

Development Finance Tools--Development and Redevelopment of Mixed Use Centers outside of Urban Renewal Areas*							
	Source/Administrator	Specific Resource	Description of Resource	Available Resource	Geography	Resource Restrictions/Eligibility	Contacts
City Resources							
	Bureau of Licenses	Business Improvement District	A Business Improvement District (BID) delivers supplemental services such as sanitation and maintenance, public safety and visitor services, marketing and promotional programs, capital improvements and beautification in a designated area. BIDs are funded by a special assessment paid by property owners within the district. Visit the following website for more information on BIDs: http://www.portlandonline.com/index.cfm?c=29320	Self assessment	City Wide	Needs to have the organizational capacity to administer the BID, including, but not limited to a board of directors, strategy plan, and financial accountability resources	Bureau of Licenses 503-
	Department of Transportation	Local Improvement District	The Local Improvement District (LID) is a method by which a group of property owners can share in the cost of transportation infrastructure improvements. Paved streets and sidewalks improve access for pedestrians, bicycles, cars and emergency vehicles. Visit the following website for more information on the LID: http://www.portlandonline.com/transportation/index.cfm?c=35715	Self assessment	City Wide	In most cases greater than 50% support of the property owners within the LID is necessary to form the LID	PDOT Andrew Aebi, Local Improvement District Administrator, (503) 823-5648
	Planning Bureau	Charitable-Non profit Low income housing tax exemption	Property tax exemption for non-profit entities to develop, rehabilitate housing for low income residents	varies	City Wide	income at or below 60 percent of the area median income	Contact Barbara Sack at 503-823-7853
	Portland Development Commission	Enterprise Zones/ E-Commerce Zones	N/NE Portland Enterprise and Electronic Commerce Zone offers a five-year property tax abatement on new investment, and in certain cases, a 25% state income/excise tax credit, in exchange for meeting job creation and other requirements aimed at business creation within N/NE Portland. Companies may benefit if they lease, as long as they are responsible for property tax payments. Eligible expanding businesses in N/NE Portland can qualify for up to a 100% property tax exemption of the new property taxes generated by their investment in facilities, equipment and machinery (land assessments are not exempted). The exemption period is five years.	\$ Tax Credits/property tax abatement	Selected areas of the City, refer to the Enterprise and E-Commerce Zone Map	Geographic restrictions	
		EDA--Real Estate Loan Fund	Federal Economic Development Administration/Real Estate (EDA/RE) loan fund	\$			Contact Fred Atiemo at PDC 503-823-3200
		New Market Tax Credits	The New Markets Tax Credit (NMTC) Program permits taxpayers to receive a credit against Federal income taxes for making qualified equity investments in designated Community Development Entities (CDEs). Substantially all of the qualified equity investment must in turn be used by the CDE to provide investments in low-income communities. The credit provided to the investor totals 39% of the cost of the investment and is claimed over a seven-year credit allowance period. In each of the first three years, the investor receives a credit equal to five percent of the total amount paid for the stock or capital interest at the time of purchase. For the final four years, the value of the credit is six percent annually. Investors may not redeem their investments in CDEs prior to the conclusion of the seven-year period.	\$100 million allocation through Portland Family of Funds; Banking institutions will also issue these credit, as well as the Enterprise for Social Investment	Qualifying Census tracts and block groups		Contact your local bank, the Enterprise Foundation/Enterprise Social Investment Corporation, or the Portland Family of Funds
		Sustainable Business Assistance Program	The Sustainable Business Assistance Program encourages innovative strategies to eliminate waste, reduce the use or generation of toxic chemicals, and evaluate water/energy efficiency strategies for building renovation and site development. The program is operated by the Zero Waste Alliance. Matching funds of up to \$7,000 are available. In-kind labor and equipment purchases may be used toward the match. Funding is dependent upon a project's location.				
		Economic Opportunity Fund	The Economic Opportunity Fund encourages quality job growth, high-density employment and investment in targeted industries in urban renewal areas. It serves a wide and diverse range of the business community, from small business to developers to large corporations. Rewarding investment in urban renewal areas is the cornerstone of the Economic Opportunity Fund (EOF). Its flexible incentive amounts are intended to cover a wide variety of needs related to company expansion or relocation, including infrastructure, permit fees, system development charges, sustainability investments, tenant improvements, site acquisition, and manufacturing improvements.				
		TOD Poperty Tax Exemptions	Transit Oriented Development Property Tax Exemption: property owners receive a 10 year property tax exemption for the residential portion of new construction or conversion of existing structure(s) in certain areas of the City of Portland.	Tax exemption for 10 years	Designated TOD areas of the City (Hollywood District qualifies)--visit the PDC website for details of the program. www.pdc.us/housing_serv/	the exemption does not include the value of the land.	Contact the TOD Program Manager at 503-823-3269
		Rental Rehabilitation Limited Property Tax exemption	Rental Rehabilitation Limited Property Tax Exemption is a 10 year tax exemption on the rehabilitation of existing rental housing or conversion of existing structures to rental housing. Some units must be available to low income residents for the duration of the exemption.	Tax exemption for 10 years	Not available	Some units must be designated affordable to low income residents for the duration of the exemption.	Contact
		System Development Fee Waivers	The city offers waivers of System Development Charges related to the construction or rehabilitation of affordable housing. The following Bureaus offer these SCD fee waivers: Transportation, Water, Parks, and the Bureau of Environmental Services.	varies	citywide	Intended to reduce the development costs for residential units that are made affordable to homeowners and low income renter households by exempting developers from paying SDC charges. Only those units will receive the exemption.	Contact the PDC Program Administrator at 503-823-3269

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		Housing Development Subordinate Loan	subordinate loans with favorable terms that are used to fund projects that provide public benefits and demonstrate a financial need. May be used for new construction or rehabilitation of existing residential, rental and Mixed Use projects.	<i>varies</i>	citywide	Units must be made affordable for 60 years	Contact PDC at 503-823-3359
		Predevelopment and Acquisition Loans for Non profits	Loans that finance the acquisition of property, other activities necessary to take title of property, or to fund a portion of the cost of a contract purchase. The property must be intended for use in the development of housing serving low or moderate income households, mixed use or mixed income housing.	<i>terms vary based on program used</i>	citywide		Contact PDC at 503-823-3359 or the Enterprise Foundation at 503-223-4848
		Non Profit Facility Loan	loans with favorable terms that are used to fund costs of development associated with the acquisition, rehabilitation or construction of service facilities that provide space for delivery of services to a) low to moderate income residents, or b) designated low income neighborhoods within the City.	<i>varies</i>	citywide	eligible non profit agencies	PDC 503-823-3359
		501-C(3) Bond Program	The city has the authority to issue a bond to non profits to assist with financing of development projects that provide a public benefit. A detaied description of the bond program is available online at the PDC Housing Programs website.	<i>Varies</i>	Citywide	Seventy five percent of of the units must be occupied by households with an annual income less than 80% of the area median income	Contact PDC at 503-823-3359
		Equity Gap Contribution	Public funding for rental or mixed use projects that provide public benefits and are owned by eligible non-profit organizations; provides construction or bridge financing.	<i>varies</i>	Citywide	please review the PDC housing website for details of the program	Contact
		Section 108 Loan Program	CDBG Section 108 Loan (in conjunction with the Federal Housing and Urban Development Economic Development Initiative (EDI)) offers CDBG backed loan gaurantees	\$26 million	earmarked for Siltronic's	Must be used in conjunction with Federal Economic Development Initiative funds (BEDI)	Contact PDC
	Bureau of Environmental Services	Federal Brownfield Economic Development Initiative (BEDI) funds	Paired with Section 108 loan gaurantee for brownfield redevelopment	\$2 million	earmarked for Siltronic's	Brownfield redevelopment	
	Bureau of Housing and Community Development	PNDSC: Portland Neighborhood Development Support Collaborative	Pays for staff developers to build affordable housing (Neighborhood Partnership Fund and Enterprise Foundation)	\$700,000	Multnomah County	affordable housing development--CHODO certified; rehab or acquisition, CBDO designation	
	Office of Sustainable Development-Green Building Initiatives	The New Building Efficiency Program	Provides services to help improve the design and energy performance of a new building or major renovation project. The program offers financial assistance, energy modeling and design assistance, and commissioning oversight assistance to new commercial or industrial building projects in PGE, Pacific Power, and NW Natural territories. Additions and major renovations to existing commercial or industrial buildings also qualify. The New Building Efficiency program provides standard and custom incentives for equipment upgrades such as lighting and controls, motors, drives, HVAC and natural gas equipment. Technical services and financial incentives are available for projects in the schematic, design and construction document phases to improve building performance. Technical assistance funding is available for energy modeling, design assistance and other energy services. Pre-approval for projects is required.				
		Green Investment Fund	The Green Investment Fund is a competitive grant program that awards highly innovative and comprehensive residential, commercial, and industrial green building projects within the Portland city limits.	\$500,000 is granted among multiple projects annually.	citywide		Contact OSD at 503-823-7222
Regional Resources							
	Metro	Transit Oriented Development Right of Way Funds	Property is acquired, planned and reparaceled. It is then sold with conditions to private developers for constructing transit-oriented development and/or dedicated to local governments for streets, plazas, and other public facilities where appropriate. In many cases the land value is written down to cover the extraordinary development costs required to construct a specific TOD project. In such cases, a "highest and best transit use" appraisal is used to establish the sale price.	\$	Regional	Transit oriented development	Contact Marc Guichard at 503-797-1944
State Resources							
	Oregon Housing and Community Services (OCHS)				Loan Guarantee Program		
		Pass Through Revenue Bonds	Pass-Through Revenue Bond Financing (Conduit) Program:funds to finance the construction, rehabilitation and acquisition of multi-unit affordable housing.	Varies	Statewide	Affordable housing income thresholds	Contact Becky Baxter at 503-986-2074
		Predevelopment Loan Program	Predevelopment Loan Program: below market financing and flexible terms for site acquisition and predevelopment costs. Eligible predevelopment costs include architectural design, site acquisition, legal fees, appraisal reports, soil or environmental reports, and constituent fees.	Minimum \$40K to \$1.5 million	Statewide	Preference given to affordable housing developments and consistent with Oregon's Quality Development Objectives	Contact Becky Baxter at 503-986-2074
		Risk Sharing Loan Program	provides below market interest rate permanent mortgage loans by issuing pooled tax exempt bond financing for affordable multifamily rental housing projects	varies	Statewide		Contact Becky Baxter at 503-986-2074

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		Multifamily Accelerated Processing (MAP)	MAP lender; FHA backed loans for new construction, substantial rehabilitation, purchase or refinance of apartment buildings and health care facilities	varies	Statewide		Contact Becky Baxter at 503-986-2074
		Oregon Affordable Housing Tax Credit (OAHTC)	OCHS has the authority to issue tax credits for projects that serve low income households, through the use of tax credits, lending institutions are able to lower the cost of financing by as much as four percent for housing projects or community rehabilitation programs serving low income households.	varies	Statewide	the savings generated by the reduced interest rate must be passed directly to the tenant in the form of reduced rents.	Contact Betty Dominguez at 503.963.2289
		Low Income Housing Tax Credit (LIHTC)	The program offers credits on federal tax liabilities for 10 years. Individuals, corporations, partnerships and other legal entities may benefit from tax credits, subject to applicable restrictions. Tax credits offer direct federal income tax savings to owners of rental housing developments who are willing to set-aside a minimum portion of the development's units for households earning 60 percent or less of gross area median income. Developers of tax credit developments typically sell the credits to investors who are willing to provide equity capital in return for the economic benefits (including tax credits) generated by the development.	varies	Statewide	Consolidated Funding Cycle (2x a year)	Contact Betty Dominguez at 503.963.2289
		Housing Development Grant ("Trust Fund")	New construction, rehabilitation, and/or acquisition of low- and very low-income housing units; and Pre-development costs, such as pre-construction or pre-rehabilitation, planning, engineering or feasibility studies, appraisals, architectural plans, site acquisition, etc. that are incurred no more than six months prior to application.	Maximum of \$100,000	Statewide	The Program must allocate at least 75 percent of the funding to housing for very low-income households, which are households with incomes at or below 50 percent of area median income as determined by the U.S. Department of Housing and Urban Development (HUD). The remainder of the grant funds may be	Contact Betty Dominguez at 503.963.2289
		Vertical Housing Development Zones	This exemption is designed to subsidize Mixed-use projects and to encourage denser urban style development or redevelopment. Tthe new structure or incremental change in property value of the building(s) that comprise the project can be exempted from property taxes.	varies	Designated Vertical Housing Development Zone; city or county seeks approval of a specific area		Contact OECDD at 503-986-0123
	Oregon Office of Economic and Community Development (OECDD)						
		Strategic Investment Program	Exemption on project property taxes for 15 years for very large investments (\$100 Million).	Varies	statewide		Contact OECDD at 503-986-0126
		Capital Access Program	The Oregon Capital Access Program helps lenders make more commercial loans to small businesses. The program is flexible, easy-to-use, and helps them to better serve their small business customers. The Oregon Capital Access Program has been successful in facilitating nearly 1,500 loans, totaling \$56.3 million, since it began in 1991.		Statewide	Most of Oregon's for-profit or non-profit businesses in the retail, manufacturing and service industries.	Capital Access Program: 503-986-0172
		Credit Enhancement Fund	The Oregon Credit Enhancement Fund is an important loan insurance tool that lenders can use to help businesses needing extra security to obtain financing. Since 1994, the program has guaranteed over 118 loans totaling more than \$27 million. The average credit enhancement loan is for \$230,000.	Low down payments, with up to 90 percent total project financing	Statewide	Ineligible: Retail businesses, shopping centers, food services, construction firms, motels, (except in economically distressed areas and for brownfield remediation).	Credit Enhancement Program: 503-986-0172
		Brownfield's redevelopment Fund	The Brownfields Redevelopment Fund is a direct loan and grant program to conduct environmental actions on brownfields. The program's primary purpose is to assist private persons and local governments to evaluate, cleanup, and therefore redevelop brownfields	Maximum \$250K for 20 years	statewide		
		Special Public Works Fund	Provides funding for the infrastructure that supports job creation in Oregon. Loans and grants are made to eligible public entities for the purpose of studying, designing and building public infrastructure that leads to job creation or retention.	The total loan amount per project cannot exceed \$15 million. For infrastructure projects, grants are offered to projects creating or retaining jobs based on \$5,000 per job created or retained. If a grant is offered it cannot exceed 85 percent of the project cost or \$500,000, whichever is less. Additional grants may be awarded if there is a gap between the grant for jobs plus the loan and the total project costs.	Statewide		OECDD, 503-986-0123
	State Historic Preservation Office						
		Historic Tax Credits	Under the Special Assessment of Historic Property tax incentive program a property owner				
	Oregon Energy Department						

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		Small Scale Energy Loan Program					
		Business Energy Tax Credits	35% of eligible project costs, distributed over five yearsOregon's Business Energy Tax Credit (BETC) is for investments in energy conservation, recycling, renewable energy resources, or less-polluting transportation fuels. Any Oregon business may qualify. As examples, projects may be in manufacturing plants, stores, offices, apartment buildings, farms, and transportation.			Maximum Incentive: \$3.5 million; Carryover provisions include Credit taken as 10% in first and second years, 5% in each year thereafter; excess credit may be carried forward eight years; those with eligible project costs of \$20,000 or less may take credit in one year	Suzanne Dillard at 503-373-7565
Federal Resources							
		Renewabal Energy Systems Exemption	Oregon's property tax exemption states that the added value to any property from the installation of a qualifying renewable energy system not be included in the assessment of the property's value for property tax purposes. Qualifying renewables include solar, geothermal, wind, water, fuel cell or methane gas systems for the purpose of heating, cooling or generating electricity. This exemption is intended for end users and does not apply to property owned by anyone directly or indirectly involved in the energy industry.	100%	Statewide	Passive Solar Space Heat, Solar Water Heat, Solar Space Heat, Solar Thermal Electric, Solar Thermal Process Heat, Photovoltaics, Landfill Gas, Wind, Biomass, Hydroelectric, Geothermal Electric, Fuel Cells, Geothermal Heat Pumps, Methane Gas, Solar Pool Heating	Information Specialist at the Office of Energy, (503) 378-4040
	Environmental Protection Agency	The FY06 Brownfields Assessment, Revolving Loan Fund, and Cleanup Grants	Visit EPA's brownfields website at http://www.epa.gov/brownfields/applicat.htm The proposal deadline is December 14, 2005 for funding in the Summer of 2006.				
		Targeted Brownfield Assessment	A Targeted Brownfields Assessment (TBA) is a study conducted by EPA to determine the nature and extent of contamination. If requested, the assessment may also include an analyses of options and cost estimates associated with these options. This assessment work will be conducted by environmental consultants already under contract with EPA.	\$50, 000 maximum grant amount		hese environmental site assessments are available to public, quasi-public or non-profit entities (such as, municipalities, tribal governments and community development organizations) interested in redeveloping abandoned or underutilized properties. To qualify for an assessment, there must be a potential release of hazardous substances at the site.	Joanne LaBaw (206)553-2594
	Small Business Administration (SBA)						
		Small Business Administration 504 Loan Program	The U.S. Small Business Administration (SBA) 504 Loan Program offers small businesses fixed interest rate loans below market rate. Loan proceeds can be used for construction, acquisition, rehabilitation and leasehold improvement of real estate, and for machinery and equipment. Not more than 40 percent of the total project can be financed with 504 loan funds, and, in most cases, the loan amount may not exceed \$750,000. The business must provide a minimum 10 percent equity contribution into the assets being financed. A private financing source, usually a bank, provides the remaining funds.			The Small Business Administration's size criteria for a small business is broad; any business qualifies if its net worth is less than \$6 million and its after-tax profit for the previous two years is under \$2 million. A three-year track record is desirable but not mandatory. The 504 program is limited to owners or users. Developers do not qualify for loans under this program.	For 504 loan information contact 503-326-2682
		Small Business Administration 7(a) Program	The Small Business Administration (SBA) 7(a) Loan Guaranty Program is available to assist small businesses (approximately 98 percent of all businesses in Oregon) obtain financing for a variety of business purposes. This program guarantees up to 75 percent of a loan made by a participating commercial lending institution to a small business. The Small Business Administration's liability exposure cannot exceed \$750,000. Exceptions to the exposure limit are made for export businesses (\$1.25 million) and for environmental cleanup projects (\$1 million).			The Small Business Administration has no minimum loan size and offers special financial incentives to participating lenders for loans to small business of \$50,000 or less. Loan proceeds may be used to finance working capital, fixed asset acquisition, leasehold improvements, debt consolidation/re-finance and transfer of ownership.	For 7(a) loan information contact 503-326-5122
	Economic Development Administration	EDA--EDI Grant	Federal Economic Development Administration Economic Development Initiative (EDI)	\$			Contact Mike Rasmussen at PDC 503-823-3200
	Housing and Urban Development	EDI--Economic Development Initiative	EDI provides grants to local governments to enhance both the security of loans guaranteed through the Section 108 Loan Program and the feasibility of the economic development and revitalization projects they finance.				
		BEDI--Brownfields EDI	The Brownfields Economic Development Initiative (BEDI) is a key competitive grant program that HUD administers to stimulate and promote economic and community development. BEDI is designed to assist cities with the redevelopment of abandoned, idled and underused industrial and commercial facilities where expansion and redevelopment is burdened by real or potential environmental contamination.				

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Private Support							
	National Trust for Historic Preservation	Inner-City Ventures Fund	The Inner City Ventures Fund (ICVF) finances the rehabilitation of historic buildings that serve the economic and community development needs of low, moderate			Eligible applicants are tax-exempt nonprofit organizations, for-profit entities and local governments. Eligible organizations may enter into a partnership or joint venture with another nonprofit or for-profit entity, provided the applicant is pivotal to project execution. Eligible properties are: certified local, state or nationally designated historic resources; contributing resources in a certified local, state or national historic district; or resources eligible for listing in a local, state or national register	Sarah M. Greenberg, Program Coordinator, Community Revitalization Department Phone: 202.588.6360
		National Preservation Loan Fund	The National Preservation Loan Fund (NPLF) is the National Trust's most flexible lending program. It offers financial assistance to nonprofit organizations and public agencies working to preserve historic resources and revitalize commercial and industrial centers, residential neighborhoods and rural communities.	Maximum loan amounts range from \$100,000 for a predevelopment loan to \$350,000 for an acquisition or construction loan or line of credit. Loan to value ratios range from 70% for an acquisition loan or line of credit to a 100% guaranty for a predevelopment loan		Eligible applicants are tax-exempt nonprofit organizations, for-profit entities and local governments. Eligible organizations may enter into a partnership or joint venture with another nonprofit or for-profit entity, provided the applicant is pivotal to project execution. Eligible properties are: certified local, state or nationally designated historic resources; contributing resources in a certified local, state or national historic district; or resources eligible for listing in a local, state or national register	Sarah M. Greenberg, Program Coordinator, Community Revitalization Department Phone: 202.588.6360
Foundation Resources/Community Development Intermediaries							
	Enterprise Foundation/ESIC	Various Non-Profit Housing Loans					
		Green Communities Developer Incentives	grants ot assist with planning, designing, and building Green Communities projects	\$5 million available		Competitive process	
			low interest loans for predevelopment, site acquisition, and to start construction	\$50 million available		Competitive process	
			Equity investments for rehabilitation and construction	\$500 million available		Competitive process	
		Green Grants for Non-profits	grants to help cover the costs of planning and implementing green components of affordable housing developments, as well as tracking their costs and benefits.	\$4.5 million available		Competitive process; open to 501(c)(3) nonprofits, public housing authorities, tribally designated housing entities; for-profit entities; and for-profit entities participating through joint ventures with qualified organizations. Affordable housing income threshold	
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Technical Assistance/ Small Business Development	Please refer to the Portland Technical Assistance Matrix available through the Portland Development Commission						
* The financial tools mentioned are subject to available funds and program requirments. In some instances there is an extensive review process that will prolong the project. These financila tools should be viewed as a guide to available resources, not an indication of a streamlined process for program funds.							