = 15%)				8.2%

City of Portland Urban Renewal Property Values and Taxes									
Tax Year 2023-24									
	Base Frozen Value	Excess Value		Total Plan Area Value	Maximum Authority	Taxes Imposed	Measure 5 Loss	Special Levy	
		Used	Not Used					Taxes Imposed	Measure 5 Loss
Central Eastside	230,541,190	15,176,200	978,210,500	1,223,927,890		240,280	9,830	0	0
Gateway	307,174,681	369,401,829	0	676,576,510		7,789,636	298,252	0	0
Interstate Corridor	1,293,460,097	211,856,000	2,667,267,693	4,172,583,790		3,823,444	156,117	0	0
Lents Town Center	736,224,033	1,169,781,387	0	1,906,005,420		25,605,170	1,011,917	0	0
North Macadam	628,094,444	1,210,122,316	0	1,838,216,760		26,773,642	1,091,665	0	0
Cully Blvd.	1,103,117,468	10,756,152	0	1,113,873,620		157,153	6,417	0	0
Multnomah Co Totals	5,638,688,337	2,987,093,884	10,804,698,309	19,430,480,530	137,201,230	64,389,326	2,574,197	0	0
					Clackamas Co Totals:	52,690	340	0	0
					Washington Co Totals:	83,392	263	0	0
					Portland Urban Renewal Totals:	64,525,408	2,574,801	0	0
Total Urban Renewal Tax Levies Imposed: \$ 64,525,408									

URBAN RENEWAL/TAX INCREMENT FINANCING

ALLOCATION OF URBAN RENEWAL TIF REVENUES, BY TAXING DISTRICT

City of Portland (All URAs Combined) - 2023-24

	Mult. Co. Increment Value Used						
		Permanent	Bonds	Permanent	Permanent	Bonds	Total
CITY OF PORTLAND	2,987,093,884	7.2156		12,954,468	12,954,468		12,954,468
CITY OF PORTLAND BONDS	2,764,481,732		0.0260			7,514,975	7,514,975
CITY OF PORTLAND NEW BONDS	2,961,161,532		0.3733			1,003,336	1,003,336
DAVID DOUGLAS SCHOOL DIST #40	683,797,345	4.6394		3,064,932	3,064,932	-	3,064,932
DAVID DOUGLAS SCHOOL DIST NEW BONDS	683,797,345		2.1636			1,479,168	1,479,168
EAST MULT SOIL/WATER	3,553,943,136	0.1000		162,573	162,573		162,573
METRO	2,987,093,884	0.0966		258,733	258,733		258,733
METRO - NEW BONDS	2,961,161,532		0.3820			1,036,227	1,036,227
MT HOOD COMM COLLEGE	716,241,668	0.4917		331,591	331,591		331,591
MULTNOMAH COUNTY	2,987,093,884	4.3434		12,350,673	12,350,673		12,350,673
MULTNOMAH COUNTY NEW BONDS	2,749,305,532		0.5758			1,562,573	1,562,573
MULTNOMAH COUNTY LIBRARY	2,987,093,884	1.2200		3,450,292	3,450,292		3,450,292
MULTNOMAH ESD	2,987,093,884	0.4576		1,274,688	1,274,688		1,274,688
PARKROSE SCHOOL DIST #3	33,166,763	4.8906		145,392	145,392	-	145,392
PARKROSE SCHOOL DIST BONDS-NEW	33,166,763		0.7422			24,478	24,478
PORT OF PORTLAND	2,987,093,884	0.0701		180,310	180,310		180,310
PORTLAND COMM COLLEGE	2,270,852,216	0.2828		596,313	596,313		596,313
PORTLAND COMM COLLEGE BONDS-NEW	2,244,919,864		0.3560			715,280	715,280
PORTLAND SCHOOL DIST - NEW BONDS	2,244,197,424		2.3828			4,828,968	4,828,968
PORTLAND SCHOOL DIST PERM	2,254,953,576	0.5038		1,063,111	1,063,111		1,063,111
PORTLAND SCHOOL DIST #1	2,270,129,776	4.7743		10,308,508	10,308,508		10,308,508
WEST MULT SOIL/WATER	1,210,122,316	0.0750		82,737	82,737		82,737
TOTAL	47,557,961,824			46,224,320	46,224,320	18,165,006	64,389,326

Clackamas County Total 52,690

Washington County Total 83,392

Portland Urban Renewal Total 64,525,408

Adjustments: Truncation Loss - (\$310,609)

Fractional Gain - \$1

Compression Loss - (\$2,574,800)

OUTSTANDING DEBT

Types of Debt - Descriptions

Governments utilize different debt instruments to fund a variety of activities. The choice of the debt instrument depends largely on the available pledge of credit revenue flow and what is best suited for a particular project. As a general rule of financing, the cost of debt or interest rate is determined by the scope and dependability of revenue sources that back the issuance of debt, the credit history and debt load of the issuer, the value of the assets being financed, and the term of the issue. Multiple sources of highly dependable revenues combined with an issuer's responsible financial management history will secure high credit ratings and lower interest rates. Interest rates also depend on the current state of the market when debt is issued. Over the last several years, interest rates have generally trended downward providing incentive to refinance outstanding issues.

General Obligation Bonds

General Obligation bonds (GO bonds) are secured by a pledge of the issuer's full faith and credit and unlimited taxing power. Repayment generally occurs through a separate, additional property tax levy not subject to Measure 5.

- Must be approved by the voters. Since Measure 50, General Obligation bonds must meet the double majority election test to be approved: 50% of registered voters must vote and a majority of those voting must cast a yes vote. Since the passage of Ballot Measure 56 in November 2008 the double majority standard does not apply to elections held in May or November.
- Subject to debt limitation statutes.
- Lowest interest rates. Unlimited taxing power provides the district with the ability to levy whatever amount is needed for repayment resulting in minimal risk to the lender.
- Restrictions on use. Measure 50 placed tighter restrictions on the use of unlimited tax general obligation bond proceeds. Measure 68 (May 2010) expanded the use to capital construction, improvements, and other assets having a useful life of more than one year.

Revenue Bonds

Revenue bonds are limited liability obligations secured by a specific revenue pledge and/or a security interest in certain property. Revenue bonds may be secured by a single revenue source (project bonds) or revenues from an entire system (system bonds). Revenue bonds are frequently used by government enterprises, such as utilities and

OUTSTANDING DEBT

airports, whose operations are self-supporting and not reliant on property tax subsidies.

- Does not require voter approval (unless referred by voters during a 60 day remonstrance period).
- Not subject to debt limitation statutes.
- Debt repayment from identified revenues. The bonds are not supported by a full faith and credit pledge.

Due to limited revenue streams for debt service payments, revenue bonds may have higher interest rates than General Obligation bonds. The interest rate depends upon the quality and quantity of revenue streams used for repayment. Utility system revenue bonds typically have lower interest costs than project revenue bonds because of multiple revenue streams.

Conduit Revenue Bonds

Conduit revenue bonds are similar to revenue bonds except that they are issued for the benefit of a private party. They are a means of making a loan to a private party. The government issuing the debt assumes no direct or contingent liability for this type bond.

Limited Tax Bonds / Full Faith and Credit

Limited tax obligation / full faith and credit bonds are secured by a pledge of the issuer's full faith and credit. No additional taxing authority is provided for repayment. Obligations are secured by available general fund revenues and whatever taxing authority the local government has within the limits of Measure 5 and Measure 50.

- Does not require voter approval.
- Cities may be subject to charter limitations.
- Not subject to debt limitation statutes.
- Higher interest rates. Interest rates are dependent upon the financial condition of the issuer, the revenue stream used for repayment and the long-term value of assets being financed.

Pension Bonds

Many districts have sold bonds to cover all or a portion of their unfunded actuarial liability (UAL) as part of their participation in the Public Employees Retirement System (PERS).

OUTSTANDING DEBT

Selling bonds could reduce the rate the district must pay on each employee's salary. Principal and interest on bonds, combined with the lower rates, is often less than what the district would have to pay in PERS rates without bonding the UAL. Over the long term, the district saves money if the interest earned by PERS from investing the bond proceeds exceeds the interest rate on the bonds.

Certificate of Participation / Lease Obligations

A certificate of participation (COP) is a certified interest in a lease purchase or installment sale agreement between a municipal government and a lessor/escrow agent. Essentially, financing proceeds are received in exchange for a commitment of future "lease" payments. Ownership of the financed facility is sometimes assigned to the escrow agent to whom the municipality makes the lease payments. Sources of revenues to pay for the COP depend on the type of project being financed but are often backed by a limited tax full faith and credit pledge.

- Does not require voter approval.
- Generally not subject to debt limitation statutes, or charter limits.
- Higher interest rates than GO bonds but usually lower than revenue bonds.
- County and some city lease purchase agreements are subject to annual appropriation.
- Leasing concept limits type of eligible projects.

In Oregon, lease-purchase transactions that carry the unconditional promise to pay from the general fund are now typically marketed under the term of "full faith and credit obligations".

Special Assessment Improvement Bonds

Special assessment bonds, also known as Bancroft Bonds, are payable from special assessments and limited tax pledges upon property owners who benefit from the project. These bonds are used to finance local capital improvements such as streets, sewer and water projects. To collect charges for capital improvements, local improvement districts (LID's) are formed within which assessments are apportioned to all properties.

- Risk and resulting interest rate determined by the number and size of properties within the district, financial situation of the property owners, and strength of the backup pledge of the issuer.

OUTSTANDING DEBT

- Property taxes levied by the local government to cover assessment shortfalls would be subject to Measure 5 and 50 limits.

Urban Renewal Tax Increment Bonds

Urban renewal tax increment bonds are used to finance improvements such as streets, utilities, property acquisition, development and housing within an urban renewal plan area (URA). At the time the URA is created, property values within the district are frozen. As the plan area properties are developed and their assessed values increase, the urban renewal agency collects tax revenues attributable to the growth over the frozen base value. This growth is known as the increment. Tax increment bonds are secured by the (potential) property tax revenue derived from this method.

- Does not require voter approval.
- Not subject to debt limitation statutes.
- Higher interest rates. Revenue streams are riskier since the plan area's value growth is not certain.
- Restrictions on use. Revenues collected within a plan area can generally only be spent on debt for improvements within the plan area boundaries.
- More flexible use of proceeds for private activities.

Short Term Obligations

Types of short-term obligations include BANS (Bond Anticipation Notes), TANS/TRANS (Tax and Revenue Anticipation Notes), GANS (Grant Anticipation Notes), and Commercial Paper. These types of instruments are generally used only for interim purposes, to bridge the gap between seasonal or project related cash flow deficits, such as between July and November before property taxes are received. In periods of market instability, issuing some form of anticipation notes allows an issuer to delay a long-term debt issue until the market climate is more favorable, thereby potentially saving on interest costs.

Some districts, especially school districts, have statutory limitations on the amount of short term debt that can be issued. These limitations are typically based on a percentage of General Fund revenue.

OUTSTANDING DEBT

Loans

Loans are borrowings that are generally secured outside public finance markets. Typically, a local government enters into a contract with a private party, such as a commercial bank, or state or federal agency. The loan contract dictates terms and conditions of borrowing. Not all local governments are allowed to enter into loan agreements.

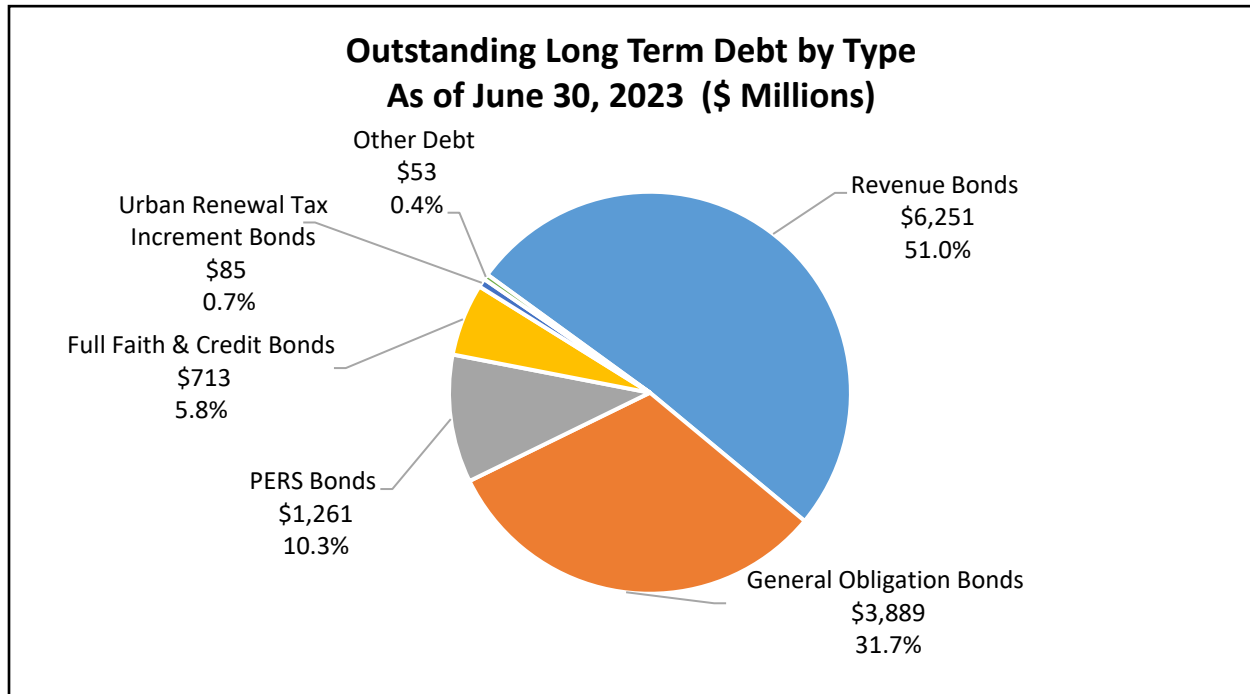
Refunding Bonds

Refunding bonds are obligations issued to replace or defease other outstanding debt, typically for the purpose of realizing savings via the substitution of bonds with a lower interest rate. The proceeds from refunding bonds can be used to pay off existing debt balances (current refunding) or can be placed into escrow and used to extinguish the old debt at a future date (advance refunding) depending on the timing of the applicable redemption dates.

OUTSTANDING DEBT

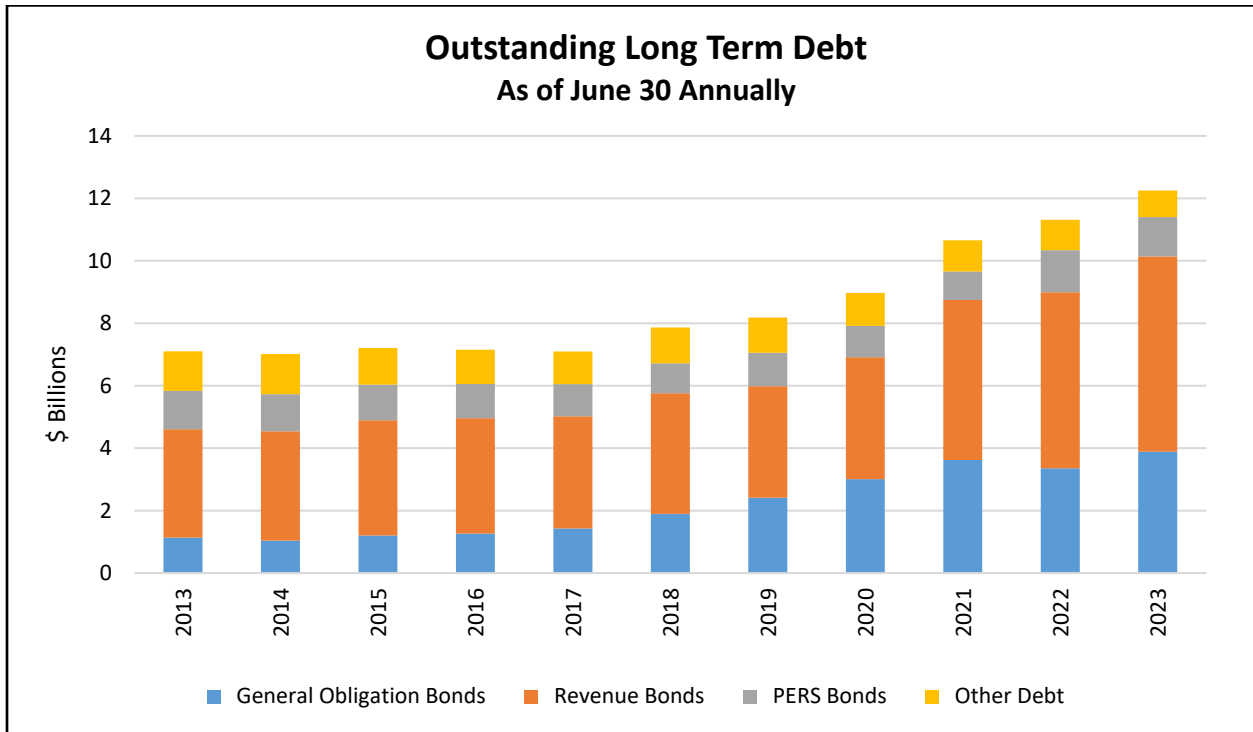
Overview of Outstanding Debt for Multnomah County Districts

The types of long-term debt outstanding as of June 30, 2023 in Multnomah County are shown below. Outstanding debt for districts in the county increased by 9% in FY 2022-23, driven primarily by revenue and general obligation bond issues. For a list of significant FY 2022-23 new issues, see the chart on page D-9.

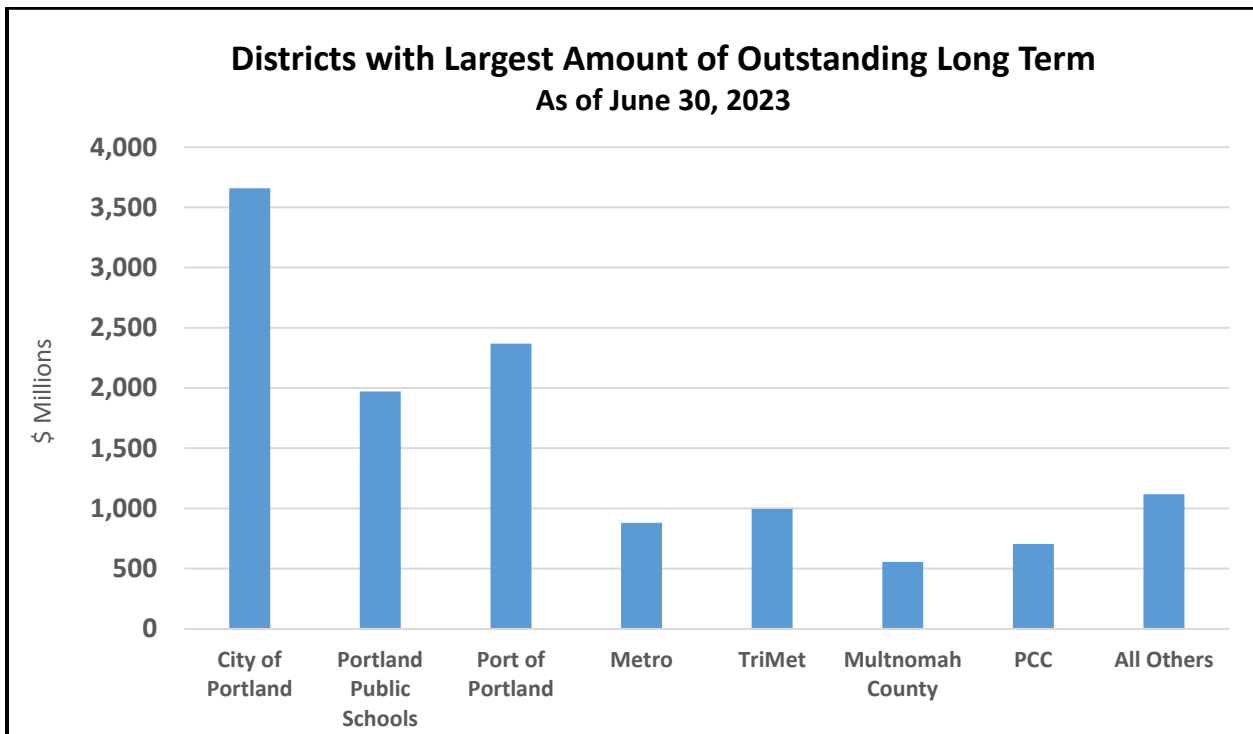


Outstanding Long Term Debt by Type Multnomah County Taxing Districts (\$ Millions)				
	6/30/2022	6/30/2023	Change	
			\$	%
Revenue Bonds	5,634	6,251	617	11%
General Obligation Bonds	3,357	3,889	532	16%
PERS Bonds	1,350	1,261	(90)	-7%
Full Faith & Credit Bonds	760	713	(46)	-6%
Urban Renewal Tax Increment Bonds	135	85	(49)	-37%
Other Debt	76	53	(24)	-31%
Totals	11,312	12,252	940	8%

OUTSTANDING DEBT



The following chart shows the outstanding debt in total for the county taxing districts subdivided by type of debt. In FY 2022-23, revenue bonds made up the largest share of district debt. This is driven in large part by new revenue bonds issued by the Port of Portland and the City of Portland (see Significant Debt chart p.D-9).



OUTSTANDING DEBT

Change in Outstanding Long Term Debt					
Entity	\$ Millions			One Year Change 6/30/22 to 6/30/23	Ten Year Change 6/30/13 to 6/30/23
	6/30/2013	6/30/2022	6/30/2023		
City of Portland	3,308	3,570	3,659	2%	11%
Portland Public Schools	588	1,698	1,970	16%	235%
Port of Portland	724	1,859	2,368	27%	227%
Metro	283	946	880	-7%	211%
TriMet	711	1,023	996	-3%	40%
Multnomah County	343	625	556	-11%	62%
PCC	513	540	704	30%	37%
All Others	632	1,052	1,118	6%	77%
Totals	\$7,103	\$11,312	\$12,252	8%	72%

History of Outstanding Long Term Debt Payments					
	2003-04	2013-14	2023-24	20-year Change	10-year Change
Combined Requirements	\$7.3 Billion	\$10.8 Billion	\$22.1 Billion		
Combined Long Term Debt Payments					
General Obligation Bonds	\$129,666,062	\$173,579,291	\$442,344,856	241%	155%
Urban Renewal Tax Increment Bonds	25,604,968	53,962,837	11,704,521	-54%	-78%
Improvement Bonds/Bancroft Bonds	2,827,492	3,773,186	1,862,545	-34%	-51%
Full Faith & Credit Obligations	40,142,562	70,840,504	97,226,339	142%	37%
PERS Bonds	75,939,438	123,509,423	238,666,157	0%	93%
Long Term Loans (State & Other)	46,123,503	8,588,712	5,638,400	-88%	-34%
Lease Purchase (COPs & Other)	23,375,966	1,658,577	517,847	-98%	-66%
Revenue Bonds - Public	164,504,998	298,474,601	431,577,792	162%	45%
Total Long Term Debt Payments	\$508,184,989	\$734,387,131	\$1,229,538,457	142%	67%
Debt Svc as a % of Budgeted Requirements	7.0%	6.8%	5.6%		

OUTSTANDING DEBT

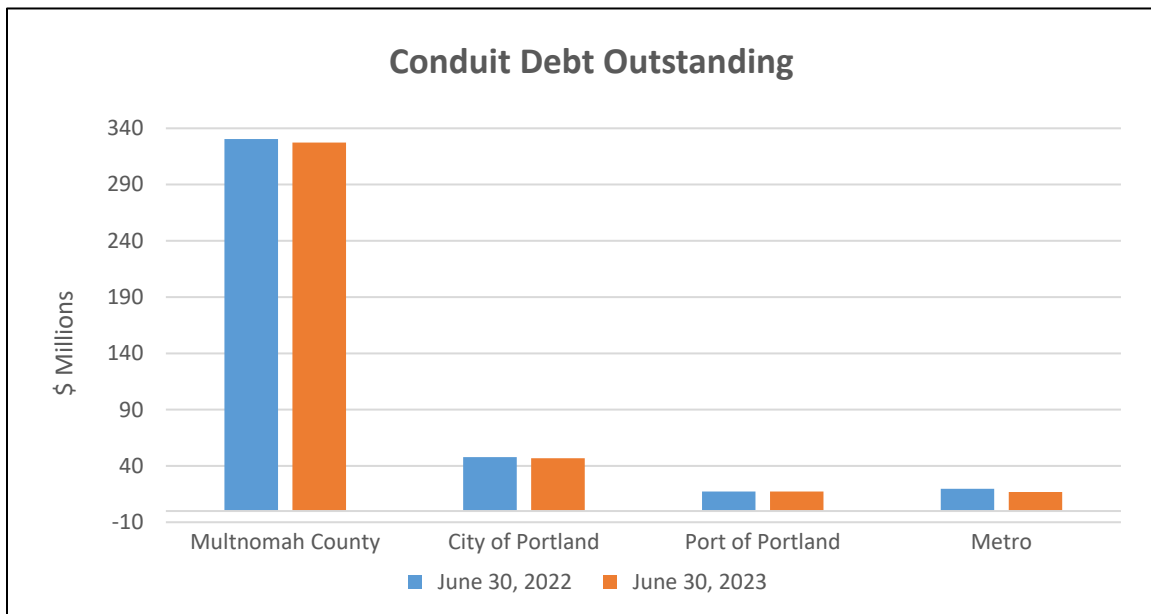
Significant New Debt Issued During Fiscal Year 2022-2023					
District	Type of Debt	Date Issued	Original Amount	Authorization and Purpose	Impact to Taxpayers
Multnomah County	Full Faith & Credit Borrowing	Sep-22	\$23,842,650	The Series Twenty-Two Full Faith and Credit Borrowing funds capital infrastructure improvements throughout the county.	Continues the district's facilities improvement bond series. This measure maintains the district's bond rate at existing levels.
Port of Portland	Revenue	Mar-23	\$566,120,000	The Series Twenty-Nine Bonds were issued to pay, or reimburse the Port for, costs of the design, construction, renovation, acquisition, equipping and installation of capital improvements at the Portland International Airport.	Continues the district's facilities improvement bond series. This measure maintains the district's bond rate at existing levels.
City of Portland	General Obligation	Aug-23	\$41,065,000	The 2023 Series A Bonds were issued to finance affordable housing projects for low-income households. The bond issuance was approved by city voters on November 2016 under Measure 26-179.	The 2023 Series A Bonds are general bond obligations of the city secured for Affordable Housing Projects.
City of Portland	LTO/FF&C	Aug-22	\$22,265,000	Proceeds of the 2022 Series D Bonds will be used to finance and refinance capital costs of infrastructure improvements in city parks, transportation, civic and other capital assets.	Continues the district's facilities improvement bond series. This measure maintains the district's bond rate at existing levels.
City of Portland	LTO/FF&C	Aug-22	\$4,490,000	Proceeds of the 2022 Series D Bonds will be used to finance and refinance costs of new and replacement fueling stations within the city.	Continues the district's facilities improvement bond series. This measure maintains the district's bond rate at existing levels.
City of Portland	Revenue	May-23	\$426,670,000	The 2023 Series A Bonds are being issued to refund all of the City's outstanding Second Lien Sewer System Revenue Bonds 2013 Series A and partial refund of 2016 Series A.	Reduces remaining debt service, saving taxpayer dollars over the remaining life of the debt. To be paid for through utility rate payer charges.
Portland Community College	General Obligation	Mar-23	\$225,000	The General Obligation Bonds, Series 2023 are being issued to finance capital projects as authorized at the November 2022 election.	The 2023 Series Bonds are general bond obligations of the community college secured for one-time capital projects.

OUTSTANDING DEBT

Significant New Debt Issued During Fiscal Year 2022-2023					
District	Type of Debt	Date Issued	Original Amount	Authorization and Purpose	Impact to Taxpayers
Portland Public Schools	General Obligation	Apr-23	\$420,000,000	The General Obligation Bonds, Series 2023 are being issued to finance capital projects as authorized at the November 2022 election.	The 2023 Series Bonds are general bond obligations of the school district secured for one-time capital projects.
David Douglas School District	General Obligation	Mar-23	\$140,317,432	The 2023 General Obligation Bonds, Series A and B, are being issued to finance capital costs of the district as authorized at the November 2022 election.	The 2023 Series Bonds are general bond obligations of the school district secured for capital costs.
Corbett Fire District	General Obligation	Jun-23	\$4,500,000	The General Obligation Bonds, Series 2023 are being issued to finance capital projects.	The 2023 Series Bonds are general bond obligations of the fire district secured for capital costs.

Conduit Debt

Conduit debt is issued by taxing districts for private activity. It is a liability of the private entity for whom it is issued and not a direct or contingent liability of the issuing district. For that reason, conduit debt is not included in the total outstanding debt for each district, but rather is shown as additional information in this section.



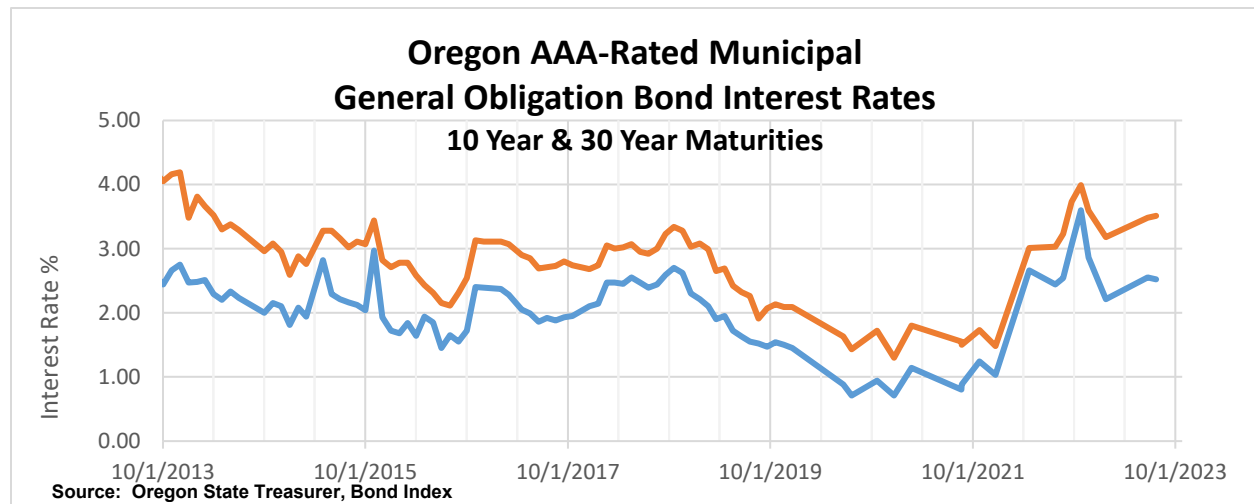
OUTSTANDING DEBT

Summary of General Obligation Bond Elections

The table below includes the last five years of GO bond election results. Two education districts and one fire district passed general obligation bond measures in FY 2022-23. See Data Table & References pages E-14-18 for property tax elections history back to 2002. Since 2003, voters have approved 19 out of 44 GO bond measures (43%).

Local Government	Date	\$ Amount	Purpose / Levy Type	% Yes Votes	Pass/Fail
Portland Community College	Nov-22	450 million	Facilities Improvement Bond	69%	P
David Douglas School Dist.	Nov-22	140.3 million	Facilities Improvement Bond	60%	P
Corbett Fire	Nov-22	4.5 million	Facilities Improvement Bond	59%	P
Multnomah County	Nov-20	387 million	Library Facilities	60%	P
Corbett School Dist.	Nov-20	4 million	Facilities Improvement Bond	56%	P
Portland School Dist.	Nov-20	1.2 billion	Facilities Improvement Bond	75%	P
Centennial School Dist.	May-20	65 million	Facilities Improvement Bond	53%	P
City of Troutdale	Nov-19	7.3 million	Reconstruction of Old City Hall	27%	F
Metro	Nov-19	475 million	Parks & Nature	66%	P

Bond Interest Rates



The use of debt is a routine way of funding significant capital items. Issuing debt is more expensive than pay-as-you-go financing; however, issuing debt matches funding responsibility with the future beneficiaries of the project.

Interest rates last peaked in 2008 due to the crisis in the credit markets. In October 2008 the 10-year and 30-year rates reached 4.31% and 5.36%, respectively. Since then, rates have fallen overall. In the past year, rates have been on an upward trend, with highs reaching 3.60% and 3.99% in October 2022 before decreasing and showing relative stability since summer 2023 with rates at 2.5% and 3.5%, respectively.

OUTSTANDING DEBT

Debt Status Summary

(Unaudited)

DEBT SUMMARY BY DEBT TYPE	Amount of Original Issue	Amount Outstanding 6/30/2022	Amount Outstanding 6/30/2023	2023-24 Principal	2023-24 Interest
SPECIFIC AUTHORITY					
General Obligation Bonds	5,258,069,005	3,357,220,867	3,889,027,822	299,196,368	143,148,488
Urban Renewal Tax Increment Bonds	344,551,696	134,658,319	85,362,102	8,097,891	3,606,630
Improvement Bonds/Bancroft Bonds	95,140,000	28,280,000	22,320,000	1,005,000	857,545
FULL FAITH AND CREDIT					
Limited Tax Obligation Bonds/ Full Faith & Credit Obligations	1,047,255,476	759,828,697	713,188,926	70,251,935	26,974,404
PERS Bonds	2,056,964,509	1,350,393,441	1,260,880,827	128,617,087	110,049,070
Long Term Loans - State & Other	116,470,234	45,986,430	28,703,577	4,910,257	728,143
Lease/Purchase Obligations	3,977,375	2,089,849	1,714,036	460,189	57,658
REVENUE					
Revenue Bonds - Public	7,974,995,000	5,614,475,000	6,233,690,000	193,635,000	237,942,792
Industrial Revenue Bonds - Private	29,695,000	19,655,000	16,905,000	0	0
GRAND TOTAL BY TYPE OF DEBT	16,927,118,294	11,312,587,603	12,251,792,291	706,173,727	523,364,729

OUTSTANDING DEBT

DEBT TYPE BY LOCAL UNITS	Amount of Original Issue	Amount Outstanding 6/30/2022	Amount Outstanding 6/30/2023	2023-24 Principal	2023-24 Interest
Multnomah County	886,008,160	625,011,137	556,426,821	73,423,806	42,413,239
Metro	1,209,103,920	945,835,000	880,303,920	60,293,477	29,829,732
Port of Portland	2,645,820,588	1,858,758,613	2,367,542,791	62,303,461	112,511,286
TriMet	1,435,275,000	1,023,090,000	996,030,000	31,545,000	34,066,864
Cities & Urban Renewal Districts	5,632,006,069	3,723,412,774	3,786,045,491	191,153,232	158,062,919
Education Districts	5,099,484,328	3,130,816,333	3,655,281,050	286,645,454	146,129,215
Fire Districts	8,230,279	1,026,036	5,163,589	389,532	231,941
Water Districts	12,189,950	4,637,710	4,998,629	419,764	119,534
GRAND TOTAL	16,927,118,294	11,312,587,603	12,251,792,291	706,173,727	523,364,729