

ASSOCIATION OF OREGON REDEVELOPMENT AGENCIES

# EVALUATION OF SEVEN URBAN RENEWAL PLANS

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Cascade Economic Planning

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## EXECUTIVE SUMMARY

### I. OVERVIEW

This report evaluates seven urban renewal plans in Oregon, all in locations served by independent fire protection districts. These plans were selected because of the concern expressed by fire protection districts about the effectiveness of urban renewal in relationship to the impacts of tax increment financing of the plans on fire district property tax revenues.

The report provides information on the total growth in assessed value that has occurred since each urban renewal plan was adopted as well as the total tax increment revenues collected. In addition, the report provides a detailed description of the major urban renewal projects and programs undertaken and the private development that has occurred, at least in part in response to these investments. Finally, the report describes the scale of the impact on fire district revenues and the mitigation of these impacts by the urban renewal agencies.

### II. SUMMARY OF FINDINGS

A brief description and summary of key findings for each of the urban renewal plans is provided below.

#### A. Canby Urban Renewal Plan

Adopted in 1999, the Canby Urban Renewal Plan encompasses commercial and light industrial lands in Canby's Downtown/Central Business District as well as industrial lands in the eastern part of the City. The total assessed value of the Urban Renewal Area has increased by 36 percent between FYE 2001 and FYE 2007, despite the removal of approximately \$7 million in assessed value in FYE 2002

The Plan has had a major direct effect on development of the Pioneer Industrial Park, where access and infrastructure investments have created fully served light industrial lots. The lots have sold well and several are in development. The investment of approximately \$3.7 million will likely result in \$20 to \$25 million in private investment in the next few years.

In addition to financing public infrastructure improvements in the Pioneer Industrial Park, the Plan funds grant and loan programs to encourage private development in downtown Canby. (The loan programs are required to be matched by private investment.) Further, the Plan has funded street improvements and fire station improvements.

The Canby Fire Protection District serves the urban renewal area. The FY 2007 incremental assessed value of the urban renewal area represents only 3.6% of the total assessed value of the District, so property tax revenues foregone have been relatively low. In addition the removal of territory from the Area reduced the property tax revenues foregone by the Fire District. Finally, the urban renewal agency paid 100% of the cost of an expansion of the fire station located within the Area.

#### B. Lincoln City Year 2000 Urban Renewal Plan

Adopted in 1988, the Lincoln City Year 2000 Urban Renewal Plan is a downtown revitalization Plan. The total assessed value of the Area has increased by 48 percent between FYE 1998 and FYE 2007.

The investments of the Plan have been primarily in enhancing the streetscape and public rights of way, which is a necessity in a city where “Main Street” is a State Highway. In addition, critical infrastructure investments were made in the Taft area, which has become a popular destination for tourism, entertainment and recreation. Finally the Plan has paid part of the cost of community facilities which have enhanced the Area’s economy and quality of life.

Several major private investments have occurred just outside the Area boundaries in Taft and can reasonably be seen as resulting from urban renewal investments. Private investment has occurred in many small business locations throughout the Area that likely were spurred by the enhanced streetscape and pedestrian environment.

The North Lincoln Fire Protection District serves the urban renewal area. The FY 2007 incremental assessed value of the Area represents 11.0% of the total assessed value of the Fire District, so the property tax revenues foregone have become relatively high. Mitigating this impact to some extent has been the rebuilding of Highway 101 which included water main and fire hydrant replacement.

### **C. Leveton Tax Increment Plan**

Adopted in 1985, the City of Tualatin’s Leveton Tax Increment Plan is an industrial revitalization plan. The total assessed value of the Area has increased by 177 percent between FYE 1998 and FYE 2007 and over 1,500 jobs have been created by businesses that have located into the Area under the Plan.

The Plan has had a direct and substantial effect on development within the Area. The main part of the Area was undivided, lacking access and utilities. Land acquisition and disposition activities carried out by the Tualatin Development Commission had a direct impact on business development in the Area by ensuring that land would be available at a predictable price for private development.

The Plan funded infrastructure that created the finished industrial parcels. In addition the Plan funded the development of segments of an arterial road, SW 124th that created the transportation capacity for the intensive uses which developed within the Area.

The Tualatin Valley Fire & Rescue District serves the urban renewal area. The FY 2007 incremental assessed value of the Area represents 0.6% of the total assessed value of the Fire District. (The District contains several other urban renewal areas.) The development facilitated under the Plan has been industrial in nature and new facilities contain advanced fire suppression systems. In addition the public improvements developed under the Plan have included major water system upgrades.

### **D. Wilsonville Year 2000 Urban Renewal Plan**

Adopted in 1990, Wilsonville’s Year 2000 Urban Renewal Plan is a mixed-use district that encompasses commercial, residential and public lands in Wilsonville’s Town Center Loop area. The total assessed value of the Area has increased by 41 percent between FYE 1998 and FYE 2007, despite a reduction of approximately \$15 million in the frozen base due to the removal of property from the Area. In 2006, over 1,563 persons were employed in retail and industrial developments that occurred under the Plan.

Because a great deal of the investments of the Plan have been in transportation improvements that were necessary for the central area of the city to develop, the Plan has had a substantial direct effect on private development. The upgrading of the Wilsonville Road I-5 interchange and improvements to Wilsonville Road created transportation capacity for development that would not have existed without the improvements.

The investment in public facilities has been beneficial to the school district and the city (primarily the new City Hall) and has had less impact on private development.

The Tualatin Valley Fire & Rescue District serves the Area. The FY 2007 incremental assessed value of the Area represents 0.7% of the total assessed value of the district. (The district contains several urban renewal areas.) The Area was reduced in size twice, which resulted in reductions in the property tax revenues foregone by the district. The public improvements developed under the Plan have included major water system upgrades.

#### **E. White City Urban Renewal Plan**

Adopted in 1990, Jackson County's White City Urban Renewal Plan is a mixed use district that contains industrial, residential and commercial lands. The total assessed value of the Area increased by 69 percent between FYE 1998 and FYE 2007.

The White City Urban Renewal Plan has resulted in development of major industrial facilities in the western part of the Area and substantial (relatively low cost) residential development in the eastern part of the Area. In the western industrial portion, infrastructure needs were not critical, but the cost of complying with regional air pollution standards inhibited development. The Plan's investments in three major industrial developments or expansions helped overcome this obstacle. An investment in infrastructure has recently helped attract a fourth major industrial facility.

In the eastern part of the Area, infrastructure needs were critical. While the property was planned and zoned for urban level residential development, the roads, sewer, water and storm drainage were all designed for light rural use. The Plan's investment in roads and utilities has resulted in development of hundreds of single family residential units at prices that are relatively affordable in the context of the Rogue River Valley.

Fire and life safety services in the Area are provided by Jackson County Fire District #3. In FY 2006-2007 the incremental assessed value in the Area represented 13% of the Fire District's assessed value. Mitigating this relatively high level of impact on property taxes foregone was the substantial contribution of the Plan to the Fire District's training center and the fact that the newer industrial facilities have advanced fire suppression systems. However, the new housing development on the east side of the Area does represent an increase in service demand.

#### **F. Clackamas Industrial Urban Renewal Area**

Adopted in 1984 and terminated in June 2006, the Clackamas Industrial Area Development Plan is an industrial development and revitalization plan. The Plan resulted in the development of access improvements and flood control improvements that created substantially increased capacity for industrial development. The transportation investments overcame the limitations of the Highway 212/Interstate 205 interchange. The flood control project removed development constraints for many acres of industrial land.

The Plan also has provided funding for right of way acquisition and preliminary planning and engineering for the Sunrise Corridor project, a limited access road that ultimately will connect Interstate 205 with Highway 26 in Boring. The project will separate regional traffic from local industrial traffic and allow for additional industrial development within the Area. Though the project is of regional significance, the Agency's contribution is related to the direct benefits the Area will receive.

Fire protection and life safety services in the Area are provided by the Clackamas County Fire District #1. In the last year of its tax increment financing, the incremental assessed value of the Area represented 2.2% of the district. (The district contains other urban renewal areas. The urban renewal agency reduced the size of the urban renewal area in 2001 to mitigate the impact on the overlapping taxing districts. The Plan also provided funding for approximately one third the cost of a new fire station in the Area.

### **G. Clackamas Town Center Urban Renewal Plan**

Adopted in 1980, the Clackamas Town Center Urban Renewal Plan is a mixed-use district encompassing commercial, office and residential uses. The Plan has substantially completed a major transportation network surrounding the Interstate 205/Sunnyside Road Interchange. The improvements include a total upgrade to the interchange itself, completion of additional east-west crossings of the Interstate and frontage roads. The additional transportation capacity has allowed intensive commercial and mixed use development to take place.

Later Plan projects to be undertaken include financial support of the I-205 MAX development as well as development of two MAX stations. This will increase the desirability for residential and mixed use projects within the Area as the transit option is improved. In a public/private partnership with General Growth Properties, the Agency is developing a parking structure that will facilitate a substantial expansion of the mall. The investment by the Agency contributes toward the continued vitality of the mall.

Fire protection and life safety services in the Area are provided by the Clackamas County Fire District #1. In FY 2006/2007, the incremental assessed value of the Area represented 3.9% of the district. (The district contains other urban renewal areas.) The urban renewal agency reduced the size of the urban renewal area in 2005 to mitigate the impact on the overlapping taxing districts. The Plan also provided funding for approximately two-thirds the cost of one new fire station and 40% of the cost of another, both in the Area.

### **III. CONCLUSIONS**

This survey of seven Oregon urban renewal plans has found that a variety of public investments in urban renewal areas has facilitated substantial private development and increased the assessed value within each area. The investments under the urban renewal plans have been primarily in infrastructure but it was not uncommon to find direct investments in specific developments.



## Introduction

This report presents information about seven urban renewal plans in Oregon. These urban renewal plans, carried out by six urban renewal agencies are all located in areas served by independent fire protection districts. These plans were expressly chosen because of the concern expressed by fire protection districts (via the Special District Association of Oregon) about the effectiveness of urban renewal and the impacts of the tax increment financing of urban renewal plans on fire district property tax revenues.

Tax increment financing uses the property tax revenues on growth in assessed value in urban renewal areas to make payments on debt issued to pay for necessary improvement projects within the urban renewal area. While tax increment financing is used, the taxing districts that levy property taxes within the urban renewal area forego property tax revenues on assessed value growth in the area.

The research described in this report was commissioned by the Association of Oregon Redevelopment Agencies (AORA). AORA, which was established in 1987, represents urban renewal agencies state-wide. AORA is a resource for urban renewal agencies and public and private redevelopment professionals that:

- Promotes urban renewal “best practices” among the state’s urban renewal agencies.
- Provides a forum for discussion with professional colleagues throughout the state on issues pertinent to redevelopment,
- Provides education and information to the Legislature and state agencies on issues related to redevelopment and tax increment financing,
- Evaluates and coordinates urban renewal agency responses to litigation on urban renewal and redevelopment, and
- Assists the League of Oregon Cities in matters affecting urban renewal.

The purpose of the report is to describe:

- the urban renewal plans in terms of their type, year adopted, duration, maximum indebtedness, the total assessed value at the outset and as of the fiscal year ending (“FYE”) June 2007 and tax increment revenues collected.
- the urban renewal projects and programs undertaken, and
- the private development that has occurred in each urban renewal area and the relationship between the private development and the urban renewal projects and programs.
- the relationship of the incremental assessed value in urban renewal areas to the total assessed value of the fire districts and actions taken by the urban renewal agency to mitigate revenues foregone by the fire districts.

The report provides a general evaluation of how private development has related to the urban renewal projects undertaken. In some cases, private development has responded directly to urban renewal investments in infrastructure or site assembly. In other cases, the urban renewal projects have enhanced an area and their impact on private development is indirect.

Ultimately, it is not possible to determine what development would have taken place in these areas without (“but for”) the urban renewal investments. Studies that attempt to compare development in similar areas with and without urban renewal programs have struggled with the difficulty of finding truly comparable areas. It cannot be known whether in the absence of urban renewal financing, alternative forms of financing may have been found. To the extent that development would truly not have occurred but for urban renewal investments, the property tax revenues from this development should not be considered “foregone.”

A second purpose of the research was to establish a consistent means of gathering information about urban renewal plans and programs. The initial concept involved relying on two types of data that would be available for all urban renewal plans and urban renewal areas – the annual budgets and building permit logs.

This initial approach to the research proved to be inadequate. Budget documents were not always readily available for each urban renewal plan for each year it has been in existence. When available, the budget documents varied widely in the detail provided on the proposed expenditures or the historic information on actual revenues and expenditures for prior fiscal years. Building permit data was relatively easily obtained for the recent past, when all building permit logs were computerized. Permits for earlier years were inconsistently available.

The research therefore relied on supplementing the available budget and building permit data with other written reports and with repeated interviews with Agency staff. AORA has encouraged urban renewal agencies to track their project and program expenditures and the private development resulting from these projects and it is hoped that the information available in the future will be more comprehensive.

### **Methodology**

The research began with a survey form sent to the subject urban renewal agencies, which asked for detailed information on their urban renewal plan(s), the urban renewal projects and programs undertaken and major private development projects. The Agencies were also asked to send copies of their plans as amended and the urban renewal reports that accompany every new plan or substantial amendment of a plan.

Information on the assessed values and tax increment revenues associated with each plan was obtained from the county assessors and the Oregon Department of Revenue. Oregon’s property tax system changed drastically in 1997, with the adoption of Ballot Measure 50, which reduced both the assessed value within

urban renewal areas and the tax rates used to calculate the annual tax increment revenues. Where information was available, the assessed value of the urban renewal areas was reported for the period before FYE 1998, when property was assessed at 100% of its real market value, and then starting again in FYE 1998 up to the present, when the assessed value of property has no uniform relationship to its real market value.

The consultants reviewed the plan and report documents and other written information provided by Agency staff. This was followed up with one-on-one meetings with Agency staff and a great deal of subsequent contact to complete and refine the information. A draft of the report was sent to each urban renewal agency for its review and comment and reviewed in whole by the Executive Committee of AORA.

### **Structure of Report**

For each of the seven urban renewal plans, the report contains “fundamental” information such as the date of adoption, size of the urban renewal area, the maximum indebtedness that can be issued and duration. (Maximum indebtedness is the amount of debt that can be issued under an urban renewal plan and it is the primary limit on the scope of urban renewal plans.)

The report then describes the assessed value history (subject to the incomparability of data prior to FYE 1998) and the tax increment revenues received by the Agency. (Tax increment revenues for Urban Renewal Plans in existence before Ballot Measure 50 may be collected from two sources: the taxes on growth in assessed value in the urban renewal area - “division of taxes” - and the urban renewal “special levy” which was authorized by Measure 50 to mitigate the otherwise drastic revenue reductions from the Measure .)

This is followed by a section summarizing the major urban renewal projects and programs, a section summarizing major private development within the urban renewal area and general conclusions regarding the relationship between the urban renewal projects and the private development.

For some of the plans, there is also information on development which has occurred adjacent to but not within the urban renewal area. This is called “halo” development. It is more difficult to attribute halo development to the urban renewal plans themselves, but where the information was provided, it is reported.

Finally, there is a section that characterizes the revenues foregone to the fire protection districts (as a percentage of total assessed value) and actions taken under the Urban Renewal Plan to mitigate these impacts.

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1. CANBY URBAN RENEWAL PLAN

Plan Fundamentals	
Date of Adoption	December, 1999
Maximum Indebtedness	\$51,140,000
Duration or Last Issuance of Debt	20 years
Size	471.14 acres <sup>1</sup>
Type of Plan	Urban renewal encompassing commercial and light industrial lands in Canby's Downtown/Central Business District, as well as industrial lands in the eastern part of the City

<sup>1</sup> Since the Plan was adopted, the Area's boundary has been amended three times. In December, 2001, an estimated 105.97 acres were removed from the Area. An additional 0.14 acres were removed in February 2003. In January, 2006, 2.5 acres, encompassing the Canby Fire Station and SW 4th Avenue right-of-way, were added to the Area's boundary.

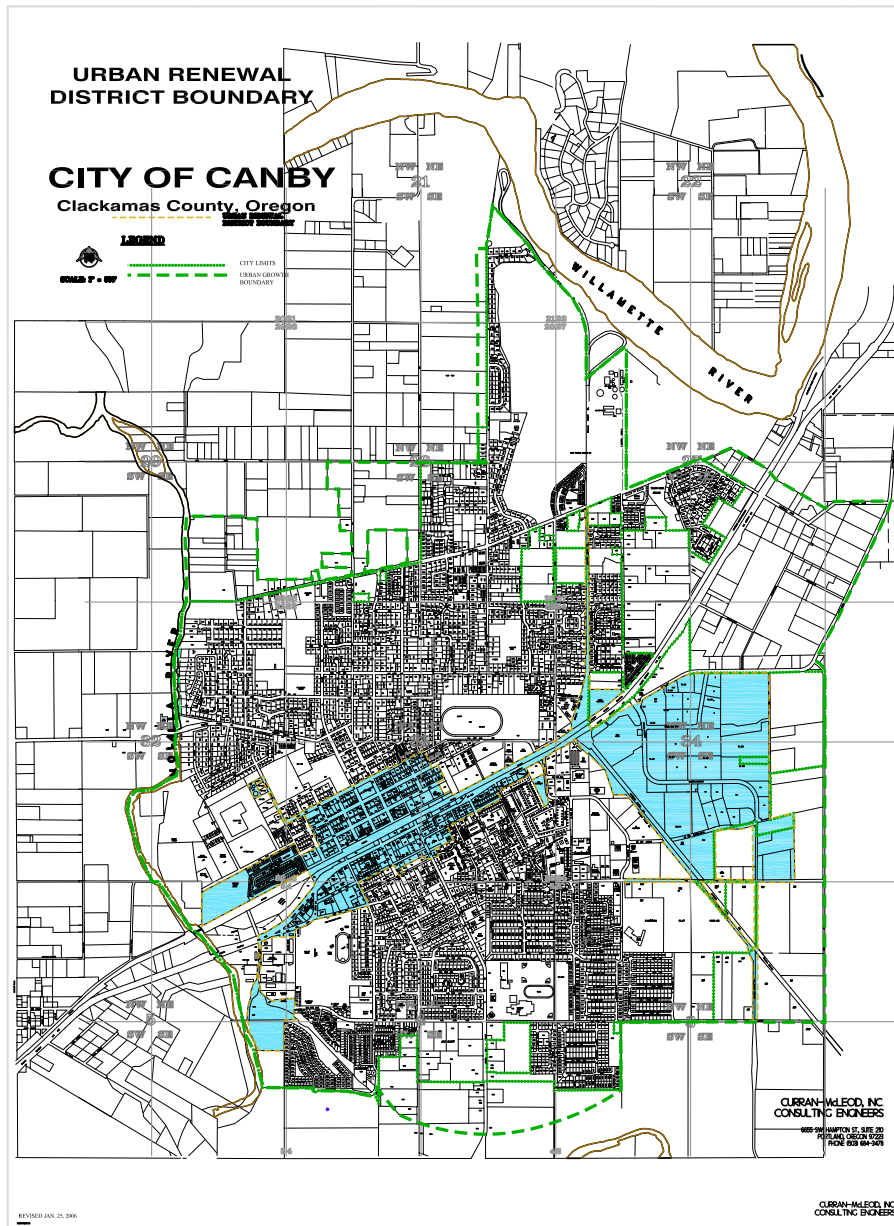


Figure 1. Canby Urban Renewal Area

**I. TOTAL AND INCREMENTAL ASSESSED VALUE BY YEAR**

At the time of adoption, the Canby Urban Renewal Area’s base assessed value or “frozen base” was \$74,390,650. The Area’s frozen base is currently \$67,929,262. The history of assessed value in the Urban Renewal Area is shown in the table below. The total assessed value of the Area has increased by 36 percent between FYE 2001 and FYE 2007, despite the removal of approximately \$7 million in assessed value in FYE 2002.

Table 1. Canby Urban Renewal Area Total Assessed Value and Incremental Assessed Value by Year

Year	Total Assessed Value	Frozen Base Value	Incremental Assessed Value	Division of Tax Revenues
2000-2001	\$85,533,389	\$74,390,650	\$11,163,739	\$186,123
2001-2002	\$101,574,399	\$74,390,650	\$27,183,749	\$451,315
2002-2003	\$96,966,566	\$67,965,852	\$29,000,714	\$485,378
2003-2004	\$99,252,696	\$67,939,262	\$31,313,434	\$526,836
2004-2005	\$100,465,232	\$67,939,262	\$32,525,961	\$545,547
2005-2006	\$106,900,199	\$67,939,262	\$38,960,937	\$644,684
2006-2007	\$116,332,955	\$67,965,852	\$48,367,103	\$775,597

Source: Oregon Department of Revenue

**II. MAJOR URBAN RENEWAL PROJECTS/PROGRAMS**

**A. Infrastructure**

**1. Sequoia Parkway Phase II**

This project extended Sequoia Parkway from Highway 99E into the Canby Pioneer Industrial Park. Prior to the project’s completion, the Industrial Park was largely undeveloped due to access constraints.

<b>Total Cost</b>	\$1,081,500
<b>Urban Renewal Share of Cost</b>	\$1,081,500 (100%)
<b>Project Completion Date</b>	February 2005
<b>Other Considerations</b>	The right-of-way for this project was donated by the land owner.

**2. Canby Pioneer Park Infrastructure Improvements**

This project extended roads and infrastructure to sites within the Canby Pioneer Industrial Park. Key components of the project included the construction of the Phases III and IV of Sequoia Parkway, the expansion of SE 4th Avenue and

<b>Total Cost</b>	\$2,263,300 <sup>1</sup>
<b>Urban Renewal Share of Cost</b>	\$2,263,300 (100%)
<b>Project Completion Date</b>	February 2005
<b>Other Considerations</b>	The right-of-way for this project was donated by the land owner.

<sup>1</sup>\$1,097,900 for Sequoia Parkway and SE 4th Avenue; \$1,165,400 for Hazel Dell Way

the construction of a new road, Hazel Dell Way. This project reduced barriers to development and facilitated the sale of multiple sites in the Industrial Park during 2005 and 2006 (see Section III).

**B. Public Buildings**

**1. Fire Station Improvements**

The Agency provided financial assistance to Canby Fire District #62 for improvements to the Fire Station at 221 South Pine Street. This project will add 1,000 square feet to the existing Pine Street Station. Key components of the project will include the renovation and expansion of administrative offices and the addition of a small museum that will house a Fire Truck that dates back to the 1930s.

<b>Total Cost</b>	\$380,000
<b>Urban Renewal Share of Cost</b>	\$380,000 (100%)
<b>Project Completion Date</b>	The conceptual design for the Pine Street Station Improvements is currently under review. The project is scheduled to begin in Winter 2007 and will likely be completed in Summer 2007.

**C. Financial Assistance (Grant/Loan Programs)**

The Agency currently offers two financial assistance programs to property owners in the Canby Urban Renewal Area.

**1. Downtown Conceptual Redevelopment Grant Program**

The Downtown Conceptual Redevelopment Grant Program grants Area business owners up to \$3,000 in matching funds to complete a concept plan for multiuse development in Downtown Canby.

<b>Total Grant Funds Available</b>	\$36,000 over two years
<b>Maximum Grant Amount</b>	\$3,000
<b>Grants Disbursed to Date</b>	4 grants totaling \$13,000 (including \$1,000 in administrative costs)
<b>Program Start Date</b>	Fall 2005
<b>Program End Date</b>	Fall 2007, with possible extension

**2. Façade Improvement Grant Program**

This program grants business owners up to \$750 in matching funds to develop an architectural design of façade improvements/enhancements.

<b>Total Grant Funds Available</b>	\$11,250 over three years
<b>Maximum Grant Amount</b>	\$750
<b>Grants Disbursed to Date</b>	2 grants totaling \$1,125 <sup>1</sup> .
<b>Program Start Date</b>	Fall 2005
<b>Program End Date</b>	Fall 2008, with possible extension

<sup>1</sup>One of the grants was issued to the Canby Herald, a local newspaper, which is moving forward with façade improvements.

**3. Façade Improvement Loan Program**

In addition to the design grants, the program authorizes the Agency to provide three-year, no-interest loans of up to \$75,000 to property owners as an incentive to upgrade existing buildings. Through an arrangement with West Coast Bank, who has agreed to administer the loans at no cost to the Agency, the Agency will finance \$11,000 in interest payments for each loan that is issued.

<b>Maximum Investment by Agency</b>	\$55,000 in interest payments over three years
<b>Maximum Loan Amount</b>	\$75,000
<b>Loans Issued to Date</b>	1 - to the Canby Herald
<b>Program Start Date</b>	Fall 2005
<b>Program End Date</b>	Fall 2008, with possible extension

**III. MAJOR DEVELOPMENT ACHIEVEMENTS WITHIN URBAN RENEWAL AREA**

**A. New Private Development**

The Canby Pioneer Industrial Park, where roads and infrastructure were paid for by urban renewal, is selling and beginning to build out. Currently, 12 development projects are underway or recently completed. Table 2 illustrates a list of sales and building activity in the Park.

**B. Redevelopment/Rehabilitation**

In addition to the new development that is occurring in the Canby Pioneer Industrial Park, two commercial rehabilitation projects have recently been completed by a local developer in the downtown area. Both projects benefited from the streetscape improvements to Second Avenue, funded in part by tax increment revenues. The rehabilitation of the Oddfellows building on the corner of Grant Street and Second Avenue was completed in 2004. The building is over 100 years old and now houses the Canby Pub & Grill on the first floor and a ballroom and office space on the second floor.

**IV. RELATIONSHIP OF MAJOR DEVELOPMENTS TO URBAN RENEWAL INVESTMENTS**

The Canby Urban Renewal Plan has had a major direct effect on development of the Pioneer Industrial Park, where access and infrastructure investments have created fully served light industrial lots. The lots have sold well and several are in development. The investment of approximately \$3.7 million will likely result in \$20 to \$25 million in private investment in the next few years.

The small investments (loan programs) in Canby’s downtown have been matched by private investment. The investment in Second Avenue streetscape improvements has facilitated two rehabilitation projects. The new fire station project does not directly result in new incremental assessed value, but the



Table 2. New Private Development and Land Sales, Canby Pioneer Industrial Park

Name	Description	Taxlot ID	Sale Date	Site Acres	Building Size (S.F.)	Estimated Total Assessed Value (\$ Millions)	No. of Jobs Anticipated	Anticipated Completion Date	Relationship to Plan
Bowen	Drywall Fabricator	31E34 04300	Escrow	3.5	30,000	2.5	21	12/1/2006	Direct
Project Glass	Decorative Glass Wholesaler	31E34 4100 - 4200	Pending	2.9	12,000	2.4	25	5/1/2007	Direct
Grigg	Fly Rod Manufacturer	31E 34 1708	10/14/2005	1.6	16,000	0.8	7	Completed	Direct
Willamette Falls Hospital	Urgent Care Center	31E 34 3500	10/14/2005	6.3	42,000	5.3	25	3/1/2007	Direct
"Pioneer Pump VATA"	"Industrial Pump Manufacturer Anatomical Health Care Models Manufacturer"	31E 34 4600	"2/13/2006 "	4.5	"Pioneer Pump not available 14,000"	4.7	60	"11/1/2006 "	Direct
Perman	Medical Clinic		2/17/2006	1.8	3,752	Value not available	unknown	-	Direct
Root Development	Commercial and Industrial Developer	31E34 500	3/20/2006	3.9	various	"0.31 (land only)"	unknown	-	Direct
Root Development	Commercial and Industrial Developer	31E 34 3600, 3700, 3800, 3900	1/27/2005	9.2	various	"1.1 (land only)"	unknown	-	Direct
Trend Construction Bldg A	Speculative Commercial Development	31E34 00700	6/10/2005	1.1	22,040	0.64	unknown	-	Direct
"Trend Bldg B Granvall Inc"	Granite Processing Company	31E34 01700	6/10/2005	1.1	18,554	1.1	unknown	Completed	Direct
Trend Construction	n/a - currently undeveloped	31E 3401703	Escrow	8.5	n/a	"0.3 (land only)"	unknown	n/a	Direct

investment does mitigate the foregoing of property tax revenues by the Canby Fire District.

**V. IMPACTS ON FIRE PROTECTION DISTRICT**

The Canby Fire Protection District serves the urban renewal area. The FYE 2007 incremental assessed value of the urban renewal area represents only 3.6% of the total assessed value of the district, so property tax revenues foregone have been relatively low. In addition the removal of property from the urban renewal area reduced the property tax revenues foregone by the fire district. Finally, the urban renewal agency financed 100% of the cost of an expansion of the fire station located within the Area.

2. LINCOLN CITY YEAR 2000 PLAN

Plan Fundamentals	
Date of Adoption	1988
Maximum Indebtedness	\$43,000,000
Duration or Last Issuance of Debt	Last Date for Issuance of Debt is June 30, 2014
Size	619.4 acres
Type of Plan	Downtown Revitalization Plan

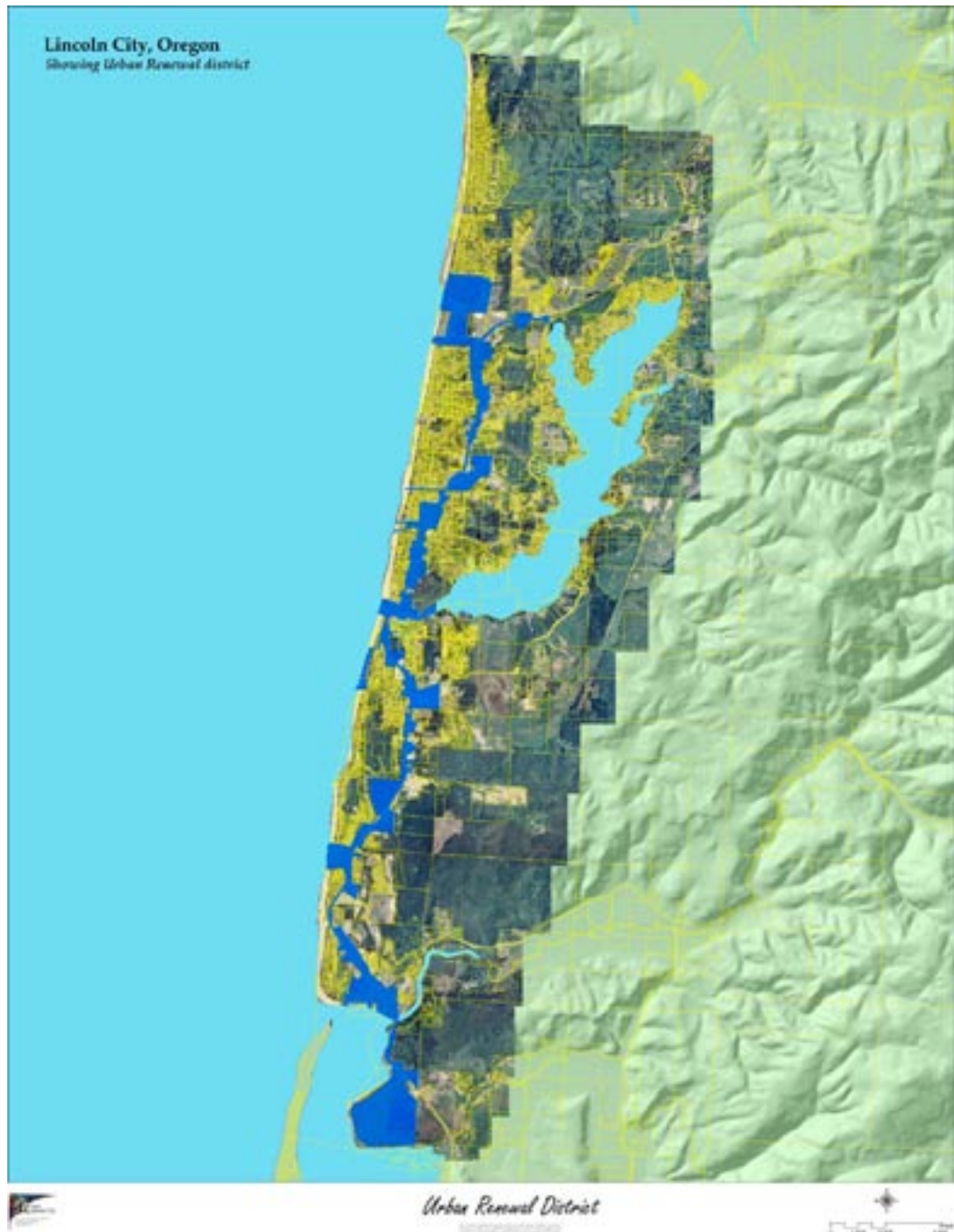


Figure 2. Lincoln City Urban Renewal District

**I. TOTAL AND INCREMENTAL ASSESSED VALUE BY YEAR**

At the time of adoption, the Lincoln City Year 2000 Urban Renewal Area’s frozen base was \$60,312,000. The frozen base is currently \$47,608,455, reflecting the assessed value reduction that occurred with the passage of Measure 50. The history of assessed value in the Urban Renewal Area is shown in Table 3. The total assessed value of the Area has increased by 48 percent between FYE 1998 and FYE 2007.

Table 3. Lincoln City Year 2000 URA Total Assessed Value and Incremental Assessed Value by Year

Fiscal Year	Total Assessed Value	Frozen Base Value	Incremental Assessed Value	Total Revenues
1989-90	60,314,380	\$60,312,000 <sup>1</sup>	2,380	136
1990-91	65,499,091	60,312,000	5,187,091	120,353
1991-92	75,988,274	60,312,000	15,676,274	365,549
1992-93	88,161,812	60,312,000	27,849,812	231,841
1993-94	112,496,762	60,312,000	52,184,762	409,869
1994-95	135,650,128	60,312,000	75,338,128	499,748
1995-96	143,546,544	60,312,000	83,234,544	499,742
1996-97	156,931,683	60,312,000	96,619,683	399,892
1997-98	142,344,804	47,608,455	94,736,349	1,590,883
1998-99	150,541,331	47,608,455	102,932,876	1,737,287
1999-00	160,541,331	47,608,455	112,932,876	1,916,010
2000-01	173,649,340	47,608,455	126,040,885	2,070,763
2001-02	177,670,427	47,608,455	130,061,972	2,111,426
2002-03	183,766,097	47,608,455	136,157,642	2,122,906
2003-04	190,880,972	47,608,455	143,272,517	2,215,598
2004-05	195,453,139	47,608,455	147,844,684	2,277,433
2005-06	200,146,560	47,608,455	152,538,105	2,349,354
2006-07	211,103,800	47,608,455	163,495,345	2,491,914

Source: Oregon Department of Revenue

<sup>1</sup>The frozen base for FYE 1990 through 1997 is rounded to the nearest thousand dollars.

**II. MAJOR URBAN RENEWAL PROJECTS/PROGRAMS**

**A. Infrastructure Improvements**

**1. Taft Central Loop Improvements**

This project provided for infrastructure improvements in the Historic Downtown Core of Taft, which encompasses approximately five city blocks, which was designated a target area by the Lincoln City Urban Renewal Agency. Improvements in Taft's Central Loop include upgrades to substandard streets and sidewalks, the installation of a new storm drainage system and pump system and the placement of overhead utility lines underground.



<b>Total Cost</b>	\$334,000
<b>Urban Renewal Share of Cost</b>	\$334,000 (100%)
<b>Other Funding Sources</b>	None
<b>Project Completion Date</b>	2001

**2. Highway 101 Improvements**

This project provided for infrastructure improvements on or adjacent to Highway 101, a state highway, which functions both as Main Street and the Area's primary transportation corridor. The Agency financed several key components of this project, including the Highway 101 street upgrade and the installation of a traffic calming landscaped median, gateway features, sidewalks and new storm drainage facilities. Pacific Power financed historic lighting features. The School District installed fiber optic cable and the Lincoln City Public Works Department financed water main and service replacements, fire hydrant replacements and additions, the SE 48th Street Extension and High School Drive Sidewalks.



<b>Total Cost</b>	\$10,678,000
<b>Urban Renewal Share of Cost</b>	\$7,469,000 (70%)
<b>Other Funding Sources</b>	Lincoln City Public Works Department: \$1,150,000
	Oregon Department of Transportation: \$1,200,000
	State Historic Preservation (SHIPO) Grant: \$5,000
	ODOT Grant: \$774,000
	Pacific Power: \$80,000
<b>Project Completion Date</b>	2001

**3. SE Ninth Street Improvements**

This project improved pedestrian safety and reduced the speed of motor vehicle traffic on a three block area of SE 9th Street through the addition of sidewalks, stamped asphalt crosswalks and bulb-outs at street corners. In addition, new catch basins and storm drainage facilities as well as historic street lighting and street trees were installed to make 9th Street a more attractive pedestrian environment.

<b>Total Cost</b>	\$92,000
<b>Urban Renewal Share of Cost</b>	\$92,000 (100%)
<b>Other Funding Sources</b>	In-kind donation of labor from Pacific Power and Lincoln City Water Department
<b>Project Completion Date</b>	2001



**4. Festive First Street Improvements**

Key components of this project included street and sidewalk improvements, public parking, gateway improvements, two public plazas, pedestrian amenities, public art, infrastructure improvements and a new baywalk. The baywalk allows residents and visitors to stroll along the Siletz Bay and provides easy access to the beach.

<b>Total Cost</b>	\$1.5 million
<b>Urban Renewal Share of Cost</b>	\$1.4 million (93%)
<b>Other Funding Sources</b>	Property Owners, Parks Department
<b>Project Completion Date</b>	2005



**B. Land Acquisition/Disposition**

**1. D-River Open Space**

The D-River property was purchased for future development. A portion of the site will be maintained as undeveloped open space.

<b>Total Cost</b>	\$400,000
<b>Urban Renewal Share of Cost</b>	\$200,000 (50%)
<b>Other Funding Sources</b>	Open Space Bond
<b>Project Completion Date</b>	2003

**C. Public Buildings**

**1. DeLake School**

The (former) DeLake School building was purchased by the Agency and is currently leased to a nonprofit organization for the creation of a Cultural Arts Center. The nonprofit has an option to purchase the building.

<b>Total Cost</b>	\$1.5 million
<b>Urban Renewal Share of Cost</b>	\$1.5 million (100%)
<b>Other Funding Sources</b>	None
<b>Project Completion Date</b>	2006

**D. Financial Assistance (Grant/Loan Programs)**

**1. Rehabilitation Loan Program**

The Rehabilitation Loan Program offers no-interest loans to business and property owners for façade improvements to existing buildings in the Year 2000 Urban Renewal Area.

<b>Total Loan Funds Available</b>	\$1.3 million to date
<b>Maximum Loan Amount</b>	\$75,000
<b>Total Private Investment Leveraged by Loans (City estimate)</b>	37
<b>Total New Jobs Created (City estimate)</b>	Fall 2005
<b>Program Start Date</b>	2000
<b>Program End Date</b>	ongoing

**E. Parks and Open Space**

**1. Kirtsis Skateboard Park**

This multi-phase project transformed an existing skateboard bowl constructed in the early 1980's into a state-of-the art skate park. Improvements to the Park, which features a covered section that can be used during inclement weather, will continue to be made as funding becomes available.

<b>Total Cost</b>	\$298,000
<b>Urban Renewal Share of Cost</b>	\$255,000 (86%)
<b>Other Sources of Funding</b>	\$43,000 in in-kind labor and services from Community Donations, Volunteers and the Lincoln City Parks Department
<b>Project Completion Date</b>	The third phase of the project was completed in 2004. The first two phases were completed in 1999 and 2002.

**III. MAJOR DEVELOPMENT ACHIEVEMENTS WITHIN URBAN RENEWAL AREA**

In addition to the commercial rehabilitation projects that were funded, in part, by the Agency's Rehabilitation Loan program, several new development and redevelopment projects that benefited from urban renewal projects and programs have occurred in the Year 2000 Urban Renewal Area. These development achievements are described below.

**A. New Private Development**

**1. Taft Redevelopment Area Business Development**

Urban renewal infrastructure and transportation investments in the Taft Redevelopment Area, including the Central Loop, Highway 101 and 9th Street Improvements projects, have facilitated the location of 13 new businesses, primarily retailers. Together, as shown in Table 4, these businesses have invested an estimated \$1.75 million and created 56 new jobs in the Year 2000

Urban Renewal Area.

**B. Private Redevelopment/ Re-Use**

**1. Taft Target Area Business Conversions**

In addition to the new business development described above, four existing businesses in the Taft target area were purchased by new owners and converted to new retail uses. The new owners invested a combined \$470,000 into building upgrades and created 8 new jobs.

**2. Other Private Redevelopment**

In addition to businesses that were rehabilitated with the assistance of the Rehabilitation Loan Program, 14 existing residential and commercial developments in the Year 2000 Urban Renewal Area have undergone improvements without any direct financial assistance from the Agency. The estimated value of the private investment made by these businesses is \$2,854,000. Six new jobs were created as a result.

**C. New Public Development**

**1. Glass Foundry**

Development Type	Glass Foundry
Description	The Foundry is a well known tourist destination. Visitors can observe artisans at work, create their own blown glass pieces, and purchase glassware created on-site. The facility is also available to local glass artisans to rent time in the studio space.
Jobs Created	5 middle-wage jobs
Relationship to Plan	Direct. The Agency purchased the building and the City of Lincoln City outfitted the studio with the equipment, which is leased to the private business that operates the Foundry.

**D. Public Rehabilitation/Re-Use**

**1. Community Center and Fitness Center**

Development Type	Public Recreational Facility
Description	Under this project, the existing community center was expanded.
Jobs Created	3 City jobs, lower level wages
Relationship to Plan	Direct. The Agency funded 90% of construction costs



Table 4. New Private Development, Lincoln City Year 2000 Urban Renewal Area

Business/Project Name	Description	Private Investment (Market Value)	Estimated Total Assessed Value	No. of Jobs Created	Relationship to Plan	Related UR Project
Maya Art Gallery	New commercial business	\$120,000	\$78,240	3	Indirect	Taft Central Loop Improvements
Rock and Roll Memorabilia	New commercial business	\$100,000	\$65,200	2	Indirect	Taft Central Loop Improvements
Frame Shoppe	New commercial business	\$15,000	\$9,780	1	Indirect	Taft Central Loop Improvements
Antique Shop	New commercial business	\$50,000	\$32,600	3	Indirect	Taft Central Loop Improvements
American Doughnut & Pizza NW	New commercial business	\$40,000	\$26,080	7	Indirect	Taft Central Loop Improvements
Pringle Appliance Repair	New commercial business	\$5,000	\$3,260	3	Indirect	Taft Central Loop Improvements
Kodiak Restaurant and Lounge	New commercial business	\$650,000	\$423,800	12	Indirect	Taft Central Loop Improvements
Old Town Laundry	New commercial business	\$60,000	\$39,120	1	Indirect	Taft Central Loop Improvements
Fleet Street Mercantile	New commercial business	\$100,000	\$65,200	6	Indirect	Taft Central Loop Improvements
Phoenix Café	New commercial business	\$10,000	\$6,520	2	Indirect	Taft Central Loop Improvements
Classic Consignment Furniture	New commercial business	\$180,000	\$117,360	2	Indirect	Taft Central Loop Improvements
Golden Bear Videos	New commercial business	\$20,000	\$13,040	4	Indirect	Taft Central Loop Improvements
Taft Chevron	New commercial business	\$400,000	\$260,800	10	Indirect	Taft Central Loop Improvements
TOTAL		\$1,750,000	\$1,141,000	56		



New homes in the Olivia Beach development

**IV. “HALO” DEVELOPMENT IMPACTS**

The projects and programs undertaken by the Lincoln City Urban Renewal Agency have facilitated the elimination of blight in and around the Year 2000 Urban Renewal Area. Several new residential, commercial and hotel developments have occurred just outside the Area during the life of the Plan. These projects include:

New Commercial/Hotel “Halo” Development	
Project	Square Feet/ Rooms
Lighthouse Square	200,000 SF
Kyllo’s Restaurant	10,000 SF
Mulligan’s Lounge	12,000 SF
The Palace Hotel	51 rooms

New Residential “Halo” Development	
Project	Total lots/units
Villages at Cascade Head	1,800 lots
Olivia Beach	89 homes
Bay View	73 homes
Pacific Winds Condominiums	15 units

**V. RELATIONSHIP OF MAJOR DEVELOPMENTS TO URBAN RENEWAL INVESTMENTS**

The investments of the Lincoln City Urban Renewal Plan have been primarily in enhancing the streetscape and public rights of way, which is a necessity in a city where “Main Street” is a State Highway. In addition, critical infrastructure investments were made in the Taft area.

Several major private investments have occurred just outside Urban Renewal Area boundaries in Taft and can reasonably be seen as resulting from urban renewal investments. Private investment has occurred in many small business locations throughout the Area that likely were spurred by the enhanced streetscape and pedestrian environment.

**VI. IMPACTS ON FIRE PROTECTION DISTRICT**

The North Lincoln Fire Protection District serves the urban renewal area. The FYE 2007 incremental assessed value of the urban renewal area represents 11.0% of the total assessed value of the District, so the revenues foregone by the District have become relatively high. The rebuilding of Highway 101 included water main and fire hydrant replacement that mitigates to some extent the property tax revenues foregone.

3. CITY OF TUALATIN - LEVETON TAX INCREMENT PLAN

Plan Fundamentals	
Date of Adoption	August, 1985 <sup>1</sup>
Maximum Indebtedness	\$36,424,338
Duration or Last Issuance of Debt	June 30, 2009
Size	380.3 acres
Type of Plan	Industrial area revitalization plan

<sup>1</sup> The Tualatin Development Commission is the agency responsible for the oversight and implementation of the Plan

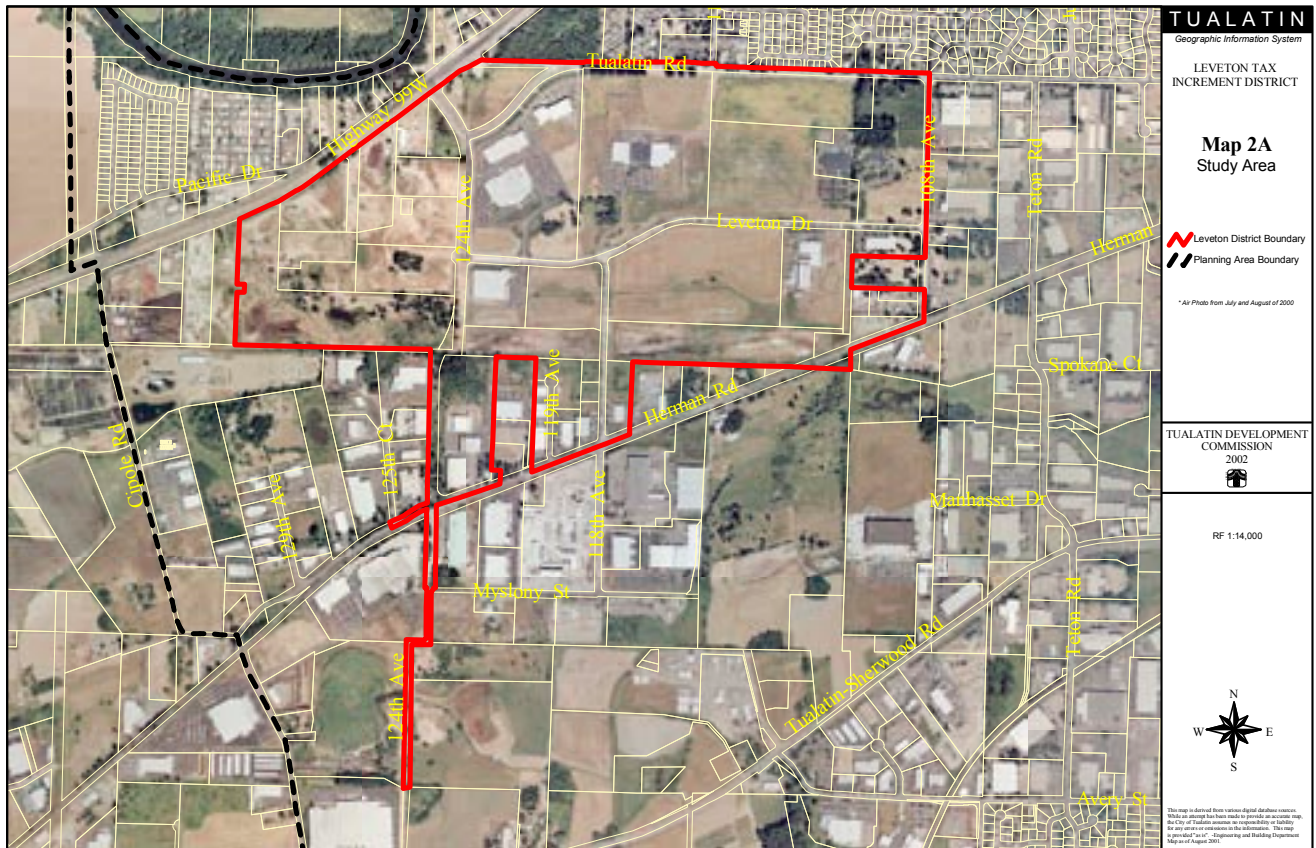


Figure 3. Leveton Tax Increment Study Area Urban Renewal Area

**I. TOTAL AND INCREMENTAL ASSESSED VALUE BY YEAR**

At the time of adoption, the Leveton Urban Renewal Area’s frozen base was \$4,591,339. The Area’s frozen base is currently \$2,660,924, reflecting the assessed value reduction that occurred with the passage of Measure 50. The history of assessed value in the Urban Renewal Area is shown in Table 5. The total assessed value of the Urban Renewal Area increased 1,369 percent between FYE 1987 and FYE 1997. The total assessed value of the Area has increased by 177 percent between FYE 1998 and FYE 2007.

*Table 5. Leveton Total Assessed Value and Incremental Assessed Value by Year*

<b>Fiscal Year</b>	<b>Total Assessed Value</b>	<b>Frozen Base Value</b>	<b>Incremental Assessed Value</b>	<b>Total Revenues</b>
1986-87	4,614,705	4,591,339	23,366	546
1987-88	4,995,393	4,591,339	404,054	9,680
1988-89	5,530,887	4,591,339	939,548	26,726
1989-90	7,110,240	4,591,339	2,518,901	69,426
1990-91	10,965,728	4,591,339	6,374,389	174,921
1991-92	37,762,095	4,591,339	33,170,756	807,118
1992-93	37,099,649	4,591,339	32,508,310	745,745
1993-94	37,655,115	4,591,339	33,063,776	752,726
1994-95	47,838,484	4,591,339	43,247,145	962,750
1995-96	52,520,226	4,591,339	47,928,887	1,032,184
1996-97	67,802,133	4,591,339	63,210,794	1,188,772
1997-98	82,885,102	2,660,924	80,224,178	1,179,904
1998-99	90,085,390	2,660,924	87,424,466	1,379,852
1999-00	95,860,356	2,660,924	93,199,432	1,441,533
2000-01	103,814,978	2,660,924	101,154,054	1,474,172
2001-02	104,379,339	2,660,924	101,718,415	1,596,347
2002-03	113,172,707	2,660,924	110,511,783	1,682,954
2003-04	219,546,435	2,660,924	216,885,511	3,240,398
2004-05	227,675,389	2,660,924	225,014,465	3,329,004
2005-06	234,234,208	2,660,924	231,573,284	3,094,423
2006-07	229,649,848	2,660,924	226,988,924	3,143,872

Source: Tualatin Development Commission

**II. PLAN FUNDAMENTALS**

Unless noted, the urban renewal projects identified in the following pages were funded entirely by tax increment revenues. Through FYE 2005-06, urban renewal financed approximately \$11.1 million in capital improvements. Major infrastructure and transportation improvements (over \$100,000) are identified below.

**A. Major Infrastructure Improvements**

Project	Total Cost	Year Completed
Sanitary Sewer Improvements	\$129,351	1989-90
Utility Conduit Vaults	\$104,516	1989-90
36" Storm Drain	\$132,481	1999-00
Wetlands Mitigation Project*	\$527,648	1999-00

\*The cost of the Wetlands Mitigation Project was split 50/50 with the heirs of William Leveton, the former owner of the Leveton site. Urban renewal financed \$276,997 of the total cost of the project.

**B. Major Transportation Improvements**

Project	Total Cost	Year Completed
Tualatin Road Improvements	\$137,649	1989-90
SW 118th Avenue Improvements	\$833,559	1990-91
SW 108th Avenue Improvements	\$781,180	1990-91
Tualatin Road/ 99W Signalization	\$201,522	1992-93
Leveton Drive Improvements	\$1,584,278	1993-94
SW 124th Avenue - Phase 2	\$1,695,168	1999-00
Herman Road/ 108th Avenue Improvements	\$479,903	2003-06
SW 124th Avenue (Leveton to Myslony)	\$5,417,775	2004-05
SW 124th Avenue/ 99W Turn Lane	\$139,891	In Progress
SW 124th Avenue (Myslony to T-S Road)	\$478,097	In Progress

**III. MAJOR DEVELOPMENT ACHIEVEMENTS WITHIN URBAN RENEWAL AREA**

Table 6 (two parts) shows new private development that has occurred in the Leveton Urban Renewal Area since the Plan's inception in 1985 as well as several pending projects that are currently under construction or architectural review. To date, over 1,500 jobs have been created by businesses that have located into the Area under the Plan. Additional jobs will be created by pending projects, including Laika, an animated movie production company that is expected to create 400 jobs.

Table 6 footnote key

\*Derived from 2006 City of Tualatin business license data

1. Under construction
2. Under construction
3. Submitted for Architectural Review
4. Submitted for Architectural Review
5. 41,745 square feet expansion with 14 parking spaces is currently under construction
6. Architectural Review to be submitted May 2007
7. Parking Lot Expansion to 470 spaces is currently under construction
8. Under construction
9. Architectural Review approved

Table 6. New and Pending Private Development, Leveton Urban Renewal Area (1 of 2)

Business Name	Description	Taxlot ID	Site Acres	Building Size (S.F.)	Estimated Total Assessed Value (\$ Millions)	Jobs Created*	Relationship to Plan (Direct or Indirect)	Related UR Project
Voss Materials/Valley Yard Supply	Landscape material supply company	2S121A 02300	3.80	2,400	\$98,280	4	Indirect	SW 124th Avenue
McCulloch Inc.	Mechanical Contractor	2S121A 02400	3.49	12,684	\$280,567	15	Indirect	SW 124th Avenue
All Star Storage 1	Mini Storage facility	2S121A 02600	3.94	49,875	\$332,100 (const. est.)		Indirect	
Shutters Northwest	"Wholesale manufacturer of custom window coverings"	2S121A 03300	2.04	34,375	\$1,200,000 (const. est.)	55	Indirect	SW 124th Avenue
Northwest Roller	Manufacturer of fabricated rubber products and printing trades machinery	2S121A 03400	2.03	26,101	\$1,100,000 (const. est.)	12	Indirect	SW 124th Avenue
American Classic Deck & Fence 2	Fence and decking contractor	2S121A 03600	2.04	26,550	\$796,500 (const. est.)		Indirect	SW 124th Avenue
LPKF 3	Laser Cutting Equipment	2S121A 03900	1.95	14,698	\$800,000 (architectural review value est.)		Indirect	SW 124th Avenue
Tofie (Closed business 2006)	Manufacturer of specialty metal tubing	2S122AD 00400	2.23	34,288	\$2,004,550	0	Direct	Leveton Drive/108th Avenue
NW Pipe and Metal Fab	Construction contractor	2S122AD 00600	1.79		\$4,110		Indirect	108th Avenue
NW Pipe and Metal Fab	Construction contractor	2S122AD 00700	1.00		\$175,300	0	Indirect	108th Avenue
Engineered Structures Inc. 4	Contractors office and multi-tenant space	2S122AD 00900	2.24	40,000	\$205,680 (architectural review value est.)		Indirect	Herman Road/108th Signal
Fujimi 5	Manufacturer of abrasive polishing compounds for the electronics industry	2S122 00300	13.00	220,346	\$19,617,400	17	Direct	Leveton Drive, 108th Avenue, Wetland Mitigation
Phight 6	Animated movie production	2S122 00400	29.59			400 anticipated	Direct	Leveton Drive, 108th Avenue, 118th Avenue, Wetland Mitigation
Novellus (formerly Oki Semiconductor)	Manufacturer of deposition machines for the semi-conductor industry	2S122AA 00500 2S122AB 00200 2S122AB 00100	58.00	441,925	\$119,669,840		Direct	Leveton Drive, 108th Avenue, Herman/108th Signal; high capacity waterline storm drainage
JAE Oregon	Manufacturer of electronic connectors	2S122B 00200	40.00	86,485	\$25,271,000	245	Direct	Leveton Drive, 118th Avenue

Table 6. New and Pending Private Development, Leveton Urban Renewal Area (2 of 2)

Business Name	Description	Taxlot ID	Site Acres	Building Size (S.F.)	Estimated Total Assessed Value (\$ Millions)	Jobs Created*	Relationship to Plan (Direct or Indirect)	Related UR Project
GE Security 7 Partners on Demand VWR International	Manufacturer of electronic alarm systems Commercial printing company Distributor of specialty gases and equipment to high tech industry	2S122B 00500	32.48	253,040	\$14,892,930	500 GE Security, 45 Partners on Demand, 27 VWR	Direct	Tualatin Road, Leveton Drive, 124th Avenue
DPI Northwest	Distributor & packaging of Imported and Domestic Specialty Foods	2S122B 00900	7.36	142,955	\$5,141,630	300	Direct	124th Avenue, Leveton Drive, 118th Avenue, Wetland Mitigation
DPI Northwest 8	Distributor & packaging of Imported and Domestic Specialty Foods	2S122B 01000	9.07	174,000	\$5,295,870 (const. est.)		Direct	124th Avenue, 118th Avenue, Leveton Drive, Wetland Mitigation
Birtcher 9	Office Building	2S122BB 00100	7.19	100,000	\$423,900 (architectural review value est.)		Direct	Tualatin Road, 124th Avenue
Murphy Industrial Supply Oregon Heating & Air Conditioning	Sheet metal fabrication	2S122C 000300	9.07	12,600	\$1,393,790	9	Direct	118th Avenue, Wetland Mitigation
Shindaiwa	Manufacturer/distributor of outdoor power equipment	2S122C 00501 & 00504	1.75	24,723	\$948,005 / \$82,480	79	Indirect	
Contractors, Inc. AKA Direct NW Spring and Manufacturing Company	Construction contractor Direct Mailing and Fulfillment Services Manufacturer of custom springs and metal forms	2S122C 00502	3.27		\$1,356,800	6 Cont., Inc., 37 AKA, 35 NW Spring	Indirect	
1st Willamette Roofing & Siding/Herman Properties	Construction contractor	2S122C 00602	0.25	944	\$112,830		Indirect	
Suburban Door	Supplier of pre-hung doors, millwork, stair parts and other finish trim products	2S122C 00801	11.86	102,508	\$4,595,870	70	Indirect	124th Avenue
Jugs Company	Manufacturer of sporting goods and equipment	2S122C 01700	2.43	42,543	\$1,694,350	20	Direct	118th Avenue
Cal Weld	Manufacturer of high and extra-high purity gas lines and welded assemblies	2S122C 02800	3.18		\$1,795,120	19	Indirect	
The Light Edge Inc.	Manufacturer of lighting solutions	2S122C 02900	1.70	26,875	\$1,050,200	15	Indirect	

The Area was undeveloped and not served with access or utilities prior to the adoption of the Plan. Accordingly, public infrastructure and transportation improvements financed by urban renewal are directly responsible for the development that has occurred in the Area since the Plan's inception.

The land acquisition and disposition activities carried out by the Tualatin Development Commission have also had a direct impact on business development in the Area by ensuring that land would be available at a predictable price for private development. The City of Tualatin had options on the 180 acre Leveton property in the Area, which it exercised to sell to Oki Semiconductor, JAE Oregon and GE Security properties. The remainder of the Leveton property was purchased by private developers and companies directly from the Leveton family.

In addition to the development activity described above, Laika, an animation production company will be constructing a 250,000 square foot facility in the Area during the next two years.

#### **IV. "HALO" DEVELOPMENT IMPACTS**

Infrastructure improvements and business activity within the Leveton Urban Renewal Area may have facilitated the development of employment and industrial lands near the Area. Since the Plan's adoption, the following businesses have located within close proximity of the Area.

- Abrasives Unlimited
- Caruso Produce
- CFI Computer Forms
- Crystal Lite Manufacturing
- Helser Industries
- Key Knife
- Lumber Products
- Laser Cutting Services, Inc.
- Light Speed
- NW Investments
- Olson Barker Cabinets
- Pacifica Cornetta
- Pacific Truck Colors
- Schultz Clearwater
- Tigard Street Investment LLC
- Tromley Industrial Holdings
- Ultra Clean Technologies



## **V. RELATIONSHIP OF MAJOR DEVELOPMENTS TO URBAN RENEWAL INVESTMENTS**

The Leveton Tax Increment Plan has had a direct and substantial effect on development within the Area. The main part of the Area was undivided, lacking access and utilities. The Plan financed the improvements that created the finished industrial parcels. In addition the Plan funded the development of segments of an arterial road, SW 124th that created the transportation capacity for the intensive uses which developed within the Area.

Future projects of the Plan will focus on the industrial area west of SW 124th and east of Highway 99W. The following projects are planned for this area. All of the road improvements will include sewer, water, storm drainage and wetland mitigation.

- Extension of SW Leveton Drive west of its current terminus;
- Construction of SW 130th Avenue between the Leveton Drive westward extension of SW Pacific Highway 99W;
- Construction of SW 128th Avenue south of SW Leveton Drive to SW Cummins Drive; and
- Construction of SW Cummins Drive (west of SW 128th Avenue) to the western edge of the Area boundary.

## **VI. IMPACTS ON FIRE PROTECTION DISTRICT**

The Tualatin Valley Fire & Rescue District serves the urban renewal area. The FYE 2007 incremental assessed value of the urban renewal area represents 0.6% of the total assessed value of the District. (The District contains several urban renewal areas and the aggregate impact on property tax revenues is higher than for this single Plan.) The development facilitated under the Plan has been industrial in nature and new facilities contain advanced fire suppression systems. In addition the public improvements developed under the Plan have included major water system upgrades.

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4. WILSONVILLE YEAR 2000 URBAN RENEWAL PLAN

Plan Fundamentals	
Date of Adoption	August, 1990
Maximum Indebtedness	\$53,851,923
Size	636 acres <sup>1</sup>
Type of Plan	Mixed-use district that encompasses commercial, residential and public lands in Wilsonville's Town Center Loop area

<sup>1</sup>An estimated 220 acres has been removed from the original boundary since its adoption.

The first major amendment to the Area's boundary occurred in August, 2003 and resulted in the removal of approximately 143 acres of non-property tax paying property owned by public or nonprofit entities and 52.5 acres of property tax paying property where the Mentor Graphics campus is located. The removal of the taxable property resulted in the return of \$30 million in assessed value to the tax rolls and a reduction in tax increment revenues of approximately \$500,000 in FYE 20005.

In October, 2004, another 27.4 acres of increment producing property (Sysco Food Systems) was removed. The removal of the taxable property resulted in the return of an estimated \$15.7 million in assessed value to the tax rolls and a reduction in tax increment revenues of approximately \$130,000.

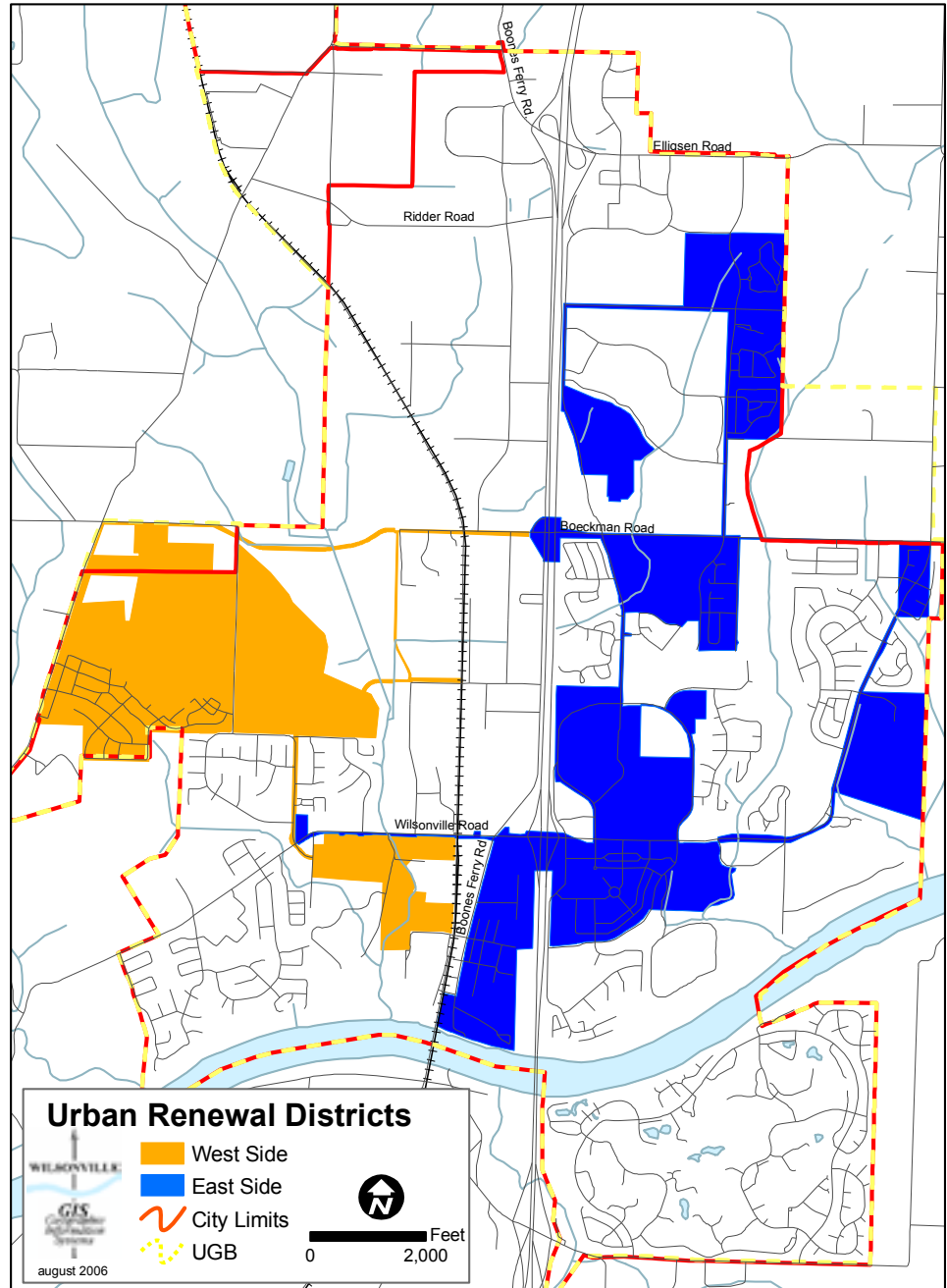


Figure 4. Wilsonville Urban Renewal Districts

**I. TOTAL AND INCREMENTAL ASSESSED VALUE BY YEAR**

The frozen base of the Year 2000 Urban Renewal Area is \$46,633,393. The frozen base of the Year 2000 Urban Renewal Area at the time of adoption was \$74,471,760. The assessed value of the frozen base was reduced with the removal of over 200 acres from the original boundary. The history of assessed value in the Urban Renewal Area is shown in Table 7. The total assessed value of the Area has increased by 41 percent between FYE 1998 and FYE 2007, despite a reduction of approximately \$15 million in the frozen base due to the removal of property from the Area.

Table 7. Wilsonville URA Total Assessed Value and Incremental Assessed Value by Year

Fiscal Year	Total Assessed Value	Frozen Base Value	Incremental Assessed Value	Division of Tax Revenues	Revenue from Special Levy	Total Revenues
1992-93	163,707,820	74,472,000	89,235,820	1,942,810	-	1,942,810
1993-94	150,189,790	74,472,000	75,717,790	1,609,196	-	1,609,196
1994-95	155,927,060	74,472,000	81,455,060	1,691,120	-	1,691,120
1995-96	173,858,710	74,472,000	99,386,710	1,960,866	-	1,960,866
1996-97	189,692,760	74,472,000	115,220,760	2,136,681	-	2,136,681
1997-98	211,904,171	61,401,520	150,502,651	1,835,306	826,658	3,269,100
1998-99	247,226,868	61,401,520	185,825,348	2,442,442	839,955	3,282,397
1999-00	273,607,880	61,401,520	212,206,360	2,570,970	1,179,297	3,750,267
2000-01	299,981,186	61,401,520	238,579,666	3,153,001	959,628	6,776,453
2001-02	315,887,214	61,401,520	254,485,694	3,563,368	913,908	7,435,345
2002-03	294,957,496	61,401,520	233,555,976	4,100,000	1,034,000	8,533,275
2003-04	306,372,718	50,472,041	255,900,677	4,295,621		4,295,621
2004-05	272,981,010	46,633,393	226,347,617	3,725,103		3,725,103
2005-06	268,179,426	36,633,393	231,546,033	3,611,451		3,611,451
2006-07	298,863,128	36,633,393	262,229,735	4,569,009		4,569,009

Source: Oregon Department of Revenue

## II. MAJOR URBAN RENEWAL PROJECTS/PROGRAMS

### A. Infrastructure Improvements

#### 1. Memorial Drive Construction

The construction of Memorial Drive was intended to eliminate access conflicts. It also provided roadway infrastructure that enabled the future commercial and residential development at the Village at Main and the new City Hall.

<b>Total Cost</b>	\$1,204,743
<b>Urban Renewal Share of Cost</b>	\$1,204,743 (100%)
<b>Other Funding Sources</b>	None
<b>Project Completion Date</b>	1994

#### 2. I-5/Wilsonville Road Interchange

This multi-year project, which began in 1996, was implemented in partnership with the Oregon Department of Transportation and the City of Wilsonville. Key components of the project include the demolition of the existing interchange, the widening of Wilsonville Road under I-5 from two to five lanes, the widening of access and egress ramps, landscaping features, and the acquisition of additional right-of-way.

<b>Total Cost</b>	\$7.35 million
<b>Urban Renewal Share of Cost</b>	\$3,287,981 (45%)
<b>Other Funding Sources</b>	The Oregon Economic Development Department provided Immediate Opportunity Funds not to exceed \$1 million to retain freight carriers, including Payless, in Wilsonville
	The Oregon Department of Transportation financed the balance of the final project cost.
<b>Project Completion Date</b>	1999

#### 3. Wilsonville Road Reconstruction

This multi-year project, which consisted of four phases, began in 1996. The project included the widening of Wilsonville Road and related streetscape improvements from west of the I-5/Wilsonville Road Interchange to the western city limits.

<b>Total Cost</b>	\$13.7 million
<b>Urban Renewal Share of Cost</b>	\$13.7 million (100%)
<b>Other Funding Sources</b>	None
<b>Project Completion Date</b>	Phase 4 was completed in 2006

**4. Main Street Improvements**

Under this project, which required right-of-way acquisition for street improvements, Main Street was constructed from Rebekah Street to Parkway Avenue. The project facilitated the development of the Village at Main retail center.

<b>Total Cost</b>	\$1,045,914
<b>Urban Renewal Share of Cost</b>	\$377,714 (36%)
<b>Other Funding Sources</b>	The developer of the Village at Main financed a portion of this project.
<b>Project Completion Date</b>	2000

**B. Land Acquisition/Disposition**

**1. Boozier Property Acquisition**

Under this project, the Wilsonville Urban Renewal Agency acquired the Boozier Property, located at Wilsonville Road and Memorial Drive.

<b>Total Cost</b>	\$1,517,263
<b>Urban Renewal Share of Cost</b>	\$1,517,263 (100%)
<b>Other Funding Sources</b>	None
<b>Project Completion Date</b>	1993

**C. Public Buildings**

**1. City Hall**

Under this project, the Agency acquired land in the Town Center area and constructed a new 30,000 square foot facility across from the old City Hall. The new City Hall, which opened to the public in September 2006, was needed to accommodate the City’s need for additional office and public meeting space.

<b>Total Cost</b>	\$8,392,084 through FYE 2005-06
<b>Urban Renewal Share of Cost</b>	\$8,392,084 (100%)
<b>Other Funding Sources</b>	None
<b>Project Completion Date</b>	2006

**2. Wilsonville High School Public Facilities**

Under this project, the Agency funded improvements to Wilsonville High School, including the design and construction of turf fields, bleachers and restrooms.

<b>Total Cost</b>	\$18.5 million <sup>1</sup>
<b>Urban Renewal Share of Cost</b>	\$1.1 million (4%)
<b>Other Funding Sources</b>	School bond levies in Wilsonville and West Linn <sup>2</sup>
<b>Project Completion Date</b>	2006

<sup>1</sup>The original High School construction cost \$9.3 million. An \$18.3 million addition, as well as \$155,000 in stadium improvements and about \$300,000 in concession stand and sports field improvements, was completed in 2006.

<sup>2</sup>The Agency’s \$1.1 million contribution helped convince voters in West Linn to pass the bond measure for the original \$9.3 million project that built a high school in Wilsonville rather than a second high school in West Linn, which would have required the busing of Wilsonville students.

**D. Parks and Open Space**

**1. Town Center Park**

This project resulted in the construction of a new park in the Town Center area. Key components of the project included landscape enhancements, pedestrian walkways, a picnic area, water features, the Oregon Korean War Memorial and parking.

<b>Total Cost</b>	\$4,567,540
<b>Urban Renewal Share of Cost</b>	\$2,032,801 (44%)
<b>Other Funding Sources</b>	Clackamas County Tourism Development Council Korean War Veterans Association Wilsonville Parks Systems Development Charges
<b>Project Completion Date</b>	2005

**2. Murase Plaza**

This project included the design and construction of Murase Plaza in the Town Center area.

<b>Total Cost</b>	\$6.1 million
<b>Urban Renewal Share of Cost</b>	\$6.1 million (100%)
<b>Other Funding Sources</b>	None
<b>Project Completion Date</b>	2006

**A. New Commercial and Industrial Development**

With the exception of a few businesses that pre-dated the Year 2000 Urban Renewal Plan, the Area was largely undeveloped prior to the Plan’s adoption in 1992. Transportation and infrastructure improvements, including the I-5/Wilsonville Road Interchange Improvements, the Wilsonville Road Reconstruction project and the Memorial Drive Construction improved access to the Area, and parks and open space improvements made it a more attractive place to do business. As a result, the Area is now a thriving retail and employment center. Based on Business License data provided by the City of Wilsonville, in 2006 over 1,563 persons were employed in retail and industrial developments that occurred under the Plan. These developments are shown in Table 8.

The 10 largest employers in the Area, all of whom benefited from improvement projects financed by urban renewal, are identified in Table 9 below. This list does not include the Mentor Graphics and Sysco Food Services facilities, which were removed from the Area in recent boundary amendments. These two large employers benefited directly from urban renewal infrastructure improvements and currently employ a combined 1,558 workers.

Table 8. New Retail and Industrial Development, Year 2000 Urban Renewal Area

Name	Description	Taxlot ID	Site Acres	Estimated Total Assessed Value (\$ Millions)	Relationship to Plan	Related UR Project
Burns Way Industrial Area	Industrial Development	31W12 00400	19.57	\$11,124,056	Indirect	Development in the Burns Way Industrial Area has benefited indirectly from the positive impact that Agency funded capital infrastructure and facilities projects have had on the Urban Renewal Area as a whole.
		31W12 00403				
		31W12 00406 31W12 00407"				
Infocus Corporation	Computer and Multimedia Projection Display Technology Company - Corporate Headquarters	31W11D 01200	11.07	\$1,132,953	Direct	Parkway Avenue Improvements
Town Center Loop West	Retail Center	31W14D 00100	13.54	\$10,824,721	Direct	Wilsonville Road Reconstruction, I-5/ Wilsonville Road Interchange and Memorial Drive Construction
		31W14D 00104				
		31W14D 00107				
		31W14D 00206				
		31W14D 00212 31W14D 00216 31W14D 00219"				
Town Center Loop East	Retail Center	31W14D 00220	23.28	\$17,033,300	Direct	Wilsonville Road Reconstruction, I-5/ Wilsonville Road Interchange and Memorial Drive Construction
		31W14D 00223				
		31W14D 00302				
		31W14D 00405 31W14D 00411"				
Parkway Avenue Commercial Area	Retail Center	31W23AA00100	6.95	\$6,179,417	Direct	Memorial Drive Road Construction, I-5/ Wilsonville Road Interchange and Wilsonville Road Reconstruction
		31W23AA00102				
		31W23AA00104				
		31W23AA00200				
		31W23AA00301-303				
		31W23AA00500 31W23AA00600 31W23AA00602 31W23AA00800"				
Thriftway/ Rite Aid Shopping Center	Retail Center	31W13 00600	5.89	\$5,287,488	Direct	Wilsonville Road Reconstruction and I-5/ Wilsonville Road Interchange
Village at Main	Retail Center	31W23A 00700-900	11.45	\$13,641,849	Direct	Main Street Improvements, Memorial Drive Road Construction and I-5/ Wilsonville Road Interchange
Wilsonville Road East	Retail Center	31W13 00424-425	1.5	\$1,498,754	Direct	Wilsonville Road Reconstruction and I-5/ Wilsonville Road Interchange



Table 9. Top 10 employers in the Year 2000 Urban Renewal Area

	Business Name	No. of Employees	Site Address
1	Fry's Electronics, Inc.	278	29400 SW Town Center Loop West
2	Infocus Corporation	250	27700 SW Parkway Avenue
3	Lamb's Wilsonville Thriftway	131	8255 SW Wilsonville Road
4	Adecco USA	123	8269 SW Wilsonville Road
5	Wilsonville Family Fun Center	51	29111 SW Town Center Loop West
6	Parker Johnstone's Wilsonville Honda	49	30600 SW Parkway Avenue
7	Northwest Volvo Trucks	46	7950 SW Burns Way
8	Kinetic Systems, Inc	40	26055 SW Canyon Creek Road North
9	Bally's	33	30050 SW Town Center Loop West
10	Wendy's	25	8253 SW Wilsonville Road

**B. New Residential Development**

Four single-family residential subdivisions, Landover, Canyon Creek Meadows, Canyon Creek Estates and a new Renaissance Homes community, have been developed in the Area since the Plan's adoption, providing an estimated 367 new housing units. In addition to homeownership housing, Canyon Creek Apartments, a 372-unit multifamily rental housing complex, has also been developed.

As of Fiscal Year 2005-06, the Landover, Canyon Creek Meadows and Canyon Creek Estates subdivisions had contributed an estimated \$45 million in assessed value growth to the Urban Renewal Area. The Renaissance Homes community is under construction and the value of new development was not reflected in the 2005-06 Clackamas County tax roll.

**III. RELATIONSHIP OF MAJOR DEVELOPMENTS TO URBAN RENEWAL INVESTMENTS**

Because a great deal of the investments of Wilsonville's Year 2000 Urban Renewal Plan have been in transportation improvements that were necessary for the central area of the city to develop, the Plan has had a substantial direct effect on private development. The upgrading of the Wilsonville Road I-5 interchange and improvements to Wilsonville Road created transportation capacity for development that would not have existed without the improvements.

The investment in public facilities has been beneficial to the school district and the city (primarily the new City Hall) and has had less impact on private development.

**VI. IMPACTS ON FIRE PROTECTION DISTRICT**

The Tualatin Valley Fire & Rescue District serves the Area. The FYE 2007 incremental assessed value of the urban renewal area represents 0.7% of the total assessed value of the district. (The District contains several urban renewal areas.) The Area was reduced in size twice, which resulted in reductions in the property tax revenues foregone by the district. The public improvements developed under the Plan have included major water system upgrades that have mitigated to some extent the property taxes foregone.

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5. WHITE CITY URBAN RENEWAL PLAN

Plan Fundamentals	
Date of Adoption	1992
Maximum Indebtedness	\$84 million
Duration or Last Issuance of Debt	20 years
Size	3,533 acres
Type of Plan	Mixed use district that contains industrial, residential and commercial lands

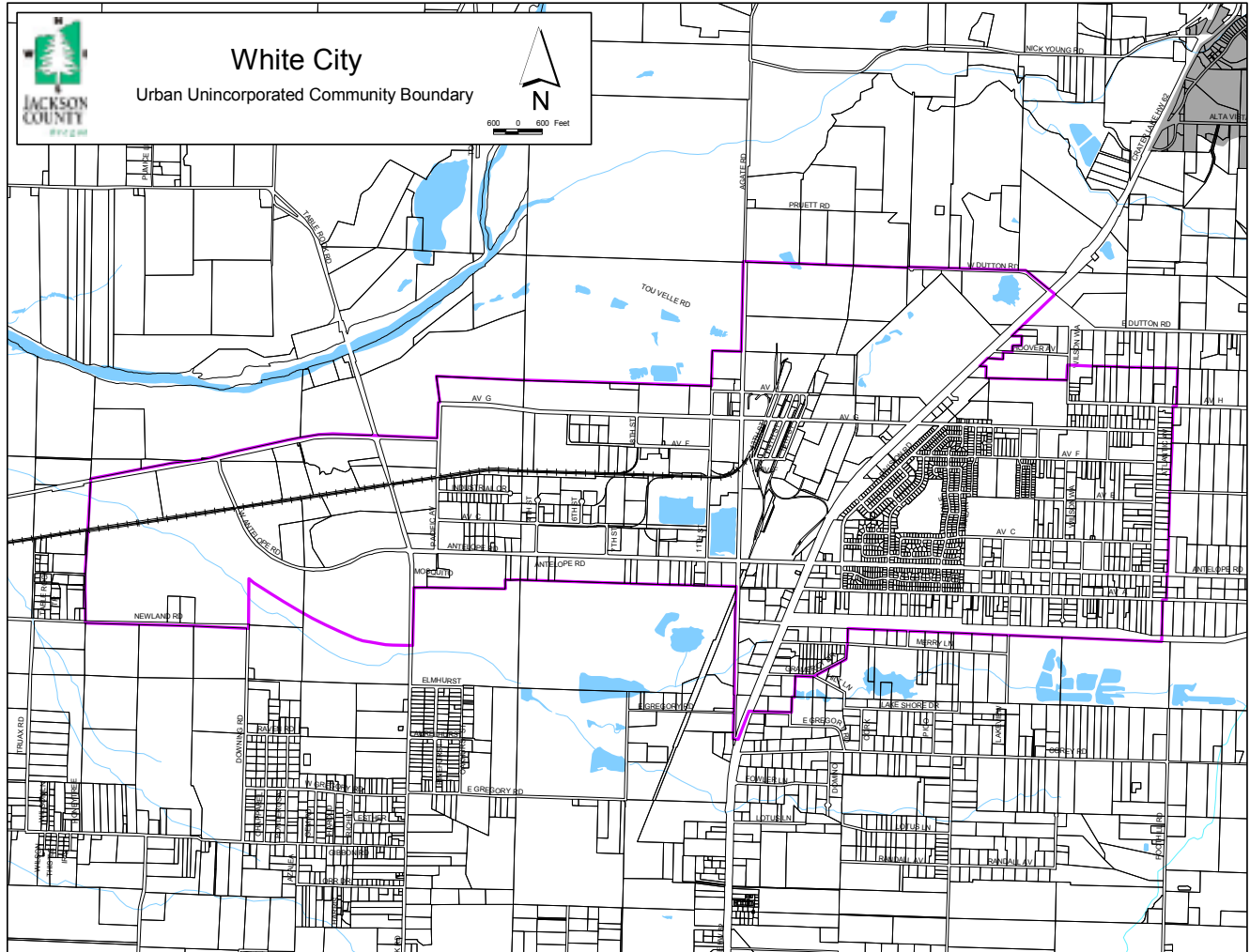


Figure 5. White City Urban Renewal District

**I. TOTAL AND INCREMENTAL ASSESSED VALUE BY YEAR**

The frozen base of the White City Urban Renewal Area is currently \$199,936,047. At the time of adoption, in 1992, the Area’s frozen base was \$226,263,000. In FYE 1998 the frozen base value was reduced by Measure 50. The history of assessed value in the Urban Renewal Area is shown in Table 10. The total assessed value of the Area increased by 8 percent between FYE 1992 and FYE 1997. The total assessed value of the Area increased by 69 percent between FYE 1998 and FYE 2007.

Table 10. White City URA Total Assessed Value and Incremental Assessed Value by Year

Fiscal Year	Total Assessed Value	Frozen Base Value	Incremental Assessed Value	Division of Tax Revenues	Revenue from Special Levy	Total Revenues
1992-93	258,697,000	226,263,000	32,434,000	640,749		640,749
1993-94	257,872,000	226,263,000	31,609,000	622,277		622,277
1994-95	287,026,000	226,263,000	60,763,000	1,136,120		1,136,120
1995-96	343,393,000	226,263,000	117,130,000	2,379,222		2,379,222
1996-97	348,853,000	226,263,000	122,590,000	2,551,445		2,551,445
1997-98	353,414,400	199,936,047	153,478,353	1,977,608	1,648,456	3,626,064
1998-99	363,185,075	199,936,047	163,249,028	2,075,599	1,774,916	3,850,515
1999-00	418,414,465	199,936,047	218,478,418	2,723,260	2,364,837	5,088,097
2000-01	488,675,840	199,936,047	288,739,793	4,039,338	2,737,114	6,776,453
2001-02	515,206,870	199,936,047	315,270,823	4,642,948	2,792,396	7,435,345
2002-03	562,219,160	199,936,047	362,283,113	5,331,264	3,202,012	8,533,275
2003-04	553,300,796	199,936,047	353,364,749	5,345,991	2,977,716	8,323,707
2004-05	560,789,819	199,936,047	360,853,772	5,406,417	3,092,537	8,498,954
2005-06	576,864,985	199,936,047	376,928,938	5,666,034	3,216,991	8,883,025
2006-07	597,674,209	199,936,047	397,738,162	5,981,385	3,400,323	9,381,708

Source: Oregon Department of Revenue

**II. MAJOR URBAN RENEWAL PROJECTS/PROGRAMS**

**A. Infrastructure Improvements**

**1. Division Road and Ajax Street Improvements**

Key components of this project included the construction of road and infrastructure improvements on Division Road and Ajax Street.

<b>Total Cost</b>	\$2.1 million
<b>Urban Renewal Share of Cost</b>	\$2.1 million (100%)
<b>Other Funding Sources</b>	None
<b>Project Completion Date</b>	1993

**2. Falcon Street, C Street and Wilson Way Improvements**

Key components of this multi-year project included the construction of road improvements as well as new sanitary connections and storm drains on Falcon Street, C Street and Wilson Way.

<b>Total Cost</b>	\$2.4 million
<b>Urban Renewal Share of Cost</b>	\$2.4 million (100%)
<b>Other Funding Sources</b>	None
<b>Project Completion Date</b>	1997

**3. Antelope Road Improvements**

This project provided for road, streetscape and storm drainage improvements on Antelope Road, improving multimodal access and safety. Key components of the project include the widening of Antelope Road and the installation of on-street bike lanes, curbs, gutters and a new storm drainage system as well as two new traffic signals.

<b>Total Cost</b>	\$1.7 million
<b>Urban Renewal Share of Cost</b>	\$1.7 million (100%)
<b>Other Funding Sources</b>	None
<b>Project Completion Date</b>	2006

**4. Storm Drainage System Improvements**

In order to improve community livability and facilitate new development, tax increment revenues were used to finance the design and construction of a storm drainage system that facilitates both commercial residential development and rehabilitation throughout the White City Urban Renewal Area.

<b>Total Cost</b>	\$2.5 million
<b>Urban Renewal Share of Cost</b>	\$2.5 million (100%)
<b>Other Funding Sources</b>	None
<b>Project Completion Date</b>	2001

**5. Avenue A Water System Improvements**

This project upgraded inadequate water infrastructure on Avenue A, ensuring that existing and future customers will have access to adequate water services as the Area grows and develops.

<b>Total Cost</b>	\$1.6 million
<b>Urban Renewal Share of Cost</b>	\$1.6 million (100%)
<b>Other Funding Sources</b>	None
<b>Project Completion Date</b>	Phase 4 was completed in 2006

**B. Public Buildings**

**1. Rogue Family Center**

The White City Urban Renewal Agency acquired 40 acres of park and public land on Division and C Street. A new 36.75-acre community health center was developed on the site.

<b>Total Cost</b>	\$3 million
<b>Urban Renewal Share of Cost</b>	\$3 million (100%)
<b>Other Funding Sources</b>	None
<b>Project Completion Date</b>	2000

**2. White City Library**

The Agency financed the design and construction of a new White City Branch of the Jackson County Library. The new 6,640 square foot library, which replaced an older 2,100 square foot facility built in 1974, is located next to the Rogue Family Center.

<b>Total Cost</b>	\$1.2 million
<b>Urban Renewal Share of Cost</b>	\$1.2 million (100%)
<b>Other Funding Sources</b>	None
<b>Project Completion Date</b>	2001

**3. Fire District Training Facility**

The Agency financed the construction of a new Fire District No. 3 training facility, which is used to train firefighters to combat industrial fires.

<b>Total Cost</b>	\$2,830,600
<b>Urban Renewal Share of Cost</b>	(98%)
<b>Other Funding Sources</b>	Fire District #3
<b>Project Completion Date</b>	2003

**C. Public Parks**

**1. Burns Park**

Through a joint partnership with the White City Community Improvement Association and other community partners, the Urban Renewal Agency completed the design and construction of Burns Park.



Master Plan for the White City Community Service Facility

<b>Total Cost</b>	\$2,125,800
<b>Urban Renewal Share of Cost</b>	\$300,000 (14%)
<b>Other Funding Sources</b>	White City Community Improvement Association
	Private donations
<b>Project Completion Date</b>	2003

**III. MAJOR DEVELOPMENT ACHIEVEMENTS WITHIN URBAN RENEWAL AREA**

**A. Commercial and Industrial Rehabilitation**

On June 2, 2004, the Urban Renewal Agency Board approved the Commercial and Industrial Rehabilitation Program to alleviate conditions of industrial blight and to encourage the promotion of living wage jobs.

<b>Total Cost</b>	\$1,585,845
<b>Urban Renewal Share of Cost</b>	\$1,189,383 (75%)
<b>Other Funding Sources</b>	Commercial and Industrial Businesses

**B. Industrial Rehabilitation**

To facilitate the retention and expansion of existing Area businesses, the White City Urban Renewal Agency has issued bonds to three industrial employers since the Plan’s inception. The rationale for these investments is that the Rogue River Valley has special restrictions on emission of particulates, and the cost of air pollution control equipment represented a hurdle to future development. The assistance of the Agency has been directed at major industrial facilities and has covered only a part of the cost of meeting regional air quality standards.

**1. 3M Facility Bond**

The Agency issued \$3.06 million in taxable bonds to finance air quality improvements for the 3M Corporation.

<b>Total Cost</b>	\$3,060,000
<b>Urban Renewal Share of Cost</b>	\$3,060,000 (100%)
<b>Other Funding Sources</b>	None
<b>Year of Bond Issuance</b>	1994

**2. CertainTeed Corporation Facility Bond**

The Agency issued \$2.4 million in taxable bonds to finance the acquisition of land, infrastructure improvements and air quality improvements for the CertainTeed Corporation.

<b>Total Cost</b>	\$2,400,000
<b>Urban Renewal Share of Cost</b>	\$2,400,000 (100%)
<b>Other Funding Sources</b>	None
<b>Year of Bond Issuance</b>	1998

**3. Eastman Kodak Facility Bond**

The Agency issued \$1.72 million in taxable bonds to finance the construction of environmental quality improvements for Eastman Kodak Company’s existing facility in White City.

<b>Total Cost</b>	\$1,720,000
<b>Urban Renewal Share of Cost</b>	\$1,720,000 (100%)
<b>Other Funding Sources</b>	None
<b>Year of Bond Issuance</b>	2001

**IV. RELATIONSHIP OF MAJOR DEVELOPMENTS TO URBAN RENEWAL INVESTMENTS**

The White City Urban Renewal Plan has resulted in development of major industrial facilities in the western part of the Urban Renewal Area and substantial, relatively affordable, residential development in the eastern part of the Area. In the western industrial portion, infrastructure needs were not critical, but the cost of complying with regional air pollution standards inhibited development. The Agency’s investments in four major industrial developments or expansions helped overcome this obstacle.

In the eastern part of the Area, infrastructure needs were critical. While the property was planned and zoned for urban level residential development, the roads, sewer, water and storm drainage were all designed for light rural use. The Plan’s investment in roads and utilities has resulted in development of hundreds of single family residential units at prices that are relatively affordable in the context of the Rogue River Valley.

**V. IMPACT ON FIRE DISTRICT**

Fire and life safety services in the Area are provided by Jackson County Fire District #3. In FYE 2007 the incremental assessed value in the Area represented 13% of the district’s assessed value. Mitigating this relatively high level of impact on property taxes foregone is the substantial contribution of the Agency to the District’s training center and the fact that the newer industrial facilities have advanced fire suppression systems. However, the new housing development on the east side of the Area does represent an increase in service demand.



Table 11. New Development, White City Urban Renewal Plan

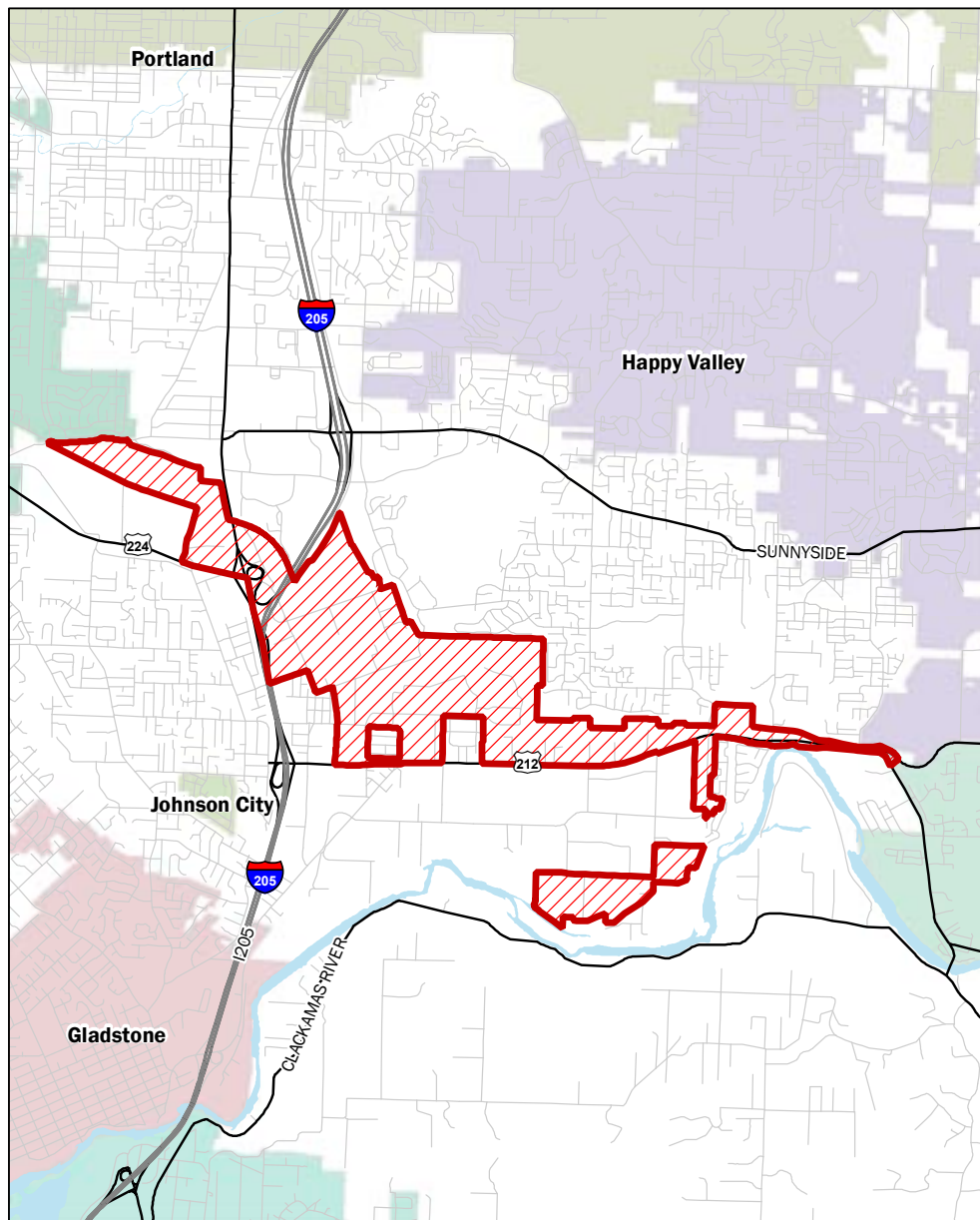
Business/Project Name	Description	Private Investment Market Value	Estimated Total Assessed Value	No. of Jobs Created	Relationship to Plan	Related UR Project
Eastman Kodak Company	Expanded industrial facility	120,490,290	116,301,640	44	Direct	Industrial Rehab Grant
Certain Teed Corporation	New industrial facility	45,000,000	41,222,320	80	Direct	Industrial Rehab Grant, Land Disposition
Amie's Kitchen	New industrial facility	35,000,000	35,000,000	350	Direct	Infrastructure Improvements
3 M	Expanded industrial facility	120,490,290	116,301,640	336	Direct	Industrial Rehab Grant
Residential Development	1994-2006: 639 single family permits, 61 mobile home permits, 1 multifamily permit	61,000,000			Direct	Street and Utility Improvements

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6. CLACKAMAS INDUSTRIAL AREA URBAN RENEWAL AREA

Plan Fundamentals	
Date of Adoption	July, 1984
Maximum Indebtedness	\$44,819,300 - The tax increment financing of the Plan terminated in June 2006.
Duration or Last Issuance of Debt	June, 2006. The last date for issuance of debt was extended in 2001 as part of an amendment that reduced the size of the urban renewal area.
Size	At adoption, the Clackamas Industrial Area Urban Renewal Area was 2,173 acres in size. In December, 2001, through a major amendment to the Plan, the size of the urban renewal area was reduced to 1,187 acres and \$253.5 million was added to the tax rolls.
Type of Plan	Industrial area development and revitalization plan



Clackamas Industrial Urban Renewal District

Figure 6. Clackamas Industrial Area Urban Renewal Area

**I. TOTAL AND INCREMENTAL ASSESSED VALUE BY YEAR**

At the time of adoption, the Clackamas Industrial Area Urban Renewal Area’s frozen base was \$323,236,000. In fiscal year 1997-98, following the passage of Measure 50, the frozen base was reduced to \$269,933,410. In 2001, the frozen base was reduced to \$100,842,497 following the removal of nearly 1,000 acres from the Area’s boundary. The history of assessed value in the Urban Renewal Area is shown in Table 12.

Table 12. Clackamas Industrial Area Total Assessed Value and Incremental Assessed Value by Year

Fiscal Year	Frozen Base Value	Incremental Assessed Value	Division of Tax Revenues	Revenue from Special Levy	Total Revenues
1992-93	323,236,000	110,311,000	2,363,907	-	2,363,907
1993-94	323,236,000	126,394,000	2,611,752	-	2,622,752
1994-95	323,236,000	153,550,000	2,847,932	-	2,847,932
1995-96	323,236,000	192,131,000	3,472,722	-	3,472,722
1996-97	269,933,410	255,279,000	4,258,573	-	4,258,573
1997-98	269,933,410	272,179,300	3,711,854	1,444,781	5,156,635
1998-99	269,933,410	289,130,940	3,897,266	1,521,165	5,418,431
1999-00	269,933,410	330,295,860	5,043,175	1,155,879	6,199,054
2000-01	269,933,410	365,075,609	5,267,456	1,582,397	6,849,853
2001-02	100,842,497	405,346,131	5,842,760	1,723,923	7,566,683
2002-03	100,842,497	199,076,161	2,895,791	866,948	3,762,739
2003-04	100,842,497	209,182,071	3,052,455	1,067,500	4,119,955
2004-05	100,842,497	219,101,458	3,165,398	967,629	4,133,027
2005-06	100,842,497	222,209,876	3,205,317	992,152	4,197,470

Source: Oregon Department of Revenue

**II. MAJOR URBAN RENEWAL PROJECTS/PROGRAMS**

**A. Infrastructure**

**1. Evelyn Street Overpass and 82nd Drive Improvements**

This project extended Evelyn Street, an industrial collector, over the Southern Pacific railroad tracks to connect with 82nd Drive. The project completed an access connection to the Gladstone interchange on I-205 via 82nd Drive, thereby significantly reducing congestion on Highway 212. The overpass provides a second point of access to the Clackamas Industrial Area and relieved congestion at the Highway 212/I-205 interchange. 82nd Drive was reconstructed and improved from roughly the Gladstone/I-205 interchange to this railroad overpass bridge. Key components of the 82nd Drive project include the addition of a third traffic lane, curbs and sidewalks and storm drainage facilities.

<b>Total Cost</b>	\$4,427,723
<b>Urban Renewal Share of Cost</b>	\$813,599 (18%)
<b>Other Funding Sources</b>	ODOT
<b>Project Completion Date</b>	1995

**2. Jennifer Extension and 135th Street Improvements**

This project, which extended Jennifer Street to 135th Street and upgraded 135th Street to industrial collector standards, completed the industrial collector system south of Highway 212.

<b>Total Cost</b>	\$3 million
<b>Urban Renewal Share of Cost</b>	\$3 million (100%)
<b>Other Funding Sources</b>	None
<b>Project Completion Date</b>	2002

**3. Sunrise Corridor Improvements**

Under this project, the Agency helped fund the design, environmental analysis, construction and acquisition of right-of-way for the portion of the Sunrise Corridor project located within the Clackamas Industrial Area, from Johnson Road to the OR 212/224 intersection. The Oregon Department of Transportation (ODOT) needs to improve capacity, operation, and safety, and has proposed improvements that will be capable of accommodating traffic volumes projected for the Year 2030. The Agency has budgeted a total of \$20 million in tax increment revenues for this project, which is projected to cost an estimated \$450 to \$600 million.

<b>Total Cost</b>	\$450 to \$600 million
<b>Urban Renewal Share of Cost</b>	\$20 million (3-4%)
<b>Other Funding Sources</b>	ODOT
<b>Project Completion Date</b>	Ongoing. The Environmental Impact Assessment (EIS) is projected to be completed in 2007.

**4. Mt. Scott Creek Drainage Facilities and Site Acquisition**

Under this project, the Agency acquired three properties totaling 87 acres west of 82nd Avenue and south of Harmony Road for flood detention facilities and multiple uses (including parks and recreation facilities). A regional flood control facility was constructed on the site, benefiting property owners and businesses on the northwestern portion of the Area who were heavily impacted by Mt. Scott Creek flooding prior to the project's completion.

<b>Total Cost</b>	\$6.9 million
<b>Urban Renewal Share of Cost</b>	\$6.9 million (100%)
<b>Other Funding Sources</b>	None
<b>Project Completion Date</b>	The site was acquired in 1991. Construction of the regional flood control facility was completed in 1999.

**5. Highway 212 Beautification Project**

This multi-phase project was undertaken to improve the physical appearance of the industrial area on Highway 212, between Southeast 98th and 135th Avenue. Key components of the project included storm drainage improvements, landscaping and streetscape improvements, such as curbs, sidewalks and bike lanes as well as the installation of street trees, traffic signals and a street lighting

system. In addition to making the industrial area a more attractive place to do business, this project assisted local businesses by reducing localized flooding.

<b>Total Cost</b>	\$6.6 million
<b>Urban Renewal Share of Cost</b>	\$6.6 million (100%)
<b>Other Funding Sources</b>	None
<b>Project Completion Date</b>	Phase I was completed in FYE 1998-99 in conjunction with a Water Environment Services drainage improvement project. Phase II was completed in 2000.

**B. Land Acquisition / Disposition**

**1. Sofich and Nordstrom Property Acquisition**

The Agency purchased two residential properties on the southern edge of the Area’s boundary, adjacent to industrial uses, thereby eliminating incompatible uses. Residential homes on both properties are now being rented until additional properties can be acquired and the North Bank Plan can be implemented. The total acreage of the acquired property is approximately three acres.

<b>Total Cost</b>	\$692,000
<b>Urban Renewal Share of Cost</b>	\$692,000 (100%)
<b>Other Funding Sources</b>	None
<b>Project Completion Date</b>	1999

**2. Clackamas Sand and Gravel Site Acquisition**

This 37-acre site is being used by the Clackamas County Development Agency to relocate a business displaced by a right-of-way acquisition.

<b>Total Cost</b>	\$2.3 million
<b>Urban Renewal Share of Cost</b>	\$2.3 million (100%)
<b>Other Funding Sources</b>	None
<b>Project Completion Date</b>	2007

**C. Public Buildings**

**1. Fire Station Improvements**

Under this project, the Clackamas County Development Agency participated in the financing of a new fire station on 130th Avenue. The new facility (Clackamas – Station 8) improved fire protection in the Clackamas Industrial Area and made it a more attractive location for new and existing industries.

<b>Total Cost</b>	\$975,000
<b>Urban Renewal Share of Cost</b>	\$300,000 (31%)
<b>Other Funding Sources</b>	Clackamas County Fire District No. 1
<b>Project Completion Date</b>	1987

### **III. MAJOR DEVELOPMENT ACHIEVEMENTS WITHIN URBAN RENEWAL AREA**

#### **A. New Private Development**

Table 13 (following page) summarizes new development and redevelopment/expansion projects that occurred under the Plan.

### **IV. RELATIONSHIP OF MAJOR DEVELOPMENTS TO URBAN RENEWAL INVESTMENTS**

The Clackamas Industrial Area Urban Renewal Plan resulted in the development of access improvements and flood control improvements that created substantially increased capacity for industrial development. The transportation investments overcame the limitations of the Highway 212/ Interstate 205 interchange. The flood control project removed development constraints for many acres of industrial land.

The Plan also has provided funding for right-of-way acquisition and preliminary planning and engineering for the Sunrise Corridor project, a limited access road that ultimately will connect Interstate 205 with Highway 26 in Boring. The project will separate regional traffic from local industrial traffic and allow for additional industrial development within the Area. Though the project is of regional significance, the Agency's contribution is related to the direct benefits the Area will receive.

### **V. IMPACT ON FIRE PROTECTION DISTRICT**

Fire protection and life safety services in the Area are provided by the Clackamas County Fire District #1. In the last year of its tax increment financing, the incremental assessed value of the Area represented 2.2% of the District. (The district contains other urban renewal areas.) The urban renewal agency reduced the size of the Area in 2001 to mitigate the impact on the overlapping taxing districts. The Plan also provided funding for approximately one third the cost of a new fire station in the Area.

Table 13. New Development, Clackamas Industrial Area

Name	Type of Development	Description	Taxlot ID	Site Acres	Estimated Total Assessed Value (\$ Millions)	Relationship to Plan (Direct or Indirect)	Related UR Project <sup>1</sup>
Fred Meyer	Expansion	Warehousing and distribution facility for regional grocery retailer.	22E10D 00600 22E10D 02700 22E10D 02800	84.8	53.95	Indirect	Evelyn Street Overpass and 82nd Avenue Improvements
Safeway	Expansion	Warehousing and distribution facility for national grocery retailer. The facility has expanded twice, adding a new cold storage freezer and a larger bakery facility, during the life of the Plan.	22E16A 00100 22E16A 00600 22E16A 01200 22E16A 02300 22E16A 02390 22E09DD 04401 22E09DD 04402	70.9	59.24	Direct	Jennifer Extension and 135th Street Improvements
Wann Industries	New Development	Wann Industries relocated into the Area (on the Sofich property, which was acquired by the Agency).	22E14B 02402	17.0	22.67	Direct	Jennifer Extension and 135th Street Improvements
Clackamas Commons LLC	New Development	Flexspace	22E14B 02400	6.2	3.52	Direct	Jennifer Extension and 135th Street Improvements
Portland General Electric Substation	New Development	A new high-volume substation, which serves as a primary distribution point for power, was developed by PGE and expanded twice during the life of the Plan.	22E11D 02307	1.6	Value of individual utility properties is not available. <sup>2</sup>	Direct	Jennifer Extension and 135th Street Improvements
Ray's Foods	Expansion	Wholesale grocery distributor	22E11C 01090	22.9	16.75	Indirect	82nd Avenue Improvements
United Grocers	Expansion	Warehousing and distribution facility for Thriftway and other grocery retailer. The facility has undergone two expansions during the life of the Plan.	22E04DB 01302	1.9	0.88	Indirect	82nd Avenue Improvements

<sup>1</sup> All of the new development and expansion projects benefited indirectly from the 82nd Avenue Improvement Project and the Evelyn Street Overpass. The Sunrise Corridor Improvements will provide an indirect or direct benefit to the listed projects and all existing and future businesses in the area.

<sup>2</sup> Portland General Electric's utility properties are assessed by the State. The State assigns a single value to all utility properties in a tax code area owned by a single entity. Therefore, values of individual facilities or sites are not available.



7. CLACKAMAS TOWN CENTER URBAN RENEWAL AREA

Plan Fundamentals	
Date of Adoption	December, 1980
Maximum Indebtedness	\$177,153,300
Duration or Last Issuance of Debt	The Plan does not specify a last date for issuance of debt. Termination of the tax increment financing of the Plan is anticipated in FYE 2012/2013.
Size	757 acres <sup>1</sup>
Type of Plan	Facilitates a mix of development, including commercial, office and residential uses

<sup>1</sup>At adoption, the Clackamas Town Center Urban Area was 913 acres in size. Since the Plan’s adoption, several small properties were added to the Area. In 1988, 93.8 acres in the Clackamas Town Center Mall and Precision Castparts manufacturing areas were removed from the Area’s boundary, resulting in the return of \$90 million in incremental assessed value to the tax rolls. In 2005, approximately one acre was added to the boundary for the construction of a public parking structure at the Town Center. Simultaneously, 88 acres south of Sunnyside East of I-205 were withdrawn from the boundary, adding \$48 million in new assessed value to the tax rolls.

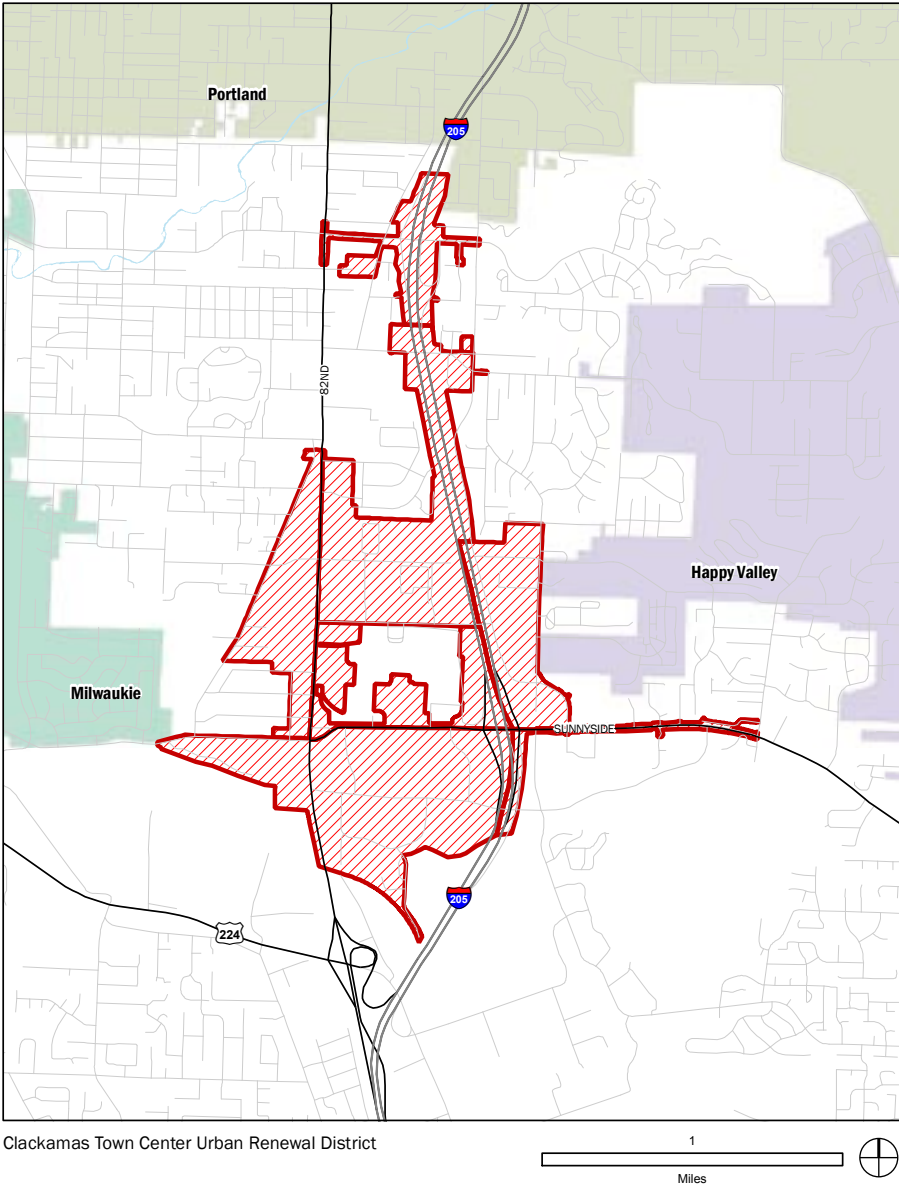


Figure 7. Clackamas Town Center Urban Renewal Area

**I. TOTAL AND INCREMENTAL ASSESSED VALUE BY YEAR**

At the time of adoption, the Clackamas Town Center Urban Renewal Plan’s frozen base was \$45,000,000. In fiscal year 1997-98, following the passage of Measure 50, the frozen base was reduced to \$35,576,670. The history of assessed value in the Urban Renewal Area is shown in Table 14.

Table 14. Clackamas Town Center Total Assessed Value and Incremental Assessed Value by Year

Fiscal Year	Total Assessed Value	Frozen Base Value	Incremental Assessed Value	Division of Tax Revenues	Revenue from Special Levy	Total Revenues
1992-93	305,372,000	43,135,000	262,237,000	5,630,369	-	5,630,369
1993-94	333,282,000	43,135,000	290,147,000	6,011,852	-	6,011,852
1994-95	344,565,000	43,135,000	301,430,000	5,602,884	-	5,602,884
1995-96	360,600,000	43,135,000	317,465,000	5,753,070	-	5,753,070
1996-97	384,583,000	43,156,000	341,427,000	5,697,941	-	5,697,941
1997-98	339,820,710	35,576,670	304,244,040	4,154,169	1,695,345	5,849,513
1998-99	349,508,470	35,576,670	313,931,800	4,273,351	1,733,712	6,007,063
1999-00	370,406,150	35,576,670	334,829,480	5,118,669	1,259,386	6,378,055
2000-01	407,563,069	35,576,670	371,986,399	5,373,513	1,708,378	7,081,891
2001-02	427,102,277	35,799,328	391,302,949	5,711,633	1,769,472	7,481,105
2002-03	435,339,257	35,799,328	399,539,929	5,824,624	1,847,872	7,672,496
2003-04	442,188,677	35,799,328	406,389,349	5,933,360	2,075,006	8,008,365
2004-05	452,985,708	35,799,328	417,186,380	6,034,696	1,973,463	8,008,159
2005-06	475,760,782	35,799,328	439,961,454	6,360,341	2,084,086	8,444,427
2006-07			412,748,527			

Source: Oregon Department of Revenue

**II. MAJOR URBAN RENEWAL PROJECTS/PROGRAMS**

**A. Infrastructure**

In order to add significant capacity to the federal and County transportation system and to meet the anticipated needs of existing and future development in the Clackamas Town Center Regional Center, the Clackamas County Development Agency has focused on four major transportation projects collectively referred to as the “Sunnybrook Family of Projects.” These projects are described in more detail below.

**1. Monterey Avenue Overpass and Schumacher Frontage Road**

This project widened a section of Stevens Road from Sunnyside Road to the New Hope Community Church and constructed a new 6,000 foot long frontage road north to a newly signalized intersection at Idleman Road, Otty Road and 92nd Avenue. A new overpass was built across I-205 at Monterey Avenue to a fully signalized intersection at the new frontage road.

<b>Total Cost</b>	\$21 million
<b>Urban Renewal Share of Cost</b>	\$21 million (100%)
<b>Other Funding Sources</b>	None
<b>Project Completion Date</b>	2001

**2. Sunnybrook Split Diamond**

Under this project, the south half of a split diamond interchange on I-205 was constructed on Sunnybrook Boulevard, which was extended east over I-205 to the new Sunnybrook East Extension. The project improved traffic circulation and connectivity.

<b>Total Cost</b>	\$24 million
<b>Urban Renewal Share of Cost</b>	\$0 (0%) Related projects were funded by Agency that focused in mitigating local access problems caused by alignment of interchange.
<b>Other Funding Sources</b>	Federal Highway Administration
	Oregon Department of Transportation
<b>Project Completion Date</b>	2003

**3. Sunnybrook East Extension**

This project extended the Sunnybrook Boulevard overpass east of 97th Avenue to connect with Sunnyside Road at 108th Avenue.

<b>Total Cost</b>	\$24 million
<b>Urban Renewal Share of Cost</b>	\$0 (0%) Agency funded Sunnybrook Road segments west of extension
<b>Other Funding Sources</b>	Federal Highway Administration
	Oregon Department of Transportation
<b>Project Completion Date</b>	2003

**4. Sunnyside Road Widening Phase I**

Under this project, Sunnyside Road was widened to five lanes from I-205 to its connection with Sunnybrook Boulevard near 108th Avenue and to seven lanes

<b>Total Cost</b>	\$29 million
<b>Urban Renewal Share of Cost</b>	\$15 million (52%)
<b>Other Funding Sources</b>	County Systems Development Charge funds
	Federal Surface Transportation Program funds
<b>Project Completion Date</b>	2004

**C. Land Acquisition / Disposition**

**1. Clackamas Community College/Oregon Institute of Technology**

The Agency acquired the former Ickes and Harmony schools site. Due to impacts of noise, traffic congestion, and displaced service area, the site was no longer a desirable location for an elementary or junior high school facility. The Oregon Institute of Technology, in conjunction with Clackamas Community College, located an educational/industrial training and employment/business center on the site. This joint venture brought engineering technology to the Portland metropolitan area and meets the education and training needs of many County manufacturing firms.

<b>Total Cost</b>	\$3 million
<b>Urban Renewal Share of Cost</b>	\$500,000 (17%)
<b>Other Funding Sources</b>	OIT: \$1.3 million
	Clackamas Community College: \$1.2 million
<b>Project Completion Date</b>	1988

**2. Regional Swim Center Site Acquisition and Improvements**

The Agency acquired the property at and adjacent to the Regional Swim Center site and completed off-site roadway improvements necessary to service the swim center. The property, which is within the general vicinity of the Clackamas Community College/Oregon Institute of Technology campus, is used for public parks and recreational facilities.

<b>Total Cost</b>	\$200,000 – land acquisition
<b>Urban Renewal Share of Cost</b>	\$200,000 (100%)
<b>Other Funding Sources</b>	None
<b>Project Completion Date</b>	1992

**III. MAJOR DEVELOPMENT ACHIEVEMENTS WITHIN URBAN RENEWAL AREA**

**A. New Private Development**

As shown in Table 13, the Agency facilitated several new development projects in the Clackamas Town Center Urban Renewal Area by implementing major infrastructure improvements and entering into Development Agreements with private investors to construct new buildings. In particular, the Agency purchased several sites along the Sunnybrook Corridor, which it later sold or leased to private developers who constructed several new office developments. Transportation projects undertaken by the Agency directly impacted development in the Area by significantly improving access and traffic circulation.

## **B. Redevelopment**

### **1. Clackamas Crossing**

The Clackamas County Development Agency sold a four acre parcel at the intersection of Johnson Creek Boulevard and 82nd Avenue to a developer for \$1,083,200, which the developer consolidated with its other holdings to construct the Clackamas Crossing Retail Development on approximately 30 acres. The developer paid to acquire the balance of the site, construct the retail development, and build the off-site improvements. The first phase of the project was completed in 1997; the second phase was finished in 2001. The cost to the Agency was \$250,000 for adjacent signalization improvements.

### **2. Clackamas Promenade**

The Agency partnered with a developer to acquire approximately 42 acres between Sunnyside Road and Sunnybrook Boulevard, and 93rd and 84th Avenues, to develop a retail shopping center. The area had been marked by poor urban services and blight. In exchange for providing road improvements, including the construction of 84th Avenue to connect Sunnyside Road with Sunnybrook Boulevard, the developer granted the Agency much of the property along the southern edge of the development. This facilitated the Agency's development of Sunnybrook Boulevard, and the gradual development of this office and retail corridor. Phase I of the project was completed in 1993, at a total cost to the Agency of \$6.5 million.

### **3. Clackamas Town Center Mall Expansion**

The Agency entered into a development agreement with General Growth Properties, the owner of the Clackamas Town Center Mall. In exchange for a commitment from General Growth to expand and redevelop the mall into a lifestyle center, the Agency made a significant financial contribution to the construction of two MAX light rail stations along the I-205 Transit Corridor and a new parking structure that will serve the Town Center Mall and future development surrounding the mall. A diverse mix of high-density office, residential and commercial use development is planned for the area surrounding the new light rail station adjacent to the mall. Further, the Agency helped finance several major transportation projects, including the Sunnybrook Family of Projects described in Section III. These transportation improvements provided critical access and circulation improvements needed to ensure the long-term success and viability of the Town Center Mall.

CLACKAMAS TOWN CENTER URBAN RENEWAL AREA

Table 15. New Private Development, Clackamas Town Center Area

Project Name	Description	Taxlot ID	Site Acres	Building Size (S.F.) / Rooms	Estimated Total Assessed Value (\$ Millions)	Relationship to Plan	Related UR Project
Monarch Phase I	Class A Office	22E4B 02000	2.4	76,000	\$8,486,949	Direct	Sunnybrook Split Diamond Interchange, Sunnybrook East Extension and Sunnyside Road Widening Phase I
Monarch Hotel	Hotel	22E4B 02400	4.6	129,000	\$6,894,827	Direct	Sunnybrook Split Diamond Interchange, Sunnybrook East Extension and Sunnyside Road Widening Phase I
Marriott Courtyard	Full Service Hotel	22E4B 05900	6.3	147 Rooms	\$6,575,263	Direct	Sunnybrook Split Diamond Interchange, Sunnybrook East Extension and Sunnyside Road Widening Phase I
Specht / Quest	Class A Office	22E4B 05500	3.1	103,000	\$14,390,335	Direct	The Agency sold land to the developer. The development benefited from several projects, including the Sunnybrook Split Diamond Interchange, Sunnybrook East Extension and Sunnyside Road Widening Phase I.
Sunnybrook Commercial	Retail	"22E4B 1100 22E4B 1104 22E4B 1105"	4.1	117,000	\$6,675,282	Direct	The Agency sold land to the developer. The development benefited from several projects, including the Sunnybrook Split Diamond Interchange, Sunnybrook East Extension and Sunnyside Road Widening Phase I.
Botstford Plaza	Class A Office	22E4B 01000	1.6	30,000	\$2,547,745	Direct	The Agency sold land to the developer. The development benefited from several projects, including the Sunnybrook Split Diamond Interchange, Sunnybrook East Extension and Sunnyside Road Widening Phase I.
"Mt. Scott Professional Center"	Class A Medical Office	12E28BD 04200	1.4	39,700	\$5,610,003	Direct and Indirect	The Agency entered into a DDA with and sold property to the Mt. Scott Professional Center. The development benefited from the Monterey Overpass and Schumacher Frontage Road, Sunnyside Road Widening Phase I and the Sunnybrook Split Diamond Interchange projects.
Monterrey Plaza	Class A Medical Office	12E33CB 02300	1.4	36,000	\$3,941,997	Direct and Indirect	The Agency entered into a DDA with and sold property to the Mt. Scott Professional Center. The development benefited from the Monterey Overpass and Schumacher Frontage Road, Sunnyside Road Widening Phase I and the Sunnybrook Split Diamond Interchange projects.
Clackamas County Sunnybrook Service Center	Class A Office	22E4B 05100	2.1	73,400	\$8,164,930	Direct	The Agency owns the land. The project benefited directly from the Sunnyside Road Widening Phase I, Sunnybrook East Extension and Sunnybrook Split Diamond Interchange.
Sisters of Providence Medical Center	Class A Medical Office	22E4B 05500	3.3	34,000 (est.)	\$3,415,864	Direct	The Agency entered into a DDA with and sold property to the Mt. Scott Professional Center. The development benefited from the Monterey Overpass, Sunnyside Road Widening Phase I and Sunnybrook Split Diamond projects.
Costco	Retail	22E4B 01601	5.8	153,000	\$14,988,877	Direct and Indirect	Sunnyside Road Widening Phase I, Sunnybrook East Extension and Sunnybrook Split Diamond Interchange
Clackamas Promenade	Retail	"22E4B (various taxlots)"	39.7	various	\$50,284,279	Direct	Sunnyside Road Widening Phase I, Sunnybrook East Extension and Sunnybrook Split Diamond Interchange

**C. New Public Development**

**1. Fuller Road Fire Station**

The Agency contributed approximately two-thirds of the funds (\$690,000) towards the construction of a new fire station at the intersection of Fuller Road and Causey Avenue. The fire station was needed to serve the new development associated with the construction of the Clackamas Town Center Mall and surrounding area.

<b>Total Cost</b>	Approximately \$1 million
<b>Urban Renewal Share of Cost</b>	\$690,000 (69%)
<b>Other Funding Sources</b>	Clackamas County Fire District No. 1
<b>Project Completion Date</b>	1984

**2. Causey Fire Station**

In cooperation with North Clackamas School District No. 12 and Clackamas County Fire District No. 1 station, the Agency facilitated the development of a new fire station and parking lot on Stevens Road and Causey Avenue. The Agency financed the acquisition of the fire station property and granted the property to Fire District No.1. In turn, Fire District No. 1 financed all costs associated with the construction of the new station.

<b>Total Cost</b>	2.2 million
<b>Urban Renewal Share of Cost</b>	\$900,000 for Causey Road Extension plus land value (about \$1 million) (41%)
<b>Other Funding Sources</b>	Clackamas County Fire District No. 1 financed the construction of the fire station and contributed \$52,386 to the Causey Road Extension
<b>Project Completion Date</b>	2003

**3. Law Enforcement Center/Training Facility**

This project, through an agreement between the Clackamas Community College and the Agency, resulted in the construction of a joint Sheriff’s Precinct and Law Enforcement Training Center. The facility was constructed on land owned by the Agency at the intersection of 82nd Avenue and Sunnybrook Boulevard.

<b>Total Cost</b>	unknown
<b>Urban Renewal Share of Cost</b>	The Agency paid approximately \$500,000 (27%) in site acquisition costs.
<b>Other Funding Sources</b>	Clackamas Community College paid the Development Agency \$1,328,254 for the property and financed the construction of the facility.
<b>Project Completion Date</b>	1998

**4. Clackamas County Sunnybrook Service Center**

The Agency financed land acquisition costs for the Clackamas County Sunnybrook Service Center. The Center contains 73,400 square feet of Class A Office space and houses several County departments

<b>Total Cost</b>	\$8.7 million
<b>Urban Renewal Share of Cost</b>	\$744,000 – value of land (9%)
<b>Other Funding Sources</b>	Clackamas County paid for building construction (approximately \$8 million)
<b>Project Completion Date</b>	1999

**5. MAX Light Rail Transit Stations**

The Agency is providing financial assistance for the construction of two MAX light rail transit stations on the I-205 Transit Corridor. Both stations will serve the Sunnyside, Southgate and West Mt. Scott neighborhoods in Clackamas County and link the Clackamas Town Center Area with the Gateway District and Downtown Portland. The Clackamas Town Center Station and Transit Center will be adjacent to the Clackamas Town Center Mall and will serve as an anchor for transit service connecting the MAX with 12 bus lines. The Fuller Road Transit Station will be located between Fuller Road and I-205, approximately ¼ mile south of the Johnson Creek Boulevard/I-205 interchange.

<b>Total Cost</b>	To be determined
<b>Urban Renewal Share of Cost</b>	\$36.3 million
<b>Other Funding Sources</b>	TriMet
	Oregon Department of Transportation
<b>Project Completion Date</b>	2009

**6. Public Parking Structure**

The Agency has partnered with General Growth Properties, owner of the Clackamas Town Center Mall, in a redevelopment effort. The Agency will construct a five-deck parking structure between Sears and Nordstrom on the north side of the site, plazas and landscaping to create an attractive open air “public space” and pedestrian promenade, and infrastructure, including utilities, sidewalks, retaining walls, etc. General Growth will provide 245,000 square feet of new retail/entertainment space, including internal and external renovations, movie theater expansion and two detached restaurant pads. The layout will reflect the “Family Lifestyle Center” concept with shops that open to the public plazas and walkways rather than into the larger structure.

<b>Total Cost</b>	\$12,823,729
<b>Urban Renewal Share of Cost</b>	\$12,823,729 (100%)
<b>Other Funding Sources</b>	None
<b>Project Completion Date</b>	2009



#### **IV. "HALO" DEVELOPMENT IMPACTS**

Improvements to the transportation system in the Town Center Area facilitated the development of Eagle's Landing, a planned residential community just outside the Urban Renewal Area Boundary that is currently in its first phase of development. The development is surrounded by a 27-hole golf course and will include a range of housing types at varying densities. Phase I features 80 home sites ranging from 5,000 to 6,500 square feet priced and 128 condominiums ranging from 1,040 to 3,490 square feet. Home sites are priced from the low \$500's and condominiums are priced from the low \$300's to \$500's for one and two bedroom units to just under a million for larger units.

#### **V. RELATIONSHIP OF MAJOR DEVELOPMENTS TO URBAN RENEWAL INVESTMENTS**

The Clackamas Town Center Plan has substantially completed a major transportation network surrounding the Interstate 205/Sunnyside Road Interchange. The improvements include a total upgrade to the interchange itself, completion of additional east-west crossings of the Interstate and frontage roads. The additional transportation capacity has allowed intensive commercial and mixed use development to take place

Later urban renewal projects to be undertaken include financial support of the I-205 MAX development as well as development of two MAX stations. This will increase the desirability for residential and mixed use projects within the Area as the transit option is improved.

In a public/private partnership with General Growth Properties, the Agency is developing a parking structure that will facilitate a substantial expansion of the mall. The investment by the Agency contributes toward the continued vitality of the mall.

#### **VI. IMPACT ON FIRE DISTRICT**

Fire protection and life safety services in the Area are provided by the Clackamas County Fire District #1. In FYE 2007, the incremental assessed value of the Area represented 3.9% of the District. (The District contains other urban renewal areas.) The urban renewal agency reduced the size of the Area in 2005 to mitigate the impact on the overlapping taxing districts. The Plan also provided funding for approximately two-thirds the cost of one new fire station and 40% of the cost of another, both in the Area.

### CONCLUSIONS

This survey of seven Oregon urban renewal plans has found that a variety of public investments in urban renewal areas has facilitated substantial private development and increased the assessed value within each area. The investments under the urban renewal plans have been primarily in infrastructure but it was not uncommon to find direct investments in specific developments.

The report does not attempt to make distinct judgments about whether or to what extent the development in each area would not have occurred but for the urban renewal investments. The issue of revenues foregone by taxing districts during the use of tax increment financing requires a judgment as to what growth in assessed value would have occurred without the urban renewal plan. However, the nature and location of the projects completed allow for a reasonable conclusion that these projects have indeed facilitated new development, jobs and assessed value.

The impacts in foregone property tax revenues to Fire Districts in FYE 2007 – measured by the percent of incremental assessed value in the Urban Renewal Area of the total assessed value of the Fire District - range from well under one percent to as high as 13 percent. These impacts have been mitigated to some extent by Urban Renewal Plan funding of fire station improvements and development of infrastructure improvements that directly improve fire and life safety services.