

## **AGENDA**

### **WILSONVILLE CITY COUNCIL MEETING AUGUST 5, 2013 7:00 P.M.**

**CITY HALL  
29799 SW TOWN CENTER LOOP  
WILSONVILLE, OREGON**

Mayor Tim Knapp

Council President Scott Starr  
Councilor Susie Stevens

Councilor Richard Goddard  
Councilor Julie Fitzgerald

#### **CITY COUNCIL MISSION STATEMENT**

To protect and enhance Wilsonville's livability by providing quality service to ensure a safe, attractive, economically vital community while preserving our natural environment and heritage.

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#### **Executive Session is held in the Willamette River Room, City Hall, 2<sup>nd</sup> Floor**

- |                  |   |           |
|------------------|---|-----------|
| <b>5:00 P.M.</b> | <b>EXECUTIVE SESSION</b>                  | [15 min.] |
| A.               | Pursuant to ORS 192.660(2)(h) litigation  |           |
| <b>5:15 P.M.</b> | <b>COUNCILORS' CONCERNS</b>               | [5 min.]  |
| <b>5:25 P.M.</b> | <b>PRE-COUNCIL WORK SESSION</b>           |           |
| A.               | TIF Zone Plan (Retherford)                | [15min.]  |
| B.               | Council Goals Quarterly Report (Cosgrove) | [20 min.] |
| <b>6:50 P.M.</b> | <b>ADJOURN</b>                            |           |
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#### **CITY COUNCIL MEETING**

The following is a summary of the legislative and other matters to come before the Wilsonville City Council a regular session to be held, August 5, 2013 at City Hall. Legislative matters must have been filed in the office of the City Recorder by 10 a.m. on July 16, 2013. Remonstrances and other documents pertaining to any matters listed in said summary filed at or prior to the time of the meeting may be considered therewith except where a time limit for filing has been fixed.

- |                  |  |
|------------------|--|
| <b>7:00 P.M.</b> | <b>CALL TO ORDER</b>   |
| A.               | Roll Call  |
| B.               | Pledge of Allegiance   |
| C.               | Motion to approve the following order of the agenda and to remove items from the consent agenda. |

**7:05 P.M. MAYOR'S BUSINESS**

- A. Parks and Recreation Advisory Board Appointment
- B. Upcoming Meetings

**7:20 P.M. CITIZEN INPUT & COMMUNITY ANNOUNCEMENTS**

This is an opportunity for visitors to address the City Council on items *not* on the agenda. It is also the time to address items that are on the agenda but not scheduled for a public hearing. Staff and the City Council will make every effort to respond to questions raised during citizens input before tonight's meeting ends or as quickly as possible thereafter. Please limit your comments to three minutes.

**7:25 P.M. COUNCILOR COMMENTS, LIAISON REPORTS & MEETING ANNOUNCEMENTS**

- A. Council President Starr – Park & Recreation Advisory Board, Chamber/City Leadership.
- B. Councilor Goddard – Library Board, Chamber Board, and Clackamas County Business Alliance
- C. Councilor Fitzgerald – Planning Commission; Committee for Citizen Involvement; and Library Board
- D. Councilor Stevens – Development Review Panels A and B; Wilsonville Seniors

**7:35 P.M. CONSENT AGENDA**

- A. **Resolution No. 2437**  
A Resolution Of The City Of Wilsonville Authorizing The City Manager To Execute A Construction Contract With Elting Northwest, Inc. For The Morey's Landing Stormwater Project (Capital Improvement Project #7044). (staff – Adams/Rappold)

**7:35 P.M. NEW BUSINESS**

- A. **Resolution No. 2435**  
A Resolution Of The City Of Wilsonville Authorizing The First Addendum To The 2011 Intergovernmental Agreement Between Metro, Washington County, And The Cities Of Tualatin And Wilsonville Acknowledging The Basalt Creek Transportation Refinement Plan. (staff – Neamtzu)
- B. **Ordinance No. 722** – First reading  
An Ordinance Of The City Of Wilsonville Amending Wilsonville Code Chapter 5, Section 5.210, Prohibited Parking Or Standing. (Staff – Kohlhoff)
- C. **Resolution No. 2436**  
A Resolution Of The City Of Wilsonville Authorizing Addendum No. 6 To The Development Agreement Of June 14, 2004 By And Between The City Of Wilsonville, The Urban Renewal Agency Of The City Of Wilsonville, Matrix Development Corporation, Property Owners Donald E. Bischof & Sharon L. Lund, Arthur C. & Dee W. Piculell, The



Dearmond Family LLC, Louis J. & Margaret P. Fasano, And Valerie & Matthew Kirkendall. (staff – Adams)

**7:50 P.M. CONTINUING BUSINESS**

- A. **Ordinance No. 717** – second reading  
An Ordinance Of The City Of Wilsonville To Increase The Number Multi-Family Residential Dwelling Units And To Modify Ordinance No. 703 That Imposed A Limitation On The Number Of Multi-Family Residential Dwelling Units Within Brenchley Estates North. The Subject Property Being Affected By This Ordinance Is Located On Portions Of Tax Lots 105 And 200 Of Section 14A, T3S, R1W, Clackamas County, Oregon. Holland Partner Group/Brenchley Estates Partners, LP, Applicant. (staff – Edmonds)

**8:20 P.M. CITY MANAGER'S BUSINESS**

- A. Purchase of Horse Sculpture at Chamber Building

**8:25 P.M. LEGAL BUSINESS**

**8:30 P.M. ADJOURN**

*An Urban Renewal Agency Meeting Will Immediately Follow.*

Time frames for agenda items are not time certain (i.e. Agenda items may be considered earlier than indicated. The Mayor will call for a majority vote of the Council before allotting more time than indicated for an agenda item.) Assistive Listening Devices (ALD) are available for persons with impaired hearing and can be scheduled for this meeting if required at least 48 hours prior to the meeting. The city will also endeavor to provide the following services, without cost, if requested at least 48 hours prior to the meeting: -Qualified sign language interpreters for persons with speech or hearing impairments. Qualified bilingual interpreters. To obtain services, please contact the City Recorder, (503)570-1506 or [king@ci.wilsonville.or.us](mailto:king@ci.wilsonville.or.us)

## CITY COUNCIL MEETING STAFF REPORT

<b>Meeting Date:</b>  August 5, 2013	<b>Subject:</b> Update to Wilsonville City Council regarding the creation of TIF Zone Urban Renewal Areas and development of an Urban Renewal Strategic Plan  <b>Staff Member:</b> Kristin Retherford, Economic Development Manager  <b>Department:</b> Community Development
<b>Action Required</b> <input type="checkbox"/> Motion <input type="checkbox"/> Public Hearing Date: <input type="checkbox"/> Ordinance 1 <sup>st</sup> Reading Date: <input type="checkbox"/> Ordinance 2 <sup>nd</sup> Reading Date: <input type="checkbox"/> Resolution <input type="checkbox"/> Information or Direction <input checked="" type="checkbox"/> Information Only <input type="checkbox"/> Council Direction <input type="checkbox"/> Consent Agenda	<b>Advisory Board/Commission Recommendation</b> <input type="checkbox"/> Approval <input type="checkbox"/> Denial <input type="checkbox"/> None Forwarded <input checked="" type="checkbox"/> Not Applicable <b>Comments:</b> N/A
<b>Staff Recommendation:</b> N/A	
<b>Recommended Language for Motion:</b> N/A	
<b>PROJECT / ISSUE RELATES TO:</b>	
<input checked="" type="checkbox"/> Council Goal: Economic Development	<input type="checkbox"/>

### ISSUE BEFORE THE CITY COUNCIL:

This report is to provide updated information regarding the creation of TIF Zone Urban Renewal Areas and an Urban Renewal Strategic Plan, and requires no Council action at this time.



## **TIF Zone Update**

Five draft urban renewal plans and reports (“Plans” and “Reports”) to create the TIF Zone urban renewal areas (“Areas”) have been prepared with a sixth possible proposed area under consideration. Staff has been approached by the real estate representative of Building 83 on the Xerox property to explore inclusion in the TIF Zone Program. The draft Plans and Reports are for the following sites and are attached hereto:

- 26755 SW 95<sup>th</sup> Avenue Plan and Report
- 9805 SW Boeckman Road Plan and Report
- 25600 SW Parkway Center Drive Plan and Report
- 27255 SW 95<sup>th</sup> Avenue Plan and Report
- 29899 SW Boones Ferry Road Plan and Report

A Council work session to discuss these Plans and Reports will be held on September 5, 2013, followed by an Urban Renewal Meeting to recommend Council adoption of the Plans and Reports by Ordinance in November, 2013. These draft Plans and Reports are being provided to Council at this work session on August 5, 2013 to allow sufficient to review materials prior to discussion at the September meeting.

Additionally, these draft Plans and Reports will be presented to the Planning Commission at their work session on August 14, 2013 for review prior to a public hearing before the Planning Commission on September 11, 2013.

The schedule for creating these Areas has been updated as follows:

- Planning Commission work session August 14.
- Council Work Session and URA meeting Sept. 5.
- Planning Commission Public Hearing Sept. 11.
- Open House Oct. 17.
- Council Meeting 1<sup>st</sup> Reading of Ordinance Oct. 21.
- Council Meeting 2<sup>nd</sup> Reading of Ordinance Nov 4.
- Meetings with Other Agencies TBD.

## **Urban Renewal Strategic Plan Update**

After undertaking a solicitation for proposals from qualified consultants, the City has retained ECONorthwest to facilitate the development of an Urban Renewal Strategic Plan. ECONorthwest is currently gathering data and information for a summary report of initial findings. Staff is working with ECONorthwest on this effort and has begun contacting potential participants to serve on an Urban Renewal Task Force to provide input into the Urban Renewal Strategic Plan. The proposed schedule for creating this document is detailed below.

- Council Work Session on September 16, 2013 to present the Summary Report of initial findings and research prior to the first Task Force meeting
- Task Force Meeting 1 (tentative): Wednesday, September 25, 2013, 6-8 PM

- Task Force Meeting 2 (tentative): Thursday, October 17, 2013, 6-7 PM, followed by Open House from 7-8:30 that same night.
- Council Work Session, November 4, 2013 to present update on Task Force input and the Open House
- Task Force Meeting 3 (tentative): Thursday, November 14, 2013, 6-8 PM
- Council Work Session, December 16, 2013 to present the Draft Strategic Plan
- Council Meeting, either December 16, 2013 or January 6, 2014 for adoption of the Urban Renewal Strategic Plan

## **ATTACHMENTS**

26755 SW 95<sup>th</sup> Avenue Plan and Report  
 9805 SW Boeckman Road Plan and Report  
 25600 SW Parkway Center Drive Plan and Report  
 27255 SW 95<sup>th</sup> Avenue Plan and Report  
 29899 SW Boones Ferry Road Plan and Report



# **26755 SW 95<sup>th</sup> Avenue Urban Renewal Plan**



**Prepared for the City of Wilsonville  
August 5, 2013**

City of Wilsonville

List of Participants

Urban Renewal Board Chair: Tim Knapp

Urban Renewal Board Members: Julie Fitzgerald  
Richard Goddard  
Scott Starr  
Susie Stevens

(Urban Renewal Board is also Wilsonville City Council)

Planning Commission: Ben Altman, Chair  
Eric Postma, Vice Chair  
Al Levit  
Marta McGuire  
Peter Hurley  
Phyllis Millan  
Ray Phelps

Economic Development Strategy Task Force:

Ron Adams, Chair, Board of Education, Clackamas Community College

Vince Alexander, Wilsonville Resident (resigned December 2012)

Mychelle Ashlock, Operations Manager, Northwest Rugs – Wilsonville

Lita Colligan, Associate Vice President for Strategic Partnerships and  
Government Relations, Oregon Tech (OIT) Wilsonville

Catherine Comer, Business & Economic Development Manager,  
Clackamas County Economic Development (resigned March 2013)

Danielle Cowan, Executive Director, Clackamas County Tourism & Cultural  
Affairs

Brenner Daniels, Investment Advisor, Holland Partner Group

Mike Duyck, Fire Chief, Tualatin Valley Fire & Rescue District (TVFRD)

Lonnie Gieber, Committee Member, City of Wilsonville Budget Committee

Gale Lasko, General Manager/Partner, Lamb's Market at Wilsonville

Ray Lister, Membership Development Coordinator, International Brotherhood of  
Electrical Workers (IBEW), Local 48

Susan Myers, General Manager, Capital Realty Corp.



Craig Olson, Sr. Director/Site Manager, Rockwell Collins Head-Up Guidance Systems

Ray Phelps, Past President, Wilsonville Chamber of Commerce

Dr. William Rhoades, Superintendent, West Linn-Wilsonville School District

Fred Robinson, General Manager, Kinetics Climax, Inc.

Dick Spence, Wilsonville Resident

Alan Steiger, CPA, Committee Member, City of Wilsonville Budget Committee

Sandra Suran, CPA, Principal, The Suran Group, LLC

Doris Wehler, Past President, Wilsonville Chamber of Commerce

Boyd Westover, Plant Manager, Eaton Corporation, Portland Power Center

Carol White, Wilsonville Resident

City Manager:	Bryan Cosgrove
Community Development Director:	Nancy Kraushaar
Finance Director:	Joanne Ossanna
Urban Renewal Manager:	Kristin Retherford
Planning Director:	Chris Neamtzu

Consultant Team:	Elaine Howard Consulting LLC, Elaine Howard, James Vanden Bos
	ECONorthwest, Lorelei Juntunen, Nick Popenuk, Tessa Krebs
	Jeannette Launer, Legal Counsel
	Leslie Vanden Bos, Editor

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## I. DEFINITIONS

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"Area" means the properties and rights of way located within this 26755 SW 95<sup>th</sup> Avenue Urban Renewal Plan urban renewal boundary.

"City" means the City of Wilsonville, Oregon.

"City Council" or "Council" means the City Council of the City of Wilsonville.

"Comprehensive Plan" means the City of Wilsonville Comprehensive Plan and its implementing ordinances, policies, and standards.

"County" means Clackamas County.

"Economic Development Strategy Task Force" means a focused, limited-duration task force composed of leading community members and business managers who helped guide the Economic Development Strategy process and made a recommendation to the City Council.

"Enterprise Zones" means a program established by the State of Oregon in ORS 285C.045-.255, as amended, to provide tax incentives to businesses to locate in specifically designated areas of the state.

"Fiscal year" means the year commencing on July 1 and closing on June 30, the following year.

"Frozen base" means the total assessed value, including all real, personal, manufactured, and utility values within an urban renewal area at the time of plan approval. The county assessor certifies the assessed value after the approval of an urban renewal plan.

"Increment" means that part of the assessed value of a taxing district attributable to any increase in the assessed value of the property located in an urban renewal area, or portion thereof, over the assessed value of the frozen base.

"Maximum indebtedness" means the amount of the principal of indebtedness included in a plan, pursuant to ORS 457.190, and does not include indebtedness incurred to refund or refinance existing indebtedness.

"ORS" means the Oregon revised statutes, specifically Chapter 457, which relates to urban renewal.

"Planning Commission" means the Wilsonville Planning Commission.

"Tax increment financing (TIF)" means the system that generates tax revenue through the division of taxes authorized by ORS 457.420 et.seq.

"Tax increment revenues" means the funds allocated by the assessor to an urban renewal area due to increases in assessed value over the frozen base within the Area.

"TIF Zones" is the concept established by the Wilsonville City Council that is designed to offer incentives similar to enterprise zones, which stimulate property investment and employment opportunities. This concept is implemented as an urban renewal area.

"Urban renewal agency (agency)" means an urban renewal agency created under ORS 457.035 and 457.045. This agency is responsible for the administration of the urban renewal plan.

"Urban renewal plan" or "Plan" means this 26755 SW 95<sup>th</sup> Avenue Urban Renewal Plan, as it exists or is changed or modified from time to time, as provided in ORS 457.085, 457.095, 457.105, 457.115, 457.120, 457.125, 457.135, and 457.220.

"Urban renewal project (project)" means any work or undertaking carried out under ORS 457.170 in the Area.

"Urban renewal report" means the official report that accompanies the urban renewal plan, pursuant to ORS 457.085(3).



## II. INTRODUCTION

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In February 2012, the City of Wilsonville established an Economic Development Advisory Committee (the “Committee”) to develop a strategy for the City’s economic development activities. After six months of public meetings, focus groups, interviews and an economic development summit, the Committee created an *Economic Development Strategy* that was adopted by the Wilsonville City Council in August 2012. The *Economic Development Strategy* describes a vision and principles for City economic development, and recommends twelve actions that are described in some detail. In particular, the *Economic Development Strategy* noted that the City should convene a task force to develop criteria to guide (1) the use of incentives to attract or retain businesses, (2) what businesses would qualify for incentives and under what conditions, (3) what types of incentives would be available to businesses, (4) the funding sources to support the incentives, and (5) expectations of businesses given incentives.

In November 2012, an Economic Development Strategy Task Force (the “Task Force”) was appointed and developed a framework for an incentive program that would more strategically position Wilsonville among its Portland metro-area competitors for economic development. The Task Force consisted of 21 individuals comprising a cross-section of the community. In the process of considering 10 different incentive options, single-property urban renewal districts, called Tax Increment Finance Zones (TIF Zones) emerged as one of the preferred incentive mechanisms. The Task Force recommendation to the Wilsonville City Council proposed the development of five TIF Zones. In Wilsonville, these urban renewal areas will fill a role similar to that of an Enterprise Zone, providing partial property tax rebates for qualifying investments occurring on the properties, thus encouraging companies to locate in Wilsonville and provide valuable economic benefits to the community. This proposal was taken before the City’s electorate in March 2013 and approved by 78.8 percent of voters.

While the TIF Zone incentive packages are similar to Enterprise Zones in concept, they will differ in several key ways in an attempt to make TIF Zones both a lower risk use of public funds and more attractive to potential investors. Each site selected to be a TIF Zone will require the creation of a separate urban renewal plan and report because each site will be its own, individual, urban renewal area. As established by the Task Force, TIF Zone properties must have 100,000 square feet or more of industrially-zoned building space that has the potential for conversion from warehousing to a higher-value, traded-sector use such as manufacturing.



The Agency has prepared the 26755 SW 95<sup>th</sup> Avenue Urban Renewal Plan based on the recommendations of the Task Force. This Plan establishes one of up to six urban renewal areas using the TIF Zone concept. The Plan contains goals, objectives, and projects for the development of the 26755 SW 95<sup>th</sup> Avenue Urban Renewal Area. The overall purpose of the Plan is to use tax increment financing to provide incentives for economic investment, to cure blight in underutilized buildings, using strategies that are competitive with Enterprise Zones in other communities in the region.

In general, the purpose of urban renewal is to improve specific areas of a city that are poorly developed or underdeveloped. These areas can have old or deteriorated buildings, public spaces that need improvements, streets and utilities in poor condition, a complete lack of streets and utilities altogether, or other obstacles to development. The Area selected is an underutilized, industrial-zoned area of Wilsonville that has had a history of partial or complete vacancy and where existing conditions have presented a barrier to attracting new private sector financial investment to convert the Area to a higher-value, traded sector use.

Urban renewal allows for the use of tax increment financing, a financing source that is unique to urban renewal, to fund its projects. Tax increment revenues – the amount of property taxes generated by the increase in total assessed values in the urban renewal area from the time the urban renewal area is first established – are used to accomplish projects identified by the urban renewal agency. In this case, other than administration, the Plan has only one project, which is repayment in the form of partial property tax reimbursement for qualifying capital infrastructure investment that increases assessed value and job creation.

The specific projects to be approved in this Plan are outlined in Sections IV and V.

Urban renewal is put into effect when the local government (the City of Wilsonville, in this case) adopts an urban renewal plan. The urban renewal plan defines the urban renewal area, states goals and objectives for the area, lists projects and programs that can be undertaken, provides a dollar limit on the funds that can be borrowed for urban renewal projects, and states how the plan may be changed in the future.

The Area, shown in Figure 1, consists of approximately 9.76 acres.

The Plan will be administered by the Wilsonville Urban Renewal Agency, which was activated by the Wilsonville City Council as the City's Urban Renewal Agency. Substantial changes to the Plan, if necessary, must be approved by the City Council, as outlined in Section X of this Plan.



An Urban Renewal Report, which accompanies the Plan, contains additional information, as required by ORS 457.085. The technical information in the Report includes:

- A description of the physical, social, and economic conditions in the area;
- Expected impact of the Plan, including fiscal impact, in light of increased services;
- Reasons for selection of each Area in the Plan;
- The relationship between each project to be undertaken and the existing conditions;
- The total cost of each project and the source of funds to pay such costs;
- The estimated completion date of each project;
- The estimated amount of funds required in the Area, and the anticipated year in which the debt will be retired;
- A financial analysis of the Plan;
- A fiscal impact statement that estimates the impact of tax increment financing upon all entities levying taxes upon property in the urban renewal area; and
- A relocation report.

The Plan will be active for a maximum of 15 years as explained in Section V, subsection A, below. If no qualifying investment occurs in the Area that uses the Plan project incentives within five years after the effective date of the Plan, then the Plan will immediately be terminated. The maximum amount of indebtedness (amount of tax increment financing for projects and programs) that may be issued for the Plan is \$12,000,000. For TIF Zones, maximum indebtedness reflects the total of the tax repayment obligation to the qualifying company and represents the maximum amount of tax increment to be collected to meet this obligation as well as administrative costs.

### III. GOALS AND OBJECTIVES

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The goals of the Plan represent the basic intents and purposes. Accompanying each goal are objectives, which generally describe how the Agency intends to achieve the goals. The urban renewal projects identified in Sections IV and V of the Plan are the specific means of meeting the objectives. The goals relate to adopted plans, as detailed in Section XI, and were developed with input from the Wilsonville Economic Development Strategy Task Force. The goals and objectives will be pursued as economically as is feasible and at the discretion of the urban renewal agency.

#### **Goal 1: PUBLIC INVOLVEMENT**

Maintain a citizen involvement program that ensures the opportunity for citizens to be involved in all phases of the urban renewal adoption process.

##### Objectives:

1. Provide opportunities for public input throughout the adoption process, including a public open house, Planning Commission meeting, and City Council hearing.
2. Provide information on urban renewal on the City of Wilsonville's website.

#### **Goal 2: ECONOMY**

Encourage the economic growth of the Area by encouraging local industrial investment and manufacturing jobs using existing infrastructure and promoting new use of vacant and underutilized industrial properties.

##### Objectives:

1. Provide steady, family-wage jobs for the community.
2. Generate investment that will bolster the local economy and provide revenue for local taxing jurisdictions.
3. Promote the reuse of vacant buildings and encourage infill development by providing incentives for investors to locate in an existing building or build on a site already in the middle of an industrial area and use the existing infrastructure.
4. Partner with public and private entities to incentivize and generate private investment.



Figure 1 – 26755 SW 95<sup>th</sup> Avenue Urban Renewal Area Boundary



Source: City of Wilsonville



#### IV. OUTLINE OF MAJOR URBAN RENEWAL PROJECT ACTIVITIES

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The primary project within the Area will be providing the return of incremental property taxes to developers as an incentive for redevelopment. Another small use of funds will be to pay for the preparation and administration of the Plan.

#### V. URBAN RENEWAL PROJECTS

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The urban renewal projects authorized by the Plan are described below. These projects are consistent with the Wilsonville Economic Development Strategy and are in conformance with the Wilsonville Comprehensive Plan, as detailed in Section XI of this Plan.

As shown in the Report, urban renewal funds will primarily be used as an incentive to spur industrial development, investment, and job creation. The details of the projects are as follows:

##### A. Property tax rebates

This project offers an incentive to the private sector to convert under-utilized industrial buildings into higher value traded-sector uses, such as manufacturing. This project will provide tax rebates of a portion of incremental property tax increases to qualifying investments in the Area.

##### **Property tax rebate mechanics**

The project will rebate up to 75% of the tax increment revenue for three years for each company that:

- Invests at least \$25 million in capital improvements and/or qualified equipment, and;
- Creates 75 or more new, permanent, full-time jobs that pay a minimum of 125% of the average Clackamas County wage rate (not including benefits) in effect at the time the rebate is paid which for 2012 is \$25.33/hour or \$52,693 annual wage rate.

Two additional years (five total) of property tax rebates are available if the average wage of the 75 or more new jobs pay 150% of average wages paid in Clackamas County, which for 2012 equals \$30.40 per hour, or a \$63,230 annual wage.

Additional three- and five-year rebate periods could begin, after approval by the Agency, with any additional new capital investment and job creation meeting the above



minimum criteria, providing the potential for up to 10 years of rebates. Again, however, qualified investment needs to be made within five years of program adoption. This limits the potential life of the program and rebates to up to 15 years. Qualifying Businesses must be manufacturing firms. If no qualifying investment has been made in the Area within five years of the effective date of the Plan, the Area will be dissolved.

Any businesses receiving Area benefits will be monitored by the Agency for compliance with qualifying criteria and no rebate shall be given if the business fails to meet any of the qualifications. Additionally, if a business which has received a rebate discontinues business operations in the Area within two years after it receives each rebate payment it will be required to return all or a portion of the rebate as follows. Should a business discontinue business operations within the Area within 12 months after receiving a rebate, the business shall be required to reimburse the Agency 100% of the rebate payment. Should a business discontinue business operations within 24 months of receiving a rebate, the business shall be required to reimburse the Agency 50% of the rebate payment.

#### **B. Debt repayment and project administration**

This project will allow for the repayment of costs associated with the preparation, including the potential repayment of the initial planning costs for the development of the urban renewal plan, adoption, and implementation of the Plan. This project also includes ongoing administration of the Plan.

### **VI. PROPERTY ACQUISITION AND DISPOSITION**

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The Plan does not authorize the acquisition and disposition of property.

### **VII. RELOCATION METHODS**

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No relocation assistance will be provided because this Plan does not authorize property acquisition. If relocation is required, the Agency will comply with relocation methods required under state law.

### **VIII. LAND USES**

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The proposed land use is industrial development. The maximum densities and building requirements are contained in the Wilsonville Development Code.



## **IX. TAX INCREMENT FINANCING OF PLAN**

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Tax increment financing consists of using annual tax increment revenues to make payments on debt and to finance the urban renewal projects authorized in the Plan. Tax increment revenues equal most of the annual property taxes imposed on the cumulative *increase* in assessed value within an urban renewal area over the total assessed value at the time an urban renewal plan is adopted. (Under current law, the property taxes for general obligation (GO) bonds and local option levies approved after October 6, 2001 are not part of the tax increment revenues.)

### **A. General description of the proposed financing methods**

The Plan will be financed using a combination of revenue sources. These include:

- Tax increment revenues; and/or
- Any other public or private source.

Revenues obtained by the Agency will be used to pay or repay the costs, expenses, advancements, and indebtedness incurred in planning or undertaking project activities, or otherwise exercising any of the powers granted by ORS Chapter 457 in connection with the implementation of this Plan.

### **B. Tax increment financing and maximum indebtedness**

The Plan may be financed, in whole or in part, by tax increment revenues allocated to the Agency, as provided in ORS Chapter 457. The ad valorem taxes, if any, levied by a taxing district in which all or a portion of the Area is located, shall be divided as provided in Section 1c, Article IX of the Oregon Constitution, and ORS 457.440. Amounts collected pursuant to ORS 457.440 shall be deposited into the unsegregated tax collections account and distributed to the Agency based upon the distribution schedule established under ORS 311.390.

The maximum amount of indebtedness that may be issued or incurred under the Plan, based upon good faith estimates of the scope and costs of projects in the Plan and the schedule for their completion, is \$12,000,000.

### **C. Prior indebtedness**

Any indebtedness permitted by law and incurred by the Agency or the City of Wilsonville in connection with the preparation of this Plan or prior planning efforts



that support the preparation or implementation of this Plan may be repaid from tax increment revenues from the Area when, and if, such funds are available.

## **X. FUTURE AMENDMENTS TO PLAN**

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The Plan may be amended as described in this section.

### **A. Substantial Amendments**

Substantial Amendments are amendments that:

- Add land to the urban renewal area, except for an addition of land that totals not more than 1% of the existing area of the urban renewal area; or
- Increase the maximum amount of indebtedness that can be issued or incurred under the Plan.

Substantial Amendments, in accordance with ORS 457.085(2)(i), shall require the same notice, hearing, and approval procedure required of the original Plan, under ORS 457.095, including public involvement, consultation with taxing districts, presentation to the Planning Commission, and adoption by the City Council by non-emergency ordinance after a hearing. Notice of such hearing shall be provided to individuals or households within the City of Wilsonville, as required by ORS 457.120. Notice of adoption of a Substantial Amendment shall be provided in accordance with ORS 457.095 and 457.115.

### **B. Minor Amendments**

Minor Amendments are amendments that are not Substantial Amendments in scope. Minor Amendments require approval by the Agency by resolution.

### **C. Amendments to the Wilsonville Comprehensive Plan and/or Wilsonville Development Code**

Amendments to the Wilsonville Comprehensive Plan and/or Wilsonville Development Code that affect the Plan and/or the Area shall be incorporated automatically within the Plan without any separate action required by the Agency or the City Council.



Figure 2 – Zoning and Comprehensive Plan Designations



Source: City of Wilsonville



## **XI. RELATIONSHIP TO LOCAL OBJECTIVES**

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The Plan relates to local planning and development objectives contained within the City of Wilsonville's Comprehensive Plan and Economic Development Strategy. The following section describes the purpose and intent of these plans, the particular goals and policies within each planning document to which the proposed Plan relates, and an explanation of how the Plan relates to these goals and policies. The numbering of the goals, policies, and implementation strategies will reflect the numbering that occurs in the original document. Italicized text is text that has **not** been taken directly from an original planning document. The Zoning and Comprehensive Plan designations are shown in Figure 2.

This is not a comprehensive list of all parts of the Wilsonville Comprehensive Plan that are supported by this Plan. This list includes the major goals and policies from the Comprehensive Plan that are supported. However, there may be other goals and policies that are not listed, but are still supported by this Plan.

### **A. City of Wilsonville Comprehensive Plan**

The Wilsonville Comprehensive Plan was updated in January 2013. The Comprehensive Plan is an official statement of the goals, policies, implementation measures, and physical plan for the development of the City. The Plan documents the City's approach to the allocation of available resources for meeting current and anticipated future needs. In doing so, it records current thinking regarding economic and social conditions. Because these conditions change over time, the Plan must be directive, but flexible, and must also be periodically reviewed and revised to consider changes in circumstances.

#### **Section A: Citizen Involvement**

**Goal 1.1 To encourage and provide means for interested parties to be involved in land use planning processes, on individual cases and City-wide programs and policies.**

**Policy 1.1.1 The City of Wilsonville shall provide opportunities for a wide range of public involvement in City planning programs and processes.**

*The Plan conforms with Goals 1.1 and Policy 1.1.1 by involving the citizens of Wilsonville in both the creation of the TIF Zone framework and in the decision of whether or not to use that framework to encourage economic development. The Economic Development Strategy Task Force was comprised of a cross-section of members of the community and it helped to both determine*



*that urban renewal areas, then called TIF Zones, were appropriate to use in Wilsonville, and helped decide how these incentives should work. Later, a city-wide vote was held so that the community could weigh in on the decision of whether or not to use TIF Zones. Citizens were included in the adoption phase of the urban renewal plan through a public open house, Planning Commission meeting, and City Council hearing that was noticed as required in ORS 45.*

**Goal 1.2 For Wilsonville to have an interested, informed, and involved citizenry.**

Implementation Measure 1.2.1.c. Establish procedures to allow interested parties reasonable access to information on which public bodies will base their land use planning decisions.

**Policy 1.3 The City of Wilsonville shall coordinate with other agencies and organizations involved with Wilsonville's planning programs and policies.**

*The Plan conforms with Goals 1.2, Policy 1.3, and their Implementation Measures by involving the citizens of Wilsonville in both the creation of the TIF Zone framework and in the decision of whether or not to use that framework to encourage economic development. The Economic Development Strategy Task Force was comprised of a cross-section of members of the community and it helped to both determine that urban renewal areas, then called TIF Zones, were appropriate to use in Wilsonville, and helped decide how these incentives should work. In addition, taxing jurisdictions received formal notice, and, if desired, a briefing on the Plan. Representatives of the three major taxing jurisdictions were included as members of the Task Force that recommended the creation of TIF Zones.*

**Chapter 2: Urban Growth Management**

**Goal 2.1 To allow for urban growth while maintaining community livability, consistent with the economics of development, City administration, and the provision of public facilities and services.**

Implementation Measure 2.1.1.a. Allow development within the City where zoning has been approved and other requirements of the Comprehensive Plan have been met.

Implementation Measure 2.1.1.c. Encourage a balance between residential, industrial, and commercial land use, based on the provisions of this Comprehensive Plan.

Implementation Measure 2.1.1.d. Establish and maintain revenue sources to support the City's policies for urbanization and maintain needed public services and facilities.



**Policy 2.1.1** The City of Wilsonville shall support the development of all land within the City, other than designated open spaces, consistent with the land use designations of the Comprehensive Plan.

*The Plan conforms with Goal 2.1, Policy 2.1.1, and their Implementation Measures by providing financial incentives for the redevelopment of lands already designated as urban and already provided with infrastructure. By doing this, the Plan encourages growth and development within the urban growth boundary, and helps relieve pressures on lands outside of the urban growth boundary.*

#### **Chapter 4: Land Use and Development**

**Goal 4.1** To have an attractive, functional, economically vital community with a balance of different types of land.

**Policy 4.1.1** The City of Wilsonville shall make land use and planning decisions to achieve Goal 4.1.

Implementation Measure 4.1.1.d. In the process of administering the City's Comprehensive Plan, careful consideration will be given to the economic impacts of proposed policies, programs and regulations. Efforts will be made to simplify and streamline the planning and zoning review process while maintaining the quality of development.

Implementation Measure 4.1.1.e. The City shall protect existing and planned industrial and commercial lands from incompatible land uses, and will attempt to minimize deterrents to desired industrial and commercial development.

Implementation Measure 4.1.1.m. Encourage a balance between light industrial and residential growth within the City.

*The Plan conforms with Goal 4.1, Policy 4.1.1, and their Implementation Measures by encouraging the redevelopment of local industrial buildings. This redevelopment will enrich the balanced land uses within Wilsonville. Also, by encouraging redevelopment of the Area, the Plan helps support an economically vital community by bringing jobs to the community and by reducing the number of vacant or underutilized industrial buildings in the City.*

**Policy 4.1.3** City of Wilsonville shall encourage light industry compatible with the residential and urban nature of the City.

Implementation Measure 4.1.3.a. Develop an attractive and economically sound community.

Implementation Measure 4.1.3.c. Favor capital intensive, rather than labor intensive, industries within the City.



Implementation Measure 4.1.3.e. Site industries where they can take advantage of existing transportation corridors such as the freeway, river, and railroad.

*The Plan conforms with Goal 4.1, Policy 4.1.3, and their Implementation Measures by encouraging the redevelopment of local industrial buildings. This redevelopment will help maintain a healthy mix of industrial jobs and industry within the community, and will encourage industrial activities to sites where they can take advantage of existing transportation corridors and other infrastructure.*

## **B. Wilsonville Economic Development Strategy**

The Economic Development Strategy was completed in August 2012, and sets forth an economic strategy for Wilsonville that describes actions to be taken by the public sector for the purpose of stimulating private sector activity. This strategy was developed with the assistance of an advisory committee that met over the course of 4 months and considered input from the community provided in the form of focus groups, interviews with business leaders, an economic summit, public comments and a community survey. The end result was a vision statement for economic development in Wilsonville, and a list of 6 actions to be taken by the public sector. Specific actions that are directly supported by this Urban Renewal Plan are listed below, but other actions from the Economic Development Strategy will also benefit from the successful implementation of this Plan.

Action 2.1 Promote reuse of vacant building, infill development, and redevelopment.

Action 6.2 Develop criteria to guide the use of incentives to attract or retain businesses.

*The projects in the Plan conform with the Economic Development Strategy. They will help to encourage the reuse of existing industrial buildings and infill development by providing an incentive package similar to that of neighboring communities. This incentive package will help incentivize and generate private investment, which will in turn provide jobs for the community and an increased tax base to support local services and infrastructure.*

## **C. Wilsonville Development Code**

The Wilsonville Development Code - Planning and Land Development was enacted for the purpose of promoting the general public welfare by ensuring procedural due process in the administration and enforcement of the City's Comprehensive Plan, Zoning, Design Review, Land Division, and Development Standards. It is contained as Chapter 4 of the Wilsonville Code.

The zoning designation for the property in the Area is PDI - Planned Development Industrial Zone. It is shown in Figure 2. The Plan is not proposing any new zones or



code amendments, nor are there any proposals that would modify any of the existing zones or land uses. The Plan will comply with all requirements of the existing zoning.

#### **D. City of Wilsonville Transportation Systems Plan**

The City of Wilsonville Transportation Systems Plan (TSP) was adopted by the Wilsonville City Council on June 17, 2013.

The TSP is the City's long-term transportation plan and is an element of its Comprehensive Plan. It includes policies, projects, and programs that could be implemented through the City's Capital Improvement Plan, development requirements, or grant funding.

The 2013 TSP process built upon two decades of community planning to create a complete community transportation plan that integrates all travel modes. Most of the policies and projects come from prior adopted plans, including the Comprehensive Plan, 2003 TSP, 2006 Bicycle and Pedestrian Master Plan, and 2008 Transit Master Plan. While the TSP replaces the 2003 TSP in its entirety, it updates and builds upon the 2006 Bicycle and Pedestrian Master Plan and 2008 Transit Master Plan. Where these documents may be in conflict, the new TSP takes precedence.

SW 95<sup>th</sup> Avenue is designated as a minor arterial, a truck route and a bicycle route.<sup>1</sup> The TSP Executive Summary identifies 95<sup>th</sup> Avenue Sidewalk Infill as a priority project to fill in gaps in the sidewalk network on the east side of 95<sup>th</sup> Avenue from Boeckman Road to Hillman Court, and construct transit stop improvements.<sup>2</sup> SW 95<sup>th</sup> Avenue also has a designated cross section deficiency.<sup>3</sup> SW 95<sup>th</sup> Avenue is served by transit.

*The Plan conforms with the City of Wilsonville Transportation System Plan as the redevelopment planned for the Area is an industrial use and SW 95<sup>th</sup> Avenue will be used as designated in the TSP. SW 95<sup>th</sup> Avenue is classified as a minor arterial, anticipating truck travel.*

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<sup>1</sup> City of Wilsonville Transportation System Plan, 2013, Figure 3-2 Functional Class Designations, p 3-6; Figure 3-4 Freight Routes, p 3-9; Figure 3-5 Bicycle Routes, p 3-11.

<sup>2</sup> City of Wilsonville Transportation System Plan, 2013, Executive Summary, p v.

<sup>3</sup> City of Wilsonville Transportation System Plan, 2013, Figure 4-1 Roadway Cross-Section Deficiencies, p 4-5.



## APPENDIX A: LEGAL DESCRIPTION

### 26755 SW 95<sup>TH</sup> AVENUE URBAN RENEWAL DISTRICT WILSONVILLE, OREGON

Lots and maps are taken from Assessor's Tax Maps from July, 2013, and attached hereto. The area is described as that land containing that lot or parcel of property situated in the City of Wilsonville, County of Clackamas, and the State of Oregon, lying in Section 11, Township 3 South, Range 1 West of the Willamette Meridian, bounded as follows:

**BEGINNING** at a point which bears South 01°34'29" West, 1501.90 feet, more or less, from the corner common to Sections 2 and 11, said point being the most Northerly Northwest corner of Parcel 1, Partition Plat 2001-119, records of said county, Assessor's Plat 3 1W 11;

1. Thence East along the North line of said Parcel 1, 525 feet, more or less, to the point of intersection of said North line with the West right-of-way line of 95<sup>th</sup> Avenue;
2. Thence South along said West right-of-way line and the extension thereof, 520 feet, more or less, to the point of intersection of said West right-of-way line with the Easterly extension of the North right-of-way line of Freeman Drive;
3. Thence West along said Easterly extension of said North right-of-way line and said North right-of-way line, 955 feet, more or less, to the Southwest corner of said Parcel 1;
4. Thence North along the West line of said Parcel 1, 362 feet, more or less, to the most Southerly Northwest corner of said Parcel 1;
5. Thence East along the North line of said Parcel 1, 418 feet, more or less, to a point which bears South 01°34' 29" West, 148 feet, more or less, from the Point of Beginning;
6. Thence North, 148 feet, more or less, to the **POINT OF BEGINNING**.

The described property, located entirely within the City of Wilsonville, County of Clackamas and the State of Oregon, contains **ten (10)**, acres, more or less.



Due to the possibility of errors in the acreage shown on the Assessor's Tax Maps used to compute the property acreage, the acreage given hereon should be considered accurate to the nearest 1 acre.



**REPORT ACCOMPANYING  
26755 SW 95<sup>TH</sup> AVENUE  
URBAN RENEWAL PLAN**



**Prepared for the City of Wilsonville**

**August 5, 2013**



**REPORT ACCOMPANYING  
26755 SW 95<sup>TH</sup> AVENUE  
URBAN RENEWAL PLAN**

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## I. INTRODUCTION

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The Report on the 26755 SW 95<sup>th</sup> Avenue Urban Renewal Plan (Report) contains background information and project details that pertain to the 26755 SW 95<sup>th</sup> Avenue Urban Renewal Plan (Plan). The Report is not a legal part of the Plan, but is intended to provide public information and a basis for the findings made by the City Council as part of its approval of the Plan.

The Report provides information required by ORS 457.085(3). The format of the Report is based on this statute. The Report documents not only the proposed projects in the Plan, but also documents the existing conditions in the 26755 SW 95<sup>th</sup> Avenue Urban Renewal Area (Area).

The Report provides the analysis required to meet the standards of ORS 457.085(3), including financial feasibility.







## **II. EXISTING PHYSICAL, SOCIAL, AND ECONOMIC CONDITIONS AND IMPACTS ON MUNICIPAL SERVICES**

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This section of the Report describes existing conditions within the 26755 SW 95<sup>th</sup> Avenue Urban Renewal Area and documents the occurrence of “blighted areas,” as defined by ORS 457.010(1).

### **A. Physical Conditions**

#### *Land Use*

According to data obtained from the City of Wilsonville and the Clackamas County Assessor’s office, the Area, shown in Figure 1 above, contains 1 industrial use parcel that has 165,810 square feet of building space on 9.76 acres.

#### *Zoning and Comprehensive Plan Designations*

In the City of Wilsonville, the Wilsonville Development Code and the Wilsonville Comprehensive Plan designations differ. The development code establishes districts to control land use throughout the city and regulates development standards within these established use districts. The comprehensive plan designation indicates the type of use allowed on a parcel.

The comprehensive plan designation of the parcel is Industrial, and the zoning is Planned Industrial Development (PDI).



**Figure 2 – Area Zoning and Comprehensive Plan Designations**



Source: City of Wilsonville



## B. Infrastructure: Existing Conditions

### *Infrastructure*

This section of the Report identifies the existing infrastructure in the Area. However, because this Area consists of only one parcel, this section will instead evaluate the infrastructure directly serving this parcel, along with an evaluation of the conditions of the infrastructure on the parcel itself. Information was obtained from documentation by City of Wilsonville staff.

#### 1. Streets/Sidewalks/Pathways/Bike Lanes

The street servicing the property, SW 95<sup>th</sup> Avenue, is a minor arterial that is in good condition and meets City standards. SW 95<sup>th</sup> Avenue has adequate streetscape, sidewalks, curbs, and bike lanes.

There are currently no planned projects for SW 95<sup>th</sup> Avenue in the Capital Improvement Plan (CIP) or other planning documents.

#### 2. Water

The water pipe serving the Area is a 2" domestic/2" irrigation that should be adequate for the current or future needs of the Area. There are no projects planned for the water infrastructure serving the Area in the CIP or other planning documents.

#### 3. Storm Drainage Master Plan

The storm drain service in the Area is adequate for current and future use, and there are no planned projects for storm drain infrastructure serving the Area in the CIP or other planning documents. However, a building expansion or the addition of impervious surface could trigger new on-site stormwater improvements.

#### 4. Sanitary Sewer

Sewer service to the Area is more than adequate for the current and future needs of the Area, and there are no planned projects for sewer infrastructure serving the Area in the CIP or other planning documents.

#### 5. Parks

There are no public parks in the Area. The 2007 Parks and Recreation Master Plan identifies project P12 Industrial Area Waysides in the northwest industrial area of Wilsonville, which is currently underserved by parks or recreation facilities. These projects are not in the City's short or mid-term Capital Improvement Program and have not been sited.



## 6. Public Parking

There is no public parking in the Area, but there is a bank of private head-in parking along the south, west, and north ends of the building that should provide parking for over 150 vehicles.

## 7. Wetlands

Approximately 92,315 SF along the Area's western boundary along the Basalt Creek tributary is identified as wetland and within the City's Significant Resource Overlay Zone.

## 8. Conditions of Buildings

The building has 165,810 square feet of space. It has been mostly vacant and is considered underutilized.

### C. Social Conditions

There is only one industrial parcel in the Area and there are no residents that reside within the Area.

### D. Economic Conditions

#### *Taxable Value of Property Within the Area*

According to the Clackamas County Assessor's office, the estimated 2011/2012 total assessed value of the real property in the Area is \$6,800,000. The total assessed value including personal property is \$7,064,499. The building is underutilized, and if it was fully utilized and converted to a traded-sector use such as manufacturing, the values would increase.

The frozen base is estimated to be \$7,064,499.

### E. Impact on Municipal Services

The fiscal impact of tax increment financing on taxing districts that levy taxes within the Area (affected taxing districts) is described in Section IX (Impact of the Tax Increment Financing) of this Report. This subsection discusses the fiscal impacts resulting from potential increases in demand for municipal services.

The project being considered for future use of urban renewal is an economic development project. The use of urban renewal funding for this project allows the City to provide an attractive industrial development incentive program that will be competitive with neighboring communities' Enterprise Zone programs. It also allows



the city to tap a different funding source besides the City of Wilsonville's general funds to support this program.

All necessary infrastructure to serve the Area is in place and none of the systems are slated for improvements in the CIP. Converting the building structure in the Area to optimized use will take advantage of the existing infrastructure. Because the structure will incur a change in use from warehousing to manufacturing, or another traded-sector use that meets program criteria, there may be a need for additional police and fire services. However, since this structure already exists and has received these services before, these are not totally new service requirements. In addition, a vacant structure can sometimes be vulnerable to vandalism, criminal activity and fire risk. Bringing the structure back to full use will help prevent such risks.

The revenue sharing feature of this urban renewal plan allows for tax increment to be shared with taxing jurisdictions including the City of Wilsonville at the onset of receipt by the Agency of tax increment funds. These funds will help offset any increased services.

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

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The reason for selecting the Area is to cure blight by providing the ability to fund an economic incentive program to encourage private sector investment in an underutilized and/or vacant parcel of industrial zoned land.

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

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The projects identified for the Area, including how they relate to the existing conditions in the Area, are described below:

#### **A. Property Tax Rebates**

This project offers an incentive to the private sector to convert underutilized industrial buildings into higher value traded-sector uses, such as manufacturing, in the Area. This project will provide tax rebates of a portion of incremental property tax increases to qualifying investments in the Area.

#### *Existing Conditions:*

*This parcel is currently vacant and/or underutilized. It has 165,810 square feet of building space on 9.76 acres.*



## B. Debt Service and Administration

This project will allow for the repayment of costs associated with the preparation (including the potential repayment of the initial planning costs for the development of the urban renewal plan) adoption, and implementation of the 26755 SW 95<sup>th</sup> Avenue Urban Renewal Plan. This project also includes ongoing administration and any financing costs associated with the Plan.

### *Existing Conditions:*

*As there is currently no urban renewal program for this Area, these activities do not exist.*

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

The costs of the projects are shown in Table 1. The sources of funds are tax increment revenues. A three percent annual inflation factor is used. These funds will be allocated to the following projects:

- Repayment of a portion of the urban renewal planning costs will occur in the first year that tax increment funds are received (\$12,000 in FY 2013-14, adjusted annually for inflation increases).
- Approximately \$15,000 in FY 2013-14, adjusted for inflation, will be allocated for program administration annually.
- The project will rebate up to 75% of the net tax increment revenue for three years for each qualifying company if the average wage of the 75 or more new jobs pay a minimum of 125% of the average Clackamas County wage rate (not including benefits) in effect at the time the rebate is paid, which for 2012 is \$25.33/hour or \$52,693 annual wage rate. Two additional years (five total) of property tax rebates are available if the average wage of the 75 or more new jobs pay 150% of average wages paid in Clackamas County at the time the rebate is paid, which for 2012 equals \$30.40 per hour, or a \$63,230 annual wage.
- Any net tax increment revenues in excess of what is needed for administrative expenses or tax rebates will be distributed to the impacted taxing jurisdictions.

**Table 1 – Estimated Project Allocations**

TIF Use	Amount
URA Administration	\$141,367
Rebate	\$11,821,851
Total	\$11,963,218

Source: ECONorthwest, TIF: Tax Increment Funds



## VI. THE ANTICIPATED COMPLETION DATE FOR EACH PROJECT

The anticipated latest completion date of the projects in the 27655 SW 95<sup>th</sup> Avenue Urban Renewal Plan will be June 30 of the fiscal year ending 15 years after the approval of the Plan. If investments do not occur as outlined in the program guidelines, the Plan may be terminated earlier at the discretion of the Agency.

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

Table 2 shows a scenario for how this urban renewal plan may be implemented. This scenario relies on an investment by the developer of over \$407,000,000, in three successive years, receiving \$11,821,851 in tax rebates from tax increment funds received by the Agency.

**Table 2. Investment Schedule**

Investment Amount			
Year	Schedule 1	Schedule 2	Schedule 3
2013			
2014			
2015	137,000,000		
2016		135,000,000	
2017			135,000,000
2018			

Source: ECONorthwest

The tax increment revenues and their allocation to administrative costs, developer rebates, and the taxing jurisdictions' share of the increased property tax revenue are shown in Table 3. Since revenue sharing is anticipated at the onset of the Plan, and this revenue sharing exceeds the potential amount of distributions through revenue sharing required in ORS 457.470, the revenue sharing in ORS 457.470 has been waived by the taxing jurisdictions.

It is anticipated that all expenditures of tax increment funding will be completed within 15 years. The maximum indebtedness is \$12,000,000. In the scenario detailed in Tables 2 and 3, the term of the rebate expires before all of the manufacturer's investment in equipment has depreciated. The result of this is the taxing jurisdictions begin to receive 100% of the TIF revenues in fiscal year 2023-24, and the total amount shared with taxing jurisdictions for the entire duration of the Area ends up being much higher than the net 25% share that is guaranteed during the time the developer is receiving rebates. Table 2 shows the total projected rebate to the developer in this

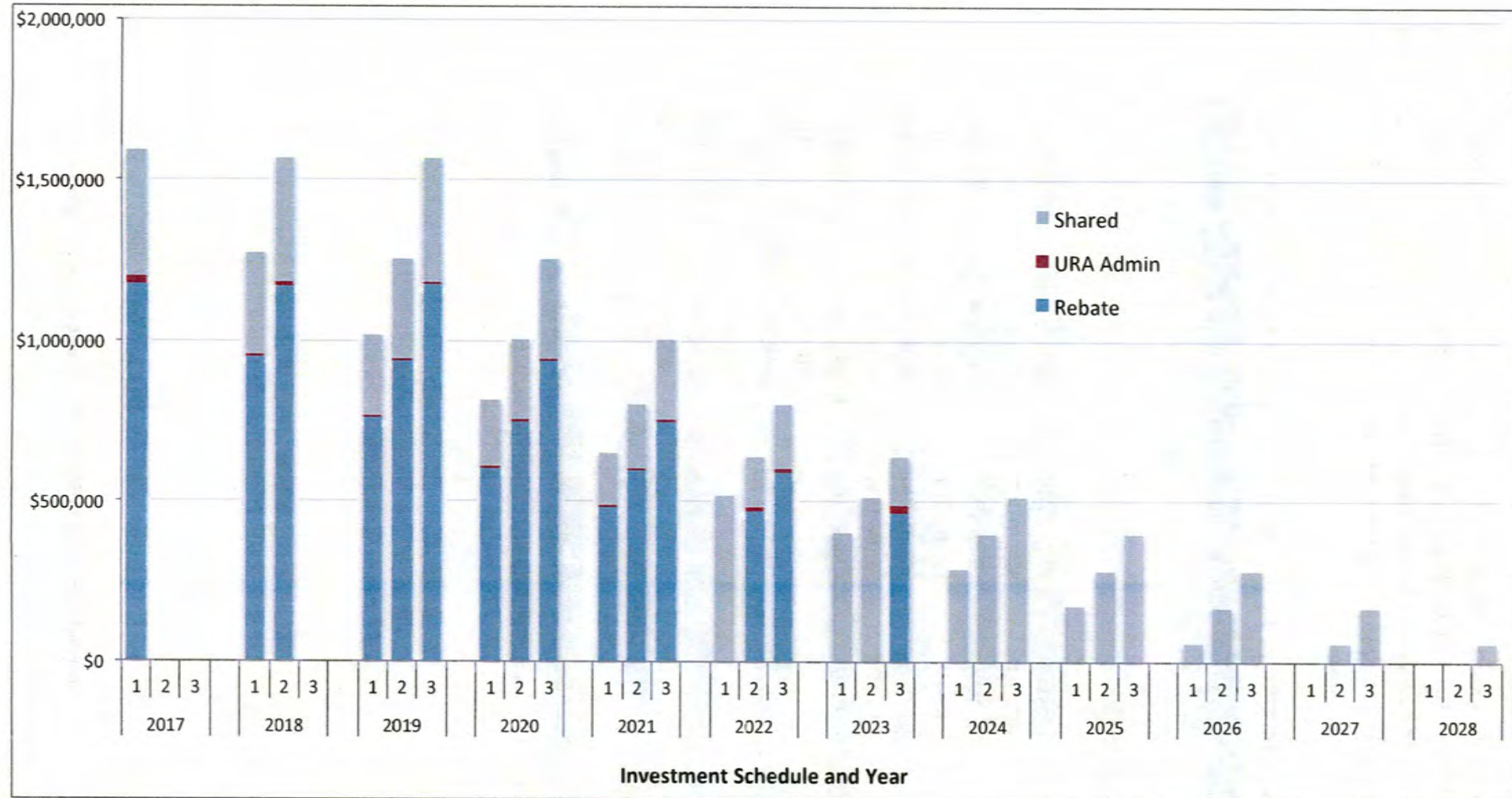


scenario would be \$11,821,851 dollars, while the amount received by taxing jurisdictions is estimated at \$8,247,490 dollars over the 15 year life of the Plan. This is actually 40.8% of the total tax increment revenue.

Chart 1 depicts this scenario. Each individual investment provides rebates to the developer, and a portion of extra tax increment to taxing jurisdictions, for a five-year period, with any remaining increment shared with the taxing jurisdictions when that rebate period expires. The three investments are depicted in consecutive years, as shown by the 1,2,3 on the horizontal axis of the chart. As shown, once any one investment reaches the 6<sup>th</sup> year, all of the tax increment from that investment is shared with the taxing jurisdictions. This would be accomplished through an under levy.



**Chart 1. Investment, Amortization, and Rebate Schedule**



Source: ECONorthwest

There will be no loans or bonds issued. The amount of funding to service the maximum indebtedness will be raised through the payment of tax increment from the County Assessor's office. Because the project payments are predicated upon the annual tax increment on a formulaic basis allocating first to administrative costs, then a 75/25 split of increment between the developer and impacted taxing jurisdictions, the Plan will be financially feasible. No payments will be made without first receiving the increment from the assessor.

**Table 3 – Tax Increment Revenues and Allocations to Project Costs Sample Scenario**

FYE	URA Admin	Rebate	Shared	Total
2013	-	-	-	-
2014	-	-	-	-
2015	-	-	-	-
2016	-	-	-	-
2017	\$28,883	\$1,172,736	\$390,911	\$1,592,530
2018	\$17,390	\$2,119,437	\$706,479	\$2,843,306
2019	\$17,912	\$2,869,511	\$956,504	\$3,843,927
2020	\$18,449	\$2,292,519	\$764,173	\$3,075,141
2021	\$19,002	\$1,830,780	\$610,260	\$2,460,042
2022	\$19,572	\$1,069,956	\$878,472	\$1,968,000
2023	\$20,159	\$466,912	\$1,075,757	\$1,562,828
2024	-	-	\$1,204,211	\$1,204,211
2025	-	-	\$859,716	\$859,716
2026	-	-	\$515,223	\$515,223
2027	-	-	\$228,592	\$228,592
2028	-	-	\$57,192	\$57,192
2029	-	-	-	-
2030	-	-	-	-
Total	\$141,367	\$11,821,851	\$8,247,490	\$20,210,708

Source: ECONorthwest, FYE: Fiscal Year End, URA: Urban Renewal Area



## VIII. FINANCIAL ANALYSIS OF THE PLAN

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The estimated tax increment revenues in the sample scenario, as shown above, are based on projections of the assessed value of investment that could occur within the Area, depreciation of the investment and the total tax rate that will apply in the Area. The assumptions include assumptions of development, as identified in the TIF Zones concept by the City of Wilsonville. Although these assumptions are used as a basis for evaluating the Plan, the financial feasibility is predicated on the simple formula that increased revenues will be shared by the City for administration, by the developer and by the taxing jurisdictions. No payments will be made until tax increment is received from the County Assessor. These payments will be distributed on a formula that includes payments for administrative costs, then a 75/25 split between the developer and impacted taxing jurisdictions.

Table 4 shows the projected incremental assessed value, projected tax rates that would produce tax increment revenues, and the annual tax increment revenues (not adjusted for under-collection, penalties, and interest). These projections of increment are the basis for the projections in Table 3. These projections include shared revenue with impacted taxing jurisdictions.

Table 5 shows the investment and depreciation assumptions used in preparing the financial analysis. In this scenario, all investment is assumed to be equipment, and so it is depreciated. The depreciation schedule used in this scenario is a half-year convention over a 10-year recovery period that was published by the Internal Revenue Service in its annual report for how to depreciate property. Depreciation is an annual income tax deduction that allows you to recover the cost or other basis of certain property over the time you use the property. It is an allowance for the wear and tear, deterioration, or obsolescence of the property. In this case, all the investment in property is assumed to depreciate to zero after 10 years. Property can be depreciated at different times throughout the year, depending on the accounting method used. Under the half year convention, you treat all property placed in service or disposed of during a tax year as placed in service or disposed of at the midpoint of the year. This means that a one-half year of depreciation is allowed for the year the property is placed in service or disposed of.



However, as stated above, for purposes of financial feasibility, the fact that no payments will be made until tax increment is received establishes financial feasibility.

**Table 4 – Projected Incremental Assessed Value, Tax Rates, and Tax Increment Revenues**

FYE	Assessed Value	Frozen Base	Excess Value	Tax Rate	TIF
2013	\$7,064,499	\$7,064,499	\$0	13.0968	-
2014	\$7,064,499	\$7,064,499	\$0	13.0936	-
2015	\$7,064,499	\$7,064,499	\$0	13.0793	-
2016	\$7,064,499	\$7,064,499	\$0	12.9159	-
2017	\$130,364,499	\$7,064,499	\$123,300,000	12.9159	\$1,592,530
2018	\$227,204,499	\$7,064,499	\$220,140,000	12.9159	\$2,843,306
2019	\$304,676,499	\$7,064,499	\$297,612,000	12.9159	\$3,843,927
2020	\$245,154,099	\$7,064,499	\$238,089,600	12.9159	\$3,075,141
2021	\$197,530,699	\$7,064,499	\$190,466,200	12.9159	\$2,460,042
2022	\$159,434,799	\$7,064,499	\$152,370,300	12.9159	\$1,968,000
2023	\$128,064,799	\$7,064,499	\$121,000,300	12.9159	\$1,562,828
2024	\$100,299,299	\$7,064,499	\$93,234,800	12.9159	\$1,204,211
2025	\$73,627,099	\$7,064,499	\$66,562,600	12.9159	\$859,716
2026	\$46,955,099	\$7,064,499	\$39,890,600	12.9159	\$515,223
2027	\$24,762,999	\$7,064,499	\$17,698,500	12.9159	\$228,592
2028	\$11,492,499	\$7,064,499	\$4,428,000	12.9159	\$57,192
2029	\$7,064,499	\$7,064,499	\$0	12.9159	-
2030	\$7,064,499	\$7,064,499	\$0	12.9159	-
Total					\$20,210,708

Source: ECONorthwest, FYE: Fiscal Year End, TIF Revenue: Tax Increment Revenue



**Table 5 – Projected Investments and Depreciation Schedules**

Calendar Year	FYE	Investment Schedule 1			Investment Schedule 2			Investment Schedule 3			Total RMV
		Value	Depreciation	RMV	Value	Depr.	RMV	Value	Depr.	RMV	
2013	2015										
2014	2016										
2015	2017	\$137,000,000	10.00%	\$123,300,000							\$123,300,000
2016	2018		18.00%	\$98,640,000	\$135,000,000	10.00%	\$121,500,000				\$220,140,000
2017	2019		14.40%	\$78,912,000		18.00%	\$97,200,000	\$135,000,000	10.00%	\$121,500,000	\$297,612,000
2018	2020		11.52%	\$63,129,600		14.40%	\$77,760,000		18.00%	\$97,200,000	\$238,089,600
2019	2021		9.22%	\$50,498,200		11.52%	\$62,208,000		14.40%	\$77,760,000	\$190,466,200
2020	2022		7.37%	\$40,401,300		9.22%	\$49,761,000		11.52%	\$62,208,000	\$152,370,300
2021	2023		6.55%	\$31,427,800		7.37%	\$39,811,500		9.22%	\$49,761,000	\$121,000,300
2022	2024		6.55%	\$22,454,300		6.55%	\$30,969,000		7.37%	\$39,811,500	\$93,234,800
2023	2025		6.56%	\$13,467,100		6.55%	\$22,126,500		6.55%	\$30,969,000	\$66,562,600
2024	2026		6.55%	\$4,493,600		6.56%	\$13,270,500		6.55%	\$22,126,500	\$39,890,600
2025	2027		3.28%	-		6.55%	\$4,428,000		6.56%	\$13,270,500	\$17,698,500
2026	2028					3.28%	-		6.55%	\$4,428,000	\$4,428,000
2027	2029								3.28%	-	\$0
2028	2030										

FYE: Fiscal Year End RMV: Real Market Value Depr.: Depreciation  
Source: ECONorthwest



## IX. IMPACT OF THE TAX INCREMENT FINANCING

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This section describes the impact of tax increment financing of the new maximum indebtedness, both until and after the indebtedness is repaid, upon all entities levying taxes upon property in the urban renewal area.

The impact of tax increment financing on overlapping taxing districts consists primarily of the property tax revenues foregone on permanent rate levies as applied to the growth in assessed value in the Area. These projections are for impacts estimated for a 15-year period and are shown in Tables 6a and 6b. Table 6a shows the general government taxing jurisdictions and Table 6b shows the education taxing jurisdictions.

The concept for this plan, as defined by the City of Wilsonville, includes a 25% share of net tax increment proceeds with the affected taxing jurisdictions. This formula for revenue sharing is different than the formula described in Oregon Revised Statutes (ORS). Revenue sharing is part of the 2009 legislative changes to urban renewal and means that, at thresholds defined in ORS 457.470, the impacted taxing jurisdictions will receive a share of the incremental growth in the area. By statute, the share is a percentage basis dependent upon the tax rates of the taxing jurisdictions. The first threshold is 10% of the original maximum indebtedness. At the 10% threshold, the urban renewal agency will receive the full 10% of the initial maximum indebtedness plus 25% of the increment above the 10% threshold, and the taxing jurisdictions will receive 75% of the increment above the 10% threshold. The second threshold is set at 12.5% of the maximum indebtedness. Since revenue sharing is anticipated at the onset of the Plan, and this revenue sharing exceeds the potential amount of distributions through revenue sharing required in ORS 457.470, the revenue sharing in ORS 457.470 has been waived by the taxing jurisdictions.

The West Linn-Wilsonville School District and the Education Service District are not *directly* affected by the tax increment financing, but the amounts of their taxes divided for the urban renewal plan are shown in the following tables. Under current school funding law, property tax revenues are combined with State School Fund revenues to achieve per-student funding targets. Under this system, property taxes foregone, due to the use of tax increment financing, are substantially replaced with State School Fund revenues, as determined by a funding formula at the state level. The formula for funding schools, as changed in the 2013 legislative session, is \$6,852 per pupil for FY 2013-14 and \$7,081 per pupil for FY 2014-15, an increase over the 2012 levels. According to the State of Oregon Department of Education, there was approximately



\$1 billion dollars of increased revenues allocated to school financing in the 2013 legislative session.<sup>1</sup>

Tables 6a and 6b show the projected impacts to permanent rate levies of taxing districts as a result of this Plan. It assumes the growth as projected in the other tables in this Report. **It does not offset the foregone revenues with the expected new revenues. Although the taxing jurisdictions are shown to forego approximately \$12 million, as shown in Tables 6a and 6b, they will receive approximately \$8 million, as shown in Table 3. Over the life of the Plan, the taxing jurisdictions will receive over 40% of the total tax increment revenues produced by this sample scenario.**

There is always some discussion about the true impact of urban renewal on the taxing jurisdictions as there is one line of thought that some of the growth projected would not occur “but for” urban renewal. In this case, the building is underutilized either through vacancy or type of use, and expectations are that it will remain underutilized in the future without developer incentives. Given this, there would be no expectation that any increase of property taxes would come from this building without the use of urban renewal.

There is no anticipated change in revenue for affected taxing jurisdictions upon termination of the Plan, which is expected in 15 years. All projected investment is equipment, and equipment’s assessed value depreciates over time. By the time the Area expires, all equipment will be fully depreciated, so there will be no additional assessed value to tax. However, the taxing jurisdictions are receiving 25% of the net increment during the time period the developer is receiving 75% of the net increment, and they are receiving 100% of the increment for the remaining time frame of the Area, as shown in Table 3. If there are any improvements to the building itself, or increases in value of the building itself, the taxing jurisdictions would realize the increased taxes from those investments.

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<sup>1</sup> Phone interview with Jan McComb, State of Oregon Department of Education, July 11, 2013.



**Table 6a – Projected Impact on Taxing District Permanent Rate Levies (General Government)**

FYE	Clackamas County	Tualatin Valley Fire & Rescue	City of Wilsonville	Port of Portland	Metro	COUNTY EXTENSION & 4-H	COUNTY LIBRARY	COUNTY SOIL CONS	VECTOR CONTROL	Subtotal
2013	-	-	-	-	-	-	-	-	-	-
2014	-	-	-	-	-	-	-	-	-	-
2015	-	-	-	-	-	-	-	-	-	-
2016	-	-	-	-	-	-	-	-	-	-
2017	(223,673)	(141,896)	(234,502)	(6,522)	(8,987)	(4,652)	(36,972)	(4,652)	(605)	(662,461)
2018	(397,755)	(252,332)	(417,012)	(11,597)	(15,982)	(8,272)	(65,746)	(8,272)	(1,075)	(1,178,043)
2019	(537,473)	(340,967)	(563,494)	(15,671)	(21,595)	(11,178)	(88,841)	(11,178)	(1,453)	(1,591,850)
2020	(430,170)	(272,895)	(450,997)	(12,543)	(17,284)	(8,946)	(71,105)	(8,946)	(1,163)	(1,274,049)
2021	(344,323)	(218,435)	(360,994)	(10,040)	(13,835)	(7,161)	(56,915)	(7,161)	(931)	(1,019,795)
2022	(202,808)	(128,659)	(212,627)	(5,913)	(8,149)	(4,218)	(33,523)	(4,218)	(548)	(600,663)
2023	(90,665)	(57,517)	(95,054)	(2,644)	(3,643)	(1,886)	(14,986)	(1,886)	(245)	(268,526)
2024	-	-	-	-	-	-	-	-	-	-
2025	-	-	-	-	-	-	-	-	-	-
2026	-	-	-	-	-	-	-	-	-	-
2027	-	-	-	-	-	-	-	-	-	-
2028	-	-	-	-	-	-	-	-	-	-
2029	-	-	-	-	-	-	-	-	-	-
2030	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>(2,226,867)</b>	<b>(1,412,701)</b>	<b>(2,334,680)</b>	<b>(64,930)</b>	<b>(89,475)</b>	<b>(46,313)</b>	<b>(368,088)</b>	<b>(46,313)</b>	<b>(6,020)</b>	<b>(6,595,387)</b>

Source: ECONorthwest.



**Table 6b – Projected Impact on Taxing District Permanent Rate Levies (Education and Totals)**

FYE	COM COLL CLACK (perm)	ESD CLACKAMAS	SCH WLINN/WILS (perm)	Education Subtotal	General Government Subtotal	Total
2013	-	-	-	-	-	-
2014	-	-	-	-	-	-
2015	-	-	-	-	-	-
2016	-	-	-	-	-	-
2017	(51,932)	(34,302)	(452,927)	(539,161)	(662,461)	(1,201,622)
2018	(92,349)	(60,998)	(805,436)	(958,783)	(1,178,043)	(2,136,826)
2019	(124,789)	(82,425)	(1,088,359)	(1,295,573)	(1,591,850)	(2,887,423)
2020	(99,876)	(65,969)	(871,075)	(1,036,920)	(1,274,049)	(2,310,969)
2021	(79,944)	(52,804)	(697,240)	(829,988)	(1,019,795)	(1,849,783)
2022	(47,087)	(31,102)	(410,677)	(488,866)	(600,663)	(1,089,529)
2023	(21,050)	(13,904)	(183,592)	(218,546)	(268,526)	(487,072)
2024	-	-	-	-	-	-
2025	-	-	-	-	-	-
2026	-	-	-	-	-	-
2027	-	-	-	-	-	-
2028	-	-	-	-	-	-
2029	-	-	-	-	-	-
2030	-	-	-	-	-	-
<b>Total</b>	<b>(517,027)</b>	<b>(341,504)</b>	<b>(4,509,306)</b>	<b>(5,367,837)</b>	<b>(6,595,387)</b>	<b>(11,963,224)</b>

Source: ECONorthwest. Please refer to the explanation of the schools funding in the preceding section.



## **X. COMPLIANCE WITH STATUTORY LIMITS ON ASSESSED VALUE AND SIZE OF URBAN RENEWAL AREA**

State law limits the percentage of both a municipality's total assessed value and the total land area that can be contained in an urban renewal area at the time of its establishment to 25% for municipalities under 50,000 in population. As noted below, the frozen base, including all real, personal, manufactured, and utility properties in the Urban Renewal Area, is projected to be \$7,064,499. The total assessed value of the City of Wilsonville is \$2,368,094,165. There are two existing urban renewal areas, as shown in Table 7. These two areas, plus the 27655 SW 95<sup>th</sup> Avenue Area, total 2.86% of the total assessed value of the City of Wilsonville, well below the 25% maximum. The 27655 SW 95<sup>th</sup> Avenue Area has 9.76 acres, including right-of-way, and the City of Wilsonville has 4,712 acres; the other two existing urban renewal areas total 1,002 acres. Therefore, 21.47% of the City's acreage is in an urban renewal area, below the 25% state limit.

**Table 7 – Urban Renewal Area Conformance with Assessed Value and Acreage Limits**

Urban Renewal Area	Assessed Value	Acres
26755 SW 95 <sup>th</sup> Avenue	\$7,064,499	9.76
Year 2000 Plan	\$44,087,806	546
West Side Plan	\$16,526,288	456
City of Wilsonville	\$2,368,094,165	4,712
Percent of Assessed Value in Urban Renewal	2.86%	
Percent of Acreage in Urban Renewal		21.47%

Source: City of Wilsonville, Clackamas County Assessor, U.S. Census Bureau

## **XI. RELOCATION REPORT**

There is no relocation report required for the Plan. No relocation activities are anticipated.



# 9805 SW Boeckman Road Urban Renewal Plan



Prepared for the City of Wilsonville  
August 5, 2013



City of Wilsonville

List of Participants

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(Urban Renewal Board is also Wilsonville City Council)

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## I. DEFINITIONS

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"Area" means the properties and rights of way located within this 9805 SW Boeckman Urban Renewal Plan urban renewal boundary.

"City" means the City of Wilsonville, Oregon.

"City Council" or "Council" means the City Council of the City of Wilsonville.

"Comprehensive Plan" means the City of Wilsonville Comprehensive Plan and its implementing ordinances, policies, and standards.

"County" means Clackamas County.

"Economic Development Strategy Task Force" means a focused, limited-duration task force composed of leading community members and business managers who helped guide the Economic Development Strategy process and made a recommendation to the City Council.

"Enterprise Zones" means a program established by the State of Oregon in ORS 285C.045-.255, as amended, to provide tax incentives to businesses to locate in specifically designated areas of the state.

"Fiscal year" means the year commencing on July 1 and closing on June 30, the following year.

"Frozen base" means the total assessed value, including all real, personal, manufactured, and utility values within an urban renewal area at the time of plan approval. The county assessor certifies the assessed value after the approval of an urban renewal plan.

"Increment" means that part of the assessed value of a taxing district attributable to any increase in the assessed value of the property located in an urban renewal area, or portion thereof, over the assessed value of the frozen base.

"Maximum indebtedness" means the amount of the principal of indebtedness included in a plan, pursuant to ORS 457.190, and does not include indebtedness incurred to refund or refinance existing indebtedness.

"ORS" means the Oregon revised statutes, specifically Chapter 457, which relates to urban renewal.

"Planning Commission" means the Wilsonville Planning Commission.

"Tax increment financing (TIF)" means the system that generates tax revenue through the division of taxes authorized by ORS 457.420 et.seq.

"Tax increment revenues" means the funds allocated by the assessor to an urban renewal area due to increases in assessed value over the frozen base within the Area.

"TIF Zones" is the concept established by the Wilsonville City Council that is designed to offer incentives similar to enterprise zones, which stimulate property investment and employment opportunities. This concept is implemented as an urban renewal area.

"Urban renewal agency (agency)" means an urban renewal agency created under ORS 457.035 and 457.045. This agency is responsible for the administration of the urban renewal plan.

"Urban renewal plan" or "Plan" means this 9805 SW Boeckman Road Urban Renewal Plan, as it exists or is changed or modified from time to time, as provided in ORS 457.085, 457.095, 457.105, 457.115, 457.120, 457.125, 457.135, and 457.220.

"Urban renewal project (project)" means any work or undertaking carried out under ORS 457.170 in the Area.

"Urban renewal report" means the official report that accompanies the urban renewal plan, pursuant to ORS 457.085(3).



## II. INTRODUCTION

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In February 2012, the City of Wilsonville established an Economic Development Advisory Committee (the “Committee”) to develop a strategy for the City’s economic development activities. After six months of public meetings, focus groups, interviews and an economic development summit, the Committee created an *Economic Development Strategy* that was adopted by the Wilsonville City Council in August 2012. The *Economic Development Strategy* describes a vision and principles for City economic development, and recommends twelve actions that are described in some detail. In particular, the *Economic Development Strategy* noted that the City should convene a task force to develop criteria to guide (1) the use of incentives to attract or retain businesses, (2) what businesses would qualify for incentives and under what conditions, (3) what types of incentives would be available to businesses, (4) the funding sources to support the incentives, and (5) expectations of businesses given incentives.

In November 2012, an Economic Development Strategy Task Force (the “Task Force”) was appointed and developed a framework for an incentive program that would more strategically position Wilsonville among its Portland metro-area competitors for economic development. The Task Force consisted of 21 individuals comprising a cross-section of the community. In the process of considering 10 different incentive options, single-property urban renewal districts, called Tax Increment Finance Zones (TIF Zones) emerged as one of the preferred incentive mechanisms. The Task Force recommendation to the Wilsonville City Council proposed the development of five TIF Zones. In Wilsonville, these urban renewal areas will fill a role similar to that of an Enterprise Zone, providing partial property tax rebates for qualifying investments occurring on the properties, thus encouraging companies to locate in Wilsonville and provide valuable economic benefits to the community. This proposal was taken before the City’s electorate in March 2013 and approved by 78.8 percent of voters.

While the TIF Zone incentive packages are similar to Enterprise Zones in concept, they will differ in several key ways in an attempt to make TIF Zones both a lower risk use of public funds and more attractive to potential investors. Each site selected to be a TIF Zone will require the creation of a separate urban renewal plan and report because each site will be its own, individual, urban renewal area. As established by the Task Force, TIF Zone properties must have 100,000 square feet or more of industrially-zoned building space that has the potential for conversion from warehousing to a higher-value, traded-sector use such as manufacturing.



The Agency has prepared the 9805 SW Boeckman Road Urban Renewal Plan (Plan) based on the recommendations of the Task Force. This Plan establishes the second of up to six urban renewal areas using the TIF Zone concept. The Plan contains goals, objectives, and projects for the development of the 9805 SW Boeckman Road Urban Renewal Area (Area). The overall purpose of the Plan is to use tax increment financing to provide incentives for economic investment, to cure blight in underutilized buildings, using strategies that are competitive with Enterprise Zones in other communities in the region.

In general, the purpose of urban renewal is to improve specific areas of a city that are poorly developed or underdeveloped. These areas can have old or deteriorated buildings, public spaces that need improvements, streets and utilities in poor condition, a complete lack of streets and utilities altogether, or other obstacles to development. The Area selected is an underutilized, industrial-zoned area of Wilsonville that has had a history of partial or complete vacancy and where existing conditions have presented a barrier to attracting new private sector financial investment to convert the Area to a higher-value, traded sector use.

Urban renewal allows for the use of tax increment financing, a financing source that is unique to urban renewal, to fund its projects. Tax increment revenues – the amount of property taxes generated by the increase in total assessed values in the urban renewal area from the time the urban renewal area is first established – are used to accomplish projects identified by the urban renewal agency. In this case, other than administration, the Plan has only one project, which is repayment in the form of partial property tax reimbursement for qualifying capital infrastructure investment that increases assessed value and job creation.

The specific projects to be approved in this Plan are outlined in Sections IV and V.

Urban renewal is put into effect when the local government (the City of Wilsonville, in this case) adopts an urban renewal plan. The urban renewal plan defines the urban renewal area, states goals and objectives for the area, lists projects and programs that can be undertaken, provides a dollar limit on the funds that can be borrowed for urban renewal projects, and states how the plan may be changed in the future.

The Area, shown in Figure 1, consists of approximately 24.98 acres.

The Plan will be administered by the Wilsonville Urban Renewal Agency, which was activated by the Wilsonville City Council as the City's Urban Renewal Agency.



Substantial changes to the Plan, if necessary, must be approved by the City Council, as outlined in Section X of this Plan.

An Urban Renewal Report, which accompanies the Plan, contains additional information, as required by ORS 457.085. The technical information in the Report includes:

- A description of the physical, social, and economic conditions in the area;
- Expected impact of the Plan, including fiscal impact, in light of increased services;
- Reasons for selection of each Area in the Plan;
- The relationship between each project to be undertaken and the existing conditions;
- The total cost of each project and the source of funds to pay such costs;
- The estimated completion date of each project;
- The estimated amount of funds required in the Area, and the anticipated year in which the debt will be retired;
- A financial analysis of the Plan;
- A fiscal impact statement that estimates the impact of tax increment financing upon all entities levying taxes upon property in the urban renewal area; and
- A relocation report.

The Plan will be active for a maximum of 15 years as explained in Section V, subsection A, below. If no qualifying investment occurs in the Area that uses the Plan project incentives within five years after the effective date of the Plan, then the Plan will immediately be terminated. The maximum amount of indebtedness (amount of tax increment financing for projects and programs) that may be issued for the Plan is \$12,000,000. For TIF Zones, maximum indebtedness reflects the total of the tax repayment obligation to the qualifying company and represents the maximum amount of tax increment to be collected to meet this obligation as well as administrative costs.

### III. GOALS AND OBJECTIVES

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The goals of the Plan represent the basic intents and purposes. Accompanying each goal are objectives, which generally describe how the Agency intends to achieve the goals. The urban renewal projects identified in Sections IV and V of the Plan are the specific means of meeting the objectives. The goals relate to adopted plans, as detailed in Section XI, and were developed with input from the Wilsonville Economic Development Strategy Task Force. The goals and objectives will be pursued as economically as is feasible and at the discretion of the urban renewal agency.

#### **Goal 1: *PUBLIC INVOLVEMENT***

Maintain a citizen involvement program that ensures the opportunity for citizens to be involved in all phases of the urban renewal adoption process.

##### Objectives:

1. Provide opportunities for public input throughout the adoption process, including a public open house, Planning Commission meeting, and City Council hearing.
2. Provide information on urban renewal on the City of Wilsonville's website.

#### **Goal 2: *ECONOMY***

Encourage the economic growth of the Area by encouraging local industrial investment and manufacturing jobs using existing infrastructure and promoting new use of vacant and underutilized industrial properties.

##### Objectives:

1. Provide steady, family-wage jobs for the community.
2. Generate investment that will bolster the local economy and provide revenue for local taxing jurisdictions.
3. Promote the reuse of vacant buildings and encourage infill development by providing incentives for investors to locate in an existing building or build on a site already in the middle of an industrial area and use the existing infrastructure.
4. Partner with public and private entities to incentivize and generate private investment.



**Figure 1 – 9805 SW Boeckman Road Urban Renewal Area Boundary**



Source: City of Wilsonville



#### **IV. OUTLINE OF MAJOR URBAN RENEWAL PROJECT ACTIVITIES**

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The primary project within the Area will be providing the return of incremental property taxes to developers as an incentive for redevelopment. Another small use of funds will be to pay for the preparation and administration of the Plan.

#### **V. URBAN RENEWAL PROJECTS**

---

The urban renewal projects authorized by the Plan are described below. These projects are consistent with the Wilsonville Economic Development Strategy and are in conformance with the Wilsonville Comprehensive Plan, as detailed in Section XI of this Plan.

As shown in the Report, urban renewal funds will primarily be used as an incentive to spur industrial development, investment, and job creation. The details of the projects are as follows:

##### **A. Property tax rebates**

This project offers an incentive to the private sector to convert under-utilized industrial buildings into higher value traded-sector uses, such as manufacturing. This project will provide tax rebates of a portion of incremental property tax increases to qualifying investments in the Area.

##### **Property tax rebate mechanics**

The project will rebate up to 75% of the tax increment revenue for three years for each company that:

- Invests at least \$25 million in capital improvements and/or qualified equipment, and;
- Creates 75 or more new, permanent, full-time jobs that pay a minimum of 125% of the average Clackamas County wage rate (not including benefits) in effect at the time the rebate is paid which for 2012 is \$25.33/hour or \$52,693 annual wage rate.

Two additional years (five total) of property tax rebates are available if the average wage of the 75 or more new jobs pay 150% of average wages paid in Clackamas County, which for 2012 equals \$30.40 per hour, or a \$63,230 annual wage.



Additional three- and five-year rebate periods could begin, after approval by the Agency, with any additional new capital investment and job creation meeting the above minimum criteria, providing the potential for up to 10 years of rebates. Again, however, qualified investment needs to be made within five years of program adoption. This limits the potential life of the program and rebates to up to 15 years. Qualifying Businesses must be manufacturing firms. If no qualifying investment has been made in the Area within five years of the effective date of the Plan, the Area will be dissolved.

Any businesses receiving Area benefits will be monitored by the Agency for compliance with qualifying criteria and no rebate shall be given if the business fails to meet any of the qualifications. Additionally, if a business which has received a rebate discontinues business operations in the Area within two years after it receives each rebate payment it will be required to return all or a portion of the rebate as follows. Should a business discontinue business operations within the Area within 12 months after receiving a rebate, the business shall be required to reimburse the Agency 100% of the rebate payment. Should a business discontinue business operations within 24 months of receiving a rebate, the business shall be required to reimburse the Agency 50% of the rebate payment.

#### **B. Debt repayment and project administration**

This project will allow for the repayment of costs associated with the preparation, including the potential repayment of the initial planning costs for the development of the urban renewal plan, adoption, and implementation of the Plan. This project also includes ongoing administration of the Plan.

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### **VI. PROPERTY ACQUISITION AND DISPOSITION**

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The Plan does not authorize the acquisition and disposition of property.

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### **VII. RELOCATION METHODS**

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No relocation assistance will be provided because this Plan does not authorize property acquisition. If relocation is required, the Agency will comply with relocation methods required under state law.

## VIII. LAND USES

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The proposed land use is industrial development. The maximum densities and building requirements are contained in the Wilsonville Development Code.

## IX. TAX INCREMENT FINANCING OF PLAN

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Tax increment financing consists of using annual tax increment revenues to make payments on debt and to finance the urban renewal projects authorized in the Plan. Tax increment revenues equal most of the annual property taxes imposed on the cumulative *increase* in assessed value within an urban renewal area over the total assessed value at the time an urban renewal plan is adopted. (Under current law, the property taxes for general obligation (GO) bonds and local option levies approved after October 6, 2001 are not part of the tax increment revenues.)

### A. General description of the proposed financing methods

The Plan will be financed using a combination of revenue sources. These include:

- Tax increment revenues; and/or
- Any other public or private source.

Revenues obtained by the Agency will be used to pay or repay the costs, expenses, advancements, and indebtedness incurred in planning or undertaking project activities, or otherwise exercising any of the powers granted by ORS Chapter 457 in connection with the implementation of this Plan.



## **B. Tax increment financing and maximum indebtedness**

The Plan may be financed, in whole or in part, by tax increment revenues allocated to the Agency, as provided in ORS Chapter 457. The ad valorem taxes, if any, levied by a taxing district in which all or a portion of the Area is located, shall be divided as provided in Section 1c, Article IX of the Oregon Constitution, and ORS 457.440. Amounts collected pursuant to ORS 457.440 shall be deposited into the unsegregated tax collections account and distributed to the Agency based upon the distribution schedule established under ORS 311.390.

The maximum amount of indebtedness that may be issued or incurred under the Plan, based upon good faith estimates of the scope and costs of projects in the Plan and the schedule for their completion, is \$12,000,000.

## **C. Prior indebtedness**

Any indebtedness permitted by law and incurred by the Agency or the City of Wilsonville in connection with the preparation of this Plan or prior planning efforts that support the preparation or implementation of this Plan may be repaid from tax increment revenues from the Area when, and if, such funds are available.

# **X. FUTURE AMENDMENTS TO PLAN**

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The Plan may be amended as described in this section.

## **A. Substantial Amendments**

Substantial Amendments are amendments that:

- Add land to the urban renewal area, except for an addition of land that totals not more than 1% of the existing area of the urban renewal area; or
- Increase the maximum amount of indebtedness that can be issued or incurred under the Plan.

Substantial Amendments, in accordance with ORS 457.085(2)(i), shall require the same notice, hearing, and approval procedure required of the original Plan, under ORS 457.095, including public involvement, consultation with taxing districts, presentation to the Planning Commission, and adoption by the City Council by non-emergency ordinance after a hearing. Notice of such hearing shall be provided

to individuals or households within the City of Wilsonville, as required by ORS 457.120. Notice of adoption of a Substantial Amendment shall be provided in accordance with ORS 457.095 and 457.115.

**B. Minor Amendments**

Minor Amendments are amendments that are not Substantial Amendments in scope. Minor Amendments require approval by the Agency by resolution.

**C. Amendments to the Wilsonville Comprehensive Plan and/or Wilsonville Development Code**

Amendments to the Wilsonville Comprehensive Plan and/or Wilsonville Development Code that affect the Plan and/or the Area shall be incorporated automatically within the Plan without any separate action required by the Agency or the City Council.



Figure 2 – Zoning and Comprehensive Plan Designations



Source: City of Wilsonville



## **XI. RELATIONSHIP TO LOCAL OBJECTIVES**

The Plan relates to local planning and development objectives contained within the City of Wilsonville's Comprehensive Plan and Economic Development Strategy. The following section describes the purpose and intent of these plans, the particular goals and policies within each planning document to which the proposed Plan relates, and an explanation of how the Plan relates to these goals and policies. The numbering of the goals, policies, and implementation strategies will reflect the numbering that occurs in the original document. Italicized text is text that has **not** been taken directly from an original planning document. The Zoning and Comprehensive Plan designations are shown in Figure 2.

This is not a comprehensive list of all parts of the Wilsonville Comprehensive Plan that are supported by this Plan. This list includes the major goals and policies from the Comprehensive Plan that are supported. However, there may be other goals and policies that are not listed, but are still supported by this Plan.

### **A. City of Wilsonville Comprehensive Plan**

The Wilsonville Comprehensive Plan was updated in January 2013. The Comprehensive Plan is an official statement of the goals, policies, implementation measures, and physical plan for the development of the City. The Plan documents the City's approach to the allocation of available resources for meeting current and anticipated future needs. In doing so, it records current thinking regarding economic and social conditions. Because these conditions change over time, the Plan must be directive, but flexible, and must also be periodically reviewed and revised to consider changes in circumstances.

#### **Section A: Citizen Involvement**

**Goal 1.1** To encourage and provide means for interested parties to be involved in land use planning processes, on individual cases and City-wide programs and policies.

**Policy 1.1.1** The City of Wilsonville shall provide opportunities for a wide range of public involvement in City planning programs and processes.

*The Plan conforms with Goals 1.1 and Policy 1.1.1 by involving the citizens of Wilsonville in both the creation of the TIF Zone framework and in the decision of whether or not to use that framework to encourage economic development. The Economic Development Strategy Task Force was comprised of a cross-section of members of the community and it helped to both determine that urban renewal areas, then called TIF Zones, were appropriate to use in Wilsonville, and*



*helped decide how these incentives should work. Later, a city-wide vote was held so that the community could weigh in on the decision of whether or not to use TIF Zones. Citizens were included in the adoption phase of the urban renewal plan through a public open house, Planning Commission meeting, and City Council hearing that was noticed as required in ORS 45.*

**Goal 1.2 For Wilsonville to have an interested, informed, and involved citizenry.**

Implementation Measure 1.2.1.c. Establish procedures to allow interested parties reasonable access to information on which public bodies will base their land use planning decisions.

**Policy 1.3 The City of Wilsonville shall coordinate with other agencies and organizations involved with Wilsonville's planning programs and policies.**

*The Plan conforms with Goals 1.2, Policy 1.3, and their Implementation Measures by involving the citizens of Wilsonville in both the creation of the TIF Zone framework and in the decision of whether or not to use that framework to encourage economic development. The Economic Development Strategy Task Force was comprised of a cross-section of members of the community and it helped to both determine that urban renewal areas, then called TIF Zones, were appropriate to use in Wilsonville, and helped decide how these incentives should work. In addition, taxing jurisdictions received formal notice, and, if desired, a briefing on the Plan. Representatives of the three major taxing jurisdictions were included as members of the Task Force that recommended the creation of TIF Zones.*

**Chapter 2: Urban Growth Management**

**Goal 2.1 To allow for urban growth while maintaining community livability, consistent with the economics of development, City administration, and the provision of public facilities and services.**

Implementation Measure 2.1.1.a. Allow development within the City where zoning has been approved and other requirements of the Comprehensive Plan have been met.

Implementation Measure 2.1.1.c. Encourage a balance between residential, industrial, and commercial land use, based on the provisions of this Comprehensive Plan.

Implementation Measure 2.1.1.d. Establish and maintain revenue sources to support the City's policies for urbanization and maintain needed public services and facilities.



**Policy 2.1.1** The City of Wilsonville shall support the development of all land within the City, other than designated open spaces, consistent with the land use designations of the Comprehensive Plan.

*The Plan conforms with Goal 2.1, Policy 2.1.1, and their Implementation Measures by providing financial incentives for the redevelopment of lands already designated as urban and already provided with infrastructure. By doing this, the Plan encourages growth and development within the urban growth boundary, and helps relieve pressures on lands outside of the urban growth boundary.*

#### **Chapter 4: Land Use and Development**

**Goal 4.1** To have an attractive, functional, economically vital community with a balance of different types of land.

**Policy 4.1.1** The City of Wilsonville shall make land use and planning decisions to achieve Goal 4.1.

Implementation Measure 4.1.1.d. In the process of administering the City's Comprehensive Plan, careful consideration will be given to the economic impacts of proposed policies, programs and regulations. Efforts will be made to simplify and streamline the planning and zoning review process while maintaining the quality of development.

Implementation Measure 4.1.1.e. The City shall protect existing and planned industrial and commercial lands from incompatible land uses, and will attempt to minimize deterrents to desired industrial and commercial development.

Implementation Measure 4.1.1.m. Encourage a balance between light industrial and residential growth within the City.

*The Plan conforms with Goal 4.1, Policy 4.1.1, and their Implementation Measures by encouraging the redevelopment of local industrial buildings. This redevelopment will enrich the balanced land uses within Wilsonville. Also, by encouraging redevelopment of the Area, the Plan helps support an economically vital community by bringing jobs to the community and by reducing the number of vacant or underutilized industrial buildings in the City.*

**Policy 4.1.3** City of Wilsonville shall encourage light industry compatible with the residential and urban nature of the City.

Implementation Measure 4.1.3.a. Develop an attractive and economically sound community.

Implementation Measure 4.1.3.c. Favor capital intensive, rather than labor intensive, industries within the City.



Implementation Measure 4.1.3.e. Site industries where they can take advantage of existing transportation corridors such as the freeway, river, and railroad.

*The Plan conforms with Goal 4.1, Policy 4.1.3, and their Implementation Measures by encouraging the redevelopment of local industrial buildings. This redevelopment will help maintain a healthy mix of industrial jobs and industry within the community, and will encourage industrial activities to sites where they can take advantage of existing transportation corridors and other infrastructure.*

## **B. Wilsonville Economic Development Strategy**

The Economic Development Strategy was completed in August 2012, and sets forth an economic strategy for Wilsonville that describes actions to be taken by the public sector for the purpose of stimulating private sector activity. This strategy was developed with the assistance of an advisory committee that met over the course of 4 months and considered input from the community provided in the form of focus groups, interviews with business leaders, an economic summit, public comments and a community survey. The end result was a vision statement for economic development in Wilsonville, and a list of 6 actions to be taken by the public sector. Specific actions that are directly supported by this Urban Renewal Plan are listed below, but other actions from the Economic Development Strategy will also benefit from the successful implementation of this Plan.

Action 2.1 Promote reuse of vacant building, infill development, and redevelopment.

Action 6.2 Develop criteria to guide the use of incentives to attract or retain businesses.

*The projects in the Plan conform with the Economic Development Strategy. They will help to encourage the reuse of existing industrial buildings and infill development by providing an incentive package similar to that of neighboring communities. This incentive package will help incentivize and generate private investment, which will in turn provide jobs for the community and an increased tax base to support local services and infrastructure.*

## **C. Wilsonville Development Code**

The Wilsonville Development Code - Planning and Land Development was enacted for the purpose of promoting the general public welfare by ensuring procedural due process in the administration and enforcement of the City's Comprehensive Plan, Zoning, Design Review, Land Division, and Development Standards. It is contained as Chapter 4 of the Wilsonville Code.

The zoning designation for the property in the Area is PDI - Planned Development Industrial Zone. It is shown in Figure 2. The Plan is not proposing any new zones or



code amendments, nor are there any proposals that would modify any of the existing zones or land uses. The Plan will comply with all requirements of the existing zoning.

#### **D. City of Wilsonville Transportation Systems Plan**

The City of Wilsonville Transportation Systems Plan (TSP) was adopted by the Wilsonville City Council on June 17, 2013.

The TSP is the City's long-term transportation plan and is an element of its Comprehensive Plan. It includes policies, projects, and programs that could be implemented through the City's Capital Improvement Plan, development requirements, or grant funding.

The 2013 TSP process built upon two decades of community planning to create a complete community transportation plan that integrates all travel modes. Most of the policies and projects come from prior adopted plans, including the Comprehensive Plan, 2003 TSP, 2006 Bicycle and Pedestrian Master Plan, and 2008 Transit Master Plan. While the TSP replaces the 2003 TSP in its entirety, it updates and builds upon the 2006 Bicycle and Pedestrian Master Plan and 2008 Transit Master Plan. Where these documents may be in conflict, the new TSP takes precedence.

SW Boeckman Road is designated as a minor arterial, a truck route and a bicycle route.<sup>1</sup> The TSP Executive Summary identifies several SW Boeckman Road projects as being a high priority, including bridge and corridor improvements, dip improvements and urban upgrades, and sidewalk and bikelane infill.<sup>2</sup> SW Boeckman Road is also identified as having a cross section deficiency near the Area.<sup>3</sup> Public bus lines do run along SW Boeckman Road, and though they do not run all the way east to the Area, the Area is considered to be within the SMART Service Area.

*The Plan conforms with the City of Wilsonville Transportation System Plan as the redevelopment planned for the Area is an industrial use and SW Boeckman Avenue will be used as designated in the TSP. SW Boeckman Avenue is classified as a minor arterial, anticipating truck travel.*

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<sup>1</sup> City of Wilsonville Transportation System Plan, 2013, Figure 3-2 Functional Class Designations, p 3-6; Figure 3-4 Freight Routes, p 3-9; Figure 3-5 Bicycle Routes, p 3-11.

<sup>2</sup> City of Wilsonville Transportation System Plan, 2013, Executive Summary, p v.

<sup>3</sup> City of Wilsonville Transportation System Plan, 2013, Figure 4-1 Roadway Cross-Section Deficiencies, p 4-5.



## APPENDIX A: LEGAL DESCRIPTION

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### 9805 SW BOECKMAN ROAD URBAN RENEWAL DISTRICT WILSONVILLE, OREGON

Lots and maps are taken from Assessor's Tax Maps from July, 2013, and attached hereto. The area is described as that land containing that lot or parcel of property situated in the City of Wilsonville, County of Clackamas, and the State of Oregon, lying in Section 11, Township 3 South, Range 1 West of the Willamette Meridian, bounded as follows:

**Commencing** at a point common to Sections 11 and 14, Township 3 South, Range 1 West, Willamette Meridian, Clackamas County, Oregon. Thence North, 1320 feet, more or less; Thence West, 780 feet, more or less, to the point of intersection of the Northeast corner of Tax Lot 900, and the Oregon Electric Railroad Company's West right-of-way line, Assessor's Plat 3 1W 11C, and being the **POINT OF BEGINNING**.

1. Thence South along said West right-of-way line, 1403 feet, more or less, to the point of intersection of said Oregon Electric Railroad Company's West right-of-way line, and the North right-of-way line of Boeckman Road;
2. Thence West along said North right-of-way line, 1087 feet, more or less, to the point of intersection of said North right-of-way line and the East right-of-way line of proposed Kinsman Road
3. Thence North along said East right-of-way line, 1260 feet, more or less, to the Northwest corner of said Tax Lot 900;
4. Thence East, 525 feet, more or less, to the **POINT OF BEGINNING**.

The described property, located entirely within the City of Wilsonville, County of Clackamas and the State of Oregon, contains **twenty five (25)**, acres, more or less.

Due to the possibility of errors in the acreage shown on the Assessor's Tax Maps used to compute the property acreage, the acreage given hereon should be considered accurate to the nearest 1 acre.



**REPORT ACCOMPANYING  
9805 SW BOECKMAN ROAD  
URBAN RENEWAL PLAN**



**Prepared for the City of Wilsonville**

**August 5, 2013**



**REPORT ACCOMPANYING  
9805 SW BOECKMAN ROAD  
URBAN RENEWAL PLAN**

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## I. INTRODUCTION

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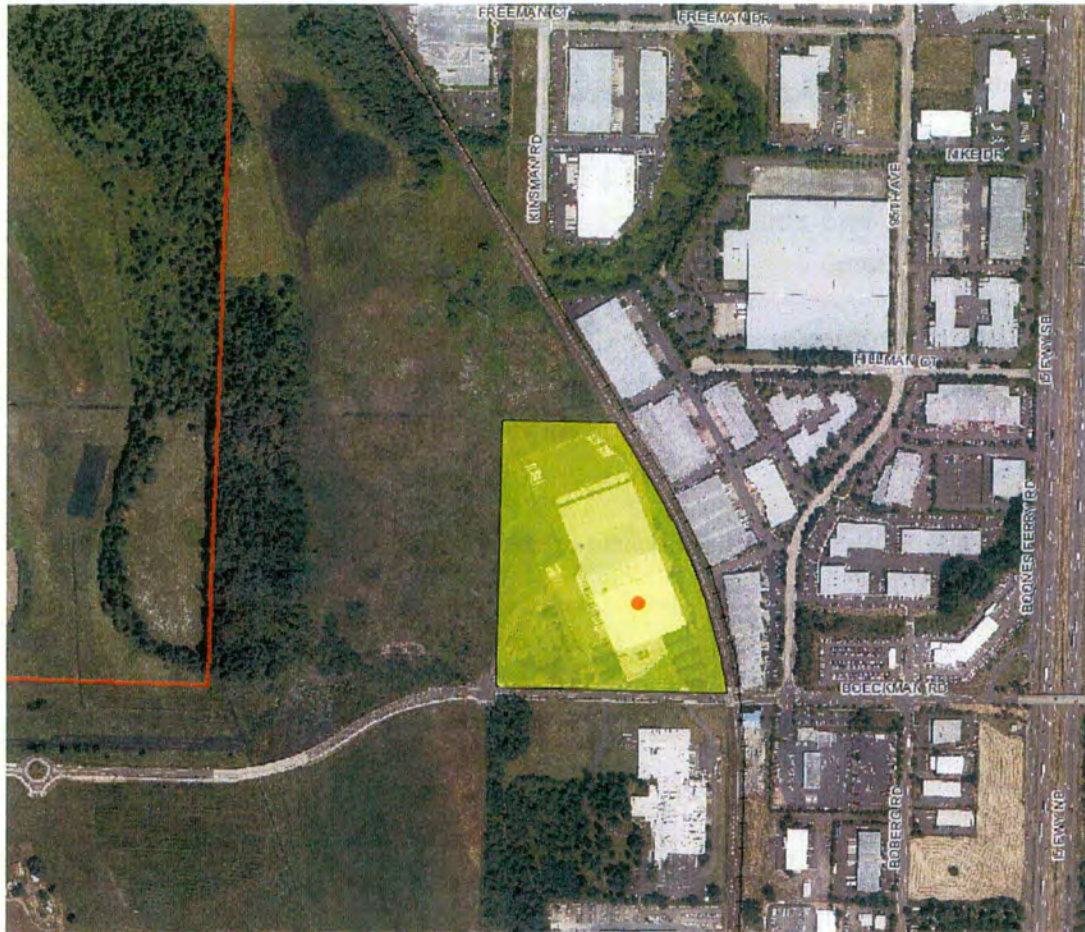
The Report on the 9805 SW Boeckman Road Urban Renewal Plan (Report) contains background information and project details that pertain to the 9805 SW Boeckman Road Urban Renewal Plan (Plan). The Report is not a legal part of the Plan, but is intended to provide public information and a basis for the findings made by the City Council as part of its approval of the Plan.

The Report provides information required by ORS 457.085(3). The format of the Report is based on this statute. The Report documents not only the proposed projects in the Plan, but also documents the existing conditions in the 9805 SW Boeckman Road Urban Renewal Area (Area).

The Report provides the analysis required to meet the standards of ORS 457.085(3), including financial feasibility.



**Figure 1 – 9805 SW Boeckman Road Urban Renewal Plan Area Boundary**



Source: City of Wilsonville

## II. EXISTING PHYSICAL, SOCIAL, AND ECONOMIC CONDITIONS AND IMPACTS ON MUNICIPAL SERVICES

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This section of the Report describes existing conditions within the 9805 SW Boeckman Road Urban Renewal Area and documents the occurrence of “blighted areas,” as defined by ORS 457.010(1).

### A. Physical Conditions

#### *Land Use*

According to data obtained from the City of Wilsonville and the Clackamas County Assessor’s office, the Area, shown in Figure 1 above, contains 1 industrial use parcel that has 301,000 square feet of building space on 24.98 acres.

#### *Zoning and Comprehensive Plan Designations*

In the City of Wilsonville, the Wilsonville Development Code and the Wilsonville Comprehensive Plan designations differ. The development code establishes districts to control land use throughout the city and regulates development standards within these established use districts. The comprehensive plan designation indicates the type of use allowed on a parcel.

The comprehensive plan designation of the parcel is Industrial, and the zoning is Planned Industrial Development (PDI).



Figure 2 – Area Zoning and Comprehensive Plan Designations



Source: City of Wilsonville



## B. Infrastructure: Existing Conditions

### *Infrastructure*

This section of the Report identifies the existing infrastructure in the Area. However, because this Area consists of only one parcel, this section will instead evaluate the infrastructure directly serving this parcel, along with an evaluation of the conditions of the infrastructure on the parcel itself. Information was obtained from documentation by City of Wilsonville staff.

#### 1. Streets/Sidewalks/Pathways/Bike Lanes

The street servicing the property, SW Boeckman Road, is a minor arterial that is in good condition and meets City standards. SW Boeckman Road has adequate streetscape, sidewalks, curbs, and bike lanes.

There are several planned projects for SW Boeckman Road in the Capital Improvement Plan (CIP), but none of them are in the immediate vicinity of the Area.

#### 2. Water

The water pipe serving the Area is a 3" domestic / 1.5" irrigation that should be adequate for the current or future needs of the Area. There are no projects planned for the water infrastructure serving the Area in the CIP or other planning documents.

#### 3. Storm Drainage Master Plan

The storm drain service in the Area is adequate for current and future use, and there are no planned projects for storm drain infrastructure serving the Area in the CIP or other planning documents. However, a building expansion or the addition of impervious surface could trigger new on-site stormwater improvements.

#### 4. Sanitary Sewer

Sewer service to the Area is more than adequate for the current and future needs of the Area, and there are no planned projects for sewer infrastructure serving the Area in the CIP or other planning documents.

#### 5. Parks

There are no public parks in the Area. The 2007 Parks and Recreation Master Plan identifies project P12 Industrial Area Waysides in the northwest industrial area of Wilsonville, which is currently underserved by parks or recreation facilities. These projects are not in the City's short or mid-term Capital Improvement Program and have not been sited.



## 6. Public Parking

There is no public parking in the Area, but there is a bank of private head-in parking along the south end of the building that should provide parking for over 150 vehicles.

## 7. Wetlands

Approximately 127,361 SF along the Area's western boundary is identified as the Coffee Creek wetland buffer and is within the City's Significant Resource Overlay Zone (SROZ).

## 8. Conditions of Buildings

The building has 301,000 square feet of space. It is currently vacant.

## C. Social Conditions

There is only one industrial parcel in the Area and there are no residents that reside within the Area.

## D. Economic Conditions

### *Taxable Value of Property Within the Area*

According to the Clackamas County Assessor's office, the estimated 2011/2012 total assessed value of the real property in the Area is \$10,879,601. The building is underutilized, and if it was fully utilized and converted to a traded-sector use such as manufacturing, the values would increase.

The frozen base is estimated to be \$10,879,601.

## E. Impact on Municipal Services

The fiscal impact of tax increment financing on taxing districts that levy taxes within the Area (affected taxing districts) is described in Section IX (Impact of the Tax Increment Financing) of this Report. This subsection discusses the fiscal impacts resulting from potential increases in demand for municipal services.

The project being considered for future use of urban renewal is an economic development project. The use of urban renewal funding for this project allows the City to provide an attractive industrial development incentive program that will be competitive with neighboring communities' Enterprise Zone programs. It also allows the city to tap a different funding source besides the City of Wilsonville's general funds to support this program.



All necessary infrastructure to serve the Area is in place and none of the systems are slated for improvements in the CIP. Converting the building structure in the Area to optimized use will take advantage of the existing infrastructure. Because the structure will incur a change in use from warehousing to manufacturing, or another traded-sector use that meets program criteria, there may be a need for additional police and fire services. However, since this structure already exists and has received these services before, these are not totally new service requirements. In addition, a vacant structure can sometimes be vulnerable to vandalism, criminal activity and fire risk. Bringing the structure back to full use will help prevent such risks.

The revenue sharing feature of this urban renewal plan allows for tax increment to be shared with taxing jurisdictions including the City of Wilsonville at the onset of receipt by the Agency of tax increment funds. These funds will help offset any increased services.

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

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The reason for selecting the Area is to cure blight by providing the ability to fund an economic incentive program to encourage private sector investment in an underutilized and/or vacant parcel of industrial zoned land.

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

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The projects identified for the Area, including how they relate to the existing conditions in the Area, are described below:

#### **A. Property Tax Rebates**

This project offers an incentive to the private sector to convert underutilized industrial buildings into higher value traded-sector uses, such as manufacturing, in the Area. This project will provide tax rebates of a portion of incremental property tax increases to qualifying investments in the Area.

#### *Existing Conditions:*

*This parcel is currently vacant and/or underutilized. It has 301,000 square feet of building space on 24.98 acres.*



## B. Debt Service and Administration

This project will allow for the repayment of costs associated with the preparation (including the potential repayment of the initial planning costs for the development of the urban renewal plan) adoption, and implementation of the 9805 SW Boeckman Road Urban Renewal Plan. This project also includes ongoing administration and any financing costs associated with the Plan.

### *Existing Conditions:*

*As there is currently no urban renewal program for this Area, these activities do not exist.*

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

The costs of the projects are shown in Table 1. The sources of funds are tax increment revenues. A three percent annual inflation factor is used. These funds will be allocated to the following projects:

- Repayment of a portion of the urban renewal planning costs will occur in the first year that tax increment funds are received (\$12,000 in FY 2013-14, adjusted annually for inflation increases).
- Approximately \$15,000 in FY 2013-14, adjusted for inflation, will be allocated for program administration annually.
- The project will rebate up to 75% of the net tax increment revenue for three years for each qualifying company if the average wage of the 75 or more new jobs pay a minimum of 125% of the average Clackamas County wage rate (not including benefits) in effect at the time the rebate is paid, which for 2012 is \$25.33/hour or \$52,693 annual wage rate. Two additional years (five total) of property tax rebates are available if the average wage of the 75 or more new jobs pay 150% of average wages paid in Clackamas County at the time the rebate is paid, which for 2012 equals \$30.40 per hour, or a \$63,230 annual wage.
- Any net tax increment revenues in excess of what is needed for administrative expenses or tax rebates will be distributed to the impacted taxing jurisdictions.

**Table 1 – Estimated Project Allocations**

TIF Use	Amount
URA Administration	\$141,367
Rebate	\$11,821,851
Total	\$11,963,218



## VI. THE ANTICIPATED COMPLETION DATE FOR EACH PROJECT

The anticipated latest completion date of the projects in the 9805 SW Boeckman Road Urban Renewal Plan will be June 30 of the fiscal year ending 15 years after the approval of the Plan. If investments do not occur as outlined in the program guidelines, the Plan may be terminated earlier at the discretion of the Agency.

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

Table 2 shows a scenario for how this urban renewal plan may be implemented. This scenario relies on an investment by the developer of over \$407,000,000, in three successive years, receiving \$11,821,851 in tax rebates from tax increment funds received by the Agency.

**Table 2. Investment Schedule**

Year	Investment Amount		
	Schedule 1	Schedule 2	Schedule 3
2013			
2014			
2015	\$ 137,000,000		
2016		\$135,000,000	
2017			\$135,000,000
2018			

Source: ECONorthwest

The tax increment revenues and their allocation to administrative costs, developer rebates, and the taxing jurisdictions' share of the increased property tax revenue are shown in Table 3. Since revenue sharing is anticipated at the onset of the Plan, and this revenue sharing exceeds the potential amount of distributions through revenue sharing required in ORS 457.470, the revenue sharing in ORS 457.470 has been waived by the taxing jurisdictions.

It is anticipated that all expenditures of tax increment funding will be completed within 15 years. The maximum indebtedness is \$12,000,000. In the scenario detailed in Tables 2 and 3, the term of the rebate expires before all of the manufacturer's

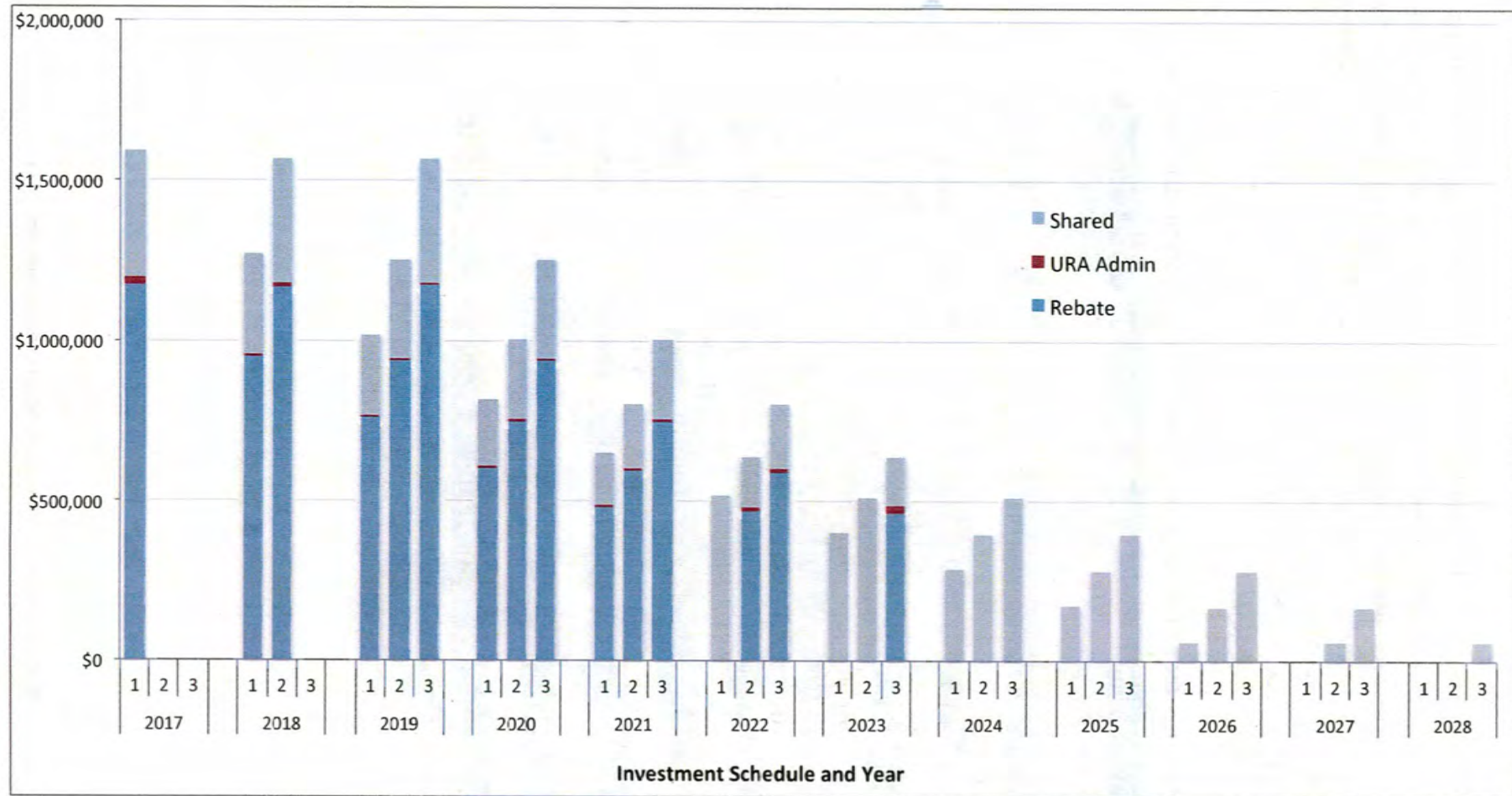


investment in equipment has depreciated. The result of this is the taxing jurisdictions begin to receive 100% of the TIF revenues in fiscal year 2023-24, and the total amount shared with taxing jurisdictions for the entire duration of the Area ends up being much higher than the net 25% share that is guaranteed during the time the developer is receiving rebates. Table 2 shows the total projected rebate to the developer in this scenario would be \$11,821,851 dollars, while the amount received by taxing jurisdictions is estimated at \$8,247,490 dollars over the 15 year life of the Plan. This is actually 40.8% of the total tax increment revenue.

Chart 1 depicts this scenario. Each individual investment provides rebates to the developer, and a portion of extra tax increment to taxing jurisdictions, for a five-year period, with any remaining increment shared with the taxing jurisdictions when that rebate period expires. The three investments are depicted in consecutive years, as shown by the 1,2,3 on the horizontal axis of the chart. As shown, once any one investment reaches the 6<sup>th</sup> year, all of the tax increment from that investment is shared with the taxing jurisdictions. This would be accomplished through an under levy.



**Chart 1. Investment, Amortization, and Rebate Schedule**



Source: ECONorthwest



There will be no loans or bonds issued. The amount of funding to service the maximum indebtedness will be raised through the payment of tax increment from the County Assessor's office. Because the project payments are predicated upon the annual tax increment on a formulaic basis allocating first to administrative costs, then a 75/25 split of increment between the developer and impacted taxing jurisdictions, the Plan will be financially feasible. No payments will be made without first receiving the increment from the assessor.

**Table 3 – Tax Increment Revenues and Allocations to Project Costs Sample Scenario**

FYE	URA Admin	Rebate	Shared	Total
2013	-	-	-	-
2014	-	-	-	-
2015	-	-	-	-
2016	-	-	-	-
2017	\$28,883	\$1,172,736	\$390,911	\$1,592,530
2018	\$17,390	\$2,119,437	\$706,479	\$2,843,306
2019	\$17,912	\$2,869,511	\$956,504	\$3,843,927
2020	\$18,449	\$2,292,519	\$764,173	\$3,075,141
2021	\$19,002	\$1,830,780	\$610,260	\$2,460,042
2022	\$19,572	\$1,069,956	\$878,472	\$1,968,000
2023	\$20,159	\$466,912	\$1,075,757	\$1,562,828
2024	-	-	\$1,204,211	\$1,204,211
2025	-	-	\$859,716	\$859,716
2026	-	-	\$515,223	\$515,223
2027	-	-	\$228,592	\$228,592
2028	-	-	\$57,192	\$57,192
2029	-	-	-	-
2030	-	-	-	-
Total	\$141,367	\$11,821,851	\$8,247,490	\$20,210,708

Source: ECONorthwest, FYE: Fiscal Year End, URA: Urban Renewal Area



## VIII. FINANCIAL ANALYSIS OF THE PLAN

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The estimated tax increment revenues in the sample scenario, as shown above, are based on projections of the assessed value of investment that could occur within the Area, depreciation of the investment and the total tax rate that will apply in the Area. The assumptions include assumptions of development, as identified in the TIF Zones concept by the City of Wilsonville. Although these assumptions are used as a basis for evaluating the Plan, the financial feasibility is predicated on the simple formula that increased revenues will be shared by the City for administration, by the developer and by the taxing jurisdictions. No payments will be made until tax increment is received from the County Assessor. These payments will be distributed on a formula that includes payments for administrative costs, then a 75/25 split between the developer and impacted taxing jurisdictions.

Table 4 shows the projected incremental assessed value, projected tax rates that would produce tax increment revenues, and the annual tax increment revenues (not adjusted for under-collection, penalties, and interest). These projections of increment are the basis for the projections in Table 3. These projections include shared revenue with impacted taxing jurisdictions.

Table 5 shows the investment and depreciation assumptions used in preparing the financial analysis. In this scenario, all investment is assumed to be equipment, and so it is depreciated. The depreciation schedule used in this scenario is a half-year convention over a 10-year recovery period that was published by the Internal Revenue Service in its annual report for how to depreciate property. Depreciation is an annual income tax deduction that allows you to recover the cost or other basis of certain property over the time you use the property. It is an allowance for the wear and tear, deterioration, or obsolescence of the property. In this case, all the investment in property is assumed to depreciate to zero after 10 years. Property can be depreciated at different times throughout the year, depending on the accounting method used. Under the half-year convention, you treat all property placed in service or disposed of during a tax year as placed in service or disposed of at the midpoint of the year. This means that a one-half year of depreciation is allowed for the year the property is placed in service or disposed of.



However, as stated above, for purposes of financial feasibility, the fact that no payments will be made until tax increment is received establishes financial feasibility.

**Table 4 – Projected Incremental Assessed Value, Tax Rates, and Tax Increment Revenues**

FYE	Assessed Value	Frozen Base	Excess Value	Tax Rate	TIF
2013	\$10,879,601	\$10,879,601	\$0	13.0968	-
2014	\$10,879,601	\$10,879,601	\$0	13.0936	-
2015	\$10,879,601	\$10,879,601	\$0	13.0793	-
2016	\$10,879,601	\$10,879,601	\$0	12.9159	-
2017	\$134,179,601	\$10,879,601	\$123,300,000	12.9159	\$1,592,530
2018	\$231,019,601	\$10,879,601	\$220,140,000	12.9159	\$2,843,306
2019	\$308,491,601	\$10,879,601	\$297,612,000	12.9159	\$3,843,927
2020	\$248,969,201	\$10,879,601	\$238,089,600	12.9159	\$3,075,141
2021	\$201,345,801	\$10,879,601	\$190,466,200	12.9159	\$2,460,042
2022	\$163,249,901	\$10,879,601	\$152,370,300	12.9159	\$1,968,000
2023	\$131,879,901	\$10,879,601	\$121,000,300	12.9159	\$1,562,828
2024	\$104,114,401	\$10,879,601	\$93,234,800	12.9159	\$1,204,211
2025	\$77,442,201	\$10,879,601	\$66,562,600	12.9159	\$859,716
2026	\$50,770,201	\$10,879,601	\$39,890,600	12.9159	\$515,223
2027	\$28,578,101	\$10,879,601	\$17,698,500	12.9159	\$228,592
2028	\$15,307,601	\$10,879,601	\$4,428,000	12.9159	\$57,192
2029	\$10,879,601	\$10,879,601	\$0	12.9159	-
2030	\$10,879,601	\$10,879,601	\$0	12.9159	-
Total					\$20,210,708

Source: ECONorthwest, FYE: Fiscal Year End, TIF: Tax Increment Funds



**Table 5 – Projected Investments and Depreciation Schedules**

Calendar Year	FYE	Investment Schedule 1			Investment Schedule 2			Investment Schedule 3			Total RMV
		Value	Depreciation	RMV	Value	Depr.	RMV	Value	Depr.	RMV	
2013	2015										
2014	2016										
2015	2017	\$137,000,000	10.00%	\$123,300,000							\$123,300,000
2016	2018		18.00%	\$98,640,000	\$135,000,000	10.00%	\$121,500,000				\$220,140,000
2017	2019		14.40%	\$78,912,000		18.00%	\$97,200,000	\$135,000,000	10.00%	\$121,500,000	\$297,612,000
2018	2020		11.52%	\$63,129,600		14.40%	\$77,760,000		18.00%	\$97,200,000	\$238,089,600
2019	2021		9.22%	\$50,498,200		11.52%	\$62,208,000		14.40%	\$77,760,000	\$190,466,200
2020	2022		7.37%	\$40,401,300		9.22%	\$49,761,000		11.52%	\$62,208,000	\$152,370,300
2021	2023		6.55%	\$31,427,800		7.37%	\$39,811,500		9.22%	\$49,761,000	\$121,000,300
2022	2024		6.55%	\$22,454,300		6.55%	\$30,969,000		7.37%	\$39,811,500	\$93,234,800
2023	2025		6.56%	\$13,467,100		6.55%	\$22,126,500		6.55%	\$30,969,000	\$66,562,600
2024	2026		6.55%	\$4,493,600		6.56%	\$13,270,500		6.55%	\$22,126,500	\$39,890,600
2025	2027		3.28%	-		6.55%	\$4,428,000		6.56%	\$13,270,500	\$17,698,500
2026	2028					3.28%	-		6.55%	\$4,428,000	\$4,428,000
2027	2029								3.28%	-	\$0
2028	2030										

FYE: Fiscal Year End RMV: Real Market Value Depr.: Depreciation  
Source: ECONorthwest



## IX. IMPACT OF THE TAX INCREMENT FINANCING

This section describes the impact of tax increment financing of the new maximum indebtedness, both until and after the indebtedness is repaid, upon all entities levying taxes upon property in the urban renewal area.

The impact of tax increment financing on overlapping taxing districts consists primarily of the property tax revenues foregone on permanent rate levies as applied to the growth in assessed value in the Area. These projections are for impacts estimated for a 15-year period and are shown in Tables 6a and 6b. Table 6a shows the general government taxing jurisdictions and Table 6b shows the education taxing jurisdictions.

The concept for this plan, as defined by the City of Wilsonville, includes a 25% share of net tax increment proceeds with the affected taxing jurisdictions. This formula for revenue sharing is different than the formula described in Oregon Revised Statutes (ORS). Revenue sharing is part of the 2009 legislative changes to urban renewal and means that, at thresholds defined in ORS 457.470, the impacted taxing jurisdictions will receive a share of the incremental growth in the area. By statute, the share is a percentage basis dependent upon the tax rates of the taxing jurisdictions. The first threshold is 10% of the original maximum indebtedness. At the 10% threshold, the urban renewal agency will receive the full 10% of the initial maximum indebtedness plus 25% of the increment above the 10% threshold, and the taxing jurisdictions will receive 75% of the increment above the 10% threshold. The second threshold is set at 12.5% of the maximum indebtedness. Since revenue sharing is anticipated at the onset of the Plan, and this revenue sharing exceeds the potential amount of distributions through revenue sharing required in ORS 457.470, the revenue sharing in ORS 457.470 has been waived by the taxing jurisdictions.

The West Linn-Wilsonville School District and the Education Service District are not *directly* affected by the tax increment financing, but the amounts of their taxes divided for the urban renewal plan are shown in the following tables. Under current school funding law, property tax revenues are combined with State School Fund revenues to achieve per-student funding targets. Under this system, property taxes foregone, due to the use of tax increment financing, are substantially replaced with State School Fund revenues, as determined by a funding formula at the state level. The formula for funding schools, as changed in the 2013 legislative session, is \$6,852 per pupil for FY 2013-14 and \$7,081 per pupil for FY 2014-15, an increase over the 2012 levels. According to the State of Oregon Department of Education,



there was approximately \$1 billion dollars of increased revenues allocated to school financing in the 2013 legislative session.<sup>1</sup>

Tables 6a and 6b show the projected impacts to permanent rate levies of taxing districts as a result of this Plan. It assumes the growth as projected in the other tables in this Report. **It does not offset the foregone revenues with the expected new revenues. Although the taxing jurisdictions are shown to forego approximately \$12 million, as shown in Tables 6a and 6b, they will receive approximately \$8 million, as shown in Table 3. Over the life of the Plan, the taxing jurisdictions will receive over 40% of the total tax increment revenues produced by this sample scenario.**

There is always some discussion about the true impact of urban renewal on the taxing jurisdictions as there is one line of thought that some of the growth projected would not occur “but for” urban renewal. In this case, the building is underutilized either through vacancy or type of use, and expectations are that it will remain underutilized in the future without developer incentives. Given this, there would be no expectation that any increase of property taxes would come from this building without the use of urban renewal.

There is no anticipated change in revenue for affected taxing jurisdictions upon termination of the Plan, which is expected in 15 years. All projected investment is equipment, and equipment’s assessed value depreciates over time. By the time the Area expires, all equipment will be fully depreciated, so there will be no additional assessed value to tax. However, the taxing jurisdictions are receiving 25% of the net increment during the time period the developer is receiving 75% of the net increment, and they are receiving 100% of the increment for the remaining time frame of the Area, as shown in Table 3. If there are any improvements to the building itself, or increases in value of the building itself, the taxing jurisdictions would realize the increased taxes from those investments.

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<sup>1</sup> Phone interview with Jan McComb, State of Oregon Department of Education, July 11, 2013.



**Table 6a – Projected Impact on Taxing District Permanent Rate Levies (General Government)**

FYE	Clackamas County	Tualatin Valley Fire & Rescue	City of Wilsonville	Port of Portland	Metro	COUNTY EXTENSION & 4-H	COUNTY LIBRARY	COUNTY SOIL CONS	VECTOR CONTROL	Subtotal
2013	-	-	-	-	-	-	-	-	-	-
2014	-	-	-	-	-	-	-	-	-	-
2015	-	-	-	-	-	-	-	-	-	-
2016	-	-	-	-	-	-	-	-	-	-
2017	(223,673)	(141,896)	(234,502)	(6,522)	(8,987)	(4,652)	(36,972)	(4,652)	(605)	(662,461)
2018	(397,755)	(252,332)	(417,012)	(11,597)	(15,982)	(8,272)	(65,746)	(8,272)	(1,075)	(1,178,043)
2019	(537,473)	(340,967)	(563,494)	(15,671)	(21,595)	(11,178)	(88,841)	(11,178)	(1,453)	(1,591,850)
2020	(430,170)	(272,895)	(450,997)	(12,543)	(17,284)	(8,946)	(71,105)	(8,946)	(1,163)	(1,274,049)
2021	(344,323)	(218,435)	(360,994)	(10,040)	(13,835)	(7,161)	(56,915)	(7,161)	(931)	(1,019,795)
2022	(202,808)	(128,659)	(212,627)	(5,913)	(8,149)	(4,218)	(33,523)	(4,218)	(548)	(600,663)
2023	(90,665)	(57,517)	(95,054)	(2,644)	(3,643)	(1,886)	(14,986)	(1,886)	(245)	(268,526)
2024	-	-	-	-	-	-	-	-	-	-
2025	-	-	-	-	-	-	-	-	-	-
2026	-	-	-	-	-	-	-	-	-	-
2027	-	-	-	-	-	-	-	-	-	-
2028	-	-	-	-	-	-	-	-	-	-
2029	-	-	-	-	-	-	-	-	-	-
2030	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>(2,226,867)</b>	<b>(1,412,701)</b>	<b>(2,334,680)</b>	<b>(64,930)</b>	<b>(89,475)</b>	<b>(46,313)</b>	<b>(368,088)</b>	<b>(46,313)</b>	<b>(6,020)</b>	<b>(6,595,387)</b>

Source: ECONorthwest.



**Table 6b – Projected Impact on Taxing District Permanent Rate Levies (Education and Totals)**

FYE	COM COLL CLACK (perm)	ESD CLACKAMAS	SCH WLINN/WILS (perm)	Education Subtotal	General Government Subtotal	Total
2013	-	-	-	-	-	-
2014	-	-	-	-	-	-
2015	-	-	-	-	-	-
2016	-	-	-	-	-	-
2017	(51,932)	(34,302)	(452,927)	(539,161)	(662,461)	(1,201,622)
2018	(92,349)	(60,998)	(805,436)	(958,783)	(1,178,043)	(2,136,826)
2019	(124,789)	(82,425)	(1,088,359)	(1,295,573)	(1,591,850)	(2,887,423)
2020	(99,876)	(65,969)	(871,075)	(1,036,920)	(1,274,049)	(2,310,969)
2021	(79,944)	(52,804)	(697,240)	(829,988)	(1,019,795)	(1,849,783)
2022	(47,087)	(31,102)	(410,677)	(488,866)	(600,663)	(1,089,529)
2023	(21,050)	(13,904)	(183,592)	(218,546)	(268,526)	(487,072)
2024	-	-	-	-	-	-
2025	-	-	-	-	-	-
2026	-	-	-	-	-	-
2027	-	-	-	-	-	-
2028	-	-	-	-	-	-
2029	-	-	-	-	-	-
2030	-	-	-	-	-	-
<b>Total</b>	<b>(517,027)</b>	<b>(341,504)</b>	<b>(4,509,306)</b>	<b>(5,367,837)</b>	<b>(6,595,387)</b>	<b>(11,963,224)</b>

Source: ECONorthwest. Please refer to the explanation of the schools funding in the preceding section.



## **X. COMPLIANCE WITH STATUTORY LIMITS ON ASSESSED VALUE AND SIZE OF URBAN RENEWAL AREA**

State law limits the percentage of both a municipality's total assessed value and the total land area that can be contained in an urban renewal area at the time of its establishment to 25% for municipalities under 50,000 in population. As noted below, the frozen base, including all real, personal, manufactured, and utility properties in the Urban Renewal Area, is projected to be \$10,879,601. The total assessed value of the City of Wilsonville is \$2,368,094,165. There are three existing urban renewal areas, as shown in Table 7. These three areas, plus the 9805 SW Boeckman Road Area, total 3.32% of the total assessed value of the City of Wilsonville, well below the 25% maximum. The 9805 SW Boeckman Road Area has 24.98 acres, including right-of-way, and the City of Wilsonville has 4,614.4 acres; the other three existing urban renewal areas total 1,011.76 acres. Therefore, 22.00% of the City's acreage is in an urban renewal area, below the 25% state limit.

**Table 7 – Urban Renewal Area Conformance with Assessed Value and Acreage Limits**

Urban Renewal Area	Assessed Value	Acres
9805 SW Boeckman Road	\$10,879,601	24.98
26755 SW 95 <sup>th</sup> Avenue	\$7,064,499	9.76
Year 2000 Plan	\$44,087,806	546
West Side Plan	\$16,526,288	456
City of Wilsonville	\$2,368,094,165	4,712
Percent of Assessed Value in Urban Renewal	3.32%	
Percent of Acreage in Urban Renewal		22.00%

Source: City of Wilsonville, Clackamas County Assessor, U.S. Census Bureau

## **XI. RELOCATION REPORT**

There is no relocation report required for the Plan. No relocation activities are anticipated.



# **25600 SW Parkway Center Drive Urban Renewal Plan**



**Prepared for the City of Wilsonville  
August 5, 2013**



City of Wilsonville

List of Participants

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Richard Goddard  
Scott Starr  
Susie Stevens

(Urban Renewal Board is also Wilsonville City Council)

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Eric Postma, Vice Chair  
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## I. DEFINITIONS

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“Area” means the properties and rights of way located within this 25600 SW Parkway Center Drive Urban Renewal Plan urban renewal boundary.

“City” means the City of Wilsonville, Oregon.

“City Council” or “Council” means the City Council of the City of Wilsonville.

“Comprehensive Plan” means the City of Wilsonville Comprehensive Plan and its implementing ordinances, policies, and standards.

“County” means Clackamas County.

“Economic Development Strategy Task Force” means a focused, limited-duration task force composed of leading community members and business managers who helped guide the Economic Development Strategy process and made a recommendation to the City Council.

“Enterprise Zones” means a program established by the State of Oregon in ORS 285C.045-.255, as amended, to provide tax incentives to businesses to locate in specifically designated areas of the state.

“Fiscal year” means the year commencing on July 1 and closing on June 30, the following year.

“Frozen base” means the total assessed value, including all real, personal, manufactured, and utility values within an urban renewal area at the time of plan approval. The county assessor certifies the assessed value after the approval of an urban renewal plan.

“Increment” means that part of the assessed value of a taxing district attributable to any increase in the assessed value of the property located in an urban renewal area, or portion thereof, over the assessed value of the frozen base.

“Maximum indebtedness” means the amount of the principal of indebtedness included in a plan, pursuant to ORS 457.190, and does not include indebtedness incurred to refund or refinance existing indebtedness.

"ORS" means the Oregon revised statutes, specifically Chapter 457, which relates to urban renewal.

"Planning Commission" means the Wilsonville Planning Commission.

"Tax increment financing (TIF)" means the system that generates tax revenue through the division of taxes authorized by ORS 457.420 et.seq.

"Tax increment revenues" means the funds allocated by the assessor to an urban renewal area due to increases in assessed value over the frozen base within the Area.

"TIF Zones" is the concept established by the Wilsonville City Council that is designed to offer incentives similar to enterprise zones, which stimulate property investment and employment opportunities. This concept is implemented as an urban renewal area.

"Urban renewal agency (agency)" means an urban renewal agency created under ORS 457.035 and 457.045. This agency is responsible for the administration of the urban renewal plan.

"Urban renewal plan" or "Plan" means 25600 SW Parkway Center Drive, as it exists or is changed or modified from time to time, as provided in ORS 457.085, 457.095, 457.105, 457.115, 457.120, 457.125, 457.135, and 457.220.

"Urban renewal project (project)" means any work or undertaking carried out under ORS 457.170 in the Area.

"Urban renewal report" means the official report that accompanies the urban renewal plan, pursuant to ORS 457.085(3).



## II. INTRODUCTION

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In February 2012, the City of Wilsonville established an Economic Development Advisory Committee (the “Committee”) to develop a strategy for the City’s economic development activities. After six months of public meetings, focus groups, interviews and an economic development summit, the Committee created an *Economic Development Strategy* that was adopted by the Wilsonville City Council in August 2012. The *Economic Development Strategy* describes a vision and principles for City economic development, and recommends twelve actions that are described in some detail. In particular, the *Economic Development Strategy* noted that the City should convene a task force to develop criteria to guide (1) the use of incentives to attract or retain businesses, (2) what businesses would qualify for incentives and under what conditions, (3) what types of incentives would be available to businesses, (4) the funding sources to support the incentives, and (5) expectations of businesses given incentives.

In November 2012, an Economic Development Strategy Task Force (the “Task Force”) was appointed and developed a framework for an incentive program that would more strategically position Wilsonville among its Portland metro-area competitors for economic development. The Task Force consisted of 21 individuals comprising a cross-section of the community. In the process of considering 10 different incentive options, single-property urban renewal districts, called Tax Increment Finance Zones (TIF Zones) emerged as one of the preferred incentive mechanisms. The Task Force recommendation to the Wilsonville City Council proposed the development of five TIF Zones. In Wilsonville, these urban renewal areas will fill a role similar to that of an Enterprise Zone, providing partial property tax rebates for qualifying investments occurring on the properties, thus encouraging companies to locate in Wilsonville and provide valuable economic benefits to the community. This proposal was taken before the City’s electorate in March 2013 and approved by 78.8 percent of voters.

While the TIF Zone incentive packages are similar to Enterprise Zones in concept, they will differ in several key ways in an attempt to make TIF Zones both a lower risk use of public funds and more attractive to potential investors. Each site selected to be a TIF Zone will require the creation of a separate urban renewal plan and report because each site will be its own, individual, urban renewal area. As established by the Task Force, TIF Zone properties must have 100,000 square feet or more of industrially-zoned building space that has the potential for conversion from warehousing to a higher-value, traded-sector use such as manufacturing.



The Agency has prepared 25600 SW Parkway Center Drive Urban Renewal Plan (Plan) based on the recommendations of the Task Force. This Plan establishes the third of up to six urban renewal areas using the TIF Zone concept. The Plan contains goals, objectives, and projects for the development of 25600 SW Parkway Center Drive Urban Renewal Area (Area) . The overall purpose of the Plan is to use tax increment financing to provide incentives for economic investment, to cure blight in underutilized buildings, using strategies that are competitive with Enterprise Zones in other communities in the region.

In general, the purpose of urban renewal is to improve specific areas of a city that are poorly developed or underdeveloped. These areas can have old or deteriorated buildings, public spaces that need improvements, streets and utilities in poor condition, a complete lack of streets and utilities altogether, or other obstacles to development. The Area selected is an underutilized, industrial-zoned area of Wilsonville that has had a history of partial or complete vacancy and where existing conditions have presented a barrier to attracting new private sector financial investment to convert the Area to a higher-value, traded sector use.

Urban renewal allows for the use of tax increment financing, a financing source that is unique to urban renewal, to fund its projects. Tax increment revenues – the amount of property taxes generated by the increase in total assessed values in the urban renewal area from the time the urban renewal area is first established – are used to accomplish projects identified by the urban renewal agency. In this case, other than administration, the Plan has only one project, which is repayment in the form of partial property tax reimbursement for qualifying capital infrastructure investment that increases assessed value and job creation.

The specific projects to be approved in this Plan are outlined in Sections IV and V.

Urban renewal is put into effect when the local government (the City of Wilsonville, in this case) adopts an urban renewal plan. The urban renewal plan defines the urban renewal area, states goals and objectives for the area, lists projects and programs that can be undertaken, provides a dollar limit on the funds that can be borrowed for urban renewal projects, and states how the plan may be changed in the future.

The Area, shown in Figure 1, consists of approximately 10.35 acres.

The Plan will be administered by the Wilsonville Urban Renewal Agency, which was activated by the Wilsonville City Council as the City's Urban Renewal Agency.



Substantial changes to the Plan, if necessary, must be approved by the City Council, as outlined in Section X of this Plan.

An Urban Renewal Report, which accompanies the Plan, contains additional information, as required by ORS 457.085. The technical information in the Report includes:

- A description of the physical, social, and economic conditions in the area;
- Expected impact of the Plan, including fiscal impact, in light of increased services;
- Reasons for selection of each Area in the Plan;
- The relationship between each project to be undertaken and the existing conditions;
- The total cost of each project and the source of funds to pay such costs;
- The estimated completion date of each project;
- The estimated amount of funds required in the Area, and the anticipated year in which the debt will be retired;
- A financial analysis of the Plan;
- A fiscal impact statement that estimates the impact of tax increment financing upon all entities levying taxes upon property in the urban renewal area; and
- A relocation report.

The Plan will be active for a maximum of 15 years as explained in Section V, subsection A, below. If no qualifying investment occurs in the Area that uses the Plan project incentives within five years after the effective date of the Plan, then the Plan will immediately be terminated. The maximum amount of indebtedness (amount of tax increment financing for projects and programs) that may be issued for the Plan is \$12,000,000. For TIF Zones, maximum indebtedness reflects the total of the tax repayment obligation to the qualifying company and represents the maximum amount of tax increment to be collected to meet this obligation as well as administrative costs.

### III. GOALS AND OBJECTIVES

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The goals of the Plan represent the basic intents and purposes. Accompanying each goal are objectives, which generally describe how the Agency intends to achieve the goals. The urban renewal projects identified in Sections IV and V of the Plan are the specific means of meeting the objectives. The goals relate to adopted plans, as detailed in Section XI, and were developed with input from the Wilsonville Economic Development Strategy Task Force. The goals and objectives will be pursued as economically as is feasible and at the discretion of the urban renewal agency.

#### **Goal 1: *PUBLIC INVOLVEMENT***

Maintain a citizen involvement program that ensures the opportunity for citizens to be involved in all phases of the urban renewal adoption process.

##### Objectives:

1. Provide opportunities for public input throughout the adoption process, including a public open house, Planning Commission meeting, and City Council hearing.
2. Provide information on urban renewal on the City of Wilsonville's website.

#### **Goal 2: *ECONOMY***

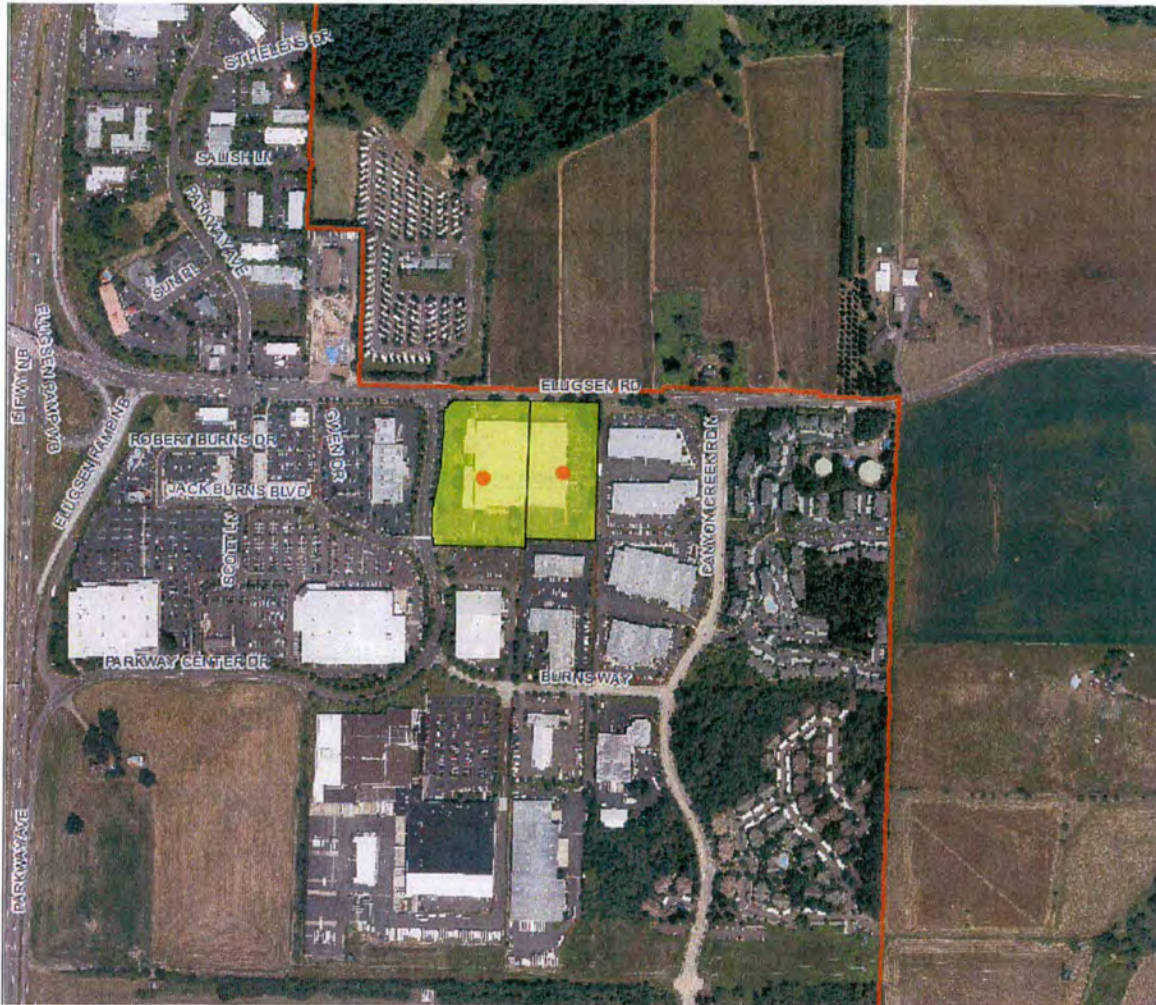
Encourage the economic growth of the Area by encouraging local industrial investment and manufacturing jobs using existing infrastructure and promoting new use of vacant and underutilized industrial properties.

##### Objectives:

1. Provide steady, family-wage jobs for the community.
2. Generate investment that will bolster the local economy and provide revenue for local taxing jurisdictions.
3. Promote the reuse of vacant buildings and encourage infill development by providing incentives for investors to locate in an existing building or build on a site already in the middle of an industrial area and use the existing infrastructure.
4. Partner with public and private entities to incentivize and generate private investment.



Figure 1 – 25600 SW Parkway Center Drive Urban Renewal Area Boundary



Source: City of Wilsonville



#### **IV. OUTLINE OF MAJOR URBAN RENEWAL PROJECT ACTIVITIES**

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The primary project within the Area will be providing the return of incremental property taxes to developers as an incentive for redevelopment. Another small use of funds will be to pay for the preparation and administration of the Plan.

#### **V. URBAN RENEWAL PROJECTS**

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The urban renewal projects authorized by the Plan are described below. These projects are consistent with the Wilsonville Economic Development Strategy and are in conformance with the Wilsonville Comprehensive Plan, as detailed in Section XI of this Plan.

As shown in the Report, urban renewal funds will primarily be used as an incentive to spur industrial development, investment, and job creation. The details of the projects are as follows:

##### **A. Property tax rebates**

This project offers an incentive to the private sector to convert under-utilized industrial buildings into higher value traded-sector uses, such as manufacturing. This project will provide tax rebates of a portion of incremental property tax increases to qualifying investments in the Area.

##### **Property tax rebate mechanics**

The project will rebate up to 75% of the tax increment revenue for three years for each company that:

- Invests at least \$25 million in capital improvements and/or qualified equipment, and;
- Creates 75 or more new, permanent, full-time jobs that pay a minimum of 125% of the average Clackamas County wage rate (not including benefits) in effect at the time the rebate is paid which for 2012 is \$25.33/hour or \$52,693 annual wage rate.

Two additional years (five total) of property tax rebates are available if the average wage of the 75 or more new jobs pay 150% of average wages paid in Clackamas County, which for 2012 equals \$30.40 per hour, or a \$63,230 annual wage.



Additional three- and five-year rebate periods could begin, after approval by the Agency, with any additional new capital investment and job creation meeting the above minimum criteria, providing the potential for up to 10 years of rebates. Again, however, qualified investment needs to be made within five years of program adoption. This limits the potential life of the program and rebates to up to 15 years. Qualifying Businesses must be manufacturing firms. If no qualifying investment has been made in the Area within five years of the effective date of the Plan, the Area will be dissolved.

Any businesses receiving Area benefits will be monitored by the Agency for compliance with qualifying criteria and no rebate shall be given if the business fails to meet any of the qualifications. Additionally, if a business which has received a rebate discontinues business operations in the Area within two years after it receives each rebate payment it will be required to return all or a portion of the rebate as follows. Should a business discontinue business operations within the Area within 12 months after receiving a rebate, the business shall be required to reimburse the Agency 100% of the rebate payment. Should a business discontinue business operations within 24 months of receiving a rebate, the business shall be required to reimburse the Agency 50% of the rebate payment.

#### **B. Debt repayment and project administration**

This project will allow for the repayment of costs associated with the preparation, including the potential repayment of the initial planning costs for the development of the urban renewal plan, adoption, and implementation of the Plan. This project also includes ongoing administration of the Plan.

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### **VI. PROPERTY ACQUISITION AND DISPOSITION**

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The Plan does not authorize the acquisition and disposition of property.

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### **VII. RELOCATION METHODS**

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No relocation assistance will be provided because this Plan does not authorize property acquisition. If relocation is required, the Agency will comply with relocation methods required under state law.

## VIII. LAND USES

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The proposed land use is industrial development. The maximum densities and building requirements are contained in the Wilsonville Development Code.

## IX. TAX INCREMENT FINANCING OF PLAN

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Tax increment financing consists of using annual tax increment revenues to make payments on debt and to finance the urban renewal projects authorized in the Plan. Tax increment revenues equal most of the annual property taxes imposed on the cumulative *increase* in assessed value within an urban renewal area over the total assessed value at the time an urban renewal plan is adopted. (Under current law, the property taxes for general obligation (GO) bonds and local option levies approved after October 6, 2001 are not part of the tax increment revenues.)

### A. General description of the proposed financing methods

The Plan will be financed using a combination of revenue sources. These include:

- Tax increment revenues; and/or
- Any other public or private source.

Revenues obtained by the Agency will be used to pay or repay the costs, expenses, advancements, and indebtedness incurred in planning or undertaking project activities, or otherwise exercising any of the powers granted by ORS Chapter 457 in connection with the implementation of this Plan.



**B. Tax increment financing and maximum indebtedness**

The Plan may be financed, in whole or in part, by tax increment revenues allocated to the Agency, as provided in ORS Chapter 457. The ad valorem taxes, if any, levied by a taxing district in which all or a portion of the Area is located, shall be divided as provided in Section 1c, Article IX of the Oregon Constitution, and ORS 457.440. Amounts collected pursuant to ORS 457.440 shall be deposited into the unsegregated tax collections account and distributed to the Agency based upon the distribution schedule established under ORS 311.390.

The maximum amount of indebtedness that may be issued or incurred under the Plan, based upon good faith estimates of the scope and costs of projects in the Plan and the schedule for their completion, is \$12,000,000.

**C. Prior indebtedness**

Any indebtedness permitted by law and incurred by the Agency or the City of Wilsonville in connection with the preparation of this Plan or prior planning efforts that support the preparation or implementation of this Plan may be repaid from tax increment revenues from the Area when, and if, such funds are available.

## **X. FUTURE AMENDMENTS TO PLAN**

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The Plan may be amended as described in this section.

### **A. Substantial Amendments**

Substantial Amendments are amendments that:

- Add land to the urban renewal area, except for an addition of land that totals not more than 1% of the existing area of the urban renewal area; or
- Increase the maximum amount of indebtedness that can be issued or incurred under the Plan.

Substantial Amendments, in accordance with ORS 457.085(2)(i), shall require the same notice, hearing, and approval procedure required of the original Plan, under ORS 457.095, including public involvement, consultation with taxing districts, presentation to the Planning Commission, and adoption by the City Council by non-emergency ordinance after a hearing. Notice of such hearing shall be provided to individuals or households within the City of Wilsonville, as required by ORS 457.120. Notice of adoption of a Substantial Amendment shall be provided in accordance with ORS 457.095 and 457.115.

### **B. Minor Amendments**

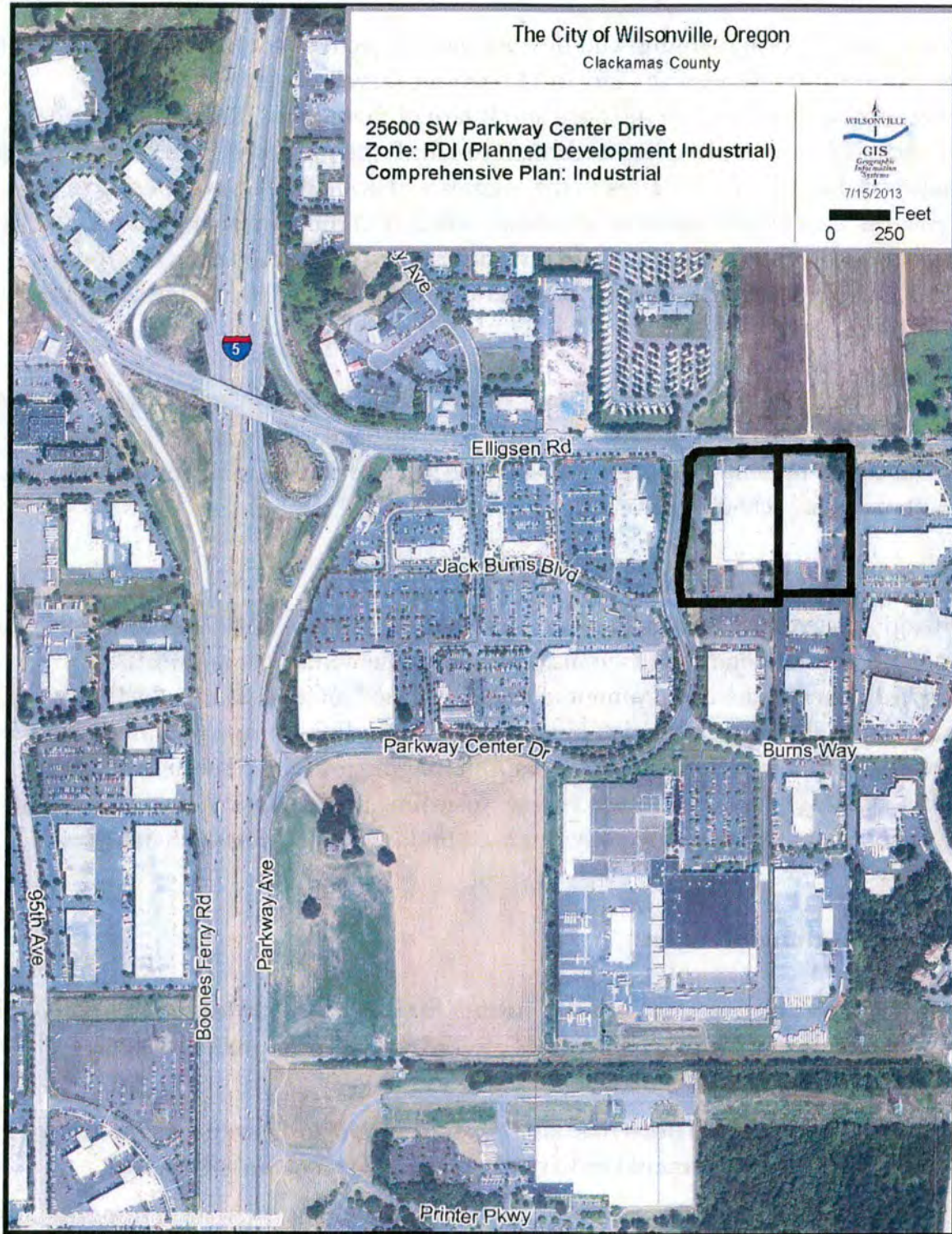
Minor Amendments are amendments that are not Substantial Amendments in scope. Minor Amendments require approval by the Agency by resolution.

### **C. Amendments to the Wilsonville Comprehensive Plan and/or Wilsonville Development Code**

Amendments to the Wilsonville Comprehensive Plan and/or Wilsonville Development Code that affect the Plan and/or the Area shall be incorporated automatically within the Plan without any separate action required by the Agency or the City Council.



Figure 2 – Zoning and Comprehensive Plan Designations



Source: City of Wilsonville



## **XI. RELATIONSHIP TO LOCAL OBJECTIVES**

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The Plan relates to local planning and development objectives contained within the City of Wilsonville's Comprehensive Plan and Economic Development Strategy. The following section describes the purpose and intent of these plans, the particular goals and policies within each planning document to which the proposed Plan relates, and an explanation of how the Plan relates to these goals and policies. The numbering of the goals, policies, and implementation strategies will reflect the numbering that occurs in the original document. Italicized text is text that has **not** been taken directly from an original planning document. The Zoning and Comprehensive Plan designations are shown in Figure 2.

This is not a comprehensive list of all parts of the Wilsonville Comprehensive Plan that are supported by this Plan. This list includes the major goals and policies from the Comprehensive Plan that are supported. However, there may be other goals and policies that are not listed, but are still supported by this Plan.

### **A. City of Wilsonville Comprehensive Plan**

The Wilsonville Comprehensive Plan was updated in January 2013. The Comprehensive Plan is an official statement of the goals, policies, implementation measures, and physical plan for the development of the City. The Plan documents the City's approach to the allocation of available resources for meeting current and anticipated future needs. In doing so, it records current thinking regarding economic and social conditions. Because these conditions change over time, the Plan must be directive, but flexible, and must also be periodically reviewed and revised to consider changes in circumstances.

#### **Section A: Citizen Involvement**

**Goal 1.1** To encourage and provide means for interested parties to be involved in land use planning processes, on individual cases and City-wide programs and policies.

**Policy 1.1.1** The City of Wilsonville shall provide opportunities for a wide range of public involvement in City planning programs and processes.

*The Plan conforms with Goals 1.1 and Policy 1.1.1 by involving the citizens of Wilsonville in both the creation of the TIF Zone framework and in the decision of whether or not to use that framework to encourage economic development. The Economic Development Strategy Task Force was comprised of a cross-section of members of the community and it helped to both determine*



*that urban renewal areas, then called TIF Zones, were appropriate to use in Wilsonville, and helped decide how these incentives should work. Later, a city-wide vote was held so that the community could weigh in on the decision of whether or not to use TIF Zones. Citizens were included in the adoption phase of the urban renewal plan through a public open house, Planning Commission meeting, and City Council hearing that was noticed as required in ORS 45.*

**Goal 1.2 For Wilsonville to have an interested, informed, and involved citizenry.**

Implementation Measure 1.2.1.c. Establish procedures to allow interested parties reasonable access to information on which public bodies will base their land use planning decisions.

**Policy 1.3 The City of Wilsonville shall coordinate with other agencies and organizations involved with Wilsonville's planning programs and policies.**

*The Plan conforms with Goals 1.2, Policy 1.3, and their Implementation Measures by involving the citizens of Wilsonville in both the creation of the TIF Zone framework and in the decision of whether or not to use that framework to encourage economic development. The Economic Development Strategy Task Force was comprised of a cross-section of members of the community and it helped to both determine that urban renewal areas, then called TIF Zones, were appropriate to use in Wilsonville, and helped decide how these incentives should work. In addition, taxing jurisdictions received formal notice, and, if desired, a briefing on the Plan. Representatives of the three major taxing jurisdictions were included as members of the Task Force that recommended the creation of TIF Zones.*

**Chapter 2: Urban Growth Management**

**Goal 2.1 To allow for urban growth while maintaining community livability, consistent with the economics of development, City administration, and the provision of public facilities and services.**

Implementation Measure 2.1.1.a. Allow development within the City where zoning has been approved and other requirements of the Comprehensive Plan have been met.

Implementation Measure 2.1.1.c. Encourage a balance between residential, industrial, and commercial land use, based on the provisions of this Comprehensive Plan.

Implementation Measure 2.1.1.d. Establish and maintain revenue sources to support the City's policies for urbanization and maintain needed public services and facilities.



**Policy 2.1.1 The City of Wilsonville shall support the development of all land within the City, other than designated open spaces, consistent with the land use designations of the Comprehensive Plan.**

*The Plan conforms with Goal 2.1, Policy 2.1.1, and their Implementation Measures by providing financial incentives for the redevelopment of lands already designated as urban and already provided with infrastructure. By doing this, the Plan encourages growth and development within the urban growth boundary, and helps relieve pressures on lands outside of the urban growth boundary.*

#### **Chapter 4: Land Use and Development**

**Goal 4.1 To have an attractive, functional, economically vital community with a balance of different types of land.**

**Policy 4.1.1 The City of Wilsonville shall make land use and planning decisions to achieve Goal 4.1.**

Implementation Measure 4.1.1.d. In the process of administering the City's Comprehensive Plan, careful consideration will be given to the economic impacts of proposed policies, programs and regulations. Efforts will be made to simplify and streamline the planning and zoning review process while maintaining the quality of development.

Implementation Measure 4.1.1.e. The City shall protect existing and planned industrial and commercial lands from incompatible land uses, and will attempt to minimize deterrents to desired industrial and commercial development.

Implementation Measure 4.1.1.m. Encourage a balance between light industrial and residential growth within the City.

*The Plan conforms with Goal 4.1, Policy 4.1.1, and their Implementation Measures by encouraging the redevelopment of local industrial buildings. This redevelopment will enrich the balanced land uses within Wilsonville. Also, by encouraging redevelopment of the Area, the Plan helps support an economically vital community by bringing jobs to the community and by reducing the number of vacant or underutilized industrial buildings in the City.*

**Policy 4.1.3 City of Wilsonville shall encourage light industry compatible with the residential and urban nature of the City.**

Implementation Measure 4.1.3.a. Develop an attractive and economically sound community.

Implementation Measure 4.1.3.c. Favor capital intensive, rather than labor intensive, industries within the City.



Implementation Measure 4.1.3.e. Site industries where they can take advantage of existing transportation corridors such as the freeway, river, and railroad.

*The Plan conforms with Goal 4.1, Policy 4.1.3, and their Implementation Measures by encouraging the redevelopment of local industrial buildings. This redevelopment will help maintain a healthy mix of industrial jobs and industry within the community, and will encourage industrial activities to sites where they can take advantage of existing transportation corridors and other infrastructure.*

## **B. Wilsonville Economic Development Strategy**

The Economic Development Strategy was completed in August 2012, and sets forth an economic strategy for Wilsonville that describes actions to be taken by the public sector for the purpose of stimulating private sector activity. This strategy was developed with the assistance of an advisory committee that met over the course of 4 months and considered input from the community provided in the form of focus groups, interviews with business leaders, an economic summit, public comments and a community survey. The end result was a vision statement for economic development in Wilsonville, and a list of 6 actions to be taken by the public sector. Specific actions that are directly supported by this Urban Renewal Plan are listed below, but other actions from the Economic Development Strategy will also benefit from the successful implementation of this Plan.

Action 2.1 Promote reuse of vacant building, infill development, and redevelopment.

Action 6.2 Develop criteria to guide the use of incentives to attract or retain businesses.

*The projects in the Plan conform with the Economic Development Strategy. They will help to encourage the reuse of existing industrial buildings and infill development by providing an incentive package similar to that of neighboring communities. This incentive package will help incentivize and generate private investment, which will in turn provide jobs for the community and an increased tax base to support local services and infrastructure.*

## **C. Wilsonville Development Code**

The Wilsonville Development Code - Planning and Land Development was enacted for the purpose of promoting the general public welfare by ensuring procedural due process in the administration and enforcement of the City's Comprehensive Plan, Zoning, Design Review, Land Division, and Development Standards. It is contained as Chapter 4 of the Wilsonville Code.

The zoning designation for the property in the Area is PDI - Planned Development Industrial Zone. It is shown in Figure 2. The Plan is not proposing any new zones or



code amendments, nor are there any proposals that would modify any of the existing zones or land uses. The Plan will comply with all requirements of the existing zoning.

#### **D. City of Wilsonville Transportation Systems Plan**

The City of Wilsonville Transportation Systems Plan (TSP) was adopted by the Wilsonville City Council on June 17, 2013.

The TSP is the City's long-term transportation plan and is an element of its Comprehensive Plan. It includes policies, projects, and programs that could be implemented through the City's Capital Improvement Plan, development requirements, or grant funding.

The 2013 TSP process built upon two decades of community planning to create a complete community transportation plan that integrates all travel modes. Most of the policies and projects come from prior adopted plans, including the Comprehensive Plan, 2003 TSP, 2006 Bicycle and Pedestrian Master Plan, and 2008 Transit Master Plan. While the TSP replaces the 2003 TSP in its entirety, it updates and builds upon the 2006 Bicycle and Pedestrian Master Plan and 2008 Transit Master Plan. Where these documents may be in conflict, the new TSP takes precedence.

25600 SW Parkway Center Drive is designated as a major arterial, a truck route and a bicycle route.<sup>1</sup> The TSP Executive Summary identifies two 25600 SW Parkway Center Drive projects as being a high priority, an urban upgrade and a center trail connector.<sup>2</sup> 25600 SW Parkway Center Drive is also identified as having a cross section deficiency near the Area.<sup>3</sup> Public bus lines do run along 25600 SW Parkway Center Drive, and there are multiple bus stops near the Area.

*The Plan conforms with the City of Wilsonville Transportation System Plan as the redevelopment planned for the Area is an industrial use and 25600 SW Parkway Center Drive will be used as designated in the TSP. 25600 SW Parkway Center Drive is classified as a major arterial, anticipating truck travel.*

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<sup>1</sup> City of Wilsonville Transportation System Plan, 2013, Figure 3-2 Functional Class Designations, p 3-6; Figure 3-4 Freight Routes, p 3-9; Figure 3-5 Bicycle Routes, p 3-11.

<sup>2</sup> City of Wilsonville Transportation System Plan, 2013, Executive Summary, p v.

<sup>3</sup> City of Wilsonville Transportation System Plan, 2013, Figure 4-1 Roadway Cross-Section Deficiencies, p 4-5.



## APPENDIX A: LEGAL DESCRIPTION

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### 25600 SW PARKWAY CENTER DRIVE URBAN RENEWAL DISTRICT WILSONVILLE, OREGON

Lots and maps are taken from Assessor's Tax Maps from July, 2013, and attached hereto. The area is described as that land containing all lots or parcels of property situated in the City of Wilsonville, County of Washington, and the State of Oregon, lying in Section 1, Township 3 South, Range 1 West of the Willamette Meridian, bounded as follows:

**Commencing** at a point common to Sections 1, 2, 11 and 12, Township 3 South, Range 1 West, Willamette Meridian, Washington County, Oregon. Thence East along the South line of said Section 1, 1330 feet, more or less, to the Southeast corner of Parcel 2, Partition Plat 1991-082, records of said county. Thence North along the East line of said Parcel 2, 673 feet, more or less, to the Southeast corner of Tax Lot 1508, records of said county, Assessor's Plat 3 1W 1, and being the **POINT OF BEGINNING**.

1. Thence West along the South line of said Tax Lot 1508, 305 feet, more or less, to a point on the East line of Tax Lot 1507;
2. Thence South along said East line, 41 feet, more or less, to the Southeast corner of said Tax Lot 1507;
3. Thence West along the South line of said Tax Lot 1507, 412 feet, more or less, to the point of intersection of said South line with the East right-of-way line of Parkway Avenue;
4. Thence North along said East right-of-way line and the extension thereof, 665 feet, more or less, to the point of intersection of said East right-of-way line with the Westerly extension of the South right-of-way line of Elligsen Road;
5. Thence East along said Westerly extension of said South right-of-way line and said South right-of-way line, 686 feet, more or less, to the Northeast corner of said Tax Lot 1508;
6. Thence South along the East line of said Tax Lot 1508, 622 feet, more or less, to the **POINT OF BEGINNING**.

The described property, located entirely within the City of Wilsonville, County of Washington, and the State of Oregon, contains **ten (10)**, acres, more or less.



Due to the possibility of errors in the acreage shown on the Assessor's tax maps used to compute the property acreage, the acreage given hereon should be considered accurate to the nearest 1 acre.

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**REPORT ACCOMPANYING  
25600 SW PARKWAY CENTER DRIVE  
URBAN RENEWAL PLAN**



**Prepared for the City of Wilsonville**

**August 5, 2013**



**REPORT ACCOMPANYING  
25600 SW PARKWAY CENTER DRIVE  
URBAN RENEWAL PLAN**

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## I. INTRODUCTION

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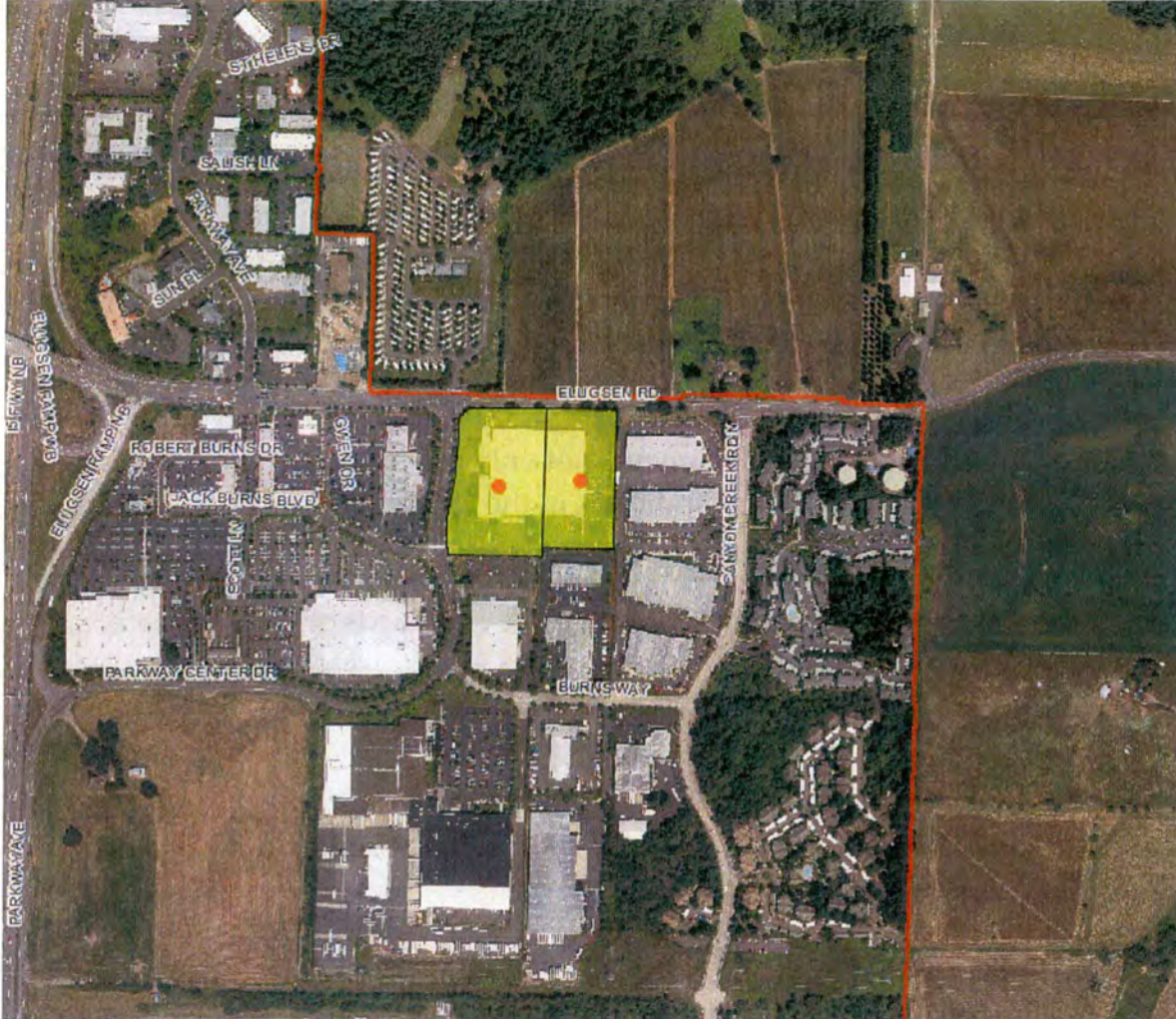
The Report on the 25600 SW Parkway Center Drive Urban Renewal Plan (Report) contains background information and project details that pertain to the 25600 SW Parkway Center Drive Urban Renewal Plan (Plan). The Report is not a legal part of the Plan, but is intended to provide public information and a basis for the findings made by the City Council as part of its approval of the Plan.

The Report provides information required by ORS 457.085(3). The format of the Report is based on this statute. The Report documents not only the proposed projects in the Plan, but also documents the existing conditions in the 25600 SW Parkway Center Drive Urban Renewal Area (Area).

The Report provides the analysis required to meet the standards of ORS 457.085(3), including financial feasibility.



**Figure 1 – 25600 SW Parkway Center Drive Urban Renewal Plan Area Boundary**



Source: City of Wilsonville



## II. EXISTING PHYSICAL, SOCIAL, AND ECONOMIC CONDITIONS AND IMPACTS ON MUNICIPAL SERVICES

---

This section of the Report describes existing conditions within the 25600 SW Parkway Center Drive Urban Renewal Area and documents the occurrence of “blighted areas,” as defined by ORS 457.010(1).

### A. Physical Conditions

#### *Land Use*

According to data obtained from the City of Wilsonville and the Clackamas County Assessor’s office, the Area, shown in Figure 1 above, contains 2 industrial use parcels that have a building with 177,288 square feet of building space on 10.35 acres.

#### *Zoning and Comprehensive Plan Designations*

In the City of Wilsonville, the Wilsonville Development Code and the Wilsonville Comprehensive Plan designations differ. The development code establishes districts to control land use throughout the city and regulates development standards within these established use districts. The comprehensive plan designation indicates the type of use allowed on a parcel.

The comprehensive plan designation of the parcels is Industrial, and the zoning is Planned Industrial Development (PDI).



Figure 2 – Area Zoning and Comprehensive Plan Designations



Source: City of Wilsonville



## B. Infrastructure: Existing Conditions

### *Infrastructure*

This section of the Report identifies the existing infrastructure in the Area. However, because this Area consists of only two parcels, this section will instead evaluate the infrastructure directly serving these parcels, along with an evaluation of the conditions of the infrastructure on the parcels themselves. Information was obtained from documentation by City of Wilsonville staff.

#### 1. Streets/Sidewalks/Pathways/Bike Lanes

The street servicing the building, SW Parkway Center Drive, is a major arterial that is in good condition and meets City standards. SW Parkway Center Drive has adequate streetscape, sidewalks, curbs, and bike lanes.

There are currently two priority projects in the Capital Improvement Plan planned for SW Parkway Center Drive, an urban upgrade and a center trail connector.

#### 2. Water

The water pipe serving the Area is a 2" domestic/2" irrigation that should be adequate for the current or future needs of the Area. There are no projects planned for the water infrastructure serving the Area in the CIP or other planning documents

#### 3. Storm Drainage Master Plan

The storm drain service in the Area is adequate for current and future use, and there are no planned projects for storm drain infrastructure serving the Area in the CIP or other planning documents. However, a building expansion or the addition of impervious surface could trigger new on-site stormwater improvements.

#### 4. Sanitary Sewer

Sewer service to the Area is more than adequate for the current and future needs of the Area, and there are no planned projects for sewer infrastructure serving the Area in the CIP or other planning documents.

#### 5. Parks

There are no public parks in the Area. The 2007 Parks and Recreation Master Plan identifies project P12 Industrial Area Waysides in the northwest industrial area of Wilsonville, which is currently underserved by parks or recreation facilities. These



projects are not in the City's short or mid-term Capital Improvement Program and have not been sited.

#### 6. Public Parking

There is no public parking in the Area, but there are banks of private head-in parking along the south, west, and east ends of the building that should provide parking for over 260 vehicles.

#### 7. Wetlands

There are no wetlands or Significant Resource Overlay Zoning in or immediately around the Area.

#### 8. Conditions of Buildings

The building has 177,288 square feet of space and is currently vacant.

### C. Social Conditions

There are only two industrial parcels in the Area and there are no residents that reside within the Area.

### D. Economic Conditions

#### *Taxable Value of Property Within the Area*

According to the Clackamas County Assessor's office, the estimated 2011/2012 total assessed value of the real property in the Area is \$7,476,210. The building is underutilized, and if it was fully utilized and converted to a traded-sector use such as manufacturing, the values would increase.

The frozen base is estimated to be \$7,476,210.

### E. Impact on Municipal Services

The fiscal impact of tax increment financing on taxing districts that levy taxes within the Area (affected taxing districts) is described in Section IX (Impact of the Tax Increment Financing) of this Report. This subsection discusses the fiscal impacts resulting from potential increases in demand for municipal services.

The project being considered for future use of urban renewal is an economic development project. The use of urban renewal funding for this project allows the City to provide an attractive industrial development incentive program that will be competitive with neighboring communities' Enterprise Zone programs. It also allows



the city to tap a different funding source besides the City of Wilsonville's general funds to support this program.

All necessary infrastructure to serve the Area is in place and none of the systems are slated for improvements in the CIP. Converting the building structure in the Area to optimized use will take advantage of the existing infrastructure. Because the structure will incur a change in use from warehousing to manufacturing, or another traded-sector use that meets program criteria, there may be a need for additional police and fire services. However, since this structure already exists and has received these services before, these are not totally new service requirements. In addition, a vacant structure can sometimes be vulnerable to vandalism, criminal activity and fire risk. Bringing the structure back to full use will help prevent such risks.

The revenue sharing feature of this urban renewal plan allows for tax increment to be shared with taxing jurisdictions including the City of Wilsonville at the onset of receipt by the Agency of tax increment funds. These funds will help offset any increased services.

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

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The reason for selecting the Area is to cure blight by providing the ability to fund an economic incentive program to encourage private sector investment in an underutilized and/or vacant parcel of industrial zoned land.

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

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The projects identified for the Area, including how they relate to the existing conditions in the Area, are described below:

#### **A. Property Tax Rebates**

This project offers an incentive to the private sector to convert underutilized industrial buildings into higher value traded-sector uses, such as manufacturing, in the Area. This project will provide tax rebates of a portion of incremental property tax increases to qualifying investments in the Area.

#### *Existing Conditions:*

*This building is currently vacant and/or underutilized. It has 177,288 square feet of building space on 10.35 acres.*



## B. Debt Service and Administration

This project will allow for the repayment of costs associated with the preparation (including the potential repayment of the initial planning costs for the development of the urban renewal plan) adoption, and implementation of the 25600 SW Parkway Center Drive Urban Renewal Plan. This project also includes ongoing administration and any financing costs associated with the Plan.

### *Existing Conditions:*

*As there is currently no urban renewal program for this Area, these activities do not exist.*

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

The costs of the projects are shown in Table 1. The sources of funds are tax increment revenues. A three percent annual inflation factor is used. These funds will be allocated to the following projects:

- Repayment of a portion of the urban renewal planning costs will occur in the first year that tax increment funds are received (\$12,000 in FY 2013-14, adjusted annually for inflation increases).
- Approximately \$15,000 in FY 2013-14, adjusted for inflation, will be allocated for program administration annually.
- The project will rebate up to 75% of the net tax increment revenue for three years for each qualifying company if the average wage of the 75 or more new jobs pay a minimum of 125% of the average Clackamas County wage rate (not including benefits) in effect at the time the rebate is paid, which for 2012 is \$25.33/hour or \$52,693 annual wage rate. Two additional years (five total) of property tax rebates are available if the average wage of the 75 or more new jobs pay 150% of average wages paid in Clackamas County at the time the rebate is paid, which for 2012 equals \$30.40 per hour, or a \$63,230 annual wage.
- Any net tax increment revenues in excess of what is needed for administrative expenses or tax rebates will be distributed to the impacted taxing jurisdictions.

**Table 1 – Estimated Project Allocations**

TIF Use	Amount
URA Administration	\$141,367
Rebate	\$11,821,851
Total	\$11,963,218

Source: ECONorthwest, TIF: Tax Increment Funds



## VI. THE ANTICIPATED COMPLETION DATE FOR EACH PROJECT

The anticipated latest completion date of the projects in the 25600 SW Parkway Center Drive Urban Renewal Plan will be June 30 of the fiscal year ending 15 years after the approval of the Plan. If investments do not occur as outlined in the program guidelines, the Plan may be terminated earlier at the discretion of the Agency.

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

Table 2 shows a scenario for how this urban renewal plan may be implemented. This scenario relies on an investment by the developer of over \$407,000,000, in three successive years, receiving \$11,821,851 in tax rebates from tax increment funds received by the Agency.

**Table 2. Investment Schedule**

Investment Amount			
Year	Schedule 1	Schedule 2	Schedule 3
2013			
2014			
2015	137,000,000		
2016		135,000,000	
2017			135,000,000
2018			

Source: ECONorthwest

The tax increment revenues and their allocation to administrative costs, developer rebates, and the taxing jurisdictions' share of the increased property tax revenue are shown in Table 3. Since revenue sharing is anticipated at the onset of the Plan, and this revenue sharing exceeds the potential amount of distributions through revenue sharing required in ORS 457.470, the revenue sharing in ORS 457.470 has been waived by the taxing jurisdictions.

It is anticipated that all expenditures of tax increment funding will be completed within 15 years. The maximum indebtedness is \$12,000,000. In the scenario detailed in Tables 2 and 3, the term of the rebate expires before all of the manufacturer's investment in equipment has depreciated. The result of this is the taxing jurisdictions begin to receive 100% of the TIF revenues in fiscal year 2023-24, and the total amount

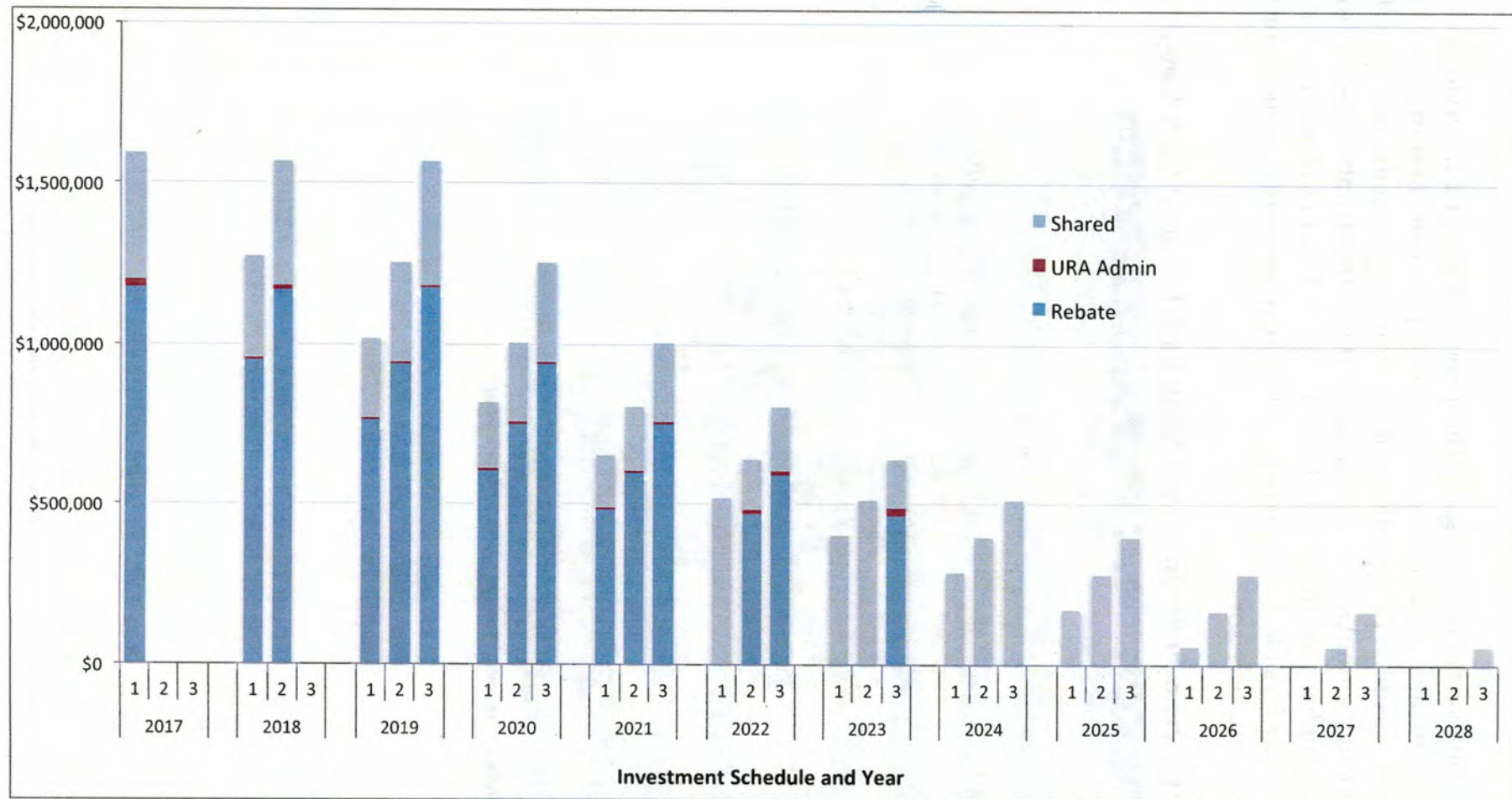


shared with taxing jurisdictions for the entire duration of the Area ends up being much higher than the net 25% share that is guaranteed during the time the developer is receiving rebates. Table 2 shows the total projected rebate to the developer in this scenario would be \$11,821,851 dollars, while the amount received by taxing jurisdictions is estimated at \$8,247,490 dollars over the 15 year life of the Plan. This is actually 40.8% of the total tax increment revenue.

Chart 1 depicts this scenario. Each individual investment provides rebates to the developer, and a portion of extra tax increment to taxing jurisdictions, for a five-year period, with any remaining increment shared with the taxing jurisdictions when that rebate period expires. The three investments are depicted in consecutive years, as shown by the 1,2,3 on the horizontal axis of the chart. As shown, once any one investment reaches the 6<sup>th</sup> year, all of the tax increment from that investment is shared with the taxing jurisdictions. This would be accomplished through an under levy.



**Chart 1. Investment, Amortization, and Rebate Schedule**



Source: ECONorthwest



There will be no loans or bonds issued. The amount of funding to service the maximum indebtedness will be raised through the payment of tax increment from the County Assessor's office. Because the project payments are predicated upon the annual tax increment on a formulaic basis allocating first to administrative costs, then a 75/25 split of increment between the developer and impacted taxing jurisdictions, the Plan will be financially feasible. No payments will be made without first receiving the increment from the assessor.

**Table 3 – Tax Increment Revenues and Allocations to Project Costs Sample Scenario**

FYE	URA Admin	Rebate	Shared	Total
2013	-	-	-	-
2014	-	-	-	-
2015	-	-	-	-
2016	-	-	-	-
2017	\$28,883	\$1,104,988	\$368,330	\$1,502,201
2018	\$17,390	\$1,998,481	\$666,161	\$2,682,032
2019	\$17,912	\$2,705,988	\$901,996	\$3,625,896
2020	\$18,449	\$2,161,701	\$720,567	\$2,900,717
2021	\$19,002	\$1,726,129	\$575,376	\$2,320,507
2022	\$19,572	\$1,008,435	\$828,366	\$1,856,373
2023	\$20,159	\$439,571	\$1,014,453	\$1,474,183
2024	-	-	\$1,135,908	\$1,135,908
2025	-	-	\$810,952	\$810,952
2026	-	-	\$485,999	\$485,999
2027	-	-	\$215,626	\$215,626
2028	-	-	\$53,948	\$53,948
2029	-	-	-	-
2030	-	-	-	-
Total	\$141,367	\$11,145,293	\$7,777,682	\$19,064,342

Source: ECONorthwest, FYE: Fiscal Year End, URA: Urban Renewal Area



## VIII. FINANCIAL ANALYSIS OF THE PLAN

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The estimated tax increment revenues in the sample scenario, as shown above, are based on projections of the assessed value of investment that could occur within the Area, depreciation of the investment and the total tax rate that will apply in the Area. The assumptions include assumptions of development, as identified in the TIF Zones concept by the City of Wilsonville. Although these assumptions are used as a basis for evaluating the Plan, the financial feasibility is predicated on the simple formula that increased revenues will be shared by the City for administration, by the developer and by the taxing jurisdictions. No payments will be made until tax increment is received from the County Assessor. These payments will be distributed on a formula that includes payments for administrative costs, then a 75/25 split between the developer and impacted taxing jurisdictions.

Table 4 shows the projected incremental assessed value, projected tax rates that would produce tax increment revenues, and the annual tax increment revenues (not adjusted for under-collection, penalties, and interest). These projections of increment are the basis for the projections in Table 3. These projections include shared revenue with impacted taxing jurisdictions.

Table 5 shows the investment and depreciation assumptions used in preparing the financial analysis. In this scenario, all investment is assumed to be equipment, and so it is depreciated. The depreciation schedule used in this scenario is a half-year convention over a 10-year recovery period that was published by the Internal Revenue Service in its annual report for how to depreciate property. Depreciation is an annual income tax deduction that allows you to recover the cost or other basis of certain property over the time you use the property. It is an allowance for the wear and tear, deterioration, or obsolescence of the property. In this case, all the investment in property is assumed to depreciate to zero after 10 years. Property can be depreciated at different times throughout the year, depending on the accounting method used. Under the half-year convention, you treat all property placed in service or disposed of during a tax year as placed in service or disposed of at the midpoint of the year. This means that a one-half year of depreciation is allowed for the year the property is placed in service or disposed of.



However, as stated above, for purposes of financial feasibility, the fact that no payments will be made until tax increment is received establishes financial feasibility.

**Table 4 – Projected Incremental Assessed Value, Tax Rates, and Tax Increment Revenues**

FYE	Assessed Value	Frozen Base	Excess Value	Tax Rate	TIF
2013	\$7,476,210	\$7,476,210	\$0	12.3549	-
2014	\$7,476,210	\$7,476,210	\$0	12.3522	-
2015	\$7,476,210	\$7,476,210	\$0	12.3467	-
2016	\$7,476,210	\$7,476,210	\$0	12.1833	-
2017	\$130,776,210	\$7,476,210	\$123,300,000	12.1833	\$1,502,201
2018	\$227,616,210	\$7,476,210	\$220,140,000	12.1833	\$2,682,032
2019	\$305,088,210	\$7,476,210	\$297,612,000	12.1833	\$3,625,896
2020	\$245,565,810	\$7,476,210	\$238,089,600	12.1833	\$2,900,717
2021	\$197,942,410	\$7,476,210	\$190,466,200	12.1833	\$2,320,507
2022	\$159,846,510	\$7,476,210	\$152,370,300	12.1833	\$1,856,373
2023	\$128,476,510	\$7,476,210	\$121,000,300	12.1833	\$1,474,183
2024	\$100,711,010	\$7,476,210	\$93,234,800	12.1833	\$1,135,908
2025	\$74,038,810	\$7,476,210	\$66,562,600	12.1833	\$810,952
2026	\$47,366,810	\$7,476,210	\$39,890,600	12.1833	\$485,999
2027	\$25,174,710	\$7,476,210	\$17,698,500	12.1833	\$215,626
2028	\$11,904,210	\$7,476,210	\$4,428,000	12.1833	\$53,948
2029	\$7,476,210	\$7,476,210	\$0	12.1833	-
2030	\$7,476,210	\$7,476,210	\$0	12.1833	-
Total					\$19,064,342

Source: ECONorthwest, FYE: Fiscal Year End, TIF Revenue: Tax Increment Revenue



**Table 5 – Projected Investments and Depreciation Schedules**

Calendar Year	FYE	Investment Schedule 1			Investment Schedule 2			Investment Schedule 3			Total RMV
		Value	Depreciation	RMV	Value	Depr.	RMV	Value	Depr.	RMV	
2013	2015										
2014	2016										
2015	2017	\$137,000,000	10.00%	\$123,300,000							\$123,300,000
2016	2018		18.00%	\$98,640,000	\$135,000,000	10.00%	\$121,500,000				\$220,140,000
2017	2019		14.40%	\$78,912,000		18.00%	\$97,200,000	\$135,000,000	10.00%	\$121,500,000	\$297,612,000
2018	2020		11.52%	\$63,129,600		14.40%	\$77,760,000		18.00%	\$97,200,000	\$238,089,600
2019	2021		9.22%	\$50,498,200		11.52%	\$62,208,000		14.40%	\$77,760,000	\$190,466,200
2020	2022		7.37%	\$40,401,300		9.22%	\$49,761,000		11.52%	\$62,208,000	\$152,370,300
2021	2023		6.55%	\$31,427,800		7.37%	\$39,811,500		9.22%	\$49,761,000	\$121,000,300
2022	2024		6.55%	\$22,454,300		6.55%	\$30,969,000		7.37%	\$39,811,500	\$93,234,800
2023	2025		6.56%	\$13,467,100		6.55%	\$22,126,500		6.55%	\$30,969,000	\$66,562,600
2024	2026		6.55%	\$4,493,600		6.56%	\$13,270,500		6.55%	\$22,126,500	\$39,890,600
2025	2027		3.28%	-		6.55%	\$4,428,000		6.56%	\$13,270,500	\$17,698,500
2026	2028					3.28%	-		6.55%	\$4,428,000	\$4,428,000
2027	2029								3.28%	-	\$0
2028	2030										

FYE: Fiscal Year End RMV: Real Market Value Depr.: Depreciation  
Source: ECONorthwest



## IX. IMPACT OF THE TAX INCREMENT FINANCING

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This section describes the impact of tax increment financing of the new maximum indebtedness, both until and after the indebtedness is repaid, upon all entities levying taxes upon property in the urban renewal area.

The impact of tax increment financing on overlapping taxing districts consists primarily of the property tax revenues foregone on permanent rate levies as applied to the growth in assessed value in the Area. These projections are for impacts estimated for a 15-year period and are shown in Tables 6a and 6b. Table 6a shows the general government taxing jurisdictions and Table 6b shows the education taxing jurisdictions.

The concept for this plan, as defined by the City of Wilsonville, includes a 25% share of net tax increment proceeds with the affected taxing jurisdictions. This formula for revenue sharing is different than the formula described in Oregon Revised Statutes (ORS). Revenue sharing is part of the 2009 legislative changes to urban renewal and means that, at thresholds defined in ORS 457.470, the impacted taxing jurisdictions will receive a share of the incremental growth in the area. By statute, the share is a percentage basis dependent upon the tax rates of the taxing jurisdictions. The first threshold is 10% of the original maximum indebtedness. At the 10% threshold, the urban renewal agency will receive the full 10% of the initial maximum indebtedness plus 25% of the increment above the 10% threshold, and the taxing jurisdictions will receive 75% of the increment above the 10% threshold. The second threshold is set at 12.5% of the maximum indebtedness. Since revenue sharing is anticipated at the onset of the Plan, and this revenue sharing exceeds the potential amount of distributions through revenue sharing required in ORS 457.470, the revenue sharing in ORS 457.470 has been waived by the taxing jurisdictions.

The West Linn-Wilsonville School District and the Education Service District are not *directly* affected by the tax increment financing, but the amounts of their taxes divided for the urban renewal plan are shown in the following tables. Under current school funding law, property tax revenues are combined with State School Fund revenues to achieve per-student funding targets. Under this system, property taxes foregone, due to the use of tax increment financing, are substantially replaced with State School Fund revenues, as determined by a funding formula at the state level. The formula for funding schools, as changed in the 2013 legislative session, is \$6,852 per pupil for FY 2013-14 and \$7,081 per pupil for FY 2014-15, an increase over the 2012 levels. According to the State of Oregon Department of Education,



there was approximately \$1 billion dollars of increased revenues allocated to school financing in the 2013 legislative session.<sup>1</sup>

Tables 6a and 6b show the projected impacts to permanent rate levies of taxing districts as a result of this Plan. It assumes the growth as projected in the other tables in this Report. **It does not offset the foregone revenues with the expected new revenues. Although the taxing jurisdictions are shown to forego approximately \$12 million, as shown in Table 6a and 6b, they will receive approximately \$8 million, as shown in Table 3. Over the life of the Plan, the taxing jurisdictions will receive over 40% of the total tax increment revenues produced by this sample scenario.**

There is always some discussion about the true impact of urban renewal on the taxing jurisdictions as there is one line of thought that some of the growth projected would not occur “but for” urban renewal. In this case, the building is underutilized either through vacancy or type of use, and expectations are that it will remain underutilized in the future without developer incentives. Given this, there would be no expectation that any increase of property taxes would come from this building without the use of urban renewal.

There is no anticipated change in revenue for affected taxing jurisdictions upon termination of the Plan, which is expected in 15 years. All projected investment is equipment, and equipment’s assessed value depreciates over time. By the time the Area expires, all equipment will be fully depreciated, so there will be no additional assessed value to tax. However, the taxing jurisdictions are receiving 25% of the net increment during the time period the developer is receiving 75% of the net increment, and they are receiving 100% of the increment for the remaining time frame of the Area, as shown in Table 3. If there are any improvements to the building itself, or increases in value of the building itself, the taxing jurisdictions would realize the increased taxes from those investments.

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<sup>1</sup> Phone interview with Jan McComb, State of Oregon Department of Education, July 11, 2013.



**Table 6a – Projected Impact on Taxing District Permanent Rate Levies (General Government)**

FYE	Washington County	Tualatin Valley Fire & Rescue	City of Wilsonville	City of Wilsonville (GO)	Port of Portland	Metro	Metro (GO)	General Government Subtotal
2013	-	-	-	-	-	-	-	-
2014	-	-	-	-	-	-	-	-
2015	-	-	-	-	-	-	-	-
2016	-	-	-	-	-	-	-	-
2017	(209,253)	(141,947)	(234,586)	-	(6,524)	(8,990)	-	(601,300)
2018	(372,024)	(252,362)	(417,063)	-	(11,599)	(15,984)	-	(1,069,032)
2019	(502,689)	(340,999)	(563,547)	-	(15,673)	(21,597)	-	(1,444,505)
2020	(402,342)	(272,928)	(451,051)	-	(12,544)	(17,286)	-	(1,156,151)
2021	(322,060)	(218,469)	(361,050)	-	(10,041)	(13,837)	-	(925,457)
2022	(189,716)	(128,694)	(212,684)	-	(5,915)	(8,151)	-	(545,160)
2023	(84,842)	(57,553)	(95,113)	-	(2,645)	(3,645)	-	(243,798)
2024	-	-	-	-	-	-	-	-
2025	-	-	-	-	-	-	-	-
2026	-	-	-	-	-	-	-	-
2027	-	-	-	-	-	-	-	-
2028	-	-	-	-	-	-	-	-
2029	-	-	-	-	-	-	-	-
2030	-	-	-	-	-	-	-	-
Total	(2,082,926)	(1,412,952)	(2,335,094)	-	(64,941)	(89,490)	-	(5,985,403)

Source: ECONorthwest.



**Table 6b – Projected Impact on Taxing District Permanent Rate Levies (Education and Totals)**

Portland Community College (perm)	Portland Community College (GO)	Clackamas County ESD	West Linn SD (perm)	West Linn SD (GO)	Education Subtotal	General Government Subtotal	Total
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
(26,320)	(18,846)	(34,314)	(453,091)	-	(532,571)	(1,666,442)	(1,133,871)
(46,793)	(33,506)	(61,006)	(805,534)	-	(946,839)	(2,962,710)	(2,015,871)
(63,227)	(45,274)	(82,433)	(1,088,460)	-	(1,279,394)	(4,003,293)	(2,723,899)
(50,606)	(36,237)	(65,977)	(871,180)	-	(1,024,000)	(3,204,151)	(2,180,151)
(40,508)	(29,006)	(52,812)	(697,348)	-	(819,674)	(2,564,805)	(1,745,131)
(23,862)	(17,087)	(31,110)	(410,788)	-	(482,847)	(1,510,854)	(1,028,007)
(10,671)	(7,641)	(13,913)	(183,706)	-	(215,931)	(675,660)	(459,729)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
(261,987)	(187,597)	(341,565)	(4,510,107)	-	(5,301,256)	(16,587,915)	(11,286,659)

Source: ECONorthwest. Please refer to the explanation of the schools funding in the preceding section.



## **X. COMPLIANCE WITH STATUTORY LIMITS ON ASSESSED VALUE AND SIZE OF URBAN RENEWAL AREA**

State law limits the percentage of both a municipality's total assessed value and the total land area that can be contained in an urban renewal area at the time of its establishment to 25% for municipalities under 50,000 in population. As noted below, the frozen base, including all real, personal, manufactured, and utility properties in the Urban Renewal Area, is projected to be \$7,476,210. The total assessed value of the City of Wilsonville is \$2,368,094,165. There are four existing urban renewal areas, as shown in Table 7. These four areas, plus the 25600 SW Parkway Center Drive Area, total 3.63% of the total assessed value of the City of Wilsonville, well below the 25% maximum. The 25600 SW Parkway Center Drive Area has 10.35 acres, including right-of-way, and the City of Wilsonville has 4,712 acres; the other four existing urban renewal areas total 1,036.74 acres. Therefore, 22.22% of the City's acreage is in an urban renewal area, below the 25% state limit.

**Table 7 – Urban Renewal Area Conformance with Assessed Value and Acreage Limits**

Urban Renewal Area	Assessed Value	Acres
25600 SW Parkway Center Drive	\$7,476,210	10.35
9805 SW Boeckman Road	\$10,879,601	24.98
26755 SW 95 <sup>th</sup> Avenue	\$7,064,499	9.76
Year 2000 Plan	\$44,087,806	546
West Side Plan	\$16,526,288	456
City of Wilsonville	\$2,368,094,165	4,712
Percent of Assessed Value in Urban Renewal	3.63%	
Percent of Acreage in Urban Renewal		22.22%

Source: City of Wilsonville, Clackamas County Assessor, U.S. Census Bureau

## **XI. RELOCATION REPORT**

There is no relocation report required for the Plan. No relocation activities are anticipated.



# 27255 SW 95<sup>th</sup> Avenue Urban Renewal Plan



Prepared for the City of Wilsonville  
August 5, 2013



City of Wilsonville

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## I. DEFINITIONS

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“Area” means the properties and rights of way located within this 27255 SW 95<sup>th</sup> Avenue Urban Renewal Plan urban renewal boundary.

“City” means the City of Wilsonville, Oregon.

“City Council” or “Council” means the City Council of the City of Wilsonville.

“Comprehensive Plan” means the City of Wilsonville Comprehensive Plan and its implementing ordinances, policies, and standards.

“County” means Clackamas County.

“Economic Development Strategy Task Force” means a focused, limited-duration task force composed of leading community members and business managers who helped guide the Economic Development Strategy process and made a recommendation to the City Council.

“Enterprise Zones” means a program established by the State of Oregon in ORS 285C.045-.255, as amended, to provide tax incentives to businesses to locate in specifically designated areas of the state.

“Fiscal year” means the year commencing on July 1 and closing on June 30, the following year.

“Frozen base” means the total assessed value, including all real, personal, manufactured, and utility values within an urban renewal area at the time of plan approval. The county assessor certifies the assessed value after the approval of an urban renewal plan.

“Increment” means that part of the assessed value of a taxing district attributable to any increase in the assessed value of the property located in an urban renewal area, or portion thereof, over the assessed value of the frozen base.

“Maximum indebtedness” means the amount of the principal of indebtedness included in a plan, pursuant to ORS 457.190, and does not include indebtedness incurred to refund or refinance existing indebtedness.



“ORS” means the Oregon revised statutes, specifically Chapter 457, which relates to urban renewal.

“Planning Commission” means the Wilsonville Planning Commission.

“Tax increment financing (TIF)” means the system that generates tax revenue through the division of taxes authorized by ORS 457.420 et.seq.

“Tax increment revenues” means the funds allocated by the assessor to an urban renewal area due to increases in assessed value over the frozen base within the Area.

“TIF Zones” is the concept established by the Wilsonville City Council that is designed to offer incentives similar to enterprise zones, which stimulate property investment and employment opportunities. This concept is implemented as an urban renewal area.

“Urban renewal agency (agency)” means an urban renewal agency created under ORS 457.035 and 457.045. This agency is responsible for the administration of the urban renewal plan.

“Urban renewal plan” or “Plan” means this 27255 SW 95<sup>th</sup> Avenue Urban Renewal Plan, as it exists or is changed or modified from time to time, as provided in ORS 457.085, 457.095, 457.105, 457.115, 457.120, 457.125, 457.135, and 457.220.

“Urban renewal project (project)” means any work or undertaking carried out under ORS 457.170 in the Area.

“Urban renewal report” means the official report that accompanies the urban renewal plan, pursuant to ORS 457.085(3).



## II. INTRODUCTION

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In February 2012, the City of Wilsonville established an Economic Development Advisory Committee (the “Committee”) to develop a strategy for the City’s economic development activities. After six months of public meetings, focus groups, interviews and an economic development summit, the Committee created an *Economic Development Strategy* that was adopted by the Wilsonville City Council in August 2012. The *Economic Development Strategy* describes a vision and principles for City economic development, and recommends twelve actions that are described in some detail. In particular, the *Economic Development Strategy* noted that the City should convene a task force to develop criteria to guide (1) the use of incentives to attract or retain businesses, (2) what businesses would qualify for incentives and under what conditions, (3) what types of incentives would be available to businesses, (4) the funding sources to support the incentives, and (5) expectations of businesses given incentives.

In November 2012, an Economic Development Strategy Task Force (the “Task Force”) was appointed and developed a framework for an incentive program that would more strategically position Wilsonville among its Portland metro-area competitors for economic development. The Task Force consisted of 21 individuals comprising a cross-section of the community. In the process of considering 10 different incentive options, single-property urban renewal districts, called Tax Increment Finance Zones (TIF Zones) emerged as one of the preferred incentive mechanisms. The Task Force recommendation to the Wilsonville City Council proposed the development of five TIF Zones. In Wilsonville, these urban renewal areas will fill a role similar to that of an Enterprise Zone, providing partial property tax rebates for qualifying investments occurring on the properties, thus encouraging companies to locate in Wilsonville and provide valuable economic benefits to the community. This proposal was taken before the City’s electorate in March 2013 and approved by 78.8 percent of voters.

While the TIF Zone incentive packages are similar to Enterprise Zones in concept, they will differ in several key ways in an attempt to make TIF Zones both a lower risk use of public funds and more attractive to potential investors. Each site selected to be a TIF Zone will require the creation of a separate urban renewal plan and report because each site will be its own, individual, urban renewal area. As established by the Task Force, TIF Zone properties must have 100,000 square feet or more of industrially-zoned building space that has the potential for conversion from warehousing to a higher-value, traded-sector use such as manufacturing.



The Agency has prepared the 27255 SW 95<sup>th</sup> Avenue Urban Renewal Plan (Plan) based on the recommendations of the Task Force. This Plan establishes the fourth of up to six urban renewal areas using the TIF Zone concept. The Plan contains goals, objectives, and projects for the development of the 27255 SW 95<sup>th</sup> Avenue Urban Renewal Area (Area). The overall purpose of the Plan is to use tax increment financing to provide incentives for economic investment, to cure blight in underutilized buildings, using strategies that are competitive with Enterprise Zones in other communities in the region.

In general, the purpose of urban renewal is to improve specific areas of a city that are poorly developed or underdeveloped. These areas can have old or deteriorated buildings, public spaces that need improvements, streets and utilities in poor condition, a complete lack of streets and utilities altogether, or other obstacles to development. The Area selected is an underutilized, industrial-zoned area of Wilsonville that has had a history of partial or complete vacancy and where existing conditions have presented a barrier to attracting new private sector financial investment to convert the Area to a higher-value, traded sector use.

Urban renewal allows for the use of tax increment financing, a financing source that is unique to urban renewal, to fund its projects. Tax increment revenues – the amount of property taxes generated by the increase in total assessed values in the urban renewal area from the time the urban renewal area is first established – are used to accomplish projects identified by the urban renewal agency. In this case, other than administration, the Plan has only one project, which is repayment in the form of partial property tax reimbursement for qualifying capital infrastructure investment that increases assessed value and job creation.

The specific projects to be approved in this Plan are outlined in Sections IV and V.

Urban renewal is put into effect when the local government (the City of Wilsonville, in this case) adopts an urban renewal plan. The urban renewal plan defines the urban renewal area, states goals and objectives for the area, lists projects and programs that can be undertaken, provides a dollar limit on the funds that can be borrowed for urban renewal projects, and states how the plan may be changed in the future.

The Area, shown in Figure 1, consists of approximately 26.07 acres.

The Plan will be administered by the Wilsonville Urban Renewal Agency, which was activated by the Wilsonville City Council as the City's Urban Renewal Agency.



Substantial changes to the Plan, if necessary, must be approved by the City Council, as outlined in Section X of this Plan.

An Urban Renewal Report, which accompanies the Plan, contains additional information, as required by ORS 457.085. The technical information in the Report includes:

- A description of the physical, social, and economic conditions in the area;
- Expected impact of the Plan, including fiscal impact, in light of increased services;
- Reasons for selection of each Area in the Plan;
- The relationship between each project to be undertaken and the existing conditions;
- The total cost of each project and the source of funds to pay such costs;
- The estimated completion date of each project;
- The estimated amount of funds required in the Area, and the anticipated year in which the debt will be retired;
- A financial analysis of the Plan;
- A fiscal impact statement that estimates the impact of tax increment financing upon all entities levying taxes upon property in the urban renewal area; and
- A relocation report.

The Plan will be active for a maximum of 15 years as explained in Section V, subsection A, below. If no qualifying investment occurs in the Area that uses the Plan project incentives within five years after the effective date of the Plan, then the Plan will immediately be terminated. The maximum amount of indebtedness (amount of tax increment financing for projects and programs) that may be issued for the Plan is \$12,000,000. For TIF Zones, maximum indebtedness reflects the total of the tax repayment obligation to the qualifying company and represents the maximum amount of tax increment to be collected to meet this obligation as well as administrative costs.



### III. GOALS AND OBJECTIVES

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The goals of the Plan represent the basic intents and purposes. Accompanying each goal are objectives, which generally describe how the Agency intends to achieve the goals. The urban renewal projects identified in Sections IV and V of the Plan are the specific means of meeting the objectives. The goals relate to adopted plans, as detailed in Section XI, and were developed with input from the Wilsonville Economic Development Strategy Task Force. The goals and objectives will be pursued as economically as is feasible and at the discretion of the urban renewal agency.

#### **Goal 1: PUBLIC INVOLVEMENT**

Maintain a citizen involvement program that ensures the opportunity for citizens to be involved in all phases of the urban renewal adoption process.

##### Objectives:

1. Provide opportunities for public input throughout the adoption process, including a public open house, Planning Commission meeting, and City Council hearing.
2. Provide information on urban renewal on the City of Wilsonville's website.

#### **Goal 2: ECONOMY**

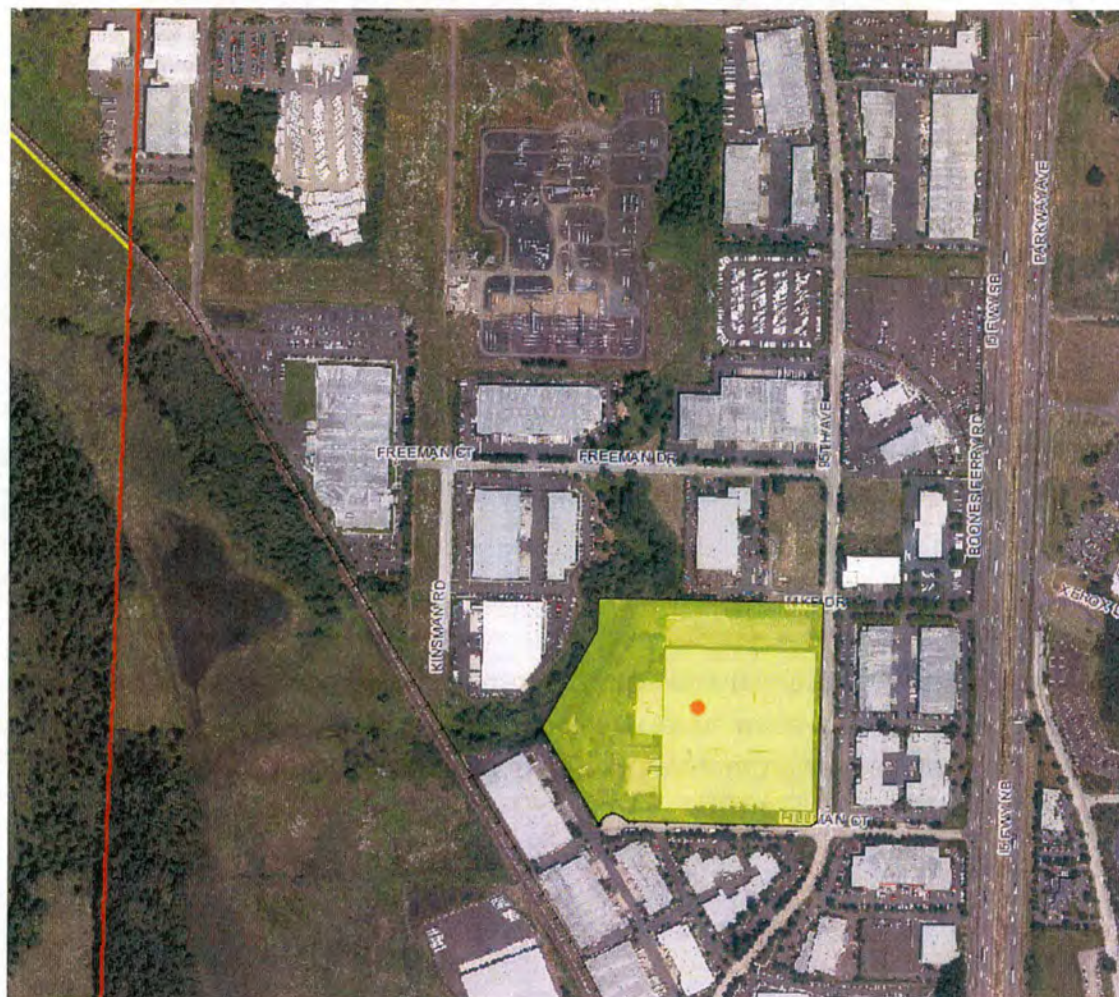
Encourage the economic growth of the Area by encouraging local industrial investment and manufacturing jobs using existing infrastructure and promoting new use of vacant and underutilized industrial properties.

##### Objectives:

1. Provide steady, family-wage jobs for the community.
2. Generate investment that will bolster the local economy and provide revenue for local taxing jurisdictions.
3. Promote the reuse of vacant buildings and encourage infill development by providing incentives for investors to locate in an existing building or build on a site already in the middle of an industrial area and use the existing infrastructure.
4. Partner with public and private entities to incentivize and generate private investment.



**Figure 1 – 27255 SW 95<sup>th</sup> Avenue Urban Renewal Area Boundary**



Source: City of Wilsonville



#### **IV. OUTLINE OF MAJOR URBAN RENEWAL PROJECT ACTIVITIES**

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The primary project within the Area will be providing the return of incremental property taxes to developers as an incentive for redevelopment. Another small use of funds will be to pay for the preparation and administration of the Plan.

#### **V. URBAN RENEWAL PROJECTS**

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The urban renewal projects authorized by the Plan are described below. These projects are consistent with the Wilsonville Economic Development Strategy and are in conformance with the Wilsonville Comprehensive Plan, as detailed in Section XI of this Plan.

As shown in the Report, urban renewal funds will primarily be used as an incentive to spur industrial development, investment, and job creation. The details of the projects are as follows:

##### **A. Property tax rebates**

This project offers an incentive to the private sector to convert under-utilized industrial buildings into higher value traded-sector uses, such as manufacturing. This project will provide tax rebates of a portion of incremental property tax increases to qualifying investments in the Area.

##### **Property tax rebate mechanics**

The project will rebate up to 75% of the tax increment revenue for three years for each company that:

- Invests at least \$25 million in capital improvements and/or qualified equipment, and;
- Creates 75 or more new, permanent, full-time jobs that pay a minimum of 125% of the average Clackamas County wage rate (not including benefits) in effect at the time the rebate is paid which for 2012 is \$25.33/hour or \$52,693 annual wage rate.

Two additional years (five total) of property tax rebates are available if the average wage of the 75 or more new jobs pay 150% of average wages paid in Clackamas County, which for 2012 equals \$30.40 per hour, or a \$63,230 annual wage.

Additional three- and five-year rebate periods could begin, after approval by the Agency, with any additional new capital investment and job creation meeting the above



minimum criteria, providing the potential for up to 10 years of rebates. Again, however, qualified investment needs to be made within five years of program adoption. This limits the potential life of the program and rebates to up to 15 years. Qualifying Businesses must be manufacturing firms. If no qualifying investment has been made in the Area within five years of the effective date of the Plan, the Area will be dissolved.

Any businesses receiving Area benefits will be monitored by the Agency for compliance with qualifying criteria and no rebate shall be given if the business fails to meet any of the qualifications. Additionally, if a business which has received a rebate discontinues business operations in the Area within two years after it receives each rebate payment it will be required to return all or a portion of the rebate as follows. Should a business discontinue business operations within the Area within 12 months after receiving a rebate, the business shall be required to reimburse the Agency 100% of the rebate payment. Should a business discontinue business operations within 24 months of receiving a rebate, the business shall be required to reimburse the Agency 50% of the rebate payment.

#### **B. Debt repayment and project administration**

This project will allow for the repayment of costs associated with the preparation, including the potential repayment of the initial planning costs for the development of the urban renewal plan, adoption, and implementation of the Plan. This project also includes ongoing administration of the Plan.

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### **VI. PROPERTY ACQUISITION AND DISPOSITION**

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The Plan does not authorize the acquisition and disposition of property.

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### **VII. RELOCATION METHODS**

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No relocation assistance will be provided because this Plan does not authorize property acquisition. If relocation is required, the Agency will comply with relocation methods required under state law.

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### **VIII. LAND USES**

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The proposed land use is industrial development. The maximum densities and building requirements are contained in the Wilsonville Development Code.



## **IX. TAX INCREMENT FINANCING OF PLAN**

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Tax increment financing consists of using annual tax increment revenues to make payments on debt and to finance the urban renewal projects authorized in the Plan. Tax increment revenues equal most of the annual property taxes imposed on the cumulative *increase* in assessed value within an urban renewal area over the total assessed value at the time an urban renewal plan is adopted. (Under current law, the property taxes for general obligation (GO) bonds and local option levies approved after October 6, 2001 are not part of the tax increment revenues.)

### **A. General description of the proposed financing methods**

The Plan will be financed using a combination of revenue sources. These include:

- Tax increment revenues; and/or
- Any other public or private source.

Revenues obtained by the Agency will be used to pay or repay the costs, expenses, advancements, and indebtedness incurred in planning or undertaking project activities, or otherwise exercising any of the powers granted by ORS Chapter 457 in connection with the implementation of this Plan.

### **B. Tax increment financing and maximum indebtedness**

The Plan may be financed, in whole or in part, by tax increment revenues allocated to the Agency, as provided in ORS Chapter 457. The ad valorem taxes, if any, levied by a taxing district in which all or a portion of the Area is located, shall be divided as provided in Section 1c, Article IX of the Oregon Constitution, and ORS 457.440. Amounts collected pursuant to ORS 457.440 shall be deposited into the unsegregated tax collections account and distributed to the Agency based upon the distribution schedule established under ORS 311.390.

The maximum amount of indebtedness that may be issued or incurred under the Plan, based upon good faith estimates of the scope and costs of projects in the Plan and the schedule for their completion, is \$12,000,000.

### **C. Prior indebtedness**

Any indebtedness permitted by law and incurred by the Agency or the City of Wilsonville in connection with the preparation of this Plan or prior planning efforts



that support the preparation or implementation of this Plan may be repaid from tax increment revenues from the Area when, and if, such funds are available.

## **X. FUTURE AMENDMENTS TO PLAN**

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The Plan may be amended as described in this section.

### **A. Substantial Amendments**

Substantial Amendments are amendments that:

- Add land to the urban renewal area, except for an addition of land that totals not more than 1% of the existing area of the urban renewal area; or
- Increase the maximum amount of indebtedness that can be issued or incurred under the Plan.

Substantial Amendments, in accordance with ORS 457.085(2)(i), shall require the same notice, hearing, and approval procedure required of the original Plan, under ORS 457.095, including public involvement, consultation with taxing districts, presentation to the Planning Commission, and adoption by the City Council by non-emergency ordinance after a hearing. Notice of such hearing shall be provided to individuals or households within the City of Wilsonville, as required by ORS 457.120. Notice of adoption of a Substantial Amendment shall be provided in accordance with ORS 457.095 and 457.115.

### **B. Minor Amendments**

Minor Amendments are amendments that are not Substantial Amendments in scope. Minor Amendments require approval by the Agency by resolution.

### **C. Amendments to the Wilsonville Comprehensive Plan and/or Wilsonville Development Code**

Amendments to the Wilsonville Comprehensive Plan and/or Wilsonville Development Code that affect the Plan and/or the Area shall be incorporated automatically within the Plan without any separate action required by the Agency or the City Council.



**Figure 2 – Zoning and Comprehensive Plan Designations**



Source: City of Wilsonville



## **XI. RELATIONSHIP TO LOCAL OBJECTIVES**

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The Plan relates to local planning and development objectives contained within the City of Wilsonville's Comprehensive Plan and Economic Development Strategy. The following section describes the purpose and intent of these plans, the particular goals and policies within each planning document to which the proposed Plan relates, and an explanation of how the Plan relates to these goals and policies. The numbering of the goals, policies, and implementation strategies will reflect the numbering that occurs in the original document. Italicized text is text that has **not** been taken directly from an original planning document. The Zoning and Comprehensive Plan designations are shown in Figure 2.

This is not a comprehensive list of all parts of the Wilsonville Comprehensive Plan that are supported by this Plan. This list includes the major goals and policies from the Comprehensive Plan that are supported. However, there may be other goals and policies that are not listed, but are still supported by this Plan.

### **A. City of Wilsonville Comprehensive Plan**

The Wilsonville Comprehensive Plan was updated in January 2013. The Comprehensive Plan is an official statement of the goals, policies, implementation measures, and physical plan for the development of the City. The Plan documents the City's approach to the allocation of available resources for meeting current and anticipated future needs. In doing so, it records current thinking regarding economic and social conditions. Because these conditions change over time, the Plan must be directive, but flexible, and must also be periodically reviewed and revised to consider changes in circumstances.

#### **Section A: Citizen Involvement**

**Goal 1.1 To encourage and provide means for interested parties to be involved in land use planning processes, on individual cases and City-wide programs and policies.**

**Policy 1.1.1 The City of Wilsonville shall provide opportunities for a wide range of public involvement in City planning programs and processes.**

*The Plan conforms with Goals 1.1 and Policy 1.1.1 by involving the citizens of Wilsonville in both the creation of the TIF Zone framework and in the decision of whether or not to use that framework to encourage economic development. The Economic Development Strategy Task Force was comprised of a cross-section of members of the community and it helped to both determine*



*that urban renewal areas, then called TIF Zones, were appropriate to use in Wilsonville, and helped decide how these incentives should work. Later, a city-wide vote was held so that the community could weigh in on the decision of whether or not to use TIF Zones. Citizens were included in the adoption phase of the urban renewal plan through a public open house, Planning Commission meeting, and City Council hearing that was noticed as required in ORS 45.*

**Goal 1.2 For Wilsonville to have an interested, informed, and involved citizenry.**

Implementation Measure 1.2.1.c. Establish procedures to allow interested parties reasonable access to information on which public bodies will base their land use planning decisions.

**Policy 1.3 The City of Wilsonville shall coordinate with other agencies and organizations involved with Wilsonville's planning programs and policies.**

*The Plan conforms with Goals 1.2, Policy 1.3, and their Implementation Measures by involving the citizens of Wilsonville in both the creation of the TIF Zone framework and in the decision of whether or not to use that framework to encourage economic development. The Economic Development Strategy Task Force was comprised of a cross-section of members of the community and it helped to both determine that urban renewal areas, then called TIF Zones, were appropriate to use in Wilsonville, and helped decide how these incentives should work. In addition, taxing jurisdictions received formal notice, and, if desired, a briefing on the Plan. Representatives of the three major taxing jurisdictions were included as members of the Task Force that recommended the creation of TIF Zones.*

**Chapter 2: Urban Growth Management**

**Goal 2.1 To allow for urban growth while maintaining community livability, consistent with the economics of development, City administration, and the provision of public facilities and services.**

Implementation Measure 2.1.1.a. Allow development within the City where zoning has been approved and other requirements of the Comprehensive Plan have been met.

Implementation Measure 2.1.1.c. Encourage a balance between residential, industrial, and commercial land use, based on the provisions of this Comprehensive Plan.

Implementation Measure 2.1.1.d. Establish and maintain revenue sources to support the City's policies for urbanization and maintain needed public services and facilities.



**Policy 2.1.1** The City of Wilsonville shall support the development of all land within the City, other than designated open spaces, consistent with the land use designations of the Comprehensive Plan.

*The Plan conforms with Goal 2.1, Policy 2.1.1, and their Implementation Measures by providing financial incentives for the redevelopment of lands already designated as urban and already provided with infrastructure. By doing this, the Plan encourages growth and development within the urban growth boundary, and helps relieve pressures on lands outside of the urban growth boundary.*

#### **Chapter 4: Land Use and Development**

**Goal 4.1** To have an attractive, functional, economically vital community with a balance of different types of land.

**Policy 4.1.1** The City of Wilsonville shall make land use and planning decisions to achieve Goal 4.1.

Implementation Measure 4.1.1.d. In the process of administering the City's Comprehensive Plan, careful consideration will be given to the economic impacts of proposed policies, programs and regulations. Efforts will be made to simplify and streamline the planning and zoning review process while maintaining the quality of development.

Implementation Measure 4.1.1.e. The City shall protect existing and planned industrial and commercial lands from incompatible land uses, and will attempt to minimize deterrents to desired industrial and commercial development.

Implementation Measure 4.1.1.m. Encourage a balance between light industrial and residential growth within the City.

*The Plan conforms with Goal 4.1, Policy 4.1.1, and their Implementation Measures by encouraging the redevelopment of local industrial buildings. This redevelopment will enrich the balanced land uses within Wilsonville. Also, by encouraging redevelopment of the Area, the Plan helps support an economically vital community by bringing jobs to the community and by reducing the number of vacant or underutilized industrial buildings in the City.*

**Policy 4.1.3** City of Wilsonville shall encourage light industry compatible with the residential and urban nature of the City.

Implementation Measure 4.1.3.a. Develop an attractive and economically sound community.

Implementation Measure 4.1.3.c. Favor capital intensive, rather than labor intensive, industries within the City.



Implementation Measure 4.1.3.e. Site industries where they can take advantage of existing transportation corridors such as the freeway, river, and railroad.

*The Plan conforms with Goal 4.1, Policy 4.1.3, and their Implementation Measures by encouraging the redevelopment of local industrial buildings. This redevelopment will help maintain a healthy mix of industrial jobs and industry within the community, and will encourage industrial activities to sites where they can take advantage of existing transportation corridors and other infrastructure.*

## **B. Wilsonville Economic Development Strategy**

The Economic Development Strategy was completed in August 2012, and sets forth an economic strategy for Wilsonville that describes actions to be taken by the public sector for the purpose of stimulating private sector activity. This strategy was developed with the assistance of an advisory committee that met over the course of 4 months and considered input from the community provided in the form of focus groups, interviews with business leaders, an economic summit, public comments and a community survey. The end result was a vision statement for economic development in Wilsonville, and a list of 6 actions to be taken by the public sector. Specific actions that are directly supported by this Urban Renewal Plan are listed below, but other actions from the Economic Development Strategy will also benefit from the successful implementation of this Plan.

Action 2.1 Promote reuse of vacant building, infill development, and redevelopment.

Action 6.2 Develop criteria to guide the use of incentives to attract or retain businesses.

*The projects in the Plan conform with the Economic Development Strategy. They will help to encourage the reuse of existing industrial buildings and infill development by providing an incentive package similar to that of neighboring communities. This incentive package will help incentivize and generate private investment, which will in turn provide jobs for the community and an increased tax base to support local services and infrastructure.*

## **C. Wilsonville Development Code**

The Wilsonville Development Code - Planning and Land Development was enacted for the purpose of promoting the general public welfare by ensuring procedural due process in the administration and enforcement of the City's Comprehensive Plan, Zoning, Design Review, Land Division, and Development Standards. It is contained as Chapter 4 of the Wilsonville Code.

The zoning designation for the property in the Area is PDI - Planned Development Industrial Zone. It is shown in Figure 2. The Plan is not proposing any new zones or



code amendments, nor are there any proposals that would modify any of the existing zones or land uses. The Plan will comply with all requirements of the existing zoning.

#### **D. City of Wilsonville Transportation Systems Plan**

The City of Wilsonville Transportation Systems Plan (TSP) was adopted by the Wilsonville City Council on June 17, 2013.

The TSP is the City's long-term transportation plan and is an element of its Comprehensive Plan. It includes policies, projects, and programs that could be implemented through the City's Capital Improvement Plan, development requirements, or grant funding.

The 2013 TSP process built upon two decades of community planning to create a complete community transportation plan that integrates all travel modes. Most of the policies and projects come from prior adopted plans, including the Comprehensive Plan, 2003 TSP, 2006 Bicycle and Pedestrian Master Plan, and 2008 Transit Master Plan. While the TSP replaces the 2003 TSP in its entirety, it updates and builds upon the 2006 Bicycle and Pedestrian Master Plan and 2008 Transit Master Plan. Where these documents may be in conflict, the new TSP takes precedence.

27255 SW 95<sup>th</sup> Avenue is designated as a minor arterial, a truck route and a bicycle route.<sup>1</sup> The TSP Executive Summary identifies 95<sup>th</sup> Avenue Sidewalk Infill as a priority project to fill in gaps in the sidewalk network on the east side of 95<sup>th</sup> Avenue from Boeckman Road to Hillman Court, and construct transit stop improvements.<sup>2</sup> SW 95<sup>th</sup> Avenue also has a designated cross section deficiency.<sup>3</sup> SW 95<sup>th</sup> Avenue is served by transit, and there are multiple bus stops near the Area.

*The Plan conforms with the City of Wilsonville Transportation System Plan as the redevelopment planned for the Area is an industrial use and SW 95<sup>th</sup> Avenue will be used as designated in the TSP. SW 95<sup>th</sup> Avenue is classified as a minor arterial, anticipating truck travel.*

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<sup>1</sup> City of Wilsonville Transportation System Plan, 2013, Figure 3-2 Functional Class Designations, p 3-6; Figure 3-4 Freight Routes, p 3-9; Figure 3-5 Bicycle Routes, p 3-11.

<sup>2</sup> City of Wilsonville Transportation System Plan, 2013, Executive Summary, p v.

<sup>3</sup> City of Wilsonville Transportation System Plan, 2013, Figure 4-1 Roadway Cross-Section Deficiencies, p 4-5.



## APPENDIX A: LEGAL DESCRIPTION

### 27255 SW 95<sup>TH</sup> AVENUE URBAN RENEWAL DISTRICT WILSONVILLE, OREGON

Lots and maps are taken from Assessor's Tax Maps from July, 2013, and attached hereto. The area is described as that land containing that lot or parcel of property situated in the City of Wilsonville, County of Clackamas, and the State of Oregon, lying in Section 11, Township 3 South, Range 1 West of the Willamette Meridian, bounded as follows:

**BEGINNING** at a point which bears East, 2161 feet, more or less, from the corner common to Sections 10 and 11, said point being the Northwest corner of Tax Lot 3101, Assessor's Plat 3 1W 11.

1. Thence East along the North line of said Tax Lot 3101, 1112 feet, more or less, to the point of intersection of said North line with the West right-of-way line of 95<sup>th</sup> Avenue;
2. Thence South along said West right-of-way line and the extension thereof, 1018 feet, more or less, to the point of intersection of said West right-of-way line with the Easterly extension of the North right-of-way line of Hillman Court;
3. Thence West along said Easterly extension of said North right-of-way line and said North right-of-way line, 1011 feet, more or less, to the Southwest corner of said Tax Lot 3101;
4. Thence Northwest along the West line of said Tax Lot 3101, 517 feet, more or less;
5. Thence Northeast along said West line of said Tax Lot 3101, 510 feet, more or less, to a point which bears South, 148 feet, more or less, from the Point of Beginning;
6. Thence North, 148 feet, more or less, to the **POINT OF BEGINNING**.

The described property, located entirely within the City of Wilsonville, County of Clackamas and the State of Oregon, contains **twenty six (26)**, acres, more or less.

Due to the possibility of errors in the acreage shown on the Assessor's Tax Maps used to compute the property acreage, the acreage given hereon should be considered accurate to the nearest 1 acre.



**REPORT ACCOMPANYING  
27255 SW 95<sup>TH</sup> AVENUE  
URBAN RENEWAL PLAN**



**Prepared for the City of Wilsonville**

**August 5, 2013**



**REPORT ACCOMPANYING  
27255 SW 95<sup>TH</sup> AVENUE  
URBAN RENEWAL PLAN**

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# DRAFT



## I. INTRODUCTION

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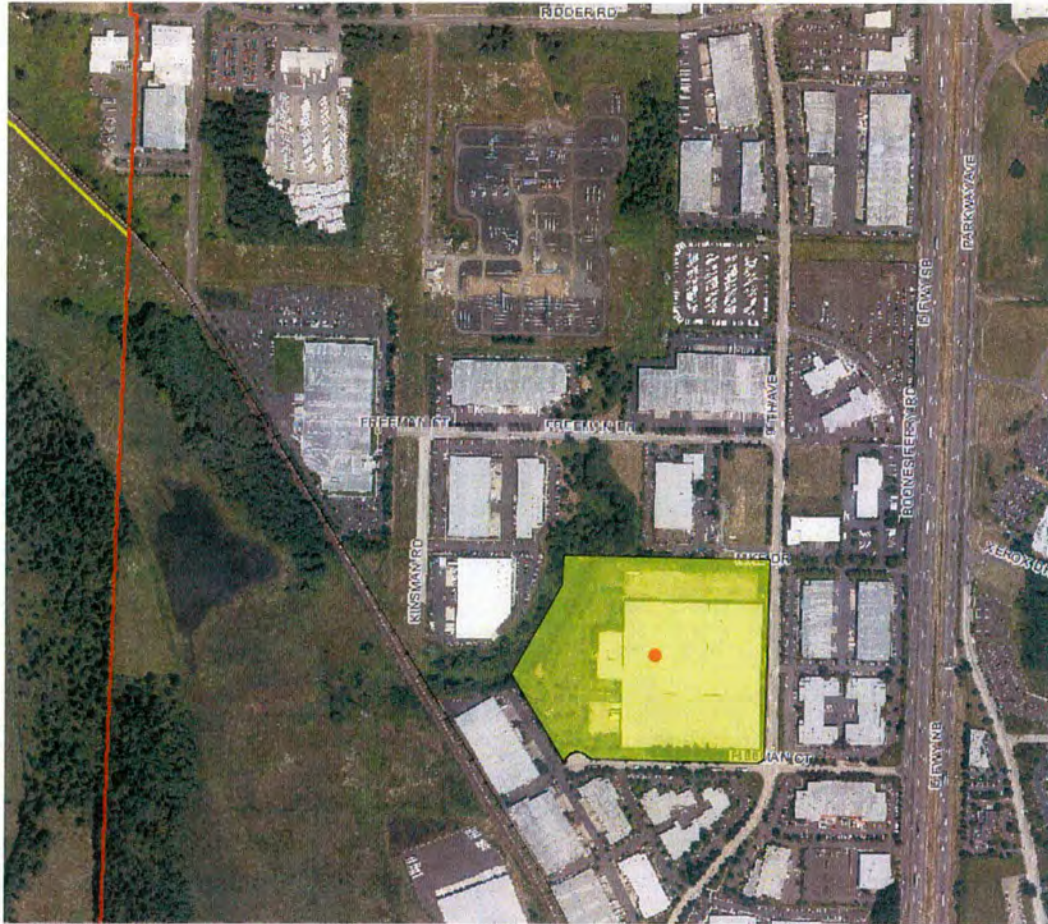
The Report on the 27255 SW 95<sup>th</sup> Avenue Urban Renewal Plan (Report) contains background information and project details that pertain to the 27255 SW 95<sup>th</sup> Avenue Urban Renewal Plan (Plan). The Report is not a legal part of the Plan, but is intended to provide public information and a basis for the findings made by the City Council as part of its approval of the Plan.

The Report provides information required by ORS 457.085(3). The format of the Report is based on this statute. The Report documents not only the proposed projects in the Plan, but also documents the existing conditions in the 27255 SW 95<sup>th</sup> Avenue Urban Renewal Area (Area).

The Report provides the analysis required to meet the standards of ORS 457.085(3), including financial feasibility.



**Figure 1 – 27255 SW 95th Avenue Urban Renewal Plan Area Boundary**



Source: City of Wilsonville



## II. EXISTING PHYSICAL, SOCIAL, AND ECONOMIC CONDITIONS AND IMPACTS ON MUNICIPAL SERVICES

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This section of the Report describes existing conditions within the 27255 SW 95<sup>th</sup> Avenue Urban Renewal Area and documents the occurrence of “blighted areas,” as defined by ORS 457.010(1).

### A. Physical Conditions

#### *Land Use*

According to data obtained from the City of Wilsonville and the Clackamas County Assessor’s office, the Area, shown in Figure 1 above, contains 1 industrial use parcel that has 508,277 square feet of building space on 26.07 acres.

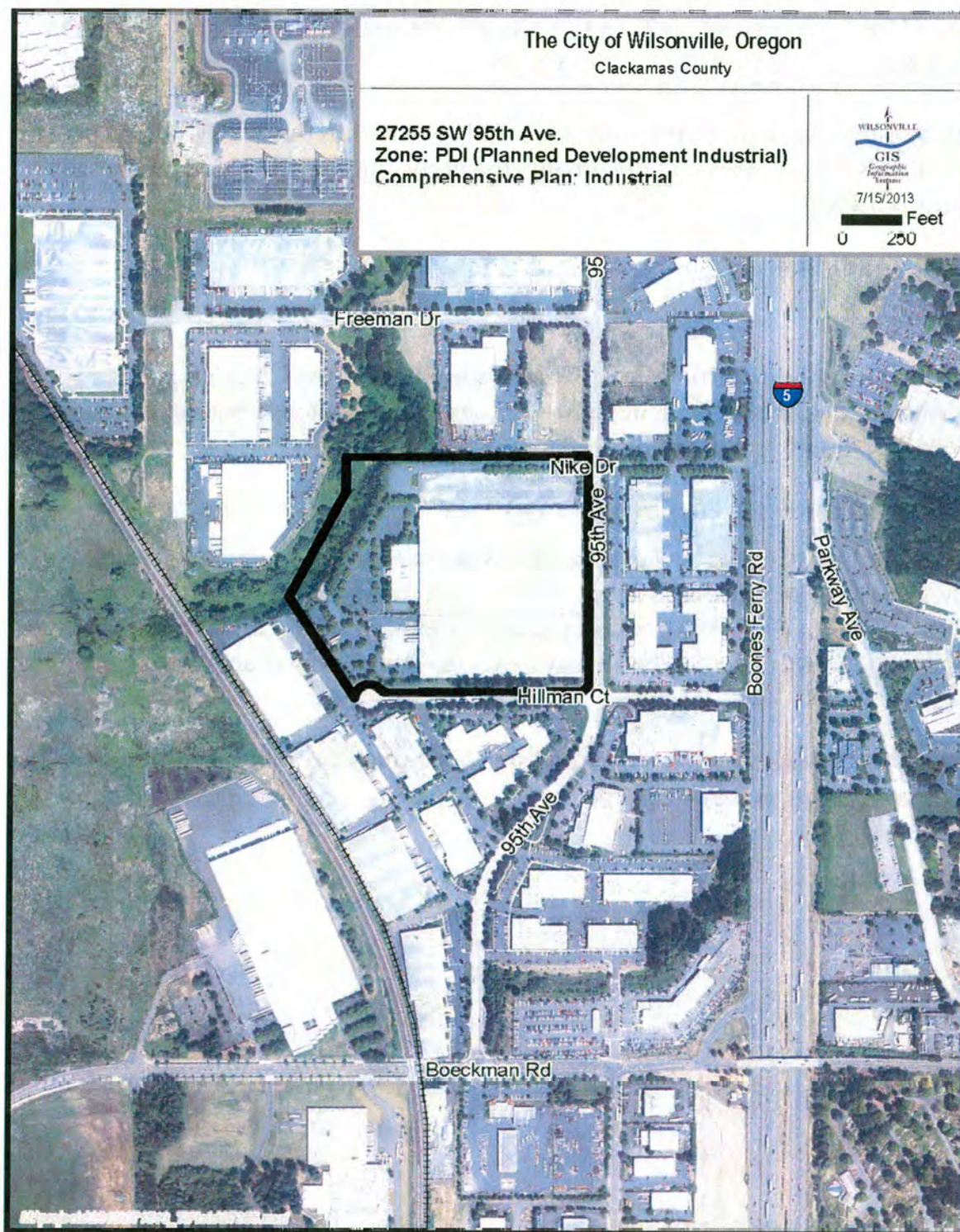
#### *Zoning and Comprehensive Plan Designations*

In the City of Wilsonville, the Wilsonville Development Code and the Wilsonville Comprehensive Plan designations differ. The development code establishes districts to control land use throughout the city and regulates development standards within these established use districts. The comprehensive plan designation indicates the type of use allowed on a parcel.

The comprehensive plan designation of the parcel is Industrial, and the zoning is Planned Industrial Development (PDI).



Figure 2 – Area Zoning and Comprehensive Plan Designations



Source: City of Wilsonville



## B. Infrastructure: Existing Conditions

### *Infrastructure*

This section of the Report identifies the existing infrastructure in the Area. However, because this Area consists of only one parcel, this section will instead evaluate the infrastructure directly serving this parcel, along with an evaluation of the conditions of the infrastructure on the parcel itself. Information was obtained from documentation by City of Wilsonville staff.

#### 1. Streets/Sidewalks/Pathways/Bike Lanes

The street servicing the property, SW 95<sup>th</sup> Avenue, is a minor arterial that is in good condition and meets City standards. SW 95<sup>th</sup> Avenue has adequate streetscape, sidewalks, curbs, and bike lanes.

There are currently a number of priority projects planned for SW 95<sup>th</sup> Avenue in the Capital Improvement Plan, including sidewalk infill and transit stop improvements.

#### 2. Water

The water pipe serving the Area is a 2" domestic that should be adequate for the current or future needs of the Area. There are no projects planned for the water infrastructure serving the Area in the CIP or other planning documents.

#### 3. Storm Drainage Master Plan

The storm drain service in the Area is adequate for current and future use, and there are no planned projects for storm drain infrastructure serving the Area in the CIP or other planning documents. However, a building expansion or the addition of impervious surface could trigger new on-site stormwater improvements.

#### 4. Sanitary Sewer

Sewer service to the Area is more than adequate for the current and future needs of the Area, and there are no planned projects for sewer infrastructure serving the Area in the CIP or other planning documents.

#### 5. Parks

There are no public parks in the Area. The 2007 Parks and Recreation Master Plan identifies project P12 Industrial Area Waysides in the northwest industrial area of Wilsonville, which is currently underserved by parks or recreation facilities. These projects are not in the City's short or mid-term Capital Improvement Program and have not been sited.



## 6. Public Parking

There is no public parking in the Area, but there is parking along the south and west ends of the building that should provide parking for over 250 vehicles.

## 7. Wetlands

Approximately 91,784 SF along the Area's western boundary borders the Basalt Creek wetlands and is within the City's Significant Resource Overlay Zone.

## 8. Conditions of Buildings

The building has 508,277 square feet of space. It is currently used for warehousing and is considered underutilized.

## C. Social Conditions

There is only one industrial parcel in the Area and there are no residents that reside within the Area.

## D. Economic Conditions

### *Taxable Value of Property Within the Area*

According to the Clackamas County Assessor's office, the estimated 2011/2012 total assessed value of the real property in the Area is \$15,982,441. The total assessed value including personal property is \$16,608,823. The building is underutilized, and if it was fully utilized and converted to a traded-sector use such as manufacturing, the values would increase.

The frozen base is estimated to be \$16,608,823.

## E. Impact on Municipal Services

The fiscal impact of tax increment financing on taxing districts that levy taxes within the Area (affected taxing districts) is described in Section IX (Impact of the Tax Increment Financing) of this Report. This subsection discusses the fiscal impacts resulting from potential increases in demand for municipal services.

The project being considered for future use of urban renewal is an economic development project. The use of urban renewal funding for this project allows the City to provide an attractive industrial development incentive program that will be competitive with neighboring communities' Enterprise Zone programs. It also allows the city to tap a different funding source besides the City of Wilsonville's general funds to support this program.



All necessary infrastructure to serve the Area is in place and none of the systems are slated for improvements in the CIP. Converting the building structure in the Area to optimized use will take advantage of the existing infrastructure. Because the structure will incur a change in use from warehousing to manufacturing, or another traded-sector use that meets program criteria, there may be a need for additional police and fire services. However, since this structure already exists and has received these services before, these are not totally new service requirements. In addition, a vacant structure can sometimes be vulnerable to vandalism, criminal activity and fire risk. Bringing the structure back to full use will help prevent such risks.

The revenue sharing feature of this urban renewal plan allows for tax increment to be shared with taxing jurisdictions including the City of Wilsonville at the onset of receipt by the Agency of tax increment funds. These funds will help offset any increased services.

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

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The reason for selecting the Area is to cure blight by providing the ability to fund an economic incentive program to encourage private sector investment in an underutilized and/or vacant parcel of industrial zoned land.

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

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The projects identified for the Area, including how they relate to the existing conditions in the Area, are described below:

#### **A. Property Tax Rebates**

This project offers an incentive to the private sector to convert underutilized industrial buildings into higher value traded-sector uses, such as manufacturing, in the Area. This project will provide tax rebates of a portion of incremental property tax increases to qualifying investments in the Area.

#### *Existing Conditions:*

*This parcel is currently vacant and/or underutilized. It has 508,277 square feet of building space on 26.07 acres.*



## B. Debt Service and Administration

This project will allow for the repayment of costs associated with the preparation (including the potential repayment of the initial planning costs for the development of the urban renewal plan) adoption, and implementation of the 27255 SW 95<sup>th</sup> Avenue Urban Renewal Plan. This project also includes ongoing administration and any financing costs associated with the Plan.

### *Existing Conditions:*

*As there is currently no urban renewal program for this Area, these activities do not exist.*

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

The costs of the projects are shown in Table 1. The sources of funds are tax increment revenues. A three percent annual inflation factor is used. These funds will be allocated to the following projects:

- Repayment of a portion of the urban renewal planning costs will occur in the first year that tax increment funds are received (\$12,000 in FY 2013-14, adjusted annually for inflation increases).
- Approximately \$15,000 in FY 2013-14, adjusted for inflation, will be allocated for program administration annually.
- The project will rebate up to 75% of the net tax increment revenue for three years for each qualifying company if the average wage of the 75 or more new jobs pay a minimum of 125% of the average Clackamas County wage rate (not including benefits) in effect at the time the rebate is paid, which for 2012 is \$25.33/hour or \$52,693 annual wage rate. Two additional years (five total) of property tax rebates are available if the average wage of the 75 or more new jobs pay 150% of average wages paid in Clackamas County at the time the rebate is paid, which for 2012 equals \$30.40 per hour, or a \$63,230 annual wage.
- Any net tax increment revenues in excess of what is needed for administrative expenses or tax rebates will be distributed to the impacted taxing jurisdictions.

**Table 1 – Estimated Project Allocations**

TIF Use	Amount
URA Administration	\$141,367
Rebate	\$11,821,851
Total	\$11,963,218



## VI. THE ANTICIPATED COMPLETION DATE FOR EACH PROJECT

The anticipated latest completion date of the projects in the 27255 SW 95<sup>th</sup> Avenue Urban Renewal Plan will be June 30 of the fiscal year ending 15 years after the approval of the Plan. If investments do not occur as outlined in the program guidelines, the Plan may be terminated earlier at the discretion of the Agency.

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

Table 2 shows a scenario for how this urban renewal plan may be implemented. This scenario relies on an investment by the developer of over \$407,000,000, in three successive years, receiving \$11,821,851 in tax rebates from tax increment funds received by the Agency.

**Table 2. Investment Schedule**

Year	Investment Amount		
	Schedule 1	Schedule 2	Schedule 3
2013			
2014			
2015	137,000,000		
2016		135,000,000	
2017			135,000,000
2018			

Source: ECONorthwest

The tax increment revenues and their allocation to administrative costs, developer rebates, and the taxing jurisdictions' share of the increased property tax revenue are shown in Table 3. Since revenue sharing is anticipated at the onset of the Plan, and this revenue sharing exceeds the potential amount of distributions through revenue sharing required in ORS 457.470, the revenue sharing in ORS 457.470 has been waived by the taxing jurisdictions.

It is anticipated that all expenditures of tax increment funding will be completed within 15 years. The maximum indebtedness is \$12,000,000. In the scenario detailed in Tables 2 and 2, the term of the rebate expires before all of the manufacturer's investment in equipment has depreciated. The result of this is the taxing jurisdictions



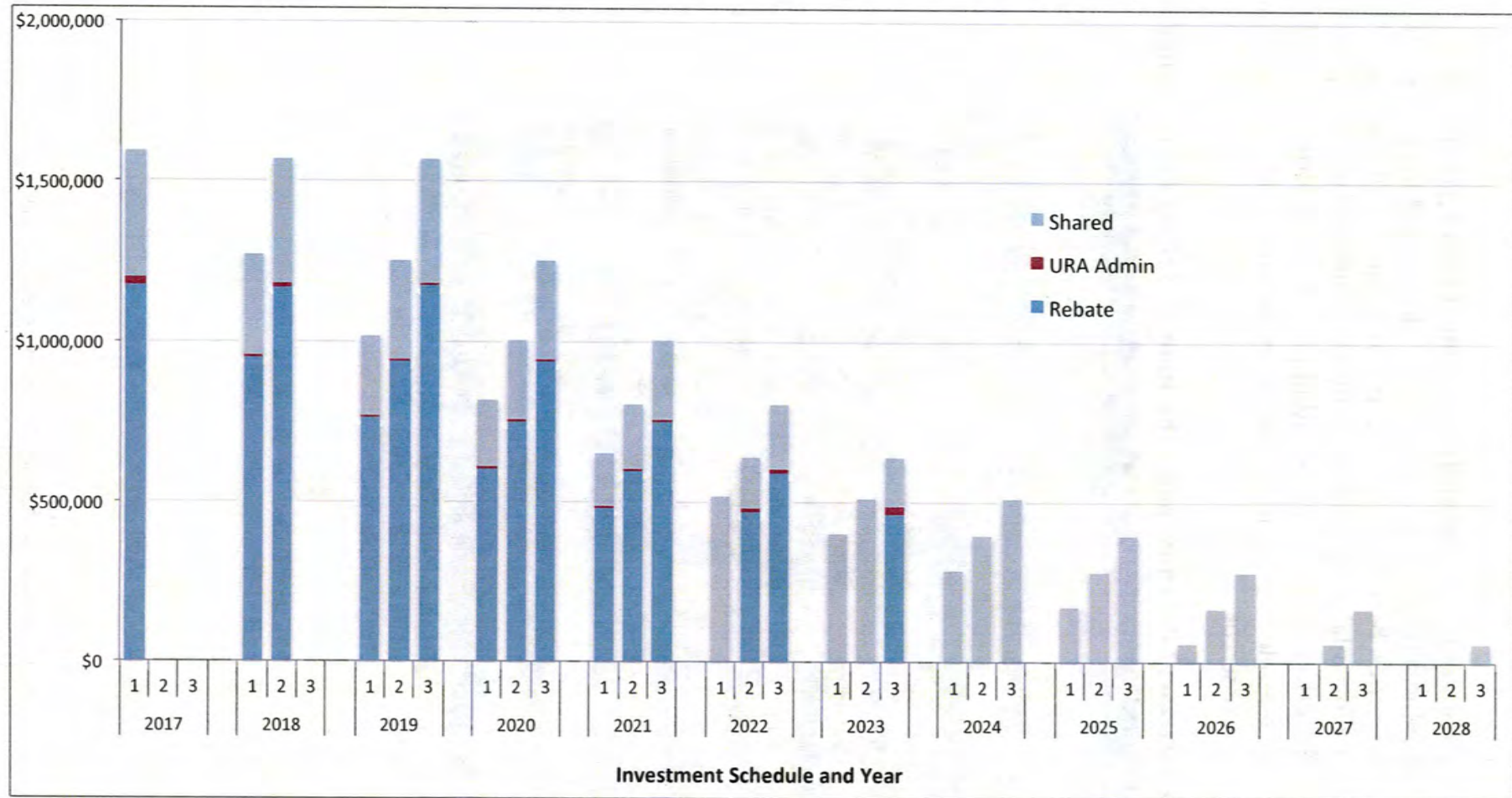
begin to receive 100% of the TIF revenues in fiscal year 2023-24, and the total amount shared with taxing jurisdictions for the entire duration of the Area ends up being much higher than the net 25% share that is guaranteed during the time the developer is receiving rebates. Table 2 shows the total projected rebate to the developer in this scenario would be \$11,821,851 dollars, while the amount received by taxing jurisdictions is estimated at \$8,247,490 dollars over the 15 year life of the Plan. This is actually 40.8% of the total tax increment revenue.

Chart 1 depicts this scenario. Each individual investment provides rebates to the developer, and a portion of extra tax increment to taxing jurisdictions, for a five-year period, with any remaining increment shared with the taxing jurisdictions when that rebate period expires. The three investments are depicted in consecutive years, as shown by the 1,2,3 on the horizontal axis of the chart. As shown, once any one investment reaches the 6<sup>th</sup> year, all of the tax increment from that investment is shared with the taxing jurisdictions. This would be accomplished through an under levy.

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**Chart 1. Investment, Amortization, and Rebate Schedule**



Source: ECONorthwest



There will be no loans or bonds issued. The amount of funding to service the maximum indebtedness will be raised through the payment of tax increment from the County Assessor's office. Because the project payments are predicated upon the annual tax increment on a formulaic basis allocating first to administrative costs, then a 75/25 split of increment between the developer and impacted taxing jurisdictions, the Plan will be financially feasible. No payments will be made without first receiving the increment from the assessor.

**Table 3 – Tax Increment Revenues and Allocations to Project Costs Sample Scenario**

FYE	URA Admin	Rebate	Shared	Total
2013	-	-	-	-
2014	-	-	-	-
2015	-	-	-	-
2016	-	-	-	-
2017	\$28,883	\$1,172,736	\$390,911	\$1,592,530
2018	\$17,390	\$2,119,437	\$706,479	\$2,843,306
2019	\$17,912	\$2,869,511	\$956,504	\$3,843,927
2020	\$18,449	\$2,292,519	\$764,173	\$3,075,141
2021	\$19,002	\$1,830,780	\$610,260	\$2,460,042
2022	\$19,572	\$1,069,956	\$878,472	\$1,968,000
2023	\$20,159	\$466,912	\$1,075,757	\$1,562,828
2024	-	-	\$1,204,211	\$1,204,211
2025	-	-	\$859,716	\$859,716
2026	-	-	\$515,223	\$515,223
2027	-	-	\$228,592	\$228,592
2028	-	-	\$57,192	\$57,192
2029	-	-	-	-
2030	-	-	-	-
<b>Total</b>	<b>\$141,367</b>	<b>\$11,821,851</b>	<b>\$8,247,490</b>	<b>\$20,210,708</b>

Source: ECONorthwest, FYE: Fiscal Year End, URA: Urban Renewal Area



## VIII. FINANCIAL ANALYSIS OF THE PLAN

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The estimated tax increment revenues in the sample scenario, as shown above, are based on projections of the assessed value of investment that could occur within the Area, depreciation of the investment and the total tax rate that will apply in the Area. The assumptions include assumptions of development, as identified in the TIF Zones concept by the City of Wilsonville. Although these assumptions are used as a basis for evaluating the Plan, the financial feasibility is predicated on the simple formula that increased revenues will be shared by the City for administration, by the developer and by the taxing jurisdictions. No payments will be made until tax increment is received from the County Assessor. These payments will be distributed on a formula that includes payments for administrative costs, then a 75/25 split between the developer and impacted taxing jurisdictions.

Table 4 shows the projected incremental assessed value, projected tax rates that would produce tax increment revenues, and the annual tax increment revenues (not adjusted for under-collection, penalties, and interest). These projections of increment are the basis for the projections in Table 3. These projections include shared revenue with impacted taxing jurisdictions.

Table 5 shows the investment and depreciation assumptions used in preparing the financial analysis. In this scenario, all investment is assumed to be equipment, and so it is depreciated. The depreciation schedule used in this scenario is a half-year convention over a 10-year recovery period that was published by the Internal Revenue Service in its annual report for how to depreciate property. Depreciation is an annual income tax deduction that allows you to recover the cost or other basis of certain property over the time you use the property. It is an allowance for the wear and tear, deterioration, or obsolescence of the property. In this case, all the investment in property is assumed to depreciate to zero after 10 years. Property can be depreciated at different times throughout the year, depending on the accounting method used. Under the half-year convention, you treat all property placed in service or disposed of during a tax year as placed in service or disposed of at the midpoint of the year. This means that a one-half year of depreciation is allowed for the year the property is placed in service or disposed of.



However, as stated above, for purposes of financial feasibility, the fact that no payments will be made until tax increment is received establishes financial feasibility.

**Table 4 – Projected Incremental Assessed Value, Tax Rates, and Tax Increment Revenues**

FYE	Assessed Value	Frozen Base	Excess Value	Tax Rate	TIF
2013	\$16,608,823	\$16,608,823	\$0	13.0968	-
2014	\$16,608,823	\$16,608,823	\$0	13.0936	-
2015	\$16,608,823	\$16,608,823	\$0	13.0793	-
2016	\$16,608,823	\$16,608,823	\$0	12.9159	-
2017	\$139,908,823	\$16,608,823	\$123,300,000	12.9159	\$1,592,530
2018	\$236,748,823	\$16,608,823	\$220,140,000	12.9159	\$2,843,306
2019	\$314,220,823	\$16,608,823	\$297,612,000	12.9159	\$3,843,927
2020	\$254,698,423	\$16,608,823	\$238,089,600	12.9159	\$3,075,141
2021	\$207,075,023	\$16,608,823	\$190,466,200	12.9159	\$2,460,042
2022	\$168,979,123	\$16,608,823	\$152,370,300	12.9159	\$1,968,000
2023	\$137,609,123	\$16,608,823	\$121,000,300	12.9159	\$1,562,828
2024	\$109,843,623	\$16,608,823	\$93,234,800	12.9159	\$1,204,211
2025	\$83,171,423	\$16,608,823	\$66,562,600	12.9159	\$859,716
2026	\$56,499,423	\$16,608,823	\$39,890,600	12.9159	\$515,223
2027	\$34,307,323	\$16,608,823	\$17,698,500	12.9159	\$228,592
2028	\$21,036,823	\$16,608,823	\$4,428,000	12.9159	\$57,192
2029	\$16,608,823	\$16,608,823	\$0	12.9159	-
2030	\$16,608,823	\$16,608,823	\$0	12.9159	-
Total					\$20,210,708

Source: ECONorthwest, FYE: Fiscal Year End, TIF Revenue: Tax Increment Revenue



**Table 5 – Projected Investments and Depreciation Schedules**

Calendar Year	FYE	Investment Schedule 1			Investment Schedule 2			Investment Schedule 3			Total RMV
		Value	Depreciation	RMV	Value	Depr.	RMV	Value	Depr.	RMV	
2013	2015										
2014	2016										
2015	2017	\$137,000,000	10.00%	\$123,300,000							\$123,300,000
2016	2018		18.00%	\$98,640,000	\$135,000,000	10.00%	\$121,500,000				\$220,140,000
2017	2019		14.40%	\$78,912,000		18.00%	\$97,200,000	\$135,000,000	10.00%	\$121,500,000	\$297,612,000
2018	2020		11.52%	\$63,129,600		14.40%	\$77,760,000		18.00%	\$97,200,000	\$238,089,600
2019	2021		9.22%	\$50,498,200		11.52%	\$62,208,000		14.40%	\$77,760,000	\$190,466,200
2020	2022		7.37%	\$40,401,300		9.22%	\$49,761,000		11.52%	\$62,208,000	\$152,370,300
2021	2023		6.55%	\$31,427,800		7.37%	\$39,811,500		9.22%	\$49,761,000	\$121,000,300
2022	2024		6.55%	\$22,454,300		6.55%	\$30,969,000		7.37%	\$39,811,500	\$93,234,800
2023	2025		6.56%	\$13,467,100		6.55%	\$22,126,500		6.55%	\$30,969,000	\$66,562,600
2024	2026		6.55%	\$4,493,600		6.56%	\$13,270,500		6.55%	\$22,126,500	\$39,890,600
2025	2027		3.28%	-		6.55%	\$4,428,000		6.56%	\$13,270,500	\$17,698,500
2026	2028					3.28%	-		6.55%	\$4,428,000	\$4,428,000
2027	2029								3.28%	-	\$0
2028	2030										

FYE: Fiscal Year End RMV: Real Market Value Depr.: Depreciation  
Source: ECONorthwest



## IX. IMPACT OF THE TAX INCREMENT FINANCING

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This section describes the impact of tax increment financing of the new maximum indebtedness, both until and after the indebtedness is repaid, upon all entities levying taxes upon property in the urban renewal area.

The impact of tax increment financing on overlapping taxing districts consists primarily of the property tax revenues foregone on permanent rate levies as applied to the growth in assessed value in the Area. These projections are for impacts estimated for a 15-year period and are shown in Tables 6a and 6b. Table 6a shows the general government taxing jurisdictions and Table 6b shows the education taxing jurisdictions.

The concept for this plan, as defined by the City of Wilsonville, includes a 25% share of net tax increment proceeds with the affected taxing jurisdictions. This formula for revenue sharing is different than the formula described in Oregon Revised Statutes (ORS). Revenue sharing is part of the 2009 legislative changes to urban renewal and means that, at thresholds defined in ORS 457.470, the impacted taxing jurisdictions will receive a share of the incremental growth in the area. By statute, the share is a percentage basis dependent upon the tax rates of the taxing jurisdictions. The first threshold is 10% of the original maximum indebtedness. At the 10% threshold, the urban renewal agency will receive the full 10% of the initial maximum indebtedness plus 25% of the increment above the 10% threshold, and the taxing jurisdictions will receive 75% of the increment above the 10% threshold. The second threshold is set at 12.5% of the maximum indebtedness. Since revenue sharing is anticipated at the onset of the Plan, and this revenue sharing exceeds the potential amount of distributions through revenue sharing required in ORS 457.470, the revenue sharing in ORS 457.470 has been waived by the taxing jurisdictions.

The West Linn-Wilsonville School District and the Education Service District are not *directly* affected by the tax increment financing, but the amounts of their taxes divided for the urban renewal plan are shown in the following tables. Under current school funding law, property tax revenues are combined with State School Fund revenues to achieve per-student funding targets. Under this system, property taxes foregone, due to the use of tax increment financing, are substantially replaced with State School Fund revenues, as determined by a funding formula at the state level. The formula for funding schools, as changed in the 2013 legislative session, is \$6,852 per pupil for FY 2013-14 and \$7,081 per pupil for FY 2014-15, an increase over the 2012 levels. According to the State of Oregon Department of Education,



there was approximately \$1 billion dollars of increased revenues allocated to school financing in the 2013 legislative session.<sup>1</sup>

Tables 6a and 6b show the projected impacts to permanent rate levies of taxing districts as a result of this Plan. It assumes the growth as projected in the other tables in this Report. **It does not offset the foregone revenues with the expected new revenues. Although the taxing jurisdictions are shown to forego approximately \$12 million, as shown in Table 6a and 6b, they will receive approximately \$8 million, as shown in Table 3. Over the life of the Plan, the taxing jurisdictions will receive over 40% of the total tax increment revenues produced by this sample scenario.**

There is always some discussion about the true impact of urban renewal on the taxing jurisdictions as there is one line of thought that some of the growth projected would not occur “but for” urban renewal. In this case, the building is underutilized either through vacancy or type of use, and expectations are that it will remain underutilized in the future without developer incentives. Given this, there would be no expectation that any increase of property taxes would come from this building without the use of urban renewal.

There is no anticipated change in revenue for affected taxing jurisdictions upon termination of the Plan, which is expected in 15 years. All projected investment is equipment, and equipment’s assessed value depreciates over time. By the time the Area expires, all equipment will be fully depreciated, so there will be no additional assessed value to tax. However, the taxing jurisdictions are receiving 25% of the net increment during the time period the developer is receiving 75% of the net increment, and they are receiving 100% of the increment for the remaining time frame of the Area, as shown in Table 3. If there are any improvements to the building itself, or increases in value of the building itself, the taxing jurisdictions would realize the increased taxes from those investments.

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<sup>1</sup> Phone interview with Jan McComb, State of Oregon Department of Education, July 11, 2013.



**Table 6a – Projected Impact on Taxing District Permanent Rate Levies (General Government)**

FYE	Clackamas County	Tualatin Valley Fire & Rescue	City of Wilsonville	Port of Portland	Metro	COUNTY EXTENSION & 4-H	COUNTY LIBRARY	COUNTY SOIL CONS	VECTOR CONTROL	Subtotal
2013	-	-	-	-	-	-	-	-	-	-
2014	-	-	-	-	-	-	-	-	-	-
2015	-	-	-	-	-	-	-	-	-	-
2016	-	-	-	-	-	-	-	-	-	-
2017	(223,673)	(141,896)	(234,502)	(6,522)	(8,987)	(4,652)	(36,972)	(4,652)	(605)	(662,461)
2018	(397,755)	(252,332)	(417,012)	(11,597)	(15,982)	(8,272)	(65,746)	(8,272)	(1,075)	(1,178,043)
2019	(537,473)	(340,967)	(563,494)	(15,671)	(21,595)	(11,178)	(88,841)	(11,178)	(1,453)	(1,591,850)
2020	(430,170)	(272,895)	(450,997)	(12,543)	(17,284)	(8,946)	(71,105)	(8,946)	(1,163)	(1,274,049)
2021	(344,323)	(218,435)	(360,994)	(10,040)	(13,835)	(7,161)	(56,915)	(7,161)	(931)	(1,019,795)
2022	(202,808)	(128,659)	(212,627)	(5,913)	(8,149)	(4,218)	(33,523)	(4,218)	(548)	(600,663)
2023	(90,665)	(57,517)	(95,054)	(2,644)	(3,643)	(1,886)	(14,986)	(1,886)	(245)	(268,526)
2024	-	-	-	-	-	-	-	-	-	-
2025	-	-	-	-	-	-	-	-	-	-
2026	-	-	-	-	-	-	-	-	-	-
2027	-	-	-	-	-	-	-	-	-	-
2028	-	-	-	-	-	-	-	-	-	-
2029	-	-	-	-	-	-	-	-	-	-
2030	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>(2,226,867)</b>	<b>(1,412,701)</b>	<b>(2,334,680)</b>	<b>(64,930)</b>	<b>(89,475)</b>	<b>(46,313)</b>	<b>(368,088)</b>	<b>(46,313)</b>	<b>(6,020)</b>	<b>(6,595,387)</b>

Source: ECONorthwest.



**Table 6b – Projected Impact on Taxing District Permanent Rate Levies (Education and Totals)**

FYE	COM COLL CLACK (perm)	ESD CLACKAMAS	SCH WLINN/WILS (perm)	Education Subtotal	General Government Subtotal	Total
2013	-	-	-	-	-	-
2014	-	-	-	-	-	-
2015	-	-	-	-	-	-
2016	-	-	-	-	-	-
2017	(51,932)	(34,302)	(452,927)	(539,161)	(662,461)	(1,201,622)
2018	(92,349)	(60,998)	(805,436)	(958,783)	(1,178,043)	(2,136,826)
2019	(124,789)	(82,425)	(1,088,359)	(1,295,573)	(1,591,850)	(2,887,423)
2020	(99,876)	(65,969)	(871,075)	(1,036,920)	(1,274,049)	(2,310,969)
2021	(79,944)	(52,804)	(697,240)	(829,988)	(1,019,795)	(1,849,783)
2022	(47,087)	(31,102)	(410,677)	(488,866)	(600,663)	(1,089,529)
2023	(21,050)	(13,904)	(183,592)	(218,546)	(268,526)	(487,072)
2024	-	-	-	-	-	-
2025	-	-	-	-	-	-
2026	-	-	-	-	-	-
2027	-	-	-	-	-	-
2028	-	-	-	-	-	-
2029	-	-	-	-	-	-
2030	-	-	-	-	-	-
<b>Total</b>	<b>(517,027)</b>	<b>(341,504)</b>	<b>(4,509,306)</b>	<b>(5,367,837)</b>	<b>(6,595,387)</b>	<b>(11,963,224)</b>

Source: ECONorthwest. Please refer to the explanation of the schools funding in the preceding section.



## **X. COMPLIANCE WITH STATUTORY LIMITS ON ASSESSED VALUE AND SIZE OF URBAN RENEWAL AREA**

State law limits the percentage of both a municipality's total assessed value and the total land area that can be contained in an urban renewal area at the time of its establishment to 25% for municipalities under 50,000 in population. As noted below, the frozen base, including all real, personal, manufactured, and utility properties in the Urban Renewal Area, is projected to be \$16,608,823. The total assessed value of the City of Wilsonville is \$2,368,094,165. There are five existing urban renewal areas, as shown in Table 7. These five areas, plus the 27255 SW 95<sup>th</sup> Avenue Area, total 4.33% of the total assessed value of the City of Wilsonville, well below the 25% maximum. The 27255 SW 95<sup>th</sup> Avenue Area has 26.07 acres, including right-of-way, and the City of Wilsonville has 4,712 acres; the other five existing urban renewal areas total 1,047.09 acres. Therefore, 22.78% of the City's acreage is in an urban renewal area, below the 25% state limit.

**Table 7 – Urban Renewal Area Conformance with Assessed Value and Acreage Limits**

Urban Renewal Area	Assessed Value	Acres
27255 SW 95 <sup>th</sup> Avenue	\$16,608,823	26.07
25600 SW Parkway Center Drive	\$7,476,210	10.35
9805 SW Boeckman Road	\$10,879,601	24.98
26755 SW 95 <sup>th</sup> Avenue	\$7,064,499	9.76
Year 2000 Plan	\$44,087,806	546
West Side Plan	\$16,526,288	456
City of Wilsonville	\$2,368,094,165	4,712
Percent of Assessed Value in Urban Renewal	4.33%	
Percent of Acreage in Urban Renewal		22.78%

Source: City of Wilsonville, Clackamas County Assessor, U.S. Census Bureau

## **XI. RELOCATION REPORT**

There is no relocation report required for the Plan. No relocation activities are anticipated.



# 29899 SW Boones Ferry Road Urban Renewal Plan



Prepared for the City of Wilsonville  
August 5, 2013



City of Wilsonville

List of Participants

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Richard Goddard  
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## I. DEFINITIONS

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"Area" means the properties and rights of way located within this 29899 SW Boones Ferry Road Urban Renewal Plan urban renewal boundary.

"City" means the City of Wilsonville, Oregon.

"City Council" or "Council" means the City Council of the City of Wilsonville.

"Comprehensive Plan" means the City of Wilsonville Comprehensive Plan and its implementing ordinances, policies, and standards.

"County" means Clackamas County.

"Economic Development Strategy Task Force" means a focused, limited-duration task force composed of leading community members and business managers who helped guide the Economic Development Strategy process and made a recommendation to the City Council.

"Enterprise Zones" means a program established by the State of Oregon in ORS 285C.045-.255, as amended, to provide tax incentives to businesses to locate in specifically designated areas of the state.

"Fiscal year" means the year commencing on July 1 and closing on June 30, the following year.

"Frozen base" means the total assessed value, including all real, personal, manufactured, and utility values within an urban renewal area at the time of plan approval. The county assessor certifies the assessed value after the approval of an urban renewal plan.

"Increment" means that part of the assessed value of a taxing district attributable to any increase in the assessed value of the property located in an urban renewal area, or portion thereof, over the assessed value of the frozen base.

"Maximum indebtedness" means the amount of the principal of indebtedness included in a plan, pursuant to ORS 457.190, and does not include indebtedness incurred to refund or refinance existing indebtedness.



"ORS" means the Oregon revised statutes, specifically Chapter 457, which relates to urban renewal.

"Planning Commission" means the Wilsonville Planning Commission.

"Tax increment financing (TIF)" means the system that generates tax revenue through the division of taxes authorized by ORS 457.420 et.seq.

"Tax increment revenues" means the funds allocated by the assessor to an urban renewal area due to increases in assessed value over the frozen base within the Area.

"TIF Zones" is the concept established by the Wilsonville City Council that is designed to offer incentives similar to enterprise zones, which stimulate property investment and employment opportunities. This concept is implemented as an urban renewal area.

"Urban renewal agency (agency)" means an urban renewal agency created under ORS 457.035 and 457.045. This agency is responsible for the administration of the urban renewal plan.

"Urban renewal plan" or "Plan" means this 29899 SW Boones Ferry Road Urban Renewal Plan, as it exists or is changed or modified from time to time, as provided in ORS 457.085, 457.095, 457.105, 457.115, 457.120, 457.125, 457.135, and 457.220.

"Urban renewal project (project)" means any work or undertaking carried out under ORS 457.170 in the Area.

"Urban renewal report" means the official report that accompanies the urban renewal plan, pursuant to ORS 457.085(3).



## II. INTRODUCTION

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In February 2012, the City of Wilsonville established an Economic Development Advisory Committee (the “Committee”) to develop a strategy for the City’s economic development activities. After six months of public meetings, focus groups, interviews and an economic development summit, the Committee created an *Economic Development Strategy* that was adopted by the Wilsonville City Council in August 2012. The *Economic Development Strategy* describes a vision and principles for City economic development, and recommends twelve actions that are described in some detail. In particular, the *Economic Development Strategy* noted that the City should convene a task force to develop criteria to guide (1) the use of incentives to attract or retain businesses, (2) what businesses would qualify for incentives and under what conditions, (3) what types of incentives would be available to businesses, (4) the funding sources to support the incentives, and (5) expectations of businesses given incentives.

In November 2012, an Economic Development Strategy Task Force (the “Task Force”) was appointed and developed a framework for an incentive program that would more strategically position Wilsonville among its Portland metro-area competitors for economic development. The Task Force consisted of 21 individuals comprising a cross-section of the community. In the process of considering 10 different incentive options, single-property urban renewal districts, called Tax Increment Finance Zones (TIF Zones) emerged as one of the preferred incentive mechanisms. The Task Force recommendation to the Wilsonville City Council proposed the development of five TIF Zones. In Wilsonville, these urban renewal areas will fill a role similar to that of an Enterprise Zone, providing partial property tax rebates for qualifying investments occurring on the properties, thus encouraging companies to locate in Wilsonville and provide valuable economic benefits to the community. This proposal was taken before the City’s electorate in March 2013 and approved by 78.8 percent of voters.

While the TIF Zone incentive packages are similar to Enterprise Zones in concept, they will differ in several key ways in an attempt to make TIF Zones both a lower risk use of public funds and more attractive to potential investors. Each site selected to be a TIF Zone will require the creation of a separate urban renewal plan and report because each site will be its own, individual, urban renewal area. As established by the Task Force, TIF Zone properties must have 100,000 square feet or more of industrially-zoned building space that has the potential for conversion from warehousing to a higher-value, traded-sector use such as manufacturing.



The Agency has prepared the 29899 SW Boones Ferry Road Urban Renewal Plan (Plan) based on the recommendations of the Task Force. This Plan establishes the fifth of up to six urban renewal areas using the TIF Zone concept. The Plan contains goals, objectives, and projects for the development of the 29899 SW Boones Ferry Road Urban Renewal Area (Area). The overall purpose of the Plan is to use tax increment financing to provide incentives for economic investment, to cure blight in underutilized buildings, using strategies that are competitive with Enterprise Zones in other communities in the region.

In general, the purpose of urban renewal is to improve specific areas of a city that are poorly developed or underdeveloped. These areas can have old or deteriorated buildings, public spaces that need improvements, streets and utilities in poor condition, a complete lack of streets and utilities altogether, or other obstacles to development. The Area selected is an underutilized, industrial-zoned area of Wilsonville that has had a history of partial or complete vacancy and where existing conditions have presented a barrier to attracting new private sector financial investment to convert the Area to a higher-value, traded sector use.

Urban renewal allows for the use of tax increment financing, a financing source that is unique to urban renewal, to fund its projects. Tax increment revenues – the amount of property taxes generated by the increase in total assessed values in the urban renewal area from the time the urban renewal area is first established – are used to accomplish projects identified by the urban renewal agency. In this case, other than administration, the Plan has only one project, which is repayment in the form of partial property tax reimbursement for qualifying capital infrastructure investment that increases assessed value and job creation.

The specific projects to be approved in this Plan are outlined in Sections IV and V.

Urban renewal is put into effect when the local government (the City of Wilsonville, in this case) adopts an urban renewal plan. The urban renewal plan defines the urban renewal area, states goals and objectives for the area, lists projects and programs that can be undertaken, provides a dollar limit on the funds that can be borrowed for urban renewal projects, and states how the plan may be changed in the future.

The Area, shown in Figure 1, consists of approximately 15.40 acres.

The Plan will be administered by the Wilsonville Urban Renewal Agency, which was activated by the Wilsonville City Council as the City's Urban Renewal Agency.



Substantial changes to the Plan, if necessary, must be approved by the City Council, as outlined in Section X of this Plan.

An Urban Renewal Report, which accompanies the Plan, contains additional information, as required by ORS 457.085. The technical information in the Report includes:

- A description of the physical, social, and economic conditions in the area;
- Expected impact of the Plan, including fiscal impact, in light of increased services;
- Reasons for selection of each Area in the Plan;
- The relationship between each project to be undertaken and the existing conditions;
- The total cost of each project and the source of funds to pay such costs;
- The estimated completion date of each project;
- The estimated amount of funds required in the Area, and the anticipated year in which the debt will be retired;
- A financial analysis of the Plan;
- A fiscal impact statement that estimates the impact of tax increment financing upon all entities levying taxes upon property in the urban renewal area; and
- A relocation report.

The Plan will be active for a maximum of 15 years as explained in Section V, subsection A, below. If no qualifying investment occurs in the Area that uses the Plan project incentives within five years after the effective date of the Plan, then the Plan will immediately be terminated. The maximum amount of indebtedness (amount of tax increment financing for projects and programs) that may be issued for the Plan is \$12,000,000. For TIF Zones, maximum indebtedness reflects the total of the tax repayment obligation to the qualifying company and represents the maximum amount of tax increment to be collected to meet this obligation as well as administrative costs.



### **III. GOALS AND OBJECTIVES**

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The goals of the Plan represent the basic intents and purposes. Accompanying each goal are objectives, which generally describe how the Agency intends to achieve the goals. The urban renewal projects identified in Sections IV and V of the Plan are the specific means of meeting the objectives. The goals relate to adopted plans, as detailed in Section XI, and were developed with input from the Wilsonville Economic Development Strategy Task Force. The goals and objectives will be pursued as economically as is feasible and at the discretion of the urban renewal agency.

#### **Goal 1: *PUBLIC INVOLVEMENT***

Maintain a citizen involvement program that ensures the opportunity for citizens to be involved in all phases of the urban renewal adoption process.

##### Objectives:

1. Provide opportunities for public input throughout the adoption process, including a public open house, Planning Commission meeting, and City Council hearing.
2. Provide information on urban renewal on the City of Wilsonville's website.

#### **Goal 2: *ECONOMY***

Encourage the economic growth of the Area by encouraging local industrial investment and manufacturing jobs using existing infrastructure and promoting new use of vacant and underutilized industrial properties.

##### Objectives:

1. Provide steady, family-wage jobs for the community.
2. Generate investment that will bolster the local economy and provide revenue for local taxing jurisdictions.
3. Promote the reuse of vacant buildings and encourage infill development by providing incentives for investors to locate in an existing building or build on a site already in the middle of an industrial area and use the existing infrastructure.
4. Partner with public and private entities to incentivize and generate private investment.



**Figure 1 – 29899 SW Boones Ferry Road Urban Renewal Area Boundary**



Source: City of Wilsonville



#### **IV. OUTLINE OF MAJOR URBAN RENEWAL PROJECT ACTIVITIES**

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The primary project within the Area will be providing the return of incremental property taxes to developers as an incentive for redevelopment. Another small use of funds will be to pay for the preparation and administration of the Plan.

#### **V. URBAN RENEWAL PROJECTS**

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The urban renewal projects authorized by the Plan are described below. These projects are consistent with the Wilsonville Economic Development Strategy and are in conformance with the Wilsonville Comprehensive Plan, as detailed in Section XI of this Plan.

As shown in the Report, urban renewal funds will primarily be used as an incentive to spur industrial development, investment, and job creation. The details of the projects are as follows:

##### **A. Property tax rebates**

This project offers an incentive to the private sector to convert under-utilized industrial buildings into higher value traded-sector uses, such as manufacturing. This project will provide tax rebates of a portion of incremental property tax increases to qualifying investments in the Area.

##### **Property tax rebate mechanics**

The project will rebate up to 75% of the tax increment revenue for three years for each company that:

- Invests at least \$25 million in capital improvements and/or qualified equipment, and;
- Creates 75 or more new, permanent, full-time jobs that pay a minimum of 125% of the average Clackamas County wage rate (not including benefits) in effect at the time the rebate is paid which for 2012 is \$25.33/hour or \$52,693 annual wage rate.

Two additional years (five total) of property tax rebates are available if the average wage of the 75 or more new jobs pay 150% of average wages paid in Clackamas County, which for 2012 equals \$30.40 per hour, or a \$63,230 annual wage.

Additional three- and five-year rebate periods could begin, after approval by the Agency, with any additional new capital investment and job creation meeting the above



minimum criteria, providing the potential for up to 10 years of rebates. Again, however, qualified investment needs to be made within five years of program adoption. This limits the potential life of the program and rebates to up to 15 years. Qualifying Businesses must be manufacturing firms. If no qualifying investment has been made in the Area within five years of the effective date of the Plan, the Area will be dissolved.

Any businesses receiving Area benefits will be monitored by the Agency for compliance with qualifying criteria and no rebate shall be given if the business fails to meet any of the qualifications. Additionally, if a business which has received a rebate discontinues business operations in the Area within two years after it receives each rebate payment it will be required to return all or a portion of the rebate as follows. Should a business discontinue business operations within the Area within 12 months after receiving a rebate, the business shall be required to reimburse the Agency 100% of the rebate payment. Should a business discontinue business operations within 24 months of receiving a rebate, the business shall be required to reimburse the Agency 50% of the rebate payment.

#### **B. Debt repayment and project administration**

This project will allow for the repayment of costs associated with the preparation, including the potential repayment of the initial planning costs for the development of the urban renewal plan, adoption, and implementation of the Plan. This project also includes ongoing administration of the Plan.

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### **VI. PROPERTY ACQUISITION AND DISPOSITION**

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The Plan does not authorize the acquisition and disposition of property.

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### **VII. RELOCATION METHODS**

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No relocation assistance will be provided because this Plan does not authorize property acquisition. If relocation is required, the Agency will comply with relocation methods required under state law.

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### **VIII. LAND USES**

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The proposed land use is industrial development. The maximum densities and building requirements are contained in the Wilsonville Development Code.



## **IX. TAX INCREMENT FINANCING OF PLAN**

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Tax increment financing consists of using annual tax increment revenues to make payments on debt and to finance the urban renewal projects authorized in the Plan. Tax increment revenues equal most of the annual property taxes imposed on the cumulative *increase* in assessed value within an urban renewal area over the total assessed value at the time an urban renewal plan is adopted. (Under current law, the property taxes for general obligation (GO) bonds and local option levies approved after October 6, 2001 are not part of the tax increment revenues.)

### **A. General description of the proposed financing methods**

The Plan will be financed using a combination of revenue sources. These include:

- Tax increment revenues; and/or
- Any other public or private source.

Revenues obtained by the Agency will be used to pay or repay the costs, expenses, advancements, and indebtedness incurred in planning or undertaking project activities, or otherwise exercising any of the powers granted by ORS Chapter 457 in connection with the implementation of this Plan.

### **B. Tax increment financing and maximum indebtedness**

The Plan may be financed, in whole or in part, by tax increment revenues allocated to the Agency, as provided in ORS Chapter 457. The ad valorem taxes, if any, levied by a taxing district in which all or a portion of the Area is located, shall be divided as provided in Section 1c, Article IX of the Oregon Constitution, and ORS 457.440. Amounts collected pursuant to ORS 457.440 shall be deposited into the unsegregated tax collections account and distributed to the Agency based upon the distribution schedule established under ORS 311.390.

The maximum amount of indebtedness that may be issued or incurred under the Plan, based upon good faith estimates of the scope and costs of projects in the Plan and the schedule for their completion, is \$12,000,000.

### **C. Prior indebtedness**

Any indebtedness permitted by law and incurred by the Agency or the City of Wilsonville in connection with the preparation of this Plan or prior planning efforts



that support the preparation or implementation of this Plan may be repaid from tax increment revenues from the Area when, and if, such funds are available.

## **X. FUTURE AMENDMENTS TO PLAN**

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The Plan may be amended as described in this section.

### **A. Substantial Amendments**

Substantial Amendments are amendments that:

- Add land to the urban renewal area, except for an addition of land that totals not more than 1% of the existing area of the urban renewal area; or
- Increase the maximum amount of indebtedness that can be issued or incurred under the Plan.

Substantial Amendments, in accordance with ORS 457.085(2)(i), shall require the same notice, hearing, and approval procedure required of the original Plan, under ORS 457.095, including public involvement, consultation with taxing districts, presentation to the Planning Commission, and adoption by the City Council by non-emergency ordinance after a hearing. Notice of such hearing shall be provided to individuals or households within the City of Wilsonville, as required by ORS 457.120. Notice of adoption of a Substantial Amendment shall be provided in accordance with ORS 457.095 and 457.115.

### **B. Minor Amendments**

Minor Amendments are amendments that are not Substantial Amendments in scope. Minor Amendments require approval by the Agency by resolution.

### **C. Amendments to the Wilsonville Comprehensive Plan and/or Wilsonville Development Code**

Amendments to the Wilsonville Comprehensive Plan and/or Wilsonville Development Code that affect the Plan and/or the Area shall be incorporated automatically within the Plan without any separate action required by the Agency or the City Council.



**Figure 2 – Zoning and Comprehensive Plan Designations**



Source: City of Wilsonville



## **XI. RELATIONSHIP TO LOCAL OBJECTIVES**

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The Plan relates to local planning and development objectives contained within the City of Wilsonville's Comprehensive Plan and Economic Development Strategy. The following section describes the purpose and intent of these plans, the particular goals and policies within each planning document to which the proposed Plan relates, and an explanation of how the Plan relates to these goals and policies. The numbering of the goals, policies, and implementation strategies will reflect the numbering that occurs in the original document. Italicized text is text that has **not** been taken directly from an original planning document. The Zoning and Comprehensive Plan designations are shown in Figure 2.

This is not a comprehensive list of all parts of the Wilsonville Comprehensive Plan that are supported by this Plan. This list includes the major goals and policies from the Comprehensive Plan that are supported. However, there may be other goals and policies that are not listed, but are still supported by this Plan.

### **A. City of Wilsonville Comprehensive Plan**

The Wilsonville Comprehensive Plan was updated in January 2013. The Comprehensive Plan is an official statement of the goals, policies, implementation measures, and physical plan for the development of the City. The Plan documents the City's approach to the allocation of available resources for meeting current and anticipated future needs. In doing so, it records current thinking regarding economic and social conditions. Because these conditions change over time, the Plan must be directive, but flexible, and must also be periodically reviewed and revised to consider changes in circumstances.

#### **Section A: Citizen Involvement**

**Goal 1.1** To encourage and provide means for interested parties to be involved in land use planning processes, on individual cases and City-wide programs and policies.

**Policy 1.1.1** The City of Wilsonville shall provide opportunities for a wide range of public involvement in City planning programs and processes.

*The Plan conforms with Goals 1.1 and Policy 1.1.1 by involving the citizens of Wilsonville in both the creation of the TIF Zone framework and in the decision of whether or not to use that framework to encourage economic development. The Economic Development Strategy Task Force was comprised of a cross-section of members of the community and it helped to both determine*



*that urban renewal areas, then called TIF Zones, were appropriate to use in Wilsonville, and helped decide how these incentives should work. Later, a city-wide vote was held so that the community could weigh in on the decision of whether or not to use TIF Zones. Citizens were included in the adoption phase of the urban renewal plan through a public open house, Planning Commission meeting, and City Council hearing that was noticed as required in ORS 45.*

**Goal 1.2 For Wilsonville to have an interested, informed, and involved citizenry.**

Implementation Measure 1.2.1.c. Establish procedures to allow interested parties reasonable access to information on which public bodies will base their land use planning decisions.

**Policy 1.3 The City of Wilsonville shall coordinate with other agencies and organizations involved with Wilsonville's planning programs and policies.**

*The Plan conforms with Goals 1.2, Policy 1.3, and their Implementation Measures by involving the citizens of Wilsonville in both the creation of the TIF Zone framework and in the decision of whether or not to use that framework to encourage economic development. The Economic Development Strategy Task Force was comprised of a cross-section of members of the community and it helped to both determine that urban renewal areas, then called TIF Zones, were appropriate to use in Wilsonville, and helped decide how these incentives should work. In addition, taxing jurisdictions received formal notice, and, if desired, a briefing on the Plan. Representatives of the three major taxing jurisdictions were included as members of the Task Force that recommended the creation of TIF Zones.*

**Chapter 2: Urban Growth Management**

**Goal 2.1 To allow for urban growth while maintaining community livability, consistent with the economics of development, City administration, and the provision of public facilities and services.**

Implementation Measure 2.1.1.a. Allow development within the City where zoning has been approved and other requirements of the Comprehensive Plan have been met.

Implementation Measure 2.1.1.c. Encourage a balance between residential, industrial, and commercial land use, based on the provisions of this Comprehensive Plan.

Implementation Measure 2.1.1.d. Establish and maintain revenue sources to support the City's policies for urbanization and maintain needed public services and facilities.



**Policy 2.1.1** The City of Wilsonville shall support the development of all land within the City, other than designated open spaces, consistent with the land use designations of the Comprehensive Plan.

*The Plan conforms with Goal 2.1, Policy 2.1.1, and their Implementation Measures by providing financial incentives for the redevelopment of lands already designated as urban and already provided with infrastructure. By doing this, the Plan encourages growth and development within the urban growth boundary, and helps relieve pressures on lands outside of the urban growth boundary.*

#### **Chapter 4: Land Use and Development**

**Goal 4.1** To have an attractive, functional, economically vital community with a balance of different types of land.

**Policy 4.1.1** The City of Wilsonville shall make land use and planning decisions to achieve Goal 4.1.

Implementation Measure 4.1.1.d. In the process of administering the City's Comprehensive Plan, careful consideration will be given to the economic impacts of proposed policies, programs and regulations. Efforts will be made to simplify and streamline the planning and zoning review process while maintaining the quality of development.

Implementation Measure 4.1.1.e. The City shall protect existing and planned industrial and commercial lands from incompatible land uses, and will attempt to minimize deterrents to desired industrial and commercial development.

Implementation Measure 4.1.1.m. Encourage a balance between light industrial and residential growth within the City.

*The Plan conforms with Goal 4.1, Policy 4.1.1, and their Implementation Measures by encouraging the redevelopment of local industrial buildings. This redevelopment will enrich the balanced land uses within Wilsonville. Also, by encouraging redevelopment of the Area, the Plan helps support an economically vital community by bringing jobs to the community and by reducing the number of vacant or underutilized industrial buildings in the City.*

**Policy 4.1.3** City of Wilsonville shall encourage light industry compatible with the residential and urban nature of the City.

Implementation Measure 4.1.3.a. Develop an attractive and economically sound community.

Implementation Measure 4.1.3.c. Favor capital intensive, rather than labor intensive, industries within the City.



Implementation Measure 4.1.3.e. Site industries where they can take advantage of existing transportation corridors such as the freeway, river, and railroad.

*The Plan conforms with Goal 4.1, Policy 4.1.3, and their Implementation Measures by encouraging the redevelopment of local industrial buildings. This redevelopment will help maintain a healthy mix of industrial jobs and industry within the community, and will encourage industrial activities to sites where they can take advantage of existing transportation corridors and other infrastructure.*

## **B. Wilsonville Economic Development Strategy**

The Economic Development Strategy was completed in August 2012, and sets forth an economic strategy for Wilsonville that describes actions to be taken by the public sector for the purpose of stimulating private sector activity. This strategy was developed with the assistance of an advisory committee that met over the course of 4 months and considered input from the community provided in the form of focus groups, interviews with business leaders, an economic summit, public comments and a community survey. The end result was a vision statement for economic development in Wilsonville, and a list of 6 actions to be taken by the public sector. Specific actions that are directly supported by this Urban Renewal Plan are listed below, but other actions from the Economic Development Strategy will also benefit from the successful implementation of this Plan.

Action 2.1 Promote reuse of vacant building, infill development, and redevelopment.

Action 6.2 Develop criteria to guide the use of incentives to attract or retain businesses.

*The projects in the Plan conform with the Economic Development Strategy. They will help to encourage the reuse of existing industrial buildings and infill development by providing an incentive package similar to that of neighboring communities. This incentive package will help incentivize and generate private investment, which will in turn provide jobs for the community and an increased tax base to support local services and infrastructure.*

## **C. Wilsonville Development Code**

The Wilsonville Development Code - Planning and Land Development was enacted for the purpose of promoting the general public welfare by ensuring procedural due process in the administration and enforcement of the City's Comprehensive Plan, Zoning, Design Review, Land Division, and Development Standards. It is contained as Chapter 4 of the Wilsonville Code.

The zoning designation for the property in the Area is PDI - Planned Development Industrial Zone. It is shown in Figure 2. The Plan is not proposing any new zones or



code amendments, nor are there any proposals that would modify any of the existing zones or land uses. The Plan will comply with all requirements of the existing zoning.

#### **D. City of Wilsonville Transportation Systems Plan**

The City of Wilsonville Transportation Systems Plan (TSP) was adopted by the Wilsonville City Council on June 17, 2013.

The TSP is the City's long-term transportation plan and is an element of its Comprehensive Plan. It includes policies, projects, and programs that could be implemented through the City's Capital Improvement Plan, development requirements, or grant funding.

The 2013 TSP process built upon two decades of community planning to create a complete community transportation plan that integrates all travel modes. Most of the policies and projects come from prior adopted plans, including the Comprehensive Plan, 2003 TSP, 2006 Bicycle and Pedestrian Master Plan, and 2008 Transit Master Plan. While the TSP replaces the 2003 TSP in its entirety, it updates and builds upon the 2006 Bicycle and Pedestrian Master Plan and 2008 Transit Master Plan. Where these documents may be in conflict, the new TSP takes precedence.

SW Boones Ferry Road is designated as a collector, a truck route and a bicycle route.<sup>1</sup> The TSP Executive Summary identifies two high priority projects for SW Boones Ferry Road, both relating to pedestrian and bikeway improvements.<sup>2</sup> The road also has a designated cross section deficiency near the Area.<sup>3</sup> SW Boones Ferry Road is served by transit, and there are multiple bus stops near the Area.

*The Plan conforms with the City of Wilsonville Transportation System Plan as the redevelopment planned for the Area is an industrial use and SW Boones Ferry Road will be used as designated in the TSP. SW Boones Ferry Road is classified as a collector, anticipating truck travel.*

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<sup>1</sup> City of Wilsonville Transportation System Plan, 2013, Figure 3-2 Functional Class Designations, p 3-6; Figure 3-4 Freight Routes, p 3-9; Figure 3-5 Bicycle Routes, p 3-11.

<sup>2</sup> City of Wilsonville Transportation System Plan, 2013, Executive Summary, p v.

<sup>3</sup> City of Wilsonville Transportation System Plan, 2013, Figure 4-1 Roadway Cross-Section Deficiencies, p 4-5.



## APPENDIX A: LEGAL DESCRIPTION

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### **29899 SW BOONES FERRY ROAD URBAN RENEWAL DISTRICT** **WILSONVILLE, OREGON**

Lots and maps are taken from Assessor's Tax Maps from July, 2013, and attached hereto. The area is described as that land containing all lots or parcels of property situated in the City of Wilsonville, County of Clackamas, and the State of Oregon, lying in Section 14, Township 3 South, Range 1 West of the Willamette Meridian, bounded as follows:

**Commencing** at a point common to Sections 14 and 23, Township 3 South, Range 1 West, Willamette Meridian, Clackamas County, Oregon. Thence West along the South line of said Section 14, 110 feet, more or less; Thence North, 49 feet, more or less, to the point of intersection with the North right-of-way line of Wilsonville Road, and the East right-of-way line of the Oregon Electric Railroad, also being the Southwest corner of Parcel 2, Partition Plat 2003-082, records of said county, Assessor's Plat 3 1W 14D, and being the **POINT OF BEGINNING**.

1. Thence North along said East right-of-way line, 928 feet, more or less, to the Northwest corner of said Parcel 2
2. Thence East, 1091 feet, more or less, to the Northeast corner of said Parcel 2;
3. Thence South along the East line of said Parcel 2, 146 feet, more or less;
4. Thence Southeast continuing along said East line, 117 feet, more or less, to the point of intersection with said East Line, and the Northwesterly right-of-way line of Boones Ferry Road;
5. Thence Southwest along said Northwesterly right-of-way line, 563 feet, more or less;
6. Thence Northwest along the South line of said Parcel 2, 191 feet, more or less;
7. Thence Southwest continuing along said South line of said Parcel 2, 265 feet, more or less;
8. Thence Northwest continuing along said South line of said Parcel 2, 141 feet, more or less;
9. Thence South continuing along said South line of said Parcel 2, 60 feet, more or less;



10. Thence West continuing along said South line of said Parcel 2, 354 feet, more or less;
11. Thence South, 251 feet, more or less, to the point of intersection of the most Southerly Southeast corner of said Parcel 2, and the North right-of-way line of Wilsonville Road;
12. Thence West along said North right-of-way line, 60 feet, more or less, to the **POINT OF BEGINNING.**

The described property, located entirely within the City of Wilsonville, County of Washington, and the State of Oregon, contains **sixteen (16)**, acres, more or less.

Due to the possibility of errors in the acreage shown on the Assessor's tax maps used to compute the property acreage, the acreage given hereon should be considered accurate to the nearest 1 acre.



**REPORT ACCOMPANYING  
29899 SW BOONES FERRY ROAD  
URBAN RENEWAL PLAN**



**Prepared for the City of Wilsonville**

**August 5, 2013**



**REPORT ACCOMPANYING  
29899 SW BOONES FERRY ROAD  
URBAN RENEWAL PLAN**

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## I. INTRODUCTION

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The Report on the 29899 SW Boones Ferry Road Urban Renewal Plan (Report) contains background information and project details that pertain to the 29899 SW Boones Ferry Road Urban Renewal Plan (Plan). The Report is not a legal part of the Plan, but is intended to provide public information and a basis for the findings made by the City Council as part of its approval of the Plan.

The Report provides information required by ORS 457.085(3). The format of the Report is based on this statute. The Report documents not only the proposed projects in the Plan, but also documents the existing conditions in the 29899 SW Boones Ferry Road Urban Renewal Area (Area).

The Report provides the analysis required to meet the standards of ORS 457.085(3), including financial feasibility.



**Figure 1 – 29899 SW Boones Ferry Road Urban Renewal Plan Area Boundary**



Source: City of Wilsonville



## II. EXISTING PHYSICAL, SOCIAL, AND ECONOMIC CONDITIONS AND IMPACTS ON MUNICIPAL SERVICES

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This section of the Report describes existing conditions within the 29899 SW Boones Ferry Road Urban Renewal Area and documents the occurrence of “blighted areas,” as defined by ORS 457.010(1).

### A. Physical Conditions

#### *Land Use*

According to data obtained from the City of Wilsonville and the Clackamas County Assessor’s office, the Area, shown in Figure 1 above, contains 1 industrial use parcel that has 250,650 square feet of building space on 15.40 acres.

#### *Zoning and Comprehensive Plan Designations*

In the City of Wilsonville, the Wilsonville Development Code and the Wilsonville Comprehensive Plan designations differ. The development code establishes districts to control land use throughout the city and regulates development standards within these established use districts. The comprehensive plan designation indicates the type of use allowed on a parcel.

The comprehensive plan designation of the parcel is Industrial, and the zoning is Planned Industrial Development (PDI).



**Figure 2 – Area Zoning and Comprehensive Plan Designations**



Source: City of Wilsonville



## B. Infrastructure: Existing Conditions

### *Infrastructure*

This section of the Report identifies the existing infrastructure in the Area. However, because this Area consists of only one parcel, this section will instead evaluate the infrastructure directly serving this parcel, along with an evaluation of the conditions of the infrastructure on the parcel itself. Information was obtained from documentation by City of Wilsonville staff.

#### 1. Streets/Sidewalks/Pathways/Bike Lanes

The street servicing the property, SW Boones Ferry Road, is a collector that is in good condition and meets City standards. SW Boones Ferry Road has adequate streetscape, sidewalks, curbs, and bike lanes.

There are currently two priority projects for SW Boones Ferry Road in the Capital Improvement Plan, both relating to pedestrian and bikeway improvements.

#### 2. Water

The water pipe serving the Area is a 1.5" domestic/1.5" irrigation that should be adequate for the current or future needs of the Area. There are no projects planned for the water infrastructure serving the Area in the CIP or other planning documents.

#### 3. Storm Drainage Master Plan

The storm drain service in the Area is adequate for current and future use, and there are no planned projects for storm drain infrastructure serving the Area in the CIP or other planning documents. However, a building expansion or the addition of impervious surface could trigger new on-site stormwater improvements.

#### 4. Sanitary Sewer

Sewer service to the Area is more than adequate for the current and future needs of the Area, and there are no planned projects for sewer infrastructure serving the Area in the CIP or other planning documents.

#### 5. Parks

There are no public parks in the Area. The 2007 Parks and Recreation Master Plan identifies project P12 Industrial Area Waysides in the northwest industrial area of Wilsonville, which is currently underserved by parks or recreation facilities. These projects are not in the City's short or mid-term Capital Improvement Program and have not been sited.



## 6. Public Parking

There is no public parking in the Area, but there are banks of private head-in parking along the south, west, and east ends of the building that should provide parking for over 100 vehicles.

## 7. Wetlands

There are no wetlands or Significant Resource Overlay Zoning in or immediately around the Area.

## 8. Conditions of Buildings

The building has 250,650 square feet of space. It is currently used for warehousing and is considered underutilized.

## C. Social Conditions

There is only one industrial parcel in the Area and there are no residents that reside within the Area.

## D. Economic Conditions

### *Taxable Value of Property Within the Area*

According to the Clackamas County Assessor's office, the estimated 2011/2012 total assessed value of the real property in the Area is \$ 13,505,100. The total assessed value including personal property is \$14,458,913. The building is underutilized, and if it was fully utilized and converted to a traded-sector use such as manufacturing, the values would increase.

The frozen base is estimated to be \$14,458,913.

## E. Impact on Municipal Services

The fiscal impact of tax increment financing on taxing districts that levy taxes within the Area (affected taxing districts) is described in Section IX (Impact of the Tax Increment Financing) of this Report. This subsection discusses the fiscal impacts resulting from potential increases in demand for municipal services.

The project being considered for future use of urban renewal is an economic development project. The use of urban renewal funding for this project allows the City to provide an attractive industrial development incentive program that will be competitive with neighboring communities' Enterprise Zone programs. It also allows



the city to tap a different funding source besides the City of Wilsonville's general funds to support this program.

All necessary infrastructure to serve the Area is in place and none of the systems are slated for improvements in the CIP. Converting the building structure in the Area to optimized use will take advantage of the existing infrastructure. Because the structure will incur a change in use from warehousing to manufacturing, or another traded-sector use that meets program criteria, there may be a need for additional police and fire services. However, since this structure already exists and has received these services before, these are not totally new service requirements. In addition, a vacant structure can sometimes be vulnerable to vandalism, criminal activity and fire risk. Bringing the structure back to full use will help prevent such risks.

The revenue sharing feature of this urban renewal plan allows for tax increment to be shared with taxing jurisdictions including the City of Wilsonville at the onset of receipt by the Agency of tax increment funds. These funds will help offset any increased services.

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

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The reason for selecting the Area is to cure blight by providing the ability to fund an economic incentive program to encourage private sector investment in an underutilized and/or vacant parcel of industrial zoned land.

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

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The projects identified for the Area, including how they relate to the existing conditions in the Area, are described below:

#### **A. Property Tax Rebates**

This project offers an incentive to the private sector to convert underutilized industrial buildings into higher value traded-sector uses, such as manufacturing, in the Area. This project will provide tax rebates of a portion of incremental property tax increases to qualifying investments in the Area.

#### *Existing Conditions:*

*This parcel is currently vacant and/or underutilized. It has 250,650 square feet of building space on 15.40 acres.*



## B. Debt Service and Administration

This project will allow for the repayment of costs associated with the preparation (including the potential repayment of the initial planning costs for the development of the urban renewal plan) adoption, and implementation of the 29899 SW Boones Ferry Road Urban Renewal Plan. This project also includes ongoing administration and any financing costs associated with the Plan.

### *Existing Conditions:*

*As there is currently no urban renewal program for this Area, these activities do not exist.*

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

The costs of the projects are shown in Table 1. The sources of funds are tax increment revenues. A three percent annual inflation factor is used. These funds will be allocated to the following projects:

- Repayment of a portion of the urban renewal planning costs will occur in the first year that tax increment funds are received (\$12,000 in FY 2013-14, adjusted annually for inflation increases).
- Approximately \$15,000 in FY 2013-14, adjusted for inflation, will be allocated for program administration annually.
- The project will rebate up to 75% of the net tax increment revenue for three years for each qualifying company if the average wage of the 75 or more new jobs pay a minimum of 125% of the average Clackamas County wage rate (not including benefits) in effect at the time the rebate is paid, which for 2012 is \$25.33/hour or \$52,693 annual wage rate. Two additional years (five total) of property tax rebates are available if the average wage of the 75 or more new jobs pay 150% of average wages paid in Clackamas County at the time the rebate is paid, which for 2012 equals \$30.40 per hour, or a \$63,230 annual wage.
- Any net tax increment revenues in excess of what is needed for administrative expenses or tax rebates will be distributed to the impacted taxing jurisdictions.

**Table 1 – Estimated Project Allocations**

TIF Use	Amount
URA Administration	\$141,367
Rebate	\$11,821,851
Total	\$11,963,218

Source: ECONorthwest, TIF: Tax Increment Funds



## VI. THE ANTICIPATED COMPLETION DATE FOR EACH PROJECT

The anticipated latest completion date of the projects in the 29899 SW Boones Ferry Road Urban Renewal Plan will be June 30 of the fiscal year ending 15 years after the approval of the Plan. If investments do not occur as outlined in the program guidelines, the Plan may be terminated earlier at the discretion of the Agency.

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

Table 2 shows a scenario for how this urban renewal plan may be implemented. This scenario relies on an investment by the developer of over \$407,000,000, in three successive years, receiving \$11,821,851 in tax rebates from tax increment funds received by the Agency.

**Table 2. Investment Schedule**

Investment Amount			
Year	Schedule 1	Schedule 2	Schedule 3
2013			
2014			
2015	137,000,000		
2016		135,000,000	
2017			135,000,000
2018			

Source: ECONorthwest

The tax increment revenues and their allocation to administrative costs, developer rebates, and the taxing jurisdictions' share of the increased property tax revenue are shown in Table 3. Since revenue sharing is anticipated at the onset of the Plan, and this revenue sharing exceeds the potential amount of distributions through revenue sharing required in ORS 457.470, the revenue sharing in ORS 457.470 has been waived by the taxing jurisdictions.

It is anticipated that all expenditures of tax increment funding will be completed within 15 years. The maximum indebtedness is \$12,000,000. In the scenario detailed in Tables 2 and 3, the term of the rebate expires before all of the manufacturer's investment in equipment has depreciated. The result of this is the taxing jurisdictions

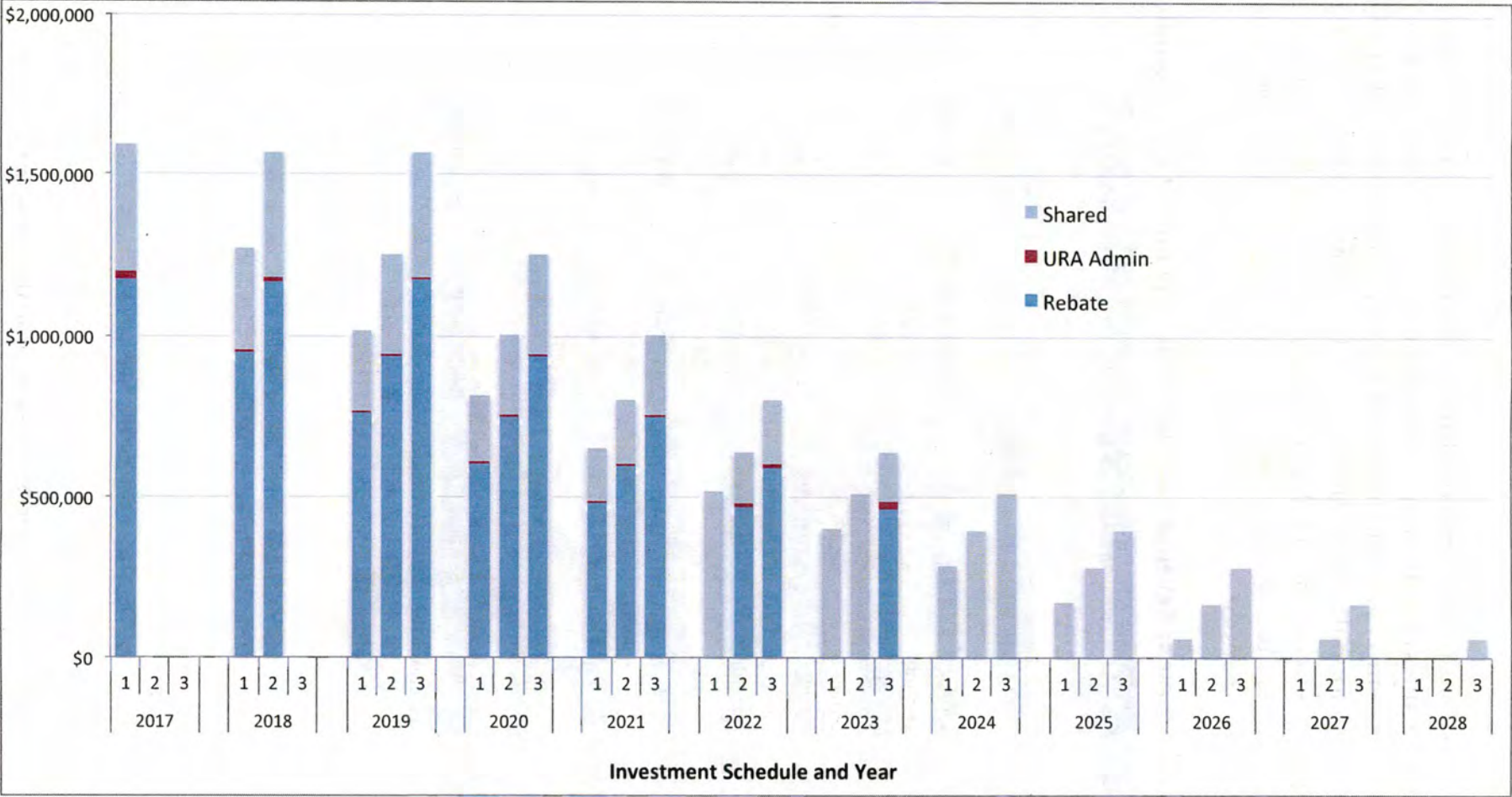


begin to receive 100% of the TIF revenues in fiscal year 2023-24, and the total amount shared with taxing jurisdictions for the entire duration of the Area ends up being much higher than the net 25% share that is guaranteed during the time the developer is receiving rebates. Table 2 shows the total projected rebate to the developer in this scenario would be \$11,821,851 dollars, while the amount received by taxing jurisdictions is estimated at \$8,247,490 dollars over the 15 year life of the Plan. This is actually 40.8% of the total tax increment revenue.

Chart 1 depicts this scenario. Each individual investment provides rebates to the developer, and a portion of extra tax increment to taxing jurisdictions, for a five-year period, with any remaining increment shared with the taxing jurisdictions when that rebate period expires. The three investments are depicted in consecutive years, as shown by the 1,2,3 on the horizontal axis of the chart. As shown, once any one investment reaches the 6<sup>th</sup> year, all of the tax increment from that investment is shared with the taxing jurisdictions. This would be accomplished through an under levy.



Chart 1. Investment, Amortization, and Rebate Schedule



Source: ECONorthwest



There will be no loans or bonds issued. The amount of funding to service the maximum indebtedness will be raised through the payment of tax increment from the County Assessor's office. Because the project payments are predicated upon the annual tax increment on a formulaic basis allocating first to administrative costs, then a 75/25 split of increment between the developer and impacted taxing jurisdictions, the Plan will be financially feasible. No payments will be made without first receiving the increment from the assessor.

**Table 3 – Tax Increment Revenues and Allocations to Project Costs Sample Scenario**

FYF	URA Admin	Rebate	Shared	Total
2013	-	-	-	-
2014	-	-	-	-
2015	-	-	-	-
2016	-	-	-	-
2017	\$28,883	\$1,172,736	\$390,911	\$1,592,530
2018	\$17,390	\$2,119,437	\$706,479	\$2,843,306
2019	\$17,912	\$2,869,511	\$956,504	\$3,843,927
2020	\$18,449	\$2,292,519	\$764,173	\$3,075,141
2021	\$19,002	\$1,830,780	\$610,260	\$2,460,042
2022	\$19,572	\$1,069,956	\$878,472	\$1,968,000
2023	\$20,159	\$466,912	\$1,075,757	\$1,562,828
2024	-	-	\$1,204,211	\$1,204,211
2025	-	-	\$859,716	\$859,716
2026	-	-	\$515,223	\$515,223
2027	-	-	\$228,592	\$228,592
2028	-	-	\$57,192	\$57,192
2029	-	-	-	-
2030	-	-	-	-
Total	\$141,367	\$11,821,851	\$8,247,490	\$20,210,708

Source: ECONorthwest, FYE: Fiscal Year End, URA: Urban Renewal Area



## VIII. FINANCIAL ANALYSIS OF THE PLAN

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The estimated tax increment revenues in the sample scenario, as shown above, are based on projections of the assessed value of investment that could occur within the Area, depreciation of the investment and the total tax rate that will apply in the Area. The assumptions include assumptions of development, as identified in the TIF Zones concept by the City of Wilsonville. Although these assumptions are used as a basis for evaluating the Plan, the financial feasibility is predicated on the simple formula that increased revenues will be shared by the City for administration, by the developer and by the taxing jurisdictions. No payments will be made until tax increment is received from the County Assessor. These payments will be distributed on a formula that includes payments for administrative costs, then a 75/25 split between the developer and impacted taxing jurisdictions.

Table 4 shows the projected incremental assessed value, projected tax rates that would produce tax increment revenues, and the annual tax increment revenues (not adjusted for under-collection, penalties, and interest). These projections of increment are the basis for the projections in Table 3. These projections include shared revenue with impacted taxing jurisdictions.

Table 5 shows the investment and depreciation assumptions used in preparing the financial analysis. In this scenario, all investment is assumed to be equipment, and so it is depreciated. The depreciation schedule used in this scenario is a half-year convention over a 10-year recovery period that was published by the Internal Revenue Service in its annual report for how to depreciate property. Depreciation is an annual income tax deduction that allows you to recover the cost or other basis of certain property over the time you use the property. It is an allowance for the wear and tear, deterioration, or obsolescence of the property. In this case, all the investment in property is assumed to depreciate to zero after 10 years. Property can be depreciated at different times throughout the year, depending on the accounting method used. Under the half-year convention, you treat all property placed in service or disposed of during a tax year as placed in service or disposed of at the midpoint of the year. This means that a one-half year of depreciation is allowed for the year the property is placed in service or disposed of.



However, as stated above, for purposes of financial feasibility, the fact that no payments will be made until tax increment is received establishes financial feasibility.

**Table 4 – Projected Incremental Assessed Value, Tax Rates, and Tax Increment Revenues**

FYE	Assessed Value	Frozen Base	Excess Value	Tax Rate	TIF
2013	\$14,458,913	\$14,458,913	\$0	13.0968	-
2014	\$14,458,913	\$14,458,913	\$0	13.0936	-
2015	\$14,458,913	\$14,458,913	\$0	13.0793	-
2016	\$14,458,913	\$14,458,913	\$0	12.9159	-
2017	\$137,758,913	\$14,458,913	\$123,300,000	12.9159	\$1,592,530
2018	\$234,598,913	\$14,458,913	\$220,140,000	12.9159	\$2,843,306
2019	\$312,070,913	\$14,458,913	\$297,612,000	12.9159	\$3,843,927
2020	\$252,548,513	\$14,458,913	\$238,089,600	12.9159	\$3,075,141
2021	\$204,925,113	\$14,458,913	\$190,466,200	12.9159	\$2,460,042
2022	\$166,829,213	\$14,458,913	\$152,370,300	12.9159	\$1,968,000
2023	\$135,459,213	\$14,458,913	\$121,000,300	12.9159	\$1,562,828
2024	\$107,693,713	\$14,458,913	\$93,234,800	12.9159	\$1,204,211
2025	\$81,021,513	\$14,458,913	\$66,562,600	12.9159	\$859,716
2026	\$54,349,513	\$14,458,913	\$39,890,600	12.9159	\$515,223
2027	\$32,157,413	\$14,458,913	\$17,698,500	12.9159	\$228,592
2028	\$18,886,913	\$14,458,913	\$4,428,000	12.9159	\$57,192
2029	\$14,458,913	\$14,458,913	\$0	12.9159	-
2030	\$14,458,913	\$14,458,913	\$0	12.9159	-
Total					\$20,210,708

Source: ECONorthwest, FYE: Fiscal Year End, TIF: Tax Increment Funds



**Table 5 – Projected Investments and Depreciation Schedules**

Calendar Year	FYE	Investment Schedule 1			Investment Schedule 2			Investment Schedule 3			Total RMV
		Value	Depreciation	RMV	Value	Depr.	RMV	Value	Depr.	RMV	
2013	2015										
2014	2016										
2015	2017	\$137,000,000	10.00%	\$123,300,000							\$123,300,000
2016	2018		18.00%	\$98,640,000	\$135,000,000	10.00%	\$121,500,000				\$220,140,000
2017	2019		14.40%	\$78,912,000		18.00%	\$97,200,000	\$135,000,000	10.00%	\$121,500,000	\$297,612,000
2018	2020		11.52%	\$63,129,600		14.40%	\$77,760,000		18.00%	\$97,200,000	\$238,089,600
2019	2021		9.22%	\$50,498,200		11.52%	\$62,208,000		14.40%	\$77,760,000	\$190,466,200
2020	2022		7.37%	\$40,401,300		9.22%	\$49,761,000		11.52%	\$62,208,000	\$152,370,300
2021	2023		6.55%	\$31,427,800		7.37%	\$39,811,500		9.22%	\$49,761,000	\$121,000,300
2022	2024		6.55%	\$22,454,300		6.55%	\$30,969,000		7.37%	\$39,811,500	\$93,234,800
2023	2025		6.56%	\$13,467,100		6.55%	\$22,126,500		6.55%	\$30,969,000	\$66,562,600
2024	2026		6.55%	\$4,493,600		6.56%	\$13,270,500		6.55%	\$22,126,500	\$39,890,600
2025	2027		3.28%	-		6.55%	\$4,428,000		6.56%	\$13,270,500	\$17,698,500
2026	2028					3.28%	-		6.55%	\$4,428,000	\$4,428,000
2027	2029								3.28%	-	\$0
2028	2030										

FYE: Fiscal Year End RMV: Real Market Value Depr.: Depreciation  
Source: ECONorthwest



## IX. IMPACT OF THE TAX INCREMENT FINANCING

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This section describes the impact of tax increment financing of the new maximum indebtedness, both until and after the indebtedness is repaid, upon all entities levying taxes upon property in the urban renewal area.

The impact of tax increment financing on overlapping taxing districts consists primarily of the property tax revenues foregone on permanent rate levies as applied to the growth in assessed value in the Area. These projections are for impacts estimated for a 15-year period and are shown in Tables 6a and 6b. Table 6a shows the general government taxing jurisdictions and Table 6b shows the education taxing jurisdictions.

The concept for this plan, as defined by the City of Wilsonville, includes a 25% share of net tax increment proceeds with the affected taxing jurisdictions. This formula for revenue sharing is different than the formula described in Oregon Revised Statutes (ORS). Revenue sharing is part of the 2009 legislative changes to urban renewal and means that, at thresholds defined in ORS 457.470, the impacted taxing jurisdictions will receive a share of the incremental growth in the area. By statute, the share is a percentage basis dependent upon the tax rates of the taxing jurisdictions. The first threshold is 10% of the original maximum indebtedness. At the 10% threshold, the urban renewal agency will receive the full 10% of the initial maximum indebtedness plus 25% of the increment above the 10% threshold, and the taxing jurisdictions will receive 75% of the increment above the 10% threshold. The second threshold is set at 12.5% of the maximum indebtedness. Since revenue sharing is anticipated at the onset of the Plan, and this revenue sharing exceeds the potential amount of distributions through revenue sharing required in ORS 457.470, the revenue sharing in ORS 457.470 has been waived by the taxing jurisdictions.

The West Linn-Wilsonville School District and the Education Service District are not *directly* affected by the tax increment financing, but the amounts of their taxes divided for the urban renewal plan are shown in the following tables. Under current school funding law, property tax revenues are combined with State School Fund revenues to achieve per-student funding targets. Under this system, property taxes foregone, due to the use of tax increment financing, are substantially replaced with State School Fund revenues, as determined by a funding formula at the state level. The formula for funding schools, as changed in the 2013 legislative session, is \$6,852 per pupil for FY 2013-14 and \$7,081 per pupil for FY 2014-15, an increase over the 2012 levels. According to the State of Oregon Department of Education,



there was approximately \$1 billion dollars of increased revenues allocated to school financing in the 2013 legislative session.<sup>1</sup>

Tables 6a and 6b show the projected impacts to permanent rate levies of taxing districts as a result of this Plan. It assumes the growth as projected in the other tables in this Report. **It does not offset the foregone revenues with the expected new revenues. Although the taxing jurisdictions are shown to forego approximately \$12 million, as shown in Tables 6a and 6b, they will receive approximately \$8 million, as shown in Table 3. Over the life of the Plan, the taxing jurisdictions will receive over 40% of the total tax increment revenues produced by this sample scenario.**

There is always some discussion about the true impact of urban renewal on the taxing jurisdictions as there is one line of thought that some of the growth projected would not occur "but for" urban renewal. In this case, the building is underutilized either through vacancy or type of use, and expectations are that it will remain underutilized in the future without developer incentives. Given this, there would be no expectation that any increase of property taxes would come from this building without the use of urban renewal.

There is no anticipated change in revenue for affected taxing jurisdictions upon termination of the Plan, which is expected in 15 years. All projected investment is equipment, and equipment's assessed value depreciates over time. By the time the Area expires, all equipment will be fully depreciated, so there will be no additional assessed value to tax. However, the taxing jurisdictions are receiving 25% of the net increment during the time period the developer is receiving 75% of the net increment, and they are receiving 100% of the increment for the remaining time frame of the Area, as shown in Table 3. If there are any improvements to the building itself, or increases in value of the building itself, the taxing jurisdictions would realize the increased taxes from those investments.

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<sup>1</sup> Phone interview with Jan McComb, State of Oregon Department of Education, July 11, 2013.



**Table 6a – Projected Impact on Taxing District Permanent Rate Levies (General Government)**

FYE	Clackamas County	Tualatin Valley Fire & Rescue	City of Wilsonville	Port of Portland	Metro	COUNTY EXTENSION & 4-H	COUNTY LIBRARY	COUNTY SOIL CONS	VECTOR CONTROL	Subtotal
2013	-	-	-	-	-	-	-	-	-	-
2014	-	-	-	-	-	-	-	-	-	-
2015	-	-	-	-	-	-	-	-	-	-
2016	-	-	-	-	-	-	-	-	-	-
2017	(223,673)	(141,896)	(234,502)	(6,522)	(8,987)	(4,652)	(36,972)	(4,652)	(605)	(662,461)
2018	(397,755)	(252,332)	(417,012)	(11,597)	(15,982)	(8,272)	(65,746)	(8,272)	(1,075)	(1,178,043)
2019	(537,473)	(340,967)	(563,494)	(15,671)	(21,595)	(11,178)	(88,841)	(11,178)	(1,453)	(1,591,850)
2020	(430,170)	(272,895)	(450,997)	(12,543)	(17,284)	(8,946)	(71,105)	(8,946)	(1,163)	(1,274,049)
2021	(344,323)	(218,435)	(360,994)	(10,040)	(13,835)	(7,161)	(56,915)	(7,161)	(931)	(1,019,795)
2022	(202,808)	(128,659)	(212,627)	(5,913)	(8,149)	(4,218)	(33,523)	(4,218)	(548)	(600,663)
2023	(90,665)	(57,517)	(95,054)	(2,644)	(3,643)	(1,886)	(14,986)	(1,886)	(245)	(268,526)
2024	-	-	-	-	-	-	-	-	-	-
2025	-	-	-	-	-	-	-	-	-	-
2026	-	-	-	-	-	-	-	-	-	-
2027	-	-	-	-	-	-	-	-	-	-
2028	-	-	-	-	-	-	-	-	-	-
2029	-	-	-	-	-	-	-	-	-	-
2030	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>(2,226,867)</b>	<b>(1,412,701)</b>	<b>(2,334,680)</b>	<b>(64,930)</b>	<b>(89,475)</b>	<b>(46,313)</b>	<b>(368,088)</b>	<b>(46,313)</b>	<b>(6,020)</b>	<b>(6,595,387)</b>

Source: ECONorthwest.



**Table 6b – Projected Impact on Taxing District Permanent Rate Levies (Education and Totals)**

FYE	COM COLL CLACK (perm)	ESD CLACKAMAS	SCH WLINN/WILS (perm)	Education Subtotal	General Government Subtotal	Total
2013	-	-	-	-	-	-
2014	-	-	-	-	-	-
2015	-	-	-	-	-	-
2016	-	-	-	-	-	-
2017	(51,932)	(34,302)	(452,927)	(539,161)	(662,461)	(1,201,622)
2018	(92,349)	(60,998)	(805,436)	(958,783)	(1,178,043)	(2,136,826)
2019	(124,789)	(82,425)	(1,088,359)	(1,295,573)	(1,591,850)	(2,887,423)
2020	(99,876)	(65,969)	(871,075)	(1,036,920)	(1,274,049)	(2,310,969)
2021	(79,944)	(52,804)	(697,240)	(829,988)	(1,019,795)	(1,849,783)
2022	(47,087)	(31,102)	(410,677)	(488,866)	(600,663)	(1,089,529)
2023	(21,050)	(13,904)	(183,592)	(218,546)	(268,526)	(487,072)
2024	-	-	-	-	-	-
2025	-	-	-	-	-	-
2026	-	-	-	-	-	-
2027	-	-	-	-	-	-
2028	-	-	-	-	-	-
2029	-	-	-	-	-	-
2030	-	-	-	-	-	-
<b>Total</b>	<b>(517,027)</b>	<b>(341,504)</b>	<b>(4,509,306)</b>	<b>(5,367,837)</b>	<b>(6,595,387)</b>	<b>(11,963,224)</b>

Source: ECONorthwest. Please refer to the explanation of the schools funding in the preceding section.



## **X. COMPLIANCE WITH STATUTORY LIMITS ON ASSESSED VALUE AND SIZE OF URBAN RENEWAL AREA**

State law limits the percentage of both a municipality's total assessed value and the total land area that can be contained in an urban renewal area at the time of its establishment to 25% for municipalities under 50,000 in population. As noted below, the frozen base, including all real, personal, manufactured, and utility properties in the Urban Renewal Area, is projected to be \$14,458,913. The total assessed value of the City of Wilsonville is \$2,368,094,165. There are six existing urban renewal areas, as shown in Table 7. These six areas, plus the 29899 SW Boones Ferry Road Area, total 4.94% of the total assessed value of the City of Wilsonville, well below the 25% maximum. The 29899 SW Boones Ferry Road Area has 15.40 acres, including right-of-way, and the City of Wilsonville has 4,712 acres; the other six existing urban renewal areas total 1,073.16 acres. Therefore, 23.10% of the City's acreage is in an urban renewal area, below the 25% state limit.

**Table 7 – Urban Renewal Area Conformance with Assessed Value and Acreage Limits**

Urban Renewal Area	Assessed Value	Acres
29899 SW Boones Ferry Road	\$14,458,913	15.40
27255 SW 95 <sup>th</sup> Avenue	\$16,608,823	26.07
25600 SW Parkway Center Drive	\$7,476,210	10.35
9805 SW Boeckman Road	\$10,879,601	24.98
26755 SW 95 <sup>th</sup> Avenue	\$7,064,499	9.76
Year 2000 Plan	\$44,087,806	546
West Side Plan	\$16,526,288	456
City of Wilsonville	\$2,368,094,165	4,712
Percent of Assessed Value in Urban Renewal	4.94%	
Percent of Acreage in Urban Renewal		23.10%

Source: City of Wilsonville, Clackamas County Assessor, U.S. Census Bureau

## **XI. RELOCATION REPORT**

There is no relocation report required for the Plan. No relocation activities are anticipated.



**Wilsonville City Council**

**July 15, 2013**

# **COUNCIL GOALS FOR 2013/2014 QUARTERLY UPDATE**

1





COMPLETE A FORMAL CONCEPT PLAN FOR  
ADVANCE ROAD AND FROG POND  
RESIDENTIAL AREAS



# KEY PERFORMANCE AREA: *THOUGHTFUL LAND USE*

## PROBLEM/OPPORTUNITY

- Adequate Residential Land Supply
- Expanding Tax Base
- Livable Neighborhoods
- Jobs/Housing Balance

## WHAT SUCCESS LOOKS LIKE

- Plan Complete
- Advance Road Eligible for UGB Expansion in 2015
- Frog Pond Ready to Develop in 2016

## JULY 2013 UPDATE

- Metro is completing the grant award selection process; awaiting outcome
- Wastewater master plan work scope finalized and awaiting Council approval
- Goal 10 Housing Needs Analysis is underway



COMPLETE A FEASIBILITY STUDY FOR A  
COMMUNITY RECREATIONAL/AQUATIC  
CENTER IN WILSONVILLE



# KEY PERFORMANCE AREA:

## *COMMUNITY AMENITIES AND RECREATION*

### PROBLEM/OPPORTUNITY

- Community interest in a community recreational/aquatic center

### WHAT SUCCESS LOOKS LIKE

- Completed Feasibility Study  
Presented to Council by July 1, 2014

### JULY 2013 UPDATE

- Staff has reviewed the 2001 Aquatic Task Force report and the 2006 Aquatic Center financial analysis.
- Develop a proposal for a comprehensive feasibility study to include operational, economic, technical and schedule feasibility. Study to include a market study and site selection elements to determine an actual market for the services being recommended, customer base and revenue generation.



DEVELOP A PLAN TO IMPROVE BIKE AND  
PEDESTRIAN CONNECTIVITY THROUGHOUT  
THE COMMUNITY AND INTEGRATE THE PLAN  
IN THE CITY'S CAPITAL IMPROVEMENT PLAN



# KEY PERFORMANCE AREA:

## *CLEAR VISION AND COMMUNITY DESIGN*

### PROBLEM/OPPORTUNITY

- Limited Bike and Pedestrian Connections

### WHAT SUCCESS LOOKS LIKE

- Review Current Plans/Recommend Amendments
- Prioritize Projects/Develop Capital Improvements Fund
- Complete Project
- Increase The Walk Score From 42 to 70

### JULY 2013 UPDATE

- 2013 Transportation System Plan adopted that includes gap analysis in bike and pedestrian plans
- Scoping project to create and communicate short-term Action Plan



SUCCESSFULLY CONNECT LIVE, WORK,  
AND PLAY AREAS THROUGHOUT THE  
CITY FOR BOTH EXISTING AND PLANNED  
DEVELOPMENT



# KEY PERFORMANCE AREA:

## *COMMUNITY AMENITIES AND RECREATION*

### PROBLEM/OPPORTUNITY

- Limited Funds To Build Connections

### WHAT SUCCESS LOOKS LIKE

- Sense Of Community
- Easy To Use
- Identified Network Connectivity

### JULY 2013 UPDATE

- Transportation System Plan (TSP) adopted by City Council



DEVELOP AND BEGIN TO IMPLEMENT A  
STRATEGY TO INCREASE OCCUPANCY BY  
FILLING VACANT STORE FRONTS



# KEY PERFORMANCE AREA:

## *ECONOMIC DEVELOPMENT*

### PROBLEM/OPPORTUNITY

- Large Number Of Vacant Store Fronts

### WHAT SUCCESS LOOKS LIKE

- Increase Occupancy Of Currently Vacant Storefronts

### JULY 2013 UPDATE

- Complete Retail Leakage Study by mid 2014



DEVELOP A FUNDING AND ANNEXATION  
STRATEGY FOR IMPLEMENTING COFFEE  
CREEK INDUSTRIAL AREA IN 18 MONTHS



# KEY PERFORMANCE AREA:

## *ECONOMIC DEVELOPMENT*

### PROBLEM/OPPORTUNITY

- Low Inventory Of Industrial Land/Shovel Ready Multiple Land Use
- Lack Of Funding
- Basalt Creek and Coffee Creek already in UGB

### WHAT SUCCESS LOOKS LIKE

- Funding For Building Infrastructure
- Strategy for Aggregating The Land

### JULY 2013 UPDATE

- Scope developed and proposals solicited for City-Wide Urban Renewal Strategic Plan
- Existing Coffee Creek Infrastructure Analysis (by FCS Group) to be used for further analysis



COMPLETE AND ADOPT BASALT CREEK  
INDUSTRIAL AREA CONCEPT PLAN IN  
THE NEXT 18 TO 24 MONTHS



# KEY PERFORMANCE AREA:

## *ECONOMIC DEVELOPMENT*

### PROBLEM/OPPORTUNITY

- Low Inventory Of Industrial Land/Shovel Ready Multiple Land Use
- Lack Of Funding
- UGB Has Approved Basalt and CC

### WHAT SUCCESS LOOKS LIKE

- Funding For Building Infrastructure
- Funding for Aggregating The Land

### JULY 2013 UPDATE

- IGA to be presented to City Council for approval at July 15 meeting



DEVELOP A STRATEGIC BRANDING PLAN,  
INCLUDING COMPLETE VISUAL IDENTITY  
PLAN AND LOGO, TO PROMOTE THE CITY'S  
LIVABILITY AND ECONOMIC OPPORTUNITIES  
BY APRIL 2014



# KEY PERFORMANCE AREA:

## *ECONOMIC DEVELOPMENT*

### PROBLEM/OPPORTUNITY

- Lack of uniform, communication and marketing strategy
- No single clear message identifying Wilsonville
- Opportunity to promote Wilsonville for economic growth

### WHAT SUCCESS LOOKS LIKE

- A broad message is developed including logo and marketing material unique to Wilsonville
- Message represents the community values
- Message is easily recognizable by prospective employers, residents, and promotes the community

### JULY 2013 UPDATE

- Draft scope of work for consultant to develop strategic marketing/branding plan
- Creating Tourism Task Force



## KEY PERFORMANCE AREA: Thoughtful Land Use (July Update)

Goal: Complete a formal concept plan for Advance Road and Frog Pond Residential Areas.

What problem are we solving or opportunity are we seizing?	What does success look like?
<ul style="list-style-type: none"> <li>Capitalize on the opportunity of available land to provide housing for future growth, expand the City tax base, create livable neighborhoods as our employment base grows</li> </ul>	<ul style="list-style-type: none"> <li>Plan complete</li> <li>Advance Road area is eligible to be added to the UGB in 2015</li> <li>Frog Pond is ready to develop in 2016</li> </ul>

Support needed: Community Development, GIS, Public Affairs, Legal, Clackamas County, School District, Metro, consultants

Action Steps	Timeline	Staff Leader
Seek funding for Frog Pond and Advance Road concept and master planning project. City applied for a grant, outcome known July 2013. (If grant not successful, identify available funds to proceed with some of the work).	July 2013	Katie Mangle
Wastewater master planning and study of pump station and Boeckman Creek interceptor capacity and needed upgrades to serve Frog Pond and Advance Road.	2013	Nancy
Complete Goal 10 Housing Needs Analysis and Housing Strategy to establish the need and policy framework for Wilsonville's future housing.	March 2012 - February 2013	Katie Mangle
Develop a scope of work for Frog Pond and Advance Road Planning project (if grant not successful, timeframe will need to be revisited to align with funding availability).	August 2013	Nancy
Approve IGA with Metro to accept grant funding for the planning project.	September 2013	Nancy



Hire a planning consultant team.	October 2013	Nancy
Develop a concept plan for the full 500-Acre Plan, to address land use, bike/ ped connectivity, parks, financial feasibility, and community design.	December 2014	Nancy
Develop a Master Plan for 200-Acre Frog Pond Area.	August 2015	Nancy



## **KEY PERFORMANCE AREA: Community Amenities and Recreation (July Update)**

Goal: Complete a feasibility study for a community recreational/ aquatic center in Wilsonville.

<b>What problem are we solving or opportunity are we seizing?</b>	<b>What does success look like?</b>
<ul style="list-style-type: none"><li>Respond to the community interest in a community recreational/aquatic center</li></ul>	<ul style="list-style-type: none"><li>A completed feasibility study presented to Council by July 1, 2014.</li></ul>

Support needed: \$50,000 funded

Core staff team: Stan, Chris N., Martin Brown, Brian Stevenson, Joanne, Bryan, Jeanna

<b>Action Steps</b>	<b>Timeline</b>	<b>Staff Leader</b>
Review existing market study and clarify starting points and ending points and affirm direction with City Council	September 2013	Stan
City Manager appoint the Task Force -- use task force to look at various models	October 2013	Bryan
Hire consultant	November/December 2013	Stan
Develop feasibility/market study and site alternatives analysis – closely examine revenue model	January-April 2014	Consultant/Stan
Develop conceptual design plan	May 2014	Stan
Present to Council	July 1, 2014	Stan

## **KEY PERFORMANCE AREA: Clear Vision and Community Design (July Update)**



Goal: Develop a plan to improve bike and pedestrian connectivity throughout the community and integrate the plan in the City's Capital Improvement Plan.

What problem are we solving/opportunity are we seizing?	What does success look like?
<ul style="list-style-type: none"> <li>Limited bike and pedestrian connections between neighborhoods, schools, public facilities, commercial centers, employment centers, and access to and along the Willamette River.</li> </ul>	<ul style="list-style-type: none"> <li>Review current plans and recommend amendments</li> <li>Prioritize projects and develop a capital improvement plan to fund</li> <li>Complete the project</li> <li>Increase the walk score from 42 to 70</li> </ul>

Support needed: Community Development, SMART, Parks and Recreation, GIS, consultant

Action Steps	Timeline	Staff Leader
Conduct gap analysis and include in bike and pedestrian plans in TSP.	June 2013 (done)	Nancy
Hire consultant and graphic designer to assist with Action Plan and public communication.	August 2013	Nancy
Review bike/pedestrian plans for near-term projects and actions.	August 2013	Nancy
Review existing programs and identify other needs. Looking across departments and disciplines, are we doing as much as we can to create a connected community?	September 2013	Nancy
Develop draft 3 to 5-year Bicycle and Pedestrian Connectivity Action Plan, integrating applicable existing information about: bike and ped projects, parks projects and programs, SMART programs, HEAL program, development planning, regional projects, and funding.	September 2013	Nancy



Outcome is a list of projects and programs for near-term implementation, to be integrated into the CIP, annual work plans, and budgets. Secondary outcome is an understanding of unfunded priorities.		
City Council reviews and confirms projects and programs to be prioritized for the Action Plan.	October 2013	Nancy
Develop graphic communication piece(s) to convey the City's needs, values, and near-term actions to improve bike and pedestrian connectivity. Deliverables to be both printed and online media.	November 2013	Nancy
Integrate projects into CIP during the budget process.	January 2013	Nancy



## KEY PERFORMANCE AREA: Community Amenities and Recreation (July Update)

Goal: Successfully connect live, work and play areas throughout the City for both existing and planned development.

What problem are we solving or opportunity are we seizing?	What does success look like?
<ul style="list-style-type: none"> <li>Limited funds to build connections; implement existing plans and new TSP; update plans as needed.</li> </ul>	<ul style="list-style-type: none"> <li>Sense of community, easy to use and identified network connectivity</li> </ul>

Support Needed: SMART, Parks and Recreation, Community Development

Action Steps	Timeline	Staff Leader
City Council adopts Transportation System Plan (TSP).	June 2013 (done)	Katie/Chris
Begin Basalt Creek Concept Plan.	August 2013	Nancy
Begin Frog Pond and Advance Road Concept Plans.	September 2013	Nancy
Brief City Council on existing Master Plans and the CIP list/ process.	October 2013	Nancy
Brief City Council on land use and zoning in Wilsonville.	October 2013	Nancy
Begin Transit Master Plan update.	October 2013	Nancy
Integrate with Bike and Pedestrian Connectivity Goal.	December 2013	Nancy
Prepare summary memo.	December 2013	Nancy



## **KEY PERFORMANCE AREA: Economic Development (July Update)**

Goal: Develop and begin to implement a strategy to increase occupancy by filling vacant store fronts.

<b>Why problem are we solving/opportunity are we seizing?</b>	<b>What does success look like?</b>
<ul style="list-style-type: none"><li>• Too many vacant store fronts</li></ul>	<ul style="list-style-type: none"><li>• Increase occupancy of currently vacant storefronts</li></ul>

Support needed: Market Analysis Consultant

<b>Action Steps</b>	<b>Timeline</b>	<b>Staff Leader</b>
Work with Chamber to identify funding strategy	March 2014	Bryan
Hire consultant to identify retail leakage	October 2014	Bryan
Bring retail market strategy to Council	November 2014	Bryan



## **KEY PERFORMANCE AREA: Economic Development (July Update)**

Goal: Develop a funding and annexation strategy for implementing Coffee Creek Industrial area in 18 months.

<b>What problem are we solving or opportunity are we seizing?</b>	<b>What does success look like?</b>
<ul style="list-style-type: none"> <li>Low inventory of industrial land and shovel ready multiple land use; Lack of funding; Two planning areas are approved in the UGB (exp Basalt and CC)</li> </ul>	<ul style="list-style-type: none"> <li>Funding for building infrastructure and for aggregating the land</li> </ul>

Support needed: Community Development, Legal, Finance, Administration, Consultants

<b>Action Steps</b>	<b>Timeline</b>	<b>Staff Leader</b>
Develop scope of work and hire consultant.	August – September 2013	Nancy/Kristin
Develop Urban Renewal Strategic Plan.	February 2014	Nancy/Kristin
Review existing Coffee Creek Infrastructure Analysis.	September 2013	Nancy
Examine and prioritize funding sources for water, sewer, and transportation infrastructure with high priority areas in the City.	November 2013	Joanne
Meet with property owners for annexation priority areas.	April/May 2014	Nancy/Kristin
Meet with prospective developers to receive input on potential opportunities and constraints.	November 2013 – August 2014	Nancy/Kristin
Develop annexation strategy with stakeholder input.	February – August 2014	Mike/Chris
Implement results of approved Urban Renewal Strategic Plan.	November 2014	Nancy/Kristin
Action Plan for Coffee Creek Industrial Area development.	December 2014	Nancy



## **KEY PERFORMANCE AREA: Economic Development (July Update)**

Goal: Complete and adopt Basalt Creek industrial area concept plan in the next 18 to 24 months.

<b>What problem are we solving or opportunity are we seizing?</b>	<b>What does success look like?</b>
<ul style="list-style-type: none"><li>• Low inventory of industrial land and shovel ready multiple land use; Lack of funding; Two industrial areas are the UGB; Coffee Creek has been planned; concept planning needs to be completed for Basalt Creek in partnership with Tualatin.</li></ul>	<ul style="list-style-type: none"><li>• Complete the Basalt Creek concept plan and the area is ready for development</li><li>• Funding for building infrastructure and for aggregating the land</li></ul>

Support needed: Community Development, GIS, Public Affairs, Legal, Clackamas County, City of Tualatin, Metro, consultants.

Completing the Plan relies on successful collaboration with the City of Tualatin, Washington County, and Metro.

<b>Action Steps</b>	<b>Timeline</b>	<b>Staff Leader</b>
Complete and sign intergovernmental agreement (IGA)	August 2013	Nancy
Select consultant	August 2013	Nancy
Joint work session with two Councils	September 2013	Nancy
Prepare scope of work	October 2013	Nancy
Approve consultant contract	November 2013	Tualatin
Develop Concept Plan	November 2013 - January 2015	Nancy
Plan approval	April 2015	Nancy



## **KEY PERFORMANCE AREA: Economic Development (July Update)**

Goal: Develop a strategic branding plan, including complete visual identity plan and logo, to promote the City's livability and economic opportunities by April 2014

<b>What problem are we solving or opportunity are we seizing?</b>	<b>What does success look like?</b>
<ul style="list-style-type: none"><li>• Sending a faint, if any message; lack of uniform, simple clear communication focus. Opportunity to recognize the need to change.</li></ul>	<ul style="list-style-type: none"><li>• The message is broadly and well received</li></ul>

Support needed: Bryan, Jeanna

Limited funds available in current budget (FY 2013/14). Staff will develop scope of work this fiscal year with project to occur next fiscal year assuming funds are included in next year's budget.

<b>Action Steps</b>	<b>Timeline</b>	<b>Staff Leader</b>
Research other city marketing strategies/plans	December 2013	Jeanna
Allocate money in next fiscal year's budget to hire consultant and implement approved marketing strategy	April 2014	Jeanna
Develop a scope of work for consultant	May 2014	Bryan/Jeanna
Select consultant	July 2014	Bryan/Jeanna
Develop comprehensive marketing plan; use Tourism Task Force for assisting in development	July-October 2014	Bryan/Jeanna
Vet with Tourism Task Force	November 2014	Bryan/Jeanna
Council adoption of marketing strategy that reflects community values	December 2014	Bryan/Jeanna



## KEY PERFORMANCE AREA: Thoughtful Land Use (July Update)

Goal: Complete a formal concept plan for Advance Road and Frog Pond Residential Areas.

What problem are we solving or opportunity are we seizing?	What does success look like?
<ul style="list-style-type: none"> <li>Capitalize on the opportunity of available land to provide housing for future growth, expand the City tax base, create livable neighborhoods as our employment base grows</li> </ul>	<ul style="list-style-type: none"> <li>Plan complete</li> <li>Advance Road area is eligible to be added to the UGB in 2015</li> <li>Frog Pond is ready to develop in 2016</li> </ul>

Support needed: Community Development, GIS, Public Affairs, Legal, Clackamas County, School District, Metro, consultants

Action Steps	Timeline	Staff Leader
Seek funding for Frog Pond and Advance Road concept and master planning project. City applied for a grant, outcome known July 2013. (If grant not successful, identify available funds to proceed with some of the work).	July 2013	Katie Mangle
Wastewater master planning and study of pump station and Boeckman Creek interceptor capacity and needed upgrades to serve Frog Pond and Advance Road.	2013	Nancy
Complete Goal 10 Housing Needs Analysis and Housing Strategy to establish the need and policy framework for Wilsonville's future housing.	March 2012 - February 2013	Katie Mangle
Develop a scope of work for Frog Pond and Advance Road Planning project (if grant not successful, timeframe will need to be revisited to align with funding availability).	August 2013	Nancy
Approve IGA with Metro to accept grant funding for the planning project.	September 2013	Nancy



Hire a planning consultant team.	October 2013	Nancy
Develop a concept plan for the full 500-Acre Plan, to address land use, bike/ ped connectivity, parks, financial feasibility, and community design.	December 2014	Nancy
Develop a Master Plan for 200-Acre Frog Pond Area.	August 2015	Nancy



## KEY PERFORMANCE AREA: Community Amenities and Recreation (July Update)

Goal: Complete a feasibility study for a community recreational/ aquatic center in Wilsonville.

What problem are we solving or opportunity are we seizing?	What does success look like?
<ul style="list-style-type: none"> <li>Respond to the community interest in a community recreational/aquatic center</li> </ul>	<ul style="list-style-type: none"> <li>A completed feasibility study presented to Council by July 1, 2014.</li> </ul>

Support needed: \$50,000 funded

Core staff team: Stan, Chris N., Martin Brown, Brian Stevenson, Joanne, Bryan, Jeanna

Action Steps	Timeline	Staff Leader
Review existing market study and clarify starting points and ending points and affirm direction with City Council	September 2013	Stan
City Manager appoint the Task Force -- use task force to look at various models	October 2013	Bryan
Hire consultant	November/December 2013	Stan
Develop feasibility/market study and site alternatives analysis – closely examine revenue model	January-April 2014	Consultant/Stan
Develop conceptual design plan	May 2014	Stan
Present to Council	July 1, 2014	Stan



## **KEY PERFORMANCE AREA: Clear Vision and Community Design (July Update)**

Goal: Develop a plan to improve bike and pedestrian connectivity throughout the community and integrate the plan in the City's Capital Improvement Plan.

<b>What problem are we solving/opportunity are we seizing?</b>	<b>What does success look like?</b>
<ul style="list-style-type: none"><li>Limited bike and pedestrian connections between neighborhoods, schools, public facilities, commercial centers, employment centers, and access to and along the Willamette River.</li></ul>	<ul style="list-style-type: none"><li>Review current plans and recommend amendments</li><li>Prioritize projects and develop a capital improvement plan to fund</li><li>Complete the project</li><li>Increase the walk score from 42 to 70</li></ul>

Support needed: Community Development, SMART, Parks and Recreation, GIS, consultant

<b>Action Steps</b>	<b>Timeline</b>	<b>Staff Leader</b>
Conduct gap analysis and include in bike and pedestrian plans in TSP.	June 2013 (done)	Nancy
Hire consultant and graphic designer to assist with Action Plan and public communication.	August 2013	Nancy
Review bike/pedestrian plans for near-term projects and actions.	August 2013	Nancy
Review existing programs and identify other needs. Looking across departments and disciplines, are we doing as much as we can to create a connected community?	September 2013	Nancy



Develop draft 3 to 5-year Bicycle and Pedestrian Connectivity Action Plan, integrating applicable existing information about: bike and ped projects, parks projects and programs, SMART programs, HEAL program, development planning, regional projects, and funding. Outcome is a list of projects and programs for near-term implementation, to be integrated into the CIP, annual work plans, and budgets. Secondary outcome is an understanding of unfunded priorities.	September 2013	Nancy
City Council reviews and confirms projects and programs to be prioritized for the Action Plan.	October 2013	Nancy
Develop graphic communication piece(s) to convey the City's needs, values, and near-term actions to improve bike and pedestrian connectivity. Deliverables to be both printed and online media.	November 2013	Nancy
Integrate projects into CIP during the budget process.	January 2013	Nancy



## KEY PERFORMANCE AREA: Community Amenities and Recreation (July Update)

Goal: Successfully connect live, work and play areas throughout the City for both existing and planned development.

What problem are we solving or opportunity are we seizing?	What does success look like?
<ul style="list-style-type: none"> <li>Limited funds to build connections; implement existing plans and new TSP; update plans as needed.</li> </ul>	<ul style="list-style-type: none"> <li>Sense of community, easy to use and identified network connectivity</li> </ul>

Support Needed: SMART, Parks and Recreation, Community Development

Action Steps	Timeline	Staff Leader
City Council adopts Transportation System Plan (TSP).	June 2013 (done)	Katie/Chris
Begin Basalt Creek Concept Plan.	August 2013	Nancy
Begin Frog Pond and Advance Road Concept Plans.	September 2013	Nancy
Brief City Council on existing Master Plans and the CIP list/ process.	October 2013	Nancy
Brief City Council on land use and zoning in Wilsonville.	October 2013	Nancy
Begin Transit Master Plan update.	October 2013	Nancy
Integrate with Bike and Pedestrian Connectivity Goal.	December 2013	Nancy
Prepare summary memo.	December 2013	Nancy



## **KEY PERFORMANCE AREA: Economic Development (July Update)**

Goal: Develop and begin to implement a strategy to increase occupancy by filling vacant store fronts.

<b>Why problem are we solving/opportunity are we seizing?</b>	<b>What does success look like?</b>
<ul style="list-style-type: none"><li>• Too many vacant store fronts</li></ul>	<ul style="list-style-type: none"><li>• Increase occupancy of currently vacant storefronts</li></ul>

Support needed: Market Analysis Consultant

<b>Action Steps</b>	<b>Timeline</b>	<b>Staff Leader</b>
Work with Chamber to identify funding strategy	March 2014	Bryan
Hire consultant to identify retail leakage	October 2014	Bryan
Bring retail market strategy to Council	November 2014	Bryan



## KEY PERFORMANCE AREA: Economic Development (July Update)

Goal: Develop a funding and annexation strategy for implementing Coffee Creek Industrial area in 18 months.

What problem are we solving or opportunity are we seizing?	What does success look like?
<ul style="list-style-type: none"> <li>Low inventory of industrial land and shovel ready multiple land use; Lack of funding; Two planning areas are approved in the UGB (exp Basalt and CC)</li> </ul>	<ul style="list-style-type: none"> <li>Funding for building infrastructure and for aggregating the land</li> </ul>

Support needed: Community Development, Legal, Finance, Administration, Consultants

Action Steps	Timeline	Staff Leader
Develop scope of work and hire consultant.	August – September 2013	Nancy/Kristin
Develop Urban Renewal Strategic Plan.	February 2014	Nancy/Kristin
Review existing Coffee Creek Infrastructure Analysis.	September 2013	Nancy
Examine and prioritize funding sources for water, sewer, and transportation infrastructure with high priority areas in the City.	November 2013	Joanne
Meet with property owners for annexation priority areas.	April/May 2014	Nancy/Kristin
Meet with prospective developers to receive input on potential opportunities and constraints.	November 2013 – August 2014	Nancy/Kristin
Develop annexation strategy with stakeholder input.	February – August 2014	Mike/Chris
Implement results of approved Urban Renewal Strategic Plan.	November 2014	Nancy/Kristin
Action Plan for Coffee Creek Industrial Area development.	December 2014	Nancy



## KEY PERFORMANCE AREA: Economic Development (July Update)

Goal: Complete and adopt Basalt Creek industrial area concept plan in the next 18 to 24 months.

What problem are we solving or opportunity are we seizing?	What does success look like?
<ul style="list-style-type: none"><li>Low inventory of industrial land and shovel ready multiple land use; Lack of funding; Two industrial areas are the UGB; Coffee Creek has been planned; concept planning needs to be completed for Basalt Creek in partnership with Tualatin.</li></ul>	<ul style="list-style-type: none"><li>Complete the Basalt Creek concept plan and the area is ready for development</li><li>Funding for building infrastructure and for aggregating the land</li></ul>

Support needed: Community Development, GIS, Public Affairs, Legal, Clackamas County, City of Tualatin, Metro, consultants.

Completing the Plan relies on successful collaboration with the City of Tualatin, Washington County, and Metro.

Action Steps	Timeline	Staff Leader
Complete and sign intergovernmental agreement (IGA)	August 2013	Nancy
Select consultant	August 2013	Nancy
Joint work session with two Councils	September 2013	Nancy
Prepare scope of work	October 2013	Nancy
Approve consultant contract	November 2013	Tualatin
Develop Concept Plan	November 2013 - January 2015	Nancy
Plan approval	April 2015	Nancy



## **KEY PERFORMANCE AREA: Economic Development (July Update)**

Goal: Develop a strategic branding plan, including complete visual identity plan and logo, to promote the City's livability and economic opportunities by April 2014

<b>What problem are we solving or opportunity are we seizing?</b>	<b>What does success look like?</b>
<ul style="list-style-type: none"><li>• Sending a faint, if any message; lack of uniform, simple clear communication focus. Opportunity to recognize the need to change.</li></ul>	<ul style="list-style-type: none"><li>• The message is broadly and well received</li></ul>

Support needed: Bryan, Jeanna

Limited funds available in current budget (FY 2013/14). Staff will develop scope of work this fiscal year with project to occur next fiscal year assuming funds are included in next year's budget.

<b>Action Steps</b>	<b>Timeline</b>	<b>Staff Leader</b>
Research other city marketing strategies/plans	December 2013	Jeanna
Allocate money in next fiscal year's budget to hire consultant and implement approved marketing strategy	April 2014	Jeanna
Develop a scope of work for consultant	May 2014	Bryan/Jeanna
Select consultant	July 2014	Bryan/Jeanna
Develop comprehensive marketing plan; use Tourism Task Force for assisting in development	July-October 2014	Bryan/Jeanna
Vet with Tourism Task Force	November 2014	Bryan/Jeanna
Council adoption of marketing strategy that reflects community values	December 2014	Bryan/Jeanna



City of

**WILSONVILLE**

OREGON



**Community Development**  
29799 SW Town Center Loop East  
Wilsonville, OR 97070  
Phone 503-682-4960  
Fax 503-682-7025  
TDD 503-682-0843  
Web [www.ci.wilsonville.or.us](http://www.ci.wilsonville.or.us)

To: Mayor Knapp and City Councilors  
From: Nancy Kraushaar, PE  
Date: August 5, 2013  
Subject: Boeckman Road Reconstruction Contract

---

This memo will serve to update the City Council on negotiating the contract bid with Kerr Contractors. As you may recall, the single bid received for the project was \$1,434,790.15.

The adopted 2013/14 budget included \$1,215,000 for the construction phase of the project. Of that approximately \$100,000 was budgeted for construction administration and inspection contract services. The budget had also anticipated receiving a project credit of approximately \$100,000 from selling the rock that had been used to preload the subgrade soils to achieve settlement before the road is reconstructed. For the budget, we estimated a construction contract value of approximately \$1,215,000.

After value engineering some of the construction components and revising the scope, the revised bid with Kerr Contractors is \$1,183,870.15. The rock sale agreement has been finalized and will bring a project credit of \$110,000, and the construction administration and inspection remains at approximately \$100,000. Therefore, overall net construction costs are now expected to be \$1,173,470.15 (within the \$1,215,000 adopted budget amount).





29799 Town Center Loop East  
Wilsonville, OR 97070  
503-682-1011 - Phone  
503-682-1015 - Fax

## APPLICATION FOR APPOINTMENT TO BOARD/COMMISSION

Name: Benson Steven C Date: June 15, 2013  
Last First Middle

Home Address: 8525 SW Wilson Ln.

City/State/Zip: Wilsonville, OR 97070

Is this address within the City? Yes I've lived in Wilsonville since: 1987

Telephone No.: 503-682-2952 503 702 0557  
Home Work Cell/Mobile

E-Mail Address: sbensongomsu@msn.com

Are you a registered Voter with the State of Oregon? yes

Present Occupation: Retired

Which Committee(s) would you like to be appointed to:

*Dates of meetings are listed at the end of this application.  
Please make sure those dates work with your schedule before you apply.*

- ☐ Budget Committee
- ☒ Parks and Recreation Advisory Board
- ☐ Library Advisory Board
- ☐ Development Review Board
- ☐ Planning Commission

Employment, professional, and volunteer background:

*Retired math teacher  
Currently volunteer for Dove Lewis*

Previous City appointments, offices or activities:

*Wilsonville Park & Rec Advisory Board Wilsonville Budget Com.  
Wilsonville Bike & Ped Master Plan Committee  
Wilsonville City Council Wilsonville Park & Open Space Masterplan Com.*

As additional background for the Mayor and City Council, please answer the following questions.  
Feel free to add additional pages.



1. What experience/training/qualifications do you have for this particular board or commission? You may attach a resume.

See attachment

2. What specific contribution do you hope to make?

Most interested in seeing how park + Rec contribute toward physical fitness activities

3. What community topics concern you that relate to this board or commission? Why do you want to become a member?

I used to be a member and enjoyed it.

4. Describe your involvement in relevant community groups and activities. (Lack of previous involvement will not disqualify you from consideration.)

see attachment

Signature: Athena C. Beane Date: 6/18/13

**Meeting dates** (all meeting dates are subject to change or additions)

- Budget Committee – typically meets in April-May to consider City budget for new fiscal year
- Development Review Board – Second and fourth Mondays of the month
- Library Board – Fourth Wednesday of the month
- Parks & Recreation Advisory Board – Second Thursday of the month
- Planning Commission – Second Wednesday of the month

Please be advised members of the City Council, the Planning Commission and Development Review Board are required to file an annual **Statement Of Economic Interest** with the State of Oregon. A sample reporting form is available from the City Records Office at 29799 SW Town Center Loop East indicating the type of information you will be required to disclose if you are appointed.

For office use only:

Date Received: Recd 6/18/13 ACK

Date Considered: \_\_\_\_\_

Action by Council: \_\_\_\_\_

Term Expires: \_\_\_\_\_

**Please return this form to:**

City Recorder

29799 SW Town Center Loop E., Wilsonville, OR 97070

(503) 570-1506 FAX (503) 682-1015

E-mail: [king@ci.wilsonville.or.us](mailto:king@ci.wilsonville.or.us)



Vitae of Steven C. Benson  
8525 SW Wilson St.  
Wilsonville, OR 97070  
Home (503) 682-2952  
sbensongomsu@msn.com

#### **Education**

1976 - B.A. in Elementary Education: Michigan State University  
Endorsements: Science-Math, Fine Arts

1978 to present - Additional credit hours from Central Washington University,  
Chemeketa Community College, Lewis and Clark College, Oregon State  
University, Portland State University, University of Wyoming, Western Oregon  
University, Willamette University.

#### **Certification**

Basic Teaching License, Elementary K-9 and Math K-12  
Highly Qualified - Math

#### **Professional Organizations**

National Education Association, National Council of Teachers of Mathematics,  
Oregon Education Association, Oregon Council of Teachers of Mathematics,  
Salem Education Association

#### **Educational Positions**

2004 to 2007 - Consultant to Salem-Keizer School District Secondary Math  
Adoption Committee

2004 to 2008 - Consultant for Willamette Educational Service District

2002 to 2007 - Coordinator and lead teacher for Waldo Roller Coaster Physics  
Program and annual Great America Field Trip for 24 - 30 8<sup>th</sup> graders.

2001 to 2008 - Math methods instructor for Willamette University.

1998 to 2008 - Math supervisor for Willamette University student teachers and  
practicum students.

1998 to 2007 - Math CIM leader, Waldo Middle School.

1991 - 2007 - Math teacher at Waldo Middle School, Salem Oregon.

#### **Past Educational Positions**

2003 to 2004 - Consultant to Salem-Keizer School District Elementary Math  
Adoption Committee



2001 to 2004 - Educational Consortium member for Willamette University Master in Teaching program.

1989 to 1991 - Elementary teacher at Hayesville Elementary School, Salem, Oregon.

1978 to 1989 - Elementary teacher at Sumpter Community School, Salem, Oregon

1977 to 1978 - Elementary teacher at Sunnyside Elementary School, Rawlins, Wyoming.

1976 to 1977 - Elementary teacher at Mountain View Elementary School, Rawlins, Wyoming.

### **Professional Training**

Connected Mathematics Program, Cooperative Learning, ITIP, Jones Management, Hands On Equations, Visual Math, Standards-based Mathematics Instruction

### **Other Professional Experiences**

1995 to 1997 - Founder and chairman of AMUC, A Mixed-Use Committee The committee raised funds to bring Anton Neleson, a highly regarded mixed-use architect, to Wilsonville to rewrite design standards to make Wilsonville more livable by improving design standards. AMUC spearheaded efforts that concluded in new design standards.

1994 - City councilor for Wilsonville, Oregon

1994 - Member of Budget Committee for Wilsonville, Oregon

1992 - Member of the Wilsonville Bicycle and Pedestrian Masterplan Committee. Received the 1993 Special Achievement Award by the Oregon Chapter of the American Planning Association for the best city planning in Oregon

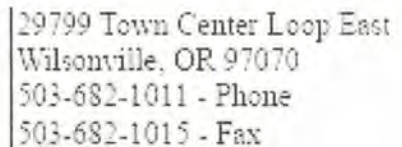
1992 - Member of the Wilsonville Parks and Open Space Masterplan Committee

1990 to 1992 - Member of Parks and Recreation Board, Wilsonville, Oregon

1990 to 1991 - Chairman of Friends of Goal 5, an organization with a focus of protecting Wilsonville, Oregon's natural Areas. FOG 5 is a member of Metro Greenspaces.

1990 to 1991 - Chairman of Marion and Polk Schools Supervisory Committee. Member for preceding four year. Responsibility: To protect sixty-nine million dollars in assets by auditing financial and operation controls.







1. What experience/training/qualifications do you have for this particular board or commission? You may attach a resume. *Watched Wilsonville grow from small town to healthy city. Can read & understand drawing plans. Can work with young people as well as adults. Experience with Church boards as chair as well as committee member. Now on Community Center board - West as the chair. Worked with the public at Golf course Pro-shop.*
2. What specific contribution do you hope to make? *I have watched the well planned growth of the City for many years and would now like to be a part of the future growth. I feel I can bring a relevant perspective to the future development of our parks and recreation opportunities.*
3. What community topics concern you that relate to this board or commission? Why do you want to become a member? *The health of our citizens is important to me and I want to help create ways to improve and maintain healthy bodies and minds.*
4. Describe your involvement in relevant community groups and activities. (Lack of previous involvement will not disqualify you from consideration.)  
*I have been involved with parks - school sports & church activities.  
Daughter graduated from WHS  
Member of Methodist Church since early 80's.  
Volunteer at Coffee Creek  
Wilsonville Community Center*

Signature: Worley Morris

Date: 5/25/13

**Meeting dates** (all meeting dates are subject to change or additions)

- Budget Committee - typically meets in April-May to consider City budget for new fiscal year
- Development Review Board - Second and fourth Mondays of the month
- Library Board - Fourth Wednesday of the month
- Parks & Recreation Advisory Board - Second Thursday of the month
- Planning Commission - Second Wednesday of the month

Please be advised members of the City Council, the Planning Commission and Development Review Board are required to file an annual **Statement Of Economic Interest** with the State of Oregon. A sample reporting form is available from the City Records Office at 29799 SW Town Center Loop East indicating the type of information you will be required to disclose if you are appointed.

For office use only:

Date Received: 5/29/13 3:30PM *sk.*

Date Considered: \_\_\_\_\_

Action by Council: \_\_\_\_\_

Term Expires: \_\_\_\_\_

**Please return this form to:**

City Recorder

29799 SW Town Center Loop E., Wilsonville, OR 97070

(503) 570-1506 FAX (503) 682-1015

E-mail: [king@ci.wilsonville.or.us](mailto:king@ci.wilsonville.or.us)





**APPLICATION FOR APPOINTMENT TO BOARD/COMMISSION**

Name: Crace, Donna Date: 5/23/13  
Last First Middle  
Home Address: 28430 SW Willow Creek Dr.  
City/State/Zip: Wilsonville, OR 97070  
Is this address within the City? yes I've lived in Wilsonville since: 1990  
Telephone No.: 503-570-2957 503-816-4220 503 816 4220  
Home Work Cell/Mobile  
E-Mail Address: donnacrace0047@gmail.com  
Are you a registered Voter with the State of Oregon? yes  
Present Occupation: Exec.Director-The Total Development Ctr.

Which Committee(s) would you like to be appointed to:

*Dates of meetings are listed at the end of this application.  
Please make sure those dates work with your schedule before you apply.*

- ☐ Budget Committee
- ☒ Parks and Recreation Advisory Board
- ☐ Library Advisory Board
- ☐ Development Review Board
- ☐ Planning Commission

Employment, professional, and volunteer background:

*see att's*

Previous City appointments, offices or activities:

*see att's*

As additional background for the Mayor and City Council, please answer the following questions.  
Feel free to add additional pages.



1. What experience/training/qualifications do you have for this particular board or commission? You may attach a resume.

*att'd*

2. What specific contribution do you hope to make?

*att'd*

3. What community topics concern you that relate to this board or commission? Why do you want to become a member?

*att'd*

4. Describe your involvement in relevant community groups and activities. (Lack of previous involvement will not disqualify you from consideration.)

*att'd*

Signature: \_\_\_\_\_

*Donna Crace*

Date: \_\_\_\_\_

*June 13, 2013*

**Meeting dates** (all meeting dates are subject to change or additions)

- Budget Committee – typically meets in April-May to consider City budget for new fiscal year
- Development Review Board – Second and fourth Mondays of the month
- Library Board – Fourth Wednesday of the month
- Parks & Recreation Advisory Board – Second Thursday of the month
- Planning Commission – Second Wednesday of the month

Please be advised members of the City Council, the Planning Commission and Development Review Board are required to file an annual **Statement Of Economic Interest** with the State of Oregon. A sample reporting form is available from the City Records Office at 29799 SW Town Center Loop East indicating the type of information you will be required to disclose if you are appointed.

For office use only:

Date Received: *6/14/13 ACK*

Date Considered: \_\_\_\_\_

Action by Council: \_\_\_\_\_

Term Expires: \_\_\_\_\_

**Please return this form to:**

City Recorder

29799 SW Town Center Loop E., Wilsonville, OR 97070

(503) 570-1506 FAX (503) 682-1015

E-mail: [king@ci.wilsonville.or.us](mailto:king@ci.wilsonville.or.us)



Donna Crace – application for Park & Rec Board – City of Wilsonville

**Employment, professional & volunteer background:**

I am Executive Director for The Total Development Center, a 501-c-3 non profit "helping kids succeed". Our main focus is preparing kids for high school, college and beyond. We also develop sports fields and recreation sports camps throughout the greater Portland areas. I have had over 15 years as a Realtor and also working for a title company in outside sales. My volunteer life goes back to early years in all the West Linn-Wilsonville schools with our four children....from developing the first Wilsonville Youth Bxball Association (break off from West Linn group); volunteering at Wilsonville HS through boosters, and many community activities.

**Previous city appointments, offices, or activities:**

No official appointments; I have been a member of the Chamber of Commerce in the past and just re-activated our membership for TDC. I was Public Relations Director for the Clackamas County Board of Realtors in the late '90s.

Additional questions and answers to the following questions:

1. I have over 25 years experience in coordinating school sports teams, as well as community sports events. The Parks & Rec Board seems like a great fit for me as now I am so aware of the needs of the next generation of kids in the Wilsonville areas.....we have 2 granddaughters attending Wilsonville schools and playing sports throughout this area! The immediate need for more fields and sports activities is huge right now, especially with the cuts in PE classes and sports teams
2. My personal contribution to this board would be through connections in turf field installations and development. I also have a vast experience in developing sports programs for kids and believe in hiring our own local Wilsonville student-athletes to facilitate these programs.
3. I love Wilsonville!.....when I was in real estate in the mid 90's I was involved in the initial development of Wilsonville Meadows, and now live in the neighborhood that was once bare farmland and no trees! I would love to be a member of this Board and be part of developing more sports fields and complexes for our community and our kids! The only community concerns I might have is getting the proper zoning permits and finding suitable acreage to service the youth recreation needs of Wilsonville.
4. I am currently a member of the Wilsonville Chamber of Commerce; past board member of Wilsonville Touchdown Club; WHS Booster Club; over 12 years with FCA (Fellowship of Christian Athletes) as Board Member; WHS Site Council Member for 3 yrs.;



**CITY COUNCIL ROLLING SCHEDULE**  
**Board and Commission Meetings 2013**

**AUGUST**

DATE	DAY	TIME	MEETING	LOCATION
8/5	Monday	7 p.m.	City Council	Council Chambers
8/12	Monday	6:30 p.m.	DRB Panel A	Council Chambers
8/14	Wednesday	6 p.m.	Planning Commission	Council Chambers
8/19	Monday	7 p.m.	City Council	Council Chambers
8/26	Monday	6:30 p.m.	DRB Panel B	Council Chambers
8/28	Wednesday	6:30 p.m.	Library Board	Library

**COMMUNITY EVENTS**

**NATIONAL NIGHT OUT 2013**

August 6, 2013

**CELEBRATE VOLUNTEERS HEART OF THE CITY AWARD**

August 8, 5:30 p.m.

Town Center Park At the "Day at the Beach Tent"

Root Beer Floats & Ice Cream

**ROTARY CONCERTS – 6:30 P.M.**

**TOWN CENTER PARK**

Global FM – August 1

Hit Machine – August 8

**MOVIES IN THE PARK – MEMORIAL PARK**

Lawn opens at 8:15 pm Movies start at dusk

Here Comes the Boom on August 2

**SCENIC TROLLEY TOUR OF 2013**

Discover New sights, & Learn a bit of Wilsonville's History along the way!

Seating is limited and registration is required.

Call **503-682-3727** to make your reservation.

**WILSONVILLE FARMERS MARKET**

The Wilsonville Farmers Market is at Sofia Park in Villebois

Every Thursday, through September 5, from 4 – 8 PM

**NORTH WILLAMETTE RESEARCH AND**

**EXTENSION CENTER (NWREC) TOURS**

First and 3<sup>rd</sup> Fridays through October 18<sup>th</sup>. 2-4 PM

15210 NE Miley Rd, Aurora, OR

Call 503-678-1264 to reserve a spot





## **City Encourages “National Night Out 2013” Neighborhood Activities on August 6**

WILSONVILLE, OR — The City of Wilsonville encourages residents to consider hosting a neighborhood National Night Out event on Tuesday evening, August 6, 2013. While not a City-sponsored program, the City can assist neighborhoods to request a visit by Wilsonville Police and Tualatin Valley Fire and Rescue (TVF&R) if they are available; contact Jeanna Troha, Assistant City Manager, at 503-570-1520 or [troha@ci.wilsonville.or.us](mailto:troha@ci.wilsonville.or.us).

No city permit is needed if events are held on private property and do not block street traffic. If neighbors seek to close a street to traffic or to hold a gathering on public property or a park, a permit may be needed; please contact Brian Stevenson, Recreation Coordinator, at 503-570-1523 or [stevenson@ci.wilsonville.or.us](mailto:stevenson@ci.wilsonville.or.us).

Wilsonville Police Chief James Rhodes said, “National Night Out provides an opportunity for neighbors to get to know one another, heighten crime-prevention awareness and to strengthen neighborhood spirit and police-community partnerships.”

National Night Out organizers may also obtain a “Coordinator Tool Kit” and register with the National Association of Town Watch (NATW) at [www.natw.org](http://www.natw.org). National Night Out is a nationwide program started in 1984 that is sponsored by National Association of Town Watch (NATW), a non-profit organization dedicated to the development and promotion of various crime prevention programs.



# CELEBRATE!

THE CITY OF WILSONVILLE INVITES YOU TO JOIN US  
IN THANKING OUR VOLUNTEERS AT OUR ANNUAL  
RECOGNITION EVENT!

WHERE: "DAY AT THE BEACH TENT" AT TOWN CENTER PARK

WHEN: AUGUST 8TH - IN PARTNERSHIP WITH THE  
WILSONVILLE ROTARY CONCERTS IN THE PARK

5:30 PM: ROOT BEER FLOATS AND ICE CREAM

6:00 PM: HEART OF THE CITY AWARD

6:30 PM: MUSIC BY HIT MACHINE



City of  
**WILSONVILLE**  
OREGON





<b>Meeting Date:</b>  August 5, 2013		<b>Subject: Resolution No. 2437</b> Morey's Landing Stormwater Project Contract Award CIP #7044  <b>Staff Members:</b> Kerry Rappold, Natural Resources Program Manager Steve Adams, Development Engineering Manager <b>Departments:</b> Natural Resources & Engineering	
<b>Action Required</b>		<b>Advisory Board/Commission Recommendation</b>	
<input checked="" type="checkbox"/> Motion <input type="checkbox"/> Public Hearing Date: <input type="checkbox"/> Ordinance 1 <sup>st</sup> Reading Date: <input type="checkbox"/> Ordinance 2 <sup>nd</sup> Reading Date: <input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Information or Direction <input type="checkbox"/> Information Only <input type="checkbox"/> Council Direction <input type="checkbox"/> Consent Agenda		<input type="checkbox"/> Approval <input type="checkbox"/> Denial <input type="checkbox"/> None Forwarded <input checked="" type="checkbox"/> Not Applicable <b>Comments:</b>	
<b>Staff Recommendation:</b> Staff recommends approval of Resolution No. 2437.			
<b>Recommended Language for Motion:</b> I move to approve Resolution No. 2437.			
<b>PROJECT / ISSUE RELATES TO:</b> [Identify which goal(s), master plans(s) issue relates to.]			
<input type="checkbox"/> Council Goals/Priorities	<input checked="" type="checkbox"/> Adopted Master Plan(s)	<input type="checkbox"/> Not Applicable	

A resolution describing the bid solicitation process, recognizing the lowest responsive and responsible bidder, approving the public contracting process, and awarding a construction contract to Elting Northwest, Inc.



**EXECUTIVE SUMMARY:**

The Morey's Landing Stormwater project will perform repair work to this stormwater outfall site where erosion resulted in an incised channel. The project is not identified in the City of Wilsonville 2012 Stormwater Master Plan, however, it has since been identified as a project for which repairs are necessary and funds were budgeted.

In June 2013, bids were solicited for the Morey's Landing project in accordance with City of Wilsonville and State of Oregon public contracting code. On July 16, 2013, two bids were submitted (see Exhibit A - Summary of Bids) for the project.

**EXPECTED RESULTS:**

The project will complete construction repairs to this stormwater outfall site and conveyance channel.

**TIMELINE:**

Construction work is dependent on the City receiving federal and state permits. If permits are received by August 15, 2013, construction work will begin promptly with completion expected in October 2013.

**CURRENT YEAR BUDGET IMPACTS:**

Project #7044 is funded through the Stormwater Operating account. The adopted FY 2013/14 Budget includes \$400,000 for the construction phase of the project based on expected costs when the budget was prepared in April 2013 (please note that when the final design was complete in June 2013, the engineer's estimate had increased to \$621,657). Based on the Elting Northwest, Inc. contract value of \$490,661 and construction phase consultant fees of approximately \$54,000 (total = \$544,661), there will be a need for a future supplemental budget request of approximately \$145,000.

**FINANCIAL REVIEW / COMMENTS:**

Reviewed by: \_\_\_\_\_ JEO \_\_\_\_\_ Date: \_\_\_\_\_ 7/25/13 \_\_\_\_\_

As stated above, a budget amendment will be needed to appropriate approximately \$145,000 of additional budget to complete this project.

**LEGAL REVIEW / COMMENT:**

Reviewed by: \_\_\_\_\_ Date: \_\_\_\_\_

**COMMUNITY INVOLVEMENT PROCESS:**

City staff met several times with the two homeowners most affected by the erosion and have included their concerns in the project design. Staff met with the Morey's Landing HOA and included them in the design plans. Staff has also met and maintained steady contact with the US Army Corps of Engineers and Oregon Department of State Lands about the erosion problems and design solution while working to obtain their permitting.

**POTENTIAL IMPACTS or BENEFIT TO THE COMMUNITY:**

Project # 7044 will repair erosion that has occurred on HOA and private property at this stormwater outfall. The City's easement with the HOA requires the City to complete this work;



the City will acquire an additional stormwater easement from one of the private property owners at no additional cost.

**ALTERNATIVES:**

Various alternatives were discussed during initial design work at this outfall. Current project design is a result of meetings and correspondence between City Staff, design consultants, Morey's Landing HOA, private homeowners, Army Corps of Engineers and Oregon Department of State Lands.

**CITY MANAGER COMMENT:**

**ATTACHMENTS**

- A. Exhibit "A" – Summary of Bids
- B. Resolution No. 2437



## EXHIBIT A - SUMMARY OF BIDS

## BID SUMMARY

## MOREY'S LANDING STORMWATER OUTFALL

**OWNER: CITY OF WILSONVILLE**

**OPENING DATE: JULY 16, 2013 @ 2:00 PM**

**PREPARED BY: CITY OF WILSONVILLE**

[illegible]



## **RESOLUTION NO. 2437**

**A RESOLUTION OF THE CITY OF WILSONVILLE AUTHORIZING THE CITY MANAGER TO EXECUTE A CONSTRUCTION CONTRACT WITH ELTING NORTHWEST, INC. FOR THE MOREY'S LANDING STORMWATER PROJECT (CAPITAL IMPROVEMENT PROJECT #7044).**

WHEREAS, the City has planned, designed, and budgeted for the completion of Capital Improvement Project #7044, known as the Morey's Landing Stormwater project (the Project); and

WHEREAS, the City solicited sealed bids for the Project from qualified contractors in compliance with the City of Wilsonville Municipal Code and Oregon Revised Statute (ORS) 279C - Public Contracting for Public Improvements and Related Contracts; and

WHEREAS, received bids were opened on July 16, 2013, and Elting Northwest, Inc. submitted a bid of \$490,661 for the project which was subsequently evaluated as the lowest responsive and responsible bid.

NOW, THEREFORE, THE CITY OF WILSONVILLE RESOLVES AS FOLLOWS:

1. The procurement process for the Project duly followed Oregon Public Contracting Rules.
2. The contract is awarded to Elting Northwest, Inc. who submitted the lowest responsive and responsible bid
3. The City Council, acting as the Local Contract Review Board, authorizes the City Manager to enter into and execute, on behalf of the City of Wilsonville, a construction contract with Elting Northwest, Inc. for a stated value of \$490,661.
4. This resolution is effective upon adoption.

ADOPTED by the Wilsonville City Council at a regular meeting thereof this 5<sup>th</sup> day of August, 2013, and filed with the Wilsonville City Recorder this date.

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TIM KNAPP, MAYOR



ATTEST:

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Sandra C. King, MMC, City Recorder

SUMMARY OF VOTES:

Mayor Knapp	_____
Council President Starr	_____
Councilor Goddard	_____
Councilor Fitzgerald	_____
Councilor Stevens	_____



## CITY COUNCIL MEETING STAFF REPORT

<b>Meeting Date:</b>  August 5, 2013	<b>Subject: Resolution No. 2435</b> First Addendum to 2011 Basalt Creek Concept Planning Intergovernmental Agreement  <b>Staff Member:</b> Chris Neamtzu <b>Department:</b> Community Development
<b>Action Required</b> <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Public Hearing Date: <input type="checkbox"/> Ordinance 1 <sup>st</sup> Reading Date: <input type="checkbox"/> Ordinance 2 <sup>nd</sup> Reading Date: <input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Information or Direction <input type="checkbox"/> Information Only <input type="checkbox"/> Council Direction <input type="checkbox"/> Consent Agenda	<b>Advisory Board/Commission Recommendation</b> <input type="checkbox"/> Approval <input type="checkbox"/> Denial <input checked="" type="checkbox"/> None Forwarded <input type="checkbox"/> Not Applicable  <b>Comments:</b>  
<b>Staff Recommendation:</b> Staff recommends approval of Resolution No. 2435.	
<b>Recommended Language for Motion:</b> I move to approve Resolution 2435.	
<b>PROJECT / ISSUE RELATES TO:</b>	
<input checked="" type="checkbox"/> Council Goals/Priorities Basalt Creek Concept Plan	<input type="checkbox"/> Adopted Master Plan(s)
<input type="checkbox"/> Not Applicable	

### ISSUE BEFORE COUNCIL:

Adopting Resolution 2435 (see Attachment A) will formally accept the results of the Transportation Refinement Plan (included as Exhibit 1A to the IGA), and approve related updates to the 2011 IGA that will guide collaboration between Washington County, Metro, and the cities of Wilsonville and Tualatin during the Basalt Creek concept planning process.

### EXECUTIVE SUMMARY:

In 2004, Metro brought 775 acres in the Basalt Creek and West Railroad Planning areas into the Urban Growth Boundary in unincorporated Washington County between the cities of Tualatin and Wilsonville. These areas are intended to urbanize under the governance of the cities of

Tualatin and Wilsonville, pending completion of concept planning in conformance with Metro's requirements and the subsequent transfer of planning authority for these areas.

In 2011, the City of Wilsonville entered into an IGA (approved by Resolution 2293) with the City of Tualatin, Washington County, and Metro to engage in a collaborative transportation and concept planning process for this area, known collectively as the Basalt Creek Planning Area. Prior to initiating the Concept Planning process, the jurisdictions agreed to conduct a focused study to resolve the significant transportation issues in the area. In December, 2012 the parties to the IGA completed the Basalt Creek Transportation Refinement Plan, which included conceptual engineering analysis and extensive public outreach. The Transportation Refinement Plan is included as Attachment A, Exhibit A, Exhibit 1A. Background information about public meetings, alternatives explored, and the final recommendation can be found on the project website: <http://www.basaltcreek.com/transportation-refinement-plan.html>

The 2035 Regional Transportation Plan (2035 RTP) Project List identifies several multimodal projects for this area, including an extension of SW 124<sup>th</sup> Avenue, south of SW Tualatin - Sherwood Road, several projects related to the proposed I-5 to Hwy 99W Connector Project Alternative 7 "Southern Arterial", and the Ice Age Tonquin Trail between Wilsonville and Tualatin.

The 2011 IGA identified an immediate need to further refine two projects related to the "Southern Arterial" specifically 1) the alignment of the generally north-south extension of SW 124<sup>th</sup> from Tualatin - Sherwood Road to the vicinity of Tonquin Road, and 2) a generally east-west connection between SW 124<sup>th</sup> Avenue and Boones Ferry Road, and ultimately extending to the east side of I-5.

In the First Addendum to this IGA, the parties agree to the recommended multi-modal transportation strategy as described in the Basalt Creek Transportation Refinement Plan, and to:

- Serve the Basalt Creek area with a new five-lane east-west limited-access arterial facility from the SW 124<sup>th</sup> Avenue Extension towards I-5, leaving Tonquin Road to develop as a parallel three-lane road for property access;
- Plan for a future overcrossing of I-5 to connect the Basalt Creek area with urban reserves to the east;
- Incorporate the recommendations into Transportation System Plans and Comprehensive Plans;
- Use dedicated Washington County Major Streets Transportation Improvement Program (MSTIP) 3d funding for the SW 124<sup>th</sup> Avenue extension and the east-west arterial, begin interim improvements and complete design work;
- Develop a funding strategy to implement the east-west alignment concept;
- Implement access management and right-of-way protection and dedication plans;
- Consider the Ice Age Tonquin Trail in the arterial designs and seek funding for it;
- Recognize that agreement to plan for and construct the east-west alignment between SW 124<sup>th</sup> and Boones Ferry Road does not constitute endorsement of a "Southern Arterial" connection to the west of Tonquin Road.



**EXPECTED RESULTS:**

Acceptance, by all parties, of the Basalt Creek Transportation Refinement Plan will ensure consensus on the major transportation issues facing the planning area and will allow the concept planning process to move forward. The concept planning process will address the local transportation network, land uses, urban services, and jurisdictional boundaries.

**TIMELINE:**

The Policy Advisory Group approved the Transportation Refinement Plan in December 2012. Washington County approved the First Addendum to the 2011 IGA on July 15, 2013; the City of Tualatin, and Metro are scheduled to consider action on the First Addendum to the 2011 IGA in August 2013.

Staff is currently collaborating with City of Tualatin staff to seek consulting services for the concept planning project. Council will hold a joint work session with the Tualatin City Council in September 2013 as work on the Basalt Creek Concept Plan project gets underway.

**CURRENT YEAR BUDGET IMPACTS:**

None. The Basalt Creek Transportation Refinement Plan was completed in fiscal year 2012. Washington County funded all of the public involvement, technical evaluation and report preparation. The City of Tualatin received approximately \$350K from Metro's Construction Excise Tax (CET) to perform concept planning, which can commence once there is an agreed upon common set of transportation improvements for the Basalt Creek area. The City of Wilsonville has, and will continue to, invest staff time into the process.

**FINANCIAL REVIEW / COMMENTS:**

Reviewed by: \_\_\_\_\_ JEO \_\_\_\_\_ Date: \_\_\_\_\_ 7/19/13 \_\_\_\_\_  
No financial impacts.

**LEGAL REVIEW / COMMENT:**

Reviewed by: \_\_\_\_\_ MEK \_\_\_\_\_ Date: \_\_\_\_\_ 7/17/2013 \_\_\_\_\_  
The Resolution is approved as to form.

**COMMUNITY INVOLVEMENT PROCESS:**

The Transportation Refinement Plan project used a wide variety of public outreach methods to reach out to stakeholders and the public. The project provided information and sought feedback via a web site, public open houses, numerous technical staff and policymaker meetings, City Council and Planning Commission work sessions, and in one-on-one meetings with property owners and neighborhood groups.

Numerous documents related to the process are available on the project website:  
[http://www.basaltcreek.com/Transportation\\_Refinement\\_Plan.html](http://www.basaltcreek.com/Transportation_Refinement_Plan.html)

**POTENTIAL IMPACTS or BENEFIT TO THE COMMUNITY**

The east-west alignment recommended in the Transportation Refinement Plan balances short- and long-term traffic operations, overall cost, ability to phase improvements, support for future development, minimization of environmental impacts, and Regional Transportation Plan (RTP)

consistency. Staff anticipates that the East-West alignment will allow more capacity for access to businesses in the northern portion of Wilsonville.

#### **ALTERNATIVES:**

During the Transportation Refinement Plan process, several alternative alignments were considered:

- Improve existing – This concept proposed to widen Tonquin Road, Grahams Ferry Road, and Day Road to five lanes, providing a single corridor connection from the 124<sup>th</sup> Avenue Extension to the I-5 / Elligsen Road interchange.
- Diagonal Alignment – This concept proposed to widen Tonquin Road to five lanes and construct a new diagonally-aligned facility between the Tonquin/ Grahams Ferry intersection and the I-5/ Elligsen Road interchange area.
- Diagonal Hybrid – This concept proposed to widen Tonquin Road to three lanes, with the new east-west facility between 124<sup>th</sup> Avenue Extension to Grahams Ferry Road. The connection to Boones Ferry Road would occur with a diagonal crossing of the ravine.

#### **CITY MANAGER COMMENT:**

#### **ATTACHMENTS**

- A. **Resolution** No. 2435  
**Exhibit A.** First Addendum to 2011 Intergovernmental Agreement between Metro, Washington County, and the Cities of Tualatin and Wilsonville, Acknowledging the Basalt Creek Transportation Refinement Plan  
**Exhibit 1A.** Basalt Creek Transportation Refinement Plan
- B. Original 2011 Basalt Creek Concept Planning Intergovernmental Agreement Between Metro, Washington County, and the Cities of Tualatin and Wilsonville for Concept Planning the Urban Grown Boundary Expansion Areas Known as the “Basalt Creek” and “West Railroad” Planning Areas



**RESOLUTION NO. 2435**

**A RESOLUTION OF THE CITY OF WILSONVILLE AUTHORIZING THE FIRST ADDENDUM TO THE 2011 INTERGOVERNMENTAL AGREEMENT BETWEEN METRO, WASHINGTON COUNTY, AND THE CITIES OF TUALATIN AND WILSONVILLE ACKNOWLEDGING THE BASALT CREEK TRANSPORTATION REFINEMENT PLAN**

WHEREAS, in 2004 the Metro Council added two areas located generally between the cities of Wilsonville and Tualatin to the Urban Growth Boundary (UGB) for residential and industrial uses in Metro Ordinance No. 04-1040B; and

WHEREAS, the above-described areas are known as the Basalt Creek and West Railroad Planning Areas and generally referred to as the "Basalt Creek Planning Area"; and

WHEREAS, in 2011 the City of Wilsonville approved Resolution No. 2293 authorizing an Intergovernmental Agreement ("2011 IGA") with Metro, Washington County, and the City of Tualatin to engage in Concept Planning for the Basalt Creek Planning Area; and

WHEREAS, subsequent to execution of the 2011 IGA by all of the foregoing parties ("Parties"), the Basalt Creek Transportation Refinement Plan Policy Advisory Group, comprised of two (2) elected officials each from Wilsonville, Tualatin, and Washington County, one (1) elected official from Metro, a senior staff member from Metro, and a senior staff member from ODOT, unanimously recommended the East-West conceptual alignment, as identified in the Basalt Creek Transportation Refinement Plan (December 2012); and

WHEREAS, the Parties now wish to work together to incorporate this recommendation into comprehensive planning documents to carefully plan development in the Basalt Creek and West Railroad Planning Areas in a way that will be of benefit to the Parties and their respective residents; and

WHEREAS, the Parties have agreed upon a First Addendum to the 2011 IGA to memorialize and endorse the results of the Basalt Creek Transportation Refinement Plan.

NOW, THEREFORE, THE CITY OF WILSONVILLE RESOLVES AS FOLLOWS:

1. The City Council authorizes the Mayor to sign the *First Addendum to the 2011 Intergovernmental Agreement Between Metro, Washington County, and the Cities*

*of Tualatin and Wilsonville, Acknowledging the Basalt Creek Transportation Refinement Plan*, in the form attached hereto as **Exhibit A**.

2. This Resolution is effective upon the date of adoption.

ADOPTED by the City Council of the City of Wilsonville at a regular meeting thereof this \_\_\_\_ day of \_\_\_\_\_, 2013, and filed with the Wilsonville City Recorder this date.

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Tim Knapp, Mayor

ATTEST:

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Sandra C. King, MMC, City Recorder

SUMMARY OF VOTES:

Mayor Knapp  
Council President Starr  
Councilor Goddard  
Councilor Fitzgerald  
Councilor Stevens

Attachments:

Exhibit A – First Addendum to 2011 IGA



**FIRST ADDENDUM TO 2011 INTERGOVERNMENTAL AGREEMENT  
BETWEEN METRO, WASHINGTON COUNTY, AND THE CITIES OF TUALATIN AND  
WILSONVILLE ACKNOWLEDGING THE BASALT CREEK TRANSPORTATION  
REFINEMENT PLAN**

This FIRST ADDENDUM ("First Addendum") to the INTERGOVERNMENTAL AGREEMENT (IGA) BETWEEN METRO, WASHINGTON COUNTY, AND THE CITIES OF TUALATIN AND WILSONVILLE ACKNOWLEDGING THE BASALT CREEK TRANSPORTATION REFINEMENT PLAN is entered into by the following parties: METRO, the Portland area metropolitan service district, hereinafter referred to as METRO; WASHINGTON COUNTY, a political subdivision in the State of Oregon, hereinafter referred to as "COUNTY"; and the CITY OF TUALATIN and CITY OF WILSONVILLE, incorporated municipalities of the State of Oregon, hereinafter referred to as "CITIES".

Whereas, in 2004 the METRO Council added two areas known as the Basalt Creek and West Railroad Planning Areas, located generally between the CITIES, to the Urban Growth Boundary (UGB) via Metro Ordinance No. 04-1040B; and

Whereas, COUNTY and CITIES have agreed to consider the Basalt Creek and the West Railroad areas in a single concept planning effort and to refer to the two subject UGB expansion areas generally as the "Basalt Creek Planning Area;" and

Whereas, on June 10, 2010 the METRO Council adopted its 2035 Regional Transportation Plan ("2035 RTP") via Metro Ordinance 10-1241B, with a Project List including an extension of SW 124<sup>th</sup> Avenue (Project #10736) south of SW Tualatin-Sherwood Road, several projects related to the proposed I-5 to Hwy 99W Connector Project Alternative 7 "Southern Arterial", which is planned as a continuous east-west roadway between I-5 and Hwy 99W passing through the subject UGB expansion areas, and the Ice Age Tonquin Trail between Wilsonville and Tualatin (Projects #10092 and 10854); and

Whereas, in recognition that major regional multi-modal transportation investments have been identified for the Basalt Creek Planning Area and that the Metro Urban Growth Management Functional Plan Title 11 concept planning of these areas will require significant multi-jurisdictional coordination, METRO, COUNTY, and CITIES signed the above-referenced IGA in 2011, outlining the roles and responsibilities of each party in the transportation and land use concept planning of the Basalt Creek and West Railroad Planning Areas; and

Whereas, that IGA identified an immediate need of the region to further refine two projects related to the "Southern Arterial" of the proposed I-5 to Hwy 99W Connector Project Alternative 7, specifically, 1) the alignment of the generally north-south extension of SW 124<sup>th</sup> Avenue from Tualatin-Sherwood Road to the vicinity of Tonquin Road, and 2) a generally east-west connection between SW 124<sup>th</sup> Avenue and Boones Ferry Road, and ultimately extending to the east side of I-5; and



Whereas, the parties to this IGA have outlined the refinement of these projects through the Basalt Creek Transportation Refinement Plan, which included conceptual engineering analysis and extensive public outreach; and

Whereas, while not mentioned specifically in the IGA, the Ice Age Tonquin Trail is a project in the Basalt Creek and West Railroad Planning Areas and was included in the refinement analysis for the Basalt Creek Transportation Refinement Plan and the Ice Age Tonquin Trail Master Plan was acknowledged by Washington County (Resolution and Order 13-18), City of Tualatin (Resolution 5133-13), and Metro (Resolution 13-4415); and

Whereas, the Ice Age Tonquin Trail will be considered in the design for the future East-West arterial, SW 124<sup>th</sup> Avenue/Tonquin Road intersection and improvements to Tonquin Road, though the funding for the proposed Ice Age Tonquin Trail will be decided separately; and

Whereas, on December 11, 2012, the Basalt Creek Transportation Refinement Plan Policy Advisory Group, comprised of two elected officials from each of the CITIES and COUNTY and one elected official from METRO, a senior staff member from METRO and a senior staff member from ODOT, unanimously recommended the East – West conceptual alignment, as identified in the Basalt Creek Transportation Refinement Plan (December, 2012); and

Whereas, on July 24, 2012, through the Major Streets Transportation Improvement Program (MSTIP), 3d Funding Program the COUNTY Board of Commissioners approved \$10.9 million to fund the design and construction of an interim generally south-north 2-lane extension of SW 124<sup>th</sup> Avenue from SW Tualatin-Sherwood Road to Tonquin Road and an additional \$10 million for design of a future generally East - West arterial from Tonquin Road to Boones Ferry Road and construction of interim improvements to existing roads in the Basalt Creek area as identified through the Basalt Creek Transportation Refinement Plan process; and

Whereas, the parties to this IGA will seek and coordinate additional funding for the major multimodal transportation system in the Basalt Creek Planning Area, as needed; and

Whereas, in order to address the multi-jurisdictional nature of the industrial lands in this area and the future jobs that will be created, a regional approach to funding the transportation network will be critical to the long-term success of the area; and

Whereas, COUNTY and CITIES wish to work together to incorporate the Basalt Creek Transportation Refinement plan recommendations into comprehensive planning documents (including transportation concept plans) to carefully plan development in the Basalt Creek and West Railroad Planning Areas that will be of benefit to COUNTY, CITIES, and their residents; and



Whereas the parties now wish to enter into this First Addendum to the IGA to memorialize and endorse the results of the Basalt Creek Transportation Refinement Plan; and

Now, therefore, incorporating all of the above Recitals as if fully set forth in this First Addendum the COUNTY, CITIES, and METRO agree as follows:

**A. Major Multi-modal Transportation System**

1. The recommended major multimodal transportation system in the Basalt Creek Planning Area is described in **Exhibit 1A** as per the Basalt Creek Transportation Refinement Plan.

**B. Agency Roles and Responsibilities**

The roles and responsibilities of the COUNTY, CITIES, and METRO are as follows:

1. COUNTY will:
  - a. Incorporate the recommended major multi-modal transportation system, as described in Section A.1, or as otherwise agreed to in writing by all parties, into the COUNTY Transportation System Plan within the first available ordinance cycle after the adoption of this First Addendum by all parties.
  - b. Utilize MSTIP 3d funds allocated for SW 124<sup>th</sup> Avenue and generally East-West arterial from Tonquin Road to Boones Ferry Road to begin interim improvements and complete necessary design work.
  - c. Through development review, protect the approved major multi-modal transportation system, as described in Section A.1, from development encroachment. Acquire the right-of-way needed for the recommended East – West alignment concept. Work with property owners along the alignment to acquire and/or seek dedication of right-of-way. In addition, the COUNTY will establish a study area to identify the alignment of and potential funding for the future arterial corridor from Boones Ferry Road and Day Road over Interstate 5 and connecting to Elligsen Road.
  - d. West of the SW 124<sup>th</sup> Avenue extension to Tonquin Road, the conditions for the “Southern Arterial”, as defined in the 2035 RTP and attached as Exhibit 2 to this IGA, still apply and the COUNTY will follow these conditions.
  - e. In coordination with CITIES and METRO, develop a funding strategy to implement the recommended East – West alignment concept. Consider

precluding future development along the East-West alignment until a funding plan has been developed.

- f. In coordination with CITIES through the concept plan and land use development processes, ensure that vehicle access to SW 124<sup>th</sup> Avenue and its extension along the East-West alignment be allowed only at Tualatin-Sherwood Road, Tonquin Road, Grahams Ferry Road, Boones Ferry Road, and one additional point.

2. CITIES will:

- a. Incorporate the recommended major multi-modal transportation system as described in Section A.1, or as otherwise agreed to in writing by all parties, into the final Basalt Creek Concept Plan, comprehensive plans, transportation plans, and implementing regulation amendments. CITIES shall incorporate into their amended plans and regulations reasonable measures to identify and assist in the right-of-way preservation of the approved major multi-modal transportation system from development encroachment in order to implement the final Basalt Creek Concept Plan. Such measures could include, where legally permissible, requirements for property setbacks and dedication of right-of-way as part of new development. The parties to this IGA acknowledge that such reasonable protection measures are not intended to require CITIES to incur any financial obligation to purchase right-of-way to preserve the identified multi-modal transportation system.
- b. Through concept planning, evaluate and consider appropriate buffering techniques between the new east-west extension of SW 124<sup>th</sup> Avenue and existing neighborhoods and proposed residential land that could be identified through the concept planning land use process.
- c. In coordination with COUNTY and METRO, develop a funding strategy to implement the recommended East – West alignment concept.
- d. In coordination with COUNTY, develop the Basalt Creek Concept Plan with the necessary roadway networks to support internal circulation and with access control regulation and measures to support limited access envisioned for the SW 124<sup>th</sup> Avenue and the recommended East-West alignment described in **Exhibit 1A**.
- e. In coordination with COUNTY through the concept plan and land use development processes, ensure that vehicle access to SW 124<sup>th</sup> Avenue and the East-West alignment be allowed only at Tualatin Sherwood Road, Tonquin Road, Grahams Ferry Road, Boones Ferry Road, and one additional point.



3. METRO will:

- a. Incorporate into the Regional Transportation Plan the recommended major multi-modal transportation system, as described in Section A.1, or as otherwise agreed to in writing by all parties.
- b. Consider the regional importance of the Basalt Creek Planning area in future funding and planning decisions and processes.
- c. In coordination with CITIES and COUNTY, develop a funding strategy to implement the recommended East – West alignment concept.

This First Addendum shall become effective upon full execution by all parties. The “Effective Date” of this First Addendum shall be the last date of signature on the attached signature pages.

If any portion of this First Addendum directly conflicts with the IGA, as originally executed in 2011, the provisions of this First Addendum will control.

Except as modified by this First Addendum, the remainder IGA shall remain in full force and effect as written and this First Addendum shall be become a part thereof. This First Addendum may be executed in counterpart.

**Attachments:**

Exhibit 1A – Basalt Creek Transportation Refinement Plan

*(Four separate signature pages follow)*

**CITY OF TUALATIN, Oregon:**

By: \_\_\_\_\_  
Lou Ogden  
Mayor

Date: \_\_\_\_\_

ATTEST:

By: \_\_\_\_\_



**CITY OF WILSONVILLE, Oregon:**

By: \_\_\_\_\_  
Tim Knapp  
Mayor

Date: \_\_\_\_\_

ATTEST:

By: \_\_\_\_\_

**WASHINGTON COUNTY, Oregon:**

By: \_\_\_\_\_  
Andy Duyck  
Chair, Board of County Commissioners

Date: \_\_\_\_\_

ATTEST:

By: \_\_\_\_\_



**METRO:**

By: \_\_\_\_\_  
Martha Bennett  
Chief Operating Officer

Date: \_\_\_\_\_

**ATTEST:**

By: \_\_\_\_\_

# Basalt Creek Transportation Refinement Plan Recommendations

## Introduction

The Basalt Creek transportation planning effort analyzed future transportation conditions and evaluated alternative strategies for phased investments that support regional and local needs.<sup>1</sup> This document reflects the Policy Advisory Group's unanimous approval of the transportation investments, next steps for policy and plan updates, and potential funding strategies described in this document.

## Purpose

The purpose of this refinement plan was to determine the major transportation system connecting Tualatin-Sherwood Road to I-5 in North Wilsonville through the Basalt Creek Planning Area, which is currently an unincorporated urban area of Washington County between the cities of Tualatin to the north, and Wilsonville to the south (see Figure 1). This plan refines recommendations from the I-5/99W Connector Study and the Regional Transportation Plan, setting the stage for land use concept planning and comprehensive plan development for the Basalt Creek area.

## Planning Context

The need to plan for the future transportation system in the Basalt Creek area is driven not only by future growth in the Basalt Creek Planning area itself, but by future growth in surrounding areas targeted for industrial development. Basalt Creek currently lacks the multi-modal transportation facilities needed to support economic and urban-level development. Several planning

The Basalt Creek Transportation Refinement Plan was a joint effort involving:

- Washington County
- City of Tualatin
- City of Wilsonville
- Metro
- The Oregon Department of Transportation
- Area Citizens

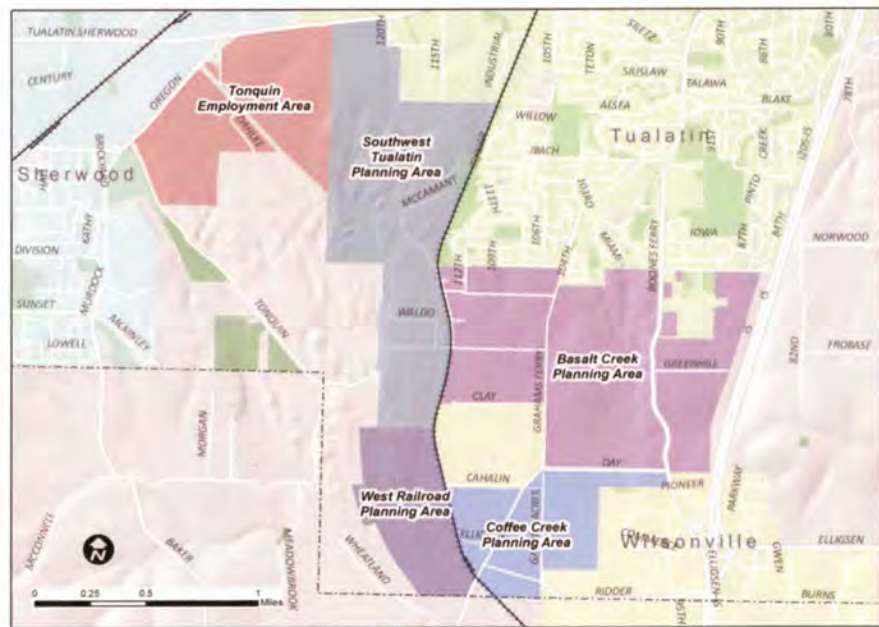


Figure 1: Basalt Creek Planning Area Location

<sup>1</sup> See *Basalt Creek Transportation Refinement Plan Technical Report* for more information.



efforts, summarized below, provide background and context for the Basalt Creek Transportation Refinement Plan.

- The **I-5/99W Connector Study** recommended an alternative that spreads east-west traffic across three smaller arterials rather than a single expressway. Although specific alignments for these arterials were not defined, the eastern end of the Southern Arterial was generally located within the Basalt Creek Planning Area, south of Tonquin Road. The present planning effort aims to further define the location of the connection between the SW 124<sup>th</sup> Avenue Extension and the I-5/Elligsen interchange in a manner that does not preclude the future Southern Arterial west of SW 124<sup>th</sup>.
- The **2035 Regional Transportation Plan (RTP)** calls for detailed project planning and near-term construction of an extension of SW 124<sup>th</sup> Avenue from Tualatin-Sherwood Road to the I-5/Elligsen Road interchange, supporting industrial access from the Tonquin, Southwest Tualatin, and Basalt Creek Planning Areas. The RTP also calls for the near-term construction of the Tonquin Trail (see below).
- The **Tonquin Employment Area, Southwest Tualatin Concept Planning Area, and Coffee Creek Planning Area** together comprise about 1,000 acres surrounding the Basalt Creek area that are planned primarily for industrial use. These areas are expected to generate growing freight and work-related travel demands on the multi-modal transportation network that runs through the Basalt Creek area.
- The **SW 124<sup>th</sup> Avenue Extension** Project, currently underway, is planning and designing the corridor described in the RTP from Tualatin-Sherwood Road to Tonquin Road. The present planning effort aims to extend the corridor to I-5 as envisioned in the RTP and ensure consistency with current SW 124<sup>th</sup> Avenue project.
- Washington County's **Boones Ferry Road** improvement project, also currently underway, provides pedestrian and bicycle improvements and an intermittent center turn lane between Norwood Road and Day Road. It is an assumed improvement for the Basalt Creek area.
- Near-term construction of the **Tonquin Trail** is called for in the RTP. The master plan identifies an alignment for new bicycle and pedestrian connections between Sherwood, Tualatin, and Wilsonville, with connections to the larger regional trail system. The Tonquin Trail will travel through the Southwest Tualatin Concept Plan Area and the Tonquin Employment Concept Plan Area, and is an assumed improvement within the Basalt Creek Transportation Refinement Plan.
- **Transportation System Plan** updates for Washington County, Tualatin, and Wilsonville are currently underway. Washington County will incorporate recommendations from this refinement plan into the County TSP update. The cities of Tualatin and Wilsonville will not incorporate these recommendations into their current TSP updates, but will carry the recommendations into land use concept planning and future TSP updates.

January 2013

### Facility Considerations and Characteristics

At the outset of this effort, agencies articulated a set of considerations to guide selection of the preferred transportation system as well as preferred characteristics of the primary east-west facility through the area.

- **Guiding considerations** included: ability to fund and phase improvements, level of impacts (environmental, right-of-way, etc.), support for development, consistency with regional policy, and traffic operations performance.
- **Facility characteristics** included: for the primary arterial connection, a 45 mph prevailing speed and access spacing of one-half mile to one mile to improve capacity.

### Recommendation

The Policy Advisory Group (PAG), which consists of elected officials and key staff from the project's five partner agencies, recommends the following elements as part of an overall Action Plan (illustrated in Figure 2) for the area.

#### Roadways

The final recommendation is for a combination of new and improved roadways through the Basalt Creek area. The key new roadway through the area is a five-lane east-west extension of SW 124<sup>th</sup> Avenue, aligned south of Tonquin Road and extending east to Boones Ferry Road. The recommendation also includes improvements to existing roadways in the area, such as Tonquin Road, Grahams Ferry Road, Boones Ferry Road, and Day Road.

Protection of right-of-way for the new east-west roadway from the 124<sup>th</sup> Avenue extension to Boones Ferry Road is a key element of this recommendation. Right-of-way protection and purchase will be addressed separately, concurrent with the Basalt Creek land use concept planning.

During the planning process, the City of Wilsonville expressed concern about the structural condition of Day Road (i.e., failing roadway base and resulting pavement deterioration) and its ability to carry freight traffic for further development of industrial lands. While the Basalt Creek Transportation Refinement Plan focused on roadway needs related to capacity, the PAG agreed that the function of the arterial network in the Basalt Creek area includes providing roadways with adequate structural design for regional freight needs. Therefore, the PAG agreed that the project recommendations include a commitment to address the construction, operations, and maintenance of the arterial network through the concept planning process.

#### Overcrossings

The ability to construct two new I-5 overcrossings, including an off-street multi-use path, should be preserved in order to provide for future circulation and connectivity across the Basalt Creek area and into areas east of I-5. These overcrossings are recommended as long-term improvements and are likely not needed until 2035 or later. Forecasts show that the second overcrossing is not needed unless surrounding urban reserve areas east of I-5 and south of I-205 are developed. This refinement plan is neutral on the timing of urban reserves development, and therefore does not specify the timing and order of overcrossing improvements.



### Active Transportation

All improved roadways in the Action Plan include bike lanes and sidewalks consistent with Washington County urban standards. This recommendation also includes integration of the regional Tonquin Trail into the transportation network. Metro, in close coordination the cities of Tualatin, Wilsonville, Sherwood, and Washington and Clackamas counties, led the master planning effort that identified a preferred alignment that travels through the Basalt Creek Planning Area. Roadway cross-sections and right-of-way purchases for the future east-west facility will consider needs for the Tonquin Trail in the design for the railroad overcrossing and improvements to Tonquin Road between Morgan Road and Tonquin Loop Road. Design for the east-west facility should also consider providing an of-street multi-use path that connects to the Tonquin Trail and extends east of I-5. Details of how this multi-use path will be integrated with the east-west facility design will be refined during later land use concept planning.

### Action Plan

The recommended Action Plan consists of 18 transportation investments, shown in Figure 2. Timing of projects was prioritized through an analysis of likely transportation needs in 2020, 2030, and 2035 based on growth assumptions from the adopted Regional Transportation Plan. Because of uncertainty regarding the years during which development in the Basalt Creek Planning Area and surrounding areas will occur, phasing for investments is classified as short-term, medium-term, and long-term. Descriptions of these investments, as well as timing and the funding needed, are shown in Table 1. Cost estimates include right-of-way.

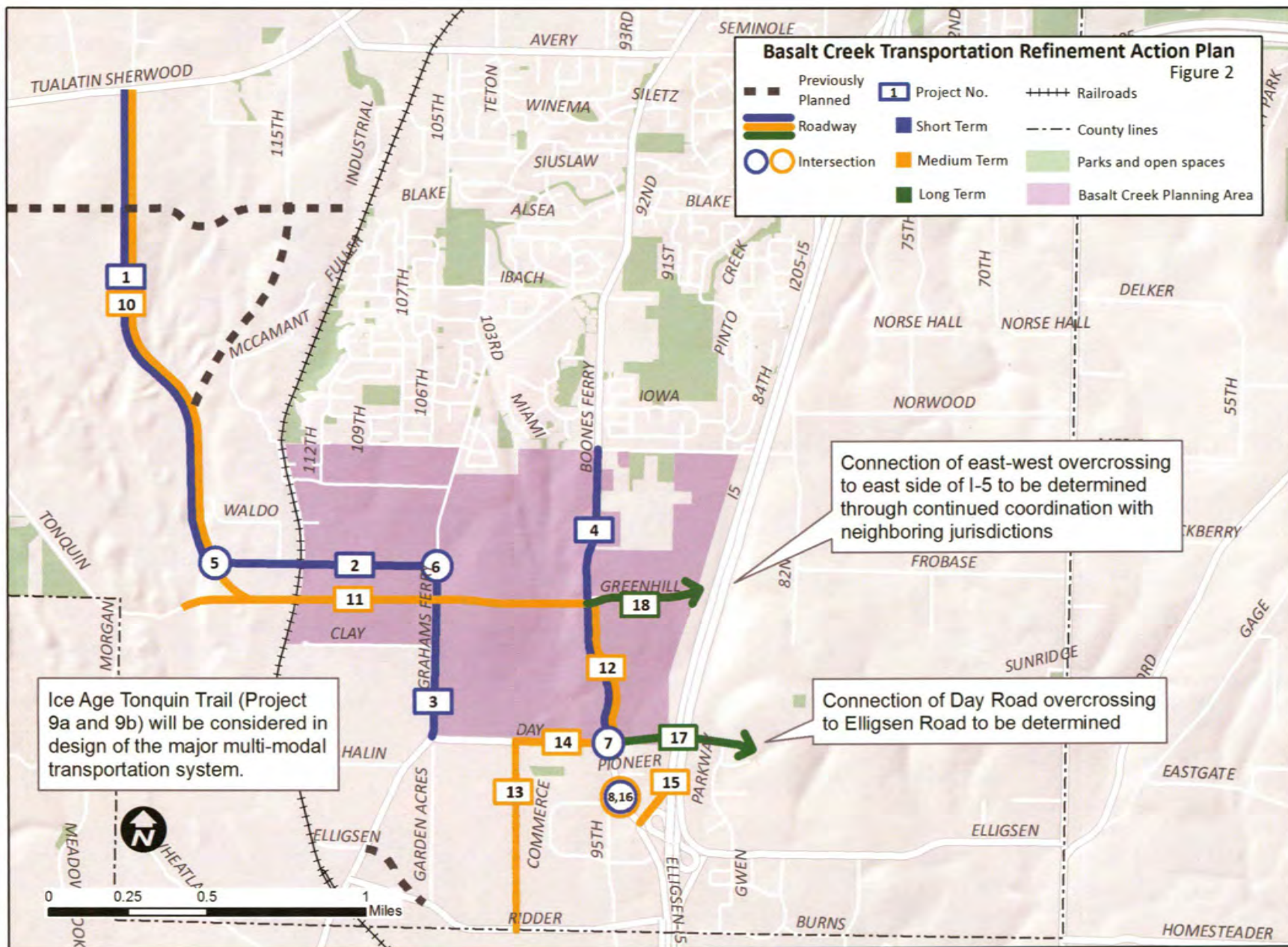
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Table 1: Basalt Creek Action Plan

ID	Project	Short-term	Medium-term	Long-term	Cost (\$2012)
1	124 <sup>th</sup> Avenue Extension (Tualatin-Sherwood Road to Tonquin Road): Construct three lane road extension with bike lanes and sidewalks	x			\$20,000,000
2	Tonquin Road (124 <sup>th</sup> Avenue to Grahams Ferry Road): Widen to three lanes with bike lanes and sidewalks, grade separate at railroad, improve geometry at Grahams Ferry Road <sup>1</sup>	x			\$10,500,000
3	Grahams Ferry Road (Tonquin Road to Day Road): Widen to three lanes with bike lanes and sidewalks	x			\$5,400,000
4	Boones Ferry Road (Norwood Road to Day Road): Widen to three lanes with bicycle and pedestrian improvements	x			\$10,800,000
5	124 <sup>th</sup> Avenue/Tonquin Road Intersection: Signal (may include Tonquin Trail crossing)	x			.. <sup>2</sup>
6	Grahams Ferry Road/Tonquin Road Intersection: Signal	x			\$500,000
7	Boones Ferry Road/Day Road Intersection: Add second southbound through approach lane	x			.. <sup>3</sup>
8	Boones Ferry Road/95 <sup>th</sup> Avenue Intersection: Construct dual left-turn and right-turn lanes; improve signal synchronization, access management and sight distance	x			\$2,500,000
9a	Tonquin Trail (Clackamas County Line to Tonquin Loop Road): Construct multi-use trail with some segments close to but separated from road	x			\$8,900,000 <sup>4</sup>
9b	Tonquin Trail (Tonquin Loop Road to Tualatin-Sherwood Road): Construct multi-use trail with some segments close to but separated from road		x		\$7,100,000 <sup>4</sup>
10	124 <sup>th</sup> Avenue Extension (Tualatin-Sherwood Road to Tonquin Road): Widen from three to five lanes with bike lanes and sidewalks		x		\$14,000,000
11	East-West Arterial (124 <sup>th</sup> Avenue to Boones Ferry Road): Construct 5 lane roadway with railroad and creek crossings, integrate segment of Tonquin Trail <sup>5</sup>		x		\$57,900,000
12	Boones Ferry Road (East-West Arterial to Day Road): Widen to five lanes with bike lanes and sidewalks		x		\$1,100,000
13	Kinsman Road Extension (Ridder Road to Day Street): Construct three lane road extension with bike lanes and sidewalks		x		\$10,400,000
14	Day Road (Kinsman Road to Boones Ferry Road): Widen to five lanes with bike lanes and sidewalks		x		\$5,800,000
15	I-5 Southbound off-ramp at Boones Ferry Road/Elligsen Road: construct second right turn lane		x		\$500,000
16	Boones Ferry Road/95 <sup>th</sup> Avenue Intersection: Access management		x		.. <sup>6</sup>
17	Day Road Overcrossing: Extend new four lane crossing over I-5 from Boones Ferry Road to Elligsen Road			x	\$33,700,000- \$44,100,000 <sup>7</sup>
18	East-West Arterial Overcrossing: Extend new four lane crossing over I-5 from Boones Ferry Road to Stafford Road. Integrate multi-use path in corridor that connects to Tonquin Trail			x	\$38,000,000
TOTAL		\$59M	\$97M	\$72-82M	\$228-238M

<sup>1</sup> Grade separation for Tonquin Road is optional. An at-grade crossing would reduce cost by around \$2,000,000<sup>2</sup> Cost included in Project 1<sup>3</sup> Coordinate with Project 4. Cost of approach lane included in estimate for Project 12<sup>4</sup> Tonquin Trail cost estimated by Metro as part of trail planning effort<sup>5</sup> Project 11 can potentially be built in two phases funded separately, west and east of Grahams Ferry Road. However, traffic benefits needed in the medium term (around 2030) will not be realized unless entire project is completed<sup>6</sup> Project details to be determined by further coordination between City of Wilsonville and ODOT. Cost expected to be minimal<sup>7</sup> Specific alignment approaching Elligsen Road will determine project cost. Alignment to Parkway Center Drive is estimated at \$33,700,000, and alignment to Canyon Creek Road is estimated at \$44,100,000







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Each investment adds important improvements to the major transportation system in the Basalt Creek area to support future development, adding new multimodal facilities and upgrading existing facilities to urban standards. Although not shown on the map, it is expected that future concept planning will identify locations for additional, lower-classification roads and other transportation facilities to serve future development as well.

### Are these new projects?

While cost estimates for the entire recommendation may total as high as \$238,000,000, all of the 18 projects have some relation to investments already planned in the adopted RTP. Table 2 shows projects from the RTP that have overlap or similarity to projects contained in the Action Plan. **Note that many of these projects are different in scope from those contained in the Action Plan, and will have different cost estimates. Future RTP updates may include updated cost estimates from this study.**

Table 2: Related projects from the Regional Transportation Plan

RTP ID	RTP Project	Related Action Plan Projects	Time Period	Cost (\$2007)
10736	124 <sup>th</sup> Avenue: Construct new street from Tualatin-Sherwood Road to Tonquin Road: 5 lanes	1,5,10,11	2008-2017	\$82,500,000
10590	Tonquin Road: Realign and widen to three lanes with bike lanes and sidewalks (Oregon Street to Grahams Ferry Road)	2,6	2018-2025	\$28,406,000
10588	Grahams Ferry Road: Widen to three lanes, add bike/pedestrian connections to regional trail system and fix undersized railroad crossing (Helenius Street to Clackamas County line)	3	2008-2017	\$28,000,000
10732	Boones Ferry Road: Widen to five lanes (Norwood Road to Day Road)	4,7,12	2018-2025	\$40,050,000
10852	95 <sup>th</sup> /Boones Ferry/Commerce Circle Intersection Improvements	8,16	2008-2017	\$2,500,000
10854	Tonquin Trail: Construct multi-use trail with some on-street segments (Tualatin-Sherwood Road to Clackamas County line)	9a,9b	2008-2017	\$3,000,000
10853	Kinsman Road extension with bike lanes and sidewalks (Ridder Road to Day Road)	13	2008-2017	\$6,500,000
11243	Day Road reconstruction to accommodate trucks (Grahams Ferry Road to Boones Ferry Road)	14	2008-2017	\$3,200,000
11342	I-5/99W Connector Southern Arterial/I-5 Interface <sup>1</sup>	15,17,18	2026-2035	\$50,000,000

<sup>1</sup> Construction of projects specifically related to the I-5/99W Connector Southern Arterial, such as the I-5 interface, are contingent on certain project conditions being met. See Regional Transportation Plan for details.



## Policy and Plan Updates

Recommendations in this plan allow new concept planning efforts to move forward and provide guidance for updates of existing transportation plans.

### Basalt Creek and West Railroad Area Concept Planning

The transportation system recommended in this plan becomes the framework for more detailed land use concept planning of the Basalt Creek Planning Area and West Railroad Planning Area by the cities of Tualatin and Wilsonville. Key recommendations to be carried forward during concept planning include:

- Protection of the major transportation facility corridors from development encroachment.
- Coordination of the local transportation system with the transportation investments included in this plan (unless amended by the parties of this study). Each roadway in the Basalt Creek area has access spacing standards that protect the safety and operations of the system, and these standards help determine appropriate local street connections. The new east-west facility is limited to accesses at 124<sup>th</sup> Avenue, Grahams Ferry Road, and Boones Ferry Road.
- Detailed concept planning in the Basalt Creek area should consider multi-use path connections to the Tonquin Trail that emphasize directness and minimize conflicts, enhancing bicycle and pedestrian access to new residential and employment areas. In the West Railroad area, concept planning will also include sections of the Tonquin Trail.

### Regional Transportation Plan

In many cases, this transportation refinement plan provides new detail and cost estimates for projects that are already in the adopted RTP. These refined project descriptions, cost estimates, and timing considerations should be considered when projects are forwarded to Metro for the next RTP update. Examples of RTP projects that overlap with projects in this refinement plan include:

- 10590 (Tonquin Road). Action Plan project #2 includes a grade-separated railroad crossing, which is not included in the RTP project description.
- 10852 (95<sup>th</sup>/Boones Ferry/Commerce). Action Plan projects 8 and 16 will require further coordination with ODOT to determine geometry and timing of intersection improvements.
- 11243 (Day Road). Action Plan project #14, which widens part of Day Road, should also upgrade the roadway structure and pavement conditions to accommodate increasing heavy truck volumes. Although project #14 applies only to the section of Day Road between Kinsman Road and Boones Ferry Road, funding of roadway reconstruction between Kinsman Road and Grahams Ferry Road should also be discussed as part of land use concept planning.
- 10854 (Tonquin Trail). Action Plan projects #2, #5, #11 all need to consider Tonquin Trail in their design, including most recent alignment information and cost estimates from the trail master plan.

### Washington County TSP Update

Most of the projects included in the Action Plan are new facilities in unincorporated Washington County or improved facilities already under County jurisdiction. An amendment to update the Washington County TSP will be done in 2013 to incorporate the descriptions, cost estimates, and timing of these projects.

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### Tualatin and Wilsonville TSP Updates

The Cities of Tualatin and Wilsonville are also currently updating their transportation system plans. However, because concept planning for Basalt Creek will include agreement on the future city limit boundary between the two cities, as well as more detailed transportation network considerations, the projects included in this plan will not be incorporated as part of the current TSP updates. Future TSP updates may reflect elements from this refinement plan by amending project lists, maps, and funding strategies.

### Funding

Funding for some short-term Action Plan projects has already been programmed by Washington County through their Major Streets Transportation Improvement Program (MSTIP). This includes \$16.9 million (\$10.9 million in MSTIP funding and \$6 million from other sources) for an interim two-lane extension of SW 124<sup>th</sup> Avenue from Tualatin-Sherwood Road to Tonquin Road. It also includes an additional \$10 million for right-of-way purchase or other improvements from the list identified by this Plan. Washington County has also provided \$11 million in funding for the current Boones Ferry Road improvement project.

While this recommendation does not identify a specific overall funding strategy for the Action Plan, there are many existing revenue sources that may be used to fund the recommended investments.

**Many are subject to a state or regionally competitive process where success can hinge on having a broadly supported plan in place.**

The revenue sources listed below form the basis of the financially constrained Regional Transportation Plan and related project list, which already contains many of the recommended Basalt Creek investments. The RTP assumes federal, state, and local sources, all of which will be key to funding the Action Plan.

### Federal

Based on MAP-21<sup>2</sup> legislation, sources may include:

- **National Highway Performance Program (NHPP).** These funds are intended for rehabilitation and expansion of principal arterials, especially those with important freight functions.
- **Regional Surface Transportation Program (STP) funds.** These funds may be used for virtually any transportation purpose short of building local residential streets.
- **Congestion Mitigation/Air Quality (CMAQ) funds.** These funds typically support biking, walking, and transit projects, and other projects that help to achieve air quality standards.
- **Transportation Alternatives (TA) funds.** TA takes the place of previous programs such as Transportation Enhancements and Recreational Trails, and may be used to fund a variety of non-motorized projects.

<sup>2</sup> For more information see <http://www.fhwa.dot.gov/map21/>



These funds are allocated to projects through a state or regionally managed competitive process for inclusion in the Metropolitan Transportation Improvement Program (MTIP) and the State Transportation Improvement Program (STIP).

### State

State sources include the statewide gas tax, vehicle registration fees, and weight-mile taxes on trucks. These funds typically go to road and bridge maintenance projects, but funding for projects of regional significance, such as those provided by Oregon House Bill 2001 Jobs and Transportation Act (JTA), may be made available for modernization. Again, having a plan in place allows projects to access funds when new funding opportunities become available.

### Local

A variety of local funding sources are available, although some, such as urban renewal and local improvement districts, are subject to approval. Sources may include:

- Washington County Major Streets Transportation Improvement Program (MSTIP)
- Local portion of State Highway Trust Fund
- Local gas tax
- Transportation System Development Charges (SDCs) or Transportation Development Taxes (TDTs) levied on new development
- Urban renewal funding
- Developer contributions
- Local improvement districts (LIDs)



At their meeting on February 25, 2009, the PSC agreed on the following conditions as amended from those presented to them in the Alternative 7 Recommendation Memorandum dated February 17, 2009 to accompany the RTP recommendation of Alternative 7:

1. **Future phasing plans for implementing Alternative 7 projects must take into consideration the transportation, environmental, and economic impacts of advancing some improvements sooner than others.** The sequencing of affordable improvements should be done in a manner that does not create new transportation problems or liabilities for the vitality of affected jurisdictions.
2. **The timing and priority of an I-5 corridor study must be considered in the RTP adoption process for Alternative 7.** The connector project development process emphasized the need for a corridor study along I-5 from Portland to the Willamette River. The results of this study may affect the timing and designs of some improvements within Alternative 7.
3. **Access between I-5 and the southern arterial must be resolved.** Additional study is required to fully understand the impacts and trade offs between transportation solutions and land use, economic and environmental consequences of a new southern arterial. The impacts on rural lands are of particular importance and must be further evaluated before pursuing an exceptions process. The study area may need to be expanded to include connections to Stafford Road and additional areas along the OR 99W corridor that were not included in the alternatives analysis. The alternatives analysis process determined the general corridor location for the new southern arterial. However, additional preliminary engineering and planning work is needed to determine the optimal access option and configuration for connecting the southern arterial to I-5, OR 99W, and other arterials in the expanded study area. Construction of the southern arterial should be conditioned on defining the I-5 improvements needed to accommodate it and ensuring no negative impacts to I-5 and I-205 occur beyond the forecast No-Build condition as a result of Alternative 7. Options to be explored include modifying the I-5/North Wilsonville Interchange into a tight split-diamond interchange, or extending a new arterial connection crossing over I-5 and connecting to Stafford Road and/or Elligsen Road on the east side of I-5 for regional traffic benefits.
4. **Completion and construction of major project elements is subject to compliance with the National Environmental Policy Act (NEPA) and design refinement.** The Alternative 7 concept provides only the general locations and functional characteristics of new transportation facilities. A fully collaborative public/agency involvement and environmental analysis process must be conducted in developing the design details of any major construction element of Alternative 7. Subsequent project development work will need to define the actual alignments and designs of each of these facilities within the framework of these general parameters. On-going coordination with the Tualatin River National Wildlife Refuge must also occur to ensure optimum compatibility of Alternative 7 elements with refuge objectives.
5. **Land Use Concept Planning for UGB expansion areas should be coordinated with the refinement of these transportation recommendations.**
6. **The design of the southern arterial; must incorporate any conditions that may come out of land use goal exceptions processes (if required) by Metro, Washington County, and Clackamas County.** Portions of Alternative 7 may require exceptions under state land use goals that have not yet been studied or approved in order to be adopted in the RTP and to achieve needed federal and jurisdictional approvals. The extent of this issue may be affected by Metro's coming decisions on rural/urban land use reserves. Portions of proposed new transportation facilities are outside Metro's jurisdictional boundaries and will require coordination of actions between Metro and other affected jurisdictions. Possible design requirements may include forms of access management and land use control measures.
7. **State highway system routing and ODOT mobility standards must be key considerations in the design and future ownership of improvements within Alternative 7.** Current RTP assumptions are that a new limited-access connector would be built between I-5 and 99W, and that this roadway would become the new state route, possibly replacing OR 99W through Tigard. Alternative 7 does not result in



a limited-access connector, which may result in OR 99W remaining the designated state highway route through Sherwood, King City and Tigard.

8. **Strategic protection of right-of-way should be considered by agencies for the Alternative 7 elements within the UGB and along potential alignments where land development could conflict with the future implementation of corridor improvements.** Protective measures could include property setbacks, dedication of right-of-way, specific acquisition(s), and/or right-of-way purchases within the UGB consistent with NEPA process.

Following agreement on the above conditions, PSC representatives of Washington County, ODOT, Metro, and the cities of Tualatin and Sherwood voted in favor of recommending Alternative 7 with the conditions as amended above. PSC representatives of the City of Wilsonville and Clackamas County voted against this recommendation.

**INTERGOVERNMENTAL AGREEMENT  
BETWEEN METRO, WASHINGTON COUNTY, AND THE CITIES OF TUALATIN AND  
WILSONVILLE FOR CONCEPT PLANNING THE URBAN GROWTH BOUNDARY  
EXPANSION AREAS KNOWN AS THE "BASALT CREEK" AND "WEST  
RAILROAD" PLANNING AREAS**

This Intergovernmental Agreement (IGA) is entered into by the following parties: METRO, the Portland area metropolitan service district; WASHINGTON COUNTY, a political subdivision in the State of Oregon, hereinafter referred to as "COUNTY"; and the CITY OF TUALATIN and CITY OF WILSONVILLE, incorporated municipalities of the State of Oregon, hereinafter referred to as "CITIES".

Whereas, in 2004 METRO's Council added two areas known as the Basalt Creek and West Railroad Planning Areas, located generally between the CITIES, to the Urban Growth Boundary (UGB) for industrial uses, via Metro Ordinance No. 04-1040B; and

Whereas, METRO conditioned that these UGB expansion areas undergo Title 11 concept planning as defined in Metro Code Chapter 3.07, cited as the Urban Growth Management Functional Plan ("UGMFP"), and that the concept planning be in accordance with Exhibit F of Metro Ordinance 04-1040B; and

Whereas, on June 10, 2010 the METRO Council adopted its 2035 Regional Transportation Plan ("2035 RTP") via Metro Ordinance 10-1241B, with a Project List including an extension of SW 124<sup>th</sup> Avenue (Project #10736) south of SW Tualatin-Sherwood Road and several projects related to the proposed I-5 to Hwy 99W Connector Project Alternative 7 "Southern Arterial", which is planned as a continuous east-west roadway between I-5 and Hwy 99W passing through the subject UGB expansion areas; and

Whereas, in recognition of the immediate needs of the region, the parties of this IGA support the extension of SW 124<sup>th</sup> Avenue from Tualatin-Sherwood Road to the vicinity of Tonquin Road, and ultimately to Boones Ferry Road via an east-west alignment yet to be determined through the planning efforts initiated pursuant to this IGA; and

Whereas, METRO has allocated \$365,000 of Construction Excise Tax funding to CITIES to pay for Concept Planning in the subject area; and

Whereas, COUNTY and CITIES have agreed to consider both areas in a single concept planning effort, and to refer to the two subject UGB expansion areas generally as the "Basalt Creek Planning Area;" and

Whereas, COUNTY currently has primary planning responsibility in the subject area; and



IGA for Basalt Creek Concept Planning – METRO/CITIES/COUNTY  
May 17, 2011  
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Whereas, COUNTY and CITIES wish to work together to complete integrated land use and transportation system concept planning to assure carefully planned development in the Basalt Creek Planning Area that will be of benefit to COUNTY, CITIES, and their residents; and

Whereas, Oregon Statewide Planning Goal 1 requires public involvement and Goal 2 requires intergovernmental coordination, this IGA is intended to indicate to private property owners in the area, METRO, the State of Oregon, and all other interested parties the cooperative nature of the planning effort being undertaken by the CITIES and COUNTY for the Basalt Creek Planning Area; and

Whereas, COUNTY and the CITIES anticipate amending existing Urban Planning Area Agreements (UPAAs) between the CITIES and the COUNTY to reflect the future limits of each city and to establish requirements for transfer of planning authority to the respective city.

Now, therefore, COUNTY, the CITIES, and METRO agree as follows:

**A. Subject Land Area**

1. The Basalt Creek Planning Area subject to this IGA is depicted on Exhibit 1.

**B. Agency Roles and Responsibilities**

1. COUNTY will:
  - a. Allow CITIES to jointly take the lead in managing concept planning of the Basalt Creek Planning Area, in coordination with COUNTY, METRO, and the Oregon Department of Transportation ("ODOT"), recognizing that the CITIES will complete the concept planning in compliance with Title 11 of the UGMFP and the CITIES will ultimately be responsible for providing urban level services and governance to the area. The foregoing statement does not create or imply any obligation on the part of the CITIES under this agreement to fund right-of-way acquisition or to construct the I-5/99W "Southern Arterial."
  - b. Retain planning authority for the Basalt Creek Planning Area until such authority is transferred to the CITIES, pursuant to the terms of UPAAs with each city, as amended pursuant to Section D of this IGA.
  - c. In coordination with the parties to this IGA and ODOT, provide funding, establish a scope of work, retain a consultant, and provide project management services for planning of the major roadway system in the Basalt Creek Planning Area, including preliminary project development for the SW 124<sup>th</sup> Avenue extension project from Tualatin-Sherwood Road to SW Boones Ferry Road, whether following existing right-of-way alignments



or new right-of-way alignments, which may include portions of an east-west arterial that is consistent with the future "Southern Arterial" elements outlined in the 2035 RTP.

It is acknowledged that the RTP requires compliance with specific conditions before the construction of the "Southern Arterial." Consistency with the "Southern Arterial" elements of the RTP can be assured only when the conditions related to the "Southern Arterial" have been fully addressed. However, due to the immediate needs of the region in the interim period, the RTP allows the extension of SW 124<sup>th</sup> Avenue, as described in the paragraph above, to be completed with minimal extra conditions.

In an effort to provide timely answers to the property owners in the Basalt Creek Planning Area, a sufficient amount of this study must be complete within six (6) months following the effective date of this IGA in order to allow the Cities to begin concept planning. Accordingly, this task is budgeted to last for up to six (6) months. As part of the transportation planning effort, COUNTY will address the following in coordination with the CITIES, METRO and ODOT:

- i. The conditions related to the 'Southern Arterial' in the METRO 2035 RTP (as described in Exhibits 2, 3, and 4), as applicable;
  - ii. Strategies for maintaining freight access to and freight mobility within the planning area;
  - iii. Potential I-5/Elligsen Road interchange improvements, including a split-diamond interchange option;
  - iv. Potential I-5 overcrossing north of Elligsen Road interchange; without a direct connection to I-5, which does not preclude arterial options on the east side of I-5; and
  - v. Potential roadway connections directly to I-5, subject to satisfaction of applicable 2035 RTP conditions.
- d. Consider acquisition of right-of-way and/or construction of portions of the SW 124<sup>th</sup> Avenue extension project improvements as described in Paragraph B.1.c. above, subject to availability of funding.
- e. In order to preserve the ability for a future potential roadway connection, consider acquisition of right-of-way for a potential future east-west arterial roadway connection between SW Boones Ferry Road and I-5, subject to availability of funding. It is acknowledged that no new east-west roadway may be constructed between SW Boones Ferry Road and I-5 until applicable RTP "Southern Arterial" conditions have been satisfied.
- f. In coordination with CITIES, consider potential funding and/or construction of permanent or interim improvements to the existing roadway network in



and adjacent to the planning area prior to funding and/or construction of the "Southern Arterial."

**2. CITIES will:**

- a. Assume primary project management responsibility for concept planning of the Basalt Creek Planning Area, in coordination with COUNTY and METRO, effective as of the date of execution of this IGA. Concept planning shall conform to Metro UGMFP Title 11 requirements in effect when the subject planning areas were added to the Urban Growth Boundary.
- b. Mutually agree upon a future city limit boundary through the concept planning process.
- c. Incorporate into the final Basalt Creek Concept Plan and any city comprehensive plans, transportation plans and/or implementing regulation amendments those major transportation facilities identified by COUNTY, in collaboration with METRO, CITIES, and ODOT, pursuant to B.1. above. CITIES shall incorporate into their amended plans and regulations reasonable measures to identify and assist in the protection of the approved major transportation facility corridors from development encroachment in order to implement the final Basalt Creek Concept Plan as agreed upon by the parties to this IGA. The parties to this IGA acknowledge that such reasonable protection measures are subject to constitutional limitations on property takings, and are not intended to require the CITIES to in any way violate constitutional property protections or to incur a financial obligation to purchase right-of-way to preserve the identified transportation corridors. It is acknowledged by the parties to this IGA that construction of some new roadway facilities may be subject to the conditions set forth in the RTP relative to the proposed I-5 to 99W Connector Project Alternative 7 Southern Arterial (refer to Exhibits 2, 3, and 4).

**3. METRO will:**

- a. Provide CET funding to CITIES for concept planning activities in the subject planning area.
- b. Participate in ongoing concept and transportation planning efforts with COUNTY and CITIES as warranted.

**C. Coordination of Concept Planning Activities**

**1. COUNTY and CITIES shall:**

- a. Engage in a facilitated concept plan partnering and scoping session following the execution of this IGA.



- b. Provide all parties to this IGA and ODOT with appropriate opportunities for participation, review and comment on the proposed concept planning efforts. The following procedures shall be followed by the CITIES and the COUNTY to notify and involve the other parties in the process to prepare the concept plan:
  - i. COUNTY and the CITIES shall transmit notice of meetings related to the concept plan to all parties to this IGA at least one week prior to the scheduled meeting. This includes any technical advisory committee meetings, open houses, Planning Commission or Planning Advisory Committee meetings, City Council or Board of Commissioner meetings and similar meetings, etc.
  - ii. The CITIES or COUNTY shall notify the other parties no less than forty-five (45) days prior to the initial public hearing for proposed comprehensive plan, transportation plan or implementing regulation amendments.
  - iii. The CITIES shall transmit draft documents to COUNTY for its review and comment before finalizing. COUNTY shall have ten (10) business days after receipt to submit comments in writing. Lack of response shall be considered "no objection" to the drafts.
  - iv. The CITIES shall respond to the comments made by COUNTY either by a) revising the draft document, or b) by letter to COUNTY explaining why the comments are not addressed in the documents.
  - v. Comments from the COUNTY shall be given consideration as part of the public record on the concept plan.
2. COUNTY shall provide the CITIES with notice of development actions requiring notice within the Concept Plan area, according to the following procedures:
  - a. The COUNTY shall send by first class mail or as an attachment to electronic mail a copy of the public hearing notice which identifies the proposed development action to the other agency, at the earliest opportunity, but no less than ten (10) business days prior to the date of the scheduled public hearing. The failure of the CITIES to receive a notice shall not invalidate an action if a good faith attempt was made by the COUNTY to notify the CITIES.
  - b. The CITIES receiving the notice may respond at their discretion.
3. In addition to the above, COUNTY shall make reasonable efforts to provide the CITIES with copies of pre-application conference notes regarding potential



development applications within the subject planning area, as well as encouraging all potential development applicants to contact the CITIES for additional information on the concept planning efforts.

**D. Urban Planning Area Agreements (UPAAs)**

1. Both the CITIES have UPAAs with COUNTY that will have to be amended upon adoption of the final Basalt Creek Concept Plan, as agreed upon by the parties to this IGA.
2. The CITIES and COUNTY agree that the amended UPAAs will reflect which areas within the Basalt Creek Planning Area will be governed by which city, as determined through the concept planning process, and that the respective areas will be under the CITIES respective jurisdictions, and not the COUNTY, as the areas urbanize.
3. The amended UPAAs will specify conditions to be met prior to COUNTY transfer of planning authority to each of the CITIES, such as adoption of comprehensive plans, transportation plans and/or implementing regulation amendments by each of the CITIES necessary to implement the final Basalt Creek Concept Plan, as agreed upon by the parties to this IGA.
4. It is recognized that COUNTY adopts annual land use and transportation work programs, and this concept planning effort will require coordination to fit within the work program of COUNTY.

This IGA shall become effective upon full execution by all parties. The effective date of this IGA shall be the last date of signature on the attached signature pages. This IGA shall be in effect until the CITIES and COUNTY amend their respective UPAAs and incorporate the Basalt Creek Concept Plan into each CITIES respective comprehensive plans or until 5 years following the execution of this IGA, whichever occurs earlier.

**Attachments:**

- Exhibit 1 – Plan Areas Map
- Exhibit 2 – Excerpt from Regional Transportation Plan
- Exhibit 3 – Regional Transportation Plan Appendix 3.3 (I-5/99W Conditions)
- Exhibit 4 – Excerpt from Regional Transportation Plan Project List

*(Four separate signature pages follow)*


**CITY COUNCIL MEETING  
STAFF REPORT**

<b>Meeting Date:</b>  August 5, 2013	<b>Subject: Ordinance No. 722</b> Amending Ordinance No. 713 and the Traffic Code to Clarify the Duration for Overnight Parking of Certain Vehicles on Public Streets  <b>Staff Member: Michael Kohlhoff</b> <b>Department: Legal</b>	
<b>Action Required</b> <input type="checkbox"/> Motion <input type="checkbox"/> Public Hearing Date: <input checked="" type="checkbox"/> Ordinance 1 <sup>st</sup> Reading Date: <input type="checkbox"/> Ordinance 2 <sup>nd</sup> Reading Date: <input type="checkbox"/> Resolution <input type="checkbox"/> Information or Direction <input type="checkbox"/> Information Only <input type="checkbox"/> Council Direction <input type="checkbox"/> Consent Agenda	<b>Advisory Board/Commission Recommendation</b> <input checked="" type="checkbox"/> Approval <input type="checkbox"/> Denial <input type="checkbox"/> None Forwarded <input type="checkbox"/> Not Applicable  <b>Comments:</b>	
<b>Staff Recommendation:</b> Approve Ordinance No. 722.		
<b>Recommended Language for Motion:</b> I move to approve Ordinance No. 722 on first reading.		
<b>PROJECT / ISSUE RELATES TO:</b> <i>[Identify which goal(s), master plans(s) issue relates to.]</i>		
<input type="checkbox"/> Council Goals/Priorities	<input type="checkbox"/> Adopted Master Plan(s)	<input checked="" type="checkbox"/> Not Applicable

**ISSUE BEFORE COUNCIL:**

Whether or not to amend Ordinance No. 713, enacted in January 2013, in order to clarify the duration of time allowed for the overnight parking of motor trucks with a gross vehicle weight of more than 8,000 pounds, including trailers, travel trailers, or mobile coaches recreational vehicles, mobile trailer, and like vehicles on public streets.



**EXECUTIVE SUMMARY:**

Based on citizen requests and complaints City Council enacted Ordinance No. 713 to allow for the limited duration overnight parking of the above described vehicles on public streets in order to facilitate loading or unloading of such vehicle. In an attempt to balance the desires of the vehicle owners or users against neighborhood complaints of parking issues and sleeping overnight in such vehicles, versus the owner's convenience for a reasonable time for loading and unloading, City Council enacted Ordinance No. 713 which now allows for such vehicles to be parked overnight for loading or unloading purposes only. A recreational vehicle owner was recently ticketed for being parked on the public street for two (2) consecutive nights. The owner protested the tickets and argued that he was loading the vehicle on the first night and then unloading it on the second night, following a one day trip. To clarify and give clearer direction to citizens and the police, proposed Ordinance No. 722 would amend Ordinance 713 and WILSONVILLE CODE CHAPTER 5, SECTION 5.210 to clarify that the total time allowed to accommodate the loading/unloading, or a combination of both, shall not exceed 48 hours and that at any time thereafter the vehicle will be subject to ticketing and/or towing, in accordance with Code requirements.

**EXPECTED RESULTS:**

Resolve a point of confusion for the benefits of citizens and the City's enforcement officers.

**TIMELINE:** N/A**CURRENT YEAR BUDGET IMPACTS:** N/A**FINANCIAL REVIEW / COMMENTS:**

Reviewed by: \_\_\_\_JEO\_\_\_\_ Date: \_\_7/23/13\_\_  
No financial impact.

**LEGAL REVIEW / COMMENT:**

N/A Proposed for adoption by legal

**COMMUNITY INVOLVEMENT PROCESS:**

None other than response to a citizen complaint and Police Chief's request for clarification.

**POTENTIAL IMPACTS or BENEFIT TO THE COMMUNITY:**

A better balancing of interests and a clear standard for enforcement.

**ALTERNATIVES:** Do not amend.**CITY MANAGER COMMENT:** None**ATTACHMENTS**

A. Ordinance No. 722.

## ORDINANCE NO. 722

### AN ORDINANCE OF THE CITY OF WILSONVILLE AMENDING WILSONVILLE CODE CHAPTER 5, SECTION 5.210, PROHIBITED PARKING OR STANDING

WHEREAS, Wilsonville Code Section 5.200 prohibits the storage of motor vehicles or other property on the street for a period in excess of seventy-two (72) hours, without moving at least three vehicle lengths away; and

WHEREAS, Wilsonville Code Section 5.210(2) further prohibits the parking of motor trucks with a gross vehicle weight of more than 8,000 pounds, trailers, travel trailers, or mobile coaches on a street between the hours of 9:00 p.m. and 7:00 a.m. of the following day in front of or adjacent to a residence, motel, apartment, hotel, or other sleeping accommodation; and

WHEREAS, the Council has received citizen testimony that Section 5.210(2) of the Wilsonville Code fails to accommodate events and arrivals and the unloading or loading the next day, and the Council believes the health and welfare of the citizenry is better served for Section 5.210(2) to be amended to accommodate this circumstance;

NOW, THEREFORE, THE CITY OF WILSONVILLE ORDAINS AS FOLLOWS:

- I. Wilsonville Code Chapter 5, Section 5.210, Prohibited Parking or Standing, and subsection (2) shall be amended to read as follows:

**5.210 Prohibited Parking or Standing.** In addition to the state motor vehicle laws, the following regulations regarding parking or standing of the below-described vehicles apply:

\* \* \*

(2). No motor truck with a gross vehicle weight of more than 8,000 pounds, truck trailer, motor bus, recreational vehicle, or utility trailer shall be parked on a street between the hours of 9:00 p.m. and 7:00 a.m. of the following day in front of or adjacent to a residence, motel, apartment, hotel or other sleeping accommodation, except

- (a). as may otherwise be specifically adopted by action of the City Council, or
- (b). to accommodate only the loading/unloading of property belonging to the occupants of or performing a service on the adjacent residence and in



such case, no sleeping is allowed at any time and the maximum period allowed to accomplish performance of the service or such loading, unloading, or a combination of both, shall not exceed 48 hours, thereafter subject to ticketing and/or towing in accordance with Code requirements for any time beyond this maximum service, loading/unloading period.

SUBMITTED to the Wilsonville City Council and read for the first time at a regular meeting thereof on the 5th day of August, 2013, and scheduled for a second reading at a regular meeting of the City Council on the \_\_\_\_ day of \_\_\_\_\_, 2013, commencing at the hour of 7 p.m. at the Wilsonville City Hall.

\_\_\_\_\_  
Sandra C. King, MMC, City Recorder

ENACTED by the City Council on the \_\_\_\_ day of \_\_\_\_\_, 2013, by the following votes:            Yes: \_\_\_\_            No: \_\_\_\_

DATED and signed by the Mayor this \_\_\_\_ day of \_\_\_\_, 2013.

\_\_\_\_\_  
TIM KNAPP, MAYOR

**SUMMARY OF VOTES:**

Mayor Knapp  
Council President Starr  
Councilor Goddard  
Councilor Fitzgerald  
Councilor Stevens


**CITY COUNCIL MEETING  
 STAFF REPORT**

<b>Meeting Date:</b>  August 5, 2013	<b>Subject: Resolution No. 2436</b> Addendum No. 6, Matrix Development Agreement, a Previous Agreement Between Multiple Parties for a Portion of Villebois Village  <b>Staff Member:</b> Nancy Kraushaar, PE <b>Department:</b> Community Development	
<b>Action Required</b> <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Public Hearing Date: <input type="checkbox"/> Ordinance 1 <sup>st</sup> Reading Date: <input type="checkbox"/> Ordinance 2 <sup>nd</sup> Reading Date: <input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Information or Direction <input type="checkbox"/> Information Only <input type="checkbox"/> Council Direction <input type="checkbox"/> Consent Agenda	<b>Advisory Board/Commission Recommendation</b> <input checked="" type="checkbox"/> Approval <input type="checkbox"/> Denial <input type="checkbox"/> None Forwarded <input type="checkbox"/> Not Applicable  <b>Comments:</b>	
<b>Staff Recommendation:</b> Staff recommends approval of Resolution No. 2436.		
<b>Recommended Language for Motion:</b> I move to adopt Resolution No. 2436.		
<b>PROJECT / ISSUE RELATES TO:</b> <i>[Identify which goal(s), master plans(s) issue relates to.]</i>		
<input type="checkbox"/> Council Goals/Priorities	<input checked="" type="checkbox"/> Adopted Master Plan(s) Parks Master Plan	<input type="checkbox"/> Not Applicable

**ISSUE BEFORE COUNCIL:**

Council action is needed to approve Addendum No. 6.

Addendum No. 6 documents the responsibilities to be undertaken by a new party (Lennar Northwest, Inc.) when they acquire property that is subject to the existing development agreement and certain amending Addendums and Reimbursement Districts. It also clarifies



pertinent City and URA obligations. See attached Location Map that shows the property in Villebois Village.

**EXECUTIVE SUMMARY:**

In 2004, the City and the URA entered into the Matrix Development Agreement with Matrix Development Corporation and several property owners. The agreement addresses the subject parties' obligations regarding the development of portions of the Villebois Village Master Plan.

That agreement was since amended by Addenda Nos. 1, 2, 3, 4 and 5 as approved by the City Council and Urban Renewal Agency. These addenda were needed to address refinements to financial, construction, and maintenance roles and responsibilities for infrastructure and parks. The addenda also added new parties to the agreement.

Addendum No. 6 has now been prepared to address the responsibilities of Lennar Northwest, Inc. (Lennar) in anticipation of their development of property that is subject to the Matrix Development Agreement. Addendum No. 6 applies to the City, the URA, and Lennar and clarifies their respective obligations once Lennar receives permit approvals to develop the portion of the Villebois Village Master Plan referred to as Special Area Plan East, Preliminary Development Plan 2 (SAP-E, PDP-2). Addendum No. 6 addresses the parties' obligations for financing, reimbursement, and construction for parks, roads, sewer, and water improvements.

**EXPECTED RESULTS:**

The Addendum No. 6 agreement prepares the parties for further development of the Villebois Village Master Plan and assures that Lennar, the City, and the URA have agreed and committed to their obligations.

**TIMELINE:**

Lennar anticipates construction of the subdivision infrastructure to begin summer 2013, with completion in 2014.

**CURRENT YEAR BUDGET IMPACTS:**

The City's financial requirements in Addendum No. 6 are estimated at \$97,840 and are included as CIP project No. 4106 (\$224,000 budget) in FY 2013-14.

**FINANCIAL REVIEW / COMMENTS:**

Reviewed by:    JEO    Date:    7/25/13   

This amendment to the development agreement documents a change in responsible parties.

**LEGAL REVIEW / COMMENT:**

Reviewed by:    MEK    Date:    7/25/2013   

Resolution approved as to form

**COMMUNITY INVOLVEMENT PROCESS:**

Public outreach specific to the Addendum No. 6 agreement was not undertaken as it is a financing agreement affecting the development of a subdivision previously approved through a public hearing process. The outcomes of the documented obligations are consistent with the adopted Villebois Village Master Plan, also approved through a public hearing process..

**POTENTIAL IMPACTS or BENEFIT TO THE COMMUNITY:**

The Addendum No. 6 agreement allows for continuation of public and private partnering for the financing and construction of public improvements in Villebois that are consistent with the adopted master plan and subdivision plan and will benefit existing and future Villebois residents as well as the Wilsonville community (residents, visitors, students, and the business community) who use the park, road, water, and sewer improvements in the area.

**ALTERNATIVES:**

Not applicable.

**CITY MANAGER COMMENT:****ATTACHMENTS**

- A. Resolution No. 2436
- B. Addendum No. 6 to the Development Agreement, plus Exhibits 1, 2 and 3.



## **RESOLUTION NO. 2436**

**A RESOLUTION OF THE CITY OF WILSONVILLE AUTHORIZING ADDENDUM NO. 6 TO THE DEVELOPMENT AGREEMENT OF JUNE 14, 2004 BY AND BETWEEN THE CITY OF WILSONVILLE, THE URBAN RENEWAL AGENCY OF THE CITY OF WILSONVILLE, MATRIX DEVELOPMENT CORPORATION, PROPERTY OWNERS DONALD E. BISCHOF & SHARON L. LUND, ARTHUR C. & DEE W. PICULELL, THE DeARMOND FAMILY LLC, LOUIS J. & MARGARET P. FASANO, AND VALERIE & MATTHEW KIRKENDALL**

WHEREAS, Lennar Northwest, Inc. (Lennar) has purchasing a certain parcel of land from Wells Fargo Bank (Wells Fargo); and

WHEREAS, this land was originally optioned by Matrix Development Corporation (Matrix) along with other land purchased and optioned by Matrix, all of which was subject to the Matrix Development Agreement for the development of all the property acquired and optioned. Due to a bankruptcy reorganization, the optioned land went back to the owners, including REDUS OR Lands, Inc. (the property group of Wachovia Financial), later acquired by Wells Fargo; and

WHEREAS, the City of Wilsonville (City), the Urban Renewal Agency of the City of Wilsonville (URA), and Lennar desire to enter into Addendum No. 6 to the Matrix Development Agreement to provide for the infrastructure for the proposed subdivision development by Lennar of the Wells Fargo property into an 88 lot subdivision known as Special Area Plan East, Preliminary Development Plan 2 (SAP-E, PDP-2) of the amended Villebois Village Master Plan; and

WHEREAS, Lennar has applied for subdivision development approval, in keeping with the amended Villebois Village Master Plan, and entry into this Addendum 6 will assist in developing the subdivision in an efficient and timely manner;

NOW, THEREFORE, THE CITY OF WILSONVILLE RESOLVES AS FOLLOWS:

1. The recitals above are incorporated by reference as if fully set forth herein.
2. The City Manager is authorized to execute Addendum 6 to the Matrix Development Agreement on behalf of the City, a copy of which is attached hereto as Exhibit A and incorporated by reference as if fully set forth herein.
3. This resolution becomes effective upon the date of adoption.

ADOPTED by the Wilsonville City Council at a regular meeting thereof this 5<sup>th</sup> day of August, 2013, and filed with the Wilsonville City Recorder this date.

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TIM KNAPP, MAYOR

ATTEST:

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Sandra C. King, MMC, City Recorder

SUMMARY OF VOTES:

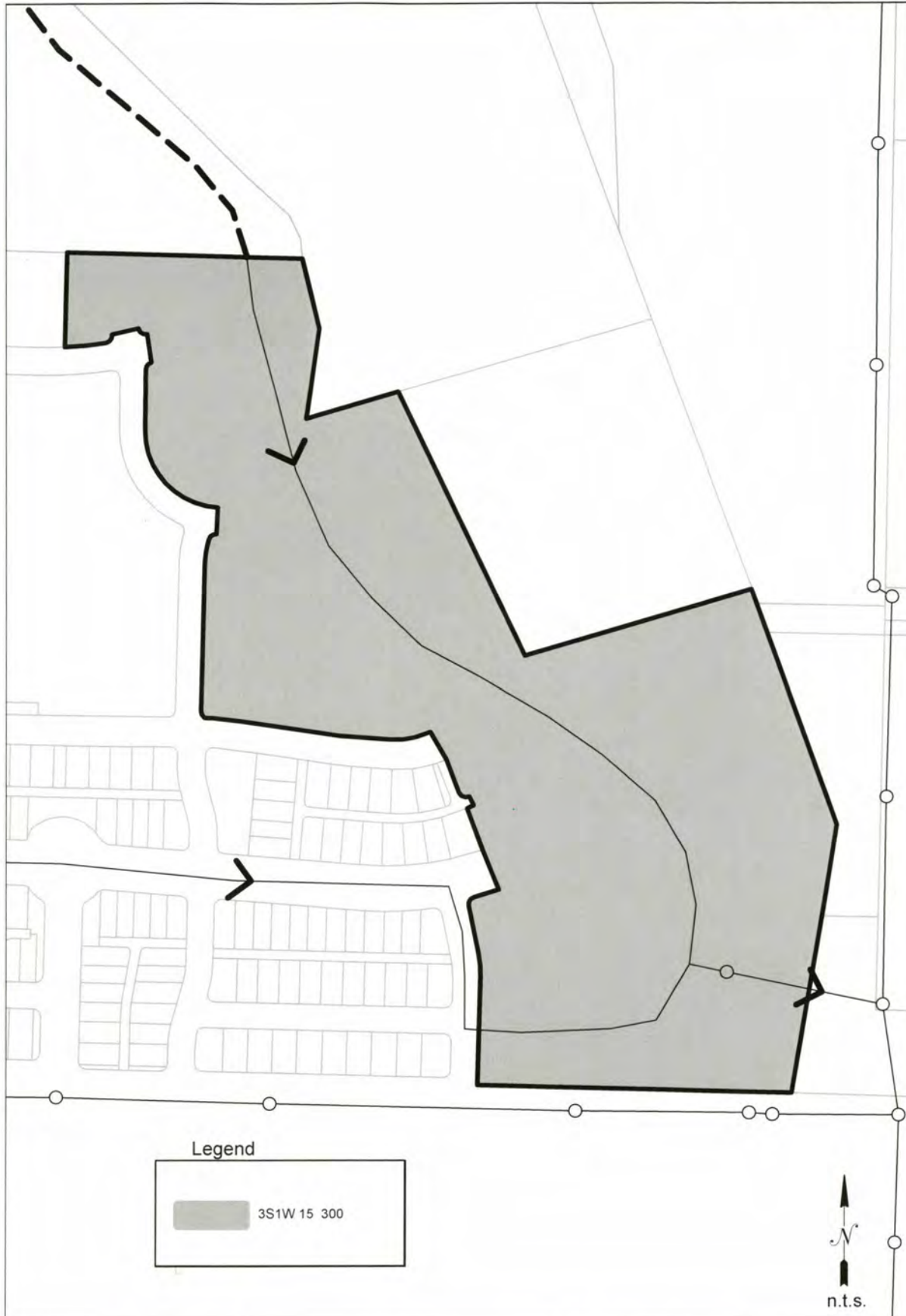
Mayor Knapp	_____
Council President Starr	_____
Councilor Goddard	_____
Councilor Fitzgerald	_____
Councilor Stevens	_____

Attachments:

Exhibit A – Addendum No. 6



# Exhibit 1



City of Wilsonville  
Engineering Division  
29799 SW Town Center Loop East  
Wilsonville OR 97070  
503-682-4960

**Villebois**  
Addendum No. 6  
Development Agreement  
Clackamas County, OR

Date: July 11, 2013  
Scale: N.T.S.  
Drawn By: SR  
Date Plotted: July 11, 2013  
Drawing Name: 4336n-Sund-Develp. Agreement 04q

City of  
**Wilsonville**  
Engineering Division

# Exhibit 2

**REETHERFORD MEADOWS**  
BEING A REPLAT OF PARCEL 3, PARTITION PLAT NO. 2011-005  
IN THE NW 1/4 AND SW 1/4 OF SECTION 14, AND  
THE NE 1/4 AND SE 1/4 OF SECTION 15, T. 3 S., R. 1 W., W.M.  
CITY OF WILSONVILLE, CLACKAMAS COUNTY, OREGON  
DATE: JULY 13, 2013

PLAT BOOK \_\_\_\_\_ PAGE \_\_\_\_\_  
RECORDED AS DOCUMENT NO. \_\_\_\_\_

## LEGEND

- FOUND MONUMENT AS NOTED, ALSO FOUND OR SET PER PARTITION PLAT 2011-005
- ▲ FOUND 5/8" I.R. W/YPC MARKED "COMPASS ENGINEERING" SET BY PARTITION PLAT 2011-005
- FOUND 5/8" I.R. W/OPC MARKED "ALPHA COM. DEV." PER PARTITION PLAT 2011-005

CXX CURVE DATA TAG  
I.R. "IRON ROD"  
I.P. "IRON PIPE"  
PP "PARTITION PLAT"  
SN "SURVEY NUMBER"  
W/OPC "WITH ORANGE PLASTIC CAP"  
W/YPC "WITH YELLOW PLASTIC CAP"

## SURVEY REFERENCE TABLE

PP 2011-005 SN 21365  
SN 2005-379 SN 22977



## SHEET INDEX

SHEET 1 - BOUNDARY  
SHEET 2 - LOTS 1-17  
SHEET 3 - LOTS 18-36  
SHEET 4 - LOTS 37-52, 68-73  
SHEET 5 - LOTS 53-67, 74-88  
SHEET 6 - DATA TABLES  
SHEET 7 - EXISTING EASEMENTS  
SHEET 8 - EASEMENT DETAILS  
SHEET 9 - SURVEYOR'S CERTIFICATE, NARRATIVE, NOTES  
SHEET 10 - DECLARATION, ACKNOWLEDGEMENTS, APPROVALS

REGISTERED  
PROFESSIONAL  
LAND SURVEYOR

OREGON  
JULY 13, 2004  
TOBY G. BOLDEN  
60377LS

RENEWAL: 12-31-13

SURVEYED FOR:  
**LENNAR NORTHWEST, INC.**  
2103 NE 129TH STREET  
VANCOUVER, WA 98686

SURVEYED BY:  
**WESTLAKE CONSULTANTS, INC.**  
15115 S.W. SEQUOIA PARKWAY, SUITE 150  
TIGARD, OREGON 97224  
(503)684-0652



## Exhibit 3

### R1 - Barber Street through the property

Lennar to build Barber street from Montebello through the eastern corner radius at Coffee Lake Drive and receive street SDC credit from the City for construction of two 6-foot bike lanes and underlying base rock(\$14,298), additional structural section due to Collector classification (\$3,022), and installation of a school zone flashing beacon (\$11,000), plus associated soft cost at 24%. Quantity and Unit Price provided by Westlake Consultants; subject to true-up at project completion.

Road	Unit	Quantity	Unit Price	Cost
Base Rock - additional depth	SY	1,599	\$2	\$ 3,022
Base Rock - bike lane	SY	404	\$11	\$ 4,343
Asphalt Paving	SY	404	\$17	\$ 6,755
Striping	LF	1,212	\$3	\$ 3,200
School Flashing Beacon	EA	1	\$11,000	\$ 11,000
soft cost/cont			24%	\$ 6,797
<b>Total</b>				<b>\$ 35,116</b>

### R2 - Coffee Lake Drive through the property

Lennar to build Coffee Lake Drive through the property. From Barber Street to north end of development Lennar will receive street SDC credit for construction of the roadway beyond the first 20 feet as measured from the west curb face (\$62,724), including associated soft cost at 24%. Quantity and Unit Price provided by Westlake Consultants; subject to true-up at project completion.

Item	Unit	Quantity	Unit Price	Cost
Base Rock	SY	1,239	\$6	\$ 7,186
Leveling Rock	SY	712	\$3	\$ 2,286
Asphalt Paving	SY	712	\$17	\$ 11,905
East side curb - wetlands	LF	535	\$25	\$ 13,225
East side curb - standard	LF	818	\$10	\$ 8,417
East side fence/rail	LF	535	\$14	\$ 7,565
soft cost/cont			24%	\$ 12,140
<b>Total</b>				<b>\$ 62,724</b>

### P1 - Regional Parks 8, southerly portion

RP-8, Dec 2012		Lots	Cost
Basic Park SDC	\$4,768	88	\$ 419,555
Park Surcharge	\$1,110	88	\$ 97,641
soft cost/cont			incl.
<b>Lennar Portion</b>	<b>\$5,877</b>		<b>\$ 517,196</b>

RP-8, Dec 2013		Lots	Cost
Basic Park SDC	\$4,963	88	\$ 436,757
Park Surcharge	\$1,155	88	\$ 101,644
soft cost/cont			incl.
<b>Lennar Portion</b>	<b>\$6,118</b>		<b>\$ 538,401</b>

### MP1 - Master Plan Fee

Pay entire \$1071 fee to City, City will forward developer's share to Costa Pacific Communities.

Fee, FY 2013/14	Rate	Units	Cost
MP Fee (Costa)	\$821.00	88	\$ 72,248
MP Fee (City)	\$250.00	88	\$ 22,000
<b>Total</b>	<b>\$1,071</b>	<b>88</b>	<b>\$ 94,248</b>

**ADDENDUM NO. 6**  
**TO THE DEVELOPMENT AGREEMENT OF JUNE 14, 2004**  
**BY AND BETWEEN THE CITY OF WILSONVILLE (CITY) AND**  
**THE URBAN RENEWAL AGENCY OF THE CITY OF WILSONVILLE (URA)**  
**AND MATRIX DEVELOPMENT CORPORATION (DEVELOPER)**  
**AND PROPERTY OWNERS DONALD E. BISCHOF / SHARON L. LUND,**  
**ARTHUR C. / DEE W. PICULELL,**  
**THE DeARMOND FAMILY LLC / LOUIS J. / MARGARET P. FASANO (OWNERS)**  
**AND VALERIE AND MATTHEW KIRKENDALL (KIRKENDALL)**

THIS ADDENDUM NO. 6 ("Addendum 6") to the above captioned Development Agreement, which has previously been amended by Addendums 1-5 (together hereinafter referred to as the "Matrix Development Agreement") is entered into this \_\_\_\_ day of \_\_\_\_\_, 2013, by and between the City of Wilsonville ("City"), a municipal corporation of the State of Oregon, the Urban Renewal Agency of the City of Wilsonville ("URA"), a municipal corporation of the State of Oregon, and Lennar Northwest, Inc., a Delaware Corporation ("Lennar"). This Addendum 6 only applies to the City, the URA, and Lennar, and does not apply to the other parties to the Matrix Development Agreement. This Addendum 6 pertains to property referenced on the attached **Exhibit 1**, which is known as Special Area Plan East, Preliminary Development Plan 2 (hereinafter referred to as "SAP-E, PDP-2"), and is currently owned by Lennar.

**RECITALS:**

1. The Villebois Master Plan is a land use plan regulating the development of an approximately 500-acre mixed use community including internal commercial development and roughly 2,600 residential units, with trails, parks, and open spaces, supported by \$140 million in infrastructure. In approximately June 2004, for the purposes of developing 655 home sites within the Villebois Master Plan area, Matrix Development Co. ("Matrix") acquired certain land interests in approximately 150 acres of land east of 110<sup>th</sup> Street, known under the Villebois Master Plan as SAP-E, and entered into the 2004 Development Agreement set forth in the title above (known as the "Matrix Development Agreement").

2. The Matrix Development Agreement was amended by Addendum No. 1 in August of 2005 to reflect a change in the financing mechanism for the proportionate share of I-5/Wilsonville Road Improvements. In December 2007, it was amended by Addendum No. 2 to reflect certain changes in the Villebois Parks Master Plan, park financing, and certain other infrastructure costs. Subsequently, Matrix was the subject of reorganization under bankruptcy laws.

3. In December 2010, Addendum No. 3 was entered into to reflect the respective rights and duties of the parties, including REDUS, for sharing in the payment of certain infrastructure provided in connection with constructing a new primary school through the formation of reimbursement districts. As described in Addendum No. 3, Matrix as its reorganized entity Legend Homes, retained only that portion of the property known as SAP-E, PDP-1. Matrix transferred its interest in the remainder of the SAP-E property to the respective



owners and secured parties, namely: to Wachovia Financial ("Wachovia") and its property group, REDUS OR Lands, Inc. ("REDUS"), that portion of the property which is now known as SAP-E, PDP-2; to Donald E. Bischof and Sharon L. Lund ("Bischof/Lund"), that portion of the property which Polygon Northwest Company, LLC has an option agreement to purchase and subsequently intends to develop, now known as SAP-E, PDP-3 (Addendum No. 4 was entered into with Polygon and only applies to the development of SAP-E, PDP-3); and to Fasano/DeArmond, which Polygon Northwest Company, LLC has purchased and intends to develop that portion of the property now known as SAP-E, PDP-4 (Addendum No. 5 was entered into with Polygon and only applies to the development of SAP-E, PDP-4).

4. Wells Fargo, a national banking institution ("Wells Fargo"), acquired Wachovia and REDUS. REDUS applied for and received development approval, subject to conditions, to subdivide SAP-E, PDP-2 into 88 lots, and named the subdivision Retherford Meadows. One of the conditions of the REDUS permit approval was to construct Coffee Lake Drive on its property, subject to certain SDC credits. As part of the development process and in keeping with the aforementioned Addendum No. 3 and the conditions of development, Wells Fargo negotiated on behalf of REDUS a Development Agreement (Resolution 2387) with the City regarding REDUS paying the cost of early construction of the Coffee Lake Drive road base installed by the City at the time a segment of the Coffee Lake Drive Sewer Trunk Line was installed by the City within the proposed Coffee Lake Drive right of way, which is located within the site of SAP-E, PDP-2. Wells Fargo, on behalf of REDUS, also received notice and represented itself and REDUS during the adoption process of the Coffee Lake Drive Sewer Line Reimbursement District (Resolution No. 2350) and the Road and Utility Reimbursement District for the West Linn/Wilsonville School District (Resolution No. 2400). SAP-E, PDP-2 is one of the benefitted property sites in each reimbursement district and the owner is responsible for certain repayments upon development.

5. Having acquired the development rights along with the property from REDUS, Lennar wishes to develop the SAP-E, PDP-2 subdivision as previously approved, which subdivision is generally shown on the attached **Exhibit 2** (the "Site Plan"). The City, the URA, and Lennar wish to clarify certain respective obligations under the Matrix Development Agreement and Addendum Nos. 1-3, the aforementioned Development Agreement, and the two Reimbursement Districts as they apply to the development of the Lennar property.

6. Addendum Nos. 4 and 5 apply only to Polygon Northwest Company, L.L.C., the City, and the URA. Lennar is not a party to Addendum Nos. 4 and 5 and Lennar is not intended to be made a party by this Addendum No. 6 to either Addendum 4 or Addendum 5.

7. Terms not specifically defined herein shall be as defined in the Development Agreement and as amended by Addendums 1-3.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are acknowledged, the City, the URA, and Lennar agree as follows:



## TERMS AND CONDITIONS:

1. **Supplemental I-5/Wilsonville Street Fee.** By the terms of Addendum 3 and the Purchase and Sale Agreement referenced therein, Wells Fargo/REDUS received a reimbursement on behalf of Wachovia for Wachovia's financing the prepayment of the I-5/Wilsonville Road Improvements attributable to the development of a primary school by the West Linn Wilsonville School District (70 DUs @ \$690 a DU) and will receive a reimbursement of \$690 per DU from the SAP-E, PDP-3 and PDP-4 properties as they are developed and building permits are pulled (currently proposed to be developed by Polygon Northwest Corporation LLC). REDUS received a credit for the then proposed 86 lot development of SAP E, PDP-2 along with a credit to Legend Homes (Matrix) for 191 lots. The reimbursement and credit are subject to adjustment should the proposed 86 DUs change for SAP-E, PDP-2. In fact, the final development approval was for 88 DUs. Therefore, Lennar, as the successor and the developer of PDP-2, is entitled to the 88 DU credit and shall not be charged any supplemental I-5/Wilsonville Street Fee (and the reimbursement to REDUS will be adjusted accordingly under the terms of paragraph H of Addendum 3). This supplemental street SDC is separate and apart from the basic street SDC and is not intended by the parties hereto to be a part of any street SDC credit or street SDC credit calculation associated with the basic SDC that is set forth in this Agreement.

2. **Parks Fees.** Pursuant to negotiations involving the Matrix bankruptcy reorganization and acquisition of land from REDUS for the development of the aforementioned primary school, Matrix's overall financial obligation for parks was substantially reduced. In Addendum 3, REDUS agreed that payment by it or its successors or assigns of a parks SDC surcharge of \$1,071 together with the then basic park SDC of \$4,602, totaling \$5,673 per lot, was an acceptable resolution to help fund the design and construction of parks identified in the Revised Master Plan as Pocket Park 10, Neighborhood Park 6, and Regional Parks 7 and 8, which the City agreed it would cause to occur behind the adjacent curb line. The City has no financial responsibility for the design and construction of half-street improvements or utilities fronting these parks and the responsibility for the design and construction of these half-street improvements and utilities remain with the developer, except for a portion of Coffee Lake Drive as described in Section 8.1. The \$5,673 per lot SDC fee was agreed to increase annually, beginning December 9, 2011, and continuing each anniversary thereafter, by an amount equal to the product of (i) the per lot park SDC in effect on the date of such increase and (ii) the percentage increase, if any, of the Seattle Construction Cost Index based on a composite for specified construction components as published in the Engineering News Record.

At any time after December 9, 2015, the City may increase the base rate of \$5,673 in proportion to any increase to the current rate of \$4,602 due to the adoption of a new SDC rate. For example, if a new parks SDC rate were to be established by the City and the \$4,602 rate increased by 10%, inclusive of the annual index increases, to \$5,062, the \$5,673 rate could be increased by 10% to \$6,240. The charges and increases are consistent with other parties to Addendum 3, save Matrix/Legend, which was otherwise agreed to by the parties, including REDUS.

Due to the annual increases pursuant to the Seattle Construction Index, the SDC cost as of December 9, 2012 is \$5,877 per DU, payable at the time Building Permits are issued.



Beginning December 9, 2013, the Park SDC will be \$6,118 per DU, as shown on the attached **Exhibit 3**.

3. **Miscellaneous Parks: Linear Green 17, a portion of Linear Green 10, Open Space 4, Pocket Park 8, and Wetlands Area.** These miscellaneous parks are the responsibility of Lennar and are to be constructed and maintained at Lennar's or its successor or assigns, sole expense. They are described on Lennar's development plans as Tract J (a portion of Linear Green 10), Tract K (the wetlands area), Tract L (linear Green 17), Tract M (Pocket Park 8), and Open Space 4 (Tract N).

4. **Reimbursement District for the Coffee Lake Drive Sewer Line.** In constructing the grade school and associated fields, the City constructed a 15-inch sewer trunk line within the future right of way of Coffee Lake Drive between slightly south of Barber Street north to the Bischof/Lund southern property line. While this sewer line segment is needed to serve the school site, it was sized for additional future residential development and this was addressed in paragraph D of Addendum No. 3, as REDUS was a benefiting party. The reimbursement district was formed and Wells Fargo, REDUS, and the City agreed that REDUS's proportionate share was to be paid at the time that a public works permit was pulled for the development of roads and utilities on the REDUS property. The total amount owed as of the date of this agreement is \$27,875.73, together with interest from July 1, 2013 at the rate equal to the average of the prior fiscal year's Local Government Investment Pool (LGIP) interest (0.58%), together with an accrued administration fee of 2% from November 5, 2012 on the unpaid balance.

5. **Reimbursement pursuant to Development Agreement for sub-base rock for Coffee Lake Drive.** In constructing the Coffee Lake Drive Sewer Line within the future right of way of Coffee Lake Drive, a section of the roadway sub-base was required to be constructed prior to the full construction of Coffee Lake Drive on the property. Full construction of Coffee Lake Drive, subject to certain credits, was a condition of developing the subdivision. In December 2012, the aforementioned Development Agreement (Resolution No. 2387) was entered into by REDUS with the City for reimbursement of the proportionate costs upon development on a per lot basis. The total cost reimbursement after SDC credits is \$196,052, together with interest at the rate of six-tenths of one percent (0.6%) from October 31, 2012, and which interest shall be adjusted July 1, 2013, and July 1 of each succeeding year based upon the preceding annual average (July 1 to June 30) for the interest earned by the City on its funds in the LGIP. Such interest rate on July 1, 2013 is 0.58%. Lennar may either pay in lump sum the unpaid balance together with the accrued interest at the time of issuance by the City of Lennar's first building permit, or Lennar may pay the unpaid balance together with any accrued interest thereon or on a per lot installment basis at the time of issuance of the respective building permit(s). For lots 1-87, the payment would be \$2,227.86 per lot, together with accrued interest as set forth above, and for lot 88 the payment would be \$2,228.18, together with accrued interest as set forth above.

6. **Reimbursement District for Local Roads, Waterline, Storm Lines, and Sewer Line Laterals To Be Constructed as a Part of the School Site Development.** The school site development included the construction of local roads, water lines, storm lines and sewer lines which benefit future development on a portion of SAP-E, PDP-2. This project has been completed and the School District has formed a Reimbursement District through the City



(Resolution No. 2400). Wells Fargo, on behalf of REDUS, participated in the notice and hearing process for creating this Reimbursement District. The proportionate share of the costs to the REDUS property is \$81,965.67, together with such interest on the unpaid balance at 4.5% per annum commencing March 13, 2013, the date of the formation of the District. Lennar, by executing this Addendum 6 is agreeing to be responsible for paying the \$81,965.67, together with the interest on the unpaid balance, and may do so in full at the time of pulling its first building permit or may choose to prorate the unpaid balance and any interest thereon on a per-lot basis at time of building permit issuance. For lots 1-87, the payment would be \$931.43 per lot, together with the accrued interest at 4.5% per annum commencing March 13, 2013 and for lot 88, the payment would be \$931.26, together with the accrued interest at 4.5% per annum commencing March 13, 2013.

7. **Master Planning Fee.** The Matrix Development Agreement for SAP-E provides that the developer will pay a master planning fee of \$900 per lot, \$690 to the master planner, Costa Pacific Communities (Costa), and \$210 to the City, subject to an annual increase made per the Seattle Construction Cost Index. Lennar is subject to paying the master planning fee, which is currently, for fiscal year 2013-14, a total of \$1,071 at the time of building permit issuance, with the City paying over \$821 to Costa Pacific and retaining \$250, as shown on the attached **Exhibit 3**. The total current estimate for the 88 lots being built in fiscal year 2013-14 is \$94,248.

8. **Architectural and Rainwater Plans Review Fee.** As of July 1, 2013, the architectural portion of the review fee set forth is \$333 and the rainwater portion is \$100. These fees are subject to annual adjustment as of each succeeding July 1 to reflect the increase in the Pacific Northwest Construction Price Index (published by Engineering News-Record for Seattle, Washington).

9. **SDC Credit Calculations.**

9.1. Included Costs. The standards for calculating the costs of constructing infrastructure, including both soft and hard construction costs, are standards known to the City and Lennar, and have been used for the calculations herein and against which SDC credits are calculated. The Matrix Development Agreement addresses the respective SDC and SDC credit calculations and is to be followed, except as may otherwise be specifically set forth in this Addendum 6. Lennar is responsible for construction of Barber Street from Montebello through the eastern corner radius at Coffee Lake Drive in the subdivision. Lennar will receive street SDC credit from the City for construction of two 6-foot bike lanes and underlying base rock, additional structural section due to Collector classification, and installation of a school zone flashing beacon (total estimated at \$35,116).

Lennar is responsible for the remaining portions of Coffee Lake Drive through the subdivision. From Barber Street to the north end of development Lennar will receive street SDC credit from the City for construction of the roadway beyond the first 20 feet as measured from the west curb face (total estimated at \$62,724). A series of tables of SDCs and credits, as referenced above and as currently calculated but subject to future annual adjustment, are provided in **Exhibit 3**.



9.2 Excluded Costs. The parties to this Addendum 6 agree that the various infrastructure costs and SDC credit calculations shall not include the cost of any property or any easement, right of entry, or license for any property necessary to be dedicated to the public or otherwise transferred by any of the respective parties to this Addendum 6 to the City for the infrastructure improvements, including parks, provided for in this Addendum 6 and which shall be provided to the City without cost to the City.

9.3. Final Estimates and True Up. In order to secure a public works permit for the infrastructure provided for herein, plans for the construction of the infrastructure, including parks, must be provided to and approved by the City. In constructing the infrastructure, the approved plans must be followed and, to ensure the cost for providing the infrastructure is reasonable, and thus any credit entitlement is reasonable, Lennar shall provide the construction contract costs to the City as the final estimate for the City's review and approval, which approval shall not be unreasonably withheld. The final cost and SDC credits shall be based on actual costs trueed up from the construction contract costs; provided, however, that for any such true-up change cost, the parties must mutually agree they are reasonable.

9.4. Insurance and Bonds. As a precedent to receiving SDC credits and prior to commencement of construction of the infrastructure set forth in this Addendum 6, Lennar shall provide to the City performance and payment bonds satisfactory to the City to provide for the respective infrastructure set forth in this Addendum. Lennar shall cause the City to be an additional endorsee on the applicable contractor's insurance policy for the construction of the respective infrastructure provided for in this Addendum in amounts and coverage satisfactory to the City.

10. Other Fees and Charges. The development of SAP-E, PDP-2 by Lennar is subject to such other fees and charges typically and customarily charged by the City for residential single family development such as for building, planning, and public works permits, reviews, and inspections and system development charges (collectively, the "Customary Fees"). **The fees and charges set out in the above paragraphs of the Addendum are intended to clarify all of the modified or special fees and charges applicable to the development and not those that are otherwise typically and customarily charged.** Except as set forth in Addendum 6 and except for the Customary Fees, there are no other modified or special fees and charges particular to the development of PDP-2, as amended, and the Purchase and Sale Agreement described in **paragraph 1** above.

11. **Recitals Incorporated.** The recitals set forth above, inclusive of exhibits, are incorporated by reference as general terms of this agreement to provide for the intent of the parties in developing and constructing the specific provisions of the Terms and Conditions of this Addendum No. 6 Agreement.

12. **Miscellaneous.** This Addendum 6 amends the Matrix Development Agreement as specifically set forth herein in Addendum 6. Except as set forth in Addendum 6, the Matrix Development Agreement remains in full force and effect as to the parties to this Addendum 6.

13. **Assignment.** Lennar shall have the right to assign, without release, this Addendum 6 to an affiliate of Lennar. An affiliate of Lennar is defined as any entity that is managed or controlled by the same people who manage Lennar.

14. **Notices.** All notices, demands, consents, approvals, and other communications which are required or desired to be given by either party to the other hereunder shall be in writing and shall be faxed, hand delivered, or sent by overnight courier or United States Mail at its address set forth below, or at such other address as such party shall have last designated by notice to the other. Notices, demands, consents, approvals, and other communications shall be deemed given when delivered, three days after mailing by United States Mail, or upon receipt if sent by courier; provided, however, that if any such notice or other communication shall also be sent by telecopy or fax machine, such notice shall be deemed given at the time and on the date of machine transmittal.

To City: City of Wilsonville  
Attn: Michael E. Kohlhoff, City Attorney  
29799 SW Town Center Loop East  
Wilsonville OR 97070

To Lennar: Lennar Northwest, Inc.  
Attn: Mike Loomis, Director of Land Development  
11807 NE 99<sup>th</sup> Street, Suite 1170  
Vancouver, WA 98682

With a copy to: Jim Reinhart, Counsel  
11807 NE 99<sup>th</sup> Street, Suite 1170  
Vancouver, WA 98682

IN WITNESS WHEREOF, the parties have hereunto set their hands as of the day and year first written above.

CITY OF WILSONVILLE

LENNAR NORTHWEST, INC.

By: \_\_\_\_\_

By: \_\_\_\_\_

Bryan Cosgrove

Print Name: \_\_\_\_\_

As Its: City Manager

As Its: \_\_\_\_\_

THE URBAN RENEWAL AGENCY  
OF THE CITY OF WILSONVILLE

By: \_\_\_\_\_

Bryan Cosgrove

As Its: Executive Director



## **ORDINANCE NO. 717**

**AN ORDINANCE OF THE CITY OF WILSONVILLE APPROVING AN INCREASE IN THE NUMBER MULTI-FAMILY RESIDENTIAL DWELLING UNITS BY 66 UNITS FOR THE ACTIVE ADULTS AT THE GROVE APARTMENT BUILDING, THE SUBJECT PROPERTY BEING AFFECTED BY THIS ORDINANCE IS LOCATED ON PORTIONS OF TAX LOTS 105 AND 200 OF SECTION 14A, T3S, R1W, CLACKAMAS COUNTY, OREGON. HOLLAND PARTNER GROUP/BRENCHLEY ESTATES PARTNERS, LP, APPLICANT.**

### **RECITALS**

WHEREAS, on May 10, 2012, the Wilsonville City Council adopted Ordinance No. 703 which established the maximum density to be allowed for Tax Lots 103, 105 and 200 of Section 14A, T3S, R1W, Clackamas, County Oregon; and

WHEREAS, on May 30, 2013, the Development Review Board Panel B, at a regularly scheduled meeting held on May 30, 2013, conducted a public hearing to consider, among other related applications, a height waiver for a proposed apartment building to increase the maximum building height from thirty-five (35) feet to up to forty-seven (47) feet in order to allow a four (4) story building that would accommodate an increase in density that the Applicant represented it would request of the Wilsonville City Council at an upcoming public hearing (Case File DB13 0008). Based on the testimony and record presented, the Development Review Board voted unanimously to approve the height waiver; and

WHEREAS, although the issue of the increased density was not a matter before the Development Review Board, or a matter within their authority to act, in light of the testimony presented in support of the height waiver, the Development Review Board members opted to provide a recommendation to City Council supporting the Applicant's upcoming increased density request. A copy of Resolution No. 254, is attached hereto as **Exhibit A**; and incorporated by reference herein; and

WHEREAS, the City Planning staff prepared a staff report to the City Council, dated July 15, 2013 summarizing Applicant's request for additional density and proposed Ordinance 717; and

WHEREAS, on July 15, 2013, the Wilsonville City Council held a public hearing regarding the Applicant's request to add the 39 units previously relinquished under Ordinance 703 to this Application and to further add an additional 27 units to this Application, based on the City of Wilsonville's Comprehensive Plan Implementation Measure 4.1.4.v.

WHEREAS the City Council reviewed and considered the full public record made before the Development Review Board, including the staff report, which record was incorporated into the City Council public hearing record; took public testimony; and, upon deliberation, concluded that evidence presented satisfied the applicable approval criteria under the City of Wilsonville Development Code and with Comprehensive Plan Implementation Measure 4.1.4.v; which provides, in pertinent part: *"Site development standards and performance criteria have been developed for determining the approval of specific densities within each district. Densities may be increased through the Planned Development process to provide for meeting special needs. (e.g., low/moderate income, elderly, or handicapped).* The Applicant has committed that all 112 dwelling units located in the building will be age restricted to age 55 and over; there will be nine (9) additional specially equipped Type "A" American National Standards Institute (ANSI) units; elevator service and secured building access.

NOW, THEREFORE, THE CITY OF WILSONVILLE ORDAINS AS FOLLOWS the following modifications to Ordinance No. 703:

Section 1. Findings. The City Council adopts, as findings and conclusions, the forgoing Recitals and the staff report, as contained in the record of the above described City Council hearing and incorporates them by reference herein, as if fully set forth.

Section 2. Order. The density limits of Ordinance No. 703 are hereby modified as follows: The number of dwelling allowed pursuant to Ordinance 703 is hereby increased by 66 units for a total of 781 units and the additional 66 units granted hereunder shall all be contained within the proposed 112 total unit apartment building included in this Application. All 112 units will be age restricted to require that at least one (1) occupant of each of the 112 dwelling units to be age 55 or older and at least six (6) additional specially equipped Type "A" American National Standards Institute (ANSI) units will be constructed (for a total of nine (9) total Type A units) within the building, all served by elevators and a building security system.

This modification in density is conditioned upon the Applicant first recording, in the real



property records of Clackamas County, Oregon, a deed restriction against the real property where the apartment building is located which clearly provides that all units contained within that apartment building, whether rented or owned, are age restricted, requiring that at least one occupant of each unit be age 55 or older; such deed restriction to be reviewed and approved by the City Attorney.

SUBMITTED to the Wilsonville City Council and read the first time at a meeting thereof on the 15<sup>th</sup> day of July 2013, and scheduled for the second and final reading on August 5, 2013, commencing at the hour of 7 p.m. at the Wilsonville City Hall, 29799 SW Town Center Loop East, Wilsonville, OR.

\_\_\_\_\_  
Sandra C. King, MMC, City Recorder

ENACTED by the City Council on the \_\_\_\_\_ day of August, 2013, by the following  
votes: Yes:\_\_\_ No:\_\_\_

\_\_\_\_\_  
Sandra C. King, MMC, City Recorder

DATED and signed by the Mayor this \_\_\_\_\_ day of August, 2013.

\_\_\_\_\_  
Tim Knapp, MAYOR

**SUMMARY OF VOTES:**

Mayor Knapp  
Councilor Starr  
Councilor Goddard  
Councilor Stevens  
Councilor Fitzgerald

**Attachments:**

Exhibit A – DRB Panel B Resolution No. 254

**DEVELOPMENT REVIEW BOARD  
RESOLUTION NO. 254**

**A RESOLUTION ADOPTING FINDINGS AND CONDITIONS APPROVING A REVISED STAGE I PRELIMINARY DEVELOPMENT PLAN FOR BRENCHLEY ESTATES, APPROVING A WAIVER TO THE MAXIMUM BUILDING HEIGHT, STAGE II FINAL PLAN, SITE DESIGN PLAN, TYPE 'C' TREE PLAN FOR THE ACTIVE ADULTS AT THE GROVE MULTI-FAMILY. THE SUBJECT PROPERTY IS LOCATED ON TAX LOTS 100, 103, 104, 105 AND 200 OF SECTION 14A, T3S, R1W, CLACKAMAS COUNTY, OREGON, HOLLAND PARTNER GROUP/BRENCHLEY ESTATES PARTNERS, L.P, APPLICANT.**

**RECITALS**

WHEREAS, an application, together with planning exhibits for the above-captioned development, has been submitted in accordance with the procedures set forth in Section 4.008 of the Wilsonville Code, and

WHEREAS, the Planning Staff has prepared a staff report on the above-captioned subject dated May 17, 2013, and

WHEREAS, said planning exhibits and staff reports were duly considered by the Development Review Board at a regularly scheduled meeting conducted on May 30, 2013, at which time exhibits, together with findings and public testimony were entered into the public record, and

WHEREAS, the Development Review Board considered the subject and the recommendations contained in the staff report, and

WHEREAS, the Development Review Board recognizing that it does not have the authority to approve the additional density being requested by the Applicant, which approval must be obtained from the Wilsonville City Council, and

WHEREAS, interested parties, if any, have had an opportunity to be heard on the subject.

NOW, THEREFORE, BE IT RESOLVED that the Development Review Board Panel B of the City of Wilsonville, recognizing that City Council approval is required for the additional density contemplated, and recommending that the additional density be approved, approves the Applicants' request for a revised Stage I Preliminary Plan, waiver to the maximum building height, Stage II Final Plan, Site Design Review and Type 'C' Tree Plan, subject to City Council approval of the applicant's increased density, as presented to the Development Review Board and does hereby adopt the staff report, attached hereto as Exhibit A1, with modified findings, recommendations and conditions



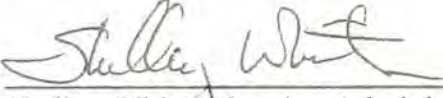
placed on the record herein and authorizes the Planning Director to issue approvals consistent with said recommendations for Case File(s):

DB13-0008 Revised Stage I Preliminary Plan  
DB13-0009 Waiver to the maximum building height. – Lot 3  
DB13-0010 Stage II Final Plan – Lot 3  
DB13-0011 Site Design Review – Lot 3  
DB13-0012 Type 'C' Tree Plan – Lot 3

ADOPTED by the Development Review Board of the City of Wilsonville at a regular meeting thereof this 30th day of May 2013 and filed with the Planning Administrative Assistant on June 3, 2013. This resolution is final on the 15th calendar day after the postmarked date of the written notice of decision per *WC Sec 4.022(.09)* unless appealed per *WC Sec 4.022(.02)* or called up for review by the council in accordance with *WC Sec 4.022(.03)*.

  
\_\_\_\_\_  
Andrew Karr, Chair  
Development Review Board, Panel B

Attest:

  
\_\_\_\_\_  
Shelley White, Planning Administrative Assistant

25-Jul-13

<u>Project Name</u>	<u>Number of SF units</u>	<u>Number of Attached units</u>	<u>Number of MF units</u>	
Renaissance Boat Club	33			
Copper Creek*	21			
Fox Center Townhomes		15		
Jory SF*	30			
Active Adult			112	
Tonquin Woods 1*	27			
Tonquin Woods 2/3*	142			
Les Bois	17			
Tonquin Woods 4/5/6	107	40		
Tonquin Meadows	164	41		
Tonquin Meadows 2	93			
Retherford Meadows	88			
Costa Circle West	13			
LEC**	113			
<b>TOTAL</b>	<b>848</b>	<b>96</b>	<b>112</b>	
	80.30%	9.10%	10.60%	100%

\* = under construction

\*\* = Not yet approved



King, Sandy

---

**From:** Kohlhoff, Mike  
**Sent:** Monday, August 05, 2013 3:23 PM  
**To:** Fitzgerald, Julie; Stevens, Susie; Richard Goddard (richardgoddard2010@gmail.com); Mayor Tim Knapp  
**Cc:** scottstarr97070@gmail.com; Cosgrove, Bryan  
**Subject:** FW: Holland development

Good afternoon,

Scott had originally asked for the information below as he wasn't sure of the exact earlier numbers and has that I forward it on so everyone has the same info. It is in the record, just distilled for you. Additionally, Scott asked a question about 3 bedroom units at the last hearing and the applicant answered in terms of costs comparison. Blaise had stated there were only one and two bedroom units. In fact, some of the applicant materials reflect there are three bedroom units. Therefore, to make sure this is appropriately cover, I will be asking the record to be open to clarify this issue and to establish the parking ratios are still met.

Thank you.

Mike

Michael E. Kohlhoff  
City Attorney  
City of Wilsonville  
29799 SW Town Center Loop E  
Wilsonville OR 97070  
503-570-1508  
503-682-1015 fax  
[kohlhoff@ci.wilsonville.or.us](mailto:kohlhoff@ci.wilsonville.or.us)

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Circular 230 Disclaimer: If any portion of this communication is interpreted as providing federal tax advice, Treasury Regulations require that we inform you that we neither intended nor wrote this communication for you to use in avoiding federal tax penalties that the IRS may attempt to impose and that you may not use it for such purpose.

-----Original Message-----

From: Kohlhoff, Mike  
Sent: Monday, August 05, 2013 2:16 PM  
To: 'Scott'  
Subject: RE: Holland development

The ask last year was 754 units, apartments and single family, that they voluntarily trimmed to 715, a difference of 39. This year for the Active Adult project they originally asked for 789 units, but reduced the total to 781, which is the density number approved on first reading.

Mike

Michael E. Kohlhoff  
City Attorney  
City of Wilsonville  
29799 SW Town Center Loop E  
Wilsonville OR 97070  
503-570-1508  
503-682-1015 fax  
[kohlhoff@ci.wilsonville.or.us](mailto:kohlhoff@ci.wilsonville.or.us)

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-----Original Message-----

From: Scott [<mailto:scottstarr97070@gmail.com>]  
Sent: Monday, August 05, 2013 12:55 AM  
To: Kohlhoff, Mike  
Subject: Holland development

Can you confirm that the ask from Holland Group tomorrow will give them more units than what they first asked for last year before we trimmed it down by 5-10%?

Did it start around 765, get trimmed to around 725ish and now will they end up with 788ish?

Please let me know as soon as you can.

Thank you, Scott

Sent from my iPhone



## Edmonds, Blaise

**From:** Neamtzu, Chris  
**Sent:** Tuesday, July 30, 2013 12:20 PM  
**To:** Edmonds, Blaise  
**Subject:** FW: Chasing down the bedroom/parking discrepancies

Chris Neamtzu, AICP  
Planning Director  
City of Wilsonville  
29799 SW Town Center Loop E  
Wilsonville, OR 97070  
503.570.1574  
[neamtzu@ci.wilsonville.or.us](mailto:neamtzu@ci.wilsonville.or.us)

*Fixed 8/5/13  
ORD 717  
2nd reading*

Disclosure Notice: Messages to and from this email address may be subject to the Oregon Public Records Law.

**From:** Jerry Offer [mailto:[jerry.offer@otak.com](mailto:jerry.offer@otak.com)]  
**Sent:** Tuesday, July 30, 2013 10:56 AM  
**To:** Neamtzu, Chris  
**Cc:** Don Hanson; Brenner Daniels; 16822; Keith Buisman  
**Subject:** Chasing down the bedroom/parking discrepancies

Chris,

You are correct. We had inconsistencies in our April 19<sup>th</sup> submittal regarding distribution of unit sizes by number of bedrooms, and therefore the amount of required parking, and this was carried over to Blaise's staff report. The Otak plans and narratives both say that there were only 1-bedroom and 2-bedroom units, whereas the LRS floor plans show 12 3-bedroom units and fewer 1- and 2-bedroom units. I am not sure how this happened, but following is what I currently see as to number of units by bedroom, and therefore the number of required parking spaces. I am presenting this as a revision to our proposed finding for Section 4.155. The table for parking spaces required per MFR unit on Otak's sheet P3.0 of the Stage II Site Development Plans should also be considered to be revised accordingly. The text and table below for parking spaces provided does not change. That table demonstrates that the parking provided still exceeds the minimum parking required by Section 4.155.

### Section 4.155 General Regulations – Parking, Loading and Bicycle Parking

**Response:** Section 4.155 Table 5 establishes minimum parking space standards based upon: 1) the use proposed; 2) the size of the proposed multi-family development; and 3) the number of bedrooms per dwelling unit. A minimum of 164 off-street parking spaces would be required for the proposed 112 multi-family dwelling units since: 1) the project would be a multi-family residential development; 2) the project includes 10 or more units; and 3) because the project would include 28 one-bedroom units (1.25 space per unit required), 72 two-bedroom units (1.5 space per unit required); and 12 three-bedroom units (1.75 parking spaces per unit). Totalling the amounts required per numbers of each unit size proposed results in a minimum of 161 required parking spaces for just the apartment units.

Parking Spaces Required per MFR Unit	Number	of	Parking Spaces Required
--------------------------------------	--------	----	-------------------------



	Units	
1.25 spaces/1 bedroom unit	28	35
1.5 spaces/2 bedroom unit	72	108
1.75 spaces/3 bedroom unit	12	21
<b>Total</b>	<b>112 units</b>	<b>164 spaces</b>

A total of 158 parking spaces are provided within the apartment site including: 122 standard-sized surface parking spaces; 2 surface spaces which are sized and signed as disabled accessible spaces; 28 carport standard-sized spaces, and 2 disabled accessible parking spaces within carports. The 158 spaces provided is less than the minimum 164 parking spaces required for the multi-family residential use proposed for the site. However, Section 4.155(.03).B.7 allows on-street parking spaces provided immediately adjacent to a development site to be counted towards the minimum parking requirement. Fifteen on-street parking spaces will be located immediately adjacent to the proposed apartment site. Adding these spaces to the on-site parking spaces provides a total of 173 parking spaces to serve the proposed combined uses. The applicable Section 4.155, Table 5 standards for minimum parking spaces are, therefore, satisfied. Tables on Sheet P3.0 and below provide this information in tabular form.

Following is a summary of the parking provided within the parking areas and garages for the Brechley Estates North apartments.

Type of Parking Space	On-site Parking Spaces Provided
Surface parking – standard sized spaces	122
ADA – sized surface parking spaces	6
Carport standard sized spaces	28
Carport ADA sized spaces	2
<b>Subtotal</b>	<b>158</b>
On-street	15
<b>Total</b>	<b>173</b>

I hope that this sufficiently corrects the discrepancies that you found.



Jerry Offer | Planner

**New address:** 808 SW 3rd Ave., Suite 300, Portland, OR 97204.

**New Phone Numbers:** Main 503.287.OTAK (6825) | Fax 503.415.2304 | Direct 503.415.2330



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29799 SW Town Center Loop E  
Wilsonville, Oregon 97070  
(503) 682-1011  
(503) 682-1015 Fax Administration  
(503) 682-7025 Fax Community Development

## WILSONVILLE CITY COUNCIL NOTICE OF DECISION

**FILE NO:**

**Ordinance No. 717**

An Ordinance Of The City Of Wilsonville To Increase The Number of Multi-Family Residential Dwelling Units And To Modify Ordinance No. 703 That Imposed A Limitation On The Number Of Multi-Family Residential Dwelling Units Within Brenchley Estates North. The Subject Property Being Affected By This Ordinance Is Located On Portions Of Tax Lots 105 And 200 Of Section 14A, T3S, R1W, Clackamas County, Oregon. Holland Partner Group/Brenchley Estates Partners, LP Applicant.

**APPLICANT.**

Holland Partner Group/Brenchley Estates Partners, LP Applicant.

**REQUEST:**

The applicant proposes a 4-story apartment building comprising 112 units for occupants 55 years or older on 3.41 acres or Lot 3. The proposed apartment building would replace the site for a detached single-family subdivision. No changes were proposed to the remainder of the previously approved master plan set aside for 25 detached single-family residential houses.

After conducting public hearings, the City Council voted to adopt Ordinance No. 717 as submitted and adopted findings and conclusions to support their action.

This decision has been finalized in written form as **Ordinance No. 717** and placed on file in the city records at the Wilsonville City Hall this 7<sup>th</sup> day of August, 2013, and is available for public inspection. The date of filing is the date of decision. Any appeal(s) must be filed with the Land Use Board of Appeals (LUBA) in accordance with ORS Chapter 197, within twenty-one days from the date of decision. Copies of Ordinance No. 717 may be obtained from the City Recorder, 29799 SW Town Center Loop East, Wilsonville, OR 97070, (503) 570-1506.

For further information, please contact the Wilsonville Planning Division, 29799 SW Town Center Loop Road, Wilsonville, Oregon 97070 or telephone (503) 682-4960.



**AFFIDAVIT OF MAILING  
NOTICE OF CITY COUNCIL DECISION  
OF THE CITY OF WILSONVILLE**

STATE OF OREGON                     )  
   )  
COUNTIES OF CLACKAMAS        )  
   )  
CITY OF WILSONVILLE            )

I, Sandra C. King, do hereby certify that I am City Recorder of the City of Wilsonville, Counties of Clackamas and Washington, State of Oregon, that the attached copy of Notice of Decision regarding **Ordinance No. 717**, "An Ordinance Of The City Of Wilsonville To Increase The Number of Multi-Family Residential Dwelling Units And To Modify Ordinance No. 703 That Imposed A Limitation On The Number Of Multi-Family Residential Dwelling Units Within Brenchley Estates North. The Subject Property Being Affected By This Ordinance Is Located On Portions Of Tax Lots 105 And 200 Of Section 14A, T3S, R1W, Clackamas County, Oregon. Holland Partner Group/Brenchley Estates Partners, LP Applicant" the is a true copy of the original notice; that on, August 7<sup>th</sup> 2013, I did cause to be e-mailed and mailed via U.S. Mail copies of such notice of decision in the exact form hereto attached to the agencies listed in Exhibit "A":

Witness my hand this 7<sup>th</sup> day of August 2013.

*Sandra C. King*  
Sandra C. King, MMC, City Recorder

Subscribed and sworn to before me this 7<sup>th</sup> day of August 2013.

*Susan Marie Farnsworth*  
NOTARY PUBLIC, STATE OF OREGON

My commission expires: May 16, 2015





## Exhibit A

Sent Via Email:

Brenner Daniels, Holland Partners	<a href="mailto:BDaniels@hollandresidential.com">BDaniels@hollandresidential.com</a>
Doris Wehler	<a href="mailto:daweher@gaim.com">daweher@gaim.com</a>
John Ludlow	<a href="mailto:John070@heavenet.com">John070@heavenet.com</a>
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Bob Miller	<a href="mailto:bmiller@artistic-Autobody.com">bmiller@artistic-Autobody.com</a>
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Aelyn Thomas	<a href="mailto:aelynthomas@yahoo.com">aelynthomas@yahoo.com</a>
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Rachael Howe	<a href="mailto:rachelkhowe@yahoo.com">rachelkhowe@yahoo.com</a>
Ken Woods	<a href="mailto:Builder297034@gmail.com">Builder297034@gmail.com</a>
Barbara Heuer	<a href="mailto:Bandb1313@yahoo.com">Bandb1313@yahoo.com</a>
Connie Wiley	<a href="mailto:Crwiley1@gmail.com">Crwiley1@gmail.com</a>
Bruce Heuer	<a href="mailto:BandB1313@yahoo.com">BandB1313@yahoo.com</a>
Grant Emigh	<a href="mailto:gncemigh@comcast.net">gncemigh@comcast.net</a>
Mike Shangle	<a href="mailto:Regency6@hotmail.com">Regency6@hotmail.com</a>
Bo Wu	<a href="mailto:Bwu94@yahoo.com">Bwu94@yahoo.com</a>
Bill Buhrow	<a href="mailto:bbuhrow@georgefox.edu">bbuhrow@georgefox.edu</a>
Eric Postma	<a href="mailto:espostma@comcast.net">espostma@comcast.net</a>
Lonnie Gieber	<a href="mailto:lonniegie@yahoo.com">lonniegie@yahoo.com</a>
Phillip Rosebrook	<a href="mailto:prosebrook@comcast.net">prosebrook@comcast.net</a>

Via U.S. Mail: please see attached list.

**ORDINANCE NO. 717**  
**MAILING LABELS for notice of**  
**council decision**

Kurt Godfrey  
10502 SW Sunnyside DR  
Wilsonville OR 97070

Linda Engelman  
10457 SW Wilsonville Rd  
Wilsonville OR 97070

Diane Harland  
81100 SW Winchester Way  
Wilsonville OR 97070

Heidi Potts  
8750 SW Ash Meadows  
Wilsonville OR 97070

Patrick Weisgerber  
7085 SW Barchaine St  
Wilsonville Or 97070

Simon Springall  
7710 SW Roanoke Dr.  
Wilsonville OR 97070

Bill Wiley  
8640 SW Ash Meadow Rd #921  
Wilsonville OR 97070



**BRECHLEY NOTICE OF  
DECISION MAILING LABELS  
ORD 703.**

Portland General Electric Co  
121 SW Salmon St  
Portland OR 97204

Robert Jones  
PO Box 750  
Washougal WA 98671

Mentor Graphics Corp  
8005 SW Boeckman RD  
Wilsonville OR 97070

Elliott & Associates  
901 NE Glisan St  
Portland OR 97232

Verizon Northwest Inc  
PO Box 1003  
Everett WA 98206

Woodleaf Apartments LLC  
4950 Mapleton DR  
West Linn OR 97068

Theresa Jacobsen  
28549 SW Ash Meadows Blvd #1  
Wilsonville OR 97070

Myrna Puffinburger  
28549 SW Ash Meadows Blvd #2  
Wilsonville OR 97070

DA & Meredith Hildrebrand  
PO Box 490  
Beavercreek OR 97004

Kevin Johnson  
28549 SW Ash Meadows Blvd #4  
Wilsonville OR 97070

Leslye Burns-Smith  
28549 SW Ash Meadows Blvd #5  
Wilsonville OR 97070

Margaret Mala  
28687 SW Roger Blvd #72  
Wilsonville OR 97070

Jennifer Doherty  
28615 SW Ash Meadows Blvd #7  
Wilsonville or 97070

Jeanne Stearns  
28615 SW Ash Meadows Blvd #8  
Wilsonville OR 97070

Donna Laroe  
343 Wood DR  
Lodi, CA 95242

Loren & Karen Cogdill  
61164 Lodgepole DR  
Bend OR 97702

Jila Bowman  
6903 SW Cedar Pointe  
Wilsonville OR 97070

Linda Koussa  
28625 SW Ash Meadows Blvd #1  
Wilsonville OR 97070

William & Joyce Oyala  
28625 SW Ash Meadows Blvd #13  
Wilsonville OR 97070

G VonWalter  
28525 SW Ash Meadows Blvd #1  
Wilsonville OR 97070

Kimberley Buchanan  
28525 SW Ash Meadows Blvd #1  
Wilsonville OR 97070

Linda Baxter  
28593 SW Ash Meadows Blvd #1  
Wilsonville OR 97070

Duane & Patricia Probst  
28593 SW Ash Meadows Blvd #1  
Wilsonville OR 97070

Kenneth Kudas  
28693 SW Ash Meadows Blvd #1  
Wilsonville OR 97070

William Helzer  
28593 SW Ash Meadows Blvd #1  
Wilsonville OR 97070

Karen Wilson  
3030 SW Advance Rd  
Wilsonville OR 97070

John Dehoney  
8229 SW Mariners Dr  
Wilsonville OR 97070

Michelle Chase  
28740 SW Parkway Ave #a3  
Wilsonville OR 97070

Gina Huntley  
PO Box 3014  
Wilsonville OR 97070

Chris Wilson  
28740 SW Parkway Ave #d4  
Wilsonville OR 97070

Patricia Lynn  
28740 SW Parkway Ave #d4  
Wilsonville OR 97070

Linda Gomez  
28740 SW Parkway Ave #d4  
Wilsonville OR 97070

Brenchley Estates Partners LP  
1111 Main St #750  
Vancouver WA 97660

Smith-Hall Industries  
88311 Huff Ave NE  
Salem OR 97303

Les Schwab Tire Centers  
PO Box 5350  
Bend OR 97708

WSW LLC  
29025 SW Town Center Loop West  
Wilsonville OR 97070

Washington Federal Savings  
425 Pike St  
Seattle WA 98101

Ash Meadows Homeowners Assoc  
278 SW Arthur St  
Portland OR 97201

Terry & Debbi Mostul  
7585 SW Hunziker St  
Tigard OR 97223

Oak View Condo Homeowners  
PO Box 1549  
Sherwood OR 97140

West-Linn/Wilsonville School Dist.  
PO Box 35  
West Linn OR 97068

Otak Inc.  
Attn: Jerry Offer  
17355 SW Boones Ferry Rd  
Lake Oswego OR 97035

Holland Partner Group  
Attn John Hendry  
1111 Main Street #750  
Vancouver WA 97660

Loretta Knobel  
28635 SW Roger Blvd #69  
Wilsonville OR 97070

Ray Lister  
7925 SW Vlahos Dr. #508  
Wilsonville OR 97070

Keith Buisman  
17355 SW Boones Ferry Rd  
Lake Oswego OR 97035



**City of Wilsonville  
City Council Meeting  
August 5, 2013 Sign In Sheet**

[illegible]