

City of North Plains

North Plains Urban Renewal Report

July 17, 2006

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I. INTRODUCTION

The North Plains Urban Renewal Report (the “Report”) contains background information and project details for the North Plains Urban Renewal Plan (the “Plan”). The Report is not a legal part of the Plan but is intended to provide public information that will guide the City Council as part of its approval of the Plan.

The Report provides the information required in ORS 457.085(3). The format of the Report is based on this statute.

II. EXISTING PHYSICAL AND ECONOMIC CONDITIONS AND IMPACT ON MUNICIPAL SERVICES

This section of the Report describes existing conditions within the North Plains Urban Renewal Area (the "Area"), documenting the occurrence of "blighted areas" as defined by ORS 457.010(1).

A. **Physical Conditions**

1. Land Use and Zoning

The Area, shown in Figure 1 below, contains approximately 132.98 acres, including an estimated 31.44 acres of public right-of-way (ROW). It includes 129 individual properties zoned for commercial, industrial and residential use.

The Area is served by two transportation corridors, Glencoe Road and Commercial Street. Glencoe Road, a major arterial, extends north-south and provides access to the Area from Highway 26 and residential neighborhoods to the north. Commercial Street, a collector, runs east-west through the Area and the downtown/Central Business District. A rail line owned and operated by Willamette Pacific and used primarily for the transport of forest products, milled lumber, seeds and produce extends east-west through the Area, parallel to Commercial Street.

As described in further detail below, the presence of substandard, underutilized commercial buildings and the general lack of productive uses and higher intensity development weakens the economic vitality of the Area's commercial corridors. Further, residential and industrial property in the eastern part of the Area is largely undeveloped and constrained by poor access and other transportation deficiencies.

An analysis of property classification data from Washington County's 2005-06 Assessment and Taxation database was used to determine the land use designation of parcels in the Area. While commercial and residential development are predominant, as illustrated in Table 1, "Land Use (2005-06)," the Area features a mix of uses, including industrial and tax exempt uses.

Approximately 20% of the Area is vacant. Most undeveloped property in the Area is concentrated in the Highway Commercial zoning district on Glencoe Road and in the R2.5 zoning district in the eastern part of the Area.

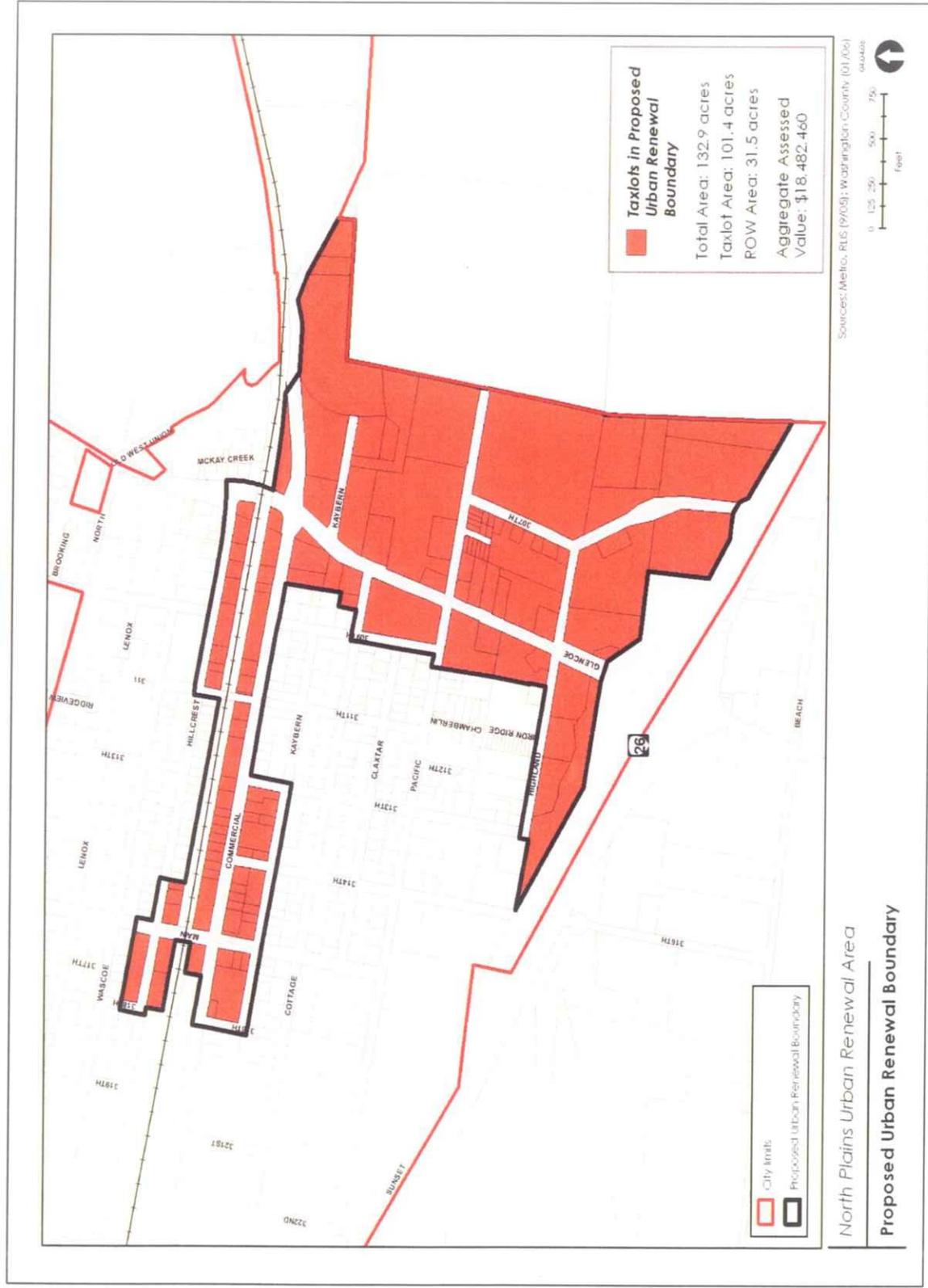


Figure 1: North Plains Urban Renewal Area

REPORT ACCOMPANYING THE NORTH PLAINS URBAN RENEWAL PLAN

Table 1: Land Use (FY 2005-06)			
Property Class	Number of Parcels	Acres	% of Total
Vacant Residential	7	8.31	8.19%
Improved Residential	43	19.69	19.39%
Improved Residential Under Farm Deferral	1	0.98	0.97%
Improved Urban Developable Tract	1	11.00	10.83%
Vacant Commercial	16	8.41	8.29%
Improved Commercial	36	23.96	23.59%
Non Manufacturing Improvement on Industrial Zone	7	7.62	7.50%
Under Improvement on Industrial Zone	1	3.62	3.57%
Vacant Industrial	1	2.25	2.22%
Improved Industrial	3	4.88	4.81%
Vacant Rural Residential	1	0.71	0.70%
Improved Rural Residential	2	6.98	6.87%
Exempt - City Property	2	0.65	0.64%
Exempt - Volunteer Fire Department	3	0.91	0.90%
Exempt - Literary/Benovelent	1	0.46	0.45%
Exempt - Church/Community Clubs	1	0.22	0.22%
Exempt - Fraternal Organization	1	0.11	0.11%
Exempt - Religious Organization	2	0.76	0.75%
Total	129	101.54	100.00%
Total Vacant	25	19.69	19.39%
Total Improved	104	81.85	80.61%
Source: Washington County, OR 2005-06 Assessment and Taxation Parcel Database			
*Analysis does not factor in an estimated 31.44 acres of Right-of-Way (ROW) property			

Improved commercial uses constitute 23.96 acres or 23.59% of the Area's total land area. Existing commercial development is concentrated on Commercial Street and Glencoe Avenue. Commercial Street features several older, historic buildings that date as far back as the early 1900s and contribute to the downtown/Central Business District's unique sense of place. However, due to a lack of deferred maintenance, some of these buildings are in substandard condition and will require rehabilitation to attract more productive uses that are suitable for the Central Business District. Existing businesses on Commercial Street are primarily small, locally-owned businesses, including a hardware store, brewery/pub, real estate firm, auto body shop and catering company.

The Commercial Street - Glencoe Road corridor encompasses property within the City's Highway Commercial Zone. Much of the existing development on this corridor is older and in substandard condition and will benefit from public improvements and development assistance programs funded through urban renewal. Examples of existing uses

include a bank, market/deli, several restaurants, a service station and professional/medical offices.

In addition to the commercial uses described above, improved residential uses, which account for 27.65 acres or 27.23% of the Area's total land area, are also well represented. Single-family homes of varying age and condition are located throughout the Area. Some of these homes are on commercially zoned property and are not compatible with adjacent development.

Improved industrial uses comprise only 4.88 acres or 4.81% of the Area's total land area. The Area also features a limited number of industrial uses, concentrated on Main Street and Hillcrest Avenue.

While taxable uses are predominant, the Area features several tax exempt uses, including local government offices, municipal services facilities, benevolent/fraternal organizations and religious institutions. Tax exempt facilities in the Central Business District include North Plains City Hall, Police and Water Departments, a County Fire Department, the Knights of Pythias Lodge and North Plains Senior Center.

Table 2, "Zoning Districts (2005-06)," shows the distribution of the Area's lands by zoning district.

Zoning District	Number of Parcels	Acres	% of Total
General Commercial (C-1)	36	8.45	8.32%
Highway Commercial (C-2)	49	38.14	37.56%
Light Industrial (M-1)	5	8.47	8.34%
General Industrial (M-2)	7	9.17	9.03%
R2.5 Multi-family Residential (R2.5)	32	37.31	36.75%
TOTAL	129	101.54	100.00%

Source: Washington County, OR 2005-06 Assessment and Taxation Parcel Database.
 *Analysis does not factor in an estimated 31.44 acres of Right-of-Way (ROW) property.

The Area is zoned predominantly for commercial use, with 8.32% of its total acreage in the General Commercial district and 37.56% in the Highway Commercial district. Residential lands in the eastern part of the Area, within the R2.5 Multi-family Residential district, also represent a significant share of the Area's total acreage at 36.75%. The remaining 17.37% of the Area is comprised of industrial zoned property, including

8.47 acres in the M-1 Light Industrial district and 9.17 acres in the M-2 General Industrial district.

B. Infrastructure

1. Transportation

As detailed in the Land Use and Zoning section, Commercial Street and Glencoe Road are the Area's primary transportation corridors. On the southern edge of the Area's boundary, The Glencoe Road/US 26 Interchange provides motor vehicle access to the Area from outside of the City.

Under current conditions, the Glencoe Road Interchange lacks adequate turning radii, sight distance and horizontal clearance for trucks entering and exiting Highway 26. These deficiencies pose a threat to the safety of motor vehiclists as well as pedestrians and bicyclists traveling on Glencoe Road.

As the Area continues to grow and develop, improvements to existing railroad crossings and roadways, including but not limited to Glencoe Road, Commercial Street, Hillcrest Avenue and Main Street will be needed to safely and efficiently accommodate automobile, truck, bicycle and pedestrian traffic.

While many of the Area's transportation improvements are focused in commercial areas, access to residential and industrial zoned property east of Glencoe Road is also constrained. Upgrades to 307th Avenue are needed to improve access to undeveloped and underutilized industrial lands near the Glencoe Road Interchange. Similarly, the extension of Pacific Street from its current terminus at 307th Avenue will improve access to undeveloped residential property in the R2.5 zoning district.

Maintaining and improving multimodal circulation, safety and access will be critical as the Area redevelops and will facilitate higher intensity commercial, residential and industrial development. To this end, the North Plains Urban Renewal Plan identifies several types of transportation projects that address existing and projected transportation deficiencies. These include but are not limited to:

1. Street widening, upgrade and extension projects
2. Enhancements to the Glencoe Road/US 26 interchange
3. Railroad crossing improvements
4. Signalization and traffic calming improvements
5. Streetscape improvements

6. Gateway improvements
7. Public Facilities

2. Water and Storm Drainage Facilities

Under existing conditions, the Area lacks adequate water and storm drainage facilities needed to support higher-intensity commercial, office and residential uses and new development that is consistent with the goals and objectives of the North Plains Revitalization Plan, Development Code and Comprehensive Plan.

3. Parks and Open Space

There are no public parks and open space facilities in the Area at this time.

4. Public Spaces

There are no public spaces in the Area at this time. Public spaces improvements are needed to further the goals of the Comprehensive Plan and the North Plains Revitalization Plan to attract a broad mix of high quality commercial, office and residential development to the Central Business District, create community gathering spaces, and establish a unique identity for the downtown/Central Business District that reinforces its role as a destination for shopping, entertainment, recreation and civic activities.

5. Public Parking

Currently, there are no public parking facilities in the Area. As the Area redevelops, the provision of public parking facilities that are well-designed and conveniently located, close to retail shopping, commercial services, professional offices and City Hall, will be needed to encourage people to shop, entertain and do business in the downtown/Central Business District.

6. Public Buildings

Public buildings within the Area are concentrated on Commercial Street in the Central Business District. Buildings owned and operated by the City include the existing City Hall, Public Works and Police Department facilities. In addition, Washington County Fire District #2, which provides fire and emergency services, operates a facility in the Area.

In recent years, the City's steady population growth had led to an increased demand for municipal services. To meet the current and projected needs of the growing population, the City will have to increase staffing levels and provide additional office and meeting space for staff and the public.

Accordingly, replacing the existing City Hall with a larger facility will be necessary. Improvements to Washington County's Fire District #2 Fire Station are also needed to ensure that the Area continues to receive adequate fire and emergency services as it grows and develops and to improve multimodal safety near the Station.

C. Social Conditions

Currently, the Area encompasses an estimated twenty single family residences. These homes are spread throughout the Area and represent a relatively small number of households. Given that the City of North Plains is contained within a single Census Block Group, acquiring meaningful population and household statistics on Area households is not possible and a summary of existing social conditions is not provided in this Report.

D. Economic Conditions

1. Taxable Value of Property Within the Area

The estimated total assessed value of the Area, including all real, personal, personal manufactured and utility properties, is \$21,642,095 or 18.4% of the City of North Plains total assessed value.

2. Building to Land Value Ratio

An analysis of property values can be used to evaluate the economic condition of real estate investments in a given area. The relationship of a property's improvement value (the value of buildings and other improvements to the property) to its land value is generally an accurate indicator of the condition of real estate investments. This relationship is referred to as the "Improvement to Land Ratio" or "I:L". The values used are real market values. In urban renewal areas, the I:L may be used to measure the intensity of development or the extent to which an area has achieved its short- and long-term development objectives.

I:L ratios for healthy properties within the Area could range between 7.0 - 10.0 or more. For instance, a property on a 20,000 square foot lot in the General Commercial District would have a land value of \$260,000, at \$13.00 per square foot. A three-story mixed use development with ground floor retail, second story offices, and third story apartments containing 28,000 square feet valued at \$70.00 per square foot would have an improvement value of \$1,960,000. The I:L ratio for this property would be 7.5.

Table 3 below, “Improvement to Land Ratio by Zoning (FY 2005-06),” shows the improvement to land ratios for properties within the study area, sorted by Zoning District.

Zoning District	Overall Average I:L	Average I:L (Improved Parcels Only)
General Commercial (C-1)	1.16	1.81
Highway Commercial (C-2)	0.83	1.16
Light Industrial (M-1)	0.69	0.69
General Industrial (M-2)	2.41	2.41
R2.5 Multi-family Residential (R2.5)	0.70	0.78

Source: Washington County, OR 2005-06 Assessment and Taxation Parcel Database

As the table shows, the I:L ratios for improved properties in the urban renewal study area are very low, ranging from 0.69 for property within the Light Industrial (M1) district to 2.41 for property within the General Industrial Zone. Over 90% of the study area’s total lot area (93.08 acres) is within zoning districts where the average I:L of improved properties is less than 2.0. This is a direct reflection of the predominance of older commercial buildings, industrial facilities and single family homes in substandard physical condition and the need for public improvements and development assistance programs that will facilitate private investment that is consistent with the City’s long-term vision for the Area.

E. Impact on Municipal Services

The fiscal impact of tax increment financing on taxing districts that levy taxes within the Area (“affected taxing districts”) is described in section X of this Report. This subsection discusses the fiscal impacts resulting from potential increases in demand for municipal services.

Increases in commercial and residential occupancies within the Area will generally result in higher demand for fire, life safety and public safety services. However, transportation improvements identified in the Plan will make the Area safer and more accessible to fire and emergency services vehicles.

New and/or upgraded roads, public facilities, parks and open space and public spaces improvements within the Area will increase the need for maintenance. As noted above, however, these improvements will improve access to the Area and make it a more attractive environment for new businesses and residential development.

Population growth resulting from new residential development within the Area will increase the demand for municipal and social services.

III. REASONS FOR SELECTION OF EACH URBAN RENEWAL AREA IN THE PLAN

There is one urban renewal area in the Plan and it was selected to improve and prevent the future occurrence of blighted areas as defined in ORS 457.010(1).

IV. COMPLIANCE WITH STATUTORY LIMITS ON ASSESSED VALUE AND SIZE OF URBAN RENEWAL AREA

State law limits the percentage of a municipality's total assessed value and area that can be contained in an urban renewal area at the time of its establishment to 25% for municipalities under 50,000 in population. As noted above, the estimated total assessed value of the Area, including all real, personal, personal manufactured and utility properties, is \$21,642,095 or 18.4% of the City of North Plains' total assessed value. The estimated total acreage of the Area, including 31.44 acres of ROW, is 132.98 acres or 24.4% of the City's total land area. Accordingly, the Area is within the 25% assessed value and area limit contained in Chapter 457 of Oregon Revised Statutes.

V. **THE RELATIONSHIP BETWEEN URBAN RENEWAL PROJECTS AND THE EXISTING CONDITIONS IN THE URBAN RENEWAL AREA**

This section describes the relationship between the urban renewal projects called for in the Plan and conditions generally described in Section II of this Report and more particularly described below.

Tax increment revenues generated within the urban renewal area may be used to finance projects without a dedicated funding source. Urban renewal can also provide additional financing for projects with a committed funding source, including projects under ODOT and Washington County's jurisdiction, by funding elements that are not identified in the existing project description. Examples of such elements may include streetscape and landscape improvements and development standards that differ from those of the agency financing the lion's share of the project.

A. Glencoe Road Widening Enhancements

The provision of streetscape and landscape enhancements, pedestrian and bicycle facilities in conjunction with the widening of Glencoe Road is a project under the Plan.

Relationship to Existing Conditions

As the Commercial Street – Glencoe Road commercial corridor develops and the City's population grows, increasing carrying capacity on Glencoe Road, the primary access way to the City, will be critical. Under the Plan, tax increment revenues may be used to finance streetscape and landscape enhancements and pedestrian and bicycle facilities in conjunction with Washington County's Glencoe Road Widening project.

B. Main Street Widening Project, Including Railroad Crossing Improvements

The widening of Main Street and improvements to the existing Willamette Pacific railroad crossing are a project under the Plan.

Relationship to Existing Conditions

Main Street is an important access way to the Central Business District, which currently lacks adequate bicycle and pedestrian facilities. The widening of Main Street and improvements to the railroad crossing will improve multimodal access, circulation and safety. As part of this project, the existing rail spur will be removed.

C. Glencoe Road and 311th Avenue Railroad Crossing Improvements

Improvements to the Glencoe Road and 311th Avenue railroad crossings are a project under the Plan.

Relationship to Existing Conditions

In recent years, the street system has been impacted by higher traffic volumes and a general increase in the demand for transportation facilities resulting from North Plains' steady population growth. To ensure the continued safety of motor vehicles, bicyclists and pedestrians, the existing Glencoe Road and 311th Avenue railroad crossings, will need to be upgraded.

D. Hillcrest Avenue Improvements

Improvements to Hillcrest Avenue near the intersection of Main Street are a project under the Plan.

Relationship to Existing Conditions

Currently, Hillcrest Avenue is in substandard condition. Repaving the roadway near the intersection of Main Street will improve multimodal circulation and safety.

E. Commercial/ Main Street Traffic Control Devices

The design and installation of traffic control devices at the intersection of Commercial Street and Main Street is a project under the Plan.

Relationship to Existing Conditions

Under existing conditions, the lack of traffic calming devices at the intersection of Commercial Street and Main Street enables motorized vehicles crossing the intersection to travel at a pace that compromises the safety of pedestrians, bicyclists and other drivers. Installing traffic control devices at this busy intersection will increase multimodal safety.

F. 314th Avenue Redirection

The redirection of 314th Avenue to a one-way, southbound street is a project under the Plan.

Relationship to Existing Conditions

Under existing conditions, 314th Avenue is a two-way street. Converting 314th Avenue to a one-way southbound street between Commercial Street and Kaybern Street will improve traffic circulation and increase vision clearance at the intersection of 314th and Commercial Street. As part of this project, diagonal on-street parking will be provided.

G. Glencoe Road Interchange Enhancements

The provision of streetscape enhancements in conjunction with the construction of the new Glencoe Road Interchange at US 26 is a project under the Plan.

Relationship to Existing Conditions

The existing Glencoe Road/US 26 Interchange lacks adequate streetscape amenities and is an unsafe environment for pedestrians and bicyclists. The provision of streetscape enhancements, including landscaping features, bike lanes and pedestrian facilities, in conjunction the development of the new Glencoe Road Interchange will improve multimodal safety, access and traffic circulation.

H. Central Business District Streetscape Improvements

The development of a comprehensive system of streetscape improvements in the Central Business District is a project under the Plan.

Relationship to Existing Conditions

Under existing conditions, the Central Business District lacks a visually distinct unified identify and pedestrian amenities. The design and installation of landscaping features, street lighting, street furniture, and other streetscape improvements will help create a unique character and sense of place that draws people to the central business district to shop, work and entertain. This project shall also include gateway improvements, which will be developed near the intersection of Commercial Street and 313th Avenue and will demarcate the entryway to the Central Business District.

I. Glencoe Road Gateway Improvements

The design and construction of clearly identifiable gateway areas that mark the entrance to the City of North Plains and the Commercial Street – Glencoe Road commercial corridor is a project under the Plan.

Relationship to Existing Conditions

Similar to the Central Business District, the Commercial Street - Glencoe Road commercial corridor lacks a distinct visual identity. Establishing formal gateways to the City and to the Commercial Street – Glencoe Road commercial corridor will strengthen community and neighborhood character and help create an identity that is unique to the City of North Plains.

J. Commercial Street/ Glencoe Road Intersection Signalization

The signalization of the Commercial Street/Glencoe Road intersection is a project under the Plan.

Relationship to Existing Conditions

Under existing conditions, the lack of a traffic signal at this busy intersection poses a hazard to pedestrians, bicyclists and motor vehiclists. Installing a traffic signal will improve multimodal safety.

K. Pacific Street Extension

The extension of Pacific Street from its terminus at 307th Avenue to the North Plains City Limits is a project under the Plan.

Relationship to Existing Conditions

Access to undeveloped residential property east of Pacific Street is constrained since the property is not served by an existing roadway. Extending Pacific Street east to the North Plains City Limits will make the area accessible to both vehicular and non-vehicular traffic and facilitate private investment that will provide new housing options in North Plains.

L. 307th Avenue Upgrades

Improvements to 307th Avenue are a project under the Plan.

Relationship to Existing Conditions

Under existing conditions, 307th Avenue, a minor collector, is in substandard condition. Upgrades to the existing roadway are needed to increase capacity and improve multimodal access to industrial property in the southeast corner of the Area that is presently undeveloped or underutilized.

M. Highland Court Upgrades

Improvements to Highland Court are a project under the Plan.

Relationship to Existing Conditions

Under existing conditions, Highland Court is in substandard condition. Upgrades to the existing roadway are needed to improve multimodal access to vacant and underutilized commercial property abutting the south side of the street and residential property on the north side of the street.

N. Public Parking Facilities

The development of public parking facilities in the Area is a project under the Plan.

Relationship to Existing Conditions

The demand for public parking facilities is anticipated to increase as the Area redevelops and attracts new commercial and office development. Providing public parking facilities that offer safe and convenient access to retail shops, entertainment and recreational activities will draw residents and visitors to the Area and benefit local businesses.

O. Storm Drainage Improvements

The provision of storm drainage improvements throughout the Area, in accordance with the Storm Drainage Master Plan, is a project under the Plan.

Relationship to Existing Conditions

Under existing conditions, parts of the Area – including but not limited to Glencoe Road, Main Street, 307th Avenue and undeveloped residential property in the eastern part of the Area – are not adequately served by stormwater management facilities.

P. Water System Improvements

The provision of water system improvements throughout the Area, in accordance with the Water System Master Plan, is a project under the Plan.

Relationship to Existing Conditions

To maintain adequate water distribution capacity as the Area redevelops and attracts more intensive commercial, industrial and residential uses, the upsizing of existing water mains along sections of 307th Avenue, Highland Court, Cottage Street and Kaybern Street is needed. Further, the installation of a water main under the Willamette Pacific Railroad tracks at Glencoe Road, north of West Union Road is also needed.

Q. Multi-use Recreational Trail

The design and development of a multiuse recreational trail in the McKay Creek floodplain is a project under the Plan.

Relationship to Existing Conditions

Currently, there are no parks and open space facilities in the Area. The provision of a multi-use recreational trail in the McKay Creek floodplain will provide new

opportunities for pedestrians and bicyclists to enjoy the Area's natural amenities and promote the preservation of environmentally sensitive areas.

R. Public Plaza

The design and development of a public plaza in the Central Business District is a project under the Plan.

Relationship to Existing Conditions

The Area lacks adequate public spaces improvements. Developing a public plaza will make the Central Business District a more attractive, pedestrian-oriented environment and promote the kinds of community and recreational activities that are suitable for the downtown area.

S. New City Hall

Participation in the design and construction of a new City Hall building, which will replace the existing City Hall on Commercial Street, is a project under the Plan.

Relationship to Existing Conditions

The existing City Hall is at capacity. To maintain adequate levels of staffing and continue to provide superior customer service to North Plains residents and businesses, a larger facility is needed. As noted in the Plan, anticipated benefits specific to the Area include increased activity that creates commercial and residential development and provision of facilities for administration of the Plan.

T. Fire Station Improvements

Improvements to Washington County's Fire District No. 2 Fire Station and station-related traffic control devices are a project under the Plan.

Relationship to Existing Conditions

Under existing conditions, Washington County's Fire District No. 2 Fire Station in North Plains lacks the station-related traffic control devices needed to ensure the safety of pedestrians, bicyclists and motor vehiclists. Further, to continue to provide adequate service to the Area as it redevelops, attracting new residential, commercial and industrial uses, other fire station improvements are needed.

VI. THE ESTIMATED TOTAL COST OF EACH PROJECT AND THE SOURCES OF MONEYS TO PAY SUCH COSTS

Table 4 below shows the estimated total cost of each project and the estimated sources of funds to address such costs, with capital costs in both current dollars and year-of-expenditure dollars (which take into account inflation). Table 5 provides a summary of total revenues by source.

Table 4: Estimated Costs

Bond Issuance Costs	486,831
Materials & Services	1,347,298
Capital Projects	
Street Improvements	1,330,000
Streetscape Improvements	1,240,000
Glencoe Road Widening Enhancements	300,000
Glencoe Road Interchange Enhancements	2,500,000
Parking Facilities	400,000
Storm Drainage Improvements	2,500,000
Water System Improvements	614,000
Public Plaza and Mutliuse Trail	400,000
City Hall	2,700,000
Fire Station Improvements	300,000
Assistance to Property Owners	1,000,000
Total Capital Projects	13,284,000
Contingency	1,328,400
Total Expenditures	16,546,357
Ending Fund Balance	565,948
Total	17,112,306

Table 5: Estimated Revenues

	Amount
Tax Increment Debt Proceeds	16,546,357
Ending Balance	565,948
Total Revenues	17,112,306

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Table 6 shows costs, revenues and schedule of urban renewal projects throughout the duration of the Plan.

FY Ending June 30	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Revenues										
Beginning Balance	0	109,425	152,517	16,042	999,495	40,311	178,819	8,992	1,033,261	923,915
Long Term Debt Proceeds	222,005	0	0	3,108,291	0	1,163,473	0	1,745,622	0	1,204,901
Short Term Debt Proceeds	0	131,126	0	170,686	182,413	43,439	305,537	48,034	310,299	146,317
Interest	0	1,094	1,525	160	9,995	403	1,788	90	10,333	9,239
Total	222,005	241,645	154,042	3,295,180	1,191,903	1,247,626	486,144	1,802,738	1,353,893	2,284,372
Expenditures										
Bond Issuance Costs	8,880	656	0	125,185	912	46,756	1,528	70,065	1,551	48,928
Materials & Services	20,000	21,200	22,472	50,000	53,000	56,180	59,551	63,124	66,911	70,926
Capital Projects										
Street Improvements				100,000	100,000	200,000		250,000		200,000
Streetscape Improvements	75,000	60,000		75,000	75,000	75,000	75,000	75,000	75,000	75,000
Glencoe Road Widening Enhancements			80,000	150,000	70,000					
Glencoe Road Interchange Enhancements				1,500,000	650,000	350,000				
Parking Facilities						100,000	100,000			100,000
Storm Drainage Improvements				50,000	50,000		50,000	100,000	100,000	150,000
Water System Improvements						100,000	50,000	100,000	50,000	
Public Plaza and Multiuse Trail										
City Hall										
Assistance to Property Owners				50,000	50,000	50,000	100,000	50,000	100,000	50,000
Total Capital Projects	75,000	60,000	80,000	1,925,000	995,000	875,000	375,000	575,000	325,000	575,000
Contingency										
	7,500	6,000	8,000	192,500	99,500	87,500	37,500	57,500	32,500	57,500
Total Expenditures	112,580	89,128	138,000	2,295,685	1,151,592	1,068,807	477,152	769,476	429,977	756,609
With Ending Fund Balance	109,425	152,517	16,042	999,495	40,311	178,819	8,992	1,033,261	923,915	1,527,763

REPORT ACCOMPANYING THE NORTH PLAINS URBAN RENEWAL PLAN

Table 6 (continued)

FY Ending June 30	2018	2019	2020	2021	2022	2023	2024	2025	2026
Revenues									
Beginning Balance	1,527,763	1,141,933	1,153,184	5,414	6,860	23,279	579,159	148,345	322,012
Long Term Debt Proceeds	0	1,576,945	0	1,246,248	0	1,209,315	0	0	0
Short Term Debt Proceeds	417,673	166,270	384,161	243,124	460,261	283,771	475,215	857,298	926,175
Interest	15,278	11,419	11,532	54	69	233	5,792	1,483	3,220
Total	1,960,713	2,896,567	1,548,877	1,494,840	467,190	1,516,597	1,060,166	1,007,127	1,251,407
Expenditures									
Bond Issuance Costs	2,088	63,909	1,921	51,066	2,301	49,791	2,376	4,286	4,631
Materials & Services	75,182	79,692	84,474	89,542	94,915	100,610	106,646	113,045	119,828
Capital Projects									
Street Improvements		180,000			150,000		150,000		
Streetscape Improvements	70,000	70,000	70,000	70,000	60,000	60,000	60,000	60,000	60,000
Glencoe Road Widening Enhancements									
Glencoe Road Interchange Enhancements									
Parking Facilities	100,000								
Storm Drainage Improvements	200,000	150,000	100,000	100,000	100,000	300,000	350,000	350,000	350,000
Water System Improvements	200,000		50,000	50,000		200,000	114,000		
Public Plaza and Multiuse Trail						100,000			
City Hall		700,000	1,000,000	1,000,000					
Fire System Improvements		300,000							
Assistance to Property Owners	100,000	50,000	100,000			50,000	50,000	100,000	100,000
Total Capital Projects	670,000	1,450,000	1,320,000	1,220,000	310,000	710,000	724,000	510,000	510,000
Contingency	67,000	145,000	132,000	122,000	31,000	71,000	72,400	51,000	51,000
Total Expenditures	818,781	1,743,383	1,543,463	1,487,980	443,911	937,438	911,821	685,114	685,459
With Ending Fund Balance	1,141,933	1,153,184	5,414	6,860	23,279	579,159	148,345	322,012	565,948

REPORT ACCOMPANYING THE NORTH PLAINS URBAN RENEWAL PLAN

Table 7: Tax Increment Revenues, Debt Service and Debt Service Reserves

FY Ending June 30	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenues											
Beginning Balance	0	221	122,117	482,600	431,783	431,783	547,694	547,694	721,603	721,603	841,642
Property Tax											
Current Year	22,117	271,749	369,451	431,318	491,890	582,003	722,891	808,084	891,288	964,135	1,110,579
Prior Year	0	664	8,152	11,084	12,940	14,757	17,460	21,687	24,243	26,739	28,924
Interest	221	2,726	4,997	9,250	9,366	10,285	12,880	13,775	16,371	17,125	19,811
Transfer From Project Fund											
Total	22,339	275,361	504,718	934,251	945,979	1,038,828	1,300,926	1,391,240	1,653,505	1,729,601	2,000,957
Expenditures											
Debt Service - Long Term Bonds											
Bond 1	22,117	22,117	22,117	22,117	22,117	22,117	22,117	22,117	22,117	22,117	22,117
Bond 2				309,665	309,665	309,665	309,665	309,665	309,665	309,665	309,665
Bond 3						115,912	115,912	115,912	115,912	115,912	115,912
Bond 4								173,909	173,909	173,909	173,909
Bond 5											
Bond 6										120,039	120,039
Bond 7											
Bond 8											
Total Debt Service - Long Term Bonds	22,117	22,117	22,117	331,783	331,783	447,694	447,694	621,603	621,603	741,642	741,642
Bond Reserve (i.e. Debt Service Reserve)											
Short Term Bonds	0	131,126	0	170,686	182,413	43,439	305,537	48,034	310,299	146,317	417,673
Total Expenditures	22,117	175,361	44,235	834,251	845,979	938,828	1,200,926	1,291,240	1,553,505	1,629,601	1,900,957
Ending Balance	221	100,000	460,483	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000

REPORT ACCOMPANYING THE NORTH PLAINS URBAN RENEWAL PLAN

Table 7 (continued)

FY Ending June 30	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Revenues										
Beginning Balance	841,642	998,746	998,746	1,122,904	1,100,787	1,221,266	1,221,266	911,600	911,600	1,864,829
Property Tax										
Current Year	1,168,370	1,225,266	1,329,776	1,395,571	1,457,645	1,524,853	1,594,538	1,663,708	1,688,418	1,712,181
Prior Year	33,317	35,051	36,758	39,893	41,867	43,729	45,746	47,836	49,911	50,653
Interest	20,433	22,591	23,653	25,584	26,003	27,898	28,615	26,231	26,499	36,277
Transfer From Project Fund										
Total	2,063,763	2,281,654	2,388,933	2,583,952	2,626,302	2,817,747	2,890,164	2,649,375	2,676,429	3,663,939
Expenditures										
Debt Service - Long Term Bonds										
Bond 1	22,117	22,117	22,117	22,117						
Bond 2	309,665	309,665	309,665	309,665	309,665	309,665	309,665			
Bond 3	115,912	115,912	115,912	115,912	115,912	115,912	115,912	115,912	115,912	
Bond 4	173,909	173,909	173,909	173,909	173,909	173,909	173,909	173,909	173,909	173,909
Bond 5	120,039	120,039	120,039	120,039	120,039	120,039	120,039	120,039	120,039	120,039
Bond 6	157,104	157,104	157,104	157,104	157,104	157,104	157,104	157,104	157,104	157,104
Bond 7			124,158	124,158	124,158	124,158	124,158	124,158	124,158	124,158
Bond 8					120,479	120,479	120,479	120,479	120,479	120,479
Total Debt Service - Long Term Bonds	898,746	898,746	1,022,904	1,022,904	1,121,266	1,121,266	1,121,266	811,600	811,600	695,689
Bond Reserve (i.e. Debt Service Reserve)	898,746	898,746	1,022,904	1,000,787	1,121,266	1,121,266	811,600	811,600	695,689	695,689
Short Term Bonds	166,270	384,161	243,124	460,261	283,771	475,215	857,298	926,175	0	0
Total Expenditures	1,963,763	2,181,654	2,288,933	2,483,952	2,526,302	2,717,747	2,790,164	2,549,375	1,507,289	1,391,377
Ending Balance	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	1,169,140	2,272,562

REPORT ACCOMPANYING THE NORTH PLAINS URBAN RENEWAL PLAN

Table 8: Projected Incremental Assessed Value and Tax Rates

FY Ending June 30	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Appreciation Growth %	2.80%	2.80%	2.80%	2.80%	2.80%	2.80%	2.80%	2.80%	2.80%	2.80%
Appreciation Growth \$	622,946	640,389	1,249,924	1,499,397	1,670,848	1,846,370	2,112,267	2,476,901	2,697,391	2,912,732
Exception Value	0	21,128,741	7,659,806	4,623,871	4,597,806	7,649,945	10,910,363	5,397,743	4,993,349	3,820,694
Total Assessed Value	22,871,020	44,640,149	53,549,880	59,673,148	65,941,802	75,438,117	88,460,747	96,335,391	104,026,131	110,759,557
Certified ("Frozen") Base Value	21,642,095	21,642,095	21,642,095	21,642,095	21,642,095	21,642,095	21,642,095	21,642,095	21,642,095	21,642,095
Incremental Assessed Value	1,834,903	22,998,054	31,907,785	38,031,053	44,299,707	53,796,022	66,818,652	74,693,296	82,384,036	89,117,462
Consolidated Billing Rate	12.6881	12.4381	12.1881	11.9381	11.6881	11.3881	11.3881	11.3881	11.3881	11.3881
Tax Incremental Revenues	23,281	286,052	388,895	454,019	517,779	612,634	760,937	850,615	938,198	1,014,879

FY Ending June 30	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Appreciation Growth %	2.80%	2.80%	2.80%	2.80%	2.80%	2.80%	2.80%	2.80%	2.80%	2.80%	2.80%
Appreciation Growth \$	3,101,268	3,480,283	3,629,852	3,777,104	4,047,588	4,217,874	4,378,529	4,552,470	4,732,821	4,911,841	4,975,796
Exception Value	10,434,993	1,861,455	1,629,172	5,883,018	2,034,062	1,519,807	1,833,648	1,888,657	1,660,734	1,754,229	1,777,070
Total Assessed Value	124,295,817	129,637,555	134,896,579	144,556,701	150,638,351	156,376,032	162,588,209	169,029,336	175,422,892	177,706,986	179,903,425
Certified ("Frozen") Base Value	21,642,095	21,642,095	21,642,095	21,642,095	21,642,095	21,642,095	21,642,095	21,642,095	21,642,095	21,642,095	21,642,095
Incremental Assessed Value	102,653,722	107,995,460	113,254,484	122,914,606	128,996,256	134,733,937	140,946,114	147,387,241	153,780,797	156,064,891	158,261,330
Consolidated Billing Rate	11.3881	11.3881	11.3881	11.3881	11.3881	11.3881	11.3881	11.3881	11.3881	11.3881	11.3881
Tax Incremental Revenues	1,169,031	1,229,863	1,289,753	1,399,764	1,469,022	1,534,364	1,605,108	1,678,461	1,751,271	1,777,283	1,802,296

VII. THE ANTICIPATED COMPLETION DATE FOR EACH PROJECT

Table 6 shows the anticipated completion dates of the urban renewal projects.

VIII. THE ESTIMATED AMOUNT OF TAX INCREMENT REVENUES REQUIRED AND THE ANTICIPATED YEAR IN WHICH INDEBTEDNESS WILL BE RETIRED

Table 7 shows the yearly tax increment revenues and their allocation to debt service and debt service reserve funds. It is anticipated that all debt will be retired by the end of FY 2027/28. The estimated amount of tax increment revenues required to service debt is \$22,553,505.

IX. FINANCIAL ANALYSIS OF THE PLAN

The estimated tax increment revenues of \$22,553,505 are based on projections of the assessed value of development and appreciation of existing property within the Area.

Table 8 shows the projected incremental assessed value, projected tax rates that would produce tax increment revenues, and the annual tax increment revenues. These in turn provide the basis for the projections in Table 7.

X. IMPACT OF THE TAX INCREMENT FINANCING, BOTH UNTIL AND AFTER THE INDEBTEDNESS IS REPAID, UPON ALL ENTITIES LEVYING TAXES UPON PROPERTY IN THE URBAN RENEWAL AREA

The impact of tax increment financing on overlapping taxing districts consists primarily of the property tax revenues foregone on permanent rate levies as applied to the growth in assessed value in the Area *without the Plan*. (Very small increases in property tax rates for General Obligation bonds will occur as a result of tax increment financing.) Revenues on growth in assessed value that would not occur but for the Plan cannot be considered as foregone. It is reasonable to project that development within the Area without the Plan would take much longer to occur, would be less extensive and would have lower assessed values.

Table 9 shows the property tax revenue foregone by overlapping taxing districts during the use of tax increment financing, in terms of average revenues foregone per year through FY 2027/28 in current dollars. No impacts are shown for the K-12 School District or Educational Service District, because under the current K-12 and ESD financing system, property tax revenues foregone by the districts would be offset by additional revenues from the State School Fund.

Table 9: Revenues Foregone

Taxing District Levy	Present Value Total Revenues Foregone	Present Value Revenues Foregone Average/Year	Average % of Levy
Washington County	3,456,814	164,610	0.1%
City of North Plains	2,862,812	136,324	36.3%
Washington County Fire District #2	1,479,269	70,441	3.4%
Port of Portland	92,430	4,401	0.1%
Portland Community College	372,883	17,756	0.1%

Table 10 shows the increases in permanent rate levy revenues that would occur in the years after termination of the tax increment financing, from FY 2028/29 through FY 2037/38, when the projected additional value in the Area would result in a “break even” point. During FY 2037/38 the value in current dollars of the revenues foregone would be exceeded by the value in current dollars of the additional revenues gained.

Table 10: Revenues Gained After Termination of Tax Increment Financing, FY 2028/2029 through FY 2037/2038

Net Present Value Gains	
Washington County	3,809,904
City of North Plains	3,155,229
Washington County Fire District #2	1,630,366
Port of Portland	101,871
Portland Community College	410,970

XI. RELOCATION METHODS

The Plan authorizes the acquisition of property by willing sellers only. Relocation benefits must be paid for any public acquisition, whether the acquisition is voluntary or involuntary. Therefore, before the Agency acquires any property, the Agency will adopt relocation regulations.

